



Build it up by finding answers for your calves.

by Morgan Marley, Certified Angus Beef LLC

Buyers know your calves by their history and connect that to your name. Sometimes it's all they know about you, good or bad. With a "good name," you can make deals by phone, sealed with a handshake. Not preparing or knowing how calves perform after weaning keeps a lid on sale prices.

"It takes several years to build your reputation," says Bo Bevis, an agent for Northern Livestock Video Auction in Montana and a buyer for Lamberton (Minn.) Stockyards.

To the south, Joplin (Mo.) Regional Stockyards co-owner Jackie Moore says, "The cattle speak for themselves and the producer. After cattlemen get into a routine, the buyer sitting there has most likely been purchasing your calves for a long time."

Since postweaning performance

depends so much on genetics, reputations for commercial ranchers often link to their bull suppliers.

"Seedstock customers are the commercial cattlemen, and their customers are the feeders," Bevis says.

Options for all include livestock auctions or "sale barns," satellite-video auctions, or direct deals with feedyards. Your management practices may determine which marketing channels are best.

Along the way are many

questions that even those with the best reputations have to ask.

How should I market my calves?

Livestock auctions are the traditional venue for selling calves. At a basic level, you can load them up and take them to town a day or even just hours before the sale and wait for your check. Anyone can sell there, and it may be the only option for small operations or groups of uneven calves.

"The folks at the sale barn will sort out the light ones," Bevis says. "There will be smaller packages with the same size and color steers. That's where the order buyer bids on them and puts purchases together in packages."

Livestock auctions often provide much more sophisticated services,

as well, and remain a solid way to build a reputation, Moore notes.

Video auction sales require enough calves to make a load.

"A load is anywhere from 48,000 to 64,000 pounds," Bevis says. "You want to have like kind, but oftentimes there are mixed loads where it's steers and heifers."

The average U.S. beef herd of 40 head isn't big enough without cooperative pooling, or partnering with neighbors to make up enough calves for a load. It's not common, but a good option for some, he says.

One benefit of the video auction can be its ability to capture typically strong, early summer markets that livestock auctions can't provide real-time.

When should I sell?

Your first concern is managing cattle, but getting paid well means understanding the market.

"If a producer is going into it blind and going into it brand new in the cattle business, my advice would be to look at a 15-year trend," Bevis says. "See where the chosen marketing month peaks and just go off of that. I tell my customers all the time, do not chase markets."

Prices move up and down seasonally by class, as any veteran marketer knows.

"Pay attention to what's going on within the market, and study how it works," Moore advises. "Learn where the highs are for certain types of cattle and the lows for certain types of cattle. Try to hit those high times with your calves if they fit."

For example, a 900-pound (lb.) steer sells well just after Thanksgiving because it will be an April fat steer. The market traditionally sees finished cattle selling highest in February through April, with lows from July to October.

Those seasonal trends reflect what's happening on the ranch. Most calves arrive in the spring and sell after weaning in October and November.

“There’s always a glut of them,” Moore says, so prices are going to be lower then. “It’s just the way it works. People who sell then are always hitting a bad market.”

How soon do I make contact?

After you’ve made it through branding and processing, you have a head count on the number of steers and heifers you can gather in a few months. That’s a good time to contact feedyards, sales agents or “reps” and find the best marketing channels.

Marketing professionals provide insight beyond what the typical farmer or rancher has time to judge regarding short- and long-term opportunities.

Even that basic plan to simply drop calves off at the livestock auction works best if you give them two or three days’ notice. A step up is to include that market manager earlier as you research options because livestock auctions regularly promote premium-quality offerings.

“A lot of people are spur-of-the-moment sellers,” Moore says. “Another thing is when the market looks like it is gonna be up \$5 or \$10, well that’s a pretty good selling point.”

If you decided to put those calves in a video auction, the timeline advances several weeks or more, and the sooner the better.

What’s the latest?

“If you’re putting them on the video auction, we need to have that paperwork in a week ahead of time,” Moore says.

Your rep isn’t just there to promote your cattle on sale day.

“It takes a lot of time and a lot of phone calls,” Bevis says. He stays in touch with customers throughout the year, especially in marketing seasons to make sure he gets the video work lined up and calves where they need to be.

How can calves look their best?

Mother Nature can sometimes swoop in and steal the show just before a sale or video, taking calves from full to wrung-out in short

order. They need to look their best for prospective buyers, says Moore. “It’s all a visual thing, so you do whatever it takes.”

That can mean taking a rain check on the video or waiting to sell, but there’s also a bigger picture in the calendar.

“I like to get a little more growth on them before I get them on video,” Bevis says. “I like to film the cattle on green grass. It’s just aesthetics, and cattle look a lot better walking across a green field than they do a brown field.”

That’s another reason to contact a video rep sooner. Capturing calves at their best on camera means choosing the right age and size, and timing the shoot.

Video auction sales include a price slide to ensure fairness, because weights are estimated for the future delivery. A listing might say calves will weigh 800 lb. and sell with an \$8-per-hundredweight (cwt.) slide. If they sell at \$140 per cwt., but weigh 840 lb. after shrink, the difference of 40 lb. x \$8 per cwt. means subtracting \$3.20, so the sale price of \$136.80 per cwt. yields a net price of \$1,149.12 per head. The slide would add a similar amount to the price per pound if they were 40 lb. lighter than estimated.

“We need a slide in there to adjust the price because an 840- or 850-lb. steer is not worth near as much per pound as one that weighs a smooth 800 lb.”

How can I keep them healthy?

“Health is the most important thing in calves to any feeder,” Bevis says, suggesting a “rigorous” health and mineral program.

Yard managers commingle cattle from widely different sources, and success requires strict adherence to vaccination regimes. That’s why feedyards demand vaccinated calves with primed immune systems.

The vaccination protocol pays its way, in 2019 stacking up another \$6-\$7 per cwt., Bevis says. Add 45-day preconditioning, and there is more value.

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“A weaned calf is worth about \$10 or \$15 per hundredweight more than a nonweaned one,” Moore says.

In some areas, the recommendation is 60 days weaned, says Brandon Myers, owner of Cattlemen’s Livestock Exchange, Caldwell, W.Va.

“We suggest the longer preconditioning period because, with so many smaller producers, we have more frequent commingling,” he says.

In an industry where health maintenance is the highest cost, it pays to work with your veterinarian to develop a vaccination program for any preconditioning period.

How do I convey information?

You want the sale-barn bidders and buyers to know as much as possible about your calves.

There are opportunities to share their résumé when alerting the

sale manager your calves are coming in, and again when checking them in.

“We’ll convey that along to the buyers out of the auction block,” Moore says. “We’ll announce what shots they’ve had or the genetics that were used.”

On the video auction, that information is in the auction book and read off before the cattle sell.

Either way, the key is to contact the sales agent in time for them to help sell your calves to get the most value.

Are there value-added sales?

Those who go the extra mile may do well to set up a direct marketing channel with a feedyard. Another option is the value-added “special sale” where order-buyers fill premium orders for those yards.

“It’s just a way of tracking the information and keeping a more

accurate record of it,” Moore explains.

Some of the popular value-added premiums are for all-natural, or non-hormone-treated cattle (NHTC) or for calves certified under the Global Animal Partnership (GAP) for animal welfare.

“To enroll your cattle in those you’ve got to [start] months out ahead of marketing your calves,” Bevis says.

Conversations with your sales reps can help find the program that is most relevant for your management and genetics. Bevis takes it as his responsibility to help ranchers find the premiums that will help “bring in a few extra dollars.” ■

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