

SENDING COWS AWAY FOR THE WINTER?



PHOTO BY TROY SMITH

Here are considerations for establishing a custom care agreement.

by Troy Smith, field editor

It's a long way to go to check cows, monitor their water, and put out salt and mineral. Fortunately, Jake and Riley Licking haven't felt compelled to make the trip very often.

The Licking brothers ranch in the Nebraska Sandhills, near Thedford. For several years, however, their mature cows have wintered on fields of cornstalks located some 165 miles to the southeast, near Central City. The brothers have enjoyed a good working relationship with a Platte Valley farmer-stockman who provides basic care and forage for the cows.

That's not a particularly unusual situation, and it's not peculiar to Nebraska. All across cow country there are ranchers who figure they can stock more cattle if they don't have to save range or pasture for winter grazing. Instead, they routinely haul cattle to where winter feed is more abundant.

The really lucky ones don't have

to go very far, but some producers consider themselves lucky to find a wintering place within a few hundred miles of home.

Sending cattle away for the winter is a practice other cow folk might rarely consider, and only under special circumstances — like when drought severely limits winter forage supplies.

Looking for options

In much of the West, as well as the north-central United States, many producers have been in drought-management mode for some time. They're trying to cope with poor range and pasture conditions, reduced hay yields and the climbing cost of shipped-in hay. Some producers have been looking since mid- to late summer

for a place to send cows for the winter.

Options include going to a feedlot where the cows would be custom-fed harvested feedstuffs or to a custom-grazing situation where cows would winter on crop residues.

University of Nebraska Extension personnel report an increasing number of inquiries from ranchers interested in sending cows to locations where cornstalks and other crop residues are available. Ranchers want to know what a custom-grazing agreement should include, as do farmers who might be considering taking in cows for the winter.

Agreeing to terms

Some people balk at the idea of written agreements, saying a handshake should be enough if a person's word is any good.

University of Nebraska Beef Systems Specialist Mary Drewnoski agrees that any

successful winter cow-care agreement is based on mutual trust. She argues, however, that written agreements aren't meant to compensate for a lack of trust. Having a deal's terms written down can ward off problems arising from misunderstanding and flawed memory.

"It's not that you don't trust each other," says Drewnoski. "It's more about remembering the details. A written agreement assures there was clear communication of the terms and both parties understand."

Of course, misunderstandings and disagreements can occur when the unexpected happens — something that wasn't discussed when negotiating the agreement. According to Drewnoski, that's why details are important. She and Nebraska Extension colleagues Aaron Berger and David Aiken have suggestions for cattle owners and cattle caregivers to consider when forging agreements.

The details

They agree that every cattle-care agreement should state the cattle arrival date and the departure

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date, along with an explanation of the level of care to be provided and the charges. The number of cattle involved should be stated, and a head count verified on arrival and at departure. The agreement should assign responsibility for providing salt and mineral, and other supplements.

Expectations for the care and feeding of the cattle should be explained in detail, they say. This could include an explanation of circumstances that would warrant feeding hay and who is responsible for the associated costs.

Circumstances that would cause cattle to be sent home also should be addressed.

Drewnoski says an agreement should allow for early termination for legitimate reasons. For example, grazing of cornstalks or other crop residues might be hindered or ended permanently due to weather-related circumstances. If forage in the field is iced over or buried in deep snow, the caregiver might be able to feed harvested forages temporarily, but for how long? The agreement should set limits.

If there are other reasons why cattle may have to be removed, they should be addressed in the agreement.

"I think the terms should be clear about how each party is allowed to terminate the arrangement and how much advance notice is required," states Drewnoski.

Aaron Berger, a beef Extension educator focused on ranch business management, agrees. He cites other circumstances that might prompt termination ahead of the expected cattle departure date:

- ▶ A marked reduction in cattle body condition or multiple unexplained pregnancy losses could justify a cattle owner's decision to remove cattle early.
- ▶ A caregiver might be justified in terminating an agreement if cattle are not trained to an electric fence and so wild that

they are hard to contain.

- ▶ Or a caregiver who agreed to take in dry, pregnant cows cannot be expected to tend cows that start calving earlier than their owner expected.

Level of responsibility

"Before entering an agreement, it's wise to learn as much as you can about the other party. What kind of reputation do they have? Do they have experience caring for stock? It's good to ask for references," Berger advises. "Then make sure your written agreement clearly states what each party can expect."

Berger emphasizes the importance of assigning responsibility for monitoring cattle health. Determine who will treat the sick. It may be good to name a consulting veterinarian, and the agreement should determine who pays consultation and treatment costs.

"The cattle owner and caregiver also have to agree on how death loss will be handled. Does the cattle owner stand the loss, or is it shared? Under what circumstances?" Berger asks. "Sometimes a cattle owner stands the death loss up to a certain point, and the caregiver is responsible for anything above that."

A 1%-2% death loss among cows is reasonable, he says, but the risk is higher if cornstalks being grazed also have an unusually high amount of downed corn. For stocker cattle, death loss can range from 2% to 5%, but it can be considerably higher among high-risk calves. Berger advises the cattle owner and caregiver to discuss the potential risks and adapt their agreement appropriately.

"Whatever they agree on should be explained in writing, so there's no misunderstanding," he adds.

Plan ahead

According to Nebraska Extension Water and Agricultural

Law Specialist David Aiken, if cattle owners don't know what regulatory hoops must be jumped before transporting cattle to a chosen destination, they'd better find out well ahead of time. That's especially true when crossing state lines. At the

very least, veterinary health certificates will be required for interstate movement.

"That usually takes some time — probably at least 30 days," Aiken says. "You also need to know what brand inspection requirements are and work within the law. Also, if the cattle are loan collateral, you have to have lender approval to move them out of state."

Aiken says it's also important to address liability and insurance issues. Determine who is responsible for insurance coverage for animals lost to blizzards or other natural disasters, or if cattle get out on the highway and tangle with motor vehicles.

If the caregiver is renting fields where cattle are placed to graze, that means a third party is likely interested to know where liability falls.

"To me it makes the most sense for the cattle owner to have insurance, but there could be reasons why that would be negotiated. It's important to get it handled," Aiken says.

Some producers will insist they can take all of these recommendations to heart, sit down with a caregiver and prepare a written agreement without the assistance of a lawyer. Still, Aiken recommends having one written by an attorney. He believes it is likely to afford more protection to both parties.

"It will cost you a little bit of money," he admits. "But don't be



PHOTO BY TROY WALZ

According to Aaron Berger, placing cows on cornstalks for winter grazing can cost from 75¢ to \$1.50 per day. That wide range is partly owed to differences in the level of care provided and to differing levels of local competition for winter grazing resources.

penny-wise and pound-foolish. You could end up in a situation that has a much bigger cost."

What should it cost?

Extension personnel also field a lot of questions from ranchers wanting to know what caregivers charge for their resources and services. Caregivers want to know what others are charging.

Drewnoski says caregivers need to know the grazing days per acre that may be expected from their forage resources and the value. If they will be feeding any harvested forages, they need to know what that's worth. In short, they need to know their costs and establish a rate that covers those and provides compensation for services provided.

According to Berger, placing cows on cornstalks for winter grazing can cost from 75¢ to \$1.50 per day. That's a pretty wide range, owed perhaps to differences in the level of care provided, but also to differing levels of local competition for winter grazing resources.

There is no one-size-fits-all rate. Many agreements are unique, and the rate reflects that — all the more reason that all details should be put in writing. ▮

Editor's note: Troy Smith is a freelance writer and cattleman from Sargent, Neb. A recording of a recent online discussion of winter cow-care agreements is available through the University of Nebraska IANR Center for Agricultural Profitability. Go to cap.unl.edu and find it in the webinar archive.