

# Taking Positive Action

*Piedmont Marketing Association helps members boost prices & their herds.*

Story by  
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It's easy to get discouraged about a low cattle market, but it's much harder to do something about it. That didn't stop a group of east-central Alabama producers from taking action. Their efforts have been, and continue to be, rewarding.

"The night we sell our calves, I feel we are getting the best possible price we can get," says Phil Slay, Five Points, Ala., producer and president of the marketing group.

The Piedmont Marketing Association (PMA) was formed in 1993 and had its first sale in August 1994. With 15 or so core members, whose herds range in size from 30 to 500 cows, they continue to sell anywhere from 950 to 1,450 head of top-quality feeder calves per year in their board sale. In the process, they have proved a point.

"There were good friends of mine who told me we'd be flat on our backs in three years," Slay relates.

Not that it has been easy. For starters, consignors are required to vaccinate their calves against blackleg, *Haemophilus somnus*, infectious bovine rhinotracheitis (IBR), bovine viral diarrhea (BVD), parainfluenza-3 (PI<sub>3</sub>) virus, bovine respiratory syncytial virus (BRSV), leptospirosis and pasteurella. The cattle also have to be weaned for 30 days — and preferably 45 — prior to the delivery date.

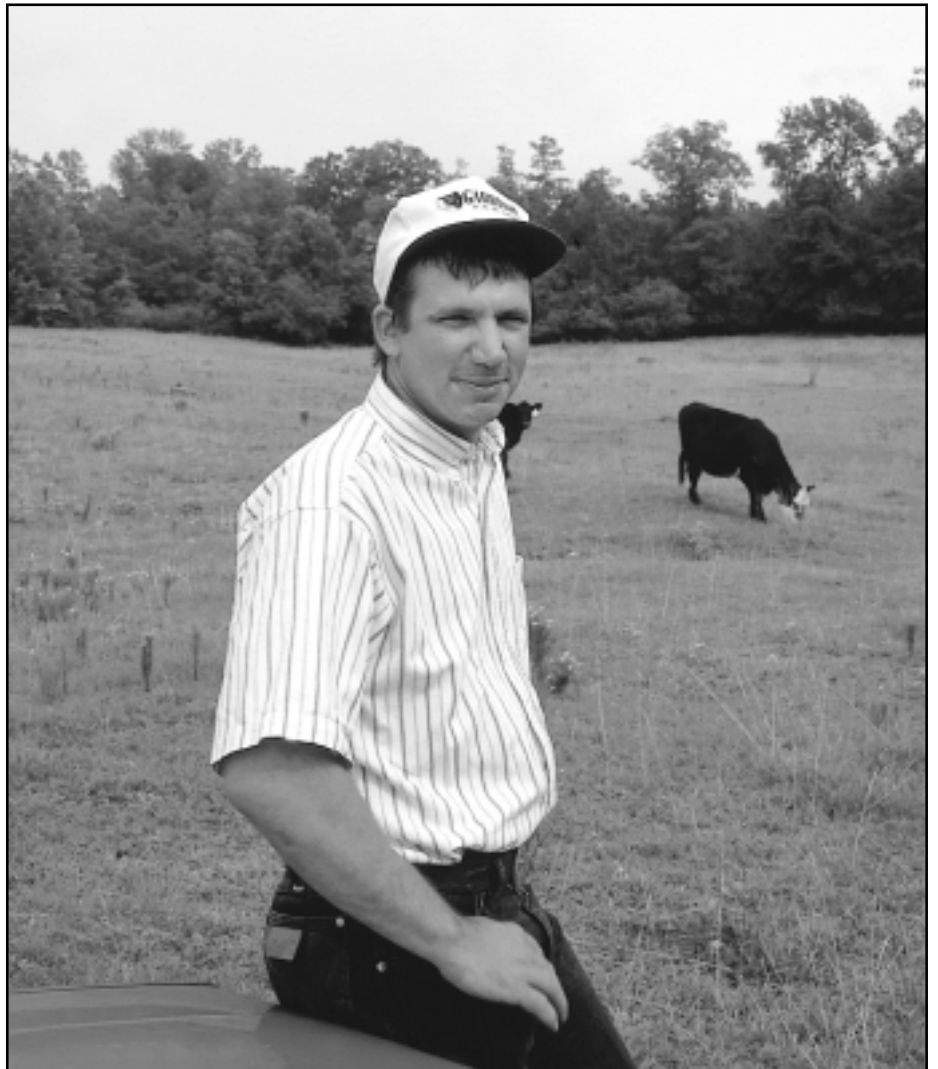
## Advantages

The strict management requirements aren't lost on buyers.

"That is an advantage to us," says Dixon, Ill., cattle broker Eldon Weimken. "That makes the health better when we get them."

Weimken buys the Alabama cattle for farmer-feeders in the Midwest and ships them directly to the feedlots. The buyers have few health problems with the cattle, he notes, because they are weaned and vaccinated.

The postweaning period is also advantageous to consignors, says Darrell Rankins, PMA member and Auburn Universi-



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ty animal scientist. "The first three to four weeks, the calves are getting over the stress of weaning. They are gaining back the weight they initially lost and holding their own. But after the first 30 days, they start gaining weight that is to the producer's advantage, especially for producers who feed byproducts for gains of 30¢ a pound, or roughly 60¢ a day."

Rankins, who consigns the steers from his 30-cow Angus-Gelbvieh herd to the PMA sale, adds, "For me personally there are other advantages to preconditioning vs. selling right off the cow. We have to gather the cattle from several different

pastures. People would be surprised if they knew how much cattle shrink."

There are also unwritten rules that contribute to the success of the marketing group. One of those is to pitch in to get the job done, whether it means contacting potential buyers on the phone, taking them around to see the cattle or hosting potential customers at cookouts.

Slay often has the job of taking buyers to view the sale calves. "If we go to everybody's operation, it is 330 miles," he says. "I have made it twice in one day." A couple of weeks before the sale, held by telephone on the third Thursday in August,



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Slay tries to arrange his time so he can work with buyers on short notice.

### Rewards

Consignors say the rewards are tangible. "I know last year we got paid for what we did," states Slay. "The prices started going down, but ours held up." He says the PMA group got 8¢-11¢/lb. more than cattle sold individually in stockyards during the same period.

"The price benefits are routinely \$3 to \$7 a hundredweight above," says Walter Prevatt, Auburn University Extension economist. "There have been instances of a little more or less."

In addition to having top-quality healthy feeder calves, Prevatt says the positive price influence is also due to merchandising in truckload lots. The smaller producers who can't supply a truckload on their own have learned to work with other PMA producers with similar cattle to form buyer-ready loads.

The advantages don't stop with the checks. Consignors have learned quality and salesmanship lessons.

"The first year, everything we weaned we put in the sale. We learned right quick that wasn't the thing to do," Slay says. "Everybody learns to shape up their cattle."

Slay, whose 240-cow herd is at least half Angus, says he also has learned the difference breed makes. When he calls buyers, he says one of the first questions they ask is what percentage of the cattle are black.

"We've gone to pretty much strictly Angus," says Slay. "Using Angus bulls has

really helped me in these hard times we've had the last three years."

Don Green, auctioneer for the group, says the lessons have improved the consignors' cattle herds. "Most of them have bought better bulls, and they've done a better job of culling cows and calves," says the Roanoke, Ala., stockyard owner. "Several of the people had good cattle to begin with. Now the cattle are pretty close together in price and quality."

Some of the producers are even taking their education a step further by getting carcass data back on their cattle.

### Lessons learned

B.G. Ruffin, retired Auburn animal scientist and PMA consignor, says the lessons learned in management also have been valuable. The group had representatives of one of the major animal health companies demonstrate proper vaccination techniques.

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As for disadvantages, PMA members are hard-pressed to think of any. Slay says about the only one is the way he chooses to feed his calves during the preconditioning phase. "I hand-feed twice a day, all of it out of 5-gallon buckets, for 45 days. It gets old."

However, the young producer says it is more than worth it. Besides the rewards he takes to the bank, there is the satisfaction of taking action.

"It makes you feel good to be part of an organization that is helping the cattle business," he states.



## INSIGHT:

### Replacement heifer sales also win with group marketing

*While group marketing is a proven winner for feeder steers and heifers, it can also pump up prices for replacement heifers. The Saluda County Cattlemen's Association has proof in their replacement heifer sale, now in its seventh year.*

*The South Carolina producers pen and sell their heifers by consignor in an annual February sale. In the 1999 sale, 14 consignors sold 146 head of 862-pound (lb.) heifers for an average of \$705.17/head, or \$81.78/hundredweight (cwt.).*

*"Selling the heifers at the sale has helped me get a premium for our heifers at the sale and on the farm," says Ridge Spring, S.C., producer Ed Satcher. He and his wife, Grace, have an Angus-Gelbvieh commercial herd.*

*"We sell a lot of replacement heifers private treaty, but a lot of the contacts we've made are through the sale," says Saluda producer Ronnie Able. He runs an Angus-Simmental operation with his father, Oscar.*

*"It has really worked good," adds Don Havird, also from Ridge Spring. "Even when prices have been down, it has been profitable for me because I had good heifers and the weight." Along with the Satchers and the Ables, Havird says the replacement heifer sale also has helped him merchandise his Angus-Simmental-cross heifers at home.*

*Like the feeder-calf consignors in Alabama, the South Carolina producers have learned lessons in quality and breed preference. "It has made us better cattle farmers," says Havird.*

*"Every year the bar gets higher," agrees Saluda County Extension agent Phil Perry.*

*He also says buyers have made it clear which breed or breed crosses they prefer. He points to the Ables' herd. "They started the trend with Angus-sired heifers."*

*Able states, "I wish we had 300 of them. We could sell every one."*