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High Stakes

When it comes to health in the feedlot, the stakes are too high to gamble.

Story & photos by
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The last thing Bruce Bentley or his son, Brian, want to do is call a cow-calf producer and deliver bad news. The Certified Angus Beef LLC (CAB)-licensed partners operate Bentley East Inc. and S and B Feedyard, respectively, near Macedonia, Iowa. Generations of Bentleys grew up here, feeding for neighbors and, increasingly, farmers from the East and Southeast.

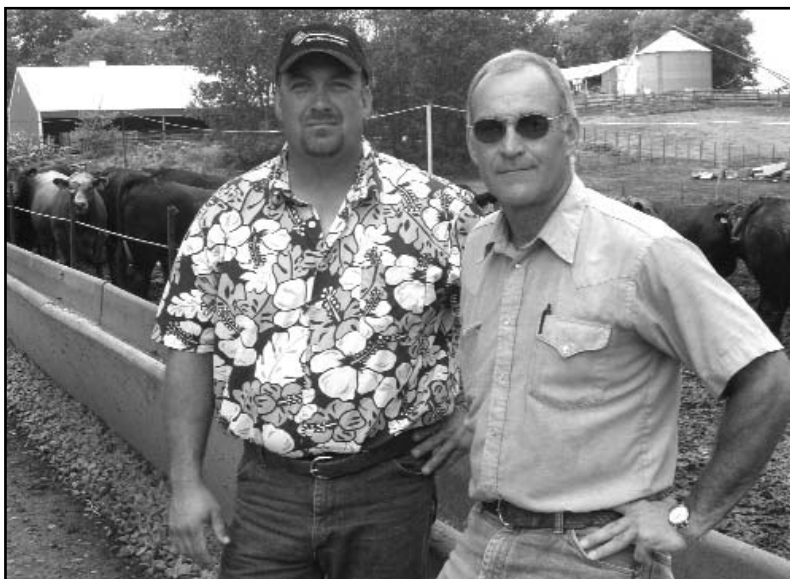
They know other family farmers who feed with them are just trying to make a buck and learn more about their cattle. That's why they hate to be the bearers of bad news and the reason why they do all they

can to avoid it.

That effort gains more urgency in light of a recent analysis that puts a dollar value on health problems within the Tri-County Steer Carcass Futurity (TCSCF), of which both Bentley yards are members.

Calves that require two or more treatments for bovine respiratory disease (BRD) take nearly \$170 out of producers' pockets. That's according to data from the 2002-03 TCSCF (Table 1), correlated with value-based pricing from Grid-Max, a service of Cattle-Fax (Table 2).

Production losses were reviewed in the 2004 Iowa Beef Report as "The Effect of Cattle Disease on Carcass Traits," by Darrell Busby, Daryl Strohbahn and Perry (Bud) Beedle.



Brian (left) and Bruce Bentley use proactive communication and therapy to head off losses associated with illness.

TCSCF data is on 6,618 calves from 12 states fed at eight Iowa feedlots a year ago.

The cost

The results show that among calves treated twice for BRD, the percentage of carcasses grading Prime was less than half that of those not treated, and CAB acceptance was almost a third lower. Even the percentage of cattle grading low-Choice fell by 12%, while those grading Select and Standard increased by 21% and 308%, respectively. Yield grade actually improved with incidence of disease, but any associated premiums did not compensate for other losses.

Treatment costs of nearly \$20 per head may seem like a lot to cow-calf producers, but the full cost is often more than \$30 per head at large feedlots, says Busby, an Iowa State University (ISU) Extension beef specialist. "It includes pulling the calves into the sick pen, drug costs, chute charges, trip costs and veterinary charges," he says. "When they die, we post everything, and that cost is figured in as well — it is the final treatment."

Mortality, with its nominal "8,600%" increase from healthy to those requiring two treatments, tends to overshadow other factors at first glance. But considering the lingering effects of chronic illness, a sick calf can realize as much loss, even though it recovers in time to make the second sort for harvest.

"Cattle that are sick enough to need treatment are costly to producers," says ISU economist John Lawrence. The head of the Iowa Beef Center says today's

market structure means looking out for both costs and lost revenue. "The bottom line is that grid marketing puts a greater premium on healthy calves."

To put the potential combination loss in perspective, Lawrence says, "Given average feeding returns, you would have to feed 10 healthy calves to pay for one sick one (average profits of \$16 per head). Having 200 sick calves in a feedlot is like giving away a new pickup."

Active prevention measures

The Bentleys use proactive communication and therapy to head off such losses. "We know the Tri-County calves have been preconditioned, but don't know much about health on cattle from graded sales in Tennessee and Virginia," Bruce says. "We have to assume they have had nothing."

Such "long-haul" calves receive an electrolyte mix in stock tank water for 48 hours, along with long-stem brome hay in feeders. "The hay ring is not as intimidating as sticking their heads in a bunk sometimes," he adds.

Brian added stock tanks in his receiving pen this year as well, after a load of Eastern heifers proved ignorant of automatic waterers. Sometimes the new arrivals establish direct communications by approaching the bunk when a tractor drives by. "When they come running, you can tell; it makes a lot of difference how they have been handled," he says.

TCSCF calves must be vaccinated twice and weaned at least 30 days before arrival at the feedlot, but the Bentleys would like to see that extended to 45 days. A South

Table 1: Effect of postweaning disease on carcass traits, feedlot performance and mortality

	No. of treatments			% change
	0	1	2	
Prime, %	1.9	1.1	0.9	-52.6
Premium Choice, %	21.5	19.5	15.2	-29.3
Low-Choice, %	48.8	43.4	42.8	-12.3
Select, %	25.2	30.1	30.5	21.0
Standard, %	2.6	5.9	10.6	307.7
YG 1&2, %	52.3	65.8	71.7	37.1
YG 3, %	44.9	32.8	28.1	-16.8
YG 4&5, %	2.8	1.4	0.2	-2.6
ADG, lb.	3.24	3.13	3.07	-5.2
Mortality rate, %	0.1	3.7	8.7	8,600.0

Table 2: Effect of postweaning disease on net dollars returned

	No. of treatments		
	0	1	2
Quality grade premium, \$	17.66	7.82	PAR
Yield grade premium, \$	PAR	3.87	6.09
ADG bonus ^a , \$	24.87	8.68	PAR
Death loss discount ^b , \$	PAR	-37.39	-89.05
Treatment cost ^c , \$	PAR	-19.14	-44.47
Net return, \$	42.53	-36.06	-127.43

^aBased on the pounds of additional carcass weight gained during the feeding period.

^bAccounts for cost of gain investment and lost carcass value.

^cIncludes medicine, labor and chute/equipment charges.

Carolina preconditioner for all the state's participants took that step as a win-win solution. Indeed, Busby's data shows anything short of 28 days weaning might as well come straight off the cow in terms of health and performance.

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—John Lawrence

Wide weight ranges can be a problem with futurity calves. Some of last year's calves weighed half as much as penmates. “We don't like to have more than a 250-pound spread,” Bruce says. “You put a 450-pounder against an 800-pounder, and he isn't going to fare as well, especially if he is younger — 550 pounds is light enough in that pen.”

Lighter calves are more likely to suffer health problems and in extreme cases must be removed from the pen for other sales. “Especially on light heifers, we don't want a guy to have to take a \$20 deduction for the light carcass, so we try to market them the best way for the customer,” Bruce says. Inexperienced cow-calf customers may be upset that a calf was not able to complete the term and return full data, but the fact of removal conveys significant information. “It's all part of learning, and that continues for all of us,” Brian says.

The Bentleys rely on individual cattle weights on arrival and at midpoint, along with visual evaluation, to project harvest dates. “When we have had cattle from the same producers for two or three years, we can be as accurate as ultrasound,” Bruce says.

Health problems throw off projections, and timing shifts cause other problems. For example, effective risk management depends on accurate projections, Busby notes. As more of a group shifts to the second harvest date, strategies based on the first harvest date are less effective. The calves also weigh less and don't grade as well.

Moreover, a primary reason for cow-calf producers to participate in TCSCF or other retained ownership programs is to gather data on herd genetics. Significant illness can mask genetic potential.

“I tell producers not to include calves with lung lesions in their data,” Busby says. “That costs half a pound a day in performance, and look at what it does to marbling — if you didn't do the right vaccination program, it isn't the bull's fault.”

Communication is more important than ever, and Bruce says there is more to talk about now than 10 or 20 years ago. “Of course, nobody ever wanted them to die, but now they have much more at stake.”

The elder Bentley has been involved in feeding cattle since he could carry a bucket, and he has been with TCSCF since 1997. “Treatments cost more today, and some of them last longer,” Bruce says. “But the main thing is we take more preventive measures now. We handle a lot more cattle than we used to, and when you have cattle coming in continually, there is always something floating around.”

Throughout the futurity's 25 years, data show earlier weaned, October-delivered Iowa calves make the most money. But pushing calves makes health management all the more critical. The Bentleys say calves delivered in early fall have been more of a health problem because they are younger, weaned fewer days, and the weather is less settled.

Even with historically high feeder

prices for calves, Lawrence says there is more emphasis on preconditioning today. “At times of high calf prices we may see some complacency on the part of the seller — all calf prices are high and someone will buy just about any calf — but buyers still value a good health program because they have more dollars at stake in a dead one.”

