

Big-Time Marketing for Small Producers

Kentucky-Tennessee Livestock Market is proof that smaller operations can market like big ones.

Story & photos by
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If you are a smaller-scale producer, chances are you know all too well the challenges of marketing your calves. No matter how much effort and money you put into genetics, nutrition and herd health, when you run your quality calf through the ring, he probably isn't going to bring much more than the lesser-quality calf in front of him.

You've heard it before — it is a numbers game. Buyers need uniform truckload lots of cattle to satisfy their customers. It costs them time and money to buy calves one head at a time. So you pay the price.

Not if you're fortunate enough to live near the Kentucky-Tennessee Livestock Market, however. Mark Barnett, owner-operator of the Guthrie, Ky., sale barn, and Kate Little, office manager, cater to smaller producers.

"Our system is set up for them," says Little.

Barnett says, "Our producers typically range from 12 to 25 head.



Leamon Bratton's cattle reach their potential with a top-notch management and marketing program.

On a given day, we'll have 150 consignors and sell 1,500 to 1,800 head."

If you are one of their consignors, you already know how to get the most for your calves. If not, here are tips from Barnett and Little, as well as area producers and extension agents.

Commingle, commingle, commingle

At the Kentucky-Tennessee market, that opportunity comes 48 times a year during their weekly graded sales (they are closed only on the week of the Fourth of July, Thanksgiving, Christmas and New Year's).

In the graded sale, Barnett and his family and employees grade and sort the calves from each producer into pens with similar cattle. There are pens of steers, heifers, bulls, thinner calves, fleshier calves, black cattle, cattle of different muscle grades, you name it.

All told there are 68 different pens with anywhere from 15 head on up to a load lot.

"We try to keep them as uniform as possible," says Barnett. "The producers are amazed at how well their calves match the others."

A buyer can buy cattle that match, Barnett adds. "He can look at his sheet and put his load together before the sale starts."

He adds, "It gives the smaller producers an opportunity to sell in a load lot. It puts them on a level playing field."

"That's our whole reason to grade cattle, to get more profit for the smaller producers," says Little. She says it is hard to put an exact dollar amount on the premium because the

calves that sell as singles aren't the quality of the graded cattle.

Wean and precondition

"This is the next step for producers," says Barnett. He and his staff host three Certified Preconditioned for Health (CPH)-45 Advantage sales during the year. Calves are weaned at least 45 days before the sale, vaccinated, castrated and dehorned if needed, age- and USDA-verified and are a part of a USDA Process Verified Program (PVP).

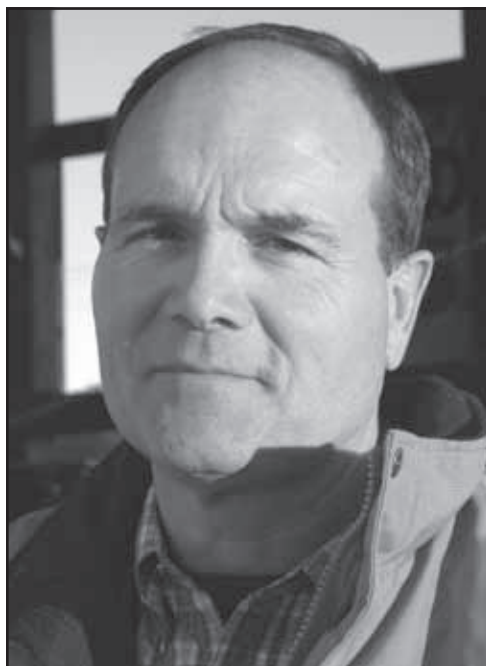
Once the calves get to the sale barn they are sorted and placed in pens with others of their sex, weight and breed type, similar to the graded sales.

"If you have load lots of like cattle you have an advantage when you sell," says Trigg County, Ky., extension agent and cattleman David Fourquarean. "Load lots of cattle bring more money, that's a proven fact."

Fourquarean, who markets his own calves through CPH sales, adds, "People also need to take advantage of the added weight gain through a preconditioning program and a preconditioned sale."

"The CPH sales are another layer of added value," says Kevin Laurent, Kentucky extension beef associate.

CPH-45 sales are a statewide



Mark Barnett says the graded sales at the Kentucky-Tennessee Livestock Market are set up for smaller-scale producers.



Kate Little, office manager at the Kentucky-Tennessee Livestock Market, says they cater to small-scale producers.



Woodlawn, Tenn., producer Leamon Bratton makes the most of his small herd with top-quality genetics, nutrition, herd health and marketing.

Kentucky program. During the last nine years, Laurent says calves sold in CPH-45 sales averaged \$6.61 per cwt. over the state average prices reported by the Kentucky Department of Agriculture Market News Branch.

Cumberland Furnace, Tenn., producer Audey Greene is a believer. He has been selling his Angus-cross calves in preconditioned sales since 2004, first in the Tennessee Advantage sale, then in the CPH-45 Advantage sale when the two sales combined.

“Preconditioning pays,” he states. “There is a premium in any group sale, but especially when the calves have been weaned and preconditioned and they are ready to go eat.”

Greene adds, “My brother told me I was crazy for not selling my calves in August when I weaned

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Clarksville, Tenn., county agent John Bartee says it is his job to help small beef producers.

Commingling sales pays for producers

Commingling calves from different producers into truckload lots pays. Low and behold, producers also benefit when cattle sales from different states use the same idea and join forces.

“We started our Beef Advantage Sale in 2003, but we didn’t have the numbers,” says Montgomery County, Tenn., extension director John Bartee. In Hopkinsville, Ky., the original CPH-45 sale started in 1980, but cattle numbers were starting to dwindle in that area, too. In 2005, a two-state effort resulted in the CPH-45 Advantage Sale.

“You’ve got to have numbers to make load lots,” says Trigg County, Ky., extension agent David Fourqurean. “It was a no-brainer.”

Hosted by the Kentucky-Tennessee Livestock Market in Guthrie, Ky., the sale has grown into three sales. Fall-calving producers sell their cattle in the July sale. The December and January sales give spring-calving operations marketing options. An average of 3,000 head per year are now sold through the three sales, and producers typically get an additional \$7.46 per hundredweight (cwt.) over Kentucky state averages.

Buyers also benefit from the sales. They can buy load lots of quality cattle. Thanks to electronic identification (eID) tags in the calves’ ears and two scanners at the market, they can leave with a certificate stating the calves are age- and source-verified and are part of a Process Verified Program (PVP).

While the CPH-45 sales are certainly more work for Mark Barnett and his staff at the Kentucky-Tennessee Livestock Market, he says, “Our producers deserve it. Plus, if we do a good job marketing for them, they’ll stay in business longer.”

Office manager Kate Little adds, “As a stockyard, we are here to help the smaller producers find the best time and way to market their cattle. Plus, we learn from them, too.”

She adds, “The CPH-45 sales also give us the opportunity to work with knowledgeable and helpful extension people like Mr. Bartee and Kevin Laurent. We hope the producers take advantage of their resources and knowledge, too.”

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them because they were so high. But we had a really good sale in December.”

Laurent says Greene’s experience is typical. “Participants have realized an additional estimated return of \$59.36 per head above preconditioning expenses by selling in the December CPH-45 sale as opposed to selling at weaning in October.”

He says this past fall participants in the December sale really hit a home run with an additional estimated return of \$101.64 per head.

Quality and uniformity

“Genetics, the quality of the animal, makes a difference,” says Barnett. “Either

dehorn them or breed the horns off of them. Vaccinate them.”

He adds, “Know what sells. The easiest animal to market is a black-hided one. More times than not they’ll be the best sellers. Plus, 75% of the cattle here are black. That means we can have larger pens, more uniform pens.”

After providing graded sales for 30 years, Barnett says area producers have



Hopkinsville, Ky., county agent and cattleman David Fourqurean says it is a proven fact that load lots of cattle bring more than smaller groups.

definitely gotten the message.

“Our cattle have gotten better. Our No. 2 pens are going away. The producers have seen what the good cattle bring. It has made them want to have better cattle so they can get in the better pens. We can now have larger pens, more uniform pens.”

Barnett continues, “The producers have gotten away from extremes. Their cattle are becoming what fits the industry.”

Even though he has just been in the cattle business since 2001, Woodlawn, Tenn., cattleman Leamon Bratton is a quick study. He sticks to a 45-day breeding season, including one service to artificial insemination (AI), and conscientiously follows strict nutrition and herd health practices for his 32-cow Angus and Angus-Gelbvieh herd.

When he sold in last summer’s CPH-45 Advantage sale, his 18 calves only had to be sorted into two pens, the four head of 655-pound (lb.) heifers in one pen and the 14 head of 748-lb. steers in another. The heifers brought \$112.00 per cwt., and the steers brought \$114.75.

“I can’t compete with the big boys numbers-wise, but quality-wise I can blow them out of the water with feeder calves that perform well and add value for the next owner,” says Bratton.



Tennessee cattleman Audey Greene says preconditioning and selling in the CPH-45 Advantage sale has been a profitable move for him.