Rebuilding Herds After the Drought

Middle-aged replacement cows may be better option than young.

by
BLAIR FANNIN,
Texas AgriLife Communications

When and if the Texas drought breaks, market indicators suggest middle-aged replacement cows may be a better choice than younger cattle, according to a Texas AgriLife Extension Service economist. With national beef cattle inventory numbers in 2011 declining more than 1.5%, Rob Hogan, AgriLife Extension economist at Fort Stockton, Texas, told attendees at the Texas A&M Beef Cattle Short Course at Texas A&M University last fall to think about "action now" rather than later when it comes to economic returns.

"People are looking for middle-aged cows, something that has had calves before and are fairly dependable," Hogan said. "They are worth as much as youth right now."

Current cattle prices indicate now is the time to cull herds if producers haven't already done so, Hogan said. Retained heifers are down 5.4% compared to 2010, indicating a continued decline in national cow inventory, he said.

"In this last year, we lost another 5.4% retained heifers compared to the previous year," Hogan said. "Why is cow inventory going down? Because we're killing cows and not saving back heifers."

Hogan said ranchers aren't saving heifers because packers are "giving too much for them."

"In the cattle business, it's driven by economic incentive," he said. "If it makes more money in the shorter period to feed them and then slaughter them, then people will do just that."

Hogan said even before the drought and wildfires in Texas, ranchers didn't think cattle prices had reached their plateau. Since then, inventory numbers have continued to decrease.

"They did not believe that cattle prices were high enough and stable enough to justify holding back heifers when they could be sold at historically high prices for stocker or feeder heifers," he said, adding that the situation isn't likely to change soon.

"I think we are in for several years of pretty good prices, and I consider them pretty good right now," he said. "I think it will go sideways or go up for several years. We're not going to get out of this inventory situation overnight. It's going to take a while to build up."

When buying replacements

Joe Paschal, AgriLife Extension livestock specialist, said that when the drought breaks, producers need to keep in mind several important factors when buying replacement cattle. Those include matching types of cattle to levels of forage availability and environmental stress because that is where the cows have to live and produce.

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In selecting individual cattle, Paschal said to keep the following factors in mind: trait levels in milking ability, mature size, ability to store energy, stress tolerance, calving ease and lean-to-fat ratio.

Paschal recommends producers review AgriLife Extension publication E-190, "Texas Adapted Genetic Strategies for Beef Cattle V: Type and Breed Characteristics and Uses" at *http://animalscience.tamu.edu/images/pdf/genetics/geneticsE190.pdf* to help them match the appropriate breed type to specific production levels.

There are pros and cons when purchasing replacement cattle, and extensive delays when raising replacement heifers, Paschal said.

Raising your replacements carries the advantage of allowing for selection of the appropiate genetics for your environment, but generation interval slows the financial return, he said. "It takes about 40 months for the calf that is bred today to produce a marketable product. That's a long time to wait for a return on your genetic investment."

Purchasing older females can shorten the time it takes to get a return, he explained. "Purchasing generally can get you into the business more quickly. However, it may be difficult to find the desired breed type at the price you want to pay."

Where to buy

Purchasing methods can include the local commission company, special stocker and replacement female sales, private treaty and Internet sales. The main drawback to Internet sales, Paschal said, is that you buy a minimum of half a load, about 20 head at a time. On the other hand, for larger operations that would be desirable.

Paschal said the advantage of private treaty is the producer has the opportunity to actually visit the seller's ranch.

"You get to spend some time there and see the operation," he said. "This does have its advantages in that you are seeing what you are buying beforehand."

Regardless of which method is chosen, travel expenses and time are generally traded for price paid.

To avoid reproductive failure, Paschal recommends using fertile bulls that have passed a breeding soundness exam conducted by a veterinarian, and cows that are in good body condition (at least a 5 or better) and are exhibiting estrus. Heifers should weigh a minimum of 65% of their mature weight prior to breeding. In addition, they should be at least a body condition score of 6.

Paschal also recommends a pelvic area measurement in heifers prior to breeding. Culling heifers with narrow or small pelvic areas should help reduce calving difficulty.

Put out equal numbers of young bulls and mature bulls. If you put out a young bull with older bulls, they could get injured in fighting or while breeding cows, he said.

And don't forget about herd health, he said, recommending that producers get input from their veterinarian to develop a preventative herd health plan to protect against reproductive diseases that can cause abortion in bred females.

"Herd health and nutrition are very important," Paschal said. "Biosecurity is very important. Have good fences and watch what you bring in. Animals that you bring in or purchase, you need to isolate them at least 30 days.

"Don't expect those thin cows to breed, because they just won't," he said. "Number of calves born multiplied by price per pound and weight minus cost is what your net return is. Reproduction is 10 times more important than growth. Growth traits are about four times more important than carcass traits. Select cows for adaptability, fertility and maternal ability. Select bulls for adaptability, soundness, direct calving ease and growth."

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Joe Paschal, Texas AgriLife Extension Service beef cattle specialist, discusses breed specifics with regards to replacement cattle at the 2011 Texas A&M Beef Cattle Short Course.