

Equal Opportunity Sales

Commitment to quality works as well for feeder-calf sales as it does in replacement heifer merchandising.

Story & photos by
BECKY MILLS

Since 1991, the producers in and around Paris, Ky., have been proving they know how to develop and merchandise replacement heifers. Their Elite Heifer Sale® sets the standard for uniform groups of top-quality, trouble-free bred heifers.

In 2000 the same producers started applying the lessons they learned from the heifer sales to feeder-calf sales. As a result, more than 12,000 premium-quality truckload lots of feeder calves have sold through their Central Kentucky Feeders Certified Preconditioned for Health (CPH) sales.

Paris producer Jason Sandefur of Berle Clay Farm manages around 225 Angus-Charolais cows and backgrounds another 800 stocker calves a year. With those numbers he has several marketing options; however, he still participates in the CPH sales.

"We normally sell off the farm through order buyers," Sandefur says. "With 105 steers, you can make one dandy load. But what are you going to do with the half dozen or so that are left over? There are going to be six or eight that weigh 800 pounds (lb.) or more."

Bourbon County Extension agent Glenn Mackie adds, "There will be six or eight small ones, too. But when they go in with 120 more, that's what it is all about — loading trucks."

Nelson Curry, manager of Clay Charolais, has 200 commercial cows and 200 stocker steers on the farm right next to Sandefur's. "Jason and I could put load lots together on our own," he notes. "But hopefully this will get other producers to see the benefits of commingling in load lots."

"We have participated in the CPH sales all four years," says Catesby Simpson. The Paris producer says she was selling calves either at the stockyard or through Facts (Kentucky's ranch-to-rail program). Now Simpson, who manages around 300 spring- and fall-calving Angus-Charolais cows with her brother, Laurance, sells in both the spring and fall CPH sales.

"It really makes a difference to be able to group our calves with others," she says. "There is undoubtedly a premium, even over other large groups of similar quality."

At the Central Kentucky Feeder Sale, Mackie says those dollar



Commercial cows around Paris, Ky., produce quality feeder calves. Producers capitalize on their value with group marketing.

benefits from selling by the truckload usually average \$4-\$7 a hundredweight (cwt.).

The price difference is about the same in Tennessee, says University of Tennessee (UT) ag economist Emmit Rawls. "Our research shows cattle selling in truckload lots versus single-head sales usually bring around \$4 a hundredweight more."

Adding pounds

Commingling in load lots isn't the only practice the Kentucky producers use to add value to their calves. Preconditioning also adds pounds and profit potential.

"When we would sell in regular weekly sales at the stockyard, it was difficult to persuade the buyers these calves were preconditioned," Simpson says. "We were eager to take them to a sale where we would be rewarded for preconditioning. We were going to do it anyway — it is the right thing to do."

Rawls says preconditioning paid in Tennessee in 2002.

"Given a reasonable sliding scale of \$2 to \$4 a hundredweight and a reasonable price of feed, the producer can more than pay for the feed and pharmaceuticals and have money left over," he says. "In five demonstrations last fall, the producers made \$40 a head over feed and pharmaceutical costs. It worked out quite well."

To get his Angus-cross calves ready for the fall feeder-calf sales, Curry feeds a medicated preconditioning feed for the first two weeks after weaning, then turns



With calves from producers like Jason Sandefur (left), county agent Glenn Mackie (right) says central Kentucky cattlemen can make truckload lots in their CPH sales.

them out on high-quality orchard grass and clover pastures. While they are on grass, they also get around 5 lb. per head per day of soybean hull pellets.

He says the steers generally weigh in the mid-500-lb. range at weaning in September, then gain 100-120 lb. by a late November or early December sale date.

Curry says, "It's a no-brainer to market that way. You're at least recovering your costs, if not getting paid for the extra management practices."

The extra mile

Even though the chances of making a profit off the



Paris, Ky., producer Catesby Simpson says CPH sales let her benefit from preconditioning her calves.

preconditioning and marketing methods are good, it does take attention to detail to qualify for the CPH feeder-calf sales. Producers get a specific list of vaccines and dewormers, including product names, and have to ensure that the calves receive the products at the

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By commingling quality feeder calves, producers in Paris, Ky., can market uniform truckload lots.

required times (no more than 60 days and no less than 14 days before the sale). They also have to fill out a processing map on their cattle, have it signed by the county Extension agent, and provide a receipt for purchase of the vaccines and dewormers.

In addition, the calves must be weaned at least 45 days before the sale, males have to be castrated and healed, and heifers have to be guaranteed open. If needed, the calves also have to be dehorned and healed. They also must be eating from a feedbunk and drinking from a water trough before sale time.

The calves must be enrolled 14 days before the sale, and there is a \$5-per-head consignment fee due the day of the sale.

Noticeable difference

The day before sale day, producers haul their calves to the Paris Stockyards, where calves are graded and sorted into pens of similar breed type, sex, muscling and weight, then sold after the weekly single-head sales.

"Since CPH sales are held on regular sale days, people can see the price difference," Simpson says. "It opens peoples' eyes."

Sandefur says, however, "Sorting day can be a long day."

Mackie adds, "There is some legwork to making it happen. We have to feed them while they are at the stockyard."

While producers generally get a price benefit by selling in the CPH sales, it is not a sure thing. "This fall, I think it will be hard to see a big price differential because calves are going to be high," Curry says. "When it really helps is when calf prices are low."

Mackie adds, "We usually don't get a premium for the heavier cattle — the spring cattle, either."

Sandefur explains, "Healthy heavy calves are a dime a dozen. The health problems usually occur with lighter calves, the ones weaned in the fall."

Still, Curry says there are benefits to the CPH sales that don't immediately show in the sales check. Since all the calves are now identified with electronic ear tags, producers have an opportunity to get carcass data after the calves are fed and harvested.

"We work with the Five State Beef Initiative to get carcass data back. That is very beneficial to us," Curry remarks.

"We've gotten some health data back from the feedyards, too," Mackie says. "That's been helpful."

He stresses, though, "Getting data back from commingled sales is tough."

The spring CPH sales also give producers an outlet for the open heifers that don't make the cut for the Elite

Heifer Sale. Curry carries his Elite candidates through the winter on alfalfa haylage and soybean hull pellets. By spring, the lighter heifers, which are usually the ones that don't make the Elite program, weigh around 700-725 lb.

"They fit right in the April CPH sale," Mackie says. "Before, we'd either sell the heifers direct or sell them through the ring."

Now, approximately 25% of the calves that sell through the Central Kentucky Feeders CPH sales are heifers.

While Mackie says the CPH sales are still going strong, he expects numbers to be down for the three fall sales. "With the market the way it is, people are getting really nervous and wanting to sell them now." He adds, "We had ice the first three days of calving season and some producers lost 15% to 20% of their calf crop."

However, if imitation is the sincerest form of flattery, the Paris producers should be honored by one of the main reasons for lower participation.

"When we started, we were the only ones in central Kentucky having CPH sales. But the CPH sales in the state have grown tremendously," Mackie explains. "Now, the calves that we may have gotten from other areas three or four years ago are selling in CPH sales closer to home, which they should."