

In previous emails we discussed several methods to increase the calf crop percentage of your cowherd. (Please visit the Herd Health tab on our website hcvethospital.com for links to these articles.) This week we will discuss the importance of calf crop percentage, and how it can positively or negatively affect the profitability of your operation.

For our scenario we will assume there is a \$600 operating cost per cow per year. This cost, based on Standardized Performance Analysis (SPA) data, is a fairly accurate estimate of the average cost that it takes to manage one cow each year based on the average cow herd in our region. Please note that this operating cost accounts for a \$50 manger fee to compensate the rancher for managing that cow for the year. Because this number is merely an estimate of the *average* herd, it is best to calculate your personal operating cost in order to accurately apply the data when making your own operation management decisions.

In each of the three scenarios created we will use a different weaned calf crop percentage- 90%, 80%, and 75%. This number reflects the percentage of calves that were actually weaned compared to the number of cows that had an opportunity to conceive. We are assuming that the calves in all three scenarios average weighing 500lbs each and sell for \$1.40 per pound. For ease of calculation, we will assume there are 100 cows in each scenario. Using these numbers, we have calculated the following scenarios:

Operation 1: Herd of 100 cows with \$600 operating cost per cow = \$60,000 total operating cost per year
90% weaned calf crop = 90 calves weaned at \$700 each = \$63,000 income from calves
\$63,000 calf income- \$60,000 operating cost = \$3,000 profit

Operation 2: Herd of 100 cows with \$600 operating cost per cow = \$60,000 total operating cost per year
80% weaned calf crop = 80 calves weaned at \$700 each = \$56,000 income from calves
\$60,000 calf income- \$56,000 operating cost = \$4,000 loss

Operation 3: Herd of 100 cows with \$600 operating cost per cow = \$60,000 total operating cost per year
75% weaned calf crop = 75 calves weaned at \$700 each = \$52,500 income from calves
\$60,000 calf income- \$52,500 operating cost = \$7,500 loss

From the three scenarios, we see that the opportunity for profit is highest in Operation 1, where the weaned calf crop percentage is the highest. Likewise, opportunity for profit is worst in Operation 3 where the weaned calf crop is the lowest. These calculations reveal the direct correlation between weaned calf crop percentage and profitability. For more information on operating cost, or calf crop percentage, please contact us or visit our Herd Health section on our website hcvethospital.com.

The Henderson County Beef Cattle Committee and Texas A&M AgriLife Extension Service are hosting a fall forage tour next Tuesday September 24, 2013 in Eustace. Please contact the Extension Service at (903)675-6130 if you have any questions.

