

Over the past several weeks we have talked about things you can do to make your operation more profitable. We discussed using market trends to your advantage, and even formulated a herd management timeline that aligns with market trends. Though looking at historical market trends can be helpful in knowing when to sell your cattle, it can (and should) also be used as a guide to recognize which management procedures will provide a greater return. This week we want to look at various management procedures that if done, may positively impact the return you get when selling your calves.

In a presentation by Dr. Glenn Rogers, he analyzed findings from sales reports of 4,478 lots of calves (461,234 head total) sold between June 10, 2015 and September 25, 2015. These lots were collectively sold through seven Superior Livestock Video Auctions. By tracking market trends, Dr. Rogers' goal in this study was to find ways to help customers market cattle more effectively. Gathering extensive data on each lot, Rogers was able to compare the lots in over twenty areas. From there he discovered which factors had affected the sale price of the calves, and which factors had no noticeable impact. Although we will not touch on every area analyzed, we will briefly discuss those which we believe to be most noteworthy.

The first group we want to look at is the group of factors that seemed to have no impact on the sale price of the calves. There were seven factors on Dr. Rogers' list for this, but the four we want to bring your attention to are horn status, implant status, Certified Natural, and BVD-PI free status. In his study of all 4,000+ lots of calves, Dr. Rogers found that none of these things affected sale price of the calves. That is, dehorned cattle did not sell for more than horned, implanted calves did not sell for less than non-implanted, and revealing the BVD-PI status of the calves did not cause buyers to pay more or less for them. Certified Natural verifies that the calves were never given hormones, antibiotics, or animal by-products. However, even the calves sold as Certified Natural did not sell for more than calves that were not certified natural.

Though it is helpful to know what factors did not affect sale price, it is perhaps even more beneficial to evaluate the things that **did** affect sale prices of the calves. This information can be used to help you know how to market your cattle more efficiently by seeing which practices yielded greater returns at selling. According to his study, Dr. Rogers found that the following affected sale prices: auction date, gender of lot, breed description, frame and flesh score, and health program. Again, although there were many other factors on this list, we selected the ones we believe to be most notable. In our last article we talked about how the date of auction affects the price that calves sell for. (Visit <http://hcvethospital.com/sites/site-4669/documents/Market%20Outlook%20Pt3%20062116.pdf> for this complete article.) As you may have expected, steer calves generally sell for significantly more than heifer calves. Likewise, body condition/flesh score and frame size of the calves greatly influence their selling price. Calves that have light-medium fleshing in conjunction with being a medium or large frame size will typically bring more than smaller frame, heavy fleshing calves. Dr. Rogers also noted that buyers prefer English and English cross calves, and therefore will pay more for them opposed to English-Continental crosses and American influenced (cattle with ear) calves. Lastly, the health program greatly influences the value of the calves. As we discussed in the previous weeks, vaccinating and weaning the calves prior to selling results in greater return for producers. In this study Dr. Rogers revealed this to be true, showing that vaccinated and weaned calves sold for much more than unweaned, unvaccinated calves.

One way to create a more profitable operation is to produce cattle that the industry desires. By tracking market trends, you can have a basic understanding of what types of cattle sell for more than others. Although we are not encouraging you to go out and implement all of the things discussed here that affected calf price, we **do** want you to begin thinking about your operation in a new way. What things can you do to your calves prior to selling that will increase their value? How can you market your cattle more effectively?

The Oklahoma National Stockyards were closed on Monday, July 4, 2016, so prices for feeder steers medium and large 1 sold on Monday, June 28, 2016 are as follows: 474lb- \$158.09, 570lb- \$155.01, 677lb- \$150.14, and 784lb- \$144.09. The price for August 2016 750lb feeder steers on the Chicago Mercantile Exchange was \$142.57 on closing Monday, July 4, 2016.

The information in this article was referenced from Dr. Glenn Rogers' presentation "Helping customers Market Cattle More Effectively- Superior Livestock Data 2015".

Thanks,
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