KEY FACTORS FOR PROFITABILITY

Creating Value in the Calf

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What are the 3 main keys to Profitability?

Reproduction

Animal Performance

Marketing
Legal Disclaimer...

Commercial Cow/Calf Production in Florida
What is the definition of VALUE?

Value: (noun)
1. The material or monetary worth of something
2. The worth of something compared to the price paid for it

More specifically... Calf Value

• Calf Performance
  – determines the VALUE of the calf
• Marketing
  – determines the PROPORTION of the calf value that you receive
FACTORS AFFECTING WEANED CALF VALUE

• Weight
• Sex
• Brahman percentage
• Body Condition Score
• Characteristics of the Coat
  – Color
  – Color Pattern
  – Hair Length

Primary Factors
• Weight
• Sex
• Brahman percentage
• Body Condition Score
• Characteristics of the Coat
  – Color
  – Color Pattern
  – Hair Length

Other Factors
• Age
• Frame Score
• Genetics
• Nutrition
• Health
• Seasonality
• Geographical Location
• Weather
• Stock Market
• Politics....
CALF PERFORMANCE

• Genetics
• Nutrition
• Animal Health
Free Gift

• The free gift of Heterosis!
• 24% Improvement in pounds of calf weaned per cow exposed!

Genetic Selection

<table>
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<tr>
<th>Breed</th>
<th>Birth Wt (lb)</th>
<th>Weaning Wt (lb)</th>
<th>Yearling Wt (lb)</th>
<th>Mature MHT (lb)</th>
<th>Marbling Scorea</th>
<th>Ribeye Area (in²)</th>
<th>Fat Thickness (in)</th>
<th>Carcass Yt (lb)</th>
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aMarbling score units: 4.00 = SI6; 5.00 = SI8.
Breeding Program

• Establish a sustainable planned crossbreeding program to maximize heterosis and breed complimentarity, while meeting the needs of the environment, the buyer, and the consumer.

Calf Performance

• Nutrition
  • Mineral Program
  • Forage Base
    • Fertility
    • Management
    • Supplementation
Calf Vaccinations

Primary Vaccines
- Respiratory viral vaccine
- Clostridial combo
- Bacterial Pneumonia
  - P. multocida
  - M. haemolytica
  - H. somnus

Other Vaccines
- Pinkeye
- Scours
- Warts
- Mycoplasma
MARKETING

• How you get paid for your CALF PERFORMANCE

• MARKETING
  – Genetics
  – Vaccination Protocol
  – Process Verification
  – Animal Handling and Beef Quality Assurance
MARKETING

You need a Marketing Plan
BEFORE
You develop a Breeding Plan

Ask yourself these questions...

What type of calf should I produce to fit my environment?

What type of calf should I produce to meet the needs of my buyer?

What type of calf should I produce to meet the needs of my consumer?
MARKETING PLAN EXAMPLES

What are my options?

- Livestock Market
- Cooperation
- Direct Sales

30 cows

Option 1 – Livestock Market

- Black
- Large Framed
- 3/8 or less Brahman
- Not Fleshy
MARKETING PLAN EXAMPLES

What are my options?

Livestock Market  Livestock Broker  Direct Sales  Retain Ownership

200 cows

Option 2 – Livestock Broker

- Uniform age, weight, and color
- Castrated and Dehorned
- Documented herd health/vaccination history
- Age and Source verified
- Process Verified
- Medium or Large Framed
- < ½ Brahman
MARKETING PLAN EXAMPLES

1000 cows

What are my options?

Livestock Market | Livestock Broker | Direct Sales | Retain Ownership

Option 3 or 4 – Direct Sale or Retain Ownership

- Uniform age and weight
- Castrated and Dehorned
- Documented herd health/vaccination history
- Age and Source verified
- Process Verified
- Medium or Large Framed
- PLUS...

MARKETING PLAN EXAMPLES

1000 cows

Option 3 or 4 – Direct Sale or Retain Ownership

- Uniform age and weight
- Castrated and Dehorned
- Documented herd health/vaccination history
- Age and Source verified
- Process Verified
- Medium or Large Framed
- PLUS...
MARKETING PLAN EXAMPLES

1000 cows

Option 3 or 4 – Direct Sale or Retain Ownership

- Proven Genetics for
  - Feed Efficiency
  - Growth Performance
  - Carcass Characteristics
  - Disposition

OTHER WAYS TO CREATE VALUE

- Capitalize on Marketing Opportunities
  - Seasonality
  - Preconditioning
  - Backgrounding
OTHER WAYS TO CREATE VALUE

• Niche markets
  – Beef Sales
  – Product Differentiation
    • Local
    • Humane
    • Grass Fed
    • Experience

OTHER WAYS TO CREATE VALUE

• Risk Management
  – Futures and Options
  – Livestock Risk Protection
OTHER WAYS TO CREATE VALUE

• Replacement Heifer Development
  – Do not overlook this opportunity no matter the size of your operation
  – Consignment Sales
  – Direct Sales to other producers

RECAP

• Evaluate Your Options
• Create a Marketing Plan
• Align you Breeding Program to fit your Marketing Plan and your Environment
• Optimize Calf Performance
  – Genetics, Nutrition, & Animal Health
• Capitalize on Opportunity
What are you doing to increase the value of your calves?

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