



UNIVERSITY OF  
FLORIDA

# IFAS EXTENSION

## DeSoto County Beef Newsletter

2150 NE Roan Street, Arcadia, FL 34266



**Don't forget to attend the  
Cattlemen's Convention &  
Allied Trade Show**

**June 2006 / Volume 28 Number 6**

### CALENDAR OF EVENTS

#### June

19-20	Florida Cattlemen's College, Marco Island Marriott, Marco Island
20-22	Florida Cattlemen's Convention and Allied Trade Show, Marco Island Marriott, Marco Island

#### August

18	First Annual Deer/Turkey Management Shortcourse, Turner Center Exhibit Hall
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#### September

29	FCA 12th Annual Quality Heifer Sale, Arcadia Stockyards, Arcadia
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#### U.S. SENATORS PURSUE END TO JAPANESE BEEF BAN

Thirty-one U.S. senators sent letters to Japan's prime minister this week urging an end to the ban on U.S. beef. The letter suggests there is "overwhelming scientific evidence supporting the safety of American beef." Additionally this week, James Zumwalt, minister at the U.S. embassy in Tokyo, has warned Japan against imposing another total ban on U.S. beef, even if prohibited risk materials are found in a shipment. He said Japan should, under the terms of a bilateral trade agreement, only ban shipments from the particular meat processor found violating the shipment regulations. Kansas Sen. Pat Roberts said this week he believes the latest round of lobbying will convince the Japanese to resume American imports of beef. Roberts said Congress could review placing tariffs on Japanese products if the ban is not lifted. Last fall, Roberts and North Dakota Sen. Kent Conrad introduced legislation to impose such tariffs before the ban was lifted in December. Japan's prime minister is scheduled to visit Washington in late June and the U.S. wants the matter solved before that time. **Source—Drovers Alert, Thursday, June 1, 2006, Vol. 7, Issue 22**

#### RAPID TESTING FOR FMD

Scientists at California's Lawrence Livermore National Laboratory have developed a rapid diagnostic test that simultaneously tests for foot-and-mouth disease and six other look-alike diseases in livestock. The new test, still in the validation stage, reduces the time for diagnosing all seven diseases from days to hours. According to an LLNL release, the U.S. livestock industry could lose up to \$3 million in direct costs for every hour's delay in diagnosing FMD. The test could minimize the scope and impact of an outbreak by allowing early diagnosis. In addition to the test, the researchers have made advances in testing and tracking samples that could improve agricultural disease surveillance. The LLNL scientists are working in partnership with the Homeland Security Department, USDA and University of California.

**Source—Drovers Alert, Thursday, June 1, 2006, Vol. 7, Issue 22**

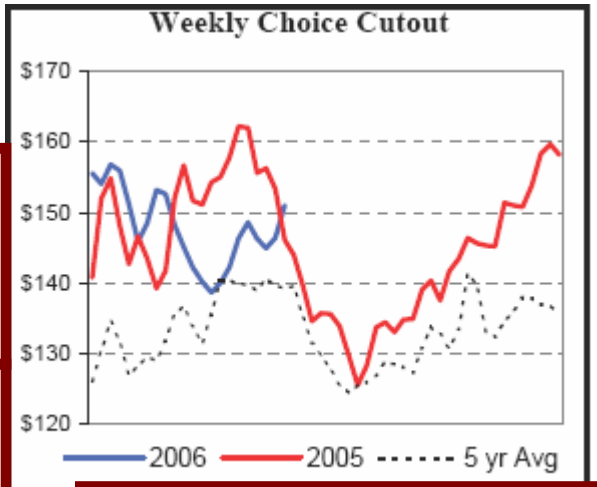
# MARKET INFORMATION

June 6, 2006

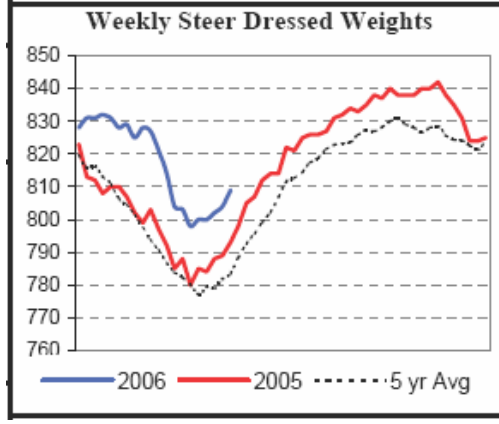
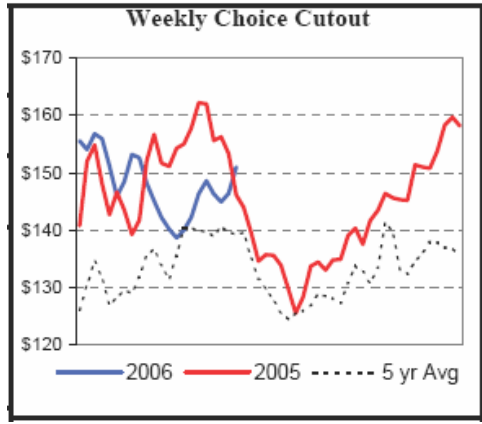
	5/28/06	Last Week	Last Year
<b>5 AREA WEEKLY WEIGHTED CATTLE PRICE</b>			
Live Steer	80.72	79.22	86.80
Live Heifer	80.87	79.26	86.90
Dressed Steer	126.46	125.05	138.10
Dressed Heifer	126.74	124.84	137.84

	6/03/06 (Estimate)	Last Week (Estimate)	Last Year (Actual)
<b>BEEF PRODUCTION</b>			
Slaughter	609,000	698,000	568,000
Live Weights	1244	1240	1243
Dressed Weights	762	759	761
Beef Production (M. of Pounds)	462.2	527.4	429.4



**Choice/Select Spread**  
**\$22.64/cwt**



**Weekly Choice Cutout:** In the early part of 2006, we were mirroring 2005, but for the 2<sup>nd</sup> quarter it has been below 2005. With summer coming on it typically slumps in the heat.

**Weekly Steer Dressed Weights:** For all of 2006, weights have been above last year and the 5 year average. This means that the volume of marketable red meat is climbing. Such trends can impact price of feeder calves this summer and fall. **J. Selph**

The summary below reflects the week ended May 23, 2006 for Medium and Large 1 -- 500- to 550-lb., 600- to 650-lb., and 700- to 750-lb. heifers and steers. **Source: Beef Stocker Trends, May 23, 2006.**

State	Volume	Steers			Heifers		
		500-550 lbs.	600-650 lbs.	700-750 lbs.	500-550 lbs.	600-650 lbs.	700-750 lbs.
TX	24,000	\$122.49	\$111.02	\$106.45	\$115.22	\$100.17	\$92.49
AL	9,100	\$115-125	\$106-113	\$97-106	\$111-120	\$97-107	\$92-101
TN	7,600	\$118.48	\$108.93	\$98.33	\$109.90	\$99.04	\$95.51
FL	5,200	\$105-117	\$100-111		\$87-112	\$92-113	
GA	7,300	\$105-123	\$95-114	\$86-99	\$96-125	\$88-109	\$90-101



## CORN:

Kansas City US No 2 rail White Corn was 1 cent lower to 2 cents higher from 2.48-2.54 per bushel. Kansas City US No 2 truck Yellow Corn was 1 cent lower to 2 cents higher at 2.30 per bushel. Omaha US No 2 truck Yellow Corn was 2 to 3 cents higher from 2.15-2.16 per bushel. Chicago US No 2 Yellow Corn was 7 ¼ cents lower to 1 ¼ cent higher from 2.30 1/2-2.40 1/2 per bushel. Toledo US No 2 rail Yellow corn was 1 ¼ to 2 ¼ cents higher from 2.35 ½ - 2.45 ½ per bushel. Minneapolis US No 2 Yellow Corn rail was 1 ¼ cents higher at 2.07 ½ per bushel.

**Source: USDA Weekly National Grain Market Review, Friday June 2, 2006**

[http://www.ams.usda.gov/mnreports/SJ\\_GR851.txt](http://www.ams.usda.gov/mnreports/SJ_GR851.txt)

**Note:** Last year in April, Kansas City US No 2 rail White Corn was steady from 1.89-1.91 per bushel. In June it was 2.04-2.06 per bushel. Historically as the price of corn rises, the price of calves declines. I believe that the amount of corn that may be shifted to ethanol production may have impact on corn prices this summer and fall. **JFS**

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## DRY WEATHER ADDS TO GRAIN CONCERNS

Recent hot and dry weather has fueled concern that grain prices could rise over the coming year. Iowa State University economist John Lawrence notes that U.S. corn stocks are ample today, but growing demand for ethanol adds to the concern in case of a short crop. Lawrence notes that December 2006 corn futures traded above \$2.85 per bushel in mid-May, an increase of 45 cents since January. December 2007 futures, meanwhile, were over \$3.10 and December 2008 were over \$3.20, indicating that traders expect prices to trend upward in the long term. But while weather and demand issues support prices, most markets are seeing a weak basis, notes University of Illinois economist Darrel Good. The average spot cash price of corn in central Illinois on June 1, 2006, was 28 cents under July 2006 futures, Good notes. The harvest delivery bid was 31 cents under December 2006 futures, compared to the previous four-year average of 23 cents under. **Source—Drovers Alert, Thursday, June 8, 2006, Vol. 7, Issue 23**

## OIL DECLINES WITH 'POSITIVE' IRAN NEWS

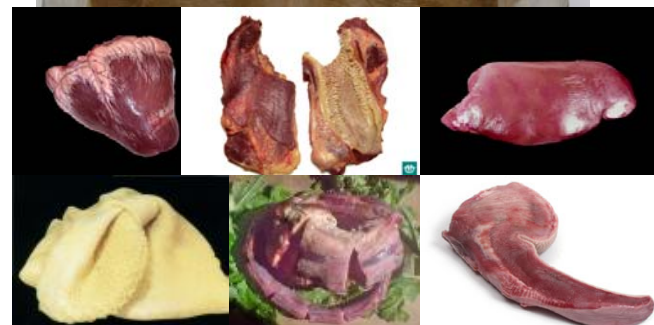
Oil prices declined Tuesday after Iran's top nuclear negotiator cited "positive steps" in a package of incentives offered to it by world powers to curb its nuclear program. Oil market traders have feared that Iran could disrupt oil supplies if provoked by sanctions or some other punishment from the United Nations. Crude oil on the New York Mercantile Exchange closed Tuesday at \$72.05 per barrel. Also this week, the Organization of Petroleum Exporting Countries indicated it would leave its output quotas steady at 28 million barrels per day. Exxon Mobile Corp., which held its annual shareholders meeting last week in Texas, says it will not invest in alternative energy sources such as wind or ethanol, and it has no plans to build a new refinery. I guess there's no need to change a business model that earned \$36 billion in profits last year – the highest ever by any U.S. corporation. Exxon also took a public relations hit last year when it was revealed that it paid former CEO Lee R. Raymond \$147 million when he retired. **Source—Drovers Alert, Thursday, June 8, 2006, Vol. 7, Issue 23**

## USDA BY-PRODUCT DROP VALUE (STEER)

The hide and offal value from a typical slaughter steer (1) for today was estimated at 7.99 per cwt live, down-0.04 when compared to Tuesday's value. The Lbs. and Value columns are in hundredweights (cwt).

### FOB CENTRAL U.S. TODAY'S CALCULATIONS FOR BY-PRODUCT VALUE (STEER)

	Lbs	Price	Value
Steer hide, butt brand/Pc	4.96	68.50	5.37
Tallow, edible	1.20	14.75	0.18
Tallow, packer bleachable	4.50	13.25	0.60
Tongues, Swiss	0.26	124.00	0.32
Cheek meat, trimmed	0.32	77.50	0.25
Head meat	0.13	38.00	0.05
Oxtail, selected	0.16	155.00	0.25
Hearts, regular, bone out	0.38	17.50	0.07
Lips, unscaled	0.11	117.00	0.13
Livers, selected, export	0.96	14.00	0.13
Tripe, scalded edible	0.65	27.00	0.18
Tripe, honeycomb bleached	0.15	42.50	0.06
Lungs, inedible	0.47	2.53	0.01
Melts	0.14	2.33	0.00
Meat bone meal, bulk/ton	3.70	136.00	0.25
Blood meal, 85% bulk/ton	0.60	480.00	0.14
<b>Totals:</b>	<b>18.69</b>		<b>7.99</b>
<b>Dressed equivalent basis (63% dress):</b>			<b>12.68</b>



Typical slaughter steer weighs 1,275 pounds. The hide and offal value from typical fed cattle (steers and heifers 1,240) for today was estimated at 8.04 per cwt live, down-0.06 when compared to Tuesday's value. **Source: U.S.**

### Market News, June 7, 2006

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## FLORIDA CATTLEMEN'S ASSOCIATION CATTLEMEN'S COLLEGE

This year at the Florida Cattlemen's Association Annual Convention and Allied Trade Show, there will be a Cattlemen's College held for the 1<sup>st</sup> time. It will begin on Monday afternoon at 1:00 PM and last till 4:00 PM. The second half will be on Tuesday morning from 8:30 AM till 11:30 AM. The following topics will be presented:

- \* 1:00-2:30 PM—"USDA Conservation Programs for Florida Ranchers"-Greg Hendricks & Pete Deal, USDA/NRCS---2:30-3:00—Questions and answers
- \* 3:00-4:30 PM—"Market Update and Forecast "--Kevin Good, Cattle Fax, Denver CO—4:30-5:00—Questions and answers
- \* 8:00-11:30 AM—"Advancements to Improve Reproductive Performance"--Dr. Daniel W. Scruggs, Pfizer Animal Health----"Matching E.P.D.'s with your Cowherd Needs"  
Breed Representatives: David Gazda, American Angus Association  
Robert Williams, American Charolais Association  
Dr. Don Smith, Florida Brangus Breeders,

## RESEARCH PROJECTS SHORTAGE OF FOOD-ANIMAL VETERINARIANS

A study commissioned by a coalition of veterinary groups predicts ongoing shortages of food-animal veterinarians. Results of the research, recently published in the *Journal of the American Veterinary Medical Association*, suggest the number of veterinarians entering agricultural practice will fall 4 to 5 percent short of those needed each of the next 10 years. "With the American public more focused than ever on food safety and security, the role of the food-animal veterinarian has never been more important," says Lyle Vogel, director of the Animal Welfare Division of the AVMA. Participants in the study also developed a list of strategies for industry and educators to bring more veterinary students into food-animal practice. **Source—Drovers Alert, Thursday, June 8, 2006, Vol. 7, Issue 23**

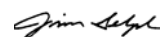
## ONLINE DATABASE VERIFIES WORKER STATUS

Dunkin' Donuts is participating in a pilot program that allows employers to verify a worker's legal status using online databases from the Social Security Administration and the Department of Homeland Security. Such a program could become mandatory for employers. USDA reports that there are 4 percent fewer workers on American farms now than at this time last year and last year's workforce was 10 percent below the year before. The American Farm Bureau points to this as a reason why immigration reform must include a guest-worker program. A *USA Today* poll on views on immigration reform shows that Americans fall into four different categories. The groups can be characterized as "hard-liners," "unconcerned," "ambivalent" and "welcoming." **Source—Food Systems Insider-E-Version, Friday, June 2, 2006, Vol.5, Issue 11**

## Beef Management Calendar

May/June

Last Date to Plant Sorghum-Sudan Grass	Check dustbags, oilers, etc.
Check mineral feeder. Use at least 8% phosphorus in mineral and not over 2 ½ to 1 calcium to phosphorus.	Check pastures and hay fields for grubs, mole crickets, spittlebugs and armyworms.
Get heifers vaccinated for brucellosis if not already done.	Reimplant calves at 90 to 120 days with growth stimulant.
Watch for evidence of pinkeye and treat.	Pregnancy check cows.
Control weeds in summer pastures.	Plant warm season perennial pastures.
Make plans to attend the FCA Convention.	



**James F. Selph**  
DeSoto County Extension Director, IV, Livestock