

Beef Cow Wintering

Review and Revision: Heather Gessner | SDSU Extension Livestock Business Management Field Specialist
Original Publication: 2008 - Donald Guthmiller | Extension Marketing/Farm Management Educator

Drought conditions across the country have many beef producers evaluating their feeding costs in an effort to make the correct management decisions for their operations. The information in this publication can be used to analyze dry lot options for your operation or to determine the feasibility of custom feeding cows. Both of these decisions assume that you have taken a full and total inventory of the feedstuffs you have available either as stored forages or grazing acres. The other assumption made is that there is enough labor and quality equipment and facilities (fencing to feed bunks) available for this endeavor. From there you can address these issues related to custom wintering beef cows on your farm/ranch.

- Start with a clear timeline in place. When are you willing to receive cattle, and when do you want to terminate the arrangement? If you will be keeping the herd long term, setting dates for weaning and determining how additional post weaning expenses will be covered should be included in the contract/agreement.
- Know what the true body condition score of the cows you will be bringing in to feed and what body condition the owner expects them to return as. Incorrect analysis of condition will affect the ration, which in effect has a negative impact on your feed inventory.
- Be prepared to have the owner visit without warning. The cattle owner should have the right to unannounced inspection of the animals and has the right to require changes in their care.
- Will the animals stay just prior to calving, or will you be calving out the cows? If you calve them out, what should you charge? Will the charge be

based on a live calf, a vaccinated calf on pasture, and/or a weaned calf? Cost sometimes ranges as high as \$20 to \$30/calf.

- Will the calf crop be shared, and if so will you have first pick, or will all calves be sold? If sold, who will be responsible for marketing, and at what time of the year? If you are considering back-grounding weaned calves, perhaps you should discuss a separate feeder agreement.
- Will you be pasturing the animals this fall on grass, corn stalks, or other residue? With the higher cost of fertilizer, removal of crop residue is more expensive than previous years. How will you monitor the cows on pasture? Grazing costs may range as high as \$0.95 to \$2.33/head/day, depending on whether you will graze rented or owned pasture or crop ground.

Health issues are a critical concern. Give the owner your veterinarian's name. Perhaps your veterinarian should examine the animals upon arrival to note their condition. Vaccination protocols must be discussed:

- Have the cows been vaccinated for IBR, BVD, PI3, BRD, and scours, and have they had their booster shots? If not, who is responsible for ensuring they are given? Do you have the facilities to accomplish this vaccination situation?
- Do your cattle handling, health, and feeding protocols match the owner's?
- What additional medical treatments will you be willing to provide? This may include insecticide application, castration, deworming, tagging, branding, dehorning, cesarean, and any other medicinal maintenance or treatments done by you or a veterinarian.

- Who is responsible for death loss or abortions?

Producers with their own cow herd may also want to consider potential health risks to their herd by bringing in additional animals. Diseases can become a major problem when new animals come onto the farm. For total herd health reasons keeping the two herds separate is an option that should be considered by both parties involved in the agreement.

- Do you have adequate handling and corral systems?
- Does the owner have special requirements in terms of handling and housing?
- Do they want certain animals housed separately?

Feed costs and quality will be some of the biggest variables for producers during drought years. Rations may include everything from high quality alfalfa hay and corn to silage with corn and without to low quality forages such as straw or corn stalks and distillers products. Having the feed tested by a reputable company and a ration balanced by Extension Cow-Calf Field Specialists based on the quality and quantity of the feed available is a very important step to take due to the wide variability of feed available.

Yardage costs must be factored into your price and will vary depending on your operation. For operations planning on utilizing pasture or cornstalks to run the cows the typical charge is \$0.20 to \$0.50/head/day, depending on the type of fence and water available.

When the cattle are held up close in pens yardage can run from \$0.60 to \$0.80/head/day, depending on what is included, such as straw and manure removal. There is a big difference between custom feeding calves in a feedlot and custom wintering of beef cows due to the sheer size difference between the two beef classes. A 1000-pound cow with a calf is considered one animal unit (AU), whereas a 400- to 600-pound calf is considered .5 AU, and 600- to 750-pound steers are considered .7 AU. Knowing the weight of the cows coming into the pens is vital to determining your yardage costs and lot capacity.

For example, a lot or pen designed to hold 100 head of 600-pound calves can only hold about 40-50 pregnant stock cows. In a dry lot cow feeding situation, many of

the fixed costs associated with that pen can more than double on a per-head basis.

If the winter weather turns too cold and snowy to continue holding the herd out on the range or in the field, do you have facilities to hold them? Have you made arrangements to cover the additional yardage costs if that occurs?

The main reason you may be considering custom feeding some other operations cows is to add an income stream, so another vital issue to consider is when you will be paid. Will it be weekly, monthly, or will you make some other arrangements? Are they supplying feed for you to use? Do you need to see a line of credit from the cattle owner's lender? What arrangements will you make ahead of time to cover nonpayment?

All of the questions above need to be addressed before you bring additional animals on to your operation. While some of them will not apply to feeding your own cows over the winter, answering and analyzing the questions related to feeding and handling the cow herd in a dry lot situation do, if that is an option you do not normally employ in your operation.

Regardless of the location of the operation, producers are going to want to create an enterprise budget for wintering cows. Economics of the operation become more and more important during times of stress and uncertainty and the weather has provided both of those factors.

When the budget is created, utilize the price feed is purchased for, under contract for or the cost of production. With feed resources being lower than a typical year you could even utilize the potential selling price of your produced feedstuffs due to the fact that you could likely find a buyer for the product instead of feeding it to your cow herd or custom feeding additional cattle.

For more information on creating a cow wintering budget or the spread sheet go to <http://www.sdstate.edu/econ/extension/index.cfm> or to compare different feed costs download the SDSU Feed Cost Calculator on either your Android or iPhone from iGrow.

2012 SDSU Extension Beef Cow Wintering Worksheet				
Variable Costs		YOUR COSTS	Average Costs	Cost/Cow/Day
Winter Feed			\$395.00	\$1.88
Bedding (2 bales @\$50 ea.)			\$100.00	\$0.48
Vet and medicine			\$15.00	\$0.07
Fuel			\$20.00	\$0.10
Machine Repairs (1.75% of new)			\$20.00	\$0.10
Repairs-Corrals and buildings (2% of new)			\$15.00	\$0.07
Utilities and miscellaneous			\$28.00	\$0.13
Custom Work	Hours	\$/Hr		
Labor Feeding	3.52	\$15.00	\$52.80	\$0.25
Calving out	2.80	\$15.00	\$42.00	\$0.20
Days in lot	210.00			
Total Variable Costs			\$687.80	\$3.28
Fixed Costs				
Depreciation	Cost	Years		
Facilities	\$250.00	20.00	\$12.50	\$0.06
Equipment	\$200.00	20.00	\$10.00	\$0.05
Interest on Investment	Cost	Interest		
Facilities	\$250.00	6%	\$8.63	\$0.04
Equipment	\$200.00	6%	\$6.90	\$0.03
Total Fixed Costs			\$38.03	\$0.18
Total Cow Costs for	210.00	days	\$725.83	
Cost/Cow/Day			\$3.46	