Cattle Business in Mississippi – June/July 2011 "Beef Production Strategies" article

50 Beef Cattle Profit Tips

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The combination of high cattle prices and high input prices does not necessarily mean that beef cattle producers will be profitable. It takes wise investments, careful expenditures, and strategic marketing to be in the black. Good management must happen in many different production, marketing, and financial aspects. Fifty profit tips for beef cattle producers are presented here for consideration.

- 1. Take advantage of hybrid vigor. Crossbreed.
- 2. Pay the extra money for a good bull. You will get it back several-fold when it comes time to market your calves.
- 3. Learn how to use EPDs. Then use them for every herd sire or registered female purchase and mating decision.
- 4. Pregnancy check cows within a month or two of the end of breeding. Do not let open cows run up a tab that they cannot pay.
- 5. Work with a good veterinarian. Be straight with your vet when he or she asks questions about your management practices. Your vet is trying to provide your cattle with the best health care possible and needs your cooperation in this process.
- Vaccinate your cattle. The dollars and cents behind this recommendation are clear: 2 doses of blackleg vaccine = less than \$2 per calf; 1 case of blackleg = 1 dead calf that could have brought \$700 or more at weaning
- 7. Observe cattle frequently and closely.
- 8. Treat cattle injuries and disease conditions promptly.
- 9. When dealing with death loss, do not wait until the umpteenth animal is lost to have a necropsy performed. Track down the cause of death as soon as possible.
- 10. Parasites are thieves. Deworm your cattle. Control the flies.
- 11. Know how to identify plants poisonous to cattle.
- 12. Take time when laying out fencelines, water sources, and facility locations.

- 13. Maintain your fences.
- 14. Invest in decent cattle handling facilities. This is one of the best things you will ever do on your operation.
- 15. Livestock scales are invaluable. Use them often.
- 16. Handle your cattle with care. It is important for safety and productivity, and you never know who might be watching.
- 17. A fast horse is nice. A fast cow is trouble. Cull the crazy cattle.
- 18. Keep safety as the top priority in everything on the farm.
- 19. Look into getting farm liability insurance.
- 20. Be a good steward of your natural resources.
- 21. Soil test. Fertilizer is too expensive to put out blindly. Target your nutrient applications.
- 22. Use management intensive grazing techniques to get the most out of your pasture.
- 23. Develop a forage supply and demand budget. Then adjust your forage production and stocking rates accordingly.
- 24. Whether grazing or haying, do not let your forage become too mature. The nutritional value tanks when this happens.
- 25. Know your hay quality, and supplement accordingly.
- 26. Manage body condition for good reproductive success. A thin herd produces fewer calves.
- 27. A white salt block is not a complete mineral nutrition program. Supplement minerals and vitamins properly.
- 28. Avoid grain overload and other nutritional nightmares with good feeding management.
- 29. Implants and ionophores are proven to be great investments. Use them when appropriate.
- 30. Castrate feeder calves to avoid the intact bull calf discount.

- 31. Take the horns off of feeder calves. Horns lead to bruises, other injuries, and discounts.
- 32. There is power in numbers. Pool resources with your neighbors. Group labor, input purchasing, and cattle marketing are some areas where this can be beneficial.
- 33. Develop and grow a good business reputation.
- 34. Network. Good business relationships can make all the difference in profitability.
- 35. At least use a record keeping book, if not a record keeping computer software program.
- 36. Use electronic and information technology to your benefit.
- 37. Put a pencil to your farm finances. Know your expenses and income. Budget ahead.
- 38. Keep all your farm receipts for tax time.
- 39. Pay your bills on time to avoid late fees and interest.
- 40. Shop around for inputs.
- 41. Beware of "silver bullet" products. Make sure they are backed by sound, unbiased science.
- 42. Buy feed by the truckload instead of by the sackful.
- 43. Support the local economy with your cattle business dealings. It keeps more local doors open, jobs active, and potential customers buying.
- 44. Know when to get rid of equipment and other assets that become a money pit.
- 45. Promote your product.
- 46. When you are not sure about something in the cattle operation, starting asking questions. Try to get the information you need before you need it.
- 47. Do not overextend your resources. This leads to less than optimum management, undue stress, and sometimes financial difficulties.
- 48. Implement management practices properly to get the intended result. For example, a poor effort of heat detection can ruin a breeding program.

- 49. Do not be afraid to change. Adapt your management and marketing practices and strategies with the times.
- 50. Never stop learning about the cattle business. New knowledge is created all the time, and for many, there is still plenty of old knowledge to master.

This list of profit tips is by no means a complete list of recommended practices. To make improvements to the bottom line of a beef cattle operation, be thorough in analyzing and planning all aspects of the operation. For more information about beef cattle production, contact an office of the Mississippi State University Extension Service.