

# Cow Country Reporter



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Hold on folks, the year 2013 may be a wild ride. Total cattle in the U.S. is the lowest it's been since 1952 and all cow and heifer numbers are the lowest since 1941. Both numbers down 2% from last year. Beef cows in the U.S. down 3% and heifer replacements down 2%. In Louisiana all cattle and calves down 1% and all cows that have calved unchanged while beef cows up slightly and heifer replacements down 5%. In the U.S., this is the longest liquidation cycle in the history of the beef business and the climax has seen ranches go empty, feedlots close and packing plants shut down. What does all this mean for the cattle industry in Louisiana? Simply put, Be Alert! Since the bulk of our cow calf producers sell their calf crop once a year, one could get caught leaving some money on the table or getting less for their calves than last year. If we ever needed price discovery (market news) in Louisiana this would be the year. Thankfully you as a member of CPL have a hedge, the toll free market report updated every Saturday (1-888-528-6999 option 3). Cattle numbers are down, drought in the U.S. is moderate to severe (58%), wheat pasture grazing minimal and prices for cattle weighing 400 to 700 lbs. in the Southeast \$4.00 to \$9.00 cwt. lower than Feb. 1 of last year. This year's prices for calves could be a feast or famine situation depending on when you market your calves. We need Ma Nature to cooperate and beef demand to surge. Ma Nature has shown us she is her own boss and meat packers

are loaded up with product that the retailers don't want to buy at higher prices. Cattle in feedlots are being fed longer and to heavier weights. For the week ending Feb. 1, 2013 the boxed beef cutout showed a \$5.00 cwt. difference between Choice/Select which tells me we have plenty of Choice beef.

Now, more than ever we need to get some "information exchanges" going. Add new members to take advantage of the opportunities CPL offers. As members you need to use CPL's resources, sign up some neighbors and call me to assist you in planning a meeting you may want to have. Our glass is NOT half empty, but half full. We in Louisiana are blessed with natural resources such as grass and water and we have a good demand for our cattle. Call me and let's have a meeting!

*Dave Foster, CEO*

### Cattle Business Optimism

#### Sale Report:

Warren Harrang F1 Cow Dispersal  
Opelousas Ranch

Sale Date: February 9, 2013  
Location: Dominique's, Carencro

Cow 5-7 years old with 200-350#  
Calves at side, many bred back,  
\$2400-3000, some \$3100-3400  
per pair.

1+2 year old cows with baby (60-80#) calves \$2100-\$2500 per pair.

Bred cows 5-7 years old, 3-5 mo.  
bred, \$1500-2100 per head

## **NEW ID RULES TAKE EFFECT IN MARCH**

Source: Geni Wren, Bovine Veterinarian Magazine

In addition to eartags, USDA is recognizing brands, when accompanied by an official brand inspection certificate as means of official ID. The USDA Animal Plant Health Inspection Service (USDA-APHIS) has published new rules governing the traceability of interstate livestock movement in the Jan. 9 Federal Register. These rules are scheduled to take effect March 11.

APHIS says traceability does not prevent disease, but knowing where diseased and at-risk animals are, where they have been, and when, is indispensable in emergency response and in ongoing disease control and eradication programs.

One current concern that can be addressed by these rule changes include the increasing number of bovine tuberculosis, and APHIS says these rules can also help to ensure that the livestock industry is well-prepared to respond to new or foreign animal diseases in the future.

The purpose of the proposed rule was to improve the ability to trace livestock in the event that disease is found. New or modified regulations of interest to cattle producers/veterinarians include:

- Extending the phase-out period for manufacturer-coded AINs from 12 months to 24 months to make the transition less burdensome for producers.
- Revising the definition of official eartag and adding a new definition of official eartag shield. These changes will allow the use of State or Tribal postal abbreviation or codes within the U.S. Route Shield in lieu of "U.S."
- Revising the language of the exemption from the traceability requirements for animals moved interstate to custom slaughter to indicate clearly that the exemption applies to all interstate movement to a custom slaughter facility. The proposed rule contained language that implied that the meat must be consumed by the person moving the animal to custom slaughter. This was not the intent of the proposed rule.
- In addition to eartags, in this final rule, USDA is recognizing brands, when accompanied by an official brand inspection certificate as means of official identification for cattle when the shipping and receiving States or Tribes are in agreement. This change is being made in response to the many comments received on this issue advocating that USDA retain brands as a means of official identification for cattle. Additionally, USDA is allowing similar provisions for tattoos and breed registry certificates.
- USDA will make feeder cattle (cattle under 18 months of age) subject to official identification requirements in a separate rulemaking rather than in this one.
- USDA will continue to allow backtags to be used in lieu of official identification on direct-to-slaughter cattle rather than eventually requiring official identification, as it had originally proposed. USDA is stipulating, however, that for backtags to be used on such animals, the animals will have to be slaughtered within 3 days of their movement to the slaughter plant.
- USDA is no longer requiring that cattle and bison moved interstate to an approved tagging site be officially identified at the site prior to commingling with cattle or bison from other premises. Under this final rule, commingling can occur prior to official identification provided that other practices are used that will ensure that the identity of the animal's consignor is accurately maintained until the animal is tagged with an official eartag. This change is being made in response to numerous comments expressing concerns that operations at approved tagging sites could be slowed during busy periods.
- USDA is clarifying the circumstances under which multiple official identification methods, including official eartags, may be used on the same animal.
- USDA is allowing the use of other interstate movement documentation, in lieu of an ICVI, as agreed to by the shipping and receiving States or Tribes, for cattle and bison of all ages. The proposed rule only allowed such an exemption for cattle and bison under 18 month of age.

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## **LOUISIANA CATTLE INVENTORY DECREASES**

Source: Terry Matthews, USDA News Report

All cattle and calves on Louisiana farms as of January 1, 2013, were estimated at 780,000 head, down one percent from a year ago. All cows that have calved were estimated at 470,000 head, unchanged from a year ago. Louisiana's 2012 calf crop was estimated at 370,000 head, down one percent from the 2011 calf crop.

Beef cows were estimated at 454,000 head, up slightly from January 1, 2012; milk cows, at 16,000 head, were down 11 percent from a year ago. Other cattle inventory estimates and changes from a year ago were: beef cow replacement heifers, 77,000 head, down five percent from last year; milk cow replacement heifers, 5,000 head, down 17 percent; other heifers, 21,000 head, down 12 percent; steers 500 pounds and over, 18,000 head, down 22 percent from last year; bulls 500 pounds and over, 30,000 head, up seven percent from last year, and calves under 500 pounds, 159,000 head, up one percent from last year.

## **BEEFTALK: NOW IS THE SEASON OF BULL BUYERS AND SELLERS**

Kris Ringwall, North Dakota State University Extension

The bull-buying season certainly is here, and I hope those who need some good replacement bulls are busy shopping. Like a good ice pond with way too many ice houses loaded with fishermen, who gets the fish (in this case, the bull) takes luck and good planning.

To start, for the money spent on bull advertising, two very important functions should occur. For the seller, the ad must attract buyers. For the buyer, the ad should provide some information about the bulls that are being offered for sale.

Two recent conversations make the points well. First, there is the beautiful ad that attracts people.

“From a graphic design standpoint, advertisers have to capture the interest of the reader,” says Sheyna Strommen, communications director for a local livestock publication. “Photos cause people to stop and look at an ad much faster than a table of data because our eyes are drawn to images that appear on a page.

Corresponding data on that ad might inspire a potential buyer to call for a catalog. Some advertisers want to list so much data along with the photo that the font size becomes nearly illegible and too small for many people to read.”

Likewise, an independent artificial insemination technician and breeding consultant, Dave Myhrum, says: “In discussing bulls in the bull catalog with producers, I tend to refer to breed trait averages printed at the bottom of each page as often as bull-to-bull comparisons. They are very helpful, so I completely agree with the idea of including breed and herd averages in sale catalogs and advertising. I’d hope that this would go some way in keeping the bull buyer focused on what needs to be focused on.”

Both cases draw on the importance of the two points. A clear ad will attract people, and enough information and data in the ad also will add credibility.

“The best place for much of this data, in my opinion, is the sale catalog or flier, but pictures are still important to include in these marketing tools, from a graphic design standpoint, because they break up the page, give the eye some relief and make the data easier to digest,” Strommen says.

Clearly, if one is to be in the bull business, time spent with professional marketers is critical. In the cattle business, herd health, nutrition, genetics and breeding all rely on professional advice to keep the herd in business, so marketing should be no different.

The breeder of the bull needs to make the best presentation possible to catch the buyers. On the other hand, the buyers need to be astute and well-informed to make good purchases.

Myhrum says his most dreaded question from producers before every breeding season is: “What’s the hot bull this year?”

“I usually reply that I’ve got two tanks full of ‘hot bulls,’ so what are you trying to get done with your operation?” he says. “I know what they’re asking.

My point to them is that prior to determining which bull(s) will work for their program, they must have a clear idea of what their program is.”

As noted, a good ad will attract a buyer and maybe even help the buyer clarify what is needed. However, an astute buyer will scan the ad quickly, looking for a creditable point and reason to make a follow-up contact.

If there is one common mistake, some ads seem to take for granted that all potential buyers are familiar with the cattle they are offering for sale. Yes, established buyers will recognize the producer, but the ability to attract new buyers who may not be familiar with your breed or reputation requires a second read.

Sometimes the most obvious, such as breed, is left out. One should not make assumptions and leave out information that might be critical to new buyers because the bull business is very competitive. For the bull producer with fewer customer cows to breed, fewer bulls will be sold.

Likewise, the bull buyer is being forced to bid more dollars for the better bulls. A common reaction is to put more cows out with more expensive bulls, which again is a reason to buy fewer bulls.

“The first step for producers is to be able to articulate a clear idea in his or her own mind of what the operation is trying to produce,” Myhrum says. “Call it goals, performance standards, markets or something else. These goals should drive what traits the producer may need to focus on and ultimately what bulls to buy.”

Just like fishing, bull producers need to know what fish are in the pond and work the market.



*Please join us as we say goodbye to a dear friend*

Cole C. "C.C." Black Jr., 95, died at his residence in Zachary, LA on Thursday, January 10, 2013. He was retired with 37 years of service from Exxon Research Lab and was a lifelong active Cattleman. He is survived by his daughter, Melody Black Bourgeois of Zachary, LA and three sons, Charles R. "Dickie" Black and wife Linda Gurney Black of Central, LA, Ronald M. Black and wife Donna Lay Black of Zachary, LA and Robert J. "T-Red" Threeton, Sr. of Zachary, LA. Grandchildren, Mignonne Black Rogers, Duane Gurney Black, Chad Cole Black, Michelle Black Bickham, Danyel Bourgeois McEvoy, Danny P. "Dan" Bourgeois, Jr., Darla Bourgeois Huff, Danna Threeton LaStrapes, Bobbie Threeton Fontenot and Robert J. "Johnny" Threeton, Jr.; 21 great-grandchildren and a great-great-grandchild. He was preceded in death by his wife, Evelyn Marchand Black, parents, Cole C. Black, Sr. and Alma Cline Black; three sisters and six brothers. Pallbearers will be Dan Bourgeois, Chad Black, Thomas Bickham, Matthew Bickham, Kyle Rogers, Johnny Threeton, Ben Black, Rick McEvoy, and Jonathan Huff. He was a member of Cattle Producers of Louisiana, R-Calf USA, Louisiana Cattleman's Association and Galilee Baptist Church. He loved his church and was an avid christian and follower of his Lord. He loved his family dearly, enjoyed working with his cattle, bird hunting, singing, listening to gospel music and watching old western movies. He was the rock of our family and was loved and highly respected by all who knew him.

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