

Cow Country Reporter



August 2010

Volume 2 Issue 8

IN THIS ISSUE

News from your CEO

Animal Welfare Is Now A
Global Issue To Consider

Very Active Atlantic Hurricane
Season Expected

Mid-Year Cattle Inventory
Below A Year Ago

Monthly Cold Storage Report

Don't Forget to Pay Your Dues



Cattle Producers Of Louisiana
P.O. Box 886
Prairieville, Louisiana 70769
Website: www.lacattle.org
Toll Free: 888-528-6999

Dave Foster, Chief Executive Officer
info@lacattle.org

Alaina Pierret, Editor
apierret@wildblue.net

NEWS FROM YOUR CEO

We had two thought provoking speakers at the "Moving from Production to Profit in Ranching" seminar held July 17 in Pineville, LA. Kit Pharo challenged the group to "think outside the box". One of his many quotes was "agriculture that is not profitable and enjoyable will never be sustainable". He talked about making the beef cow work for you, not you working for the cow. Dr. Fred Provenza shared some of his research on behavioral processes. He showed us pictures of cattle grazing in vineyards and citrus groves that were conditioned not to eat the fruit. By changing the animal's eating habits one can better manage forages and as a result decrease input costs. A CPL sponsored meeting held in Delhi, LA examined competition. Fred Stokes and Keith Mudd representing Organization for Competitive Markets gave us an overview of how the seed industry is controlled by one major company and the effects on the industry. Bill Bullard with R-Calf U.S.A. provided a history lesson of the beef cattle business for the past 40 years. This informative lecture opened our eyes on how our business has changed and the challenge of how to become engaged. We as producers have pretty much been asleep and allowed others to form the beef industry we have today. He asked us to get

involved and get engaged in keeping the beef industry profitable for producers. August is the beginning of our "fall run" of calves headed to Louisiana stockyards and the delivery of calves sold direct through order buyers, video auctions and board sales. This year the "fall run" started early (the last week in July) and our calves were in good demand going to graze on lush pastures everywhere except Louisiana. The heat and humidity early in the month slowed demand some as this weather reached into areas north of here. Trucking unweaned calves in these conditions is very risky. The slaughter cow market continues to hold it's own even with a dairy buyout of almost 35,000 cows that have to come to market by August 15. Slaughter cow and bull prices are higher than last year at this time so you may want to free up some of your pasture by culling a little deeper. Replacement cows and heifers are still a good bargain when you compare their prices to cull cows and unweaned calves. Numbers will definitely be lower next year, so taking advantage of the market now may prove profitable for 2011. Prices for calves are running 13.00-15.00 cwt. higher than they were last year, so get yourself in a position to make a profit. Now is the time to be thinking about rye grass and winter supplements. If you want to have a meeting in your region to discuss strategies

(continued on page 2)

NEWS FROM YOUR CEO

(cont. from page 1)

contact us. Keep up to date with the market by calling our toll free number 888-528-6999. This market report is renewed every Saturday.

Dave Foster

ANIMAL WELFARE IS NOW A GLOBAL ISSUE TO CONSIDER

Source: VetsWeb.com

Animal welfare is now a global issue for the animal-health industry, David Fraser, University of British Columbia professor of land and food systems, told the recent International Pig Veterinary Society Congress.

“Public attitudes toward animals have undergone a major shift during the past half century,” he says, with practices and technology that were welcomed in the 1960s as progressive ways of housing and managing animals today increasingly being questioned and rejected.

An expert on animal welfare and its cultural context, Fraser says every culture has certain beliefs about the value of animals and their proper treatment, based on different ways of dealing with animals within these different cultures. But that human perspective on animals began to change when more knowledge was gained about the animals themselves, in terms of anatomy and behavior, which revealed that animals and humans are not so much different. This was the starting point for the narrowing of the gap between humans and animals, he says.

Fraser says three elements define animal welfare, and it is important to strive to achieve a balance between the three:

The affective states, which are pleasure, pain, suffering and happiness.

Natural living, which entails that animals should have a life that suits the animal's natural adaptations.

Basic health, including the freedom of disease and proper feeding and water supply.

VERY ACTIVE ATLANTIC HURRICANE SEASON EXPECTED

Source: CSU release

The Colorado State University (CSU) hurricane team this week maintained its prediction for an above-average 2010 Atlantic hurricane season based on unusually warm tropical Atlantic sea surface temps and the development of La Nina.

For the August forecast, the team stuck with its June prediction of 18 named storms forming in the Atlantic basin between June 1 and Nov. 30. Ten are predicted to become hurricanes and, of those 10, five are expected to develop into major hurricanes with sustained winds of 111 mph or greater.

“The probability of a major hurricane making landfall along the U.S. coastline is 75%, compared with the last-century average of 52%,” says William Gray, a 27-year hurricane forecaster at CSU. “We have witnessed the development of La Nina conditions over the past couple of months, and believe a moderate La Nina will be present over the next several months, which is associated with decreased levels of vertical wind shear and increased hurricane activity.”

“We’ve also noted the persistence of anomalously warm sea-surface temperatures in both the tropical and North Atlantic and low sea-level pressures that have occurred across the tropical Atlantic in June and July,” says Phil Klotzbach, lead author on the forecast. “These very warm waters are associated with dynamic and thermodynamic factors very conducive for an active Atlantic season.”

The hurricane forecast team's probabilities for a major hurricane making landfall on various portions of the U.S. coast are:

A 50% chance that a major hurricane will make landfall on the East Coast, including the Florida Peninsula (the long-term average is 31%).

A 49% chance that a major hurricane will make landfall on the Gulf Coast from the Florida Panhandle west to Brownsville (the long-term average is 30%).

A 64% chance that a major hurricane will make landfall in the Caribbean and Central America (the long-term average is 42%).

The team also debuted a forecast for Caribbean basin activity this year. The Caribbean looks to be very active in 2010, with overall tropical cyclone activity in the Caribbean approaching levels experienced in 2004 and 2005.

For complete information, go to www.e-transit.org/hurricane.

(continued on page 4)

MID-YEAR CATTLE INVENTORY BELOW A YEAR AGO

From: Livestock Monitor , A Newsletter for Extension Staff , Livestock Marketing Information Center

On Friday, July 23rd, USDA-NASS reported that the mid-year U.S. cattle and calf inventory posted another year-to-year decline as of July 1, 2010. The report further confirmed that cow-calf producers have continued to reduce their herds despite higher calf prices. The decline in cattle numbers is mostly due to a variety of factors including production costs that remain high relative to historical standards, record high cull cow prices, and continued uncertainty in the market. Looking ahead, tighter supplies of available cattle will be supportive to fed and feeder cattle prices in 2010 and 2011. However, the degree to which the economy recovers will be a key factor in domestic beef demand and thus cattle prices over the next year.

USDA reported the U.S. cattle herd at 100.8 million head versus 102 million head last year and more than two percent below 2008's mid-year inventory. The number of beef cows at 31.7 million head was down two percent or 500 thousand head from last year, while the number of dairy cows was reported at 9.1 million, 100,000 thousand head smaller than a year ago. According to the report, the number of beef heifers held as replacements was over two percent smaller at 4.4 million head which suggests additional reductions in the cowherd are to be expected. USDA estimated the calf crop at 35.4 million head, 419 thousand head less than last year and the smallest since 1950.

A number of calves were held out on pasture before being placed on feed this year as pasture and range conditions were much improved over last year and feed grain costs are still rather high on an historical basis. Thus as of July 1st, the calculated number of feeder cattle outside feedlots was reported at 37.5 million head, down about three percent from last year.

COLD STORAGE

On July 22nd, USDA-NASS released the monthly Cold Storage report, which showed stocks of red meat at the end of June below a year ago, mostly due to much lower frozen beef and pork stocks. Total frozen supplies of poultry were below a year ago, however the decline was the result of below year ago stocks of turkey as supplies of frozen chicken were above a year ago, the result of trade bans on U.S. chicken exports with Russia this summer. Nonetheless, the year-to-year declines in frozen stocks of red meat confirm earlier trends of tightening supplies of red meat and poultry this year.

As of June 30th, frozen stocks of all pork items totaled 410.1 million pounds, 29 percent or 168 million pounds lower than last year and nearly ten percent below the prior five-year average. Tighter supplies of frozen pork stocks were largely the result of lower slaughter numbers this year as well as improved export sales thus far in 2010. All frozen stocks of pork items were below a year ago, with the largest year-to-year declines posted in bellies which were 54 percent below last year's, followed by bone-in loins (down 51 percent), pork trimmings (down 49 percent) and pork butts (down 45 percent). Of note, total supplies of ham (bone-in and boneless) were only three percent smaller than last year most likely attributed to stronger exports to Mexico this year.

Frozen stocks of beef reported at 375.1 million pounds were nearly 14 percent below a year ago and nine percent less than the 2004-2008 average. Frozen supplies of boneless beef, which account for the majority of total beef stocks, were 16 percent lower, while stocks of bone-in cuts were up more than three percent from last year. Stocks of frozen beef have been below a year ago since August 2009, the result of smaller U.S. beef production and beef imports as well as larger beef exports this year. On a monthly basis, frozen beef supplies were three percent smaller than at the end of May.

As reported by USDA, frozen chicken stocks at the end of June were two percent larger than in 2009 at 669.0 million pounds, but nine percent below the prior five-year average. According to the report, stocks of mainly export items were above last year with frozen stocks of legs more than three times as large followed by paws and feet (up 58 percent), thigh meat (up 57 percent) and leg quarters (up 42 percent). However, frozen stocks of breasts/breastmeat were nearly seven percent smaller than last year. Frozen supplies of turkey at the end of June were 15 percent smaller than in 2009 and four percent below the 2004-2008 average.

ANIMAL WELFARE

(continued from page 2)

Fraser says animal welfare, just like any other discipline, deserves a place in the scientific approach to animal husbandry. "Topics such as husbandry and housing are sort of lost in today's animal science programs, but animal welfare is really a practical discipline in that respect and not just an issue which is based on emotions."

For the full article, go to www.vetsweb.com/news/animal-welfare

Don't Forget to Pay Your Dues

Please be sure to take a moment to make sure your membership dues are up-to-date. Your membership dues are crucial to further advancing our mission. If you have already paid your dues, we thank you. Please use this form to sign up your neighbor. Dues are just \$50. If you have not yet paid your dues, visit our website (www.lacattle.org) and use the online form or fill out the form below. Your dues are the only source of income for our organization and without them we would not be able to ensure that our goals are seen through. If you have any questions, comments or ideas, please feel free to call 1-888-528-6999.

Name _____

Company _____

Address _____

City _____ State _____ Zip _____

Parish _____ Region _____

Phone _____

Fax _____

Email _____



CATTLE PRODUCERS OF LOUISIANA
P.O. BOX 886
PRAIRIEVILLE, LOUISIANA 70769
WEBSITE: WWW.LACATTLE.ORG
TOLL FREE: 888-528-6999