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News from your CEO

The majority of our Louisiana cow/calf producers have sold their 2025 calf crops and made a good size profit compared to last year. The feeder cattle and calf market has not been paying much attention to the CME Futures Market because throughout September these prices continued to get higher even when the futures market was $6.00-$7.00 per lb. lower some weeks while the live market continued higher. Going into October, historically, our feeder and calf markets turn lower as receipts at the local auction markets are fewer and buyers are moving to markets in the Central and Northern plains where receipts are plentiful. A little heads up for our producers who calve in the Fall, keep those baby calves growing and stay hooked up to the market and your market representatives. Cattle numbers are not getting higher so plan accordingly. The future for the cow/calf producer looks promising. This fact coupled with plans from President Trump and Secretary of Agriculture Rollins to use some tariff money to assist producers and farmers plus opening grazing lands and keeping solar panels off good crop and grazing lands should reduce input costs.

Enjoy the Fall weather. Keep those Fall-born calves alive and let's have some CPL information meetings between now until the first of the year to plan for 2026.

Dave Foster, CEO

High Beef Prices Continue into Fall

By: Derrell S. Peel, Oklahoma State University Extension Livestock Marketing Specialist

The USDA Choice boxed beef cutout was $404.77/cwt. last week, down from the year-to-date peak of $413.60/cwt. in the first week of September. The current boxed beef value is 31.7 percent higher than one year ago, with all primal values higher year over year. Rib primals are up 31.5 percent; loin primals, up 31.4 percent; round primals are 31.5 percent higher; and chuck primals are up 34.6 percent from last year. Brisket, short plate and flank primals are also up 21 to 35 percent year over year. Across forty wholesale cuts reported by USDA, twenty products are up more than 20 percent year over year and the average increase across all forty is 32.8 percent over last year. The only product down from one year ago is short ribs, which are almost exclusively an export product and weak due to decreased beef exports.

Prices for 90 percent lean trimmings were $434.05/cwt. last week, down slightly from the previous weekly high of $435.31/cwt. and up 17.1 percent year over year. Fifty percent lean trimmings are priced at $159.89/cwt., up 30.9 percent from last year. A 7:1 ratio of 90s to 50s makes an 85 percent lean mix with a price of $399.78/cwt. for wholesale ground beef value, up 17.7 percent from one year ago.

USDA recently released the August retail meat prices showing that the all-fresh beef price was another record high at $9.18/lb., up from last month and up 12.6 percent year over year – over $1/lb. higher than one year ago (Figure 1). Retail pork prices dropped slightly from last month and are up 2.2 percent from last year, while retail broiler prices were fractionally higher this month and up 1.9 percent year over year.

Retail beef prices continue to increase relative to broiler and pork prices. Figure 2 shows the beef-to-broiler and beef-to-pork retail price ratios since January 2023. The ratios have continued to increase and are at record levels in August 2025, with a ratio of 3.69 for beef-to-broiler prices and 1.83 for beef-to-pork. The beef-to-broiler ratio has increased 10.5 percent in the past year and is up 24.3 percent since January 2023. The beef-to-pork ratio has increased 10.2 percent year over year and 22.0 percent since January 2023.

Beef prices remain strong and beef demand is robust despite the availability of favorably priced alternative proteins. Moving into the fall, consumer demand shifts from a summer grilling focus to crock pot cooking and increased restaurant visits. This may slightly change relative values among beef products, but beef product demand continues strong at all levels.

Texas A&M AgriLife Releases Cover Crop Grazing Guidance

New fact sheets help producers balance soil health, forage production and profitability in Southern Great Plains.
Source: Texas A&M University

Producers in the Southern Great Plains must balance forage type and quantity with grazing duration to make grazing cover crops economically viable.Paul DeLaune/Texas A&M AgriLife

Producers in the Southern Great Plains looking to boost soil health on their lands while earning added income from livestock grazing can now access new guidance from Texas A&M AgriLife experts.

Texas A&M AgriLife Extension Service specialists and Texas A&M AgriLife Research scientists developed four new fact sheets that walk farmers through the basics of growing cover crops for grazing, from selecting species and assessing biomass to evaluating grazing economics and animal safety risks.

"Because of the many questions about grazing cover crops and limitations in semi-arid regions, we created the series of fact sheets to address details that producers should consider," said Jourdan Bell, Ph.D., AgriLife Extension agronomist and associate professor in the Department of Soil and Crop Sciences, Amarillo.

The fact sheets represent the work of 14 AgriLife Extension and AgriLife Research experts in the Department of Soil and Crop Sciences, Department of Animal Science, Department of Rangeland, Wildlife and Fisheries Management, and Department of Agricultural Economics.

Cover crops basics

Different cover crop species offer different soil health benefits, and not all are adapted to the Southern Great Plains.

In this region, summer cover crops may include blends of sorghum-Sudan grass, millet, cowpeas, okra, sunflowers and other drought-tolerant, warm-season annuals. Monocultures of sorghum-Sudan, millet or cowpeas can also work and may provide producers with beneficial summer and fall forage, depending on the season.

While winter cover crops are most commonly used in rotation with low-residue summer crops such as cotton, summer cover crops can also offer both grazing opportunities and soil health benefits.

Key questions before grazing cover crops

Grazing cover crops can boost soil health and provide a valuable forage source, but only if there is enough biomass to support livestock production and still protect the soil.

Producers should ask these questions before turning out livestock:

- Forage type: Are there any toxicity concerns?
- Forage quantity: Is there enough forage to make grazing economical?
- Grazing duration: How can you graze while still protecting soil health?

For instance, hairy vetch is often used in cover crop mixes as a legume with strong root activity; however, it should be avoided if grazing livestock, as hairy vetch toxicosis can be fatal for certain classes of livestock.

Additionally, nitrates can accumulate in water-stressed cover crops, such as small grains. Producers should factor in current and previous fertility programs when deciding whether stressed forages are safe to graze.

"It is important to always consider your cover crop objective before initiating grazing, including how much biomass you need, how much you plan to leave and when to terminate the cover crop," said Emi Kimura, Ph.D., AgriLife Extension agronomist and associate professor, Vernon.

Making the economics and logistics work

Biomass quantity is a primary factor for determining if a field is suitable for grazing. In Southern Great Plains grazing systems, there should be at least 90 days of forage available to justify the cost of grazing.

For example, if stocker cattle gain 1.5-2 pounds per day, the cost of the gain should be less than the cost of grazing to ensure a net profit.

While grazing cover crops can add value by improving soil health, producers also should consider:

- Transportation costs.
- Water access and fencing.
- Other basic livestock needs.

"The stocking rate should be based on potential forage intake and total animal weight rather than the number of animals," Kimura said. "As long as the field is not overstocked, forage production will continue to increase under nonstressed conditions and also benefit soil health.

To help producers evaluate if grazing cover crops is right for their operation, all four fact sheets are available online at the Southern Great Plains RegenAg site. The documents are part of a larger U.S. Department of Agriculture National Institute of Food and Agriculture project, including researchers and Extension specialists from Oklahoma State University and Texas Tech University.

Tips and Technology for Receiving Calves

Texas veterinarian, backgrounder and cow-calf producer Jared Ranly discusses strategies for weaning time that benefits both the cow-calf producer and stocker.
By: Shaye Koester-Wanner

What makes a backgrounding enterprise successful? Is it good cattle, health protocols, good nutrition or thorough record-keeping? The answer – all of the above!

A healthy, high-performing calf for the backgrounder and feeder starts on the ranch level.

"It's beneficial if we can get some pre-weaning vaccines into those cattle... castrate those bull calves as soon as possible... and deworm those calves before they get sent off," says Jared Ranly. "Let's think about the good of the industry and how much we can help the calves and people in the next phase."

Ranly is a Texas veterinarian, backgrounder and cow-calf producer who is passionate about helping others raise healthy calves and have successful operations.

How long calves have been weaned also makes a big difference in how high-risk they are for the next phase.

He says, "The highest risk calves we see are those short-term weaned calves, where they're maybe weaned for around two or three weeks, and then they get sent to a background or a stocker operation. Those calves really wreak a lot of havoc in our system."

Instead, consider the following options.

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Three Considerations When Comparing the Cost of Buying Bred Heifers to the Cost of Developing Them

By: Kenny Burdine, University of Kentucky

As we roll through fall, spring-born calves will be weaned and many of those heifer calves will be held for replacement purposes. At the same time, a large number of bred heifers will hit the market and be available for the same purpose. It is not uncommon for someone to comment on how expensive bred heifers are and assume that they can develop their own heifers for much less. While this is true in some cases, I also think it is easy to underestimate some of those costs. The purpose of this article is to briefly highlight three things that are crucial to consider when a cow-calf operator tries to make this comparison. And I would argue these are even more significant given the strength of the current cattle market.

The opportunity cost is the biggest cost

I hope this one is obvious, but the largest cost of developing a heifer is the opportunity cost of that heifer at weaning. High quality weaned heifers, in the 500-600 lb range, are bringing $2,000 and higher across most US markets. Whatever those heifer calves are worth in the marketplace is the first cost of heifer development. By not selling that heifer calf, one is forgoing that income. This cost is huge right now due to the strength of the calf market and higher interest rates, which makes forgoing that income even more significant. While the heifer herself is the easiest opportunity cost to quantify, this applies to all the costs of developing her (feed, pasture, breeding, facilities, labor, etc.).

They won't all make the cut

After the initial cost of not selling the heifer at weaning, another year of expenses will be incurred to get that heifer to the same stage as those bred heifers on the marketplace. She will be carried through a full winter and summer grazing season and be bred to calve the following year. There are significant costs in doing this, but it is also important to understand that not all those heifers are going to end up being kept for breeding. Some will fail to breed, and others will simply not meet the expectations of the farmer. Heifers not kept for breeding will end up being sold as feeders and likely won't cover all those expenses. The "loss" on these heifers becomes an additional cost of the heifers that do enter the cow herd as replacements.

Next year's calf should be very profitable

This is another one that doesn't get much attention but really matters in a time like the present. It's easier to think about this one applied to a specific timeline so I will frame it for a heifer born this spring. A heifer calf weaned in the fall 2025, kept for replacement purposes and bred in 2026, won't wean her first calf until fall of 2027. Conversely, those bred heifers on the market in fall of 2025 should wean their first calf in 2026. While nothing is guaranteed in the cattle markets, fundamentals suggest that 2026 should be a profitable year for cow-calf operations. The potential profit on that calf in 2026 becomes capitalized in the value of those bred heifers in 2025. For this reason, comparing the cost of a bred heifer in fall 2025 to the cost of developing a heifer weaned in fall of 2025, can be misleading.

The purpose of this article was not to suggest that either replacement strategy was best. There is merit in both approaches, and it largely comes down to the goals of the operator. While I am an economist, I also recognize there are a lot of non-economic considerations that come into play. But the economics of the decision is complex, and carefully thinking through all aspects of that decision is likely time well spent.

Estimating Winter Hay Needs

By: Mark Z. Johnson, Oklahoma State University Extension Beef Cattle Breeding Specialist

Some basic rules of thumb to follow when determining the hay supplies you will need to sustain your cow herd over the winter and into next spring.

1. Determine your average mature cow size. This can be done by weighing your 4 – 7 year old cows and calculating the average weight. From mature cow size, we can approximate the amount of forage dry matter cows will need to consume per year or per day. For example: a 1,000 pound cow will consume about 26 pounds of forage dry matter per day. A 1,400 pound cow will consume about 36.4 pounds of forage dry matter per day.
2. Determine your cow inventory
3. Estimate the amount of time you expect to be feeding cows.

From this information you can calculate the total amount of hay needed. For example: 100 cows weighing 1,400 pounds will consume about 3640 pounds of hay per day. We should take into account that a certain amount of the hay fed will be wasted and there will be a certain amount of spoilage of each bale fed that won't be consumed. With this in mind we will add another 10% to the daily total to bump it up to about 4000 pounds (2 tons) per day.

Remember the amount of hay wasted or spoiled could be higher. If we are feeding hay carried over from last year, expect a higher percentage spoiled in each bale.

If we are expecting to feed hay from mid-October to mid-May, that is approximately 200 days of hay feeding. 4000 pounds of hay needed per day x 200 days equals a total of 800,000 pounds (400 ton) of forage dry matter that cows will consume over this time. If we are feeding or buying large rounds with an average weight of 1,250 pounds that equates to 640 (800,000 divided by 1,250) big bales needed to sustain the 100 cows.

If possible, purchase hay by the ton. It leads to less error in securing the amount of hay you will need to purchase or have on inventory. If buying hay by the bale is your only option, make sure to weigh enough of the bales to have an accurate representation of bale weight. Also, take into account the amount of spoilage of each bale. One of the upsides of hay baled this summer is less spoilage.

Other factors such as weather, stage of gestation or lactating versus dry cows will obviously impact nutritional requirements of cows from day to day. Many Oklahoma producers are fortunate to have more standing forage than normal as we evaluate pastures right now. This may reduce hay needs and move back the starting date of hay feeding this year.

Tips and Technology for Receiving Calves (cont.)

"I'd rather have those calves right off the cow or weaned for a minimum of 45 days," says Ranly.

Once calves are off the ranch, backgrounders can also take key steps to have a successful receiving period starting from day one.

"We want to rest them overnight with good quality hay and good quality water," says Ranly. "After that we want to get these cattle processed as soon as we can and get them turned back out into pasture or go to their home trap where they're going to be on feed."

He also emphasizes the importance of nutrition for calves before, during and after backgrounding.

He says, "Nutrition is so critical in this transition phase… have a real good palatable feed, whether it be a forage source or a feed source, that we can transition these calves onto to set them up for the best possible health program."

Don't forget the value of a veterinarian as a backgrounder either.

"Reach out and find a veterinarian ahead of time and don't wait until you're in a disaster mode," says Ranly. "Let that vet develop a vaccination program and a treatment program, so we can try to put out these fires before we get into those situations."

Having a successful backgrounding operation goes beyond good cattle, solid health programs and quality nutrition. Record keeping is essential.

Ranly says, "Good record keeping lets me actually see what's going on. Without the data, we can't narrow in and focus on the true problem—we're just throwing darts at the wall guessing."

The method of record keeping also makes a difference.

"The guys that are on notepads don't always know where they're at," says Ranly. "They're probably really nervous about the market and hesitant to sell because they don't know if this profit is good enough."

Multifaceted digital platforms are the preference for Ranly and his clients.

"If we can use a program like Performance Beef and we can know exactly what our true breakeven is, we're not panicking when we're selling them," says Ranly. "We can be comfortable with the profit margin and roll on."

Easily accessing ration costs and cost of gain are key features of Performance Beef.

He says, "That's where we've seen some game changing—with clients who thought they had a cheap ration, but when we analyzed cost of gain through Performance Beef, we realized changes needed to be made."

The bigger picture of digital record keeping comes down to making management decisions with more confidence.

"By taking all this data in, it can really let us focus on issues we need to address and fine tune the operation." says Ranly. "We can find out what a set of cattle from a source is really worth—can we pay them a premium or do we need to discount those cattle?"

Remember a successful backgrounding operation not only crosses their t's and dots their i's with animal health and nutrition, they also invest in tools that allow them to know where they stand financially today and over the long term.

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