

Marketing Preconditioned Feeder Cattle

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There are numerous successful feeder cattle marketing programs throughout the eastern United States. Calves in these programs have been vaccinated, backgrounded for 45 days, and have a special ear tag. Regardless of the region, four basic ideas are the foundation for these programs:

- Enhance the reputation of the cattle
- Improve the health and genetics of the cattle and reward producers (\$'s) for their efforts
- Identify calves with superior health programs and progressive genetics from the "everyday calf" in the marketplace
- Promote better communication between buyer and seller

After hearing about the successes of various marketing associations and watching local order buyers purchase cattle, group them, and receive the premiums (\$'s), several producers asked the question: **"Why can't we do the same thing?"** To assist producers with this idea, the Abingdon Feeder Cattle Association (AFCA) decided to sponsor the first Virginia Quality Assured (VQA) Feeder Cattle Sale in October 2005.

Weaning, Vaccinating, and Feeding

To qualify for the VQA Sale, calves are backgrounded for a 45-day period where they are weaned and learn to eat and to drink from watering and feed troughs. Weaning and feeding methods are at the discretion of the producer. Producers are encouraged to supplement calves with grain at a rate of 1 to 1.5% of their body weight. In a feeder calf backgrounding study conducted at Steele's Tavern in Virginia, gains were highest when calves were on high quality pasture and grain, followed by high quality hay and grain, and lowest on pasture without grain supplementation (2.36, 2.12, and 1.79 #'s/day respectively).

Calves were vaccinated according to product label directions for 7-way Clostridials (blackleg), modified-live vaccines for viruses (IBR, PI3, BRSV, BVD Types I and II), and Pasturella (pneumonia). The health program can often be accomplished by two injections and one trip down the working chute. Program costs (vaccinations, dewormer, and ear tag) are estimated at \$7.75 per calf. To verify that the vaccines are given correctly, an Extension Agent, veterinarian, or AFCA Board Member must be present when the cattle are worked. For a complete listing of specifications for the Virginia Quality Assured (VQA) program, go to: <http://www.vacattlemen.org/>

Grouping Calves and the Sale

Calves are evaluated / graded on the farm by the Virginia Department of Agriculture's Livestock Marketing Representatives. Calves are grouped and described according to sex, size, and grades. These descriptions are advertised by

the Virginia Cattlemen's Association on the internet and by mailings, and the sale is conducted by conference call.

On most preconditioned sales sponsored by Virginia Cattlemen, there are approximately **40 – 75 buyers** participating in the conference call sale. After the animals are sold, a "take-up" day is scheduled, and all animals are delivered to a local livestock market to be weighed, sorted, and loaded. Loads of preconditioned calves have been sold to feedlot owners and order buyers in Pennsylvania, Ohio, Indiana, Illinois, Iowa, Kentucky, North Carolina, and Virginia.

Premiums for Preconditioned Calves

Over 60 producers have participated in this marketing opportunity. Of the **7,424** calves sold through the program, producers have added **\$319,338** to the gross receipts of their livestock (**+\$43.01 per head**). Premium per calf is calculated by the difference between marketing method, and it does not account for weight gained during the 45 day backgrounding period. Sales comparisons are calculated using the Virginia Tel-O-Auction Sales Report and the Virginia Department of Agriculture's Livestock Marketing Report for Virginia State Graded Feeder Cattle Sales held on the same week.

Is backgrounding calves a good option for me?

Doing a better job in marketing livestock is a simple solution to increasing revenues generated by feeder calves. There are few new enterprises that can be added to the farm that will generate as many dollars in 45 days as backgrounding feeder calves. If you are considering producing preconditioned feeder calves, listed below are advantages of participating in an organized, group effort:

- Abingdon Feeder Cattle Association Sales are available to any producer (regardless of state)
- After 7 years of marketing VQA calves, the Abingdon Feeder Cattle has developed a "good reputation," and buyers of previous lots are coming back in search of more preconditioned calves.
- Animals marketed in the VQA Program are advertised and promoted by the Abingdon Feeder Cattle Association, Virginia Cattlemen's Association, and Virginia Department of Agriculture.
- The local livestock market participates in the program, and they oversee the transaction, write checks to producers, and provide the labor to weigh and to sort the cattle.

For more information about marketing preconditioned feeder calves with the Abingdon Feeder Cattle Association, please contact:

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