To produce cattle that work in all areas of the beef business (on the farm, in the feed yard and on the rail)
To produce cattle in an efficient manner and to protect our resources.
To operate within the mainstream of the U.S. cattle industry
To generate income to make the operation profitable and viable
To take pride in and enjoy raising cattle
Is the average beef producer profitable?

• Herd Size: 42 Cows
• 82% of the calf crop is sold at auction market
• 66% use some form of identification
• 77% castrate some of their calves
• 55% have no set calving season
• 7.2% use AI
• 91% of exposed cows calve
• Average weaning weight: 530 pounds
• Average return per cow: $475
Observations on profitability

• It takes time to build a quality cow herd
• It pays to be contrary to some traditions
• Use resources efficiently to cut costs
• Be willing to do things others can’t or won’t do
Live Calf
Moderate Frame
Heavy Muscle
High ADG
Heavy Weaning Weight
Problem Free Replacements
High Value Carcass
Healthy
Artificial Insemination

- Use High Quality/Proven Bulls
- Increase Gains
- Improve Carcass Traits
- Higher Quality Replacement Heifers
Estrous Synchronization

- Time Bred Using 5 Day Co-Synch + CIDR
- AI Pregnancy Rate 60 – 68%
- Pregnancy Rate 95.8%
- Shorten Calving Season: 87% to calve in first thirty days
- Increase Calf Age by 16 days overall; AI sired calves are on average 27 days older
Crossbreeding

• Straight Angus
  WW = 595#

• ½ Simm ½ Angus
  WW = 729#

• Difference = 134#

• Adj. For Cow and Calf Age = 67#
Backgrounding

• Marketing
• Health
• Commodity Feeds
• Corn Silage
Retained Ownership

- Relationship with feedlot
- Location
- Cost of gain
- Average daily gain
- Cattle health
- Marketing options
<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>200 head in January 4, 2009 weight</td>
<td>792 #</td>
</tr>
<tr>
<td>Price per pound</td>
<td>.92</td>
</tr>
<tr>
<td>Average days on feed</td>
<td>146</td>
</tr>
<tr>
<td>Average live weight</td>
<td>1,400 #</td>
</tr>
<tr>
<td>Sell price per pound</td>
<td>.8876</td>
</tr>
<tr>
<td>Average daily gain</td>
<td>4.16 #/day</td>
</tr>
<tr>
<td>Feed Conversion</td>
<td>6.64</td>
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<tr>
<td>Total cost of gain</td>
<td>.6697</td>
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<tr>
<td>Net profit per head</td>
<td>106.77</td>
</tr>
<tr>
<td>Average treatment cost</td>
<td>$.21</td>
</tr>
<tr>
<td>No death loss</td>
<td></td>
</tr>
<tr>
<td>Return to farm per head</td>
<td>$835.41</td>
</tr>
</tbody>
</table>
2008 Spring Born Steers Carcass Data

- **Quality:**
  - 6.25% Prime
  - 37.5% Choice
  - 10.0% Select
- **Yield:**
  - 25.5% = 2
  - 65.5% = 3
  - 8.5% = 4
  - .5% = 5
- **Average hot carcass weight:** 901 pounds
- **Average marbling score:** modest 10
- **Average back fat:** .51
- **Average rib eye area:** 13.3
- Cattle earned approximately $20 per head carcass grid premium and $35 per head for age and source verification
Bred Heifers

- AI sired
- Mostly private treaty sales
- Sold 86 in 2009 to date
- From $1025 to $1500 per head
US Average Return Per Cow $475
Hillwinds Average Return Per Cow $737
Tri-State Cow/Calf Conference

The conference is presented under a grant from the Southern Region Risk Management Education Center with additional support from the University of Tennessee Extension, Virginia Cooperative Extension and North Carolina Cooperative Extension.

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