June 26, 2008

COWCHIP

DATES TO REMEMBER:

July
14 Value Added Seminar – 5:30 p.m.
24 Ryegrass Seed Bids Accepted

VALUE ADDED PROGRAM:

Costs are rising and our weaned calf prices are down, not a good situation for profits in the cow-calf business. While most of us can cut some costs that won't reduce pounds of calf weaned per cow, there is a limit. I don't see feed, fuel or fertilizer costs coming down anytime soon. It may be wise to shift our production system to some combination of cow-calf, stockering and/or grass-fed beef production.

These issues will be addressed at a special seminar to be held at various locations in the state this summer. A flyer is enclosed for your use. Economics of Stockering, Buying Stockers, Health Programs for Stockers and Forage Programs will be discussed. In addition, adding value to cull cows and the development of a Louisiana Branded Beef Market will also be covered. It's time to educate ourselves to make valid decisions. I hope to see you there.

MASTER CATTLE PRODUCER:

Stan Dutile, Lafayette Parish County Agent, and I are again cooperating to offer the Master Cattle Producer series to those producers in the Acadiana Region who are interested. The program is a series of 10 classes that will be offered starting in October and extending into December. The classes will be offered on Monday nights from 5:30 – 8:30 p.m. The cost of Master Cattle Producer certification is $100.00, which will cover teaching materials, meals and refreshments during each session, certificates and a farm sign. Producers who cannot attend all sessions will be allowed to make up sessions. Credit will be given to those who have attended classes at LCA conventions or Beef and Forage Short Courses. A registration form is attached. As this is the third offering of this series in this area we do not anticipate as much interest as the initial offerings. We do require a minimum of 15 interested producers. A registration form is attached. Please return this form by September 1st if you are interested. Topics covered include: Animal Handling, Health, Nutrition, Pasture Management, Breeding and Selection, Reproduction, End Product and Financial Management.

CAN CATTLE BE PROFITABLE NOW?

High costs of inputs and a softer calf market have many cattle producers doubting their future. With our current economic conditions, we need to carefully evaluate all of our management practices. Our profitability will depend on cutting the right costs, and/or increasing production. This is easier said than done.

Cattle Fax analysts have formulated a list of 11 habits of high return producers. Some deal with costs while others deal with production and management. Here is the list:

1. Below average out of pocket cow cost
2. Lower than average calf breakeven cost
3. Lower feed costs
4. Lower interest expense – less debt
5. Lower operating expenses
6. Higher average weaning weights
7. Higher conception rates
8. More pounds weaned per cow
9. Higher quality bulls with good genetics
10. Preventative herd health program
11. High quality pastures to maintain nutritional requirements of the cow

If we look at the first five habits which deal with lower costs, I think there are two areas where many of us can cut costs without impacting production. Providing nutrition to the cow herd represents the largest out of pocket cost for maintaining a cow herd. Many of us use convenience feeds like tubs and self-feeders. Tubs are very high priced and self-feeders often result in over consumption and waste of feed. Also, if the feed is not balanced for fiber or if it is too high in fat digestive problems can occur. Hand feeding the proper amount every other day is a cheaper and more efficient alternative. The use of bulk commodity feeds fits in nicely here. Rice bran, whole cottonseed, corn gluten and distillers dried grains will be more expensive this year than last, but they will still be a bargain. If ryegrass is part of the winter nutrition program then focus on a well managed small acreage rather than spreading limited resources on a larger acreage. In other words, do things right (correct pH, limit and rotational graze, fertilize as needed) on as many acres as you can afford and use this acreage for your thinner early calving cows and any heifers you are developing.

I find many of us have too high of an investment in equipment. This leads to high depreciation and high repair costs. We need to look to rent or hire out as much of this as possible to reduce our costs. Balers, trailers and extra tractors should be evaluated for what they add to the profit pictures. Are they a convenience or do they more than pay for themselves?

On the production side, two areas where we can insure maintenance of current production or increase our weaning weights without a significant increase in costs are herd health programs and buying higher quality bulls. While they will increase cost to some extent they can both more than pay for themselves. With high input costs, a disease outbreak like leptospirosis would be even more disastrous. And an extra $1,000 for a bull whose EPD for weaning weight is 15 pounds higher than the cheaper bull, who produces 20 calves per year with a calf valued at $1.00/lb. pays for himself in about three years.

Two programs which can also help from an income standpoint are holding thin cull cows until spring and grazing calves to heavier weights. Both require some investment and risk but these can result in a net profit if done properly. They will both be discussed at the Valued Added Seminar on July 14th at 5:30 p.m. at the South Louisiana Community College in Lafayette.

ANAPLASMOSIS (Dr. Christine Navarre)

Anaplasmosis is endemic (always present) in our cattle in Vermilion Parish. It results in cattle deaths every year. This article, written by our Extension Veterinarian, Dr. Navarre, covers the things we should know about the disease. I would add that an alternative to feeding tetracylene, or vaccinations for prevention, is to give two doses of long acting oxytetracycline in July and September to the whole herd.

Anaplasmosis is a disease of cattle that is caused by the blood parasite Anaplasma marginale. This organism infects red blood cells, which leads to anemia. Anaplasma marginale also can infect sheep and goats and some wild ruminants, including white-tailed deer. These animals do not usually show signs of disease, but possibly can serve as a reservoir for the disease. This disease is endemic in some parts of the Gulf Coast, meaning that it occurs regularly and is basically "native" to the area. Be aware that due to increased movement of cattle in previous years, some areas that have been considered non-endemic in the past may now have more anaplasmosis. With cattle moving in and out of hurricane and drought ridden areas, the possibility of introduction of diseases, including anaplasmosis, increases.

Transmission

Anaplasmosis is transmitted by insects or people. Horse flies, and some species of ticks are the main insect vectors. Spread by other biting flies (such as stable flies), horn flies and mosquitoes is unlikely, but possible during severe infestations. People can spread anaplasmosis through reuse of needles, and improper cleaning of instruments during dehorning, castration or tattooing. In one study, when a needle was used on an infected cow, the next animal had about a 60% chance of getting infected when the same needle was used.

Clinical Disease

Once the Anaplasma organism infects an animal it usually incubates in the body for 3-5 weeks before the animal actually gets sick. Cattle less than two years of age rarely show any signs, even if they become infected. Cattle older than two years of age have more severe disease symptoms and are more likely to die. Whether or not an animal shows any signs, if it does become infected, it is usually infected for life. These carrier animals are immune to future disease, but become a source of infection for other cattle.

Outbreaks of anaplasmosis usually occur in summer and fall. Some of the common signs are fever, weakness, depressed attitude, decreased appetite, decreased milk production, and a white or yellow color to the gums, white of the eye, or vulva. Aggressive behavior also is common, especially in beef cattle. Abortions may occur in females and temporary infertility can occur in males. Animals with severe disease may die. If they survive, they are likely to be "poor-doers". Infected animals with less severe signs or no signs at all can have decreased milk production and infertility/embryonic death. This leads to decreased numbers of calves born and decreased weaning weights, both of which add to the financial losses due to anaplasmosis. In endemic areas, some herds may only suffer these less noticeable problems without having the very obvious illness and deaths. This makes the disease harder to recognize but financial losses can still be severe.

Diagnosis

If anaplasmosis is suspected, producers should contact their veterinarian to confirm the diagnosis. There are other diseases such as "red water" (caused by a clostridium) or leptospirosis that can appear similar. There are tests to find carrier animals. A new test called the competitive ELISA ("cELISA") appears to be the best. Just beware that in the first days after infection, the test may be negative, even though the animal is infected. So retesting is sometimes indicated.

Treatment

Treatment of cattle with long-acting formulations of injectable oxytetracycline can be beneficial if done in the very early stages of the disease. Many times cattle are not recognized as infected until they are severely anemic, and treatment may be too late. In fact, the stress of treatment may kill the animal, so it is sometimes best to leave them alone. A blood transfusion could be considered in valuable animals, but still may not prevent death. Treatment is best

reserved for the remainder of the herd to stop any early infections from getting more severe. Treatment of carrier animals to clear them is not usually effective so should not be attempted.

Prevention and Control

For herds in endemic areas there is constant potential for exposure, and total prevention or elimination of the disease from a herd is not realistic. Therefore, the goal is to prevent and minimize clinical and subclinical disease and production losses. Producers in endemic areas should assume there is a good chance they have carrier animals in their herd that look perfectly healthy but can be a source of infection, so practices that could potentially spread the disease (such as reusing needles) should be eliminated. Supplying tetracycline products in feed or mineral supplements will not totally eliminate problems, but will greatly reduce them. Tetracycline is added to these supplements at different levels, so make sure that the supplement is labeled for the "prevention of anaplasmosis" to assure a high enough dose. Control of ticks and flies also will decrease spread of the disease. One of the most effective means of prevention is vaccination. The only vaccine currently available is from University Products, L.L.C. (anaplasmosis.com) and not all states have approval to use this vaccine. This product is relatively expensive compared to other vaccines, but when the costs of deaths, chronic poor-doers, abortions, and milk production decreases are all considered, the vaccine may very well be cost effective in herds in endemic areas. The time to vaccinate is in the early spring. Producers should talk to their veterinarian about the availability and cost effectiveness of this vaccine in their herds.

In non-endemic areas, prevention of infection may be possible with biosecurity measures, especially testing of herd additions with the cELISA. However, since this test may miss animals in the very early incubation phase, single use needles, proper cleaning of equipment and vector control are important just in case a carrier slips into the herd undetected. Vaccination of valuable animals also should be considered.

Introducing cattle from non-endemic areas to endemic areas should be done carefully. If possible, introduce new animals during the non-vector season (if there is one). Consider vaccination on arrival. If vaccination is not available, consider treatment of the new animals with long acting oxytetracycline two weeks after the vector season starts, or two weeks after arrival if introduced during the vector season.

GRAIN MARKET:

Livestock producers were dealt more harsh news this week with regard to feedgrain supplies. Persistently wet conditions in parts of the Midwest have worsened, with some areas suffering catastrophic flooding. These events continue to paint a very dark picture for fall grain harvest projections, intensifying pressure on feedgrain prices and supplies. USDA is now projecting a significant decline in the per-acre yield for corn, on top of a reduction in corn acreage. These events have put tremendous price pressure on all users of corn, as corn futures for all upcoming months have shot past $7 per bushel.

"Cattlemen are now looking straight down the barrel of $7 corn, and that may just be the beginning," said NCBA Chief Economist Gregg Doud. "We already saw a lot of acres migrating away from corn this year, and that was before the wet spring pushed into June. By the time conditions improve in many of these fields, planting corn will no longer be an option."

Earlier today, the Senate Energy and Natural Resources Committee held a hearing to examine the relationship between renewable fuels mandates and food prices. In written comments submitted to the committee, NCBA President Andy Groseta made it clear that while consumers are feeling the pinch from the rising cost of many foods, livestock producers are bearing most of the burden when it comes to meat production.

"Many cattle feeders are currently losing about $150 per animal, which amounts to an average weekly industry loss of approximately $79 million," said Groseta, a rancher from Cottonwood, Arizona. "These losses will be passed on to the foundation of our industry, the cow/calf producer. For every $1 per bushel increase in the price of corn, a cattle feeder must pay $22 per hundred-weight less for a 550 lb. feeder steer."

Several legislative proposals have been introduced to freeze or reduce ethanol production mandates, and to reduce or eliminate incentives that divert feedgrains toward ethanol production. Without endorsing any particular proposal, Groseta urged the committee to carefully weigh current market conditions as they debate these issues.

"Cattle producers have always depended on the free market to drive their business, and as long as cattle producers have the ability to compete on a level playing field with the ethanol industry for each bushel of corn, the U.S. beef industry can and will remain competitive," Groseta said. "NCBA feels that it is time to level the playing field and allow market forces rather than government intervention to guide the production and use of ethanol."

MANDATORY COOL RULES:

Rules implementing mandatory country-of-origin labeling (COOL) for beef, pork, lamb, and goat meat are expected to be forwarded by USDA to the Office of Management and Budget (OMB) sometime this week. These rules are due for release in July, with mandatory COOL set for implementation by September 30, 2008.

Compromise language to improve mandatory COOL was worked out during House deliberations of the 2007 Farm Bill, and was passed as part of the final Farm Bill. This language calls for the labeling of these meat products in four separate ways:

1. Product of the United States: Product that is born, raised and processed within the United States and is from animals that have never crossed the U.S. border.

2. Multiple Countries of Origin: Product that might have been born in another country, but is raised and processed in the United States and will carry a label listing all the countries involved.

3. Imported for Immediate Slaughter: This label would include all cattle that are imported into the United States for processing only and would, like those with "Multiple Countries of Origin," carry a label listing all the involved countries.

4. Foreign Country of Origin: This label is for all fresh beef that is imported into the United States and will only list the product's country of origin.

The Farm Bill compromise language also simplifies record-keeping requirements for producers, by instructing USDA to only require documents that would be used in the "normal conduct of business" to prove origin. These documents include animal health papers, import or customs documents, and tax documents. Livestock are also grandfathered as part of the domestic herd if they are in the country as of July 15, 2008.

Sincerely,

Andrew Granger
County Agent
Vermilion Parish

LOUISIANA MASTER CATTLE PRODUCER PROGRAM
REGISTRATION FORM
(Please Print Legibly)

Name:_____ Date:_____

Mailing Addres:_____

City/Town:_____ State: LA Zip Code:_____

Parish of Residence:_____ Area Code & Phone No.:_____

Parish of Cattle Operation if different from Residence:_____

E-mail address:_____

The following requirements must be completed in the next two years to become a

Master Cattle Producer:

1) Environmental Stewardship (Master Farmer) 8 hrs

2) Beef Quality Assurance (BQA) certification – presented by Louisiana Cattlemen's Association (LCA). The BQA Certification is free to all LCA members, otherwise the charge is $50.00.

3) Completion of the following three hour lectures:

- Animal Handling
- Nutrition
- Reproduction
- Animal Breeding and Selection
- Pasture Management I
- Pasture Management II
- Financial Planning I
- Financial Planning II
- Animal Health
- End Product

The cost of Master Cattle Producer certification is $100.00. Please make checks out to: Master Cattle Producer and return to:

Andrew Granger
Master Cattle Producer Program
1105 W. Port St.
Abbeville, LA 70510