



Marketing Process-Verified Calves

Depending upon rainfall, some calves may need to be weaned sooner rather than later this year. Incentives to precondition and participate in a process-verified marketing program include: 1) the ability to early-wean, stretch grass supply, and improve cow condition, 2) greater overall herd performance and enhanced reputation, 3) minimized weaning and sale barn shrink, 4) improved health and performance if ownership of calves is retained, and 5) an increased opportunity to receive a premium or create an immunity against market discounts.

It is the last of these incentives that producers most often doubt, complaining that they are not rewarded for their efforts. If you've ever preconditioned your calves and were disappointed with the price they brought, it's probably because they weren't sold where value-added sale events are promoted, and the effort you put in was not adequately verified and publicized.

Organized preconditioning and process-verification programs have been promoted for at least 30 years, and the concept of selling weaned calves dates back to the 1920s. Earlier recommendations specified 28-day programs, while the current standard is at least 45 days. Feedlot surveys indicate that approximately 40% of treatments for bovine respiratory disease (BRD) occur within the first 14 days after arrival, and about 80% occur within the first 42 days. It's an easy thing to understand from the feedyard perspective. If cattle suffer a greater risk of getting sick within 45 days than within 28 days, the feedyard would prefer that happen at their point of origin instead of at the feedlot. In that these data are averages for all cattle within the lots surveyed, it is reasonable to

assume that both percentages would be markedly lower in process-verified cattle.

Of course, everyone has heard about the benefits of preconditioning and process-verification to the feedlot in terms of health, performance, carcass merit, and profitability. But cow-calf operations and feedyards alike can enjoy a win-win relationship when process-verification leads to a select supplier status for the cowman and the opportunity to obtain healthier calves for the feedlot.

Basic Elements of Marketing

Process-verification does make your calves more valuable by creating a reputation for your herd. A report from a San Saba, Texas, sale facility said, "Cow-calf producers provided records of their weaning management practices in each of two sales. Prices averaged \$8 to \$12 per hundredweight more for process-verified calves compared to non-weaned calves. These premiums were not only for good weaning, health and nutrition procedures, but for the documentation that went with it."

Currently, the Joplin Regional Stockyards, Carthage, Missouri, devotes approximately one-third of its sale dates exclusively to the marketing of value-added cattle, which includes classifying calves of a like weight and apparent breeding according to frame and muscularity to bring small groups into accurately put together, uniform, load lots of cattle. Their observation is, "Any sale day we can offer a significant number of process-verified calves will bring in the volume buyers from the Iowa, Nebraska, Kansas, Oklahoma, and Texas feedlots. The value added to these type calves has been \$5 to \$10 per hundredweight in

the current 'up' market." Data from this and similarly operated sale facilities substantiate that observation.

Premiums for process-verified calves seemingly are getting higher as producers become more aware of what constitutes a good program and, more importantly, where to market their calves after that program is implemented. Vaccinations alone do not constitute a complete preconditioning program. Instead, health treatments and nutrition are equally important. Data from one value-added auction service demonstrated a 30% decline in programs based on vaccinations alone and an 85% increase (over the same four-year period) in more effective procedures where calves are vaccinated before weaning and backgrounded for least 45 days after separation from the cow.

Don't overlook creep feeding the last 30 to 60 days before weaning as a means of conditioning the rumen and training calves to eat (refer to **Vigortone Technical Bulletin 06-18, entitled Creep Feeding As A Weaning Management Tool**).

Cow-calf operators should do their own comparison as to the best backgrounding ration for weanling calves, but vitamin-mineral premixes which can be mixed with homegrown grain or grain by-products and roughage or top-dressed to make a complete ration will almost always provide a lower cost of gain than the use of a complete, pelleted preconditioning program.

The opportunity to receive a premium is greatest when calves that have been properly vaccinated and backgrounded are sold off the farm by private treaty or through an organized, value-added auction. The probability of receiving a premium is substantially reduced when: 1) calves are partially preconditioned (for example, only vaccinated), or 2) properly processed calves are sold through a sale barn that does not stage value-added sale events. Cow-calf operators should not expect a premium and likely will suffer a discount when calves are sold directly off the cow, being neither vaccinated nor backgrounded.

In Summary

Take advantage of the the expertise available through Vigortone in developing a sound health and nutrition program for the period starting 30 to 60 days before weaning and continuing at least 45 days after weaning.

If calves are to be sold through a sale facility, seek out one that has the knowledge to promote process-verified calves and can network with buyers to obtain the best possible price. Neglecting to find the right market to publicize your calves will result in a markedly reduced return to your preconditioning investment.

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