



Economics ... of Beef Production

If you're in Beef Production, it's likely that a typical day involves more than crunching numbers in the office. Yet, to consistently succeed, any beef producer will say that the numbers have to work for you.

Checkout our TOP TEN number crunchers that will get your financial wheels turning.

- 1.** It takes 6.5 tons of dry matter to keep a 1200 pound cow for one year... and at \$.50 to \$.85 per day... any day that a beef cow is grazing is a profitable day.
- 2.** On average 90 to 95 percent of the cows in a herd will wean one 4 to 500 pound calf per year, worth about \$5. - \$600.
- 3.** When evaluating land for a beef enterprise, consider that every \$30 increase in rent per acre needs to result in at least one-half ton additional forage to off-set the higher land cost.
- 4.** Even when shared, equipment costs per ton of forage produced are 3 to 5 times higher than the cost of fencing. As a result, the cost of baling and wrapping a field is about twice the cost of pasturing it.
- 5.** The expected season-long increase in yield generated by our bio-enhanced fertility program typically reduces the forage production cost per ton while increasing the value by enhancing the quality up to 50 points of Relative Feed Quality (RFQ).
- 6.** Hay is the bridge between grazing opportunities... but at 2 to 3 times the cost per ton of pasture, it should only be fed when absolutely necessary.
- 7.** A reasonable profit goal with stocker cattle is \$1 per pound of gain which can typically be achieved by keeping feed cost to less than \$.75 per pound of gain. .
- 8.** The same acre with one ton of harvestable growth feeds (17) 400 pound calves in late April, but only (5) 800 pounders in September!
- 9.** As a starting point, consider using \$100. - \$105. per live hundred weight for a fed cattle income budget.
- 10.** Grass finished cattle need a constant supply of high-energy forage. An average daily gain of 1.63 pounds results in a 245 day (8 month) feeding period to take an animal from 800 to 1200 pounds and justifies up to \$85 per ton forage on a dry matter basis. Every 2/10 of a pound decrease in ADG adds a month to the finishing period and about \$5 per head in interest.

**Looking for assistance in crunching the numbers for your
BEEF OPERATION?**

Give us a call, it's what we do!