

FIELD DAY REPORT - 1993

Texas A&M University Agricultural Research and Extension Center at Overton

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RANCH TO RAIL RESULTS: 1991-1992

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Background. Many producers who sell calves at weaning have little conception of the calf's potential or utility in the beef industry. The Ranch to Rail program gives producers an opportunity to gather feedlot and carcass data on their calves. Seventy-four producers, who consigned a minimum of 5 steers each, to the Ranch to Rail program increased their knowledge of the industry and their cattle.

Research Findings: On November 18, 1991, 74 producers delivered 666 steers which were fed at Randall County Feed Yard, south of Amarillo. After 191 days on feed, the steers were sold on the rail to Iowa Beef Processors, where detailed carcass information was collected. Feedlot performance and carcass information indicated that the cattle had an average net profit of \$92.42 per head. (Table 1.)

Table 1. Income - Expense Statement.

| | |
|----------------|-----------------|
| Income | \$903.89 |
| Expenses | |
| Initial Value | 493.98 |
| Processing | 6.80 |
| Total Medicine | 29.26 |
| Feed | 265.20 |
| Death Loss | 6.01 |
| Other | 5.61 |
| Interest | 4.61 |
| Total | <u>\$811.47</u> |
| Net | \$ 92.42 |

However, Table 2 shows that the average net return per head in each entry ranged from a profit of \$186.39 to a loss of \$108.42 for the 74 ranchers. The observations listed also reflect extreme variability in other criteria commonly used to assess acceptability in the beef industry.

Table 2. Average and range of parameters measured.

| Parameter | Average | Range |
|--------------------------------|----------|------------------------|
| Net return per head | \$ 92.42 | +\$186.39 to \$ 108.42 |
| Medicine cost per head | 19.11 | 0.00 to 72.39 |
| Average daily gain in pounds | 3.03 | 3.56 to 1.71 |
| Pounds of feed per lb. of gain | 8.08 | 6.75 to 15.79 |
| Cost per hundredweight gain | 53.65 | 44.14 to \$ 105.50 |

The top 10 percent of the entries that made the highest net return per head were cattle that excelled in rate of gain, cost of gain, sale value, health status and quality grade when compared

to the bottom 10 percent, even though both groups had almost identical beginning weights and */values per pound. (Table 3).

Table 3. Comparison of top 10 % to bottom 10% of entrie

| | Top 10% | Bottom 10% |
|--------------------------------|----------------|-------------------|
| In weight, pounds | 565 | 564 |
| In value per hundredweight | \$ 81.45 | \$ 82.98 |
| Sale weight in pounds | 1220 | 1050 |
| Sale value per hundredweight | \$ 77.14 | \$ 75.00 |
| Average daily gain in pounds | 3.37 | 2.43 |
| Cost of gain per hundredweight | \$ 40.71 | \$ 67.15 |
| Breakeven per hundredweight | \$ 59.57 | \$ 75.67 |
| Net per head | \$ 173.53 | \$ - 7.03 |
| Hospital days per head | 3.6 | 9.1 |
| Medicine cost per head | \$ 15.79 | \$ 30.14 |
| Quality grade | | |
| Percent choice | 40 percent | 12 percent |
| Percent select | 57 percent | 75 percent |
| Percent standard | 3 percent | 13 percent |

Application. An average of \$92.42 per head indicates a quality set of cattle, but this is an average and covers up our deficiencies. To point out the inadequacies in the cattle, each calf was compared to some minimal industry standards: (1) Must make more than \$25.00 profit, (2) Must gain at least 2.25 lbs./day, (3) Must convert at < 10.5 lbs. feed per lb. of gain, (4) Must grade at least select, (5) Must have yield grade 1, 2 or 3.0, (6) Carcass must weigh 550-950 lbs. (7) Not be a chronic that has to be railed or die. Of the 666 individual steers in the program, 31.7% failed at least 1 criteria, many failed to meet 2-4 of these industry standards.

Most of the entries made money, produced acceptable carcasses and were efficient in the feedyard. However, those that had deficiencies need to reassess their breeding programs and management systems to determine how they can change to be more acceptable in the industry.

The 1992-1993 Ranch to Rail program has 956 steers on feed again at Randall County and 639 steers on feed at King Ranch. Results will be available in the summer of 1993.

The 1993-1994 Ranch to Rail program will start in the fall of 1993. Cattle must be nominated by 15th of September 1993. Cattle will be received at feedyard October 19-21 at Amarillo and October 25-27 at Kingsville. Remember to wean calves 30-45 days before feedlot delivery and "background" calves properly with proper vaccinations and feeding. For further information on Ranch to Rail or backgrounding contact your County Extension Agent-Agriculture or Randall Grooms, TAMU Center, Overton, TX 75684. Telephone (903) 834-6191.