Three ways to improve your calf prices

Source: Kenny Burdine, UK agricultural economist

If there is one thing that we have learned in 2020, it is that many things are out of our control. This includes the cattle markets, which have been volatile during the first half of the year. However, there are some simple practices that you can implement on the farm to make your cattle operation more profitable. Here are three ideas to help you improve your calf prices.

1. Focus on uniformity. The number of calves you sell at one time, which is known as the lot size, has a huge impact on price. Groups of five to 10 calves will significantly outsell groups of one to three calves, provided that everything else is consistent. To help ensure more of your calves are sold together, you need to establish a tight calving season. A tighter calving season allows you to produce calves that are similar in size, type and quality.
2. Sell weaned or preconditioned calves. Calves that are weaned and have had some health treatments almost always outsell freshly weaned ones. If you are a smaller producer, Certified Preconditioned for Health, also known as CPH, sales provide you with an opportunity to sell preconditioned calves in a co-mingled sale. This allows you to gain the financial benefits from larger lot sizes and a uniform health program.
3. Avoid bull discounts. Price data consistently shows that steers outsell bulls at feeder cattle auctions. Over the last decade, a 550-pound steer has outsold a 550-pound bull calf by more than $11 per cwt. This equals about $60 more a head. Even if bulls weigh more at weaning, it is very difficult for them to make up the difference in value at the market. Plus, implanting steers offers an opportunity to get improved weight gains and steer prices.

More information on cattle production and marketing is available at the (COUNTY NAME) office of the University of Kentucky Cooperative Extension Service.

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