

Covid 19 Management and Marketing Options May 8th

Decision making points

- Fall calves
 - What about marketing
 - When to wean
 - How to feed

What about the marketing options

Backgrounding Breakeven \$50 and \$100 return Sales Prices

Calf Sex	Days Backgrounded	Current value 5/6/20	Breakeven Backgrounded Sale Price	\$50 Return to labor and infrastructure Sale Price	\$100 Return to labor and infrastructure Sale Price
Steers 550lbs	60	\$1.32/lb	\$1.26/lb	\$1.35/lb	\$1.45/lb
Steers 550lbs	90	\$1.32/lb	\$1.16/lb	\$1.25/lb	\$1.35/lb
Heifers 500lbs	60	\$1.15/lb	\$1.14/lb	1.22/lb	\$1.31/lb
Heifers 500lbs	90	\$1.15/lb	\$1.06/lb	1.13/lb	\$1.21/lb

When to wean?

Everything is a compromise Delay Weaning into June

Pros

- Maximize spring flush grass usage
- Cheapest gain

Cons

- Cold snap is slowing grass growth
- Less stockpile of grass for summer drought

Wean Calves May 8th vs June 8th

Feed Cost	Wean May 8th	Wean June 8th	Difference
Pasture Costs May	\$0.00	\$4.60	
Grain Costs May	\$23.00		
Hay Costs May	\$8.50		
Grain Costs June	\$25.00	\$25.00	
Hay Costs June	\$9.00	\$9.00	
Grain Costs July	\$30.00	\$30.00	
Hay Costs July	<u>\$11.00</u>	<u>\$11.00</u>	
Total	\$113.50	\$79.60	+\$33.90

How to feed?

Outside the box considerations

Who would benefit the most from grazing grass vs feeding?

Cows

- Lowest nutrient requirements of the year
- Any hay will meet their nutrient requirements
- Perfect time to utilize low quality hay

Calves

- Need them to gain > 1.5 lbs a day to make backgrounding feeding program likely profitable
- Most areas of the Mid-Atlantic should get this level of gain on grazing calves with no to minimal supplementation
- Decreased risk of BRDC post weaning

Sensitivity Analysis

Traditional Weaning vs Grazing Calves and Feeding Cows
Change in return per calf

		Grain Price per ton				
		\$200.00	\$250.00	\$300.00	\$350.00	\$400.00
Hay Price per ton	\$ 60.00	\$ 33.80	\$ 48.05	\$ 56.30	\$ 67.55	\$ 78.80
	\$ 80.00	\$ (10.20)	\$ 1.05	\$ 12.30	\$ 23.55	\$ 38.00
	\$100.00	\$ (37.00)	\$ (25.75)	\$ (14.50)	\$ (3.25)	\$ 8.00

Challenges with reverse weaning

- Must feed cows and calves
- Damage to sod in fields containing the cows

What about “slow” feeding them

- 10 lbs grain 1.75 lbs ADG

- Steer breakeven price
 - \$1.26

- 5 lbs grain 1.00 lbs ADG

- Steer Breakeven Price
 - \$1.32

- 2 lbs grain 0.50 lbs ADG

- Steer Breakeven Price
 - \$1.37

What are my grain options
this year?