



# BEEF CATTLE TIME

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## Plan Now for Summer Forage

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Start working on your summer forage production in late April and May. If you wait until summer, you have waited too long. You can't depend on tall fescue/orchardgrass pastures to provide much forage during July and August. Think about planting a few acres of grass that will provide production during the summer. These grasses are called 'warm-season grasses.'

Most of these grasses were developed in tropical and subtropical regions of the world and have several characteristics that provide an advantage over cool-season grasses during the summer. Warm-season grasses can produce energy through photosynthesis faster, which allows them to use more of the sunlight. They also use water more efficiently and have deeper root systems than cool-season grasses. Another advantage for warm-season grasses is that their optimum temperature is about 90° F, while cool-season grasses perform best at about 70° F. All of these factors make warm-season grasses more productive during the summer.

Following are brief descriptions of warm-season grasses that can provide grazing during the summer.

**Bermudagrass** – A perennial grass that grows and spreads by above ground stems known as stolons. It makes good hay or grazing material. Bermunda is very tolerant of close, continuous grazing. There are several varieties of bermudagrass. Some can be planted from seed, while others do not produce viable seed and must be planted using live, vegetative material from another stand. Cold tolerance needs to be a major consideration when selecting a variety. Winter-kill can cause severe stand loss in bermudagrass. Hybrid bermudagrasses are highly responsive to fertilizer and can produce high-quality forage if harvested at an early stage of maturity. It should be harvested every four weeks.

**Warm-season perennial bunch grasses** – These grasses include big bluestem, little bluestem, indian-grass, eastern gamagrass and switchgrass. They produce

high-quality forage early in the season, but forage quality drops rapidly as plants mature, just as with any of the warm-season grasses. Seedling vigor is very low in these species, so weed competition can be an issue with stand establishment. It is common for it to take two years to establish a stand. Rotational grazing is essential for maintaining stands. Plants should not be grazed below eight inches. If grazed too close, plants will be weakened and stands will thin. Because of their sensitivity to close grazing or clipping, these plants are easier to use for hay, but can be utilized with grazing cattle.

**Crabgrass** – This annual grass was selected for its higher yield from native populations in Oklahoma. Research in Oklahoma indicates both yield and animal performance are excellent on this forage. Experience in Tennessee indicates that it can make an excellent pasture for stocker animals during the summer. Because it is an annual, allowing plants to produce seed for next year's stand is necessary. No information is available to determine how successful natural reseeding of crabgrass will be due to the abundance of native crabgrass in Tennessee. There are two varieties currently available "Red River" and "Quick-N-Big".

**Sorghum x sudangrass hybrid and pearl millet** – Both are annual grasses that are frequently grown in Tennessee. These relatively tall growing grasses can be quite productive with timely summer rains. Sorghum x sudangrass hybrids can tolerate a cooler soil temperature so they can be planted earlier than pearl millet. These hybrids release prussic acid (cyanide) after a frost, so you cannot graze these hybrids as long as pearl millet. If a potential for even a light frost exists, do not graze a sorghum x sudangrass hybrid. Only cut it for hay, which will allow time for the prussic acid to break down.

**Teff grass** – This grass, originally from west Africa, has received a lot of publicity during the past year. It is a summer annual that is similar to sorghum x sudangrass hybrids. It has a little finer stem than the hybrids, so it should be a little higher in quality. Yields may not be quite as high as with sorghum x sudangrass hybrids.

Also, early in the season the root system is shallow, so be careful with grazing management. It may be better to take first cutting off as hay.

Will warm-season grasses work for you? Warm-season grasses have the potential to provide forage when tall fescue pastures are not productive. However, the growing season is shorter with these plants compared to tall fescue and there is considerably more risk. If you decide to try one, be reasonable in the amount of land and resources you commit. Tall fescue should remain the primary forage on the farm. A good rule of thumb is to have 70 percent of your acreage in a cool-season grass, like tall fescue. Thirty percent can be sown to a warm-season grass. Your goal should be to provide grazing during late June through early September.

Most producers should think about planting a portion of their acreage to some type of warm-season forage. Although warm-season forages do not eliminate all of the problems associated with drought, these grasses will help minimize some of the forage production problems we may face in the future.

## **\$5+ Corn will Change the Beef Business**

*Emmit L. Rawls, Professor  
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This year has brought major changes in the beef business. The economy is impacting consumer's discretionary income and how they are spending their food dollars. Some are shifting towards cheaper beef items. Cheaper chicken or pork is having a significant dampening affect on wholesale beef prices, which impacts prices paid for fed cattle. The highest corn prices since 1996 are affecting many areas of the beef business including feed cost, cattle feeding profitability, feeder cattle prices, cow-calf profitability and probably others.

As early as last summer, prices for beef chuck roast and hamburger were quite strong compared to 2006, while prices for the higher dollar rib and loin cuts were far below 2006. Those higher dollar items got a boost late in the fourth quarter with holiday purchases. Ample supplies of other meat proteins, coupled with few food dollars have kept the USDA reported Choice cutout from staying above \$150 per cwt more than a few days at the time. Reductions in cattle bought by packers tightens the supply enough to bid prices up to \$150, but it has to move at retail for those prices to be sustained. Exports, although still lower than 2003, have been of considerable help, but more help is needed to get South Korea to accept bone-in beef and Japan to accept beef from under 30-month cattle instead of the under 21-month limit now in place.

As corn prices rose above \$5 per bushel in February, it was felt throughout the beef industry. Feedlots, which were already losing money, saw projected costs of gain on newly placed cattle move over 90 cents per pound. Prices for yearling type feeder steers drifted into the upper \$80s to low \$90s as fed cattle declined to

\$90. A tight supply of stocker calves, due to herd reductions and some liquidations last year have kept prices for calves under 700 pounds relatively strong. Steers weighing 600 to 700 pounds averaged \$100.87 in February compared to \$94.16 a year ago. However, in mid-March they had declined to average about \$94.50.

We have had excess capacity in the beef packing and feedlot business for some time. Since January 1, Tyson has closed its Emporia, Kan., beef plant and it is reported that many feedlots are for sale. JBS Swift of Brazil has plans to purchase National Beef Packing Co. and the beef plants owned by Smithfield Foods as well as the Five Rivers Feedlots (largest U.S. cattle feeding company), owned by Continental Grain and Smithfield. The Department of Justice will probably give close scrutiny to these purchases and their impact on competition and market power in the packing business.

With the expectation that corn prices will remain high, \$5 to \$6, and the economy will remain in this downturn for the next 12 to 18 months, what can beef producers expect and how can they cope with the situation? Fed cattle prices are projected to average in the \$88 to \$95 range for the rest of this year, though the fall and early '09 futures are above \$100. Feedlots will prefer heavier feeders, so they do not have to add much weight before marketing. Despite preferring heavier feeders, feedlots will buy them cheaper than fed prices as long as cost of gain exceeds their expected fed market price. Following spring "grass fever," prices for lightweight calves could decline relative to heavier feeders and could come very close together. This creates a situation where the value of gain for calves taken to heavier weights increases. Should this occur it would tend to favor cow-calf producers taking calves to heavier weights through a short-term or longer-term backgrounding program and stocker operations in general. The former could require renting additional ground or running fewer cows unless a dry lot program is used. Most all complete feeds and co-products have risen along with corn. Maximizing the use of forages would seem to be the best way to manage the cost of gain.

Assuming feed costs remain high, some shift toward more moderate-frame cattle could occur. This would be good from a cow standpoint as many cows at more than 1300 pounds take more feed resources to stay in condition for high conception rates than many realize. In the short run, the market could care less what it costs to produce beef or feeder calves, however, over time prices do adjust to account for higher production costs. The current situation is not a price bust caused by an over supply of beef. In fact, the build up in the cattle herd that started in 2004 came to a halt this year with a 300,000 head decline caused largely by droughts over the past three years. While grain producers are long overdue for prices more fully reflecting their cost of production, the current situation will have ripple effects across the economy. Consumers may ultimately make the call whether corn is used for fuel or feed/food.

## Replenishing Feed Supplies

*Clyde Lane, Jr., Professor  
Animal Science*

The feeding of hay during the summer and fall of 2007 and into 2008 has completely depleted the supply of hay for most producers. Now, how do you rebuild these supplies? Fertilizer prices are higher than ever before and no one knows how dry it will be this summer. There are a few strategies that can be used.

First, produce as much hay as possible this spring. Since the rate of fertilization will probably be reduced, you must harvest more acres. This may be achieved by renting additional land where forage can be harvested as hay. Another strategy is to harvest hay from pastures not normally utilized for hay. During the spring there is a lot of forage wasted because animals are allowed to selectively graze pastures. Some areas are eaten into the ground while other areas receive minimal grazing.

Utilize some electric fencing to reduce the amount of grazing area available to the cows. In most years, it is possible to restrict animals to about 50 percent of the normal acreage and still have adequate feed to meet animal needs. Setting up some small fields and utilizing rotational grazing will help ensure that animals will utilize all available forage. The remaining areas can then be harvested as hay. After the first cutting of hay, the animals can be allowed to use all of the pasture area for grazing. It is recommended that the areas selected for hay harvest be those fields that are relatively smooth and where hay equipment can safely be operated.

Another option for adding to the hay supply is to plant summer annuals that can be used for hay. This option is dependent on adequate rainfall during the summer season. Forecasts indicate that it may be later into summer before it starts getting dry this year. This may be enough time to get at least one or two cuttings. Before deciding to plant the summer annuals for hay, consider the challenges associated with utilizing these forages for hay. Sudan-sorghum and millet have relatively large stems and are difficult to dry and have lowered digestibility. Be sure that you have equipment available to crimp or crush the stems to get quick drying. Remember that even with normal rainfall it is difficult to produce quality hay from summer annuals because a few days delay in harvest can quickly increase maturity and decrease quality. Consider the economics for this option since seed, fertilizer and soil preparation will be expensive. Also, be on guard for nitrate toxicity.

## Saving Short Hay Supplies

*Clyde Lane, Jr., Professor  
Animal Science*

As producers replenish supplies of hay, they should think about how they will save and store the harvested hay. Storing hay outside in a fence row under trees is just satisfactory, not a good use of resources.

Research has shown that the best storage method is inside a barn or shed. The next best option is to store outside under a tarp and off the ground. Other storage techniques currently used will result in significant losses. Storing on the ground either covered or uncovered will result in significant losses. If the hay must be stored on the ground, use a cover if possible. Do not store hay on asphalt or concrete. These storage methods result in significant losses because the rain cannot run off without coming in contact with some hay.

If hay must be stored outside and uncovered, take a look at the type of hay to be stored. Grass hay will form a thatch that will shed a lot of the water when it rains. Hay such as sudan-sorghum that has large stems will channel the rain inside the bale instead of diverting it away from the interior of the bale.

This would be an excellent time to sign up for a cost share on a new hay storage facility through the Tennessee Agricultural Enhancement Program that is administered by the Tennessee Department of Agriculture. The cost share would make the facility more economical to construct and would result in a major savings of hay. With the high costs of hay that producers have encountered in the past and the extra cost in the future due to high fertilizer costs, it will take only a few years for the value of hay saved to pay for the storage facility.

## Cost Cutting Management Practices

*James B. Neel, Professor  
Animal Science Department*

The weather conditions for the Spring of 2008 appear to be resulting in “more” rainfall and has generated some optimism for Tennessee beef producers. That is the “good news.”

Now, for the “bad news,” and it is really not news – the increased price of fuel, fertilizer and other inputs required for cattle production. The cost of feed, pasture and hay are the major factors in the profitability of cow-calf operations. With these costs negatively impacting profitability, cow-calf producers will need to make adjustments in both cattle and forage management and determine what practices will produce the largest return and keep costs as low as possible.

**1. Cull open beef females.** Other candidates for culling would be those that have “attitude problems,” cows 10 years or older, cows with physical problems and other faults that limit their productivity and value. Do not feed a non-productive cow high-priced feed.

**2. Evaluate winter feed needs in late spring or early summer.** First determine what kind and the number of cattle you plan to carry through the winter. Now, what feed supply do you have on hand? Plan for what will be, not what you hope for.

**3. Control weeds.** Weeds compete with the forage for water and plant nutrients. In addition, weeds reduce the space where forage can grow or in the case of thistles, prohibit cattle from grazing several feet adjacent to

the plant. As weed populations increase, the cost of forage produced goes up. Using herbicides for control will be less expensive than clipping.

**4. Lengthen the grazing season.** Establish either stock-piled fescue or small-grain pastures, such as rye grass this fall. Cattle can harvest the forage at a substantially lower cost than harvesting, storing and feeding hay. If either stock piling or establishing small grain pastures, the first step in reducing cost is to soil test and follow recommendations.

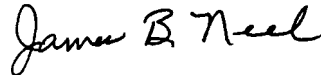
**5. Wean calves early.** Wean calves at four to five months of age instead of the seven to nine. A dry, pregnant cow's feed needs will be reduced 25 to 30 percent. Late fall-early winter dropped calves would be excellent calves for weaning. Calves can make more efficient use of the better quality feed and also reduce the total feed cost than if left out on their dams. These cows can also utilize the lower quality forages and gain in both weight

and body condition. This practice makes good economical sense. It will add value to the calves, allow the dams to improve reproductive potential and if fencing is available, allow some rest for the pastures that could later be available for stock piling and/or hay.

**6. Manage hay to reduce spoilage and loss.**

Harvest at the proper stage of growth, store off the ground, or better still in a barn, and reduce waste during feeding. Hay losses equal lost returns!

Review the tips in this issue of "Beef Cattle Time" as you manage your individual situation. Contact your local UT Extension office for additional information.



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## Beef Cattle Time

From:

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Leader/Agent

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