Now is the Time to Begin Marketing Your Cattle

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his is the time of year when most Alabama cattlemen are trying to get calves born and then figure out a way to feed them and their mothers. These are both necessary and time-consuming tasks, but producers should also consider what is their end goal for both the calf crop and the cull animals. There is an old saying that the best time to start was yesterday, and if you missed that then start today (or something like that). Marketing is no different, and if we want to market our animals instead of just selling them then we need to get started before its time to back the trailer to the chute. The first consideration when we think about marketing our cattle is what drives our cattle prices? There are several answers to that question- however the key is to determine which ones we can affect and then work on those. Prices are driven by things like current market conditions of cattle and inputs needed for beef production. For example, what is the current price of corn? Or what is the national inventory of cattle? Or what are the competitors like pork and poultry doing? There is also the matter of other external factors like weather. Is there drought on the plains or floods in the midwestern corn belt? The truth is we can't control the national markets nor the weather, so we really must focus on what we can control.

We can control the quality of our animals. This entails both genetics and management characteristics of those animals. For example, there are numerous research studies that have recorded prices in stockyards in relation to factors like color, breed, presence of horns, and USDA grades. Data from a recent research project I done by economists with the University of Tennessee mirrored numerous similar studies showing that the market (buyers of cattle) wants certain types of animals. Jones et al. found that from 2019 to 2021 at a monthly feeder cattle sale in Tennessee, feeder cattle graded as I sold for \$9.51/cwt more than cattle graded as 2. Feeder cattle grades are a measurement of thickness or muscle of feeder cattle. These grades range from 1-4 with 1 being the thickest and most muscular while 4 would be the thinnest. So, naturally buyers pay more for the more muscular (more eventual retail product) animals. This study also documented a difference of \$4.01/cwt increase for angus cattle as opposed to all other breeds. These are all genetic decisions producers make, and to receive the highest prices we must consider what the market wants. It should be noted that the highest market prices don't always equal the highest income per animal nor profitability. Producers should also consider pounds sold per cow calf unit and the advantages of heterosis in commercial cattle herds.

