



Pancake blocks and vertical leaps: Measure your way to a successful operation

Sandy Johnson, NW Area livestock specialist

Unit cost of production is the single most important piece of information that is generated from a standardized performance analysis.

If you follow college football, you know that coaches keep track of things like pancake blocks and vertical leaps. They do this to measure a player's performance, to track improvement and to evaluate a team's strengths and weaknesses. Wins and losses are certainly counted, but just knowing the final score doesn't help a coach prepare the team for the next game.

Many beef producers use weaning weight as a measure of performance of their cow/calf operation. This information alone does not consider what it costs to achieve that level of performance. A better way to evaluate the operation would be to determine the unit cost of production, or the cost to produce a pound of weaned calf.

Everything we know about the costs of production are in the numerator and the total pounds of production are in the denominator. This measure of economic efficiency helps producers find a balance between the pounds of calf weaned and what it costs to achieve that performance.

Last year about this time many producers across the state started collecting records so they could determine the unit cost of production on their 2000 calf crop. Unit cost of production is just one piece of information that is generated from a standardized performance analysis (SPA).

A SPA helps producers identify strengths and weaknesses of the cow/calf enterprise and evaluate resource use for

continued on page 2

Editors

Dale Blasi

Stocker and Forages
Nutrition & Mgt.
785-532-5427
dblasi@oznet.ksu.edu

Frank Brazle

Livestock Production
316-431-1530
fbrazle@oznet.ksu.edu

Sandy Johnson

Livestock Production
785-462-6281
skjohnso@oznet.ksu.edu

Gerry Kuhl

Feedlot Nutr. & Mgt.
785-532-1250
amurphy@oz.oznet.ksu.edu

Twig Marston

Cow-Calf Management
785-532-5428
tmarston@oznet.ksu.edu

Steve Paisley

Livestock Production
316-663-5491
spaisley@oznet.ksu.edu

Gerald Stokka

Beef Veterinarian
785-532-5694
jstokka@oznet.ksu.edu

Upcoming Meetings

Applied Ag Computing

Jan. 5-6, Memorial Union
Fort Hays State University
Hays, KS

4-State Beef Conferences

Jan. 17-18, Catholic Parish Center
Clay Center, KS

KOMA Conference

Jan. 18, Fort Scott Sale Barn
Frank Brazle, 316-431-1530

Look inside for details
on these three conferences.

Cattlemen's Seedstock Showcase and Conference

Feb. 5, Phillipsburg, KS
Bob Broweleit, 785-543-6845

Tri-State Cow/Calf Symposium

Feb. 10, Imperial, NE
Cynthia Dixon, 785-626-3192
or cdixon@oznet.ksu.edu

Centennial Beef Roundup Program

Feb. 8, Agriculture Research Center,
Hays, KS
John Brethour, 785-625-3425, ext. 215,
or jbrethou@oznet.ksu.edu

Paying attention to details and how they affect the economic efficiency of the operation will help producers make management decisions.

possible changes. The initial analysis can serve as a baseline for documenting progress toward producer goals. The analysis will help the producer make informed management decisions and control costs.

Producers who are completing the data collection process for the 2000 calf crop need to collect several pieces of information as close to the end of the year as possible. For the ending balance sheet, producers should record the number and estimated value of mature cows, heifers to calve in 2001, replacement heifer calves and bulls. Machinery and equipment used by the cow/calf enterprise should be listed, and the market value recorded. Also list the quantity and market value for facilities and improvements used primarily by the cow/calf enterprise. These become beginning measurements for

producers who want to start this process for the 2001 calf crop.

Other data producers will need from 2000 are records of livestock sales, purchases and deaths, all harvested feed used, grazing resources used and all income and expenses related to the cow/calf enterprise.

Producers who collect this data every year will find the process becomes easier. Paying attention to details and how they affect the economic efficiency of the operation, will help producers make management decisions.

Coaches get paid to win games. They have found measuring things like pancake blocks and vertical leaps help them achieve their goals. Are you in the cattle business to make money? Take a page from the coach's playbook, and measure and manage your way to a more profitable operation.

Winter conferences offer latest in beef production

Producers wanting to keep up to date with the latest in beef production may want to attend one of these winter conferences.

The **4-State Beef Conferences** are designed to update beef cattle producers in Iowa, Kansas, Missouri and Nebraska on cow/calf and stocker topics. The Kansas conference is set for Jan. 18 beginning at 10 a.m. at the Catholic Parish Center in Clay Center.

A forum of specialists from four of the country's leading beef cattle land-grant universities will address a variety of topics. They include: *Cowherd Feeding Options to Minimize Cost; Understanding the Price Seasonality and How to Take Advantages of It; How is the Use of Carcass Traits Important to My Bottom Line; and Transferring Ownership.*

For details or to enroll call Greg McClure, Clay County agriculture agent, 785-632-5335 or visit the conference Web page at: www.exnet.iastate.edu/feci/4StBeef/.

Help keep registration fees affordable by making your reservation by Jan. 12. Cost is \$20 per person and includes a meal and a copy of the proceedings.

The **KOMA Conference** is Jan. 18 at the Fort Scott Sale Barn, with registration at 3:30 p.m. The agenda:

4 p.m. *Cowherd Health*, Jerry Stokka, Kansas State University

4:45 p.m. *Connecting the Cowherd to the Carcass*, Harlan Ritchie, Michigan State University

5:45 p.m. Supper

7 p.m., *Selection for Profit-Profit EPD's for Bulls*, William Herring, University of Missouri-Columbia

7:30 p.m. *How to use EPD's with Alliance*, Twig Marston, Kansas State University

8 p.m. *Who Will Profit from Value Basis Marketing*, Frank Brazle, Kansas State University

Contact Frank Brazle, Southeast Area livestock specialist, at 316-431-1530.

Sessions to focus on computing in agriculture

K-State Research and Extension and Fort Hays State University will host a conference on *Applied Ag Computing* Jan. 5 and 6, at the Fort Hays State University Memorial Union, Hays.

Topics include e-commerce, precision agriculture, personal Web page marketing, electronic livestock auctions, use of personal data assistants, agriculture software and many more.

This conference is designed for profit-minded agricultural producers who want a better understanding of how some of the latest technology may help them be more efficient and effective in their businesses.

"Microcomputers and the Internet are tools that can be used to reduce costs of production, market products better or manage production and financial aspects of operations more successfully," says Northwest Area livestock specialist Sandy Johnson. "Computers can generate lots of information, and producers who collect, process and apply that information will have an edge over those who don't."

Keynote conference speakers include Scott Deeter, president/CEO of CyberCrop.com, *How Farmers and Ranchers are using the Internet*; Darrel Dunteman, Ag Executive, *Comparison of Ag Accounting Software*; and Wille Vogt, Farm Progress, *Maximizing E-Commerce*

for your Farm or Ranch. Participants may attend three workshops from the concurrent sessions listed below:

Session 1: *Electronic Grain Merchandising, Electronic Livestock Auctions, Use of Quick Books for Farm Accounting, or Producer Web Pages to Market Products.*

Session 2: *Data Sharing in Vertically Coordinated Livestock Production Systems, Buying Supplies via the Internet, or What's What in Communication Technology.*

Session 3: *Use of Personal Data Assistants in Agriculture, Record-Keeping Systems for Cow/Calf Operations, or Being a Wise Technology Consumer.*

There will be time to visit the trade show and talk with representatives from companies providing technology services or products for agriculture.

Early registration is \$95 for individuals, \$175 for couples and \$55 for students if received by Dec. 22. On-site registration is \$125 for individuals, \$200 for couples and \$75 for students. Meals are not guaranteed for late registrations.

Details are available on the conference Web site: www.oznet.ksu.edu/AgComputingExpo, or by contacting the NW Research & Extension Center, 785-462-6281 or skjohnso@oznet.ksu.edu.

"Computers can generate lots of information, and producers who collect, process and apply that information will have an edge over those who don't."

**Sandy Johnson,
NW Area Livestock
Specialist**

Beef exports continue to boost cattle prices

Sales of U.S. beef to foreign buyers continue to be brisk – a key factor in recent stronger cash cattle prices, a Kansas State University economist said.

Total beef exports so far this year [excluding beef donated to Russia] climbed 11 percent over 1999 levels, said James Mintert, agricultural economist with K-State Research and Extension.

"In particular, improving economic conditions have encouraged rapid export growth to South Korea and Mexico, where beef exports this year (through

August) jumped 38 percent and 18 percent, respectively, compared with a year ago," Mintert said.

"During August (most recent data available) beef exports to all destinations were 21 percent larger than during August, 1999," he said.

Mintert said export demand could soften in 2001, particularly if cattle producers hold heifers out of the slaughter mix to begin expanding herds. If that's the case, cattle and beef prices are expected to climb.

COOPERATIVE EXTENSION SERVICE
 U.S. DEPARTMENT OF AGRICULTURE
 KANSAS STATE UNIVERSITY
 MANHATTAN, KS 66506-3403

OFFICIAL BUSINESS
 PENALTY FOR PRIVATE USE, \$300

Kansas Feedlot Performance and Feed Cost Summary*

Gerry Kuhl, Extension Feedlot Specialist, Kansas State University

October 2000 Closeout Information**

Sex/No.	Final Weight	Avg. Days on Feed	Avg. Daily Gain	Feed/Gain (Dry Basis)	% Death Loss	Avg. Cost of Gain/Cwt.	Projected Cost of Nov.-Placed Cattle
Steers/10,713	1,271	139	3.45	5.83	1.07	\$43.24	\$42.88
		(127-154)	(3.08-3.63)	(5.66-6.04)		(41.40-44.80)	(40.00-44.50)
Heifers/24,167	1,173	142	3.11	6.13	.94	\$46.49	\$44.50
		(131-153)	(3.00-3.29)	(5.74-6.35)		(43.25-49.87)	(42.00-46.00)

Current Feed Inventory Costs: Mid-November Avg. Prices Range No. Yards

Corn	\$ 2.13/bu	\$ 1.90-2.30	7
Ground Alfalfa Hay	\$85.06/ton	\$72.43-100.00	7

*Appreciation is expressed to these Kansas feedyards: Brookover Ranch Feed Yard, Decatur County Feed Yard, Fairleigh Feed Yard, Hy-Plains Feed Yard, Kearny County Feeders, Pawnee Valley Feeders, and Supreme Cattle Feeders.

**Closeout figures are the means of individual feed yard monthly averages and include feed, yardage, processing, medication, death loss and usually sold FOB the feedlot with a 4% pencil shrink. Interest charges normally are not included.

K-State, County Extension Councils, Extension Districts, and U.S. Department of Agriculture Cooperating.

All educational programs and materials available without discrimination on the basis of race, color, religion, national origin, sex, age, or disability.

Cooperative Extension Service
 K-State Research & Extension
 244 Weber Hall
 Manhattan, KS 66506

Dale A. Blasi
 Dale Blasi, Extension Specialist

Gerry L. Kuhl
 Gerry L. Kuhl, Extension Specialist

Twig Marston
 Twig Marston, Extension Specialist