

Managing Harvest-Ready Cattle During Packing Plant Slow Downs

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Temporary closures and slow-downs in the meat packing industry have caused many tough decisions for cattle feeders. In the situation where cattle cannot go to market, feeders need to decide what management and nutritional strategies to deploy.

Holding fed cattle at a certain weight is not a common practice in the feedlot. Feed efficiency is a large driver of profitability, and common sense quickly identifies the inefficiencies associated with holding cattle.

Numerous feedlot diets have already been adjusted due to poor availability of distiller's grains. However, many feeders are looking into further revisions to moderate weight gains or hold weights on cattle that are ready for harvest, but have no place to go.

Some factors that enter the decision to hold or slow cattle gains include selling live vs. grid price, current weight, ability to sort cattle, available feedstuffs, and ration delivery method.

Cattle set to be sold via live price may offer a bit more flexibility. This takes away large concerns with grid discounts. While live price is correlated to grid premiums and discount, the risk of hitting major grid discounts is removed from the feeder. If cattle are flirting with discounts for heavy carcasses or yield grade 4's and 5's, live price may benefit the seller and offer more options to keep cattle gaining and avoid stalling performance. Still, cattle buyers are good at what they do, so future live bids will ultimately be very reflective of how the cattle perform on the grid.

Current cattle weights are a huge factor in making decisions. If cattle are already pushing weights past 1500 lbs., options become more limited. These cattle are at high risk of heavy carcass weight discounts if fed much longer on normal finishing diets. Grids vary from plant to plant and should be checked regularly, but there is opportunity to push live weight to as much as 1650 lbs. without major discount in some markets. While major diet changes are likely not the answer, cutting out costly diet components that maximize gain should be done. Cattle that need to be marketed in the next 45 days are good candidates to review and formulate for target gains to help facilitate revised marketing dates.

Sorting cattle makes sense. Weighing and visually identifying inefficient cattle that are high risk for yield grade 5's and heavy discounts is needed. Identify these cattle and market them at first opportunity. Lighter cattle within the same lot that can be fed to heavier weights without risk of large discounts are candidates to retain and feed for later marketing dates. Heavy weight discounts can exceed \$150 per animal as these carcasses do not fit the physical limitations of the slaughter facilities.

Any diet changes need to be subtle and not drastic. That being said, if feeders have ample economical forages, such as corn silage, ryelage, or cheap hay, there may be more opportunity for substitution of



ingredients to slow rate of gain without drastically reducing profit potential. Removing corn from the diet at 6 to 7% would drop the NEg of the diet approximately 2 to 4 points. This reduction could slow average daily gain by approximately 0.5 lbs. per day. Feed efficiency will be poorer. Also, rations with more than 20% roughage could potentially cause negative associative effects and reduce efficiency of starch digestion, thus hurting feed efficiency even more. With relatively cheap corn prices, I would caution large substitutions without doing some math. It is important to work with your nutritionist to look at break-evens with diet modifications and potential discounts.

Substitution of ingredients will be easier for those feeding a total mixed ration versus those using a self-feeder ration. For farmer-feeders that utilize programmed rations in a self-feeder, a reformulation of the diet may be necessary to include more roughage or filler to slow average daily gains. In most situations, this will add cost while reducing feed efficiency. This ultimately will add more cost to the cattle and reduce profitability. Thus, it is very important to make these ration adjustments where the market is deeming these changes absolutely necessary.

These changes to feeding strategy are abnormal and in most cases negatively affect feed conversion as well as profitability. Sorting cattle that are inefficient or high risk of major discounts is a must. Market these cattle at first opportunity. Knowing the carcass discounts that are awaiting if changes are not made is crucial to this thought process. Negative impacts on carcass quality and composition are possible if drastic changes are made to diets. Determining whether cattle can be fed longer without hurting carcass value is paramount. While it is too early know how long this pandemic will affect cattle packing plants, it always pays to be proactive and evaluate all options on the table. Ultimately, these are hard decisions that are farm specific and should be discussed with your cattle feeding team.