

A solid black silhouette of a beef cow, shown in profile facing left. The cow's body is filled with white text. The text is centered and reads: "EAT BEEF" in large, bold, white, sans-serif capital letters. Below this, in smaller, grey, sans-serif capital letters, is "John Bell & Cindy Valdez", followed by "ARE 311", and finally "Beef Cattle" in the same grey, sans-serif font.

EAT BEEF

John Bell & Cindy Valdez

ARE 311

Beef Cattle

THE BEEF LIFE CYCLE



1 COW-CALF
Raising beef begins with ranchers who maintain a breeding herd of mother cows that give birth to calves once a year. When a calf is born, it weighs about 60 to 100 pounds. Over the next few months, each calf will live off its mother's milk and graze on grass pastures.



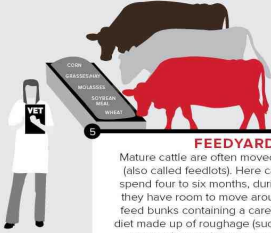
2 WEANING
Calves are weaned from their mother's milk at about 6 to 10 months of age when they weigh between 450 and 700 pounds. These calves continue to graze on grass pastures. About 1/3 of the female calves will stay on the farm to continue to grow and to become new mother cows the following year.



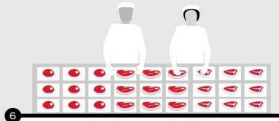
4 LIVESTOCK AUCTION MARKETS
After weaning and/or during the stocker and backgrounder phase, cattle may be sold at livestock auction markets.



3 STOCKERS & BACKGROUNDERS
After weaning, cattle continue to grow and thrive by grazing on grass and pastures with ranchers providing supplemental feed including vitamins and minerals to meet all of their nutritional needs.



5 FEEDYARD
Mature cattle are often moved to feedyards (also called feedlots). Here cattle typically spend four to six months, during which time they have room to move around and eat at feed bunks containing a carefully-balanced diet made up of roughage (such as hay, grass and fiber), grain (such as corn, wheat and soybean meal) and local renewable feed sources, such as the tops of sugar beet plants, potato peelings or even citrus pulp. Veterinarians, nutritionists and cattlemen work together to look after each animal. Feedlots can range in size, shape and geographic location.



6 PACKING PLANT
Once cattle reach market weight (typically 1,200 to 1,400 pounds at 18 to 22 months of age), they are sent to a packing plant (also called a processing facility). United States Department of Agriculture (USDA) inspectors are stationed in all federally-inspected packing plants and oversee the implementation of safety, animal welfare and quality standards from the time animals enter the plant until the final beef products are shipped to grocery stores and restaurants. If animals are sick or have an injury, the USDA inspector will deem the animal unfit for human consumption, and the animal will not enter the food supply.



7 FOODSERVICE & RETAIL
Beef is shipped and sold in the United States and abroad. In the retail and foodservice (restaurant) channels, operators take steps to provide consumers with the safest, most wholesome and nutritious products possible.



Beef Cattle Overview

Production



- There are many different routes beef cattle can take in order to end up as the final product. That final product being the meat that is sitting on your dinner plate.
- Each different route depends on the producers management practices as well as the area of the country.
- Also, each different route results in a different price for that animal.
- All of these production routes eventually end up with the same product, but it is important to note how they overlap because each route causes a different economic impact.
- Supply and demand are affected differently in each route.

Cow/Calf Production

- Cows are managed to give birth to and raise a calf. That calf is where this type of producer will make their money.
- Calves can be sold at any age or weight.
- The biggest economic impact of this type of production is the age and weight the calves are sold.
- Price will vary depending on these factors.
- Most cow/calf producers will sell their calves at a local sale barn or some other public marketplace.
- Most common in Midwest but found all over the United States.

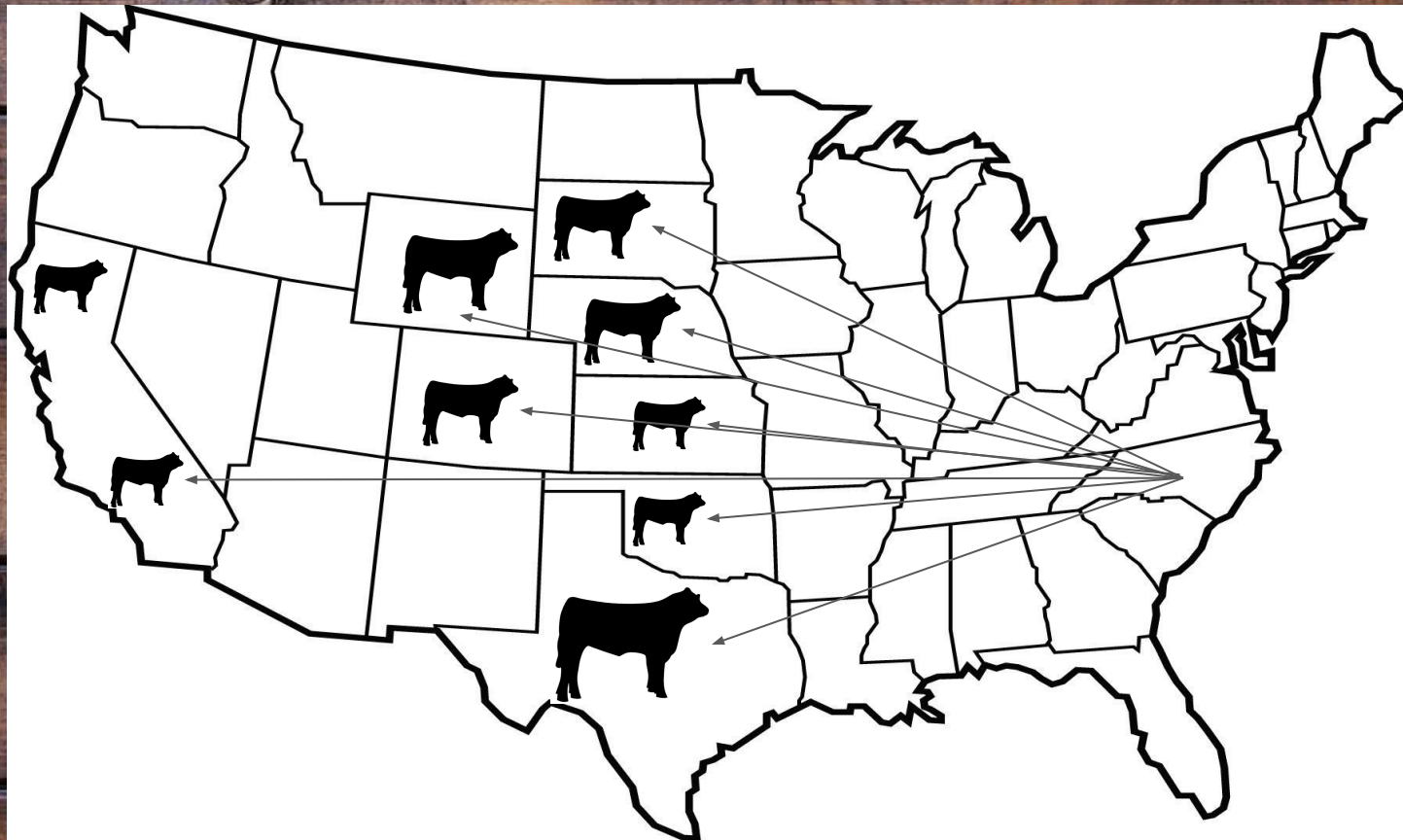


Backgrounding/Stocker Production



- A backgrounding or stocker operation focuses on the management of calves to be raised to a certain weight.
- This type of producer will buy calves from the local sale barn (usually calves that come from cow/calf farms) and raise that calf to a desired weight of between 600-800 pounds.
- They will sell the calves once they reach this desired weight usually in load lots.
- The biggest economic impact of this type of production is how the markets look that particular day or week. This is what the price will be based on.
- These calves will be sold “by the pound”.
- Most common in the Midwest, but found all over the U.S. Very common here in NC.

NC Export to Feedlots

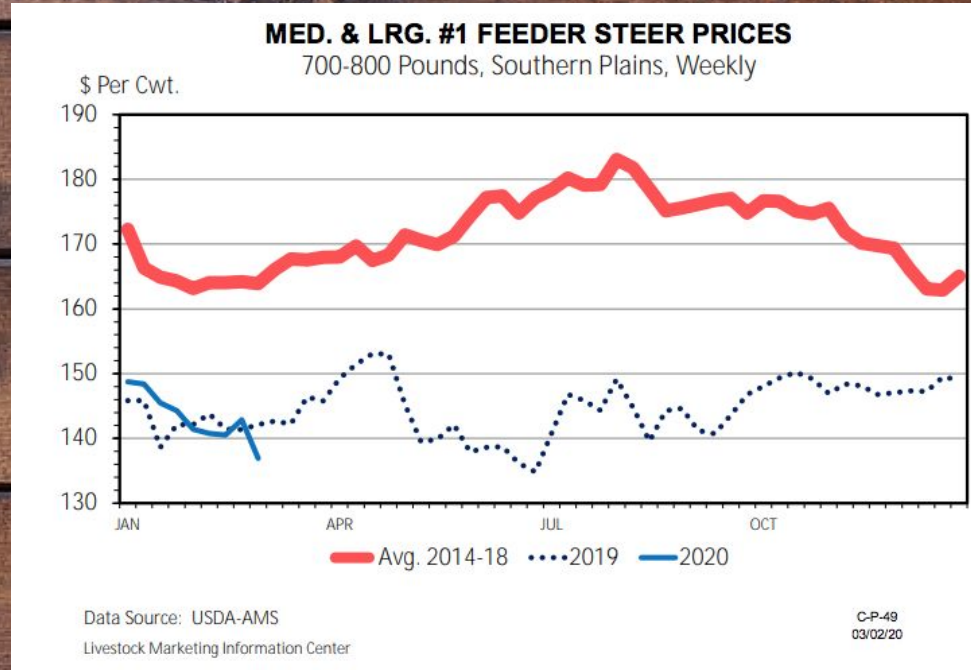


Cattle Sells in NC

- Feeder Cattle: 600-800 lbs

In NC producers do not conduct Futures contract because of low number of heads so they go to the sell barn to sell individual head of cattle, Future contract would be good if they had enough head to sell at one time

- Live Cattle: 850-1,000 lbs for heifers and 1,000-1,200 lbs for steers = do future contract to protect against risk



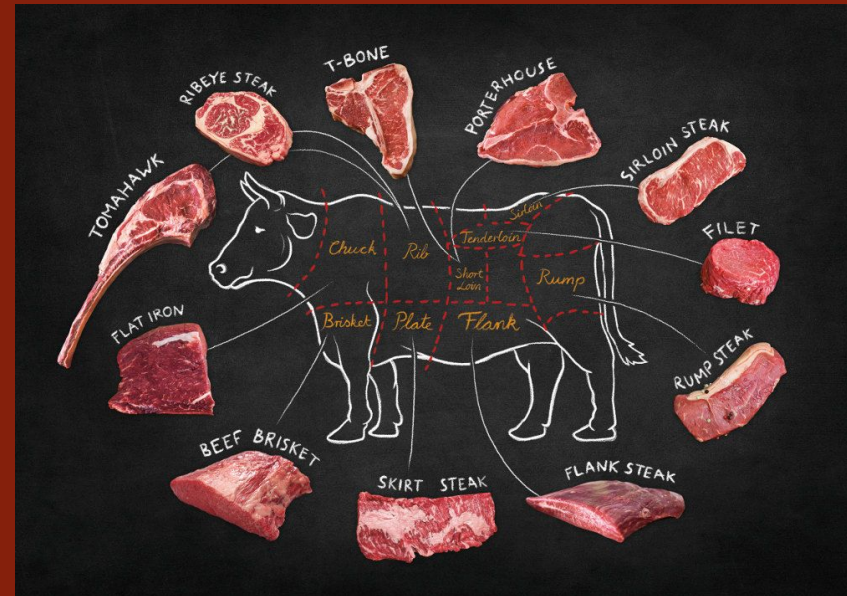
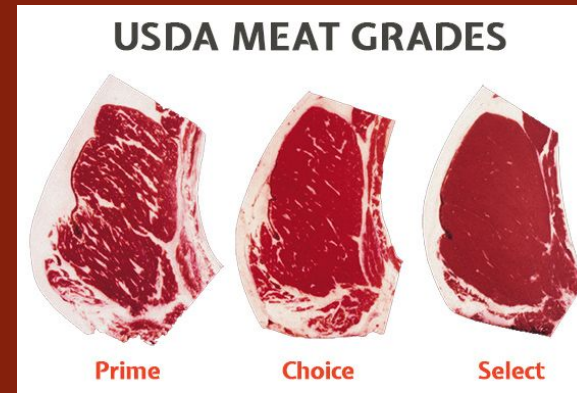
Farm to Table

Angus Marbling :

Choice/ Select beef value

The large Choice/Select spread over recent months results in trying to attain that Choice or higher grade of fed cattle.

- **Genetics and days on feed= difference**
- **86% of all beef grade fall into this category**
- **Choice and selects are substitutes in winter but not in summer = “grilling season”**



NC Current Events

(Electronic Logging Device)

- ★ December 2017: ELD stressed cattle haulers

Hurricane Florence

- ★ September 14 2018:
 - 3.4 million of livestock drowned including cattle
 - Farmers lost their pasture and had to find alternative ways to feed cattle

COVID-19

- ★ January- April 2020: uncertainty affects producers



Sources



- https://www.agupdate.com/markets/commentary/fats-vs-feeders-off-to-a-decent-start/article_8058ac18-b29e-11e7-a8f8-0b1f7704a21c.html
- <https://www.npr.org/2017/11/29/567124791/trump-administration-aims-to-loosen-obama-era-truck-safety-rules>
- <https://www.bestfoodfacts.org/whats-marbling-got-to-do-with-it/>
- <https://www.drovers.com/>
- <https://brownfieldagnews.com/news/cattle-group-calls-on-usda-to-address-coronavirus-impact/>
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Questions?