

The Lincoln Letter

Publisher-North American Lincoln Red Association

Fall/Winter 2014

PRESIDENT'S MESSAGE

It is an exciting time to be in the beef industry with favorable market prices and a lot of optimism in the Lincoln Red breed. This year, we had the breed represented in youth shows in several provinces. Calves received encouraging comments from judges which resulted in high placings. Congratulations to all! The ability of the Lincoln Red cattle to do well on largely forage diets has served our breeders well in years that had more challenging market conditions and expensive grain inputs. Changing management practices, such as extending the grazing period into the late fall, or bale grazing throughout the winter, has placed selection pressure on the Lincoln Red cattle to be productive with minimal inputs. Aspects of agriculture are changing at a quick pace and the strong characteristics of the Lincoln Red breed are serving our breeders and commercial crossbred users well. It is great to see the continual increase in interest Lincoln Red cattle across North America!

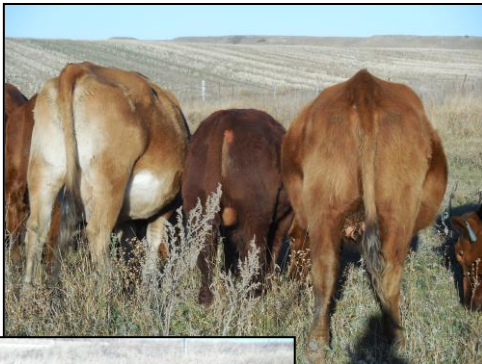
Have a great fall,
Scott

MEET OUR NEWEST BREEDERS:

MONTE & JUDY VANDERVORST

If you would like to see some great cattle, a trip to Monte and Judy VanderVorst's is essential. The VanderVorst's jumped into Lincoln Reds utilizing straws on their Red and Black Angus cows to produce some outstanding calves. In addition, Monte worked with Dennis Hoffrogge to implant some Lincoln Red embryos. Pictured below is his 100% Lincoln Red bull by Spur Christopher. The VanderVorst's were drawn to the Lincoln Reds because of the cattle's reputation of a gentle disposition, superior meat quality, excellent feed conversion, and dark red color. With the purchase of some Lincoln Red heifers, the VanderVorst's, which includes the 2nd, 3rd, and 4th generation, are one of our newest Lincoln Red breeders.

Lincoln Reds provide excellent heterosis when crossed with other breeds. Monte VanderVorst, N.D. used Lincoln Red straws on his registered Red and Black Angus. If interested in purchasing some of these outstanding F1 cross calves, please contact Monte at 701-336-2621.



100% Lincoln Red Bull sired by Spur Christopher



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KNOW WHEN TO HOLD 'EM

BOB NUSBAUM, PROFESSOR EMERITUS, UNIV OF WISC PLATTEVILLE

Wow! Has there ever been a better time to be in the cattle business? Every animal is bringing record prices. But how long will the good times roll? What goes up must come down. It always has and, without a doubt, it always will. The historic "cattle cycle" is the somewhat predictable rise and fall of the US cow herd numbers over a period of about 9 to 13 years. Traditionally, low cattle numbers mean higher prices and vice versa. In July 2014 US beef cow numbers were the lowest since 1973 at just under 30 million head, so we, presumably, are at or near the "bottom" of the cycle. Cow slaughter has dropped by 17% from a year ago and this may be signaling the beginning of a cowherd rebuilding phase.

Cattle cycles are definitely man made as a direct result of decisions made by cattle producers presumably to increase profits. A tight supply of calves increases demand and the subsequent high prices entice producers to keep back more replacement heifers for breeding. After about 3 years those first calves from the extra females hit the market and continued expansion increases supply until demand is decreased and prices drop. Liquidation reduces herd numbers until demand returns again, thus the cattle cycle.

The big question is why do we shoot ourselves in the foot by retaining extra heifers knowing full well that it will ultimately lead to lower prices? We could, in fact, control our own destiny. The alternative, to resist the temptation to increase the cow herd, will help to maintain lower national cow numbers, thus sustaining demand and higher prices. It sounds simple but it never happens. Look what happened to corn. High demand shot corn up to \$8 a bushel. Nearly every pasture was plowed up to make more corn with the lure of continued high prices. Unfortunately, all the inputs increased, too. When the dust cleared, how much better was the net profit per bushel?

What is the real cost of increasing production? Dr. Harlan Hughes, a retired Professor Emeritus of Ag Economics from North Dakota State University looked at costs associated with retaining replacement heifers in 2014. He pointed out that the "opportunity cost" for each heifer retained would be \$1240 and that would reduce the net cash flow by an equal amount. It would require another \$550 to develop that heifer in 2015. By assuming a conservative 80% pregnancy rate for replacement heifers, he calculated the cost of each bred heifer to be \$1948 at preg check time. He then added another \$880 for all the economic costs accrued until they calved in the spring of 2016 for a total of \$2828 per head.

Assuming a 100% calf crop, each of the first calf heifers should produce a calf that could be worth \$1250 that fall. If all of those calves from the retained heifers were sold at that price, the adjusted expansion cost of the heifer, bred with her second calf, would now be reduced to \$1578. This remaining cost would be paid from future net income and Hughes calculates it would take an

additional 4 calf crops after 2016 to break even on this retained heifer. Therefore, no money will be made on this heifer until 2020. And by then what phase of the cattle cycle will we be in? It will probably be less attractive than today.

Hughes suggests that only highly profitable (low cost) herds consider expanding at this time. His "borderline" herd would have the following 2014 characteristics:

- An 87% calf crop (live calves weaned/females exposed in the previous breeding season)
- 569-lb. average weaning weight
- 203-day average calf age at weaning
- 495 lbs. of calf weaned per female exposed
- 2.8-lb. average gain per day of age
- \$1.56/lb. cost of calf produced
- A \$341/cow profit projected for herd producing 2014 calves

Hughes goes on to point out that only herds with a lower cost of production (<\$1.56/lb of calf) should contemplate expansion and expect a reasonable improvement in net profit. See how your herd compares to the above figures before you decide to make the decision to retain more heifers.

Personally, I subscribe to the "buy low, sell high" theory and that "a bird in the hand is worth two in the bush". With the high cost of putting replacements into production, it seems to make sense today to sell heifers rather than to expand. You can only benefit from the high prices if you sell something and they will never be worth as much as they are now. However, I feel now is the time to clean house and sell the cows you don't like; the ones with bad dispositions, bad udders, poor calves and bad feet. If they are bred, they will probably bring a premium at commercial cow sales. If they are definite culls they will still be worth a lot as meat. Replace them with your very best heifers from outstanding mothers with proven genetic longevity and toughness and eventually you may be able to reduce your annual replacement rate which will increase net income. It is much less expensive to keep a pregnant cow than to develop a replacement heifer. Sell the product, not the factory.

Then, plan to get better, not bigger. Continue to find ways to increase production without increasing expenses. Most pastures in the US are tremendously underutilized. Graze more grass and stalks, bale less hay and feed less hay. Select for traits that reduce labor and inputs. Concentrate on traits that keep your cows in the herd for more years. Low cost producers will make money every year in any market. If you've done your homework you should be in a position to reap the tremendous profit opportunities available today.

The export market consumes about 14% of our total beef production and the Meat Export Federation reports that it can sell even more. As the middle class of the world grows, they have more income to spend on quality US beef, so solid prices will be around for a while. Enjoy the ride while it lasts!

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SHOWRING RESULTS FROM PATRICK MILNER

This is my third year of showing Lincoln Red cattle in 4-H and it was another successful year of showing of Lincoln Reds. Many people within the 4-H cattle world still do not know what Lincoln Reds are which is why I continue to show them. This year my heifer was a huge hit with everyone. Like last year we did not have any heifers born on our farm that were show worthy. So my grandfather and I went and purchased a heifer from Bert Rose. This year when I showed at the local exhibition in Oxford Nova Scotia, I was the only heifer in my class, so I got the Grand Champion ribbon for other pure breed. Breeds that are not very well known such as Lincoln Reds, Charolais, and Maine Anjou are all placed into the other pure breed class. There are 3 classes within that class, senior (animals born between January 2013 to March 2013), intermediate (animals born between April 2013 and December 2013), and junior (animals born between January 2014 and March 2014). My heifer, RLR Annabelle Malcolm was born April 7th, 2013 so we were in the intermediate class. Since I placed at our local exhibition, I was allowed to go to the Nova Scotia Provincial 4-H show that held in Truro, also known as ProShow. There I showed in the other pure breed intermediate class. In that class I received a first place ribbon and a Royal Winter Fair selection card. Placing first allowed me to go to the champion other pure breed class which is all age ranges of other pure breed. In that class I was up against a junior Charolais, and senior Charolais, and a senior Maine Anjou. In that class I received a reserve champion (2nd) ribbon. The junior Charolais placed champion. I then entered the Murray Parker Memorial Class which is an open class for members to try to attend the Royal Winter Fair. In that class I was placed 4th overall. Unfortunately I had to place first to the make it to the Royal. Then I went to the Royal Selection Class which is by invitation only, unfortunately I never placed in that class. I am looking forward to another upcoming year of showing Lincoln Reds. I am looking for a heifer to buy to show next season born between January to June 2014. Please contact me at patrickmilnercattle@hotmail.ca



The North American Lincoln Red Association gave to both Patrick and Tiffany windbreakers for helping promote Lincoln Reds in the showing.

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HARPER'S HIGH DENSITY GRAZING OF CATTLE

Hope that everyone has enjoyed a summer to be remembered, most events good some not so much! For us the not so good began early in June after only having the cows out to pasture for less than 10 days, the rains came and came they did! Just over the 8" on the one weekend and pictured here is where some of our cattle were stranded. I say "stranded" only because I couldn't get to them, they had grass and could get to higher ground so they likely thought life was alright, they didn't need me, I was the one "stranded"!

One thing to be said for the rains once it was all in and done, we had an abundance of grass this year! What a great situation to be in to start into "high stock density"



or "mob grazing"! The goal with this type of grazing management is to improve our soil health which in turn will grow

healthier grass and be more beneficial to the cattle. We had always been rotationally grazing in the past but now see the benefits if this method.

We are now strong advocates to this type of management as we doubled our carrying capacity in the first year! We had only used the paddocks once in the time that we were generally through nearly twice with the rotational system and we have extended our grazing season to boot. At the same time we also increased our stocking rate by just over 60%. Where we used to graze 51,200 lbs. of beef in one mob, we are now running 75,200 lbs. Now we graze more animals for more days on the same land base and still leave enough for soil enhancement! This was achieved by putting up temporary wires and moving the cows daily, allowing them approx. 1 acre/ day. For daily moves we use a tool called a Batt Latch (automatic gate opener). With this tight density we grazed off 70% of the grass and trampled the remainder tight to the ground creating a litter layer which feeds soil biology and conserves moisture. The litter layer also helps maintain the temperature of the ground creating a comfortable environment for the multitude of critters living there. High stock density improves the nutrient cycle as the manure and urine is spread more uniformly across the paddock. We believe more than ever that the

key to soil health and high quality grass is focusing on feeding the biology beneath the cattle.

August 11 we hosted a farm tour showing the high stock density system in action. We were overwhelmed to see more than 45 producers turn out to the event and may consider making the farm tour an annual affair.



In the photo the cattle have just been moved to a new 25m x 200m piece for the day, and yes the calves are in there somewhere! Any questions about high stock density grazing or the tools we use to apply it, feel free to call Brian Harper, Circle H Farms. 1-204-725-2515. harper4@goinet.ca or shaverbeef.com more photos available upon request.

Follow this link to view a video with Lincoln Red breeder Brian Harper, in Manitoba.

<http://www.manitobacooperator.ca/2014/11/12/video-high-density-grazing-for-cattle-at-circle-h/?module=carousel&pgtype=homepage>



Brian Harper with his cattle near Brandon, Man.
Photo: Meaghan Mast (Courtesy of Manitoba Cooperator)

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NEWS FROM STONEHEDGE FARMS



My thanks to Tiffany Throop for her success and the exposure she gave to our breed. The calf is a January born female and she placed 2nd in her 4H show in August, 1st in her class at an open show in September. She was showing against other British breeds. It was quite interesting that the judge took a few moments for some very favorable comments on this heifer at the end of the show to the audience. He had asked the show person as to the breed and so on, and telling her that he had never seen a Lincoln much less judged one.
Sincerely, John Ashby



Isabel Schmidt demonstrates the docility of her family's Shorthorn cattle on their Lake Front Shorthorn Ranch near Medina on the All Breeds Cattle Tour.

*(Photo Courtesy of the North Dakota Stockmen's Association.
The Picture includes a 50% Lincoln Red.)*

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Please send an email to sarahpedelty@gmail.com or call Sarah at 507-867-9041.

Name _____

Address _____

Email _____

**PLEASE SEND IN YOUR CATTLE REGISTRATIONS
BEFORE THE END OF THE YEAR.**

Don't Forget: membership fees are due on Jan. 1st and are \$80 for the year. Please send your fees to Canadian Livestock Records Corporation 2417 Holly Lane Ottawa, Ontario, Canada K1V 0M7.

Your membership helps support the Association's promotional activities such as the website, newsletters, advertising and purchase of youth incentives (jackets).



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SEEING IS BELIEVING!

Take a look at Lincoln Reds at one of these farms:

- **John and Lorraine Ashby**
Stonehedge Farms
Prescott, ON
(613)925-5778
- **Sarah Band**
Mohil Farms
Puslinch, ON
(519) 824-5619
- **Mead Ferguson**
Woodward, OK
- **Tom Fillmore**
Oxford, NS
- **Brian & Sonja Harper**
Brandon, Manitoba R7A 5Y3
204-725-2515
harper4@goinet.ca
<http://www.shaverbeef.com>
- **Dennis and Mary Hoffrogge**
Sleepy Eye, MN 56085
(507) 227-5745
50% bulls & heifers available
- **Scott & Heather McClinchey**
Orton, ON LON 1N0
(519) 928-3106 (h)
(519) 570-7020 (c)
hlm.dvm@sympatico.ca
For Sale: 2 yr old bulls
- **Sandy MacDougald**
Milrae Farms
Montague, PE
(902) 838-4783
- **Wallace & Patrick Milner**
Nappan, NS
- **Larry and Sarah Pedelty**
sarahpedelty@yahoo.com
Straws for US Breeders
(Collected and Shipped
from Hawkeye Breeders)
- **Alan Riley**
Strathclair, MB
- **Brent Reppe**
Duluth, MN
- **Kevin Rivers**
Ingersoll, ON
- **Rose's Lincoln Reds**
Amherst, NS B4H 3Y1
(902) 667-9834
- **Monte VanderVorst**
Pollock, SD
(701) 336-2621



MAY 2014



SEPT 2014



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