The Lincoln Letter

Publisher-North American Lincoln Red Association Spring 2010

From the President

From the number of website hits and inquiries, positive interest in the Lincoln Red breed has increased over the past year. Inquiries are split between people interested in raising purebred Lincoln Reds and people who see the economic benefit of introducing the Lincoln Red into their crossbreeding program.

Thus, it is important that we all keep good performance records on our bulls to make them attractive to commercial producers. It is also vital that we offer for sale only quality bulls and females.

We have made it through a relatively easy winter in Southern Ontario and hope that all of you have also enjoyed a good winter.

If you have any thoughts that can benefit the North American Lincoln Red Association do not hesitate to contact me.

Scott McClinchey

Visit our website at www.lincolnred.org

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Secretary's Note: ***Over the years, I have stayed in contact with one of my professors who also raises cattle. Dr. Nusbaum has always made comments that are thought provoking and I asked him to share them with us. Sarah Pedelty***

200 Cows or Bust!

Dr. Bob Nusbaum, Professor Emeritus, U of Wisc-Platteville

I have a neighbor who wanted to diversify his hog operation and get into the cattle business. He said his intent was to have 200 cows. I heard him repeat this goal many times over several years and I think he has recently succeeded at finally arriving at that number. The question that intrigued me in observing his foray into the cattle business was ***"why 200 cows***"? Why not 190 0r 170 or 210? Most of us who own cattle have made this economic decision about the number we choose to keep, but how do we actually get there? What is our thought process, and once we are there, how can we tell if it is the best, most optimal number for our specific operation? At the end of the article I'm going to suggest how we arrive at the correct number to raise, but first, I'd like to list and discuss some observations I've seen over the years that, I feel, greatly influence how we manage cattle and, ultimately, how much money we make or lose on them.

 # 1: ***Many people don't raise cattle to make money.***

I only know about two families that actually make their total income from the cattle business; no spouse working, no partner with money or being part of a corporation. So, most of us keep cattle as a hobby or sideline. The latest figures I've seen from Iowa State University estimate annual cow costs at about $330 dollars per year with a range from about $180 to $450. If our operation is a hobby or family 4-H activity, we probably don't have net profit as our motivating factor to have cattle. For instance, if our kid's Blue ribbon fair heifer missed having a calf this year we may keep her around and give her another chance. Or we tend to over feed hay (round bale feeders) to make chores more convenient if we have an off-farm job. Therefore, extra costs in these situations are not considered great sins. Yes, we'd like to make money with our cows, but we are resigned to live with "acceptable" extra expenses. Most producers in this category generally have fewer cows and the numbers they determine to keep are based on balancing cost or work vs. enjoyment.

#2: ***Higher production doesn't*** **necessarily** ***mean higher profit.***

If we all had 700 pound weaning weights, would we make more net income than if we had 500 pound weaning weights? Answer? Not necessarily. Profit = revenue – expenses. The most important factor is expenses. We tend to measure apparent financial success by selecting for greater production output such as weaning weight without measuring what it actually cost us. There is no free lunch. Those extra pounds have a cost somewhere. Do we creep feed? Is our cow bigger? Did she eat more feed? Will she live longer? Were our birth weights bigger? Did we pull more calves? Did more calves die? Were there more open cows in the fall? All of these are expenses and as we strive to increase production, there always is an associated cost. Lots of producers can tell you what their average weaning weight was this year, but do they know what it cost to produce each pound of weaning weight? We are really pretty good at measuring production (200 bushels per acre) but not at expenses (input costs per bushel). Bragging rights always seem to go with highest production outputs and not lowest input costs.

#3: ***Increasing cow numbers doesn't always mean more profit.***

Since about the early 1980's beef producers have been told that in order to make more money they needed to sell more pounds of calves at weaning time. The easy way to do this according to a lot of bankers is to keep more cows. More cows will produce more calves and supposedly profit will increase, BUT more cows also mean more expenses. More revenue generated doesn't mean that we have more profit. Easy math shows that increasing cow numbers by 10% makes less income than keeping the numbers the same and reducing expenses by 10%. In other words, if a cow normally costs $350 per year, reducing that cost by 10% (to $315) will make more net income than increasing your cows by 10% (say 100 to 110). Yet, when we think we need to make more money, our first thought is to run more cows rather than concentrating on spending less on the cows that we do have.

#4: ***Calving earlier in the year to wean heavier calves doesn't always mean more profit.***

Another management strategy thought to increase income is to calve earlier in the year thus weaning more pounds of calf weight to sell. Dr. Barry Dunn at South Dakota State compared two average calving dates of March 15 and April 15. After analyzing about 25 years of related data to determine which calving date made the producers more net income, he found no difference. Why? The earlier calving date was associated with tremendously greater expenses. More labor, sickness and dead calves. They worked a lot harder and did produce heavier calves but didn't make any more money by calving earlier. More expenses associated with earlier calving offset the extra revenue from the bigger calves.

#5: ***Most cattle operations are overstocked and may make more money with fewer cattle.***

In my opinion, this happens on most beef operations. The biggest cow expense annually is feed, and especially winter feed or hay. Jim Gerrish, the national grazing guru has a "3M" theory. He says that producers in Minnesota, Missouri and Mississippi all start feeding hay around mid-October when their grass runs out. These states are all in different latitudes with completely different grass growing seasons and, yet, they all start supplemental feeding at about the same time in the fall. Why? Their cattle stocking rate is at maximum not optimum. In an attempt to make more money, producers carry more cows that eat more grass that use up pastures faster. Midwest producers graze about 6 months of the year and feed hay about 6 months of the year. What if we changed that ratio to 7 and 5, or 8 and 4, or 9 and 3, or even better? The cost difference between a cow grazing or eating hay is at least 50 cents per day (conservatively). That's $450 per month on 30 cows or about one calf! Hay is an expensive proposition. Extending the grazing season is probably the most cost effective way to increase net income. If you had fewer cows would you be able to graze more days? Generally, yes! How many fewer cows would you have in order to graze 60 or 90 more days? Fewer cows are less revenue but also much less expense. Think of the tremendous cost (hay) and labor (time baling) savings. Remember, Profit = Revenue – Expenses.

Final Point

Now, back to answer my original question…. how many cows should my neighbor have? Rather than choose a set number (200 head) or a stocking rate (2 acres per cow/calf pair) or a production goal (500 pound weaning weight), it makes more sense to choose a desired net income level, say $5000 for my cattle operation, but it has to be based on cost per cow not production per cow. Start with the premise that you want to spend only $200 (for instance) per cow per year. Can you do it? The feed bill is the first and foremost issue to address while grazing more days and feeding less hay is the answer. How many cows should you have? In your present situation estimate the most cows you could have and still graze 8 months out of the year. That would be a good start for figuring the optimum number of cows for you to have. I think you will find it necessary to keep fewer cows than you now have, but your bottom line should improve and your enjoyment in the cattle business will also increase.

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STONEHEDGE FARMS
John & Lorraine Ashby

Up to now, our approach to farming and selling our product followed the traditional ways. Our change in direction came gradually after we met our friend Barbara. Being a novice farmer, John helped her with farming tips and she helped us with her marketing savvy and connections. Fortunately for us, the demand is starting to exceed our supply.

We since have formed an Alliance, selling our beef and her pork and chickens to surrounding urban markets. Part of our Alliance's marketing strategy is through Community Shared Agriculture (CSA). This has proved to be quite popular with city folk.

In case some of you are not familiar with CSA's, here is a brief description: "Community Shared (or Supported) Agriculture is an approach to growing and purchasing food in which the farmer and consumer are working cooperatively. In CSA, the farmer grows food for a predetermined group of customers. The customer enters into an agreement of purchase with the farmer prior to the start of the season. The farmer gains a guaranteed market; the consumer gains high quality, fresh food as it becomes available."

Barbara's website (www.uppercanadaheritagemeat.ca) has been a great selling tool, to which ours will be linked to, in the next month or so, as soon as it is available. Our website, will also be linked to NALRA.

We were also very pleased to have been invited to participate in a CBC interview in which Barbara introduced her black heritage pigs and her CSA.

We also had the privilege to meet and have a conversation with Ted Lawrence , writer for *Genesis*, the Rare Breeds Canada publication. Ted then wrote an article about Lincoln Red cattle in *Genesis* with photos he took at our farm.

Visit our website at www.lincolnred.org

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Breeding Soundness Exams, Heather McClinchey, MSc. DVM

Why do them?

1. To maximize success in a breeding season. Studies have shown that average pregnancy rates for bulls that pass a BSE are 75% whereas those that are questionable or fail have rates of 52% and 12%, respectively[2].
2. Studies have shown failure rates in the range of 15-40%[2].
3. Scrotal circumference and early bull maturity correlate strongly with early maturation and higher pregnancy rates in female offspring[2].
4. Bulls with larger testicular size will tend to sire bulls with good fertility[2].
5. A yearling bull capable of passing a breeding soundness examination should be able to be as fertile as a mature breeding bull. A good yearling bull should be able to service 17 females whereas the generally accepted bull to female of a mature breeding bull is 25:1[2]. This means that producers should be able to expect more from a good yearling bull than previously thought.

What happens during a BSE?

The Society for Theriogenology released standardized guidelines for the BSE in 1992 which have been almost uniformly accepted by the veterinary schools and practitioners. These guidelines include how to conduct the examination and the minimum standards for scrotal circumference, which are breed dependent, and sperm motility and morphology[3]. A proper breeding soundness exam includes three components – History and General Physical Exam, Measurement of Scrotal Circumference and Semen Collection and Analysis[1,2,3,4]. What the exam is unable to assess is the libido of the bull, which used to be assessed by determining how many cows a bull could service in one session, but now this is more commonly assessed by observation of the bull with open cows in the pasture[3]. It is estimated that between 10 and 20 percent of bulls have inadequate libido[2,4]. There are three possible outcomes of the test. The bull will either be considered satisfactory as a potential breeder, unsatisfactory as a potential breeder or the classification will be deferred. A bull with an unsatisfactory rating is rarely sterile but rather has a significant reduction is potential fertility. A deferred classification is reserved for those bulls that may be deemed to be sexually immature, or have resolvable injury or illness issues[1].

When to do them?

Early maturing bulls should be able to pass a BSE at 12-13 months of age. The test is recommended to be performed several weeks before the bull is intended to be put into service in case a repeat test is required[1]. Every breeding bull, unless suffering from a short-term illness or injury should be able to pass the test by 16 months of age. Spermatogenesis in the bull takes 60 days, so it may take two months past illness for sperm counts and morphology to return to normal[1]. In an ideal world, all breeding bulls should undergo a breeding soundness exam before the breeding season on an annual basis. Minimally, producers are encouraged to have the test performed once, on bulls one year of age or older, prior to the first breeding season or sale. Producers must realize that, on average, about one-quarter of bulls are going to receive an unsatisfactory grading and should be culled.

Benefits to the Association

Performance of BSEs and culling of bulls unable to attain a satisfactory designation would help to maintain and enhance the traits that the Lincoln Reds are known for, such as outstanding fertility rates and early age of puberty. This would also benefit producers financially with higher pregnancy rates and industry respect for ensuring sales of cattle with high fertility and excellent serviceability.

References

1. Bagley, C.V. and Burrell, W.C. Understanding bull breeding soundness exams Utah State University Extension Animal Health Fact Sheet 1997.
2. Chenoweth, P.J. Rationale for using bull breeding soundness evaluations Compendium on Continuing Education for Veterinarians 2000; 22(2), S48-55.
3. Guidelines for the bull breeding soundness evaluation Society for Theriogenology / American College of Theriogenologists 1993.
4. Kreplin, C. Breeding soundness evaluation of bulls Agri-Facts 1992.

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Comments from Sarah Pedelty, Secretary:

Some key notes from the Annual General Meeting held October 24, 2009 include the following:

- John Ashby will be sending out Association ear tags to all members. Please contact him to place orders.
- The Association website continues to have increased visitors and was viewed over 2000 times in the last month. All members are encouraged to contact the Secretary if they have available cattle to list
- A new tri-fold brochure will be created. Please send pictures to Heather McClinchey or Sarah Pedelty. Crossbred pictures are needed!
- All members who pay their dues to CLRC by March 31st will receive a complimentary subscription to *Canadian Cattlemen*. A fall ad will be placed in *Ontario Beef*.
- Scott McClinchey and John Ashby were reelected to the Board of Directors. They join Dr. Shaver, Gordon MacRae, Dan Lamarche, and Sarah Pedelty.

News from Across the Pond:

10,000gn Lincoln Bull sets new record

Lincolnshire Showground Grange de Lings, Lincoln LN2 2NA secretary@lincolnredcattlesociety.co.uk

A new breed record price of 10,000gns was set at the Lincoln Red Cattle Society's Spring Show and Sale at Newark Livestock Auctions on Saturday 20th March 2010. Walmer Legend, a two-year old bred by H M & J M Needler of Ranby Grange, Lincoln, which took the Senior Champion and Supreme Champion Bull awards at the Show, was bought by Michael Read, from Hemingby, near Horncastle.

The bull was sired by Beverley Henchman out of Mr Needler's cow Walmer Lobelia. The dam has won seven Breed Championships, and was also Native Female Interbreed Champion at the 2009 Royal Norfolk Show. Mr Read commented that he had been impressed with the breeding of the bull on both sides of its parentage, but that the female line had particularly caught his attention. "It is out of an absolutely wonderful cow, coming from a very fine female line with all the good mothering attributes that I expect from Lincoln Reds", he explained. "I anticipate that it will have a very good influence on my own herd."

15 bulls sold at the event, with Reserve Champion Senior Bull Auchmacoy Langley, from Mrs S Buchan's Auchmacoy Herd at Elgin in Aberdeenshire going to Mr D P Inman of Thorpe Satchville, Melton Mowbray for 4,500gns. Robert Needham's Market Stainton Lancelot sold for 5,500gns and Mr Read's own Junior Champion and Reserve Supreme Champion Bull; Hemingby Dragoon made 3,600gns. Overall average for the bulls was 3,180gns.

On the female side, the top price was 2,100 gns paid by Mr I R Houlgrave of Legbourne for the Maiden Heifer Lindum Latoya sold by Mr D P Inman. The Female Champion at the Show, Michael Read's In-calf Heifer Hemingby Bridget sold to Mr J E Thomas, from the Vale of Glamorgan, for 1,800gns. R I Clough & Son's cow Beverley Ella, with her first calf at foot, was bought by Mr A I Davison, of Alnwick, Northumberland, for 2050gns.

The average for cows with calves at foot, was 1,617gns; in-calf cows averaged 1,350gns: in-calf heifers made an average of 1,553 and 50 maiden heifers sold to an average of 1,433gns. Overall average for the females was 1445gns.

Lincoln Red Cattle Society President Robin Dennett commented that it was good to see the number of buyers coming forward from outside the breed's traditional County to add to the continuing growth of interest from local breeders. "It was a very good sale with prices that will have encouraged Lincoln Red Breeders," he said. "We saw new members joining the Society as well as existing owners keen to add to their herds."

The next Lincoln Red Cattle Society Autumn Show and Sale is on Saturday 23rd October 2010 at the Newark Livestock Market. Thank you to all who supported the 2010 Spring Show and Sale and to our Auctioneers at Newark.

Visit our website at www.lincolnred.org

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Looking for Lincoln Reds?

The following breeders have animals for sale:

For Sale: MOHIL SARGEANT
Please Contact Scott & Heather McClinchey

- **Scott & Heather McClinchey**
  Orton, ON
  519-928-3106
  - Yrlg Bulls for Sale
  - Shaver Abner straws available from the Association

- **Sarah Band**
  Mohill Farms
  Puslinch, ON
  519-824-5619
  - Shaver Thomas & a 2 Yr Old Bull for Sale

- **John and Lorraine Ashby**
  Prescott, ON
  613-925-5778
  - 2 yr old Bull and 5 Heifers available

- **Cedar Ridge Lincoln Reds**
  Registered Full blood Cattle since 2000
  For Quality Stock Contact us at
  613-926-2456
  bill@lincolnred.ca
  www.lincolnred.ca

- **Burton Rose**
  Amherst, NS
  902-667-9834
  - Mature Bull Available

- **Dennis Hoffrogge**
  Sleepy Eye, MN
  507-227-5745
  - 2009 50% bull

- **Larry & Sarah Pedelty**
  Chatfield, MN 55923
  507-867-9041
  lspines@aol.com
  - Yrlg bull calves for sale

Straws available from **Pines Dauntless** for U.S. Breeders

Visit our website at www.lincolnred.org