

# The Economic Impact of Raising & Selling a Uniform Calf Crop

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Cattle producers are known as what we call “price-takers”, meaning receiving whatever the market price is currently. There is a saying from a mentor of mine that when the market changes, it is because it wants us to change. Therefore, when prices start to drop, what can producers do to set their lot apart from others? How can producers influence that price that they will take home? One way is by raising a more uniform calf crop through a controlled breeding and calving season. There are many benefits to having a more uniform calf crop such as less time and money spent on processing calves multiple times a year, less time and labor spent checking calving groups, and a chance to receive higher prices for heavier calves born early in the calving season. Having a more uniform calf crop is a large advantage specifically for Florida cattle producers with the goal of filling a full load (50,000 lbs). Even for smaller producers, if your calves are uniform and raised similar to a fellow ranch, herds can be combined to sell as a larger lot. Large, uniform lots are attractive to feedlot buyers who are trying to fill several loads. Producers in the southeast receive lower prices than producers out west due to transportation costs. So, selling what the feedlots like gives the producer a chance to stand out and take advantage of a higher price. As a result of the Herd Health Seminar hosted by the *South Florida Beef Forage Program* in April 2022, 72% of attendees (60) indicated that they would start trying to make their calf crop more uniform. Based on this response, how much of an increase could each of these producers potentially see in revenue? This article intends to estimate this increase by using a scenario comparing revenues received from a less uniform lot and a more uniform lot (Table 1 and Table 2).

**Table 1. Weight Classes, Prices & Number of Calves Sold in Each Class**

Prices based on August 18, 2023 USDA Florida Weekly Auction Summary Report

Assumption: 100 calves evenly distributed across represented weight classes

Group	<u>350-395 lbs</u> \$305.72/cwt	<u>400-445 lbs</u> \$277.91/cwt	<u>450-495 lbs</u> \$259.03/cwt	<u>500-545 lbs</u> \$247.09/cwt
Less Uniform	25	25	25	25
More Uniform	0	0	50	50

**Table 2. Total Sale Price Received**

Group	Total Revenue
Less Uniform	\$120,698.47
More Uniform	\$125,748.10

## Increase in Revenue

**\$5,049.63**

While this scenario is not representative of all Florida cattle producers, it is a tool that producers can use as a guide to estimate potential increases in revenue and analyze changes that may need to be made on their operations. The *Calving Season Calculator* can also be a useful tool in aiding in the decision to control or shorten a current calving season. Access the calculator [here](#). The tool allows producers to input their information and estimate the revenue price they are currently receiving and compare it to the price they would receive with a more uniform calf crop. Being a cattle producer means being a price-taker. However, being a price-taker does not mean cattle producers cannot influence the price they take home through efficient management practices.

Contact me or your local county agent for any questions regarding how you can develop your calving management strategy.

