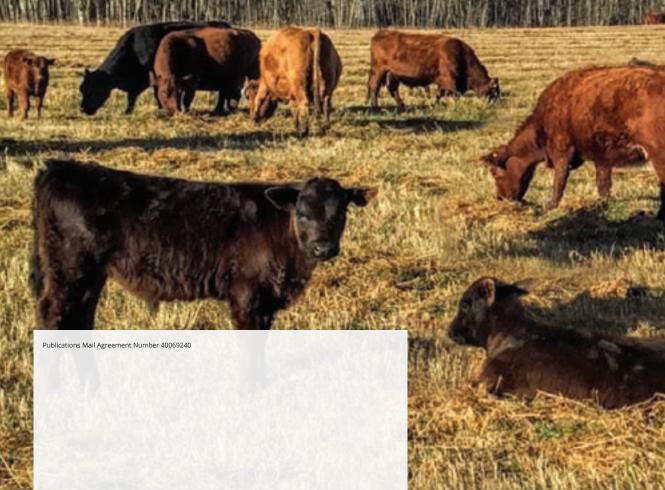
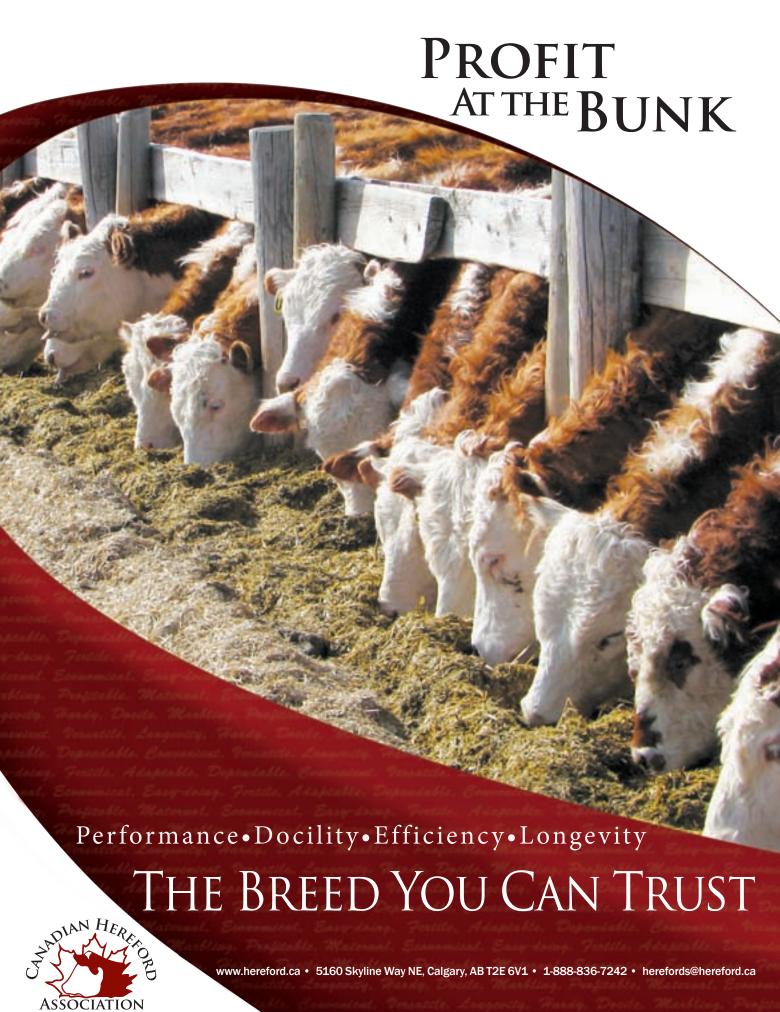




MARKSHING

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Contents

CANADIAN CATTLEMEN · OCTOBER 3, 2016 · VOLUME 79, NO. 9

MANAGEMENT



DIRECT MARKETING GRASS-FED BEEF IS A FAMILY BUSINESS

PASTURE



New Zealand through 10 the eye of a pasture manager

ANIMAL CARE



Auditing facilities and cattle handling

Canadian feedlot animal care assessment - Part 4

Congratulations!

To our October 3 survey winner, Alvin Goetz of Bluffton, Alta. This month's survey is on page 42.

Cover Photo: Our photo supplied by the Hoven family.

FEATURES	
New Zealand through the eye of a pasture manager1	C
Direct marketing grass-fed beef is a family business	2
Has cattle industry productivity improved in recent years?1	8
The long road to building public trust2	C
Age verification is getting old 2	4
Back to bale grazing	6
Auditing facilities and cattle handling2	8
BIXS can track carcass data: Just the cost is unknown	C
Verified Beef Production3	3
DEPARTMENTS	_
Comment	7
Research on the Record	6

Letters
Our History 8
Research on the Record
Nutrition
Prime Cuts
Free Market Reflections
Vet Advice
Straight from the Hip 35
CCA Reports
News Roundup
Purely Purebred44
The Markets 47
Market Talk49
Sales and Events 50

► COMMENT

By Gren Winslow

HOLD ON!



old onto your hat, the roller-coaster that is today's cattle market is still running downhill.

When it hits bottom is everybody's guess, but it won't be for a while yet.

In the meantime the red ink continues to pile up in feedlots, pulling feeder prices down just as the fall run opens for business.

From the February highs, to the week ending September 9, the value of Alberta 550-lb. steer calves dropped 32 per cent, the largest fall in more than 15 years, according to Canfax.

At the same time feedlots are continuing to post horrendous losses, anywhere from \$250 to \$450 per head by Canfax's estimation. Early September marked the 14th month of losses for feedlots.

Canfax manager Brian Perillat puts the average loss over those 14 months at \$294 per head which has eaten up a fair portion of the average \$243 per head profit gained over the previous 21 months when the cattle markets were putting a smile on every face.

The erratic futures market provides little relief. As Steve Kay reports this month, it has been running negative to the cash for much of this year, but no one is sure why it went so negative in August and early September.

Perhaps the traders were put off by the rising tide of protein on the North American market. USDA is forcasting a 3.1 per cent bump in supplies of red meat and poultry production for 2016, which is not that much really.

A similar story is unfolding in Canada with protein production expected to end up four per cent higher than 2015 by year-end. The majority of this increase won't be consumed in Canada, however, which encouraged Canfax analyst Brenna Grant to speculate that there is room for more protein in the domestic market.

Canadian protein consumption has been sliding in recent years from the high of 181 lbs. in 2001 to a low of 162 in 2014. It bounced back somewhat last year, but still remains about four pounds below the historical average of 169 lbs. per capita.

Cassie Fish, an analyst who watches the U.S. market for Consolidated Beef Producers, sees other reasons for the overblown actions of the futures market.

While allowing that the CME live cattle contract has issues, among them the ever-present impact of the global algorithmic-generated trading, some of the blame can be traced to the shrinking of the negotiated cash price coupled with the expanding cattle supplies in the U.S. today.

As U.S. cattle numbers declined sharply from 2008 to the lowest level in modern history, the number of negotiated cattle dropped from 40 per cent to just 20 per cent in the U.S. Now that cattle numbers have expanded, the remaining cash sellers have to compete harder for bids while the buyers compete less.

The result, she says, is feedlots are now faced with selling

an increasing supply to packers who already have a substantial amount of their weekly kill on the books. Whatever leverage they used to gain by remaining current with their marketings has seemingly been eroded. Perhaps that is partially responsible for the anaemic rallies in the futures.

Ontario-based analyst Kevin Grier in his September 6 *Canadian Cattle Buyer* said the only good news for feeders was that they were well sold when the bottom fell out so they were not pressed to move more than the minimum amount of cattle.

The other bit of good news is that packers are very profitable so they will keep big numbers going through their plants. Eventually the numbers will ease which will also benefit feeders. Getting to that point, however, will be painful.

How low can prices go? That was the subject of a factsheet put out last month by Canfax Research Services that examines some of driving factors in the cattle cycle.

If the market follows the patterns seen in previous cycles, prices may drop below the long-term trend and bottom in two to four years

In part the market is reacting to the huge upswing in prices in 2014-15 that was a respone to the unique shortage of proteins in North America. Consequently the downturn of the current cycle is expected to be larger than past cycles, reflecting the false top posted last year.

Within that trend several factors influence the cattle cycle, and thus the price cycle.

Carcass weights, for example, have increased pretty consistently since 1975 at an average seven pounds per year in Canada. Cow and feeder cattle are two other key drivers as they affect domestic supplies.

Beef exports are also factored in, particularly China at the moment, after our shipments plummeted from 1,800 tonnes in January to 32 tonnes in July after stricter inspections were implemented for ractopamine.

The Canadian dollar could be moving down again if the U.S. Federal Reserve raises its rate again.

Finally there are the intangibles — weather and psychological factors such as the unemployment rate, and income levels which affect consumer confidence.

Boil it altogether and Canfax finds that if the market follows the patterns seen in previous cycles, prices may drop before the long-term trend and bottom in two to four years.



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NewsMakers

The Beef Cattle Research Council (BCRC) has selected four bovine researchers for its 2016-17 Beef Researcher Mentorship program that puts young researchers in touch with producers and industry representatives to introduce them to the wider Canadian beef industry. They are:



Dr. Getahun Legesse

Dr. Getahun Legesse, a research associate at the University of Manitoba who is part of a national team working to define the changing environmental footprint of Canadian beef. He received his PhD

in animal science from the University of Hohenheim in Stuttgart, Germany.

He is being mentored by the finance chair of the Alberta Beef Producers Charlie Christie and his wife Rochelle who run a mixed 2,000 acre grain and hay operation with a 400 Angus-influence crossbred cow herd west of Trochu, Alta.; and Brenna Grant, an economist and professional agrologist who manages Canfax Research Services, which provides statistical information, economic analysis and market outlooks on Canadian and global beef markets to the industry.



Dr. Jessica Gordon

Dr. Jessica Gordon is a veterinarian and assistant professor in ruminant health management at the department of population medicine of the Ontario Veterinary College. Her most recent research

involves parasite control in cow-calf herds. Gordon grew up in an urban setting in Michigan with little exposure to agriculture until she worked on a project involving bovine nutrition. She went on to get a degree in agriculture from Michigan State, a veterinary degree, and worked in a large animal practice in Wisconsin before moving to the University of Guelph to obtain a DVSc in ruminant health.

She is being mentored by Beef Farmers of Ontario vice-president **Joe Hill** and his family who run a small feedlot and cash crop operation in Wellington County; **Dr. Calvin Booker**, a veterinarian, epidemiologist, data analyst, production consultant and managing partner with Feedlot Health Management Services in Okotoks, Alta.; **Dr. Peter Kotzeff**, a beef cattle veterinarian at the Chesley Veterinary Clinic who operates a 2,000-acre cash crop and grazing operation in Bruce County, Ont.



Dr. Kateryn Rochon

Dr. Kateryn Rochon, an assistant professor in the department of entomology at the University of Manitoba, where her research program is focused on arthropods as vectors of both livestock and wild-

life pathogens. She has a PhD in veterinary entomology from North Carolina and completed a three-year postdoctoral fellowship at Agriculture and Agri-Food Canada in Lethbridge, researching the geographic distribution and sampling of Rocky Mountain wood ticks.

She is mentored by past chair of the Beef Cattle Research Council and chair of the Western Beef Development Centre **Tim Oleksyn** who farms and ranches near Shellbrook, Sask., with his wife and brothers; and the beef production specialist for the Alberta Beef Producers, **Karen Schmid**.



Dr. Marjolaine Rousseau

Dr. Marjolaine Rousseau is an assistant professor of bovine ambulatory medicine at the University of Montreal. After graduation with her DVM at the University of Montreal, she completed an internship in bovine medicine and

worked for a mixed animal practice in southeastern Ohio. In 2008, she started a three-year residency in food animal surgery at Kansas State University. By 2011, she had graduated from that program and completed a master's degree into the use of an absorbable carrier to deliver antimicrobials and growth factors to bone before returning to the University of Montreal as a clinician at the farm animal hospital. She is currently researching the use of a new disinfectant as a footbath to control digital dermatitis.

She is mentored by Jacques Desrosiers of Ferme B et L Desrosiers, a farm and feedlot in Saint-Hermas, Que., that feeds approximately 3,500 head of cattle a year and cash-crops 2,000 acres; Beef Farmers of Ontario director Steve Eby who operates a feedlot, grazing and crop operation that markets 1,500 head near Kincardine, Ont.; and veterinary advisor for Les Producteurs de bovins du Québec, Rémi Laplante who worked as a large animal practitioner for 34 years, providing veterinary services to dairy, feedlot and cow-calf producers.

Manitoba Beef Producers has announced the six 2016 recipients of its \$500 MBP

bursaries that are presented to members or the children of members, attending university, college or other post-secondary institutions in a field of study that would benefit agriculture or the rural economy. This year's winners are: Marianne Sytnyk, Oakburn, District 7; Dawson Proctor, Woodlands, District 9; Emily Barteaux, Birtle, District 7; Rebecca Zimmer, Inglis, District 13; Josey Millward, Garland, District 13; and Sheena Meggison, Goodlands, District 1.

Engineer **Terry Fonstad** is in charge of setting up the environmental monitoring network under the new research feedlot that is part of the University of Saskatchewan's Livestock and Forage Centre of Excellence (LFCE), a multi-million-dollar project that will bring together research in livestock, forage, pasture management and environmental health. Following test drilling they've installed piezometers across the site to measure changes in barometric pressure, groundwater and water evaporation rates from the ground. Laser beams will measure airborne methane levels across the site on a daily basis. Researchers will use these tools to discover the true impact of intensive livestock operations on a site both in terms of emissions and the effect on groundwater and soils — and give researchers the tools to create environmentally safe sites for intensive livestock operations.



Gordon Souter

WestGen, the B.C. based AI stud, marked the passing of its former general manager, **Gordon** "Gordie" Souter on August 21. In recognition of his 40-year career in the AI field the boardroom

in WestGen's new facility was dedicated to Gordon Souter just a week before his passing. He was inducted into the Canadian Agricultural Hall of Fame in 2004, a recipient of the Canadian Association of Animal Breeders Award of Merit, and named the Agriculturist of the Year by the B.C. Holstein Breeders. We are indebted to his daughter, **Anne Wasko**, well known to the cattle community, for making us aware of his passing.

4-H Canada has awarded its \$2,500 Larry Milton Campbell Memorial 4-H Scholarships, to 4-H members **Kathrin Waeckerlin** from Alberta and **Ella Lentz** from Nova Scotia.

Letters

GRADING AGENCY RESPONDS

Recent discussions, comments, and letters have prompted the Canadian Beef Grading Agency (CBGA) to respond to some of the apparent misconceptions regarding its powers, authority and impetus.

The CBGA was created by an industry task force led by Mr. C.A. Gracey in 1995. In order to be recognized for the delivery of the federal government Livestock Carcass Grading Regulations for beef, bison and veal in Canada, the CBGA had to submit and adhere to strict accreditation protocols to ensure the accuracy and consistency of applying the national grade standard.

The governance of the CBGA is by a board of directors representative of the industry, three from the Canadian Cattlemen's Association (CCA), three from the Canadian Meat Council (CMC), one from the Retail Council of Canada Grocery Division (RCC), one from the Federation of Beef Producers in Quebec (FPBQ) and one from the National Cattle Feeder's Association (NCFA).

Grading based on the accreditation protocol must be delivered according to (federal) regulations. The timetable for government regulatory amendments, despite industry consensus, is not acceptable. That is why Cindy Delaloye, manager of the CBGA, and the board have been working to get the standards for carcass grading under the control of industry. This proposal for Incorporation by Reference (IBR) is a precedent and has been accepted by both industry and government. Ironically the opportunity for IBR is awaiting one last amendment by the federal government, which will result in the enactment of the new Safe Foods for Canada Act.

Grading in Canada is voluntary. Not every facility that harvests cattle requests the service. Similarly, of the three facilities that have approved (grading cameras) installed in Canada, only one has requested to use it to facilitate grade assessment. The CBGA has a vested interest in embracing technology as it improves consistency in carcass assessment. Cindy Delaloye, in consultation with industry partners, developed protocols to ensure that when technology was used there would be appropriate validation and application to ensure accuracy of the grades generated. The CBGA does not have the authority to enforce mandatory adoption — this is an industry decision.

Despite the advent of individual carcass identification under the Canadian Cattle Identification Agency (CCIA), the CBGA

(with two permanent employees) was not designed to manage or control the receipt and dissemination of individual carcass information. BIXS was conceived by the Canadian Cattlemen's Association in 2008 to facilitate the exchange of individual cattle production and performance information linked to the CCIA tags.

The CBGA played a key role in the evaluation of the technologies available so that they could be approved by CFIA, and continues to promote the use of technology and a variety of certification programs that satisfy the changing needs of industry.

There is a misconception that the CBGA has the authority to mandate the sharing of individual carcass grade data and the use of grading technology. The CBGA was not designed, nor does it have the authority, to drive the flow of uniquely identified carcass information. A collaborative decision on the part of industry is required to move forward with these necessary grading enhancements.

Should you have any questions or concerns regarding the content of this letter or the operations of the Canadian Beef Grading Agency contact Cindy Delaloye (cbga@telus.net) or me (willievans@shaw.ca).

Willie Van Solkema, president, Canadian Beef Grading Agency **Ed. Note:** This letter has been edited for space



GREATEST CANADIAN BRED MARE OF ALL TIME: PART 2

By Guy Weadick, High River, Alta. Reprinted from the April 1950 Canadian Cattlemen



■ he fact remains that Lynch and Rankin delivered the horses to Reynolds as agreed and in payment, Reynolds gave Lynch one of the race horses, a mare registered on the books as "Frolia," but known in Canada as "Sangree."

Some time after this a ranch owner located on what has been known for years as the Gardner ranch south of the Bar U in the Foothills, went to his stable about five o'clock one morning and found two strange horses in the stall: one a saddle horse and the other a mare, evidently a race horse. A man was asleep in another stall. The rancher woke the man up, asked him where he was from and where he was going.

The man said he had come from the U.S. boundary and he was taking the race mare to Calgary to deliver to a man named Farley (who at that time trained a few race horses). The ranch owner asked him why he had not travelled over the Macleod Trail which was much the best, to which the man replied he had been instructed to take the trail through the Foothills and to travel at night as it was much cooler. He pulled out that night saying he was headed for Calgary but as it turned out later he wasn't headed to Calgary at all, rather to Tom Lynch's ranch further east down the Highwood River.

So that was how "Frolia" from then on known in Western Canada as "Sangree" returned to Alberta, after having been spirited away previously from Calgary to escape judgment held against her former owner, Revnolds.

At Tom Lynch's ranch the mare ran for some time with a bunch of his range horses, she grew a long tail and Tom put his T L brand on her. Later she was taken to Calgary. became the property of Duncan Cameron and he bred her to "Eagle Plum" by whom she had two colts, May W and another also a mare, although a good one, never in the same class as May W.

When Cameron took his racing stable to the U.S. "Sangree" assumed her rightful name of "Frolia" and as the dam of May W was so registered in the books.

Along about the time May W did her last racing in the U.S. there came a great slump in Thorobred racing, many states placing a ban on it. Duncan Cameron passed away and his racing stable was sold in New York, and May W, along with hundreds of other American race horses were shipped to England to be sold there at auction.

Out in Alberta they lost track of May W until along in 1918 an old-time Alberta ranchman leaned that Mrs. Cameron, living in California (where I understand she still lives) was anxious to learn what had become of May W after reaching England. The oldtime ranchman started in to find out.

He first contacted an old friend of his, a prominent Irish breeder of Thorobreds named David Browning, who in the early days had run a bunch of cattle in Alberta on the same range with Ned Mausell in the Macleod area, after which he had returned to Ireland and conducted a large Thorobred stable. He replied to his old friend in Alberta telling him to write to a man named Kelly in County Cork, Ireland, who a few years before had a mare named "Minway" racing in Ireland that was out of May W. The oldtimer wrote to Mr. Kelly giving him May W's record in Canada and the U.S. Kelly replied that he was glad to get the record, as he had bought "Minway" as a yearling at the Newmarket sales and knew nothing of May W or where she was, but stated that "Minway" was the best mare he had raced for many years and that he still had her in his stud. He later sent the old-timer a photo of a stallion he had out of "Minway" named "Gehaja" who became a noted horse at the stud. The photo showed a remarkable likeness to "Eagle Plume." (Unfortunately this photo was lost in a fire some time later.)

The old-timer next wrote to Wetherby Keeper of the General Stud Book and learned that May W had been sold to a Mr. Long of Cambridge, to whom the old-timer immediately wrote and from whom he received the authentic story of May W, after her arrival in England. Here it is, to quote Mr. Long:

"I am a large farmer and raise Thorobreds to sell as yearlings, but never raced them myself. At the time the U.S. was flooding this market I attended one of the sales at Newmarket, not to buy, but as an onlooker. I was not impressed by either the horses or their condition. It was a cold November day and towards the end of the sale, a small bay mare by the name of May W came into the ring, looking awful, in very poor condition. She was quickly sold for 15 pounds to a peddler

— a man I happened to know. Suddenly a man standing next to me turned to me and said, 'Would you believe it. I have seen that mare run on the New York tracks and I can tell you it took a might good horse to beat her up to one mile.'

"I asked him who he was, and he replied, 'I am Andrew Joyner and I am the trainer of the largest American stable now in England.' I had of course heard of this man, so I told him the business I was in and he said, 'Go and buy that little mare from that damned peddler and you'll never regret it.' This I promptly did and paid the peddler twenty pounds for her. It was the best deal I ever made in my life, and May W never left my ownership again — until I buried her under an old oak tree on my farm in 1915. She was old (21) and troubled with her teeth, otherwise she might have lived a little longer, but her legs and feet were as sound as when she was young. I felt very sad at parting from her, she was a wonderful little mare. She had seven foals for me and I kept the last as a brood mare and still have her (1918). I sold the other six yearlings and they were all winners, in fact after "Minway" did so well, I got big money for all the others. You can assure all of May W's Canadian friends that she had a good home with every care and I am glad to have her great Canadian and U.S.A. record, which you so kindly sent me." -(Signed) A. Long, Cambridge, England.

So that is the true story of May W, the Calgary foal by "Eagle Plume" out of "Frolia," the Tom Lynch mare that Duncan Cameron bought and that was trained by "Oregon George" Wentworth in Calgary, when it was in its heyday as a cowtown.

And who is the old-time Alberta rancher that checked and got the authentic data regarding May W? None other than Charley Knox, one of the pioneer horse and cattlemen of the High River district, who owned the ranch south of the Bar U, who found "Frolia" or "Sangee," together with the rider and his saddle horse in his stable after they had travelled the Hoot Owl trail on their way to Tom Lynch's ranch, on their way to racing history.

I am sure all will agree that Jim Speers made no mistake when he labelled May W the "Greatest Canadian Bred Mare of Our Time."

For more of the past from pages of our magazine see the History Section at www. canadiancattlemen.ca. 🗻





fter Jack Kyle retired as Ontario's pasture specialist following 30 years of service to Ontario's beef producers, he and his wife Jean joined an agricultural tour to New Zealand to see the sites and have a look at agriculture in New Zealand.

Some of what he saw there may provide food for thought to pasture managers here in Canada.

The first farm they visited was Criffel Station in the high country on the South Island near Wanaka owned by Jerry and Mandy Bell. Mandy, who is a veterinarian, is the farm manager. Criffel Station has 1,850 hectares and had been a sheep station since the 1850s. The Bells converted it to red deer production in 1993. Currently, they have 1,500 female Eastern European red deer grazing on the hills at their station.

Deer are not native to New Zealand but were imported from England and Scotland in the 19th century for recreational hunting in the Southern Alps and foothills. With no natural predators, the population quickly expanded and by the mid-1900s they had became a major pest on grazing and forest lands. The export of venison from wild deer started in the 1960s, turning a pest into an export market. Early deer farmers started netting live deer with helicopters and farming them. Today there are 2,000 deer farms

raising one million deer per year, making New Zealand the world's No. 1 source for farm-raised venison.

To utilize their extra forage production Mandy started finishing market lambs and grazing dairy heifers in addition to the deer. "Mandy has it all figured out on how much grass on a dry-matter basis it takes to finish sheep, dairy heifers or deer," says Kyle.

At the time of Kyle's visit, she had calculated the return for sheep at \$0.23 per kg of dry matter fed, dairy heifers at \$0.26 per kg of dry matter fed and deer \$0.32 per kg of dry matter fed.

Criffel Station has three farming entities consisting of the hill breeding operation, venison finishing and stud operation. In their stud operation the Bells measure breeding values with the primary focus on venison growth rate to 12 months, utilizing DNA technology to produce top-quality breeding hinds and stags.

"There is a lot of irrigation going on in New Zealand, especially in the South Island. The arable land was basically all irrigated pasture. Corn was grown on the North Island for silage and most silage was stored in covered piles. In addition, chicory, fodder beet, turnips in a mixture, kale and fodder rape were grown.

"The pastures are broken after five years and seeded to annuals for one year then back to pasture. Red and white clover, perennial

ryegrass and sometimes orchardgrass make up the pasture mix."

Next they visited Te Mania Angus, one of the largest performance-tested Angus herds in New Zealand. Located about two hours north of Christchurch, the farm runs 850 registered Angus cows on 1,500 hectares that ranges from reasonably flat to very hilly.

They sell approximately 200 breeding bulls each year at two on-farm sales, while the meat is marketed through a pasture to plate, integrated, quality assurance, branded Angus beef program in partnership with a major national grocery store chain.

"Perennial pasture supplemented with a small acreage of annuals formed the basis of their feeding system. The cattle were moved every one to two days to a fresh paddock. The farm had a total of 220 paddocks in its grazing system.

"In other areas, there were a lot of fiveacre paddocks with a water trough in each field. Three to four hundred cows would graze a paddock in a day before being moved to the next paddock."

Irrigation systems were either K-line or centre pivots. The K-line units were like a glorified lawn sprinkler. They are low cost and sprinkle water 40 feet wide and since they are movable they could irrigate a strip 300 to 400 feet long. Irrigation water came from storage reservoirs in the mountains, rivers or wells. The water from the mountain reservoirs had the advantage of moving by gravity feed to the irrigated fields.

Kyle saw some dairy bulls being grown and finished on grass. When they were there it was dry and some producers were selling some of their herd to balance feed needs with pasture production.

"We visited the auction mart at Fielding on the North Island and saw a number of 400- to 450-kg bulls being sold to producers who had sufficient grass to finish these animals. Grass-fed bull beef lacks fat but the lean meat is exported and blended with fat trim in the importing countries" says Kyle.

"In general, beef costs the consumer about half what it costs in Canada. The New Zealand and Canadian dollar were about equal. Beef was \$15 to \$29 a kg, depending on the cut and, believe it or not, a half a pig's head was \$1.50 a kg. This was in a tourist area but in the main grocery store, prices were similar to the regular prices we see in Canada."

On the North Island, he visited a farm running 260 Jersey cows on about 210 acres. They had 40 acres of corn silage and the remainder was in pasture. The cows' production cycle was managed so that the farmer had one month with no milking so he and his family could have a holiday. "Not a bad idea," adds Kyle.

There has been lots of expansion in the dairy industry that has pushed the sheep on to less desirable land resulting in a significant decline in the sheep population. But that may be slowing down with the recent declines in the country's milk export markets, particularly China, the EU and Russia, in response to policy changes in all those countries.

There are no subsidies in New Zealand. It is free market enterprise environment, so in order to survive farmers there must adapt to changing market conditions.

There are 30 million sheep in New Zealand, down from the previous 60 million, and six million dairy cows.

"On one farm they were raising Wagudairy cross calves as part of a marketing group. The Wagu-Friesian cross gives a beef calf that they market as a grass-fed branded product. This market for a crossbred calf has appeal to some dairy producers" says Kyle.

"New Zealand's climate and land makes forage and pasture production their best cropping option. Ninety per cent of the agricultural production is exported, which means they have to be competitive in world markets. Forage converted to animal protein is their lowest-cost and most profitable opportunity. Dairy production is focused on milk solids per hectare rather than production per cow.

All the operations he visited used a lot of paddocks, monitored their forage growth and measured the amount of dry matter being offered, as well as maintaining sufficient residue for good regrowth.

Annuals were grown to augment the pasture, especially during the fall and winter months.

"I was impressed with the high level of

pasture management throughout the country and the optimum management of all pastures — I didn't see any tall mature pastures in our travels.

"We can learn a lot from the New Zealanders about pasture management and making effective use of pasture as a primary feed source for livestock," he concludes.

Duane McCartney is a retired forage beef research scientist at Lacombe, Alta.



DIRECT MARKETING GRASS-FED BEEF IS A FAMILY BUSINESS

fter Tim Hoven and his wife Lori took over the management of his family farm at Eckville, Alta., in 1998 they made the decision to go certified organic.

It seemed like a natural next step to him. His parents had become involved with holistic management in the late 1980s after taking a course with Don Campbell and Noel McNaughton. By 1990 they were out of grain farming altogether and strictly into grass farming.

That too was a natural evolution for this farm. There have been cattle on the Hoven farm since 1910 when it was homesteaded by his great-great-grandfather.

"We live on the western edge of civilization. If you go 30 miles to the west you hit mountains and bush all the way to the

Pacific Ocean. We have good land, but it's not great for grain. There is a lot of lowland, and muskeg in certain areas. Out of our 2,000 acres, there may be only about 400 to 500 acres that might be considered good for grain production. Grazing is the best use for most of our place," says Hoven.

So, why go organic? "We had started direct marketing our beef and people were asking us if we were organic. We investigated to find out what was involved and discovered that we were already organic, except for the paperwork. It wasn't any difference to become certified. After that we focused even more on direct marketing our beef."

At one point the family had a butcher shop in Calgary, with three full-time and four part-time employees. "After 15 years of driving back and forth to Calgary, I was burned out. I was burning the candle on both ends. So we sold that side of the business and I was able to focus on the farm again," he says.

"This allowed me to recharge my emotional batteries. Now we are getting back into direct marketing, utilizing what I learned and experienced, trying to incorporate that knowledge into a better model not only for me but also for my customers," he says.

"I don't know what kind of cattle my great-grandfather and grandfather had, but our herd now is primarily Anguscross cows, with Hereford and some Black Welsh. I had a couple of Black Welsh bulls for a few years and now I am trying Gal-

Continued on page 14







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Solvet researches, develops and manufactures products to meet the needs of veterinarians and producers from their headquarters in Calgary, Alberta.



Tim and Lori have eight children: Aiden (21), Liam (19), Therese (17), Joseph (15), Francis (13), Dominic (9), Monica (7), and Mathias (5).

Continued from page 12

loway bulls — to get some hardier genetics into the mix. We want to keep a smallerframed animal, and I prefer black just for the simple reason that black cattle stay warm easier in cold weather than lighter coloured cattle." The black hair and hide absorb more of the sun's warmth on a cold winter day.

"We are trying to improve our genetics. I recently read Johann Zietsman's book, Man, Cattle and Veld, and it was very helpful. I knew from the earlier courses I've taken, and having seen what my parents had done in the past, why a smaller-framed animal makes more sense than a large one, but the way Johann walks the reader through it in his book and explains it, and shows the math and science behind it. I found that very inspiring."

The cattle are moved daily. They run the cows and calves separately from the fattening herd — the animals that are finishing on grass for their direct marketing customers. "We also sell some of those animals to other farmers in the province who direct market organic grass-fed beef, so we actually have two markets now," he says.

The cattle usually finish in 24 to 28

months. The biggest challenge for grass finishing is the same on their farm in central Alberta as for most western Canadian farmers — the cold winters. It's hard to put much gain and fat on them during winter on nothing but grass and harvested forages.

"We have tried using good second-cutting alfalfa, but if we get a stretch of -20 C weather for a week or two, it's like the animals' metabolism changes and they just can't put on more weight," says Hoven. They needed something besides alfalfa to generate body heat and gain weight during cold weather.

Since it's impossible to change the climate they chose to alter their management and finish the cattle a bit later on good spring grass. "During winter they might not be putting on any fat but their frame is growing. Once they hit the green grass they just boom and bloom," he explains.

DIRECT MARKETING

With his second move into direct marketing, Hoven began looking for an easier way too get the product to his customers.

"After doing direct marketing for 20 years, I can see how customer perception of organic food and organic beef has changed. When I started selling organic beef I was laughed at because people could not believe anyone would want to grow or eat organic beef."

Now that more people are seeking this product, his challenge is to market the beef in such a way that is quick and convenient for the customer. The obvious answer was the Internet. "People today are used to buying through Amazon where they simply click a button on line — it charges your credit card and the product miraculously shows up on your doorstep two days later," he says.

"The way we used to do it, selling wholes and halves of beef, people placed an order and then had to wait three weeks to two months to get their meat. I don't think that's acceptable anymore in the 21st century. We are trying to work with our processor using Internet tools so people can order online — and then very quickly, within a couple days, the meat shows up on their doorstep."

Many people in the city have a choice of time or money, and generally think they have more money than time. They don't want to wait for something they want.

"Ease of purchase is also important," notes Hoven. It only takes one barrier to have someone void the sale.

"If I can eliminate that wait, it puts my farm in a class by itself in terms of marketing and distribution," he says.

"We are also selling chickens this year, and a few pigs. Another project is an organic vegetable garden. Our son is home from college so this is his project. We're attending two markets, focusing on selling the vegetables, but also connecting with people to sell the beef — since primarily we are a grass ranch," he explains. Interest in one product opens doors for the others.

Several of his older children are excited about being involved with the marketing and being at the market.

GRAZING MANAGEMENT

"We try to maximize the regrowth period in our pastures. We have a nasty little weed called tall buttercup and if recovery period is too short, this weed comes in to take over the field. But if you provide enough recovery time, the grass will outcompete and tall buttercup won't become a problem."

All the creek beds were fenced off years ago but they still grazed fairly close to the creek banks until they ran into this problem with tall buttercup. So they moved the fences farther away from the creek, moved the animals out, and within a couple years the weed disappeared. The grass choked it out. "Now we graze those creek areas, but only occasionally," he explains. We keep them as reserve pastures so they might get grazed only once every two or three years." They need to be grazed, but they also need some protection.

They don't use any chemical weed control on the farm. Instead they manage the weeds through grazing, by increasing the stock density and recovery periods to improve grass growth and choke out the weeds. Hoven claims it is as effective as spraying.

"It takes a leap of faith, and it's a totally new way of thinking for many people. They can't get out of their existing paradigm."

The same thinking applies to animal health products. "We are certified organic, so we don't use antibiotics very often in our cattle. If we have a sick one, we treat that animal, but we have very few sick animals. One problem is having to spend \$100 on a bottle of antibiotics that we'll only use once. We may not need any of it again for a year or two and by then it may have expired!" he says.

Tim and Lori have been married 23 years and have eight children: Aiden (21), Liam (19), Therese (17), Joseph (15), Francis (13), Dominic (9), Monica (7), and Mathias (5).

"They enjoy working with the farm and livestock. It's interesting to observe their different skills and talents," says Hoven.

"We feel strongly about the importance of family. We feel it is important for our children to live in a situation where they can work with their parents, and also get to live and work with their grandparents. There is another generation of wisdom that they can learn from, and form adult relationships with. Many young people today

are isolated from anyone other than their own age group, which gives them a very limited world view." Many opportunities are missed for learning things that adults can teach them.

They home school their kids and put extra effort into educating them in the belief that this strengthens the family bond while enabling them to build on their natural gifts and talents and become experts in those fields. *



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UPGRADING GRADING RESEARCH



outhful carcasses that meet A, AA, AAA or Canada Prime quality grades are also assigned a yield grade. Yield grades estimate the red meat percentage of the entire carcass based on the thickness of the backfat and size of the ribeye muscle between the 12th and 13th ribs. The method that the Canadian Beef Grading Agency uses to calculate lean meat yield from backfat depth and rib-eye area was developed by Agriculture and Agri-Food Canada researchers in Lacombe, Alta. Having yield grade prediction equations developed by an impartial third party like AAFC helps ensures that neither the packer nor the cattle feeder has an unfair advantage in assessing the value of an indi-

The precise relationship between fat depth and muscle area can change over time as breeds, genetics, and feeding practices change. For example, the relationship between fat depth and muscle size that describes lean meat yield in the vast majority of mainstream beef carcasses may not work as well for dairy or double-muscled carcasses. Similarly, an equation from the 1970s when carcasses were a few hundred pounds lighter may not work as well for today's larger cattle. This means that the yield grade prediction equation needs to be recalibrated periodically. This is very expensive in terms of labour as well as lost product value. It requires measuring weight, backfat depth and rib-eye area on several hundred carcasses, then completely dissecting the carcasses into piles of fat, lean and bone that have significantly less value than the retail cuts they could have been sold as otherwise. Statistical techniques called regression are used to determine the relative weightings and combinations of backfat and rib-eye area measurements that give the best prediction of carcass composition. Due to the tremendous expense, these recalibrations are not done very often. Full carcass dissections are rare in research projects for the same reason.

In 2011, the Beef Cattle Research Council funded a research project led by Dr. Oscar Lopez-Campos at AAFC Lacombe to investigate whether Dual X-ray Absorptiometry technology (DEXA) can allow carcass composition to be measured more quickly, more accurately, and more often. As the name implies, DEXA technology uses two x-ray beams. The two beams differ in intensity, but both are much less intense than a routine medical x-ray. Fat, lean and bone absorb each of the two different x-ray beams to different extents as they pass through. The information generated by the DEXA scan can be reconstructed into a high definition image, and used to estimate the fat, lean and bone content of the carcass. The objective of this study was not to develop a new yield grade equation. The objective was to determine whether DEXA technology has the potential to replace full carcass cut-outs.

What they did: 316 cattle were slaughtered in the federally inspected abattoir at AAFC Lacombe's research station. The DEXA machine isn't large enough to accommodate whole carcass sides, so each side was cut into primals (chuck, rib, brisket, flank, foreshank, loin, round and plate). Each primal cut was scanned, then completely dissected into fat, lean and bone. These dissection results were used to determine how well the DEXA technology predicted actual carcass lean, fat and bone percentage.

What they learned: The DEXA scans explained well over 90 per cent of carcass lean content, well over 90 per cent of carcass fat content, and around 90 per cent of carcass bone content. It's not suprising that the correlations weren't 100 per cent. For example, DEXA would assign marbling to the "fat" column, while marbling would be included in the "lean" category when the carcass was dissected. So the DEXA scan correlations of 98 per cent are pretty respectable. It's also important to note that if two sides of the same carcass were completely dissected, those two results wouldn't agree 100 per cent either. For comparison purposes, the ruler that is currently used to assign yield grades had explained 90 per cent of carcass lean percentage.

What it means: DEXA technology is a rapid, costeffective, non-destructive alternative to full carcass dissections. Using DEXA, two people can cut a side into primals and scan them in 35 minutes (1.2 person-hours). After the DEXA scan is completed, the primals can still be fabricated into retail cuts. A traditional full dissection of one beef carcass side usually takes five people two hours (10 person-hours). The full carcass dissection also produces a lot of very lean meat that is great for grinding, but is worth a lot less than the retail cuts it could otherwise have been fabricated into. The DEXA technology will allow AAFC Lacombe to accurately evaluate carcass composition on more research cattle, more quickly and more economically. This will make routine research projects more informative and economical, and allow more regular evaluations and updates of the yield grade equations used in commercial packing plants.

The Beef Research Cluster is funded by the National Checkoff and Agriculture and Agri-Food Canada with additional contributions from provincial beef industry groups and governments to advance research and technology transfer supporting the Canadian beef industry's vision to be recognized as a preferred supplier of healthy, high-quality beef, cattle and genetics. 🗻

Dr. Reynold Bergen is the science director of the Beef Cattle Research Council.



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MANAGEMENT By Charley Gracey

HAS CATTLE INDUSTRY PRODUCTIVITY IMPROVED IN RECENT YEARS?

or several years now I have been tracking industry productivity or output. Productivity improvement is important for any industry, and its just as important that producers should know whether progress is being made, at what rate, and in what manner. This brief discussion explores some of these factors.

Recent claims that the cattle industry is producing as much or more beef from a smaller herd have induced me to offer some data to substantiate or challenge this assertion.

In Canada we have a very good, but imperfect, data base upon which to evaluate industry performance from year to year. Much of it is supplied by Canfax, but other sources are available — trade data, Statistics Canada and USDA Foreign Agriculture Service. Not all of these sources agree and thus in the more thorough discussion of my database, I take careful note of discrepancies. One of the main imperfections is the fact that it is difficult to accurately estimate the variable contribution made by the dairy sector which supplies a modest number of dairy or dairy-cross steers and a large number of culled cows. There is now good information from the dairy sector on dairy cow culling rates but the proportion of dairy steers is difficult to pin down.

Acknowledging these imperfections let's look at the data. This data relates steer and heifer marketings in any year to the "lagged" cow herd as it was the year the steers and heifers were born.

The table shows the average number steers, heifers, cows and bulls marketed per 100 beef cows and bulls from 2006 to 2015 inclusive. The year-to-year variability of this average number is called the Standard Deviation (SD). The cows are counted as the number reported in the July 1 inventory estimates, with the cow numbers properly lagged and weighted so that the steers and heifers marketed are related to the cow numbers one and two years earlier. This analysis begins with "cows that have calved" and, as such, does not measure reproductive performance. It just measures how many steers and heifers reached market from the cows that had calves at foot.

I have been able to remove the influence of the dairy culled cow supply because we now have quite reliable estimates of dairy cow culling rates. Insofar as dairy steers are concerned, I made the approximation in this analysis that a maximum of 20 per cent of the male dairy calves (10 per cent of the dairy cow inventory) escape the veal route and are fed out as fed dairy or dairy cross steers. Dairy heifers are in such constant demand as herd replacements or for export as "springer" heifers that their number in domestic fed cattle slaughter is negligible.

On the basis of the above, the number of beef steers marketed per 100 beef cows from 2006 to 2015 averages 42.9 with a standard deviation of + or -2.4. Considering the need to retain at least one to three intact male calves for breeding, this analysis suggests that three to four to five (about seven per cent)

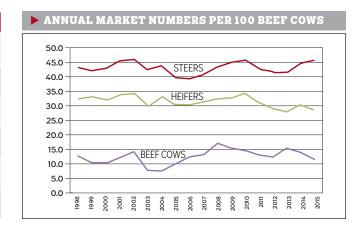
are missing. Some small portion of this may be attributable to a few cows that did not have calves at foot but were being held for breeding, but the balance implies death loss at some point between birth and slaughter. (Many will argue that they keep no intact males, that being the business of seed stock breeders. No matter, I am discussing industry averages here and it doesn't matter in which herds the intact males were reared.)

The number of beef heifers per 100 beef cows has averaged 29.2 head + or -2.3 head. Normally heifer marketings are noticeably more variable than steer marketings due to the variable rate of heifer retention during the different phases of the cattle cycle. However, the beef cow herd has been in contracting mode continuously since 2005 so this variability is not apparent.

The average number of beef cows culled per 100 beef cows is 9.4 head and the average number of bulls is 1.3. Other estimates by other methods peg the average beef cow culling rate at about nine per cent and this is consistent with the above methodology. Bull numbers are low and, other than posting the number in the table above to complete the productivity analysis, were ignored.

I was concerned that not having a firm estimate of the sex ratio (steers to heifers in slaughter and feeder cattle exports so, I conducted a simple test to measure the outside limits of the distortion this would cause. In 2015, 217,826 "steers and heifers" and 287,855 feeder cattle were exported. The table displays

AVERAGE MARKETINGS/100 COWS & BULLS 2006-15						
Years 2006 to 2015 incl.	Average	SD	Minimun	Maximum		
Beef steers per 100 beef cows (lagged)	42.9	2.4	39.1	46.45		
Beef heifers per 100 beef cows (lagged)	29.2	2.3	25.5	33.0		
Beef cows per 100 beef cows	8.8	2.2	7.3	12.9		
Beef bulls per 100 beef cows	1.3	0.4	0.8	2.0		
Total per 100 beef cows	82.7	5.4	n/a	n/a		



the steers and heifers per 100 beef cows when these exports were assigned the same ratio as occurred in the domestic slaughter. When I adjusted the sex ratio of these exports to 50:50 the steers and heifers per 100 beef cows became 45.4 and 27.1, respectively. When I tested the practical limits of 67 per cent steers and 33 per cent heifers, the number of steers and heifers per 100 beef cows became 46.3 and 26.1, respectively. Finally, I reversed this ratio to 33 per cent steers and 67 per cent heifers; the output per 100 beef cows became 44.4 to 28.0. My conclusion is that while efforts need to be made to get a reliable sex breakdown on exported slaughter and feeder cattle, the analysis upon which this article is based is not greatly affected by this lack of certainty.

Three charts now display the trend line of this productivity analysis. While this analysis focuses on the period 2006 to 2015 inclusive, the charts display a longer trend line back to 1998. Readers should be aware that marketing numbers were severely disrupted, especially of cows in 2003 and 2004, due to the BSE incident.

The first chart (page 18) shows the number of steers, heifers and cows marketed per 100 beef cows over the period.

The trend lines for heifers and cows are not as indicative as the trend line for steers because heifer and cow marketings reflect replacement and culling decisions and do not necessarily denote a change in productivity. The trend line for steers hovers between an unrealistically low 39 and 46. The lower numbers in 2005 and 2006 reflects the fact that a significant number of open cows were retained as their owners were simply awaiting available slaughter capacity and higher culled cow prices. Other than that, there is no trend line in steer marketings.

The second chart (below, page 19) shows the pounds of steer, heifer, cow and bull beef per beef cow. The long term clearly indicates a significant upward trend for steer beef and cow beef but a downward trend for heifer beef, which parallels the downward trend in numbers. But it should be apparent that the increase in output per cow may be largely, if not totally, the result of larger cows.

The obvious way to assess that is to express beef output, not on a per cow basis but on the basis or output per hundredweight of cow. This was done by estimating the live cow weight from the carcass weight of culled cows. While this is an imprecise indicator of live weights, one would not expect any significant year-to-year variation in the ratio of cow carcass weights to live weights.

This analysis shows that output per cow has indeed increased, but not at all when adjusted for increased cow size

When this is done, the trend line for steers is absolutely flat. The industry is producing more steer beef per cow but when adjusted for cow weight there is no increase at all. Notice that the scale has changed on the X axis to accommodate lower numbers and this tends, relative to the other two charts, to exaggerate minor variations. For example the entire range in steer beef production per cwt of cow weight is from a low of 19.5 lbs. in BSE-influenced 2005 to a high of 23.2 lbs.

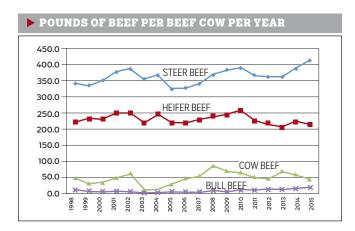
The conclusion that must be drawn from this data is that improvements in productivity from year to year as indicated by increased marketings of steers and heifers per 100 beef cows since 2006 have been slight to non-existent. The output per cow has shown a very modest rising trend but a trend that disappears when adjusted to the weight of the mother cow. In fact, if one looks at carcass grading data, it is apparent that the proportion of low-yielding fatter Y3 carcasses has increased at the expense of higher-yielding Y1 carcasses so this would further moderate any apparent increase in productivity.

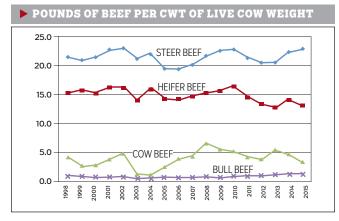
There are, of course, other ways to measure productivity than as simply output per cow. Rate and efficiency of gain have unquestionably increased markedly in recent decades. I can recall in the early 1960s, when I managed a bull testing station, being excited if we had a young bull gain three pounds per day or slightly more when on a full feed of highenergy grain. Unquestionably we have better cows today that are producing beef more efficiently but the annual output per cow, or per cwt of cow, has not changed significantly in recent years.

This analysis addresses output per cow when measured against the July 1 annual inventory of cows. Since the analysis begins with a cow with calf at foot it does not provide a measure of reproductive efficiency.

Certainly the claim that the industry is producing more beef with fewer cows is accurate. But two obvious considerations have been ignored in such a claim. First, and obviously, the national herd has been in steady decline since 2005 and has lost 1.5 million cows. These cows contributed significantly to the beef supply. Second, as this analysis shows, the output per cow has indeed increased, but not at all when adjusted for increased cow size.

Charley Gracey is a beef industry analyst living in Ontario.





SUSTAINABILITY By Debbie Furber

THE LONG ROAD TO **BUILDING PUBLIC TRUST**

pring is the time of year on farms when everything in the world seems right. What a reality check then to read in early June that Canadians aren't sure today's agriculture qualifies as farming, and half of Canadian consumers are unsure whether the Canadian food system is headed in the right direction.

These are key findings from Canada's inaugural public-trust survey on food and farming completed earlier this year

by 2,510 respondents representative of the Canadian population.

The results were made public during the first-ever Public Trust Summit in Ottawa when the Canadian Centre for Food Integrity (CFI) was officially launched as a division of Farm and Food Care (F&FC) Canada. The second annual summit is already slated for Calgary in 2017.

F&FC Canada CEO Crystal Mackay is not deterred by the fact that half of Canadians are unsure of the industry's direction since this implies they are willing to listen to what the food industry is doing to gain their trust. Already 30 per cent of Canadians believe the food system is on the right track. Only 21 per cent are sure it's on the wrong track.

By comparison, a 2015 U.S. Center for Food Integrity survey found 40 per cent of Americans believe the U.S. food system is on the right track, 33 per cent are unsure and 27 per cent say it's on the wrong track. The U.S centre has been researching

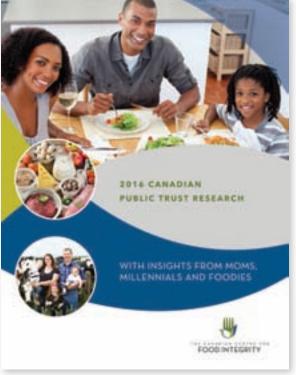
and monitoring public trust in food and farming since 2007 and has been a great supporter of the Canadian industry's effort to establish the Canadian CFI as an affiliate.

Mackay says Canada's 2016 survey serves as a benchmark, a starting point that will be updated through annual surveys from now on to track the public's trust of the food and farming industries.

The findings had a few surprises, even for Mackay, who as the former head of F&FC Ontario has been involved in monitoring consumer trends since 2001. This publictrust survey, however, digs deeper than previous research by seeking underlying beliefs

and values that drive consumer behaviour. Eighty per cent of the questions are based on the U.S. public-trust model and 20 per cent on F&FC Ontario's trend tacking model.

Mackay says the pleasant surprise was that 69 per cent of Canadians have a favourable impression of farmers, up from 61 per cent when the same question was asked in a 2012 survey, topping a list of other groups in society today, including medical professionals at



65 per cent, and friends and family at 62 per cent. Next in order came humane societies, researchers, teachers, and farmer associations that received a favourable rating from at least half of the respondents. Food retailers, government and food industry associations were all in the 30 per cent range.

Positive impressions of agriculture also rose, to a full 61 per cent of respondents, compared to 41 per cent back in 2006. That being the case, why are consumers unsure if today's agriculture qualifies as farming?

"When we took a deeper dive into specific topics like the environment and animal welfare, we saw those warm feelings disappear.

There is a disconnect between the public's view of farmers as individuals and some farm practices and food-system issues that aren't viewed as favourably," says Mackay.

"The big unpleasant surprise was on the environment." The summary results indicate that only 29 per cent of Canadians agree farmers are good stewards of the environment. Looking at the detailed breakout on that segment, Mackay finds that 64 per cent

> were unsure and seven per cent flat out disagree. There again, that 64 per cent unsure represents a huge opportunity to affect positive change, she adds.

> Unfortunately, the effort beef producers have put into environmental initiatives over the last two decades weren't reflected in these results.

> Trend monitoring in past years indicates consumers don't differentiate between farms. To the public, a farm is a farm.

> "The important take-away message is that people don't know about the amazing things we do, so we need to take our stories to the public in ways that reach millions," Mackay says.

> Beef producers will also be deeply disheartened to read that only 27 per cent of respondents recognized videos showing farm animals being mistreated do not represent normal farm practice. Again, the largest number, 57 per cent were unsure but 16 per cent were positive that these videos represent a typical day on the farm.

Extrapolating that 57 per cent across Canada's population and we have 16 million people who are just not sure what to

"Animal welfare is a volatile subject area and the food-system concern that farms and ranches did the poorest in," Mackay adds.

make of these videos when they appear.

When asked to tick off which "life issues" keep them awake at night — the rising cost of food, health care or energy, the lagging Canadian economy, food safety or the humane treatment of animals — humane treatment was rated a full 10 percentage points higher than in 2012. Only the rising cost of food rated a greater increase in this section of the survey.

But when they were asked to rank the importance of five principles of sustainable food and farming — affordable food, health of Canadians, safety of food, protecting the environment and the welfare of animals — rising costs and the lagging economy ranked ahead of food safety and the humane treatment of animals. Animal welfare scored only three per cent in this section.

Mackay says the message appears to be that Canadians feel that other elements are more important in terms of maintaining a sustainable food supply, but animal welfare is still important to them.

Concern about the rising cost of food jumped 12 per cent over the 2012 result, topping the list of general worries for consumers. When looked at by category, affordable food and food safety scored higher with foodies than with millennials and moms.

Like Americans, Canadians rated having enough food to feed people outside of their own countries as their lowest life issue concern.

Mackay says the rising concern over food costs was all the more surprising because statistics consistently show that Canada is right up there with the U.S. in having the most affordable food in the world. In this survey a mere 13 per cent of respondents agreed with this statement.

Therein lies the rub when talking with consumers about food and farming. Coming at them with statistics and science alone hasn't helped build trust in the Canadian food system. They need to believe you care about providing the safest, most affordable food. Testing of the U.S. CFI's consumer trust model in Canada confirmed that shared values have at least three times more weight with consumers than demonstrating skill and expertise or giving them technical and scientific information.

Mackay says that's important for all sectors of the industry to remember as they think about what can be done to get a better report card in the future.

The Canadian CFI is a collaborative network of food-system sectors including farmers, agribusiness, food companies, retailers and restaurants across Canada, who recognize that building public trust in food and farming is a long-term commitment, not an event.

WHERE TO FROM HERE?

One of the first major projects for F&FC Canada will be to optimize the search engine on its website. That's the process of getting enough hits on the website and links from other websites to improve F&FC's ranking in search results. The choice of words and tags is important because phrases such as "cage-free eggs" and "factory farms"

aren't terms used in agriculture, so credible sources don't show up in the top hits when consumers search a subject using those kinds of words, Mackay explains.

She suggests that a good place for farmers, associations and companies to start is by reading the summary report on the public trust survey at www.foodintegrity.ca to understand where the gaps are and gain insights on how to address them to do better next year.

Farm families may not have the time and

resources to tackle this complex work on their own, but they definitely have an important role. Remember, 69 per cent of consumers view farmers favourably, likely because they feel that farmers share their values.

The first step is to connect with consumers by talking about those shared values. Start by thanking the person for their question and giving a reason why the concern is important

Continued on page 22





"Building trust isn't advocating like a cheerleader on farming and food...(it's) having authentic conversations."

CRYSTAL MACKAY F&FC CANADA CEO

Continued from page 21

to your family before jumping into the what, how and why you do what you do on your farm to address the concern. At the end of the discussion, provide some factual information or sources of credible information.

"Share values, then experiences, then context," Mackay summarizes. "Building trust isn't advocating like a cheerleader on farming and food. Instead, we are having authentic conversations, so that will include acknowledging areas where we could improve as well."

F&FC Canada's ag advocacy kit offers tips and resources on talking with people about food and farming. The Real Dirt on Farming booklet, virtual farm tours and Best Food Facts, also on the website, www.farmfoodcare.org/ canada, pretty much cover the gamut on what a consumer would want to know.

Whether you are confident or doubtful about your ability to have a consumerfriendly conversation about food and farming, part of an action plan could be to make a charitable donation to F&FC Canada to help in its work narrowing the gap between the public and farmers.

Even though 93 three per cent of respondents said they know a little, very little, or nothing about Canadian farming practices in general, they have strong opinions about many food-system issues that tend to be technical and complex.

On the bright side, 60 per cent of respondents said they'd like to know more about farming practices. That's unchanged from 2012, but a big jump from earlier trend monitoring when only 20 per cent said they'd like to learn more.

"Still 93 per cent is a heavy bar to lift," Mackay says.

Response to the survey results during the Public Trust Summit was really encouraging in that people were thankful to finally have the Canadian perspective. Detailed breakdowns with analysis on each segment will be circulated as time goes on. In the meantime, F&FC Canada welcomes enquiries for more information and insights on public trust concepts as well as developing and implementing public trust-building strategies. Email learnmore@foodintegrity.ca or call 855-200-1326.



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▶ NUTRITION By John McKinnon

UNDERSTANDING YOUR PROTEIN SUPPLEMENT



John McKinnon is a beef cattle nutritionist at the University of Saskatchewan

n my last column, I wrote about what a crazy year it has been for growing and harvesting hay. The variability in this year's hay crop will force many producers to purchase supplemental feed in order to meet the nutrient requirements of their cattle this winter. Last month we looked at alternate feed sources that can be used to supplement energy and protein. With this column I want to look specifically at commercial protein supplements and examine some of the issues you need to consider when purchasing this class of supplement.

Let's start by examining the nutrient composition of the supplement. The feed tag will provide you with basic information on nutrient content, the form of specific nutrients, recommended intake level and specifics on medications such as ionophores. For example, most protein supplements are not only a source of protein but also of a variety of macro (i.e. calcium, phosphorus, magnesium) and micro or trace (i.e. copper, zinc, manganese, selenium) minerals and vitamins (i.e. A, D and E). The content of macro minerals such as calcium and phosphorus in the supplement are given as percentages while trace minerals are expressed as milligrams per kilogram. Vitamin levels are expressed as international units (IU) per kilogram of supplement.

In the case of a commercial protein supplement, the tag will indicate a specific minimum crude protein content. Commercial supplements can be formulated to a wide range of crude protein levels (i.e. eight to 32 per cent), using all natural protein sources (i.e. canola or soybean meal) or by incorporating a non-protein nitrogen source such as urea. Compounds that supply non-protein nitrogen are not protein sources per se; rather they provide rumen bacteria with a source of nitrogen for amino acid and protein synthesis. This bacterial protein ultimately benefits the animal as it leaves the rumen with undigested feed and is absorbed in the lower gut and used for maintenance and productive purposes (i.e. pregnancy, growth).

In order to understand the difference between natural and non-protein nitrogen sources of crude protein, it is necessary to understand the nature of the term crude protein. Crude protein is an all-encompassing term that reflects the amount of nitrogen in a feed. This nitrogen can originate from natural protein sources such as that found in forages, cereal grains or oilseed meals or from non-protein nitrogen sources as in the case of urea. With natural protein sources, the nitrogen originates primarily from amino acids. This amino acid nitrogen is used by rumen bacteria for protein synthesis as discussed above or if the protein bypasses the rumen,

the amino acids can be used directly by the animal for productive purposes. On the other hand, nitrogen from urea is only used by rumen bacteria for protein synthesis and is of no direct value to the animal and in fact can be toxic if fed in excess.

How do you know the type of protein supplement you are purchasing? Again, the feed tag provides critical information that can guide you in making the appropriate decision. For example, a tag that gives the protein level as 32(0) per cent indicates a 32 per cent supplement where all the protein is derived from natural sources, while a 32(14) tag indicates a 32 per cent protein supplement where a maximum of 14 per cent or almost half of the protein is derived from non-protein nitrogen sources. How much urea does this supplement contain? Urea is 281 per cent crude protein (45 per cent nitrogen). A supplement where 14 per cent of the protein comes from urea will contain five per cent urea (i.e. 14% / 2.81 = 5%). All things being equal, the 32(14)supplement should be less expensive than the 32(0) supplement.

Does the form of protein matter? The answer to this question depends on the type of animal as well as the feeding situation. If cattle are going to efficiently use urea as a protein source, it is necessary that the diet provides adequate energy for rumen bacterial growth. This generally means a relatively high level of grain feeding. A good example would be the use of a urea-based supplement with a corn grain-based finishing diet. Such diets are typically low in crude protein and high in energy, a situation that optimizes the opportunity for rumen bacteria to capture nitrogen and utilize it to synthesize protein. In contrast, urea-based supplements are not recommended for starting calves on feed due to issues with palatability and low feed intake. As well, newly weaned calves are not typically fed high-energy diets, making for inefficient capture of urea nitrogen by the bacteria. For the same reason, urea-based supplements are not recommended for grazing cattle. However, in some pasture situations where the protein content of the grass is limiting, a protein supplement that is a combination of natural and urea-based sources can increase forage intake and utilization.

Commercial protein supplements can be purchased in a variety of forms including mash, pellets, blocks and tubs. As indicated above, in addition to protein most of these supplements supply other critical nutrients and, in some cases, medications such as ionophores. The decision to purchase a given supplement should be based on an evaluation of its contribution to meeting all essential nutrients, not just protein.

POLICY By Debbie Furber

AGE VERIFICATION IS GETTING OLD

obody wants to say age verification isn't worth the hassle, but neither will they say it is, at least not in the way cow-calf producers would like to see, with premiums.

One message that does come across loud and clear is that incorrect birthdates create headaches and losses all along the value chain.

The responsibility for entering correct birthdates in the Canadian Livestock Tracking System (CLTS) falls squarely on cow-calf producers because only they or, their designated third party, can age verify their calves.

CLTS is the national cattle traceability database administered by the Canadian Cattle Identification Agency (CCIA) for all of Canada, except Quebec, which has its own mandated system.

Age verification remains a voluntary service on the CLTS except in Alberta where legislation still requires birthdates be posted before cattle leave the home farm or by 10 months of age, whichever comes first. Everywhere else age can be verified at any time so long as it's by the original owner.

There is no cost involved other than the initial price of the CCIA tags and the time to register the birthdates.

Even at that price, the number of producers who bother to age verify has been declining fairly steadily since 2010.

Changes to the CLTS software and the appearance of high-speed Internet access in rural areas has eliminated some of the problems with entering birthdates, but errors still appear. Producers have the choice of registering an actual birth for specific CCIA tag numbers, or the first birthdate for a series of tag numbers.

"Human error putting in information, such as the wrong year, might seem like a simple mistake, but it has a huge impact along the way," says CCIA general manager Anne Brunet-Burgess.

The program prompts people several times to double-check the accuracy of the birthdates. It also includes a reminder that birthdates must be reported only for tags that have been applied to animals.

This leads to the second area of concern. For the sake of convenience, some producers age verify all tags in a package under one birthdate range before applying them to ani-

NUMBER OF PRODUCERS RECORDING BIRTHDATES FOR BEEF CATTLE ON THE CLTS							
	Peak year	2013	2014	2015			
British Columbia	1,920 in 2009	1,355	837	740			
Alberta	14,097 in 2009	8,904	7,597	6,515			
Saskatchewan	3,689 in 2009	1,464	1,099	927			
Manitoba	3,317 in 2010	2,519	2,295	2,013			
Ontario	1,891 in 2008	667	569	501			
New Brunswick	69 in 2014	24	69	68			
Nova Scotia	71 in 2015	35	66	71			
P.E.I.	35 in 2015	26	33	35			
Newfoundland	3 in 2015	0	3	3			

mals. This seems to happen most often when a third party, such as a tag retailer, does the age verification, Brunet-Burgess explains.

The problems occur when producers save the unused tags in this batch and put them into older mature animals or calves born later in the year, next year and even later.

At \$3 per tag, it may be understandable why producers wouldn't want to waste the unused ones, but Lyle Miller of Highway 21 Feeders near Acme, Alta., says the producer's savings end up costing the buyer of his calves a lot more when they are marketed as fat cattle.

By his calculation, Miller, who represents the Alberta Cattle Feeders' Association on the CCIA board, says a 900-pound under-30-month animal that showed up at a packer with an over-30-month (OTM) tag in its ear in April would have been discounted by something like \$270-\$300 per head to cover the extra cost of removing and disposing of specified risk material, and the loss of potential premium on this otherwise prime steer.

Some plants check age according to the tag and confirm over-30-month animals by dentition. Others check only the tag, because not having to verify age by dentition or ossification of the spine saves time on the line, Miller explains.

Most of the time feedlots don't have ready access to birthdate information until they've paid for calves, scanned them in and have the tag numbers to check on the CLTS for themselves. If a few tags verified in a range starting April 1, 2014, show up in a group of calves ranging from April 1, 2015, "All that does is tell us that we'll have to invest time to correct the error, or that we're going to get discounted," Miller says.

To correct an obvious birthdate error the feedlot has to contact a CCIA customer support person who will try to contact the herd of origin for permission to change the date of birth. In Alberta, government field representatives are the first point of contact.

"One of four things could happen," Brunet-Burgess explains. "The producer could look at his records and give us permission to correct the error. Some say they don't remember but allow us to remove the birthdate. Others say, 'I'm just going to leave it,' or we can't get hold of them."

She urges cattle feeders to check for birthdate information well ahead of shipping the cattle so the CCIA has time to do all of this leg work needed to correct any errors. Better yet would be to verify the birthdates before purchasing the cattle.

"The fact is, one wrongful age is one too many," Miller says. "Incorrect data in the system is a cost to plants, feedlots and cowcalf producers. We lose marketing opportunities and incur unnecessary cost. It's a lose-lose."

Conversely, it is relatively easy for the farm of origin to remove the original birthdates associated with unused tags. Instructions on how to do it are found in the resource centre on the CCIA website, or by calling CCIA support staff at 403-275-2083.

WHY AGE VERIFY?

Canadian Cattlemen's Association general manager, Rob McNabb says age verification is still a useful tool when negotiating for market access, although not nearly as critical as it was in the early years after BSE was found in Canada.

"Back then, Japan would only accept beef from cattle under 21 months of age. With dentition, it's difficult to detect the age difference between animals that are say 20, 21 or 22 months old. Now, Japan is in line with the rest of the world and it's much easier to tell by dentition whether an animal is over or under 30 months," he explains.

Canadian plants also have a lot more experience now identifying under-30-month cattle (UTM) by dentition and ossification today because of our SRM regulations and the need to certify UTM beef for certain export markets such as Japan, China and some smaller markets.

The only reason for age verifying slaughter and non-slaughter cattle headed to the U.S. was pretty much moot after the U.S. implemented its final rule on BSE in 2007. Since then only cattle and bison born after March 1, 1999, recognized as the effective enforcement date for Canada's ruminant-to-ruminant feed ban, are eligible for export.

Electronic age verification on the CLTS is recognized by the U.S. but for purebred breeding stock all other countries require breed association registration papers, which include exact birthdates.

The premiums that buyers once offered for age-verified calves have pretty well disappeared, as well.

"None of my customers are asking for age verification on feeder cattle and none are paying premiums, says Rick Wright, an order buyer from Virden, Man. "Most nowadays are more concerned about health protocols." Wright buys for customers from Alberta through Quebec and, as executive administrator of the Livestock Markets Association of Canada, feels fairly safe in saying this trend is across the board. As the association's representative to the CCIA, he's also very familiar with the problems caused by improperly-aged cattle.

Even though age-verified calves aren't fetching premium, he still advises his cowcalf customers to take the time to correctly age verify their cattle because having their records backed up in the CLTS could prove useful if markets change their policies, or a niche opportunity comes along.

"There are still some potential synergies there, maybe just not the financial reward producers want to see. It doesn't cost anything and it's getting easier to do all the time now that more people have high-speed Internet, so why not?"

Age verification is not a requirement of the Verified Beef Production Plus program but is for cattle registered on the Beef InfoXchange System as this is often a requirement for data that may be purchased for research trials.

BY THE NUMBERS

The decline in the number of producers submitting birthdates for beef cattle in all but the Maritimes seems to reflect declining market demand for this information in tandem with the overall decline in the number of cow-calf producers.

Age verifying by beef producers peaked between 2008 and 2010 in the West and Ontario while Quebec's numbers remain relatively static.

Since then the percentage of age verified calves has declined steadily every year from 43 per cent in all provinces but Quebec in 2012 down to 24 per cent in 2015, the last complete year. B.C. topped the list last year at 40 per cent of calves with reported birthdates, followed by Alberta at 32 per cent, Ontario at 19 per cent, Manitoba 14 per cent and Saskatchewan 12 per cent.





BACK TO BALE GRAZING

gross margin analysis will tell you the profitability of your different profit centres on your farm. My decision to choose one production practice over another is largely decided by the margin I calculate. It is, however, very important to include current market values in your calculations. Last year's hay prices in my area are much different than this year's. We were paying 10 cents a pound last year for good hay and this year we are down to four. So the margins can be quite different year to year.

Bale grazing did not pencil last year so I needed to find a less expensive feed.

I took a higher risk last fall and fenced off three quarters of pea straw residue from a local grain farmer and planned to graze well into winter hoping the snow would not get too deep. We were fortunate to have a very mild winter here in Alberta so the crop residue grazing was a success.

This year is again a different story. I do have one crop quarter that we will be grazing in early winter but then we will be heading back to the bale grazing till spring. It is by far a less risky method of feeding.

What is bale grazing? It is a method of

feeding harvested feed but with one unique difference: You are using a grazing mentality.

The reason I bale graze is to save money. I can reduce the cost of yardage substantially and, as a bonus, receive a whole bunch of fertilizer in the process. When you have to feed, to me, bale grazing is a no-brainer!

There are a few ways to bale graze but the key to each method is to reduce the labour and equipment usage. I can feed 350 head of dry cows all winter long with a half hour of labour per week. The key to this system is to never have the feed stacked in the hay yard. I have the hay delivered to the pasture where it is grazed. Try not to handle each bale more than once if possible. Every time you handle feed, it costs you money. I am a big fan of self-unloading trucks as it saves me time and handling costs.

There are a few different ways to set up a bale-grazing field. Usually I place the winter's supply of hay out in a rectangular pasture in the fall. I calculate for the number of cows and the pounds per day and the number of days required. The bales are placed in rows on their side. The twine is removed in the fall! Much easier and faster than pulling twine in the winter. I then ration off a

four- or five-day supply of feed using an electric wire.

I use two portable electric fences and leapfrog down the paddock all winter. Very minimal labour and equipment costs all winter long.

I have also bale grazed by having it delivered monthly throughout the winter. In this scenario, I have purchased hay from a local producer who is willing to deliver the hay with his own tractor and wagon. Obviously he has to be close by. I pay him to deliver it but instead of stacking it in a hay yard, he unloads it in my pasture for me in different paddocks. All my pastures already have numerous paddocks already built.

With this method, I never touch the bales with equipment. I usually get him to place a five-day supply of bales in each paddock on end. They are placed on end because in the winter, the twines are a bit easier to pull when frozen with ice than if they were placed normally on the side.

When I am down to my last paddock, I give the supplier a bit of notice and he can spend a day and fill up the paddocks again. I'll just get him to place the bales in a different spot each time to spread out the fertility. If you need to put two or three sets of bales out in the same paddock, which works too, just move a temporary wire between them to help ration them off.

I'm sure there are many other ways to make bale grazing work; these are just a couple of examples to get you thinking about it.

I like a four- to five-day graze period when I bale graze. I feel the balance between labour, animal nutrition and feed waste is optimal.

Labour is minimal as I feed twice a week and it takes about a half hour. Nutritionally, I find that I rarely have any "skinnies" show up because for the first four days, everyone eats well. On the last day, everyone cleans up. If you limit ration daily, the boss cow always gets more than her share and the less aggressive cow always gets less.

If you plan for a five-day ration, try not to fall for the "brown-eyed syndrome" and move them early. It will cost you if you weaken!

If it helps your sympathetic side, ration out just less than five days worth of feed, and on the fifth day, unroll the remaining bales to give each cow a portion of higher-quality feed. This will help them clean up the bale grazing a bit better. However, it will also increase your yardage costs.

Now, don't get me wrong, if the temperature drops and the cattle need to have their ration increased because of the cold, move them early to compensate. Just keep track of your daily rations so you don't overfeed and run your costs up.

I bale graze to lower my labour and equipment costs. The bonus is the fertility. The following year the pasture is completely rejuvenated by all the extra water-holding capacity and added nutrients by the residue that is worked into the soil by the cattle.

It is incredible how fast you can improve a pasture by bale grazing on it. In my experience this increased fertility continues for at least five years or more. I love to bale graze!

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roperly constructed facilities and appropriate cattle-handling equipment confine cattle safely and efficiently with minimal stress and risk of injury to cattle and workers, going a long way to help alleviate much of the stress and frustration staff experience when working with excited, stubborn or aggressive animals.

Auditors award five points if facilities and equipment are adequate to safely handle, restrain, treat, segregate and (un)load cattle, and wide enough to accommodate bloated animals, with a side-release gate for assisting calving heifers. Two points are given for having a safe, clean environment available for new cow-calf pairs.

Special attention is paid to gates and nonslip footing: each rates five points. Gates must swing freely and latch securely, with no sharp protrusions. Examples of non-slip surfaces in alleyways and handling areas include sand, straw, wood shavings, rubber mats and grooved concrete flooring. Stairs or cleating are recommended for ramps along with a level dock before going up or down ramps to prevent slipping. The ground and ramps must also be free of holes, rocks, ice, and excessive rough, frozen manure that could cause an animal to trip.

Lighting is assessed in cattle handling and (un)loading areas. Animals tend to move better from dim to more brightly lit areas than vice versa, so lighting in the chute area should be brighter than in the alley but not shining directly into the eyes of approaching animals. If the entire working area is lit, lights should be placed to provide uniform illumination.

Indoor lighting and air quality are additional considerations worth five points each for feedlot pens in barns. Lighting is consid-

ered to be adequate if the auditor is able to see well enough to assess the environment and animals' health. If the auditor smells ammonia, or experiences headache, nausea, burning eyes, nose, throat or skin, then the ammonia level is scored as being above the minimum acceptable level of 25 parts per million.

Overall protection from heat and cold for indoor and outdoor pen areas is worth five points. Windbreak fencing and straw bedding packs are examples of adequate outdoor protection. A documented pen maintenance plan or records of how mud and manure buildup is minimized is worth two points.

Providing low-stress handling training for employees who work with cattle is worth five points, and records of training activities count for two more points. Low-stress handling generally refers to calm, quiet handling techniques using cattle's natural flight zones, with minimal use of prods and proper use of appropriate handling equipment including chutes and handling tools.

Acceptable cattle-handling tools include plastic rattle paddles, sticks with nylon flags, plastic streamers or garbage bags, stock sticks or vibrating prods without electrical stimulus. Electric prods are only acceptable when other acceptable handling tools have failed and then only if they are used properly on the animal (not on the head, genitalia or anus). They must be 50 volts or less and not wired directly to a power source.

Cattle-handling tools must not be used unnecessarily, aggressively or repeatedly on one animal or when an animal has nowhere to go.

A written protocol on handling nonambulatory and severely injured animals counts for two points, as does your employees' understanding the protocol.

Practical cattle handling is assessed for at least one hour or 100 head of cattle as they are moved through the crowding tub and alley leading to the chute and squeeze chute. Animals are scored only during active handling and only once for each action. Each of the eight categories is worth 10 points if the target is met:

- 1. Falls body touches floor; target ≤1%.
- 2. Slips knee or hock touches floor; target ≤5%.
- 3. Electric prod use touching an animal with a prod, regardless of whether electrical current is discharged; target ≤10%.
- 4. Prod misuse use of an electric prod as the first choice, when the animal has nowhere to go, or repeatedly and excessively; target 0%.
- 5. Jumping any time an animal stands on two feet; ≤5%.
- 6. Racing exiting the chute at a speed equivalent to the animal running full speed down an alleyway; ≤5%.
- 7. Vocalization audible during active handling or in the chute due to restraint, not due to a procedure such as implanting, tagging or injecting; target ≤15%.
- 8. Mis-caught restrained in the chute in any position other than with its head fully outside of the chute head bars and its body from the shoulders back within the chute, or if an animal behind the animal in the chute is caught in the tail/back gate and not released immediately; target 0%.

This is part four of a series on the new Canadian Feedlot Animal Care Assessment Program. For more information, contact your provincial cattle feeder association for the link to all program documents on the National Cattle Feeders Association's website, or contact the NCFA, 403-769-1519, info@cattlefeeders.ca. **PRIME CUTS** By Steve Kay

SEPTEMBER SPELLS SERIOUS SLUMP



I.S. cattle feeders might be excused for believing there is a curse on the September market. Feeders endured a historic collapse in live cattle prices in September last year, when cash prices fell more than US\$27 per cwt in five weeks. Now prices have suffered another collapse, starting in mid-August, which showed no sign of ending by early September.

Mindful of last year's collapse, cattle feeders this spring and summer were determined to avoid a repeat. They did everything right, notably by aggressively marketing cattle from May on. August steer and heifer slaughter was likely 16 per cent larger than in August last year. Given this, cash live cattle prices were likely to fall as the month progressed. But no one expected them to slide as much as they did, to \$104-105 per cwt by the week ended September 9.

The slump left people struggling to understand why prices had fallen to their lowest level in five years. As noted, steer and heifer slaughter was large in August. But it went against a very low slaughter total last year, the main reason for the market collapse in September. August's aggressive marketings by themselves should not have caused such a decline in prices.

August retail beef sales were slightly softer than expected because of extreme heat in parts of the country. But beef demand held up enough not to be the reason why cattle prices fell. USDA's All Fresh retail beef price in July averaged US\$5.75 per pound, down 6.5 per cent from last year, and prices for August were expected to decline as well. August's average retail feature price was \$4.97 per pound, the first time it had dropped below \$5 since March 2014.

The main explanation appeared to be that that the futures market continued to be irrationally negative to live cattle. The catch-22 remained that cattle feeders had no choice but to sell cattle even if cash offers were lower, as long as the basis between cash and futures prices remained positive. It was still positive the second week of September, and that's why cattle feeders sold cattle at prices \$5 lower than the week before. This was after the October live cattle contract had lost 475 points the week before and another 157 points the day after the Labour Day holiday to close at \$100.02 per cwt. It was inconceivable a month earlier that the contract could fall that low.

It is easy to blame the futures market for dragging down cash prices. After all, it has been negative to the live cattle cash market for much of the year. But why it got even more negative in August and early September is a mystery. It's worth noting that the October contract on August 9 closed at \$115 per cwt. Nothing in the fundamentals appears to justify its \$15 decline after that.

Total U.S. cattle slaughter for the year to September 3 was up 832,000 head or 4.3 per cent on the same period last year. Beef production was up 4.7 per cent on last year. Hog slaughter was up 362,000 head or 0.5 per cent on last year, while pork production was 0.1 per cent below prior year levels. Chicken production was up 2.4 per cent on last year.

USDA forecasts that U.S. red meat and poultry production for 2016 will total 97.610 billion pounds, up 3.1 per cent on 2015. Maybe the futures market is so negative because of this. That's not a huge yearon-year increase. But perhaps supply and demand are so delicately balanced that any increase in meat and poultry supplies tips the scales disproportionately against livestock prices. 🗻

A North American view of the meat industry. Steve Kay is publisher and editor of Cattle Buyers Weekly.



IDENTIFICATION By Debbie Furber

BIXS CAN TRACK CARCASS DATA: JUST THE COST IS UNKNOWN

wnership of carcass information is one of the challenges BIX-Sco Inc. has had to address as it works toward creating a business model for information sharing across value chains and the industry at large.

Packers have always had the option of charging half the grading fee back to producers who rail grade cattle. Even if a packer foots the entire bill for grading or buys the cattle outright on a live basis, does that mean the packer owns the carcass data?

Or do the producers own the grade by virtue of their mandatory investment in tags to identify their animals? Many cowcalf producers believe the promise of carcass data was implied with the introduction of mandatory individual animal identification.

Then again, feedlots tailor their feeding programs to achieve the best grade possible for the class of cattle in each pen, so maybe they own the grade?

Based on discussions so far, BIXSco senior vice-president Deb Wilson says they are leaning toward a business model that whomever enters information into the BIXS system owns it. And anyone who wants this information must pay for it, plus a small transaction fee to BIXSco Inc. to keep the system afloat.

This is a business model, she says, that could create new revenue streams for each sector. Producers, for example, could learn how to leverage their investment in tags and all of the health and production information they attach to those tags.

As it stands, the BIXS database contains carcass records for fed cattle processed at the Brooks, High River and Guelph plants in 2011 and 2012. The Canadian Cattlemen's Association paid for this data when developing BIXS, so that information remains free to anyone who enrolls in BIXS.

The flow of carcass data stopped on January 1, 2013, when the grant funding BIXS development expired, Then in early 2015 the software firm ViewTrak Technologies partnered with the CCA to create BIXSco Inc. and a feasible business plan for the new company.

"The McDonald's sustainable beef pilot project was really the impetus that got negotiations with packers back on track," says Wilson. "Our role in the project was to track the chain of custody from cow-calf producers, to

the feedlots, to the Cargill and JBS plants in Alberta that supply trim to the pattie plant at Spruce Grove, which supplies all of the patties for McDonald's burgers in Canada."

Both plants willingly shared chain of custody information free of charge.

Using this data BIXSco Inc. has demonstrated that the system does work. Data for eight million pounds of hot-carcass weight were gathered with 300,000 pounds of it going into the McDonald's system to account for approximately 2.4 million burgers from a fully verified sustainable supply chain.

The fashionable consumer would like grass fed, that in itself is highly challenging, but there are merits to forage/grass diets

Counting the operations enrolled in the McDonald's pilot and other participants as of early July, BIXS had recorded 1,782,529 births, 126,561 moves into background operations, and 999,422 into feedlots and 2,922,314 carcass records.

BIXSco Inc. now has a signed agreement with Cargill for carcass data from the High River, Alta. and Guelph, Ont. plants from the start of 2013. The company is currently holding that information in trust to protect Cargill's privacy, until at least one other packer is on board. Negotiations for carcass data from JBS at Brooks, Alta., and Harmony Beef, the new plant just north of Calgary were still underway as of mid-September.

"Our position negotiating with plants is to let primary producers see what they are producing so that they will be able to breed for a better carcass. I believe that packers understand and believe without a doubt that primary producers can impact carcass quality and yield. The challenge is finding a starting point — what producers are willing to pay and what packers will sell it for," Wilson says.

Remember, BIXS is not just about carcass information, she adds. It also serves as a neutral third-party to facilitate information sharing. It can be used to verify chain of custody, track records on protocols for branded beef programs and highlight programs that producers follow on the farm, such as VBP+ (the feedlot animal care program), environmental farm plans, sustainability criteria, and general management practices. This management list can include rations, health programs, animal handling protocols, as well as genetic and production records. Reporting and benchmarking functions in the software can summarize data by category to aid in making management decisions and marketing the cattle, or the beef.

Currently, BIXSco Inc. is in discussions with several organizations and companies on uses of the BIXS database. These include the Canadian Cattle Identification Agency to facilitate the tracking of cattle when nationwide traceability becomes a reality and Verified Beef Production in tracking animals on the new VBP+ system. McDonald's also wants to continue sourcing sustainable beef and pharmaceutical companies are interested in BIXS as a way for producers to track vaccination programs.

"Everyone agrees that information sharing is good. Those walls of resistance are dropping down. The question is how to pay for BIXS and not make cost an issue. We envision that every part of the industry will pay a bit," says Wilson.

"This is our opportunity. Canada's beef industry has the tools and genetics to create something no other country in the world has. Canada Beef has done a great job creating the global brand for Canadian beef: now we just need to verify the practices backing the brand."

It will likely be fall before new carcass data will start flowing into BIXS. In the meantime, check out the new website at http:// bixs.cattle.ca/ to stay abreast of the changes as they occur.

There is no charge to enroll, enter your information or explore the revamped database to learn how BIXS could work for you. 🚕

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A FRUSTRATING CAMPAIGN



'm writing this 60 days out from the 2016 U.S. elections. Given that this election has followed no established rules or expectations up to this point, that may not be much of a disadvantage.

I've said ever since the disaster in Benghazi on September 11, 2012, that I really didn't think Hillary Clinton would be the Democrat candidate in November 2016. As you are probably aware, Clinton's candidacy has been wounded not so much from her missteps regarding the attacks in Benghazi but by her handling of classified state secrets with all the aplomb of a clown juggling chainsaws wearing boxing gloves.

With thousands of pages of her emails yet to be released and a promised October or earlier surprise from Wikileaks, the left in the U.S. will have to decide, at best, between voting for an extremely tarnished and wounded candidate or staying home and polishing up their "I told you so" lines. Her actual departure is unlikely but still possible.

Conservatives and other Republican species have their own dilemma. As I've explained since 2014, a huge gap has grown between conservative Republican Congressmen and party leadership. The nomination of Donald Trump, having survived primary elections with 17 other candidates, is a direct response of the electorate expressing that same disapproval of leadership. So establishment Republican politicians boldly proclaiming themselves Never-Trump just reinforces conservative voters' fury.

There are signs that those fed up with American politics are not just Republican voters but folks so fed up they haven't voted in years. I am ashamed to say that the percentage of eligible voters who vote in an American presidential election hovers in the mid-40 per cent range. A big turnout of those who normally don't vote and, therefore, are not included in "registered voters" or "likely voters" normally polled in surveys, could likely benefit Trump to a significant degree and surprise everyone.

So Canadians looking for a rooting interest in the election, trade questions aside, should consider that a win for Hillary Clinton would see acceleration of the same policy directions as the Obama administration. Again, aside from TPP, which is about the only major positive thing for agriculture to come from Obama, we've seen an administration that pushed mCOOL, pushed climate change issues, pushed a rule to prohibit packers from paying premiums for better cattle/carcasses and, along the politically correct lines prevalent today, gave hundreds of millions of dollars to black farmers claiming discrimination in farm programs and recently pushed a new program designed to help lesbians, gays and transgender folks get started in farming. Their priority was often not the mainstream family farm and ranch operation.

Clinton has promised to push for higher taxes and more regulation and her federal and Supreme Court picks would certainly further an anti-business, pro-government control agenda.

If Trump does pull off the improbable, he promises to push for a list of things that would definitely help the general economy and agriculture. Cutting both personal and corporate tax rates, repealing and replacing Obamacare (national healthcare) and cutting back or repealing a whole host of regulations and restrictions, would benefit the overall economy drastically, in turn boosting demand for ag products and unleashing productivity. More Americans with jingle in their jeans should help make us better customers for Canadian products.

Of course, trade policy is front and centre for Canadians. Since neither candidate favours expanding free trade at this point, there is another route TPP proponents will try. After U.S. elections in early November, there are about eight weeks before a new Congress settles in and 10 weeks before the new president actually takes office. This is called the lame duck session of Congress, if it is held, because a certain percentage of members of Congress will have lost their re-election bids. Since they don't have to be concerned about answering to voters in the next election, in theory, at least, they might find themselves freer to vote their conscience rather than vote to avoid trouble with powerful constituents. It is a session appealing to cynics and skeptics.

It is to this lame duck session of Congress that TPP proponents are aiming. It would not be easy to get TPP considered. As per usual, Congress has not passed most of the 13 appropriations bills it is supposed to have in place each year by the September 30 budget year-end. Having taken August off, they can't wait to leave in October to go back to campaigning. So spending bills alone will clog up the rest of the regular session and, perhaps, the lame duck as well.

The Senate leadership has flatly said no to TPP consideration in 2016. Given the leadership's propensity for frustrating voters, businesses and conservative members of Congress, that's not surprising. Neither is it final.

On the other hand, often asleep at their giant switches, big businesses that export are awakening to the peril to their export divisions if the biggest trade deal in decades slips away. Agriculture is pushing, with NCBA actually running ads in politically important media showing the cost of every day without TPP (\$367,000), while Australia benefits from its agreement with Japan.

It must be frustrating for you watch the political circus we are running down here, given our status as customer, supplier and neighbour. Imagine how we feel!

Steve Dittmer is the CEO of Agribusiness Freedom Foundation. a non-profit group promoting free market principles throughout the food chain. He can be reached at steve@agfreedom.ag.







KEY ANIMAL HEALTH LESSONS FROM VBP+

What we've learned from years of producer experiences

As the fall cattle run starts and another cattle harvest begins, animal health moves to the forefront of beef producers' minds across the nation.

Today the standards in Verified Beef Production+ (VBP+) have become a big part of that industry thinking.

It's been more than 12 years since VBP was launched and one thing has driven its development: producers.

Beef producers designed VBP in response to what they perceived to be increasing scrutiny by consumers on how food was produced. This year VBP+ was launched. It's the enhanced version with modules for biosecurity, animal care and environment added to the original on-farm food safety mandate.

That innovative thinking is intended to anchor a new era of cattle production, one that is hoped will make Canada a global leader in beef production.

DRIVER OF CONSUMER TRUST

Animal health is a critical part of earning consumer trust. Here's a checklist of key points that have been learned from producer feedback and experience including the recent pilot projects for VBP+.

New tools for a new era. The original VBP with animal health Stand Operating Procedures (SOPs) have stood the test of time. Now the new Code of Practice in animal care adds another level of sophistication to that. Understand what



The new VBP+ identifies outcomes that demonstrate responsible animal care.

that means for the basics such as feed and water, but also things like handling, transport and euthanasia.

Make your vet your partner. Time and time again, the value of working with a vet in a partnership to build animal health has proven a valuable approach in this new world. If you're not doing that ask: Why not?

Good handling, good news. The solid work of animal care leaders such as Dr. Temple Grandin and Bud Williams is making a difference where needed most. Celebrate that.

Transport is the face of the industry. For many urban people trucks hauling

cattle are the only contact they will have with animal production. It's what consumers see, so never forgetting how animals are loaded, cared for and shipped is critical.

New pain control options. Understanding and mitigating pain is moving rapidly in importance at the research, producer and general public level. New knowledge and new producer management options are driving this.

Animal care rising. Most producers follow good animal care practices today. Those who aren't, or new producers learning the system, need to understand the rising importance of animal care in the public's mind. There is little tolerance for poor practices.

Think crowd control. One key piece of feedback in recent years has been the importance in the eyes of the public of avoiding animal crowding in pens.

BE A GOOD NEIGHBOUR

One of the most difficult topics for this new era of production is how to handle potential cases of neglect on neighbouring farms.

It's a question that has been asked often of producers in recent times. Producer feedback says they are reluctant to tattle on their neighbours. On a positive note, many said they would reach out and ask if people needed help.

Often other personal issues are affecting the poor decisions these people make. But actions of the weakest of the industry affects the livelihoods of all. Be a good neighbour.

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ATYPICAL INTERSTITIALPNEUMONIA

typical Interstitial Pneumonia (AIP) continues to plague the beef industry in unpredictable ways. Also known as acute bovine pulmonary emphysema and edema, AIP is a common cause of sudden respiratory distress in cattle, particularly adult beef cattle grazing lush pastures through late summer and fall and in feedlot cattle through the finishing period. Sudden onset of clinical signs with minimal coughing and severe difficulty breathing characterize AIP. Affected animals often die despite supportive treatment. Those that do survive can improve dramatically over the course of several days.

Cases of AIP have been reported in west central Alberta and Saskatchewan during the summer of 2016. Rain and lush regrowth of fall grazing pasture and cropland will likely increase the risk of AIP.

Although AIP has been described in veterinary literature since the 1960s, many questions about inciting causes and the predictability of onset still exist.

COMMON FEATURES OF THE DISEASE INCLUDE:

- · Nursing calves are seldom affected. Yearlings are less susceptible than mature cows.
- · Sheep and horses are much less susceptible than cattle.
- · Pastures of any sort (grass or legume) as well as annual crops (corn, sudan grass, etc.) can predispose to AIP. AIP also can be seen when animals preferentially graze lush growth in lowland meadows or water discharge areas, even if the remainder of the pasture is not exceptionally green.
- · It is the "lushness" and "abrupt change" that seems important, not the forage species.
- Outbreaks usually develop within five to 10 days of a change to better grazing and rarely occur after animals have been on a pasture field for three weeks or more.
- The highest incidence rate is in July and August.
- In feedlots, AIP outbreaks occur four times more frequently in heifers than in steers and often after cattle have been on feed at least 90 days.
- · AIP appears to be associated with elevated acidity of the rumen (rumen pH greater than 6).

• No specific treatment for AIP exists at this

AIP is a multifaceted disease with several known causes and a range of clinical presentations. Multiple causes and management practices have been associated with development of AIP. The sporadic incidence and development of disease in a variety of circumstances suggests that common infectious agents are not generally involved, at least in mature cattle. In feedlots, however, most cattle dying of AIP have preexisting lung disease caused by common respiratory pathogens.

It appears that the disease develops and progresses as a basic response to lung injury. Breakdown products of the naturally occurring amino acid l-tryptophan have been incriminated as triggering AIP. Metabolites like methylindole are absorbed into the bloodstream, carried to the lungs and become part of a toxic mix when they react with natural enzymes associated with gas exchange and breathing in lung tissue. The level of l-tryptophan can be high in lush, rapidly growing pastures, particularly in the fall. Although AIP and bovine respiratory syncytial virus (BRSV) produce similar lung pathology, BRSV has been ruled out an inciting cause of AIP. BRSV can cause respiratory death, but by a different mode of action than AIP. At one time, the research community considered AIP allergic in origin, perhaps a reaction to dust, but this too has been debunked.

Atypical interstitial pneumonia (AIP) or acute bovine pulmonary emphysema and edema are also known as fog fever, pulmonary emphysema, acute bovine respiratory distress syndrome and bovine asthma. Affected animals are often called "panters" or "lungers."

Clinical syndromes vary. In feedlots, AIP typically affects calves that have been on feed for 90 days or more. Outbreaks have been reported in calves during hot, dry summers and occasionally in young calves recently introduced to a feedlot. AIP can appear following apparent recovery from respiratory infections.

Affected cattle on pasture are typically adults recently introduced to lush, rapidly growing cover crops. Outbreaks usually develop within five to 10 days of a change to better grazing and rarely occur in animals that have been on pastures for three weeks or

more. Calves, especially nursing calves, are seldom affected. Mild cases may go unnoticed, or cattle simply appear subdued, but alert with a noticeable rise in respiratory rate and effort when observed closely. Cattle with mild signs usually recover spontaneously within several days. Severely affected cattle show marked respiratory distress with mouth breathing, protrusion of the tongue, and drooling. A loud expiratory grunt is common, but coughing is unusual. Mild exercise increases the respiratory effort dramatically and may precipitate death. If death does not occur, many animals improve dramatically and resume eating by the third day. Some animals develop emphysematous crackles along the back as air from the thorax migrates under the skin. Some cattle have subcutaneous emphysema (air under the skin) extending from the withers along the entire back. Full clinical recovery may require three weeks. A classic lesion observed in animals that die is lungs that fail to collapse when the chest is opened. The lungs are congested and fluid filled. Large gas filled bulla (bubbles) and fluid occupy interstitial spaces between the alveoli (chambers) where air exchange normally takes place.

There is no treatment shown to be particularly effective. Supportive treatment with diuretics and anti-inflammatories may be beneficial. Producers should work with their veterinarians ahead of time to have treatment protocols in place and treatment materials on hand. Often, cattle may be affected so severely that handling or sorting them may cause them to collapse. In such cases, and since the treatments are probably only of marginal value, it is best to avoid prolonged forced movement. Instead, offer shade and comfort where the cattle are. Over two to three days, individual animals either recover or die.

Ionophores like Monensin offered in a free choice pasture supplement during the early days of being introduced onto new, lush pasture may help limit the risk of AIP. Dietary management involves limiting access to lush pasture. **

Dr. Ron Clarke prepares this column on behalf of the Western Canadian Association of Bovine Practitioners. Suggestions for future articles can be sent to Canadian Cattlemen (gren@fbcpublishing.com) or WCABP (info@ wcabp.com).

YOU KNOW YOU ARE AN ENTREPRENEUR WHEN...



he frustration of the young woman across the table was palpable and she was beating herself up in a big way. Why had she not found the magic answer? Why was this taking so long? Why could she not be completely independent and not depend on other revenue?

I have sat at many kitchen and boardroom tables and heard the same discussion. Most times, these young men and women are creative entrepreneurs who are really good at what they do and have actually done amazing business already. What they possess in spirit they most certainly lack in patience. In light of these conversations, rather than a rendition of "you know you're a redneck when," which you might expect in a cattlemen/cattlefeeders magazine, we'll look at entrepreneurship and how to make it an enjoyable rather than agonizing ride.

You know you are an entrepreneur when you focus on failures rather than successes.

Entrepreneurs can be of any one of the risk tolerance profiles from cautious to full speed. What they tend to do at the beginning of their creative thinking process is dream, scheme and then scream when it does not work out. They see each failure as a deep cut to the soul and if they carry enough of those scars they become mortally wounded.

There is always a risk at some time in the execution of an idea. It could be the cost at the beginning or a bad turn in the middle. It is important to look at the bumps in the road as just that — bumps in the road. Simply learn from the error and carry on keeping the vision clearly in mind.

Remember that when we work from a place of core values and beliefs, it is easy to keep the vision clear. It is when we start to justify our actions that we are off track. All actions and decisions should feed into the vision. How one executes is the mission. The rest is wasted time.

You know you are an entrepreneur when you meet your financial target and are disappointed.

I deal with around 40 families at any given time and all are entrepreneurial in spirit. It is like high-speed dating with dragonflies. They meet the target and feel let down and launch to the next spot. This is the point when I gently remind them to revisit their definition of success.

For example: I define personal financial success as being able to see my children and grandchildren at any given time (this requires extensive flights). Others have much more aggressive definitions of success. It is interesting that EVERYTIME a client makes his or her first million they are disappointed. Why? Because money is only part of the definition of personal success.

You know you are an entrepreneur when you come to a full stop when all measures of the initial project are achieved.

By full stop I mean totally stalled out, unable to move or think — pouty. Success came so quickly that the entrepreneurs are now challenging themselves because they were not more successful. This brings us back again to your definition of success and a reminder to take stock, do an evaluation of what is needed to move forward and to prepare for future gains.

I must boast that young entrepreneurs are high acheivers in a short period of time. They really don't think about the timelines and are often totally unprepared for the event. To complicate this, the families and business partners are left gasping for air as Mr./Ms. Entrepreneur zips through life. There are touch points here for dragonflies:

- 1. Take your family and business partners with you by clearly articulating what it is you are going to achieve.
- 2. Prepare for a different life once you get to where you are going.

The cowboy/girl is now stuck in an office, the cattle feeder on a plane, the baker on the factory floor and the mother left searching for constant and adequate child care. They all got what they wanted — and in a hurrybut life changed to meet the demands of their growing company. It is a critical stage where a lot of support is needed. As the business further evolves, this too passes to where you can go back to where you started and enjoy it.

You know you are an entrepreneur when you change your mind (again).

The world was saved on round one, the family survived; the business is humming and so what next? Or the other scenario often is: the project is half done, the money is spent and we are not having fun. Let's change directions.

This is classic entrepreneurial behaviour and quite alright if you take your family and your team with you. These adventurous dragonflies are not the folks you see rowing across the lake in a relaxed manner. These are the men and women with an Evinrude on their canoe! I often step in with a few light weights at this point as the engine is being revved, sparks are flying and the entrepreneur is at the dock ready to blast off.

Entrepreneurs will change their minds — often. Encouraging them to define and prepare for success, empowering them to learn from the bumps in the road and to continually feed the vision, inspiring them to be patient and stay on track, to communicate with their teams and being a light anchor when they prepare to launch is all part of the privilege and the process of working with amazing young entrepreneurs. **

Contact Brenda through her website: www.brendaschoepp.com. All rights reserved. Brenda Schoepp

CCA REPORTS By Dan Darling

TRANSPORT RULES NEED TO REMAIN SCIENCE BASED



Dan Darling is president of the Canadian Cattlemen's Association

all is always a busy time for beef producers, as they manage through the fall calf run and make herd management and culling decisions. Producers consider a number of factors, including the outcomes of the harvest on their own farm, the farms they buy feed from, and if there is enough feed overall to winter their cows. Weather has been a factor right across the country this year, with unseasonably cool and wet weather throughout the West and extreme heat and humidity in the East. While the wet weather slowed harvest in some parts of Alberta, it's unlikely feed supply will be an issue this winter as high moisture conditions may see a lot of wheat and barley being downgraded to feed quality. In addition, silage cereal crops were decent and hay and pasture conditions are in fair to good shape. In contrast, in parts of Ontario, extreme dry conditions nearing drought has reduced the corn crop to between half to two-thirds of a normal crop, and hay is an issue for some, depending on the area. Management decisions are being made.

In Alberta, the main factor influencing these decisions will be the market prices. According to Canfax, Alberta fed cattle averaged \$142/cwt in August, down 22.5 per cent from August 2015. In Ontario, the combination of uncertain markets and feed issues are likely what's behind some producers' decisions to already move cows to market, including some with calves still on them to split and sell separately.

Over the last couple of years, the U.S. herd has expanded with strong prices and good weather conditions, while the Canadian herd has remained stable. Given the large price correction, and an outlook that generally has a weaker market tone, expansion has slowed in the U.S. Meanwhile in Canada, herd growth appears to be limited over the next couple of years as we are generally in a down-trending market with growing North American supplies. Calf prices have fallen over \$1/lb. in the past year, but Canadian calf prices remain historically strong. With a Canadian dollar under 80 cents, and an abundance of feed supplies, cow-calf producers should remain profitable.

Cattle prices have peaked and are being pressured down by larger production. Domestic beef production was up nine per cent from January through August. Feeder prices are being supported by lower feed grain prices this fall with a record 15-billion-bushel corn crop anticipated in the U.S. Alberta 500- to 600-lb. steer calf price has dropped to trade around the five-year average of \$200/cwt, but remain above the 10-year average of \$160/cwt.

With fall run and culling decisions comes the need to transport livestock. The efficacy of Canada's livestock regulations was challenged recently in the context of the trial of an anti-animal agriculture activist charged with criminal mischief in Ontario. With court dates for the trail set for October and November, the issue of Canada's regulations and whether they need upgrading will no doubt continue.

The chief concern for the Canadian cattle industry is activist language highlighting the length of time cattle are permitted to be in transit. Current regulations state cattle must be fed, watered and rested for at least five hours after 48 hours in transit, unless they can reach their final destination within 52 hours. These regulations take into account factors such as cattle's unique nutritional/ water needs and the impact of stress due to loading and unloading.

In Canada, research shows that the time for long-haul trips averaged 16 hours in length, with over 95 per cent of cattle spending less than 30 hours in transit. Further, over 99.9 per cent of cattle reached their destination safely.

Although there are often calls for tighter regulation of livestock transport, it is essential that any regulatory change be based on scientific evidence so that the imposed change will actually improve animal welfare.

Calls to update Canada's livestock transportation regulations have been discussed for over a decade, and industry is aware that the Canadian Food Inspection Agency (CFIA) will likely be proposing changes to the regulations in the near future. The Canadian Cattlemen's Association (CCA) has emphasized the importance that any regulatory change needs to be based on scientific evidence and, wherever possible, use outcome-based guidelines that focus on the animal. If animals step off the truck in good shape — no injuries and minimal indicators of stress — the outcome was achieved. If avoidable negative outcomes occur, penalties are needed.

The CCA believes that for a new rule to be meaningful, the supporting research needs to be done using commercial cattle, transport trailers, and drivers under typical commercial distances and conditions in Canada. Arbitrary rule changes that are based solely on perception rather than science could potentially result in more negative outcomes, rather than increasing the already high industry percentage of positive outcomes in transportation today. Canadian cattle producers aren't opposed to changing the regulations, we simply wish to ensure any imposed change actually improves animal welfare, because what is best for the animal is also best for the producer, consumer and general public.

As I wrote this column, I was making arrangements to attend the CCA's Fall Picnic in Ottawa on September 27. It's a good opportunity to showcase the importance of the beef industry's contribution to the Canadian economy, while enjoying delicious, highquality Canadian beef. 🗻

'You are what you eat' applies to cattle too

The right forage makes a difference in dairy and beef operations

By Trudy Kelly Forsythe

Feed represents 30 to 50 per cent of production costs for a typical lactating dairy cow or feedlot finishing diet, and slightly less for a growing and gestating diet. It makes sense then that feed testing should be the centrepiece of all ration planning, for both feedlot and dairy operations.

Daniel Scothorn with Scothorn Nutrition in Nova Scotia says testing feed allows producers to target specific needs at different stages of development, ensuring animals with high-nutrient needs receive the highest quality forage, while lower quality forage goes to animals with lower nutrient needs.

"Cows fed a well-balanced diet will most importantly be healthy, but will also grow and milk more," he says, explaining an optimal ration is best formulated using nutrient concentration determined from feed analysis. Proteins, starches, calcium and phosphorus, as well as vitamin and moisture analysis, need to be part of the overall picture.

How to test

Hay bales are tested with a hay probe. Scothorn recommends probing five to 10 per cent of the bales in a lot then sending a composite result to the lab. A best practice is to sort and stack hay by fields, grasslegume type and cutting. Each lot should be analyzed separately, or a composite created to reflect the feed-out strategy.

Other feeds, such as silages or haylage, should be tested similarly, with samples taken from the entire silo or stack, not just the surface. Differences in starch levels in corn silage are common within a single field, let alone between multiple fields or varieties.

Near infrared reflectance (NIR) spectroscopy, a rapid, reliable and low-cost computerized method, is one option to accurately analyze feed nutrient content. Another alternative is wet chemistry; it can take more time and cost more. Feed company reps, consultants and provincial extension agents can do feed testing, or there are a number of U.S.- and Canadian-based labs. These resources can also assist with ration planning.

When to test

Scothorn recommends testing hay in the fall when it is put up to ensure proper allocation based on quality. "For example, if a dairy farm has low-acid detergent fibre (ADF)/high-energy silage, but also an allotment of high-ADF/low-energy silage the better feed should be saved and allocated to lactating animals, whereas the high-ADF silage should be fed to dry cows or heifers."

Ration planning

Feed testing is key when planning rations. It allows the best allocation of forages for the various requirements of cattle based

on ages or production levels.

Nutrient concentration can vary,
especially in forages. Alfalfa hay,
for example can have proteins from
10 to 25 per cent, whereas grass
hay will contain between four and
18 per cent protein.

Once feed inventories are complete, estimate the feeding period and total number of animals to be fed to calculate rough estimates of what will be required to optimally feed the herd. Amounts required will also vary depending on weather conditions and potential waste.

A computerized ration balancing program allows for the evaluation of a variety of feed options, and in turn, optimal economic performance.

Regional differences

Scothorn does note that there are different considerations based on a farm's location. "Field sizes tend to differ in parts of the country," he explains. "For example, in the Prairies, fields vary from 160 to 640 acres. This will often have less variation if it makes up a pile of silage compared to other parts of the country where field size may only be 10 to 20 acres in size. Therefore, if the farm has several small fields, then more testing should be conducted in order to get an accurate representation of the feed."

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NewsRoundup

RESEARCH

Breeding for methane suppression and feed efficiency

A recent Alberta research project, known as gGreenBeefCow, is designed to merge information between three ongoing studies into methane production and feed efficiency in beef cattle. Researchers in the gGreenBeefCow project will evaluate biomarkers for methane production in cattle, investigate relationships between methane production and other methane-related traits, and then add this information to larger research databases in order to seek out correlations between methane production and the genomic profiles of beef cattle.

Dr. Carolyn Fitzsimmons with Agriculture and Agri-Food Canada says this bridging project will ultimately help develop genetic selection strategies to breed beef cattle that mitigate methane emissions.

Fitzsimmons together with Dr. Leluo Guan, who specializes in the study of microflora in livestock in the department of agricultural, food and nutritional science at the University of Alberta, and Dr. John Basarab, who specializes in residual feed intake and production efficiency for Alberta Agriculture and Forestry, will identify and evaluate genomic and fecal microbiome markers for low methane emissions from approximately 1,000 beef cattle.

Genotyping identifies genomic markers associated with the data collected on these animals. Methane emissions, for

example, will be matched with dry matter intake to develop better predictions for methane production based on an animal's feed efficiency.

Once this information is compiled, the gGreenBeefCow project will support the development of genetic selection tools, probiotics and fecal microbiome markers, with the goal of reducing overall methane production while improving a producer's bottom line by raising more feed-efficient cattle.

gGreenBeefCow is funded by the Alberta Livestock and Meat Agency (ALMA), while the three ongoing studies are supported by the Climate Change and Emissions Management Corporation, ALMA, and the Beef Cattle Research Council via the Growing Forward 2 program.

For more information contact Dr. Carolyn Fitzsimmons at cfitzsim@ualberta.ca.

SUSTAINABILITY

Ranchers Tell their Story By Duane McCartney

Scott Parker, with the National Film Board, is telling the good news story about grazing through nine short films on how ranchers on the Canadian Prairie are managing their grazing lands to sustain a healthy ecosystem.

Called the "Grasslands Project," the films tell important prairie stories from the southern end of Alberta and Saskatchewan about life on the grasslands. "We held a series of public consultations to determine

what the essential prairie stories might be, and we heard from a lot of ranchers and farmers," said Scott. "Ranchers in particular felt that they never received any credit for their land management which is conducive to healthy grasslands ecosystems. So this was an important story from the region that needed to be told to the rest of Canada."

"There is a lot of terrific work being done by conservation groups, government and ranchers. It's not easy as they often start off with different goals and perspectives. However, the work to maintain native prairie grasslands is essential to all Canadians, and it was clear to me during the project that many ranchers took great pride in their land stewardship," said Scott.

A documentary film called "A Rancher's View" is one way to communicate this to other Canadians. It is about how Miles and Sheri Anderson and family from Fir Mountain, Sask. are managing their native grazing lands in an environmentally sustainable way. Scott went on to say, "They were terrific people to work with on the film. Miles clued me into the business of ranching and how important land stewardship is, and we reviewed the film together a couple of times so I was sure to get it right. The Andersons are people that are both from the land and reliant on the land. Roaming their grazing area looking for sage grouse (and I found them) was one of the highlights of my film career."

Miles Anderson is in a tough spot. The land he ranches has been in his family for



NEWS ROUNDUP

over a hundred years, but it's bordered on three sides by an expanding Grasslands National Park and its conservation imperative. Cattle were once considered a major threat to grasslands integrity and the endangered sage grouse in the region, but, due in large part to Miles' persistence, his cattle are now seen as part of the conservation solution.

Miles and Sheri were awarded the Canadian Cattlemen's Association National Environmental Stewardship Award in August at the Canadian Beef Industry Conference in Calgary.

Other films that Scott produced highlight life in rural communities on the southern prairie. Many small communities are losing their young people, attracted to careers away from the farm. "Generations" is a short film about a young person's dream to follow in the footsteps of his father — to be a farmer.

"Ranching and farming are male-dominated industries. But women have a strong voice in the operations, and some women have been running their own ranches for decades. In the film "Life Out Here," we were able to show a female perspective and it was the participants themselves who chose the themes to be discussed and then they interviewed each other for the film. These women are deeply dedicated to their farms, ranches and families. They can ranch as well as a man, or maybe even better."

"I am so grateful to the Andersons, and to Grasslands National Park for all the assistance in making these important short films. I hope the films enlighten people as to how some ranchers are care-

Continued on page 40





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AGGronomy**TV**

News Roundup

Continued from page 39

fully managing their land for the benefit of multiple species. I'm grateful so many people are looking after the grasslands for future generations," Scott concludes. "I hope these films will serve as a legacy of prairie life, and can be viewed by generations long into the future."

Scott spent about a year working on "The Grasslands Project," and shot 10 short films covering an area from Magrath, Alta., in the west, across to Radville in the east, travelling over 30,000 km to shoot these films.

Other films feature prairie homecomings, volunteer firemen, prairie artists, the Val Marie Hotel and the community of Wood Mountain, Sask. All the short films can be viewed on the National Film Board's web site www.NFB.ca/Grasslands.

RESEARCH

\$1.7 million for Olds College research centre

The Natural Sciences and Engineering Research Council of Canada (NSERC) announced funding last month for the development of a new state-of-the-art research facility at the Olds College Technology Access Centre for Livestock Production (TAC).

TAC will act as a technology training hub for regional livestock producers, as well as a research resource for students studying livestock production at the college. With a focus on beef cattle and sheep, TAC will be set up to help producers enhance production efficiency, herd health and animal welfare on their operations. The funding for TAC amounts to \$350,000 per year for five years to support the core operations, and is renewable if the centre is successful.

"Every year research is conducted on new products, or on new practices that can really make a difference to the profitability of the beef industry," said Stephen Scott, executive director of the Canadian Hereford Association. "Unfortunately, the commercialization of research outcomes into new on-farm practices is a rare occurrence. The Technology Access Centre will be a place for producers to bridge the gap between the newest science and implementation of these practices on their own operations. The centre will provide Alberta beef producers with the tools they need to remain competitive in a changing marketplace."

Operating within Olds College Centre for Innovation (OCCI), the applied research arm of Olds College, TAC will be overseen by an advisory board with members drawn from the OCCI and various industry stakeholder groups.

"Olds College is known for its longstanding history in agriculture training, and this makes us the ideal location for the Technology Access Centre for Livestock Production," explains Tanya McDonald, acting vice-president of advancement at Olds College.

"TAC will allow us to work directly with producers in helping solve problems faced in every livestock operation."

It will also help the college expand its collaborations with the University of Alberta, Livestock Gentec, Alberta Agriculture and Forestry, Agriculture and Agri-Food Canada, as well as individual producers.

ADVOCACY

Helping consumers make an informed choice

By Tom Lynch-Staunton, Issues Manager, Canadian Cattlemen's Association

During the Canadian Beef Industry Conference (CBIC), I was asked to do an interview on CBC's Calgary Eyeopener on the use of growth hormone implants in the beef industry. The impetus for the interview followed a retailer panel discussion on "Beef Demand" — a pillar of the National Beef Strategy — focused on "what consumers want." One of the statements made was around the use of products, particularly hormones, and that the industry will need to step up and give the consumers what they want.

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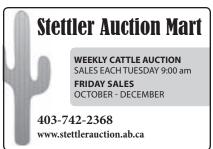
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NEWS ROUNDUP

Based on the consumer research one company had done, their representative was sure the consumer wants beef with no added hormones.

It's unclear if the marketing research asked consumers why they felt that way or what most influenced or helped shape their opinions — yet understanding this piece is key when considering the question: do consumers actually know what they want?

Henry Ford said, "If I had asked people what they wanted, they would have said faster horses."

The late Steve Jobs, founder of Apple also said, "A lot of times, people don't know what they want until you show it to them."

Farmers and beef producers are often accused of ignoring what consumers want, but that is not the case, as ongoing work in the industry demonstrates. As misperceptions about production practices are an unfortunate part of popular culture, it is our obligation to provide the public with the other side of the story so they can make an informed choice.

For example, if I knew nothing of growth hormone implants, and someone asked me if I was concerned that there could be increased hormones in my beef, without any context as to why or even what levels of hormones, I too may be concerned. This also highlights why some advertising or marketing campaigns attempting market differentiation can be misleading and create unfortunate consequences. If a consumer knows nothing about hormones, and now they see an ad with "beef with no added hormones," automatically they will think that hormones must be bad, and that all other beef without this label is also bad.

Continued on page 42







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News Roundup

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Continued from page 41

So, what do we do? As an industry, we have a standing offer to share research and science with food companies, restaurants, and marketing and advertising firms to ensure production practices are understood. That may not happen as often as we'd like, but it is our duty to explain to consumers why we use certain products, the positive and negative aspects about those products, so that consumers can make an informed choice. Simply changing our practices overnight to follow one attribute because "market research" shows a portion of consumers are concerned is a dangerous precedent to set.

If beef producers stopped using growth hormones tomorrow, we would need more feed, land and water to produce enough beef to meet the market demands, which would also result in more greenhouse gas (GHG) emissions. This would also increase the cost of beef to all consumers, at a time when retail beef prices are already quite high. Will a consumer who is already financially constrained continue to buy a higher-priced beef prod-



ANSWER OUR SURVEY — and have a go at winning one of our caps

We have a goal to be the best beef cattle magazine in the business. But we need your help. If you could just fill in this survey and return it to me, you would be helping us set the future editorial direction for Canadian Cattlemen. All you have to do is tell me what you like about the magazine, and what you don't like. There's also some space for you to tell us what you would like to see in future issues.

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We'd appreciate it if you could tell us a little about yourself. It makes it easier for us to keep your main interests in focus

☐ I'm ranching or farming

Enterprise	# of head
Total beef cattle	
Yearlings on feed/pasture	
Registered cows	
Fed cattle (sold yearly)	
Commercial cows	
Horses	
Calves on feed/pasture	
Other livestock	

☐ I no longer take an active part in farming

lf	not s	an	owner	nnarat	or of	2	farm	ara i	VOII:

	n	agri	busi	ness	(ban	k, e	levat	tor,	ag	suppl	lies,	etc.,)

		 	,
Other (plea	ise specify)		

My approximate age is:

☐ a) Under 35	□ b) 36 to 44	□ c) 45 to
□ d) 55 to 64	(a) 65 or over	

☐ a) Under 35	□ b) 36 to 44	□ c) 45 to 54
☐ d) 55 to 64	\square e) 65 or over	

What do you think of: On a scale of 1 to 5, how do			do	Regular Columns	5	4	3	2	1		
you and your family like these features?					Free Market Reflections						
5 - I always watch for it; let's see	e mo	re of	it			Prime Cuts					
4 – I <i>regularly</i> read it and like it						CCA Reports					
3 – I <i>usually</i> read it				News Roundup							
2 – There are things I'd <i>rather</i> read 1 – I <i>don't want</i> it; get <i>rid</i> of it			Purely Purebred								
			The Markets								
Regular Columns	5	4	3	2	1	Market Talk					
Comment						Sales and Events					
Newsmakers						Special features	5	4	3	2	1
Letters						Calving Issue (Jan.)					
Our History						Custom Feedlot Guide (Sep.)					
Nutrition						Stock Buyers' Guide (Aug.)					
Vet Advice						Animal Health Special (Sep.)					
Research						Beef Watch (May & Nov.)					
What would you like to see?						Canadiar	٩	E BEE	F MA	GAZI	N E

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NEWS ROUNDUP

uct, or will they switch out of beef? We can't forget how important affordability is to many of our consumers.

Furthermore, there is the global ethical question. Technologies like hormones mean we can produce more beef using fewer resources, with no detrimental effects on either the animal or human health. Why would we, as a society, decide to restrict food production, when there are one billion people starving on the planet?

Unfortunately, when we debate the merits of using something like hormone implants, despite proving the benefits, we are still often perceived as only being concerned with profit. That is why we need to have several strategies in how we communicate. Being open, honest and objective will be very important. Highlighting that we do not want to produce food that is unhealthy or even has the chance of being unhealthy, and showing people how hormones work will go a long way. And yes, we do still need to acknowledge that we do need to be financially viable, or we will simply not raise beef at all.

Ultimately, we want as many people as we

can to feel good about eating beef. We can be and will be able to have conversations about growth hormones with consumers, and many consumers will understand and trust why these products are important and can have benefits to our environment and overall production system, and be perfectly fine with any Canadian beef product. However, there will still be some who will just feel better knowing that there were no extra interventions, even if they know the benefits.

The kicker is that some people feel good about eating beef with no added hormones. They choose it over another competing protein, and they also feel okay about paying a bit more for it. That is also good for the industry. We just need to be cognizant that we don't undermine other production methods, which produce equally nutritious, healthy, tasty and safe beef.

We are very lucky to have choice in Canada, and we can accommodate many market segments that place different values on attributes. We just need to make sure that the choices consumers make are for the right reasons using all the information available.



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NEWS ABOUT YOU By Mike Millar

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■ The Keith Gilmore Foundation and Canadian Junior Hereford Association have announced the three recipients of the 2016 Future of the Breed Scholarship. The \$1,000 Future of the Breed Scholarship is an entry level scholarship awarded to active members of the Canadian Junior Hereford Association pursuing post-secondary education in agriculture and agribusiness. The three are:



Bennett Foster

Bennett Foster, Roblin, Man., the son of Brian and Marilyn Foster. He recently graduated from Goose Lake High School and is enrolled at Lakeland College where he studies agri-business. Bennett has

been a CJHA member for nine years and has attended five Bonanzas. He is currently the CJHA national delegate for Manitoba. Bennett is active in showing Hereford cattle, is a 4-H member and an enthusiastic snowboarder. His future plans include returning to the family farm and expanding the purebred Hereford operation.



Alexa Bricker, Disdsbury, Alta., the daughter of Ross Bricker and Rose Schroeder. She has recently graduated from Didsbury High School and is enrolled at the University of Alberta to study biological sciences,

majoring in biology with a particular interest in cattle genetics. She has been a CJHA member for eight years and had attended two Bonanzas, including the 2012 World Hereford Conference. She enjoys showing cattle and is an accomplished athlete and musician. She is a volunteer teacher with her figure skating club and also volunteers at the Didsbury Hospital.



Jillian Just

Jillian Just, Yorkton, Sask., the daughter of Jeffrey and Kristina Just. She graduated from Yorkton Regional High School and is enrolled at the University of Saskatchewan in a bachelor of science in agriculture pro-

gram with plans to continue her studies in the field of veterinary medicine. Jillian has been a

CJHA member for five years and has attended three Bonanzas and the 2012 World Hereford Conference. She is currently the treasurer for the Saskatchewan Junior Hereford Association (SJHA). She has been involved in 4-H for 11 years and enjoys swimming, crosscountry running, writing and piano. She helps out on the family farm and volunteers at her church. Jillian plans to continue building and expanding her Hereford herd.

The Keith Gilmore Foundation offers three levels of scholarship to Canadian students. The KGF Prize for Beef Innovation for students involved in advanced studies of industry research; the Hereford Youth Scholarship for students with connections to the Hereford breed enrolled in agriculture-related studies; and the Future of the Breed Scholarship, funded in partnership with the Canadian Junior Hereford Association, for CJHA members moving on to post-secondary education.





Heather Creamer Craig Matthews

- The Young Canadian Simmental Association has elected a new board of directors for 2016-17 headed by president Dylan Foley of Ont.; first vice-president Heather Creamer of N.S.; and second vice-president Craig Matthews from Ont. The remaining directors are: Cathryn Thompson, Alta.; Paige Holmquist, Sask.; Wyatt Millar, Sask.; Carson Rodgers, Man.; Krista Whelan, Que., Sophie Wotten, Sara Van Sickle and Cooper Snider retired from the board this year.
- The Keith Gilmore Foundation summer fundraising auction raised \$23,200 this year thanks to the donors, Blair-Athol Polled Herefords, Remitall West, Harvie Ranching, YV Ranch, Braun Ranch and Hereford Breeder. net. Kevin and Joanne Fraser of Cochrane took their choice of twin bred horned heifers supplied by Blair-Athol Polled Herefords for \$6,000. Two exportable polled embryos supplied by Remitall West were purchased by Lit-

tle Fort Herefords for \$2,400 and two polled embryos from Harvie Ranching went to Blairs.AG for \$3,400. Two horned embryos from YV Ranch went to Oakridge Farms for \$3,400 and two exportable horned embryos from Braun Ranch were sold to Bar Pipe Hereford Ranch for \$3,000. Livingston Energy of Claresholm purchased the sevenday South African Safari put up by Hereford Breeder.net.

■ Bonanza 2016, the Junior Hereford competition attracted 149 junior members from Canada, U.S. and Mexico this summer. Over the week the juniors showed 235 head of cattle from all across Canada. During the open show judge Garth Cutler chose the cow-calf pair of RVP 51X ABLAZE 7A with calf at side HARVIE RSK MS AUTUM 32D as the Grand Champion female, exhibited by Jacey Massey. Reserve Champion female was awarded to NEXT GEN RIESLING 295 ET exhibited by Morgan MacIntyre. Grand Champion Bull was awarded to XLP KPH LCHP TRIBUTE ET 707B exhibited by Lexi O'Connor and Reserve Champion bull was awarded to TRI-PLE A 47R DINO ET 112D exhibited by Luke Andrews. Bonanza 2017 to be held in Abbotsford, B.C, July 17-21 2017.



- Annuroc Miss Coco 1C sired by XAL Firestruck was Grand Champion Female at Campbellford-Seymour Fair, August 7 in Campbellford, Ont. She is owned by Bogart Cattle Company, Tweed & Amabec Charolais, Warkworth. Grand Champion Bull was LDVF Cognac 2C sired by Tempo from Lajoie de Vivre Farm, Omemee.
- This summer marks the 50th anniversary of the Luing breed in Scotland. To mark the occasion Canadian Luing Cattle Association secretary Iain Aitken of Bel-

mont, Man., put a brief history of the breed in his fall newsletter. The development of the Luing breed began in 1947 when three brothers Denis, Shane and Ralph Cadzow purchased the island of Luing off the west coast of Scotland. As established grain farmers and cattle fatteners on the rich soils of Scotland's east coast they wanted to build a cow herd to supply their fattening operation. The rugged terrain and poorer, leached soils on the high-rainfall west coast island offered an economic opportunity.

When they came to stock the new property they faced a dilemma as the purebred cattle of the day (predominantly Shorthorn and Aberdeen Angus) had followed the "baby beef" fashion and were too small to provide the kind of replacements that were profitable for their fattening operation. The Cadzows felt the three attributes essential to the viability of their cow herd were the ability to withstand a tough environment, produce a calf every year and be self-sustaining in terms of replacements.

This steered their initial breed choice to the Beef Shorthorn x Scottish Highland,



■ The Canadian Junior Limousin Association (CJLA) 2016 board of directors were elected during the CJLA Annual General Meeting at the CJLA Impact Show in Lloydminster, Alta. at the end of the July.

The CJLA) 2016 board of directors: Back row (I. to r.): Jackie Wismer, Ont.; Cheyenne Porter, Alta.; Nicole Bielecki, Sask.; Brittany Hirschfeld, Sask.; Carolyn Darling, Ont. Front row (I. to r.): Angus Smyth, Man.; Curtis Bielecki, Sask.; William Cooper, N.S.; Connor Rodger, Ont. Missing from photo: Samantha Kennedy, Ont.

a popular F1 commercial cow that was well suited to their environment. They found this crossbred cow worked well for them but maintaining separate herds of Shorthorns, Highlands and the F1 crosses was logistically complex so their thoughts turned to stabilizing their F1 cattle as a self-sustaining cattle population.

To achieve this they bred an exceptional Shorthorn bull back to their F1 cows and in 1952 they retained two of the resulting 3/4 Shorthorn, 1/4 Highland bulls. In time breeding these bulls back to their F1 cows

established the 5/8 Shorthorn, 3/8 Highland makeup of the Luing breed as we know it today.

After several generations and rigorous selection they had achieved a recognizable type with predictable performance. By 1964 they had 400 cows of this type and they started to think that their cattle had something to offer the wider industry and perhaps they should pursue the idea of becoming an official "breed." In May 1965 an open day was held

Continued on page 46

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■ The Canadian Hereford Association is pleased to announce the election of Canadian Hereford Association president-elect Dr. Doug Mann, Swift Current, Sask.; vice-president-elect Albert Rimke, Oak Lake, Man.; pedigree chairman Nels Nixdorff, Airdrie, Alta. The new executive term will take effect on January 1, 2017.

The new board of directors are (standing I. to r.): Stephen Scott, executive director; Philip Thorne, N.B.; Leon Silk, Ont.; Bryan Latimer, Alta.; Murray Andrews, Sask.; Blaine Brost, Alta.; Jean Tetreault, Que.; Wallace Pugh, Ont. Seated (I. to r.): Albert Rimke, Man.; Nels Nixdorff, Alta.; Daryl Kirton, B.C.; Doug Mann, Sask.; and David Reid, Sask.

Continued from page 45

on Luing to showcase their cattle to an invited audience of other breed representatives, industry officials and dignitaries. In turn this led to official breed status being granted by the British Parliament to the Luing in July 1966.

■ The Royal Agricultural Winter Fair has kick-started the Royal fun by hitting the road with a chef competition that is pitting top local chefs against each other at several

regional Ontario events. The last regional competition was at the Markham Fair, October 2. The Royal Chef Challenge Champion will be crowned during a final round at the Royal at Exhibition Place in Toronto on Saturday, November 12, at 1:00 p.m.

■ The Canadian Gelbvieh Association (CGA) is proud to have Gelbvieh-branded RFID tags available by October 1 to assist both purebred Gelbvieh breeders and commercial cattlemen using Gelbvieh bulls in

identifying and marketing their Gelbvieh-influence calves. The Gelbvieh RFID tags are manufactured by Allflex and are distinguished by their unique "orange" coloured back with a "G" icon and Canadian maple leaf. Tags can be purchased via the CCIA web store site. A commercial cattle producer that has purchased a CGA registered Gelbvieh bull since 2010 and whose ownership has been transferred is eligible to purchase one bag of 25 tags per bull purchase. Contact the CGA office for further details.



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- Soil nutrient management and conservation

► MARKET SUMMARY

By Debbie McMillin

TheMarkets



FED CATTLE

Fed cattle prices continue to drop in response to the large supplies of beef, pork and poultry moving onto the North American market. The start of September was disappointing. Just when it seemed as though market lows were near, the market dropped again, losing an additional \$10.61/cwt from the last week in August, dragging the trade average down over \$51/ cwt from last year, the lowest it's been since the end of 2013. The technical market is on a similar trend with new lows in the live cattle futures. Although the local fed cattle market is weak, the basis for this time of year seems to be right on track, another indication that the weakness in the market is driven by the U.S. situation. The fed basis is following a typical three-year average for this time of year with the cash-to-cash basis the second week of August at -7.65/ cwt and cash to futures at -2.86/cwt.

Fed cattle exports continue to run above year-ago levels, the most current year-to-date data showing an increase of 39 per cent when compared to last year with a total of 190,932 head. An increase has also been seen this year in the domestic slaughter of fed cattle with steers seven per cent larger at 978,288 head. While heifers slaughter has increased over year-ago levels in recent weeks the year-to-date data is still down one per cent from last year at 504,523 head. Year-to-date fed cattle beef production is up eight per cent over last year.

This increase in slaughter data alone supports the larger beef production; however, in addition to more cattle being moved through the system, the average carcass weights are 38 lbs. larger than a year ago as well, which has added to the tonnage to be marketed.

FEEDER CATTLE

The feeder market is following the fed market. The inability to buy right plus the severe losses taken by the feedlots and the very negative tone in the technical markets made for a tough start to the fall run. Fortunately for cow-calf producers the moisture this summer has left many with good fall grazing and ample forage supplies so in many cases there is no rush to market calves. Many are waiting for either a turn, or at least an easing, in the downward trend, while they add some weight before selling their calves.

Sharp declines in the numbers of both light and heavy feeders have been reported in many early fall sales over the past two weeks. Despite the low numbers 500-lb. steers dropped nearly \$9/cwt to an average \$188.50/cwt and yearling grass cattle took a similar turn, with 850-lb. steers dropping \$16.70/cwt to an average of \$167.50/cwt.

NON-FED CATTLE

After several weeks of holding steady near \$100/cwt, D1,2 cows turned lower during this reporting period, dropping nearly \$5 to average \$95.63/cwt, \$40/cwt under the same week last year. The large fed cattle slaughter slowed the demand for non-fed cattle right when cow volumes seasonally started to increase, albeit at a slower pace than recent years. Cow slaughter and exports are up over last year. The most recent data has cow slaughter up by seven per cent over a year ago at 248,029 head while exports are up three per cent at 125,739 head. Bull prices are also lower, dropping \$3.39/cwt just in the last week to average \$120.61/cwt in mid-September, compared to \$165.69 during the same week last year. We are exporting fewer bulls this year, 30 per cent fewer as 34,280 have gone to the U.S. so far this year. Domestic slaughter is up 28 per cent, however, at 8,261 head. **

Debbie McMillin is a market analyst who ranches at Hanna, Alta.

More markets ▶

▶ DEB'S OUTLOOK

FED CATTLE

Fed cattle supplies should tighten in North America over the next few weeks. Feedlots have been marketing into the weaker market and staying current with their inventory. Currently, ample supplies of beef, pork and poultry are weighing on the market, however, numbers should tighten up and carcass weights lighten. The shaky technical market; also needs to find some bottom side support to help the fed market. Ultimately, we are moving into a time of stronger demand as buyers look to their holiday needs so it's to be hoped this market can find some strength as we move into the fourth quarter.

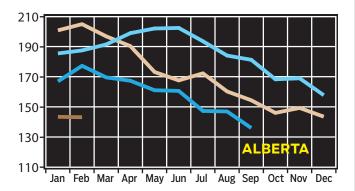
FEEDER CATTLE

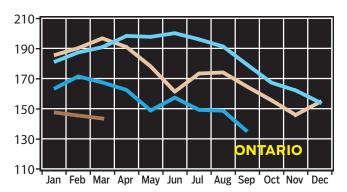
A combination of favourable growing conditions and unfavourable harvest weather seems to be leaving more feed-quality grain hitting the bins this fall. While this is beneficial to calf pricing as far as feedlot costs and break-evens are concerned, the market will not feel the full benefit until the feedlots can see some light in the fed cattle market. The losses over the past months will continue to pressure the feeder market lower until we see some new opportunities to either manage the risk or reduce the losses on current inventory.

NON-FED CATTLE

It's the time of year we expect larger non-fed volumes and lower prices as cow-calf producers generally start to wean their calves and cull their cows. This year the cow market is under pressure from both seasonal trends and the fed market. With the current exchange rate, the export market will give us a price floor; however, the canner cow market in the U.S. has also moved lower in recent weeks. Expect prices to move lower again in the near term.

Break-even Prices on A-Grade Steers







Break-even price for steers on date sold

2016 2015

2017 2016

September 2016 prices*

Alberta

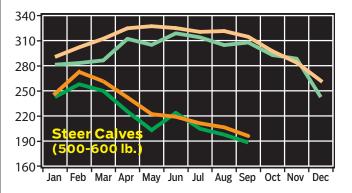
Yearling steers (850 lb.)	\$177.83/cwt
Barley	3.82/bu.
Barley silage	47.75/ton
Cost of gain (feed)	58.98/cwt
Cost of gain (all costs)	89.53/cwt
Fed steers	135.98/cwt
Break-even (February 2017)	143.14/cwt

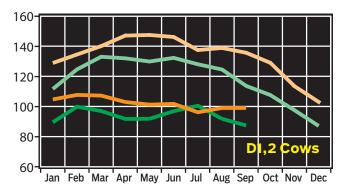
Ontario

East: end wt 1,450, 183 days West end wt 1,325 lb., 125 days

O'Italio	
Yearling steers (850 lb.)	\$167.54/cwt
Corn silage	39.28/ton
Grain corn	4.66/bu.
Cost of gain (feed)	74.10/cwt
Cost of gain (all costs)	107.40/cwt
Fed steers	134.79/cwt
Break-even (March 2017)	143.48/cwt
*Mid-month to mid-month prices Breakevens	
DIEGREVEUS	

Market Prices





Ontario	Alberta
2016	2016
2015	2015
Ontario prices based on a 50/50 east/west mix	

Market Summary (to September 3, 2016)

	2010	2015
Total Canadian federally inspected slaughter	1,739,101	1,664,173
Average steer carcass weight	914 lb	876 lb.
Total U.S. slaughter	. 20,537,000	19,666,000
TDADE CHMMADV		

TRADE SUMMARY

EXPORTS

Fed cattle to U.S. (to August 27)	190,932	
Feeder cattle and calves to U.S. (to August 27)	149,540	244,721
Dressed beef to U.S. (to July)	331.80 mil.lbs	286.99 mil.lbs
Total dressed beef (to July)	432.06 mil.lbs	384.18 mil.lbs
IMPORTS	2016	2015
Slaughter cattle from U.S. (to July)	0	0
*Dressed beef from U.S. (to July)	143.84 mil.lbs	157.82 mil.lbs
*Dressed beef from Australia (to July)	45.60 mil.lbs	55.40 mil.lbs
*Dressed beef from New Zealand (to July)	28.08 mil.lbs	30.90 mil.lbs
*Dressed beef from Uruguay (to July)	22.53 mil.lbs	25.47 mil.lbs

Canadian Grades (to September 10, 2016)

% 01 A		rieiu					
grades	+59%	54-58%	-53%	Total			
AAA	18.5	23.2	21.1	62.8			
AA	19.1	8.9	3.6	31.6			
Α	1.3	0.2	0.0	1.5			
Prime	0.3	0.6	1.6	2.5			
Total	39.2	32.9	26.3				
			Total A g	rade 98.4%			
	Total graded	Total ungraded	% carcass basis				
EAST	386,791	18,025	81.9%				
WEST	1,382,806	5,455		89.9%			
	386,791	18,025	81.9%				

Only federally inspected plants

2016

2015

MARKET TALK By Jerry Klassen

FEED BARLEY UPDATE



estern Canadian feed barley prices have been grinding lower throughout the harvest period. At the time of writing this article, Lethbridge-area feedlots were making purchases in the range of \$155/mt to \$158/mt delivered, which is down from the June highs of \$205/mt. In addition to the year-over-year increase in barley production, the market is absorbing larger supplies of wheat and other alternate feed grains. Feed wheat has been trading near \$165/mt delivered in southern Alberta, down from the June highs of \$232/mt. The weaker barley prices have tempered the downward trend in the feeder cattle market and feedlots are counting on lower costs per pound gain this fall. I've received many inquiries from producers regarding the outlook for feed barley so I thought this would be a good time to discuss the fundamental projections for the upcoming crop year.

Statistics Canada estimated the average yield at 69.2 bushels per acre resulting in a crop size of 8.7 million mt, which is up from the 2015 crop of 8.2 million mt. It is important to realize that the Alberta crop was projected to reach 4.5 million, up from the 2015 drought-stricken crop of 4.3 million mt; Saskatchewan production was pegged at 3.3 million mt, up from 2.9 million mt last year. During the 2015-16 crop year, central Alberta feedlots faced similar prices as southern Alberta. However, in 2016-17, we should see the central Alberta market trade at a sharper discount to the Lethbridge area.

The demand scenario is uncertain for two main reasons. First, elevator bid prices in the northern half of Alberta and in much of Saskatchewan are sub-\$130/mt. In non-major feeding regions, many elevators are showing bids from \$110/mt to \$120/mt. This equates to approximately US\$160/mt f.o.b. the West Coast. Ukrainian and Russian feed barley is quoted at US\$158/mt f.o.b. the Black Sea while French feed barley is at similar levels fob the Atlantic Coast. Canadian barley is competitive into China and almost works into major markets in the Middle East such as Saudi Arabia. (Saudi Arabia is the world's largest barley importer.) We may not see significant feed barley exports in the first half of the crop year but there is potential in the latter half if prices stay at the current levels. Canadian barley exports (malt and feed) are projected to reach 1.9 million mt. Keep in mind Australia is on track to realize a marginal year-over-year increase in production which could limit exports to China.

Second, the western Canadian durum and spring wheat crop is having serious quality issues. The industry is anticipating a sharp year-over-year increase in domestic wheat feeding. The world is currently awash with feed wheat due to the adverse rains in Europe throughout the summer. It will be difficult for companies to move feed quality wheat offshore which makes the domestic market the only home. The substitution effect will be a major factor weighing on the barley market throughout the crop year.

I'm currently forecasting a carryout of 2.1 million mt, which is

SUPPLY AND DISPOSITION OF CANADIAN BARLEY ('000 TONNES)										
	StatsCan 12/13	StatsCan 13/14	StatsCan 14/15	10-year average	Estimate 15/16	Estimate 16/17				
Acres seeded	7,405	7,083	5,880	8,273	6,527	6,385				
Acres harvested	6,797	6,554	5,279	7,364	5,815	5,775				
Yield (bu./ac.)	54.10	71.70	61.90	60	65	69.20				
SUPPLY										
Opening stocks Aug. 1	1,195	983	1,950	2,083	1,217	1,743				
Production	8,012	10,237	7,115	9,506	8,226	8,704				
Imports	19	7	136	45	140	60				
TOTAL SUPPLY	9,226	11,227	9,200	11,634	9,583	10,507				
USE										
Exports	1,250	1,587	1,675	1,607	1,350	1,850				
Seed	249	209	228	280	240	250				
Human food/industrial/1	886	969	1,023	963	950	950				
Feed-waste-dockage	5,858	6,512	5,057	6,917	5,300	5,300				
TOTAL USE	8,243	9,277	7,983	9,767	7,840	8,350				
TOTAL CARRY-OVER	983	1,950	1,217	1,867	1,743	2,157				

1/includes barley processed domestically and then exported as malt. 10-year average is 2005 through 2014.

up from the 2015-16 ending stocks of 1.7 million mt and up from the 10-year average of 1.9 million mt. Another factor to consider is the burdensome U.S. corn situation. Given the current price levels of feed barley and feed wheat, I'm not expecting corn to trade into southern Alberta in large quantities. However, we may see small volumes come into Western Canada later in the crop year once the U.S. harvest comes on full steam. The potential for U.S. corn and wheat to trade into southern Alberta will limit any rallies in the barley market.

September and October are months of seasonal low feed demand given the lower feedlot inventories. Cattle-on-feed numbers generally peak in early December and then again in February and March, during road ban season. We also have to watch the South American growing conditions over the winter. We've seen in the past how sensitive the market can be to adverse weather. In any case, the domestic barley market will likely trade sideways over the next few months; I'm not expecting any major rallies. **

Jerry Klassen manages the Canadian office of Swiss-based grain trader GAP SA Grains and Produits Ltd., and is president and founder of Resilient Capital specializing in proprietary commodity futures trading and market analysis. He owns farmland in Manitoba and Saskatchewan but grew up on a mixed farm feedlot operation in southern Alberta. He can be reached at 204-504-8339.

Sales&Events

EVENTS

OCTOBER

- Advancing Women Conference, Fairmont Royal York Hotel, Toronto,
- 7-9 Expo — Beef, Victoriaville, Que.
- 10-15 II Congreso Simmental Simbrah de Las Américas 2016, Guadalajara, Mexico
- ALMA's final FutureFare, Delta Edmonton South Hotel and Conference Centre, Edmonton, Alta.
- 15-22 NILE, Billings, Montana
- 18-19 7th Annual Livestock Gentec Conference, Managing in a Time of Unprecedented Change, Delta Edmonton South, Edmonton, Alta.
- 27-29 Manitoba Ag Ex Livestock Show, Brandon, Man.
- 27-29 Manitoba Angus Gold Show, Brandon,
- Edam Fall Fair Commercial Cattle Show, 29 Edam, Sask.

ADVERTISER INDEX

	Page
Ag Expo	41
Airdrie Trailer Sales	43
Alberta Vet Labs	13
Antelope Butte Livestock Ltd.	39
Balog Auction Services Ltd.	45
Boehringer Ingelheim	33
Bow Slope Shipping Assoc.	40
Calgary Stockyards Ltd.	40
Canadian Angus Assoc.	42
Canadian Charolais Assoc.	OBC
Canadian Forage & Grasslands Assoc.	37, 46
Canadian Hereford Assoc.	IFC
Canadian Limousin Assoc.	42
Canadian Shorthorn Assoc.	42
Canadian Simmental Assoc.	42
Canadian Speckle Park	42
Canadian Young Farmers	38
Cattlemen's Financial Corp.	43
Farm Credit Canada	9, 21
Fence Fast	7
Gilbrea Consulting Ltd.	42
Hi-Hog Farm & Ranch Equipment John Schooten & Sons	43
Custom Feedyard Ltd.	40
Klassen Agriventures Ltd.	40
Masterfeeds LP	29
Merck Animal Health	5, IBC
Merial	11, 25
Nester Livestock	27
Rocky Mountain Dealership Inc.	17
Royal Bank of Canada – RBC	15
Stettler Auction Mart	40
Tru-Test Inc.	41

NOVEMBER

- 1-18 NA International Livestock Show, Louisville, Kentucky
- 2-3 Traceability Symposium 2016, Coast Plaza Hotel and Conference Centre, Calgary, Alta.
- 2-5 Lloydminster Stockade Roundup, Lloydminster, Sask.
- 2-5 Sask. Angus Gold Show, Lloydminster Stockade, Lloydminster, Sask.
- Yorkton Harvest Showdown, Yorkton, Sask.
- 4-13 Royal Agricultural Winter Fair, Toronto, Ont.
- 32nd Annual Canadian Young Speakers for Agriculture Competition, Royal Agricultural Winter Fair, Toronto, Ont.
- Canadian Angus National Show, Royal Agriculture Winter Fair, Toronto, Ont.
- 5 Manitoba Angus Annual General Meeting, Neepawa, Man.
- Ontario Gold Show and National Show, Royal Agriculture Winter Fair, Toronto, Ont.
- 9-13 Alberta Gold Show, Farmfair International, Edmonton, Alta.
- 9-13 Farmfair International, Edmonton, Alta.
- 13-20 Canada Food Expo, Seoul, South Korea; Osaka, Tokyo, Japan
- 15-17 Canadian Forage & Grassland Conference, Winnipeg, Man.
- 21-26 Canadian Western Agribition, Regina, Sask.

JANUARY 2017

Saskatchewan Young Ag Entrepreneurs Conference, Saskatoon Inn and Conference Centre, Saskatoon, Sask.

STAMPEDE

By Jerry Palen



"Flo, you've got to show him who's the boss."

FEBRUARY 2017

- BIO annual meeting, Elora, Ont.
- 15-17 Alberta Beef Industry Conference, Sheraton Red Deer Hotel, Red Deer, Alta.
- 22-23 Beef Farmers of Ontario Annual Meeting, International Plaza Hotel, Toronto, Ont.

MARCH 2017

21-22 Livestock Care Conference, Calgary, Alta.

SALES

OCTOBER

- Lone Pine Cattle Hereford Harvest Sale, Vibank, Sask.
- 28 National Limousin Show and Sale, Brandon, Man.

NOVEMBER

- Canadian National Charolais Show and Sale, Royal Agricultural Winter Fair, Toronto, Ont.
- Justamere "Sale of the Year" 17th Annual Female Sale, Lloydminster, Alta.
- Fenton Hereford Ranch Fall Production Sale, Irma, Alta.

DECEMBER

- SaskAlta Angus Complete Dispersal, Medicine Hat Feeding Co., Medicine Hat, Alta.
- 3 Lewis Farms 2016 Leading Ladies Female Sale, Spruce Grove, Alta.
- McMillan Ranching Ltd. Fall Female Production Sale, Carievale, Sask.
- 10 Dolittle Angus Dispersal Sale, Swift Current, Sask.
- 13 Bonchuk Farms Female Production Sale, Virden, Man.
- Rainalta Complete Simmental and Charolais Herd Dispersal, Brooks, Alta. 🚕

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Paul Martin has been feeding cattle at Alliston Ontario for the Schaus organization for 29 years. Follow Paul on twitter @paulkkmartin1

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