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# Should I Stay or Should I Go?



**M**ost people in the beef business are likely asking themselves the above question these days. Making it in the beef industry has never been easy, but now it's harder than ever. Steep rises in the Canadian dollar and feed costs have combined to challenge even the best in the business. Those who commit to giving it their best shot of being in the beef business five years from now, will have to draw on every possible advantage and most likely have to change the way they do business as well.

Industry standards are changing and are sure to include age verification, a sound herd health protocol, excellent management and predictable genetics. These all work together to provide the market what it needs and will pay for. Everyone along the production system will be looking for ways to reduce cost and add value. So, what can you do as a cow/calf producer?

## **KNOW YOUR MARKET.**

Understand what your buyers are looking for and then sell it to them. For example buyers want age verification and it doesn't have to be onerous. In fact it is free when you buy tags through Beef Improvement Ontario (BIO). There is even an incentive of \$5 for 2008 age-verified calves available through OCA.

Know your herd, every cow beyond her looks and her tag number! You need to keep records

on your cows so you can sort out the good, the bad and the ugly. Herd evaluation through BIO can cost as little as \$99 per year and gives you very valuable information for culling and selection purposes. The range in productivity for cows on herd evaluation in 2006 (genetic potential alone) was 180 pounds! You can't afford to be carrying the bottom end!

## **SELECT THE RIGHT BULL.**

Your bull decision today will affect your herd and your bottom line for years. Knowing what your buyer will pay for, what your cows bring to the equation and how you manage your herd let's you identify what you need in a bull. Bulls that have been through the BIO evaluation program have information on calving ease, growth, maternal, and carcass characteristics. You can look at the results for all of the bulls evaluated in Ontario by visiting [www.biobeef.com](http://www.biobeef.com) (go to Bull Evaluation Program or BEP query). Gone are the days when just looking at the bull was good enough - you need to know what you are buying! Good genetics give a good return on investment.

## **PRESENT THE PACKAGE.**

Offer groups of calves that are age-verified, similar in genetics and weight, from a herd health program and are ready to grow. These cattle get a premium price. Healthy calves come from good herd health programs, which involve making an investment, but have a proven

return. If you have not yet added in the component of genetics, now is the time to do it.

## **TEST YOUR CUSTOMER SATISFACTION.**

Follow up with the buyers of your calves. Did they perform as you expected and as they needed them to? What could you change that would ensure better value for the buyers of your calves? Make changes as needed or you might just lose that buyer to someone who does listen.

## **JOIN A VALUE CHAIN.**

The beef industry simply must catch up to other industries with respect to information flow: what is in demand, what will gain better payment, what do you need to change. This is sure to happen eventually on an industry level but as an individual producer, you can get a jump by being part of a group that shares information forward (like genetics) and backward (like carcass information). A clear signal that a particular carcass trait is valued and paid for can then lead to changes in breeding decisions.

BIO is here to help. We are owned by beef producers and in business to work with those producers that want to use information to make better business decisions. We look forward to working with you, should you decide to stay. **BIO**