Management Practices Affect Production and Profitability

- Historically, the level of net returns in the cow-calf business have been relatively low due to several factors, including the cost structure of the industry and production practices used.

- More than 40 percent of cow-calf operations in Texas do not use sound management practices for improving productivity, cost efficiency and net returns.

Extension’s Response

- Created in 1996, Beef PEP is a partnership of the Texas A&M University College of Veterinary Medicine, Texas A&M AgriLife Extension Service, veterinary practitioners, cow-calf producers, and a pharmaceutical company.

- The program was developed to improve profitability and sustainability of beef cow-calf operations in Texas by increasing the knowledge base of two main groups of advisors – County Extension agents and veterinary practitioners.

- Extension specialists analyzed performance, production and financial data from four demonstration herds for five consecutive years.

- The specialists conducted routine herd visits to evaluate health and production information, animal body-condition scores, pasture grass/hay samples, and blood and fecal samples.

- The implementation of 25 specific ranch-management practices were evaluated in seven categories – nutrition, pasture/hay management, reproduction, herd health, calf husbandry, calf marketing, and accounting or performance records.

Economic Impact

- Statistical analysis shows a potential increase in net returns of $11.79 per exposed cow.

- For the estimated 301,983 breeding beef cows and heifers in Texas utilizing Beef PEP management practices (5 percent of the state inventory), the increase in net returns is estimated at $3.5 million in 2011.

- Total economic output (gross business sales) associated with this level of increased income was an estimated $4.5 million.

- This level of economic impact helped to support an additional 33 jobs.

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MKT-3558F, September 2012