

# Friona Industries, L. P.

## Feeding Supplement

### Randall County Feedyard Receives TCFA Certification for NCBA Brand Mark<sup>SM</sup>

Spring 2000

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Friona Industries is pleased to announce that its Randall County Feedyard is the first commercial feedyard in the U. S. to be awarded use of the Brand Mark<sup>SM</sup> symbol by the National Cattlemen's Beef Association. James E. Herring, President and CEO of Friona Industries presented the certification to feedyard personnel at an award luncheon on Thursday, March 16<sup>th</sup>. Mr. Herring expressed his appreciation to his employees for their continued commitment to the improvement of the beef industry and commended them for their hard work and dedication. "We are leading the industry in innovative new techniques that will make the beef industry better, and I am really proud to have delivered the message today that Randall County Feedyard is the

first commercial feedyard in the United States to receive the NCBA's symbol for accountability and quality," said Mr. Herring.



The certification review process was conducted through the Beef Safety and Quality Assurance Program<sup>SM</sup> of Texas Cattle Feeders Association, which was licensed by the NCBA in January of 2000 to review potential applicants for the award.

As a result of this certification, Randall County

Feedyard can now display the "Brand Mark" Mark of Quality and the TCFA BSQA<sup>SM</sup> names and symbols on promotional and advertising materials. "We are proud and honored to be the recipient of this award. We recognize the responsibility the beef industry has to the consuming public and we pledge to do our part in the production of a safe, wholesome and enjoyable eating experience time after time," commented Richard Winter, Manager at Randall Co. Feedyard.

TCFA BSQA<sup>SM</sup> is one of four beef quality assurance programs in the nation to be honored with the NCBA Brand Mark<sup>SM</sup> for their "efforts to improve the quality and consistency of today's beef products". In turn, TCFA will be licensing the

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### Grain Market Outlook

by Gary Holcomb, Commodity Procurement Manager

Feed grain markets are in a precarious position for this coming summer. Between the January stocks report and mid-March, corn prices increased 25 to 30 cents per bushel based on strong feeding and export demand during the first quarter of the marketing year and dry weather conditions in the Midwest.

Since mid-March, prices have traded sideways in a 20 cent range. The primary driving factor which will influence prices for the next six months is weather. Weather patterns since last fall have resulted in below normal subsoil moisture conditions. The National Weather Service recently released warm and dry 30 and 90 day outlooks due to effects of La Nina.

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### Factors Affecting Feedyard Performance

By Keith Hansen, M.S., P.A.S., Consulting Nutritionist

Two major factors that determine cattle performance are **Feed Intake** and **Environmental conditions**.

Feed Intake is determined by several important factors: 1) **Energy level** is affected by

the grain:roughage ratio, grain processing and fat level. The manipulation of these factors in relation to cost is important to provide optimum cost per unit of energy, at the same time maximizing energy intake. 2) **Rate of passage**, determined in large part by

ingredient quality and rate of digestion influences intake. 3) The consistency of **bunk management** as it influences bunk space, feed distribution, clean bunks and consistent timing of feed delivery all impact feed intake.

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# Factors Affecting Feedyard Performance...

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4) **Age of cattle** has a dramatic affect on feed intake. Calves, irregardless of weight, will consume less feed than yearling cattle, even though they are more efficient in their feed utilization.

5) Seasonal fluctuation in feed intake is primarily a function of **Photoperiod** or the number of daylight hours. Under normal circumstances, cattle consume practically all of their feed from two (2) hours before sunrise to one (1) hour after sundown. So, when day length is shortened from 15-16 hours in summer to 9 hours in winter, cattle have less time to eat.

The chart on Page 3 shows a five (5) year graphical presentation of cumulative feed intake for cattle closed out in each month. The consistency of the pattern (over 1.0 million cattle in each year) provides the evidence that photoperiod is in fact a major factor to consider in feed intake.

Cattle closed out in October and November have the highest cumulative intake, 2.5 pounds of dry matter above cattle closed out in April and May, the months with the lowest cumulative feed intake. Also evident from the graph is heifers consume about 1.0 lb. of dry matter less than steers.

The attention to factors that affect feed intake is important because of the impact on efficiency of feed utilization and consequently cost of gain. As a rule, the last 1.0 lb. increase in feed intake above maintenance improves feed conversion by 2.0%.

Adjustments can be made to performance to reflect the variation produced in feed intake by seasonal variations. Those adjustments begin with the identification of months with no appreciable affect on performance.

There are four (4) months when cattle are not negatively affected, they are June, July, August and September. These months have

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*“Two major factors that determine cattle performance are feed intake and environmental conditions.”*

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an adjustment factor of 1.000. All other months have some affect on performance:

<u>Month</u>	<u>Adjustments</u>
October	0.979
November	0.971
December	0.943
January	0.935
February	0.920
March	0.914
April	0.914
May	0.954

**Environmental Conditions**, though not as predictable as photoperiod, are random events of winter that have an acute, negative affect on performance. The degree of affect depends on weather conditions (temperature and wind and precipitation) and ability of various breeds, measured by hide thickness, to withstand conditions.

Maintenance energy requirements increase as temperature drops, hair becomes wet or hide thickness varies. An exotic cross animal under dry conditions at low wind and -10°F will require 1.28 times more maintenance energy than the same animal @ +10°F just to maintain essential body functions without gain.

The importance of this relationship is that any increase in feed required for maintenance is achieved by reducing feed energy available for gain.

The most severe example of this is the Brahman steer calf weighing 600 lbs. whose normal feed intake is 15 lbs. of dry matter. This calf requires 5.4 lbs. of feed (@ 97

Mcal NEm) for maintenance. If this calf is placed into severe conditions of wet hair coat, -10°F and a 10 mph wind, maintenance requirement increases by 4.21 times.

That means the calf will require 5.4 lbs. x 4.21 = 22.7 lbs. of dry matter for maintenance. His requirement for maintenance is more than 7 lbs. above his intake. If these conditions persist for an extended time, the calf will not be able to maintain body temperature resulting in weight loss and possibly death due to exposure.

The purpose for examining the factors, both predictable and unpredictable, that have a major affect on cattle performance, is to better understand those conditions that can affect profitability. ■

Keith Hansen, M.S., P.A.S.  
Consulting Nutritionist



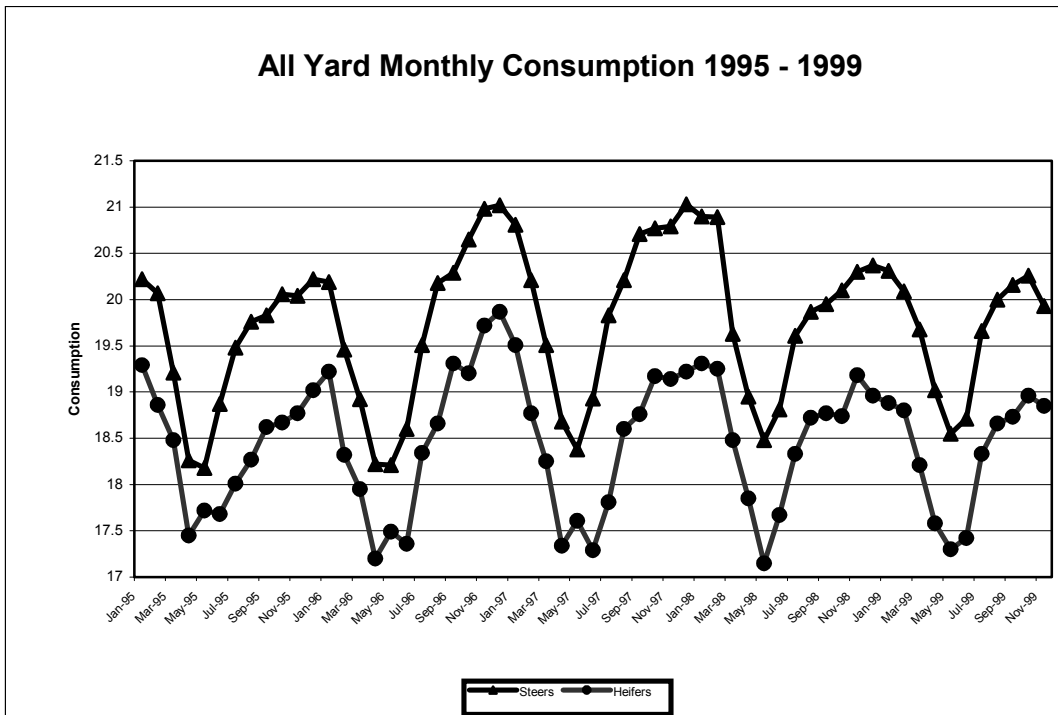
## Randall County Feedyard....

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“Brand Mark” to feedyards who successfully complete the TCFA Annual Audit and Certification. To receive certification feedyards must effectively implement the Hazard Analysis and Critical Control Points (HACCP) and applicable Quality Control Points required by the TCFA Beef Safety and Quality Assurance Program<sup>SM</sup>.



Randall Co. Feedyard employees accept Brand Mark certificate.



## Grain Market Outlook...

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Recent rain events have improved top-soil moisture conditions which will encourage planting progress. However, with the subsoil moisture deficits, crop development through the summer will depend on continued timely rains. The crop will certainly be vulnerable to reduced yields due to lack of moisture.

In USDA's April Supply and Demand Report, ending stocks of corn for this year are expected to be 1.759 billion bushels. Planted acres for the 2000 corn crop are projected at 77.9 million acres.

In 1999, total supply was estimated at 11.239 billion bushels and corn futures

prices averaged below \$2.00 during the late summer through December. If last year's yield of approximately 134 bushels per acre is repeated this year, we could expect a crop of 9.568 billion bushels.

Total supply would be 11.327 billion bushels and we could expect corn prices to repeat last year's pattern. However, if weather causes yield reduction, prices will be higher. How much higher is the Million Dollar question!

While a carryout of 1.759 billion bushels seems large, it only represents about 2.2 months of usage with 9.5 billion bushels expected usage next year. If yields are reduced to 120 bushels per acre, total supply would be 10.327, which would be adequate.

If yields are 100 bushels per acre, total supply would be 8.899. Obviously, demand for corn would have to be rationed through higher prices. The last year we saw total supply below 9.0 billion was during 1995/96. Corn prices were extremely volatile and reached highs in excess of \$5.00.

Current corn prices reflect a premium due to demand and current weather conditions. Expect volatility through the summer until the crop is pollinated. If the market perception of weather changes dramatically, corn futures prices will react dramatically. Stay tuned to your favorite weather forecaster. ■

## TSCRA Convention and Trade Show

We want to thank all of you who took the time to stop by our booth at the Texas and Southwestern Cattle Raisers Association Convention and Trade Show 2000 in Houston. We had a good show and appreciate the opportunity to visit with you in person regarding your cattle feeding requirements.

Congratulations to Dick Sherron of Sherron Farms in Beaumont, Texas for winning the 16" x 20" Canvas Print, *Pitchfork Remuda*, by Kenneth Wyatt. If we missed you, feel free to come visit our feedyards or our offices anytime. We look forward to Trade Show 2001!

[www.frionaind.com](http://www.frionaind.com)

**Check out our website for our latest listing of Cattle for Sale!**

**Friona Industries, L. P.**

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**Feed Supplement Reminders**

Coming in the Fall issue of *Feed Supplement*:

- **Formula and Grid Marketing**
- **The Benefits of Preconditioning Fall Calves**



Would you like more information on our cattle for sale and joint ownership opportunities, or would you like to receive a free estimated breakeven projection, call or email Brad Stout or Mark Hooker.



Receive this newsletter, Cattle for Sale notices and other important information via email. Just forward us your email address and we will include you on our list.



**Our Feedyard Locations**

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Friona, Texas  
(800) 658-6086

**Spring Lake Feedyard**  
Harold Greenhouse, Mgr.  
Earth, Texas  
(800) 658-6085

**Littlefield Feedyard**  
Jonny Miller, Mgr.  
Littlefield, Texas  
(800) 687-5141

**Swisher County Cattle Co.**  
Gene Pool, Mgr.  
Tulia, Texas  
(800) 658-6064

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