Cattle Business in Mississippi – October 2007 "Beef Production Strategies" article

Preparing for Herd Bull Procurement – Part I

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A lot of planning and thought should go into herd sire selection and acquisition decisions to successfully build a quality bull battery. Identifying and investigating sources of quality herd sire genetics should be tackled well ahead of needing a breeding bull to turn out with the herd. Taking the steps necessary to procure the "right" bulls for the cow-calf operation takes some time and effort if done properly.

Sources of Cattle

Sources of breeding bulls must be identified and investigated in enough time before the breeding season to have a good selection of bulls to choose from and to be able to make informed and well thought-out bull selection decisions. Potential sources of quality herd sires include private treaty purchases (direct sales), consignment sales, and production sales. Electronic versions of bull sales are also common today. Internet sales, video sales, and satellite sales are now a routine occurrence. Extra effort may need to be put forth by bull buyers to obtain good information about the sale offering prior to bidding at an electronic cattle sale. Many breeders and sale managers offer DVDs containing video clips and other information on sale lots that can be obtained prior to a sale upon the request of the prospective buyer.

Private treaty purchases allow buyers to interact with sellers on an individual basis. The buyer can visit the seller's ranch and view the operation while asking the seller questions about individual head of cattle and the ranch management program. Private treaty purchases can develop into lasting marketing relationships when the seller provides a desirable product and associated customer service to result in a repeat buyer. The seller develops a reputation (good or bad) depending upon the experiences of potential and actual buyers. Cattle purchased private treaty will often be farm-fresh with less disease exposure than commingled cattle. Special arrangements can sometimes be made for later delivery, volume discounts, site unseen satisfaction guarantees, and many other marketing possibilities. Sale terms and conditions should be discussed and understood by both parties in detail to avoid future confusion or related problems.

Private treaty purchases require that bull buyers do their homework regarding the reputation of the breeder. The bull buyer must also be prepared to communicate with the bull seller about specifics of herd sire needs. Many breeders will take the time to learn about the customer's operation and help select a bull that best matches the customer's herd and production and marketing goals. However, more preparation for the purchase on the buyer's part will often improve the comfort level with bull purchases. Also, there is more room for haggling with a private treaty purchase and less overhead marketing cost to factor in than with many other marketing alternatives. This is

both an opportunity and a risk for the bull buyer. It is worthwhile to have a good feel for current market conditions, the overall quality of the bulls being offered, and the recent sale history of similar genetics in the region.

Production sales offer the production of one or more farms for purchase. These types of sales may be located at the ranch or another livestock marketing facility. They are often held on a regularly scheduled annual date. As with private treaty sales, farm visits and advance contacts with the breeder(s) involved in a production sale are a good use of time in preparing for a bull purchase.

Consignments sales usually combine cattle from several different operations into a sale offering. Many breeders who do not have the herd numbers, facilities, or interest in putting on a production sale will participate in consignment sales instead. Consignment sales allow bull buyers to compare cattle from multiple operations at once and can help establish value benchmarks for private treaty sales.

Planning for Purchasing

No matter what the source, knowledgeable bull procurement requires prior planning. Stay informed of upcoming sale dates, times, and locations by monitoring industry publications and websites. Make sure that catalog and mailing list addition requests are made in a timely manner. Take time to scan through bull sale catalogs in advance of sales where potential herd sires will be purchased.

Bull registration numbers are typically listed in sale catalogs. They can be obtained directly from breeders as well. Registration numbers allow bull buyers to "do their homework" behind the scenes. Breed association websites have search tools that not only allow for individual bulls to be researched, but also relatives including progeny (calves) out of the bulls or out of the bulls' parents. Calving intervals of dams, performance ratios, current expected progeny differences (EPDs), pedigrees, and birth dates are some examples of data that are easily accessible on the Internet for many breeds. Sometimes after sale catalogs are printed, EPDs are updated prior to the sale. Looking up current EPDs on sale lots of interest can provide more reliable information about the sale offering in this case.

An easy step when sorting through sale lots is to eliminate bulls that obviously do not match selection goals. Then effort should be put in to ranking the remaining herd sire candidates. A "short list" that ranks the bulls on paper and lists all bulls that should be evaluated at the sale site should be prepared before the sale. In the case of production sales and even consignment sales, the ranches of origin can be visited ahead of time to view the sale offering. The short list of prospective bulls for purchase can then be refined.

Farm visits are ideal times evaluate cattle type and structural soundness and to ask questions about herd health specifics, bull nutritional programs, and herd performance records. Viewing in-herd relatives of bulls being considered for purchase is another reason to schedule a farm visit. Dams, sires, full siblings, and half siblings may be

available for evaluation. Breeders may even recommend that prospective buyers visit with past satisfied customers about their bull purchases and resulting calf crops.

Make any financial and hauling arrangements prior to a bull sale. Determine how many bulls are needed, and then plan the dollar amount that can be spent on herd sires. Sale catalogs likely include sale terms and conditions including any hauling arrangements that may be available in conjunction with the sale. Any questions or concerns about these terms and conditions should be inquired about with sale management before the sale.

Immediately prior to a bull sale, arrive in plenty of time to walk through and evaluate the sale offering several times. Breeders are frequently present at the sale site and available to answer any last minute questions about their cattle and special arrangements such as hauling. Make final decisions on which bulls are worthy of purchase, and determine a final ranking of the sale lots. Closely evaluate the sale order. Having several bulls selected as potential purchases and determining a maximum bid for each of these bulls should consider the sale order and how that may affect the buying scenario. Once the purchasing plan is in place, settle in for the sale in enough time to have a good view of the sale offering and bidding action.

Mississippi BCIA Fall Bull Sale Ahead

The Mississippi Beef Cattle Improvement Association (BCIA) annual fall bull sale has developed a reputation over the last four decades of being one of Mississippi's premier sources of beef cattle genetics. This is due to the commitment to quality of progressive breeders throughout the state over many years. Bull buyers interested in taking home Angus, Brangus, Charolais, Hereford, Gelbvieh, or Balancer bulls with known performance information and that meet Mississippi BCIA's stringent bull sale qualification standards should plan to participate in the upcoming sale on Thursday, November 8, 2007 at the Hinds Community College bull sale facility in Raymond, Mississippi.

Bulls will be available for viewing at the sale site starting the afternoon of November 7. The sale then kicks off at noon on November 8. Off-site bidding opportunities will be available at the Panola County Extension office in Batesville, Mississippi and at the North Mississippi Research and Extension Center in Verona, Mississippi. Producers at the Batesville and Verona sites will be able to view video of the sale bulls in the hours prior to the sale and place live bids through interactive video conferencing technology. For a sale catalog or inquiry about a particular bull lot to be offered at the upcoming Mississippi BCIA sale, go to msucares.com/livestock/beef/mbcia/bcia_bullsale.html or contact Jane Parish at jparish@ads.msstate.edu or 662-325-7466.

Next month's article addresses specific selection tools that can help producers make educated herd sire selection decisions. For more information on beef cattle production, contact your local Extension office.