

## Beef Cow Costs

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Do you know what it costs you to keep your beef cow last year? Most beef producers probably don't have any idea what it costs them to keep a cow. However, the beef producers who cooperated in the Illinois Beef SPA/IRM program can tell you that the average financial cost to keep a cow in **2001** was \$304.92.

The financial cost to keep a beef cow in the University of Illinois Dudley Smith Research Project in Christian County in **2001** was \$190.18. Who is going to make the most profit on a beef cow, one that is kept for \$190 per year or one that cost \$300 per year to keep? Very simple math would tell you that the producer whose cost per cow per year was less than \$200 is going to make the greatest profit. Probably the average beef producer in Illinois is spending over \$400 per year to keep their beef cows. The cooperators in the Illinois SPA/IRM program have done a great job of using the data obtained from the SPA/IRM to help reduce the cost per cow by over \$100 per year since the program started 6 years ago.

**How can we keep a cow for less than \$200 a year?** The main cost of a beef cow is feed cost and harvested feed costs are the most expensive cost of feed, so anything we can do to reduce feed cost can help to lower the cost per cow per year.

At the Dudley Smith Farm, the cows are rotationally grazed on a mixture of Alfalfa-Orchardgrass pasture from April until November 1<sup>st</sup>. From November 1<sup>st</sup> until mid-March the cows are grazed on either corn stalks and turnips-spring oats or corn stalks and spring oats-cereal rye that was seeded in August. This winter grazing program cost approximately 50 cents per day per cow, whereas the average producer feeding harvested hay per day cow cost would range from \$1.25 to \$2.00 per day depending on the quality of hay fed. If the average producer feeds hay from 120 to 160 days, we are talking about an additional cost of from \$90.00 to \$240.00 per cow per year. All due to harvested feed cost.

If we look at the difference in costs for cow-calf enterprises we see:

| <u>Costs for Cow-Calf Enterprises</u> | <u>SPA Cooperators</u> | <u>U of I Dudley Smith</u> |
|---------------------------------------|------------------------|----------------------------|
| Pasture Cost per Cow                  | \$76.91                | \$102.12                   |
| Crop Residue per Cow                  | \$ 0.78                | \$ 40.53                   |
| Harvested Forages per Cow             | \$81.25                | \$ 0.00                    |
| Non-Purchased Raised Feed per Cow     | \$19.96                | \$ 5.12                    |
| Purchased Feed per Cow                | \$30.28                | \$ 10.94                   |
| Total Feed Cost per Cow               | \$209.18               | \$158.71                   |

The pasture cost per cow for the Dudley Smith Project is higher because we charge the beef cow operation a cash rent land charge of \$120.00 per acre. Also, the average beef cow producer in the SPA/IRM program fed 4,710 pounds feed per cow, of which **3,189** pounds was raised hay, while in the Dudley Smith Project the cows were fed **0** pounds of raised hay, **170** pounds of purchased hay, and a total of 316 pounds of feed. The beef cow is used to harvest the feed, not a machine. Also, the beef cow enterprise is integrated into the cropping program to use the crop residue along with winter annuals to help reduce the total feed cost per cow.

We have a great opportunity in Illinois and the Midwest to integrate grazing livestock into the cropping enterprise as a method to improve farm income while improving the environmental condition of our farmland.