

AG FACTS



Beef Records

The Key to Profitability

Cooperative Extension Service

Records—The Key to Profitability

Before deciding what type of records a cow/calf producer should keep, one must analyze the factors influencing profitability in the cowherd enterprise.

There are four factors that influence the profitability of a cow/calf operation.

- 1. Percent cows weaning a calf
- 2. Weaning weight of calves
- 3. Price received per pound for the calves
- 4. Cost of owning and maintaining cows

To increase net returns from a cowherd, one or more of the first three factors must be increased or the cost decreased. Because these four factors are closely related to each other, changing one of them may require or result in an offsetting change in one of the other factors. For example, increasing the weaning weight of calves may increase costs and/or lower the price per pound received for the calves.

Table 1 illustrates the relationship between the percentage calf crop and weaning weight and their influence on the pounds of calf produced per cow.

Table 1. Lbs of Calf-Cow in the Herd

| Weaning Weight | % Weaning Calves | | | |
|----------------|------------------|-----|-----|-----|
| | 100% | 90% | 80% | 70% |
| 400 | 400 | 360 | 320 | 280 |
| 450 | 450 | 405 | 360 | 315 |
| 500 | 500 | 450 | 400 | 350 |
| 550 | 550 | 495 | 440 | 385 |

The figures in the next column show the relationship of percent calf crop and selling price to gross returns per cow for three different weaning weights. Obviously, as one evaluates these graphs, the important point in determining profitability is the annual cost of owning and maintaining a cow.

