

140 Iowa Beef Center

Statement of Issues:

The future of the cattle business in Iowa has tremendous potential for profitability and growth. While opportunity for increased profit margins exist with specialized production, good managers can produce beef cheaper in Iowa than any other region in North America because of our inherent advantage of lower feed costs due to co-products and access to corn. Commodity beef production is a narrow profit margin business with inherently high risks. Capital requirements are significant and leverage is often substantial. As a result, capital often becomes a limiting factor when one thinks about bringing the next generation or new producers into the business, either to replace retiring producers or to grow the business. To approach the subject of growing the beef production business, these factors must be considered. Either profit margins must be larger or risks must be reduced to draw in new people and new capital into the Iowa beef industry. Iowa is competitive in the commodity beef business, but Iowa's true strength and brightest future lies beyond the commodity world in the high-quality specification products for the branded beef market. Available forage access continues to be reduced due to other land uses.

Performance Goals:

- Increase effective use of grain co-products by 2011.
- Improved environmental stewardship by beef feedlots by 2011.
- Adopt quality management systems to improve cost control and market access by 2011.
- Improved beef cowherd production efficiency by 2011.
- Expand intergenerational transfer by 2011.

Output Indicators (Activities):

- Conduct applied research and demonstrations and educational efforts on feeding co-products.
- Partner with new ethanol plants producing DGS to educate producers on storage and feeding of DGS.
- Conduct in-service training and materials to feed industry staff that service producers.
- Work with state agencies to develop practical and effective feedlot structures that protect water and air quality and are cost-effective to build and maintain.
 - Document the cost to install and maintain these systems and prepare communications.
 - Host field days showcasing effective control systems and management.
 - Develop and train producers in procedures to assess, operate, and document management in these systems.
 - Provide technical assistance to producers installing these practical systems.
- Provide training and templates in a functional EMS for feedlot operators.
- Provide training, practical templates, and pre-verification audits to help producers qualify for special marketing programs that require PVP/QSA approval.
- Partner with companies that have existing PVPs but have concerns about producer implementation.
- Develop decision support tools and education programs that allow producers to quickly and easily utilize individual animal identification and traceability.

- Keep up-to-date on Animal Care Guideline procedures and train producers when the guidelines are initiated.
- Develop economic analysis education materials and decision support tools to help producers evaluate the economics of rotational grazing on their farm.
- Research and demonstrate methods of extending forage resources using co-products for beef cows and grazing cattle.
- Educate beef producers on managing production, financial, and marketing risk.
- Develop decision support tools and conduct genetic management workshops.
- Develop and evaluate methods for incorporating a young person into the cattle enterprise.
- Provide business and technical assistance for young farmers on starting or expanding a farming operation.

Outcome Indicators (Impact):

141 – Feeding distillers grains: Number of Iowa feedlots that regularly feed co-products to reduce cost of gain.

142 – Feedlot environmental management: Number of feedlots over 100 head capacity that utilize solid manure settling structures or alternative technology treatment systems.

143 – Cost control and market access: Number of producers who adopt management systems to improve cost control and market access.

144 – Cowherd enterprise efficiency: Number of cowherd producers who utilize technologies to improve enterprise efficiency.

145 – Intergenerational business transition: Number of intergenerational transfers and business start ups.

Output Indicators (Activities):

- Provide technical assistance to producers evaluating niche markets.
- Provide technical assistance to beef producers looking at alternative cow-calf management systems with less forage acres.

Target Audiences:

Beef feedlot producers and managers
 Cowherd producers and managers
 Allied industries and service providers
 Ethanol plants and managers
 State agencies
 Beginning farmers

Team Point of Contact:

John Lawrence, Professor