

OMAF *Virtual Beef*

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Feel free to use the articles in this publication in your publications. We would like to ensure that as many producers as possible benefit from the information provided. Details are listed on page two regarding reproduction. If there are any upcoming events or timely topics you would like to see covered send us an email; suggestions are more than welcome. Watch for the next issue in October!

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Fall Marketing Options for Cow Calf and Stocker Producers

The effects of the BSE situation were initially felt in the feedlot sector. The cow calf and stocker industry will feel the second wave of effects when the run of fall stocker sales begins. Currently, fed cattle are backing up in the system, causing a shortage of space, feed and money in the feedlot industry. The situation must improve before feedlot producers are able to buy calves or stockers this fall.

So What Does This Mean To Cow Calf and Stocker Producers?

Markets may be considerably depressed, delayed or absent this fall. This means you need to be looking at your options now so that, come fall, you will be in a position to make informed choices.

A depressed market

The average market may be well below the Cost of Production (COP) for many producers. Make sure you know your own COP and use it as a base for your decisions. Anything you can do over the next few months to lower your COP may help offset a lower return this fall. If you decide to sell, do whatever you can to make your calves more attractive to the buyer. This includes verifiable documentation of herd health, tagging, and vaccination. Make sure your programs match what the buyers want. Feedlots may be very selective—give them no opportunity to discount your calves. If your calculations show that your sale income will not meet your financial obligations, now is the time to discuss your credit needs and make arrangements with your financial institution.


A delayed market

The markets may run much later than we are used to. Until the feedlots can move cattle out, they can't look at refilling. It's possible the big run might not happen until late fall. That means you may be holding cattle that you would normally just take off grass and ship. Such a scenario will require a number of adjustments. First you will need additional feed. Consider purchasing or harvesting extra forage and feedgrains now, or when they are in abundance. Housing requirements will also come into the picture. Younger cattle will require better shelter than older cattle. Cash flow will be restricted and changes in feed and housing will come at a cost. If this will cause extra credit requirements, talk to your financial institution now. If you are dealing with a class of cattle with which you have no experience, revised management and health programs will be necessary. Consult with your veterinarian early to develop health programs, that may prevent a health wreck come fall.

No market

Due to border closure and subsequent market interruption and with continued restrictions on live animal trade, it's quite possible that some producers will not be able to market their calves. You will need to plan for holding calves or for arranging a custom feeding situation if this happens. Look at possible contracts and feeding yards well in advance of when you would need them. Consider financing that will be required and discuss this with your lenders well in advance.

While none of these possibilities may be very appealing, it will be better to consider your options now and, if possible make arrangements that will give you some control over your choices this fall.

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Evaluating Your Cost of Production in the Cow Herd

The discovery of a single cow with BSE in Alberta has had a significant impact on the Canadian Beef Industry and will for some time. Predicting markets in a normal environment is difficult but under current conditions, it is nearly impossible. As producers you need to focus on what you have some control over. Producers, no matter what sector of the industry, must develop financial and production strategies to manage their operations. Decisions must be based on cost of production, financial risk, cash flow and facts.

The first step for cow-calf producers, in determining management and marketing decisions must be to determine cost of production to raise a weaned calf. Calculating your cost of production for a weaned calf will look relatively easy compared to

forecasting fall feeder prices this year. Table 1 shows an estimated cost of production and breakeven price for a beef herd in Ontario. To get an accurate number you will need to take the time to determine your own cost of production. This information can assist you in making the appropriate marketing and management decisions during these difficult times.

Table 1. Estimated Cost of Production for an Ontario Beef Cow Herd

Cost	\$/Cow	Comments
Winter Feed	305	210 days x \$1.47/day (feed & minerals at market value)
Pasture	116	155 days x \$0.75/day
Health/Vet	25	
Breeding	30	
Marketing/Trucking	30	
Yardage	53	Includes utilities, taxes/insurance, bedding, manure removal, equipment repairs
Interest	10	Interest on operating loans
Total Cost	\$569 per cow	
Assume 90% wean rate per cow wintered (10% for opens and death loss)		
Total Cost	\$626 per weaned calf	
Assume 600 pound average wean weight (shrunk, average of heifer and steer calves)		
Cost of Production	\$1.04/lb	

Based on Table 1 with a cost of production of \$1.04/lb and if the market price of calves was \$0.70/lb, a 600 lb calf sold at weaning will result in a loss of \$204/head. In a 50 cow operation, this results in a \$10,200 loss.

Once you determine your cost of production, the next step is to evaluate your marketing options. With the current trade ban of some beef products and live cattle, calf sales will be severely effected and cow-calf producers may be

Table 2. Breakeven/Returns for 600 lb Weaned Calf

Annual Cow Costs (\$)	Calf Price \$/lb				
	1.00	0.90	0.80	0.70	0.60
500	100	40	(20)	(80)	(140)
600	0	(60)	(120)	(180)	(240)
700	(100)	(160)	(220)	(280)	(340)
800	(200)	(260)	(320)	(380)	(440)

faceted with heavy losses unless some planning is taken to offset this loss. You need to base your decision on profit, risk and cash flow and in some cases, acceptable loss that you as a manager are willing to undertake. Table 2 indicates the return at four levels of cost of production and five levels of market price. None of these returns look very optimistic based on the uncertainty of the markets.

It is important to assess all your options fully before making a decision. Retained ownership and contract feeding are two options many producers are considering.

Other articles in this issue look at options and raise questions you need to consider when making decisions to sell, retain ownership or contract feed. All of these need to be budgeted, planned for and, discussed fully with your financial institution because they will impact cash flow.

Visit the OMAF webpage (www.gov.on.ca/omaf) and select the BSE button for additional technical information to assist you in managing your herd through these difficult times.

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OMAF Virtual Beef is published in electronic format and is available online at <http://www.gov.on.ca/OMAF/english/newsletters.html> or by contacting 1-877-424-1300.

Technical Information Regarding BSE

Canada's Outdoor Farm Show Look for OMAFs BSE display in the Beef Tent at Canada's Outdoor Farm Show, September 9-11. Talk to our specialists and find out what up-to-date technical information is available.

OMAF BSE Site

http://www.gov.on.ca/OMAFRA/english/livestock/general/health_management/bse/index.html

The Canadian Food Inspection Agency (CFIA) is the lead agency for Canada and has the legislative authority to prevent the entry of BSE and detect, report or control any potential occurrence of the disease. The CFIA can be reached at **1-800-454-8408 (public) or 613-228-6682 (media)**.

Additional technical information and key messages prepared by the CFIA are available on their website at:

<http://www.inspection.gc.ca/english/anima/heasan/disemala/bseesb/bseesbindexe.shtml>

The **Ontario Ministry of Agriculture and Food's Agricultural Information Contact Centre** is available Monday to Friday from 8:00 a.m. to 5:00 p.m. to respond to your technical questions. They can be contacted at **1-877-424-1300**.

BSE Help Line

The Ontario Ministry of Agriculture and Food (OMAF) has implemented a new **BSE Help Line** to better meet the information needs of clients affected by the BSE situation in Ontario. The BSE Help Line gives callers access to a team of OMAF specialists who will be able to offer technical advice to help producers make informed management decisions. The new BSE Help Line allows farmers to get answers to their BSE-related questions at **1-888-292-5856**.

Financial Counselling

Farm Consultation Service. Through this federally administered program, farmers who are experiencing financial difficulty can gain the services of a professional financial counsellor to help assess the current situation and to develop a plan for future success. Applicants pay a nominal fee of \$100.00 for this unique individualized and confidential service. Contact: Farm Consultation Service, Guelph, ON **1-866-452-5558**, www.agr.gc.ca/policy/adapt/national_initiatives/fcs.phtml

Emotional Support

The **Farm Line** is a toll-free and confidential, anonymous service that offers emotional support and referral services for Ontario farmers and their families. Callers can speak to a peer support worker regarding a wide variety of topics, including financial difficulties, stress, grief, family or marital problems, serious accidents and traumatic events. Access The Farm Line at **1-888-451-2903** Monday to Friday 8:30 a.m. to 8:00 p.m. www.thefarmline.ca

BSE Compensation Programs

Canada Ontario BSE Recovery Program The objective of this program is to provide a mechanism that stabilizes marketing of slaughter livestock during the period of the United States temporary border closure. Payment under this program will provide assistance to applicants who owned livestock on May 20, 2003 and incurred reduced slaughter livestock prices on, or after May 20, 2003 until August 31. Animals must be slaughtered by September 5.

Ontario BSE Recovery Initiative (Set-Aside Program) The purpose of the program is to provide compensation for cattle that are ready for market, but cannot be slaughtered due to abattoir capacity constraints. All applications must be received (faxed, delivered or post-marked) on or before September 5, 2003.

The following site contains links to information regarding application procedures, payment examples and application forms <http://www.gov.on.ca/OMAFRA/english/policy/bserp/index.html>

To contact those administering the compensation program please call **1-877-838-5144** or email: ofidp@omaf.gov.on.ca

Budgets

These one page budgets focus on the economics of feeding cattle and features such things as calculating the total cost of gain, feed efficiency and net return/animal. The budget programs (which can be downloaded from <http://www.gov.on.ca/OMAFRA/english/busdev/downtown.htm#beefbud>) can evaluate past performance as well as projecting ahead. It allows you to look at "what if" scenarios before you purchase cattle.

This issue features three scenarios, backgrounding calves 180 and 340 days, and finishing calves. All three scenarios use purchase and sale prices we would normally not expect. Prices used in these examples do not attempt to predict the market; producers need to consider their own cost of production, recognize the volatility in the market and determine their level of risk when buying and feeding cattle this year.

\$\$\$ Ontario Feedlot Cost of Production Budget \$\$\$ Backgrounding Calves – 180 Days

Calf Information

Sale Weight (lb.)	800
Purchase Weight (lb.)	500
Days on Feed	180
Death Loss %	2.00

	\$/Head	\$/lb
Sale Value	\$ 560	
Purchase Value	\$ 250	
Death Loss Value	\$ 8	
Margin	\$ 302	\$ 1.01

Expected Cost of Gain

Feed (\$/lb of gain)	\$ 0.46
Health & Vet. Expenses (\$/hd)	\$ 20
Marketing/Trucking (\$/hd)	\$ 27
Yardage** (\$/hd/day)	\$ 0.25
Interest Rate %	5.5

	\$/Head	\$/lb
Feed	\$ 139	\$ 0.46
Health & Vet. Expenses	\$ 20	\$ 0.07
Marketing/Trucking	\$ 27	\$ 0.09
Yardage	\$ 45	\$ 0.15
Interest	\$ 11	\$ 0.04
Expected Cost of Gain	\$ 242	\$ 0.81
Net Return	\$ 60	\$ 0.20

Expected Market Situation

Sale Price (\$/lb.)	\$ 0.70
Purchase Price (\$/lb.)	\$ 0.50
Total Gain (lbs.)	300

	\$/Head	\$/lb
Breakeven Sale Price	\$ 500	\$ 0.63
Breakeven Purchase Price	\$ 310	\$ 0.62
A.D.G. (lbs./day)	1.67	

Feed Requirements

	\$/tonne
Hay	\$ 70
Haylage	\$ -
Corn Silage	\$ -
Dry Corn	\$ 145
H.M. Corn	\$ -
Beef Supplement	\$ 300
Salt & Mineral	\$ 450
Corn Screenings	\$ -
	\$/acre
Pasture	\$ -

	Kgs. per Head/Day		Percent DM
	5.0	\$ 63	90
	-	\$ -	45
	-	\$ -	35
	2.0	\$ 52	86
	-	\$ -	70
	0.4	\$ 22	90
	0.03	\$ 2	100
	-	\$ -	86
	-	\$ -	N/A

Total Feed Cost	\$ 139
Feed Cost per lb. of Gain	\$ 0.46
Feed Conversion (lbs. - as fed basis)	9.83
Feed Conversion (lbs. - dry matter basis)	8.75

** Yardage is hydro, telephone, taxes & insurance, bedding, manure removal, housing, and equipment repairs.

This budget looks at the feasibility of purchasing calves this fall and backgrounding for 180 days. Predicting the market price is very difficult with the current situation. Assuming a \$0.70 sale price for 800 lb stockers come spring, a producer can pay \$0.50/lb this fall for light weight calves. Cost of production is \$0.81/lb of gain, return of \$60/head.

\$\$\$ Ontario Feedlot Cost of Production Budget \$\$\$

Backgrounding Calves – 340 Days

Calf Information

		\$/Head	\$/lb
Sale Weight (lb.)	1,030	\$ 824	
Purchase Weight (lb.)	450	\$ 338	
Days on Feed	340	\$ 12	
Death Loss %	2.00	\$ 475	\$ 0.82

Expected Cost of Gain

		\$/Head	\$/lb
Feed (\$/lb. of gain)	\$ 0.46	\$ 265	\$ 0.46
Health & Vet. Expenses (\$/hd)	\$ 20	\$ 20	\$ 0.03
Marketing/Trucking (\$/hd)	\$ 27	\$ 27	\$ 0.05
Yardage** (\$/hd/day)	\$ 0.25	\$ 85	\$ 0.15
Interest Rate %	5.5	\$ 30	\$ 0.05
		Expected Cost of Gain	\$ 427
		Net Return	\$ 48
			\$ 0.08

Expected Market Situation

		\$/Head	\$/lb
Sale Price (\$/lb.)	\$ 0.80	\$ 776	\$ 0.75
Purchase Price (\$/lb.)	\$ 0.75	\$ 386	\$ 0.86
Total Gain (lbs.)	580		
		A.D.G. (lbs./day)	1.71

Feed Requirements

	\$/tonne	Kgs. per Head/Day	Percent DM
Hay	\$ 70	3.0	90
Haylage	\$ -	-	45
Corn Silage	\$ -	-	35
Dry Corn	\$ 145	1.5	86
H.M. Corn	\$ -	-	70
Beef Supplement	\$ 300	0.2	90
Salt & Mineral	\$ 450	0.06	100
Corn Screenings	\$ -	-	86
Other	\$ -	-	
Other	\$ -	-	
	\$/acre		
Pasture	\$ 90	N/A	N/A

Total Feed Cost	\$ 265
Feed Cost per lb. of Gain	\$ 0.46
Feed Conversion (lbs. - as fed basis)	N/A
Feed Conversion (lbs. - dry matter basis)	N/A

** Yardage is hydro, telephone, taxes & insurance, bedding, manure removal, housing, and equipment repairs.

This budget looks at the feasibility of purchasing calves this fall, backgrounding through winter, pasturing for the summer and marketing as yearlings next fall. Using conservative numbers for purchase, \$0.75/lb, and sale, \$0.80/lb, a producer can expect a return of \$48/head if cost of gain is \$0.74/lb of gain.

\$\$\$ Ontario Feedlot Cost of Production Budget \$\$\$

Finishing Scenario

Calf Information

		\$/Head	\$/lb
Sale Weight (lb.)	1,400	\$ 980	
Purchase Weight (lb.)	600	\$ 360	
Days on Feed	260	\$ 13	
Death Loss %	2.00	\$ 607	\$ 0.76

Expected Cost of Gain

		\$/Head	\$/lb
Feed (\$/lb. of gain)	\$ 0.51	\$ 410	\$ 0.51
Health & Vet. Expenses (\$/hd)	\$ 20	\$ 20	\$ 0.03
Marketing/Trucking (\$/hd)	\$ 27	\$ 27	\$ 0.03
Yardage** (\$/hd/day)	\$ 0.25	\$ 65	\$ 0.08
Interest Rate %	5.5	\$ 26	\$ 0.03
		\$ 549	\$ 0.69
		\$ 58	\$ 0.07

Expected Market Situation

		\$/Head	\$/lb
Sale Price (\$/lb.)	\$ 0.70	\$ 922	\$ 0.66
Purchase Price (\$/lb.)	\$ 0.60	\$ 418	\$ 0.70
Total Gain (lbs.)	800		
		3.08	

Feed Requirements


	\$/tonne	Kgs. per Head/Day	Percent DM
Hay	\$ 70	2.5	90
Haylage	\$ -	-	45
Corn Silage	\$ 30	6.0	35
Dry Corn	\$ 145	7.0	86
H.M. Corn	\$ -	-	70
Beef Supplement	\$ 300	0.7	90
Salt & Mineral	\$ 450	0.03	100
Corn Screenings	\$ -	-	86
Other	\$ -	-	
Other	\$ -	-	
	\$/acre		
Pasture	\$ -	N/A	N/A

Total Feed Cost	\$ 410
Feed Cost per lb. of Gain	\$ 0.51
Feed Conversion (lbs. - as fed basis)	11.59
Feed Conversion (lbs. - dry matter basis)	7.87

** Yardage is hydro, telephone, taxes & insurance, bedding, manure removal, housing, and equipment repairs.

This scenario examines the feasibility of buying heavy calves at \$0.60/lb and selling them as finished cattle for \$0.70/lb. You can expect a return of \$59/head if cost of gain is \$0.69/lb. The steers would be fed in a step wise fashion; more roughage would be fed in the early stages and mainly corn in the last 100 days or so.

For more information or to determine your Cost of Production (COP) contact:

Dennis Martin,
Beef Feedlot Specialist,
(519) 482-5976,
dennis.martin@omaf.gov.on.ca 

Looking for Extra Forage

One of the aspects of the recent disruption to cattle markets will be the need for increased feed supplies for those who can not, or choose not to, market their animals at their normal marketing window. Maximizing the use of pasture can make a significant contribution to increasing on-farm feed supplies. Here are several different approaches that a producer might take to make the most of on-farm resources.

Rotational grazing will give increased production. Doing this from the beginning of the season will give the most benefit but even in mid season you will realize improved grass production. The value in rotational grazing comes from the rest period or non-grazing period that allows the grass to re-grow. A re-growth period of approximately 30-40 days should be the goal. Rotational grazing will also help reduce losses due to tramping and encourage the animals to consume all the grass rather than being selective in what they eat.

Nitrogen (N) fertilizer will give a boost to grass production in a pasture. Apply preceding a rainfall in order to get the nitrogen into the soil. If the nitrogen prills lay on the soil surface without rain, much of the N will be lost into the atmosphere. An application of 50 to 75 kgs. of N/ha is best; lower amounts will not promote significant growth; the grass will turn green but extra growth will be limited. For nitrogen recommendations for pasture see the Agronomy Guide for Field Crops (OMAF Publication 811) or visit following link on the OMAF website:

<http://www.gov.on.ca/OMAFRA/english/crops/pub811/5fert.htm#table56>

Stockpile grazing can extend the grazing season into the late fall or even early winter. Stockpile grazing involves allowing the forage to grow through the late summer and early fall for use as pasture after the growing season ends. Research and experience has shown that a non-lactating beef cow can survive very well on stockpiled forage and even gain weight. This practice can reduce the need for stored forage for several weeks to several months depending on how you apply it to your farm. See the *Stockpiling Perennial Forages for Fall & Winter Grazing* Factsheet (Order #99-009) or the following link on the OMAF website for further information:

<http://www.gov.on.ca/OMAFRA/english/livestock/beef/facts/99-009.htm>

Look for alternate grazing areas, on your farm and in your community. Second and third growth in hay fields can be grazed if the hay is not needed. Select fields that have been down for a few years as your first choice. In some parts of the province there are fields that have not been cropped or pastured for a number of years; investigate the possibility of utilizing some of these for extra forage. There will be a cost for fencing, but that will need to be balanced against the value of the extra pasture that you will achieve. Temporary electric fence can be easily erected to make use of an area that has not traditionally been pastured.

Consider harvesting cereal crops as forage rather than grain. These crops make excellent forage and greatly increase the amount of feed

that is realized from the crop. Cereals are most successfully harvested as baleage or silage at or before the kernel reaches the soft dough stage and while the leaves are still green.

Early harvested cereal fields can be re-seeded to a cereal to provide forage in about 6 weeks time (seeding should be done by mid August and requires sufficient soil moisture to germinate and grow the new plants.) Oats work well for this but barley will also produce good late season forage. Broadcast the seed and work lightly to get good seed-to-soil contact.

Stubble turnips are another alternative for early August seeding into a hay or cereal stubble. Stubble turnips will produce excellent quality grazing for the fall period. Livestock will graze both the tops and the tubers of the turnips.

There are a number of ways to add to or stretch your forage supply for the coming year so that the need to sell animals due to lack of feed can be avoided. Look at all the opportunities that are available to you and utilize the one that will best fit your operation.

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Are You Ready For Fall Calf Sales?

*The full version of this article can be viewed and record forms can be downloaded from the OMAF website
http://www.gov.on.ca/omafra/english/livestock/beef/facts/info_fallcalfs.htm*

The recent discovery of a single case of Bovine Spongiform Encephalopathy (BSE) in Alberta has dramatically affected the Canadian cattle industry with the subsequent loss of export markets. Some of the impacts from this discovery have not yet been felt by cow-calf producers, they will come during the run of fall feeder calf sales.

The BSE crisis will affect feeder calf sales this fall and it will be advantageous for producers to have detailed records when trying to market calves. Records that include processing, health and treatment information, feed and cattle inventory can vastly improve your marketing opportunities.

Processing records for both the animals sold and the cowherd at home, may include information on castration, dehorning, implants and vaccination.

Health and treatment records and feed and herd inventory records provide historical data as well as verification to buyers of feeder calves in the fall. Health and treatment records document all events requiring treatment. These records will keep track of the date the animal received treatment as well as what and how they received it.

Feed records may be as simple as keeping feed tags/labels from purchased feed or copies of invoices that list what products were purchased and where feed was fed. Producers may be required to sign a document stating that they have abided by the Ruminant Feed Ban Regulations.

Permanent herd inventory records will include information about your animals, such as: when they came into the herd, where they came from, when they left the herd and where they went. All animals permanently leaving the farm are required to have a Canadian Cattle Identification Agency (CCIA) tag; producers should keep a record of this number and the animal it is assigned to.

Providing a summary, such as the one below, to potential buyers and auction barns prior to the fall calf sales may give producers an advantage when marketing calves this fall.

Calf Sale Summary				
Calf Information		Weaning Date <u>Sept 23, 2003</u>		
Castration Method <u>Knife</u>		Castration Date <u>Aug 26, 2003</u>		
Dehorning Method <u>Buddex</u>		Dehorning Date <u>Aug 26, 2003</u>		
Implant <u>Ralgro</u>		Implant Date <u>Aug 26, 2003</u>		
Injection Site <u>Neck</u>		Feed Exposed to <u>16% Beef Ration - Co-op</u>		
Vaccinations	Date	Live (✓)	Killed (✓)	Booster Date
<u>Triangle 4/HS</u>	<u>26-Aug-03</u>		✓	<u>23-Sep-03</u>
<u>One Shot</u>	<u>26-Aug-03</u>		✓	<u>23-Sep-03</u>
<u>Dectomax</u>	<u>23-Sep-03</u>			
Cow Information				
Vaccinations	Date	Live (✓)	Killed (✓)	Booster Date
<u>Triangle 4/HS</u>	<u>02-Jul-03</u>		✓	<u>16-Jul-03</u>
<u>Cattlemaster</u>	<u>16-Jul-03</u>	✓		
<u>Dectomax</u>	<u>23-Sep-03</u>			
Cow Herd Breed <u>Angus</u>		Sire Breed <u>Simmental</u>		
This herd abides by the Ruminant Feed Ban Regulations and livestock have not been exposed to any prohibited feeds.				
Signed <u>John Smith</u>			Date <u>October 24, 2003</u>	
Address: <u>RR#5 Somewhere, Ontario N4Z 3L7</u>			Phone: <u>(545)555-4564</u>	
Note: Consult your veterinarian to determine what products and procedures are best suited for your operation				

Producers need to review their record keeping system and determine what records are required to verify their management procedures. Complete record keeping systems will give producers an added advantage when marketing calves this fall and in the future.

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Managing Credit and Cash Flow Under Difficult Marketing Conditions

Current cattle markets have severely reduced the cash flow of many beef operations. Here are some steps you can take to help you manage cash and credit flow:

- Assess your current situation regarding cattle, feed and housing.
- Examine the ability of your farm business to meet its cash obligations over the upcoming months.
- Communicate with your creditors as soon as possible to discuss the details of your current situation.
- Provide lenders with an assessment of your cash flow and credit needs. Your lender can supply you with a financial analysis workbook to prepare this information or, alternatively, use OMAF's Farm Financial Analysis and Planning Workbook* (Publication 37), a step by step system for producing a cash flow statement in either the hard copy workbook or in an electronic Excel spreadsheet format. Access this document at:
<http://www.gov.on.ca/OMAFRA/english/busdev/downtown.htm> and download
Publication37ver1.xls.

Additional Considerations

Accounts Payable: Feed, fuel and other input purchases carried for more than 30 days on account with suppliers may be subject to interest

charges of two percent or more per month. Discuss your current situation with these creditors as well. Options to consider for interest cost reduction and cash flow assistance include the following:

ACC Farmers Financial - Agricultural Commodity Corporation, 1-888-278-8807.

- **Advance Payments Program** – provides advance payment on crops grown and placed in storage by the applicant. Crop insurance is not required for this program. There is provision for on-farm feeding of some crops.

Operating Loans: If negotiating with your lender to increase your operating loan to cover your projected cash flow deficiencies is not a realistic option, an alternative may be to term out a portion of your operating loan to free up additional working capital.

Another option may be to negotiate for a deferral of existing principal payments on your term debt and make interest only payments for a period of time. Prepare for your meeting by summarizing changes to your marketing strategy for both the short and long term, current costs of production, and cash and financing needs for now and in the future.

OMAF Factsheet* **Troubleshooting Your Farm Business – Identifying and Managing Financial Pressure**

(Order # 00-107) includes a detailed list of questions that can prepare you for meeting with your lender. Be prepared for the possibility of increased security being required by your lender. OMAF Infosheet - Security Instruments - A Review, can help you understand what you may be asked to sign. This document can be accessed at:

<http://www.gov.on.ca/OMAFRA/english/busdev/facts/security.htm>

Net Income Stabilization Account (NISA):

- Call NISA at 1-800-665-6472 to determine your eligibility for a 2002 withdrawal, if you have not already received your 2002 Deposit Withdrawal Options Notice.
- Contact NISA for information on your options regarding early access for the 2003 program year.

Bottom Line... Keep Creditors Informed — Assess Your Cash Flow — Assess Your Options

*Order OMAF Factsheets/Workbooks by calling the Agricultural Information Contact Centre at 1-877-424-1300.

Barb Parker, 519-826-4350,
barb.parker@omaf.gov.on.ca



Internet Sites

Beef Cattle Publications: <http://www.vetmed.ufl.edu/lacs/Richey/Beef.html>

A gathering of articles from the University of Florida's Veterinary Medicine department. The articles deal with vaccination and common diseases in cattle.

Alberta Cattle Feeders Association: <http://cattlefeeder.ab.ca/herd/ahfs20030408.shtml>

This link is a factsheet dealing with the issue of injection site lesions in beef. The information includes how to minimize and prevent injection site lesions.

Cow-Calf Corner: <http://www.ansi.okstate.edu/exten/cc-corner/archive.htm>

A gathering of articles dealing with many topics, including replacement heifers, calving management, herd health, bull management, management during severe weather, reproductive management, nutritional management, and general herd management.

Management Tips

- ✓ If cows are still cycling, find the problem and fix it fast. Check the bull, the nutrition, the body condition and reproductive disorders. If the problem is the cow, mark it down for culling.
- ✓ Remove the bulls after 90 days to shorten up the calving season and make it easier for winter nutrition management and get a more uniform calf crop next fall.
- ✓ As the nutrients are depleted in the grass provide a source of mineral to replace them. Placing mineral away from the water source will give a more even grazing pattern.
- ✓ Monitor grazing conditions. Move the cattle as needed or be prepared to provide supplemental feed as the grass supply shortens. Beginning feeding before the grass is entirely gone will extend the grazing. Overgrazing will hurt the crop for next year.
- ✓ Avoid moving or handling cattle in the heat of the day to minimize heat stress.
- ✓ Go through the pasture and the records to decide which cows are unsound or aren't pulling their weight and need to be culled.
- ✓ Make sure you have your National ID Tags and the numbers are recorded.
- ✓ Follow up with last years' calves. Can you go see how they are finishing out? At least try to talk to who bought them and ask for suggestions. It may help with next falls sales.
- ✓ Go through your records and procedures to make sure you have all the requirements for the fall sales. 🌐

Upcoming Events

September 9	4-H Beef Judging Competition – Outdoor Farm Show, Woodstock
September 9-11	Outdoor Farm Show – Woodstock
September 14	Ontario Angus Preview Show & Junior Heifer Show – Brampton
September 17-21	International Plowing Match – Rural Expo 2003 – Lanark
November 7-16	The Royal Agricultural Winter Fair – Toronto
November	Beef Symposium

