

Livestock Management

Risks and Uncertainty Associated with Drought

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Risks and Uncertainty

- ◉ Reduction in Long Term Carrying Capacity
- ◉ Reduction of Income
- ◉ Deciding How and When to Destock
- ◉ Loss of herd genetics from Destocking



Reduction in Carrying Capacity

- ◉ Can Last for Many Years
- ◉ Problems are Compounded if grazing continues after forage resources are gone
- ◉ Hardest part is trying to determine when a drought may break



Reduction of Income

- Banks, taxes, overhead still has to be paid
- Luckily we have had the best prices on record and typically that is not the case, however this is changing
- Economy of scale goes out the window



Deciding How and When to De-stock

- ◉ When do I begin
- ◉ What should I sell first
- ◉ When is it costing me more to feed than to sell
- ◉ Market Prices are uncertain
- ◉ Feed Costs are uncertain



Loss of Herd Genetics

- ◉ Many spend a lifetime improving genetics and tightening breeding seasons
- ◉ What will it cost to re-stock with decreased supplies of cows, ewes and nannies?



What to do to Reduce Risk

- ◉ Maintain as much carryover forage as possible
- ◉ Maintain a flexible herd composition
 - 40-60% stocker
- ◉ Use light to moderate stocking rates
- ◉ Use deferment to lessen effects of drought
- ◉ Use systematic stock reduction plans before drought

Systematic Stock Reduction Plan

- Enhanced basic culling

- Don't wait too long

- Cull least valuable, high risk

- Eyes, bags, teeth should already be gone
- Dry Open Cows
 - Did not raise a calf this year
 - Did not breed back in controlled breeding season
 - Have missed breeding in the past

Systematic Stock Reduction Plan

- Consider Early Weaning of offspring
 - Cheaper to feed and improve condition on young animals
 - Females will be able to regain body condition and be more likely to rebreed
- Sell offspring as early as possible
 - Make sure they are in good condition
- Cull cows that are palpated open
- Get rid of structure or production defects



Systematic Stock Reduction Plan

- Young Replacements (heifers, ewe lambs, nannie kids)
- Cows palpated short bred
- Older animals with offspring at side
- Thin quality females with offspring at side
- Good conditioned productive females
 - 4-8 year old cows
 - 3-5 year old ewes and nannies



What to do to Reduce Risk

- Use forage inventories to make stock reduction decisions
- Plan for drought in the wet years
 - Keep forage reserves
 - Decide whether to use flexible herds or moderate stocking rate
- Know the costs of feed vs. de-stocking
 - Use different price scenarios for livestock and feed to determine upper and lower limits of each

What to do to Reduce Risk

- ◉ Identify other sources of income
 - Diversity in an operation helps
 - Hunting
 - Other recreational use
- ◉ Consider Tax consequences of livestock liquidations
 - Check on assistance for feed resources, tax breaks or loans
- ◉ Know how to manage poisonous plants

What to do to Reduce Risk

- ◉ Know how to manage during the recovery period
 - Plants will need time to recover following drought
 - Re-stock slowly



Robert Kensing Drought Survival Strategy

- Load Trailer with stock
- Drive to Sale Barn
- Take Sale Barn Money and buy Feed on the way home
- Feed remaining animals until runs out
- Load Trailer with stock
- Drive to Sale Barn
- Take Sale Barn Money and buy Feed on the way home
- Feed remaining animals until runs out
- Repeat until it rains enough or you are out of stock

McCulloch County AgriLife Quote

- This too shall pass!

