

# BEEF

October 2019

## Winter finishing – do the economics stack up?

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With beef prices at their lowest level in over a decade, it is obvious among those with cattle to finish this winter that there are more questions being raised than ever before about the economics of investing in feeding stock to slaughter next spring. Last winter's €3.75/kg base price was loss making no matter what way it is looked upon but this will be cushioned somewhat with the €100/head Beef Exceptional Aid Measure (BEAM) payment, which will be issued at year end. If current prices persist at €3.45/kg into next spring,

a much larger payment, in the region of €200/head will be needed to cushion severe losses. Whether or not a second BEAM type payment will be sanctioned remains to be seen. **Table 1** outlines the required break-even steer finish price based on current input and store prices.

### Other options for steer finishers this autumn

1. Sell forward stores off grass prior to housing.  
Store cattle have thrived excellently off grass and prices in marts are still reasonably strong.

**Table 1: Winter finishing margins of steers at 24 months.**

	Friesian	Hereford X	Continental X
Purchase weight (kg)	500	500	530
Price per kg (€)	1.58	1.88	2.17
Price (€)	790	940	1,150
Variable costs (€)	349	349	351
Fixed costs (€)	79	81	85
Break-even price (€)	1,218	1,370	1,586
Expected carcass weight (kg)	326	332	375
Break-even price per kg (€)	3.74	4.12	4.23

2. Push forward stores for an early 20-21 month finish off grass. Farmers would be advised to weigh all forward stores at this stage.
3. Store over winter and kill next summer/autumn off grass. This is a lower-risk option and based on Teagasc figures, requires the lowest beef price to achieve a margin.

### Key economic messages this autumn:

- improving efficiency still pays;
- current beef prices make all suckler systems loss making;
- storing cattle with a view to finishing next autumn allows the market time to correct itself;
- bull finishing is high risk and an agreement with processors should be made before finishing bulls;
- costs must be cut wherever possible for the foreseeable future;
- implement a very basic fertiliser programme – reduce phosphorus (P) and potassium (K) – continue with lime application;
- no investment in machinery or buildings and keep maintenance to essentials only;
- for dairy calf to beef systems – calf prices will have to fall to leave a margin – at last year's calf prices, taking them through to finish will be loss making in the current market; and,
- if beef prices remain low, dairy farmers must be conditioned for a difficult calf trade in 2020.



## Extending the grazing season in Kilkenny

Peter and Thomas O'Hanrahan – participants in the Teagasc Green Acres Calf to Beef programme – plan to extend the grazing season in

Thomastown, Co. Kilkenny. Grazed grass forms the backbone of their business and as they operate on a very dry land base, they're aiming to stretch the grazing season to nearly 300 days this year. A flexible mindset and good grazing infrastructure will be required. The grazing area of the farm is 90.34ha and they have installed paddocks and tracks to make it easier to handle groups of cattle when conditions prove difficult. Yearlings were turned out in mid January before being rehoused for a short period in February due to inclement weather. If grazing can be extended until mid November, that will be 283 days' grazing this

year. If lighter animals can remain at grass until December 1, this pushes grazing to 298 days. To facilitate this and to ensure sufficient grass is available next spring, an autumn rotation planner has been completed. The 60:40 plan is based on having proportions of the farm closed by certain dates.

Closing will begin on October 9 and 60% of the farm will be grazed by November 7. This means the O'Hanrahans will have to graze 1.87ha/day during this period. The remaining 40% will be grazed by November 30 at a rate of 1.57ha/day. A winter finishing system is operated, so demand can be reduced by moving cattle onto finishing diets, while lighter weanlings will remain outdoors if conditions permit. Learn more on the O'Hanrahans' autumn management at an open day on their farm on October 10.

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## BETTER FARM UPDATE



# Balancing AI and an off-farm job

Kerry farmer James Flaherty used artificial insemination (AI) to cut his calving spread down to 10 weeks.

The main technology James Flaherty has adopted since joining the BETTER farm programme is AI. He now has brilliant calves on the ground, and has also tightened up his calving spread to 10 weeks. He was eager to shorten the calving period, as cows were previously calving from January to May. Having a tighter calving pattern is paramount, given that James works off farm full-time. It cuts down on labour and gives him a more uniform bunch of calves.

While 100% AI may sound daunting, the system operated by Flaherty is impressive and allows for easy AI management. The farm is positioned in a long narrow block, with a roadway up the middle and the yard in the centre.

Throughout the breeding season cows graze on alternative sides of the yard every second day. They have to walk through the yard each day as they go to fresh grass, and James can easily pull out cows in heat. He also runs a vasectomised bull with the Moocall heat detection system to further enhance his chances of identifying cows in heat.

Breeding for 2019 went well on James' farm, with the results outlined in **Table 2**.

**Table 2: Breeding results from the Flaherty farm in 2019.**

Conception to first service	80%
Three-week submission	78%
Six-week submission	100%
Three-week conception	59%

AI has given James the flexibility to pick and choose different sires for individual cows. Some of the maternal sires James used in 2019 were: QCD – Cloondroon Calling (SI) €167; SA2189 – Ulsan (SA) €214; LM2014 – Ewdenvale Ivor (LM) €166; and, ZEP – Hawkley Red Zeppelin N659 (AA) €116. A selection of the terminal sires used included: CH2218 – Bivouac (CH) €165; EDW – Clondown Eddie (BA) €144; and, CH4160 – Pottlreagh Mark (CH) €130.

## HEALTH & SAFETY

### Could it collapse?

During October check the safety of heavy objects and items that could collapse around the farm. This applies particularly to loads at height, which have high potential to kill, e.g., large bales. Check that gates and fences around the farmyard are in a good state of

repair before livestock are housed – for safety and ease of livestock handling. Also, check trees on your farm, particularly along public roads and around the farmyard for signs of decay or damage, as these have high potential to collapse over the winter months.



## RESEARCH UPDATE



### Authenticating the dietary history of beef

Aidan Moloney of AGRIC, Grange, Dunsany, Co. Meath reports on the development of new techniques to identify from meat samples what diet cattle were finished on.

Consumers today are increasingly interested in how their food is produced and where it comes from. There are opportunities for the meat industry to develop markets for branded products such as “grass-fed” beef.

Methods of authenticating the dietary background of animals are essential to maintain consumer confidence and make it less likely that counterfeit products are sold under such labels. While traceability systems are in use, they mostly rely on a paper trail and direct measurement of a dietary marker in beef would be more reliable for authentication purposes. Research at Grange, in collaboration with University College Dublin, demonstrated the potential of one such marker (the ratio of natural stable isotopes of carbon and nitrogen) to accurately discriminate between beef from cattle fed maize silage-based diets compared to beef from cattle fed grass silage-based diets, and beef from cattle finished at grass or on concentrates. Recently, near infrared spectroscopy, which is a rapid, non-destructive tool, was shown to be able to clearly discriminate between beef from cattle finished on grass or concentrates, but not as clearly between beef from cattle finished at grass or on silage and

concentrates. A new project called Signature of Irish Grass-fed Beef (Beef Sig) funded by the Department of Agriculture, Food and the Marine (DAFM) and in collaboration with University College Dublin, will further develop authentication strategies for both the dietary history and geographical origin of beef. The project aims to:

- establish the extent of differences in the characteristics of beef produced commercially and to develop signatures for different production systems;
- determine if seasonal differences exist in the compositional signature of Irish grass-fed beef (and if they are related to differences in the amount of grass in the diet);
- further develop rapid methods for discriminating beef from different production systems; and,
- establish if differences in beef from Irish and non-Irish production systems exist – is there a unique Irish signature/fingerprint?

Our ambition is to be able to discriminate between beef based on its geographical origin and its level of grass feeding so that it can be confidently assigned to different markets.

### Upcoming events

Grass10 Autumn Event: Preparing for 2020	Tuesday, October 8 at 11.00am	Newford Herd Suckler Unit, Athenry
Teagasc/Bord Bia event.	Wednesday, October 9 from 2.00pm - 5.00pm	On the farm of Willie Kelly, Laragh, Skreen, Co. Sligo. Eircode: F91 XC94
Teagasc Green Acres Dairy Calf to Beef National Event.	Thursday, October 10 at 2.30pm	On the farm of Thomas and Peter O’Hanrahan, Kiljames, Thomastown, Co. Kilkenny. Eircode: R95 VH01