



# Ag Insights

*From the Desks of Your Northwest Area Ag Specialists*

Oklahoma Cooperative Extension Service - Division of Agricultural Sciences and Natural Resources - Oklahoma State University

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## **Consider Costs Before Creep Feeding**

**Dana Zook, NW Area Livestock Specialist**

This past spring, a number of producers contacted the extension office with questions regarding creep feeding and its potential profit for their operations. In general, creep feeding is a management tool utilized by cow-calf operations to increase the weaning weight of calves. The effectiveness of creep feeding will vary from one operation to the next but the ideal situation to creep feed is when feed costs are low and calf prices are high. While simply increasing weight may mean more money at sale time, added gain may not necessarily mean more profit. Situations may differ from one operation to the next and producers should sharpen their pencils to determine if creep feeding will benefit their individual operation.

Feed availability and cost should be the first factors analyzed to determine if creep feeding will be profitable. In Oklahoma, a producer will have a number of feed options to choose from including commercial program feeds, bagged feed, byproduct feed blends, and conventional grains. The most common creep feed is high in energy and about 16% crude protein. Typical creep feeding utilizes a creep or self-feeder where calves are allowed free-choice access to feed at all times. The texture of the feed should be somewhat dry yet have minimal fines to ensure flow through the feeder. As in all free-choice feeding situations, producers should closely monitor consumption to ensure target intakes are maintained. Consumption over expected levels reduces efficiency and can easily whisk away profit.

The University of Nebraska reports calves in traditional creep feeding situations will eat 2 - 6.5 pounds per head daily. Efficiency of gain will average about 1 pound of gain from 6 pounds of feed. Creep fed calves will average 0.3 pounds of daily gain greater than non-creep fed calves.

Availability of feed and cost are only half of the puzzle as one determines the feasibility of creep feeding. The other equal if not more important part is the value of the additional weight gain. As the weight of beef calves increases, their value on a dollar per pound or cwt decreases. For example, the price per pound for calves that weigh 500 pounds will be less than calves weighing 400 pounds. Because of this, the weight gain from creep or any type of supplementation cannot simply be priced at market value. To be more precise, the value of each individual pound gained should be analyzed.

Let's look at an example of this using weights and prices from the Oklahoma combined weekly auction summary on June 23<sup>rd</sup>. If a group of 476-pound calves sell for an average price of \$1.74 per pound and a group of 522-pound calves sell for an average price of \$1.68, then the value of those 46 additional pounds is \$1.05 per pound.

- 1) 476 lb. x \$1.74/lb. = \$828.24
- 2) 522 lb. x \$1.68/lb. = \$876.96
- 3) \$876.96 – \$828.24 divided by 46 lb. (weight difference) = \$1.05/lb. value of gain

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If we consider that calves fed creep would gain an additional 46 pounds ( $522-476 = 46$ ) per head and it takes 6 pounds of feed to produce each additional pound, then it would take 276 ( $6 \times 46 = 276$ ) pounds of creep feed to produce that gain. If the cost of creep is \$250 per ton ( $\$0.125/\text{pound}$ ), then cost of feed to put on 46 pounds of weight is \$34.50 ( $276 \times \$0.125 = \$34.50$ ).

The total dollars generated from 46 pounds of additional gain from creep feeding is \$48.30 (46 pounds  $\times$  \$1.05 value of gain = \$48.30). In this example, the return to creep feeding is \$13.80 ( $\$48.30 - \$34.50 = \$13.80$ ). In this particular example, creep feeding will provide some value, however, not to a level that will work for every producer.

Keep in mind, this example does not include costs of labor or equipment which are essential parts of the calculation. Also realize that value of gain will change on a daily basis as the market changes and calculations should be redone periodically to ensure accuracy. I challenge producers to do these calculations with their specific values to determine if creep feeding is right for their operation.

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## **The 2017 Northwest Oklahoma Beef Conference**

### **Dana Zook, NW Area Extension Livestock Specialist**

The Northwest Oklahoma Beef Conference is slated for Thursday August 31<sup>st</sup>, 2017. The conference will again be hosted at the Chisholm Trail Expo Center located at 111 West Purdue on the Garfield County Fairgrounds beginning at 9:30 am.

Over the past few years, the beef industry has experienced its ups and downs. Similar to other agriculture sectors, profit has been difficult to nail down. Some of the most successful operators in agriculture report that long term success starts with conquering the basics and the cattle industry is no different. Basic fundamental properties such as breeding efficiency, suitable stocking rates, and nutrition are small things that make operations great and hold a beef operation steadfast. This year's conference showcases a great set of speakers that will help critically evaluate the basics of the commercial beef operation and work toward "Improving Efficiency for a Progressive Future".

Our keynote speaker this year is Mr. Burke Teichert, Owner of Teichert Management and Consulting. Former Vice President and General Manager with AgReserves, Inc., Teichert is now a ranch consultant and speaker. Many people may recognize Mr. Teichert from his monthly column in Beef Magazine focused on strategic ranch planning. At the conference, Mr. Teichert will provide his approach of purposeful planning to maximize the value of the natural resources on your ranch. Cow selection, scheduling the herd, managing people, and continued marketing and analysis will round up his presentation titled "Five Essentials for Successful Ranch Management".

Cover crops are a popular addition to crop rotations in Northwest Oklahoma. Dr. Jaymelynn Farney, Extension Beef Systems Specialist from Kansas State University will discuss her latest research on cover crops and the opportunities cattle producers have to utilize some of these as forages in our grazing systems.

One method for cattlemen to managing risk on their operations is to institute a program to wean, vaccinate and pre-condition calves prior to sale. Mr. Gant Mourer, OSU's Beef Value Enhancement Specialist will talk about the Oklahoma Beef Value Network (OQBN) and its opportunities for producers to showcase proper pre-conditioning practices for premiums at time of sale. Dr. Richard Prather, Ellis County Animal Hospital DVM will take the discussion a step further to look at how preconditioning practices will benefit herd health as a whole.

We hope your schedule will allow you to join us for this excellent program. The Northwest Oklahoma Beef Conference includes a trade show and lunch catered by Hello Catering and Bakery of Perkins, OK. Lunch is sponsored by generous local businesses; Interbank, Security National Bank, Central National Bank, and Northwest Vet Supply. The registration for this year's event is \$10 to cover speaker fees and travel. Please RSVP to the Garfield County Extension office with registration fee by Friday August 25<sup>th</sup> so that an accurate lunch count can be obtained. Cost to attend the day of the conference will increase to \$15 per person.

# Time to Scout and Manage Sugarcane Aphids in Sorghum

Josh Bushong, NW Area Agronomy Specialist

Over the past few years there has developed a new insect issue when growing grain sorghum. This insect is known as the Sugarcane Aphid (SCA). It was, as the name implies, originally an issue in sugarcane fields but now the species has shifted to desire plants in the genus *Sorghum* (grain sorghum, forage sorghums, johnsongrass, and sorghum/sudan hybrids). It's highly unlikely for the SCA to overwinter in Oklahoma. It migrates from the south every year, typically starting in south Texas. In this area the SCA will generally start to show up in mid-July.

Identification is the first step in knowing what is infesting the crop. There are multiple types of aphids that can be found in Oklahoma sorghum fields. These aphids include the sugarcane aphid (SCA), yellow sugarcane aphid, corn leaf aphid, and greenbugs. Aphids are very small and can be hard to identify, using magnification will help.

The SCA will be light yellow with dark paired "tailpipes" called cornicles and dark "feet" called tarsi. The yellow sugarcane aphid is bright yellow with many hairs on its body with no extended cornicles. It is important to properly identify the aphids because there are different thresholds, control options, and damage potential depending on which aphid is present.

It is recommended for sorghum producers to scout their fields weekly for the SCA as well as other pests. There have already been confirmed reports of SCA in Oklahoma. So far populations have

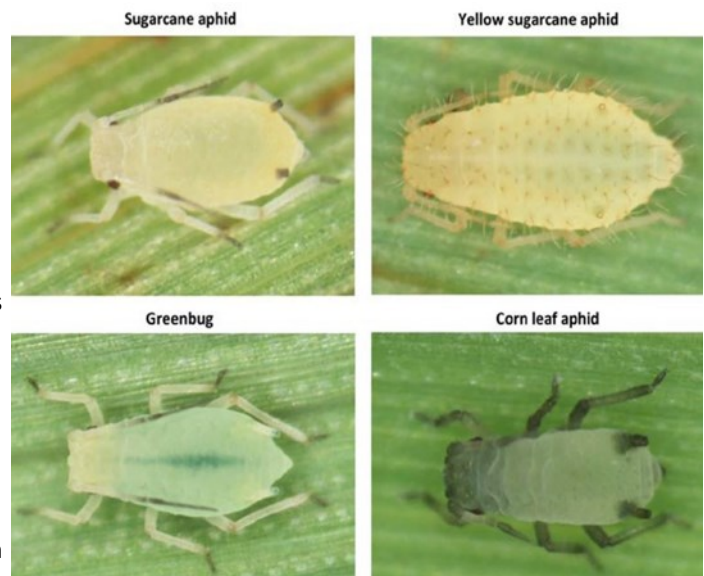
been low, but could outbreak anytime. Some research has shown that populations can increase from 50 aphids per leaf to 500 per leaf in only two weeks. Like most aphids, their populations will increase exponentially under favorable conditions.

When scouting fields, make at least four stops across the field. At each stop select five random plants, and from each plant examine a lower leaf and an upper leaf. This will total 40 leaves per field. Be sure to examine both the underside and the topside of the leaves. Aphids will typically establish in little colonies. An established colony is an adult (winged or wingless) accompanied by one or more nymphs.

Unfortunately, older insecticides have proven only moderately effective in controlling the SCA and can also reduce beneficial insects. The two products that are recommended are Transform WD by Dow AgroSciences and Sivanto Prime by Bayer. Both of these products will need to be applied at labeled rates and with high spray volumes to achieve good control. Spraying too early, before threshold is reached, or applying insecticides with inadequate coverage may increase the chance for the SCA to reestablish and require a second application.

It is important to control the SCA because it can reduce grain yields, lower grain quality, allow plants to be more susceptible to diseases, or interfere with harvest. If 20-30 % of plants are infested with one or more established SCA colonies, then treatment measures are warranted. The SCA will cause more yield loss when infested prior to the boot stage. Damage can still happen as the head develops, but potential losses will be reduced after the dough stage.

For more information about sorghum insects see CR-7170: Management of Insect and Mite Pests in Sorghum.



# Does Increased Milk Production in Beef Cows Increase Cow-Calf Productivity?

**Britt Hicks, Ph.D., Area Extension Livestock Specialist  
Oklahoma Panhandle Research & Extension Center, Goodwell, OK**

A major focus in the beef industry has been to maximize profit by using trait selection through the use of expected progeny differences (EPD). Milk production EPDs in most breeds (including Hereford and Angus) has consistently increased since the 1990s while a few breeds' genetic trend is negative or static. Breeds with a negative or static genetic trend including Gelbvieh and Simmental had a relatively high capacity for milk yield when they entered the US beef industry. Selection for increased milk production should result in increased weaning weights. However, this also results in an increase in cow maintenance energy requirements, increasing the cost of feed to maintain cows with greater milk production. Although milk selection traits may increase production by increasing calf weaning weight, the additional cost to maintain production goals with increased milk production may decrease profitability. For this reason, University of Tennessee researchers evaluated the effects of actual milk yield in mature beef cows on reproductive performance and calf performance in the Southeastern US in a high feed resource available environment (Edwards et al., 2017).

This was a two year study using 237 spring-calving Angus and Angus crossbred cows (3 to 9 years old averaging 1368 lb) at three research stations in Tennessee. The pre-dominant forage of the pastures at these stations was endophyte-infected tall fescue. Depending on location, management practices varied. From December to May in each year, cows were fed ad libitum corn silage (9% CP and 65.2% TDN) at one station, rye haylage (8% CP and 58.6% TDN) with 5% corn distillers grain at a second station, and orchard grass hay (17% CP and 55.2% TDN) at the third station.

Calves were born in January and early February (average of January 26<sup>th</sup>).

Approximately 30 days after calving, cows were weighed and visually appraised for body condition score (BCS) weekly until the end of the breeding season. Calf body weight (BW) was determined at birth, day 58 and at weaning. On approximately days 58 and 129 after calving, 24-hour milk production was measured with a modified weigh-suckle-weigh technique using a milking machine. The milk yield data was used to retrospectively classify cows on actual milk yield as Low (<17.6 lb/day, average = 14.5 lb; 74 cows), Mod (17.6 – 22.0 lb/day, average = 19.9 lb; 71 cows), or High ( $\geq$  22 lb/day, average = 26.4 lb; 92 cows). In April of each year, cows were synchronized and timed artificially inseminated (AI). Fourteen days after timed-AI occurred, cleanup bulls were placed with the cows in each location in a 60 day breeding season. Pregnancy diagnosis was determined 30 days after timed-AI with an overall pregnancy diagnosis in September.

These researchers reported that milk production did not decrease from day 58 to day 129 for Low and Mod milking cows, whereas, high milk cows decreased milk production from day 59 to day 128 (28.0 vs. 24.3 lb/day). Cow BW and BCS during the entire study were not different with increasing milk production. Although cow BW and BCS were not different, timed-AI pregnancy rates were the lowest in the High (44%) milk producing cows with no difference between Low (57%) and Mod (55%) milk cows. In addition, overall pregnancy rate continued to be the lowest in High (75%) milk producing cows with the greatest pregnancy rate in Mod (86%) milk cows.

Calf BW at birth did not differ among milk production groups. Calf BW at the initial milking (~ day 58) was greater (20 to 26 lb) in calves from Mod and High milking cows compared to calves from Low milking cows. However, calf BW at weaning and 205-day adjusted BW did not differ among calves from different milk treatment groups. A key indicator of efficiency in beef herds is the pounds of calf weaned per exposed cow. In this study, High milking cows had the least pounds of calf weaned per cow exposed (490 lb) with Mod milking cows having the greatest (551 lb). Low milk producing cows weaned more pounds of calf per cow exposed (512 lb,  $P < 0.05$ ) than High milking cows.

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These authors concluded that the results of this study suggest “that even in management systems that modify the grazing environments with harvested feedstuffs, high milk production decreases reproductive efficiency without increasing calf BW at weaning”. Furthermore, they recommended that “producers may need to discount high milk producing cows and take into account the requirements for maintaining a greater amount of milk, and the negative influences associated with a greater milk yield”.

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## Wheat Marketing in 2017

**Trent T. Milacek, NW Area Ag Econ Specialist**

Wheat harvest is wrapping up across Oklahoma leaving producers and shareholders with production to sell. Yields have varied widely, but an increase in prices through June has given those with wheat in storage an opportunity to boost profitability. Will prices continue higher or should wheat be marketed now?

It is important to identify the goals of your operation or situation. The goals of a producer are usually different from a landowner/shareholder. A producer must consider breakeven price once harvest is over. Will current prices cover the cost of doing business? Are there bills that need to be paid that justify the sale of wheat now? Is there old crop still in storage that needs marketing as well?

A shareholder may be on a fixed or limited income and must consider the current value of their production. Can they afford to put off selling for hopes of a higher price, knowing that the gamble may result in lower prices? Is marketing wheat enjoyable, or is it a struggle? All are viable variables and pieces to the marketing puzzle.

Grain marketers have a lot of information at their disposal. Radio shows, television segments, news articles and the coffee shop all try to encourage producers to believe their side of the story. How will all of these things affect the market? The truth is that many of us do not have the time or knowledge to utilize this “noise” coming from market commentators.

So what should you focus on as a grain marketer? There are two pieces of information available to producers on a local and national level that require attention. First, what is the local basis bid for your crop? The basis is the difference between the futures price and the cash price. Basis adjusts the futures price to local demand. It largely helps account for transportation costs to the final sale point. Fluctuations in basis over time can identify periods of peak demand in a local market.

Second, what is the carry in the futures market? Futures contracts are bids for a commodity delivered in the future. If September 2017 KC wheat is trading for \$4.91 and December 2017 KC wheat is trading for \$5.16, then there is \$0.25 cents worth of carry in the market. To store grain commercially for 3 months will cost approximately 15 cents and another 3 cents for interest. These costs do not exceed the carry; therefore, the market is at “full carry”.

The 5-year average basis at Enid terminals from 2010-2015 is -\$0.20 for early July. In 2016 the basis was -\$0.60 and indicated a weak local demand. The July basis in 2017 was -\$0.45 after increasing through harvest. While historically it is not a strong basis bid, demand has increased from the previous year. Ultimately, the current basis does not indicate that the market is seeking grain aggressively.

Weak basis bids and full carry in the market suggest that storing wheat could prove profitable. However, there are no guarantees that the basis will continue to improve without a crop failure. Additionally, futures markets could retreat even though they indicate a return to storage through full carry.

July KC wheat prices will meet resistance near the \$4.90 level. If that resistance level is broken, then prices could climb above \$5.00. Concerns over moisture for the spring wheat crop is providing the fuel for the current bullish run. If debts are due then it is a good time to sell wheat. If a producer believes the summer will turn hot and dry, then weather related rallies could continue and storage may be profitable.

Much of the world crop will come to fruition by August, so continue to watch the markets. Consider your options and fully understand the costs of storing wheat. If those costs can be absorbed, look to market on any rallies through the summer months. If a producer can cover all of their costs at current prices, consider the following question. Does the opportunity for higher prices outweigh the certainty of covering costs?



# NORTHWEST OKLAHOMA BEEF CONFERENCE

*Improving Efficiency for a Progressive Future*

## SPEAKERS

**Burke Teichert**

Owner of Teichert Management and Consulting  
"Five Essentials for Successful Ranch Management"

**Jaymelynn Farney**

KSU Extension Beef Systems Specialist  
"Cover Crops: The Do's and Don'ts of Grazing"

**Gant Mourer**

OSU Beef Value Enhancement Specialist  
"Added Value of Preconditioning"

**Richard Prather**

DVM Ellis County Animal Hospital  
"Maternal Management for Improved Herd Health"

**Lunch and refreshments provided by:**

- InterBank, Enid
- Security National Bank, Enid
- Northwest Vet Supply, Enid
- Central National Bank, Enid

For more information, contact your local Extension office, or Dana Zook (580.237.7677; dana.zook@okstate.edu).

**August 31, 2017**  
9:30 am – 3:00 pm

Chisolm Trail Expo Center  
111 W. Purdue Avenue  
Enid, Oklahoma

Be sure to visit the trade show!

## REGISTRATION

(Registration covers speaker fees and travel.)

NAME \_\_\_\_\_

ADDRESS \_\_\_\_\_

PHONE # \_\_\_\_\_ EMAIL \_\_\_\_\_

**COST: \$10** in advance  
(by August 25)  
**or**  
**\$15** at the door

**Detach card and send with proper postage to:**

*Garfield County OSU Extension Center, 316 E. Oxford, Enid, OK 73701*

**Make checks payable to:** *Garfield County OSU Extension*



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