



VPP Beef Niche Market Cow earns a premium - BCS #3



BEEF TRIM



Unworthy of selling into the VPP Beef Niche Market - BCS #1

September 2013

Southwest Region

Breakers, Boners, And Cutters... Do You Know The Lingo?

No we're not referring to lingo used by gang members or jargon used by collection agencies, but rather Beef marketing (grid pricing). So why would a dairy producer need to know about the beef market? You produce high quality milk and may not really count culling your dairy beef as a decisive marketing effort. The value/price you are receiving for your dairy beef is based upon percent lean vs. fat in the carcass. The terms "breaker", "boner" or "cutter" reflect the leanness in the carcass. Qualifying Verified Premium Plus Beef animals meeting minimum weights earn an extra \$25/head premium but, do you check your carcass values?

The USDA Beef Marketing/Grid Pricing sets the income available in various areas of the country. This changes weekly and is influenced by the number of animals marketed and demand for certain types of beef.

A carcass identified as a cutter is 90% lean. This is the desired class for high quality lean dairy beef. A boner is 85% lean which is the second most desired class for dairy beef. A breaker is 75% lean and will have excess fat for a dairy animal. The bull market is also noted as 92% lean. Markets pay based on the weekly demand for the various grades of beef.

You can check out one of the USDA's Beef Marketing Reports by going to the DQ Center's home page www.agried.com and then clicking on the milk bottle to the bottom right of the screen **VPP Beef Markets**. Check out the South Central markets (for TX, OK, NM, KS, CO). Under the dressed weight categories you'll see headings for Breakers (75% lean), Boners (85% lean), Cutters (90% lean), and Bulls (92% lean).

At what weights are you marketing your dairy beef? Could it make a difference to your bottom line? Pull out a copy of the last sales ticket/check that came from your packer for your cows. Do you see the price

per pound and the total weights? Beef animals are paid by the hundred weight (cwt). In most cases a 'Par' or average price is reflected by the market price. Typically you can earn more through the beef market for your high quality lean cull dairy beef.

Managing a productive milking string means implementing a planned culling cycle to move young high producing dairy replacements into the milking string. This also prevents the temptation to retain a cow that is not productive in your milking string. Fat cows of course weigh more but typically you earn less per pound than that of a 'cutter' as well as the cow costing you more per pound to feed and maintain.

You are marketing dairy beef regularly and it is income to your dairy. Knowing what to expect and how to read your beef marketing report is a good thing! All qualifying Verified Premium Plus Beef animals that make minimum carcass weights earn an extra premium from Caviness Beef Packers. (Provided by the leading fast food company).

Minimum weights are:
Holstein - 550 pounds
HoJo 500 pounds
Jersey - 400 pounds

Continue to learn about the Beef Grid Pricing Market and know what you are earning for your cow's carcass quality. You can earn more from studying the reports that come with your check!

