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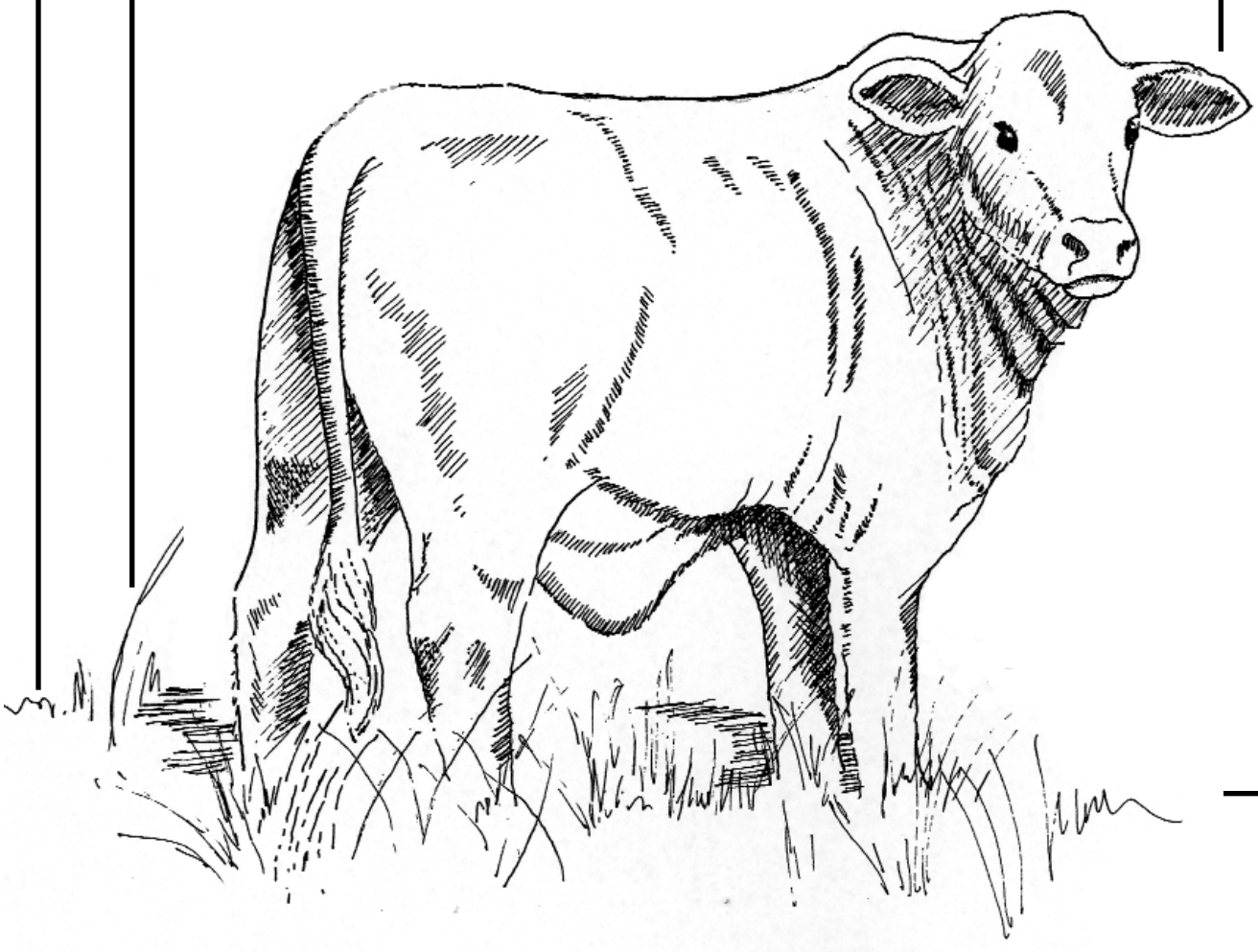
Attitudes of Large Beef Producers

Toward Selected Production and Marketing Practices



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Attitudes of Large Beef Producers Toward Selected Production and Marketing Practices

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ABSTRACT

Effective outreach programs for educating beef cattle producers about alternative production and marketing strategies require a fundamental understanding of current practices and producer attitudes towards adoption of different practices. The goal of the research reported in this paper was to assess the understanding of, attitudes toward, and willingness to employ alternative production and marketing practices by large (more than 250 head of beef cattle) beef cattle producers in Mississippi.

Key Words: large beef cattle operations, beef cattle production, and marketing practices.

Attitudes of Large Beef Producers Toward Selected Production and Marketing Practices

Introduction

Cattle production has historically been an important segment of the agricultural sector in the Southeast. The industry in the Southeast is characterized by a predominance of small producers, with average number of beef cows on beef cattle operations in Mississippi, for example, about 33 cows (MASS). However, large operations account for a sizeable percentage of total beef production. The cattle sector, as reflected by inventory numbers in the Southeast, has been relatively stable over the last 15 years.

Objective

Effective outreach programs for educating beef cattle producers about alternative production and marketing strategies require a fundamental understanding of current practices and producer attitudes toward adoption of different practices. No comprehensive survey to gather such information has been conducted in Mississippi in recent years. The goal of the research reported in this paper was to assess the attitudes toward and willingness to employ different or alternative production and marketing practices by large beef cattle producers in Mississippi. For this paper, a large operation is defined as one with more than 250 head of beef cattle, including the breeding herd, stockers, and cattle on feed. The information provided by the survey will be useful in developing specific research programs to determine physical and economic performance of alternative cattle production and marketing strategies.

The results provide for development of strategic interdisciplinary extension programs designed to educate Mississippi cattle producers about selected production and marketing strategies and associated management issues. For example, the Integrated Resource Management (IRM) program will directly benefit from the data collected. Participating IRM producers could assist in evaluation and implementation of alternative production and marketing strategies.

Overview of the Mississippi Cattle Sector

The total market value of cattle and calves in Mississippi, as of January 1, 2001, was $631.3 million (MASS). Cash receipts from farm marketings of cattle and calves totaled $212.4 million in 1999, about 10% of the total cash receipts from marketing livestock and livestock products and just under 7% of the total cash receipts from all agricultural commodities in Mississippi. There were about 22,000 operations with beef cows in Mississippi in 2000 (MASS). According to the most recent Census of Agriculture (1997), almost 94% of the operations with beef cows had fewer than 100 cows. These operations accounted for about 56% of the total value of production of cattle and calves. In contrast, operations with more than 100 cows (only 6.3% of the total number of operations) accounted for more than 43% of the total value of production of cattle and calves in 1997, again highlighting the importance of large operations to Mississippi beef production.

Research Methods and Procedures

The objective of this paper, to determine producer attitudes toward and understanding of beef cattle production and marketing methods, was accomplished through a survey of Mississippi cattle producers. The questionnaire was designed to ascertain current production and marketing practices, as well as producer understanding of and willingness to adopt alternative production and marketing methods. Producers were also queried regarding herd size and producer demographics, such as age and tenure. While producers with beef cattle operations of all sizes were surveyed, only the results of the responses of larger operations are reported in this paper. Little et al. provide the general summary of the responses of all cattle producers surveyed.

The survey conducted was a probability survey, properly weighted and adjusted for nonresponse. Altogether, 1,355 Mississippi cattle producers were surveyed. The sample was drawn from the National Agricultural Statistics Service's List Sampling Frame. This is a list of every known cattle producer in Mississippi. It is the most complete list in existence and is used by USDA for producing official statistics.

Of the Mississippi beef cattle producers surveyed, 676 completed questionnaires. This report focuses on large cattle operations, of which 404 were surveyed and 134 completed useable questionnaires. The Mississippi Agricultural Statistics Service (MASS), USDA, administered the survey. Use of MASS provided proper sampling and confidentiality. Comparisons of select survey results with data routinely collected by MASS suggest that the survey results are reliable. After expanding the data from the sample to the population, items such as total number of cows and timing of calving checked against other sources match up quite well. Further details of the sample and the survey response are reported in Little et al. The survey instrument is provided in the Appendix.

Results

The survey response summaries for large beef cattle operations (those with more than 250 head) are presented in this section. First, general descriptive data are presented concerning current production and marketing practices. Then, attitudes about alternative beef cattle production and marketing methods are discussed. Finally, the demographic data are presented.

Current Production Practices

Records

Respondents indicated that they were more likely to use financial records to help with decision making than animal records. Almost 80% indicated they used financial records when making decisions, while about 60% indicated they kept and used animal records (Figure 1).

The Breeding Herd and Annual Production

The makeup of the average breeding herd for large beef cattle operations, according to the survey results, is presented in Figure 2. On average, large beef operations had 247.6 cows, 33.4 replacement heifers, and about 10 bulls.

The producers surveyed were asked to indicate, as best they could, the breed or breeds reflected in their herd. These results are presented in Table 1. Because producers were asked to identify breeds, more than one answer was possible, hence the percentages reported total more than 100%. Angus is the predominant breed in large Mississippi beef cow herds, according to the survey results, with almost 50% of the herds in the state with at least some Angus or Angus cross cows.

Table 1. Breed makeup of the breeding herd of large beef operations in Mississippi, 1999.

Breed	Cows	Bulls	Breed	Cows	Bulls
	%	%		%	%
Angus	48.6	25.7	Beefmaster	10.1	2.9
Hereford	25.8	3.7	Brahman	15.1	1.2
Limousin	15.1	6.3	Gelbvieh	9.3	5.3
Charolais	28.6	27.7	Brangus	41.1	14.9
Santa Gertrudis	4.2	1.9	Unknown Cross	26.2	N/A
Simmental	11.5	1.8	Other	14.1	8.7

Charolais, Brangus, and Hereford were the next most popular beef breeds with 41.1%, 28.6%, and 25.8% of the producers indicating those breeds, respectively, as a part of the breed makeup of their herds. Charolais was the predominate European breed reflected in Mississippi's beef herd, followed by Limousin, Simmental, and Gelbvieh.

About 5% of the large herds in Mississippi, according to the survey responses, had Brahman and Brahman-cross cows in their breeding herds. With 26.2% of the producers surveyed indicating that they had cows about which they did not know breed makeup, unknown crossbreeds were identified as a major component of the breed makeup of large herds.

About 52% of the calves born on the operations of the large producers surveyed were born in the spring (Figure 3). About 23% and 20%, respectively, of calves were born in the fall and winter. The fewest calves (only about 5%) were born in the summer, according to the survey responses.

Almost 80% of the large operations surveyed indicated that home-raised heifers were their source of replacements (Figure 4). The sale barn or conventional auction market was the second most frequently indicated source of replacement heifers, followed by commercial producers and special sales. Purebred producers were rarely used sources for replacement heifers for large operations. When producers were asked to identify the sources of their replacement heifers, multiple answers were possible, and thus the percentages total more than 100.

Respondents were asked about their annual production of stocker or yearlings and cattle on feed. On average, the producers surveyed produce about 334 stockers and 25 head of cattle on feed annually.

Bull Breeds and Bull Selection

The producers surveyed were also asked to indicate the number of bulls in their herd by breed. The makeup of the bull herd used by large Mississippi cattle producers surveyed is presented in Table 1. Based on the survey results, the predominant breeds used for herd sires were Charolais, Angus, and Brangus. These breeds comprised about 27.7%, 25.7%, and 14.9% of the bulls used by the survey respondents, respectively. On average, Limousin, Gelbvieh, Hereford, and Beefmaster each comprised about 3-6% of the bull herd. The survey results reveal that Santa Gertrudis, Simmental, and Brahman were among the least used of the breeds identified. About 8.7% of the bull herd was designated as "other" by the survey respondents.

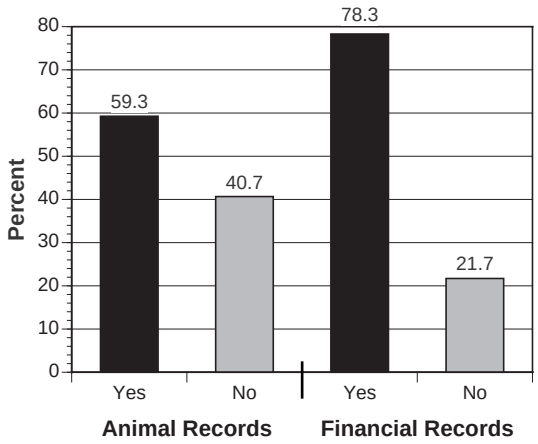

Figure 1. Use of Animal and Financial Records, Large Mississippi Beef Operations, 1999.

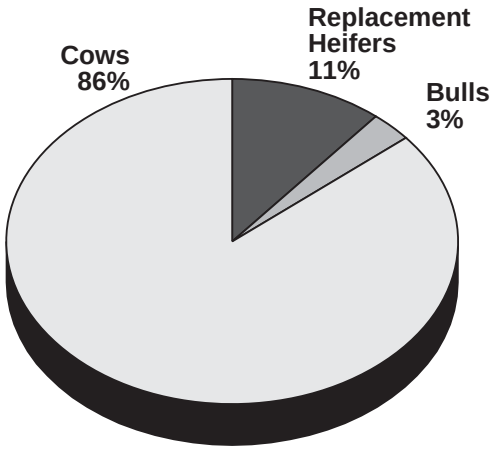

Figure 2. Breeding Herd Makeup, Large Mississippi Beef Operations, 1999.

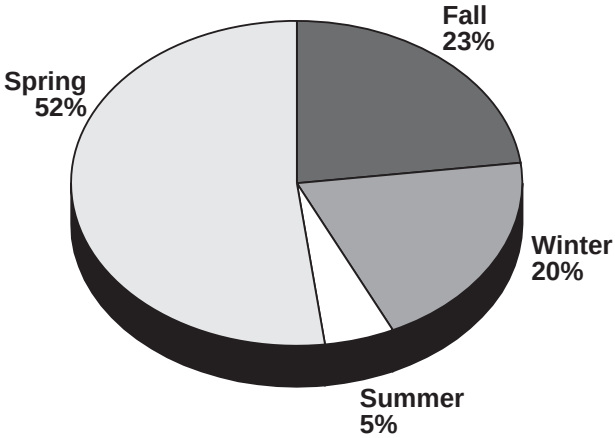

Figure 3. Timing of Calving, by Season, Large Mississippi Beef Operations, 1999.

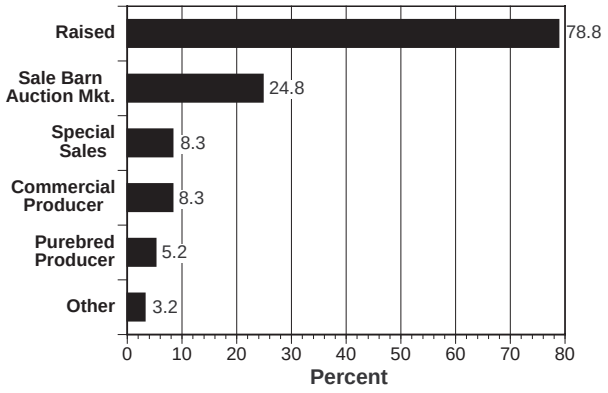

Figure 4. Sources of Replacement Heifers, Large Mississippi Beef Operations, 1999.

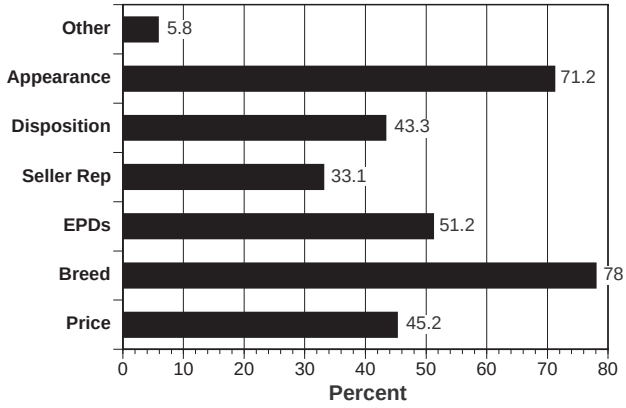

Figure 5. Factors Considered when Purchasing a Bull, Large Mississippi Beef Operations, 1999.

Respondents were asked to identify key factors they considered when selecting their bulls. More than one selection was allowed. The bull's breed was indicated as important by almost 80% of the large beef producers in Mississippi (Figure 5). The bull's appearance was an important factor for 70% of the respondents. The next factor most frequently identified was information about the bull's expected genetic performance, as indicated by Expected Progeny Differences (EPDs), with more than half of the producers responding indicating they considered the bulls' EPDs when selecting herd sires.

The price of the bull and the bull's disposition were indicated as the next most important factors, about 46% and 43%, respectively, in the bull purchase decision. Finally, the seller's reputation was a factor considered by about 33% of the respondents.

Health Management Practices

The producers surveyed were asked about the herd health management practices they typically use. Specifically, they were asked if they employed those practices according to recommendations (or regularly), if they occasionally employed those practices, or if they never employed the listed practices on their operations. Producer responses to the queries regarding their herd health management practices are summarized in this section (Table 2).

According to the survey results, almost all of Mississippi's large cattle producers at least occasionally vaccinated their cattle. A clear majority (80.3%) vaccinated their beef cattle according to recommendations. Another 17.3% occasionally vaccinated. Only 2.4% indicated they never vaccinated their cattle.

All of the large beef cattle producers surveyed indicated that they at least occasionally dewormed their cattle. About 79% dewormed their cattle according to recommendations, while the other 21% occasionally dewormed.

The tendency among the producers to employ measures to control grubs and lice on their beef cattle was similar to their vaccination practices. Almost 95% of the large producers surveyed indicated that they at least occasionally took steps to control grubs and lice. Almost 70% indicated that the steps they took to control grubs and lice were according to recommendations. Only about 5% of the producers responding indicated that they never attempted to control grubs and lice in their beef herds.

Producer use of measures to control fly problems was similar to their use of grub and lice control practices. Almost 94% of the cattle producers responding indicated that they at least occasionally took measures to control flies. About two-thirds of the producers controlled flies according to recommendations. About 6% of the large producers responding indicated that they never attempted to control flies.

Producers were asked if they castrated their calves. About 70% of the respondents indicated that they always castrated, 23% that they occasionally castrated, and 7% that they never castrated.

Producers indicated that they were less likely to dehorn than castrate their calves. Just over 50% indicated that they always dehorned, while another 22% occasionally dehorned their calves. About one-fourth of the producers surveyed indicated that they never dehorned their calves. With the predominance of Angus cattle, many of the producers surveyed may not have to dehorn.

The producers surveyed were asked about their use of growth promotants, or implants, in their calves. About 38% of the respondents indicated that they used implants according to the recommendations, while an-

other 21% used them occasionally. Less than half of the large producers surveyed, about 41%, said they never used growth promotants.

About 95% of the producers surveyed indicated that they at least occasionally consulted veterinarians as a health management practice. About half of the respondents (49.4%) consulted veterinarians regularly, while another 46.1% said they occasionally sought a veterinarian's input. Only 4.5% indicated that they never consulted a veterinarian.

About 60% of the large producers surveyed indicated that they pregnancy checked their cows at least occasionally; only one-third did so regularly. The remaining 40% never pregnancy checked their cows. This figure seems somewhat surprising because one would expect large producers to determine the expected calf crop size. Perhaps the cost of pregnancy checking, which on a per-head basis is probably more expensive than the other management practices considered, is a deterrent to many producers. This bears the question, what criteria did these operations use to make culling decisions, if culling status is not known? Even though the cost of pregnancy checking may seem high, the cost of maintaining an open cow for a year is much higher, but since these costs accrue over time, they are not as apparent to producers.

The reproductive function of bulls is dependent on sexual desire, mating ability, and the formation and deposition of viable and mobile semen. Poor fertility or infertility is an often-overlooked cause of low productivity. Breeding soundness exams (BSE) are recommended to help minimize losses due to poor fertility. BSEs should include a physical examination, examination of the reproductive tract, a semen evaluation, and an evaluation of mating desire. Most (70%) of the large cattle producers surveyed indicated that they at least occasionally had breeding soundness exams performed on their bulls. About 39% regularly had BSEs performed on their bulls, while another 31% occasionally had BSEs. The remaining 30% never had BSEs performed on their bulls.

Table 2. Current use of selected health management practices by large beef operations in Mississippi, 1999.

Practice	According to recommendation	Occasionally	Never
	%	%	%
Vaccination	80.3	17.3	2.4
Deworming	79.0	21.0	0.0
Grub and lice control	69.2	25.4	5.4
Fly control	66.0	27.8	6.1
Castration	69.7	23.2	7.1
Dehorning	52.7	21.8	25.5
Implanting	38.0	21.0	41.0
Pregnancy check	33.5	26.4	40.0
Breeding soundness exams	39.0	30.8	30.2
Consult veterinarian	49.4	46.1	4.5

Current Marketing Practices

The survey responses to questions regarding current marketing practices are presented in these sections. Markets used to sell cattle are discussed first, followed by markets used to buy cattle.

Markets Used to Sell Cattle

According to the survey results, about 56% of large Mississippi cattle producers regularly sold their cattle at conventional livestock auction markets (Table 3). Another 32.4% occasionally marketed cattle at sale barns. About 11% indicated they never sold cattle on a regular sale day at an auction market. These findings are consistent with other studies (Guidry; Popp et al.; Popp and Parsch 1998; APHIS-VS).

About 26.3% of the large cattle producers surveyed indicated that they regularly sold their cattle directly to a stocker or backgrounding operation. Another 34.3% indicated that they occasionally did so. About 40% said they never sold their cattle directly to a stocker or backgrounding operation.

About two-thirds of the operations surveyed indicated that they never sold their cattle directly to a feedlot. About 17.5% indicated that they regularly sold cattle directly to a feedlot, while another 16.4% said they occasionally do.

Few — less than 20% of the large cattle producers surveyed — indicated that they sold cattle through video auctions. Only about 7% said they sold through

Table 3. Use of selected market methods to sell beef cattle by large beef operations in Mississippi, 1999.			
Method	**Regularly use**	**Occasionally use**	**Never use**
	%	%	%
Sell cattle on a regular sale day at an auction market	56.3	32.4	11.3
Sell directly to a stocker or backgrounding operation	26.3	34.3	39.4
Sell directly to a feedlot operation	17.5	16.4	66.1
Sell through a video auction	7.2	12.5	80.3
Sell using forward contracts	5.3	9.8	84.9
Sell through special sales	9.6	17.2	73.1

video auctions regularly, and another 12% said they did so occasionally.

Slightly fewer producers (about 15% overall) sold their cattle using forward contracts. About 5% used forward contracts regularly when they sold their cattle, and another 10% did so occasionally. The majority (85%) said they never forward contracted when selling cattle.

The cattle producers surveyed were also asked if they sold cattle through special sales, such as the Southeast Pride Sales. Most (73%) said they did not. Of those who did sell through special sales, just under 10% did so regularly and the remainder only occasionally. The use of special sales as a marketing tool is likely a function of the operation's management practices. Several of the health management practices discussed previously, including vaccination, deworming, castration, and dehorning, are requisite to participation in many special sales.

Sources of Purchased Cattle

The producers surveyed were also asked a set of questions pertaining to the sources of the cattle they purchased. Most of the large producers surveyed (about 70%) indicated that they, at least occasionally, purchased cattle from conventional auction markets (Table 4). About 40% did so regularly and another 30%, occasionally. About 30% indicated that they never purchased cattle from sale barns. Another common source for cattle for large beef cattle operations is other producers. About 38% indicated that they never purchased cattle directly from other producers. In contrast, 25% and 36.6%, respectively, indicated that they regularly and occasionally purchased cattle directly from other producers.

Very few (only about 6%) of the producers surveyed indicated that they purchased cattle through video auctions. All of those did so only occasionally. Similar tendencies were exhibited when the producers were asked if they bought cattle on contract. None said they did so regularly, and only 5.2% did so occasionally. Finally, the producers were asked if they purchased cattle though special sales, such as the Southeast Pride Sales. About 37% indicated that they did, at least occasionally. Most (63.1%), however, said they never bought cattle at special sales.

Retained Ownership

About 37% of the large cattle producers surveyed retained ownership through the stocker phase (Figure 6), while 22.1% of large beef cattle producers retained ownership through finishing. Most commercial feedlots require placement of truckload lots of cattle. Without some cooperative efforts among smaller producers to place cattle in a feedlot, only the largest producers can utilize this value-added practice without producing additional feeder cattle. Retaining ownership through finishing may involve more risk and require more capital, which effectively limits participation by many producers.

Factors That Influence Timing of Cattle Sales

The large beef producers surveyed were asked to indicate their views on the importance of a variety of factors that influence their cattle marketing decisions

Table 4. Use of selected sources for purchased cattle by large beef operations in Mississippi, 1999.			
Source	**Regularly use**	**Occasionally use**	**Never use**
	%	%	%
Buy cattle at a sale barn or auction market	40.0	29.8	30.2
Buy calves directly from a producer	25.0	36.6	38.4
Buy through a video auction	0.0	6.2	93.8
Buy cattle on contract	0.0	5.2	94.8
Buy cattle at special sales	13.2	23.7	63.1

(Table 5). Of the factors identified, their cattle reaching a target weight and selling when prices reached a set level were the two most important factors. About 78% and 60% of the producers surveyed, respectively, said these factors were either important or very important as motivators to sell.

Selling at a specific point in time, forage conditions on the farm, and anticipation of falling cattle prices were the next most important factors influencing the decision to sell cattle. About 41% of the large producers surveyed said that selling at a specific point in time was an important or very important factor they considered. About 41% indicated that running out of grass and the expectation of falling prices were important or very important factors that motivated them to sell.

The least important factor motivating sale of cattle, of those listed, was selling when the producer needed money; about 43.7% indicated that needing money was not an important determinant behind their decision to sell cattle. Another 31% said it was only somewhat important. Only 25.3% indicated that selling when they needed money was important or very important.

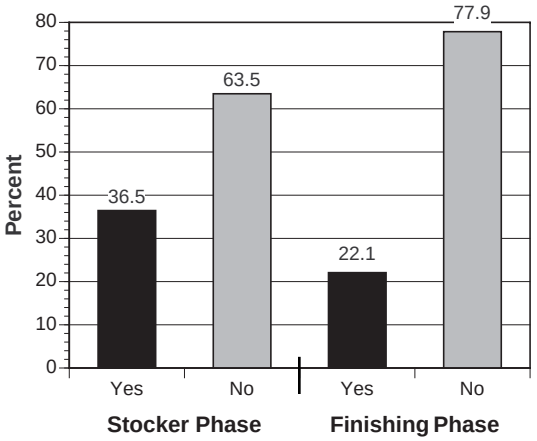

Figure 6. Retained Ownership of Calves through the Stocker and Finishing Phases, Large Mississippi Beef Operations, 1999.

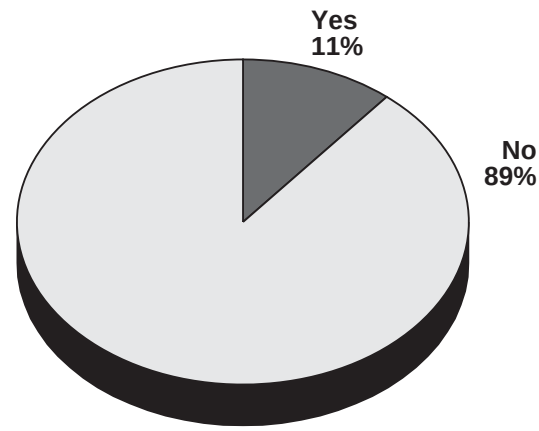

Figure 7. Marketing by Pooling Cattle with Those of Other Producers, Large Mississippi Beef Operations, 1999.

Pooling Cattle with Other Producers

Selling cattle in larger groups allows producers to receive higher prices, compared with selling in individual or small lots. Most (89%) of the large beef cattle producers surveyed indicated that they did not pool cattle (Figure 7). The large producers surveyed likely did not need to pool cattle with other producers to put together the large lots necessary to capture the associated price premiums.

The large beef producers surveyed were asked to respond to a series of questions about pooling cattle, even if they did not pool cattle with other producers (Table 6). About 67% of the producers indicated they had never considered pooling cattle.

Table 5. Importance of key factors that influence cattle marketing decisions of large beef cattle operations in Mississippi, 1999.

Factor	Not important	Somewhat important	Important	Very important
	%	%	%	%
Cattle reach a target weight	8.0	14.1	32.3	45.6
Prices reach a set level	15.0	24.9	31.8	28.3
I run out of grass	30.8	27.9	26.7	14.6
Prices may fall	31.0	28.1	24.7	16.3
Sell at a specific point in time	20.0	25.4	26.7	14.6
I need the money	43.7	31.0	14.0	11.3

The producers surveyed seemed to recognize the primary advantages of pooling cattle: potentially higher prices and lower transaction costs. Just over 85% of the producers responding said that they thought larger and more uniform lots of cattle sell at a higher price. Similarly, about 73% of the producers indicated that they agreed that pooling cattle saves on transportation costs.

The major factors influencing producer decisions to avoid pooling cattle include the loss of flexibility in marketing (66.4% agreed) and a sense of being forced to accept the average pen price for their cattle (63.3% agreed). At 62.7%, the respondents indicated they agreed with the statement, "Buyers prefer single-source cattle, regardless of lot size." The decision not to pool cattle was influenced less by the perception of the risk associated with disease problems and a lack of trust in the grading and sorting (only about 41% and 39% agreed, respectively) than the other factors identified.

Table 6. Perspectives of large beef cattle producers in Mississippi on commingling or pooling cattle with other producers to market , 1999.

Perspective	Agree	Disagree
	%	%
Larger more uniform lots of cattle sell at a higher price.	85.1	14.9
Pooling cattle saves on transportation costs.	73.1	26.9
Video auctions make pooling cattle easier.	62.1	37.9
Buyers prefer single-source cattle, regardless of lot size.	62.7	37.3
I don't like to have to sell my cattle at the average pen price.	63.3	36.7
I have not considered pooling cattle.	67.1	32.9
I don't like pooling cattle because I can't sell when I want to.	66.4	33.6
I don't pool cattle because I don't trust the grading and sorting.	38.8	61.2
I don't pool cattle because of the potential disease problems.	41.4	58.6

Alternative Production and Marketing Practices

The cattle producers surveyed were asked a number questions eliciting their opinions about the prospect of changing production and marketing practices, some in the context of a livestock-marketing cooperative, with the express goal of increasing returns to their cattle enterprises.

The production and marketing practices selected were identified as those central to the success of a livestock-marketing cooperative that produces large lots of consistent and uniform cattle and facilitates producer participation in other segments of the beef production chain. Generally, the willingness to adopt or modify the identified production practices was higher than for the marketing practices (Table 7). That the response to adopting alternative marketing practices is lower is not surprising. It is generally asserted that producers prefer to focus on production rather marketing. The producer responses observed in this survey appear to validate that assertion.

About 86% of the producers responding indicated that they would be willing to change the length of their calving seasons and almost as many (80.5%) said they would be willing to change the timing of their calving seasons (Table 7).

Contracting with others to precondition or custom graze calves at their location provides cattle producers with the opportunity to retain ownership without having to increase the size of their operation. When asked about their willingness to pay others to precondition or custom graze their calves on contract, about two-thirds of the producers expressed opposition.

Another option producers have is to use their resources to precondition or custom graze calves on contract for others. This enables producers with excess capacity to more fully utilize their resource base, including management skills, without assuming the production and market risk inherent with ownership of stocker cattle. The response was the same as their willingness to pay others on contract. About one-third of the producers surveyed indicated they would be willing to precondition or custom graze for others on contract.

The opposition to either paying to have one's calves preconditioned or being paid to precondition calves for others expressed in the survey responses could help confirm the limited use of this practice in Mississippi. Producer reluctance implies, perhaps, a lack of understanding of the economic potential of such a system, and hence, a lack of trust. A number of questions must be answered before entering a custom stocker or backgrounding agreement. Some of these include "Who will weigh the calves on and off?," "Where will

Table 7. Willingness of large beef cattle producers in Mississippi to adopt selected alternative production and marketing practices, 1999.

Practice	Yes	No
	%	%
Would you be willing to . . .		
Restrict the length of your calving season?	86.4	13.6
Change the timing of your calving season?	80.5	19.5
Pay someone to precondition or graze your calves on contract?	33.3	66.7
Precondition or graze calves on contract for others?	33.3	66.7
To participate in a livestock marketing cooperative, would you be willing to . . .		
Individually identify all cows and calves?	66.9	33.1
Change breed of bulls?	53.5	46.5
Follow a specific preweaning health program?	72.7	27.3
Vaccinate and precondition calves for 30 to 60 days past weaning?	62.4	37.6
Commingle or pool cattle with those of other producers?	48.7	51.3
Use cash forward contracts?	50.9	49.1
Retain ownership through stocker or feedlot?	49.0	51.0
Accept prices negotiated by the cooperative?	60.2	39.8
Invest in new market development through a livestock marketing cooperative?	41.8	58.2

they be weighed?," "How will the producer be paid?," "Who is at fault if the calves do not perform well?," and "How will death loss be handled?".

On average, about 53.5% of the large producers surveyed indicated that they would be willing to change the breed of their bulls in an effort to boost net returns. Almost 73% of the producers surveyed said they would be willing to implement a preweaning health management program for their calves, and 62% said they would adopt a 30- to 60-day postweaning preconditioning program.

Animal identification is being discussed as a beef production quality control measure. About 53.5% of the large producers surveyed indicated they would be willing to individually identify their cows and calves.

The willingness to adopt alternative marketing practices, despite the prospect of generating more profit, was generally less than the willingness to change production practices. About 49% indicated they would be willing to retain ownership, while 48.7% indicated they would be willing to pool cattle with other producers to market. Just over half of the producers responding indicated that they would be willing to cash forward contract as a marketing strategy.

The producers were also queried about their willingness to accept prices for their cattle negotiated by the livestock-marketing cooperative. About 60% indicated that they would be willing to let a livestock-marketing cooperative negotiate pricing. According to the survey responses, the producers indicated they were more willing to accept this change to their marketing plans than the others identified. On the surface, given the image of cattle producers as an independent lot, the response to this question seems puzzling. However, if considered in the context of the marketing practices listed, it could be that the producers responding felt that if they were in a livestock-marketing cooperative, they would be better off if they simply focused on production and left the marketing decisions to someone else.

Finally, the producers were asked if they would be willing to invest in new market development through a livestock-marketing cooperative. Only about 42% of the producers indicated they would be willing to invest. Of those who were willing to invest, about 72% indicated they would be willing to invest up to $5 per head sold. About 19% said they would invest up to $10 per head sold, while the remaining 9% said they would invest up to $25 per head sold.

General Demographic Information

The majority, about 64%, of the large producers surveyed were more than 50 years old (29% were between 51 and 60, and another 35% were over 60). Another 25% were between 41 and 50 years of age. About 11% of the producers responding were less than 40. Figure 8 summarizes the age distribution of survey respondents. The predominance of retirement age cattle producers suggests an approaching period of turnover in Mississippi's cattle industry. The producers surveyed had been raising beef cattle for an average of almost 31 years.

The beef cattle enterprise was an important component of the overall farming operation for the large cattle producers surveyed. Large cattle producers indicated that almost 72% of their gross farm sales were from cattle sales.

The beef cattle producers surveyed were asked to indicate the percentage of household income from off-farm sources. The respondents indicated that 63% of their household income was from off-farm sources. The producers were also asked if they or their spouses were employed off the farm. This question was designed to provide an idea of the relative importance of beef cattle production as a source of family income. Almost 55% of the producers responding indicated that they had off-farm employment (Figure 9). About 50% of the producers surveyed said they were employed full-time off the farm, and 5% worked part-time off the farm.

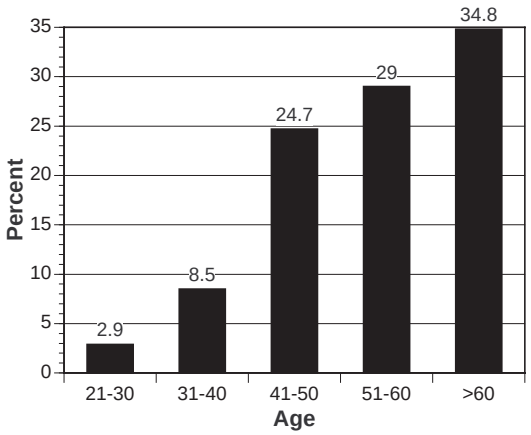

Figure 8. Producer Age, by Group, Large Mississippi Beef Operations, 1999.

Of the producers responding to the question about spouse's off-farm employment, 56% indicated that their spouse was employed off the farm (Figure 10). About 47% of the producers' spouses had full-time off-farm employment and 9% had part-time jobs.

Almost 55% of the producers surveyed indicated they had never attended any beef cattle short courses or seminars. About 62% of the producers surveyed indicated that they were members of the Mississippi Cattleman's Association.

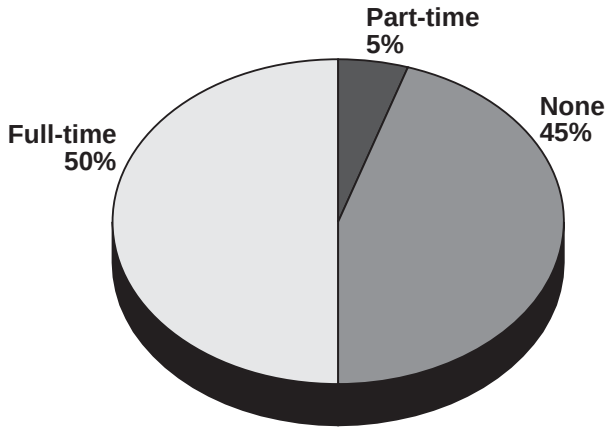

Figure 9. Off-farm Employment, Large Mississippi Beef Operations, 1999.

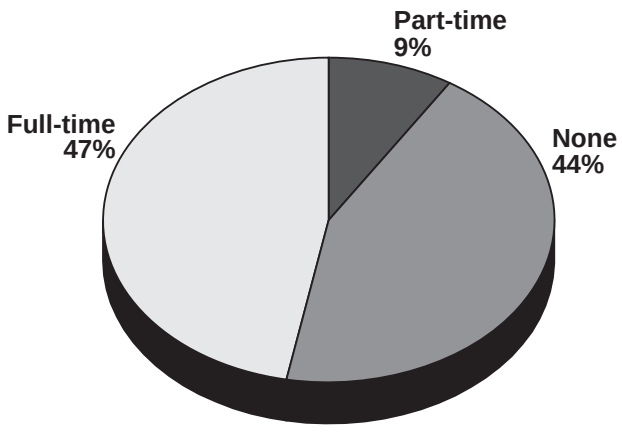

Figure 10. Spouse Off-farm Employment, Large Mississippi Beef Operations, 1999.

SUMMARY AND CONCLUSIONS

Effective outreach programs for educating beef cattle producers about alternative production and marketing strategies require a fundamental understanding of current practices and producer attitudes toward adoption of different practices. No comprehensive survey to gather such information has been conducted in Mississippi in recent years. The goal of the research reported in this paper was to report characteristics of large Mississippi cattle producers, including their understanding of, and attitudes toward selected production and marketing practices.

Data on current production and marketing practices were gathered. The information provided by the survey will be useful in developing research programs targeting specific practices that producers must adopt or change to participate in alternative cattle production and marketing strategies. The results provide for development of strategic interdisciplinary extension programs designed to educate Mississippi cattle producers about selected production and marketing strategies and associated management issues.

The large producers surveyed were more willing to change production practices, such as changing the length and/or timing of their calving seasons or breed of bulls, than they were to change marketing practices. It is likely that they better understood how such changes could be incorporated, and thus could better understand the potential benefits. Some of the alternative marketing practices discussed would require participating producers to surrender some autonomy, something many of the large producers surveyed were reluctant to consider.

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Mississippi Beef Cattle Production and Marketing Survey

Your voluntary and confidential participation is very important to the success of this research effort. Please answer questions pertinent to your operation as completely as possible. Thanks!

PART I. Current Production Practices

1. What is your current herd inventory or annual production for the following:

Inventory: 101 Cows___ 102 Replacement Heifers___ 103 Herd Bulls___
Head produced annually: 104 Stockers/Yearlings___ 105 Cattle on Feed___

2. What records do you use when you make decisions about your cattle operation?

106 Animal records? 1 Yes 2 No
107 Financial records? 1 Yes 2 No

3. What is the source of your replacement heifers? (Check all that apply.)

108 Raised 111 Sale barn or auction market
109 Commercial producer 112 Purebred producer
110 Special sales 113 Other_____(Please specify.)

4. Please indicate, for a typical year, the percent of your calves born in the following seasons.

114 Spring___% 116 Summer___% 117 Fall___% 118 Winter___%

5. Please identify the key breed or breeds reflected in your cow herd. (Check all that apply.)

119 Angus___ 120 Hereford___ 121 Limousin___
122 Charolais___ 123 Santa Gertrudis___ 124 Simmental___
125 Beefmaster___ 126 Brahman___ 127 Gelbvieh___
128 Brangus___ 129 Unknown crossbred___ 130 Other_____(Please specify.)

6. Please indicate the number of bulls by breed. (Check all that apply.)

131 Angus___ 132 Hereford___ 133 Limousin___
134 Charolais___ 135 Santa Gertrudis___ 136 Brangus___
137 Beefmaster___ 139 Brahman___ 140 Gelbvieh___
141 Simmental___ 142 Other_____(Please specify.)

7. What factors do you consider when you select your herd sires? (Check all that apply.)

143 Price 144 Breed 145 EPDs 146 Seller reputation
147 Disposition 148 Bull's appearance 149 Other_____(Please specify.)

8. What health management practices do you typically use? (Check all that apply.)

	According to Recommendations	Occasionally	Never
150 Vaccinate	1☐	2☐	3☐
151 Deworm	1☐	2☐	3☐
152 Grub and lice control	1☐	2☐	3☐
153 Fly control	1☐	2☐	3☐
154 Implant	1☐	2☐	3☐
155 Dehorn	1☐	2☐	3☐
156 Castrate	1☐	2☐	3☐
157 Consult veterinarian	1☐	2☐	3☐
158 Pregnancy check	1☐	2☐	3☐
159 Breeding soundness exam (bulls)	1☐	2☐	3☐

PART II. Current Cow-Calf Marketing Practices

1. Which marketing methods do you use to sell cattle?

	Regularly	Occasionally	Never
160 Sell cattle on a regular sale day at an auction market	1☐	2☐	3☐
161 Sell directly to a stocker or backgrounder	1☐	2☐	3☐
162 Sell directly to a feedlot	1☐	2☐	3☐
163 Sell through a video auction	1☐	2☐	3☐
164 Sell using forward cash contracts	1☐	2☐	3☐
165 Sell cattle through special sales (i.e., Southeast Pride, replacement heifer sales, etc.)	1☐	2☐	3☐

2. Which marketing methods do you use to purchase cattle?

	Regularly	Occasionally	Never
166 Buy cattle at a sale barn or auction market	1☐	2☐	3☐
167 Buy calves directly from a producer	1☐	2☐	3☐
168 Buy through a video auction	1☐	2☐	3☐
169 Buy cattle on contract	1☐	2☐	3☐
170 Buy cattle at special sales (i.e., Southeast Pride, replacement heifer sales, etc.)	1☐	2☐	3☐

3. Do you currently retain ownership of your calves...

171 Through the stocker phase?	1 Yes	2 No
172 Through the feedlot?	1 Yes	2 No

4. Please rate, by checking the appropriate box for each, the following factors that motivate you to sell:

I sell...	Important	Not Important	Somewhat Important	Very Important
173 When I need the money.	1☐	2☐	3☐	4☐
174 At a specific point in time	1☐	2☐	3☐	4☐
175 When I run out of grass.	1☐	2☐	3☐	4☐
176 When my cattle reach a target weight.	1☐	2☐	3☐	4☐
177 When the price reaches a set level.	1☐	2☐	3☐	4☐
178 If I think prices are going to fall.	1☐	2☐	3☐	4☐

5. Do you ever sell cattle that are commingled ("pooled") with cattle from other producers and sold as a group?

179 1 Yes 2 No

Even if you don't "pool" or commingle cattle, please indicate your opinion on the following statements.

	Agree	Disagree
180 Larger, more uniform lots of cattle sell at a higher price.	1☐	2☐
181 Pooling saves on transportation cost	1☐	2☐
182 Video auction markets make pooling cattle easier.	1☐	2☐
183 Buyers prefer single-source cattle, regardless of lot size.	1☐	2☐
184 I don't like to sell my cattle at the average pen price.	1☐	2☐
185 I have not considered pooling cattle.	1☐	2☐
186 I don't like it because I can't sell when I want to.	1☐	2☐
187 I don't pool because I don't trust the grading and sorting	1☐	2☐
188 It's too risky because of potential disease problems	1☐	2☐
189 Other _____		

6. Do you currently market cattle through an existing livestock marketing cooperative?

190 1 Yes 2 No 3 Not Sure

PART III. Attitudes about Alternative Production and Marketing Practices

1. For cow-calf producers, would you be willing to...

A. Restrict the length of your calving season (90 to 120 days), if you thought you could increase the profits of your cattle operation?

191 1 Yes 2 No

B. Change the time of year when you calve, if you thought you could increase the profits of your cattle operation?

192 1 Yes 2 No

2. Would you be willing to pay someone to precondition or graze your calves on contract?

193 1 Yes 2 No

3. Would you be willing to precondition or graze calves on contract for others on your farm?

194 1 Yes 2 No

4. Would you be willing to adopt (if necessary) these practices to participate in a livestock marketing cooperative to possibly get price premiums for producing high quality, uniform cattle?

195 Individually identify all cows and calves	1 Yes	2 No
196 Change breed of bulls	1 Yes	2 No
197 Follow a specific pre-weaning health program	1 Yes	2 No
198 Vaccinate and pre-condition for 30 to 60 days past weaning	1 Yes	2 No
199 Commingle or pool calves with those of other producers	1 Yes	2 No
200 Use cash forward contracts	1 Yes	2 No
201 Retain ownership through stocker/feedlot	1 Yes	2 No
202 Accept prices negotiated by the cooperative (i.e., to provide premiums and discounts for quality)	1 Yes	2 No

5. Would you be willing to invest in new market development through a livestock marketing cooperative?

203 1 Yes 2 No

If yes, please indicate how much:

204 1 up to $5 per head sold
2 up to $10 per head sold
3 up to $25 per head sold

PART IV. General Information

1. Please indicate your current age:

205 1 20 or younger 2 21-30 3 31-40 4 41-50 5 51-60 6 61 or older

2. Are you and your spouse (if married) employed off the farm? If yes, please indicate if you work full-time or part-time off the farm.

		Yes	No		Full-time	Part-time
You	206	1☐	2☐	207	1☐	2☐
Spouse	208	1☐	2☐	217	1☐	2☐

3. About what percentage of your total household income is from off-farm sources?

209___%

4. How many years have you been raising beef cattle?

210___

5. In what county is your cattle operation located?

211_____County

6. Are you a member of the Mississippi Cattlemen's Association?

212 1 Yes 2 No

7. Cattle sales make up what percentage of your average gross farm sales?

213___%

8. Have you participated in beef cattle short courses or seminars?

214 1 Yes 2 No

Office Use **215** **1 Mail** **2 Telephone** **3 Personal Interview** **4 Refusal** **5 Inaccessible** **216** **Enumerator:** **Enumerator ID**

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