

Unit Eighteen**Beef Marketing**

Roll Call

What do you think of when you hear the word “marketing”?

Options For Marketing Beef Cattle

There are many different methods for marketing beef cattle in Canada. The one which is best for you will depend on your individual operation, the local market, your available time and your knowledge of the markets.

Public Auction

Traditionally, most feeder cattle are marketed at the public auction. Slaughter cattle may also be sold this way.

Before you ship your cattle to market, you should know

- costs of selling (transportation, commission, handling)
- conditions of sale
- your expected return
- characteristics of the auction mart (days most buyers buy, when large producers sell, and so on.).

You should deliver the cattle the evening before the sale. You can learn more and do some public relations work if you watch your cattle sell the next day.

Selling this way exposes your cattle to many potential buyers. The market is often local and your transportation costs will be low. However, you are at the mercy of the market. Your price is not guaranteed and will be determined by the buyers bidding at the time your cattle are sold.

Terminal markets, such as the public stockyards, also auction cattle. The cattle are usually sold through commission firms, while the stockyards provide the services. These markets are not as popular as they have been in the past. Today, smaller producers prefer to market their cattle locally and larger producers are making marketing arrangements involving less risk.

Direct To Packing Plants

If you market large lots of cattle, selling direct to the packers may work well for you. It requires that you know the markets and current prices so you can negotiate a fair price. It is important you understand the conditions of the bid

- live weight or railgrade
- hot or cold weight
- freight included or extra
- time limits.

Selling cattle direct to the packers avoids the price risk of the auction mart. The disadvantage is that your cattle are viewed by only a limited number of potential buyers.

Railgrade is becoming more popular. It provides incentives for producers to raise and market high yielding cattle. Producers are paid for exactly the amount and value of meat based on hot dressed weight and grade.

Order Buyers may be commissioned by firms to buy large lots of cattle. The buyer specifies the type of cattle, price, frequency of purchase, time of delivery, etc. The buyer then purchases cattle to fill the orders.

Private Sale

Many small producers arrange the sale of cattle themselves. Word of mouth or local newspaper advertisements make potential buyers aware of the livestock for sale. Local butchers or slaughter houses accept and prepare the animals for the buyers.

Marketing Aids

The use of marketing aids in western Canada is limited, but is expanding. Using video auctions and computers to move cattle through auctions and packing plants means that cattle can be seen by more potential buyers.

Taking A Look

How do you sell the slaughter cattle on your (or a neighbour's) farm?

What other options are there? Would they work?

Rail or Live

As a beef producer, your goal is to receive the most overall profit for your beef product.

Your decision to sell your market ready animal live or on the rail depends on your knowledge of the market, your preferences, local conditions and price.

To make your decision, you need to look at the costs involved. Keep in mind that these will change with time. The situation best for today may not be the best next month.

Let's look at how we can compare live and rail. In this case, it is to our advantage to sell on the rail.

	Live	Rail
Weight	500 kg	
Weight Carcass		290 kg
Price	\$1.78/kg	\$3.18/kg
Gross value	\$890.00	\$922.20
	Less Per Head	
Additional Trucking		\$6.00
Phone and Misc.		\$2.00
Shrink (at 2%)	\$17.80	
Final Return	\$872.20	\$914.20

Railgrade markets are based on stable characteristics of the carcass including weight, fat cover, meat characteristics and sex. The visual characteristics such as colour, breed and appearance do not affect the railgrade.

Shrink, or the loss of weight from feedlot to market, can cause a live animal to lose two to four percent in weight, and even more with longer hauls. Generally, the carcass yield will not be affected until the animal is severely stressed, such as being without water for over 18 hours.

Dressing percentage is the ratio of carcass weight to live weight. A typical dressing percentage is 58%. An animal with a higher dressing percentage will be worth more on the rail than one with a low dressing percentage.

A formula to use for estimating rail price or live price is:

Rail price (approx)	=	live price	÷	dressing %
Eg. \$1.40	=	\$0.81	÷	0.58

Over time, the rail price may be above or below the estimated value produced by the formula. If the rail price is lower than what you would expect using the formula, then selling via the live market would be more profitable.

Where might you find out the current prices being paid for beef animals - live or on the rail?

**Finding Out
The Prices**

Sell live or on the rail - which would be a better choice for you today? (Hint - do calculations similar to above.)



Activity:

Let's Market

In the puzzle below, find as many beef marketing related words as you can. I found 14 words - how many can you find?

S	T	N	A	L	P	B	U	Y
S	R	B	B	B	R	A	I	L
R	A	B	E	C	I	R	P	I
E	N	C	H	O	I	C	E	V
Y	S	C	I	L	B	U	P	E
U	P	R	I	V	A	T	E	L
B	O	K	N	I	R	H	S	L
D	R	E	S	S	I	N	G	E
B	T	C	A	R	C	A	S	S

Unit Nineteen

The Beef Industry Today

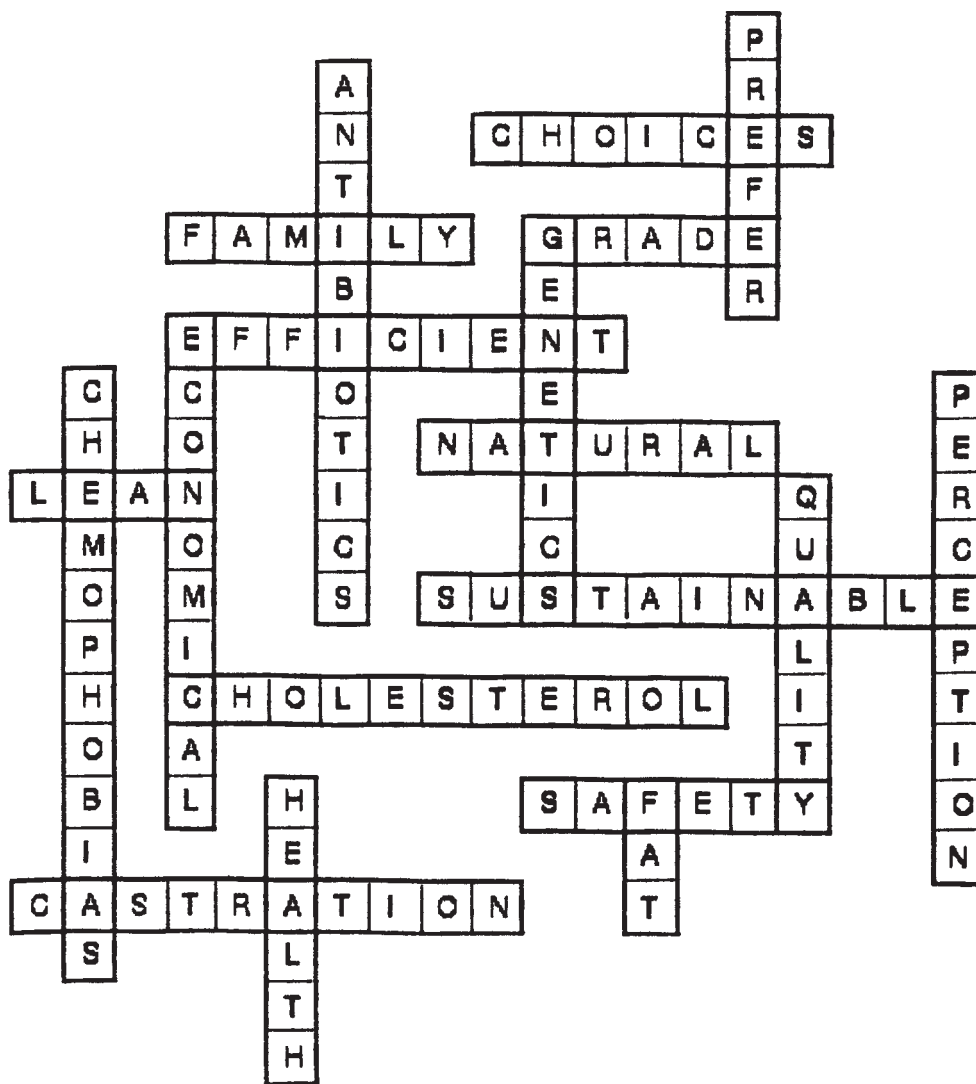
Roll Call

Name a person who is involved in the beef industry.

Factors Affecting Our Beef Industry Today

Factors Affecting Our Beef Industry Today

As a group, define the terms in the crossword puzzle below. Come up with as many ideas as you can about how these things can have an effect on the way we produce our beef here in Canada.



**From
Yesterday
to Today**

From Yesterday to Today

Our beef industry has changed a great deal in the last 25 years. Today it is very different. What things have caused it to change?

With time, our needs, tastes and preferences have changed. The beef industry has responded to these changes by changing the type of product it produces.

In each of the following pairs of diagrams, explain how the industry has changed in the last 25 years.

From	To
Large, exotic steer	Moderate sized crossbred steers
<hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
Small cow/calf herd	Larger cow/calf herd
<hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
Larger steak	Moderate or small sized steak
<hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>
Home finished steers	Custom feedlot
<hr/> <hr/> <hr/> <hr/>	<hr/> <hr/> <hr/> <hr/>

Consumer Demand - Food For Thought

Consumer Demand – Food For Thought

What are your thoughts on how consumer demand affects the beef industry?

What is it that affects consumer demand?

How do you think the average consumer perceives beef?

We want our consumer to perceive beef as economical, healthy, nutritious and ecologically sound. Why is it important to us, as cattle producers, to understand this?

International trade is important and vital for the Canadian beef industry. How can disease outbreaks influence trade and the economics of the Canadian cattle industry?

Animal rights activists are influencing how we look at our own beef industry. What are some practices that are under review?

Unit Twenty

Alberta 4-H Law

Learning about Animal Welfare**Roll Call**

Name some concerns the public may have about the welfare of your project animal.

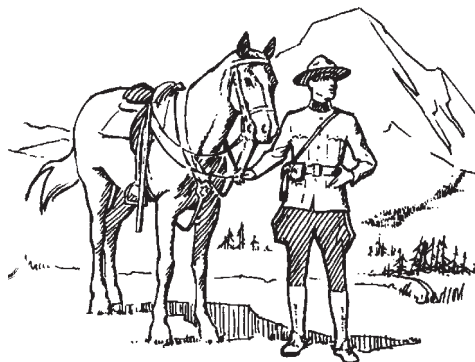
**The Care
of Our Animals**

Responsible animal welfare is when an animal's individual needs are met for feed, water, shelter and health. It also includes the ability to express its natural behavior. And of course, the animal must be free from undue pain and suffering. As livestock producers we take pride in the fact that we believe in animal welfare because it is the right thing to do and we chose to do it. It is good for the animals, good for the producer and good for the industry. It is not just because it's the law or the public tells us we have to. Unfortunately, not all livestock owners share these feelings of responsibility and for this reason, we have a provincial law that protects our livestock.

The Alberta Animal Protection Act states "If you own an animal or are in charge of an animal, you cannot cause it to be in distress or permit it to remain in distress." An animal is in distress if it:

- a does not have adequate food, water, care or shelter,
- b is injured, sick, in pain or suffering, or
- c is abused or neglected.

Any person found guilty under ALBERTA'S ANIMAL PROTECTION ACT can be fined up to \$20,000. A judge can also order a special term or conditions upon anyone convicted (example: a judge could prohibit a convicted person from owning animals for a set period of time). What this law does is legally protect the animals and allows us to deal with those who have chosen not to abide by the standards we have set as an industry.



How do we care for our animals?

Examining how we care for our animals is important. First, let's review the "Five Freedoms."

The Five Freedoms . . .

As livestock producers we have the responsibility of providing our livestock with these five freedoms.

- 1 Freedom from **thirst, hunger and malnutrition** by ready access to fresh water and a diet to maintain full health and vigor.
- 2 Freedom from **discomfort** by providing a suitable environment including shelter and a comfortable resting area.
- 3 Freedom from **pain, injury and disease** by prevention or rapid diagnosis and treatment.
- 4 Freedom to **express normal behavior** by providing sufficient space, proper facilities and company of the animal's own kind.
- 5 Freedom from **fear and distress** by ensuring conditions that avoid mental suffering.

In order for the Five Freedoms to be effective we must first understand the exact needs of our animals. In an effort to assist producers in this area, the Canadian Agri-Food Research Council (CARC) has developed the Recommended Codes of Practice to provide producers with guidelines for the acceptable standards of care for their animals. In these booklets developed by the livestock industry, scientists and veterinarians, the CARC have provided recommendations for housing, feeding, transportation and general care of each of the livestock commodities.



Activity 1

Obtain a copy of the Codes of Practice (http://www.carc-crac.ca/english/codes_of_practice/) specific to your livestock project. Use the Codes of Practice to establish the guidelines you need to achieve the Five Freedoms for your livestock project.

As livestock producers we are all members of the agricultural industry and are responsible not only for the care of our own animals, but the welfare of all animals. It is up to us as individuals to help spread the word on responsible animal care. Here are a few tips on how you can spread the message and be responsible.

- **Talk to others** about proper care and help other youth learn correct care and handling of their project animals.
- **Lead by example** by caring for your animals and practicing low stress handling methods. Younger members will learn by example, so set a good one.
- **Observe others** caring for their animals and express concern when incorrect care is given. We all have a stake in promoting the proper care of animals by all producers. If you feel an animal is in jeopardy, phone the Alberta Farm Animal Care (AFAC) ALERT Line to report your concerns 1(800)506-CARE (2273). We must not tolerate animal abusers.
- **Help others** find the facts. Sometimes when people don't understand an issue, they develop their own answers, even if they are not really informed. As 4-H members, you can help provide people with correct information about animal care issues and the benefits of production agriculture.

A Wolf in Sheep's Clothing

What's in a Name? By Susan Church

Reprinted from Alberta Farm Animal Care Insights

A new animal rights group presented itself to the Canadian livestock industry at a recent meeting in Ottawa: the Canadian Farm Animal Coalition.

Made up of the Winnipeg and Vancouver Humane Societies and Animal Alliance of Canada, this new coalition is opposed to the Codes of Practice (for the care and handling of livestock species), all sow stalls, egg laying cage systems and more. These three groups are not members of the Canadian Federation of Humane Societies (CFHS), a group that we would call a 'traditional animal welfare organization', -one that is ready to work with industry, not against it.

*The public will be misled by this new 'Coalition', just because of its **name**.*

How do you know when a legitimate humane society, like the Calgary Humane Society, that has a companion animal shelter and enforces the Animal Protection Act, -is not an animal rights advocate like the Vancouver Humane Society, that doesn't have shelters or legitimate enforcement constables?

How do you know when a legitimate livestock industry group, like the Alberta Farm Animal Care Association and Animal Agriculture Alliance in the US is not an animal rights group like the Animal Alliance of Canada and the Canadian Farm Animal Coalition?

Not by its name. You must dig deeper.



Start Digging

Look up the websites of the following organizations, select three of the sites, and see if you can find the answers to the following questions.

- When were they founded and what is the history of their organization?
- What is their mission and do they provide a mission statement?
- What are their sources for funding?
- What programs, activities, publications, etc. does the organization oversee?
- Make note of the photos and illustrations exhibited on the website.

Alberta S.P.C.A.
10806-124 St
Edmonton, AB T5M 0H3
(780) 447-3600
www.albertaspca.org

Alberta Farm Animal Care
Cambrian P.O. Box 75028
Calgary, AB T2K 6J8
(403) 777-0445
www.afac.ab.ca

Animal Alliance of Canada
Suite 101, 221 Broadview Ave
Toronto, ON M4M 2G3
(416) 462-9541
www.animalsalliance.ca

Canadians for the Ethical Treatment of Food Animals
P.O. Box 18024
2225 West 41 Ave
Vancouver, BC V6M 4L3
(604) 261-3801
www.cetfa.com

Canadian Federation of Humane Societies
102-30 Concourse Gate
Ottawa, ON K2E 7V7
(613) 224-8072
www.cfhs.ca

Humane Society of Canada
#806-374 Bay St
Toronto, ON M5H 2R7
1-800-641-KIND
www.humanesociety.com

World Society for the Protection of Animals
90 Eglinton Ave East, Suite 960
Toronto, ON M4P 2Y3
www.wspa.ca
Canadian Coalition for Farm Animals
213 - 33 Hazelton Avenue
Toronto, Ontario M5R 2E3
(604)266-9749 1-888-303-2232
www.humanefood.ca

Power of Knowledge and Education of Animal Cruelty
P.O.Box 265, 4609 Kingsway
Burnaby, British Columbia V5H 4L3
www.geocities.com/pookcrisp/contact.html

After gathering this information, examine it critically. Review the information you gathered, then answer the following questions.

What statements of fact did you find? Which statements misrepresented the facts to cause people to react emotionally instead of logically? Which type of statements were there more of?

Who is the intended audience of this material?

Is the organization interested in animal welfare or animal rights? List specific examples to support your interpretation.

Share what you have found with other members!

Where Our Opinions Come From

Where we live, what we hear and what we experience affect the way we see and interpret the things around us. Most Canadians now live in cities so fewer people are familiar with agriculture or know how their food is produced. As rural Canadians, most of us are brought up with the knowledge of how our food is produced and how to meet the needs of our livestock. This demographic difference is what is most often responsible for the difference of opinions on livestock production. Here are a few examples of how this can produce two different viewpoints.

Urban - To many urban residents, an animal is a pet. To some, food animals may be viewed as pets.

Rural - To a farmer, an animal may be a pet for a while, but it is also being raised for our food supply. To a farmer, dogs and cats are pets, the livestock are being raised for our food supply.

Rural - A horse may be something they enjoy riding, but it is also an important and useful tool for working with cattle. Some horse owners may use them mainly for recreation.

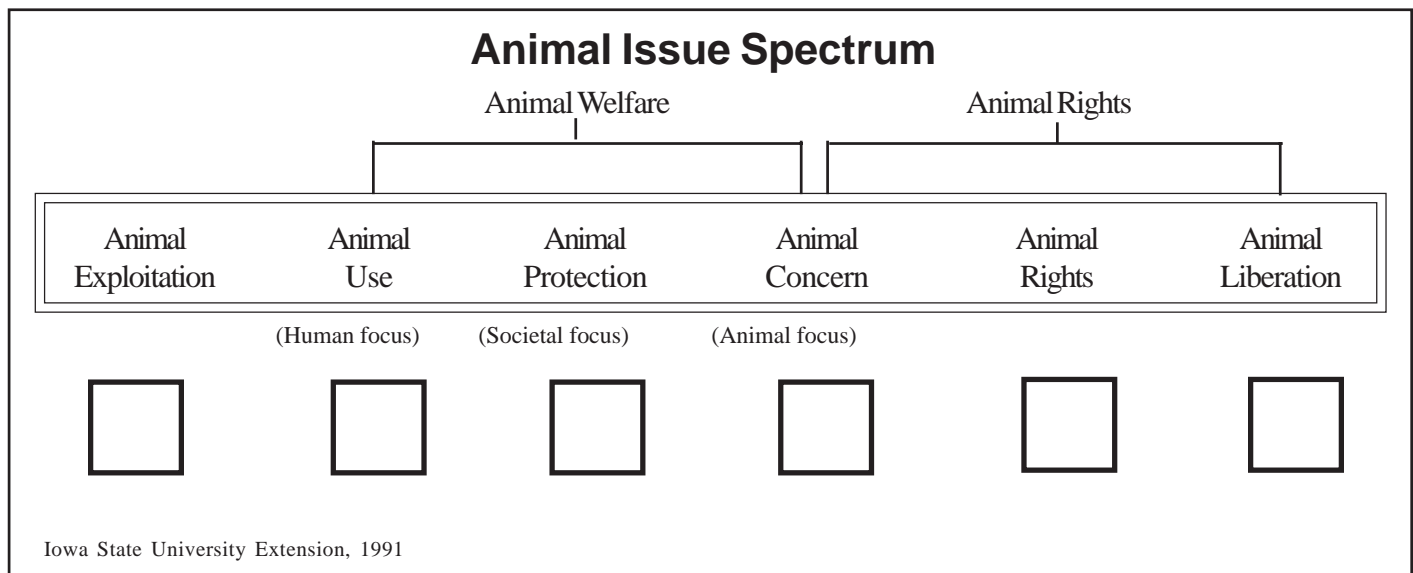
Urban - Horses may be viewed as something that belongs in the wild or as a pet.

Understanding how and why people develop opinions that are different from our own can help us to better understand our own opinions. When we understand how our background affects how we see the world around us, we can better understand what makes the views on animal welfare so diverse. The animal activist movement is based on a range of ideas on what our relationship with animals should be like. Different people have different views, from extremes on either end to a more moderate middle of the road approach.

 **Activity 3**

The following are examples of the different views that people have about our interaction with animals:

- 1 Animals should not be forced to work or produce for our benefit in any way.
- 2 Animals are here for our use, but we must be responsible with them to produce as much as possible.
- 3 Everybody should be required to treat each animal as kindly as possible for the good of the animal.
- 4 Animals are here for our use and abuse.
- 5 Animals have rights just as humans do.
- 6 We are here to enforce the laws and regulations made by our lawmakers.



The chart shows the range of ideas related to animal issues. Where do you think the six ideas above fit? Fill in the number of the idea in the box under the heading you think it matches.



Activity 4

Where do you stand?

Having explored different viewpoints, it is now time for you to find out where you stand on these issues. Circle your response. There are no right or wrong answers.

SA = strongly agree **A** = agree **U** = undecided **D** = disagree **SD** = strongly disagree

Animals should be treated as humanely as possible.

SA A U D SD

Animals have the same rights as humans.

SA A U D SD

Animals have the same needs as humans.

SA A U D SD

Animals can be used for their products and by-products as long as they are treated humanely throughout their lifespan.

SA A U D SD

Animals should not be used for human consumption or products.

SA A U D SD

Chickens raised for eggs should not be housed in cages, but rather run freely about the farm.

SA A U D SD

Elk by-products are useful for humans.

SA A U D SD

Beef cattle need to be branded.

SA A U D SD

Organically-farmed animals are healthier than 'regularly' farmed animals.

SA A U D SD

Veterinary practices are for the benefit of farm animals.

SA A U D SD

Sheep benefit from having their wool sheared.

SA A U D SD

Horse PMU (pregnant mare urine) farms provide useful products for humans.

SA A U D SD

Dairy cattle are solely milk machines that spend their lives inside barns.

SA A U D SD

Cattle in feedlots are overcrowded.

SA A U D SD

Farm animals, be it birds or livestock, suffer needlessly in their death.

SA A U D SD

Farm animals need humans to look after them.

SA A U D SD

Livestock should be sedated and receive pain management when they are dehorned.

SA A U D SD

Sow pens cause the sow and piglets much discomfort.

SA A U D SD

Biotechnology, or genetic research with animals, provides no benefit for humans or animals.

SA A U D SD

Beak trimming and tail docking are inhumane practices.

SA A U D SD

Canadian farmers make good choices regarding the well-being of their farm animals.

SA A U D SD

Bison should be domesticated and farmed for their meat and byproducts.

SA A U D SD

Turkeys and chickens raised for meat are unduly stressed when they are collected for slaughter.

SA A U D SD

The fast-food industry should put restrictions on the way farmers raise their animals.

SA A U D SD

It is acceptable to pay more for meat and animal products that are raised humanely.

SA A U D SD

Have a discussion with fellow 4-H members on the answers the group have come up with.



Activity 5

What we do with Animals

Use the following letters to mark the practices done to different types of animal groups.

A = Always **O** = Occasionally **N** = Never

	Humans	Pets	Lab Animals	Wildlife	Food Animals	Your Project Animal
Perform surgery						
Cage						
Experiment						
Vaccinate						
Control diet						
Provide birth control						
Groom						
Provide artificial environment						
Use for entertainment						
Eat						

How were your answers similar or different?

Food animals and humans. Why? _____

Pets and your project animal. Why? _____

Your project animal and other food animals. _____

Having completed these two exercises, you should have a better idea of your personal views. Turn back to the spectrum on page 20-2. Circle the section where your views on interactions with animals fit.



Activity 6

Why We Do What We Do

There are some things that we do as 4-Hers that concern people who object to animal agriculture. Therefore, it is important to know what these practices are and why we do them so we can better explain our practices to the public.

Why we do what we do

On the left is a list of things that we do with our animals that many people find cruel and unnecessary. Match these practices with the appropriate explanation for what we do.

Castration.*

Branding and,
or tattooing.*

Eat meat.*

Feed grain to
livestock instead
of starving people.*

Transport animals.*

Confine animals in
pens or cages.*

Remove horns
(cattle, bison)
tails Sheep, pigs),
or trim beaks
(egg laying hens).*

Train and show
our animals.*

- * To enhance handling practices, for the safety of the animals and the producer, and, or to avoid complications later on.
- * To move animals to a fresh food supply to prevent over-grazing and soil erosion, or to deliver the animals to regulated and inspected processing plants.
- * To learn about proper handling and training of our animals, understanding their behavior and celebrating our accomplishments.
- * Domestic animals convert grasses into human nutrition that would otherwise not be available. Meat provides important proteins.
- * Permanent identification and theft deterrent. Not currently shown to be excessively painful.
- * To better provide for their individual or group environmental and physical needs. To enable close monitoring of their individual health.
- * The quality of most feed grains is inadequate for human consumption.
- * To prevent aggressive behavior and enhance the handling of the animal. To control the breeding of the animals and to enhance the efficiency of feed animals.

How would you explain the things we do at livestock shows? _____

Which practices may appear abusive or inappropriate to the non-agricultural public?

Consider the use of handling tools such as whips, twitches, prods, show sticks, and grooming methods such as clipping and gluing which alter the animal's appearance. How might these tools or grooming methods be interpreted by spectators?

Standing Up for Your Position

4-H and 4-H projects have been attacked on the basis of animal rights ideas. The showing or judging of animals at achievement days and fairs have been the focus of animal rights activists. Any livestock show or exhibit is a time when many people - some with no experience or knowledge of agriculture - will view your 4-H animals.

As a 4-H member, you represent the agricultural industry at the show. It is important that you provide your animal with good care and adequate comfort, and follow proper animal care at all times. These events are an important and useful way of informing the general public about our commitment to animal care.

You can be a pro-active force in educating the public about livestock production. If you adhere to the creed of the 4-H stockkeeper and the Five Freedoms, are excited about your project, and are confident that you are doing what is right you can successfully deliver the message.

Here are some tips for speaking with the public:

- Be courteous. Never consider a question to be silly or stupid. Use their interest as an opportunity to show pride in yourself and your 4-H project. Tell them how you care for your animals and why you are raising them. Explain to them what you are learning about livestock production and help to inform their curiosity.
- Be positive and enthusiastic about your project. Show pride in yourself and your project by taking good care of your animals and by sharing your learning experiences.
- Answer questions honestly. Use your own experiences to help explain your position. If you don't feel comfortable answering a certain question - don't. Find your leader, parent, or a designated official to help you answer it.

- Don't have a "kick-butt" attitude. Arguing with people who have different views from you will not get them to change their minds, just as they won't get you to change yours. The goal is not to make others change their view, rather, it is to present our good image to the public. In turn, this positive image may help to change their opinion of our industry.



Activities 7

What would you say?

Answer these questions as if you were being asked by a complete stranger at a livestock show. Make sure your explanations are well informed and speak from your experience.

1. What does animal welfare mean to you?

2. Why do you support animal agriculture?

3. Why is the well-being of your project animal important to you?

4. What do you do to ensure that your animal is well cared for?

5. Are you going to sell your animal? Isn't that cruel?

Responsibility

Part of practicing good animal welfare is not just looking out for the animals in our care, but looking out for the welfare of all animals. When we see animals that are not having their needs met or that are subjected to abuse and/or neglect it is our responsibility to make sure the animals receive the proper care they need. Alberta Farm Animal Care has established a hot line you can call to report any cases of animal neglect or abuse, or when you feel you cannot meet the needs of your animals. The ALERT line was established to allow producers to help producers ensure responsible animal care. **1-800-506-CARE (2273)**.

Thank You to Our Sponsor

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In 1993, Alberta's major livestock groups formed the **Alberta Farm Animal Care Association**. AFAC's goal is to improve animal handling and promote responsible animal care. As part of their mandate, AFAC engages in discussion with the public about today's livestock production; monitors and participates in issues and legislation that affect animal care and encourage research relevant to animal care.

Beef Project Evaluation

Your input is a valuable asset to the 4-H program!

As you go through the project year, make your comments and suggestions about the project on this form. When your project is completed, mail this form to us. We want to hear from you!

Beef Project Evaluation
4-H BRANCH
ALBERTA AGRICULTURE, FOOD AND RURAL DEVELOPMENT
7000 113 STREET NW ROOM 200
EDMONTON AB T6H 5T6

Please tell me:

Evaluation Date

Which units did you complete this year?

Is there anything else you would like to see included in the project material? Record book?

Did you enjoy the activities?

Is there any information you would like to see added?

(over)

