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Investment, Operating Costs and Estimated Returns for 500- and 1000-Head Beef Cattle Feedlots, Mississippi, 1979

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Investment, Operating Costs and Estimated Returns for 500- and 1000-Head Beef Cattle Feedlots, Mississippi, 1979

Fred H. Tyner, agricultural economist and Thomas D. Scroggins, former graduate research assistant, Mississippi State University, Department of Agricultural Economics

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SUMMARY AND CONCLUSIONS

Numbers of beef cattle finished in feedlots in Mississippi are low relative to feeding enterprises throughout the nation, and investment per animal unit in confinement feeding in Mississippi is high. Individuals presently find it difficult to justify to themselves (or to their lender) entrance into this type of enterprise alternative.

Some positive factors relating to such an investment decision include the availability of feeder cattle in Mississippi and the demonstrated performance of feedlot cattle on high quality corn silage. Slaughter facilities in Mississippi and adjoining states currently obtain most of their fed cattle from the High Plains but are amenable to purchasing quality fed cattle from local producers.

The abundant supply of feeder cattle in Mississippi, their feedlot performance on corn silage, the available capacity for slaughtering additional finished cattle and the likelihood of increased transportation cost for shipping cattle to the traditional feeding areas suggest the need for examination of the costs and returns that could be expected for confinement feeding operations in Mississippi.

Costs of owning and operating two different sizes (500- and 1000head one-time capacity) of slattedfloor feedlots were estimated. Primary data were obtained from a survey of existing feedlots in Mississippi and from firms that supply materials and other inputs to cattle-feeding operations.

Initial investment was \$504,000 for the 500-head lot and \$894,000 for the 1000-head lot. Feed cost and length of feeding period were determined by a feedlot simulation model that incorporated a leastcost feedmix subroutine. Steers were assumed to enter the feedlot at 656 pounds and to gain an average of 2.4 lbs daily on a corn silagebased ration before being sold at 1,046 pounds after 161 days in the feedlot. Total costs per pound of gain (facility, other non-feed and feed) were \$.649 for the 500-head feedlot and \$.651 for the 1.000-head feedlot, assuming each was used to finish two groups of cattle per year.

Profitability (above non-feed and feed costs) for the two enterprises also was evaluated. Returns for both systems were calculated for ranges of feeder cattle buying prices and finished cattle selling prices to determine break-even price relations.

Success in a feeding operation depends most heavily on capable (or outstanding) management to (1) select a facility design complementary to management and the existing farming operation, (2) choose the proper time for entry, (3) make sound cattle purchase and marketing decisions and (4) operate the feeding phase to obtain a good rate of gain, minimize death loss and make efficient use of labor, utilities, fuel and equipment.

The potential for confinement feeding in Mississippi appears limited if viewed only in terms of the number of facilities currently operating in Mississippi and the large capital investment requirements. However, confinement finishing appears to be a viable beef alternative and a secure investment in view of its ability to integrate with existing farm operations, provide an alternative market for beef and row crops and generate a profit when bolstered by "good management"---the essential factor in successful feeding.

The abundant supply of feeder cattle in Mississippi and the instate capacity for slaughtering finished cattle, coupled with the higher transportation costs associated with rising fuel prices, suggest that finishing cattle on a high-quality corn silage diet may be an economically feasible alternative for Mississippi producers.

Investment, Operating Costs and Estimated Returns for 00- and 1000-Head Beef Cattle Feedlots, Mississippi, 1979

onfinement feeding of cattle as alternative that might increase rns to beef producers in the theast has been of considerable rest during recent years. One or problem of potential feedlot rators is the lack of information the managerial and capital estment requirements of conment feeding enterprises, ential advantages from confineit feeding and economic returns ratious feeding systems.

he current productioncketing-processing system cons of shipping most Mississippiduced weanling and feeder ves to southwestern and western pastures and feedlots, a some of this beef shipped back resale and consumption after sh and slaughter. The higher isportation costs associated a rising fuel prices make this im questionable if cattle can be shed profitably in Mississippi rations of high quality corn ge [1,7]. Mississippi has the slaughter-processing capacity necessary to handle additional fed beef cattle.

One problem confronting potential confinement feeding operations in the Southeast is the lack of knowledge of factors that determine the success of a feedlot operation, including detailed descriptions of managerial requirements (or sources of such information), alternative facility and equipment requirements and the necessary technical assistance. Such information, along with investment and operating cost data. is needed to provide guidance to potential beef cattle finishers and to the financial institutions that might be called on to finance investments in confinement feeding operations. Thus, specific objectives of this study were to:

1. Survey current confinement feeding operations in Mississippi and identify and describe the alternative operational techniques and types of facilities and equipment used.

- 2. Use an engineering approach to develop two synthesized systems for confinement feeding of beef cattle and to develop the resource requirements for
 - feed production
 - feed storage
 - feed processing and movement (ration formulation and feeding)
 - feeding containers (bunks, waterers and mineral boxes)
 - feeding floor
 - facility cover
 - cattle containment and control (equipment, health, purchase and sale)
 - manure disposal
- 3. Use combined non-feed and feed costs to calculate returns for both systems for different combinations of cattle buying and selling prices.

SPECIFICATION OF TWO SYNTHESIZED FEEDLOT SYSTEMS¹

lo alternative systems for thing beef cattle were thesized---a 500-head feedlot city and a 1000-head feedlot city. Both synthesized facilities have slatted floors since they appear to be more appropriate for confinement feeding of cattle in Mississippi. Pens within each facility are designed to accommodate 50 head, with 18.4 sq ft per animal. Other common features are pen fencing, lane fencing and type of roof structure. Both facilities have the potential to

The current status of confinement beef cattle feeding in Mississippi, based on results of an August 7 survey and a detailed discussion of feeding alternatives, is presented in Appendix A. finish the same type cattle with essentially the same ration, but their operational characteristics are different.

The 500-Head Feedlot

A facility of this size, compared the majority of feeding with facilities in the United States (Gee, et al. [4]) would be considered a "farmer feedlot." The facility includes tower feed storage, a stationary mixer and a belt line feeder, combined with a deep pit manure pump-out system and a cattle working facility of low capacity. (Figure 1). The design and its operational requirements make it complementary to an existing rowcrop, cow-calf and/or backgrounding operation. Further description of the system follows:

1. Feed harvest uses conventional two-row pull-type silage cutters and silage wagons for transporting forage to the tower silo. Silage is fed from the unloader system on the silage wagon to a blower and is blown directly into the silo. This harvesting and storage system uses existing row crop tractors as its power source.

2. Feed storage consists of two 30- by 112-ft concrete tower top-unloading units with a combined capacity of about 3,000 tons. A 20- by 80-ft (20,000 bushel capacity) bottomunloading sealed-unit silo is included for corn storage. A 14ton bulk tank is provided for storing supplemental feed.

3. Feed processing and movement are accomplished by a stationary feeding system. Five conveyors and augers of varied lengths and types move corn to a roller mill and move silage, rolled corn and other feed components into the stationary mixer (that is equipped with electronic scales for ration blending). The con-



veying system deposits the feed on a 136-ft long belt feeder that can be manipulated to supply different rations to each of the ten confinement pens.

4. The feeding area has a 136ft long concrete-bottom bunk with boarded sides, six heated waterers and ten mineral boxes. The limited bunk space (.54 ft/hd) requires that feeding be done at least twice each day. A 200-ft deep water well with pump and pressure tank is included. 5. The facility floor is corstructed of concrete slats set into a prenotched beam that is supported by the walls and the center pier of an 8-ft deep manure pit. The slatted floce provides 9,248 sq ft of floce space, and 11,000 sq ft (1 formed concrete are provided for lanes, feed processing and working pen surfaces.

6. Facility cover is a single span metal building with oper sides. It covers 15,750 sq ft (1) the main facility, and a she extension of 1,500 sq ft is included to cover the cattle working facility.

7. Cattle containment and control include 1,513 ft of pen fencing and gates, plus cattleworking equipment. Working equipment includes crowd alleys, scale, squeeze chute and loading chute.

8. Manure disposal equipment includes a power take off powered manure pump to stir and pump slurry through a 30ft long hose to a liquid manure spreader for transporting and disposal.

This system uses existing row crop tractors as power units.

The 1000-head feedlot

of this size is A facility characteristic of the larger operations in Mississippi, and would classify as a "commercial feedlot" if compared with the majority of confinement feedlot facilities in the United States (Gee, et al [4]). A combination of bunker and tower feed storage is used, from which a feed-mixing truck collects feed ingredients from different locations, mixes the ration and delivers the ration to in-line bunks. A manure scraper system allows daily removal of manure for disposal in a two-stage lagoon system. The working facility is the same as for the 500-head lot. The design is shown in Figure 2. Even though the size of this operation dictates the need for a fulltime manager, it probably is too small to exist as an independent enterprise. Further description of the system follows:

1. The feed harvest system consists of a self-propelled three-row silage cutter with a towed hydraulically controlled side dump trailer. The silage is dumped into hydraulic dump body bobtrucks when the trailer is filled. The bobtrucks transport the silage to the silo,



where it is dumped and graded and then packed into the bunk silos by available farm tractors. Additional equipment needs are a forage blower powered by a 75-horsepower electric motor and a platform feeder or conveyor table unit to store corn grain in an upright silo.

2. Feed storage consists of a 15-ft-deep by 70-ft-wide by 300ft-long tilt-up, bunker silo with a concrete bottom. Maintaining forage quality in this 6,000 ton storage unit requires covering by weighted-down plastic after filling. The facility also has two 20,000-bucapacity oxygen-limiting silos with bottom unloaders for corn and two 14-ton bulk tanks with bottom augers for supplemental feeds.

3. Feed processing and movement uses a 90-horsepower tractor to operate a "cliff face" silage loader. This unit loads silage from the bunk silo into a mixer truck equipped with electronic scales. The mixer truck obtains other ration

Purchase prices (1979) for equipment and facility items were obtained from equipment manufacturers whose products were being used in the state at the time of the survey and from specialty contractors who have built silos, slattedcomponents (rolled corn augered from the roller mill and supplements augered from the bulk tanks), mixes the ration and delivers it to in-line bunks. Also included in this equipment is a flight conveyor that can be used to tie the platform feeder into the system for loading or moving silage or other feed components.

4. The feeding area has 400 ft of prefabricated feed bunks, 10 heated waterers and 10 mineral boxes. Multiple daily feedings are required due to the limited feed bunk space. A 200ft-deep water well with pump and pressure tank is included.

5. The facility has four 3-ftdeep manure scrape pits that run the length of the facility and cover 13,320 sq ft. The 18,400 sq ft of floor over these pits is made of slats fitting into pre-notched beams. Additional facility flooring consists of 15,615 sq ft of formed concrete for lane, alley, working pen, feed processing and supply shed surfaces. single-span metal building for 35,200 sq ft of the main facility, 1,500 sq ft for the working pen and 875 sq ft for the feed processing area.

7. Cattle containment and control include pen fencing for 18,400 sq ft of slatted floor, 1,420 ft of lane- and workingpen fencing and the mechanical equipment for cattle holding, handling, weighing and loading.

8. Manure disposal is accomplished by scraping daily under the slats with drag blades hooked to cables that run the length of the manure pits. The blades pile the manure at one end of the pit over large cross augers that move it to one side of the facility. A sump pump then pushes the slurry through 200 ft of sewer pipe to a two-stage lagoon system. The aerobic and anaerobic lagoons are 6and 9-ft deep, respectively, and have a combined surface area of 153,000 sq ft.

6. Facility cover consists of a

INITIAL AND ANNUAL INVESTMENT COSTS

floor lots and other feedlot components in the state. The detailed list of equipment items and facility characteristics---plus estimated life, annual repair cost and amortized fixed cost---for the 500- and 1000-head facilities are presented in Tables 1 and 2, respectively. The 10% amortized fixed cost, combined with average annual repair cost, indicates the total cost per year of owning and maintaining the facility and its equipment.

ANNUAL OWNERSHIP AND OPERATING COSTS

500-Head Feedlot

Repair and ownership cost of the facility and equipment was determined to be \$.215/lb of gain (Table 3). Feed cost is \$103.08/hd or \$.264/lb of gain.² Veterinarian and medical expense is \$5.43/hd and \$.014/lb of gain. Labor requirements total 4,242 hours, and labor cost/hd is \$12.30 (\$2.90/hr wage rate). Labor cost/lb of gain is \$.031.

Death loss is \$14.95/hd or \$.038/lb of gain.³ Cost of hauling

cattle reflects a transportation charge of \$2.28/hd or \$.006/lb of gain and is based on recommendations of a large Mississippi cattle marketing firm.

Interest on \$59,540 of purchased feed calculated at 12% for 161 days

²Totals for each of the feed components were calculated from the feeding summary in Appendix Table A-8 and the ingredient costs shown in Appendix Table A-6. ³Calculated as 3% of the purchase price of 656-lb cattle at 76¢/lb.

able 1.	Initial	investment	and annual	cost,	500-head	slatted-floor	confinement	feedlot,	Mississippi,	1979.	

tage	ltem	Description	Price/ unit	No. of units	F Amount	Expected life	Repair cost	Average annual repair cost	Amortized fixed cost 1
			(\$)		(\$)	(yrs)	(% new cost)	(\$)	(\$)
eed ha	rvest:	0	11 011 00		11 011 05	10	100	1 101 10	1 007 00
	2. Forage box	2 row pull-type	11,911.25	Ţ	11,911.25	10	100	1,191.12	1,937.96
	and wagon 3. Forage blower	10 ton capacity	6,277.00 1,961.25	4 1	25,108.00 1,961.25	15 10	100 100	1,673.86 196.12	3,301.70 319.09
ed st	corage: 1. Upright silo	30' diameter x 112' high including	64,800/ut	2	129,600.00	15	25	2,160.00	17,042.4
	2. Sealed unit silo	blower pipe, top unloader and chute 20' diameter x 80' high including blower pipe and bottom unloader (20,000 b consist for 16' shall come	48,350/ut	1	48,350.00	15	25	805.83	6,358.0
	 Bulk supplement tank 	14 ton capacity including a 30' auger (2 h.p. elec. motor)	1,942.00	1	1,942.00	10	25	48.55	315.9
d pr	ocessing and movement	t: 49 ft (2 h p. elec. meter) (covered)	2 560 00	ŕ	3 560 00	F	100	71.2 00	020 1
	2. Flight conveyor	20 ft. (2 h.p. elec. motor)	1,782.00	1	1,782.00	5	100	356.40	470.0
	 Auger Roller mill 	21 ft. (2 h.p. elec. motor) (3 h.p. elec. motor)	724.00	2	1,448.00	5 10	100	289.60	381.9
	5. Feed mixer w/scale	es (as i a b a b a b a b a b a b a b a b a b a	19,937.50	1	5,024.00	10	50	131.20	432.00
	6. Flight conveyor	(75 h.p. elec. motor) 23 ft. w/swivel carriage (2 h.p. electric motor)	3,000.00 2,833.00	1	22,937.50 2,833.00	10 5	50 100	1,146.87 566.60	3,731.9 747.3
	7. Belt feeder	136' (3 h.p. electric motor)	78.21/1.f.	136	10,636.56	5	100	2,127.31	2,805.9
ding	containers:								
	 "H" bunks Waterers 	concrete w/board sides (installed) Automatic & heated	33.06/1.f. 320.85	136 6	4,496.16 1,925.10	20 10	50 50	112.40 96.25	528. 313.
	3. Mineral boxes	*Ooes not include installation	40.00	10	400.00	10	100	40.00	65.
	4. Water well	200 ft. w/pump and pressure tank plus electrical	2,250.00	1	2,250.00	10	50	112.50	366.
ilit	y floor: 1. Pit	consisting of foundation, walls, floor	7.26/s.f.	9,248	67,140,48	20	25	839,25	7,889,
	2. Slats and beams	and piers (68' wide x 136' long x 8' deep 9,248 sq. ft. (in place)) 4.45/s.f.	9,248	41,153.60	20	25	514.42	4,835.
	3. Lane surface	2 (10' wide by 136' long)	1.25/s.f.	2,720	3,400.00	20	15	25.50	399.
		(10' wide by 90' long)	1.25/s.f.	900	1,125.00	20	15	8.43	132.
	4. Feed processing	27' wide by 90' $long^{1/2}$	1.25/s.f.	2,430	3,037.50	20	15	22.78	356.9
	area 5. Cattle working area	30' wide by 50' long	1.25/s.f.	1,500	1,875.00	20	15	14.06	220.3
4144									
1110	1. Main roof 2. Working facility	90' wide by 175' long w/16' eave 30' wide by 80' long shed roof	4.35/s.f. 4.35/s.f.	15,750 1,500	68,512.50 6,525.00	20 20	25 25	856.40 81.56	8,050.2 766.1
tle	containment and cont	rol: <u>2</u> /							
	1. Pen fencing	10 pens (50 head/pen)	1.34/s.f.	9,248	12,392.32	20	50	309.80	1,456.
	 Lane fencing Working pen fencing 	ng	7.50/1.f.	400	1,207,50	20	50	75.00 30.18	352. 141.
	4. Working pen	squeeze chute w/palpation cage	1,345.00	1	1,345.00	20	50	33.62	158.
	equipment	scales (w/rack) crowd alley loading chute (20' single deck)	795.00 880.00	1 3 1	2,385.00 880.00	20 20 20	50 50 50	39.45 59.62 22.00	280. 103.
ure	disposal:								
	1. Slurry pump 2. Liquid manure	PIO driven (including 30 ft. of pipe) Tractor pull (PTO) (2,200 gal. capacity)	3,867.00	1	3,867.00	10	100	386.70	629.
	spreauer		10,223.00	1	10,229.00	10	100	1,022,30	1,004.
				TOTAL	\$503,817.72			\$16,128.28	\$67,737.

is \$3.15/hd or \$.008/lb of gain. Interest on the \$498,560 invest-ment in cattle calculated at 12% for

т

101 days 1s \$26.39/hd or \$.067/lb of
gain. Utility and fuel costs are
\$2.31/hd or \$.006/lb of gain.Total cost of producing 390
pounds of gain/hd in 161 days is
\$253.75, or \$.649/lb of gain.

Table	2.	Initial	investment and	annual cost,	1,000-head	slatted-floor	confinement	feedlot,	Mississippi,	1979.1/
-------	----	---------	----------------	--------------	------------	---------------	-------------	----------	--------------	---------

Stage	ltem	Oescription	Price/ unit	No. of units	Amount	Expected life	Repair cost	Average annual repair cost	Amortized fixed cost 10%
			(\$)		(\$)	(yrs)	(% new cost)	(\$)	(\$)
Feed ha	rvest: 1. Silage cutter 2. Oump wagon 3. Oump truck 4. Truck ramp 5. Platform feeder 6. Forage blower 7. Electric motor 8. Grader blade	<pre>self propelled w/three row header hydraulic side dump (tons) truck w/dump body forage gate (custom made) 10 ft. x 14 ft. (3 h.p. electric motor) portable (75 h.p.) 10 ft. (heavy duty)^{2/}</pre>	52,038,00 6,400,00 14,000,00 178,00 500,00 6,895,00 1,961,25 3,000,00 2,465,00	1 2 2 1 1 1	52,038.00 6,400.00 28,000.00 356.00 6,895.00 1,961.25 3,000.00 2,465.00) 10) 15) 10) 20) 15 ; 10) 10 ; 10	100 100 100 25 100 100 50 50	5,203.80 426.67 2,800.00 35.60 6,25 459.66 196.12 150.00 82.16	8,466.58 841.60 4,555.60 57.92 58.75 906.69 319.09 488.10 324.14
Feed st	orage.			-			50	02.10	524,14
reed se	1. 8unker silo	tilt-up 15 ft. side flat surface 70 ft. wide x 300 ft. long 6000 ton capacity	58.00/ft 1.25/s.f.	670 21000	65,110.00) 20	25	813.87	7,650.42
	2. Tower silo	Oxygen limiting 20' wide 80' high (in- cluding blower pipe and bottom unloader)	54,806.00	2	109,612.00	20	50	2,740.30	12,879.41
	 Bulk supplement tank 	14 ton capacity (2 h.p. elec. motor)	1,942.00	2	3,884.00) 10	25	97.10	631.92
Feed pr	rocessing and movement: 1. Mixer truck 2. Ensiloader Tractor 3. Level conveyor 4. Flight conveyor	diesel w/twin screw axle ensile mixer w/electronic scales clifface (1 ton/min) (90 h.p.) 25 ft (covered) (2 h.p. elec. motor) 23 ft w/swivel carriage	37,000.00 19,112.50 7,500.00 15,000.00 1,854.00 2,833.00	1 1 1 1 1	37,000.00 19,112,50 7,500.00 15,000.00 1,854.00 2,833.00) 10) 10) 10) 10) 5) 5	100 100 100 100 100 100	3,700.00 1,911.25 750,00 1,500.00 370.80 566.60	6,019.90 3,109.60 1,220.25 2,440.50 489.08 747.34
	5. Roller mill 6. Auger	(2 h.p. elec. motor) (3 h.p. elec. motor) 23 ft. (2 h.p. elec. motor)	3,024.00 792.95	1 1	3,024.00 792.95	10 5	50 100	151.20 158.59	492.00 209.18
Feeding	containers: 1. Fence line bunks 2. Waterers	400 ft. Automatic & heated	20.04/1.f. 320.85	400 10	8,016.00 3,208.50	20 10	50 50	200.40 160.42	941.88 522.01
	3. Mineral boxes	*Opes not include installation *Opes not include installation	40.00	10	400.00) 10	100	40.00	65.08
	4. Water well	200 ft. w/pump and pressure tank plus electrical	2,500.00	1	2,250.00) 10	50	112.50	366.07
Facilit	y floor: 1. Pit	2 - 23' x 420 x 3' Oeep pits foundations walls floors and piers	8.16/s.f.	19,320	157,651.20	20	25	1,970.64	18,524.01
	 Slats and beams Lane surface Working pen 	2 - 23' x 400 (in place) center: 12' x 420' side: 10' x 420' end: 2-10' x 80' outside: 10' x 50' <u>3</u> / 40' x 80'	4.45/s.f. 1.25/s.f. 1.25/s.f. 1.25/s.f. 1.25/s.f. 1.25/s.f. 1.25/s.f.	18,400 5,040 4,200 1,600 500 3,200	81,880.00 6,300.00 5,250.00 2,000.00 625.00 4,000.00	20 20 20 20 20 20 20 20 20	25 15 15 15 15 15	1,023.50 47.25 39.37 15.00 4.68 30.00	9,620.90 740.25 616.87 235.00 73.43 470.00
	 Feed processing area Supply shed 	25' x 35' 10' x 20'	1.25/s.f. 1.25/s.f.	875 200	1,093.75 250.00	20 20	15 15	8.20 1.87	128.51 29 37
Facili	ty cover: 1. Main roof 2. Working facility	80' wide by 440' long w/16' eave 30' wide by 50' long	4.35/s.f. 4.35/s.f.	35,200 1,500	153,120.0 6,525.0	0 20 0 20	25 25	1,914.00 81,56	17,991.60 766.69
	3. Feed processing area	25' wide by 35' long	4.35/s.f	. 875	3,806.2	5 20	25	47.57	447.23
Cattle	containment and contro 1. Pen fencing 2. Lane fencing 3. Working pen fenci 4. Working pen equipment	p): <u>4</u> / 20 pens (50 head/pen) ing squeeze chute w/palpation cage scales (w/rack) crowd alley loading chute (20' single deck)	1.88/s.f. 7.50/1.f. 7.50/1.f. 1,345.00 1,578.00 795.00 880.00	. 18,400 . 980 . 161 . 1 . 1 . 3 . 1	34,592.0 7,350.0 1,207.5 1,345.0 1,578.0 2,385.0 880.0	0 20 0 20 0 20 0 20 0 20 0 20 0 20 0 20	50 50 50 50 50 50 50 50	864.80 183.75 30.18 33.62 39.45 59.62 22.00	4,064.56 863.63 141.88 158.03 185.41 280.23 103.40
Manure	disposal: 1. Scrapers 2. Cross auger 3. Sump pump 4. Pige 5. Aeration pump 6. Lagoons	drive cable and blades 63' electric motor facility to lagoon 200' between ponds 15' 1 - 9' deep 300' long 285' wide 1 - 6' deep 300' long 225' wide	6,000.00 4,725.00 7,250.00 .85/ft 1.36/ft 1.675.00 9,991.80 3,220.00	2 1 200 15 2 1 1	12,000.0 4,725.0 7,250.0 170.0 20.4 3,350.0 9,991.8 3,220.0	0 5 0 5 0 20 0 20 0 20 0 10 0 25 0 25	50 50 25 25 50 25 25 25 25	1,200.00 472.50 725.00 2.12 .25 167.50 99.91 32.20	3,156.60 1,246.45 1,912.55 19.97 2.39 545.04 1,101.10 354.84
			13,211.80		13,211.8	0 25	25	\$31,749,83	1,455.94

1/Assume this enterprise to be intergrated with an existing operation. It is commercial due to the management and labor requirements.

 $\frac{2}{\mathrm{Requires}}$ one tractor for pushing and another for packing silage

 $\frac{3}{0}$ oistance varies with working pen location.

 $4/\,_{0utside}$ pens for fresh cattle entering the lot not included.

Table 3. Expected costs, 500-head one-time capacity slatted floor feedlot, two turns per year, Mississippi, 1979.

Expense	2 S	Unit	Quantity	Price/ unit	Total amount/year	Amount/ head	Amount/ lb. gain <u>-</u> /
	·				Dol	lars	
A. Facility and equip (including inter	ment rest)	each	1	83,865.71	83,865.71	83.86	.215
 Feed costs-Total (1) Corn silage (2) Corn (3) Other 		head tons tons	1,000 (2,942) (370)	(14.80) (146.00) 	103,084.86 (43,544.14) (54,070.56) (5,470.16)	103.08 (43.54) (54.07) (5.47)	.264 (.111) (.139) (.014)
. Veterinarian and m	nedicine	head	1,000	5.43	5,430.00	5.43*	.014
. Labor		hours	4,242	2.90	12,311.80	12.30**	.031
. Death loss (3% of	purchase) ^{<u>b</u>/}	cwt.	196.8	76	14,956.80	14.95	.038
. Hauling ^{_/}		head	1,000	2.28	2,280.00	2.28	.006
. Interest on purcha	sed feed <u>d</u> /	dollars	59,540	12%/yr	3,151.58	3.15	.008
. Interest on livest	cock purchase <u>b/ d</u> /	dollars	498,560	12%/yr	26,389.53	26.39	.067
. Utility and fuel		days	322	7.17	2,308.74	2.31***	.006
Total						(253.75)	.649
					(Breakeven	selling price	= \$71.92/cwt)
-/Total amount of gair	(389.99 pounds).						
Varies with purchase	price. Figures	shown are	e for \$76/0	cwt.			
Assume cattle to be	purchased at the	lot.					
Based on number of c	lays on feed (161	days).					
* See Table A-1 of A	Appendix A for ite	mized exp	penses.				
** See Table A-2 of A	Appendix A for ite	mized exp	penses.				
** See Table A-3 of A	Appendix A for ite	mized exp	benses.				

1000-Head Feedlot

Repair and ownership cost of the facility and equipment is \$.191/lb of gain (Table 4). Feed cost is the same as for the 500-head feedlot---\$103.08/hd and \$.264/lb of gain. Veterinarian and medicine expense is the same as for the 500head lot---\$5.43/hd and \$.014/lb of gain. Cost of labor and management is \$19.74/hd and \$.051/lb of gain.⁴

Death loss is \$14.95/hd and \$.038/lb of gain. Hauling is \$2.28/hd and \$.006/lb of gain.

Interest on purchased feed is \$3.15/hd and \$.008/lb of gain. Interest on investment in livestock is \$26.39/hd and \$.067/lb of gain Utility and fuel costs (feed truck and silage loader costs, energy needs for storing shelled corn and daily operation of the manure scraper system and the water well) are \$4.74/hd and \$.012/lb of gain.

Total cost of producing 390 pounds of gain/hd in 161 days is \$254.42, or \$.651/lb of gain.

X

⁴A salaried manager, two full-time men, and part-time labor (Appendix A, Table A-4).

RETURNS ABOVE SPECIFIED COSTS FOR THE SYNTHESIZED SYSTEMS

animals purchased at \$76/cwt tively. The cost components from cattle buying and selling prices (Tables 3 and 4) were used to Tables 5 and 6 were used to (Tables 7 and 8). compile Tables 5 and 6 for the 500- calculate returns above specified

Break-even selling prices for and 1,000-head facilities, respec- costs at different combinations o

1

	Expenses	Unit	Quantity	Price/ unit	Total amount/year	Amount/ head	Amount/ lb. gain <u>a</u> /
1					dol	lars	
۱.	(including interest)	each	1	149,332.88	149,332.88	74.66	.191
3.	Feed cost-Total (1) Corn silage (2) Corn (3) Other	head tons tons	2,000 (5,884) (740)	(14.80) (146.00)	206,169.72 (87,088.28) (108,140:32) (10,941.12)	103.08 (43.54) (54.07) (5.47)	.264 (.111) (.139) (.014)
•	Veterinarian and medicine	head	2,000	5.43	10,860.00	5.43*	.014
•	Labor and management				39,487.60	19.74**	.051
•	Death loss (3% of purchase) <u>b</u> /	cwt.	393.6	76	29,913.60	14.95	.038
•	Hauling ^{_/}	head	2,000	2.28	4,560.00	2.28	.006
•	Interest on purchased feed <u>d</u> /	dollars	119,081	12%/yr	6,303.12	3.15	.008
	Interest on livestock purchase <u>b/d</u> /	dollars	997,120	12%/yr	52,779.06	26.39	.067
	Utility and fuel	day	322	29.47	9,490.31	4.74***	.012
	Total					(254.42)	.651

(Breakeven selling price = \$71.98/cwt)

<u>a/</u>Total amount of gain (389.99 pounds).

 $\frac{b}{V}$ Varies with purchase price. Figures shown are for \$76/cwt.

c/Assume cattle to be purchased at the lot.

 $\frac{d}{Based}$ on number of days on feed.

- * See Table A-1 of Appendix A for itemized expenses.
- ** See Table A-4 of Appendix A for itemized expenses.
- *** See Table A-5 of Appendix A for itemized expenses.

Table 5. Assumptions used in calculating total net returns at ranges of buying and selling price for two full turns of the 500head feedlot.

Table 6. Assumptions used in calculating total net returns at ranges of buying and selling prices for two full turns of the 1,000-head feedlot.

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Component	Unit	Amount	Component	Unit	Amount
Selling weight	cwt	10.46	Selling weight	cwt	10.46
Selling price	\$/cwt	56.00 to 90.00	Selling price	\$/cwt	56.00 to 90
Buying weight	cwt	6.56	Buying weight	cwt	6.56
Buying price	\$/cwt	60.00 to 92.00	Buying price	\$/cwt	60.00 to 92
Purchased feed cost	\$/hd	59.54	Purchased feed cost	\$/hd	59.54
Produced feed cost	\$/hd	43.53	Produced feed cost	\$/hd	43.53
Death loss	3% of purchase cost	<u>a</u> /	Death loss	3% of purchase cost	<u>a</u> /
interest on purchased feed @12%	\$/hd	3.15	Interest on purchased feed @12%	\$/hd	3.15
nterest on cattle purchase	12% for 161 days (each turn)	<u>a</u> /	Interest on cattle purchase	12% for 161 days (each turn)	<u>a</u> /
Itilities and fuel	\$/hd	2.31	Utilities and fuel	\$/hd	4.74
abor (4.2 hrs @2.90/hr)	\$/hd	12.30	Labor and management	\$/hd	19.74
Veterinarian and medicine	\$/hd	5.43	Veterinarian and medicine	\$/hd	5.43
larketing cost	\$/hd	2.28	Marketing cost	\$/hd	2.28
acility cost	\$/hd	83.86	Facility cost	\$/hd	74.66

Table 7.	Return feedlo	ns per hea ot.	ad above sp	pecified co	osts for r	anges of b	ouying and s	elling pr	ices, 500	-head	
Selling price	60.00	64.00	68.00	72.00	Buyin 76.00	ng price 80.00	84.00	88.00	92.00	96.00	_
56.00	-52.83	-81.24	-109.66	-138.07	-166.48	-194.89	-223.31	-251.72	-280.13	-308.54	-
60.00	-10.99	-39.40	-67.82	-96.23	-124.64	-153.05	-181.47	-209.29	-238.29	-266.70	
64.00	30.85	2.44	-25.98	-54.39	-82.80	-111.21	-139.63	-168.04	-196.45	-224.86	
68.00	72.69	44.28	15.86	-12.55	-40.96	-69.37	-97.79	-126.20	-154.61	-183.02	
72.00	114.53	86.12	57.70	29.29	.88	-27.53	-55.95	-84.36	-112.77	-141.18	
76.00	156.37	127.96	99.54	71.13	42.72	14.31	-14.11	-42.52	-70.93	-99.34	
80.00	198.21	169.80	141.38	112.97	84.56	56.15	27.73	68	-29.09	-57.50	
84.00	240.05	211.64	183.22	154.81	126.40	97.99	69.57	41.16	12.75	-15.66	
88.00	281.89	253.48	225.06	196.65	168.24	139.83	111.41	83.00	54.59	26.18	
											-

Table 8.	Return feedlo	ns per hea ot.	id above sp	pecified co	osts for ra	anges of bu	lying and s	elling pr	ices, 1,00	00 -he ad
Selling					Buyin	ng price				
price	60.00	64.00	68,00	72.00	76.00	80.00	84.00	88.00	92.00	96.00
56.00	-53.50	-81.91	-110.33	-138.74	-167.15	-195.56	-223.98	-252.39	-280.80	-309.21
60.00	-11.66	-40.07	-68.49	-96.90	-125.31	-153.72	-182.14	-210.55	-238.96	-267.37
64.00	30.18	1.77	-26.65	-55.06	-83.47	-111.88	-140.30	-168.71	-197.12	-225.53
68.00	72.02	43.61	15.19	-13.22	-41.63	-70.04	-98.46	-126.87	-155.28	-183.69
72.00	113.86	85.45	57.03	28.62	.21	-28.20	-56.62	-85.03	-113.44	-141.85
76.00	155.70	127.29	98.87	70.46	42.05	13.64	-14.78	-43.19	-71.60	-100.01
80.00	197.54	169.13	140.71	112.30	83.89	55.48	27.06	-1.35	-29.76	-58.17
84.00	239.38	210.97	182.55	154.14	125.73	97.32	68.90	40.49	12.08	-16.33
88.00	281.22	252.81	224.39	195.98	167.57	139.16	110.74	82.33	53.92	25.51

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APPENDIX A Current Status of Confinement Feeding in Mississippi

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APPENDIX A

CURRENT STATUS OF CONFINEMENT FEEDING IN MISSISSIPPI

A description of the resource base and the practices used in confinement finishing of beef cattle in Mississippi was obtained through a producer survey conducted during the summer of 1978. The survey provided data on facilities in use and on current practices followed, including a general description of the feeding operation, capacity, number fed annually, cattle type, ration components, gain, origin and destination of animals, feedlot design, equipment, annual repair, labor requirements, silage crop production capabilities, purchased feed needs and descriptions of other beef cattle and row crop enterprises on the farm.

The survey located 27 facilities, 23 in Mississippi and four just across the Mississippi River (Figure A-1). Average capacity of the 12 Mississippi facilities with slatted concrete floors was 540 head. The 11 Mississippi facilities with solid concrete floors had an average capacity of 549 head.⁵

Total one-time capacity of the lots surveyed was 11,000 head and a total of 8,750 head were fed in 1978. Nine of the Mississippi facilities were visited---seven slatted-floor facilities with onetime capacity ranging from 200 to 1,050 head and two solid-floor facilities with one-time capacity of 400 and 1,000 head.

No specific type or breed of cattle dominated the preferences of confinement feeders. However, crossbred calves of good quality were most numerous, and most crossbred animals reflected some English breed characteristics (Hereford or Angus). Heifers and steers were fed in four lots, only steers were fed in five lots. Average weight of steers entering the lots was 656 pounds, and initial weights of heifers ranged from 500 to 550 pounds. Steers left the lots at an average weight of 1.077 pounds. and heifers left at 825 to 950 pounds. The majority of the feedlot operators attempted to feed two turns of cattle each year, keeping cattle in the lot an average of 176 days for each turn.

Most producers obtained cattle through auction barns and privatetreaty trading. Feeder calves for the larger feedlots were acquired through order buyers. Feeding of contracted or custom-fed cattle was reported by only one operator.

The basic ration was corn silage from the feedlot operator's farm (some corn was irrigated). Some farm-grown high moisture corn was fed, and two operations used poultry waste as a feed additive. Other feed additives were purchased.

Specific information was collected on facility design and Some equipment. measurable characteristics of the slatted floor facilities were---77-head average pen capacity (average width of 32.8 ft and average length of 46.5 ft), .59 linear ft/head of bunk space and 18.05 sq ft/hd of pen space. The 400-head-capacity solid-floor feedlot had a pen capacity of 200 head, allowed 35 sq ft/hd and had $17.5 \,\mathrm{sg}\,\mathrm{ft}\,\mathrm{of}\,\mathrm{covered}\,\mathrm{area}/\mathrm{head}$. The 1000-head-capacity lot had a pent capacity of 250, allowed 45 sq ft/head and had 12.8 sq ft of covered area/head. The average bunk space for both solid-floor lots was .6 linear ft/hd.

Additional survey results pertaining to the production, purchase, storage and processing of feed; facility and equipment alternatives; manure disposal; labor requirements and marketing are introduced later when needed to explain selection of the alternatives used in developing the synthesized systems.

 $^{\circ}$ The operations with solid concrete floors were older, and only three were in operation at the time of the survey.



The survey of confinement feeding facilities provided insight into the diversity of the physical and managerial alternatives for carrying beef animals to finish. Eight alternative stages were defined as follow:

1. Feed production---the production of corn silage and movement of silage to the storage facility.

2. Feed storage---the different systems used to store forage, grain and purchased feed (including liquid feeds).

3. Feed processing and movement---all equipment used to move feed from storage through processing (or mixing) to the feeding point.

4. Feeding containers---bunk line (if feeding is done with a portable feed mixer) or inline troughs (if feeding is done by belt line or auger), plus containers for minerals and water.

5. Feeding floor---slatted concrete floor in feeding area and solid concrete floor for lanes, working pens and feed processing area.

6. Facility cover---metal single span or center support structure to protect the feeding floor, alleys, lanes, cattle handling facilities, bunks, open work areas and feed processing equipment from the weather.

7. Cattle handling equipment---chutes, scales and fencing of lanes and pens.

8. Manure disposal---either slurry pumped into a twolagoon system or into tank wagons and spread on cropland.

The flow chart (Figure A-2) shows how these component stages are linked in a confinement feeding enterprise.





Variations in practices within each stage were identified, and appropriate practices were combined to describe (synthesize) the two sizes of feedlot operations. Pertinent information and assumptions employed in this synthesis are provided below.

Feeding

Feed production, harvest, and purchase

The most costly single item in the confinement finishing process is feed. Feed components come from on-farm production (silage, high moisture grain and animal waste products) and off-farm purchase (low moisture corn, cottonseed meal and soybean meal---all of which contain high levels of nutrients not economically obtainable by on-farm production). Corn silage was used as the base of the ration, and the cost of producing corn silage was estimated on the basis of conventional input practices. The total specified cost (including interest on operating capital) of producing an acre of corn silage in the Black Belt area⁶ of Mississippi in 1979 was \$158.14. Purchased feed components allowed in the least cost ration were corn grain, soybean meal, cottonseed meal, mineral mixes and feed additives. The remaining requirement is a plentiful supply of fresh, clean water---a 1,000-pound animal on full feed consumes from 7.7 to 16.5 gal of water per day, depending on the temperature [6].

Feed storage

The resource survey revealed three basic types of silo units--conventional concrete tower (continuous-pour or concrete-stave construction), oxygen-limited tower unit (sealed continuous-pour concrete or metal with sealed glasslining construction) and bunker (pit dug out of a hill with a concrete floor or a concrete floor with tilt-up concrete side construction). Additional storage units, such as conventional metal grain bins, were used for storing supplemental feeds. Space under the confinement feeding building was used for storing sacked feed.

Type of storage differed by size of operation and by feeding method. Operations with belt and auger feeders normally had the feed storage units close to the facility to permit handling feed through the mechanized feeding system. Where feed trucks and in-line bunks were used the bunker silo was preferred because of its greater capacity and lower construction cost per storage unit.

Some factors important to the choice of type of storage are the limited capacity of most tower silos and the associated high maintenance cost for top- or bottom-unloading equipment, the high investment cost of the oxygenlimiting metal silo, the increased labor and strict attention required for ensiling in a bunker silo and the labor and expense of sealing bunker silos for protection against weather. Determining which storage choice is best for a par-

ticular operation also depends on the number of cattle to be fed per year. Storage capacity of wellpacked bunker or tower silos averages 38 lbs of silage per cu ft. High moisture corn requires about 1.76 cu ft/bu and shelled corn requires 1.25 cu ft/bu [3].

One turn in a 500-head confinement facility requires 77,425 cuft of storage space for about 1,500 tons of corn silage.⁷ A 30-ft-wide by 112ft-tall silo has 79,125 cubic feet.⁸ Two tower units of this size are required for finishing two turns of cattle (1,000 head) per year in the 500-head feedlot.

Capacity calculation for a trench silo requires allowance for higher spoilage losses and uncertainty in compaction. Feeding 2,000 head of cattle in a 1,000-head capacity feedlot requires about 5,900 tons of silage (309,702 cu ft of storage space). A 300-ft-long, 70-ft-wide, and 15-ft-deep horizontal silo is sufficient if expected loss from the open end is compensated for by mounding or topping-off the facility.⁹

Required capacity of other storage units (e.g., bins and tanks) depends largely on the type of feed stored and the quantity being purchased at one time. A full year of storage often is not maintained for these components.

Feed processing and movement

Operations not set up for ration mixing usually feed straight corn silage and may add grain to the silage at ensiling time. The mechanized components include

⁶The Black Belt area was selected as an example. Costs would differ slightly in other soils areas of the state.

⁹Capacity calculations for both the upright and horizontal silos are supported by data obtained in the survey.

⁷Based on the least-cost feed ration calculated in the feedlot simulation program.

⁸The extra capacity could be considered insurance for carrying cattle further or not having a well packed silo.

dropping silage from the silo unloader to a conveyor that deposits the product on a belt feeder to individual pens. Good judgment is needed to feed cattle adequately because these systems do not monitor the amount of feed delivered.

An alternative is to feed a mixed ration by using electronic scales in line with the conveyor units. These units monitor the amount of each feed ingredient in a ration and usually include a mineral monitor that drops a specified amount of supplemental mineral mix into the feeding ration. All components are dropped into an auger and conveyed to a beltline feeder.¹⁰

Another system alternative is to use the same conveyor and milling components, with mixing and weighing accomplished by depositing all feed in a stationary feed mixer equipped with scales. The mixer is powered by a large electric motor and mixes feed in large batches.

The two feed processing and movement systems just described are generally designed for use with tower storage units located near the confinement facility. Another system alternative is to use a feed mix truck to collect ration components from more than one supply point. These trucks usually are equipped with electronic scales and powerful motors to blend the feed ingredients into a homogeneous ration. The ration is dispensed from the truck into an in-line bunk on one side of the confinement pen.

Labor is always a concern in confinement feeding, and facility design and size are the major determinants of labor requirements. Competent labor seven days each week is a must in confinement feeding. The feed processing and movement system

is the stage of the confinement process that requires the largest amount of attention when planning. An efficient and well-planned system will affect the management and labor demands each day an animal is in the feedlot.

Feed bunks and waterers

Two types of feeding bunks normally are used for confinement feeding---the H-type and the in-line type. Both types of construction are used in Mississippi feedlots. The Htype bunk is used with belt conveyor, auger and shuttle-type feeders. Construction of these units varies from a pre-cast unit to the poured-in-place bunk with wood sides. These bunks are placed between two confinement pens and the feeder deposits feed on either side of the bunk. In-line trough units are nearly all pre-cast. These bunks are placed along one side of a confinement pen and feed is deposited in them by a feed truck. A small (8- to 12-inch-wide by 4-inchhigh) slab of concrete is placed in front of the feed bunk to prevent confined animals from backing to and excreting manure into the bunks.

Two more containers required by the confined animal are mineral boxes and waterers. A number of companies manufacture such units. Waterers constructed by the producer should be designed to minimize water waste by the confined animals.

Facility

Floor

Slatted floor facilities have pits covered with reinforced concrete beams that form a slatted surface. The poured-in-place slats (usually found in older facilities) lack the strength of pre-cast construction. They are subject to severe weather damage and broken poured-inplace slats are difficult to replace. The newer pre-cast slats come in two basic designs---individual slats that fit into a notched beam or s the gang slat (a concrete unit with w five slatted openings). These gang units often are used over manure drag pits because of their structural strength and easy installation. Cattle perform well on slatted floors and become rather docile when closely confined. The common space allowance is 18 sq ft per la animal.

Solid concrete floors are by far the cheapest to build but often are covered only partially by a roof The pen must be large because of the manure disposal requirements. with space allowances running 35 sq ft or more per animal. Cattle tend to be more active on a solid concrete lot than on a slatted floor

Feeding in open dirtlots has beer practiced in the past; however, the practice is not recommended for large groups of cattle. Economica gain is difficult to achieve in oper lots during periods of weather stress because much of the feed is used for maintenance and not for weight gain.

Cover

Facilities with solid concrete floors had traditional pole buildings with tin roofs and provid ed 12 to 17 sq ft of cover per animal These buildings require a high level of maintenance.

Facilities with slatted floors generally had a metal single spar or center support building. Some were constructed from salvaged oi well material, but most were con structed by a company specializing in metal buildings.

These beltline feeders allow the feedlot operator to feed different pens of cattle different rations (for example, feeding lighter as opposed to heavier animals or heifers and steers in the same lot).

'attle containment and control quipment

Many ways of handling cattle vere demonstrated by the diversity n size, type and design of the vorking facilities found in the urvey. One major determinant of orking pen size, design and locaion is the frequency of use and the olume of cattle handled each time. plentiful supply of part-time abor and little other demand for se of the feedlot's working pen ermit a lower investment in workng facilities. The less mechanized he system the more time it takes to andle each individual animal and he more stress the animal will xperience.

Some small working pens permit fficient handling of small numbers of cattle. Facilities of arger capacity may be required if in operator receives and processes arge groups of cattle for the feedlot and a winter grazing program. nvestment in additional handling equipment enables a producer to do more efficient job of cattle sorting and grouping when additional abor is not available. Sturdily constructed lane and pen fences in he confinement facility will ensure afety and provide better control of inimals.

Animal health also is an imporant management consideration. Proper management and early detection minimize the effort and expense of controlling many health problems. The most important considerations for herd health are

minimizing stress in handling, getting cattle on feed as soon as possible, immunizing, controlling parasites and castrating and dehorning as needed. Operators who lack the experience or time for such attention will be wise to obtain professional advice. A veterinarian should be employed for regular checks of animals.

Manure disposal alternatives

Manure can be beneficial if handled properly. Manure as a slurry or solid is excellent fertilizer for row-crops and pasture,¹¹ and several producers reported the use of no additional nitrogen for crop production when generous applications of feedlot manure were made. Manure also can be recycled as an animal feed or fermented to form methane gas for energy production, but these processes are new and relatively untested.

Handling solid manure generally occurs when an accumulation is scraped from a solid concrete floor facility, and the labor requirement generally is higher than for most slurry systems. Handling manure slurry requires higher levels of mechanization and investment in equipment. Three of the most common methods are the deep pit pumpout system, the drag scraper with auger and pumpout and the flush system. Distributing manure over pasture or row crop acreage is becoming more restricted because of environmental protection

regulations. Disposal regulations restrict the amount of allowable run-off from surface-applied feedlot waste, and inability to plow the manure under promptly because of adverse weather may cause problems for feedlot operators who use this method.¹²

Deep pit systems have large storage pits beneath a slatted floor and require only one pumping for each batch of animals confined in the lot. Pits are pumped by a high capacity pump into a slurry trailer that can distribute manure on the surface or can be equipped with knives to inject the liquid into the ground.

The manure scraper system removes manure from the shallow pits beneath a slatted floor each day by dragging manure to one end of the confinement facility with a scraper blade. The manure is then augered across and pumped out of the confinement facility and can be deposited into a lagoon system where the waste is degraded by microbiological processes. It also can be recycled as cattle feed or can be hauled away in a slurry wagon.

The flush system has a sloping shallow pit that is flushed periodically with water. The waste and water run into a lagoon system for microbiological degrading. Problems occur when manure is flushed for long distances, but these systems are common tolots of smaller capacity.

¹¹One thousand gallons of liquid beef manure (from pit) contain about 40 pounds of nitrogen, 27 pounds of phosphorous and 34 pounds of potassium(6).

¹² Waste disposal regulations are available from the Bureau of Pollution Control, Oxford, Mississippi.

Item	Unit	Quantity	Price	Amount
			(\$)	(\$)
Veterinary expense:			2/	
Consultation & treatment	hrs.	.04	25.00 <u>-</u> /	1.00
Medical expense.				
Electrode 7	no.	1	.41	.41
Lep (5)	no.	1	.315	.315
Nasalgen (IBR/PI3)	no.	1	.425	.425
Benzapen	no.	1	.90	.90
Pasturella	no.	2	.075	.15
Ralgro 2/	no.	2	.72	1.44
Pyrethrium insecticide ^{3/}	no.	150	.003	.45
Equipment				34
Total				5.43
- Recommended by College of V University.	Veterinary	Medicine, Mis	sissippi Sta	te
Does not include travel exp	pense. Ve	terinarian cos ing veterinari	t would vary	with

Table A-1 Veterinary and medical expenses per head for the 500- and

 $\frac{3}{2}$ Insecticide charge should not be included for cattle fed in the winter months.

Table A-2. Labor charges, 500-head feedlot (two full turns). $\frac{1}{}$

	Туре	Nc.	Hrs/wk	Wks/yr	Total hours	Amount/yr	Amount/head
						\$	\$
Full	$time^{2/2}$	1	70	52	3,640	10,556.00	10.56
Part A.	time Repair	1	6	52	312	904.80	.90
Β.	Cattle handling	2	15	6	180	522.00	.52
С.	Manure disposal	1	55	2	110	319.00	.319
	Total				4,242	12,301.80	12.30

 $1/_{\text{All labor charged at $2.90 per hour.}}$

 $\frac{2}{Labor}$ for feeding, routine maintenance, as well as assistance to management or veterinarian for treating sick animals.

able A-3. Estimated daily utility and fuel requirements, 500-head feedlot.

Operation	Horsepower	No. of units	Average use/day	Consumption/day	\$/unit	Total							
			(minutes)	(kwh) <u>1</u> /	(kwh) <u>4</u> /	(\$)							
op unloader ottom unloader uger elt conveyor	10 10 2 2	1 1 1 3	30 30 30 30 30	6.7 6.7 1.34 4.02	.06 .06 .06 .06	.402 .402 .080 .241							
uger oller mill eed mill elt feeder ater well	2 3 75 3 2	2 1 1 1 1	30 30 30 45 150	2.68 2.01 50.29 3.01 6.70 (gallons)	.06 .06 .06 .06 .06 (/gal)	.161 .121 3.017 .181 .402							
urry pump and (gurrons) (rgur) wagon tractors 125 1 .31 1.70 ³ / .90 ⁵ / 1.53 ower tractor 125 1 1.6 .148 .90 .133 scellaneous 8.30 .06 .50													
scellaneous 8.30 .06 .50 tal \$7.17													
Conversion: (Hor Electrical Engine For shelled corn	sepower/.7457 h ering, Mississi storage.	.p./kwh) (Tim ppi State Uni	e) (Cost/kwh). Rec versity.	ommendations by the	Department o	f							
Manufacturers rec	ommendation.												
Recommendation of	Mississippi Po	wer and Light	, Inc.										
MAFES Budget Reco	mmendation.												
able A-4. Labor a	nd management c	harges, 1,000	-head feedlot (two	full turns). $\frac{1}{}$									
Туре	No	. Hrs	/wk Wks/yr	Total hours Am	ount/yr Ame	ount/head							

						\$	\$
an	agement	1				15,000.00	7.50
ul	l time labor ^{2/}	2	70	52	7,280	21,112.00	10.56
ar A	t time A. Repair	1	12	52	624	1,809.60	0.90
B	. Cattle handling	3	30	6	540	1,566.00	. 52
	Total					39,487.60	19.74

/All labor charged at \$2.90 per hour.

¹Labor for feeding, manure disposal operation and routine maintenance, as well as assistance to management or veterinarian for treating sick animals.

Operation	Horsepower	No. of units	Average/day <u>2</u> /'	Consumption/day	Price	Total
			(minutes)	(kwh) <u>3</u> /	(\$/kwh) <u>4</u> /	(\$)
Botton unloader	10	1	60	13.41	.06	.805
Unloading augers	2	1	60	2.68	.06	.161
Roller mill	3	1	60	4.02	.06	.241
Auger	2	1	60	2.68	.06	.161
Conveyor table ¹	3	1	3.3	.22	.06	.013
Blower motor <u>1</u> /	75	ī	3.3	5.46 (gallons) <u>5</u> /	.06 (\$/gal) <u>6</u> /	.328
Ensiloader tractor	90	1	30	7 gal/hr	.90	3,15
Mixer truck		1	120	6 gal/hr (Kwh)	.90 (\$/Kwh)	10.80
Manure scraper and p	ump 75	2	60	201.15	.06	12.10
Aeration pump	1	2	60	2.6	.06	.16
Water wells Miscellaneous	2	1	300	13.41	.06	.804 .75
Total						29.47
$\frac{1}{For}$ shelled corn s	torage.					

Table A-5. Estimated daily utility and fuel requirements, 1,000-head feedlot.

<u>3</u>/Conversion (horsepower/.7457 h.p./kwh) (Time) (Cost/kwh). Recommended by the Department of Electrical Engineering, Mississippi State University.

4/Recommended by Mississippi Power and Light, Inc.

 $\frac{5}{Manufacturers}$ recommendations.

6/MAFES budget recommendations.

Table A-6. Feed ingredier lation model.	nt prices used in the least-cost ration formu-
Ingredient	<u>Cost/ton</u>
	(\$)
Corn silage	14.84
Corn	146.00
Cotton seed meal (41)	222.00
Soybean meal	245.00
Dicalcium phosphate	256.00
Ground limestone	50.00
Salt	66.00

Table A-7. Least cost feed mix and summary data, by month, for a feeding period simulation.

UATE = 3/8/79 ACTUAL ACTUAL ACTUAL ACTUAL AMOUNT AMOUNT ************************************	000 000 000 000 000 000 000 000	· * 永淼亭去中洋亭大亭大亭亭寺水寺水 * * * * * * * * * * * * * * * * * *				Continued
] NI RESTRICTION ******************************	WEIGHT C PRY MATTER C PRY MATTER C PRY MATTER C PROFECTUM PHALCIUM MIN PHALCIUM MIN PHALCIUM MIN PHALCIUM MAN MAN MAN MAN MAN MAN MAN MAN MAN MAN	********************				
EMENT RATION SEP PRICE RANGE MAX ***************** ED PRICE LOW +************************************	2.814 13.850 2.814 13.850 -2.597 14.880 -2.597 38.021 ************************************	** FEED DATA *	7007.264 184.959 500 550 6556.397 562.397 562.397 562.397 562.397 5791 14014.529 14014.529 14014.529 369.919 22.600 22.6019	d	97297.567 13608.184 613.611 1035.704 307880.601	
CONFIN CONFIN COST COST CWT CWT CWT CWT CWT CWT CWT CWT CWT CW	LIMESTONE 8.295 7.30 LIMESTONE 3.300 2.350 V SILAGE (35) 11.800 12.80 12.800 12.80 12.800 12.80	************************	CH WE IGHT (LBS)) INGREDIENT TOTALS (LBS) FOR SE	CORN SBM GRNU LIMESTONE SALT SILAGE(35)	
AMT. AUJ HATCH AUJ ************	1621.026 COKR 226.803 SUM 17.227 SKNU 5131.547 CCKR DICA DICA	******	ABAPAACACACACACACACACACACACACACACACACACA	FLEC		

Table A-7.	Least cost feed mix and sum	mary data, by month,	for a feed	ing period si	mulation	(Continued).			
		CONFINEME	NT RATION	OCT DOTCE BANC	Ĺ	-		DATE =	3/8/79 ACTUAL
AMT • AUU HATCH WT *********	INGREDIENT **********************	COST COST CWT CWT URY AS FED *****************	MAX ** PRICE **	FX10F FANG ********** FOW HI ************************************	*** *** ***	RESTRICTION *******************	INITIAL LEVEL	ACLUAL AMOUNT DRY *******	AMOINT 15 F FD *******
370.646 19.6846 1.112 10.216 10.214 820.2573	CORN SUM DICAL SALT SALT CCRN SILAGE (35) CSM	13.295 13.29500 12.5000 33.3000 12.8000 12.8000 11.114 11.1000 11.1000	1 (1 * * 1 * *	3.604 14.03 3.604 14.03 14.0594 1.6594 1.8594 1.8594 1.8594 1.8594 1.8594 1.8594 1.854 1.854 1.994 1.		TICLE CONTERVIEW PROTEIN PROTEIN ALCIUM AL	100 000 146 050 255 0000 255 0000 255 0000 11 4600 256 0000 11 4600 11 4600 11 4600	1 1 2 2 2 2 2 2 2 2 2 2 2 2 2	* * QUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUUU
*****	***********	*******	L.	EED PATA	* * *	******	******	******	* * * * * * *
	FEED INGREDIENT (LBS) BATCH WE IGHT (LBS) NUMBER OF BATCHES NUMBER OF BATCHES NUMBER OF BATCHES FEEGINNING WITHIS FOR TONNOF ANGO FEED CONSUMPTIEND ANGO FEED CONSUMPT	ER JOD	9 1 Ф 1 1 1 1 1 Ф 1 1 Ф 4 1 1 1 Ф 1 1 1 1 1 Ф 1 1 Ф 4 1 1 1 0 0 1 1 1 1 1 0 0 1 1 0 0 1 1 0 0 1 1 1 1 0 0 0 1 1 1 0 0 1 1 0 0 0 1 0 0 0 0	5 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	•				
	DICAL GRNDLLIMESTONE SALT CORN SILAGE (35			2465.783 138.308 138.308 1266.9746 597711.836					
									Continued

Table A-7. Least cost feed mix and summary data, by month, for a feeding period simulation (Continued).

	CONF	INEMENT RATIC	NON NC			DATE =	3/8/79
AMT • AUU BATCH #T *********	COST CO: CWT CO: CNCREDIENT CNCR CO: CNCR A: CVCR A: C	5T VT MAX FED PRICE	PRICE RANGE ***************** LOW HIGH ****************	RESTRICTION *********************	INITIAL LEVEL * *******	ACTUAL AMOUAL DRY *******	ACTUAL AMOUNT AS FFD ********
547 22.756 22.851 2.851 2.919 44099 44099 4118	CORN SUM DICAL DICAL DICAL CAND CAND CAND SILAGE (35) 11.809 11.	8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	3.000 3.000 5.004 5.004 14.242 70.130 70.132 *** *** *** 1.0342 *** *** *** *** *** *** *** *	WEIGHT DRY MATTER C PROTEIN C PROTEIN C ALC: UN C ALC: UN C ALC: UN C ALC: UN C ALC: UN MIN C ALC: UN C ALC: UN MIN C ALC: UN C ALC: UN	100 1100 141 141 141 141 141 141	1 1 1 1 1 1 1 1 1 1 1 1 1 1	** 0 ** 0 ** 0 ** 0 ** 0 ** 0 ** 0 ** 0
*****	家家长家长冬茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶茶 茶	***	FEED LATA	******	* * * * * * * + *	****	* * * * * * *
	BATCH WE IGHT (LBS) COST PER BATCHES NUWBER OF BATCHES PER DATCHES BEGINNING WT THIS PER DAT ENDING WT THIS PERIOD FOILL GAIN THIS PERIOD FOILL CONSUMPTION NUMBER OF DAYS THIS PERIOD NUMBER OF DAYS THIS PERIOD AVG FEED CONSUMPTION/GROUP(LBS)/DA AVG FEED CONSUMPTION/GROUP(LBS)/DA AVG FEED COST/HEAD/DA/GROUP(LBS)/DA AVG FEED COST/HEAD/DA/GROUP(LBS)/DA		5394.134 78.888 500 500 502.868 502.868 775.150 775.261 315.550 215.550 215.5501 215.5501 2.409				
	FEED INGREDIENT TOTALS (LBS) FOR 1	A0M					
	COMN SUM DICAL DICAL CORN SILAGE (35) CORN SILAGE (35)		65707,955 2734,107 102,109 301,848 577130,195 577130,195				
							Continu ed

	DATE = 3/8/79 ACTUAL ACTUAL AMOUNT ANOUNT	100 11111 11111 11111 11111 111111	Continued
	INITIAL		
tion (Continu e d).	DECTDICTION	WE I GH WE I GH DE PROTEIN CALCI CEMERG CALCI CEMERG CALCI CEMERG CALCI CEMERG CALCI CEMERG CALCI CEMERG MAIN CONNNS CONNNS CONNNS CONNNG CSMMAX CONNNG CSMMAX CONNNG CSMMAX MAX MAX MAX MAX MAX MAX MAX MAX MAX	
for a feeding period simula	F RATION DEC PRICE RANGE	FEED DATA *********************************	. 62 7 172 . 547
ata, by month,	CONFINEMENT	BISS) CDAY A CONTRACT A CONTRAC	
Least cost feed mix and summary d	1900 1900	CORN SEM CORN SEM CORN SALL LIMESTONE CSM SALL LIMESTONE CSM BATCH BATCH BATCH BATCH BATCH BATCH CSM BATCH BATCH BATCH BATCH SC SC SC SC SC SC SC SC SC SC SC SC SC	CORN SILAGE (35)
Table A-7.	LUA .TWA	* * * * * * * * * * * * * *	

	DATE = 3/8/79 ACTUAL "CTUAL IAL AVOUNT "SETUAL ELL DRY "SETUAL ELL DRY "SETUAL	0000 00000 0000 0000 0000 0000 0000 0000 0000 0000 0000 0000	****				Continued→
ata, by month, for a feeding period simulation (Continued).	CONFINEMENT RATION JAN COST PRICE RANGE COST MAX ***********************************	<pre>55 7.300 12.860 12.860 12.860 12.850 12.850 12.250 11.100 11.100 12.250 11.100 12.250 11.100 12.250 11.100 12.250 11.100 12.250 11.100 11.100 12.250 11.100 12.250 11.100 11.100 12.250 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.1000 11.10000 11.10000 11.10000 11.10000 11.10000 11.10000 11.100000 11.100000 11.100000000</pre>	·*************************************	5898.211 62.278 82.278 82.278 82.278 947.793 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 947.794 94	POR JAN	72056.767 169.964 289.235 1477.155 657385.008	
Iddle A-/. Least cost reed mix and summary d	AMT. ADJ BMT. ADJ BATCH WT INGREDIENT ************************************	5301.492 CORN 2.333 UTCAL 2.333 UTCAL 2.335 GRN LIMESTONE 2.355 2.355 11.912 2.355 11.912 2.355 11.912 2.355 11.912 2.355 13.76 13.77	***************************	BATCH COST H EEGINNING NUUMBER OF EEGINNING EEGINNING ENDING ANIMHES OF EEGINNING ANIMHES	FEED'INGREDIENT TOTALS (LBS	CORN DICAL GRND LIMESTONE SALT CORN SILAGE (35)	

A.7. Least cost feed mix and summary date, by month, for a feeding period simulation (continued).

*******	**************************************	G SUMMARY
	NUMBER OF ANIMALS ON FEED	500.000
	ANIMAL TYPE	STEER
	INITIAL WEIGHT (LBS)	656.000
	DAYS ON FEED	161
	FINISH WEIGHT	1045.994
	BEGINNING MONTH	SEP
	ENDING MONTH	FEB
	ENVIRONMENTAL STRESS	SLIGHT
	AVG DAILY GAIN(TARGET)(LBS)	2.600
	AVG DAILY GAIN(PROJECTED)(LBS)	2.422
	TOTAL AMOUNT OF GAIN	389+994
	AVG FEED COST PER LB GAIN	•266
	FEED INGREDIENT TOTALS (LBS) FOR PERIOD	
	CORN SBM GRND LIMESTONE SALT CORN SILAGE(35) DICAL	370346.28 19480.83 1725.88 6911.22 2942171.62 605.18

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GHT
• 422
.994
•266
2.57 1.66 1.76 2.45 3.25 0.37

APPENDIX B

EQUIPMENT COMPANIES THAT CONTRIBUTED INFORMATION TO THIS STUDY*

- Badger Northland, Inc., Kaukawna, Wisconsin
- Bridgeforth Equipment Company, Perkins, Mississippi
- Bowman Hydro-Vat, Inc., Fremont, Nebraska
- Butler Manufacturing Company, Green City, Kansas
- The Calument Company, Algoma, Wisconsin
- Clark Equipment Company, Jackson, Mississippi
- Clay Equipment Corporation, Cedar Falls, Iowa
- Conrad-American, Eckford Dairy Supply, Starkville, Mississippi
- H. C. Davis Sons Manufacturing Company, Bonner Springs, Kansas
- Farm Hand Equipment Company, Hopkins, Minnesota

Granger, W. W. Granger Company, Jackson, Mississippi

- Gehl Company, West Bend, Wisconsin
- Gulf States Manufacturing, Starkville, Mississippi
- Harvestore Products, Dixie Harvestore, McComb, Mississippi
- Hesston Corporation, Hesston, Kansas
- International Harvester, Triangle Equipment Company, Columbus, Mississippi
- International Truck, Jackson, Mississippi
- John Deere, Starkville District, Starkville, Mississippi
- Kelly Ryan Equipment, Blair Manufacturing Company, Blair, Nebraska
- Koehring, Fox Harvesting, Appleton, Wisconsin
- Memphis Concrete Silo, Memphis, Tennessee

Mississippi Pump and Equipmen Company, Jackson, Mississip

- Mississippi Serum Distributo:
- Sperry-New Holland, Nev Holland, Pennsylvania
- Piedmont Silo Company, In: Covington, Georgia
- People Green Construction Jackson, Mississippi
- Randolph Slats, Randolph: Wisconsin
- Rebel Trucks, Jackson, Mississir
- Ritchie Industries, Inc., Conrec Iowa
- St. John Welding and Manufe turing, Inc., St. John, Kansas
- W-W Manufacturing Company Dodge City, Kansas
- Weiser Concrete Products, Maid : Rock, Wisconsin

*Additional information can be obtained from Department of Agricultural Economics, Mississippi State University.

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