

Feedlot gives security and options

Terry Brosnahan
Photos: John Cosgrove

Setting up a profitable beef feedlot has been an exercise in perseverance for a Southland farmer but he has finally got the recipe right.

Mike Thompson farms 345 hectares at Wendonside, near Waikaia about 30 minutes inland from Gore.

He and his farm manager Evan Ferris fatten up to 330 R2 cattle in an 1875 square-metre feedlot.

The wintering shed built by Calder Stewart five years ago cost \$187,500, and the concrete, gates and troughs were another \$120,000. So it was a major investment, but fortunately the beef schedule held up.

"We are making money now, but it took longer than we first thought."

It took a while to learn from mistakes, get the stocking numbers and feeding regime right. At first they feed chopped baleage before moving to silage.

They also learned the feed had to be home grown to make the wintering shed work.

'Who are you looking at?': Sugar beet was added to the diet one year with the silage, but a few, dominant cattle got all the lollies and left salad for the rest.



Mike says growing their feed keeps the cost down, but the main thing is to ensure good quality tucker.

"You need the quality to guarantee good growth rates."

The mix from the silage clamp (pit) has been lucerne, grass and wholecrop (from barley) made on the farm.

Mike buys in yearling steers in the spring, 320-330kg liveweight (LW) for the Angus and 350-350kg LW for the Angus crossed mainly with Simmental and Charolais. One pen is all Angus and the other two Angus-cross.

'In the last couple of years we've even gone to Haast though not always successfully.'

Buying in calves would be cheaper but the farm can be summer dry so it suits buying yearlings and finishing R2s.

The average buying-in price for this year's intake was \$1280/head.

Finding quality yearlings is an issue. All the good calves tend to be sold in the autumn calf sales so the ones which are too small are held back to be sold in the spring.

PGGW stock agent Ross Mckee does the buying at sales though they buy 120 from a nearby farm.

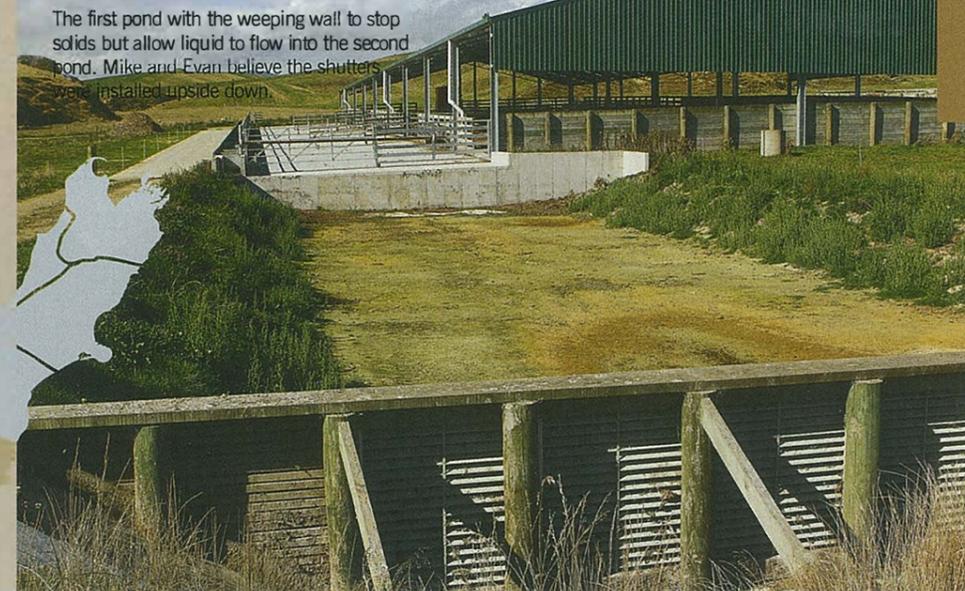
"In the last couple of years we've even gone to Haast though not always successfully," Mike says

Evan says they went over last year all prepared to stay the night and have a jetboat ride the next day, but turned around and came home.

The bought-in yearling cattle go out on the farm's pastures until May then into the feedlot at an average of 500kg

KEY POINTS

- Built a feedlot five years ago for cattle finishing
- Cost \$307,000 to build five years ago
- Gives security against frequent dry and wintering options
- Buys in 330 yearling steers in the winter
- Guarantees fattening, frees up pasture for sheep
- Finishing lambs on pastures adds summer cashflow.



The first pond with the weeping wall to stop solids but allow liquid to flow into the second pond. Mike and Evan believe the shutters were installed upside down.

LW. They will finish them to an average of 650kg LW after 100 days, most by September. By then Mike and Evan expect the schedule to be back up to about \$6/kg.

Farmers with reliable rainfall or irrigation can guarantee pasture growth in the autumn to finish calves before the second winter.

Mike could also buy calves at 250-260kg LW, winter them in the shed and try to finish before the second winter. The problem is the farm is close to Central Otago and can dry out over the autumn. They might struggle to finish them on grass to decent killable weights by the second autumn. One year they bought 150 good calves but had to winter them twice.

Evan says the farm gets a dry patch just about every year. With R2 steers going into the feedlot they can guarantee by the spring most are gone and sold at higher prices.

Another advantage of the feedlot is if it does become dry the cattle go in earlier.

Farmers with farms which have good pasture growth, but wet winters have looked at the wintering shed as it is a way to get cattle off the paddocks plus save on feed crops and shifting breaks.

Mike says the only drawback to this operation is the initial capital cost.

"But it is always there, year after year and allows for many other wintering options including dairy cattle."

Weight watchers

The cattle get two feeds a day of the silage mix, about 30kg/head.

Weight gains can get close to Aussie feedlot rates of 2kg/day but it varies which Mike puts down to feed quality and the mix of cattle.

"You can tell when they are enjoying their feed, otherwise it is left behind," Mike says.

Last year the cattle averaged 1.3kg LW/head/day in June, 1.75kg/day in July and 0.9kg/day in August.



It drops off as the feed quality drops.

This year, two pens were weighed in early July and the crossbreds were under 1.6/kg LW/head/day but the Angus were 1.8kg/head/day.

Evan says they always buy steers because heifers are too difficult to fatten and several had calves.

"You are only mucking around at 280kg and can't get enough weight into them."

Mike says some lines were okay but nothing startling so he wouldn't buy them next year.

>> Feed quality king p30



The 1875 square-metre wintering shed cost \$307,000, but has given security for finishing cattle and other wintering options.

Mike Thompson says home-grown feed keeps the cost down, but more importantly it ensures good quality tucker.



Beef EQ hurdle

A problem with killing out of a wintering shed is the cattle get dirty. Last year they couldn't send cattle from the feedlot into Silver Fern farms Beef EQ programme (which Mike thinks is great for the industry) because the cattle were too dirty. They had to run them on pasture first to clean them up. That cost money as a substantial amount of weight was lost due to the change of diet affecting the rumen.

The cattle yards next to the wintering shed have a Racewell automatic three-way drafter for weighing and a double loading ramp which allows cattle to go straight on to the second deck of a truck with no hassles.

Evan says with the old ramp it was a nightmare with cattle turning back and other handling problems which affected the pH.

"The transport drivers line up to come here as they know they can put on 40-50 cattle in 20 minutes."

Feed quality king

Mike and Evan did grow sugar beet one year, lifting it for the feedlot to be fed with the silage. The problem was the Mafia-type cattle got in first so it was easier not to have it in the diet.

"They got all the lollies and left salad for the rest."

As an experiment Evan buried the beet deep in the trough under the silage but they dug it up and ate it first.

This year the feed was about half lucerne and wholecrop silage which was laboratory tested and deemed of good quality. An animal nutritionist said they would need to give about 30kg/head/day to get 1.5kg/head/day weight gain.

Mike says the wholecrop is running out so they may have to buy in some crushed barley or wheat.

Off about 14ha of lucerne they get 340 tonnes (wet). They take three cuts then let it flower to improve the root structure before putting lambs on it, but last year

it took a long time to flower. Mike says the third cut will have to be left longer which may affect the quality. Last year the crude protein in lucerne was only 16% so more silage had to be fed. This year there will also be a first cut off 20ha of red and white clover which will then become lamb finishing feed.

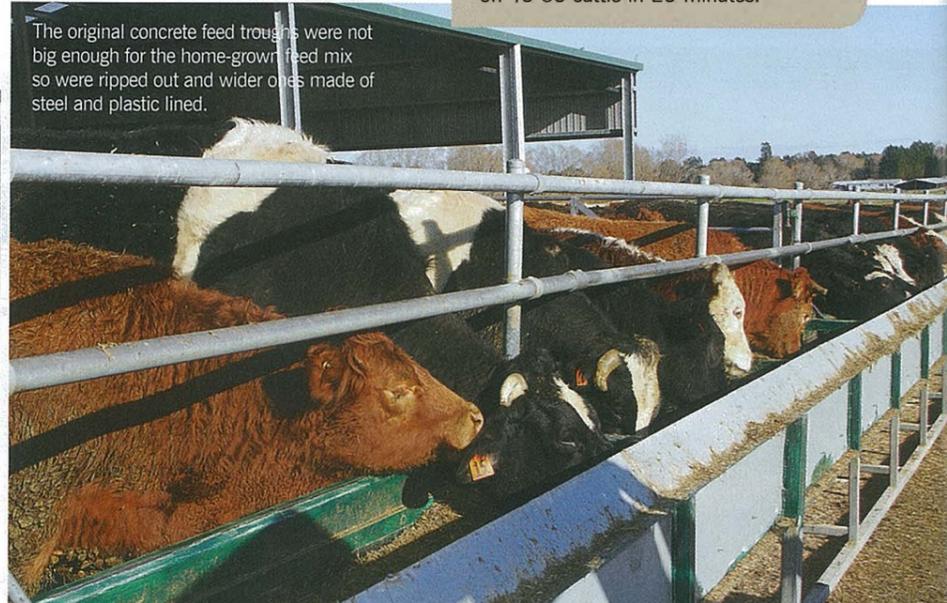
To fill an expected lucerne shortfall, they will take a first cut off the red and white clover paddocks on the flat set aside for lamb finishing.

About 15ha of wholecrop will be grown this year which won't be enough and crushed barley or wheat will need to be bought in. Wholecrop has to be fed because it gives starch for energy and balances the protein. It is also a good break crop for renewing pastures.

Mike says a downside of finishing R2 cattle is they need more starch whereas calves need more protein.

>> Spring clean not enough p32

The original concrete feed troughs were not big enough for the home-grown feed mix so were ripped out and wider ones made of steel and plastic lined.



This year the crossbreds weightgain was under 1.6/ kg LW/head/day but the Angus were 1.8kg.

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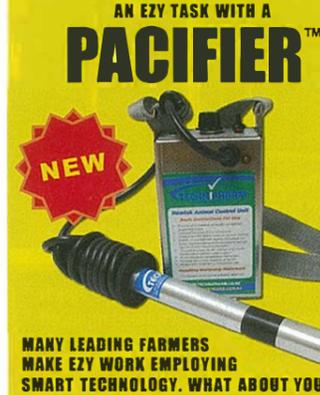
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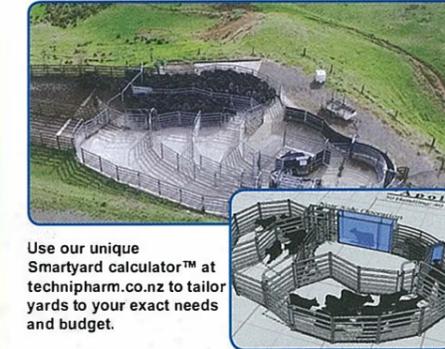
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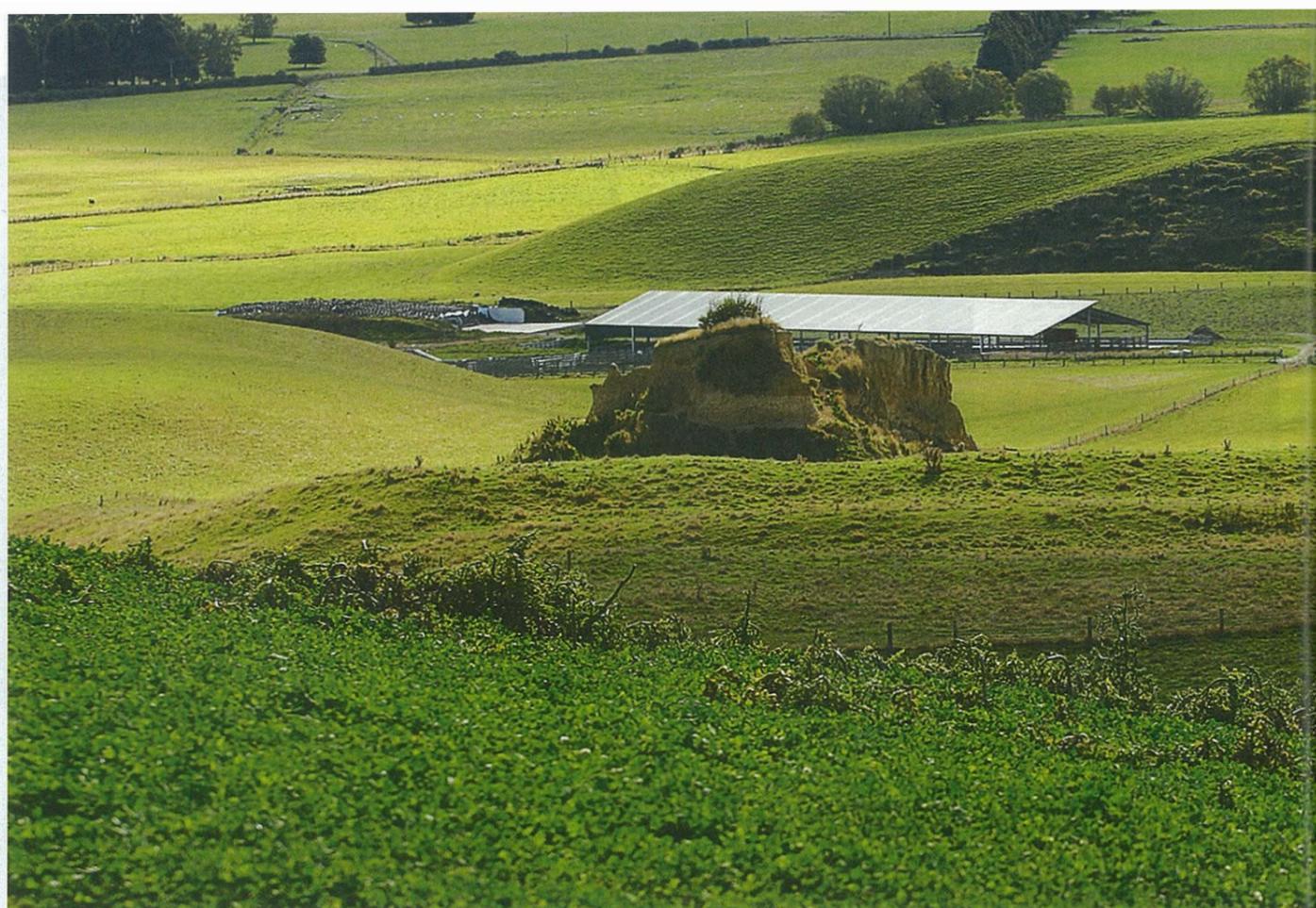
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Mike Thompson farms 345ha of flats and gentle hills at Wendonside, 30 minutes in from Gore.



The pens are not cleaned out until the cattle are gone, but the layers of straw and muck got too high so next year there will be a winter cleanout.

Spring clean not enough

Until now the sheds were not cleaned out until spring, they just keep layering the straw. However, this year it was too much and will go back to a winter cleanout.

"They were getting so high I had to put up a hot wire to stop them jumping out," Evan says.

Calder Developments made the stainless steel water troughs which are flipped over and scrubbed every time the outside concrete pad is, which is about every 10 days.

Mike says the original water troughs were concrete which the cattle fouled and stood in.

"The water looked like soup, but not the kind I would go for."

The original concrete feed troughs built for the feedlot were fine but were not big enough for their home-grown feed mix. So they ripped them out and local engineer Brian Mahon built new ones made wider ones of steel with plastic linings.

Annual costs include buying in 180 bales of straw at \$40/bale and 400 cubic metres of bark chips at \$17.50/cm³. Two settling ponds were built for the excrement and run-off.

The first pond which holds most of the solids is lined with clay from the farm

and has a weeping wall at the end closest to the pond.

"We are good at growing clay around here," Mike says.

The second for the liquid which flows out is lined with plastic. It cost \$13,000 for the plastic.

Everything is gravity-fed so no need for electricity for pumping.

The pond works well but Mike and Evan are sure the weeping wall shutters for catching the sediment and letting the



A double loading ramp allows cattle to go straight on to the second deck of a truck with no hassles



The stainless steel water troughs which are flipped over and scrubbed replaced concrete water troughs because the cattle fouled and stood in them.

water flow into the next pond are the wrong way up.

Mike has personally tested the pond to see if it is safe. One day his dog fell in the pond so he leaned over the edge with a shepherd's crook and the dog pulled him in. Another time Evan was scraping out the feedlot and pushing waste backwards when the scraper separated from the tractor and fell into the pond.

The first pond to collect the solids

is about 25m by 15m and 2m deep.

The second is round and about 25m in diameter and 3m deep which is more than adequate though the effluent has been up to the pipes in a wet year.

After Christmas the ponds are emptied by a contractor with tractor-pulled muck spreader and a slurry tanker comes in for the liquid. It all goes on the mined and reworked clay paddocks.

» Summer wine p34

Mike could buy in calves and it would be cheaper but the farm can be summer dry so it suits buying yearlings and finishing R2s.



Sheep give cashflow

The farm used to run 3200 breeding ewes and replacements but ewes made way for cattle.

Last autumn Mike bought in 750 Romney hoggets and they will lamb them as two-tooths this spring.

He also buys in lambs every year. There are also 800 hoggets coming for grazing this year.

Sheep clean the paddocks up and lamb sales provide cashflow.

They grow 45ha of red, white clover and chicory in a pasture mix which works well for finishing lambs.

The farm is part of an old gold mining area and there are paddocks which have been mined and left with the tailings.

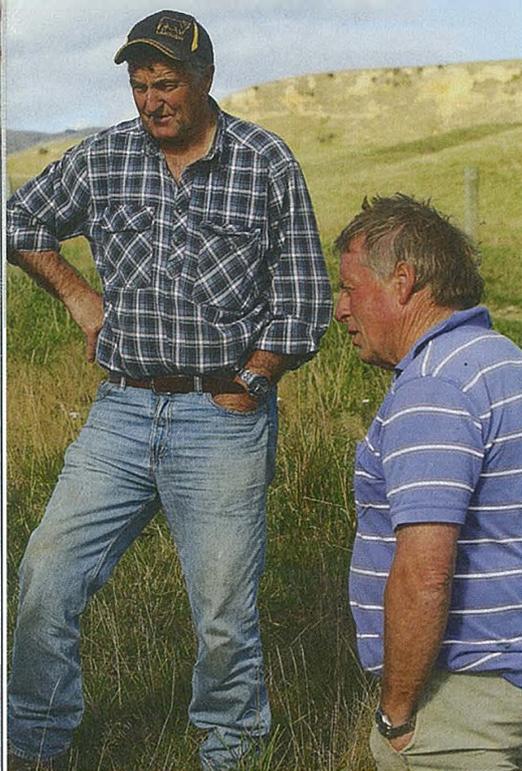
Hills on the farm run to 284m asl and Mike has spent a lot of money getting the pH and Olsen up.

They average 5.8-6 and about 20, respectively. The 140ha of flats are well into the 20s.



Mike has tested the second pond to see if it is safe. One day his dog fell in and when he leaned over the edge with a shepherd's crook the dog pulled him in.

The lads consider their next move.



'Gold in them thar hills': The farm is part of an old gold mining area and some paddocks have been mined, leaving the tailings.

Summer wine

Meeting Mike and Evan reminds one of the TV series *Last of the Summer Wine*. Both are in their mid-60s. Evan started working on and off Mike's farm in 1998. He started as a lambing shepherd and Mike could only guarantee him three weeks' work.

Mike and Evan share a herd of 28 Limousin cows with the genetics bought from Canterbury and Otago stud breeders. The male progeny go through the wintering shed to be killed in September and October as two-year olds at about 370kg.

Evan says the Limousin yield 58-59%, an advantage of the breed over the traditional breeds.

The calves and heifers run outside and winter on swedes, killing out at about 330kg.

Evan and Mike both enter the Otago-Southland beef carcass competition each year and Evan has won it three times.

This year it was Mike's turn, with a 20-month-old Limousin steer. In fact he won trophies for on the hook and on the hoof.

The carcass's eye muscle area was measured at an amazing 191 square centimetres and it weighed 360kg CW.

Given the record at the meat plant was 156sq cm, Mike thinks it must have been a mistake. Evan, however, is adamant it is correct because it was measured twice. Evan says it could be a New Zealand record.

Whether or not it's a record Mike is not too bothered. The trophies look far better on display in his house than Evan's.

