

Weekly Ag Report

Brian Wolf

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Good morning, I am Brian Wolf representing the Lassen County Cattlemen's Association with your weekly agriculture report. It is my pleasure to talk to you about the cattle industry and some of the bitter sweet decisions facing cattlemen.

Agriculture business is a tough pursuit, small margins for profit and high risk. Any time you have a business that depends on the environment, the risk is substantial. The cattle industry in the US has always been a family-based business and people are in it because of the way of life. It teaches children responsibility and gives them a great work ethic. Unfortunately, the challenge of the business has driven many out. In turn, the herd in the United States is on the decline, and has been since 1975. This has happened in part because of the efficiency of the cattle producer. In the same time frame that cattle numbers decrease we have seen the production per cow in terms of total beef produced increase by 150 pounds.

The good news is demand for beef staying very strong. Prices have been very good; with a slight decline recently as a result of the drought effect. With the lack of affordable forage in combination with the fires destroying grazing land, cattlemen are forced to sell down an already shrinking cattle herd.

Oversea demand has stayed strong with a 4% increase in beef exports through the first six months of this year. This, coupled with a steady but strong demand domestically, is sure to drive prices of beef to an all-time high for the next couple of years. So, beef producers that can hold on during this bitter time of forage growth until old Mother Nature gives us a break and we get some desperately needed moisture will be the beneficiary of sweet rewards of profit.

Remember, "Beef – it's what's for dinner." It is the preferred protein source in the US and is packed with vital nutrients. So support your US beef industry and grill a steak for dinner tonight.