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An Ontario Cattle Feeders' Publication



Spring 2021 Edition



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Also, in this issue:

- An update on the Ontario Beef Market Development program.
- The benefits of Ontario calf club sales.
- The 2021 Ontario Cattle Feeders' Association Membership form.

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Keeping To The Plan During The Pandemic



Jim Clark, Executive Director

By the time you receive this edition of The News Feed, we will have passed the first anniversary of the COVID-19 lockdowns. And one year later, the pandemic continues to linger and seems to be pushing things further and further out. While we have had some good news recently with the approval of more vaccines, there is still a significant amount of uncertainty due to the new variants' effects.

So early in 2021, the challenges of 2020 seem to be continuing. Despite the challenges, we continue to press on with our marketing efforts to build the Ontario Corn Fed Beef brand with the goal of adding value to the Ontario beef industry. I know it may be hard sometimes to see this value in marketing and branding, especially when the prices for fed cattle have shown negative returns on the financials but having a recognizable product in the marketplace actually helps improve the overall price you receive for your fed cattle. Market analyst Kevin Grier highlighted the OCFB program in his March Canadian Cattle Market Report, noting that it continued to play a role in keeping the Ontario market more buoyant. As the program takes about 55% of the fed cattle in the province, Grier said it increased the demand for Ontario cattle. "The bottom line is that the On-

tario price spread in 2020 was the narrowest or tightest against the U.S. in many years," he wrote. "In fact, 2020 was likely a record narrow price spread against the U.S."

I always tell people that we can't confuse market development and long-term strategies with the market price for fed cattle. My goal is to push to maintain and grow the market share for Ontario beef in our marketplace and around the world. Let's face it – Ontario, with our large beef consuming population – is a prime market for all of the North American meat suppliers. And now due to trade deals, we are seeing much more competition in this marketplace from countries very seldom heard from in the past!

How Time Flies

When I think about our long-term efforts to build the brand and increase our cattle demand, I realize how quickly time has flown by. I was reminded of our humble beginnings recently when Jim Cooke, a founding member of the Ontario Cattle Feeders' Association, sent a photo of the United Managers. Many from this group went on to form the OCFA. The picture also reminded me of the changing of the guard that is now taking place in the industry. Our first directors are moving on, and the next generations are becoming more involved in the farm and at the leadership levels.

Looking back also reminds me about how the OCFB program has grown over the years, starting from nothing to where it is now – a recognized brand in the marketplace. But it has taken that long to get to this point, and that's why there's no true correlation between live cattle marketing and beef marketing. It isn't easy to point out, but marketing live cattle is totally different than marketing beef to the retailers and the consumers, and not only the consumers of today, but to the consumers of the future.



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Cattle Feeders' Throwback



Our thanks go out to Jim Cooke, a former founding director of the Ontario Cattle Feeders' Association, for this blast from the past. The photo features members of the United Managers, which later formed the foundation for the start-up of the Ontario Cattle Feeders' Association.

Importance Of Marketing

Marketing, and to do it well, takes time. Launching a new product into the marketplace is extremely difficult. Inez Blackburn, a University of Toronto Professor of marketing, is widely quoted about the failure of new products in the market. According to Blackburn, the failure rate for new product introduction in the retail grocery industry is 70-80% per cent. What's more, the top 20 companies in the U.S. enjoy a 76% success rate for new product introductions. The bottom 20,000 U.S. food companies have an 11.6% success rate. Blackburn states that the difference is the apparent lack of research and strategic marketing done by the bottom 20,000.

When you look at those numbers, you see how fortunate we are to have a great relationship with Loblaw Companies Limited, Canada's leading food retailer, along with robust partnerships with retailers in export markets like Japan. And this is no time to take the foot off the gas.

We continually have to look five to ten years out to see where the market is going and determine how we can meet the future demands. There are more market demands all the time, driven by various aspects. Going into the future, demand for top-quality beef that meets consumer specifications will be huge, especially in export

markets, which continue to grow. Again, we're fortunate that we've banked very hard on Japan, and that market continues to expand as we speak.

New Plant To Open

Closer to home, we're excited by the prospects of TruHarvest Meats, a new plant that will process beef and veal from in the former Ryding-Regency plant in Toronto. The owners are Eugen Burgin and his family. I had an opportunity to work very closely with Eugen several years ago on a transportation-related issue. I realized right away that he's a leader and is always looking ahead at the big picture. As the former plant was licensed to produce OCFB, and the fact that Eugen has been a member of the OCFB program, I see the operation going hand-in-hand with our program. It opens up one more set of doors for Ontario Corn Fed Beef production.

In closing, we have included the 2021 Ontario Cattle Feeders' Association Membership form in this edition on Page 7. Please fill it out and return it to our office as soon as possible. Your support is gratefully appreciated, and we look forward to working in your best interests in the year ahead.


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Beef Market Development Update

While the COVID-19 pandemic disrupted the first year of the Ontario Beef Market Development program, the strategy has the Ontario industry well-positioned to capture future opportunities that exist at home and across the world. John Baker, director of the program, provided an update and an overview during presentations to the 2021 Beef Symposium and the Beef Farmers of Ontario (BFO) Annual General Meeting.

The program is a four-year strategy that runs through 2023. It sets a clear vision and a mission that leads to a profitable, sustainable industry for future generations. Baker noted that the program has clearly defined, measurable goals that include enhancing the industry's competitiveness, providing significant benefits to Ontario producers and delivering a clear, tangible return on the provincial check-off investment. A joint marketing committee, which consists of three representatives from the Ontario Cattle Feeders' Association and BFO, oversees the strategy's development.

The first year of the program focused on expanding the share of Ontario branded beef products in Ontario and international export markets. Recognizing the need for Ontario to differentiate its product from the competition in both markets, the emphasis is on products with unique attributes that are not readily substituted with imported products. "We also focus on a commitment to collaboration with our Ontario supply chain partners, national organizations and government agencies wherever possible," added Baker.

The challenge for Ontario beef producers is that the province continues to be the destination market for the vast majority of beef imports in Canada. Without differentiation, Ontario beef products can be easily substituted with other products. In marketing, the term to describe this relationship is known as fungible, which measures the interchangeability of goods or assets with other individual goods or assets of the same type in the marketplace. For beef, USDA Choice and Canada AAA are interchangeable. The same goes for USDA Select and Canada AA. Essentially, the market considers these products of the same quality. "And that's true

in almost every market around the world," he added. "Much of this is based on the high level of integration between our industries. So, the need for differentiation is a key factor for our industry, both internationally as well as provincially here in Ontario."

The substitutability concept depends on the commodity product offerings in the market that have no real distinguishable features or unique attributes. Consumers in different market segments will value different things in meat production and will pay more for them. "Ontario has been very innovative in this, and we recognize the need for differentiation and demonstrated strong leadership in brand marketing of beef for over 20 years now," said Baker. "We need to identify opportunities to focus on more attribute-based marketing or adjective-based marketing."

Program Benefits

The Ontario Beef Market Development program acts to differentiate Ontario beef products and avoid having them considered Canadian or North American beef products by our global customers. "If it is perceived as being the same, it's going to come back to the price, which will always be set by the higher volume processors," Baker said. "It's enabling us to distinguish the product and the people who produce it. And that's in the eyes of our customers and consumers."

The idea is to demonstrate that the products are uniquely Ontario. "We are uniquely different than our western and our eastern Canadian neighbours," said Baker. "We don't say that we're better, but we simply say that we're different, and that's unique."

This difference then enables Ontario beef products to offer tangible attributes to a market segment that values them, both domestically and globally. Baker added that it's essential to include the packer and distribution partners in the marketing because they are also competing against importers and higher volume processing plants in the marketplace.

When it comes to boosting competitiveness,

Baker refers to the industry's ability to profitably sustain or expand market share. Branding Ontario beef products has been shown to be a key factor in helping to realize this goal. Citing a third-party study by Kevin Grier, Baker said the primary finding was that demand for Ontario branded beef limited the market's ability to substitute with imports. This demand, in turn, resulted in higher prices for Ontario cattle.

As for implementing the plan in 2020, the strategy focused on developing new Ontario beef brands and supporting existing brands and products in the domestic marketplace. When the COVID-19 pandemic emerged, the plan had to be adjusted. Baker said retailers and packers shifted their focus away from strategic growth and brand development to more operational concerns around the logistics for customer and staff safety. Ensuring a consistent, available supply also became a priority. The foodservice sector was devastated by the loss of in-house meal occasions and customer capacities, and the high-volume catering sector was virtually eliminated. "At that point early in the year, the priority shifted to supporting promotional activities around existing Ontario beef brands and driving more volume type of initiatives in the market as well as enhancing the quality assurance objectives in the province," said Baker.

Before the pandemic, highlights of the year included the participation in two national events – with Canada Beef at Grocery Innovations Canada Show and the Restaurants Canada Show – and the development of a new Ontario beef brand. Towards the end of the year, a key milestone was reached when the Canadian Roundtable for Sustainable Beef (CRSB) approved the Ontario Corn Fed Beef (OCFB) Quality Assurance program as a certifying body.

Baker said having another certifying body in the province provides feedlots with easy access to a one-stop audit process for OCFB and CRSB, and it qualifies them for credits offered by both programs. "With the recent increase in market demand for certified sustainable beef, most of which is really driven by the Ontario market, Ontario producers are well-positioned to take advantage of this opportunity," he added. "Recently, Cargill in Guelph became a certified

processor. When we look at increased demand at the Cargill Guelph plant for certified sustainable fed cattle, we will also see an increased demand for Verified Beef Production Plus certified calves here in Ontario.”

As for export markets, they were also severely impacted by the coronavirus. As a result, promotional activities were limited as four trade events in Vietnam, Taiwan, the Philippines and Singapore were cancelled. Some incoming trade missions to Ontario were also cancelled. “Our export focus shifted according to existing brand partners in the Japanese market,” said Baker.

Before coronavirus, Ontario was able to host an incoming mission from Japan in January 2020. The group toured through Ontario feedlots and St. Helen’s Meat Packers, where they met the ownership and senior management. “We began to discuss the concept of a brand that would be offered uniquely for them in the Japanese market called Ontario Heritage Angus Beef,” said Baker. “In February, we participated at the Supermarket Trade Show in Tokyo, where we launched the Ontario Heritage Angus Beef program. And that was a direct result of the incoming mission.”

Ontario beef products are now in 18 different retail chains in seven regions across Japan, with 597 retail stores across the country actively marketing Ontario beef as a premium brand.

In November of 2019, Ontario participated in the Vietnam Food Expo. Baker noted that the Vietnamese market is the fastest-growing market in Asia, and this event provided an opportunity to introduce Ontario beef into the market. “We have established a distribution relationship, and we’re well-positioned for market entry once the coronavirus concerns are all past us and we go back to a state of normalcy there.”

Measuring Performance

Baker noted the committee has developed a comprehensive framework for performance measures that identifies the strategy’s expected outcomes. Increasing Ontario fed cattle prices is the first expected outcome. Quoting market analyst Kevin Grier on last year’s numbers, Baker said 2020 was expected to be a stronger market for fed cattle, with Ontario returning to higher prices against Alberta. Meanwhile, Ontario calves showed a strong performance versus U.S. calves in 2020. And while Ontario calf prices are traditionally lower than Alberta calf prices, they averaged approximately the same in 2020.

Another expected outcome is an increase in Ontario’s share of the Ontario consumption. Before 2020, Ontario’s share of the local market has experienced steady increases for seven years. Baker said 2020 was an outlier due to the impact of the coronavirus as many retailers switched to U.S. supply in the short term to meet the supply challenges caused by the pandemic. “Ontario’s share of consumption also requires reducing imports,” noted Baker. “So, we have seen a steady decline of the import share of the Ontario market since 2012 with 2020 as an outlier.”

The next expected outcome relates to increasing the volume and value of Ontario beef exports. Ontario beef export value has seen strong growth since 2012, outpacing Canadian beef exports in compounded annual growth. In 2015, Baker noted that Ontario launched an active beef market development program for export markets and has seen an increase in volume and value. When it comes to Japan, the highest priority market since 2015, there has been a 181 per cent increase in volume and a 221 per cent increase in value.

Another expected outcome is growth in the Ontario processing sector. “We’ve been able to see strong growth, with again 2020 as an outlier year obviously with the coronavirus and the slowdowns and the shutdowns that we’ve had,” said Baker. “If we’re going to attract investment to be able to expand the processing sector here, we need to be able to demonstrate to potential investors that we need to continue to create market demand for and the supply of Ontario fed cattle and calves.”

Despite the challenges faced by the industry in recent years, the one constant positive is that global beef demand continues to rise. “I think this really speaks well to the opportunities that we have to expand Ontario branding efforts in some of our developing markets around the world as well as within our domestic market here,” said Baker.

As for the next steps, in his presentation at the Beef Symposium, Baker encouraged producers to identify supply chain opportunities that align with what they’re willing to do with their operation. He also recommends reaching out and networking with others in the industry. “If you’re a feedlot operator, talk to your cattle buyers. If you’re downstream, talk to your supply chain partners, identify what the market is looking for,” said Baker. “Understand the marketing programs that are out there. Identify potential benefits versus the program requirements.”

He concluded that on-farm certification is going to be the foundation of most of the marketing opportunities of the future. Baker encourages people to assess the programs and weigh the costs versus the benefits they will deliver. “We have opportunities,” he said. “We have well-defined strategies. We have resources. It’s about identifying the individual opportunities for each producer moving forward.”



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Growing Market Demand For Beef And Cattle With Attributes



When it comes to assessing Ontario's potential to grow the beef industry, a provincial market analyst says displacing beef imports, increasing packer capacity and expanding feedlot production are the primary considerations. Stephen Duff, chief economist for the Ontario Ministry of Agriculture, Food and Rural Affairs, shared his insight on the beef and cattle markets during his presentation to the 2021 Beef Symposium.

Looking at the Ontario market, Duff noted that beef imports are an important part of the value chain. Ontario imports approximately 30 to 40 per cent of the total beef consumed here. Knowing the composition of those imports is key to determining where Ontario can meet the market needs to benefit the Ontario beef industry in the long-term.

As the Ontario and Canadian beef markets are closely tied to what happens in the United States, Duff discussed a change in focus for American production. In the last number of years, the U.S. has been concentrating on exports and increasing production levels. "You can argue that year after year, for a number of years now, the U.S. is hitting record levels of production, pretty much

across the meat spectrum," said Duff. "It's not because their population is growing; it's because of their focus on exports."

Duff explained that the record production pushes the U.S. onto certain tracts, which can add a significant amount of volatility within production years. The volatility in the grain markets in recent months is a prime example.

He noted that meat demand in Ontario continues to climb mainly because of population growth. Demand for lean protein, in particular, is rising. What's more, he added that there is significant growth for specific market attributes. "And it's those attributes that can be taken advantage of by individual producers, in certain respects, in terms of more branded products, which, hopefully, add to the carcass value of an animal and, in turn, increase value back to producers."

While beef demand is rising, people in Ontario consume a large amount of U.S. beef. "We consume a lot of other countries' beef as well," said Duff. "But the U.S., in particular. And there's a continuing opportunity to displace imports."

He added there are certain times in history when displacing imports is of greater interest than others. BSE created a significant amount of interest in Canadian beef as Canadians rallied behind their industry. The COVID pandemic has created another opportunity. "One, because people are eating more at home," noted Duff. "But also, because people are starting to understand the importance of supporting domestic production in a lot of things. Where is it that we want to be? Do we want to be in the position of relying on others or not? And I think beef is one of those areas."

Increased demand for Ontario products would require more feedlot production, which Duff hopes would also result in more demand for Ontario calves. Expanded packer capacity would also be required. "I don't necessarily believe it's completely at the federal level," added Duff. "I think provincial packer capacity is a significant issue which would grow and help provide an opportunity for beef farmers in general to provide attributes, to take a larger portion of the value chain and hopefully, build the herd and the capacity of the sector over time. But I think it's the whole industry approach that needs to be done in that regard."

Besides growing the province's packer capacity and displacing imports, Duff added that taking advantage of opportunities in the Ontario beef sector also comes down to individuals. "For some people, commodity agriculture is the level of attribution that they want, and that is fine," he said. "For others, it isn't. But generally speaking, those attributes come with other costs and risks, and they are things that have to be addressed accordingly."



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Using Differentiation To Capture Market Value

So, how do you like your beef? If you're meat industry expert Dr. David Hughes, you like it with a generous helping of adjectives, please. Dr. Hughes is Emeritus Professor of Food Marketing at Imperial College London, and Visiting Professor at the Royal Agricultural University in the U.K. He is a much sought-after advisor and speaker on meat industry issues. He delivered the keynote presentation at the 2021 Beef Farmers of Ontario Annual General Meeting that was conducted online on February 17.

He discussed several trends impacting the consumer's buying decisions, many of which have been accelerated by the COVID-19 pandemic. One discernable trend is that consumers are increasingly interested in where their food comes from and how it's produced. Leading brands have taken note of this interest and are immersing people in the food production story. "And the origin of where it comes from gives them reassurance on quality and safety," said Hughes. "We need to do that, and more of it."

If you're marketing beef, the key to doing more storytelling is to use adjectives or attributes to differentiate Ontario beef products, which Hughes believes is essential in the marketplace. "Beef is the noun. I don't think that there's much margin in the noun," he said. "Add the adjectives, and you add the margin."

He cites New Zealand's approach to marketing as a prime example of differentiation. The country's agriculture ministry has launched its vision and strategic direction for the next 10 years. Noting that New Zealand is a small country with a very active export industry, the approach can be applied to Ontario beef. For starters, New Zealand realized that it is not a volume producer and should stop acting like one. "Selling commodities in undifferentiated markets is a race to the bottom," noted Hughes, quoting New Zealand's strategy. "Instead, we must select the market niches where we can excel in providing captured value and keep a razor-sharp focus on those."

He recommended that the approach is food for thought for Ontario's beef industry. He asked the virtual conference attendees to think about this question: It's worth the consumer paying a premium for Ontario beef because...? "If you

can't give her or him an answer to that question, then she won't buy the product."

For Hughes, finding the reason is the challenge, suggesting that producers have to explain why Ontario beef is worth more. And that means beef is much more than a noun. "You've got to add some adjectives and adjectives that ring with consumers who understand it and say, 'Yes, that gives me a good reason to pay more,'" he said.

In addition to providing his insight on beef marketing, Hughes discussed his views on the impact of COVID-19 on consumers. One of the most significant impacts, he said, has been on household incomes. At one end of the spectrum, he said higher-wage workers recovered well, suggesting they've continued to earn salaries and may have more cash because they're working from home and not paying for commuting. Also, they're not taking expensive vacations. The hardest hit are the low-wage workers, an impact that is experienced around the world. As a result, grocery retailers are adjusting to the requirement for lower prices, and this can be seen in "full-on" price wars that are starting to emerge in COVID-hit countries.

Another trend that has been accelerated but was already evident before the pandemic is the increased interest in environmental and sustainability issues. Hughes noted a lot of the narrative is about reducing meat and dairy intake. There is also a significant focus on reducing the carbon footprint, exemplified by food companies that are promoting their products as carbon neutral. "We can do that, too. We don't have to be carbon neutral. But we have to show consumers and particularly activists that we are making an effort in this area and that we're on a journey. They will be supportive if they know that we're on that journey and we're moving to a better place from a climate impact point of view."

Health is another area where the narrative needs attention. He finds the health aspect particularly fascinating because there has been an increasing emphasis on our immune systems' health throughout COVID. "And it's intriguing to me because what is beef good for? It's excellent for supporting the immune systems of your families," adds Hughes. "I would put that on the front of every retail beef package."



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Calf Club Sales Benefiting Both Cow-Calf And Feedlot Producers



Dan Ferguson, top left, leads a panel discussion about Ontario's calf club sales with John Mielhausen, Ron Stevenson, Scott Kuhl and Jack Chaffe. The forum was part of the 2021 virtual Beef Symposium.

With an aim to help grow the Ontario industry, this year's Beef Symposium featured the efforts of the Ontario calf clubs and their successful pre-sort sales. For more than 20 years, the calf club members have focused on providing Ontario feedlots with a uniform set of quality Ontario calves. In essence, the idea is to get as close as possible to a large, one-ranch sale as the group of smaller operations follow the same protocols, including vaccinations. In re-

turn, the feedlot producers pay a premium for a well-prepared calf.

To highlight the calf club sales, the virtual Beef Symposium hosted a panel discussion on the topic. The panellists were John Mielhausen, Ron Stevenson, Scott Kuhl and Jack Chaffe, Second Vice President of the Ontario Cattle Feeders' Association and Vice President of the Beef Farmers of Ontario (BFO). Dan Ferguson, man-

ager of producer relations for BFO, moderated the discussion.

Mielhausen, representing the Bruce Peninsula Calf Club, told the symposium that the pre-sorted sales concept started 20 years ago with 15 members. Along with the leadership of veterinarian Dr. Peter Kotzeff, the group approached the Keady Livestock Market with the idea. "It turned out to be a big success after about three years," said Mielhausen. "It's been a very good story."

Data from the sales demonstrates the story's success. According to long-term data from the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA), there's a \$0.06/lb premium for calves sold at special sales compared to conventional sales through the Keady Livestock Market.

Ron Stevenson, business manager of Metzger Veterinary Services and a cow-calf producer, says the sale's ability to track data related to calf health is another essential benefit. The clubs also conduct surveys on buyer satisfaction. "We know the pull rate on the clubs. Fifty-five thousand calves have gone through the Keady program," noted Stevenson. "Overall, the pull rate is 2.95 per cent. If we treat a calf, that is running 1.1 per cent, but they respond."

He added the numbers highlight the value of the vaccine protocols and the clubs' good management practices. "What really makes sense to our members is the money, too," he added. "Because it's hard to save a premium in today's world, but we do believe we are seeing that."

...continued on page 10



"More fresh air, way more light, that's what the livestock need. We are really pleased with the gains."

- Hans Steen, Stoneview Acres

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...continued from page 9

Scott Kuhl, the Keady Livestock Market owner, provided the perspective on how the sale is handled. Besides the Bruce Peninsula Club sale, Keady also hosts sales for the Georgian Bay Premium Charolais Calf Association, the Bluewater Black Calf Club sale and the Central Calf Association sale.

The day before the sale is a little more intensive because the calves are weighed, graded and sorted. "We also collect our producer numbers on every calf, and that is just to help us identify if there's ever a mix-up," said Kuhl. "We also have RFID scanners. Our computer keeps track of whose calves belong to whom in each pen and their weights."

At the time of the sale, the producers, the ID tag numbers, the calves' weights, and the buyer are all linked together with a complete trace-back record within the computer. If there's ever a problem with the animals, the buyer can call Keady with the RFID tag number, and the staff can find the seller. "There is extra management and cost for a sale like this because they're more labour-intensive, said Kuhl. "But

the buyers are buying a healthier calf, in a nice, uniform group. We hear a lot of comments from buyers about how good the calves looked and how the calves they bought started on the feed for them."

For Kuhl, the biggest compliment comes when some of the calves come back through the Keady Market as yearlings. Kuhl rates the genetics and quality as similar to cattle coming from western Canada. "To me, that's a real feather in the cap," said Kuhl. "Improvement in Ontario calves in the last 25 years, I believe, started with the vaccine program. Maybe our herd size isn't as big as the cow herds in western Canada but (with) our pre-sorting calf sales from herds on the same vaccine protocol; we're producing a good, healthy calf that can compete with the calves from the biggest ranches in the west."

Jack Chaffe provided insight from the feedlot perspective. For Chaffe, who markets his cattle through the Ontario Corn Fed Beef Quality Assurance program, having confidence in the calves he's buying is paramount. "I always find that the healthier you keep those calves after weaning, the performance in the finishing phase is going to be far superior to calves that

didn't have a good start-up after weaning," said Chaffe. "I think that's one of the main things on these calves coming out of these calf club sales is they all have been vaccinated properly."

Chaffe echoes Kuhl's comments that the calf clubs have enhanced the quality of calves sold in Ontario. He adds that producers who may not be members of the clubs have also stepped up their management practices and vaccine programs, which has improved the entire beef industry in the province. "There have been times in the last couple of years where the Ontario feeder cattle are out-selling the western cattle, day-in and day-out," noted Chaffe. "It just surprises me how well these cattle have sold, and I attribute a lot of this back to these calf club sales setting the bar on those genetics (and) on the vaccine programs. It's just made it good for the whole beef industry here in Ontario."

For more information on the Ontario calf clubs, the Beef Farmers of Ontario has posted two videos on its website at ontariobeef.com.

Welcome to the Team!

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Bunk Management And Cattle Behavioural Study Update

Overall, OCFA and OMAFRA have been very pleased with the positive response to our recent Bunk Management and Cattle Behavioural on-farm study from so many of our beef industry partners and producers. The two videos and commentary articles, included in the previous issue of The News Feed, illustrated a number of key points in feedlot beef production. Obviously, it's very rewarding to hear that our goals and efforts of the study are being discussed for the betterment of the Ontario beef industry.

A strong appetite for this type of information has generated much interest in the YouTube video, with over 1,000 views to date. The thought was to create a "show me the information approach" of communicating the study's findings as a beef industry educational tool. Trail cameras were used to monitor feed disappearance in the bunk and cattle behaviour at

the bunk for 24 hrs. x 3 to 5 days. The data collected was presented as graphs and charts to easily follow trends and provide better transparency in discussions.

Bunk management and animal behavioural studies have been around for many years as the feedlot industry has developed. Researchers have studied the impact of bunk management for several years, and this project sought to demonstrate how bunk management approaches influenced cattle feeding behaviours in an Ontario context. It was time to demonstrate, via a video and discussion, those years of valuable research findings in combination with our recent study.

Discussions and planning involving this year's study are underway. This year's study will build upon the learnings from last year's project but

will focus on start-up receiving rations and the transition period onto full feed finishing rations in Ontario feedlots. Similar to last year, bunk management approaches to manage starting cattle in the feedlot and the effects on cattle behaviour will be studied with the use of trail cameras. The planning is progressing very well and will commence during the late spring/summer of this year. This phase of the feeding period is critical to the cattle, with the added exposure to stress and health challenges, due to changes in premises, transportation, commingling, and ration changes at this stage.

We look forward to commencing with this year's study and anticipate providing more helpful information for the members of Ontario's beef industry.

Canadian Cattle Inventory Estimates

The COVID-19 pandemic continued to disrupt the livestock sector's activities across Canada in the latter half of 2020. A resurgence of COVID-19 infections during the fall, temporary closures of processing facilities, and the introduction of enhanced public health measures kept pressure on the sector.

Despite these challenges, from July to December 2020, processing plants adapted their operations to increase processing capacity and reduce existing backlogs. According to Statistics Canada, more cattle, hogs and lambs were slaughtered in the second half of 2020 compared with the same period in 2019.

Canadian farmers held 11.2 million cattle on their farms on January 1, 2021, down 1.0% from the previous year, as the Canadian cattle herd continued to contract. Inventories were one-quarter (-25.3%) below the January 1 peak reached in 2005.

Inventories increased 0.9% to 2.9 million

head in Eastern Canada but decreased by 1.7% in Western Canada to 8.2 million head. Alberta had the largest cattle inventories among the provinces on January 1, contributing 39.5% to the Canadian total, followed by Saskatchewan (20.4%) and Ontario (14.2%).

Cattle producers retained more breeding stock in the latter half of 2020 relative to the same period in 2019, as the number of beef heifers for breeding increased 4.1% to 545,400 head, while the number of bulls (+4.9% to 210,000 head) also rose from the previous year. This more than offset year-over-year decreases in the number of beef cows (-0.4% to 3.5 million head), dairy cows (-0.3% to 977,800 head) and dairy heifers for breeding (-2.4% to 427,700 head) on Canadian farms.

The inventory of calves on January 1, 2021, edged down 1.1% to 3.7 million head, in part because of a 3.5% year-over-year drop in births over the July-to-December period. Canadian farmers held 1.4 million dairy cows and heifers on their farms. This total has remained relatively stable since January 1, 2018.

Producers held fewer feeder heifers (-4.5%) and steers (-4.2%) than on January 1, 2020. Total slaughter of cattle and calves in the July-to-December period was up 0.6% year over year. Canada's largest slaughter facilities restored their processing capacity to pre-pandemic levels, particularly throughout the summer months, which typically experience seasonal slowdowns.

International exports of cattle and calves for the July-to-December period decreased 2.0% year over year to 303,300 head. Export demand for Canadian cattle continued to be affected by COVID-19, as processing plants in the United States also faced backlogs of cattle for slaughter.

The July-to-December average price of Canadian feeder and slaughter cattle recovered slightly after sharp declines in the spring. However, prices generally remained lower in the second half of 2020 compared with the same period in 2019, as processors worked to clear backlogs resulting from temporary closures and slowdowns caused by COVID-19.

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