

COWHERD DECISION COLUMN – 2002 Frank Jacobs Award Winner

For folks in the cattle business this is a time of hard work and harder decisions. Ranchers are busy gathering up the last strays from the summer pastures and preg testing cows. After that, it's weaning calves, shipping drys and culls and doing all the other fall work that needs doing before the snow flies and/or the market goes to hell in a handcart. It can be a time of sweet reward and bitter punishment-sometimes in the same day.

This fall of 2001 is especially stressful for ranchers. The current drought cycle has some parts of the country in worse shape than of any other time since the late 1800s. For a lot of outfits, there's no grass and less water. Optimism is harder to find than a miniskirt in Kabul.

Ranchers who tried to hold back pastures for late summer and fall grazing were whacked upside the head by swarming grasshoppers with appetites on overdrive. Oceanographers are detecting the return of our old enemy El Nino, which could mean another winter of Bermuda shorts in January.

All of this leaves a lot of ranchers in a "damned if you do, damned if you don't" dilemma. If you're a rancher, what do you do with the cowherd? Do you invest a pile of money – yours or the banks- in buying some of that high- priced hay? What about investing in a big truck and some Whopper-sized water tanks to haul water? Where do you find water to haul, and how much will it cost?

On the other hand, how can you sell the cowherd? It's been built up over many years- more than likely by generations of family. In many ways, the cowherd has come to represent the owner's reputation and place in the community. The cowherd takes on the characteristics of the rancher whose brand they carry. For a lot of old-time cattle people, selling your herd is like selling your soul.

These same old-time cattle folks also know that you cannot feed your way out of a drought. They know that it might take a generation to recover from the damage done to pastures in the last couple of years. There is no guarantee that next summer won't be a carbon copy of the one we just came through. Still- how can you sell the cowherd?

You might start by asking another question- "How can I not sell the cow herd?" The good prices are hanging in there, and there is still a strong demand for bred cattle from Saskatchewan and Manitoba.

Even if one finds the bucks to buy the hay and arrange for water, what happens next spring after another El Nino winter? How deep will the market drop when everyone is dumping cattle?

There are other signals a wise cattle person might be watching. Right now, if you can dress yourself half-decent, cobble together a half-decent business plan and avoid slobbering on the bankers desk, he'll likely back your play in the cattle business. That is a very bad sign.

There's another sign of bad things a'coming. The guys from Manitoba and Saskatchewan wearing Agricore caps are parking their air seeders and buying cattle. That's a very scary sign. These people usually jump in just before the market tanks, so the smart cattleperson will take the money now and run.

Ranchers will sort out their actions from this penful of indecision. They will make up their minds and get the job done. They will survive. These are very tough times, but these are very, very tough people.