



Cattle Auction Points To Good Times For Producers And Beef Eaters

The cattle industry is guardedly optimistic, and beef steak lovers should be happy, too. Despite concerns about drought, high inputs and government intrusion, that was the analysis after the Kniebel Cattle Company/Downey Ranch, Inc., beef cattle seed stock production sale Friday southeast of Manhattan.

"We were really nervous going into the sale, with all of the negatives facing our business," admitted Barb Downey of the Downey Ranch Angus operation at Wamego.

"However, record prices were paid in every division of the sale," she related.

"Cattlemen are concerned about the dilemmas facing their industry, but most aren't in panic mode yet," Downey evaluated. "Even with the drought, calf prices have remained very good. In addition, a lot of cow-calf operators also are farmers, who have seen high grain prices.

"Cowmen have planned and allotted their financial resources to invest in quality breeding stock, so when rains do come, they'll be prepared for profitable opportunities producing calves," Downey analyzed.

Then, she clarified, "The nation's cow herd size has been sharply reduced, and is continuing down. When weather conditions break, there should be high demand for replacement females to again increase that number."

Advertising and promoting heavily on 580 WIBW for more than a decade, as well as being presented on www.kansasagnetwork.com, the Kniebel/Downey operations reported a record 100 registered bidders at the tenth annual sale.

Downey's 42 black Angus bulls sold for a record \$4,300 average, compared to \$3,825 a year ago. The Kniebels of White City sold 29 Red Angus bulls for an all-time-high \$5,000 apiece, up from \$4,200, two years earlier.

Sixty bred commercial heifers sold for a new high average of \$1,880, compared to \$1,700 in 2011. Nationwide completely unique to the Kniebel/Downey female offering is



that the breeders will keep the bred heifers, calve them out, and purchasers pick up the pairs at grass time, if that service is purchased.

"We have an exclusive live calf guarantee, so the buyers have no risk whatsoever," Downey noted. "Buyers of two-thirds of the bred-females sold this year took advantage of our calve-out opportunity."

Contending she doesn't "have a crystal ball," Downey recognized that cattle prices now are comparatively at all-time high levels. "It has been reflected some in consumer-buyer-resistance.

"So, I really don't see how over-the-counter beef prices can continue higher, without hindering demand. However, if rains moderate the feed grain and forage markets, that will bring break-evens lower, and help ease pressure on beef prices.

"There'll continue to be strong demand for cattle, but ideally, lower inputs should help balance it out, so beef prices don't increase," Downey hopes.



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team



Frank J. Buchman

Marketing Consultant

Direct: 785 - 228 - 7259

Cell: 785 - 499 - 3063

frank.buchman@morris.com

PO Box 1818

1210 SW Executive Dr.

Topeka, Ks 66615

Padre says:

"Yes, beef is what was for supper last night.

Tonight, it will be my supper, and it will continue to be."