Following what can only be described as a disastrous winter finishing campaign in 2019, which at the time of writing looks to be creeping into 2020, some farmers are now considering storing cattle over the winter and finishing them off grass in the early to mid-summer period. Are they right to do so?

In recent years, the period from late April to early July has offered the highest price point of the year for beef animals. Couple this with the prospect of cheap weight gain off grass from early spring until finish, which eliminates a large proportion of the winter concentrate bill. This combination of higher price and reduced costs means margins can be significantly increased.

Storing cattle over winter for a summer finish

<table>
<thead>
<tr>
<th>Advantages</th>
<th>Disadvantages</th>
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<tbody>
<tr>
<td>Lower, or zero, meal bill over winter.</td>
<td>Extra silage consumed during winter period. Very high quality silage required to eliminate meal costs.</td>
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<tr>
<td>Higher level of grass utilisation.</td>
<td>Meal feeding at grass, if needed, can be difficult.</td>
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<td>Typically higher beef price at sale time.</td>
<td>Longer ‘wait time’ for cash.</td>
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<td>Allows time for market to correct itself.</td>
<td>Early turnout to grass must be achieved to allow early summer kill.</td>
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One of the main advantages of moving to a summer kill is that in recent years, beef prices have been higher in early summer than in spring or autumn. The cheap weight gain from grass and a potentially higher carcass weight on a slightly older animal means returns on cattle slaughtered could be higher than killing in spring.

Store bullocks may be wintered on silage only, but farmers must ensure a consistent silage quality of at least 72% DMD to achieve 0.5kg of live-weight gain per day. If silage quality is at a more typical level of 67% DMD, then around 2kg of concentrates will be required to maintain performance in the shed.

Farmers should be aware that silage intake will increase if meal is removed from the diet. It is also important not to overestimate the quality of the silage and end up with stock gaining little or no weight, or even losing weight over the winter. Early turnout is a must if cheap liveweight gain from grass is to be achieved. Farmers should be targeting at least an early March turnout to have cattle adjusted to grass and achieving high levels of gain in April, May and June when grass growth and quality is at its peak.

Depending on what breed of animal is being targeted for finish, some meal may be required at grass to ensure a fat score of 3. While some early maturing breeds may finish off grass alone by early summer, late maturing or Friesian breeds may require a small amount of ration to ensure adequate fat cover and that carcasses meet all processor specifications.
Figures from the last five years show a 15 cent/kg gain in price on average when slaughtering on July 1 versus March 1, and a 25 cent/kg gain compared with September 1.

Table 2 compares likely profitability changes from postponing slaughtering from March to later in the year. While price fluctuations up or down can never be guaranteed in an individual year, the five-year trend shows that prices typically peak in May and June, before falling off as autumn approaches.

Assumptions and conclusion.
Assumptions are that once stock are turned out, steers will gain 0.9kg per day on average from turnout day to slaughter on July 1 and a further 0.8 kg per day as grass quality declines from July to September. While individual farmers with a keen eye for grassland management may achieve significantly higher levels of daily gain, for the purpose of this exercise, we will assume more realistic, moderate levels of gain.

Some level of meal feeding may be needed for the three to four weeks prior to slaughter and a cost of €30/head has been assumed for this.
The killout percentage has been assumed to remain the same across all stock killed.

From looking at Table 1, it can be seen that if the same level of price differential between spring, summer and autumn were to persist, then the increased potential margin for a July kill over March is €151/head or €100/head in September.

Summary
While margins in beef are always tight, farmers who have excelled at summer finishing have reaped the benefits of a typically higher summer price, along with cheaper weight gain from grass until slaughter. Although there are no guarantees about prices being higher in the summer of any given year, historically this has been the case. Farmers who may consider changing their system from a spring to a summer kill must take into account the loss of cashflow from the spring period, coupled with possible obligations in the BEAM scheme to reduce bovine organic nitrogen by 5% in the 2020/2021 period.