

Calf prices are high, but so are expenses. Do you ever find yourself wondering where all the money goes? Do you feel like your operation is as productive and as profitable as it can be? Some producers may admit that not only are their operations not meeting their expectations, but they do not know what to do to improve the areas that need addressing. Fortunately, there is a program available designed specifically to help producers determine the production and financial performance of their operation.

Professor and extension economist Stan Bevers from Vernon regulates the use of this program known as Standardized Performance Analysis, or SPA. Using SPA, Bevers educates producers on the benefit of performing a thorough financial analysis of their cattle operation. Using the producer's operation-specific information, SPA reveals how productive and profitable the producer is. Further, the SPA analysis helps the producer see exactly which areas of his operation need the most attention, and which areas he is excelling in.

Not only does SPA show a producer how his ranch did in a particular area, it helps the producer see how he compared to other ranches in his region. This is done by revealing the average for that area of interest for other ranches in the region, and ranks the producer by quartile compared to those other producers. Using that information, a producer may better see which areas need the most attention, and have better insight about how he can improve in that area. SPA is also helpful because it will shine light on areas that the producer may not have known he was doing poorly in. For example, after completing SPA for his herd, a producer sees that his average weaning weight was significantly lower than the average for his region. The producer also notices that his calf crop percentage was much lower than the average. The producer uses these two key pieces of information to infer that increasing the calf crop percentage will result in more pounds weaned, creating more income. SPA helped the producer realize the amount of potential for income he was losing, and helped to guide the producer in altering his management plan so that he would improve the production and profitability of his operation.

Later this month Mr. Bevers will be speaking on the applicability of SPA, and will answer the question "Can a \$2500 cow break even?" at the East Texas Beef Cattle Short Course. We encourage you to take advantage of this opportunity to hear from Mr. Bevers on the importance of SPA and how it can be used to create a profitable operation. The Short Course will be held February 25 and 26 at the Corazon-Pitchford Sale Facility in Athens, Texas. Other speakers at the event will include Dr. Jason Banta, Dr. Jason Cleere, Dr. Ron Gill, and Dr. Vanessa Corriher-Olson. Topics will include "Beef- A Futuristic Look", "Forage Recovery and Pasture Restocking", "Evaluating Replacement Options", "Planning Your Resource Use", "Leased Grazing Options and Alternatives", and "Bull Selection for Commercial and Seed Stock Beef Producers". If you have any questions about the event, please contact Rick Hirsch at (903)675-6130.

Thanks,

Dr. Jesse Richardson, DVM

Henderson County Veterinary Hospital

903-675-5613

hcvethosp@me.com

hcvethospital.com