



## Dairy Farmers May Have Opportunity in Beef Market

Years of western drought has decimated the U.S. beef cow herd. This is maybe a moment for more dairyman to put a little focus on the beef calf and steer market.

Projections show the beef cow herd has been reduced to its lowest level since 1952. I wasn't even alive then, and my parents hadn't married yet (not that that matters).

Retail beef is expensive, but exports are healthy and even with high corn prices, there are good profit margins in different components of the system.

Beef cow slaughter was 12% higher in 2022 over 2021 which adds to the shortage with fewer calves. As more grazing acres recover from drought, more ranchers will hold back heifers to regrow their cow herds, again, keeping more calves out of feedlots.

Jim Gillett taught me back in 1978 that having sweet peas and steers had some cash flow positives. Farmers looking at expansion ideas may want to think about beef, especially if they can work on a niche market like direct marketing.

The state of Wisconsin has grants for small slaughter and processing plants so hopefully some of the slaughter bottlenecks will be alleviated and more profit will flow down to the producer.



Dr. Paul (left) and Dr. Jeff enjoyed hunting together over the years. Paul was a longtime partner at WVS. He passed away on Jan. 8.

## Remembering Dr. Paul at WVS

Many of you may have heard, Dr. Paul Wardin, a longtime partner at Waupun Veterinary Services, died on January 8 after a one-year battle with brain cancer.

Monty and I hired Paul in 1993 expanding our practice from 3.5 veterinarians to 4.5. Jim DeYoung and Jeff Schutz were the other partners at that time. Dr. Schutz left a year later, and Paul bought his share of the practice and became a partner.

Paul was a close friend and classmate of Dr. Jeff Moore and when a position became available in Waupun in 1998, Paul was instrumental in recruiting Jeff to join the practice in Waupun. In his later years at WVS, Paul learned his skill set in embryo transfer by bringing Dr. Steve Malin into the practice as a partner. Registered cattle were part of Paul's upbringing in Michigan, and this carried over to his embryo work.

Paul left WVS and Wisconsin in 2014 to return to Michigan to be closer to both his family and his wife Heidi's family. When he returned to Michigan, his wife worked for Michigan State and they lived close to the campus where they enjoyed campus life. His son attended and graduated from MSU. Paul was the most avid supporter of Michigan State that I have ever encountered, with a Michigan State bathroom in his home and burial in a Michigan State urn. Paul was only 55 years old.

## USC: "Field" Work Implies Slavery?

According to the University of Southern California, you need to quit using the word field when related to work. You can't do field work or imply you accomplished something in a field with any crop. Field work of any kind implies slavery and may be hurtful to descendants that hear the word and so it is racist. Maybe, just maybe, there are way too many staff at USC?

# Global Warming, Green are Knocking on Your Door, Opportunities to Profit will be Available

When our government believes there is a crisis, and decides to throw money at it, there are winners and losers. Whatever your view, you will be swept along with the current and even if you think the whole process is overkill, or misdirected, your profitability is going to be impacted by this big green crisis. As example are the windmills and the solar panel debates about renewable electric. The government view that we need windmills and crop fields full of solar panels trumps the economics every time.

Dairy farming is considered evil because cow manure produces methane, especially in a lagoon. Every pass with a tractor through a field requires more fuel. Natural gas is the base product for all your farm nitrogen needs, and the carbon in the natural gas ends up in the atmosphere when urea is converted in your soil or anhydrous is produced. Farmers are a target, never mind the argument that people have to eat. Never assume there is logic in Washington D.C.

But farming will be part of the solution. I see articles constantly in major papers on agricultural innovation. The Wall Street Journal had an article on January 15 related to carbon capture in farm fields. The summary is that major agricultural companies are on the green wagon to look good for Wall Street. They are trying to encourage farmers to encompass farm field practices that enhance carbon capture.

The article noted that farmers wouldn't incorporate practices that didn't make economic sense (Hello, farmers can't pass on costs like big corporations). One practice they mentioned was fall cover crops, which is everywhere. I chuckle because I've never had a discussion with a farmer about his fall cover crops helping with global warming. The county offers cover crop incentives, I'm sure that money trickles down from Washington with water quality and carbon capture as the justification.

Another article from an environment tech magazine, discussed a method of using charcoal to mix with manure and then composted. Carbon dioxide was released rather than methane. Although there is the

same amount of carbon in carbon dioxide as in methane, methane captures 10 times as much atmospheric heat as carbon dioxide.

Obviously the anti-dairy farm people aren't going to impact people eating dairy, and the US leads the world with the lowest carbon footprint for food production, so the income to farmers will be in mitigation technology and capture technology.

There is a company out east that is owned by private equity called Vanguard Renewables which builds methane digesters to capture food industry waste. The waste isn't what you might think of coming out of the back end of a McDonalds restaurant. It's waste upstream from the consumer. Examples are a tanker truck full of Coke a Cola syrup that was mixed wrong or had bacteria in it. A truck load of yogurt that is about to expire. Maybe a load of damaged candy bars or potato chips. They all make methane if they go into a sewer or into a landfill, but Vanguard Renewables runs them through a digester, puts the methane back into the methane pipeline, and uses cow manure from partnered dairy farms as the substrate to drive the digester.

PDPW is now offering seminars on farm carbon numbers and where you can benefit. Woodlots and CRP fields are considered carbon capture sights. 15 years ago, I actually received some small payments for CRP woodlands I have from a carbon trading platform out of Iowa. The platform fell apart, it was ahead of its time, but it will return.

It is important that every farmer with animals and or crops stays abreast of the trends and keeps an open mind about how they can profit from this Green Wave. Maybe a webinar or a seminar will give you some ideas or areas to capitalize on the process.

The money is starting to flow, there will be a lot more coming.

Considering that our media makes every snow storm, warm spell, cold spell, drought, and wind storm out to be a global warming crisis, Washington is going to keep printing money and throwing it your way.