Equine News

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Breeding, selling and management decisions in tough markets

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The drought or at the least its effects continues in most parts of Texas and Oklahoma. This has been a perfect storm for most horse owners. While the call for forage has been answered by suppliers bringing hay into the state, the costs of hay have doubled from what would normally have been expected. Coupled with the increased hay prices is the need to feed hay earlier in the fall, as standing forage in many locations has been grazed out many months ago. Then of course, manufacturing and feed source pricing continues the annual tradition of increased feed costs. And, to box it all in, the price of horses has depressed, or disappeared in some instances, as more and more owners are having to decrease their numbers at a time that there isn't a disposal market available.

Likely, if you have horses, you've already considered the alternatives, and what can be offered may be of little help. However bad, just focusing on the gloom surely won't ease the pain. So, here are a few thoughts that may help us refocus.

Genetics play a large part with most of our sport horse markets. A study conducted at OSU in the mid-1990's on yearling race horse prices brought out the need for maximum strength in every area that influences price, i.e. sex, day of age, money earned of sire and dam, and produce records of both stallion and mare. Absence of strength in any one of the variables decreased the expected price. The same would be expected if the study was repeated with current day markets with likely even more dramatic differences from the 'top end' to the rest of the sale offerings. As demand lowers, price based on genetics and performance records of relatives alone don't hold up for the traditionally mid-range priced horses. On the flip side, now would be a great time to purchase individuals with great genetics and performance records at a cheap price. The possibilities for finding that 'one good one' are wide open with today's market.

From a breeder's standpoint, oversupply pressures the decision making process for not breeding some nice horses that would have been bred with confidence of a fair market value of produce. We simply can't breed as many mares in the attempt of producing the future world champion from mares lacking performance or produce history. The question we all must answer is are we breeding to supply a market or are we simply breeding mares to produce foals? Hard decision not to breed mares. No one knows for sure which will produce the next world champion or greatest companion, and open mares are sure to only cost you upkeep.

Some markets rely heavily on potential, i.e. yearling race horse prospects. But, looking beyond those opportunities, the vast amount of horses are salable because they are readily usable. Horses that are unusable because of lack of training, or even more so lacking basic handling necessary for safe human interaction can't be expected to be wanted by others even in good markets. So, those of us with 3 year old horses that are only halter broke have little marketing opportunity. Market might not be readily available or profitable for them even if broke and trained, but the alternative is certain. Even though the return on labor might be small, we have to develop usable horses from our current herd inventory. Horses are bought and sold every day, even in these tough times. Truth is that we likely haven't recouped our operating and overhead costs of many of the horses we have sold in the past in good markets, so we can't use the sole excuse of current market depression to keep from developing what we have in our herds.

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Operating expenses become much more of a concern with lower market values and less market outlets of horses. Not considering overhead costs of facilities and equipment, most consider feed and health costs as the largest recurring costs of horse ownership. This may or may not be true, and if you don't account for expenses, you really can't develop worthwhile cost control measures. But, assuming so, most direct cost saving efforts to feed.

When the overhead of land doesn't enter into the analysis, pasture forage is considered the most cost effective source of nutrition. And, when consulted by nutritionists or agronomists, improving those pastures are usually considered to 'pay out'. But, improvements must be made with sound knowledge of expected results because input costs are so high. Although it may be approaching the 'past due' time to overseed warm season pastures with winter annuals, it still could be worth the time to visit with local knowledgeable folks such as your local Cooperative Extension educator about doing so. There are many factors to consider, and of course, lack of moisture overrides any expectations of production. Because warm season pastures are so short, establishment of spring grazed winter annuals may really produce results. Consider the need to allow for pasture establishment before grazing, along with input costs of fertilizer and weed control. For estimation of forage production to be accurate, assumptions have to be made on germination rates and early growth establishment of plants. Leaving horses on a grazed out pasture while trying to establish new, tender vegetation is likely to tremendously reduce total forage production.

There are no cheap feeds available. Hay prices are high. Processed feed prices are high. If you find a source of cheap feed, investigate the quality control of manufacturing and source of supply. Poorly stored grain products, blister beetle ridden alfalfa hay, or poorly manufactured feed leads to digestive upset. Money spent repairing one bout of such can purchase a significant amount of feed. On the other hand, there are many locally processed feeds that are lower cost than other choices, justly because of reduced manufacturing and freight costs or use of acceptable, but slightly lower quality grain sources. Most everyone purchases feed based on protein percent, and incorrectly assumes that protein percent is 100% correlated with energy content of the feed. So, one might assume less of a 14% could be fed to maintain weight as compared to a feed with 12% crude protein. That relation, although expected to be true to a certain extent, isn't near 100%. An example of such would be oats verses corn. Corn is lower in percent crude protein, but much higher in digestible carbohydrate than oats.

Higher amounts of digestible carbohydrates equate to more energy per pound of feed. So, feed protein to meet protein needs, and do some observational on-site research on the ability of the feed to manage weight. Differences in expected digestible energy content aren't easily discerned from the feed tag. Effort will need to be directed to gauging the feed's performance following several weeks of feeding. Environmental changes such as cold stress of horses will have to be accounted for accuracy. Body condition scoring and weight change estimation will also help. Because of all the variation, and the need to be consistent with feed sources to keep incidence of digestive upset low; you shouldn't change feeds too often. Assessing feed performance accurately will take several months of feeding.

Feeding hay costs a lot. Harvesting standing forage, transporting it, and feeding it makes it more of an expensive feed than we want to allow. Much of the hay has and is fed to be filler, more of a digestive aide than a serious source of nutrition. Current prices of hay makes that idea hard to stay with: We need to know the nutritive value of the product. So, hay tests are more and more common, which is a good thing. Consider the difference in grass hays can vary 10 to 15% in digestible energy content. Alfalfa hay of medium quality should have 10 to 20 % more digestible energy content than medium quality grass hay.

Purchase of hay is only one part of the cost of feeding. Efficiency of use once supplied to the horse is highly variable. At first thought, efficiency of use might lead you to think digestive efficiency. Conversely, think of efficiency of use as decreasing hay wastage. Some recently reported research from Minnesota clearly demonstrates the value of round bale feeders, especially those that protect the hay from environmental elements. Cost of feeders are recouped within several months just because of the savings from hay wastage. Differences in amount of hay waste with different round bale feeding options ranged 20 to over 50%. So, if you are feeding round bale hay on the ground, you might be doubling your expense. That can really make the hay high priced!

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The other major area of operating costs that owners report is related to maintenance and health, i.e. farrier, vaccinations, etc. Pulling the shoes off over the winter when not used may make financial sense, but make sure to continue trimmings, as the time needed for repair of damaged hoof walls may delay you from entering into the 'use' season. The same goes for vaccinations. It would be difficult for any one person, no matter how well trained, to tell you what is absolutely essential and what isn't in terms of vaccination. It is a matter of risk of exposure. Some infectious diseases are prevalent and have serious consequences if contracted. Those are the base vaccinations we should maintain no matter the cost. Needs for others are as influenced by exposure from transportation of the horse or horses in contact. Hopefully, your relationship with your attending veterinarian is solid enough to make correct, risk and science based decisions on what vaccinations are needed.

If we are honest, the majority of us don't have accurate assessments on the real costs of ownership. Fuel to and from the feed store doesn't enter into our thoughts. Weighing a bale of hay before purchasing or knowing nutrient content of the hay is foreign to us. Honestly gauging the marketability of what we produce is hard for us. Figuring out how to train one without incurring insurmountable costs of professional help is near impossible. But, to be honest with ourselves and the horse industry, we need to be more diligent and sensible in our management. We may very well find that the outcome is better than we thought possible, and our current outlook much more pessimistic than our industry deserves.

State winning horse judging teams continue their winning ways

The Tulsa and Rogers County 4-H'ers have represented Oklahoma well this past summer: Top youth horse judging team at the 2011 AQHYA World Championship, top five team overall, high individual overall, reasons and performance, several top ten individuals overall, top teams and individuals in halter, performance and reasons. Add the recent achievements at the Quarter Horse Congress in Ohio to the list . The Tulsa County 4-H team of Kelsey Ritchie, Kiley Ritchie, Lauren Rufo and Chaz Rufo was third high team overall. Kelsey was fourth high overall individual and Chaz seventh. The team was close behind the representative FFA team from Oklahoma, Adair FFA, whose member Ethan Propp won high individual overall. Great accomplishments for our Oklahoma youth. And a great reflection of the time and talents of the instructors, volunteers, extension educators and families that dedicate themselves to youth development.

An added note, the two collegiate teams from Oklahoma, OSU and NEO did quite well in their respective divisions. At the 'Congress'. NEO was reserve high team in their division, OSU fourth high in the other. (OSU competed with a four person team, meaning they didn't compete with an allowable fifth team member, so they didn't have a score that could be dropped for the team awards. Four scores count for team awards.) Oklahoma schools had several individual awards throughout for the collegiate teams, including Carrie Doyle from OSU as reserve champion overall.

2012 close to coming: some dates of potential interest

State 4-H Animal Project Leaders Conference: In the initial organizational stages, late January, County Extension offices will be forwarded info as it develops.

State 4-H Horse Topic Oral Communication Contests: February 4, info to be posted on State 4-H website and forwarded to County Extension offices.

OSU Horse Judging Day: February 18th, info to be forwarded to County Extension offices.

State 4-H and FFA Horse Judging Contest: April 21, info to be forwarded to County Extension offices and FFA instructors.

State 4-H Horse Show, June 14-16, qualifications through district shows held prior to state.

More dates, more details to come!

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