

UPDATED

RAISING FREEZER BEEF: WHAT DOES IT COST?

Before buying a steer, lamb, or hog to raise for your freezer, first look into all of the associated costs to decide whether it is financially worthwhile.

Most people pay attention to the main costs such as buying an animal and processing, and most people have a rough estimate of feed costs.

This article provides some specifics.

Let's calculate a return by going through a season in the life of a steer being raised for beef.

A steer calf is bought October 1. As of October 2018, the market price for a 750-pound feeder steer is about \$160/cwt (hundred weight or 100 pounds). A 750-pound steer calf would cost about \$1,200.

Raising beef is possible at any point in the year; however, because of the calving season in the spring, calf prices are likely to be lower in the fall when most calves are sold. Also, processors are busy with game animals in the fall and are more available in late spring and early summer to process livestock.

Facilities are needed before the steer is brought home. A water source, a feeder for hay, and some type of enclosure with a shelter are needed. Since providing these can be something fun for the family to do together, costs won't be assigned for the time taken to create the facilities.

Decided upon are a stock tank fed by a hose with a simple float

valve, a used round bale feeder, a barbed wire fence, and a shelter made from six 4-foot by 8-foot sheets of plywood and four 4-inch by 8-foot posts. The most costly of these improvements will last through several steers. Those costs will be spread over seven years.

To start, the steer eats "free choice" grass hay purchased from a neighbor for \$140/ton. The steer will consume roughly 15-20 pounds of hay per day or 2 percent of his body weight.

Grain is added to the diet three months before taking the steer to the processor. The amount of time on feed can vary from 60-150 days. For a backyard steer, 90 days on grain should be sufficient.

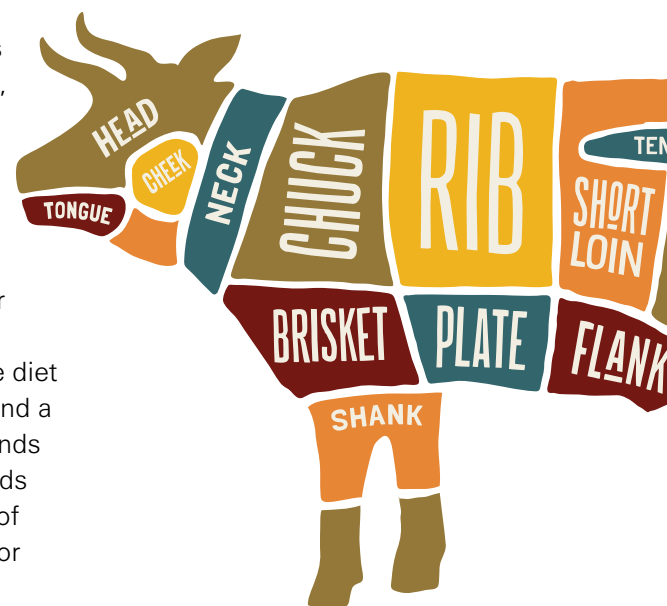
The grain component will help him gain faster and change the flavor of the beef to more closely match what is purchased in the grocery store. This starts out as a 5-pound mixture of corn, oats, and barley per day. This ration will give the steer's digestive system a chance to get used to a higher concentrate diet. The grain is purchased from a local feed store for \$16.50 per 100-pound bag.

The grain component of the diet is slowly increased about a pound a day until he is eating 18-20 pounds of the grain per day and 5 pounds of hay. On average, 15 pounds of grain a day is fed for 60 days. For

more information about the health, nutrition, and production of beef cattle or other livestock animals, contact a local University of Wyoming Extension (UWE) office. A local office can be found online at www.uwyo.edu/uwe.

Other unexpected expenses occur. Sometime in January, the steer jumps out of his pen and gets into what's left of the barbed wire from the fencing project, and a veterinarian has to stitch his leg. The veterinarian vaccinates the steer for respiratory and clostridial diseases such as pneumonia and tetanus. The bill comes to \$200.

In early June, the steer weighs about 1,100 pounds and has a very fleshy appearance. He is carrying a noticeable fat cover over his ribs and hips. There is also some fat at the top of the tail. It is now time to take



him to the processor to get the end product. The processor charges \$750 and returns 500 pounds of cut and wrapped beef. Taking into account the majority of costs related to raising this animal (not including time, labor, and hauling costs) the meat costs \$5.32/pound (lb).

The price of beef in the grocery store ranges from \$2.77 to \$7.99/lb for hamburger, roasts, and other lower-end cuts. The loin cuts, like New York steaks and T-bones, range from \$8.48/lb to \$11.81/lb. As this article is written, these are the 2018 Northwest United States average prices of retail beef cuts from the USDA-Agricultural Marketing Service.

Of the 500 pounds of cut product received, approximately 30 percent (150 pounds) will be the higher-end middle cuts, and 70 percent (350 pounds) will be lower end cuts like chuck roasts and hamburger.

The total spent on raising the beef is \$2,658.25. The same amount of beef purchased in the store is estimated to cost \$3,084.50. If this mixture of cuts matches the meal preferences of your family and no additional beef is purchased, you will be saving \$424.50.

Insert costs specific to your area into the charts for a more precise, localized estimate of expenses and benefits.

Those are the economic costs of this endeavor. There are many intrinsic

benefits and drawbacks to raising your own beef. Raising a steer can be a good way to teach children responsibility for an animal dependent upon them for food and water. What has gone into the end product is known. Pride may also be taken in knowing your family took part in producing the food consumed.

On the other hand, there is a large time and space commitment. Feeding a steer twice a day,



Feed					
90 days grain 200 days hay	daily (lbs)	fed (lbs)	total	price	total
Hay	15	3,000	1.5 tons	\$145/ton	\$217.50
Grain (100 lb. bag)	15	1,350	13.5 bags	\$16.50/bag	\$222.75
Total					\$440.25

Cost of Production	
500 lbs beef	
Cost of steer	\$1,200
Start-up	\$68
Feed	\$440.25
Vet	\$200
Processing	\$750
Total	\$2,658.25
Price per pound	\$5.32



Raised Cost of Beef			
Product	price per lb	amount (lbs)	total
Lower end cuts	\$5.32	350 (70%)	\$1,862
Higher end cuts	\$5.32	150 (30%)	\$798
Total		500	\$2,660

Retail Cost of Beef			
Product	price per lb.	amount (lbs)	total
Lower end cuts	\$4.42	350	\$1,547
Higher end cuts	\$10.25	150	\$1,537.50
Total		500	\$3,084.50

checking water, and monitoring health is more time intensive than the maintenance of a small pet such as a dog or cat. A steer and his facilities also take up a lot more space.

Raising your own freezer beef or not ... that's your choice!

*This article originally appeared in the Winter 2007 magazine and was written by Lindsay Taylor, a former University of Wyoming Extension educator who served Campbell, Crook, and Weston counties. The prices and costs have been updated for 2019 by **Brian Lee**. Lee is the economic research scientist at UW's James C. Hageman Sustainable Agriculture Research and Extension Center near Lingle. He can be reached at (307) 837-2000 or at blee@uwyo.edu.*