



Implementation of Risk Management Strategies by Beginning Beef Producers: A Comprehensive Approach

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Situation: South Dakota State University Extension delivered a comprehensive program in 2018-2019 to help producers navigate the complicated business environment for beef producers. Through a series of webinars, interactive workshops and consultations, participants learned how to develop livestock and crop marketing plans, business plans and financial analysis of their cow/calf operations.

A father and son who are both beginning beef producers and are partnering in a return to the family ranch participated in this intensive program to better understand the challenges they face in the industry and ways to manage them. They faced communication, financial, production and marketing challenges that they were able to address through the program.

Outcomes: As a result of participating in this project:

- They improved their communication skills.
- They have become more aware of their financial goals and how to achieve them.
- They created business and marketing plans.
- They have identified their cattle production goal of raising high quality-grading cattle and they have updated their marketing strategy to capture economic value from it.

Impact: With increased understanding of personalities and their role in communication, both father and son have recognized their different communication styles and how to better approach each other for those important business conversations. The overall business strategy for their operation has improved and they recognize the importance of increasing their knowledge to help them manage risks associated with the business. They have made major growth in the areas of production and marketing. Upon return from the production trip to tour feedlots and processing facilities, they developed a whole new strategy to retain ownership on their heifer calves in the fall and feed them at a feedlot in Kansas that they toured on the trip. They also marketed their open heifers at the same feedlot and were able to use connections made as a result of this program to share expenses with another producer and create a new marketing opportunity.



“We plan to change our breeding in the next year to incorporate higher marbling into our calf crop. The case study was reassuring help in getting us refocused on our goal of producing higher grading carcass animals” – South Dakota beef producer





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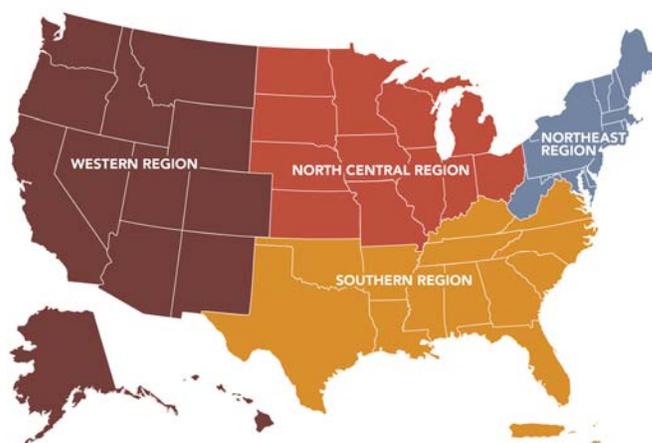
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“Educating America’s farmers and ranchers to manage the unique risks of producing food for the world’s table.”

Extension Risk Management Education (ERME) is delivered through four regional centers that provide grant funding and leadership within their regions.

Projects are producer-focused, results-based and encourage public-private partnerships. Funded projects must identify targeted results that will help producers manage risk and then describe how the project will measure those results.

Extension Risk Management Education has funded innovative programs that have generated tangible results for producers in every state. ERME is committed to funding results, providing transparent accountability, and encouraging collaboration. View the accomplishments of all funded projects on our website.
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