

MARKET PREFERENCE *of* NORTH DAKOTA CATTLE FEEDERS

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A SURVEY of 128 North Dakota farmers who were fattening cattle was made in the summer of 1956. This survey showed that the majority of these farmers purchased their feeder cattle at auctions and sold their fat cattle at terminal markets. They considered nearness to market as the most important factor when buying feeders. However, after the feeders were fattened and ready for market, price was considered to be the most important.

Nearly 80 percent of the North Dakota farmers who purchased feeders in 1955 and 1956 bought from auctions and other farmers. Over half bought from auctions, over a fourth bought from other farmers, 15 percent bought from terminal markets and only 6 percent bought from buyers. See fig. 1.

A somewhat different pattern develops when we divide the purchased feeders into weight groups. For example, for calves weighing 450 pounds or less, approximately 81 percent were purchased at auctions. For feeders weighing 451 to 650 pounds, 45 percent were pur-

chased from other farmers and 43 percent from auctions. For feeders weighing 651 to 900 pounds, 32 percent were purchased from auctions, 26 percent from other farmers, 24 percent from terminal markets and 18 percent from buyers. This information indicates the importance of auctions in North Dakota as a source of feeder calves. Other sources gained in importance as farmers purchased heavier feeders. See table 1.

There are 23 auctions in North Dakota and only one terminal market. The auctions are quite evenly scattered throughout the state while the only terminal is located on the eastern boundary. This market distribution undoubtedly affects feeder purchases. Also, most auctions hold special feeder sales each fall in an attempt to attract more buyers. Most of these sales have been very successful. Farmers often go back to the same auction year after year to buy feeders from the same herd because of satisfaction with past purchases. These are some of the reasons why auction markets have

TABLE 1.—Percent of Feeder Cattle Purchased in Various Weight Groups at Various Types of Markets by Sample Farmers in North Dakota, 1955-56.

Weight Groups	Auction	(Percent)		
		Farmers	Terminal	Buyer
450 pounds and under.....	81	9	6	4
451 to 650 pounds.....	43	45	10	2
651 to 900 pounds.....	32	26	24	18

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become so popular for feeder purchases.

Farmers were asked why they purchased feeders at the particular market they patronized in 1955 and 1956. Forty-five percent gave "nearness" as the reason. This included convenience in hauling livestock, a minimum amount of time spent going to and from market, and familiarity with the market. Nineteen percent of the farmers gave "got kind of cattle wanted" and only 13 percent gave "bought at better price" as their reason.

Other miscellaneous reasons given were: "Less disease," "price could be watched closer" and "no reason." Farmers seemed to place a great deal of importance on convenience or nearness of market when purchasing feeders. They considered obtaining the kind of cattle wanted to be even more important than price. Also, farmers liked to see the cattle before they bought them. Usually only the very large operators had order buyers purchase their feeders.

North Dakota farmers seem to have a definite preference for selling their fat cattle at the terminal market. Sixty-three percent of the "sample farmers" sold their fat cattle at a terminal. Many farmers had their cattle hauled several hundred miles to a terminal even though other outlets were available nearby. Nineteen percent of the "sample farmers" sold to buyers and 18 percent sold at auction. See fig. 2.

Price was the most important reason given by farmers for selling at the market they selected. This answer was given by 56 percent of the farmers. The answer "nearest market" was given by 12 percent.

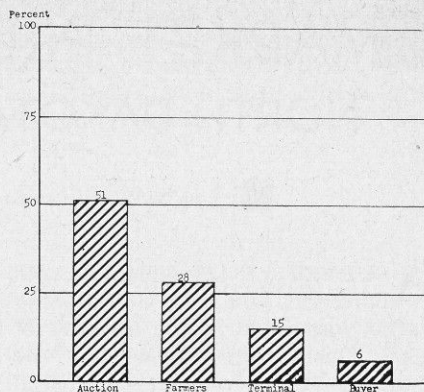


Figure 1.—Percent of sample farmers in North Dakota purchasing feeder cattle from various types of markets, 1955-1956.

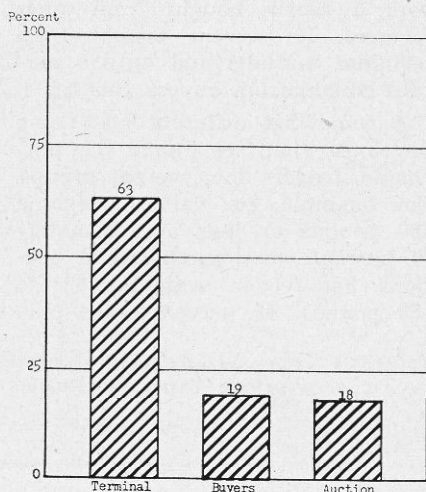


Figure 2.—Percent of sample farmers in North Dakota selling fat cattle at various types of markets, 1955-1956.

Eleven percent "liked the market" and only 8 percent sold at a market because of "more competition."

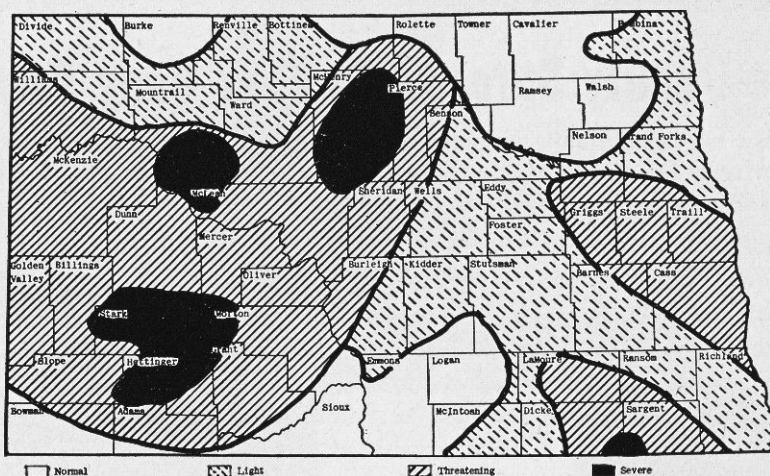
Several farmers expressed the opinion that most auctions did not have fat cattle buyers whereas terminals usually had many. They considered this factor to have an important effect on fat cattle prices.

This study shows that farmers were more concerned with conven-

ience than price when buying feeders. Perhaps if farmers would give more consideration to price when purchasing, regardless of the type of market at which they bought, they could increase their overall feeding profits. This opinion is shared by several farmers who claim that profits from a feeding enterprise are often made or lost when buying feeders.



LOOK FOR GRASSHOPPERS HERE IN 1957



On the shaded map above is shown where entomologists of NDAC and USDA expect grasshoppers to be a problem in North Dakota in 1957. Areas of "light" infestation will have local situations where control will be necessary, especially in late crops such as flax. Areas with "threatening" populations will suffer light to moderate losses unless controls are applied, with damage expected early in the season and again late in the season. Areas shown in black on the map and described as "severe" will suffer heavy losses throughout the growing season unless crops are protected.