

CATTLE FEEDING

FACTS

TEXAS CATTLE FEEDERS ASSOCIATION

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Texas Cattle Feeders Association represents the cattle feeding industry for the nation's No. 1 cattle feeding area. In 2006, nearly 5.8 million head of cattle were fed in Texas and approximately 6.7 million head in the TCFA area of Texas, Oklahoma and New Mexico.

BEEF CATTLE PRODUCTION

<u>Year</u>	<u>Total Cattle and Calves Jan. 1 (1,000 head)</u>			<u>Fed Cattle Marketing (1,000 Head)</u>		
	<u>U.S.</u>	<u>Texas</u>	<u>TCFA Area</u>	<u>U.S.</u>	<u>Texas</u>	<u>TCFA Area</u>
1989	98,065	13,600	20,100	22,940	4,745	5,805
1990	98,162	13,200	19,810	22,513	4,840	5,910
1991	98,896	13,300	20,190	22,688	5,080	6,185
1992	99,559	13,600	20,400	21,979	4,795	5,930
1993	100,611	14,300	20,970	22,376	5,290	6,405
1994	100,988	14,800	21,410	22,979	5,600	6,765
1995	102,755	15,100	22,200	23,365	5,537	6,647
1996	103,487	15,000	22,120	22,025	5,500	6,651
1997	101,460	14,100	21,040	22,789	5,800	6,936
1998	99,744	14,300	21,180	22,770	6,060	7,190
1999	99,115	14,100	21,030	23,530	6,065	7,143
2000	98,198	13,900	20,740	24,130	6,190	7,262
2001	97,277	13,700	20,330	23,401	6,030	7,037
2002	96,704	13,600	20,380	23,637	5,980	6,927
2003	96,100	14,000	20,950	23,467	5,970	6,946
2004	94,888	13,900	20,510	23,304	5,685	6,632
2005	95,438	13,700	20,550	22,172	5,755	6,695
2006	96,702	14,100	21,100	22,447	5,775	6,733
2007	97,003	14,000	20,830			

BEEF PRODUCTION & U.S. PER CAPITA COMSUMPTION

<u>Year</u>	<u>Total Slaughter (1,000 Hd.)</u>	<u>Beef Production Mil. lbs.</u>	<u>Per Capita Beef Consumption, lbs.</u>		<u>% Disposable Income Spent</u>
			<u>Carcass Wt.</u>	<u>Retail Wt.</u>	
1989	33,917	22,974	98	69.3	1.2
1990	33,243	22,634	96	67.8	1.2
1991	32,689	22,799	95	66.8	1.2
1992	32,874	22,968	95	66.5	1.1
1993	33,324	22,942	93	65.1	1.1
1994	34,197	24,278	96	67.0	1.1
1995	35,639	25,117	97	67.5	0.9
1996	36,584	25,419	97	68.2	0.8
1997	36,318	25,384	94	65.7	0.8
1998	35,465	25,653	95	66.7	0.8
1999	36,150	26,386	97	67.5	0.8
2000	36,247	26,777	97	67.8	0.8
2001	35,370	26,107	95	66.3	0.8
2002	35,735	27,090	97	67.7	0.9
2003	35,494	26,238	93	64.9	0.9
2004	32,728	24,548	94	66.1	0.9
2005	32,388	24,683	94	65.5	1.0
2006	33,684	26,070	94	65.6	1.0

PRICES FOR CATTLE, GRAIN AND BEEF

<u>Year</u>	<u>Average Choice Steers \$/cwt.</u>	<u>Average 650 lbs. Feeder Cattle \$/cwt.</u>	<u>Average Sorghum \$/cwt.</u>	<u>Average Retail Choice Beef \$/lbs.</u>
1989	74.55	84.14	4.48	2.66
1990	78.57	89.02	4.44	2.81
1991	74.51	90.72	4.54	2.88
1992	75.53	83.75	4.52	2.85
1993	77.45	88.96	4.40	2.95
1994	69.46	80.05	4.78	2.93
1995	66.45	68.21	5.29	2.90
1996	64.72	59.22	6.93	2.80
1997	65.98	78.26	4.81	2.79
1998	61.74	75.38	4.28	2.77
1999	65.63	78.63	3.45	2.86
2000	69.86	91.91	3.75	3.06
2001	72.56	92.63	4.01	3.38
2002	67.48	83.60	4.28	3.32
2003	82.99	92.85	4.43	3.74
2004	84.70	110.33	4.78	4.07
2005	87.94	117.76	3.88	4.09
2006	85.97	115.33	3.89	3.97

WHAT CATTLE FEEDING MEANS TO THE AREA ECONOMY

Investment—To handle the 3.3 million head on feed in the TCFA area requires an investment of more than \$250 million in feeding facilities. Gross value of the cattle fed in 2006 exceeded \$6.7 billion.

Beef Packing—Within 250 miles of Amarillo, there are the world's most modern packing plants with an annual slaughter capacity of more than 6.5 million head, with the ability to slaughter more than 27% of the fed cattle produced in the major cattle feeding states.

Employment—The 195 feedyards in the TCFA area, with more than 1,000 head capacity, directly employ around 2,500 people.

Farming—Texas farmers annually harvest about 13 billion pounds of feedgrains, for which they receive approximately \$700 million.

Transportation—It takes nearly 1,500 truckloads of freight each day for the 3.2 million cattle on feed in the TCFA area.

WHY TEXAS HAS BECOME THE NO. 1 FEEDING STATE

Feeder Cattle—Texas has long been No. 1 in the production of feeder calves.

Feedgrains—Favorable freight rates allow TCFA area feedyards to supplement the abundant local grain production.

Climate—On the average, the climate is better than in other parts of the U.S.

Financing—This is an essential part of cattle feeding, which enterprising Texans have been able to put together better than most other areas.

Favorable Markets—TCFA has a full time market staff and computer system to help keep its members informed and up-to-date on markets.

Managerial Expertise—The above factors have attracted entrepreneurs from all over the U.S.