

## Opinion

# Feedlot diversity provides benefits for beef industry

## LEAD COMMENT



By **TODD SCHROEDER, LEAD CLASS XVII (1997-1999), 1709 HILLCREST ROAD, WISNER, NE 68791**

### ABOUT THE AUTHOR

Todd Schroeder works for the Herb Albers Feed Lots Inc. at Wisner, where he participates in soybean/corn production and feeding cattle.

He has served on the Nebraska Cattleman Board of Directors, as well as on the Executive Committee, and he currently serves as chairman of the Education Committee. Schroeder earned a degree in animal science from the University of Nebraska-Lincoln, where he was involved with the livestock and meats judging programs. Following graduation, he worked for seven years for UpJohn Animal Health as a beef product sales representative before returning in 1997 to work at Herb Albers Feed Lots.

He and his wife, Holly, have two children, Ryan and Megan.

### QUESTION

What are the benefits to Nebraska of having small, midsize and large feedlot operations?

### ANSWER

Nebraska has a very expansive beef feeding industry. The feeding operations are many different sizes, lending a diversity that has greatly strengthened the feeding business in virtually all parts of the state.

The beef industry has a larger positive impact on the state's economy than any other business. In Nebraska, it's estimated that there are 4,560 cattle operations, and of that total, there are only 760 that have more than 1,000 head in capacity.

In Nebraska, we not only have a large number of cattle on feed, but also a large number of producers.

It's this large number of producers that we in the industry need to depend on for a stronger voice in our governing and regulatory processes across the state.

The fact that there are a large number of people who operate small and midsize operations is important to the local communities because those people support the tax base.

A Kansas State University study establishes that the value of 1,000 head of cattle on feed to a local community is nearly \$500,000.

These same producers offer leadership in many towns all across Nebraska. Operators of small and midsize feedlots have the ability to feed for many specialized marketing programs. It is this flexibility that will allow the Nebraska beef industry to continue to prosper as consumer demands change throughout the world.

Midsize and large feeding operations in Nebraska, while also supporting the tax base, offer supporting businesses economies of scale.

For example, the beef processing industry is larger in Nebraska than it is in any other state. One reason for this is that midsize and large operations help ensure that there is a constant supply of cattle week after week throughout the year.

These same feedlots help ensure a steady market for the byproducts of corn-syrup production (gluten) and the rapidly expanding ethanol industry (distillers grain). All of these industries help ensure the future of cattle feeding in Nebraska.

Nebraska is unique among the states. The importance of cattle feeding to Nebraska's economy runs deeper than in any other states. Nearly 5 million head are finished and marketed in Nebraska, a state which has a population of 1.7 million residents.

Texas markets a third more cattle than Nebraska, but its population of 20.1 million residents is nearly 12 times larger than Nebraska's population. Iowa markets less than 2 million cattle and has 1.1 million more residents than Nebraska.

This means such states depend on other industries. Their standard of living isn't nearly as dependent on cattle feeding as Nebraska's.

So as markets change and as we meet consumer needs, it is my argument that having operations of many different sizes in Nebraska is important to keeping our industry healthy for the next several years.

Each LEAD Comment features a view on an agricultural subject by a graduate of Nebraska's LEAD (Leadership Education/Action Development) program.

LEAD is a two-year state, national and international seminar and study program designed to prepare agricultural leaders for the future.

Each LEAD Comment will feature a different LEAD alumnus from one of the LEAD classes since the program's inception in 1981.

Nebraska Farmer poses a different question each issue.

## YOUR SAY

### Nebraska's towns must share the burden of any water cutbacks

The farmer, with state and local encouragement, used proven methods to decrease the uncertainty of the Nebraska environment. Among those uncertainties was the lack of timely rains. He installed irrigating methods in hopes of improving his land and financial situation.

Individual farmers, by improving their financial stability, also improved the financial stability for everybody in Nebraska. Connected retail businesses gained and shared in the farmers' efforts through their additional business. Those who benefit include irrigation dealers, irrigation equipment companies, bankers, fuel dealers, implement dealers, grocers, and on and on.

City and town residents, in state and out of state, shared and also gained by supporting the farmer who was willing to take on the additional risk and debt to develop dryland into irrigated land.

The farmer's bullheaded determination to improve his productivity and financial status either helped maintain or improve to a degree the financial status of all residential areas and their inhabitants. In short, I am saying that the farmers kept the towns alive and we still do.

Now, today many towns are saying that the farmers are using too much water. They say it is okay to limit, and maybe shut down, farmer irrigation wells and irrigation growth. The towns are saying that farmers should get more efficient with their water because they are using too much of it.

But don't ask the town to do the same, because it then can't grow, which it needs to do to survive. Essentially, many towns are saying, "We are the most important part of Nebraska," which is not a good attitude.

I have not seen any printed information about any town saying to their residential or industrial populations, "You immediately have to change, improve and reduce your use of water. You have to get more efficient because we are going to restrict forever your water use."

I strongly feel that Nebraska agriculture is taking an undue hit. All Nebraska residential areas must take responsibility to design and also enforce implementation of a water-reduction plan. That plan should be at the least equal to what is happening to Nebraska agriculture. Share and share alike and stop pointing fingers at someone else.

*Bruce Kennedy, Gothenburg*

### Use or lose water right

I have a state permit to pump out of the north fork of the Elkhorn River. That permit dates back to 1953.

I feel it is a water right that I can sell off if I choose to.

I feel it is a water right that I can choose to use without restrictions that are based on how many years it went unused.

Currently, if you don't use your permit after three years, you lose it.

If we had three good years and I chose not to irrigate, I would lose my water right. Go figure.

*John K. Uecker, Norfolk*

### 'Poorly worded' compacts at fault

Large urban cities, many of which are located along rivers, need cheap water.

Floods along these rivers damaged the cities, so federal flood-control reservoirs were built to protect them. Before these projects could be built, Congress required multistate compacts to be written.

The states where these cities are located are now suing the upstream states and using the compacts to get the cheap water they need. These poorly worded compacts, which use terms such as "virgin water supply," "activities of man," and "beneficial consumptive use" are now being used to accomplish this.

If we debate this as an irrigation issue, the irrigators will lose because the cities can pay more for the water.

The downstream states are using the courts to get cheap water while asking the taxpayer to pay for the irrigated acres being shut down. This is already happening with the federal Conservation Reserve Enhancement Program and Environmental Quality Incentives Program.

This trend is occurring all across the United States where federal flood-control projects were built that required multistate compacts. It may take an act of Congress to fix this.

*Dale Helms, Holbrook*

### Corn Board likes coverage

We want to extend our appreciation on behalf of the Nebraska corn producers for your continued coverage and support of Nebraska corn producers and Nebraska agriculture in general. We appreciate your taking time to join us during trade teams and corn harvest tour and covering our other issues in the *Nebraska Farmer*.

*Kelly Brunkhorst, ag promotions coordinator, Nebraska Corn Board*

### Livestock are black sheep of ag

I appreciated what you said and how you said it in your opinion editorial in the January *Nebraska Farmer* ("Feeders, irrigators need to balance scales").

Livestock production seems to be the black sheep of agriculture in some circles and that concept is not good. It eventually will make all production ag operate at a lower profit level if not stopped.

Zoning has been and will continue to be a thorn for livestock confinement expansion, even in rural and livestock-friendly counties.

These end-around tactics also need to be exposed as well as the devastating effect that some zoning boards have, even in areas zoned production ag.

Final say rests with the county commissioners, but most don't buck the zoning boards.

*Al Svajgr, Cozad*

### What do you think?

Send us your thoughts and opinions. E-mail your letter to [dmccabe@farmprogress.com](mailto:dmccabe@farmprogress.com) or write to *Nebraska Farmer*, 5625 "O" St., Suite 5, Lincoln, NE 68510.