

MCA/MSU Bull Evaluation Program

Economic Impact Summary - 2016

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The MCA/MSU Bull Evaluation Program (BEP) is the region's premier central bull appraisal program and facility. The program, in its 28th year, is a cooperative effort among the Michigan Cattlemen's Association, Michigan State University, and Plank Farm. The objectives of the program are to, 1) promote performance-evaluated beef cattle and serve as an educational tool to acquaint producers with its overall value, 2) provide a common environment for evaluating young bulls for rate of gain, soundness, and body composition, and 3) aid beef producers in obtaining superior bulls that have been evaluated for growth, breeding and structural soundness, and carcass merit.

In February of 2016, a survey was mailed to buyers of bulls from the BEP over the last three years (2013-2015; n = 124). Forty-four surveys were returned, for a return rate of 35.5%. Based on survey results, economic impact of the program is outlined below. The complete report can be found at <http://www.mibulls.com/reports>.

Impact of the MCA/MSU Bull Evaluation Program[§]

- Based on increased sale weights of calves, yearlings, and finished cattle sired by BEP bulls, greater replacement heifer value, and enhanced cull value, compared to an “average” bull, BEP bulls were estimated to net an additional **\$26,883** during their lifetime. **This equates to \$1,881,785 annually in added value attributed to the program.**
- Testing, data, and information provided on the bulls sold in the BEP sale was estimated to be worth **\$940** per animal (28.2% of total value), or **\$65,800** annually.
- If the BEP did not exist, buyers estimate that they would need to spend an average of **\$516** to locate and purchase a bull of similar quality. **Annually, this is a \$36,105 savings created by the program.**

[§]Data were calculated from survey results from buyers from the last 3 sales, average market prices, total bulls sold, and extrapolating to all buyers. Average market prices were derived from weekly price data series, CattleFax, Centennial, CO. Three-year, average prices from February 2013 through March 2016 were \$223.91/cwt, \$189.48/cwt, and \$143.67/cwt for calves, yearlings, and fed cattle, respectively.

IMPACT
\$1.9 million
annually

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