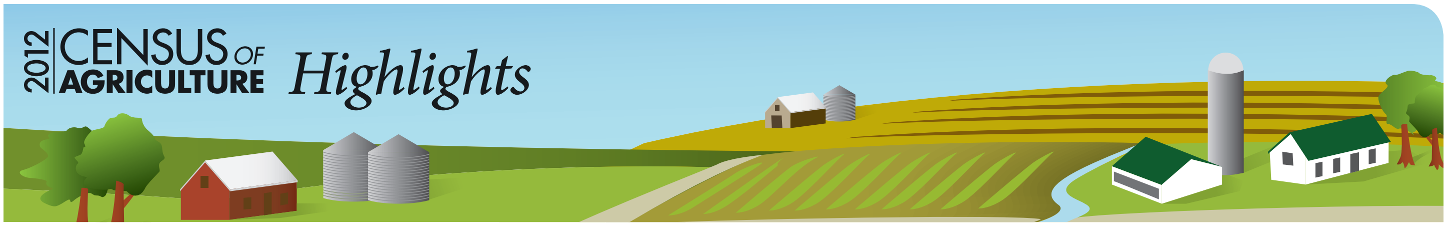


Cattle Industry

ACH12-20/February 2015

A $76.4 billion industry, 19 percent of total U.S. agriculture sales.

Three states. . .

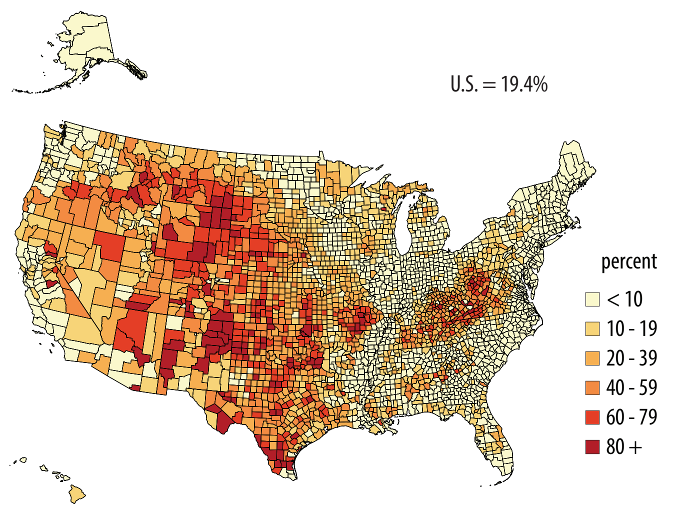
. . . accounted for 44 percent of cattle and calves sales in 2012.

Top States in Sales ($ billions)

Texas	13.0
Kansas	10.2
Nebraska	10.1
Iowa	4.5
Colorado	4.3
Oklahoma	3.4
California	3.3
South Dakota	3.0
Missouri	2.0
Idaho	1.8

In 2012, sales of cattle and calves in the United States totaled $76.4 billion, a 25 percent increase since 2007, when the agriculture census was last conducted. Although every state has cattle production, the top ten states accounted for 73 percent of sales. The 2012 Census of Agriculture provides a comprehensive picture of the cattle industry.

Cattle and Calves Sales as Percent of Agriculture Sales, by County, 2012



Source: USDA NASS, 2012 Census of Agriculture.

Industry Overview

Although sales value increased between 2007 and 2012, end-of-year cattle inventory declined 7 percent during that time, from 96.3 million to 90.0 million head. The number of farms and ranches involved in cattle production also declined. (Table 1)

The $76.4 billion in cattle and calves sales includes sales of beef cattle ($29.6 billion), feedlot cattle ($36.4 billion), dairy cattle ($4.5 billion), and other cattle (for example, steers and bulls). This document features data on beef cow operations and feedlot operations.

Table 1
U.S. Cattle and Calf Farming, 2007 and 2012

	2007	2012	% Change
Sales ($ billions)	61.2	76.4	+ 24.8
Inventory (millions)	96.3	90.0	- 6.6
Farms (number)	963,669	913,246	- 5.2

Source: USDA NASS, 2012 Census of Agriculture.

BEEF CATTLE . . . *a $29.6 billion industry, up 19 percent since 2007.*

In 2012, sales of beef cattle in the United States totaled $29.6 billion, accounting for 7 percent of total U.S. agriculture sales. Between 2007 and 2012, sales increased 19 percent ($4.7 billion). During that same period, however, the number of farms with beef cows declined 5 percent, and end-of-year inventory declined 12 percent. (Table 2)

Table 2

U.S. Beef Cattle Farming, 2007 and 2012

	2007	2012	% Change
Sales ($ billions)	24.9	29.6	+ 18.8
Inventory (millions)	32.8	29.0	- 11.8
Farms (number)	764,984	727,906	- 4.8

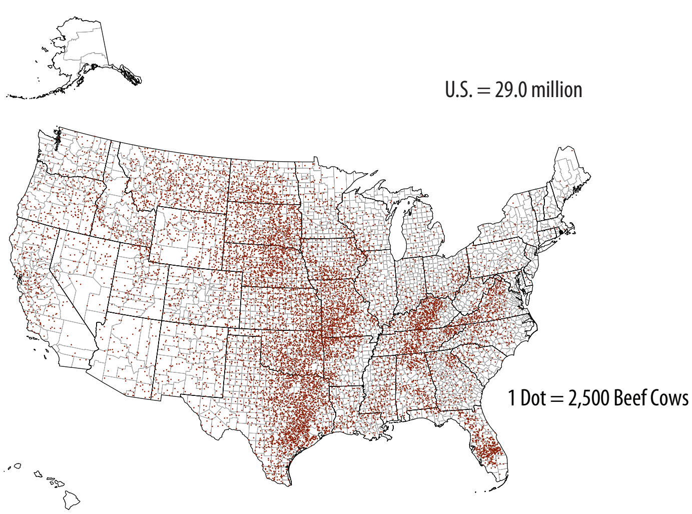
Source: USDA NASS, 2012 Census of Agriculture.

Industry Size, Value, and Location

Every state raises and sells beef cattle, but the top five – Nebraska, Texas, South Dakota, Kansas, and Oklahoma – accounted for 43 percent of sales in 2012. Between 2007 and 2012, Nebraska had the largest increase in sales (up $1.1 billion), followed by South Dakota (up $0.6 billion) and Texas (up $0.4 billion). Eight states declined in sales, with California having the largest decrease.

The 2012 end-of-year inventory was 29 million head of beef cows and heifers that calved. The top five states in inventory – Texas, Nebraska, Missouri, Oklahoma, and South Dakota – accounted for 38 percent. At the county level, the geographic spread was wider. Only four of the top ten counties were in one of the top five states. Cherry County, Nebraska, ranked first in the nation.

Beef Cattle Inventory, by County, 2012



Source: USDA NASS, 2012 Census of Agriculture.

Top Counties: Beef Cow Inventory (thousand head)

Cherry, NE	135.9
Okeechobee, FL	88.0
Holt, NE	87.1
Custer, NE	86.1
Beaverhead, MT	77.1
Highlands, FL	75.7
Meade, SD	70.4
Malheur, OR	68.9
Osceola, FL	66.3
Polk, FL	66.2

Does not include counties withheld to avoid disclosing individual data.
Source: USDA NASS, 2012 Census of Agriculture.

Production Costs

Of the 727,906 farms with beef cows, 85 percent had more than 50 percent of their sales come from beef cattle. These specialized farms accounted for 37 percent of beef cattle sales in 2012. Their production expenses were $34.6 billion, up 27 percent from 2007. The largest expense item was feed purchased, which totaled $8.9 billion or 26 percent of total production costs, followed by livestock purchases at $8.7 billion. Average production cost per farm was $55,939, up 35 percent from 2007.

Farm Characteristics

In 2012, 91 percent of beef cattle operations were family or individually operated, slightly higher than the 87 percent of all farms that were family or individually operated. The breakout by size of operation remained fairly constant between 2007 and 2012.

Top States in Beef Cows

Sales ($ billions)		Inventory (millions)	
Nebraska	3.7	Texas	4.3
Texas	3.3	Nebraska	1.7
South Dakota	2.2	Missouri	1.7
Kansas	1.8	Oklahoma	1.7
Oklahoma	1.6	South Dakota	1.6
Montana	1.5	Montana	1.4
Iowa	1.5	Kansas	1.3
Missouri	1.4	Kentucky	1.0
Colorado	1.1	Florida	1.0
North Dakota	0.9	Iowa	0.9

Source: USDA NASS, 2012 Census of Agriculture.

CATTLE FEEDLOTS . . . *a $36.4 billion industry, up 26 percent since 2007.*

In 2012, sales of cattle and calves from feedlots totaled $36.4 billion, accounting for 9 percent of U.S. agriculture sales. Sales value was up 26 percent since 2007, but the number of cattle and calves sold for slaughter was 8 percent lower than in 2007. During that same period, the number of farms with cattle feedlots declined 47 percent, and end-of-year inventory declined 11 percent. (Table 3)

Table 3
U.S. Cattle-on-Feed Production, 2007 and 2012

	2007	2012	% Change
Sales ($ billions)	28.8	36.4	+ 26.3
Cattle sold for slaughter (millions)	27.6	25.5	- 7.7
Inventory (millions)	16.1	14.4	- 10.6
Farms (number)	50,009	26,586	- 46.8

Source: USDA NASS, 2012 Census of Agriculture.

Industry Size, Value, and Location

The cattle-on-feed industry is relatively concentrated in the central part of the country. Five states – Texas, Nebraska, Kansas, Colorado, and Iowa – accounted for 76 percent of cattle sold for slaughter and 71 percent of inventory.

Top States in Cattle on Feed, 2012

Cattle Sold for Slaughter (millions)		Inventory (millions)	
Texas	5.5	Texas	2.8
Nebraska	5.0	Nebraska	2.6
Kansas	4.8	Kansas	2.3
Colorado	2.1	Iowa	1.6
Iowa	2.0	Colorado	1.0

Source: USDA NASS, 2012 Census of Agriculture.

At the county level, seven of the top ten counties in cattle feedlot inventory were in the top three states. Imperial County, California, had the largest inventory, with 341,800 head or 2.4 percent of the U.S. total.

Top Counties: Cattle on Feed Inventory (thousand head)

Imperial, CA	341.8
Parmer, TX	332.5
Haskell, KS	330.9
Deaf Smith, TX	328.4
Castro, TX	292.4
Sioux, IA	273.1
Cuming, NE	257.1
Weld, CO	249.2
Hartley, TX	216.2
Hansford, TX	210.0

Does not include counties withheld to avoid disclosing individual data.
Source: USDA NASS, 2012 Census of Agriculture.

Production Costs

Of the 26,586 farms engaged in cattle feedlot production, 52 percent had more than half of their sales come from sales of cattle in feedlots. These specialized farms accounted for 48 percent of feedlot cattle and calves sales in 2012. Their production costs were $35.8 billion, up 30 percent from 2007. The largest expense item was livestock purchased or leased at $19.2 billion, accounting for 54 percent of total production costs. Per farm average costs were $2.6 million, a 194 percent increase over 2007.

Farm Characteristics

In 2012, 80 percent of cattle feedlots were family or individually operated compared to 86 percent in 2007. In contrast, corporations accounted for 9 percent of feedlots in 2012 and 5 percent in 2007.

Between 2007 and 2012, the proportion of cattle-on-feed inventory on smaller operations declined and the proportion on larger operations increased. Operations with fewer than 100 cattle on feed accounted for 77 percent of feedlots in 2007 and 61 percent in 2012. Operations with 1,000 or more head of cattle on feed accounted for 75 percent of the inventory in 2007 and 77 percent in 2012.

About the Census of Agriculture

The Census of Agriculture is the leading source of facts and figures about American agriculture. USDA's National Agricultural Statistics Service (NASS) conducts the census once every five years, and conducted the 2012 Census of Agriculture in early 2013 based on 2012 end-of-year data.

The 2012 Census provide information at national, state, and county levels about what agricultural products were produced in the United States in 2012, where, how, and by whom.

For more information on the U.S. cattle industry, including details about beef cattle ranching, feedlot production, and dairy production, and how to access national, state, and county data, see:

www.agcensus.usda.gov

About the Producers: Beef, Feedlot, and Dairy Cattle

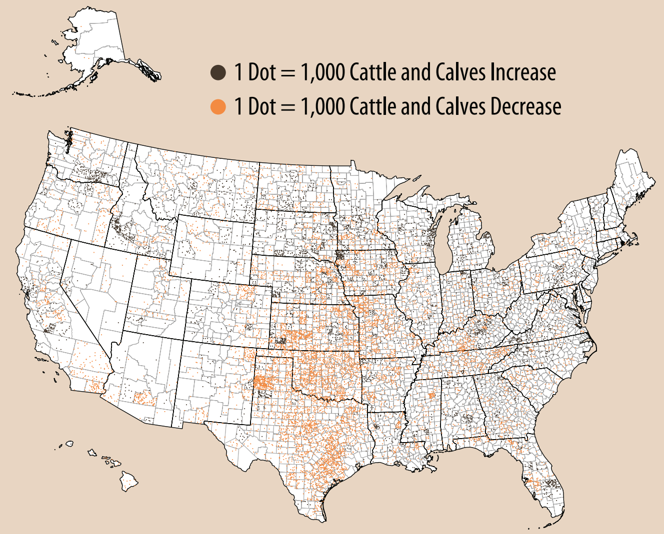
The 2012 Census of Agriculture identified characteristics of those responsible for the day-to-day operation of farms specializing in beef cattle, cattle on feed, and dairy cattle. All three types of cattle operations had a higher percentage of male principal operators in 2012 than the percentage for all farms. Beef cattle operations had a higher proportion of farms operated by women (11 percent) than either feedlot or dairy operations had (5 percent each).

Principal operators of cattle feedlots and dairy farms on average were younger (55.9 and 51.9 years, respectively) than operators of beef cattle farms (58.6 years) or operators of all farms (58.3 years).

Ninety percent of dairy operators considered farming their primary occupation. For feedlot operators, it was 69 percent. In contrast, more than half of beef cattle principal operators, and more than half of all principal operators, considered some other activity their primary occupation. (Table 4)

Change in Inventory: All Cattle and Calves, by County, 2007 to 2012
(beef, feedlot, dairy, other)

Cattle inventory in the United States declined 7 percent between 2007 and 2012, for a net decrease of 6.4 million head.



Source: USDA NASS, 2012 Census of Agriculture.

Table 4
Cattle Producers: Key Characteristics, by Farm Specialization, 2007 and 2012
(principal operators)

	Beef Cattle Operations		Feedlot Operations		Dairy Operations		All Farms
	2007	2012	2007	2012	2007	2012	2012
				percent			
Gender							
Male	89	89	93	95	94	95	86
Female	11	11	7	5	6	5	14
Age							
Under 45 years	17	16	21	22	28	28	16
45 to 64 years	50	49	53	50	56	57	51
65 years and older	33	35	26	28	16	15	33
Primary Occupation							
Farming	44	45	52	69	87	90	48
Other	56	55	48	31	13	10	52
Percent of Income from Farming							
< 25%	78	78	65	41	23	20	70
25% to 49%	8	9	9	12	8	7	8
50% to 74%	7	7	10	17	14	15	9
75% to 99%	4	4	9	16	22	22	7
100%	3	2	7	14	33	36	6
Average Age (years)	**57.8**	**58.6**	**55.4**	**55.9**	**51.6**	**51.9**	**58.3**

Principal operator is the person responsible for day-to-day operation of the farm. A farm specializing in a commodity has more than half of its sales come from that commodity.

Source: USDA NASS, 2012 Census of Agriculture.