

2008 LOWER MIDDLE TENNESSEE CATTLE ASSOCIATION VIDEO SALE SUMMARY

The Lower Middle Tennessee Cattle Association sponsors a video cattle auction under the management of Tennessee Livestock Producers. Sales were held in January, March, April, May, June, August, September, October, November and December 2008. Groups of cattle consigned to the sale must have a minimum of 20 head.

In addition to the consigned groups, this data also includes two sales of the Tennessee Beef Alliance. These cattle are sorted and graded the day before the video sale, then sold at the video auction. After grading and sorting, some of these groups have less than 20 head (the minimum number of head for a group consignment). This will be reflected in some of the average lot size numbers.

In 2000, USDA changed the grade descriptions for feeder cattle. As a result, the market reporting service now reports feeder cattle prices for grades 1 and 2 combined and for grade 3. The management of the Lower Middle Tennessee Cattle Association Video Sale decided to continue using the old USDA grades. So this information compares the bid price in the video sale (except for Holstein steers) with the grade 1-2 weighted average price as reported for Tennessee Weekly Auctions. Prior to 2002, this comparison used the mid-point of the auction quotes for the auction price. Holstein steer prices were compared to weekly auctions for grade Large 3 Holsteins.

A total of 20,717 head sold in the sale in 2008. There were 77 bred heifers that were not included in the price comparison summary. Total price advantage when compared to grade No. 1-2 price on Tennessee Auction Markets in 2008 was \$1,298,277 (9%). Gross returns of all sales, including the bred heifers, amounted to \$15,049,221.

The average price of \$92.95 per hundredweight in 2008 was down from \$101.49 in 2007, an 8.4% decrease. It should be noted that market prices dropped significantly just prior to the December sale. The average price was \$96.16 in 2006, \$107.23 in 2005, \$103.14 in 2004, \$88.43 in 2003, \$74.00 in 2002 and \$83.05 in 2001.

Data for comparison among the various variables studied are more accurate when the total number of head in that category is larger. A small number of head in a category may have come from a narrower time frame and not be representative of the yearly average. Historically prices are lower in the fall than in the spring.

AS5-W-2

2008 LOWER MIDDLE TENNESSEE CATTLE ASSOCIATION
VIDEO SALE SUMMARY

	HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD	PERCENT COMPARISON
Steers	12,173	818	94.53	87.00	7.53	61.60	9%
Heifers	8,108	733	91.44	82.80	8.64	63.32	10%
Holstein Steers	359	808	69.62	57.54	12.08	97.63	21%
Total	20,640	784	92.95	84.93	8.02	62.90	9%

STEERS BY WEIGHT

	HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD	PERCENT COMPARISON
<600	187	578	94.97	90.09	4.88	28.21	5%
600-699	1,021	657	90.63	85.59	5.04	33.13	6%
700-799	2,978	749	95.75	88.60	7.15	53.60	8%
800-899	6,172	850	95.12	87.20	7.92	67.29	9%
>900	1,815	939	92.61	84.64	7.96	74.81	9%

HEIFERS BY WEIGHT

	HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD	PERCENT COMPARISON
<600	543	581	90.77	84.45	6.32	36.75	7%
600-699	2,753	648	92.33	83.83	8.50	55.13	10%
700-799	2,612	758	89.18	80.78	8.40	63.67	10%
800-899	2,145	844	93.12	83.74	9.38	79.18	11%
>900	55	950	92.20	81.65	10.55	100.23	13%

STEERS BY LOT SIZE

	TOTAL HEAD	AVG. HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD
0-24	225	18.8	744	90.61	86.01	4.60	34.22
25-49	871	37.9	748	90.86	86.62	4.24	31.73
50-74	6,273	62.7	818	96.23	87.97	8.26	67.57
75-99	727	80.8	698	89.30	83.88	5.41	37.79
100-149	2,570	122.4	864	92.00	84.20	7.81	67.49
>150	1,507	215.3	851	96.53	89.53	7.00	59.54
45,000# to 55,000#	5,743	63.1	805	96.08	87.85	8.23	66.24
95,000# to 105,000#	1,464	122.0	834	91.36	84.59	6.77	56.42

HEIFERS BY LOT SIZE

	TOTAL HEAD	AVG. HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD
0-24	291	18.2	671	84.08	79.25	4.83	32.43
25-49	372	33.8	679	86.15	79.19	6.96	47.29
50-74	2,956	64.3	778	90.54	82.06	8.48	66.00
75-99	2,421	83.5	649	92.13	84.38	7.75	50.27
100-149	900	128.6	825	91.21	81.47	9.75	80.42
>150	1,168	194.7	753	95.92	84.87	11.05	83.22
45,000# to 55,000#	4,552	71.1	725	92.22	83.70	8.52	61.76
95,000# to 105,000#	380	126.7	806	83.90	75.72	8.18	65.91

*Minimum lot size for group consignment by individual entities in the video sale is 20 head. Some of the consignments are for mixed steers and heifers. These mixed lots are separated into steers and heifers for the price analysis. Cattle from the Giles County Alliance, Thompson Station Calf Pool and Merial Program are delivered and graded and sorted the day of the sale. After sorting, some of these groups will have less than 20 head.

STEERS BY FLESH SCORE

FLESH SCORE	HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD
4	343	733	99.84	93.01	6.83	50.06
4.5	228	723	96.08	88.68	7.40	53.48
5	9099	829	95.33	87.28	8.05	66.78
5.5	2017	785	90.04	84.64	5.41	42.45
6	486	849	93.19	86.60	6.59	55.99

HEIFERS BY FLESH SCORE

FLESH SCORE	HEAD	AVG. WEIGHT	AVG. BID PRICE	WEEKLY AUCTION AVG. PRICE	COMPARISON TO AUCTION PER CWT.	COMPARISON TO AUCTION PER HEAD
4	65	775	90.70	78.46	12.24	94.86
4.5	133	633	79.76	76.63	3.14	19.85
5	6239	724	92.61	83.64	8.98	65.01
5.5	1113	742	86.05	79.16	6.89	51.16
6	558	828	91.82	82.73	9.09	75.32

STEERS BY PERCENTAGE GRADE PER LOT

PERCENT M&L #1	NO. HEAD	AVG. WEIGHT	AVG. BID PRICE	COMP. TO AUCTION	% M&L 1	% M&L 2	% M&L 3	% S 1
>=90	5039	821	94.74	7.77	93	7	0	0
80-89	6023	831	94.17	7.74	84	15	0	1
70-79	450	795	94.66	4.97	72	25	2	1
60-69	196	746	95.40	3.34	62	35	0	3
50-59	233	642	91.03	6.26	55	44	0	1
40-49	174	657	103.49	5.33	42	55	3	0
30-39	0							
20-29	0							
10-19	58	850	99.00	5.22	10	70	20	0
0-9	0							

HEIFERS BY PERCENTAGE GRADE PER LOT

PERCENT M&L #1	NO. HEAD	AVG. WEIGHT	AVG. BID PRICE	COMP. TO AUCTION	% M&L 1	% M&L 2	% M&L 3	% S 1
>=90	3690	742	92.75	10.08	93	7	0	0
80-89	4030	734	91.25	7.72	84	15	0	1
70-79	277	642	80.33	5.04	76	24	0	0
60-69	85	634	70.09	-1.49	63	34	0	3
50-59	0							
40-49	26	650	97.40	7.27	40	60	0	0
30-39	0							
20-29	0							
10-19	0							
0-9	0							

STEERS BY BREED

	AVG. WEIGHT	AVG. PRICE	COMP. TO MARKET	BLACK & B. BALDY PCT.	RED & R. BALDY PCT.	CHAROLAIS & CHAR X PCT.	HEREFORD PCT.	SIMMENTAL & SIM. X PCT.	OTHER BREEDS PCT.	HEAD
All Steers	818	94.53	7.53	77	5	17	1	0	0	12173
Black > 75%	790	95.76	8.30	93	2	5	0	0	0	7194
Black 50-74%	866	93.46	6.88	63	6	29	1	1	0	3906
Black 25-49%	825	89.56	5.23	40	9	47	3	0	1	470
Black < 25%	790	89.73	3.46	17	48	35	0	0	0	128
Black = 0	852	92.08	5.35	0	23	76	0	0	1	475
Red > 75%	729	80.15	0.91	5	95	0	0	0	0	96
Red 50-74%										0
Red 25-49%	625	80.00	-1.00	59	41	0	0	0	0	22
Red < 25%	824	94.18	7.09	68	6	25	1	0	0	6999
Red = 0	812	95.31	8.28	90	0	9	0	1	0	5056
Char. > 75%	851	93.22	5.75	4	6	89	0	0	1	469
Char. 50-74%	835	92.97	4.21	40	3	57	0	0	0	306
Char. 25-49%	877	92.97	7.27	60	6	33	1	0	0	3389
Char. < 25%	783	94.84	7.58	85	3	11	1	0	0	4237
Char. = 0	799	96.03	8.25	93	5	0	0	2	0	3772

Each group offered for sale received a breed description and was generally broken down as: black and black baldy, red and red baldy, Charolais and Charolais cross, Hereford, Simmental and other breeds.

This table shows the selling price by the percentage of each breed in each category.

HEIFERS BY BREED

	AVG. WEIGHT	AVG. PRICE	COMP. TO MARKET	BLACK & B. BALDY PCT.	RED & R. BALDY PCT.	CHAROLAIS & CHAR X PCT.	HERFORD PCT.	SIMMENTAL & SIM. X PCT.	OTHER BREEDS PCT.	HEAD
All Heifers	733	91.44	8.64	69	6	24	0	1	0	8108
Black > 75%	740	93.57	10.22	93	2	5	0	0	0	2854
Black 50-74%	737	89.62	7.72	61	8	30	0	1	0	3804
Black 25-49%	699	92.35	7.88	39	5	55	1	0	0	1373
Black < 25%	950	92.20	10.55	20	5	75	0	0	0	55
Black = 0	650	70.00	-0.95	0	100	0	0	0	0	22
Red > 75%	650	70.00	-0.95	0	100	0	0	0	0	22
Red 50-74%										0
Red 25-49%	625	77.73	6.30	63	37	0	0	0	0	30
Red < 25%	724	90.36	7.86	61	7	32	0	0	0	5835
Red = 0	758	94.50	10.71	87	0	11	0	2	0	2221
Char. > 75%										0
Char. 50-74%	710	91.31	8.67	35	4	61	0	0	0	1023
Char. 25-49%	735	90.69	7.63	58	6	36	0	0	0	3780
Char. < 25%	736	90.33	8.61	84	4	12	0	0	0	1730
Char. = 0	738	94.54	11.07	90	7	0	0	3	0	1575

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