

U.S. Cattle Lifecycle and Beef Supply Chain



Cow-Calf Operators

Raise breeding herds of cattle where breeding cows produce a single calf per year. Calves live off their mother's milk and graze on grass until they are weaned and sold off the farm.



Stockers and Backgrounders

Stockers and Backgrounders graze and provide supplemental feed to weaned calves including dairy steers until they reach approximately 800 lbs.



Livestock Auctions

After weaning, cattle may be sold at auctions. Dairy and cull cattle enter the chain.



Cattle Feeders

Feeders purchase cattle from operators, stockers and backgrounders and auctions, Cattle are fed grain and other nutritious feedstuffs. They bring cattle to market weight 1200-1400 lbs. approx 18-22 months of age.



Packers

Packing plants purchase cattle from feeders (dairy and cull cattle may also be sold directly to packers) to harvest and produce boxed beef.



Further Processing

Processors purchase boxed beef and further prepare products like ground beef, deli meat and sausage.



Wholesalers

Purchase beef products from packers and further processors to sell to retail and foodservice establishments.



Retail & Foodservices

Sell beef products to the consumer.

Feeders offer formula and contract sales

Collectively known as alternative marketing arrangements (AMAs) to packers. Consumer demand drives premiums offered in these AMAs for certain attributes like low emissions, no anti-biotics, source verification, etc. Increases certainty and improves consumer demand.

Cattle are also on the negotiated cash or spot market, and premiums can also be paid for certain attributes.

Value Added \$-\$\$\$\$

Consumer Demand Signals