

How Cow-Calf Producers Should Prepare for 2026

David Secrist, PhD

01/07/2026

```
$(document).ready(function(){
  $('#pdf-wrapper').hide();
  $('#pageTitle').addClass('text-bold');
});
```

How Cow-Calf Producers Should Prepare for 2026



The beginning of a new year is always a time for reflection on the past year and planning for the future. I recently revisited my thoughts on the market for 2025 that I wrote a year ago. My exact quote was, "I would expect 2025 calf prices to be similar to 2024 or possibly a little higher." I guess I was right that the 2025 calf market wasn't lower than 2024. However, I sure missed the mark on how high it could go! With the record calf prices of 2025 in the rearview mirror, how should we approach 2026 and beyond?

Fed cattle futures peaked in mid-October, but it had nothing to do with any fundamental change in the market.

Concern voiced in Washington, D.C., about the high price of beef sent markets into a tailspin. The downturn was accelerated by the Tyson announcement of a plant closure in late November. The December cattle contract lost nearly \$500 per head in value in just over one month. I bring this up only to demonstrate how fragile markets can be.

The near future will still look good for cow-calf producers as cattle numbers are historically low, and heifer retention is happening very slowly, if at all. However, the events of the last quarter of 2025 should serve as a reminder that what comes up must come down.

It's easy to lose focus on cost management when revenue far exceeds production costs. I suggest that everyone take a hard look at their cost structure and be prepared for revenue to go down. What does that mean? Let's start with what it doesn't mean...

- It doesn't mean that you cut back on feed costs to the point that cows lose their reproductive efficiency.
- It doesn't mean that you don't keep replacement heifers or even grow your herd.
- It doesn't mean that you stop investing in good genetics.

So what does it mean?

- Optimal reproductive performance is the key to success, no matter the market. Getting cows bred early in the breeding season is a gift that keeps on giving for the life of the cow. It is critical to set your heifers on the right track with the first calving. Don't cut corners that cause a drop in reproductive efficiency.
- Related to the first point, make sure your cows and your management plan fit your environment. Work with what nature gives you in terms of weather and grass. A smaller cow calving in concert with the onset of grass is often the most cost-effective model in all markets.
- Closely examine the cost/benefit of raising your own replacements. There are good reasons to do it yourself, but be aware of the costs. Can cheaper feed resources be found outside your operation? Can a heifer, bred for maternal traits, be more efficient in your environment? If so, what can you gain from a terminal breeding program focused only on weaning weights?
- Be fully stocked. An understocked ranch can struggle to cover fixed costs, no matter how good the production is. Range and pasture conditions are always a wild card. Are stockers or selling bred heifers an option to balance your grass?
- Examine income opportunities beyond the cattle. Can additional income be gained from recreation/hunting, conservation easements, renewable energy, or other sources? Often, these alternative income sources have little or no impact on the cattle operation, and the revenue stream is immune to the ups and downs of the cattle market.
- Pay down debt. A lighter debt load will make lean times easier to endure.

More detailed information can be found on these topics at the USU Extension website. Go to extension.usu.edu/beef. I wish you all a very happy and prosperous 2026!

Please feel free to reach out anytime.

david.secrisr@usu.edu

Contact

David Secrist, PhD

David.secrisr@usu.edu