



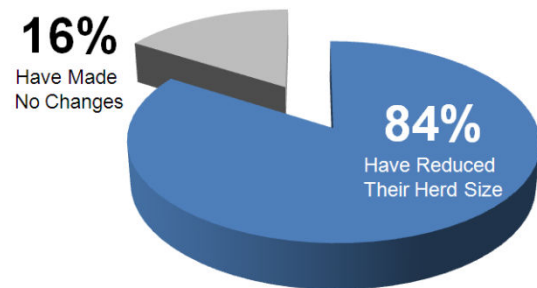
TEXAS AND SOUTHWESTERN CATTLE RAISERS ASSOCIATION

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TSCRA Drought Impact Survey Executive Summary

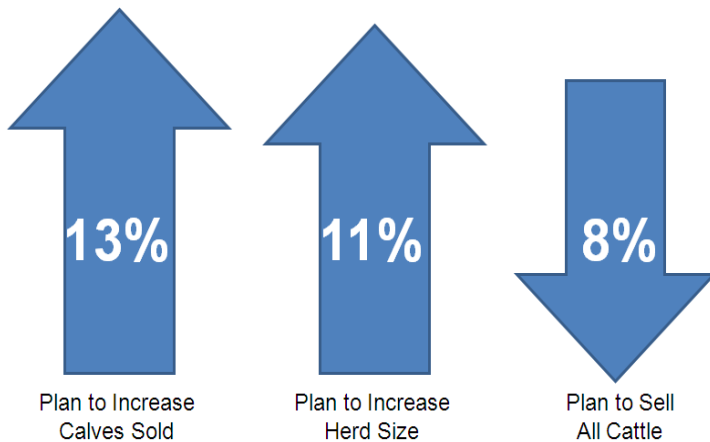
TSCRA members reported significant changes in herd sizes as a result of the ongoing drought. The Drought Impact Survey, which included data from 874 participating members, showed that TSCRA members are actively implementing a variety of strategies to adapt their livestock to available forage and water resources.

A total of 84% of respondents indicated they had reduced their herd size from their three-year average. The average reduction in herd size was 38%. Many members have not modified their herd sizes, with 16% responding that they have made no changes.



Comments by participating members indicated their local herds were reduced primarily through livestock market sales, early placement into feedyards, moving cattle to unused pastures or drylots, moving cattle out of state, or sending older cows to harvest.

The cow and bred heifer inventory has been reduced as well. Respondents indicated they have reduced their cows and bred heifers by an average of 34%. Though a greater proportion of the cows and bred heifers have been sold, a similarly higher percentage of this class has been positioned to be available when the drought ends. Twenty-two percent of respondents indicated they have made no changes to the number of breeding females in their herd and 13% indicated they intend to increase the number of breeding females in their herds in 2012.

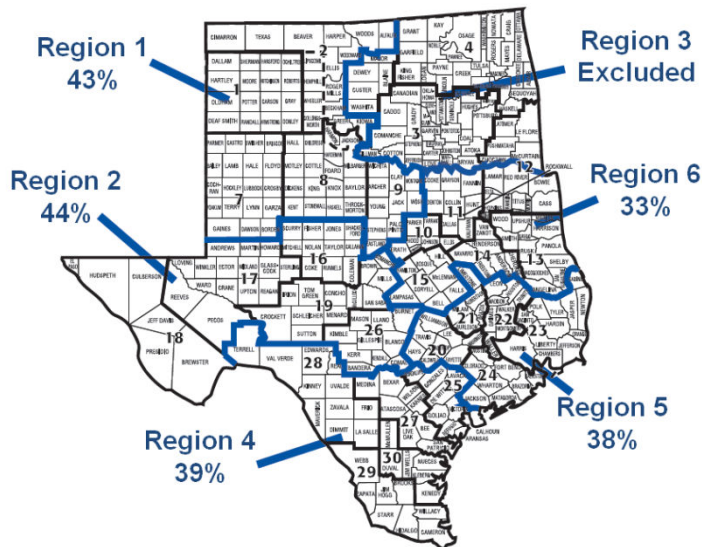


Some respondents are using the drought and continued strong cattle market to disperse their herds. Approximately 8% of respondents indicated they will no longer own cattle in 2012, though many also indicated this was a temporary measure. No respondents indicated they plan to permanently exit the cattle business.

Many respondents indicated they see the drought as an opportunity to expand and improve their herd. Eleven percent of respondents said they plan to increase their herd size in 2012 and 13% plan to increase

the number of calves they market. Many comments were positive because members are implementing strategies that will help them take advantage of opportunities to move cattle to alternative forage or upgrade their genetics.

Regionally, the data indicates average herd reductions are evenly distributed, as shown in the graphic below. Differences exist in the way the herds will be reduced. In Regions 1 and 4, most respondents indicated they would move their breeding females to a drylot or feedyard on a temporary basis. In Region 5, most respondents indicated they would take cattle to livestock markets for immediate sale and are least likely to move cattle out of state.



Regional differences also existed regarding future plans for cattle. Twice as many Region 1 respondents indicated they planned to increase their herd size in 2012 as in Region 5.

Further reflecting the wealth of forage and agriculture options in Region 1, this group also had the highest percentage of members who indicated they would diversify their operations and temporarily decrease their herd size in 2012 to take advantage of other commodity programs.

The Drought of 2011 has forced TSCRA members to modify their production strategies and reduce herd sizes to match available resources. While many members are reducing inventory, some are viewing the situation as an opportunity to increase and improve their herds. Regionally, the differences in available forage, water, and facility resources are pronounced.

Survey Methodology

The TSCRA Drought Impact Survey was conducted online and was launched on August 26, 2011, and was accessible to respondents through August 31, 2011. Email invitations were sent to approximately 8,995 TSCRA members. A total of 874 members responded to this survey providing data and information about their response to the drought. Two invalid responses were removed from the final results of this study, resulting in a total of 872 respondents for this study, with a margin of error of +/- 3.15%.