

2014 Video Marketing Exercise

A very high percentage of feeder cattle are bought and sold using the video marketing process where they are viewed on the Internet or satellite TV. Your assignment is review various lots of cattle from a video auction and determine the answers to the following questions. Factors typically considered are sale terms and conditions, sex, weight, number, condition, breed, weighing conditions and location.

For this exercise, you are to answer questions much like a real cattle buyer would have to. View the specified sale lots and select the correct answers.

Factors important to your decisions:

1. Freight rate is \$4.50 per mile.
2. A truck load of cattle is minimum of 45,000 pounds but can be more depending on state laws.
3. Slide is a term that refers to price adjustment for deviation from base weight. Multiply the posted slide X the pounds overweight and reduce the sale price per hundredweight (cwt) by the answer.
4. Condition is determined by description and video/pictures.
5. Shrink is a weight deduction at sale that allows for excessive feed and water consumption. $\% \text{ shrink} \times \text{weight} = \text{sale weight}$.
6. Partial payment of \$40.00 head are due on sale day.

For this exercise you will need to go to <http://www.wvmcattle.com/auction/ffa/> and click on the October 3rd video catalog. All questions will refer to the sale lot numbers on the left side of the page.

Our sincere appreciation goes to:

Western Video Market

PO Box 558
Cottonwood, CA 96022

IMC Productions

California State University- Chico

Focus Data Systems

Redding, California

Video Marketing Exercise Questions-each answer is worth 10 pts

1. After the shrink on lot 1001, the actual sale weight is 378 pounds. What is the average sale price of each animal in the lot?

- A. \$1215.20 B. \$1350.60 C. \$1405.10 D. \$1417.50

2. How long has lot 1004 been weaned?

- A. 50 days B. 40 days C. 60 days D. Not weaned

3. A Japanese feedlot buyer is interested in only black hided cattle. Between lots 1007, 1008 and lot 1011, which lot will work the best?

- A. 1007 B. 1008 C. 1011 D. They all work

4. At weighing, the cattle in lot 1009 weigh 616 pounds each. What is the sale weight?

- A. 616 Pounds B. 604 Pounds C. 629 pounds D. 600 pounds

5. Lot 1011 consists of 84 steers. How many steers will the buyer need to sort out to get to the correct number?

- A. 0 B. 93 C. 9 D. 5

6. Lot 1017 is a mixed lot of steers and heifers. If the cattle make the base weight, how much is the price per CWT of the heifers?

- A. \$248.00 B. \$74,100 C. \$70,680 D. \$260.00

7. How much is the sale day partial payment for lot 1021?

- A. \$56,445 B. \$8520 C. \$1921.25 D. \$409,226.25

8. After shrink, the base weight on lot 1029 ends up being 618 pounds. What is the final price of the lot after the slide?

- A. \$277.00 cwt B. \$276.64 cwt C. \$277.36 cwt D. \$241.00 cwt

9. Lot 1046 has a base weight of 820 pounds. After the shrink, the sale weight is 815 pounds. Based on the slide, how much is the price adjustment of the lot?

- A. \$0.30 cwt B. \$239.70 C. no adjustment D. \$.06/lb

10. Oregon allows 50,000 pound loads of cattle. In order to move lot 1052-A to the buyer, whose ranch is 120 miles away, how much will the freight bill be?

- A. \$540 B. \$2700 C. \$5400 D. \$1080

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