Not All Cuts Are Created Equal…..
Cow-Calf Production Expenses in 2025: What Really Needs to Be Cut?

Adapted from original article by Jason M. Warner, Kansas State University Extension Cow-Calf Specialist

In a time of historic cattle prices and tight inventories, the cow-calf sector is poised for profitability—but not without challenges. Input costs have climbed right alongside market prices, prompting many producers to ask: *What can I cut to stay profitable?*

While it's smart to manage operational costs, not all cuts are created equal. Before you reach for the red pen, take a moment to evaluate which expenses are truly driving production—and which might be hurting more than helping.

Here are three areas often targeted for cost savings, and what you should consider before making changes:

1. Genetics: Invest with Intention

Yes, bull prices have climbed in recent years, but cutting corners on genetics can cost more in the long run. Each sire influences multiple calf crops, and his impact extends across weaning weights, efficiency, fertility, and carcass value.

Rather than avoiding the front-end bulls at sales, do your homework: look for animals with the right Expected Progeny Differences (EPDs), structural soundness, and phenotype that fits your herd's goals. Don't overspend on a bull that doesn't offer the traits you need—but don't settle for a poor fit just to save a few dollars either.

If ownership costs are a concern, explore leasing options or consider how artificial insemination might fit into your breeding program. A well-planned investment in genetics can pay dividends.

2. Nutrition: Don't Cut What Drives Reproduction

Feed represents over half the variable cost in a typical cow-calf operation. Yet, there's often more room for smart adjustments than deep cuts. Recent data shows a $200+ per-head difference in feed costs between high- and low-profit producers. That doesn't mean the low-cost operations are starving cows—they're managing inventory, avoiding waste, and investing in simple practices like feed testing to improve efficiency.

Salt and mineral supplementation may seem like a cost to cut—but at around $40–$50 per cow per year, it's a small investment that supports long-term herd health and productivity.

If your herd's reproductive performance is strong and feed costs are still high, you may have room to trim. But if your pregnancy or weaning rates are low, take a step back. Nutrition, especially in the pre-calving period, directly affects reproduction. Evaluate your performance first, then adjust.

3. Health: Small Costs, Big Protection

Veterinary and medicine costs are typically under $55 per cow annually—hardly a major budget item. More importantly, these are preventive investments that reduce risk across your herd.

Annual pregnancy checks, vaccinations, and sound biosecurity protocols pay off through healthier calves, higher conception rates, and fewer surprises. Even if the cost savings between high- and low-profit producers is relatively minor, the peace of mind and herd longevity you gain is worth much more.

The Bottom Line: Know Your Numbers First

Before making broad cuts, get a clear picture of your actual costs, reproductive performance, and profit per cow. You may find that only small adjustments are needed—or that certain costs are more critical than they seem.

Profitability in 2025 and beyond will depend not just on high prices, but on thoughtful management. Cutting costs should never come at the expense of production. Focus on efficiency, not just savings.

For help evaluating your cow-calf enterprise, Kansas State University offers detailed budgeting tools and profitability reports that can be adapted to fit any region or operation.