

# Livestock Auction 101



The culmination for the 4-H members in a livestock club is the Friday night livestock auction. It is the final judgment on the value of their animal. Many hours have been spent raising, training, fattening, and grooming for this night. The ultimate worth of a livestock animal is determined by the price received at the market and the auction is the market for the 4-H members.

All the animals sold at the auction are of high quality - each being raised with dedicated care and attention. The purchase of an animal at the auction is a win-win situation. The 4-H member is learning life and business skills and the purchaser is getting excellent cuts of meat. Below is a summary of the auction process followed by some frequently asked questions to help new buyers get started.

## How does it work?



The auction is held on Friday night of fair week. If this is your first-time bidding at the fair, fill out a registration and receive a bidder's packet at the door. In your packet will be a paddle with a number on it and a catalog showing all the animals being sold, the lot number, seller's name, grade and weight. As the animals are brought out into the ring, the auctioneer will be saying the price of the animal per pound. To bid on an animal, hold up your paddle until one of the auctioneers recognizes your bid. If you are the winning bidder, you will complete a form designating where the animal will be shipped for processing. You will have the choice of approximately five processing plants (choices are listed in the catalog). At the conclusion of the fair, the animal will be shipped to the processor. You should call the processor on Monday to discuss the types of cuts you would like and how you would like them to be prepared. When the meat is ready, you will get a call from the processor to come pick it up.

**FAQs (frequently asked**



**questions)**

***What is the auctioneer saying?***

The auctioneer is saying the price of the animal per pound. As a rule, the smaller the breed of animal, the higher the average price per pound (i.e., a chicken will have a higher price per pound than a hog).

***When and how do I pay?***

Payment is due that night by cash or check.



***In the catalog, what does 'lot' mean?***

During the fair, the animals are compared to each other and ranked in order of conformation. The closer the animal conformed to certain accepted standards, the lower the lot number. The top two animals in each of the species are Champion and Reserve Champion. They are given the lowest lot numbers.

***Is there a difference in the first place and last place animal?***

All the animals sold are high quality - each being raised with the utmost care and attention.

***How do I get the animal home?***

If you purchased an animal and requested it to be processed, it will be shipped directly from the fairgrounds to the processing plant that you specified. For the other animals, either after the show or the next day you can talk to the seller to determine the best way to transport the animal home.

***Where does the money go?***

The entire purchase amount minus 5 percent goes back to the 4-H member. The money is typically used to purchase their next year's project animal and/or to pay future costs such as feed, vet bills, and supplies. The 5 percent pays for auction advertising and related office expenses.

***Is there a difference in taste?***

There is a notable difference between the auction meat and store-bought meat. As a result of being home-raised, the meat from the animals at auction is often much tastier.



***I don't know anything about 'types of cuts'.***

Once you purchase the animal, the processor will be more than glad to help you decide how to 'dress' it. Call them on the Monday after the sale to get your options.

***I want beef but I can't afford a whole steer.***

It is very common for two or more families to purchase one animal. Talk to the processor to have the meat divided evenly.

***How do I store all that meat?***

If you don't have a freezer at home that is large enough to store all of the meat, some of the processors have meat lockers that can be rented for a minimal fee.

***How do I determine which processing plant to use?***

Check for a location nearest your home. Make sure the processor will dress what you purchased. If you need a meat locker, check that there is one available at the processing plant. If you plan to resell the meat commercially, the processor must have state inspections.

***Is the cost of processing the meat included in the auction?***

No, the processing costs are separate. Expect to pay (approximately):

- \* Steer: \$50 + .55/lb
- \* Hog: \$50 + .50/lb
- \* Lamb: \$75.00
- \* Goat: \$70.00



***What percent of the animal is actual meat?***

Approx. 62% of a steer, 74% of a hog, and 50% of a lamb.

- \* A 1250 lb steer yields approx. 775 lbs of meat
- \* A 250 lb hog yields approx. 186 lbs of meat.
- \* A 125 lb lamb yields approx. 63 lbs of meat.

***What would this meat cost in a grocery store?***

Once the animal is processed, if you purchased the same cuts of meat in a food store, you would pay:

- \* The 775 lbs from a steer would average about \$7.50/lb.
- \* The 250 lbs from a hog would average about \$5.75/lb.
- \* The 125 lbs from a lamb would average about \$10.00/lb.

***Do rabbits, chickens, and goats go to processing plants?***

Rabbits, geese, ducks, and chickens generally do not go to the processor. The purchaser usually takes them home or donates them back to the seller. About half of the goats are sent for processing and about half of them are kept as pets or are donated back to the seller.

***Can a company or business purchase an animal?***

Businesses are more than welcome to purchase an animal. Every year the auction has purchases by banks, construction companies, grocery stores, insurance companies, home builders, and realtors – to name a few. We welcome and encourage businesses.

### ***What does a company do with the animals?***

Companies have many options once they purchase an animal. These include but are not limited to:

- Use the processed meat as a summer bonus for the company employees.
- Have the meat processed and sent to a caterer for a company picnic.
- Have the meat processed and sent to a charitable organization (i.e., women's shelter, food bank).
- Send the animal to the local livestock exchange with the proceeds to your company or sent to a charitable organization.
- Donate the animal back to the seller.



### ***Is it tax deductible?***

Consult your tax advisor.

### ***I didn't win any bids but I still want to buy - now what can I do?***

After the auction, talk to a 4-H leader or someone on the sale committee to see if more animals are available. Often a 4-H member will bring two or more animals to show during the week of the fair, but can only enter one of that particular species in the sale. These additional animals are often available for private sale by contacting the 4-H member or club leaders directly.

### ***I want to contribute but I don't want the meat.***

Below are a few suggestions:

- Send the animal to the local livestock exchange with the proceeds sent to you or a charitable organization.
- Have the meat processed and sent to a charitable organization (i.e., women's shelter, food bank).
- Donate the animal back to the seller.
- Give the treasurer a check and mark it 'donation'.

### ***What is the livestock exchange?***

The livestock exchange is where commercial livestock is purchased and sold. When an animal is sent from the 4-H auction, the animal is sold at that day's price per pound (market value) and the exchange sends a check to the seller minus a service fee. The Loudoun County Fair sends most of the exchange animals to the Fauquier Livestock Exchange in Marshall.

**If you have any questions about the auction or would like to register as a bidder, please email Faith Barney at [auction@loudouncountyfair.com](mailto:auction@loudouncountyfair.com). During Fair week, you may stop by the Fair office and we will be glad to assist you!**