

How Slides Work



Questions?

If you have any questions on how a slide works our representative will be more than happy to explain it to you.

If a producer is very efficient at predicting the weight of their cattle a slide is not anything to worry about.

Our representatives that are in the field are highly trained and do an excellent job at predicting a base weight prior to a contract being written.

What is a Slide?

A **Slide** is a price adjustment that is defined for a cattle purchase contract. When a contract is drawn, a slide adjustment is calculated based on the estimated average pay weight of the cattle on that contract. This adjustment considers that, based on how much weight the cattle gain, the estimated and actual pay weights may differ. A price slide allows the contract price to be adjusted up based on the difference between the estimated and the actual pay weights of feeder cattle. Using a price slide reduces the uncertainty surrounding the weight of feeder cattle, and helps both the buyer and seller attain a competitive market price. The slide is a tool that we use to help ensure that cattle are represented to us properly and the weights are estimated as close as possible when the contract is written.

What We Offer

We offer two main types of up slides – All use Cents/ CWT, which is cents per hundred pound (or “hundredweight”).

Multiple Slide

Following is an example of a multiple slide. This example shows the most common two tiered slide but we may add a third tier if it felt to be necessary and both parties agree. A contract price of \$145.00 per CWT at 800 lbs is agreed upon. It is also agreed that there will be two slide adjustments as follows; 800-825 @ .05 and 825-999 @ .08. When the cattle are delivered and their pay weight is calculated, these examples will show the adjusted price of the cattle. Pay weight 800 lbs and below—\$145.00 per CWT Pay weight 812 lbs— $812-800=12 \times .05=.60$ adjustment. $\$145.00-.60=\144.40 per CWT final price Pay weight 845 lbs— $845-825=20 \times .08=1.60$ plus the $825-800=25 \times .05=1.25$. $1.25+1.60=2.85$ $\$145-2.85=\142.15 per CWT final price.

Retro Slide

A retro slide is the same as above but once you reach the second tier all of the pounds over are charged at that second tiers price. For this example, we will use the exact same terms as above and the same weights to make it as simple as possible. From the above example, anything with a pay weight of 800 and down the price would stay at \$145.00. The 812 lbs pay weight would be identical to the above example. The 845 lbs pay weight is where you see a difference. $845-800=45 \times .08=3.60$. $145.00-3.60=\$141.40$ per CWT final price.