

# Drug-Related Problems and Solutions in a Large Feedlot

Rodney Oliphant, D.V.M.  
Offerle, Kansas

Drs. Pierson, Brady, Flack and Jensen concluded the following about steroids in the treatment of bronchial pneumonia. They said, "Administration of dexamethasone, 20 mgs per head per day for three days as supportive therapy when combined with antibiotics and/or sulphonamides, in yearling feedlot cattle with bronchial pneumonia resulted in poorer response, more relapses and a prolonged course of disease. Even when combined with antibiotics and/or sulphonamides, dexamethasone should be contraindicated in this type of pneumonia."

Another thing that is important for the feedlot veterinarian is to check where they have dip vats, to check their operation, the concentration of the chemical that is in there and at least once a week you should be pulling a sample of that dip vat and seeing that the concentration is where it should be. This is really important to the feedlot and the problems they may have later. You can get little test kits, like for corral, and have your technician check out the concentration in 30 minutes and you can call back to your lot and tell them where their problems are and what they need to add. GX118, which is also another popular one, also has a test kit. They have some kind of phobia against veterinarians and they will not let a veterinarian have one, they think their people ought to do it. Maybe by hook or crook, or some way you can find one of those and if you have a lot of GX118, use that. But I think that this is important, and probably you can pay for your service charges just on that one factor alone. You can pay for yourself many times over if you will just educate them and show them where you are helping them.

**Another problem is cleanliness. It is probably one of the biggest problems, especially with their syringes and needles. Also, tell them about putting modified live-virus vaccines through syringes and needles that have chemical disinfectants. They will ruin more information and more good quality products than it has taken 10 years for a drug company to develop. They take a lot of care to get a good product to them and then in just a matter of a few seconds they can mess it up. A lot of them have the habit of shaking up their virus vaccines when they put their reconstitute in it. They will put a dirty finger over the top and they will give it a few shakes and contaminate the vaccine. Then they will pour it into another old plastic bag of some kind that has been lying around and it is terrible! I think we as veterinarians should look for this**

**problem and get it corrected.**

I think, then, in summary of this particular area, it is really important for us to educate these people, and to communicate. Here are some ways that we can do this. I usually have a dinner meeting once every two or three months, at least twice a year, with my feedlot and I always bring in an outside speaker or get some film or talk to them myself. This is a way that over a good dinner, you can sit down and communicate with these people, get them to work with you and you can educate them and help them to realize that you are really working to help them and that we are all working together for a good program. You can have the best health program in the world, you can have the best information in the world, you can have the best drugs in the world, but if you do not have the people there cooperating with you to put that program into effect, and if they are not educated so that they can put that program into effect, it negates the whole thing that you are trying to do.

The next subject I would like to cover is source of drug supply. There are two philosophies. One philosophy is that it is nonprofessional for the veterinarian to supply his clients. If you work under this philosophy, and it can be worked under and you can still consult for a feedyard and do it this way, they will buy their drugs some place else. Then it is the veterinarian's duty to supervise and see that the right drugs are put there in the right quantity and quality and that they are used properly. The other philosophy is that the veterinarian supplies them as long as he can be comparable in cost. I operate under this philosophy with my feedyards. I have operated both ways, but eventually I operate under the second philosophy.

Who is the veterinarian's pharmacist? Do we have any trained veterinary pharmacists? Is it the lay drug salesman that runs up and down the road in his pickup? Is it the feed store, the local co-op? What good does it do to write a prescription to them? No. The only one that is trained in pharmacology in the field of veterinary medicine is the veterinarian. Now we have placed ourselves out of position because we have charged too much for the drugs in the past and producers have a bad taste about veterinarians and many veterinarians are not trusted by the producer because they have marked up too high. If you are selling something for \$3 and the down-the-road man comes along and sells it for \$1, it does not take too long until he realizes he got rooked. It is not my

philosophy to do that. I think the veterinarian can be competitive and I think he can do a better job of supplying the feedyard. He can be professional in doing it, and I will proceed to prove that point now.

One of the problems in this area is the drug distribution structure from the manufacturer to its ultimate source. Here is how it works. The manufacturer to the distributor and in the lay channels it goes from the distributor directly to the feedlot. Manufacturer-distributor-feedlot. In the veterinary field, the so-called ethical, it goes from the manufacturer to the distributor to the veterinarian and then to his client, the feedlot. There is one more step. We are at a 20% disadvantage. This is not fair, we do not have to work under that and there are ways to get around it. How are some of the ways that we can get around this? One is, you can find distributors that are willing to quote volume prices. Instead of marking things up 20-30%, get them to whee they will mark up 5-10% and then you can be in the ball park. They will do this and it is not against the law as long as they publish their volume price and it is the same for everybody, and that is the way it should be. Then the other way is to form buying groups. Get together with some of the other veterinarians in your area that are potential large users of the products. Find out how much you are going to need and then order. With some companies you can even order direct in certain things. Those are two ways then, buying together in large groups or find a distributor that sees the problem and is willing to operate on that line. Now, once you get the product then you are going to have to decide what you are going to have to mark it up. So you have to know what the competition is. You have to be out in the field and see what the "down-the-road" truck is selling the antibiotic for. You have to know what he is selling it for so that when you go to buy, you will know what you have to buy it for and you will still make a little bit out of it. When you are dealing in large numbers in feedlots and large volume, you are talking about a 5-15% markup. Marking your drugs up 100%, buying it for \$1 and selling it for \$2, will not work there. Charge them for your information. Charge them for your consulting work. But make the drug a reasonable markup that is competitive and then you eliminate that credibility gap with your producers. He knows that he can come and buy his antibiotics from you and his supplies from you as cheap as he can buy them any place else. He will say, "Well, if old Doc can supply it as reasonably as those people, he sure must be all right in other ways too. He is probably not charging too much for his service either." So I think the drug business is a way to establish credibility for the producer, between the producer and the veterinarian.

Volume is the key. J. C. Penney found that out. Dillard's found it out and a lot of others, that volume is the factor and they would rather turn over 10 items at a 10% markup than they would one item at 100% markup. Now, granted the first go-round you make the same amount, but the people that are charging

the 10% markup and getting 10 times as much business, that business keeps growing. You have established credibility. That is what it takes. If they buy one bottle from you for 100% markup, they are liable not to be back because they will find it cheaper some place else.

I know this works. I have used it in my own practice. I am not just talking about the large feedlot. Even some of my little farmer-feeders and little backgrounding operations, some that did not use veterinarians at all before they first stepped in my door, because they got a reasonable product and they were getting it as cheap as they could any place else. When I was lining them up with a program on what vaccines to use, they found out I might know something and that maybe I could help them, and the first thing you know they were asking me to their farms to consult and stop by and see how our cattle were doing and so I charged them for my time when I did that. And they like it. We have established a rapport that works in veterinary medicine.

When you are first asked to a feedyard, maybe on a consulting basis, the time will come around when you will talk about products and talk with the manager about buying them from you. There are some things you should point out to him, the reasons he should buy from you. One is the economy. When he stops and thinks of maybe 5-10 lay drug peddlers coming in and spending one or two hours every week with one, two or three of his cowboys and tying up their time, that it is costing him some money. And this happens. If you do not believe it, just go out and sit around and watch and you will see. They like to talk horse stories, they like to talk the failures of the feedyard down the road, what their death loss was and this type of thing. That is another thing you should point out to the manager. He does not like the other yards to know how many dead they have had. So it is important to him not to have these people coming in and spreading that kind of gossip. Many of the managers, and it is true with the more progressive ones in the good feedlots, would rather have a veterinarian with eight or more years of college controlling their sometimes hundreds of thousands of dollars drug inventory in a period of a year than they would someone with maybe not even a completed high school degree. Point out to that manager how much investment he has over a period of a year in medical products. I think he might think twice about who he has controlling the investment.

Another factor concerns you, the local veterinarian, who is going to be in that feedyard one time a week at least. If he needs anything, he does not have to carry a large inventory. You can get it to him. That is one thing that we as veterinarians need. We need to have a complete drug inventory. We need to have a stock so when they need something they can get it. If we do not have a supply they will go some place else and get it. If you are not willing to put the money on the line to carry the type of inventory it takes to keep these people supplied, then you are in trouble. I make it a

philosophy in my practice that they do not go any place else. I keep the price right and I keep the supply there and I keep them serviced.

There is another factor. When you are buying, do not be too misled by something you can buy on special for one month that does not cut it when you are trying to supply someone for a year. If there is anything that feedlots do not like, it is having to change their drug price sheet every week. They like to be able to buy something and keep it pretty stable because it involves a lot less bookkeeping. So when you are talking to a drug company, or whenever a salesman talks to me about a special, it does not mean too much. I like to have a volume quote and to have it so that I know I can get it for that for a year and you can count on it. You are not having to jump around with different brands. You get them all lined out on one thing, and first thing you know the price is way out of line and then you have to go to something else. This does not make a good program.

If you are surveying on a Type 1 program where you are just watching the drug inventories and drug purchases and they are not buying from you, it does not take long to see spots where the feedlots are getting ripped off in one way or another. I have run into two examples in the last year. In one yard that I started out doing that way, they were paying \$17.50 for a box of laxative boluses. They should not have been paying over \$5.00 for them. Yes, they were saving a penny or two on a bottle of Penstrep, but they were getting raked in another place!

**One thing I can say to you as veterinarians. If you are going to supply the supplies, be fair, be super-fair, and always be fair. If you get a special price and you have something lower, pass on the savings. Never be caught too high because if you**

**are, it widens that credibility gap and that is one thing that we in veterinary medicine cannot afford if we are going to stay in business with a large feedlot operation.**

There will be times when different yard managers and different personalities will be tempted to buy some place else. If you have agreed that they are going to buy it from you and you see this happening, there is one or two things wrong. You are not servicing it right, or you may be too high. Do not be afraid to communicate with them right on the spot. Say, "I see you have some stuff you bought in here from another place. What's the problem?" If you are too high, go back to your source and see why you are too high and get it where you can compete again. Communication is so important. If there is any one thing in drug problems and solutions, it is communication.

I think one thing that is a drug problem and a solution that is important is the withdrawal period. Make sure the people you are working with understand withdrawal periods, that they keep the records properly and that they adhere to them. I talked a little about prescriptions before as a drug problem. Sometimes you will want to use an antibiotic at a higher level in the feed than is approved. It is my understanding that you can be clear in doing this as a feedlot veterinarian. You can prescribe this and when you do, you are liable for any problem that would happen, but you can do it. So, to your withdrawals—know when you increase aureomycin from 350 mgs or from 70 mgs or whatever, up to a gram, what the withdrawal time is. This information is available—withdrawal times with increased dosages, even with injectables. Increased dosages or combinations increase withdrawal time. It is not the same as it is on the label.