



# Farmgate Efficiencies: Production Management Tools that Add Value to your Operation

Laurie Johnson — Pipestone Lamb and  
Wool Program



TAKING US LAMB QUALITY TO NEW HEIGHTS



# Pipestone Lamb and Wool Program

- Work with 110 members
- Over 35,000 breeding ewes
- 100-1400 head Ewe Flock Size
- \$40 Average profit/ewe
- Over \$117 profit/ewe Top 1/3 producers



# Pipestone Lamb and Wool Program

- Work with members through:
  - Farm Visits-1-4 times a year
  - Classroom Sessions-Evening Meetings
  - Group Instruction-Farm Focus/Regional Meetings
  - Phone Consultation
  - Marketing of Lambs and Wool
  - Acquisition of Quality Breeding Ewes



# Pipestone Production System

- Controlled Production
- Multiple Lambing Periods
  - Primarily Winter Months
- High Lambing Percentage
- Early Weaning
- All Grain Diets for Lambs
- Marketing During Low Supply Period



# Pipestone Management Strategy

- Controlled Production
- Low Cost Housing
- Low Labor Systems
- Flock Specific Preventative Health
- **Production and Economic Balance**



# Philosophy of Successful Sheep Management

- Business Management Approach
- IRM Systems Approach
- Low Labor System
- Good Core Sheep Skills
- Sound Genetic Plan



# Philosophy of Successful Sheep Management

- Business Management Approach
  - Mission (Purpose)
  - Goals (What must happen to accomplish the Mission)
  - Production Plan
    - Operating Plan for Business to Achieve Goals
  - Marketing Plan



# Philosophy of Successful Sheep Management

- Business Management Approach
  - Annual Budget
  - Commitment/Investment
  - Measure/Evaluate
    - Keep & Use Records
    - **Enterprise Analysis**





# Philosophy of Successful Sheep Management

- Develop a Genetic Plan
  - Lambing Rate
  - Milking Ability
  - Longevity
  - Big High Quality Lambs
- Optimum Production
  - Input Costs Vs. Production Return
- Controlled Production



# Philosophy of Successful Sheep Management

- Shepherd Qualities
  - Good Core Sheep Skills
  - Excellent Decision Making Skills
  - Current Concerns
  - Future Concerns
  - Willing to take Action



# Income

<b>Income</b>	Number of Head	Pounds	Dollars
Market Lambs Sold			
Feeder Lambs Sold			
Breeding Ram Lambs Sold			
Breeding Ewe Lambs Sold			
Ewes Sold (Breeding)			
Rams Sold (Breeding)			
Culls Sold			
Ewe Wool Sold (No. Sheared)			
Lamb Wool Sold (No. Sheared)			
Wool Incentive			
Misc. Income			



# Purchases

**Purchases**

Number of Head

Pounds

Dollars

Rams Purchased

Ewes Purchased




# Supplementary Data

## Supplementary Data

Number of Head

Ewes Exposed	Mature Ewes
Ewes Lambing	Mature Ewes
Lambs Born from Ewes	Include lambs born dead
Lambs Weaned from Ewes	
Ewe Lambs Exposed	
Ewe Lambs Lambing	
Lambs Born from Ewe Lambs	Include lambs born dead
Lambs Weaned from Ewe Lambs	
Lambs Marketed	Market and Feeder
Lambs Retained	Ewe and Ram lambs-self or sold
Breeding Ewes Died	
Breeding Rams Died	
Lambs Died (Birth to Weaning)	All lambs born dead and prior to weaning
Lambs Died (Weaning to Market)	



# Feed Costs

## Forages

	Ewes and Rams	
	Pounds	Dollars

	Lambs	
	Pounds	Dollars

## Complete Ration

	Ewes and Rams	
	Pounds	Dollars

	Lambs	
	Pounds	Dollars

## Grain

	Ewes and Rams	
	Pounds	Dollars

	Lambs	
	Pounds	Dollars

## Pasture

	Ewes and Rams	
	Acres	Dollars
Pasture		
Pasture		
Pasture		

	Lambs	
	Acres	Dollars

## Salt and Mineral

	Ewes and Rams	
	Pounds	Dollars

	Lambs	
	Pounds	Dollars

## Protein Supplements

	Ewes and Rams	
	Pounds	Dollars

	Lambs	
	Pounds	Dollars

- Separate feed costs of ewes and lambs
- Use fair market price for feed you raise
- Feed for ewe lambs include as ewe feed from the time lambs are separated for breeding purposes.



# Direct Expenses

## Direct Expenses

Bedding	purchase or expense associated with harvesting
Veterinary and Health	No feed additives
Shearing	
Utilities	% that are sheep
Hired Labor	
Rent (Buildings and Machinery)	
Gas, Grease and Oil	
Repairs and Maintenance	
Trucking/Marketing	Costs associated with trucking and selling sheep-Marketing expenses
Supplies	Heat lamp, tags, paint
Insurance, Taxes	Insurance on sheep, sheep buildings, and equipment
Interest	Interest cost actually paid-not interest charge based on your investment
Misc.	
Dues, Subscriptions	



# Non-Cash Expenses-Depreciation

**Non-Cash Expenses – Depreciation on:**

Breeding Sheep

Sheep Buildings

Sheep Equipment

Machinery



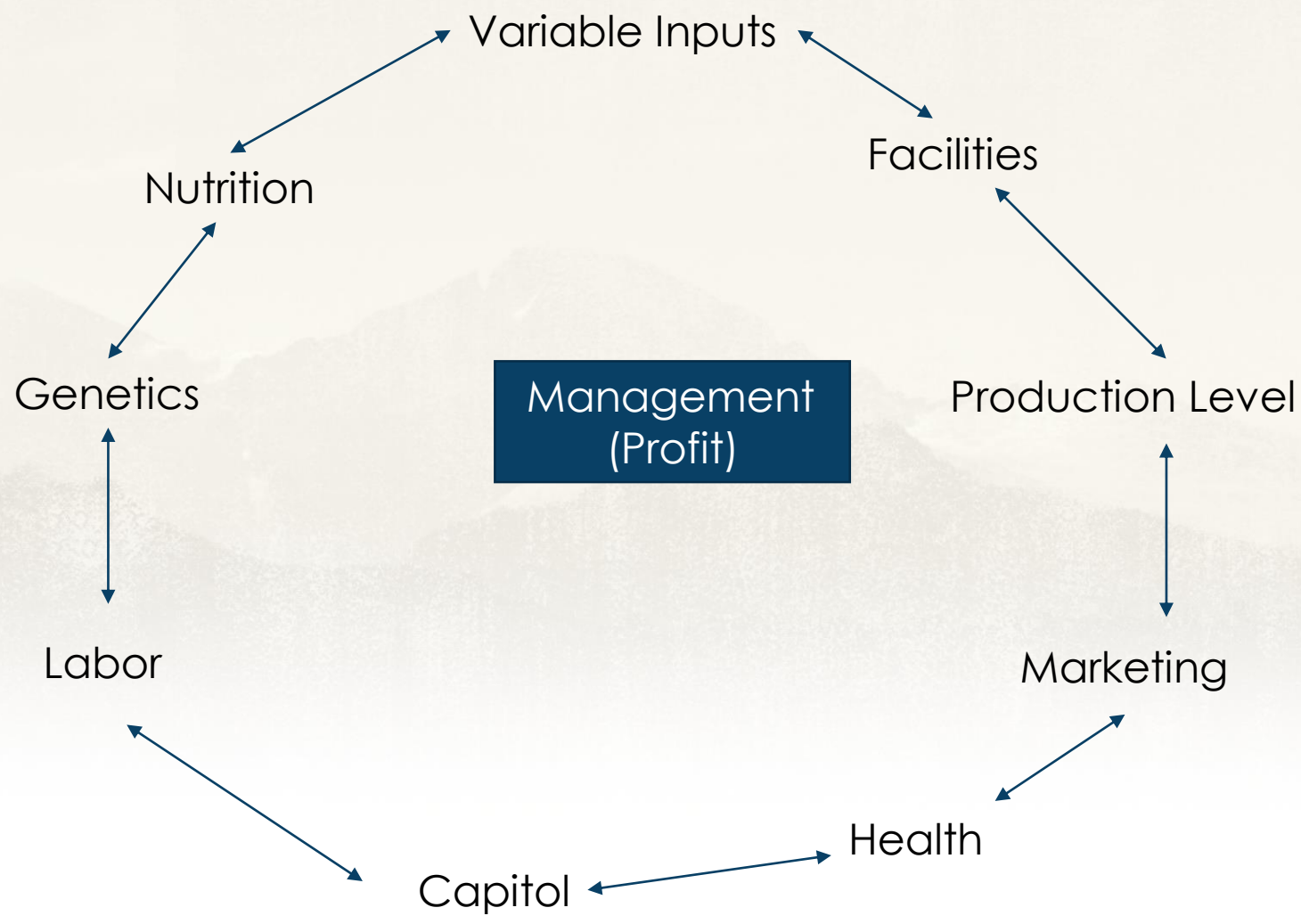



# Sheep and Wool Inventory

	Beginning of Year			End of Year		
	No. of Head	Value per Head	Total Value	No. of Head	Value per Head	Total Value
<b>Rams</b>						
<b>Ewes</b>						
<b>Ewe Lambs</b>						
<b>Feeders</b>						

<b>Wool</b>	Pounds		Dollars	

- Accurate numbers and reasonable market values are the key to this section. List similar ages and groups of sheep together.
- Easy to do Jan 1 and December 31
- Helps show growth and year to year progress



## Wanting Optimum Production

# Tips and Tricks

1. **Make the little things the big things**
2. **Push the pencil**
3. **Set aside time to do it**
4. **Do it early in the day**
5. **Spend only a few hours at a time on it**
6. **Use resources –Farm Business Management**
  - **Record values for feed and livestock**

