

It's ewe time!

Making More From Sheep



Profitable Finishing Systems

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Event
partners:



Event

supporters:



Government of South Australia
Primary Industries and Resources SA

Overview

Making More From Sheep



- Look different finishing systems in the industry and the key profit drivers within each.
- Which ones should I focus on and how to make profitable changes....?
- What tools are available to help?



Profit vs. Income



Cost of production is the bottom line!

COP benchmarks

- Most efficient : \$1.56-\$2.00 / kg cwt
 - \$2.00 @ 46% = \$0.92/kg LW
 - **45kg LW = COP \$41/head**
- Middle third : \$2.01-\$2.50 / kg cwt
 - \$2.50 @ 46% = \$1.15/kg LW
 - **45kg LW =COP \$51/head**
- Least efficient : \$2.51-\$3.34 / kg cwt
 - \$3.34 @ 46% = \$1.53/kg LW
 - **45kg LW = COP \$69/head**

Prime Lamb Finishing Options Project – MLA

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- Key determinants of profit
- Sensitivity of margins to key profit drivers
- Ranking from high to low in importance
- Tips & Tools publication



Profitable Finishing Systems

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- Breeder-finisher system
- Specialist pasture system
- Specialist grain based finishing
- Opportunistic grain based finishing



1. Breeder Finisher System

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Productive Nutrition

PSY L13



working smarter.

Key profit drivers:

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- ***Stocking rate***
- Carcase price
- ***Weaning percentage***
- Purchase price of replacement ewes
- Growth rate
- Feed / pasture cost





Optimise stocking rate

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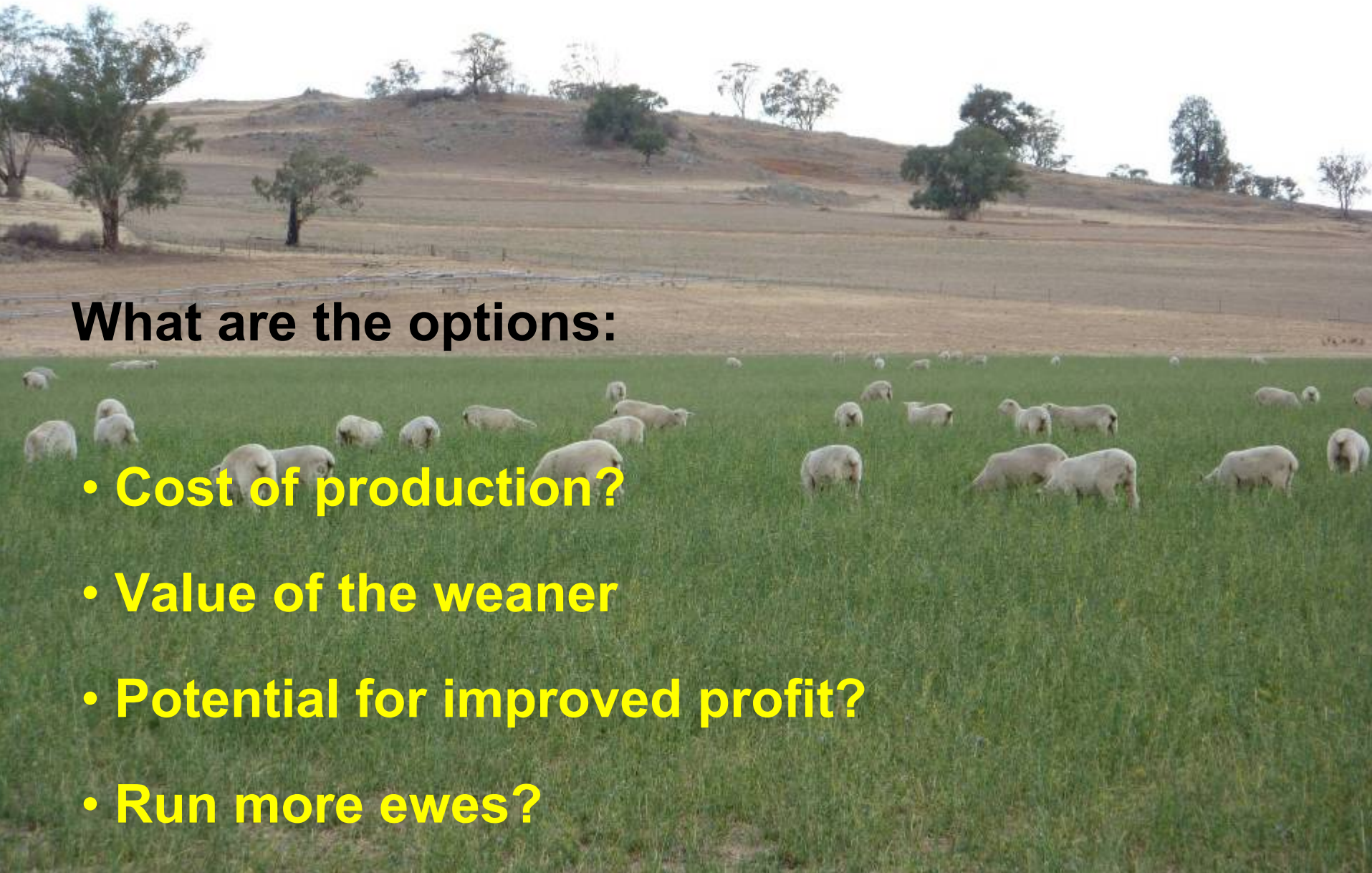


working smarter.

Sell at weaning?

What are the options:

- **Cost of production?**
- **Value of the weaner**
- **Potential for improved profit?**
- **Run more ewes?**



Key profit drivers:

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- ***Stocking rate***
- Carcase price
- ***Weaning percentage***
- Purchase price of replacement ewes
- Growth rate
- Feed / pasture cost



2. Specialist Pasture Finishing

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Key profit drivers:

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- Carcase price
- Purchase price
- Stocking rate
- ***Growth rate***
- Mortality rate (>10%)
- ***Pasture costs (incl. fertiliser)***



Variation in pasture cost

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\$/t DM	Feed Description
\$5.98	Cereal Stubbles
\$6.56	Native Pasture
\$11.97	Grazing Cereal (Opportunistic) - Barley
\$15.45	High Rainfall Long Term Pasture - Perennial Phalaris, Clover, Cocksfoot
\$20.28	Grazing Cereal (Intended) - Barley
\$44.11	High Rainfall Short Term Pasture - Hybrid Ryegrass
\$46.80	Dryland Lucerne
\$74.42	Irrigated Clover/Ryegrass Pasture
\$84.14	Irrigated Lucerne
\$85.44	Dryland Fodder Crops
\$101.28	Irrigated Fodder Crops - Chicory, Rape, Plantain

Sloop barley & clover 2009

Tonnes DM/ha	Cost per t DM
2.4t DM	\$58
3.5t DM	\$40
5t DM	\$28
10t DM	\$14
GM/Ha	\$1050/ha

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9t DM/ha	\$20/t DM
GM/Ha	\$840/Ha

3. Specialist Grain Finishing

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Key profit drivers:

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- Purchase price
- ***Growth rate***
- Carcase price
- Scale (capacity / throughput)
- ***Shy feeders***
- Mortality rate (>10%)



Trial 1 – Merino Lambs (ex Dublin)

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Feeding Period	Days on Feed	Daily Lamb Intake (kg/hd)	Average Daily Gain (gms/day)	Feed Conversion Ratio	Number of Lambs on Feed
Day 1-26	26	1.83	109	16.8	450
Day 27-35	9	2.13	277	7.7	347
Day 36-44	9	2.24	312	7.2	248
Day 45-51	6	1.94	130	15.0	179

Johnson's



Trial 2 – XB Lambs (ex Dublin)

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Feeding Period	Days on Feed	Daily Lamb Intake (kg/hd)	Average Daily Gain (gms/day)	Feed Conversion Ratio	Number of Lambs on Feed
Day 1- 16	16	1.62	310	5.2	191
Day 17-22	6	1.95	421	4.6	191
Day 23-29	7	2.02	143	14.1	87

Johnson's



4. Opportunistic Grain Finishing

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Key profit drivers:

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- Carcase price
- Purchase price
- ***Infrastructure costs***
- Growth rate
- Scale (capacity / throughput)
- Shy feeders



Decision support tools

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- Tips & Tools – Prime Lamb Finishing Options
- Making More From Sheep – CoP Calculator
- Feedlot Calculator – www.sheepcsrc.org.au
- National Procedures and Guidelines for Intensive Sheep and Lamb Feeding Systems
- Best practice production feeding of lambs
- a review of the literature
www.productivenutrition.com.au



Take home messages

Making More From Sheep



- Get help to determine and analyse CoP
- Learn and focus on your key profit drivers
- Do a budget to ensure profit
- Breed heaps more lambs – *FAST!*



Photo courtesy of G & A Koch, 2010