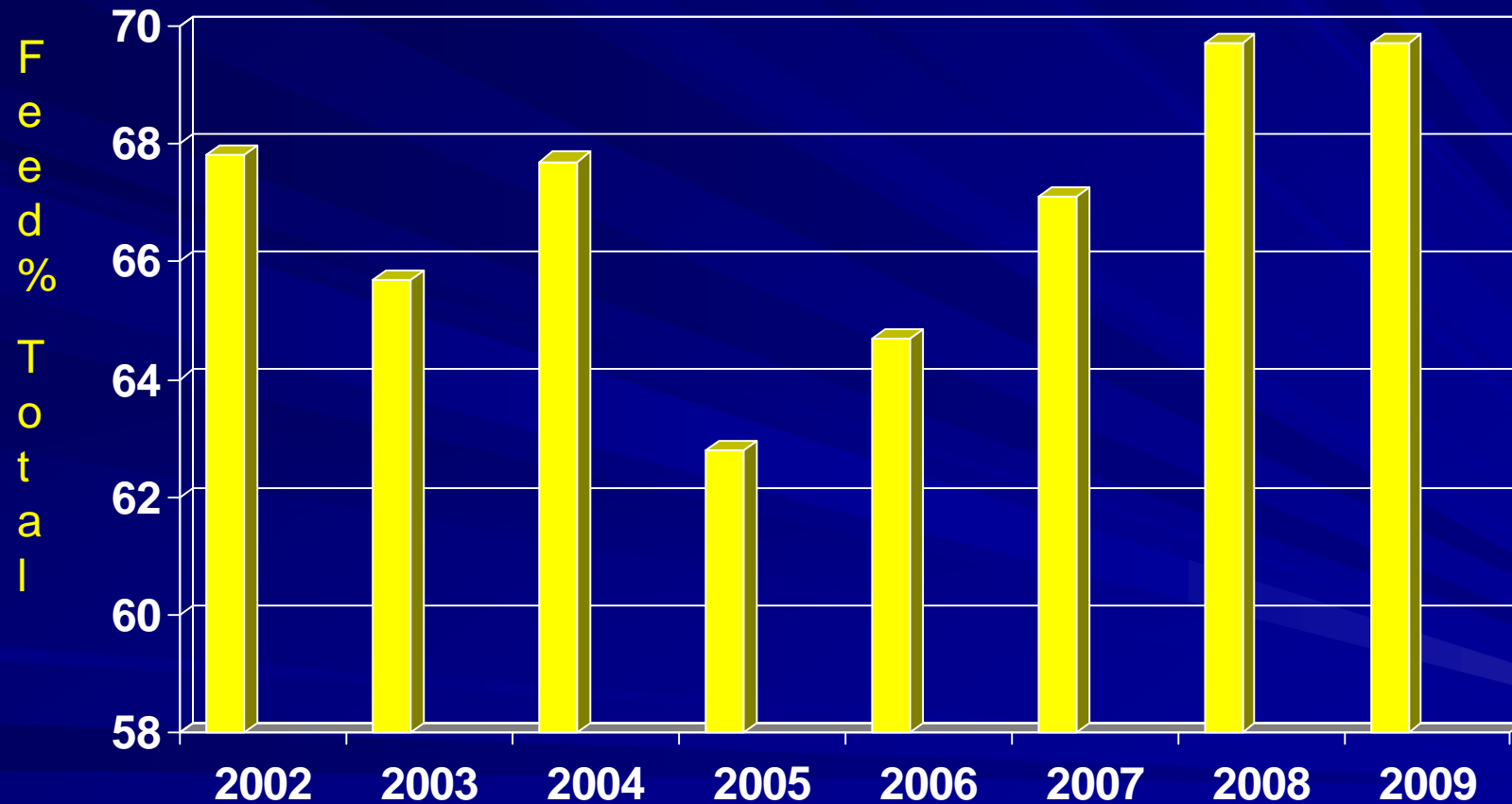




Responding to Increasing Feed Prices

Michael A Martin

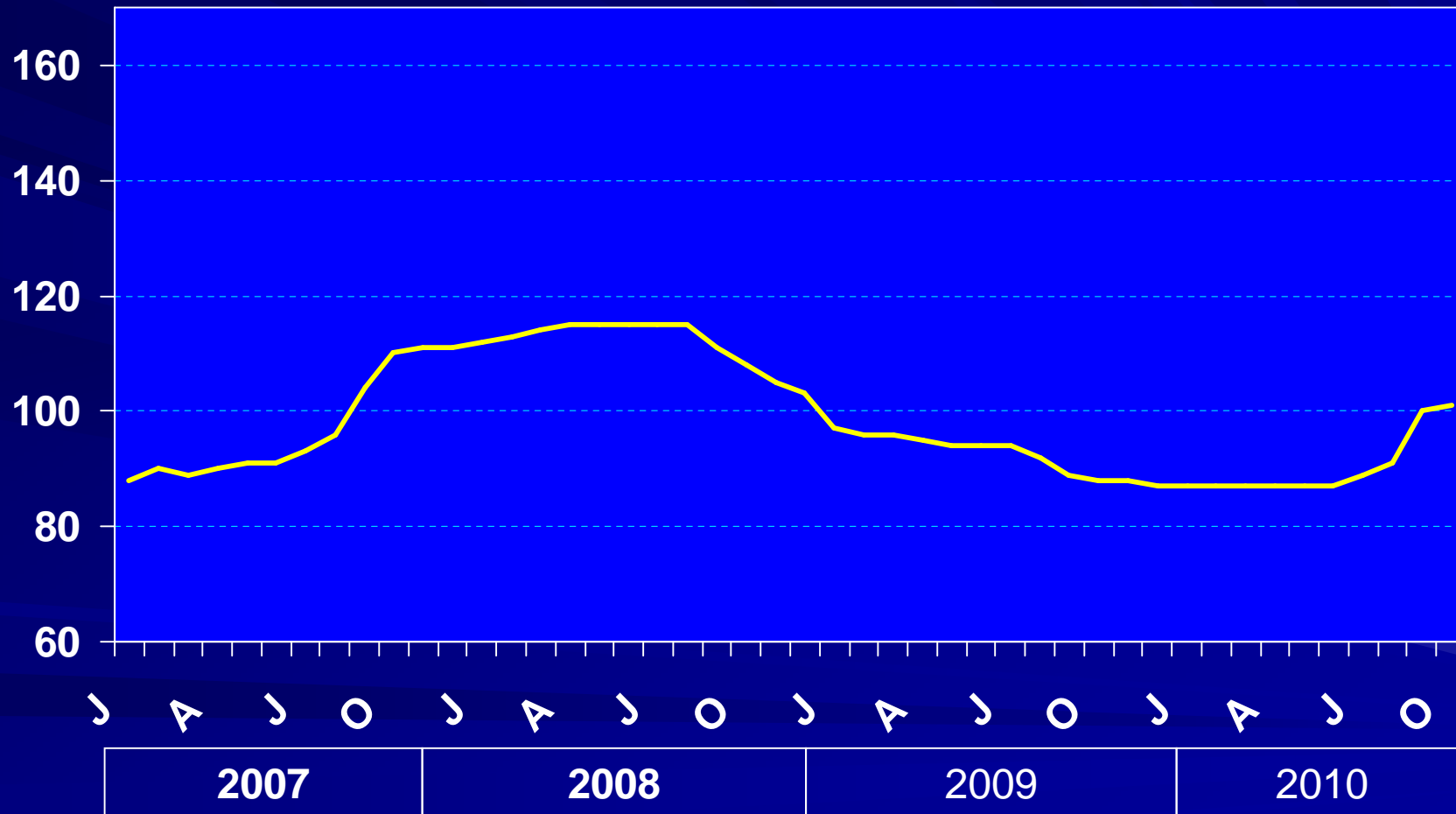
Feed as % of Total Production Cost



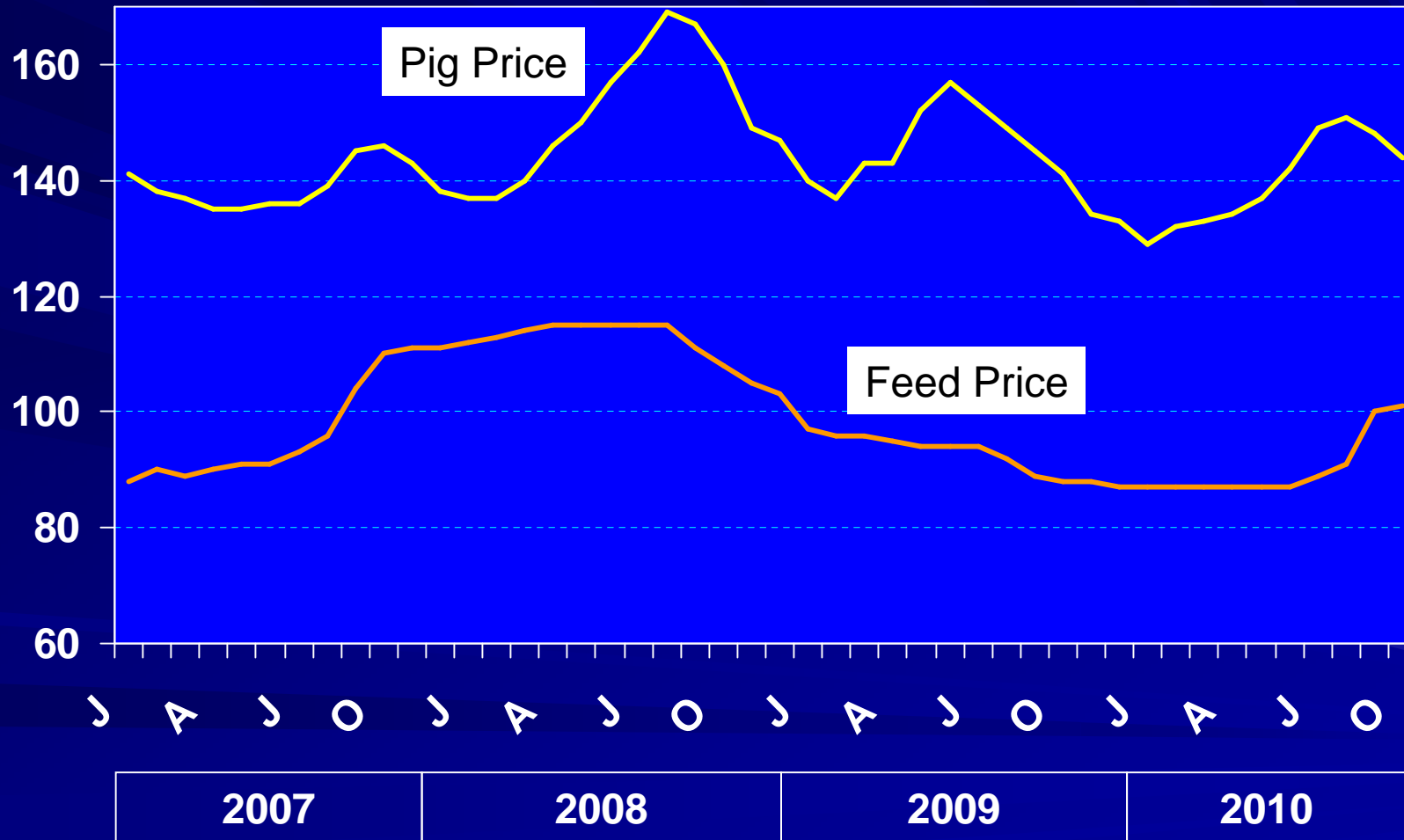
The Main Costs of Production %

Cost	%
Feed	69.7
Labour / Management	10.5
Healthcare	3.4
Building Depreciation	3.3
Heat, Power Light	2.9

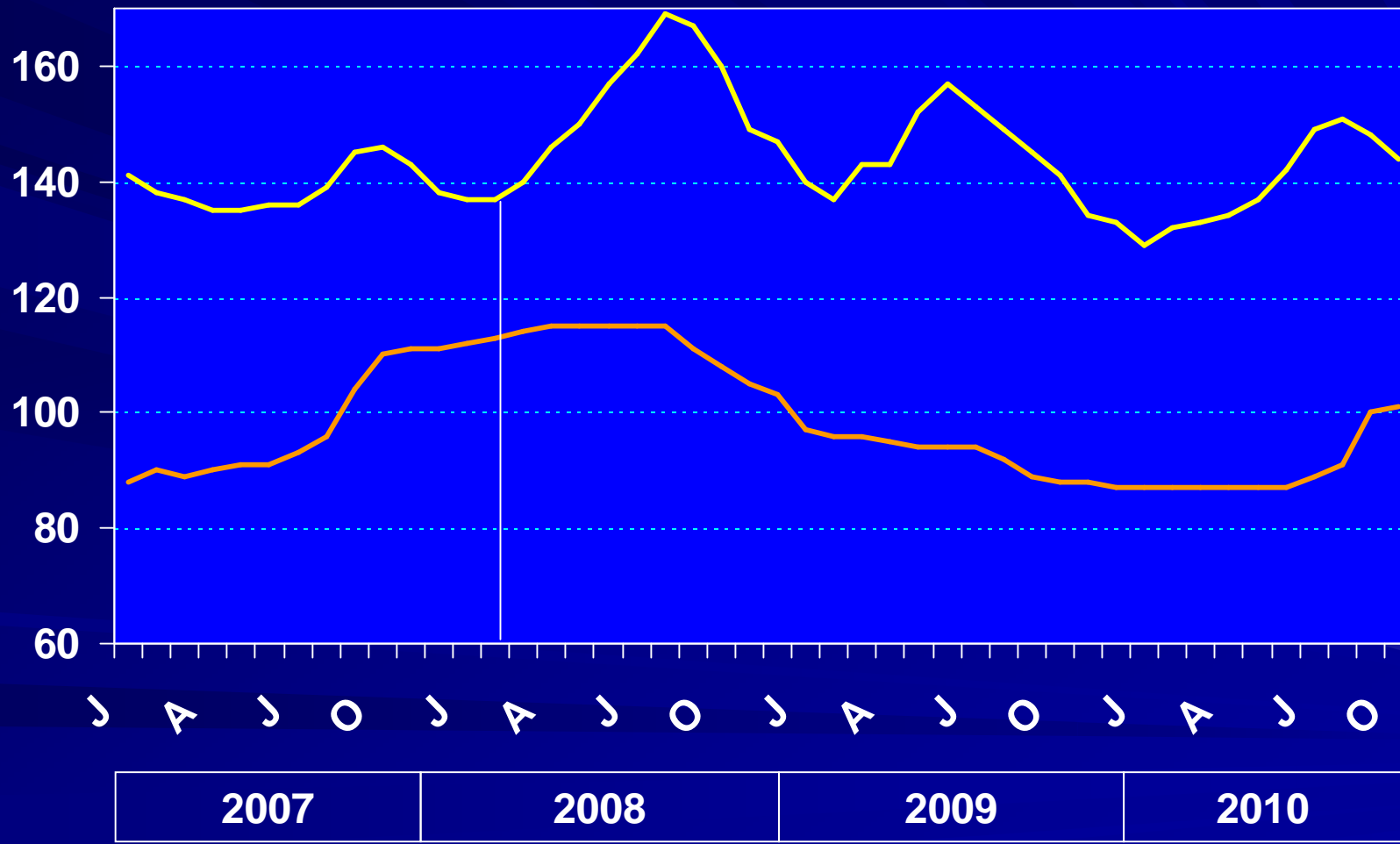
Feed Cost per kg Dead Weight c 2007-2010



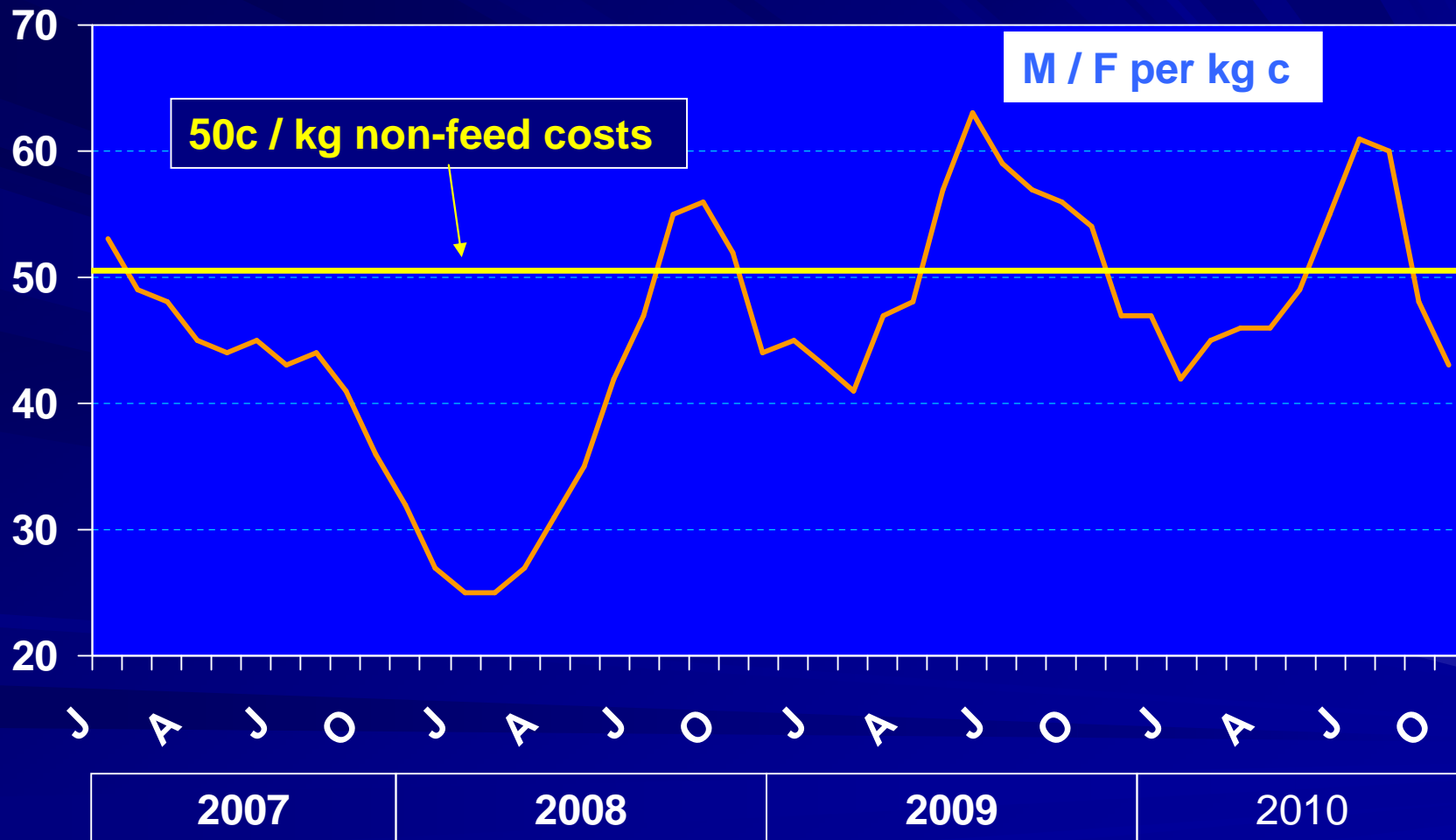
Pig Price and Feed Cost c per kg Dead Weight 2007-2010



Pig Price and Feed Cost c per kg Dead Weight 2007-2010



Margin over Feed Cost c per kg Dead Weight 2007-2010

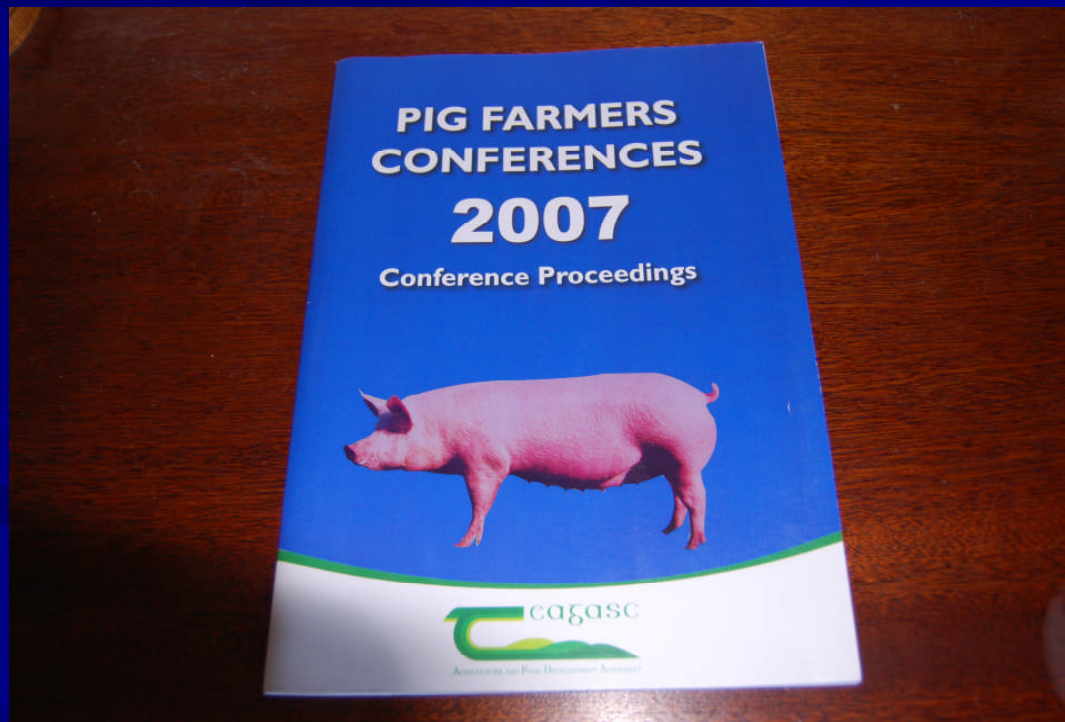


Feed Price and Feed Cost per kg Dead Weight

Change in Composite Feed Price € +/-	Effect on Feed Cost per kg Dead Weight c +/-
10	3.7
11	4.0

Reducing Feed Costs 2007

- **Proceedings Teagasc Pig Conference**
 1. **Hard Copies**
 2. **Website**



Checklist 1

Are you using the most cost-effective combination of pig diets?

More Expensive	Less Expensive	Budget
Lactating sow	Dry Sow	40 / 60 %
Creep	Link	3 / 4.5 kg
Link	Weaner	4.5 / 35 kg
Weaner	Finisher	35 / 180 kg
Finisher 1	Finisher 2	80 / 100 kg

Diet Usage kg per Pig: Weaning to 100 kg

Diet	PigSys 2009		
Creep	3.3		
Link	6.9		
Weaner	41.1		
Finisher 1	175.5		
Finisher 2			
TOTAL	227		
FCE	2.44		
Cost per tonne €	286		

Target Diet Usage (kg) : Weaning to 100 kg

Diet	PigSys 2009	Target	
Creep	3.3	3	
Link	6.9	4.5	
Weaner	41.1	35	
Finisher 1	175.5	80	
Finisher 2		100	
TOTAL	227	222.5	
FCE	2.44	2.40	
Cost / tonne €	286	240	

Diet Usage: My Herd kg

Diet	PigSys 2009	Target	My Herd
Creep	3.3	2.5	
Link	6.9	5	
Weaner	41.1	35	
Finisher 1	175.5	82.5	
Finisher 2		105	
TOTAL	227	230	
FCE	2.44	2.47	
Price / tonne €	286	240	

Checklist 2

Are all feeders / feed troughs in good working order so that there is no feed wastage?

Finishers per pen	20
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Feed per feeder per annum tonnes	14.0
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5% Feed Wastage kg	700
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Cost of Wastage at €247 / tonne €	173
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5% of Total Feed Wasted

Herd Size - Sows	500
Feed Wasted per day kg	460
Feed Wasted per Annum tonnes	168
Annual cost of Wasted Feed (€269/t) €	45,000

Checklist 3

What impact would reducing slaughter weights have on cost per kg?

Factor	Effect on Cost per kg
Feed	Little or none
Non feed	Increase
Overall	Increase
Cash Flow	Initial Improvement only

Factors Determining the Real Cost of Home Milled Feed

- 1. Price of ingredients including delivery**
- 2. Interest and Depreciation on mill**
- 3. Energy costs**
- 4. Milling losses**
- 5. Interest on Working Capital**
- 6. Repairs and Maintenance**
- 7. Labour**
- 8. Pig Performance**

Checklist 4

Do you regularly check the accuracy of inclusion of ingredients and supplements in your diets ?

Supplement	Effect
Too Much	Higher - feed price per tonne - cost per kg
Too Little	Poorer pig performance Power Feed price per tonne Higher feed cost per kg

Analysis of Supplement Usage

- Teagasc Pig Development Department have developed Spreadsheet to do this analysis
- Contact your local Pig Development Officer
- Analysis needs to be done regularly
- A quarterly check is recommended

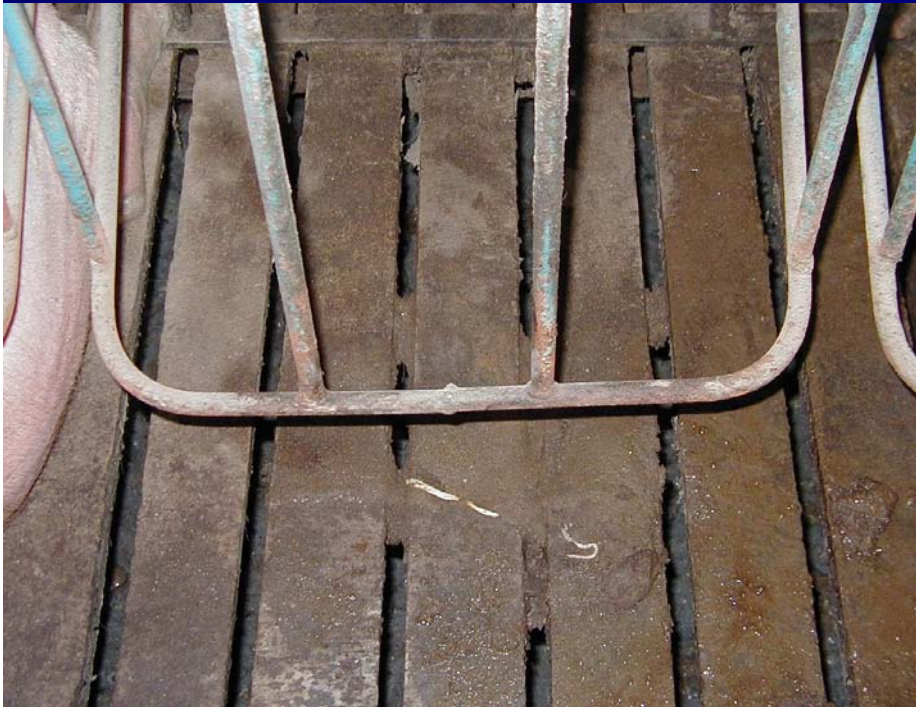
Checklist 5

Have you minimised the number of unproductive pigs in your herd

Pigs	Target Maximum
Sows	Average 8 per 100 sows
Maiden gilts	Maximum 12 per 100 sows
Casualty pigs	0

Checklist 6

Is your herd worm control programme effective?



Treat	Cost per pig c
Sow	4
Weaner	5
Grower	10
Finisher	15
TOTAL	34

Checklist 7

Are your pig vaccinations programmes fully effective?

Year	2008	2009
Average Live Weight Sold kg	100.8	102.9
Ave. Daily Gain from Weaning g	622	660
Feed Conversion	2.47	2.44
Weaner Mortality %	2.85	2.1
Finisher Mortality %	2.8	2.2

Checklist 8

Are all additives included in your diet necessary and cost-beneficial?

Diet	Each €5 / tonne adds to feed cost per pig c
Dry Sow	17
Lactating	9
Creep	2
Link	3
Weaner	21
Finisher	<u>88</u>
ALL DIETS	140



**Thank You for Your
Attention**