

BENCHMARKING AND FEED BUDGETING

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INTRODUCTION

Benchmarking to set up feed budgets is of great importance in the hog industry today. Exploring fresh concepts to make positive changes to your feed budgets within the nursery management program will hopefully let you move ahead.

BENCHMARKING

“You can’t manage what you don’t measure.” There are two main areas of comparison available; we use both for our benchmarking. The first, and most usable, is comparing against your own past history. “Am I better or worse than I was last year?” assuming you try to keep the test groups as closely matched as possible. The industry averages are good benchmarks to use as starting points as well. These numbers may be something you can directly compare to, or your numbers may have to be adjusted. Be sure to get “apples vs. apples” comparison. Make sure you use your numbers if you take the time to measure them. With all trials and benchmarking exercises you will have some variance in the pigs. They will either have a weight discrepancy coming into the barn, have a differing health status, or face different health challenges while in the nursery barn. Being able to sort through these complications to find usable numbers is the most challenging aspect.

FEED BUDGETING

On our farm we concluded that with increased feed costs we had to change budgets to try and save some money feeding nursery pigs. The plan of manipulating the feed budget may be a trial and error circumstance. You should use your feed supplier’s recommended feed budgets for a period of time to get a benchmark, and then you’ll be able to set your targets. In our trial we started taking away the amount fed on the most expensive feeds. We had a 4 phase budget:

Table 1. 4 phase budget; May 2004 - December 2006.

Phase	I	II	III	IV
Feed/pig	1.0 kg	2.5 kg	5.0 kg	25 kg
Approx. days	4	8	12	25

Table 2. 1st change of the budget was this; January 2007 - September 2007.

Phase	I	II	III	IV
Feed/pig	0.5 kg	3.0 kg	5.0 kg	25 kg
Approx. days	2	10	12	25

Table 3. 2nd change of the budget was this; October 2007 - November 2008.

Phase	I	II	III	IV
Feed/pig	0 kg	3.5 kg	5.0 kg	25 kg
Approx. days	0	11-12	12-13	25

We are moving further, but with each change we may soon find a threshold of how far we can move our targets. The good thing about working with pigs is their resiliency. They are tough, so don't be afraid to push them. The next step is moving more kilograms out of Phase II to Phase III, which is currently happening, however we have no finalized data on this initiative yet.

Table 4. Further changes; December 2008 - Present

Phase	I	II	III	IV
Feed/pig	0 kg	2.5 kg	6.0 kg	25 kg
Approx. days	0	8	12-14	27-29

At each change we looked at our closeout data to see if the pigs' average daily gain (ADG) was negatively affected. When it was not, we went further and took out Phase I totally and found no detrimental effects. Our numbers actually improved on our test groups, so it was an easy call. These trials were calculated using an in weight ranging from 4.0 kg to 6.5 kg with an average of 5.6 kg throughout the 2004-2008 time periods. It is important to remember that these diets are set to use Phase I feed to feed pigs starting at less than 6.0 kg. Be sure to know all the factors going into the trial to get best results in order to make the most informed decisions.

If possible, keep track of feed conversion, to ensure the increase in growth rate does not negatively affect the feed conversion rate enough to offset the re-budgeted feed cost savings. Again we were able to achieve a positive result on our trial but it's not guaranteed.

Table 5. Re-budgeting results.

May 04-April 07 (using Phase I)	466 g/day	1.4 feed conversion
Oct 07-Nov 08 (No Phase I used)	485 g/day	1.21 feed conversion

CONCLUSIONS

Measuring can be as easy as weighing pigs using a market hog scale, both at the start and the end of the nursery turn. Weighing of the feed can be more difficult but really needs to be done too. My trials were done using monitor pens with scaled feed hoppers. We measured just these pens for the trial. Using these results, we were able to compare our trial pens against the total barn closeout to extract more information. Being able to measure our pigs' growth potentials makes it possible to move forward. Whether it is cutting out one feed or scaling back another, it seems imperative for all hog farmers today to try to save some dollars by using lower cost diets sooner in all areas of the farm, especially the nursery barn.