

MANAGING PIG FLOW – CONSIDERATIONS AS A BUYER OF WEANED PIGS

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ABSTRACT

Buyers of weaned pigs for wean-finish facilities in the upper Midwest US are looking for the following as they value pigs for their production systems: known genetics, weaned at 21-23 days of age, veterinarian to veterinarian consultations regarding source herd health, defect pigs not included in the shipment, minimal age variation.

BUYER'S CONSIDERATIONS

Movement of Canadian born weaned and feeder pigs to US production facilities is increasing. For the first 5 weeks of 2008, border crossings of pigs >55 kg averaged 148,000 head per week, compared to 115,000 per week for the same period in 2007. With so many pigs being offered to US buyers at a time when high feed grain prices and relative low market hog prices are limiting interest by potential buyers of these pigs, how do Canadian producers make their pigs attractive to potential buyers?

I work as a consultant to many production flows that buy weaned pigs from Canadian producers. In addition, for 27 years at the University of Nebraska I purchased feeder pigs and weaned pigs for use in experiments at the Haskell Ag Lab. Based on these experiences, I've found that weaned pigs destined for wean-finish facilities are worth more if the following criteria are met.

Known Genetics

Buyers of pigs want a prediction of how the pigs will perform in their facilities and how they will grade at the slaughter plant. If the pigs are from a genetic source the buyer is unfamiliar with, data from other buyers of the pigs from this source are very helpful. If possible, supply data from US facilities and US slaughter plants.

Known Health

Buyers of pigs don't want a disaster from a disease they purchased. Many buyers will insist that their veterinarian have a discussion with the source herd veterinarian regarding herd health issues. They are especially concerned that the pigs originate from a PRRS negative (best) or PRRS stable site. They also want assurances of no history of Actinobacillus

pleuropneumonia in the source herd. Does the source herd have a history of pig scours from *E. coli* or other organisms that will result in pigs having diarrhea within 3-5 days after arrival?

In many instances, buyers are asking the source herd to vaccinate the pigs just prior to or at weaning with products approved for use in Canada. Depending on the vaccine, buyers may pay for the cost of the vaccine with the seller assuming the labor cost for administration of the vaccine to individual pigs. Many buyers want to know what the breeding herd health protocols are as further verification of the health status of the purchased pigs.

Older Weaning Age

While the current weaning age in the US and Canada is averaging 19 days of age, buyers of pigs prefer older pigs since age and arrival weight of the pig at the wean-finish facility are related. The challenge is that many contracts for purchase are based on a 10, 11 or 12 pound weights with a 'slide' of only \$0.75-1.00US per pound for over or underweight load average weights. The slide was originally developed as a way to compensate both parties for the estimated cost of gain during the period shortly after arrival in a facility. This cost of gain has increased with the increase in feed ingredient prices and buyers are recognizing this. Based on the results of Main et al. (2005), producers have begun requesting pigs with an older weaning age, especially if they can pay for the heavier pig weight using the price slide just described.

Large Lot Sizes

Many production facilities in the US are sized with rooms of 1000- 1250 pig spaces. Buyers of pigs destined for these facilities struggle with management of the first diets fed to pigs in terms of matching the feed budget to the age of the pig. This becomes more of a problem as the age variation or the number of days required to fill the space/room increases. Generally the last pigs delivered to the room are at a nutritional disadvantage due to difficulties in managing the feed budgets when there is only 1 feed bin per row of feeders and the oldest pigs are due to change to the next diet in the budget, which is always lower in cost. Large lot sizes become even more important if the buyer is double stocking the wean-finish facility.

One method being used by sellers of weaned pigs to increase lot size is to switch from weekly farrowing to batch farrowing. I have worked with one producer in Nebraska who has 350 sows and farrows 56 litters once every 4 weeks. This allows him to deliver 500+ pigs at a time to the buyer. In this case, the long term agreement is structured around 500 head pig nursery and finishing rooms to match the delivery flow. The challenge for the breeding herd is the variation in intensity of labor with the 2 week period following weaning being very intense with both breeding and farrowing activities and 2 weeks with relatively reduced labor needs. Another challenge is the slightly increased female inefficiencies due to females that recycle or return to estrus at irregular intervals not fitting into the desired breeding period.

Minimize Defective or Rejected Pigs

No one likes to euthanize pigs. However, buyers of pigs will generally grade the pigs at arrival and sort off pigs with known defects, such as ruptures, swollen joints, lumps, weights

less than 7 pounds (or 6 or 8 pounds, depending on the contract agreed to), etc. These pigs are often graded as 'no value' and euthanized. If the buyer has 1250 spaces to fill, purchases 1250 pigs for these spaces and ends up grading out 50 pigs at arrival (4%), this means he is short 2 pens of pigs if the facility has pens designed for 25 pigs/pen. In addition to not having the number of pigs intended, the cost of disposal of the euthanized pigs becomes a production expense for the buyer.

Time of Delivery

While most production sites prefer to wean in the early morning hours, this often means that the pigs arrive at their US production site during late evening hours, or on Saturday morning in the case of Friday morning weaning. The ability to load transport vehicles with weaned pigs at alternate times such that the arrival at the production facility is more favorable to the buyer of the pigs may be worth a small incentive.

CONCLUSIONS

Weaned pigs from Canada have become an important source of pigs for many wean-finish facilities in the upper Midwest. Depending on the outcome of the joint House-Senate Conference Committee discussions regarding implementation of COOL (Country of Origin Labeling) as part of the 2008 US Farm Bill, the flow of pigs may be interrupted for a period of time as buyers of pigs react to slaughter plant requirements for documentation of the origin of pigs. However, the quality of the pigs traditionally delivered, when combined with the very large demand for large lot sizes of pigs means the demand can be expected to continue.

LITERATURE CITED

Main R.G., S.S. Dritz, M.D. Tokach, R.D. Goodband and J.D. Nelssen. 2005. Effects of weaning age on growing-pig costs and revenue in a multi-site production system. *J Swine Health Prod.* 13(4):189-197.