

MARKETING FEEDER LAMBS

Lambs can be marketed in Alberta either as finished (ready for slaughter) or feeder lambs. The choice depends on the facilities a producer has for feeding out lambs and his willingness to regularly sort and market them as they reach the ideal weight and finish. If a producer plans to sell all of his lambs at one time, it may be better to sell them to a feedlot than to sell a mixed group of lambs for slaughter.

Feeder lambs require more growth and finish before they are a suitable size and weight for a particular slaughter market. Generally feeder lambs are divided into three definite live weight groups:

- Under 60 lb. (long-term feeders)
- 60-80 lb. (middle-term feeders)
- 81-94 lb. (short-term feeders)

Lambs can, however, be sold as feeders at weights as high as 100 to 10 lb., depending on the intended market.

Deciding to sell feeder lambs should be part of an overall management plan, rather than a last-minute decision. To keep the alternative of selling feeder lambs open, they must be docked and castrated soon after they are born. Producers who decide to sell their lambs as feeders should shop around for the best time and market to sell them in.

Deciding whether or not to sell feeders will depend on the size and type of operation, the availability and cost of feed, and the producer's time and management skills. Many of these factors are influenced by when the lambs are born. Feeding practices can vary widely for early- and late-born lambs, and lambs that are not finished by the end of the pasture season.

Early-Born Feeders

Lambs born from January to late March will finish when prices for finished lambs may be declining. Therefore, producers should try to finish early-born lambs as quickly as possible on a ration high in grain with a protein supplement.

For some, selling to a feedlot may be a good choice if managing the lambs interferes with other farm operations, such as spring fieldwork. Other producers may be able to feed the lambs at home, but find it difficult to market them efficiently. Producers with a small number of lambs may have only a few ready to be marketed at any one time. That situation can make the per-head marketing costs prohibitively high. Producers in that situation can choose to feed the lambs until the largest are nearly ready for slaughter and then sell them all at a feeder sale or directly to a feedlot. The buyer or feedlot operator can sort and assemble larger loads with lambs bought from other producers. These larger loads will have lower transportation costs and therefore increase net returns.

Finishing lambs requires good management to ensure proper health care and careful ration formulation. That proper management is a skill that can be learned by any producer who is willing to seek and follow advice. Sheep production courses and ration-balancing software are available, and many feed mills have nutritionists that can formulate lamb rations.

Late-Born Feeders

Lambs born in the late spring or early summer are not usually finished before slaughter lamb prices drop in the fall. Since finishing lambs quickly at this time will not likely produce a price premium, finishing them as inexpensively as possible will produce better net returns. This usually means feeding them on pasture. However, in some circumstances, such as when grain is very cheap or there are severe predator problems, it may be more profitable to finish them in a feedlot. The feedlot can be the producer's own or a custom feedlot where the producer retains ownership of the lambs and pays to have them fed. Or the lambs may be sold to a separate feedlot.

Pastured lambs that are not finished by the end of the season must be put into a feedlot at the home farm or sold as feeder lambs. Fall pasture may be adequate for dry ewes but does not generally provide sufficient nutrition for growing lambs. Lambs that are to be sold or fed after the pasture season should be moved as soon as the pasture starts to deteriorate instead of keeping them on a feed source that does not match their nutritional requirements. The following factors will affect a producer's decision to keep the lambs and finish them or sell them to a feedlot:

- Change in value of the finished lambs - the price per pound for finished lamb is generally 5-15% lower than the price per pound for feeder lambs.
- Seasonal price trends - the final value of the lambs should be calculated using the projected lamb price for the time the producer expects the lambs to be finished, rather than the current slaughter lamb price.
- The cost of finishing the lambs - if a producer has good, but nonsaleable, feeds, for example, heavy grain screenings, at home, the cost of putting on the last few pounds may be low. That makes finishing the lambs at home less costly.
- Transportation home from the pasture - if the pasture is far from home, the added cost of trucking lambs back to the home farm may nullify any profit that could be made during this final feeding period.
- Producer facilities - there is little point in building complete feedlot facilities for a short feeding period. On the other hand, if a producer already has sufficient barn and corral space and only needs to build some feeders, the added cost is small. That allows the producer to make more use of facilities he is already paying for.
- Other farm operations - if a producer is busy with harvest operations or a winter job, there may not be time to properly manage feeding lambs.
- The cost of marketing finished lambs - if a producer will only be able to have a few lambs ready for slaughter at any one time, per lamb marketing costs, including time and hauling expenses, may be disproportionately large.

Producers who have decided to sell their lambs as feeders can do so by selling directly to a feedlot, by selling to an order buyer, or by taking the lambs to an auction.

Further Information

See other Marketing Manual modules for further information on marketing sheep and lambs through auction marts or licensed dealers.