

MANAGE FOR PROFIT

Making a profit is the goal of most sheep/goat producers. You make a profit when your income (revenue) exceeds your expenses (costs), all your expenses, including fixed costs (or overhead). Your labor is not usually factored in. To increase profitability, you need to increase income or reduce expenses, including overhead (or both). In a sheep/goat enterprise, the three primary drivers of profitability are feed costs (the #1 cost), reproductive efficiency, and market prices. Here's some tips for increasing profitability by managing each of these.

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↓ FEED COSTS

- Feed balanced rations
- Feed least cost rations
- Learn to balance rations
- Compare nutrient costs
- Buy and feed by weight
- Never cut corners
- Don't under or overfeed
- Separate animals according to needs
- Manage pastures for optimal productivity.
- Test forages
- Invest in feed storage
- Minimizing feeding losses



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↑ REPRODUCTIVE RATE



- Set benchmarks
- Know your true percentages
- Select for prolific genetics
- Use crossbreeding
- Cull underperforming females
- Reduce lamb/kid losses
- Test for pregnancy status
- Optimal nutrition
- Manage and prevent diseases
- Match reproduction to environment
- Evaluate males for breeding
- Breed ewes/does at 7 to 9 mos.
- Manage for seasonal differences
- Accelerated breeding cycles
- Manage orphans for profit

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↑ MARKET PRICES

- Develop a marketing plan
- Know what your animals and products are worth
- Compare marketing options
- Sell at optimal weights
- Understand USDA grades and how to read a market report
- Understand the ethnic markets
- Sell breeding stock
- Sell show animals
- Direct market products
- Add value to animals/products
- Aim for the highest "net" price
- Account for all marketing costs
- Add new income streams

