



Buying and Managing Feeder Pigs

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Extension carries out programs in the broad categories of agriculture, natural resources and environment; family and consumer sciences; 4-H and other youth; and community resource development. Extension staff members live and work among the people they serve to help stimulate and educate Americans to plan ahead and cope with their problems.

Some characteristics of the Cooperative Extension system are:

- The federal, state, and local governments cooperatively share in its financial support and program direction.
- It is administered by the land-grant university as designated by the state legislature through an Extension director.
- Extension programs are nonpolitical, objective, and research-based information.

- It provides practical, problem-oriented education for people of all ages. It is designated to take the knowledge of the university to those persons who do not or cannot participate in the formal classroom instruction of the university.
- It utilizes research from university, government, and other sources to help people make their own decisions.
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- It dispenses no funds to the public.
- It is not a regulatory agency, but it does inform people of regulations and of their options in meeting them.
- Local programs are developed and carried out in full recognition of national problems and goals.
- The Extension staff educates people through personal contacts, meetings, demonstrations, and the mass media.
- Extension has the built-in flexibility to adjust its programs and subject matter to meet new needs. Activities shift from year to year as citizen groups and Extension workers close to the problems advise changes.

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Buying feeder pigs is considered by many to be more an art than a science. However, there are several guidelines that should help insure a more profitable enterprise. This fact sheet outlines several management tips on feeding and handling that should prove useful.

Sources of Feeder Pigs

Recommended sources for purchasing feeder pigs include buying direct from feeder pig producers who maintain a sound health program, or purchasing from organized health inspected feeder pig sales or reputable dealers. Avoid bargains from peddlers who are not concerned with standard health and sanitation practices.

Buying Feeder Pigs

Look for growthy pigs. Eight-week-old pigs should weigh at least 35 pounds. Twelve-week-old pigs should weigh at least 60 pounds.

Look for healthy pigs. Alert, active pigs are usually healthy. Avoid pigs with rough hair coats and wrinkled skins.

Avoid pigs with skin lesions which may be caused by lice, mange, or pig pox. Reject pigs with ruptures.

Reject crippled pigs, or pigs with enlarged joints, and pigs that cough or sneeze excessively. Avoid boar pigs or castrated pigs that are improperly healed. Refrain from purchasing pigs that weigh less than 30 pounds.

Look for pigs that have evidence of muscling and a large frame. Choose pigs that should grade U.S. No. 1 or 2 when fed out.

Transporting Feeder Pigs

In hauling newly purchased feeder pigs, use the following suggested guidelines. Do not overheat pigs while loading or unloading.

- Make sure there are no rails or sharp objects in the truck or trailer to injure the pigs.

Oklahoma Cooperative Extension Fact Sheets are also available on our website at: <http://osufacts.okstate.edu>

Table 1. Space recommendations for trucking pigs.

Size of Pigs (lb)	Area per Pig (sq. ft.)	
	Winter	Summer
40-50	1.5	1.8
50-75	1.7	2.1
75-100	2.0	2.4

- Separate smaller pigs from larger pigs by partitions.
- Avoid sudden stops and sharp turns en route.
- In the winter, use a closed-in truck or trailer to prevent drafts. Also provide plenty of bedding.
- In the summer, be sure the pigs stay cool en route. Wet sand is a good bedding to use in extremely hot weather.

Care of Newly Arrived Feeder Pigs

Have the feeding quarters cleaned and disinfected prior to the arrival of the feeder pigs. See Fact Sheet F-3652 "A Guide to Swine Herd Health," for further information on swine health and sanitation.

Isolate new pigs for at least three weeks, don't let new pigs spread disease to other hogs.

After the pigs are isolated, avoid traffic between them and other swine. Disinfect shoes before entering the feeding area.

In the winter, provide warm, dry, draft-free quarters with plenty of bedding and supplemental heat if necessary.

In the summer, the pigs need adequate shade and shelter and a fogging system to help them keep cool on extremely hot days.

If the pigs are not uniform in size, separate them into more even weight groups.

Pigs fed in groups of 25 to 30 usually perform more satisfactorily than large groups.

Allow approximately four square feet of floor space for 30 to 50 pound pigs, and five square feet for 50 to 80 pound pigs.

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Provide one self-feeder hole for each four pigs and at least one automatic waterer for each 20 pigs with a minimum of two waterers per pen.

Be sure to feed the pigs a properly balanced ration. See Fact Sheet 3654, "Management of Growing Finishing Swine" and 3500: "Swine Nutrition" for recommended rations. It may be advisable for the first week to feed a bulky ration. In this case, normally about one-fourth of the cereal grain (corn, milo, or wheat) is replaced with ground oats. Use a high level of antibiotics for the first week to 28 days. Often it is advisable to use the highest FDA-approved preventive level for the additive selected. Be sure and follow the FDA regulations and label directions on the use of feed additives.

It is an excellent practice to use a medicator on the water line so pigs can be medicated through the water when necessary.

Treat pigs for lice and mange with approved insecticides. Follow the manufacturer's directions carefully. Suggested insecticides for lice and mange are Lindane, Malathion, Ectiban EC, Prolate, and Ectrin. Co-Ral, Rabon, Methoxychlor and Tiguvon can be used for lice.

Worm the pigs approximately two weeks after arrival. Recommended wormers are piperazine, dichlorvos (Atgard), levamisole hydrochloride (Tramisol), pyrantel tartrate (Banminth), and fenbendazole (Safe-Guard). Other products by a veterinarian's prescription are available for both internal and external parasites.

Work with a local veterinarian in programs to prevent disease. Remember, disease has caused more feeders to go out of business than any other factor.

What Price Can One Afford to Pay?

The critical question for a feeder is to determine whether or not he or she should buy feeder pigs at an offered price, or what maximum price he or she can afford to offer and still expect a reasonable profit. In other words, what is the "Break-Even" purchase price, or what sale price will he or she need to "Break Even" if he or she pays a given price for feeder pigs. For the feeder who has existing facilities and is already in the business, fixed costs such as depreciation, interest, and insurance on facilities can be ignored on individual batches of feeder pigs and are more relevantly considered over the long pull on several years of operation.

Each batch of feeders should be expected to cover all operating costs associated with them from the time they are purchased until they are sold. The most important of these items are the original cost of the feeder pig and feed costs, but other costs as commissions, trucking, veterinary medicine, and labor also need to be considered.

Feed Costs are so variable for different feeding situations and between different weights that they require special attention. Table 2 provides estimates of feed conversion for feeding periods starting from 40 to 240 pounds and end-

Table 2.

Starting Weight	Ending Weights			
	200	220	240	260
40	3.3	3.4	3.5	3.6
60	3.4	3.5	3.6	3.7
80	3.5	3.6	3.7	3.8
100	3.6	3.7	3.8	3.9
200		4.1	4.3	4.4
220			4.4	4.5
240				4.6

ing from 200 to 260 pounds. The higher starting weights are provided to permit analysis of final feeding periods where the decision to sell at a present weight or feed on to a heavier weight is of interest. However, precautions should be taken when using this table. They are estimates only. If one has information on his or her own enterprise, suggesting different feed conversions than shown here, use your own conversions.

Feed cost between two weights can be determined using conversion rates from Table 2 and formula #1 in Table 3 with the current feed cost per cwt. Other costs should then be added to arrive at total cost of gain in #5 and at the Break-Even Cost at Market per Cwt. in #6 as shown in Table 3. Table 3 presents example calculations on determining cost of gain and break-even buying and selling prices. Table 3 also provides room for a swine feeder to do his own calculations using his current cost figures.

The nomograph presented in this Fact Sheet can help a potential feeder pig buyer determine what price he can afford to pay for feeder pigs after he has estimated his cost of gain. To use the nomograph, the feeder must know his purchase price expressed as dollars per cwt.; his average purchase weight; his expected average market weight and his estimated cost of gain. With these items, he can determine his break-even price at market time. Thus, if he feels the market price will be this price or higher when he would sell, he knows whether the purchase of a set of feeder pigs has a potential profit or not.

To help use the nomograph, the following illustration is given. A feeder pig was purchased for \$80 per cwt. The buying weight was 45 pounds. At the top of the page, find the buying weight of 45 pounds. (Buying weights are shown in box.) On this scale, locate the cost of \$80 per cwt. (Point A). From Point A draw a straight line to point B, the estimated cost of gain. (In this example, estimated cost of gain is \$35 per cwt.) Note when the line crosses the lines representing estimated selling weights. This gives the break-even price on the feeder pig. In this example

Table 3

					Example	Yours
#1 Feed Price	x Conversion Rate	x Pounds Gain	= Feed Cost			
Ex. \$ 8.00	x 3.5	x (240-40)	= \$ 56.00	\$ 56.00		
Yours \$ _____	x _____	x (_____)	= _____			\$ _____
#2 Trucking	+ Commissions	+ Vet-Medicine	= Mktg-Med			
Ex. \$ 1.00	+ \$ 1.00	+ \$ 1.00	= \$ 3.00	\$ 3.00		
Yours \$ _____	+ \$ _____	+ \$ _____	= \$ _____			\$ _____
#3 Labor	+ Interest	+ Other	= Misc. Cost			
Ex. \$ 3.6 0	+ \$ 3.75	+ \$ 1.50	= \$ 8.85	\$ 8.85		
Yours \$ _____	+ \$ _____	+ \$ _____	= \$ _____			\$ _____
#4 Feed Cost (#1)	+ Mktg-Med (#2)	+ Misc (#3)	= Cost of Gain			
Ex. \$ 56.00	+ \$ 3.00	+ \$ 8.85	= \$ 67.85	\$ 67.85		
Yours \$ _____	+ \$ _____	+ \$ _____	= \$ _____			\$ _____
#5 Cost of Gain	+ Gain	= Cost of Gain per CWT.				
Ex. \$ 6 7.8 5	+ (240-40)	= \$ 33.92	= \$ 33.92	\$ 33.92		
Yours \$ _____	+ (_____)	= \$ _____	= \$ _____			\$ _____
#6 Cost of Gain (#1)	+ Purch Cost	÷ Sell Weight	= B.E. Sell Price			
Ex. \$ 6 7.8 5	+ \$ 40.00	÷ 240	= \$ 44.94	\$ 44.94		
Yours \$ _____	+ _____	÷ _____	= \$ _____			\$ _____
#7 (Sell Price	x Sale Weight)	- Cost of Gain	= B.E. Buy Price/hd			
Ex. (\$48.00	x 240)	- \$ 67.85	= \$ 47.35	\$ 47.35		
Yours (\$ _____	x _____)	- \$ _____	= \$ _____			\$ _____

Cost of Gain in item #5 is on per hundred weight basis for use in Nomograph.

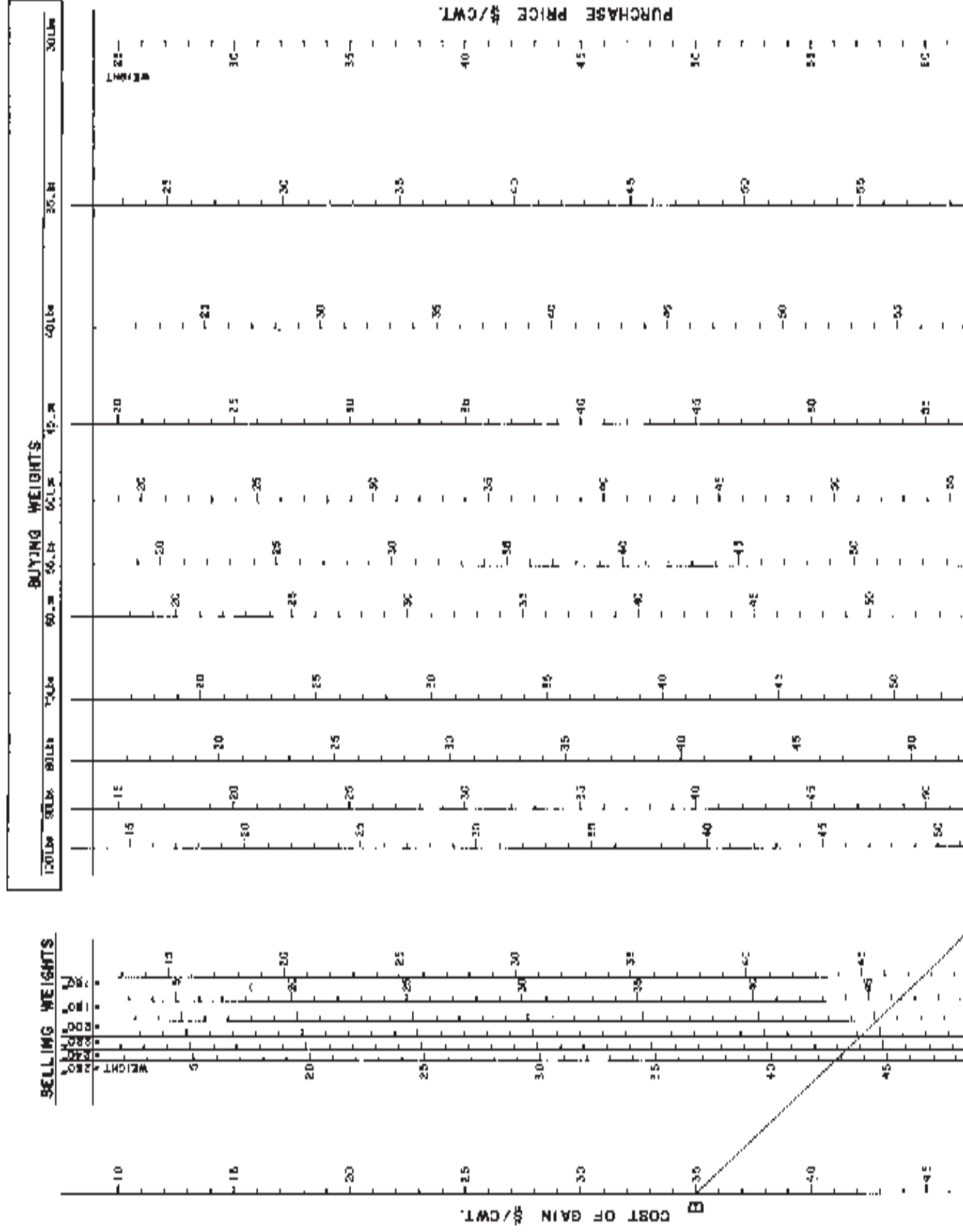
it is \$44 per cwt. for a 220 pound hog. Another example would be a 240 pound pig selling at \$46 per cwt. with an estimated cost of gain of \$40 per cwt. The break-even price for a 40 pound pig would be approximately \$76 per cwt.

Some feeders prefer to hedge their pigs on the futures market soon after purchase, thus minimizing effects of price changes between purchase and sale dates.

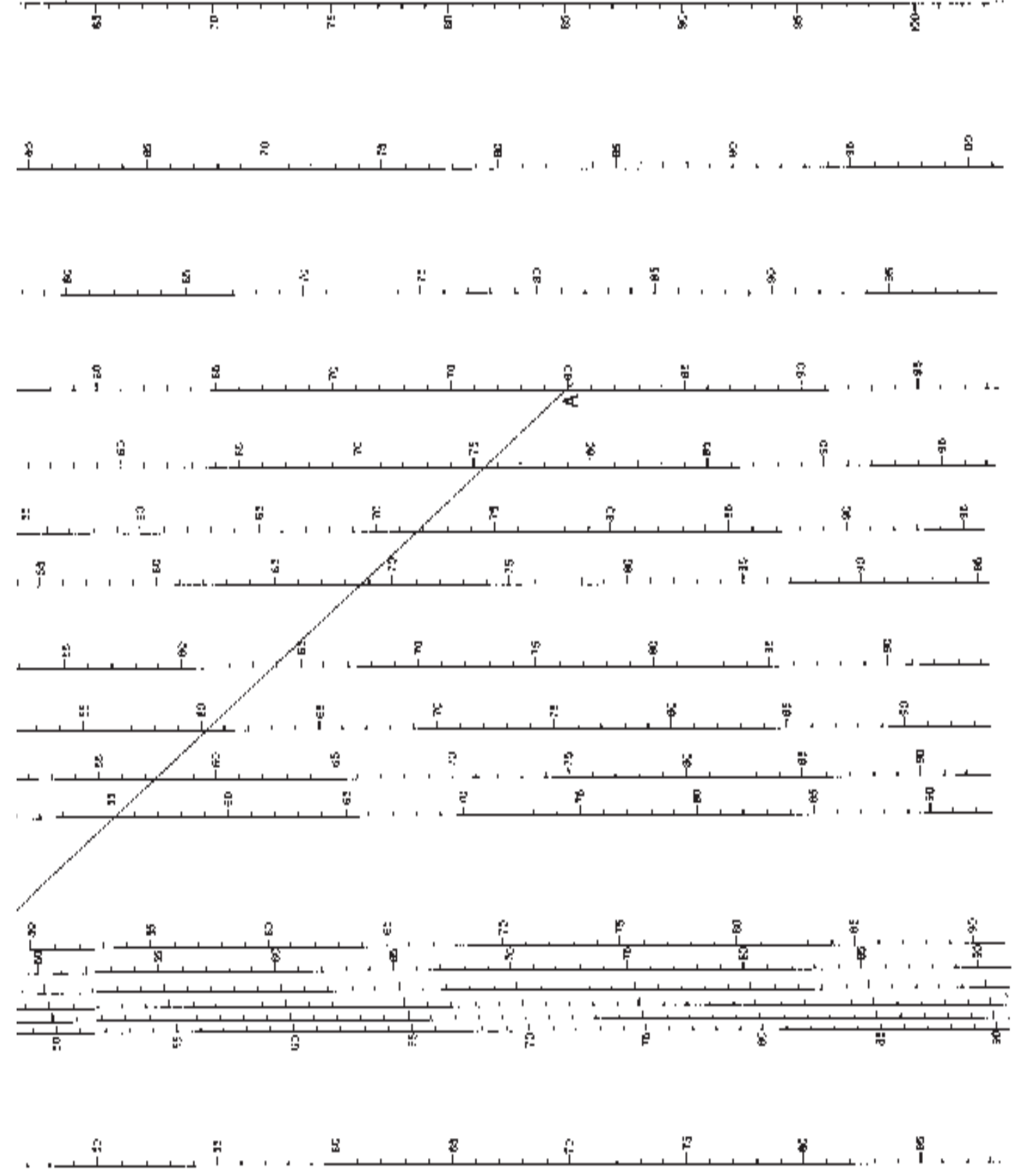
For more information on selling hog contracts on the futures market, refer to Extension Fact Sheets:

- AGEC-430 Basic Futures Trading and Livestock Hedging
- AGEC-431 Managing Livestock Risks Through Forward Pricing
- AGEC-432 Hedging Fundamentals for Livestock Producers
- AGED-433 Basis: The Key to Successful Livestock Hedging
- AGEC-434 Pricing Alternatives for Livestock Producers
- AGEC-435 Forward Pricing Strategies for Livestock Producers

BREAK EVEN COSTS FOR HOG FEEDING



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