

IS LIVESTOCK THE ANSWER



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You know you need to make a change to strengthen your operation, but you have questions about what those changes might involve. “Is Livestock the Answer?” is a tool to help you start that process with a focus on whether incorporating or expanding livestock into your current operation is the right change for you. There are four parts:

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1) I Need To:

- Focuses on analyzing from a financial perspective why you need to make a change and how that will impact your decision.
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2) Livestockmatch.com

- Focuses on sharing basic production information on different livestock species to help you understand what adding livestock will mean for your lifestyle.
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3) What’s Behind Door #3?

- Focuses on real life opportunities that are out there for you to incorporate into your operation, or to expand livestock.
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4) Take That to the Bank

- Focuses on how you should think about financing this change.
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The tool also shares important information about contract feeding, how to get connected to integrators and what to do if livestock is not the answer—at least not right now.

Diversification Strengthens Traudt Farm Operation

Walt and Shelly Traudt diversified their operation in 2015 by adding a 3,600 pig finishing barn to their row crop farm near Clay Center. The Traudts, who had no previous experience with pigs, were looking for a way to diversify and lower the input costs for their row crops. After consulting with their banker, visiting with current pig producers and meeting with Maschhoffs, they decided to build a pig barn and expand into livestock production. They formed a partnership with the Maschhoffs who helped them connect with a builder. This partnership also has provided a unique opportunity for the Traudts because the Maschhoffs own the pigs and provide the marketing expertise. Their expansion into livestock production has helped the Traudt family in many ways. The manure that the pig finishing operation generates, for example, is used on their own row crops, thereby lowering costs and strengthening the health of their soil. Their diversification also has contributed to the economic health of their community and has allowed the Traudt’s to provide full-time work for their employee. The Traudt’s expansion provides a great example of the benefits of diversification.



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York County Farm Integrates Poultry Barn with Its Row Crop Operation

Nebraska farmers are looking at diversifying their operations more frequently these days as a means to increase their cash flow and to build their operations for the future.

Jason and Karah Perdue made the decision to add a poultry barn to their row crop farm in York County for those reasons. Their new 35,000-square foot barn has a 40,000-bird capacity, where the Perdues raise chicks from 1-day-old to 16 and one-half weeks before they are moved to the Hendrix-ISA hatchery in Grand Island.

While both have backgrounds in hog operations, they felt raising chicks fit their lifestyle better. Hogs are more labor intensive than poultry, and time is a precious commodity for them. Jason works full time as a branded products territory manager for agribusiness company Wilbur-Ellis, which limits his time on the farm, while their four children under the age of seven keep Karah busy. She manages the day-to-day operations of the barn, but says the care of chickens requires far less time than a hog barn would.

Jason said that the timing was right for them to expand their farm, but that there can be a

learning curve when an operation adds less familiar animal production. Most Nebraska farmers don't have a lot of experience raising poultry, for example, but there is a lot of similarity within livestock production, whether the farm deals with cattle, hogs or chickens.

Agricultural diversification is an important mechanism for economic growth for the future of individual farms like the Perdues, as well as for their communities, says Emily Skillett, livestock development coordinator with the Alliance for the Future of Agriculture in Nebraska (AFAN).

"In the long run, their poultry barn will benefit not only their operation but will also contribute to the economic strength of their community through products and services they buy and people they employ."

The today's economics can make it difficult for young people to return to the farm, according to Skillett, "what with the costs of land, but diversification can mean stronger cash flow for farmers like the Perdues. Expanding their operation can help build a future in farming for the next generation."



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I NEED TO:

- 1) Add income
- 2) Stabilize income
- 3) Diversify my risk
- 4) Better meet my cash flows



Livestockmatch.com

Management	Start-Up	Be Thinking About
My Time:	Land:	Site Selection:
My Abilities:	Equipment:	Biosecurity:
Other People:	Construction:	Neighbors:

Side Track: Contract Feeding

My Pros:

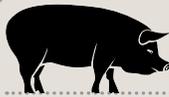
My Cons:

Who?

What?

Where?

What's Behind Door #3?



Other

Take That to the Bank

I know I have:	I need to get:
1)	1)
2)	2)
3)	3)
4)	4)
5)	5)
6)	6)
7)	7)
8)	8)
9)	9)
10)	10)

Side Track: It's a No.... Right now.

Things to Explore

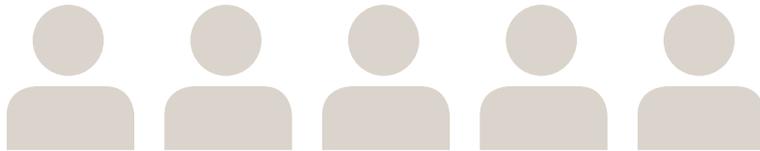
- 1)
- 2)
- 3)



IT'S A YES! WHAT'S NEXT?



**Attend an
AFAN Producer
Empowerment
workshop!**



Notes:

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