

# Finishing Pigs for Niche Market in Bedded Hoop Barns: A Breakeven Budget

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### Introduction

The purpose of this article is to develop a breakeven budget for a group of finishing pigs fed in bedded hoop barns at the ISU Western Research Farm, Castana, Iowa. The pigs were fed for the niche pork market. The pigs were on a comparison feeding trial, but because there were no major differences in pig performance, the pigs were treated as a uniform group for budgeting purposes.

### Materials and Methods

In March 2017, 443 feeder pigs with an average weight of 20 lb were received by the ISU Western Research Farm. The pigs, a mix of barrows and gilts, were the result of PIC white-line sows crossed to high marbling Duroc boars. The pigs were vaccinated and placed in hoop barns bedded first with wheat straw and later with corn stalks. The hoop barns had automatic waterers and round self-feeders. The entire floors of the hoop barns were concrete. All feed usage was tracked. All feed was prepared on the farm with a portable grinder mixer and fed as a complete grind/mix corn-soy diet.

### Results and Discussion

The pigs were marketed in August 2017 at an average liveweight of 290 lb after an average feeding period of 145 days (Table 1). Average daily gain was 1.86 lb/day and feed efficiency was 2.93 lb of feed/lb liveweight gain. Mortality was 1.4 percent and culls were 1.4 percent for a total of 2.8 percent.

A breakeven budget was prepared (Table 2) using ISU Ag Decision Maker Finishing Feeder Pigs – One Pig. Actual costs and amounts were used for prices, pig weights, feed prices, and feed amounts. Because this was a niche pork market, a premium was paid for the feeder pigs and a premium was received for the market pigs. Feed processing and delivery costs were based on actual time spent grinding, mixing, and delivering feed.

Estimated values based on this group of pigs were used for veterinary, fuel, repairs, utilities, marketing, and miscellaneous costs. Labor was estimated at .55 hours/pig at \$20/hour. Death loss was set at 3 percent based on actual mortalities and culls of 2.8 percent. Fixed costs were set at \$10/head. Manure application costs were based on actual time to clear out the hoop barns and spread manure. Bedding costs were set at \$10/pig based on bedding use and market prices. Most of these costs were higher than conventional finishing pig budgets because this is a smaller group size.

Income was approximately \$200/hd. Costs in general: \$70 for the pig, \$70 for feed, \$40 for other variable costs and \$10 for fixed costs generating total costs of \$190 for a net of \$10 income over all costs (Table 2).

Income over variable costs was positive at \$20/hd. Breakeven price for all costs was approximately \$65/cwt liveweight, which generated \$10/hd over all costs. NOTE: This example is for one group of pigs during summer 2017, and does not represent all pigs or all situations. Pig performance would be expected to be poorer in winter months.

**Table 1. Performance of a group of niche market pigs fed in bedded hoop barns, summer 2017.**

Start wt, lb	20
End wt, lb	290
Gain, lb	270
Days on feed, days	145
ADG, lb/day	1.86
ADFI, lb/day	5.45
F/G, lb feed/lb gain	2.93

ADG = average daily gain; ADFI = average daily feed intake; F/G = feed/gain.

**Table 2. A breakeven budget for niche market pigs fed in a bedded hoop barn, summer 2017.**

**Finishing Feeder Pigs - One Pig**

Ag Decision Maker -- Iowa State University Extension and Outreach  
 For more information see Information File B1-21 [Livestock Enterprise Budgets](#).

Place the cursor over cells with red triangles to read comments.  
 Enter input values in yellow grid-lined cells.

Income	Price	Unit	Quantity	Unit	Total
Market hog	\$0.68	per lb	x 290	lbs	= \$198.36
<b>Variable Costs</b>					
Feeder pig	\$69.00	head	x 1	head	= \$69.00
Interest	9%		x 5	months	= \$2.59
<b>Feed Costs</b>					
Corn	\$3.35	per bu	x 11.45	bu	= \$38.36
Soybean meal	0.155	per lb	x 129.0	lbs	= 20.00
Amino acid supplements	\$0.80	per lb	x 1.8	lbs	= 1.44
Vitamin & minerals	\$0.25	per lb	x 18.0	lbs	= 4.50
Feed processing & delivery	\$9.00	per ton	x 0.4	tons	= 3.60
Starter feeds (2.3 lbs)					3.64
Other					0.00
<b>Total Feed Costs (790 lbs total)</b>					\$71.53
Pig start wt. 20 lbs, Market wt. 290 lbs, Gain =270, F/G= 2.93					
Veterinary and medical					\$2.65
Fuel, repairs, utilities					4.00
Marketing, miscellaneous					2.60
Other incl bedding (275 lbs)					10.00
Manure application cost	\$0.80	per ton	1.25	tons	= 1.00
Interest on variable costs	9%		2.5	months	= 1.51
Death loss	0.03	hd			= 2.07
Labor	\$20.00	per hour	0.55	hours	= 11.00
<b>Total Variable Costs</b>					\$177.95
<b>Income over Variable Costs</b>					\$20.41
<b>Fixed Costs</b>					
Machinery, facilities					\$10.00
<b>Total All Costs</b>					\$187.95
<b>Income over All Costs</b>					\$10.41
Breakeven selling price for variable costs					\$61.36 per cwt
Breakeven selling price for all costs					\$64.81 per cwt

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