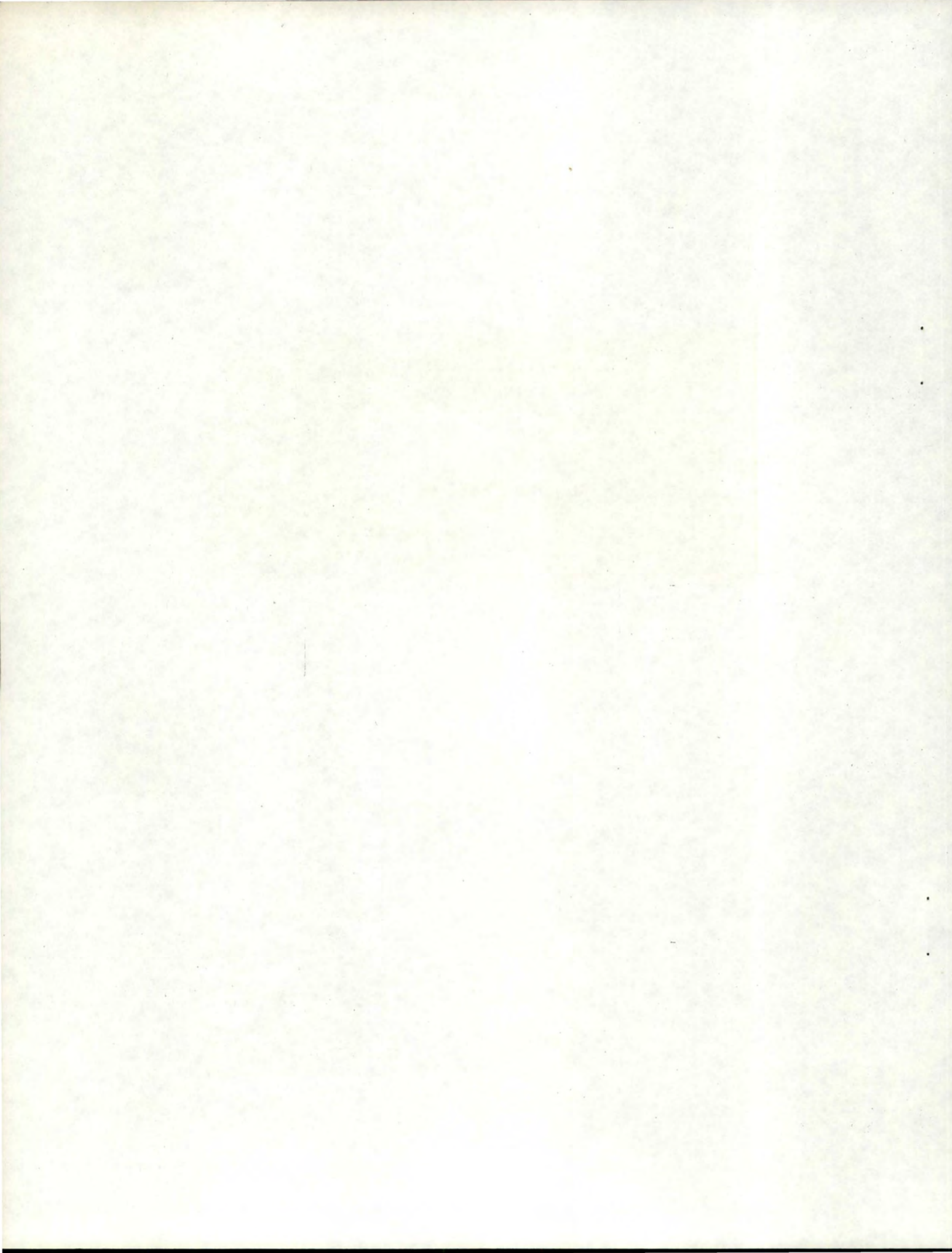


DESCRIPTIVE STUDY OF
IDAHO SWINE INDUSTRY
1980

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Descriptive Study of Idaho Swine Industry 1980

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Introduction

The Idaho Pork Producers Assn. (IPPA) through its Board of Directors, on June 19, 1980 agreed that a survey of Idaho swine producers should be conducted. The questionnaires were developed and approved by the Pork Producers Executive Committee and County Extension Agents. Questionnaires were mailed to the 5 County Extension Agents with multi-county responsibilities for swine extension programs on July 24, 1980.

The 5 designated county agents were to mail the questionnaires to the counties within their respective districts, along with instructions to identify the questionnaires by county and producer number so that follow-up could be done on those producers who did not reply. No names or addresses were to be asked for on the questionnaires at the request of the IPPA.

A deadline of September 15th for completed questionnaires to arrive at the University of Idaho was set in order to complete analysis of the data for the Annual Meeting of IPPA on November 14 and 15. A preliminary analysis of the data available from the 181 questionnaires returned prior to November 1st was presented at the IPPA annual meeting.

Four additional completed questionnaires have been received since November 1. (These were completed at the IPPA meeting.) An analysis of the data from the 185 completed questionnaires available April 1, 1981 will be presented at the IPPA Directors Meeting in Moscow in June.

This analysis will be a tabulation of the data. No attempt will be made to extrapolate or enlarge the data to state numbers because there is no way to tell how representative the 185 respondents are of the pork production industry in Idaho. Since it was requested that no identification of the respondent be on the questionnaire, call-backs for partially completed forms or non-respondents, could not be made. In addition, there were no returns from 11 counties within the state and several of these counties should have had respondents. (See Appendix Tables I and II.)

It was also requested by IPPA that the questionnaires not ask for specific numbers of hogs. In order to comply with this request, grouping of ranges was developed and producers were to indicate the group their production number fell into. Estimates have been developed using the groups marked.

Data from more than one county were grouped together where 3 or less producers returned the questionnaires in order to guard the identity of the individual producer and the information provided.

Objectives of the Study

The questions to be addressed in the Idaho Swine Industry Survey centered in three areas:

- (1) Size of the industry, state wide and in areas of the state.
- (2) Production systems in use in the state, i.e. total confinement, feeder pig production units, fattening only units, etc.
- (3) Marketing practices of the industry, i.e., timing and system used.

The questions asked of respondent producers were designed to secure information about current practices and the situation in the Idaho Swine Industry in 1979-80 plus changes that the producers were planning in their operations within one year and within the next 5 years.

Size of the Industry

The final count of completed returns was 185 which reported 73,000 to 74,000 barrows and gilts sold for slaughter and 18,000 to 18,500 feeder pigs or shoats. This may represent double counting to a major extent as a majority of the feeder pigs may have been sold to fattening operations within the state. (See Appendix Tables V and VI.)

The 185 respondents reported 7,500 to 7,600 sows were kept on the units. Approximately 10,250 litters were reported farrowed during the year ending in August 1980. (See Appendix Tables III and IV.)

Slaughter Hogs Sold by Area

A break down of the reported slaughter hogs sold were as follows:

(1) North portion of District I, including Boundary, Bonner, Kootenai, and Benewah counties, 7,200 head with the bulk of these hogs sold from Boundary and Benewah counties.

(2) The southern portion of District I, including Latah, Nez Perce, Lewis, and Idaho counties, 18,000 head, with two-thirds of the number coming from Idaho County. Two counties from northern Idaho did not report slaughter hog sales -- Clearwater and Shoshone. These two counties had no completed questionnaires.

(3) District II reported about 10,400 head sold from Gem, Payette, Canyon, Ada, and Owyhee counties, with two-thirds from Canyon county. Five counties in District II, Adams, Valley, Washington, Boise, and Elmore counties, had no completed questionnaires returned.

(4) The northern portion of District III, including Lemhi, Custer, Butte, and Camas counties, 4,300 head with no responses from Lemhi and Camas counties.

(5) Blaine, Gooding, Lincoln, Jerome, and Twin Falls counties had 16,500 head with Jerome and Twin Falls counties accounting for about 60% of that number. Minidoka and Cassia counties had no respondents.

(6) District IV had respondents from all counties, but had only minor numbers reported from Clark, Fremont, Madison, Power, and Bear Lake counties. The northern portion of District IV, including Teton, Jefferson, Bonneville, and Bingham counties, reported 13,200 head of barrows and gilts sold for slaughter, with three-fourths of those from Teton and Bingham counties. The southern portion of District IV, including Bannock, Caribou, Oneida, and Franklin counties, reported 3,600 head sold with two-thirds from Bannock and Caribou counties.

Feeder Pigs Sold by Area

Sixteen swine producing units reported more than 250 feeder pigs sold. Three areas reported enough sold to be reported:

(1) A strip of counties in District IV, including Bannock, Bingham, Bonneville, Oneida, Power, and Teton counties, reported about 4,000 head sold.

(2) Gooding and Lincoln counties in District III reported 1,200 head sold as feeder pigs.

(3) Ada and Gem counties in District II reported 2,500 head.

Production Systems in Use

Respondents were asked to indicate the system of production they used with their hog enterprise and the type of farrowing facilities. An attempt has been made to estimate the proportion of the hogs produced under different systems as well as to indicate the number of producing units using the various systems.

About one-fifth of the respondents indicated they produced hogs in total confinement. An estimate of about 28,000 head or 28% of the slaughter hogs are produced under this system. About one-fourth of the producers indicated they produced feeder pigs, of which 5,000 head, or 27%, were produced under total confinement.

Individual farrowing houses were used for about 23% of the slaughter hogs and 9% of the feeder pigs.

About one-fourth of the sows used in farrow-to-finish operations were run on pasture at least during a portion of the gestation period while only 11% of those sows in feeder pigs only operations were on pasture a portion of the production cycle.

About 85% of the slaughter hogs were produced in farrow-to-finish systems and 68% of them were fattened in confinement.

Sizes of Individual Production Units

The larger units (more than 50 sows) comprised 22% of the responding producers which maintained two-thirds of the sows reported

in the survey. Those units with 11 to 25 sows were about equal in number of units but had only 10% of the total sows. (See Appendix Table III.)

The larger units reported selling an even larger proportion of the slaughter barrows and gilts and feeder pigs. Those selling more than 500 slaughter barrows and gilts were one-fourth of the respondents, but they sold three-fourths of the hogs. Likewise, the 16 largest feeder pig producers (more than 250) comprised only 8½% of the respondents and sold 71% of the pigs.

About 22% or 40 respondents sold no slaughter barrows and gilts and slightly over half (95) sold no feeder pigs. (See Appendix Table V and VI.)

Marketing Practices

One of the objectives of this study was to determine the time and place of marketing of the hogs. There is concern, especially on the part of packers, for a leveling of seasonal marketing peaks and valleys so that facilities and labor forces can be used more efficiently. Producers need to market more than once or twice a year to alleviate this problem.

Survey respondents reporting marketings quarterly or more often during the year totaled 99 or 53½% of the 185 responding; about 11% or 21 indicated 2 times a year or less, with 15 not indicating the timing of marketing. Fifty respondents or 27% marketed when hogs were ready or they needed money, rather than at a particular planned time (these were primarily small producers). (See Appendix Table VII.)

The marketing facilities used by the survey respondents are presented in Appendix Tables VIII, IX, X, and XI. The highlights of these tables are as follows.

- (1) About 20% of the respondents sold 90% or more of their hogs directly to local packers.
- (2) About one-third sold 90% or more of their hogs through local auction markets.
- (3) Only 6½% sold 40% or more of their hogs to distant packers.
- (4) Only 3% sold hogs through a pooling arrangement.

Changes in Operations

The survey included several questions relating to changes expected to be made in the swine enterprise in the next year and within 5 years. Changes in the basic system of production and changes in the size of the operation were separated to give a better understanding of what respondents planned to do over the next 5 years.

About one-eighth or 22 respondents indicated a basic change within the year. These included 5 going out of the hog business, 4 going to a fattening only operation, a different 4 going to feeder pig production. For a complete list of the changes, see Appendix Table XII.

Another one-fifth or 35 of the respondents expect to make a basic change in operation between next year and the next 5 years. Twelve are changing to farrow-to-finish operation and 5 are going to a total confinement system. (See Appendix Table XIII.)

About 30% (57) of the respondents expected to increase the

the size of their operations during 1980-81, while 10% (19) expected to decrease the size. Sixty-nine or 37% of the responding producers expected to increase the size of their swine operation during the next 5 years and eight expected to reduce their size. (See Appendix Tables XIV and XV for detailed break downs of the changes.

Thirty-three respondents indicated they would make a change in their marketing with the 1980-81 production year. Thirty-three also indicated they would make a change in the system of marketing in the next 1 to 5 years. A major portion of those indicating a change did not specify what the change might be. Six of the respondents expected to change from their current marketing system to selling through a cooperative selling group. (See Appendix Tables XVI and XVII.)

Only 7 respondents indicated they expected to make a change in the timing of their marketings over the next year or 5 years, but they did not indicate what the change would be.

Conclusions and Recommendations

This study was conducted to help determine areas of production and marketing needing additional emphasis. Two areas that pertain to marketing stand out:

- (1) Numbers and regularity of marketings. This will require expansion of the industry by both more and larger units. Data from the Idaho Crop and Livestock Reporting Service indicated 94,000 head of hogs marketed within the state in 1979, or approximately 1,800 head per week. Information on swine shipments across Idaho indicate approximately 52,000 hogs per week are shipped across the

state to West Coast packers; 12,000 across north Idaho, 40,000 across southern Idaho. Markets are available for a major expansion of hogs in the Pacific Northwest.

One of the major problems expressed by packers is the seasonability of supply of northwest hogs. Larger units with total confinement facilities can efficiently produce slaughter hogs on a regular basis, marketing each month during the year. This would greatly enhance the competition from out-of-state packers for Idaho hogs.

(2) The other marketing area needing particular attention is that of increased competition from packers for the hogs produced. One of the successful methods of gaining increased buying competition used in other areas of the country and with other species of livestock, has been through group selling. The survey revealed only 6 producers were using pooling and another 6 were planning to sell through this system.

Producers who sell less than a semi-truck load of hogs at a time may well enhance their market price by pooling with other producers. Increased competitive bidding from distant packers will result in an elevated level for slaughter barrows and gilts.

The logical expansion of hog production may well be located in areas of relatively lower grain prices at the farm level. Farm prices are established in the Pacific Northwest as prices at export minus the transportation and other costs to deliver the grain at the port, i.e., the costs to move a bushel of wheat from the Palouse

area to Portland is about 40¢ while the costs to move the same bushel of wheat from Twin Falls to Portland is about \$1.10.

The cost of producing pork in areas at a greater distance from export points is less than in an area near the ports because of local grain prices. Emphasis on pork production appears appropriate in South Central and Eastern Idaho from this standpoint.

Appendix Table I

Counties with 5 or More Returned, Completed Questionnaires

<u>Respondents</u>	<u>County</u>	<u>Respondents</u>	<u>County</u>
9	Ada	21	Idaho
10	Bannock	6	Jefferson
14	Bingham	9	Jerome
8	Bonneville	6	Kootenai
6	Boundary	7	Latah
12	Canyon	6	Lewis
10	Franklin	5	Lincoln
9	Gooding	5	Teton
		9	Twin Falls

Appendix Table II

Counties with no Returned, Completed Questionnaires

<u>County</u>	<u>County</u>
Adams	Lemhi
Boise	Minidoka
Camas	Shoshone
Cassia	Valley
Clearwater	Washington
Elmore	

Appendix Table III

Sows kept on Farms 7,500-7,600 sows total

<u>Returns</u>	<u>% Returns</u>		<u>% of Sows</u>
31	16.8	kept no sows	
9	4.9	kept 1 to 4 sows	0.5
27	14.6	kept 5 to 10 sows	3.6
40	21.7	kept 11 - 25 sows	10.6
36	19.5	kept 26-50 sows	19.1
23	12.4	kept 51-100 sows	24.4
9	4.9	kept 101-150 sows	16.7
5	2.7	kept 151-200 sows	11.9
4	2.2	kept 201 or more sows	13.2

Appendix Table IV

Litters Farrowed

<u>Returns</u>	<u>% Returns</u>	
38	20.5	farrowed no litters
4	2.2	farrowed 1-4 litters
15	8.1	farrowed 5-10 litters
30	16.2	farrowed 11-25 litters
29	15.7	farrowed 26-50 litters
39	21.1	farrowed 51-100 litters
13	7.1	farrowed 101-150 litters
3	1.6	farrowed 151-200 litters
13	7.1	farrowed 201 or more litters

Appendix Table V

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Barrows & Gilts Sold for Slaughter 73,00-74,000 Head

<u>Returns</u>	<u>% Returns</u>		<u>% of Hogs Sold</u>
40	21.6	sold none	
25	13.5	sold 0-25	0.7
6	3.2	sold 26-50	0.3
13	7.0	sold 51-100	1.4
12	6.5	sold 101-150	2.3
22	11.9	sold 151-250	6.7
22	11.9	sold 251-500	11.9
30	16.2	sold 501-1,000	32.6
10	5.4	sold 1,001-2,000	23.7
5	2.7	sold 2,001 or more	20.4

Appendix Table VI

Feeder Pigs or Shoats Sold 18,000-18,500 Head

<u>Returns</u>	<u>% Returns</u>		<u>% of Feeders Sold</u>
95	51.4	sold none	
33	17.8	sold 0-25	3.6
9	4.9	sold 26-50	2.0
13	7.0	sold 51-100	5.7
12	6.5	sold 101-150	9.2
7	3.8	sold 151-250	8.8
7	3.8	sold 251-500	15.4
6	3.2	sold 501-1,000	26.5
3	1.6	sold 1,001-2,000	28.8
0	0.0	sold 2,001 or more	0.0

Appendix Table VII
Timing of Marketing

<u>Returns</u>	<u>% Returns</u>	
15	8.1	no indication
90	48.6	market monthly
9	4.9	market quarterly
14	7.6	market twice a year
7	3.8	market once a year
50	27.0	market when ready or need money (no planned time)

Appendix Table VIII
Delivered Directly to Local Packer

<u>Returns</u>	<u>% Returns</u>	
36	19.5	Delivered 90% or more direct
15	8.1	delivered 49-89% directly
26	14.0	delivered 10-29% directly
108	58.4	did not sell direct

Appendix Table IX
Sold Through Auctions

<u>Returns</u>	<u>% Returns</u>	
58	31.4	sold 90% or more
26	14.1	sold 40-89%
20	10.8	sold 10-39%
81	43.7	did not sell through auctions

Appendix Table X

Sold to Distant Packer

<u>Returns</u>	<u>% Returns</u>	
7	3.8	sold 90% or more
5	2.7	sold 40-89%
6	3.2	sold 10-39%
167	90.3	did not sell to distant packer

Appendix Table XI

Sold Market Hogs Through a Pool

<u>Returns</u>	<u>% Returns</u>	
6	3.2	sold 90% or more through a pool
179	96.8	did not use a pool

Appendix Table XII

Expect to Change Operations in Next Year 80-81

22 operations or 11.9% expect to change

1 indicated change but did not indicate how.

4 going to fattening only operations.

4 going to selling feeder pigs

2 going to total confinement

5 going out of the hog business.

3 going to farrow-to-finish

1 moving to a new location

2 changing to a purebred operation

Appendix Table XIII

Expected to Change Basic Operation in Next 1 to 5 Years

35 operations or 19.0%

6 indicated change but did not indicate how

1 going to fattening only

2 going to selling feeder pigs

5 going to total confinement

2 going out of the hog business

12 going to farrow-to-finish

2 moving to a new location

4 changing to purebreds

1 turning operation over to someone else (son)

Appendix Table XIV

Expected to Change Size of Operation 80-81

57 or 30.8% expected to increase in size.

19 or 10.3% expected to decrease in size.

Amount of Increase:

4 expected to increase up to 10%

10 expected to increase about 20%

5 expected to increase 25-33%

4 expected to increase about 40%

10 expected to increase about 50%

9 expected to double in size

5 expected to increase 150% or more

10 did not indicate amount of increase

Amount of Decrease:

1 expected to reduce 20%

1 expected to reduce 30%

3 expected to reduce 40%

4 expected to reduce by half

4 expected to go out of the hog business

6 did not indicate amount of decrease

Appendix Table XV

Expected Change in Size - Next 1 to 5 Years

69 or 37.3% expected to increase

8 or 4.3% expected to decrease

Amount of Increase:

4 expected to increase up to 10%

5 expected to increase up to 20%

8 expected to increase 25-33%

8 expected to increase about 40%

5 expected to increase about 50%

15 expected to double in size

9 expected to increase 150% or more

15 did not indicate amount of change

Amount of Decrease:

1 expected to decrease 40%

2 expected to decrease 50%

2 expected to go out of the hog business

3 did not indicate amount of expected decrease

Appendix Table XVI

Marketing System Changes Next Year - 1980-81

33 or 17.8% expected to change

1 expected to sell feeder pigs by contract

4 expected to sell to a regular buyer or packing plant

4 expected to sell through a coop selling group

24 expected to change but did not indicate how

Appendix Table XVII

Marketing System Changes Next 1 to 5 Years

33 or 17.8% expected to change

1 expected to sell feeder pigs by contract

2 expected to have a regular buyer established

2 expected to sell through a coop group

28 did not indicate what the change will be

