



Pig Improver

PIC®

Answer These 5 Questions to Define Your Marketing Strategy

You've made a big investment over many months to help your pigs grow efficiently and stay healthy. But are you leaving money on the table at marketing time?

It's important to define your marketing strategy before new pigs arrive at your barn, because your plan will determine how the pigs will be placed or sorted in the barn.

A well-planned marketing is one of the four wean-to-finish cornerstones, but there's no one-size-fits-all plan. Here are 5 questions to help you maximize your marketing strategy.

- 1. How is the payment grid structured?** It sounds obvious, but you need to know how you get paid. Payment grids vary from between packers, so it's important that you understand the grid of each packer you sell to. This will help you create a marketing plan that yields the highest return on investment.
- 2. What's my best profit margin?** Did you know, the best profit margin for you may not be at the peak of the grid? It all depends on your production costs. It may pay to put additional pounds on your pigs, or it may not. It's essential for you to understand your cost of producing pigs. Run the numbers for your swine operation, so you can calculate how to make the most money in the end.
- 3. How can I increase my full-value pig (FVP) percentage?** Profitability comes down to the number of FVPs sold to market, multiplied by the profit-per-pig sold. FVPs are good-quality slaughter pigs that aren't discounted at marketing time. Contrast this with mortalities, culls and lightweight pigs, which lead to some of the biggest impacts in profitability. One of the fastest ways to raise your profitability is to increase your percentage of FVPs. These pigs go to your primary market, rather than markets where pigs are discounted. To raise your FVP percentage, fine-tune your management practices, from early pig care to feed optimization and proper herd health.
- 4. Am I selecting the right hogs for market?** Marketing the right pigs at the right weight at the right time puts more money in your pocket. Sell pigs too early, and you lose potential growth and income. Sell too late, and the extra feed required raises your cost of production. Keep a tight range around the optimum market weight you determined when you calculated your best profit margin. "Calibrating the eye" is a key to managing market weight variations as much as possible. You need someone who can assess a

market-weight pig, within + or - 5 pounds of accuracy. In addition, your pigs' feed intake can also be a good growth-rate indicator to help you estimate the right market date.

5. What are my transportation needs? Keeping pigs as calm and comfortable during load-out and on the truck is the last step to protecting profit potential. Follow the practices in the Pork Checkoff's Trucker Quality Assurance® (TQA) program. Use sorting boards and paddles properly to move hogs at their pace, without going too fast, from pen to truck. Pay attention to load density, so you don't overload the compartments in the truck. PIC recommends 48 to 58 pounds of pig weight per ft² (higher pig losses tend to occur above 58 pounds ft²).

If pigs are significantly heavier, consider using an additional truck to maintain proper loading density and/or weight limits. Use trained labor when loading trucks. Schedule more time if fewer people than normal are available to help. Make sure the truck leaves the farm at the right time to get to the plant on time. Optimize the truck's route to market to avoid road construction and poor road conditions, when possible. It's important to keep the truck moving, especially during extreme weather conditions of hot and cold. The goal is to keep the combined number of dead on arrival (DOA) numbers and non-ambulatory (injured/fatigued) below 0.25%

Understand the exceptions

While optimizing barn profitability is the main goal of an effective marketing strategy, there are exceptions. Market conditions are dynamic, so build some flexibility into your plan. This resilience also gives you options if you need to market some pigs early, for example, to address cash flow needs.

In other cases, the best market strategy might accommodate for a limiting factor (floor space, feeder space or ventilation) that could impact performance of the entire barn. Also, take individual pigs' performance into account. If a pig is starting to have mobility issues due to its body structure, it may make sense to send that pig to market at a lighter weight.

In the end, agriculture is a science and an art. You study the science, but you practice the art, which includes marketing. While there's no perfect pig or perfect market, a flexible, deliberate marketing strategy can boost your profit potential.

Take the next steps

Reach to your PIC team to help evaluate or fine-tune your marketing strategy. Also, learn more about the other wean-to-finish cornerstones:

- [Nutrient intake](#)
- [Health status](#)
- [Quality weaned pigs](#)