GETTING STARTED WITH SHEEP
EMPHASIS ON A COMMERCIAL OPERATION

Thomas G. Nash
University of Illinois

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When people ask me for recommendations on starting a commercial sheep operation I suggest starting small; about 50 head of 3-5 year old crossbred ewes for a minimum of 2 years before deciding to expand or change enterprises.

Sheep, like other livestock have their requirements to remain healthy and productive. These, along with struggling lamb and wool markets around the world take a commitment on the part of the producer that cannot occur overnight.

Commitment requires us to set goals for high productivity in our flocks and we should have the resources to achieve those goals. These resources for the most part are obvious: do we have the labor on hand to manage the flock year round, and will we have to hire outside help during lambing season? Many small producers with other jobs or agricultural enterprises may need their ewes to lamb at a time when more labor is available. It doesn't do us any good to have "high twinning" flocks if were not around to feed them or protect them from harsh weather, predators, etc.

Available feed supply is also important. Will your feed have to be purchased or can your acreage handle stocking rates of 5-10 ewes per acre during the year? The flock can be used to market home grown forages through grazing, and consumption of hay and other crops. Since feed costs are usually 50-70 percent of total sheep production cost per year, having economical forage supplies are essential.
Allow ewes during breeding and gestation to graze other forage sources such as corn stalks/stubble, winter wheat, wheat stubble, beet tops, turnips, and kale. Taking advantage of crop aftermath and brassicas reduces the days you have to feed more expensive harvested feeds during fall and winter.

If the labor and feed supplies are met then we must also have adequate buildings and facilities to efficiently handle, feed, and protect the flock. Typically, sheep facilities and equipment don't cost as much as other livestock facilities since sheep are easier to work with.

However, facilities and equipment cost are much higher now per ewe. Having higher equipment and facility expenses requires us to improve in other management techniques to ensure that more pounds of lamb are marketed per ewe per year (Jordan, 1989).

Along with the resources previously discussed, a limiting one can be investment capital. The capital we have to spend on a sheep enterprise must be planned for before the ewes are bought and goals initiated.

This leads into a short discussion of a budget or cost analysis for sheep production. Our favorite word "profit" relies on the total income from sheep and the costs associated with producing lamb and wool products.

Some of the sources of income generated from sheep include: Market lambs, cull ewes, wool, wool incentive program, unshorn lamb payments, and rams (either cull or still having breeding value). Producers doing a direct market approach may also retain pelts from their own slaughter lambs and sell products from these.

When discussing a commercial enterprise we think in terms of all lambs marketed unless you raise your own replacement breeding ewes. Because of this, a producer should consider some costs associated with raising lambs to market weight and determine a
break even price for the lambs in order to manage these costs carefully. Many of the costs are variable and include feed/pasture, vet/drugs, shearing, bedding, utilities, transportation, labor, supplies, taxes such as income, gas, sales, state and federal, interest on long and short term loans, and other miscellaneous costs.

Non-feed costs or fixed costs may include items such as breeding stock depreciation (usually 6 years for yearlings), ram costs/ewe, machinery depreciation, and real estate taxes.

If the total cost of producing 100 pounds of lamb are known then subtracting these from you total income will result in the bottom line profit or loss. A producer can also determine a price needed per 100 pounds of lamb in order to break even. This is done by subtracting the wool value per ewe from the total costs of producing 100 pounds of lamb (SID Update, 1986).

When buying breeding stock, the beginning producer is often faced with uncertainty as to how much a ewe is worth or how much you can afford to pay. Taking the costs, and break even prices into consideration we should also think of other factors such as age. As mentioned earlier, mature ewes are more desirable for the inexperienced producers. Older ewes in the 3-5 year range have fewer lambing problems and serve as teachers to younger ewes when adjusting to your management system. A major problem with mature ewes is that they are difficult to find. Look for advertisements of ewes for sale or flock dispersal sales.

Younger ewes from ½-1 year of age may be more expensive but should provide more years of productivity. Typically ewe lambs have been $10-$20 high than a 100 pound market lamb and yearling ewes could be bought for the same as market lambs to $50 higher. However, with a depressed lamb market these price relationships will also change.
Many times a producer will want a particular breed of ewe or ram, which also affects the price. However, you may want to start with a breed that is available in your area. Prolific breeds capable of high levels of production and raised with good records will cost more to purchase, but are not over priced if they are productive.

Relative to other agricultural commodities such as cows, corn, and hay, breeding ewes have been reasonable in price for their earning ability. However, the cattle market and feed prices have risen in the past year. This, along with a depressed lamb market, has decreased breeding ewe prices in some regions of the country.

A common question of beginning producers is what breed or type of sheep should I raise for lamb production. Everybody has their own preferences, but I suggest using white faced crossbred ewes or breeds capable of having and raising twins in both once a year and accelerated lambing management systems. Mating these ewes to unrelated breeds of rams can greatly increase the pounds of lamb marketed per ewe. Research has shown that crossbred ewes mated to another breed of ram can produce 35.8% more pounds of lamb than purebred lambs from purebred ewes (Thomas). Some of the ewe breeds utilized in commercial operations include the Dorset, Finn, Polypay, Rambouillet, St. Croix, Barbados, and crosses of these breeds. Obviously there are other breeds utilized in commercial operations that warrant consideration.

Regardless of the breed chosen, your ewes should be adaptable to your environment, especially during harsh weather conditions. The most important factor affecting the level of profitability in your sheep enterprise is the prolificacy or the genetic potential of your flock to have and raise twins. This is a very important consideration when choosing a breed for your operation. The more pounds of lamb you market from your breeding ewes per year the greater the return to your labor and management (Ricketts, 1990).
Always look for breeding stock that are structurally sound in their mouth and on their feet and legs. Ewes should be sound in their udder with two normal functioning teats and free of hard lumps.

As a buyer you have a right to ask the seller for records on the ewes or rams you want to buy. It is not only helpful to know if your ewes or ram(s) are twins but also if their dams or sires were twins. Producers on the National Sheep Improvement Program will have more records to examine.

The ram represents half of the lamb and wool crops produced each year and therefore should be chosen carefully. Rams are selected as terminal sires for meat production, or to improve wool production of the flock or both. Some breeds of rams are used to produce particular types of replacement ewe lambs.

Structural soundness is also important when purchasing or keeping a ram. However, soundness of the scrotum on rams is equally important. Palpate the scrotum to determine if both testicles are equal in size, firm in texture, and free of hard lumps. A scrotal circumference measurement of 30-32 centimeters at breeding season is desirable.

A ram should also have good size, and growth rate for his age and breed. If used for meat production he must be a breed known for producing lambs with good carcass traits. Regardless of how a ram will be used in your operation do no compromise on his quality.

Another factor to consider before beginning a commercial sheep operation is where we can buy breeding sheep? Some sources of breeding sheep are; experienced producers with records (NSIP records), ram test sales, research stations, breed associations, breeder directories in magazines, lamb pools, wool pools, and university or extension personnel.
There are always questions that beginning and experienced producers have during the year and sometimes we need to ask someone for help. Some sources of information are: experiences sheep producers, American Sheep Industry Association, university sheep units, Cooperative Extension Service, veterinarians, and breed associations.
References

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