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EFFECTIVE LAMB MARKETING

Larry Wright
John Morrell & Co.

Good marketing, to be effective, must start at the beginning of a project. A producer's first priority should be to have a market outlet for his product.

I. General Considerations

- A. Facilities and labor requirements
 1. Building and lots
 2. Feeding equipment
 3. One person or family-hired personnel
 4. Good temperament-disciplined
- B. Utilize cost effective feeds
 1. Grains-faster and shorter feeding periods
 - a. area grown-evaluate freight cost
 2. Pasture, roughages and waste land-longer feeding periods
 - a. utilize ewe/lamb operation for feeder production
 3. High priced land-more adapt to fat lamb operation
- C. What type operation-diversify yearly income
 1. Ewe flock and lambs
 - a. late winter to early spring-better facilities
 - b. late spring to early summer-poor facilities
 2. Availability of load lot feeders
 - a. purchase from September to January
 - b. sell from November to April
 3. Have a plan for feeders-try to have your product ready when supplies of your kind of product are low.

Ex.	Buy	Sell	
	60 lb	110 lb	Lights in demand
	90 lb	125 lb	Heavies in demand
 4. Cannot overemphasize the ability of the producer to have a plan for the venture when he starts.

II. Understand Market Outlets-How They Work

- A. Types of market
 1. Direct-John Morrell & Co.
 2. Terminal or stockyards
 - a. Sioux Falls-auction
 - b. St. Paul-private treaty
 3. Sale barn-Huron-Faith-Belle Fourche
 4. Tele-auction-Wisconsin
 5. Group selling-Tyler area
- B. Advantages and disadvantages
 1. Commission-yardage and feed
 2. Competitors (how many are active)
 3. Mileage and freight cost
 4. Closer to home is generally more profitable

C. Selling options

1. Yards, sale barns and tele-auctions
 - a. competitive bidding on known/unknown weights
 - b. does your buyer have the opportunity to see your product
2. Direct marketing
 - a. off truck weighing and pricing
 - b. shrinking weights on local area scale-packer pays freight
 - c. grade and yield offers payment on quality product and weighing conditions
 - d. contract-locked in profit margins
3. Be aware when selling by phone that you must be able to represent your product accurately. Every business needs a high quality product that is delivered on time.
4. Remember -- a buyer is looking at dead costs.
5. Ask questions - do not be naive.

III. Be a Knowledgeable and Skillful Salesman

A. Factors affecting pricing

1. Demand for product
 - a. regular sales
 - b. anticipate sales-ethnic and special holidays (Easter)
2. Supply
 - a. regular sources-regional and seasonal
 - b. terminal and tele-auctions
 - c. weather and roads

B. Values directly related to price

1. Yield-net lb/gross lb (carcass versus live)
 - a. hard fed
 - b. fill of water and feed
 - c. wet, dirty, manuary pelts
 - d. trim on carcass from bruises, injury and needles
 - e. animals' inherent ability to have more of its total weight in carcass lean fat and bone rather than evisera
 - f. pelt length
2. Pelt credits
 - a. spring pelts
 - b. full wool
 - c. fall clip - 1"
 - d. no. 1 clip - 3/4"
 - e. no. 2 clip - 1/2"
 - f. no. 3 clip - 1/4"
 - g. no. 4 clip - fresh shorn
 - h. be aware of discounts on manuary and burry pelts and of no value placed on black pelts
3. Price spread on carcass weights-weight range discount.
 - 35 lb - 45 lb
 - 45 lb - 55 lb
 - 55 lb - 65 lb
 - 65 lb - up

4. Quality carcass grade
 - a. choice and prime
 - b. good (discount)
 - c. mutton (severe discount if in a lamb lot)
 - d. break joint-bucky carcass discount
5. Offal credits
- C. Remember-you have a perishable product-move it punctually with discretion.
 1. Know your competitive markets.
 2. Know the meat trade.
 3. Know trends and supplies.
 4. Know your closest outlet for subject lambs (sick, injured and prolapsed).
- IV. Good businessmen with a good image bring repeat business.
 - A. Try to be creative and competitive without being dishonest.
 - B. Build credibility and integrity.
 - C. Complaints should be given the utmost attention, a good business person should admit to mistakes, apologize, and correct them.
 - D. Unsolved disagreements will cause your image to tarnish.
 - E. One business associate that is abused sometimes by misrepresentation is your buyer. Remember, you want him on your side. When supplies are abundant, he will be the one to help you.