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# Livestock Compass: A Profit Management Tool For Producers



- PRESENTED BY -  
John Hendrickson  
Jim Munsch

- HOSTED BY -



Food Animal Concerns Trust

# Introductions



**Food Animal Concerns Trust (FACT)** is a national nonprofit organization that advocates for the safe and humane production of meat, milk, and eggs.



## **Larissa McKenna**

Humane Farming Program Director

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Website: [foodanimalconcernstrust.org/farmer](http://foodanimalconcernstrust.org/farmer)

FACT's services for livestock and poultry farmers include:

- **Fund-a-Farmer Grants**
- **Conference scholarships**
- **Free webinars**
- **Humane Farming Mentorship Program**

# Our Presenters



Jim Munsch



John Hendrickson

# Managing the Multi-species Livestock Farm as a Business

- ✓ *Profit Management Skills*
- ✓ *Information for Management*



**John Hendrickson and Jim Munsch**



**"The first step towards getting somewhere is to decide that you are not going to stay where you are."**

J. P. Morgan

- ✓ Are you ready to make the "tough" decisions if the evidence points to them?
- ✓ Are you ready to put in the work to discover the evidence?

# Decisions that Impact Profitability

On a multi-product, multi-sales channel livestock farm

- Sales price
- Value statement – drives price & cost
- Change “Product mix”
- Add or drop market channels & methods
- Designing basket of goods and services
- Determine & manage what others will do
- Raise young animals/birds or buy them
- Produce feed or buy it
- Land use
- Buy or rent land

# Information Needed to Make Informed Decisions

- Profitability of each species
- Profitability of each marketing channel
- Cost\* of weaned animal/layer pullet
- Total cost\* of a finished meat animal/bird
- Cost\* of a pound of meat
- Full cost\* of a dozen eggs
- Cost of homegrown feeds
- Marketing, selling and logistics costs in each marketing channel

\*Full Cost

# Purposes of Measuring

- **Taxes** - Schedule F ==> Profit and Loss or “P&L” Statement.
- **Communicating Externally** (Banks, FSA, Owners) ==> Schedule F (P&L), Balance Sheet and Cash Flow.
- **Management**
  - Financial data.
  - Physical data.
  - Information for decision making.





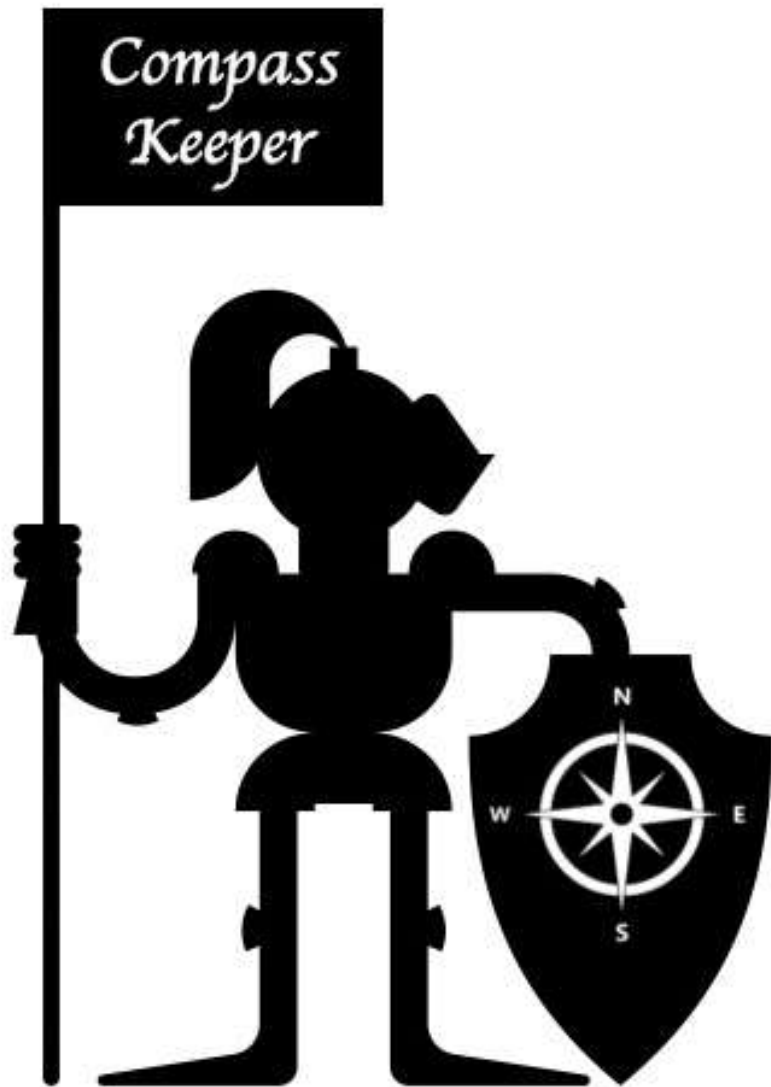
# Livestock Compass

A tool to provide information that supports management of the business of a livestock farm



John Hendrickson and Jim Munsch





**John Hendrickson**

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# Connect with



## Upcoming webinars

- 🐔 **March 25:** Trees for Livestock Food and Medicine
- 🐔 More webinars tbd

## Grants, Scholarships, Mentorship & More!

- 🐔 **Farmer survey re: COVID-19**
- 🐔 **Customized handouts on pastured-raised food available**
- 🐔 Sign up for emails @ [foodanimalconcernstrust.org/farmer/](https://foodanimalconcernstrust.org/farmer/)

## Join us on social media

