## **SK-8b Future Farm Summary**

	Sell Bred Heifers
Description	Diversify marketing by selling bred heifers.
Assumptions	<ul> <li>Percentage of female calves transferred to backgrounding down from 68% to 55%</li> <li>26% of heifers between 12-24 months sold as bred heifers after preg check</li> <li>Bred heifer price at \$1,917/head (AB bred heifer price 2021)</li> <li>Heifer open rate at 10%</li> <li>Open heifers sold to finishing at \$156/cwt (900 lb + heifers, SK average)</li> <li>15 hours of family labour added to managing the bred heifer group</li> <li>Add two bulls, price at \$3,500/head</li> <li>Keep culled bull number steady with baseline at 8 head</li> <li>Preg-check at \$5/heifer for 64 heifers</li> <li>Have enough homegrown feed when yield is normal</li> <li>Keep stocking rate steady with baseline, add 94 acres rented grassland</li> </ul>
Trade-Off Considerations	<ul> <li>There will be tax implications from earning more in year one and earning higher revenue in later years. The model shows pre-tax numbers only</li> <li>Potential death loss between weaned and being sold as bred heifers</li> <li>Potential price discount on calves if not making a full load</li> <li>Increased feed requirement, and reduced ability to restock winter feed in good years in preparation of drought year</li> <li>Risk of market fluctuations with purchased feed</li> </ul>
5-year average vs. baseline year* Estimated Change at Whole Farm Level (\$/year)	
Net Income	+\$17,314
Net Cash Farm Income	+\$16,108
Estimated Change at Cow-calf Enterprise (\$/cow)	
Short-term Profits	+\$34
Medium-term Profits	+\$29
Long-term Profits	+\$27

<sup>\*</sup> Changes in profitability come from the practice change as well as debt servicing Detailed reports available upon request. Email: info@canfax.ca



