

New approaches for sourcing breeding stock

by Stephen Curtis, managing director, APMC, Beeford, East Yorkshire, UK.

Who would ever have thought that buying a breeding pig was a big issue other than negotiating the price with the seller! Well it used to be like that only a few decades ago!

In fact one could visit a pig breeder have a good look at his or her stock, 'poke it' and 'prod it', count the number of teats, look at its general conformation and locomotion and then start haggling. Those were the days!

With the price agreed and cash paid the animal in question would be loaded into some form of livestock vehicle to be taken back to your farm. The buyer would then more than likely turn round to the seller and demand some 'luck money' as a form of discount!

Luck money

Now it has to be said that this animal purchase would have been for the pig 'as seen' with no warranties, as the purchaser has had a chance to see the farmer's stock and to assure himself that all was in order. In many cases the 'luck money' would be given to the buyer and he would be on his way.

Very simple, uncomplicated and very clear you would think? And it was, unless the seller's retort was 'the luck is in the pig, but if it does not breed bring it back and I will give you your money back'.

This then was the first complication for the seller and, since then, buying pig breeding stock has become exceedingly more complex with each party looking to get the better half of the deal.

Intellectual property rights

To begin with, today's breeders, whether they be pedigree or breeding company pig breeders or both, place an extremely high value on their intellectual property, which, in effect, is their own developed breed and strain of pig.

The chances are that their pigs have taken many years to develop and at great expense.

This genetic transformation that has taken place over the years through careful selection will, in their opinion, have taken their strain of pig into a position of



Realtime scanning provides valuable evaluation of stock.

economic and commercial advantage over and above others.

Although the breeder needs and wants to sell his stock, he does not want his pig genetics to fall into the hands of his competitors who, given the chance, will make quick capital from his endeavours.

This concept is not just peculiar to pig breeders – in fact plant, poultry and fish breeders protect their strains just as strongly.

So, taking this into consideration in conjunction with warranties that the individual animal will breed, will be of a specified sound health and will have acceptable conformation, buying and selling in today's commercial world becomes very, very complex compared to what it used to be!

Some breeding companies are trying to place restrictions against the comingling of their stock with that of other breeders. Even at the commercial level such constraints have to be agreed before the breeder will sell his stock to a particular farmer.

Admittedly, this is the extreme scenario, but, nevertheless, it demonstrates the length the breeder will go to, to protect his breeding reputation and his valued customer base.

So, what options are open to a commercial pig producer who wishes to ensure an ongoing supply of improved genetics from which to produce his slaughter pigs?

Well, as most producers will know there are numerous alternatives, which in themselves are designed to suit the specific merits of the herd in question.

Importance of health status

From a producer's point of view they should first consider their own herd health status and the proximity of their farm to other pig herds. Trying to integrate high health pigs into a lower health status farm whose status in reality reflects the health status of the area the farm is located in creates all those problems that we are all so well aware of.

The main options for stock replacement are as follows:

- 1 Produce reciprocal back cross gilts through the use of AI.
- 1 Buy in parent commercial females namely F1s.
- 1 Establish within or external herd multiplication using GP's to produce parents.

Continued on page 17

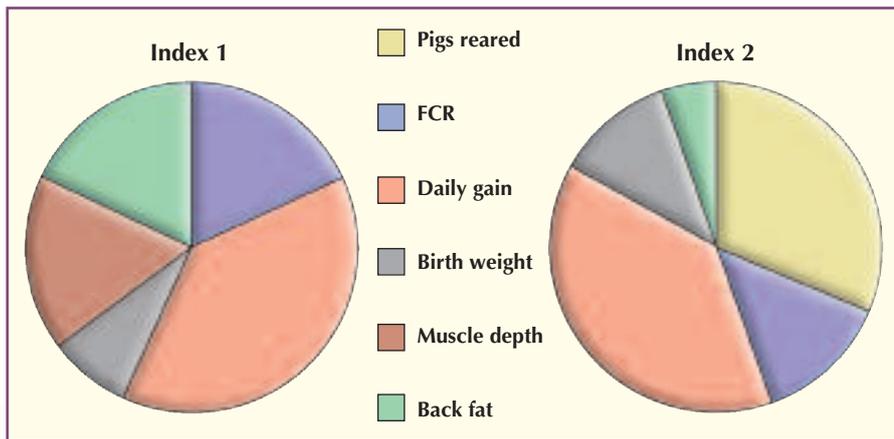


Fig. 1. Different index weightings on traits. Breeding companies can work together with FLA holders (Option 4) to develop selection indexes which satisfy the demands of the FLA target market.

Continued from page 15

1 Establish own nucleus or daughter nucleus to produce GP's for own multiplication.

The first three options above are the most commonly practised methods and in the main are governed by the size of operation with the smaller producer favouring the first two options and the larger producer favouring the third one.

The first three options are relatively uncomplicated and those most practised. So, that leaves the last option, which is

of major interest to the very large producer with say 10,000 sows plus in his operation.

This option is even more interesting to the fully integrated producer that owns their own slaughter processing facilities and farms several tens of thousands of sows or more.

The fully integrated producer is not only seeking leading edge genetics, whilst having full control of the company's herds' pig health but they are also wanting to create their own market standards and possible brands so as to ensure that their products are and stay in demand by the consumers and, hence, the retailers.

Protection for both parties

In some situations where a pig breeder's product has been identified as having a commercial edge the breeding stock used has been tied to a franchise licence agreement, which designed to protect both the integrator and the supplying stock breeder.

In circumstances such as this, territorial rights are established so as to prevent direct competition from identical genetically produced animals from the same breeder. The advantages here could be two fold.

First, at farm level if the genetics produce more saleable pigs and have a superior lean tissue growth rate and then, secondly, at the slaughter processing end by providing better quality pig meat, and this could and does embrace yield, colour, tenderness and taste.

The added advantage to this programme is that the specialised breeder provides on going technical support to the integrator to ensure continued development and improvement of the breeding stock and its progeny.

But, the clever aspect is that the strategy for development is designed between both parties with emphasis

being placed on characteristics that give the major economic returns to the integrator's business.

If pig meat production is to become more integrated worldwide, whether through single companies or organised commercial alignments, we all know the world's pig meat sector is falling into fewer hands in terms of farm production, slaughter processing and retailing.

The key players

Thus, we are seeing large scale production establishing itself in countries that have large areas of productive land, low cost labour and are not too far from large consumer markets.

In this context the key players are countries such as Canada, Brazil, Eastern Europe and China. None of these countries are without their problems.

For example, Brazil is the world's cheapest country to produce pigs but it has a real challenge, other than international animal health diseases and its perceived health status, is its proximity to the consumer markets.

The Eastern European countries are geographically well positioned to supply Europe but require an improved infrastructure. China's development is just a question of time!

Taking all this into consideration these countries and regions will not only see mega swine industry development but that development will be in conjunction with bespoke genetics and its suppliers to satisfy the market.

Gone are the days of buying the occasional pig here and there! Gone are the days of sourcing gilts from one source and the boars from a variety of breeders in a variety of countries on different continents!

Future partnerships

The successful companies of tomorrow will be those who focus on their own strengths such as pig and meat production and meat marketing and trust their partners to provide the specialist inputs that they can best deliver. Paramount among these partners will be your breeding stock supplier.

You must look upon your breeding stock supplier as your wife or husband. You are going to be hitched to him for the long haul! You will need to have an open and frank on-going dialogue and you must trust him to get on with his part of the 'marriage contract'.

If not you will waste energy on your marital squabbles that could have been directed into furthering the development of your own.