

# Points of View

A forum for sharing perspectives from across the Canadian Sheep Industry



CANADIAN SHEEP FEDERATION

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It's our second issue of Points of View and we seem to be gathering momentum. I'm encouraged by the feedback we received (see letters to the editor on page 5). We needed a vehicle to share perspectives from across the industry and we're off to a great start. I'm also motivated to get more people involved – this venue is only as good as its contributors.

In this issue, you'll see an article from Fred Baker that cuts to the heart of some of our industry's big questions. Don't expect a light and easy read. Fred pulls no punches and holds everyone accountable for why we're still facing the same issues we were talking about 20 plus years ago.

Jennifer Cunningham shares her perspective on the successful producer of the future. It's no surprise that this question isn't easy to answer and Jennifer gets right into the challenges she's facing as she tries to get the most value out of her operation with limited land and resources.

The bottom line is we have to be realistic about where the Canadian sheep industry is before we can make the

**“There's work to do and coming together on some of these issues is the first step.”**

insights and your letters of feedback.

Let's keep the dialogue open. Email us your thoughts at [pointsofview@cansheep.ca](mailto:pointsofview@cansheep.ca).

Jennifer Fleming  
Executive Director  
Canadian Sheep Federation

P.S. Don't miss the case study on page 6. It's an interesting example of how one family is taking an innovative approach to their sheep operation.

necessary changes to realize its potential. There's work to do and coming together on some of these issues is the first step. Thanks to Fred and Jennifer for their

## Feature Editorial

### Have We Come Full Circle Yet?

by Fred Baker

Since the early 1980s, the stated objective of provincial sheep organizations and individual shepherds has been to increase the domestic production of lamb so as to assume a greater proportion of domestic fresh lamb consumption and to produce for year-round availability of fresh lamb. Agricultural extension workers and the

Chairs of provincial organizations have trumpeted the incredible potential of the Canadian sheep industry and have persuaded both Provincial and Federal government to allocate large sums of industry development dollars to develop this potential.

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## Feature Editorial

So why, then, in 2007, do Canadian producers still produce about 50% of domestic consumption and why do Canadian consumers still complain that they can't find Canadian lamb when they want to prepare their favourite meals – signals that have existed since the early 1980s?

Those who have struggled with the essence of this question could probably distill the reasons down to three essential causes:

- The failure of provincial sheep organizations to develop a common and sustained national vision of what the Canadian sheep industry is and should be.
- The parochial nature of producers who, knowing that they can sell whatever they produce, have failed to recognize that in order to build the industry, they must adapt, change and engage in innovation if they truly desire to be profitable and sustainable in the longer term.
- A packing industry that is mired in tradition, struggling with regulatory burden and constrained by politics.

What is common to these realities? Complacency – a willingness to continue doing what has already been done because it is familiar and comfortable and presents no risk!

“Remember those great recipe cards we produced last year? People loved them. Let's change the colour on the headers and print 150,000 new ones this year.” This despite the fact that the bulk of consumers have moved on from buying a whole lamb for the freezer to looking for locally produced fresh lamb with a provenance that indicates it was raised by people who care about producing food.

Provincial organizations get so locked into their “club” routines that they completely miss the reason for their existence – to represent their producers and develop programs and initiatives that improve the economic viability of their members. They continue to look at lamb from the producer's side of the equation instead of the consumer's side. Explain why BC lamb should be the juiciest, most tender product for the barbeque, when Ontario is exalting a similar claim and Prairie lamb, if one could only find it, promises to be a unique dining experience.

Truthfully, the very best roadmap (a national vision of the industry) cannot show the peril that exists around the next hairpin corner, but actually having a destination in mind, determines the direction of travel and how much fuel is going to be used to get there.

Canadians, who love to eat lamb, already recognize the superior eating qualities of locally produced lamb, they want Canadian producer organizations to shut up with the hype and get on with delivering increasing quantities of Canadian lamb with consistent qualities. Yet, despite this reality, provincial organizations regress. Witness the Ontario Sheep Marketing Agency canceling the forward contract program, which was specifically designed to increase the production of a branded and graded product – for reasons of economy, or the speculation that provincial flock health programs are not affordable.

Did anyone hear the July 18/07 CBC Radio Noon call-in show asking for consumer opinions on buying Canadian and locally produced food? Guess which Canadian food consumers complained about not being able to find, despite the willingness to attend farmers markets and specialty shops. It wasn't asparagus, not beef, not strawberries, nor vegetables in general. It was lamb! Canadian consumers want lamb because it is healthy, the portions are sized properly for an aging population and they prefer Canadian lamb to imported lamb.

So, given the market signals from this pent up demand, why do producers continue to aspire to produce less than 2 lambs per ewe, per year, shun flock health and genetic evaluation programs and continue with inefficient production systems that limit the size of the breeding flock? There is plenty of information available, both provincially and nationally that should provide producers with the ability to innovate, become more efficient and send more lambs to market. The easiest way to increase the number of lambs reaching our consumers is to reduce the unacceptably high, pre-weaning death rate in our lamb crop. Yet provincial organizations and producers question the value of flock health programs. A litany of excuses (lack of market access, regulatory restrictions, those damned national ID tags) just generally mask an unwillingness to change or to formulate a business plan that includes both objectives

*continued...*

## Feature Editorial

and milestones. And, after all, why change? There is a market for absolutely everything we produce!!!

When was the last time you tried to sign a long-term supply contract with a packer? You would think that a continuous and consistent supply of live lambs at a known price would be a good business decision for an industry that should be trying to meet the demand from the retail sector with supply contracts of a value-added product at an established price. Yet, mired in tradition, the packing industry doesn't seem to want to abandon the auction markets for fear that their competition might get a deal on a few loads of live lambs. With so much unexplored market available, why do packers continue the "sport" of "stealing" existing market from their competition? One would think that working with provincial marketing organizations to establish a supply chain into untapped markets would be desirable to the point where all three would be busily talking to each other and planning for the future. "Ah, what the hell, I can probably get .05 more per lb on the spot market next week anyway."

So, is this rather gloomy and cynical view of the sheep industry the way it is going to continue for the next 25 years? What might it take to foster change? Ultimately, the collective choice must be made by individual producers. All it takes to produce change is a group with vision to establish where we want the industry to be, a few individuals to display their leadership skills and enthusiasm for the ride and the willingness of producers everywhere to fund the cost of achieving their goals. Sounds easy, doesn't it?. In many respects, Canada is the envy of the sheep world. They don't understand why we have been stuck for so long. We owe it to ourselves to shake off the rust.

Send your comments, suggestions and questions to:

[pointsofview@cansheep.ca](mailto:pointsofview@cansheep.ca) or call

CSF at 519-824-6018 or 1-888-684-7739.

## Feature Editorial

### Who is the successful producer of the future? That depends on who you ask

by Jennifer Cunningham

*Jennifer Cunningham, sheep producer, woodlot owner and Points of View Steering Committee member gives us her perspective.*

Let me start by answering the questions you posed in the first issue. Which producers are poised to make the biggest impact? From my perspective, it's the producers who fit in 1 of 3 categories, including those who:

- Can cut production costs
- Are in close proximity to a highly populated markets
- Are producing for a commodity market (e.g. like New Zealand)

What are they doing right?

- Successful producers are using technology, science, progressive management and finding new techniques to be good farmers.

What are they doing wrong?

- We have to know that producing cheap food will catch up with us.
- As will relying exclusively on science and not enough on nature. As climates are changing, will we be able to adapt?
- And, another pitfall is thinking export is more important than local food production.

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## Feature Editorial

What will define the successful producer in 5 to 10 years?

- If we actually have farmers in that time, that will be success. I suspect that only the rich or large businesses will own the land.

How big is his or her operation?

- Does size matter when it comes to sheep farming operation? What matters is the purpose of the operation – reducing taxes, food production, making a certain level of income, recreation.

What role will small hobby farmers play?

- Tax on rural properties. Continued focus on recreational farming. Producing a certain animal for a specific product. Keeping a certain breed alive as some breeds are not profitable in commodity markets and are dying out.

How important is a business mindset to running a profitable operation?

- Very important. When you can't produce for a commodity market you have to be on the ball to find or create a direct marketing channel.

Who will he or she market lambs to, and how?

- If Canada continues to develop safety and health plans, the potential is there to sell ourselves as environmentally clean and then we could sell to anyone with money.

So, what is the future of the sheep industry?

The future for me is ethical animal production and good farm practices. What I see as good business and good farming in some cases just doesn't go over well anymore – from knowing the costs of being a producer, learning what goes on in meat processing and cutting, value-adding, marketing, and planning a value-chain. There are always ways to cut corners, invest in technology to be more efficient, use drugs to get more production/more gain. But, I believe short cuts will always catch up with you one way or another. As I said before, producing cheap food will catch up with us.

Canadian farmers have been forced to be efficient and those still farming are the best. We are constantly told to cut production costs to be more efficient. Well, I have reached the point where I'm asking, "Why should I?"

I am at the point of being as efficient in my production as ethically as I can. I make adjustments to be better where I can. I analyze everything every year, looking to see what I can do better and put that into the plan for next year. But over all I am doing the best I can without compromising my beliefs. Over the years we have changed the production systems my parents used, thinking we knew more, we have been to school, these are new and better ideas. It usually winds up costing us more in the long run and so we went back to basics of sheep production. That's what really best suits our land, our way of life, our end product. The lamb we produce is now being sought after by our customers because of how we produce it.

All commodity markets end up at zero. We are told to determine your break-even point, determine the amount of sheep you need to raise in order to make money. I only have a certain amount of land to sustain a certain amount of sheep. I cannot grow enough lamb on this place to cover even the lowest production costs.

For example:

- Land prices too high to buy more land – so I use what I have
- Rent land and be at the mercy of others and their whims
- Capital that I could invest, but I get a better return on investments elsewhere
- Use the land more effectively – learn about ways to improve grass production, so as pasture and range improve increase flock
- Learn to work with other producers to fill in the market gaps we cannot fill and they can – communicate and work with others

I guess it all comes down to seeing where the best opportunity lies. That's what will make a sheep producer successful in the future, and it will be different for everyone.

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# Letters to the Editors

"This is a forum to voice your opinions, so I would also encourage those readers to take advantage of an opportunity to challenge the sector, suggest change and spark a little controversy. It's one thing to comment, it's another to suggest a change."

- Andy Dagenais

Hi Jenn, This looks great! This is another strong positive step toward setting the CSF where it should be, at the top! And in support of Fred's point of view, the old adage – if you always do what you've always done, the way you always do it, you will always get what you got! So, let's get people excited and inspired and this can be done when people have access to the "big picture" of the industry and quit living in the vacuum.

In a speech I gave in 1985 while talking on cattle feedlot management in Ontario this came to mind: "Until producers think beyond the constraints of tradition and conformity, their business vision will be obscured as we move quickly towards a global market place in a new era of world wide communication." This forum should help people with their business vision. It is essential to get some goals set for down the road.

I give you and your contributors high marks for a great idea and a job well done! Thanks Jenn once again for all of your hard work and your great outcomes!

Regards,

John H.

We sell well as long as we process at the ranch. The moment we ship to slaughterhouses, clients avoid to buy. It is the smell on the lambs they have problems with. Either they get fresh from the ranch, or they buy NZ lamb. I would not buy any of the Canadian lamb we have here in BC, federal inspected. You never know what you get and that game smell is often terrible.

The problem is not the lamb producers. The problem is we do not have skilled labour at the killing plants here in

BC. How many times have I been called out to inspected plants, to show them how to butcher a lamb? Plenty. And for nothing, as they take hot water to clean the carcasses.

For two years we sell all lambs to our clients as pet food, with a stamp not for human consumption. Works great, clients happy and processing by the law. The only problem, we don't have enough lambs. Sadly, all the large producers in the area gave up, as they have no access to clean processing. We need killing plants as they have in Australia and New Zealand. That's the answer in my mind.

With best regards and thanks for your work.

Helmut

Congratulations to you and your Committee. The first edition of Points of View is a great start. You indicated that communication is critical to the success of your sector, and it is. But what about encouraging people who plan on giving you feedback or editorial contributions to also suggest change towards progressing. This is a forum to voice your opinions, so I would also encourage those readers to take advantage of an opportunity to challenge the sector, suggest change and spark a little controversy. It's one thing to comment, it's another thing to suggest change. Voice your concerns and point out what may be wrong, but don't stop there. Tell everyone how you think it can it be fixed or what should happen. Don't just voice an opinion and not suggest change! This is my view.

Andy Dagenais

AAFC

# Raising a “Flerd”

Part flock, part herd, a “flerd” is defined as a mixed-species grouping of animals that consistently stay together in free-ranging conditions. Research has been conducted to evaluate the benefits associated with flerds, including protection from predators and pasture utilization among others. Saskatchewan producers Len and Lisa Larsen, with the help of their two kids Josh (15) and Renee (13) have experimented with this grassroots approach to livestock production on their farm, with clearly positive results.

## The Situation

### Mixed Farm with Mixed Results

The Larsens operate a mixed farm south of Regina. Fluctuating grain prices were proving to be a challenge, while prices for their sheep were, for the most part, consistently high. The challenge with an operation focused heavily on livestock though, was a reliance on labour and the related costs.

## The Opportunity

### Taking a Holistic Approach

The opportunity was there to find a management system that would minimize their labour inputs and manage grass harvesting with little mechanical work – a system that would aim for 365 days of grazing a year. Having taken a course on “holistic” livestock production, the Larsens decided to move away from grain and focus exclusively on an outdoor sheep operation. They seized the opportunity to take advantage of a strong market for lamb, added some cattle, and today raise a flerd. The Larsens’ operation has experienced first-hand the benefits of the approach, including:

1. Greater returns. They’re getting a better net profit by producing a higher value product on land that is well-suited for livestock production. The animals live exclusively outdoors, which means management costs are significantly lower than traditional sheep farms. The animals pasture year-round and manage nutrient intake on their own. Larsen insists they still produce a consistent finish grade in their lambs.
2. Bonding between species. Larsen’s flerd includes 950 ewes and 50 cows that graze together on anywhere from 40 to 100 acres of land at a time depending on the time of year and conditions at any given time. The bonding between the animals provides natural protection from predators and aids in mothering up between lambs and ewes.

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3. Greater pasture utilization. The flerd rotates between sections of land every week, rarely visiting a pasture more than once in any given year. The year-round grazing means the Larsens rarely need to haul bales.

### Challenges

#### Flerds aren't for Everyone

Flerds aren't a magic bullet, though the downsides are few. Larsen is clear that this system might not be possible for every Canadian sheep producer, but in Saskatchewan where farms are bigger, it clearly has potential. It takes a lot of work initially getting the animals acclimatized to their new living arrangements, but Larsen says it was definitely worth the effort. The Larsens have also opted for electronic fencing, which in addition to being roughly a quarter the cost of regular fencing, allows for more flexibility in managing the land.

### Key Success Factors

#### Sticking with the Plan

Larsen credits his family's commitment to holistic management for the success of their flerd. They did the research and knew the flerd would work if they stuck with the plan. He said it was hard to believe at first how much they could do with the animals in the pasture space made available to them, but the proof is evident today. The available research on holistic management also helped him build his business case with the bank.

### Learning Experience

#### Let Nature do its Thing

Larsen says that the concept of working with nature, not fighting it, is key to the holistic approach to animal production. The Larsens have learned that animals will do just fine on their own without excessive human intervention. Whether it's around feeding, lambing or bonding, the flerd essentially takes care of itself. What does this mean for the livestock producer? Costs are managed, land is utilized efficiently and returns are optimized.

For more information on holistic management visit: [www.holisticmanagement.org](http://www.holisticmanagement.org).

Comments? Email [pointsofview@cansheep.ca](mailto:pointsofview@cansheep.ca).

## Your feedback is essential!

The dialogue has started, but we need to hear more about what you think in order to keep this forum going. Its success depends how much everyone in the sheep industry weighs in with their own perspectives and suggestions for change.

Tell us:

- What you think about “Points of View”
- If you had a strong reaction – either good or bad – to the first feature editorial
- If you want to contribute to an upcoming issue
- If you have a topic you’d like to see addressed
- If you have a story that would make a good case study for others to learn from

Few people get the opportunity to have their opinions heard. This is yours.

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### In the next issue...

The primary goal of Points of View is to promote dialogue within the Canadian sheep industry. Our vision is to see stakeholders throughout the value chain offering their insights and opinions on various topics so that we all gain a greater understanding of the industry as a whole. We also recognize how time constraints may keep you from volunteering to write an article on any given subject no matter how interesting. We’d like to make it easier for you to offer your thoughts while still circulating Points of View on a regular basis – after all, isn’t regular communication key to creating a dialogue?

We will continue to circulate Points of View on a monthly basis, but instead of asking for article contributions, we’ll ask you to send us your comments (however brief) on a topic introduced the month before.

Our hope is to increase the number of contributions, but minimize your individual effort.