



# Western Beef Development Centre

## 2002-2004 SASKATCHEWAN FEEDLOT YARDAGE ANALYSIS: HOW DO YOU COMPARE?

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### Introduction - WBDC Cost of Production Study

The Western Beef Development Centre (WBDC) has collected feedlot cost of production data for 2002, 2003, and 2004 from approximately 20 farms, ranches, and feedlots across Saskatchewan. The yardage costs associated with these feeders are discussed in this article and are to be used as a benchmark for those wishing to have some comparative information.

In this analysis “feedlot yardage” includes: fuel, utilities, repairs, custom work, paid and unpaid labour, depreciation, lease payments, taxes, licenses, insurance, equipment rental, and all those other costs which fall under the “miscellaneous section.” Business overhead costs such as office supplies, accounting, etc. are also included. Veterinary & medicine, bedding, feed, trucking, marketing, and interest, were not included as yardage costs.

### Results

Table 1 represents the 2004 yardage costs for a combination of 12 backgrounders and 5 finishers. Similar to 2003, these producers fed on an average approximately 500 feeders. However, the average yardage cost per feeding day in 2004 was \$0.36/day, which is significantly lower than the \$0.40 - \$0.45/feeding day observed in 2002 and 2003.

Table 2 presents the 2003 backgrounding and finishing feedlot yardage costs. On average, approximately 500 feeders per producer were placed on feed in both the backgrounding (16 operations) and finishing lots (7 operations). The backgrounders fed their calves for an average of 155 days at a yardage cost of **\$0.448/head day**.

The finishers were caught with 72% of their inventory still on feed when BSE was found May 20, 2003 in one Alberta cow. The end result was delayed marketing (average days on feed of 300 days/head) and an average yardage cost of **\$0.39/head day**.

Table 3 compares backgrounding yardage (<1.55 lbs/day ADG) versus finishing/backgrounding yardage (>2 lbs/day ADG) from the 2002 analysis. Producers with gains of < 1.55 lbs/day had an average yardage cost of \$0.441/head day while those with gains > 2lbs/day were observed to have an average yardage cost of \$0.423/head day.

*Yardage calculations included the cost of rolling, processing, tub grinding and transporting feed to the “bunk”. Therefore, using the numbers in this article as a benchmark for calculating your own yardage would mean it is not necessary to also “mark-up” your feed to account for these actions.*

## Summary

The past 3 years of analysis have produced some surprising results for producers who had not previously calculated their own operation’s yardage cost. In many cases the calculated yardage cost per feeding day was much higher than the producer’s “estimated” figure being used for budgeting purposes. As a result of undercharging for yardage, these producers were essentially not being paid the market value for their feed and weaned calves they were selling to their feeding enterprise.

To obtain further information regarding this and many other articles pertaining to this topic, visit our website at [www.wbdc.sk.ca](http://www.wbdc.sk.ca) or contact the WBDC at 306-682-3139.

**Table 1. WBDC 2004 Saskatchewan Feedlot Yardage Analysis**

Item	Backgrounders/Finishers	
	\$/lb. gained	\$/head day
Fuel	0.024	0.032
Machinery Repairs	0.026	0.035
Building/Corral Repairs	0.009	0.012
Utilities & Miscellaneous	0.025	0.033
Custom Work	0.048	0.064
Labour (Paid & Unpaid)	0.095	0.127
Taxes, Lisc., Leases & Ins.	0.009	0.012
Depreciation	0.033	0.044
<b>Total Average Yardage</b>	<b>0.268</b>	<b>0.360</b>
Avg. Total Days on Feed	118,918	
Avg. # of Days on Feed/Head	241	
Avg. # of Feeders Sold	493.60	
Avg. Daily Gain	1.34	
# of Observations	17	

**Table 2. WBDC 2003 Saskatchewan Feedlot Yardage Analysis**

Item	Backgrounders		Finishers	
	\$/lb. gained	\$/head day	\$/lb. gained	\$/head day
Fuel	0.024	0.034	0.014	0.031
Machinery Repairs	0.021	0.030	0.011	0.025
Building/Corral Repairs	0.013	0.019	0.007	0.014
Utilities & Miscellaneous	0.036	0.052	0.020	0.044
Custom Work	0.039	0.057	0.022	0.048
Labour (Paid & Unpaid)	0.104	0.150	0.053	0.116
Taxes, Lisc., Leases & Ins.	0.014	0.020	0.008	0.017
Depreciation	0.060	0.087	0.044	0.094
<b>Total Average Yardage</b>	<b>0.311</b>	<b>0.448</b>	<b>0.180</b>	<b>0.390</b>
Avg. Total Days on Feed	75,167		147,813	
Avg. # of Days on Feed/Head	155		300	
Avg. # of Feeders Sold	484.95		492.71	
Avg. Daily Gain	1.44		2.17	
# of Observations	16		7	

**Table 3. WBDC 2002 Saskatchewan Feedlot Yardage Analysis**

Item	Backgrounders < 1.55 lbs/day ADG		Backgrounders/Finishers > 2.0 lbs/day ADG	
	\$/lb gained	\$/head day	\$/lb gained	\$/head day
Fuel	0.025	0.032	0.013	0.033
Machinery Repairs	0.021	0.026	0.012	0.031
Building/Corral Repairs	0.011	0.014	0.006	0.015
Utilities & Miscellaneous	0.031	0.039	0.018	0.046
Custom Work	0.041	0.052	0.021	0.054
Labour (Paid & Unpaid)	0.147	0.185	0.059	0.150
Taxes, Lisc., Leases, & Ins.	0.017	0.021	0.004	0.010
Depreciation	0.055	0.069	0.032	0.082
<b>Total Average Yardage</b>	<b>0.350</b>	<b>0.441</b>	<b>0.166</b>	<b>0.423</b>
Avg. Total Days on Feed	60,882		162,017	
Avg. # of Days on Feed/Head	170		195	
Avg. # of Feeders Sold	357		831	
Avg. Daily Gain	1.26		2.55	
# of Observations	8		9	



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