

For Marc Erickson, FAS sheds light on animal health, feed needs, and his banker's desire for the numbers.

This month Prairie Systems sat down with Marc Erickson, who farms 2,600 acres of corn and finishes out 18,000 pigs alongside his dad, John Erickson.

Can you describe your operation for us?

We've been around a long time and are looking to grow more on both the grain and hog side. We're not your typical hog operation, as we raise gilts for DNA and sell them all over the country. This makes FAS (Feed Allocation System) extra important to us because we sell pigs at all different weights.

How did you come to use FAS?

We were talking to our salesman about our biggest problem, which was overfeeding, and he suggested trying out FAS to assist us with that.

And what happened next?

I'm not going to lie, using FAS was hard at first. Like with so many things, it took us time to get used to it. At first, we spent a lot of time inputting all of our stuff into the system and we didn't understand some of the tools, like the ingredient tool, that have now become so beneficial. It took us time to feel comfortable but now we are glad we stuck with it because of the benefits.

What's been helpful while I've learned how to use FAS is that if I have a question I can call and ask and get helpful answers. Molly is really good at just answering my questions and then letting me do it. It's been really nice to be able to call when I have specific questions.

What made you stick with it?

Initially I didn't understand what we were seeing because at first you don't know if your budget is correct. FAS kept telling me our hogs were out of feed. I'd go out and check the pigs and I am responsible for the feed, so I know what is in the bin and I knew my bins weren't empty.

What I came to realize is that we had picked up a disease that put our pigs off of feed. They were still eating but not at the rate they were supposed to, which put us off budget by a week. They did eventually make some of it up in the finishing rations.

I know my nursery budget is right on. It's been 3/10th of a pound off of what FAS is saying so it is pretty much right on. I can tell now that if my pigs going through the nursery go off budget a few days either way that I may need to go out and look and pay special attention to visible signs of disease.

So you're saying that FAS has a role in your understanding of your animals' health?

Yes, because just like humans, when our animals are getting sick they don't drink or eat as much. Now with FAS we can see, based on the numbers, what our animals are doing, and based on that, we can go out and look to see visible signs of disease and start treating as needed. It's another piece of information that guides our management.



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What feature(s) do you find most beneficial?

Definitely the ingredient tool.

For example, let's say I got ingredients on Aug. 1 and then want to check to see what I've done from Aug. 1 to Sept. 1. When we are full we should be bringing in and feeding the same amount of product. Based on that I can decide to get 4 to 8 weeks of ingredients at a time. By using the ingredient tool, I can make it so I don't have a lot of extra inventory.



The ingredient tool helps me figure out the exact usage almost to the bag of the volume of the ingredient I need. Let's say we've got a group of 2,400 pigs and need nine weeks' worth of ingredients for that group. We can figure out pretty darn close how much to get just based on the projections of the budget. This is huge because then we know how much we plan to spend and can fine-tune everything and keep costs down. With FAS, I can now order enough to get certain volume discounts. Instead of 12 bags I can order 40 and feel confident that I will use it with that group. It's a little cheaper that way.

Also, we have feed cost projections on a per head level. Since I use FAS I know my projections and am able to see that I'm \$5 to \$6 a head cheaper than the projection. With how tight the hog market is, that's big. One of the biggest areas you can adjust your cost is feed.

Oh and one other piece I like to look at is Good Mix, it allows me to look at all my ingredients just to make sure that my feed mill is putting in the right product.

I hear that you share information from FAS with your banker. What's that about?

At the end of each group I send my banker a closeout report. I send all this information since what he wants to know is if we're making money. My banker and I go through it and talk about it at a per head level, just like we talk about grain on a per acre basis.

We will go through and look at the cost and ask are we making money here? Do we have room to expand on some hogs? We look at our costs and break evens and can look out a year in advance and see if we should do futures or other things to kind of set a floor.

FAS shows feed costs a lot better. It is just another piece of the puzzle. It's numbers on paper that the banker can take to a loan committee, and they can get a better understanding of what is going on. Bankers aren't out with pigs; it's the numbers they understand. If the banker is comfortable with what you are doing and knows your costs, you have a better chance of them loaning you money after.



What would you say to someone considering FAS?

Any tips or tidbits you wish you had known when getting started?

It feels like when you first start you aren't very efficient because you have to input information. That really changes after a few groups go through and you start seeing the reports. At first, I felt like I was constantly on the program and was beginning to wonder how this was going to go. Now that I'm comfortable with it, it takes 5 or 10 minutes to get everything in. I finally have done everything correctly as far as pulling records over to FAS. With a click of a button I can email everything I need to the banker. It's something you've got to stick with because once you get past the initial input and learning curve, you'll quickly see the benefits.