Stocker Goats in Eastern Kansas

Department of Agricultural Economics — www.agmanager.info



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Interest in the meat goat industry has been rapidly growing in Kansas, particularly in the eastern Kansas. As with other livestock industries, the meat goat industry represents a variety of producers engaging in a variety of production phases. For example, some producers choose to maintain a breeding herd and raise offspring (kids). Other producers choose various other production systems that fit into the meat goat supply chain. This guide is focused on the "stocker" phase of the meat goat production chain, in this case those producers who purchase or acquire young kid goats to use grazing resources over the summer and early fall grazing season. This particular phase of the meat goat production chain has some interesting applications and implications for eastern Kansas.

Historically, pasture based goat production enterprises have been used to assist in the control of brush, small trees, and other "undesirable" plant species on rangeland and pasture. For this reason, the meat goat enterprise may fit well with traditional cattle grazing enterprises, as there is minimal direct competition for grazed forages and over time the competition from "undesirable" forages can be reduced by the grazing goats. Perhaps more importantly, if properly managed grazing meat goats can assist in the control of some of the newer introduced "invasive" species in Kansas such as Sericea Lespedeza (a noxious weed in Kansas).

Production Considerations

Adequate fencing is a primary consideration for a meat goat enterprise. Obviously the gaps must be much tighter than for traditional cattle enterprises. Some producers have had success with a well-maintained multiple-wire high-voltage electric fence. Alternatively, a tight woven wire fence, or even a tight multiple wire barbed wire fence, can be supplemented with additional barbed wires or with electric strands to assist in keep the goats where intended. Young goats getting their heads caught in woven wire is a potential problem. For a summer stocker goat enterprise the housing or shelter needs should be minimal. Protection from rain and fall weather would be a primary requirement, and in many cases that may be afforded by natural cover such as thick trees or brush. On the other hand, a sturdy catch pen/working facility will be required for gathering, handling, de-worming, etc.

Specific health concerns include parasite control, foot rot, and possibly pinkeye. Predator control can also be a significant issue for a stocker goat program. Potential producers should be prepared for a higher death loss rate (perhaps 5 to 10 percent) than they may be used to with cattle summer grazing programs.

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The optimal stocking rate will vary according to specific needs, and will likely need to adjust over time. For example, if there is a very heavy initial infestation of brush, Sericia, or other "undesirable" woody plant species, the initial summer stocking rate may be 2 to 4 stocker goats per acre. As the plant species population changes, the goat stocking rate will need to change. Early in the grazing season, the pasture resource will likely supply most of the nutrient requirements. Later in the season as forage quality declines, some grain supplementation may be used to maintain the desired rate of gain. A trace mineral supplement should be provided throughout the grazing season.

Procurement of large numbers of stocker goats at a workable price in the spring can be a challenging hurdle for Kansas producers to overcome. Several local markets in Kansas are a viable source for smaller lots of goats. For larger numbers, producers may be forced to other states where there is increased availability, such as Oklahoma or Texas. Common available breed types include dairy crossbreds, Spanish, Boer, Boer Spanish crossbreds, Boer Angora crossbreds, and Kiko. Purchased goats from seedstock with a successful foraging history are likely to be better foragers under typical Kansas conditions.

Economic Considerations

The demand for goat meat has been steadily increasing in the United States, however, it is still considered primarily a niche market. Therefore, a thorough understanding of the marketing system and marketing opportunities in a specific area is essential. Overall, the goat meat market is driven primarily by growing populations of certain ethnic groups in the United States who have a preference for goat meat

Table 1. Factors Used in Budget

Tuble 1.1 delots Osca in Buager		
Purchase Weight	50 lbs	
Purchase Price	\$1.10	
Death Loss	7%	
Interest Rate	8.00%	
Selling Weight	80 lbs	
Selling Price	\$1.18	
Days on Pasture	160	
Investment in Equipment and Facilities	\$18	
Live of Equip	10 years	
Salvage Value	0	
Grain Price	\$0.08/lb	
Grain lbs fed per day (last 60 days)	0.4	

(especially at certain times of the year), and to a lesser degree by lean conscious consumers (goat meat is very lean).

At the individual producer level, the economic viability of the meat goat enterprise is significantly influenced by the unique characteristic that it may have multiple economic benefits. Obviously, like other livestock enterprises there is a saleable product produced. In addition, the goats are a mechanism for controlling undesirable plant species that are costly to control by alternative means. Therefore, the profitability and feasibility of the overall stocker goat enterprise can be greatly influenced by the economic value that the individual producer places on the "weed" control aspect of the enterprise.

COST-RETURN PROJECTION — STOCKER GOATS

	Examples	Your Farm
	Total	Total
RETURNS PER HEAD	Φ 04.40	
1. Market Animal (see Table 1)	\$ 94.40	
2. Less cost of animal: (Table 1)	55.00	
3. Less death loss (Table 1)	6.61	
4. Other Income		
A.GROSS RETURNS PER HEAD	\$ 32.79	
COSTS PER HEAD:	¢.	
5. Pasture	<u>\$</u>	
6. Silage		
7. Hay		
8. Grain Sorghum		
9. Corn	1.94	
10. Supplement		
11. Mineral and salt	1.00	
12. Labor	3.00	
13. Veterinary, drugs, supplies	2.00	
14. Marketing costs	2.00	
15. Hauling / Yardage	2.25	
16. Utilities, fuel, oil	1.25	
17. Facility and equipment repairs, and additional fencing	2.00	
18. Professional Fees (legal, accounting, etc.)		
19. Miscellaneous (predator control, etc.)	2.00	
20. Depreciation on facilities and equipment	1.80	
21. Interest on facilities and equipment ¹	0.72	
22. Ins and Taxes on facilities and equipment.	0.32	
B. SUB TOTAL	\$ 20.28	
23. Interest purchased livestock and ½ Variable Costs	2.27	
C.TOTAL COSTS PER HEAD	\$ 22.54	
D.RETURNS OVER TOTAL COST (A - C)	\$ 10.25	
24. Pounds Produced	\$ 24.40	
25. Feed Costs Per Pound	0.12	
E.AVERAGE SELLING PRICE NEEDED PER CWT. (C + 2) ÷ (net selling weight) ²	\$ 1.04	
F.ASSET TURNOVER ((1+4-3) ÷ INVESTMENT) ³	\$ 120.26%	
G.NET RETURN ON INVESTMENT ((D+21+23) ÷ INVESTMENT) ³	<u>\$ 18.13</u> %	

¹Original cost of facilities and equipment plus salvage value divided by 2, times the interest rate.

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²Net selling weight = selling weight - (death loss% * selling weight).

³Investment equals total cost of purchased animal and value of facilities and equipment.