



SWINE SOLUTIONS

Focus on the fundamentals to prepare for future success

By: [Jamie Pietig, senior swine nutritionist, Hubbard Feeds](#)

Without a doubt, 2020 will go down in the record books as one of the most challenging years ever for the livestock industry, family farms and rural communities. Pork producers have certainly felt the abuse 2020 has thrown at the U.S. agriculture sector. Plant closures, export losses and managing employee health and wellness have taken the wind out of many pig farmers' sails.

The questions I have received during farm visits lately have little to do with nutrition. Most of the queries are about markets, packing plant contracts and long-term positioning for the viability of their farms. I have whole-heartedly attempted to provide what limited market insight I can offer and have engaged customers in creative discussions surrounding niche market opportunities. My crystal ball has not provided many answers as I try to anticipate which changes the swine industry will make due to its experiences in 2020. However, in my search for the future, I have found some clarity on what will not change in successful pork operations. Focusing on what will never change — in other words, the basic fundamentals — provides some direction when the future is less than clear.

1. Production is still king

I can safely predict that measures ensuring efficient production, such as good herd health, productive P/S/Y, efficient feed conversion and average daily gain (ADG), will continue to remain the most important metrics for determining the success of pig farmers. Poor production is like swimming against a current, and prolonged poor production ends up wearing on producers, as well as our people and our finances. Even if a producer has the best marketing agreement, risk-management strategy and/or purchasing power, they cannot withstand high death losses or low PSY for an extended period of time. The better producers, over time, will always get the opportunity to raise or manage more pigs.

2. Keep your powder dry

I anticipate that, in the future, 2020 will become the new “war story” handed down by industry veterans to the fresh faces entering the pig business, much like the lessons learned from the 1982 farm crisis or the \$8 hog prices experienced in 1998 were handed down to me. Experienced individuals expect that bad things are going to happen. If an operation's success or failure depends on everything going as planned, it's likely a bad plan. Be conservative and keep extra capital/equity on the balance sheet to make it through tough times. Working with financial advisors and lenders to determine what kind of financial shock or stress an operation can handle is a necessary exercise that should always be completed, no matter how unpleasant it might be.

3. Be good to your people

Whether a farm is solely family owned and operated or has 1,000 employees, the principles are the same. Managers, growers, sons, daughters and wives who are treated with respect, given the ability to grow professionally and are fulfilled in their roles will always provide the farm a competitive advantage. Dysfunctional teams and/or family members will limit what a business can achieve. Serving the people who serve the farm is an investment that pays huge dividends, even if it cannot be quantified on a balance sheet.

4. Be good to yourself

The ability to stay engaged and help solve problems during a crisis is paramount. Even the squarest-jawed, most veteran pork producers have been taxed by 2020, simply because of the duration and speed at which problems have arisen. Do whatever you need to do to keep your batteries charged, because checking out mentally isn't an option.

5. Brighter days are on the horizon

The darkness is always greatest before the dawn. This statement finds no truer home than in farming. We will see better days. The world is still growing, and people will always need food, fuel and fiber.