



### 2010-2011 All Time High for U.S. Lamb Prices

- Prices for feeder and market lambs moved past the \$2 per pound mark in the spring of 2011
- Cull-ewe market sets record prices since winter of 2010
- Lamb meat wholesale prices have never been at this level

[www.sheepusa.org](http://www.sheepusa.org)

A small silhouette of a sheep is positioned at the bottom right of the slide.

### Wool Prices Highest Since 1989

- International wool shortages and U.S. exchange rates have combined for substantial price increases
- Superwash equipment spurring increased competition among U.S. textile companies



- Record wool returns of \$25 per ewe.

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A small silhouette of a sheep is positioned at the bottom right of the slide.

### Pelts and Breeding Stock

- Sheep skin market ramps up to \$15 and \$20 range with some sales reaching \$25 to \$40
- Breeding stock across the board set record prices due to demand from existing and new sheep producers

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A small silhouette of a sheep is positioned at the bottom right of the slide.



### Wildlife Services Funding

- ASI led campaign against amendment of Humane Society of the United States (HSUS) to cut WS funding by \$11 million
- ASI circulated a joint letter signed by 130 national and state organizations
- House members soundly rejected amendment by a 287-132 vote on June 16



[www.shopecentral.com](http://www.shopecentral.com)



### Wildlife Services Funding

- All earmarks were eliminated in the FY 2011 funding bill, which included \$2.7 million for Wildlife Services in 9 states
  - Wisconsin Minnesota Pennsylvania
  - Michigan Montana South Dakota
  - Wyoming Idaho West Virginia

**FY 12 is approved with \$4 million plus in operations**

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### ASI Launches Grow Our Flock Campaign



From the lamb and wool processing level, there is a shared concern about meeting the demand for lamb and wool production in the United States.

[www.growourflock.org](http://www.growourflock.org)




### Lamb Market Needs

- Nontraditional lamb marketing accounts for 30% of all lamb marketed!
  - Farmers markets Small processing plants
  - Direct farm sales Growth in ethnic consumption
- Traditional lamb marketing companies competing for lambs to fill national accounts.
- We must grow to meet the increasing demand for lamb in **both** segments.

[www.growourflock.org](http://www.growourflock.org)






### The Major Lamb Markets

- Kroger's grocery stores are the largest American-lamb retail chain. This winter it put its branded program on our lamb. 60% of American lamb at retail is by Kroger's who has committed to grow the category.
- Super Wal-Mart announced in 2011 that its lamb will be exclusively American for the next two years.


[www.growourflock.org](http://www.growourflock.org) 



### Let's Grows with twoPLUS

**We can build sheep inventory as easy as 2+2+2 = 315,000 lambs by 2014**

- 2 additional ewes per flock or per 100
- 2 lambs born per ewe
- 2 percent increase in the national harvest of lambs

[www.growourflock.org](http://www.growourflock.org) 




### Two Approaches and One Focus...

- ❖ Increase production from current producers.
- ❖ Encourage and facilitate new producers into sheep production.

**Our Focus:** Grow total inventory to meet needs of both traditional and non-traditional sectors.


[www.growourflock.org](http://www.growourflock.org) 

lamb markets



### twoPLUS by 2014

- These goals are:
  - Challenging
  - Realistic
  - Measurable
  - Attainable




**LET'S GROW with twoPLUS**


The American Sheep Industry Association is calling on sheep producers to help grow our national flock. These three goals encourage producers to expand their sheep numbers resulting in 33,500 more lambs and 2 million more pounds of wool for the industry by 2014.


**GOAL #1**  
Encourage producers to increase the size of their operations by increasing operations by 20% by 2014.

**GOAL #2**  
Encourage sheep producers to increase the average birth rate per ewe from 1.5 to 1.7 lambs per year.

**GOAL #3**  
Encourage producers to increase the harvested lambing by 2 percent from 28.8 million to 29.4 million.


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**Goals #1 and #2**


- Increase at least 2 ewes per operation or 2 lambs per 100 by 2014. Two lambs born per ewe =
  - 175,000 additional ewes
  - 254,000 additional lambs to harvest
  - 2 million additional pounds of wool


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**Goal #3**


- Increase harvested lamb crop nationally by 2% - 108% to 110%
  - ❖ Yield 67,500 more lambs harvested.
  - ❖ Predator, disease, and mortality can be reduced by management


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**Growing with twoPLUS**


- An increase in sheep inventory of 315,000 lambs at current market prices equates to \$71million for lamb and ~ \$3 million for wool.
- Studies have shown that for every 1,000 ewes, 18 jobs are created.
- An increase in sheep inventory of this size will either create or save 5,700 jobs.

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**Production Tools**

• Pre-breeding Tools	Pre-lambing Tools
– Flushing	Vaccinations
– Teaser rams	Nutrition
– Crossbreeding	Labor
– Vaccination	SID Handbook
– Labor	
– SID Handbook	


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**LET'S GROW** with twoPLUS

## Mortality Reduction Tools

- Ewe nutrition
- Parasite management
- Targeted predator reduction
- Lambing time protection
- Predator fencing
- Guardian animals
- Labor
- SID Handbook

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**LET'S GROW** with twoPLUS

## Sheep Industry Media Coverage

- Media events to promote the sheep industry held in Oct & Nov in Iowa, Minnesota, Ohio, Indiana & Tennessee
- Best media coverage of sheep in many years with print, radio and TV reports encouraging U.S. sheep production



[www.growourflock.org](http://www.growourflock.org)



**LET'S GROW** with twoPLUS

## Mentorship Opportunity

- New producers program launched in October with grants for state associations to create and operate network of experienced producers to mentor newer operators.
- Sheep Center provided funds to ASI for mentor tool kit to assist with education catalog, webinars, and training materials.
- Apply to ASI office.**


[www.growourflock.org](http://www.growourflock.org)




**LET'S GROW** with twoPLUS

## Let's Grow Website Available

Go to [www.growourflock.org](http://www.growourflock.org) for more details



[www.growourflock.org](http://www.growourflock.org)








### National Sheep Industry Improvement Center



- ASI secured authorization with \$1 million in funding in the 2008 Farm Bill
- Issued over \$250,000 in grants in October
- Increasing sheep production is a priority


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### Superwash to U.S.

Allows wool products to be machine washed and dried without shrinkage but was not available in United States

- ASI's Sheep Venture Company procured loan from NLPA's Sheep Loan Fund to purchase equipment from Italy
- Equipment is installed and operating at Chargeurs Wool in South Carolina

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### Military Contracts for Wool Products

- **Triple-F** - 3 years - \$2.8 million – Began Sept. 2011
  - To develop fire resistant fabrics for the military
- **Wool/Nomax** – 1 year - \$35,000 – Began 2011
  - A fire retardant fabric for high fire risk military jobs.
  - SBIR contracts are to develop washable wool garments for individual protection that can withstand washing and drying under military field conditions.





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### Wool Genetics Directory

- Developed at request of Wool Council
- Resource for producers to locate genetics to improve flock wool quality
- Includes information on
  - wool quality program
  - certified shearers
  - wool buyers/warehouses
  - testing labs
- Where have the Texas genetics gone?




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### Sheep Reporting

- USDA budget reductions eliminates the annual inventory report for sheep resulting in report numbers every 5 years
- ASI asking Congress & USDA to assist for more frequent reporting. Where did Texas sheep go?
- Voluntary sheep market reports – USDA will maintain the San Angelo Auction report

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### LRP-Lamb Insurance

#### Food and Fiber Risk Managers

“Created By the Industry For the Industry”


Burdell Johnson  
 Email: [bjohnson@fafrm.com](mailto:bjohnson@fafrm.com)  
 Office: 701-867-9160 – Cell: 701-320-5687  
 Website: [www.fafrm.com](http://www.fafrm.com)  
 (FFRM is a wholly owned subsidiary of ASI)

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### Industry Defends Sheep Research Station

- Only rangeland sheep station in the U.S.
- Anti-livestock groups sued to force USDA to do NEPA assessment on research station grazing.
- Environmental Analysis still underway in 2011.
- Distraction from efforts in research focus.

### Livestock Protection Dog Working Group

- Develop public education and guidelines for dogs to ensure continued use of this predator management tool
- Recommended Best Management Practices for Livestock Protection Dogs Revised and Posted January 2011
- Private lands edition in draft now
- Signs available through Mike Marlow - 970-494-7456






### Bighorn Sheep Taskforce

- ASI taskforce assists western states on this issue
- Conducted January and June meetings with USFS, BLM, state officials and wild sheep advocates
  - Research
    - Focus on vaccine and Prioritize existing BMP
  - Management
    - Identify alternative grazing allotments
    - Practice "Managed Separation"


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### Bighorn Sheep Taskforce

- US Forest decision in 2010 cuts sheep grazing on the Payette Forest in Idaho by 70%
- This poses a serious threat to the entire sheep industry. According to Forest Service data, approximately 42% of the sheep that graze on the national forests do so within bighorn habitat. This amounts to about 23% of the total domestic sheep industry. Is only 5% of the wild sheep habitat but nearly a quarter of US sheep business

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### Key Study: Quantifying the U.S. Nontraditional Lamb Market

#### ASI Lamb Council

- Nontraditional lamb marketing research to determine volume, impact and market route of ethnic trade or lambs beyond traditional commercial companies



- Approved by ASI executive board with voluntary funding in cooperation with American Lamb Board

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### ASI Industry Survey Results Now Available

- Tabulated January 2010:
  - 60% of respondents are 51 years old or older.
  - 64% commercial; 22% seedstock; 10% club lamb; 4% feeders; and 0.4% dairy.
  - 53% of agriculture operation revenue from sheep.
  - Percent of lambs born per ewe exposed averages 159%

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## Sheep Industry News Gets New Look

**2012 Calendar Mailed**




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## Other Happenings in the Industry...

- ASI promotes sheep business on RFD TV in February!
- Iowa Lamb Company sells to Superior Farms – however, within six months the operation is mothballed until volume picks up
- Record setting drought in Texas, New Mexico and Southeastern U.S. Texas down 300,000 head of ewes
- **Shear those sheep separately** -- ought to pay increased revenue as buyers looking for that Texas wool!

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## We Want to See You at Your 2012 Convention

**Scottsdale, Arizona**  
**January 25-28, 2012**



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## Thank you for the opportunity to visit.




**Let me have your Questions...**

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