

PIPESTONE

System



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RAISE PIGS SMARTER WITH THESE SERVICES

NEW PIPESTONE SYSTEM COMPANY OFFERS HELP WITH MARKETING



Brian Stevens

Financial risk: if only you could inoculate against that. Successful marketing: maybe one day somebody will isolate the genetic trait for that. Until then, look to our new joint venture company for marketing and risk management help.

Recently, Dr. Luke Minion and Tim Hinton, Vice President of Big Gain, Inc., announced a new joint venture—Big Stone Marketing, LLC. Big Stone Marketing will provide marketing, risk management, and verification services to all Pipestone System shareholders.

Brian Stevens is the new Big Stone Marketing president. He spent 19 years at Hormel™ Foods, most recently as Director of Procurement.

“We are excited Brian is joining the Big Stone Marketing team and are confident that his long history of service to the swine industry will provide a great foundation for future growth for all Pipestone System and Big Gain producers,” Dr. Minion says. “Organizing Big Stone Marketing and appointing Brian as president further our efforts to provide Pipestone System producers with appropriate services to keep them competitive in a dynamic agricultural business environment.”

Here’s how Brian describes his new responsibilities. “I’ve been on the other side of the desk, working for a packer. Now I’ll work with Pipestone System producers (and Big Gain customers) to get them the best marketing agreement. I understand packers’ needs, which gives me the ability to talk to packers in their own language.”

Brian suspects his particular background will make this new marketing group—Big Stone—different from any in the industry.

He’s bought hogs and he’s managed hogs so he knows what it will take to accommodate the needs of both groups in any negotiation.

“A Pipestone System producer with 10,000 hogs may not know what the packer wants to hear, but I do. In a way, I’ll be matching the producer and the packer. I also understand the timing of the market—when the time is right to negotiate. That sense of timing is another way Big Stone Marketing will be very different from other marketing groups.

“I’ll approach packers with the ability to market huge numbers of hogs on behalf of System shareholders, in contrast to the smaller number of hogs an individual producer approaching a packer alone can offer. We’ll have the ability to construct a vertically coordinated marketing chain for Pipestone System producers.” And, Brian adds, “I’ll be there to make sure every stepping stone on the road to market is PQA/TQA certified.”

Dr. Minion points to another of Brian’s strengths in his new job. “Brian has plenty of experience with risk management. He can help apply the tools of the futures markets to protect producers’ inputs, corn, and soybean meal. He can help them use lean-hog futures to serve as risk

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Raise Pigs Smarter With These Services

We filled this issue with services. Options you can apply to your operation to achieve greater success. Maybe you’re sitting pretty in some of these categories, just read up on services that are new to you and contact the Pipestone System employee listed at the end of each article if you’re interested in knowing more.

SWINE LINE

protection when the opportunities exist.”

This company is new and Brian only assumed his responsibility very recently. Even so, “Brian is already reaching out to allied industry companies—people he’s worked with over the years—so he can develop programs tailored to your needs for marketing and risk management services,” Dr. Minion concludes. In other words, Brian and Big Stone Marketing are gearing up to help you with the really scary side of your business.

Editor’s Note: Pipestone System operates in five states across the Midwest USA and is responsible for the management of 140,000 sows, over 500 employees, and nearly 2,000 boars. Big Gain, Inc. is a supplier of nutritional products and services with two plants and a dealer distribution network in the upper Midwest.

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RAISE PIGS SMARTER WITH THESE SERVICES

CONGRATULATIONS! THANKS TO OUR INFORMATION BUREAU, YOU’RE NETWORKING

Everybody seems to be networking these days, but the way Pipestone System shareholders network has to be the most effortless. With no help from Facebook and without composing a single tweet, you contribute to a vast and useful knowledge base that grows every week. Whether it’s obvious or not, you’re networking.

Kari Hamann and our Information Bureau staff make it happen for you. They realize you sometimes wonder, “Why should I take time to talk to them every week?”

“When a member of Kari’s team phones for weekly performance statistics, she’s compiling information the shareholder can use to make better management choices,” says Dr. Spencer Wayne. “We need to know how each flow is behaving, so this is an important service.”

Some shareholders already keep complete records for each group of pigs; others aren’t in the habit of tracking pig mortality and health issues. Whichever approach describes your operation, the outcome of sharing information with Pipestone System can be a real benefit. Dr. Wayne points to the value of using aggregated data from different finishing barns.

“We have a big data pool stretching back across the 15-year history of the System,” Dr. Wayne continues. “By harnessing that much information, we put shareholders on the same plane as the big vertical integrators.”

It’s important to track and record a pig group’s health story in order to make informed decisions about the next group. Each week producers, owners, health technicians, and veterinarians receive an e-mail report on mortality within the flow.

Dr. Wayne defines four positive outcomes of this weekly information gathering, recordkeeping, and reporting: 1) earlier disease recognition—a change

in performance will be quickly passed along to your veterinarian, 2) better understanding of animal behavior, 3) numbers that help System management evaluate genetic characteristics in a flow, and 4) comprehensive closeout data so shareholders can truthfully measure profitability.

Of course, the spring rush will test the shareholder-networking concept. “While producers focus on fieldwork, it will be tempting to skip reporting this week’s pig results,” says Kari. “I promise we don’t call to annoy the shareholder. We’re here to keep valuable information flowing in.”

Next week, when a member of our Information Bureau phones, remember it only takes five minutes to improve your own operation and the entire system. Five minutes? Nobody networks faster than you!

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Lois Fransen, Dani Schwerin, Jen Clark, and Kari Hamann gather information and create the reports that make our Information Bureau a valuable resource.

NEW SERVICE OFFERS HELP WITH EVERYDAY PIG TASKS AND RECORDKEEPING

The Pipestone System shareholder daily divides time between pig finishing and crop production while monitoring employees, the markets, and new layers of compliance. So sharing some of those responsibilities makes sense.

“We asked producers, ‘How can we help you do what you need to do every day?’ Then we used their want-list to build a new service package,” says Pipestone System Swine Specialist Hannah Walkes.

The package, named Progressive Pork Solutions, provides training programs for barn employees, scheduled animal health assessments, recordkeeping assistance, and climate control monitoring for barns.

HERE'S WHAT'S INCLUDED IN PROGRESSIVE PORK SOLUTIONS

Services in the package include:

- Health and production assessments
- Barn interior climate evaluations
- Recordkeeping to track barn performance
- Nutrition program reviews.

You may also choose additional services that provide hands-on help with:

- Pig marking
- Vaccinating
- Starting nursery pigs.

WHAT'S A NUTRITION PROGRAM REVIEW?

“We’ll help develop feed budgets and monitor a barn’s feed efficiencies, if that is something the producer wants us to do,” Hannah continues. “Based on our preliminary test of this service, I suspect we could save a producer anywhere from 50¢ to \$3 per pig in feed costs by identifying small improvements.”

Incorrectly sorted pig groups going to the packer reduce the value producers earn for each load. As part of the Progressive Pork service package, Hannah and the Pipestone veterinarians will also be available to train producers and their employees to effectively sort and market hogs.

Monitoring pig growth rates and setting marketing benchmarks is an important aspect of the service. Hannah explains how producers who choose that option will get tools that will help track the rate at which pigs should grow and when they’re ready to leave the barn. “Personalized spreadsheets will compare an individual barn’s production to the thousands and thousands of pigs marketed through Pipestone System over the years. We’ll factor in the genetics and health of each group

of pigs as it progresses to pinpoint the time to market.”

Your level of expertise and how busy you are with other enterprises on your farm will determine how many elements of this service you decide to use. Hannah says some long-time System shareholders—who come from a strong swine producing tradition—may not need to tap all of the choices on the Progressive Pork Solutions menu. But other producers will want more of what this program provides.



Hannah Walkes

WHAT WILL THESE SERVICES COST?

Naturally, this new comprehensive service package won’t be free. Producers will know what fee will match the services selected. “The price will be a straightforward cost per pig. Then, we want to set up monthly visits to provide those services,” Hannah continues. “How frequently we’re onsite will depend on pig health and what the grower needs. But the whole point is continuous contact to get ahead of health and efficiency challenges.”

For the past 12 months we’ve been watching Dr. Cameron Schmitt’s initial tests of the services with

30,000 pigs in Iowa. A team of veterinarians, swine-health professionals, and support staff is now prepared to go work on your farm. Talk to us about Progressive Pork Solutions package of services.

“We’re prepared to tailor services in this package to fit individual producers’ needs,” Hannah points out. “I’m convinced this new service will pay for itself.”

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INDUSTRY LEADER ASSUMES NEW ROLE

Read Doctor Kennedy's farewell
at www.pipestonesystem.com



RAISE PIGS SMARTER WITH THESE SERVICES

DID A NEW DECADE OF CARE START WITHOUT YOU?

Sylvia Wolters of Pipestone Veterinary Clinic hopes you and your employees made it to one of our two recent Pig Care Conferences.

Sylvia explains there is always a take-home message. Always. In fact, Dr. Luke Minion wrapped up this year's meeting with a review entitled, "What You Learned Today."

"We design these conferences so attendees can walk out the door saying, 'These are three things I learned. I'm going to do these three things!'"

Three years ago, the Pipestone Team orchestrated the first Pipestone Veterinary Clinic Pig Care Conference with a plan to train and educate anyone who works hands-on in a pig barn. "It's all about caring for pigs and every presentation is delivered in terms a layman can follow. We offer a resource for shareholders and their employees, too. I absolutely encourage owners to send their employees."

This year's topics touched some hot-button issues—antibiotic usage and mycotoxins in the 2009 corn crop—and offered a 2010 perspective on long-standing issues—biosecurity and weaning weights.

If you didn't attend or send your employees, here are some things you missed.

• **Antibiotics in Production Animals.** Dr. Jennifer Greiner from the National Pork Producer's Council (NPPC) explained how



the public sees the pork industry's image as it is portrayed by everyone who works in a hog barn. The recent series on antibiotics in the livestock industry on the CBS Evening News illustrates why employees, as well as owners, need to understand how to communicate.

- **Mold, Mycotoxins, and Grow-Finish Pigs.** Casey Neill of Pig Improvement Company (PIC) talked about the continuing impact of a wet crop. He explained how to recognize mycotoxins in feedstuffs.
- Steve Sorenson of Pfizer is widely recognized for his knowledge of many topics but at this meeting he focused on **Small But Healthy Pigs at Weaning**. This was a quick course on the value of special treatment for what are essentially valuable low weight.
- Our go-to expert on PRRS control through barn filtering, Dr. Scott Dee of the University of Minnesota, was on hand to offer lessons on **Practical Biosecurity for Wean to Finish**.
- Our own Dr. Carissa Odland helped attendees recognize the differences in **The Suis Family** of diseases. These bugs, *Streptococcus suis* (Strep. Suis), *Haemophilus parasuis* (H. parasuis), *Actinobacillus suis* (A. suis), and *Salmonella choleraesuis* can be confused for each other so Dr. Odland helped sort out identification and treatment.
- Dr. Cameron Schmitt, of Pipestone Vet Clinic, conducted a spot-seminar on the pay-offs of good pig management: **Economics of Treatment Protocols**. He covered pig treatment protocols and grading pigs.

If you didn't make it to one of our conferences—in Sioux Falls, SD and Independence, IA—check our Web site (pipestonesystem.com) for transcripts. Just don't wait too long because electronic transcripts from some of our presenters will expire in two weeks. Printed transcripts will be available.

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