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Trials Show Higher Profitability With Intelligent Feeding

SUMAS, Wash. —August 18, 2006 — On-farm trials of a new feeding process have shown it is possible to improve profitability in hog finisher barns simply by changing the way feed diets are delivered to feeders.

The new process, known as Intelligent Feeding, was developed by Washington-based Feedlogic Systems, Inc. The process uses a unique delivery system and control software in the barn which allow a producer to blend commercially available diets and more closely match the animals' actual needs. This differs from the more common approach of feeding one diet for a longer period.

Initial trials at a commercial finisher barn in Chilliwack, British Columbia owned by Verard Farms showed that blending diets achieved higher quality carcasses and reduced feed costs. Overall feed costs for test pigs fed blended diets were 5.7% or CAN\$2.96/pig lower. Test pigs also netted CAN\$0.03/kg or CAN\$2.84/pig more in bonuses. Combined feed costs reductions and carcass bonuses on test pigs provided CAN\$5.80/pig in greater profitability.

Blending during the first 10 weeks also resulted in a measurable reduction in manure nutrient (nitrogen and phosphate) levels of test pigs, indicating control pigs were being overfed these nutrients. Since more excess nutrients are typically excreted in urine – which was not tested – it is likely that control pigs excreted even higher levels of nutrients than indicated.

The trials involved 270 pigs split into three test groups and three control groups with an average starting weight of 30 kg and an average finished (live) weight of 103 kg. Control groups

were fed a commercially-available starter diet (18% Crude Protein) for the first five weeks, a grower diet (17% CP) for the second five weeks, and a finisher diet (15% CP) for the remaining weeks until shipping. The test groups received blends of the same three diets altered every 7 days for the first 10 weeks. After Week 10, test pigs received 100% of the finisher diet until shipping. Both control and test groups were shipped to the same packer and marketed using the same grid.

“The results are very promising if you consider the fact that a conservative blending strategy was used,” said Drew Ryder, CEO of Feedlogic Systems, Inc. “In future trials, we will adopt more aggressive blending approaches to see how far we can go without affecting pig performance to the point where it outweighs the gains in feed costs and carcass quality.”

The initial results were convincing enough for Verard Farms to switch to blended feeding permanently. “Blending definitely can help me make money,” said Verard Farms owner Ard Hoogeveen. “We sat down with our feed supplier and came up with two diets which we could blend through the entire finishing period.

“One of the advantages of the Feedlogic system is the ability to target different diets to specific pens. If I have some pens which aren’t growing as fast as others, I can alter the blend to speed them up. Or I can feed a medicated diet to some pens and not others.”

Feedlogic’s Ryder sees a growing demand for processes such as Intelligent Feeding as feed costs rise. “The demand for corn and soy for fuel over the coming years will increase their cost to hog producers,” he said. “We know that more producers will be looking for alternative ingredients to provide cost-effective sources of energy. To be more profitable, they will need to have tighter control of what is being fed on a day-to-day basis in their barns.”

About Feedlogic Systems, Inc.

Founded in 2001, Feedlogic Systems, Inc. supplies on-farm feed system technology designed to enhance business intelligence, improve management capabilities, and help cut production costs. With facilities in Sumas, Wash. and Abbotsford, British Columbia, the company is a pioneer in the development of hardware and software which can provide hog producers with real-time monitoring and management of feeding. It was a recipient of the 2003 Dr. F.X. Aherne Prize for Innovative Pork Production and was rated one of the top three emerging technology companies in British Columbia in 2002 by New Ventures BC.

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