



MSU Agriculture Innovation Day

Focus on Forages and the Future



College of Agriculture
and Natural Resources
MICHIGAN STATE UNIVERSITY

Profitable Ranching

*Is it possible? **Yes!***

Burke Teichert

Four Areas to Manage

- ✦ Production
- ✦ Economics/Finance
- ✦ Marketing
- ✦ People

Whole Ranch Profit

It's **Profit per Acre**

**not production per cow or
profit per cow.**

Major Determinants of Profits

- ✦ Overheads
- ✦ Stocking Rate
- ✦ Fed Feed vs. Grazed Feed
- ✦ Realized Herd Fertility
- ✦ Marketing
- ✦ Wise Input Use for Economical Pasture
and Livestock Production



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Three Ways to Improve Profit

Increase turnover

Decrease overheads

Improve gross margin

Total returns minus Direct costs

Reduce Overheads

Market Well

Improve **Three Key Ratios**

Acres per Cow

Cows per Man

Fed Feed vs Grazed Feed

Five Essentials for Successful Ranch Management

1. The approach must be both integrative and holistic
2. Continuous improvement of the key resources – Land, Livestock, People
3. Use of good planning and Decision making tools
4. War on cost
5. Emphasis on marketing