

SHEEP INDUSTRY

NEWS

ASI Survey Results

Series 1: Profile of the Average Sheep Producer in each ASI Region

By **AMY TRINIDAD**
Sheep Industry News Editor

(April 1, 2010) In an effort to get a better understanding of today's sheep producers, the American Sheep Industry Association (ASI) administered a survey this past winter...and the results are in. One of the key reasons for the survey was to assist the Re-build the Sheep Inventory Committee in its ongoing national effort to strengthen U.S. sheep production. The information will be published in a series of articles in the Sheep Industry News, the first profiling the average sheep producer in each of the eight different ASI regions.

Following are some summary data:

1. The structure of the sheep industry at the producer level has changed. The portion of producers with one to 100 head of sheep has increased from 20 years ago. According to a survey conducted by ASI in 1989, this sector comprised 59 percent of the industry, today, it is 64 percent of the industry. And the next largest sector, at 24 percent, is the 101 to 500 head.
2. Nearly 60 percent of the survey respondents are 51 years and older, similar to 20 years ago.
3. Sixty-four percent of the producers reported being commercial producers, 22 percent are seedstock, 10 percent are club lamb producers, 4 percent are lamb feeders and 0.4 percent are dairies.
4. Fifty-three percent of producers' total agriculture operation revenue is from sheep.
5. A majority – 75 percent – of the sheep operations have family members working as part of the operation; however, 65 percent of the producers surveyed reported family member do not plan to take over the sheep operation when the older generation retires.
6. Regarding lambing, the typical percent of lambs born per ewe exposed averages 159 percent, the typical percentage of lambs weaned per ewe exposed is 146 percent and the average weight per lamb weaned is 69 pounds.
7. Of those producers who sell slaughter lambs, 54 percent report they sell them at livestock auctions, 43 percent sell lambs live to consumers and 29 percent sell meat to consumers.
8. As for wool sales, 35 percent sell their wool direct to a buyer, 29 percent sell to a woolpool and 25 percent sell through a warehouse. Among the other responses for how producers sell their wool, 28 percent reported they do not have wool to sell.
9. The average annual ewe replacement rate is 18 percent nationally.
10. More producers are utilizing the services of a veterinarian for the sheep operation. In 1989, that portion of the industry was 30 percent, today, it is 72 percent.
11. More than 70 breeds and crosses were identified in the survey. Meat breeds are the most popular but hair sheep ranked number nine and 10 in the top 10 breeds. The top 10 breeds are Suffolk, Rambouillet, Dorset, Targhee, Polypay, Suffolk crosses, Hampshire, Columbia, Katahdin and Dorper.

Region I – Maine, Vt., N.H., N.Y., Pa., N.J., Conn., R.I. and Mass.

Of all of the respondents of the survey, 11.5 percent are from this region with 83 percent of them having a flock size of no more than 100 head of sheep and no producer with more than 1,000 head. Sixty-four percent of the sheep producers are between the ages of 51 and 70 with 36 percent of them being in the sheep business for 30 plus years and another 27 percent in the industry for 10 to 20 years. Although 76 percent of the producers have family members as part of the sheep operation, only 28 percent say family members plan to take over the sheep operation when they retire. Half of the producers in this region consider themselves to be commercial sheep producers, another 33 percent are seedstock producers and the third most popular type of producer is club lamb with 11 percent. Although very few, out of all the regions, this one had the highest number of dairy producers. Producers in this region say they get 63 percent of their total agriculture operation revenue from sheep, which is the second highest rate of all the regions. Regarding lambing, producers in this region average 162 percent of lambs born per ewe exposed and wean 151 percent

of their lambs per ewe exposed with an average weaning weight of 53 pounds. This average weaning weight is the lowest of all the regions. A majority – 72 percent – of these producers place their own lambs on feed before slaughter. Of those who sell slaughter lambs, most sell either to an auction or live to a consumer. Of those who sell wool, 86 percent of these producers either use a woolpool or sell it directly to a buyer. Their average annual ewe replacement rate is 18 percent and 82 percent use a veterinarian for their sheep operation.

Region II – Del., Md., Va., W. Va., Ky., Tenn., N.C., S.C., Ga., Ala., Miss., Ark., La. and Fla.

Of all of the respondents of the survey, 9.26 percent are from this region with 83 percent of them having a flock size of no more than 100 head of sheep and only three producers responding had a flock size over 500 head. Eighty percent of the sheep producers are between the ages of 41 and 70 with half of them being in the sheep business for 20 years or less. Although 76 percent of the producers have family members as part of the sheep operation, only 33 percent say family members plan to take over the sheep operation when they retire. Fifty-four percent of the producers in this region consider themselves to be commercial sheep producers, another 26 percent are seedstock producers and the third most popular type of producer is club lamb with 16 percent. Producers in this region say they get 61 percent of their total agriculture operation revenue from sheep, which is the third highest rate of all the regions. Regarding lambing, producers in this region average 159 percent of lambs born per ewe exposed and wean 141 percent of their lambs per ewe exposed with an average weaning weight of 61 pounds. A majority – 66 percent – of these producers place their own lambs on feed before slaughter. Of those who sell slaughter lambs, most sell either to an auction or live to a consumer. Of those who sell wool, 59 percent of these producers use a woolpool and 31 percent sell it directly to a buyer. Their average annual ewe replacement rate is 18 percent and 69 percent use a veterinarian for their sheep operation.

Region III – Ohio, Mich., Ind., Ill., Wis. and Minn.

Of all of the respondents of the survey, 25.5 percent are from this region. Of those producers, 74 percent of them have a flock size of no more than 100 head of sheep and 23 percent have a flock size between 100 and 500 head. Seventy-seven percent of the sheep producers are between the ages of 41 and 70 with 42 percent of them being in the sheep business for 30 plus years and another 24 percent in the industry for 10 to 20 years. Although 77 percent of the producers have family members as part of the sheep operation, only 33 percent say family members plan to take over the sheep operation when they retire. Fifty-five percent of the producers in this region consider themselves to be commercial sheep producers, another 28 percent are seedstock producers and the third most popular type of producer is club lamb with 13 percent. Although very few, out of all the regions, this one had the second highest number of dairy producers. Producers in this region say they get 53 percent of their total agriculture operation revenue from sheep. Regarding lambing, producers in this region average 170 percent of lambs born per ewe exposed and wean 157 percent of their lambs per ewe exposed, both figures are the highest of all regions. The average weaning weight is 59 pounds. A majority – 76 percent – of these producers place their own lambs on feed before slaughter. Of those who sell slaughter lambs, most sell either to an auction or live to a consumer. Of those who sell wool, 45 percent of these producers sell it directly to a buyer and 25 percent sell it each through a warehouse or woolpool. Their average annual ewe replacement rate is 18 percent and 75 percent use a veterinarian for their sheep operation.

Region IV – N.D., S.D., Neb., Iowa, Kan., Mo. and Okla.

Of all of the respondents of the survey, 13 percent are from this region with 56 percent of those producers raising a flock of sheep with 100 head or less, another 34 percent having a flock size between 100 and 500 and 10 percent with a flock of more than 500 head. Thirty-five percent of the sheep producers are between the ages of 51 and 60 and 24 percent are in each the 41 to 50 age group and the 61 to 70 age group with almost half of the producers being in the sheep business for 30 plus years. Although 75 percent of the producers have family members as part of the sheep operation, 32 percent say family members plan to take over the sheep operation when they retire. Seventy-one percent of the producers in this region consider themselves to be commercial sheep producers, another 18 percent are seedstock producers and club lamb and lamb feeder tie, each representing 1 percent of the region. Producers in this region say they get 46 percent of their total agriculture operation revenue from sheep, which is one of the lowest percentages out of all the regions. Regarding lambing, producers in this region average 169 percent of lambs born per ewe exposed and wean 155 percent of their lambs per ewe exposed, both figures are the second highest of all regions. The average weaning weight is 61 pounds. A majority – 70 percent – of these producers place their own lambs on feed before slaughter. Of those who sell slaughter lambs, most sell either to an auction or live to a consumer. Although a small percentage of producers – 18 percent – this region has the highest percentage of producers selling lambs direct to a packer. Of those who sell wool, 55 percent of these producers sell it directly to a buyer and 28 percent sell it each through a warehouse or woolpool. Their average annual ewe replacement rate is 19 percent and 83 percent use a veterinarian for their sheep operation.

Region V – Texas

Of all of the respondents of the survey, 8 percent are from this region with one-third of the producers raising a flock of sheep with 101 to 500 head, another one-third with a flock size between 500 and 5,000 and another 28 percent having a flock size less than 100 head. A little over half of the sheep producers are between the ages of 51 and 70. In this region, 67 percent of the producers have family members as part of the sheep operation, and 53 percent say family members plan to take over the sheep operation when they retire. Seventy-nine percent of the producers in this region consider themselves to be commercial sheep producers, another 13 percent are seedstock producers and 6 percent are club lamb producers. Producers in this region say they get 45 percent of their total agriculture operation revenue from sheep, which is a tie for the lowest percentages out of all the regions. Regarding lambing, producers in this region average 112 percent of lambs born per ewe exposed and wean 99 percent of their lambs per ewe exposed. The average weaning weight is 69 pounds. A majority – 85 percent – of these producers do not place their own lambs on feed before slaughter. Of those who sell slaughter lambs, 55 percent sell them at a livestock auction and 21 percent sell lambs to a dealer. Of those who sell wool, 81 percent of these producers sell it through a warehouse and another 10 percent sell it through a

woolpool. Their average annual ewe replacement rate is 22 percent, a tie for the highest rate of all the regions, and 55 percent use a veterinarian for their sheep operation.

Region VI – Nev., Utah, Ariz., Colo., and N.M.

Of all of the respondents of the survey, 5 percent are from this region with 47 percent of the producers raising a flock of sheep less than 100 head, 17 percent with a flock between 1,000 and 5,000 and 14 percent in each the 100 to 500 category and the 500 to 1,000 category and another 5 percent with more than 5,000 head – the largest percentage in this category of all the regions. Fifty-seven percent the sheep producers are between the ages of 51 and 70. In this region, 73 percent of the producers have family members as part of the sheep operation and 39 percent say family members plan to take over the sheep operation when they retire. Sixty-eight percent of the producers in this region consider themselves to be commercial sheep producers, another 17 percent are seedstock producers and 10 percent are lamb feeders. Producers in this region say they get 64 percent of their total agriculture operation revenue from sheep, the highest percentage of all regions. Regarding lambing, producers in this region average 149 percent of lambs born per ewe exposed and wean 138 percent of their lambs per ewe exposed. The average weaning weight is 88 pounds, the second highest weaning weight of all regions. A majority – 69 percent – of these producers do not place their own lambs on feed before slaughter. Of those who sell slaughter lambs, 30 percent sell them live to a consumer, 18 percent sell meat to a consumer and 16 percent sell their lambs to each a livestock auction and direct to a packer. Of those who sell wool, 41 percent of these producers sell it direct to a buyer and another one-third sells it through a warehouse. Their average annual ewe replacement rate is 25 percent, the highest rate of all the regions, and 57 percent use a veterinarian for their sheep operation.

Region VII – Idaho, Mont. and Wyo.

Of all of the respondents of the survey, 14 percent are from this region with 46 percent of the producers raising a flock of sheep less than 100 head, 30 percent with a flock between 100 and 500 and 13 percent with a flock between 1,000 and 5,000 head. Thirty-eight percent the sheep producers are between the ages of 51 and 60 and another 27 percent between the ages of 61 and 70. In this region, 77 percent of the producers have family members as part of the sheep operation and 41 percent say family members plan to take over the sheep operation when they retire. Seventy-six percent of the producers in this region consider themselves to be commercial sheep producers, another 14 percent are seedstock producers and 5 percent are lamb feeders. Producers in this region say they get 45 percent of their total agriculture operation revenue from sheep, a tie for the lowest of all regions. Regarding lambing, producers in this region average 155 percent of lambs born per ewe exposed and wean 141 percent of their lambs per ewe exposed. The average weaning weight is 90 pounds, the highest weaning weight of all the regions. A majority – 74 percent – of these producers do not place their own lambs on feed before slaughter. Of those who sell slaughter lambs, 35 percent sell them at auction, 20 percent sell lambs live to a consumer and 15 percent sell meat to consumers. Of those who sell wool, 42 percent of these producers sell it in a woolpool and another one-third sells it through a warehouse. Their average annual ewe replacement rate is 22 percent and 69 percent use a veterinarian for their sheep operation.

Region VIII – Calif., Ore. and Wash.

Of all of the respondents of the survey, 13 percent are from this region with 65 percent of the producers raising a flock of sheep less than 100 head, 23 percent with a flock between 100 and 500 and 8 percent raising a flock between 1,000 and 5,000 head. Sixty percent the sheep producers are between the ages of 51 and 70 and another 17 percent between the ages of 41 and 50. In this region, 74 percent of the producers have family members as part of the sheep operation; however, only 32 percent say family members plan to take over the sheep operation when they retire. Sixty-six percent of the producers in this region consider themselves to be commercial sheep producers, another 18 percent are seedstock producers and 12 percent are club lamb producers. Producers in this region say they get 52 percent of their total agriculture operation revenue from sheep. Regarding lambing, producers in this region average 154 percent of lambs born per ewe exposed and wean 146 percent of their lambs per ewe exposed. The average weaning weight is 82 pounds. Half of the producers say they place their own lambs on feed before slaughter. Of those who sell slaughter lambs, 24 percent sell them live to a consumer, 21 percent sell meat to a consumer and 18 percent sell lambs at a livestock auction. Of those who sell wool, 37 percent of these producers sell it directly to a buyer and another 34 percent sell it through a woolpool. Their average annual ewe replacement rate is 14 percent, the lowest percentage rate of all the regions, and 68 percent use a veterinarian for their sheep operation.

Editor's Note: Due to the complexity of the survey and the amount of information it provides, a series of articles will appear in the upcoming months of Sheep Industry News. Next month's article will look at expansion opportunities for the industry.

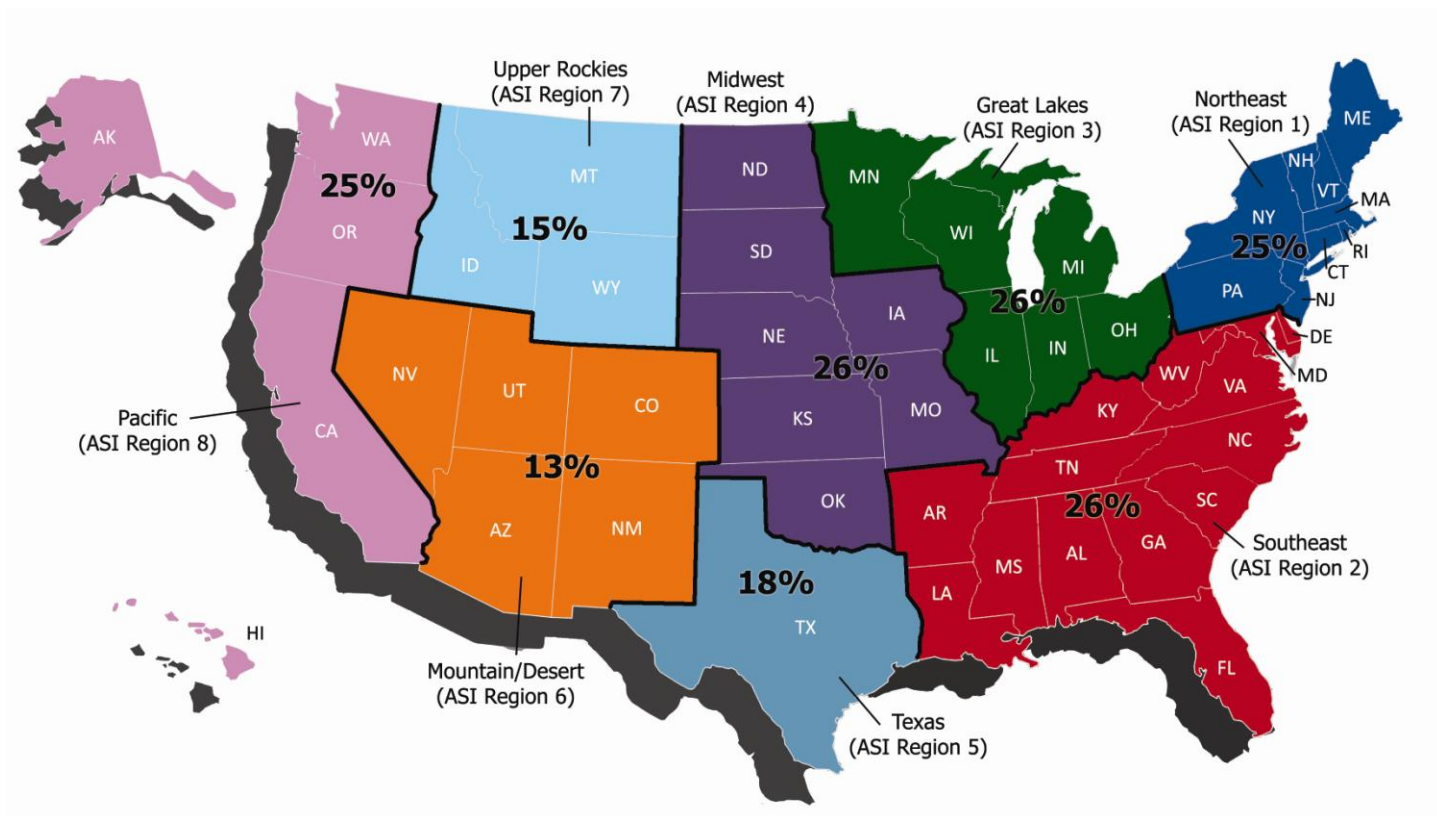
SHEEP INDUSTRY NEWS

ASI Survey Results

Series 2: Revenue Needed for Sheep Producers to Expand Flocks

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Regional Key and Percentage of Producers in Region who Classify their Sheep Operations as Expanding



(May 1, 2010) Dialogue of how to expand the infrastructure of the sheep industry have been plenty over the past year and every discussion boils down to one thing – more sheep. Whether grazing bountiful mountain valleys or the hills of the rolling plains, lamb, wool and pelt processors, along with feedlots, farms and ranches, depend on production. Although the U.S. Department of Agriculture reports the industry’s sheep numbers are slowly contracting, the American Sheep Industry Association (ASI) has conducted research that finds sheep inventory numbers may in fact be larger than previously reported to a tune of nearly 1.2 million head. This information coupled with a recent ASI producer survey which suggests that 84 percent of producers are either maintaining or expanding their sheep numbers is an encouraging turn of events (61 percent maintaining numbers and 23 percent expanding).

The ASI survey was conducted this past winter in an attempt to gather more information on sheep producers’ plans and industry input for ways to strengthen numbers. In addition, it provides an outlook for expansion efforts and factors affecting expansion decisions based on producers’ location and size of flock.

“This survey provided us with a tool in which to learn directly from producers from all across the nation about what their plans are regarding

expansion of their sheep operation and what might be the incentives and impediments standing in their way,” says Clint Krebs, ASI secretary/treasurer and executive board liaison for the Re-build the Sheep Inventory Committee. “We hope to be able to target some programs that will most appropriately and effectively assist producers from all regions of the United States with the expansion of their operations.”

Industry Expansion Indicators

(See map for region designations)

Nationally, the breakdown of producers who describe their sheep operations as expanding looks like this: 30 percent in the Great Lakes, 15 percent in each the Midwest and Pacific, 12 percent in the Northeast, 10 percent in each the Southeast and Northern Rockies, 6 percent in Texas and 3 percent in the Mountain/Desert. Breaking down this information by regions, those producers in the Southeast, the Great Lakes and the Midwest each had 26 percent of its producers stating they are expanding, 25 percent in the Northeast and the Pacific, 18 percent in Texas, 15 percent in the Northern Rockies and 13 percent in the Mountain/Desert state they are expanding. In addition, on a national average those who state they are expanding or maintaining their current numbers, have a flock size of 101-500 head.

Producers were asked to describe their sheep operation today as expanding sheep numbers, cutting back numbers or maintaining current sheep numbers. Twenty-three percent responded they are expanding their flock size. In addition, a question about future expansion efforts was asked to those who classify themselves as either cutting back or maintaining their sheep numbers. When the responses from the first question are coupled with the responses from the second question, the percent of producers wanting to expand jumps from 23 percent to 27 percent. In other words, close to one-third of producers would like to expand their flock size.

The one region that holds the most producer interest and promise is Texas as the percent of producers expanding jumps from 18 percent to 27 percent of who would like to expand. The second-ranked region that holds great potential for expansion is the Mountain/Desert as it jumps from 13 percent to 18 percent. Both of these regions are highly significant to the expansion of the U.S. sheep industry because although producer numbers are relatively low, flock sizes are the largest.

The Northeast jumps from 25 percent to 29 percent, the Southeast goes from 26 percent to 31 percent, the Great Lakes from 26 percent to 28 percent, the Midwest from 26 percent to 29 percent, the Northern Rockies jumps from 15 percent to 19 percent and the Pacific from 25 percent to 29 percent.

Factors Affecting Expansion Decisions

It is hypothesized that the decision to cut back on flock size is motivated by both socioeconomic reasons as well as profitability of sheep production. Age, the involvement of family members in the sheep business and another job competing for time are all personal concerns that might affect a producer’s decision to cut back on flock size, factors not necessarily a reflection of sheep profitability.

The significance of sheep as a business or livelihood might also play into a decision to expand. Sixty percent of producers that responded they are expanding state that sheep are an important enough part of their operation to borrow money for feed, grazing or facilities. This compares to 29 percent of producers that are cutting back and 42 percent for those that are maintaining numbers.

The data suggests that age is one of the more important determinates to why a producer might be cutting back on flock size. Among producers that are cutting back on sheep numbers, 80 percent are older than 50 years old, this compares to 57 percent for those producers that are expanding flocks. Sheep producers are getting older – on average, 72 percent of producers surveyed responded that they are older than 50 years old.

Family members helping with sheep production likely plays an important role in raising sheep. Among those producers that are expanding, 78 percent have family members that are part of their sheep operation compared to 69 percent for those producers cutting back and 76 percent that are maintaining numbers.

Another important factor in a decision to expand might be that family members plan to take over the sheep operation when the producer retires. This was the case for 47 percent of producers that state they were expanding compared to 17 percent for those that are cutting back and 35 percent of those that are maintaining numbers.

Those producers that are expanding have relatively less experience in the sheep business compared to those cutting back or maintaining numbers. Forty-four percent of producers expanding have 20 years or less of experience in the sheep industry. Among the producers cutting back, 57 percent have 30 plus years of experience and of those maintaining their numbers, 51 percent have more than 30 years experience. This suggests that those rather new to the industry have plans to increase their flock size and half of those decreasing and maintaining their sheep numbers are getting older, which may be the main reason not to expand.

Producers’ decision to cut back is not likely motivated by inferior production efficiency. Those cutting back perform just as well as expanding producers in terms of percentage of lambs born per ewe exposed as well as in terms of percentage of lambs weaned per ewe exposed. For those producers that responded that they are expanding however, the average ewe replacement rate is 23 percent compared to 19 percent for those that are cutting back.

Another factor that might influence producers’ decision to expand is the competitiveness of another job in competing for producers’ time, resources and money. Fifty-nine percent of producers that are cutting back feel this is a concern while 53 of producers expanding thought

another job competes for resources.

Twenty-nine percent of producers that are expanding responded that livestock other than sheep are competitive with sheep for time, resources and money in their decision to expand. Forty-five percent of producers that are decreasing their flock size responded that other livestock are competing with sheep for resources and 34 percent of producers responded among those maintaining numbers. Among producers cutting back, 30 percent report that crops are competitive compared to 25 percent for expanding producers. For those producers that are expanding, 58 percent of their total agricultural operation comes from sheep compared to 50 percent for those cutting back and 52 percent for those that are maintaining sheep numbers.

Choice of marketing method might contribute to flock expansion decisions. While the proportion of producers selling into the non-traditional market (live or meat direct to consumer) is relatively the same across those expanding and contracting, 11 percent of producers expanding sell direct to packers compared to 7 percent for those cutting back. Many producers have likely entered marketing agreements with packers which are long-term arrangements, providing marketing security.

The size of flock might have a contributing factor in a decision to expand. For example, 14 percent of producers expanding have more than 500 head, 7 percent for those cutting back and 13 percent for those maintaining sheep numbers. This information might help to define flock size in terms of economical units for profitability in some regions and production systems.

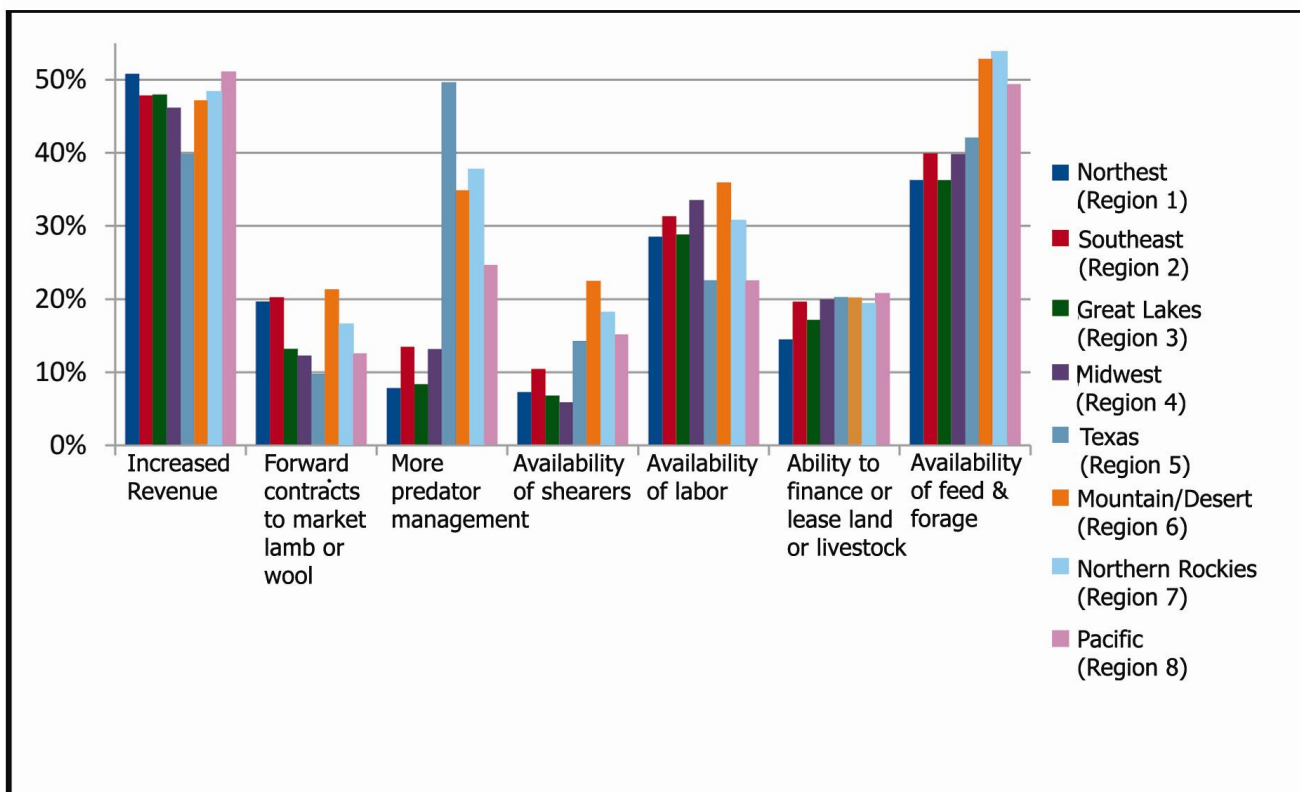
Among expanding producers, grazing and pasture management is the most important new technology adopted followed by breeding and selection and nutrition management. Among producers cutting back, breeding and selection is the most important followed by nutrition management and flock management.

No. 1 Need for Flock Expansion – Revenue

Among all producers, regardless of flock expansion status, increased revenue is the most popular item that would make it possible to expand their sheep operation. Availability of feed and forage ranked a close second for expanding producers as it did for those producers maintaining sheep numbers.

On average, 52 percent of all producers that state they are expanding report that increased revenue could help with expansion efforts. And 46 percent of those cutting back state that increased revenue would facilitate expansion. After breaking out these data by size of operation, it appears that increased revenue is just as important to small operations as it is to large operations, and farm flock producers as it is to range operators.

Most Popular Items to Help Expand Sheep Operations



In fact, 58 percent of the producers raising 1-100 head of sheep say increased revenue could facilitate expansion, 49 percent with 101-500 head, 62 percent with 501-1000 head, 47 percent with 1,001-5,000 head and 50 percent with 5,000 head or more. The data average shows that 55 percent of all expanding producers report that increased revenue could facilitate expansion, while 43 percent of those cutting sheep numbers say increased revenue could help increase numbers. The most popular other response for this question is that producers are getting older in age.

In all regions, except Texas a greater proportion of producers expanding say increased revenue would make it possible to expand. Northeast, 63 percent; Southeast, 56 percent; Great Lakes, 58 percent; Midwest, 53 percent; Mountain/Desert, 58 percent; Northern Rockies, 46 percent; and Pacific, 55 percent. As for Texas, the No. 1 tool for flock expansion is predator control, which is mentioned by 50 percent of the producers in Texas.

Availability of feed and forage ranks a close second for expanding producers as it does for those producers maintaining sheep numbers. More than two-thirds of the producers in the West think availability of feed is important compared to less than 50 percent in the Northeast, Southeast and Great Lakes regions.

Improve Producers' Profitability

For producers expanding, improved production efficiency ranks No. 1 as the item that would help improve profitability followed by improved consumer level demand for lamb. For producers cutting back and maintaining sheep numbers, improved production efficiency ranks No. 1 followed by more competitive market outlets.

Being the most popular response nationally for producers who are both expanding their operations and cutting back and maintaining their numbers, the regional breakdown is as follows.

As for those expanding, producers in the Pacific region rank improved production efficiency the highest, followed by those in the Northeast, Southeast, Texas, Great Lakes, Mountain/Desert, Midwest and Northern Rockies.

As for those cutting back and maintaining numbers, producers in the Southeast rank improved efficiency the highest, followed by those in the Mountain/Desert, Great Lakes, Texas, Midwest, Northeast, Pacific and Northern Rockies.

Regarding consumer level demand for lamb – the second-most popular response to improve profitability nationally by producers who are expanding – those in the Mountain/Desert region rate it higher than any other region, followed by Northern Rockies, Pacific, Northeast, Great Lakes, Texas, Midwest and Southeast.

Regarding more competitive market outlets – the second-most popular response to improve profitability nationally by producers who are cutting back or maintaining their numbers – the Northern Rockies producers rate it the highest, followed by Mountain/Desert, Midwest, Great Lakes, Texas, Pacific, Northeast and Southeast.

Restraints to Industry Expansion

Among those expanding their flock, 30 percent say that financing is their primary restraint in expansion efforts, 20 percent are concerned about the long-term outlook of the industry and 17 percent say they have no one to take over the operation when they retire. Among producers cutting back and maintaining numbers, not having the economic size unit is the primary constraint followed by a concern about the long-term outlook of the industry, not financing.

A breakout for the producers who claim that financing is not the primary restraint to expanding their operation is as follows.

In the Northeast, no matter whether a producer is expanding, cutting back or maintaining sheep numbers, they are primarily concerned about the long-term outlook of the industry.

For those expanding in the South, they're restraints are that there is no available land to buy or lease, no one to take over when they retire and the concern about the long-term outlook of the industry. For those cutting back or maintaining numbers, they say not having the economic size unit is the primary restraint.

In the Great Lakes, the producers who are expanding say they are concerned about the long-term outlook of the industry, and those cutting back and maintaining say they don't have the economic size unit.

In the Midwest, producers who are expanding their operation are concerned about someone taking over when they retire, as for those cutting back and maintaining, they are concerned about the long-term outlook of the industry.

No available land to buy or lease and concerns about the long-term outlook of the industry are the primary restraints to the producers who are expanding in Texas. For those who are cutting back or maintaining in Texas, their No. 1 restraint is not having anyone to take over when they retire.

In the Mountain/Desert, expanding producers' primary restraints include labor costs and availability, no one to take over when they retire and they don't have the economic size unit. For those cutting back and maintaining, the primary one is that they don't have economic size unit.

No one to take over when they retire is the primary restraint in the Northern Rockies for those expanding and labor costs and availability is the primary one for those cutting back or maintaining.

And in the Pacific region, no one to take over when they retire is the primary restraint for expanding producers and not having the economic size unit for those cutting back or maintaining.

"One of the key findings of this survey is that with nearly one-third of all producers expressing an interest in expanding, coupled with improved production efficiency and favorable returns, industry expansion is shifting from maybe to probable," concludes Krebs. "This is positive information that the re-build committee can employ in its task of helping increase the size of the U.S. flock."

Editor's Note: Due to the complexity of the survey and the amount of information it provides, a series of articles will appear in the upcoming months of Sheep Industry News. A complete analysis will soon be posted on www.sheepusa.org. Next month's article is planned to analyze the livestock protection dog section of the survey.