



Mountain States Lamb Cooperative

November 2016 Newsletter

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Holiday Gift Boxes

Holiday Lamb Gift boxes are available to order for the lamb lover on your Christmas list. Offering the most variety for the hard to buy for, the Sampler box contains 9-4oz. loin chops, an 8 rib French rack, and a boneless ½ leg. This selection has been the most popular in recent years. The cost is \$110 plus shipping. Other cases available are 4 or 6 oz. chops-15# at \$160 plus shipping and 4 or 8 rib French rack cap off-20# case at \$350 plus shipping. Call us for additional case cuts. Your orders must be received by **December 5th** to be shipped in time for Christmas. Complete the order form and fax or email it to us. You may also call in your order to 307-358-0235.

MSLC 15th Annual Meeting July 19-21, 2017

We are pleased to announce that our 2017 Annual Meeting will be held July 19-21 in Pocatello, ID area. Our headquarters will be the Clarion by Choice Hotels. We are putting together a great program and tour for you, so mark your calendars.

The event kicks off on Wednesday evening, July 19, with our welcoming reception. You will not want to miss this special time to reconnect with fellow producers.

The MSLC Annual Business Meeting will get underway first thing Thursday morning, July 20. The day will feature many Co-op, MSR, and industry updates, along with plenty of time for questions and discussion.

Watch upcoming newsletters for hotel reservation information. Rooms will be \$89 plus tax. We hope to see you in Pocatello!

Nugget Pelt Market Update

While current global demand for sheep and lambskins remains relatively weak there have been some significant improvements in demand for American material. After making the required expansions to their waste water treatment systems, multiple large tanneries in China are now back in production. Additionally, and probably more importantly, there is strong domestic demand in China for double face jackets, particularly for women, which are made from American raw material.

We have been increasing pelt credits for the past several weeks on main line types and expect those increases to continue through at least November as we complete older sales. Wool length is still critically important, as the demand for skins below ¾ inch is still nonexistent. Because women prefer lighter weight jackets, demand for unshorn material will outpace shorn material (even if longer than one inch) as the leather on unshorn material is lighter and thinner than shorn lambs. Demand for footwear made with sheepskin is still minimal so expect the credits on unshorn material to outperform the credits on shorn material.

The challenge going forward will be to manage the immediate demand versus our longer term interest. We now have almost daily contact with “new buyers” and “traders/speculators,” wanting to establish “long term relationships.” This situation makes it fairly easy to move sales levels and credits higher in the short run, but we also realize that fashion can be fickle and when the domestic demand for ladies double face in China fades we must be prepared to move in other directions.

For now though and the foreseeable future, enjoy a positive trend in pelt credits on most of our production. In the meantime, we continue to search and hope for positive change in Russia and Turkey and in the “wool off” skin markets.

Pelts for Sale!

Are you looking for a unique Christmas present? We have pelts in stock for purchase. Pelts are \$60.00 plus shipping. Contact our office if you would like us to help with your shopping list.

July, August, September, and October Top Lambs

Helle Livestock, Dillon MT fed and marketed the top lambs in July. Grading 59% Y2 and 40% Y3, the lambs earned \$4.20 in grid premiums and \$4.94 in natural premiums. The average pelt returned \$6.62 in July with the top load of pelts topping just over \$8.86 on average.

Flat Top, Carey, ID, and Forrest Arthur, Paul, ID, fed and marketed the top lambs in August. Grading 51% Y2 and 46% Y3, the lambs earned \$4.12 in grid premiums and \$4.55 in natural premiums. The average pelt returned \$3.91 in August with the top load of pelts topping just over \$7.03 on average.

September's and October's top lambs were marketed by Frank Shirts, Wilder, ID, and fed by Double J Lamb Feeders in Ault, CO. The September lambs returned a \$4.48 average on the grid and another \$3.80 in natural premiums for a total of \$8.28. Grading was 53% Y2 and 46% Y3. The average pelt returned \$3.67 with the top load of pelts topping just over \$5.80 on average. The grading for October's lambs was 65% Y2 and 22% Y3, earning \$4.73 in grid premiums and \$3.63 in natural premiums. The average pelt returned \$4.78 in October with the top load of pelts topping just over \$7.38 on average.

DATES TO REMEMBER

December 5-Holiday Lamb Gift box orders due.
July 19-21-MSLC Annual Meeting in Pocatello, ID

News to Ewes

The Holiday Season is quickly approaching, and soon after Thanksgiving, MSR is going to begin increasing production. To date, we are maintaining excellent carcass weights and yield grades creating a great product for the consumer. It is very important that we are all conscious of this vital goal as we work through the heart of our supply this winter.

As everyone has noticed, carcass and live prices have dropped recently. This is due to several issues. We are dealing with strong imports and plentiful supply in other proteins such as beef, pork and chicken. We have to keep competitive with all other meat sources to be able to hold our US lamb market share in the upcoming months.

The Colorado on Feed report was surprisingly healthy, considering how high feeder lambs were this fall. Market intelligence predicts too many lambs for the current demand. Therefore, it is of utmost importance that we plan accordingly. Our new slotting procedure is one solution, though I fear for the rest of the industry. **It is extremely important to notify me of any increase/decrease or delivery changes of your lambs as soon as you are aware.** Communication is essential to keep everyone as profitable as possible.

The Pelt market has stabilized. We are seeing an average of \$5.00 to \$7.00 on high quality pelts, but future pricing is unknown. We do know that low quality, dirty, seedy and pelts with less than 100 days regrowth will be severely discounted.

Thanks,
Brad Anderson