The New Old Way of Wean to Market Barn Construction

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What are we talking about today?

- Current State of Finishing Barns
- New WTM Barn Construction ROI
- New Construction at $300 per Space??
- Must Have Technology in Finishing Barns
- Other Technologies in Finishing

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Why Are We Here

- Average Age of Barns
  - With the construction boom of the 90s, a majority of the barns are in that 20 to 30 year range.
    - Many of those barns were built with the life expectancy of about 20 years.
    - Finishing barns aging out
- Do we need more finishing barns?
- Why aren't we seeing as many new builds?
  - Average Age of Farmers
  - Cost of New Finisher
- How can we decrease the cost of finishing barns?

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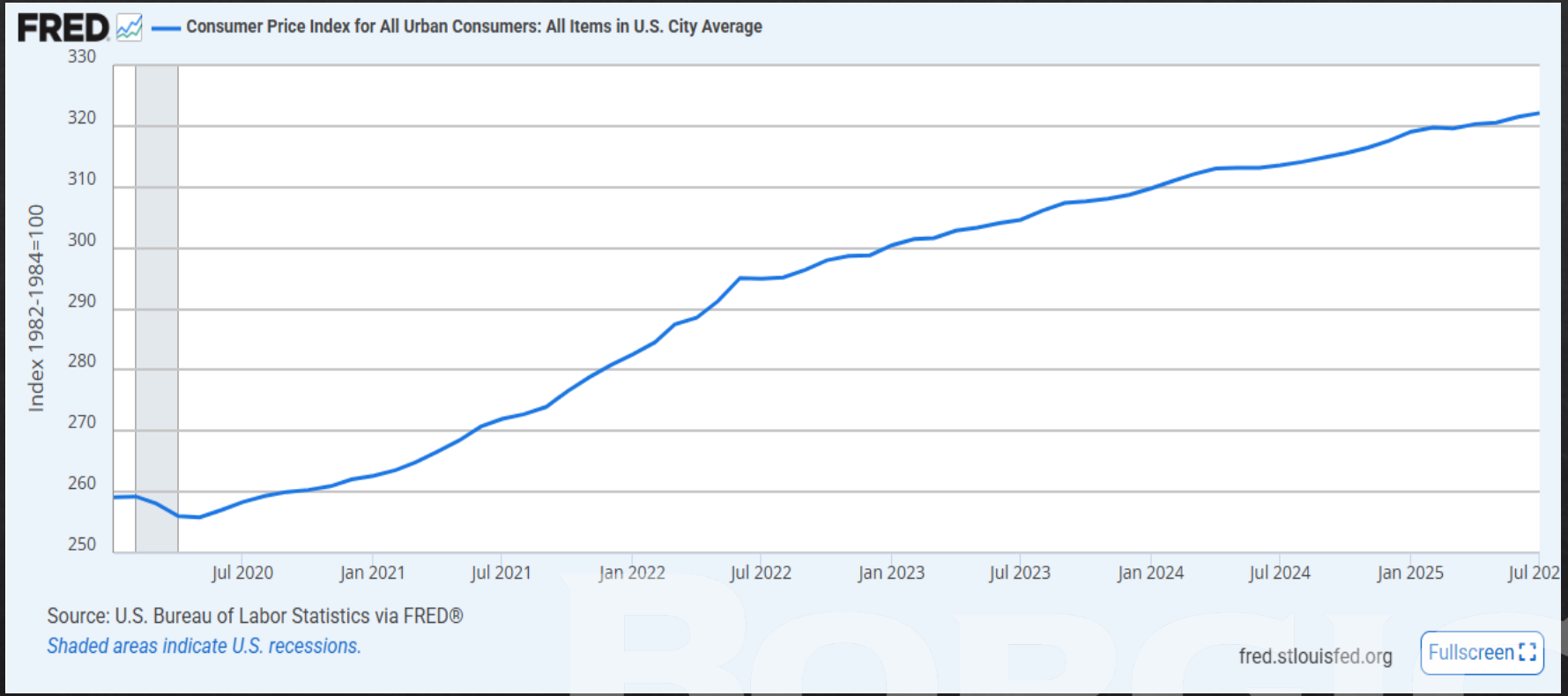
CPI / Inflation

January 2020: 259.1
July 2025: 322.1

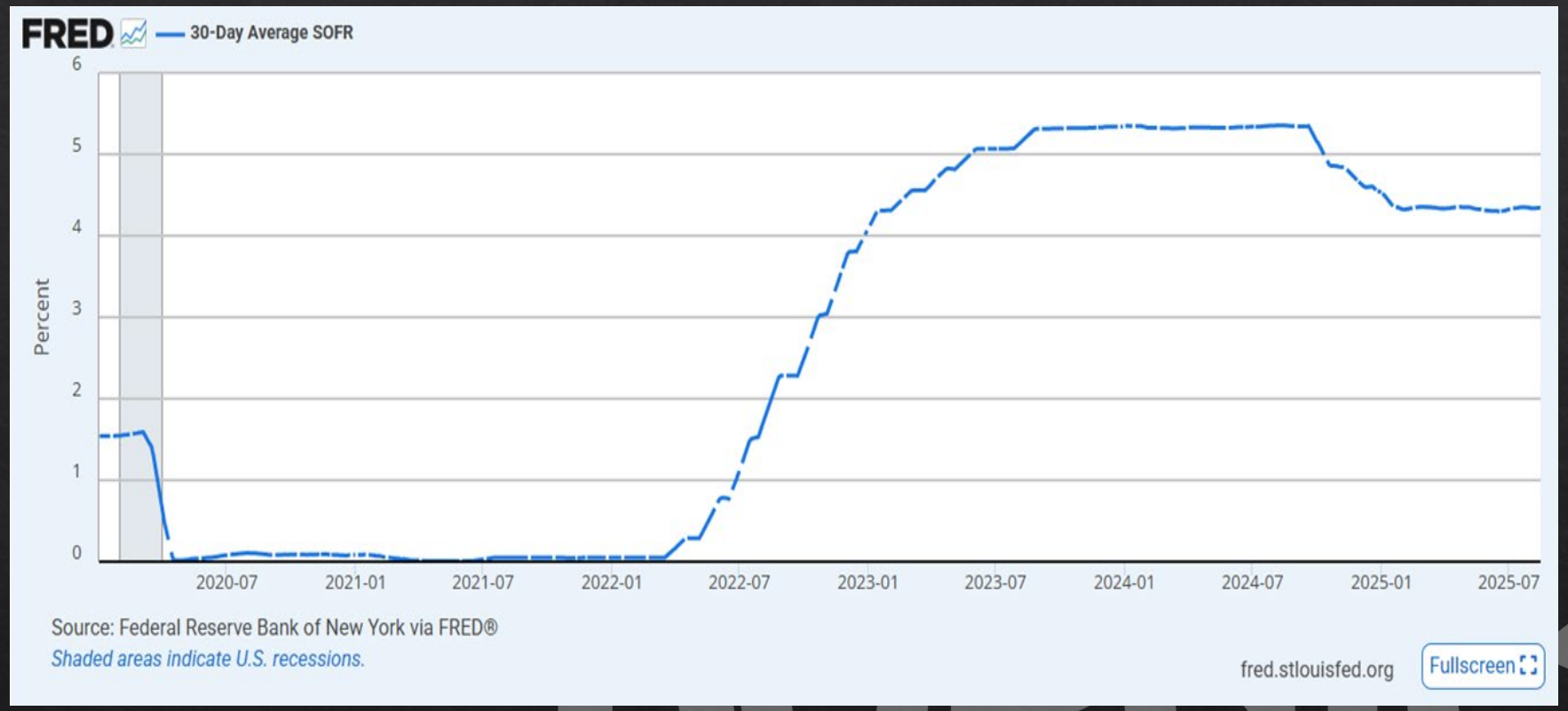
24.3% Increase

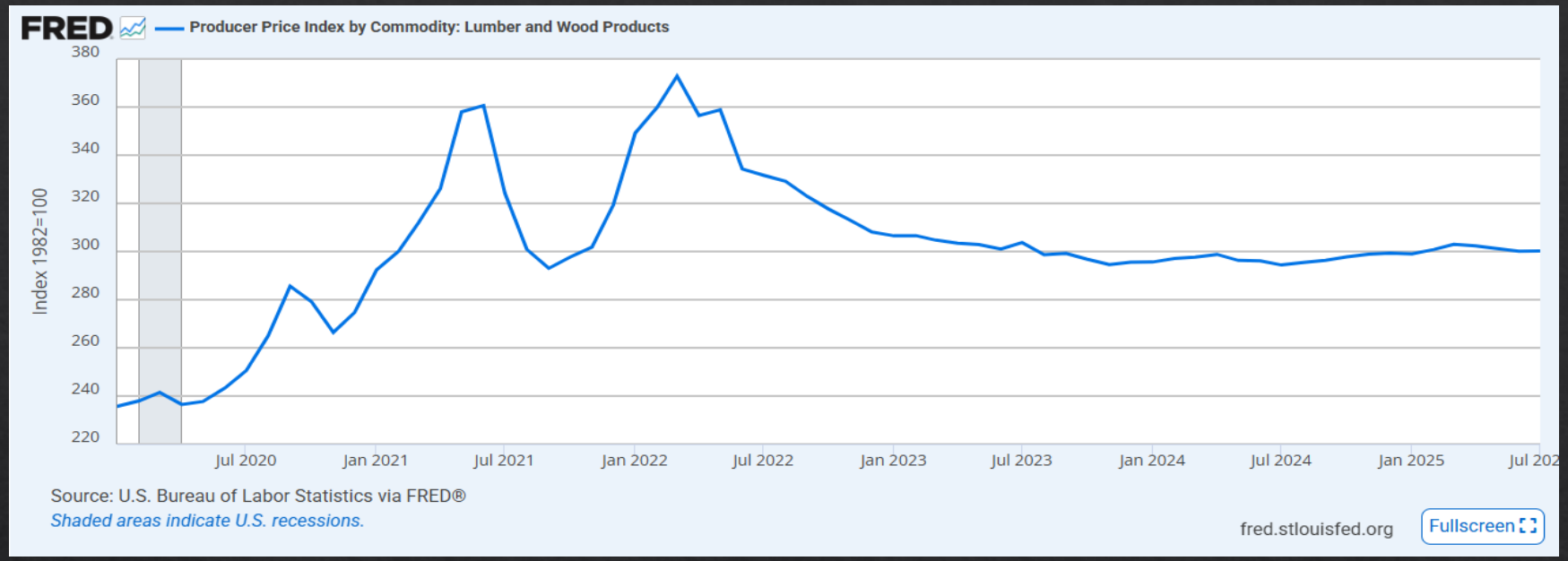


30 Day Avg SOFR

January 2020: 1.54%
July 2025: 4.34%

182% Increase

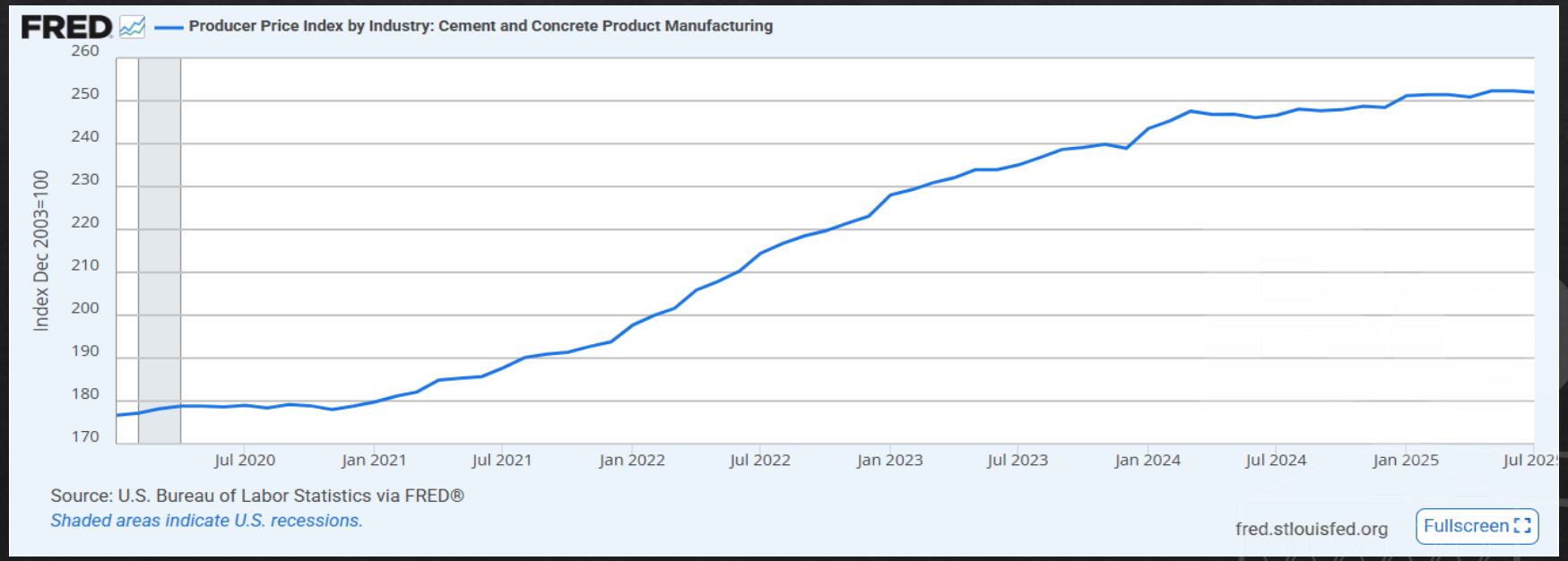




Lumber and Wood

January 2020: 235.7
July 2025: 300.2

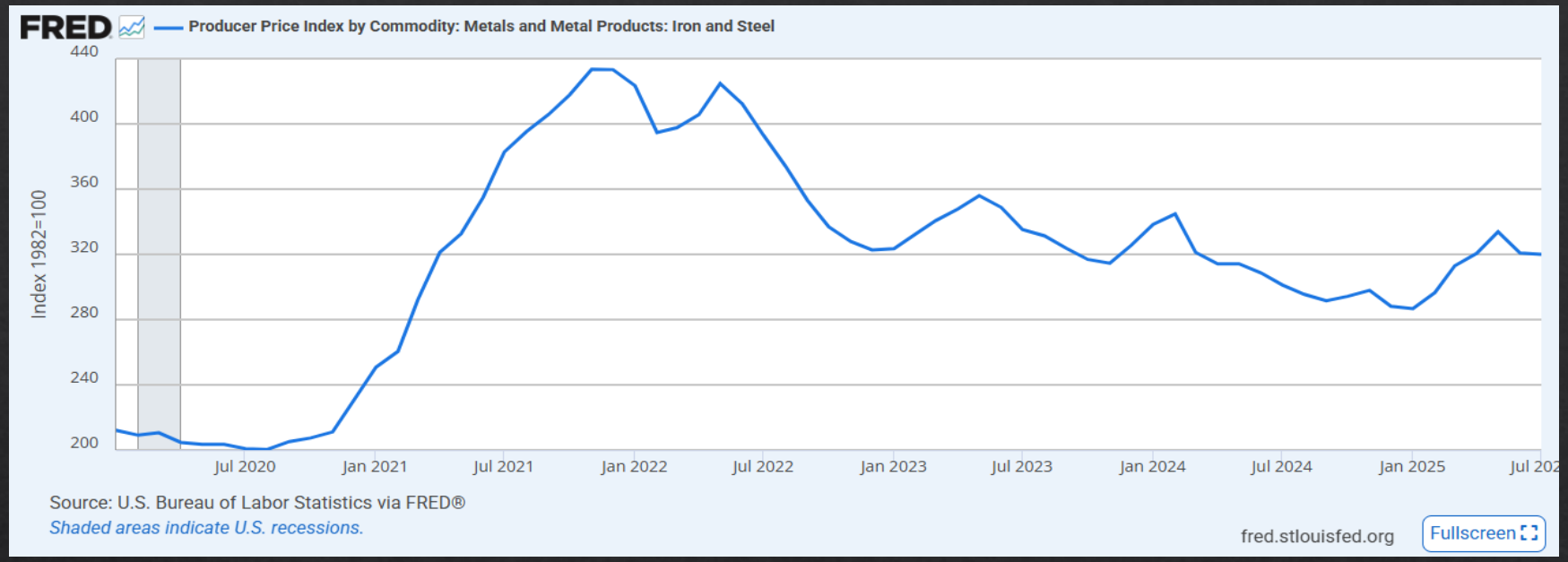
27.4% Increase



Concrete and Cement

January 2020: 176.7
July 2025: 252

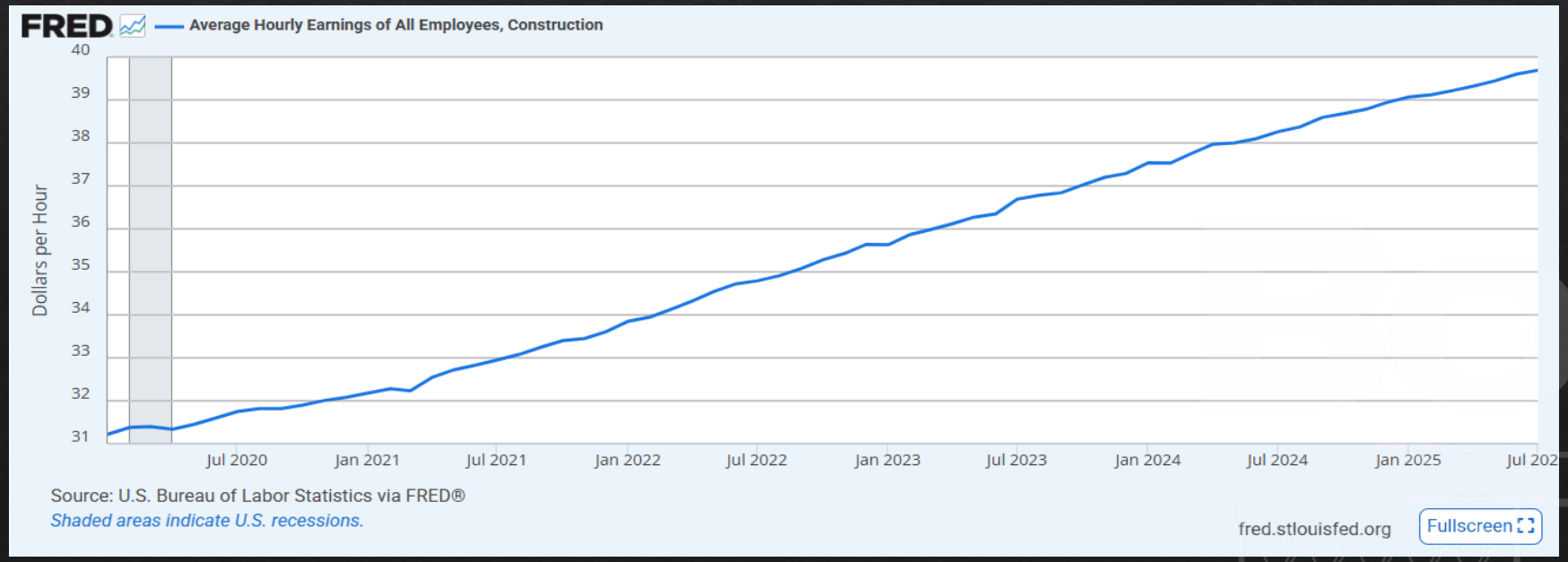
42.6% Increase



Iron and Steel

January 2020: 212.1
July 2025: 320.00

50.9% Increase



Construction Employee Wages

January 2020: $31.22
July 2025: $39.69

27.1% Increase

Current ROI on Finishers

Head Barn	2400	
Interest	7.0%	
Down Payment	15%	
Loan Term	15	Years
Payments	12	per Year

Construction Cost per Space	Loan Payment per Space	With Operating Expenses / No Labor Cost	With Manure Value
$ 450.00	$41.26	$54.26	$44.26
$ 425.00	$38.96	$51.96	$41.96
$ 400.00	$36.67	$49.67	$39.67
$ 375.00	$34.38	$47.38	$37.38
$ 350.00	$32.09	$45.09	$35.09
$ 325.00	$29.80	$42.80	$32.80
$ 300.00	$27.50	$40.50	$30.50

$300 per Space Finisher??

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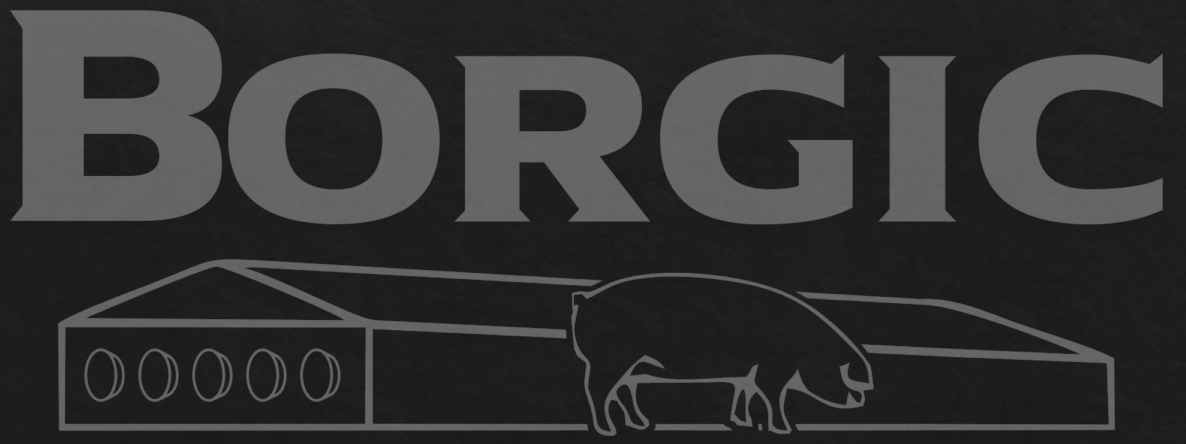
Cost Saving Measures in Barn Construction

- Feeder Pig Only
  - Heat
  - Gating
  - Ventilation
  - Insulation
  - Utility Savings
  - Mats



Cost Saving Measures in Barn Construction

- Roofing Material
- Ceiling Material
- Office / Bio-Security
- Loading Chute

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Cost Saving Measures in Barn Construction

- Feed Systems
  - One vs two feed systems
- Lighting
  - How many rows of lighting?
- Water Source
- Scalable Site Location
  - Infrastructure
  - Access to water
  - Permitting
  - Electric
- Manure Management
  - Size of pit
- Retrofit
  - Replacing everything from the slats up

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Barn Construction Must Haves

- Actuated Inlets vs Manual Inlets
- Gating
  - Pre-sort capabilities
- Wet/Dry Feeders
  - Cost difference is minimal since you would have to add extra water cups
- Tandem Feed Bins

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Must Have Barn Technology

Must Have Technology in a Finishing Barn

- Bin Monitoring Solutions
  - Feed Outages
  - Slide Management
  - Flat line warnings
  - Feed Ordering
  - Real Time Consumption
  - Mill Issues

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Must Have Technology in a Finishing Barn

- Remote Barn Sensors
  - Temperature
  - Power Interruption
  - Generator Sensor
  - Humidity
  - Water Consumption
  - Door Sensors

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Must Have Technology in a Finishing Barn

- Smart Barn Controllers
  - Remote Access
  - Automated Settings
  - Ventilation based on multiple factors and animals needs
  - Real-time monitoring and alerts
    - Feed systems
    - Ventilation
    - Pit measurements
    - Tank and Well Monitoring

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Must Have Technology in a Finishing Barn

- Security Cameras
  - Local storage or cloud based
  - Face Recognition
  - License plate recognition
  - Bio-Security
  - Labor Allocation
  - Security
- Is Wi-fi/Internet access a requirement?

Additional Technology

- Real Time Data is Key!
  - Predictive Modeling
  - Leading Indicators that can help us manage health
- Herd Management Software
- Smart Cameras
  - Weight cameras
    - ADG
  - Health Detection
  - Counting Cameras
- Auto-Sorters

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Recap

- Costs for barns are not getting cheaper
  - What alternatives do we have?
- Evaluate what is necessary in your WTM barns
- What technology can you not live without and what can make your operation more efficient?
- Keep pushing new technology and monitoring when that ROI makes sense for your operation

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Thank you!

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