Selling the Tend-R-Leen® Program

Salesperson as a Partner – Consulting

Helping the customer make a buying decision.
This means that the competitive salesperson has to be seen by customers as a partner, or resource – a combination of product and market knowledge and quality assurance. In this role as partner, the salesperson helps the customer to uncover needs, solve problems, and make a buying decision in terms of the best value for the customer.

Goals and Objectives
Customer goal is satisfied by Tend-R-Leen + salesperson's objectives to sell it = successful sales

Types of Prospects for Tend-R-Leen

- High energy diet using Brand X.
- TMR or roughage diet using Brand X.
- No cattle currently but has facilities or has colored cattle but is interested in Holsteins.
- In place of expansion of current dairy operation or an exit strategy for a partner.
- Retirement from milking cows.
- Second income to supplement main income.
- Cash crop farmer.

Interviewing Techniques

Using Questions to Uncover Needs

Examples of Questions to Determine Customer Needs:

1. Tell me about your steer operation.
2. What are plans for purchasing feeder cattle for the next year?
3. What do you consider good feeder cattle?
4. How do you feel about your average daily gain?
5. What importance does this have on your operation?
6. What are your concerns about your cattle's performance?
7. Are you comfortable with your current supplier's knowledge of the beef industry and level of service?
8. How familiar are you with Tend-R-Leen?
9. How often do you consult with a nutritionist or consultant on your beef program? Is this visit nutrition related or profitability driven?
10. Do you know your current cost of production and break even?
11. Please rank in order of importance:

    _____ Labor _____ Profitability _____Convenience
12. What are your goals for the next two years?
13. What can we do to help you reach your goals?

The Presentation - Putting it all Together

Recommending Solutions and Closing the Sale

1. Summarize the customer needs.
2. Confirm seriousness of the need.
3. What happens if you make the recommended changes?
4. What happens if you don't make any changes?
5. Make your recommendation.
6. Ask for commitment.

Sales Process

1

Send introduction mailer and capabilities with photo business card

2

Try phone appointment, or farm visit	Introduction	Casual Conversation	Observe & Ask Questions	Schedule Appointment

3

Send note/postcard for reminder of appointment

4

Tour of Operation	Do Needs Assessment	Discuss Goals	Prioritize Needs & Goals	Summarize Requirements	Collect Date Required-DHIA	Sample Forage Inventory, Etc.	Set Return Appointment

5

Do Presentation/Proposal	Close and Agree to Next Steps

6

Send thank you note with highlights of proposal	Receive reaction to proposal

Tend-R-Leen Producer Information

Date:_____

Producer: _____

Address: _____

City, State, Zip: _____

Phone:_____Email: _____

Feed Supplier: _____

Feed Supplier Phone/Email: _____

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1. Vaccines and implants: List products used and age when given. Include booster dates.

Respiratory vaccine_____

Clostridia vaccine_____

Other vaccine _____

Other vaccine _____

Feed medications used_____

Receiving period feed medications_____

Receiving period injectable or water products _____

Injectable 1st treatment _____

Injectable 2nd treatment_____

Injectable 3rd treatment

Age at: Deworming_____ Dehorning_____ Method _____

Castration_____ Cut or band

2. Type of Operation:_____
   A. Dairy & steers Feedlot
   B. Birth to Market Feeders to Market Start wt of calves _____
   C. #< 350 lbs. _____ #> 350 lbs. _____
   D. All in – all out Monthly rotation
3. Current Feeding Program:
   A. Roughage or No roughage Dry corn or HM corn
   B. Dealer mixes Company mixes On farm mixing
4. Current Results
   A. Days on feed _____
   B. Average market weight_____
   C. Market location _____

D. Other notes _____

CALL REPORT

County_____

Producer Name	Tnship	# Cows	Mgmt Style	Feed Sys	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
1.																
2.																
3.																
4.																
5.																
6.																
7.																
8.																
9.																
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Why Producers Should Look at the Profit from Tend-R-Leen®

In place of expansion of current dairy operation

- Cow profit = $100-200 per year, you then need 1 to 2 steers to replace one cow (22,500 lb. cow with $0.50-$1.00 profit per cwt). (Dairy enterprise analysis, 2016, U of MN Extension)

- Can they get the top price for every bull calf they sell?

- Using current resources and capitalizing on potential profit opportunity.

  Calves, Corn, Labor and Facilities

- Lower investment than milking expansion

  If cow profit is $150/cow/year and steer profit $150/steer/year, 1 steer replaces 1 cow. Investment needed per steer = $125/steer + $1,000 steer facilities = $1,125/steer investment

  Investment needed for 1 cow = $1,500/cow + $2,000 facilities = $3,500 investment or more than 3 times that of steers.

- More liquid of an entity.
- Since 2013, Tend-R-Leen fed steers have returned $239.00/head above all costs.

Retirement from Milking Cows

- Outdated facilities

- Health reasons

- Lack of desired income

Second Income to Supplement Main Income

- Allow them to live on a farm

- Family activity.

- Profitable hobby.

Cash Crop Farmer

- End selling price of corn

- Diversify the marketing corn.

- Manure and organic matter value.

What They Need to Raise Tend-R-Leen® Steers

Source of Calves or Feeders
- Dairy farm has calves
- Neighboring farms
- Sales barns
- Calf ranch/professional calf raiser

Facilities – anything works
- proper pen size
- correct feeder and water space
- shelter, windbreak and/or mound
- manure management (less with no roughage)
- less labor

Health Program
- Vaccinate
- Implant

Corn Source

Marketing
- Forward contracts
- Local live sales- auction barns and live cattle collection points
- Retail (freezer beef sales)

Marketing Partner Profitability

Margin

One steer eats:

- 50# milk	$ 7.00
- 50# Starter	$ 3.00
- 180# Grower	$4.50
- 450# Finisher	$11.25
+ Total Margin	**$25.75/Steer**

(grower & finisher based on $50/ton margin)

500 steers = $12,875 margin per year
1,000 steers = $25,750 margin per year
2,000 steers = $51,500 margin per year

Use to Fill Loads and Get Them More Often to Aid Getting Custom Mixes

Can be an Expert

- Easy to learn
- Not as technical as dairy rations
- Lower amount of service work

Unlimited Opportunities and Constantly Changing Ones

Fun to Sell Because You Get RESULTS!

Is it Best to Use the Least Cost Beef Concentrate?

How much weight gain would be required to pay for high quality concentrate?

	Extra cost per ton of concentrate						
	$10.00	**$20.00**	**$30.00**	**$40.00**	**$50.00**	**$60.00**	**$70.00**
Live selling price per pound	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer	Monthly increased lbs. required per steer
$1.00	0.23	0.45	0.68	0.90	1.13	1.35	1.58
$0.95	0.24	0.47	0.71	0.95	1.18	1.42	1.66
$0.98	0.23	0.46	0.69	0.92	1.15	1.38	1.61
$0.96	0.23	0.47	0.70	0.94	1.17	1.41	1.64
$0.94	0.24	0.48	0.72	0.96	1.20	1.44	1.68
$0.90	0.25	0.50	0.75	1.00	1.25	1.50	1.75
$0.87	0.26	0.52	0.78	1.03	1.29	1.55	1.81
$0.84	0.27	0.54	0.80	1.07	1.34	1.61	1.88
$0.81	0.28	0.56	0.83	1.11	1.39	1.67	1.94
$0.78	0.29	0.58	0.87	1.15	1.44	1.73	2.02
$0.75	0.30	0.60	0.90	1.20	1.50	1.80	2.10

***Examples of Calculation**

Extra Cost Per Ton of Concentrate = **$20.00** $/Ton Variance
Divided by 2,000 pounds (ton) = **$0.010** $/lb Variance
Multiplied by 45 lbs. Conc/Steer/Mo = **$0.45** Extra Cost/Steer/Month
Divided by Selling Price/lb @ $0.94 = **0.48** = Monthly Pounds of Body Weight Gain Required

Combating Price Per Ton Objections

Objection: I can buy *Brand X* $20.00/ton cheaper.

Calculation: 400 lbs. concentrate/steer

1 ton concentrate feeds 5 steers

$20.00 divided by 5 = $4.00

$4.00 divided by $0.94/lb. = 4.25 lbs.
(market price)

Only 4.25 lbs. heavier with Tend-R-Leen®, which means less than 1 lb. of gain per month during the finishing period. This breaks down to less than 1 oz. of gain per day.

How to Calculate:

1. Price difference/ton divided by steers/ton = increased cost

   _____ divided by steers/ton = _____

2. Increased cost divided by market price of beef

   $_____ divided by $_____/lb.

   = _____ lbs. of total weight difference needed.

Tend-R-Leen® Beef Return by the Acre

Bushels shelled corn/acre	Return/acre at $3.00/bu.	Lbs. of Tend-R-Leen Beef/acre	Return/acre @ $0.84/lb. beef	Increased return/acre when fed to TRL steer
120	$360.00	1662	$1,396.08	$1,036.08
140	$420.00	1939	$1,628.76	$1,208.76
160	$480.00	2216	$1,861.44	$1,381.44
180	$540.00	2493	$2,094.12	$1,554.12
200	$600.00	2769	$2,325.96	$1,725.96
220	$660.00	3045	$2,557.80	$1,897.80
240	$720.00	3321	$2,789.64	$2,069.64

Mixing Accuracy

Mixing accuracy is a very important part of the Tend-R-Leen® program.

When we formulate a dairy cow ration, there is the tendency to overformulate. If the hayalge is 24 % protein, we may only give it credit for 22% because we aren't sure if all 24% is available. Then, if the bulk tank average is 80# we will balance for 90-95# of milk. The reason is that the range of production in a dairy herd is usually very wide and we need to be sure we are giving the early lactation cows all the groceries they need for high performance.

In a feedlot however, the performance between animals is not as wide. There is no need to overformulate for steers. That means there is no "wiggle room" for the mixing of the corn/Tend-R-Leen. We need to be right on for the most cost-effective performance and of course to be sure we aren't losing money due to overfeeding.

The Tend-R-Leen program calls for an 92%-8% corn:pellet mix from 650#-finish weight. If the mixture is 7% vs. 8%, the crude protein is 2.5% below the requirement level. According to the NRC tables, that could be up to .2# ADG loss of production. Equally important is that the minerals, vitamins, and medications will be lowered also. They can each have additional negative effects on performance.

If the mix is 9% vs. 8%, the additional feed using today's cost is about $8.75 per steer from 700#-1350#.

Mixing accuracy is more important with younger animals. If you look at the chart you will notice that from 130# to 650#, each month the calf should have the corn pellet mix changed. If you bring in groups of calves and keep them together, that isn't hard to do. However, many growers have groups with a wide range of weights. One of the difficulties with a group that ranges from 400#-800# is, what mixing rate do you use? An 8% pellet rate will be far below what the 400# calf needs and a 13% pellet rate that the 400# calf needs is very expensive to the 800# steers. If you can keep groups within a 200# weight difference, you will improve performance, reduce costs or both.

Stressed corn can be lower in protein than the Tend-R-Leen program has been designed for. If you think that the steers performance isn't where it should be, consider sampling the corn for moisture and protein to see if the pellet rate needs to be increased.

Mill math

Let's review how to calculate an 8% mix.

Example 1. You need 2 ton of finishing feed for 1000# steers.

4,000 # x 8%= 320# of pellets. Subtract the 320 # of pellets from the 4,000 total and you find that you need to add 3,680# of corn to make the mix.
Double check: 320# pellets divided by the 4,000 total weight x 100 = 8%

Example 2: You have a gravity box of corn that contains 8,500 # of corn and want an 8% mix for 1,000# steers.

8,500# of corn divided by 92%(the percentage of corn)= 9239# total weight
Subtract 8,500#(corn) from 9239#(total weight) = 739# pellets.
Double check: 739# pellets divided by 9,239 total weight = 8%

Note: A common mistake is to take gravity box of corn that weighs 8,500# x 8% to calculate the pellets. Let's see how that works.

8,500 x 8%= 680# pellets
8,500 + 680= 9,180 total weight.
Is this an 8% pellet mix?
Double check: 680# pellets divided by 9,180 total weight x 100 = 7.4% not 8%

Grinder mixers

Mixers that do not have scales will have a chart to help determine the pounds of corn in the mixer. Keep in mind that the bushel weight and moisture can both affect the outcome of the mix. If your mixer doesn't have a scale but can be outfitted with one, it could be very profitable for you to add it. If you can't add a scale, a periodic check of the weight vs. the chart could prove beneficial.

If you are using bulk pellets, you can use a couple of techniques to assure the proper amount of pellets are added.

1. If you fill your mill with pails, weigh some pails and divide the weight you need by the pound per pail to find out the number of pails needed. Note that a half a pail extra costs around $4.00.
2. If you run pellets from an auger directly into the mill, you can see how many pounds of pellets the auger delivers in a minute. Then calculate how many minutes it takes to reach the desired poundage.

Be sure to add the pellets last and **do not overmix**. This will help reduce fines.

If you have a mixing system with a scale, take something with a known weight and add it to be sure the scale is working properly.

Cost of Tend-R-Leen®/corn mix per ton by month

Age	Weight	Corn price/bu	532 price/ton	536 price/ton	Mixing, bagging, delivery/ton
		$3.25	$660.00	$650.00	$0.00
Month 2	130# - 189#				
CP DM 16.7%	Corn	1440	$83.57		
	532 Grower	560	$184.80		
		2000	$268.37		
Month 3	189# - 264#				
CP DM 16.5%	Corn	1460	$84.73		
	532 Grower	540	$178.20		
		2000	$262.93		
Month 4	264# - 346#				
CP DM 15.6%	Corn	1520	$88.21		
	532 Grower	480	$158.40		
		2000	$246.61		
Month 5	346# - 441#				
CP DM 13.1%	Corn	1740	$100.98		
	536 Finisher	260	$85.80		
		2000	$186.78		
Month 6	441# - 542#				
CP DM 12.5%	Corn	1780	$103.30		
	536 Finisher	220	$72.60		
		2000	$175.90		
Month 7	542# - 654#				
CP DM 11.8%	Corn	1820	$105.63		
	180	180	$59.40		
		2000	$165.03		
Months 8-14	654# - 1400#				
CP DM 11.5%	Corn	1840	$106.79		
	180	160	$52.80		
		2000	$159.59		