

SAMPLE FARM:

For the purposes of this sample farm, we will look at a farm that annually has 50 bulls, 40 cows and 38 calves. We will take the average of 20 M and 18 F calves and retain all male calves for velvet antler production. We will assume 7 older bulls and 13 younger bulls sold to hunt preserves. We will assume 18 females sent for the red meat market annually.

REVENUE

Elk Velvet Antler Revenue (30 bulls x 25 lbs/bull x \$30.00/lb)	\$22,500.00
Harvest Bull Revenue (Young 2-3yrs) (13 bulls x \$4,500 average price/bull)	\$58,500.00
Harvest Bull Revenue (Old +4yrs) (7 bulls x \$8,500 average price/bull)	\$59,500.00
Red Meat Revenue (Cows) (18 cows x <u>315lbs</u> x \$5.60/lb)	\$31,752.00
TOTAL ANNUAL ELK FARM REVENUE	\$172,252.00

EXPENSES

Hay (1400 lb bale x 0.055/lb x 2.5 bales x 128)	\$24,640.00
Grain (Oats) (100 days x 4lbs/day x \$0.18/lb x 128)	\$9,216.00
Mineral Tubs & Pellet Feed (This varies greatly from farm to farm)	\$6,000.00
Veterinarian (Most farms \$0 - others have AI / other checks)	\$1,000.00
TOTAL ANNUAL ELK FARM EXPENSES	\$40,856.00

TOTAL NET INCOME FROM ELK FARM:

\$131,396.00

*This is an example only, and while the numbers used were taken from real elk farms, production income and costs may vary for a number of reasons.



If you are interested in learning more about an exciting livestock diversification opportunity, please reach out to the SCA – Saskatchewan Cervid Alliance.

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ECONOMICS OF ELK FARMING



Why Elk?

Elk are VERY self-sufficient and easy to care for

Game farm meat is the safest red meat in the world (every elk slaughtered is inspected/tested for TB, Brucellosis and CWD)

Demand for Elk velvet antler (EVA) as well as the meat exceeds supply

Consistent marketing for the Elk



The elk industry has exciting growth opportunities and is a welcoming industry. The industry NEEDS more producers!

Unlike most livestock industries, elk farming has three very distinct and separate marketing options

1. Velvet Antler Production:

Antlers are a renewable resource that are grown and shed or harvested each year. Harvested antlers are removed at about 70 days of growth, frozen and then sold and shipped to Asia to be used in natural medicine. Smaller amounts are processed in Canada to meet an ever increasing demand.

2. Red Meat Market:

Elk produce a high quality, exceptionally lean meat. Most meat is processed and sold to the United States.

3. Harvest Preserves:

The final market is very specific and allows producers to market their aging bulls to harvest preserves.

Elk are the only livestock species that have three defined markets which provide three revenue streams, granting a huge advantage to producers annually.

Velvet Antler Production

Annually, male elk grow a new set of antlers and annually the antlers are harvested from the bull. Bulls can produce up to 60lbs of saleable antlers. The average price for elk velvet antler is \$30/lb. A good quality herd of bulls of mixed ages can average 20-30 lbs of antlers per bulls per year. Bulls have a productive life of 14+ years, but are generally sold at 8-10 years of age. Current demand for elk velvet antler (EVA) exceeds supply.

Red Meat Market

Elk meat, or venison, is in high demand internationally. There are approved slaughter plants in Alberta, Manitoba, Quebec, Ontario and various American States. The current price is \$5.60/lb (HHW). The carcass weights for females will range from 285 lbs to 345 lbs (HHW) and carcass weights for bulls range from 400 lbs to 585 lbs (HHW). greatly exceeds supply – Canada could easily double production and still not meet current demands.

Harvest Bulls

These are older bulls that are sold to harvest preserves. Prices to producers are based on antler scores and can range from \$4000 to \$35,000 per bull. A very achievable average would be \$7000 - \$10,000 per bull.

Cost of Production

Elk are relatively inexpensive to raise. Good quality pasture can sustain up to 1.5 elk per acre and winter rations of 2 to 2.5 – 1400 lb bales will be more than adequate. Diets should include some grain and mineral supplements to maximize production. Elk need access to clean water – however, even a lactating cow drinks about 1/10 of the needs of a beef cow. The greatest cost of raising elk is fencing and handling facilities. Fencing costs are about \$3.00-\$3.50 per foot and a good handling system can cost \$4000 to \$20,000. You can often find used fence and systems that are half of these costs. The cost of breeding stock, like all industries, will vary greatly. Dependant on your business plan, and industry goals, females can be purchased for \$2500 up to \$4500 if looking for top producing genetics. Breeding bull prices will range from \$4000 to \$25,000 (again, depending on age & top producing genetics).