To IRM chairman Martin Jorgensen, optimizing resources is the key, but IRM really means

People Helping People

by Troy Smith

Integrated Resource Management (IRM) is a process for utilizing all available tools to sustain one's self in agriculture's changing environment. This sums up Martin Jorgensen's opinion of IRM.

"It's discovering and sharing information that leads to optimum use of your resources," he says. It's a team effort and the players are people you deal with all of the time, including veterinarians, Extension people, researchers, lenders amd other producers. It's peple helping people. That osn't a new idea, but it is a good one — one ot the best there ever was."

The IRM concept isn't new to Jorgensen's own South Dakota beef operation either. Therefore, it seems fitting that he chair the IRM subcommittee for the research and education committee of the National Cattlemen's Association (NCA). But in addition, Jorgensen also heads the National IRM coordinating committee, a group that is reaching even farther to align all of agriculture's segments.

At home, Jorgensen heads a family effort to align the composite parts of their 16,000-acre operation into a successful, integrated business.

Jorgensen Ranches, located near Ideal, S.D., maintains registered herds of Angus, Simmental and Charolais. Including commercial crossbreds, more than 1,100 cows are calved annually. Seedstock are developed and commercial cattle are finished in the family's own feedlot, utilizing home-grown feedstuffs.

A farrow-to-finish swine operation also exists and crop production includes alfalfa, corn, wheat and oats.

"Ours is very much a team effort," Jorgensen explains. His son Greg devotes his management skill to cattle; his brother, Bryan, manages crops.

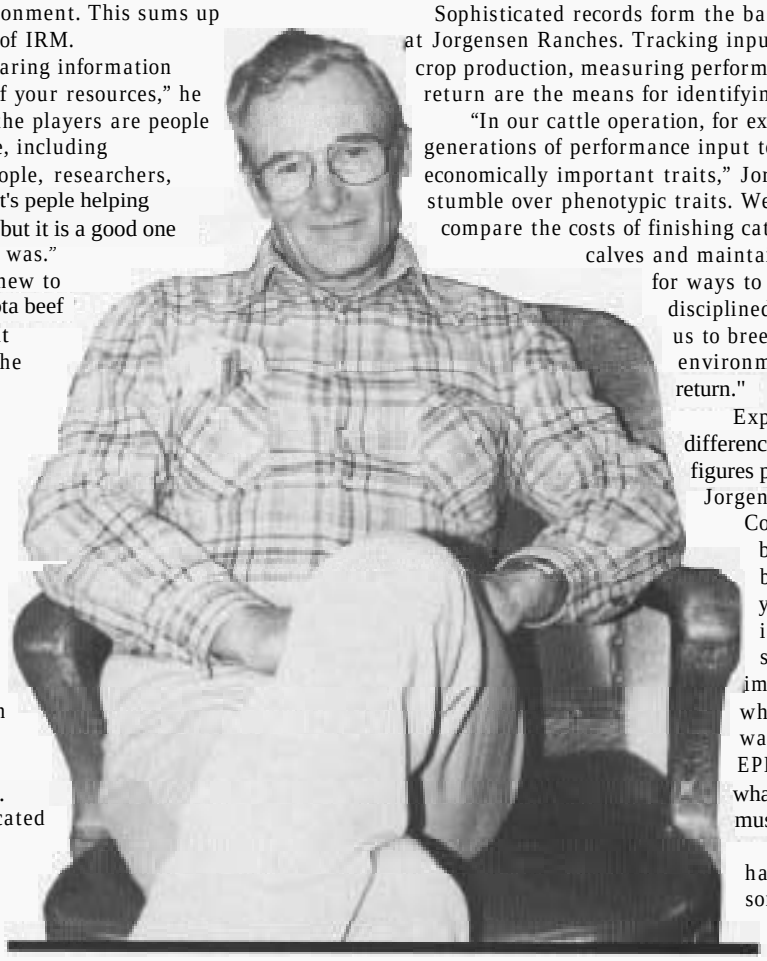
Their wives are important team members too. Greg's wife, Debra, works full-time with Jorgensen's lean beef marketing program, Dakota Lean Meats Inc. Bryan's wife, Brenda, is involved with recordkeeping.

Sophisticated records form the basis for decision making at Jorgensen Ranches. Tracking input costs of livestock and crop production, measuring performance and analyzing return are the means for identifying economic advantages.

"In our cattle operation, for example, we capitalize on generations of performance input to identify the economically important traits," Jorgensen says. 'We don't stumble over phenotypic traits. We never have. We compare the costs of finishing cattle, developing bull calves and maintaining cows, then look for ways to be more efficient.That disciplined approach has allowed us to breed cattle that fit our environment and yield optimum return."

Expected progeny difference (EPD) information figures prominently in the Jorgensen breeding program. Computerized matings, based on EPDs, have been utilized for several years, through artificial insemination. Jorgensen sees EPDs as an important selection tool when used properly. He warns, however, that EPDs must be taken for what they are not, a tool, and must not be baused.

"False environment has been the cause of some abuse," adds Jorgensen. "But they are reasinably accurate and they work. Unfortunately, a lot of people still don't understand what EPDs are. This is an area where IRM can help, by teaching producers how to use technology correctly. It's a process of gathering information, then learning how to access the information and use it properly"



South Dakota seedstock producer Martin Jorgensen chairs theNCA's subcommittee on IRM and National IRM coordinating committee.

Jorgensen stresses repeatedly that recordkeeping is essential for effective application of the IRM concept. His own computerized system has been in place for eight years, but this year a major upgrade is being implemented. The

The Jorgensens have updated their sophisticated computerized recordkeeping system. Here, Farm Business Software representative Bill Young explains how the update will enhance the current system. Bryan Jorgensen (center) looks on.

Jorgensen system can now access an Illinois-based company known as Farm Business Software (FBS). By utilizing FBS expertise and technology, Jorgensen is looking for a more accurate means of measuring efficiency.

FBS representative Bill Young is impressed with Jorgensen's diligent recordkeeping. "They have impressive biological statistics on every field, every pasture and every pen of cattle," Young says. "We will be able to help integrate their biological statistics with financial statistics so the Jorgensen family can better measure the efficiency of each of their enterprises."

Jorgensen says efficiency is a product of IRM's goal of optimum production. Optimization, he believes, will be an often used term as producers realize the fallacy in pursuit of the maximum.

"Chasing the maximum, in many cases, will adversely affect the bottom line," he says. "We've learned that, but we've also learned to take advantage of the expertise and experience of others. Other producers, veterinarians and agribusiness professionals have provided information that helped us become more efficient. We've learned how to refine our selection process, prevent health problems and make better use of feed resources."

The notion of achieving efficient use of all available resources has been the cause for IRM movements organized mostly at the state level. The NCA has added its support, but Jorgensen cites the National IRM coordinating committee as the group making most headway. The coordinating committee, he says, is working to orchestrate the hodge-podge efforts of the various local and regional groups.

"That's not to say their efforts haven't been good, but real progress will result from one unified effort," Jorgensen says. "Our ultimate goal is a central information center for the transfer of information. So far, 33 states have agreed to participate and provide information to be accessible by all. But for this to work like it should, we'll have to be less secretive about the way we do things."

Once in place, Jorgensen believes a strong IRM network can tackle specific areas of production. Brood cow maintenance costs is one he thinks deserves more attention. Recognizing that cow maintenance represents 50 percent of the cow-calf producer's production costs, Jorgensen is convinced the percentage could be reduced. He cites $267 annually as the lowest per cow input he has heard about, but $200 per cow as an achievable goal.

"We can accomplish goals like that through IRM, but the movement must remain producer-driven," Jorgensen warns. "If it becomes an ivory tower project, we'll lose much with the guts of the industry. It's our responsibility as producers to see that it stays on track.

"Another thing producers must realize is the importance of the computer. To date, most producers have kept computerized records for tax purposes and not for farm and ranch management. That's too bad. To keep the kind of records needed to contribute and share the IRM information the computer is a must."

Jorgensen expects a lot from IRM and he expects to contribute all he can. His updated computer system is ready for the day that a central IRM information center is operational. He believes IRM will force the various breed associations to adopt a uniform system of records and hopes it will happen soon.

He hopes other producers are not expecting a great revelation — an IRM gospel — with step-by-step instructions for success in the livestock business. Too many variables exist for that to happen. This cattleman is confident that an information system will evolve to help producers become better business managers. It will be a system of people helping people.

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