

Marquette County Youth Meat Animal Program's
Auction Options for Bidders/Buyers

Option #1 - Buyers purchase animals outright (by the pound for beef, sheep, and swine, while by the unit for meat goat, poultry and rabbits).

Option #2 - Buyers purchase animals (beef, sheep, and swine) on a support price basis. The support price is the difference between that day's market price per pound and the buyer's final auction price per pound. The support price method is intended to offer the buyer an option that doesn't require such a large cash outlay.

Guidelines for support price purchases:

- ✓ Exhibitor is responsible for marketing of animal and will receive check from market.
- ✓ Average market price will be determined from the USDA price at close of market on Friday and will be announced/posted.
- ✓ Buyers will indicate, at time of purchase, if they are buying the animal outright (option #1) or for support price (option #2).

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Comparison of Option #1 and Option #2 using steer as an example:

Bid of \$1.00 per lb. on 1000# beef steer -
 (The day's market price for beef steers, announced by auctioneer, is \$.75 per lb.)

<u>Outright Purchase</u>		<u>Support Price Purchase</u>
1,000 # x \$1.00 =		\$1.00 - \$.75 = \$.25
		1,000 # x \$.25 =
\$1,000.00	Buyer pays to Auction	\$250.00
- 40.00	(4% commission on gross sale price of animal)	- 40.00
\$ 960.00	Amount of check exhibitor receives	\$210.00

AT THE END OF THE FAIR

Exhibitor must be present to load animal.

Exhibitor is responsible to send animal to market

---or---
to take it home.