

## WELCOME James Dunn, Managing Director of Promar International



Welcome to 2018 and the January edition of Promar Matters.

The New Year will see a reduction in milk price for many readers and the need for relentless attention to detail in the efficiency of milk production is constantly required.

This month we look at three scenarios that do just that. Although carbon footprint is probably not that high up the list of priorities, reductions usually bring about

efficiencies of production while the use of technical performance indicator platforms, such as Milkfinder, enables identification of underperformance. Heifer rearing is an area that can be easily neglected but can return significant gains when given sufficient attention.

The use of sexed semen has increased significantly over the last five years and our parent company, Genus, have been pioneering in the provision of this and other genetic services to enable dairy farmers to achieve efficiencies

of production. In 2017, we saw the launch of Sexcel, a gender skewed product that brings considerable advantages to the market and, when used in conjunction with a targeted breeding plan, can accelerate the rate of genetic improvement of the herd while maximising returns from beef calves.

I do hope you enjoy the read and please contact us if you would like to discuss any of the areas covered in more detail.

## YOUNGSTOCK REARING KEY TO PROFITABLE DAIRY HERD



Research from AHDB has found that calving a heifer at 24 months rather than 26 months can reduce average rearing costs by 16%, and therefore driving efficiencies in this area can have a big impact on profitability, explains Promar Consultant, Michael Calvert.

"The cost of raising herd replacements is the second biggest financial outlay for dairy businesses after feed," he explains. "Every production system is different, but by measuring current performance using the data available on-farm, you can identify key areas for improvement."

Promar's Farm Business Accounts data shows that on average for every 100 dairy cows on a farm, there are 70 heifers following. This suggests that replacement rates are either well above 30% or that heifers are calving in to herds above the recommended first calving age of 24 months. In either case, this represents a significant cost to businesses which should be addressed.

To realise these gains, Michael recommends constant review of current performance, which starts with a review of the breeding policy. "It's important to consider a farm's actual heifer requirement, as rearing replacements is a big cost," he explains.

"Looking two years ahead to set cow number targets, and amending your breeding policy to reflect this, can drive efficiency and improve cash flow."

Michael adds that consideration should also be given to the use of sexed semen to add value. "Choosing a breeding metric like Profitability Lifetime Index (PLI) will enable you to choose the best cows to breed from.

"By matching them with sexed semen from high PLI bulls, you can vastly increase the selection intensity in your herd, and simply breed the best with the best. This will increase genetic progress in your herd and allow more value to be gained from beef calves."

Optimising the youngstock rearing enterprise is therefore vital. If numbers can be rationalised, then stocking

density in calf accommodation becomes less of a limiting factor to growth rates. Other costs such as feed and bedding can also be optimised.

Measuring ongoing performance is the final step in the process, says Michael. "Once you understand your existing business, setting targets and Key Performance Indicators (KPIs) can ensure that any changes being made on-farm are having a positive effect."

Michael adds that KPI measurements for calf rearing should include Daily Liveweight Gain (DLWG), weight at weaning and concentrate intake. "In our experience aiming for 0.75-0.85kg DLWG, a daily intake of 1-1.5kg concentrate, and calves reaching double their birth weight at 12 weeks is an efficient target.

"Optimising heifer rearing can have a huge impact on the bottom line, but it's vital that performance is measured against set targets to achieve the biggest returns."

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# CARBON FOOTPRINT ASSESSMENT DELIVERS ON-FARM SAVINGS



With just under three quarters of all dairy supply chain CO<sub>2</sub> emissions reportedly coming from the farm gate, Tom Gill,

Promar's Head of Environment, explains how carbon footprint assessments can ensure future sustainability, and deliver big savings on UK dairy farms.

"Carbon footprint can be directly linked with cost of production," he explains. "Therefore, the more efficient the farm is, the lower the carbon footprint, and the greater the opportunity for financial gains."

A recent carbon report conducted by Promar on one highly diversified dairy farm in North Somerset showed the potential impact this can have, explains Tom. "Our assessment identified that this particular dairy enterprise had a footprint of 1.4 CO<sub>2</sub>e per litre of milk, which was above average.

"However, in depth analysis of the data from the farm, identified that significant reductions could be gained by focusing on manure management and application, purchased feed strategy and regime, as well as reducing fuel and power inputs," says Tom.

He adds that the carbon footprint analysis was carried out before and after the installation of an AD plant on the farm. "Following the installation of the AD plant, the carbon footprint of the dairy enterprise reduced to 1.25 CO<sub>2</sub>e per litre, which is a significant 11% reduction in carbon emissions.

"The renewable energy investment also resulted in a reduction of fuel and power emissions by 33%, and manure emissions by 40%, which will consequently have a positive impact on the cost of production."

However, Tom warns that it's not just producers who should be focusing on reducing CO<sub>2</sub> emissions. "Having worked closely with a number of the major UK retailers, Promar has first-hand experience of the increased emphasis these organisations are placing on sustainable sourcing.

"It's important for brand security to be able to provide transparency around the sourcing of products, and ensuring consumer confidence is key.

"Therefore, the entire dairy supply chain has a role to play in obtaining data and evidence to drive demonstrable change for the benefit of the producer through to the consumer."

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# ATTENTION TO DETAIL DRIVES EFFICIENCIES AND INVESTMENTS



Attention to detail, an inquisitive nature and careful measurement of performance have enabled one farming

family to drive efficiencies and make significant investment during an uncertain time for many.

Following careful analysis of data from Promar's Milkfinder and Farm Business Accounts services, the Evans family from Chirk, Wrexham, has been able to understand performance improvement areas, set KPI's and invest in a new parlour, explains Richard Hooson, Principal Consultant at Promar.

"I've been working closely with Richard and his family for a number of years now, and their hard work and determination to invest in the future is clear to see," says Mr Hooson.

"Richard is a stickler for detail and his enquiring nature has been essential in achieving the farm's 8,500 litre/ cow yield,

with 4.17% butterfat, 3.34% protein levels and 42% yield from forage.

"His ethos has always been to test and measure performance before introducing permanent changes into the farming system. Richard will try different products providing there is sensible research behind it, but if performance doesn't match up to expectations it will be removed. This has seen an impressive rolling feed cost of just 5.55p/ litre," adds Mr Hooson.

Richard's attention to detail doesn't stop at feeding, herd health is equally important. "Mastitis cases on the farm are particularly low with rolling somatic cell count results of 95. Parlour servicing is undertaken yearly, with vacuum levels and pulsators checked twice a year.

"The farm also has an active relationship with the vet, vaccinating for BVD and Leptospirosis and has no Johnes within the herd," says Mr Hooson.

This mindset and careful measurement of performance saw the Evans family named

this year's Midland's regional winner of Promar's Milkfinder Manager of the Year award, adds Mr Hooson. "The Evans family is truly deserving of this prize. Richard's passion for his animals and careful cost management will see the farm continue to thrive for generations to come."

For more information, please contact Richard Hooson via [Richard.Hooson@genusplc.com](mailto:Richard.Hooson@genusplc.com) or 07971 119121.

