

This months contributors

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WELCOME James Dunn, Managing Director of Promar International



As I write my notes for the May edition of Promar Matters, we have technically

been witnessing 'Spring' for almost two months!

What a challenging period it has been for livestock farmers. The unseasonably warm weather of last week has been replaced by the more typical 'April showers' but at least grass growth has begun in earnest and cows can at last be turned out for most.

This month, in addition to a review of current Milkminster data, we consider the importance of maximising value from the beef calf on dairy farms. Traditionally, this has been a source of cash from those cows not served to black and white, but with the success of gender skewed semen, such as Sexcel, these numbers are increasing. We would encourage dairy farmers to consider the end market for these calves and use the genetics that are available through offers such as BeefAdvantage™ in order to maximise returns.

Enjoy the read and please get in touch if you require more information.

WHAT GOES UP DOES NOT HAVE TO COME DOWN



The February 2018 Milkminster report illustrates that the matched sample of

herds continued to improve output on all fronts.

Nigel Davies, Promar's National Consultancy Manager, explains that average butterfat and protein percentages have continued to increase year-on-year to 4.05% and 3.29% respectively.

"In the same period, average cow numbers increased by 2.4% to 209 cows, average yield by 2.86% to 8,244 litres per cow, and stocking rate by 0.07 cows per hectare," he says.

"This is really positive news for this group of producers, with the impact on margins aided by a backdrop of the rolling 12 month milk price to concentrate price ratio for the group having improved from 1.17 to 1.34 in that time."

Nigel highlights that with the prospects of milk price to concentrate price

ratio weakening during 2018, one of the key factors in sustaining a similar level of improvement over the next 12 months, will be the continued success in herd reproductive performance.

"On that note, the February report for the average sample suggests that there might be a hint of deterioration in this area, as the calving percentage metric has fallen from 98.6, to 97.6 cows per 100 in the last 12 months," he says.

February 2018 Milkminster matched sample of herds results

	February 2017	February 2018
Average 12 month rolling butterfat (%)	4.04%	4.05%
Average 12 month rolling protein (%)	3.26%	3.29%
Average 12 month rolling cows in herd	204.1	209
Average 12 month rolling yield per cow (litres)	8,014	8,244
Average 12 month rolling stocking rate (cow/ha)	2.39	2.46
Rolling 12 month milk price to concentrate price ratio	1.17	1.34
Rolling 12 month average calving % metric (per 100 cows)	98.6	97.6

NEWS IN BRIEF

Beef on the up

- UK production of beef and veal reached 72,700 tonnes in February, a 3% increase on the previous year
- Irish production of beef and veal reached 52,800 tonnes in February, a 6% increase on the previous year
- USA production of beef and veal reached 1.9 million tonnes in the first two months of the year, a 5% increase on the previous year

All of which means that unless beef consumption increases at a similar rate, producers throughout the supply chain need to continue to focus clearly on what value they are giving their onward customers, particularly those supplying dairy bred calves.

"For this reason, I'd recommend that producers and their consultants pay particular attention to herd reproductive performance as they use Milkminster to help them plan ahead for continued success next year," adds Nigel.

"If they can master that, they'll be one step closer to repeating the success of the last twelve months, in the next twelve months, and sustaining the gains made so far."

SURPLUS CALVES CAN PROVIDE SIGNIFICANT FINANCIAL GAINS



According to data from Promar's Farm Business Accounts (FBA) service, dairy

herds can improve their bottom line by an additional £13,588 by targeting surplus calves at the beef supply chain.

Andrew Suddes, Promar's Northern Regional Manager, explains that over 80% of dairy bull calves are destined for the beef supply chain.

"The average income per cow is around £60 for each calf sold. However, by implementing some relatively simple changes to breeding policy, and ensuring that best practice is followed, there is a huge potential to improve this figure," says Andrew.

"For example, our data shows that dairy farms producing calves using top beef genetics are achieving an additional £200 per calf, when compared to the value of a typical Holstein bull calf. This is a significant figure and equivalent to an additional 0.73p/litre for the 'average' producer," he adds.

In light of this, Andrew highlights key steps producers can take to significantly improve the quality and value of their calves, while also helping to reduce waste within the beef industry.

Breeding policy

The first step to success is a solid breeding policy for the dairy herd to ensure you have the right number of replacements for the future.

"The use of sexed semen technology on maiden heifers, and the highest genetic potential cows, is critical to this approach," says Andrew.

"Once you're confident that you have all the followers you need, you can focus your attention on maximising income from beef calves by using higher quality beef genetics on the remainder of the herd."

He explains that significant gains have been made in beef genetics, and there is now potential to select for traits such as calving ease, as well as carcass quality and the days to slaughter.

"Speak to your end user to understand what they desire. You can then factor this into your breeding policy to help develop a robust strategy that enables maximum financial gains to be made.

"Although the cost of good beef genetics may be slightly higher, it's a win-win situation for both the producer and finisher.

"The value of the calf will outweigh the initial cost due to the increased growth efficiency and there is often a premium for beef calves sourced from dairy herds using named sires."

Best practice

In addition to ensuring that a beef calf is genetically superior compared to the average calf, there are a number of key areas of best practice that dairy farmers should follow to increase the overall quality and value of their calves and encourage long-term relationships.

"Colostrum intake in the first few hours of a calf's life is vital to maximise future growth rates, and calves should receive at least four litres of colostrum within an hour of calving. We often see that heifer replacements get priority to colostrum over any surplus calves," explains Andrew.

"Although this may seem natural, given these calves are the herd's future, ensuring that beef calves also get a good supply

of colostrum will give them the best start on a beef unit, helping to reduce the days to slaughter, and this can be reflected in the price achieved for calf sales."

Andrew recommends that a specific vaccination plan for surplus calves bred for the beef supply chain, is also implemented.

"Depending on the age that you're planning to sell the youngstock, ensuring that they have been correctly vaccinated will be a big advantage for beef finishers, and is likely to increase the value of the calf over and above the cost of vaccination.

"Ensuring that calves are vaccinated against key diseases, is critical as it means that the growth rates of the calf won't be affected by potential disease outbreaks."

Andrew concludes that by ensuring you consider the future target market of your surplus calves you can not only increase the inherent value, but also develop long lasting relationships with producers that have seen proven results from your stock on-farm."

Andrew's top tips for success

- **Review your genetic plan** – consider the use of sexed semen to breed dairy replacements so that beef genetics can be utilised on the remaining cows
- **Analyse your genetics** - Don't choose beef sires based on typical dairy traits alone, also consider beef traits such as 200-day weight based on your target market
- **Don't overlook the importance of colostrum** – all calves should receive four litres of colostrum within an hour of calving, wherever their destination
- **Create a vaccination plan** – vaccinating calves destined for the beef supply chain increases their value by reducing the potential impacts of disease outbreaks

