The Double Whammy of Raising Too Many Heifers

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The high cost of feeding excess heifers and the low price for them at the sale barn is a double hit to the pocket book. (Farm Journal, Inc.)

Every dairy farmer knows raising replacement heifers is a high-cost enterprise, with estimates ranging from \$1,800 to \$2,200 by the time a heifer enters the milking string.

Most farmers know this is just the cost of doing business if they want high-quality replacements. The real economic hit occurs if you are raising too many replacements, says Matt Akins, a University of Wisconsin Extension dairy specialist.

And with the low price of calves and heifers at the sale barn, it's a double whammy in a time of already of hardly existent profit margins. Six-month old heifer calves are maybe fetching \$400 at the sale barn, yearlings \$600 and spring heifers \$1,000 to \$1,200 depending on quality. And the longer you hang on to excess heifers, the more feed and variable costs you have in them as well, he says.

"Planning your culling [of excess heifers] is really important," Akins says. "The sooner you can cull heifers you don't need, the better because of the cost of raising them and the low return for springers."

<u>Using spreadsheets</u> developed by <u>Victor Cabrera</u>, also with the University of Wisconsin, Akins illustrates culling those extra heifers sooner saves more money. The reason: Feed and variable costs rise as heifers grow older. Even though heifers might be consuming lower cost rations as they grow older, they are consuming more pounds of dry matter as they grow larger. So feed and variable costs might jump from under \$2/head/day at six months of age to nearly \$3/head per day as heifers approach freshening age.

Compounding this problem is that the return you get from those heifers at the sale barn doesn't keep pace. More savings occur the earlier you sell the heifers you don't need, says Akins, because of these rising feed and variable costs. The following table illustrates Akins' point:

Heifer age	Heifer Value	Variable cost/day	20 Excess Heifers	48 Excess Heifers
			Savings	Savings
6 months	\$400	\$1.90	\$34,000	\$81,200
12 months	\$600	\$2.50	\$31,000	\$74,400
18 months	\$800	\$2.60	\$29,900	\$62,100
22 months	\$1,000	\$2.90	\$23,400	\$56,300

Akins also cautions you can take culling too far if you for some reason you have to cull more cows than normal or a disease problem, especially respiratory issues, affects your heifer raising operation. "You probably want a small cushion of extra replacements in case problems happen," he says.