

# Use of the Dairy Records Database to Establish Benchmarks and Estimates of Potential Economic Improvements of Individual Herds

Peter D. Giacomini  
AgSource Cooperative Services  
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## Use and Summarization of Multi-herd Data



- **High herd and cow lists**
  - Defines what is possible with excellent management
  - Limited to major production traits
- **Averages**
  - Relative performance can be estimated
- **Sophisticated user-defined tools**
  - Lack of standardization makes support and interpretation across herds more difficult
  - Most without economic factors



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## Needed...

- Precise herd variation from predefined target level established by similar herds
- Economic value associated with improvement
- Standardization
- Simplicity
  - – “Information management” NOT “Management information”
- ***A clear map to areas of highest priority to improve herd profits...***



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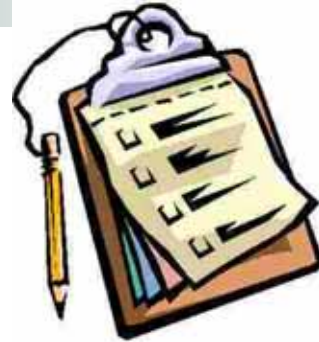
## Profit Opportunity Analyzer <sup>SM</sup>

- Simple and standardized
- Liberal use of graphs and tables
- Opportunity for potential economic gain against 80th percentile of contemporaries
- Seven individual management areas – not totaled
- Opportunity may exist above 80th percentile but model assumes less than in those areas that remain below



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## Input required



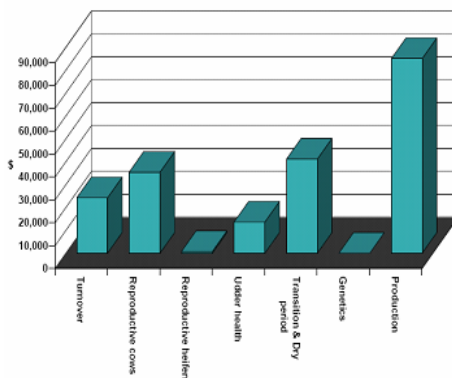
- Net milk price
- Replacement value per animal
- Cull cow value per animal
- Calf value (estimated at 3 weeks of age)
- Annual Interest Rate of borrowed capital

*All other information necessary to evaluate and benchmark herd performance is available from the AgSource records database*



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## Management Fields



- Turnover
- Reproduction – cows
- Reproduction – heifers
- Udder Health
- Transition & Dry Period
- Genetics
- Production

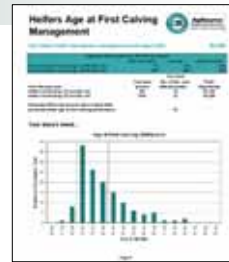
Sample Summary Graph



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## For Each Management Field...

- Single Page
- Herd position and economic gap below target level (80<sup>th</sup> percentile) summarized
- Most supported by graph(s) illustrating performance trend
- Supporting detail on calculations, assumptions, and attributed research



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## Udder Health

Economic Opportunity

Major Benchmarks

Increased production opportunity (LSCR)

Milk quality opportunity

Anticipated per cow production response

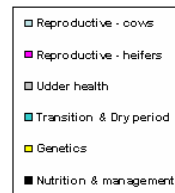
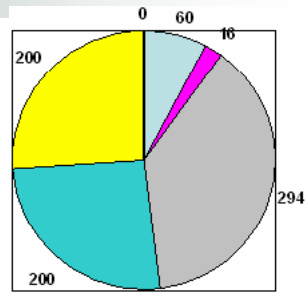
Two Year Trend  
– is the problem solved?



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## Production Impact

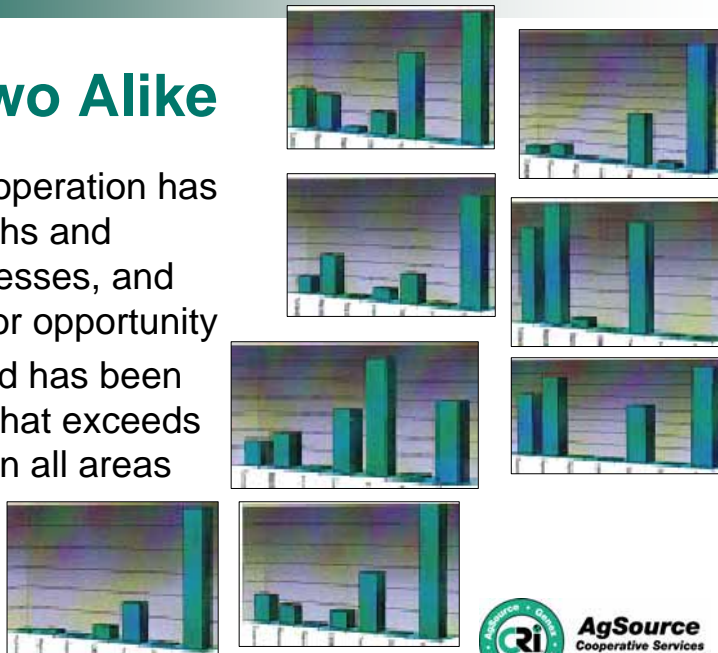
- Total opportunity for increasing per cow production from each management field
  - “Turnover” not included as reduced turnover lowered production while increasing profit
- Production increases not specifically attributable to other areas categorized as “nutrition and management.”



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## No Two Alike

- Every operation has strengths and weaknesses, and areas of opportunity
- No herd has been found that exceeds target in all areas



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## Marketing and Distribution

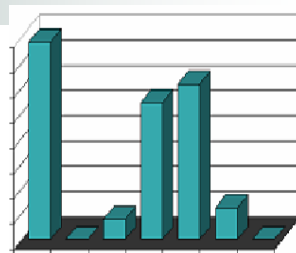
- Printed or electronic in .pdf format
- Immediate value recognized by highest performing herds
  - Illustrates area of needed priority
- Targeted primarily to consultants and service organizations, supported by AgSource staff
  - Comprehensive training programs
  - Direct member sales are secondary
- Single orders - subscriptions under consideration
- Value added to AgSource services



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## Summary

- **Profit Opportunity Analyzer...**
  - Clear yet comprehensive
  - Producers can capture full benefit of their investment in milk recording services
  - Adds value to the records database
    - draws from information unique to multi-herd database
  - Standardization allows for improved training and support resulting in increased utilization



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# Thank you

- For more information...
  - [info@agsource.com](mailto:info@agsource.com)
  - [www.agsource.com](http://www.agsource.com)



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