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

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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
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…

Profit Opportunity Analyzer SM

- 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
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.

Management Fields

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

Sample Summary Graph
For Each Management Field…

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

Economic Opportunity

Major Benchmarks
Increased production opportunity (LSCR)
Milk quality opportunity
Anticipated per cow production response
Two Year Trend – is the problem solved?
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.”

No Two Alike

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

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
Thank you

- For more information…
  - info@agsource.com
  - www.agsource.com