

Transitioning Milk Recording Service In Changing Times

Pat Baier,
VP, DHI Operations



Our Challenges- Opportunities

- Revitalized milk recording in the face of new technology
 - Milking System innovation
 - Genomic or Genetic breakthroughs



AgSource
Cooperative Services
A subsidiary of Cooperative Resources International

Our Members – Our Challenge

- Diverse family owned operations
- Demanding decision makers
- Information users not information creators
- Quality of life is important



AgSource
Cooperative Services

A subsidiary of Cooperative Resources International

Profit Opportunity Analyzer®



- We use DHI data to illustrate the big picture of where members should focus to reap the highest profits

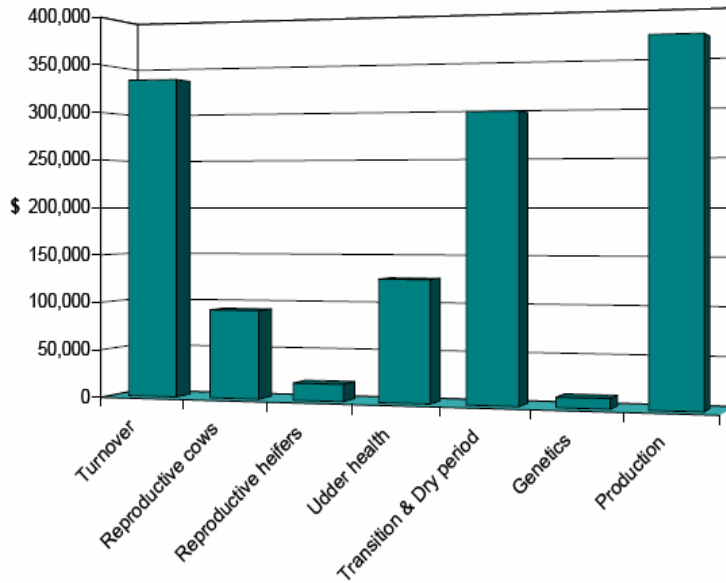


AgSource
Cooperative Services

A subsidiary of Cooperative Resources International

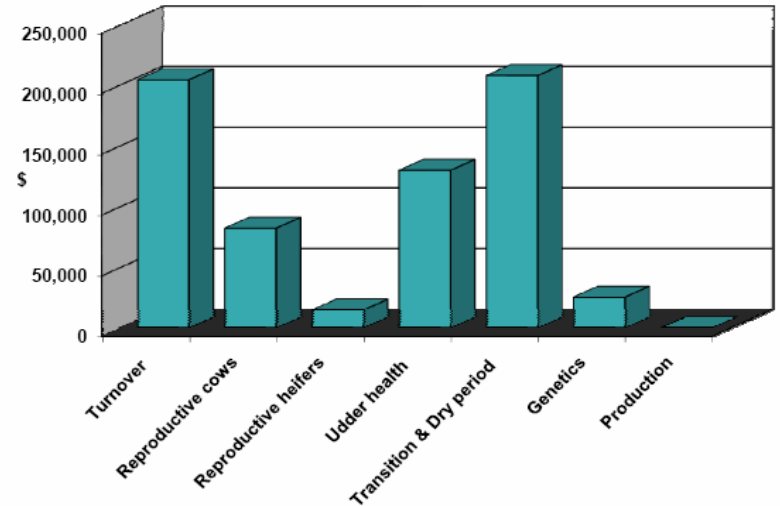
The Bottom line = Results

Profit Opportunities



December 2007

Profit Opportunities



November 2009



AgSource
Cooperative Services

A subsidiary of Cooperative Resources International

The future...

Transition Cow & Dry Period Length Management



Fresh cow and dry period length management profit opportunity* **\$208,000**

AgSource Benchmarks for 500-1,000 Cow Herds (121 Herds)			
	80th Percentile	Average	20th Percentile
Transition Cow Indexes	359	-355	-1194
Percent of Herd Having <30 Day Dry Period	1%	5%	6%
Percent of Herd Having 70-90 Day Dry Periods	4%	8%	10%
Percent of Herd Having >90 Day Dry Period	3%	8%	12%

Over the past year...	Your herd TCI	Potential Change	Profit Opportunity
Transition Cow Index	-582		
Increased production (RHA lbs/cow)		700	\$105,700
Decreased turnover (Percent)		2.5%	\$22,800

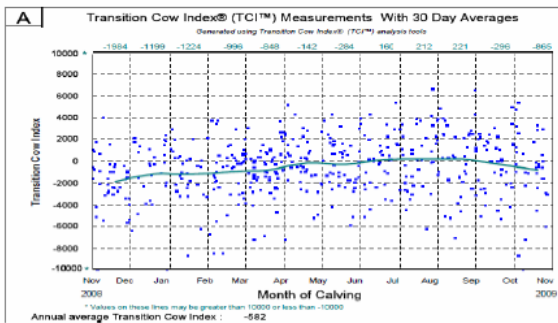
*The Transition Cow Index's economic impact is likely underestimated since TCIs are not calculated for first lactation cows; however the opportunities found in the mature cow TCI probably apply to the first lactation cows as well.

Dry Period Length Management

Over the past year...	Your herd percent	No. cows over 80th percentile	Profit Opportunity
Dry periods, <30 days	4.9%	19.1	\$9,000
Dry periods 70-90 days	7.5%	17.2	\$11,700
Dry periods > 90 days	15.4%	61.2	\$58,800

Dry period management, increased production (RHA/cow) **550**

Your dairy's trend...



Biggest bottleneck is now transition management.



AgSource
Cooperative Services

A subsidiary of Cooperative Resources International

Secrets of success...

■ Benchmarking

- This member learned what production and turnover level 20% of their peer sized operations were reaching

■ Quantification

- Also learned how much money was available by reaching 80th percentile performance

■ Focus



AgSource
Cooperative Services
A subsidiary of Cooperative Resources International

POA presentation by AgSource

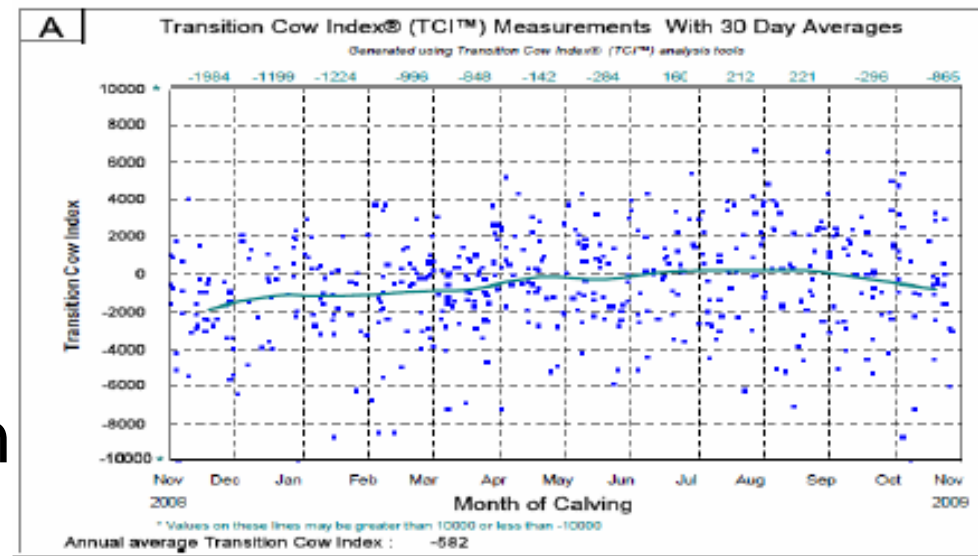
- Reproduction manager
- Feed Consultant
- Hoof Trimmer
- Two veterinarians
- Loan Officer- Banker
- AgSource Field Technician
- Two family members involved in daily operations

Financing for new transition
facility approved!



What putting monetary value in our reports accomplishes...

- Members learn how to interpret reports and take action
- Members learn how transition cow issues affect herd production
- Members gain more respect for AgSource staff



AgSource
Cooperative Services

A subsidiary of Cooperative Resources International

*These members now have
a very different
perspective about the
value of AgSource's DHI
service than ever before!*



Thank you

- For more information:
 - pbaier@agsource.com
 - www.agsource.com

- Questions?



AgSource
Cooperative Services
A subsidiary of Cooperative Resources International