

Expansion of the Value of the Dairy Records Database in Herd Management

Patrick Baier

AgSource Cooperative Services

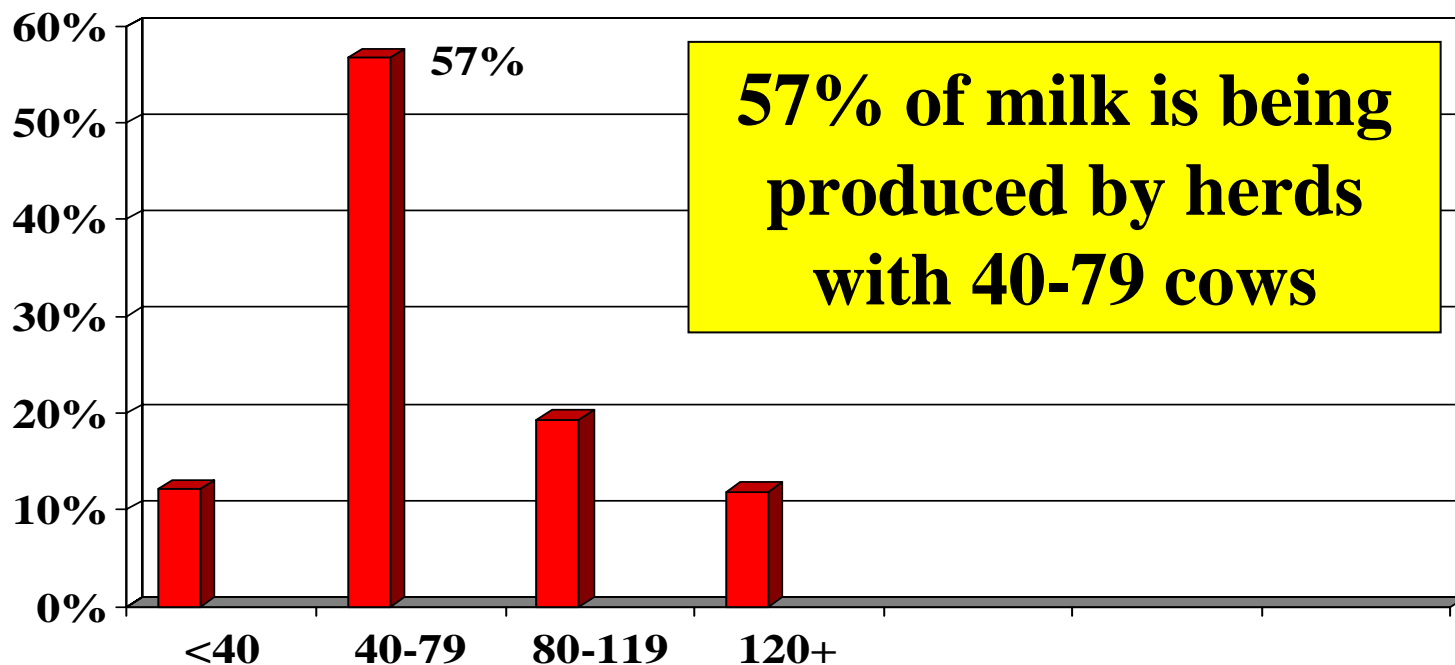


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1992 Contribution to Total Milk Supply

Wisconsin DHI Holstein Herds by Herd Size

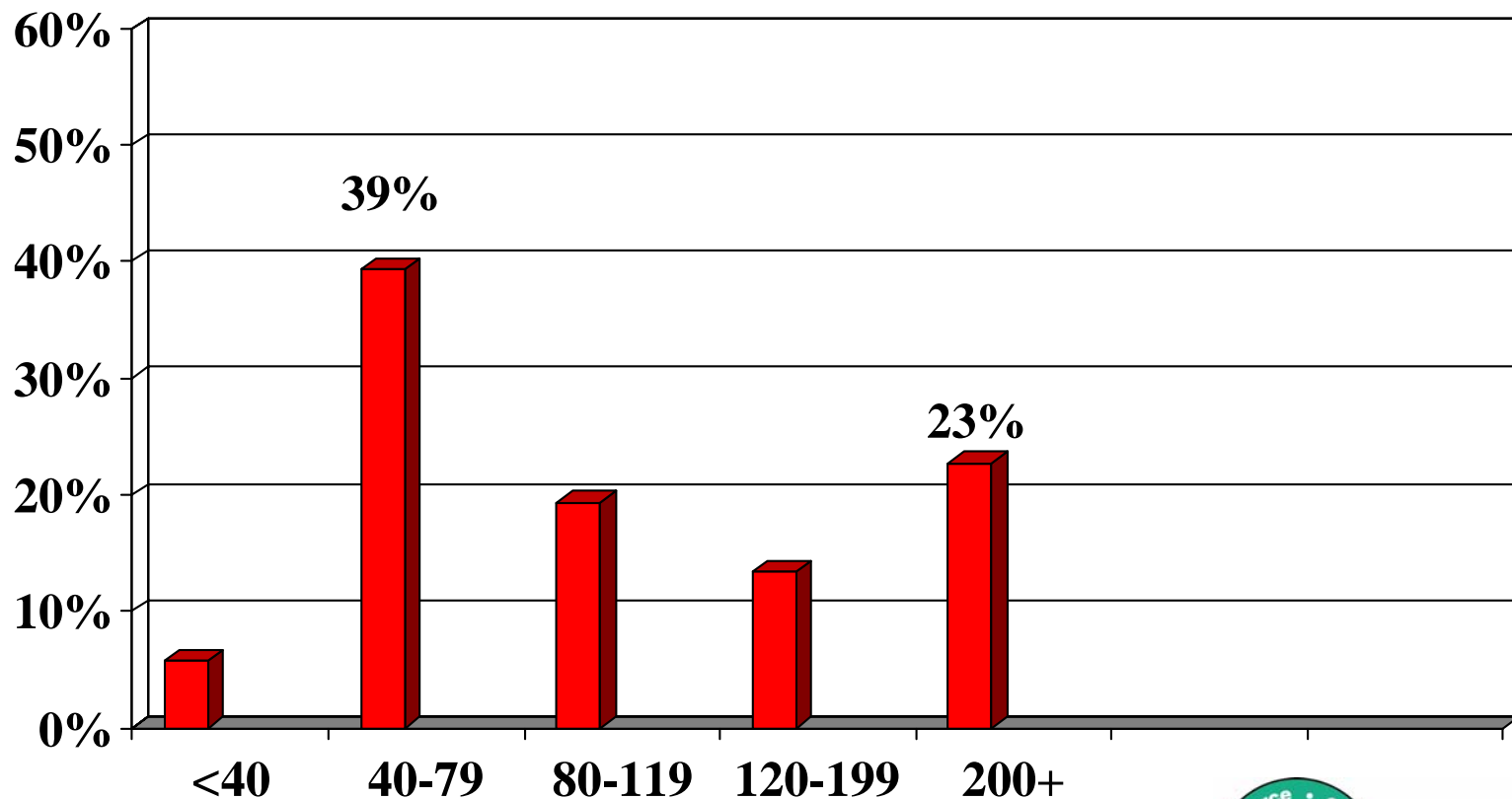


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1999 Contribution to Total Milk Supply

AgSource DHI Holstein Herds by Herd Size

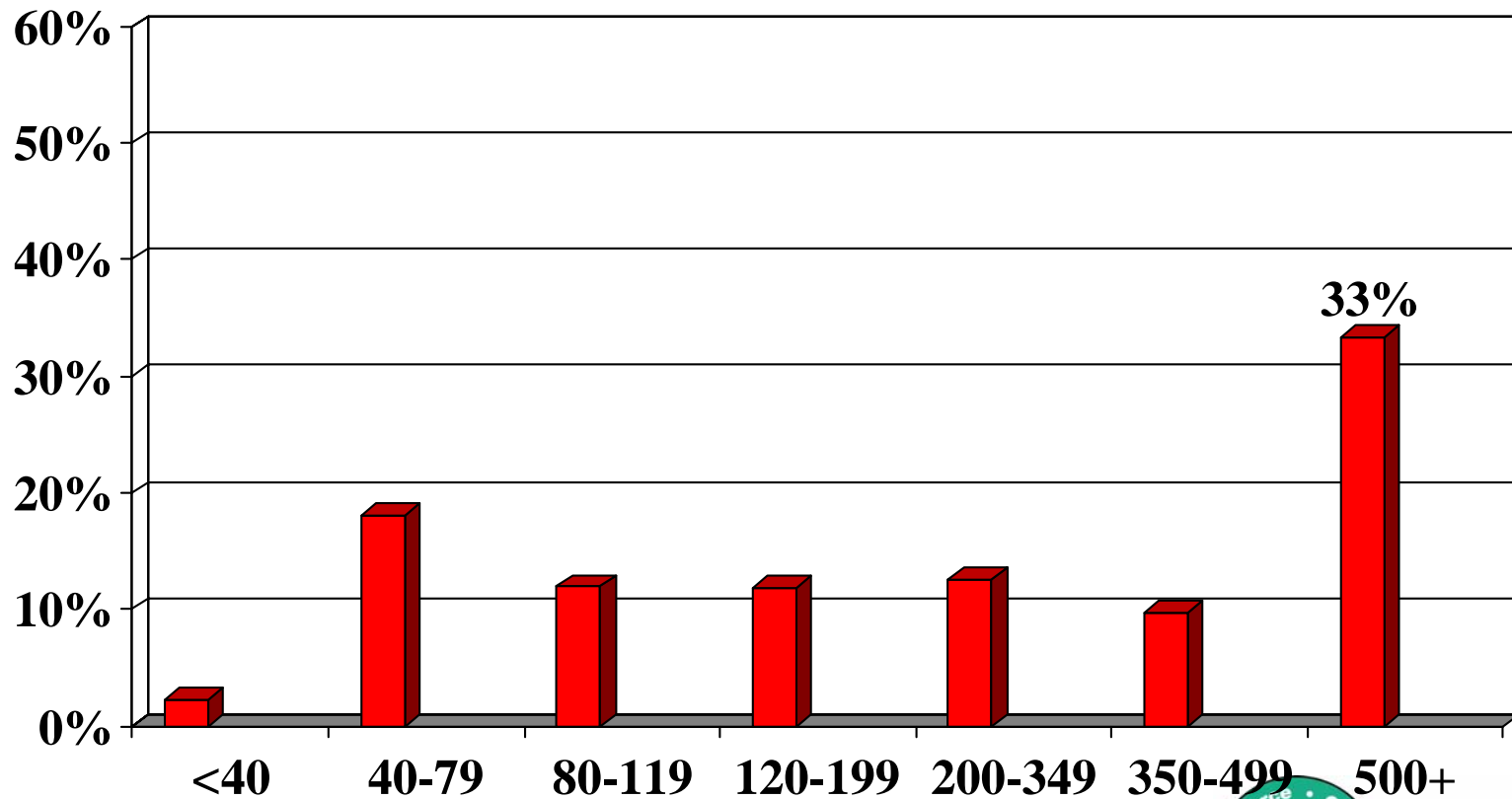


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2008 Contribution to Total Milk Supply

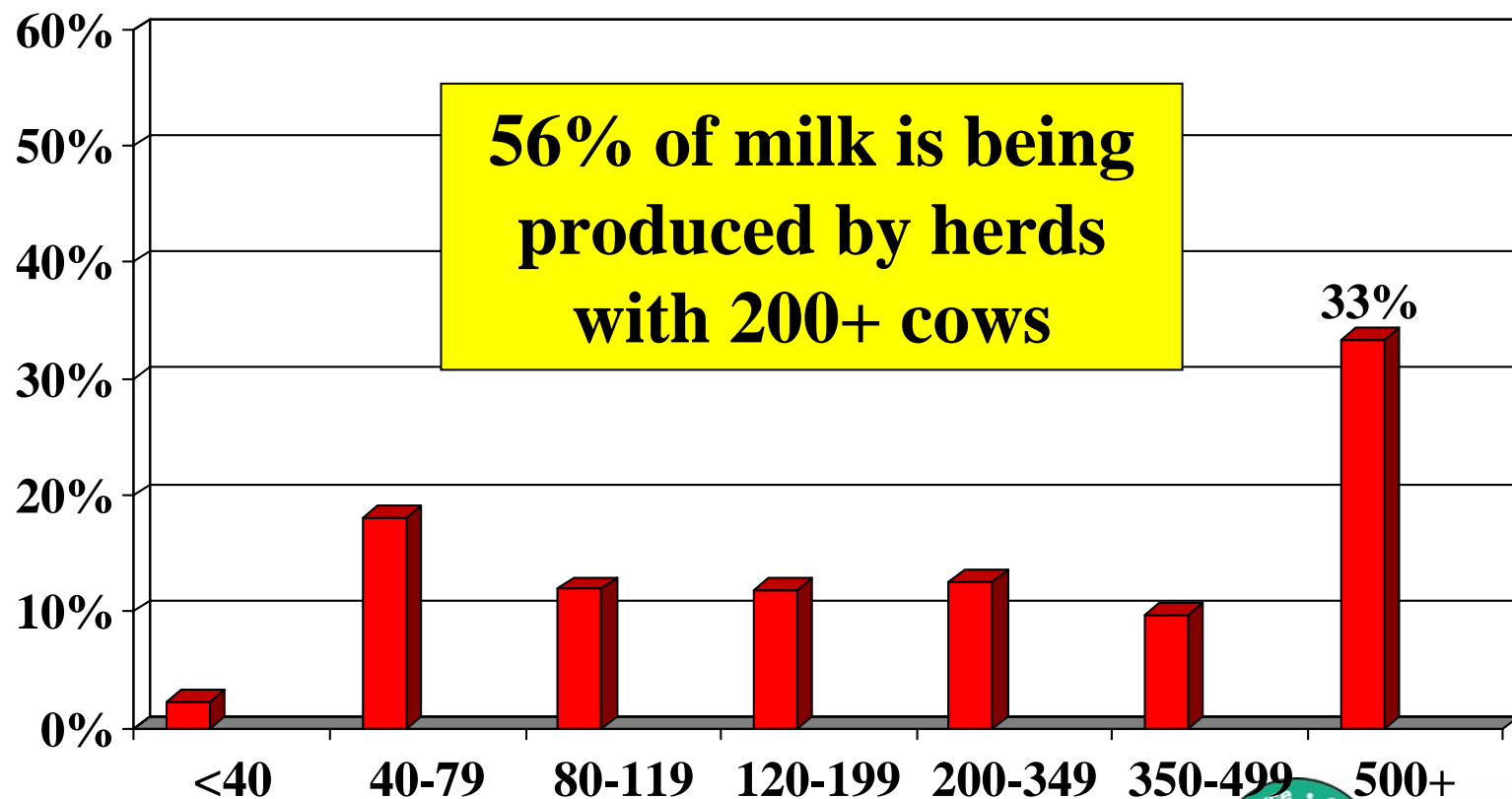
AgSource Wisconsin DHI Holstein Herds by Herd Size



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2008 Contribution to Total Milk Supply

AgSource Wisconsin DHI Holstein Herds by Herd Size



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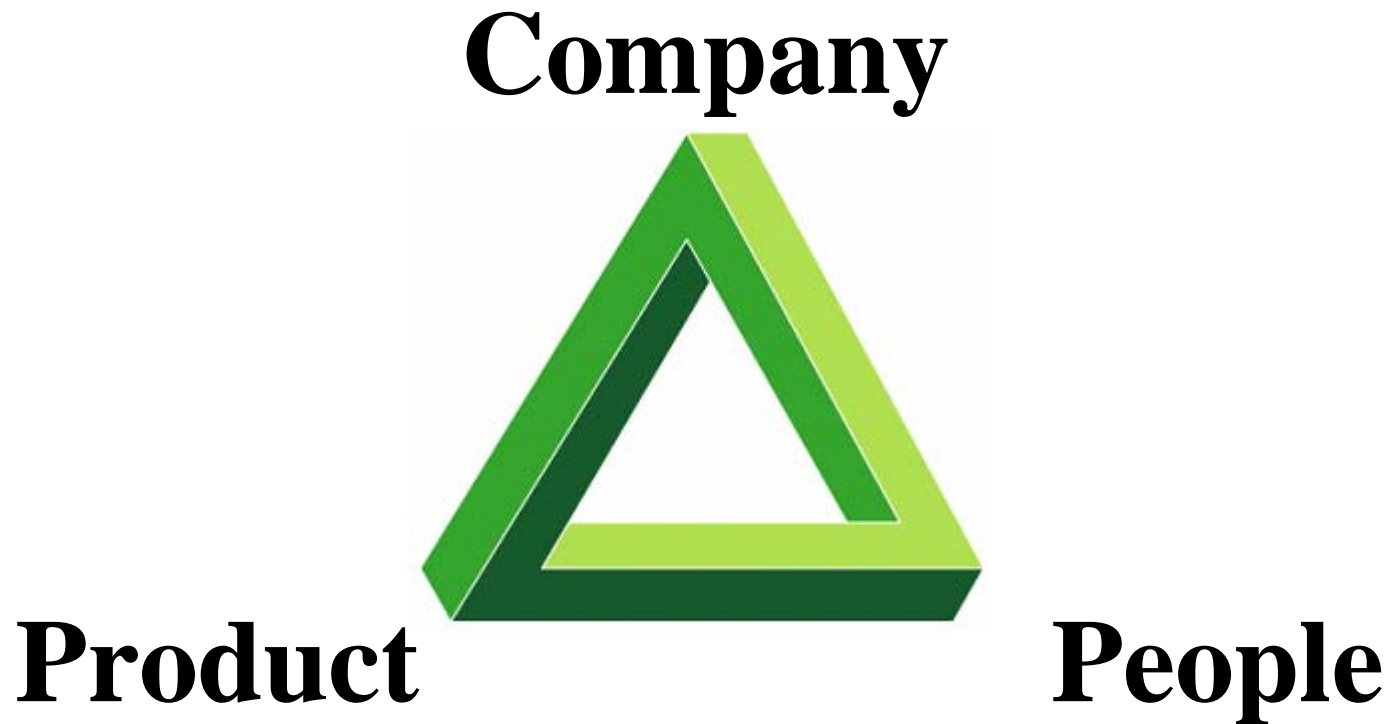
Value-Added Business Philosophy

- Proactively look for ways to enhance or enlarge our services
- Create meaningful value and exceed customer expectations
- Make our products and services so important customers cannot afford to replace us, without price being an issue



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The Three Dimensional Bundle of Value



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Company

- Image and reputation
- Focused brand strategy
- Advantage of member-owned cooperative
- Loyalty to the organization as well as the individual
- Value that our organization adds vs. that from external factors
- Must be recognized by the customer



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People

- Realized we needed to adjust our field structure
- We needed to create value added mindset in our people so we were able to support our improved products.



Differentiation



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New Field Structure

- Regional Sales Managers
- DHI Service Representatives
- Regional Support Specialists
- Field Technician
- Regional Support Technician

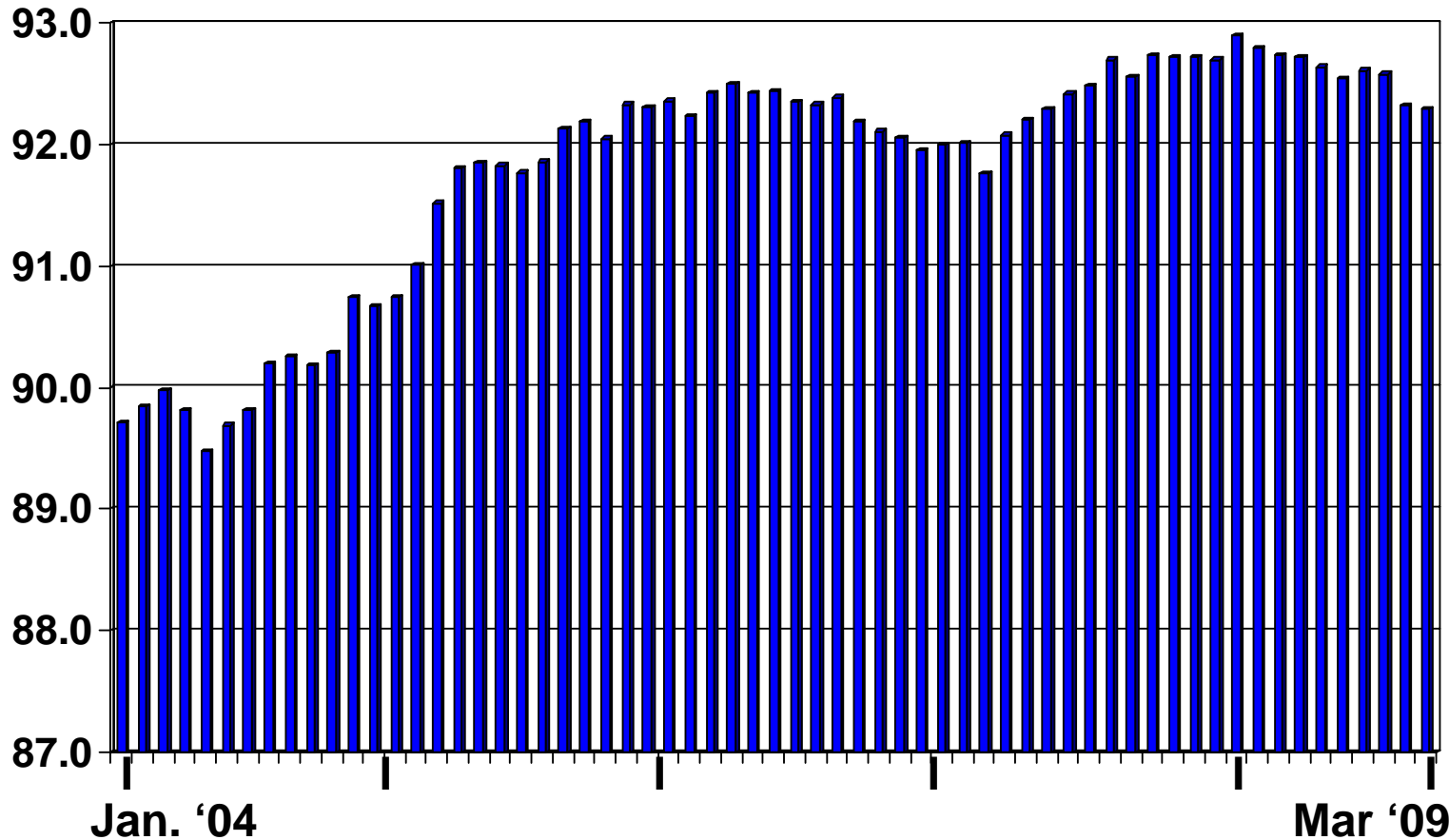


Training programs needed
at each level



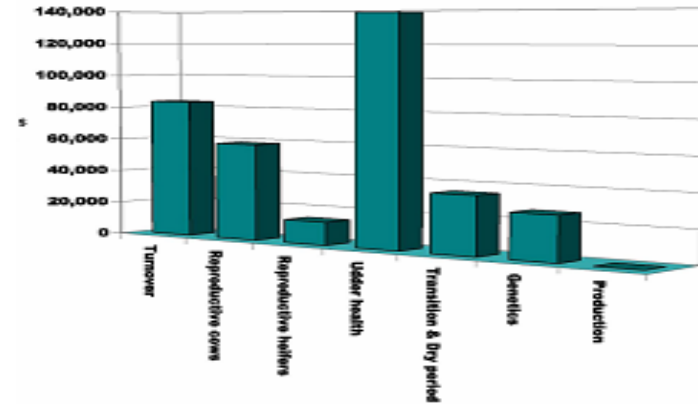
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Annualized Percent Cows Tested, January 2004 – March 2009



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Product



- New products that contribute to herd profitability
 - Fresh Cow Summary including Transition Cow Index®
 - Upgraded Udder Health Management reports
 - Profit Opportunity Analyzer SM
 - New Herd Summary Report



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c Udder Infection Summary by Test Day

Test Date	Num Cows Sampled	Wgt. SCC	Bulk Tank SCC	High >200		New	
				%	Num	%	Num
2/19/2009	500	284	222	27	137	18	72
1/15/2009	522	220	194	21	109	10	40
12/18/2008	537	254	241	23	122	10	40
11/20/2008	522	217	210	24	124	9	37
10/16/2008	557	325	325	29	160	15	69
9/18/2008	553	281	265	23	129	10	40
8/21/2008	570	308	307	29	166	15	77
7/17/2008	565	351	351	28	165	15	70
6/19/2008	568	380	365	29	166	19	88
5/15/2008	572	258	258	22	126	10	48
4/17/2008	539	268	250	24	129	12	49
3/20/2008	537	355	355	28	152	18	76
Herd 12 Test Avg	547	292	279	26	141	14	59
60th Percentile	94	184	180	19		10	
Average	89	290	284	28		14	
20th Percentile	35	378	372	35		17	

Look at new infections

Traditional DHI numbers show progress



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Improving Response Time

TCI leads Management
Level Milk (MLM) changes

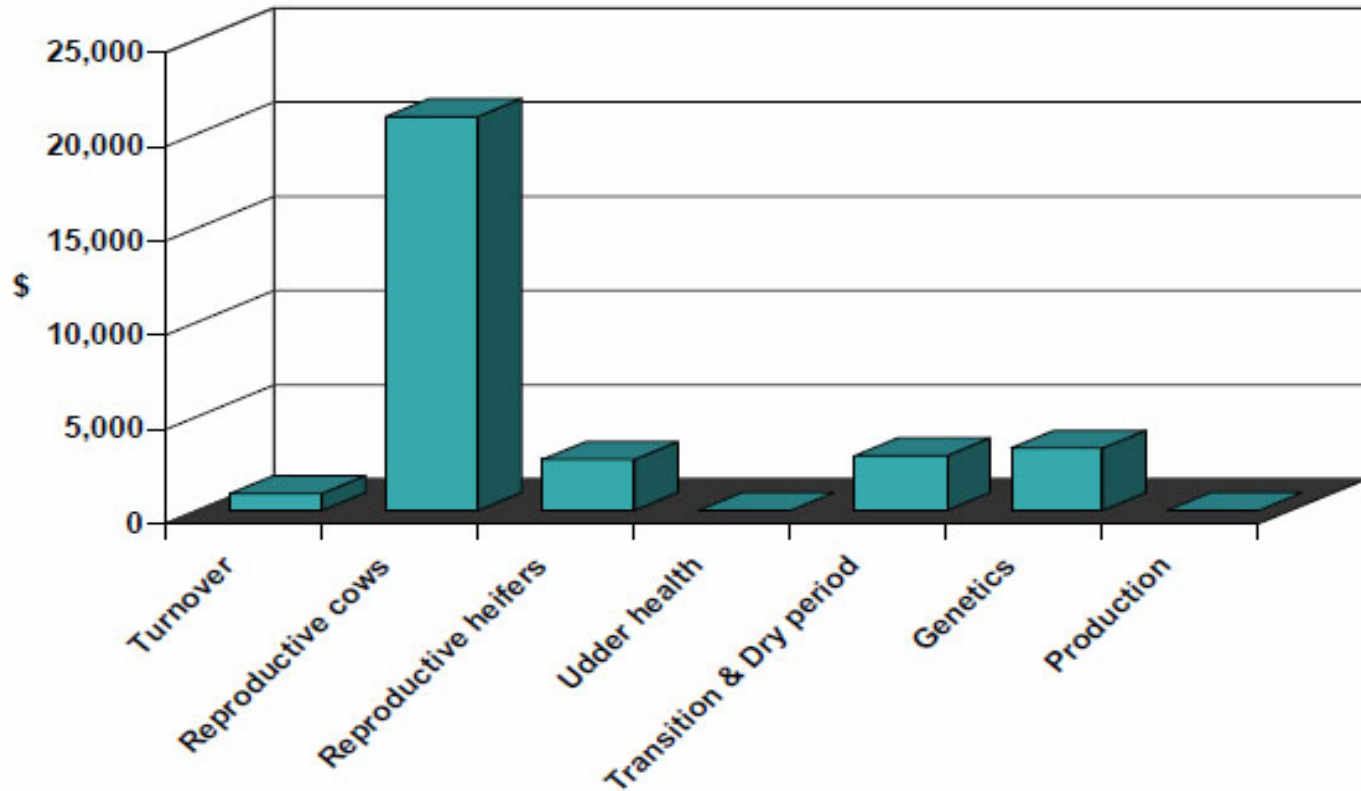
Month	TCI	MLM	RHA
May	1376	98	25973
June	-232	96	26238
July	-21	95	26553
Aug	-334	94	26760
Sept	992	91	26991
Oct	-598	89	27281
Nov	-1247	88	27536
Dec	-2498	87	27798
Jan- 2006	-2114	88	27961

Herd Average
Still on the rise.
Did not go down
until April
following year.



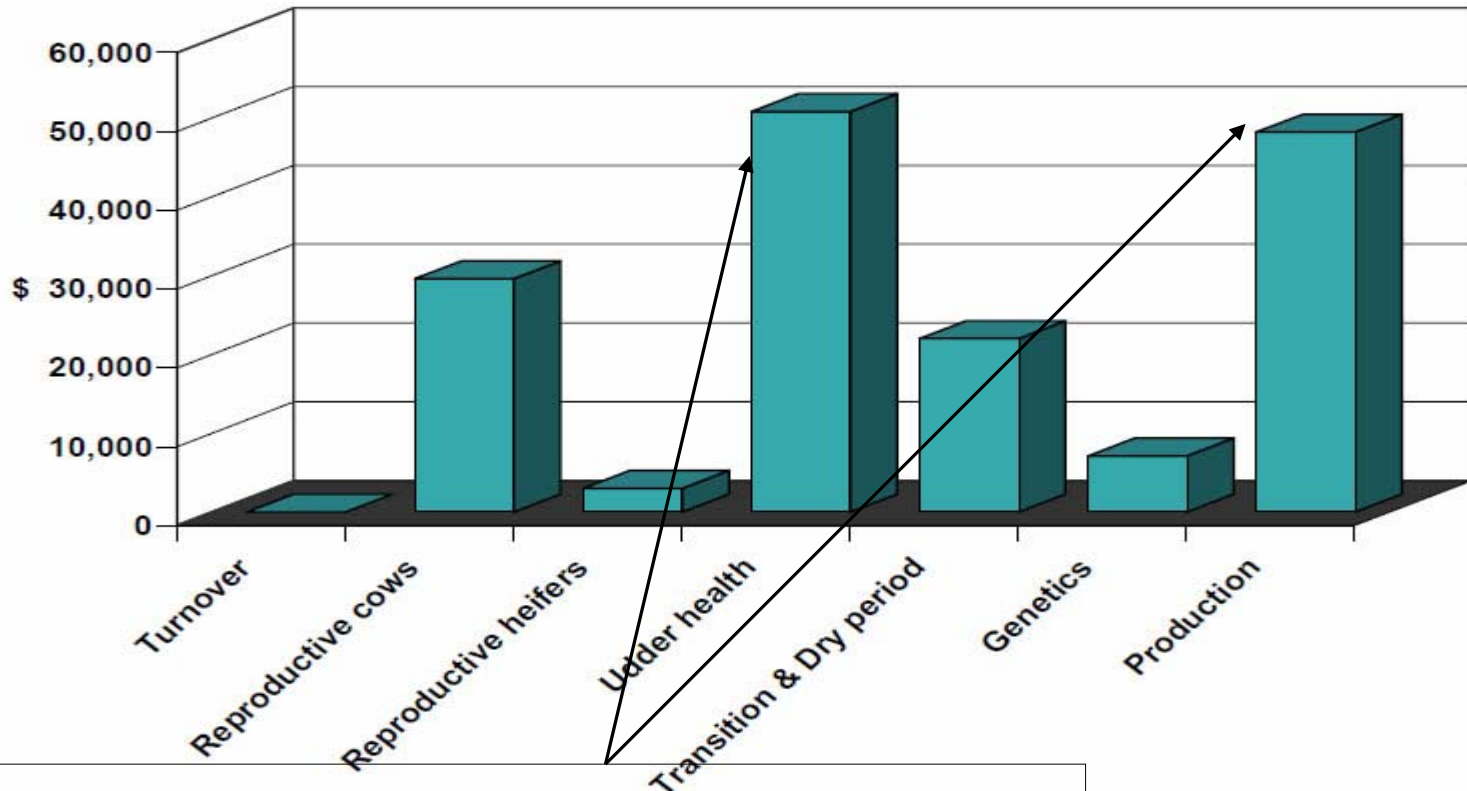
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Profit Opportunities



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Profit Opportunities



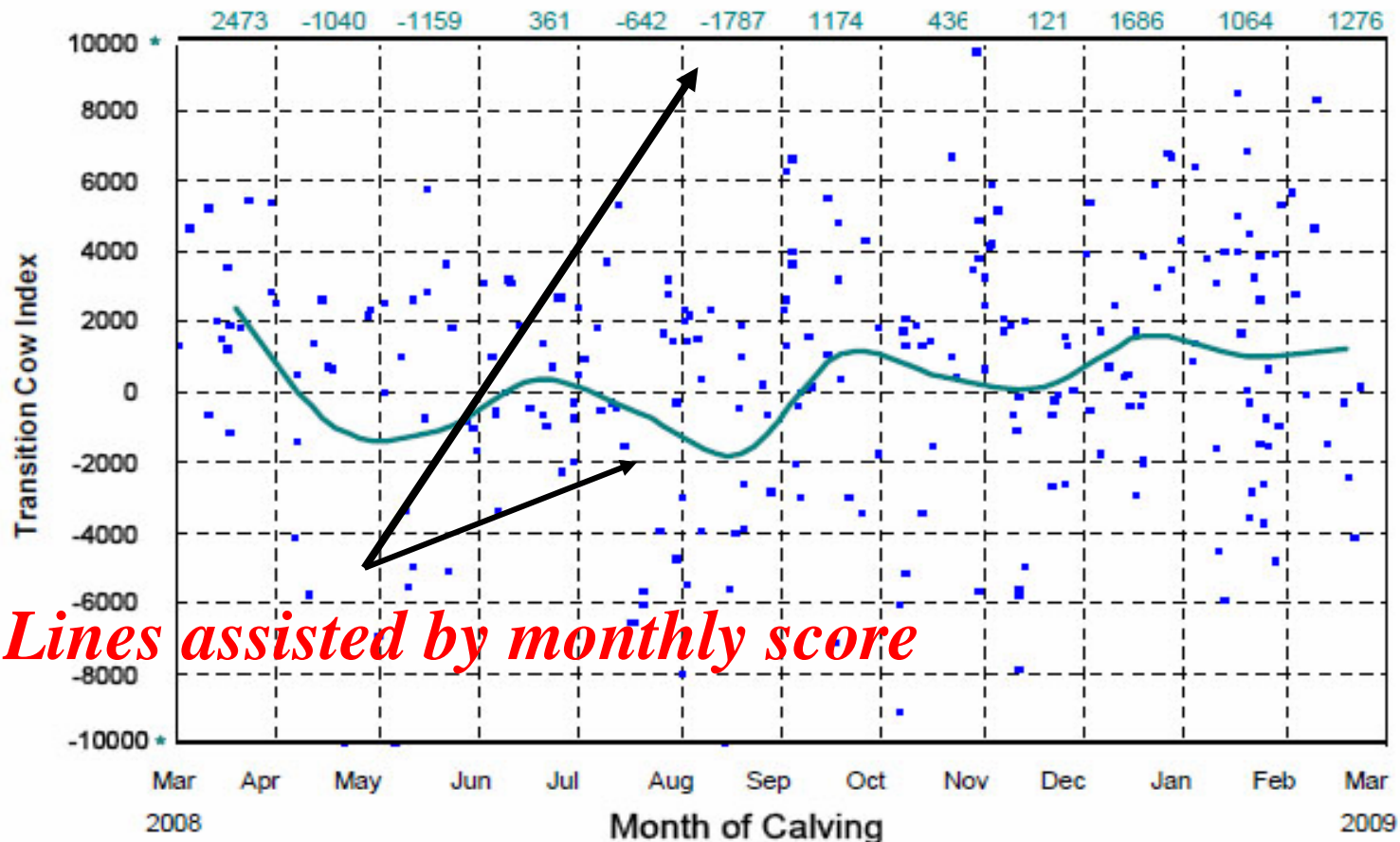
Areas of Concentration



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Transition Cow Index® (TCI™) Measurements With 30 Day Averages

Generated using Transition Cow Index® (TCI™) analysis tools



Trend Lines assisted by monthly score

* Values on these lines may be greater than 10000 or less than -10000



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Using Benchmarks

AgSource Benchmarks for Herds Over 500 Cows (155 Herds)

	80th Percentile	Average	20th Percentile
Annual turnover percentage (Excluding dairy)	29%	34%	39%
Annual death rate percentage	5.5%	7.9%	9.7%

Herd Compared to Top 20% of Herds in Data Base

Over the past year...	Your herd percent	Your herd No. of cows over 80th percentile	Profit Opportunity
Turnover (Excluding sales for dairy)	33%	25.6	\$ 32,000
Death loss	5.3%	0.0	\$ -



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Herd Ranking Comparisons

E Cows Currently in the Herd - Averages																
Lact Group	Cow Lacts	305 Day ME Lactation Avg			Age Mos	Peak Milk	MUN	Early (1 - 100 Days)			Mid (101 - 240 Days)			Late (241 + Days)		
		Milk	Fat	Pro				Num	Milk	%Last	Num	Milk	%Last	Num	Milk	%Last
1st Lact	104	28386	1026	867	25.6	89		32	72.0	118	29	85.3	91	27	71.1	89
2nd Lact	109	29909	1070	894	39.9	120		31	111.5	104	41	91.6	85	22	67.5	82
3+ Lact	137	27837	1001	849	66.4	121		41	113.4	103	51	99.1	91	37	66.8	88
All	350	28645	1030	868	46.0	111		104	100.1	106	121	93.2	89	86	68.3	87
Breed Average		24261	894	720	46.0	91			82.5	107		72.7	97		54.6	91

Herd compared to breed averages



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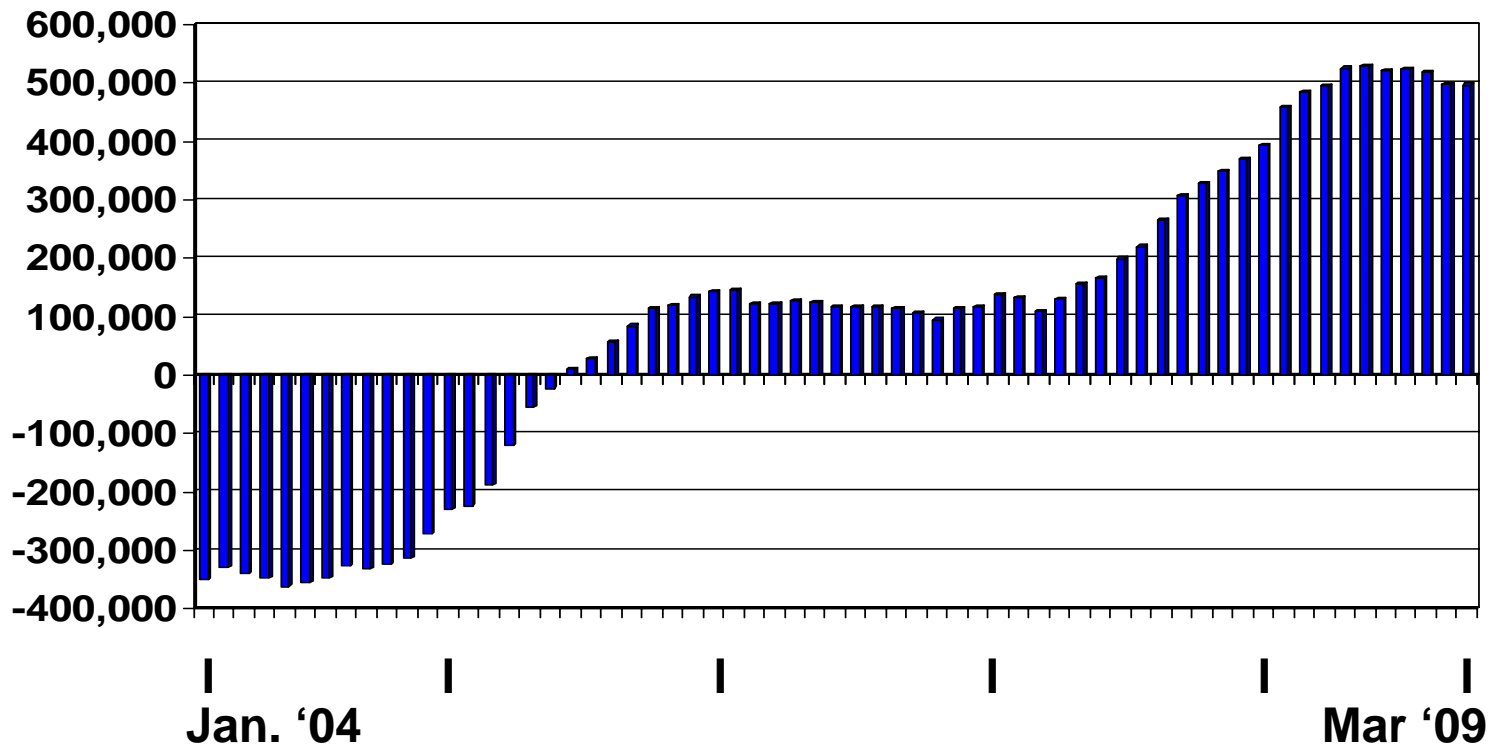
Results of AgSource Adoption of the Value Added Philosophy



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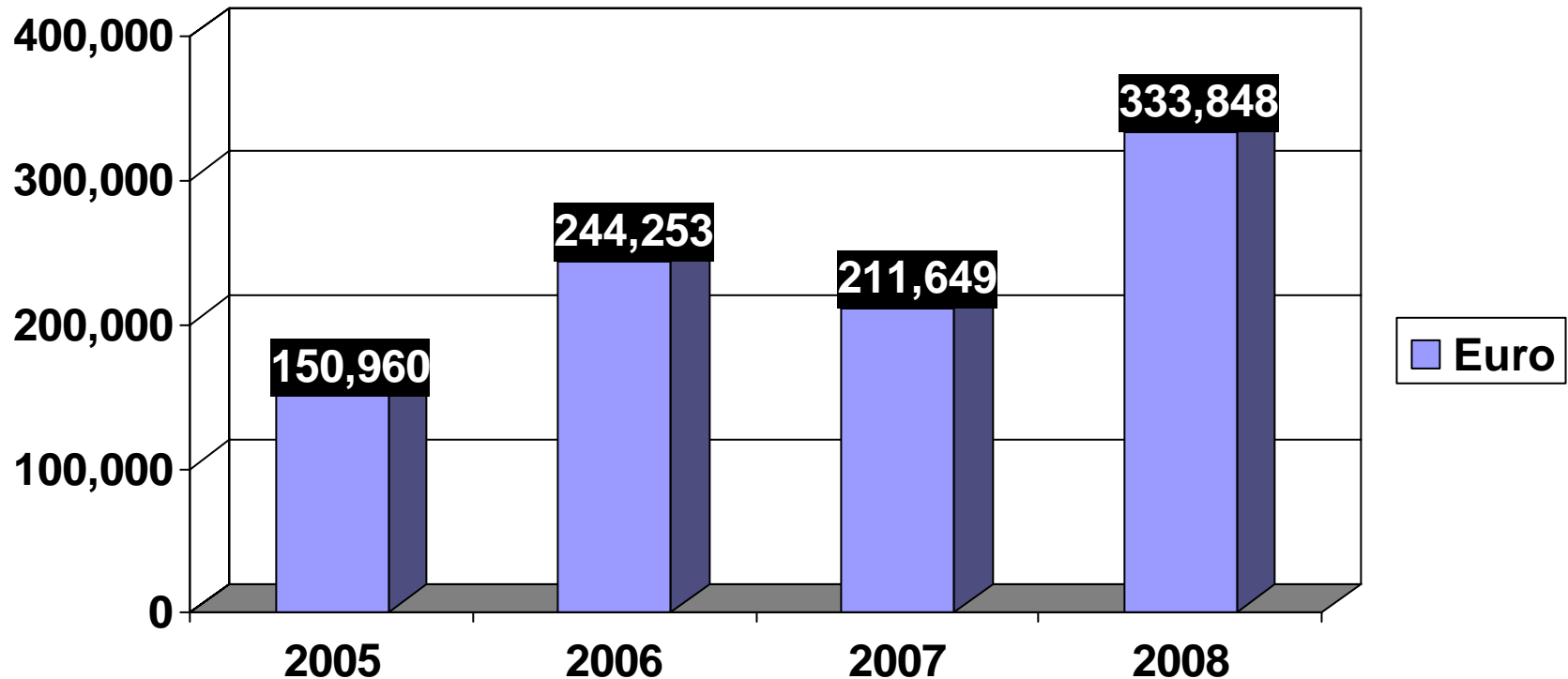
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+496,668 Annual Individual Cow Recordings, through March 2009



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Increased Income by Year



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Thank you

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



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