



Delivering value-added services to a diverse customer base

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AgSource



Delivering Value-Added Services to a Diverse Customer Base

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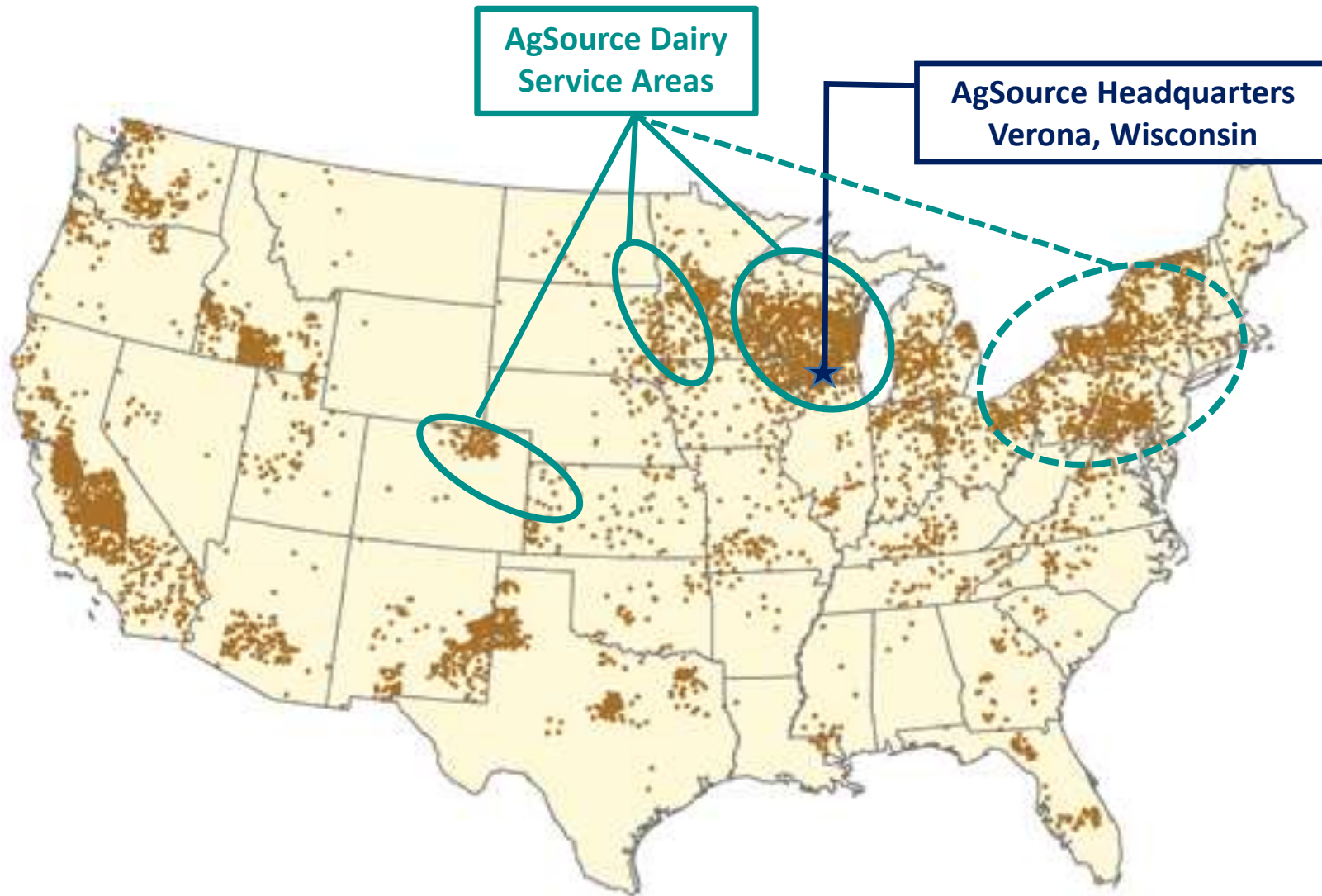
Introduction to AgSource

- **Agriculture testing, analytics & consulting**
- **Member Cooperative servicing 3,700 farms and 750,000 cows**
- **Annual revenue of \$24 million and 250 employees**
- **Major Service Areas:**
 - Dairy herd information, milk testing, health diagnostics
 - Milk payment samples, Food and environmental testing
 - Soil and plant testing, nutrient management planning
- **A part of Cooperative Resources International**

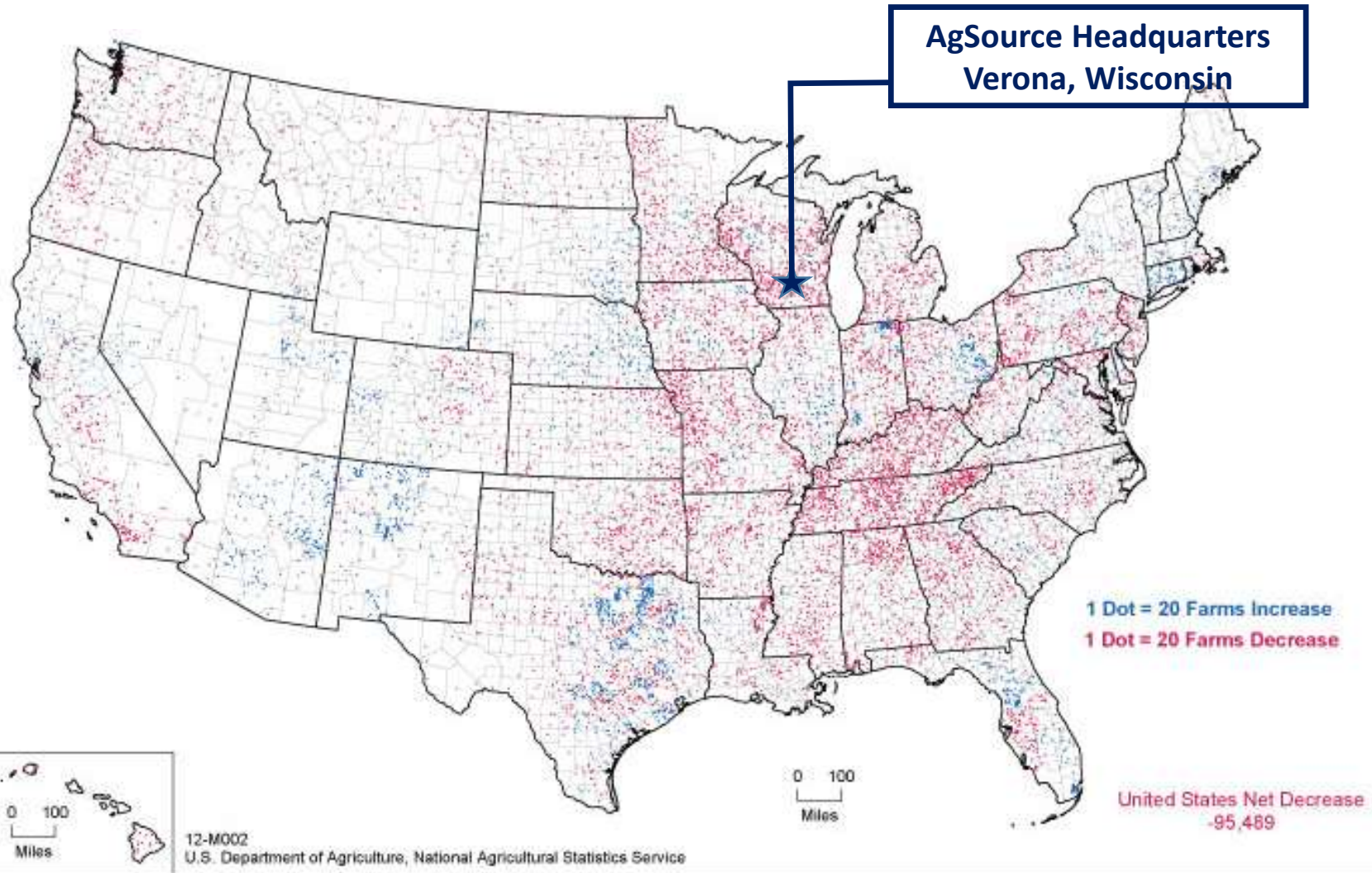
Statement of Purpose

AGSOURCE delivers quality, timely and accurate analysis, providing valuable information and innovative solutions to improve decisions and profitability of members and customers

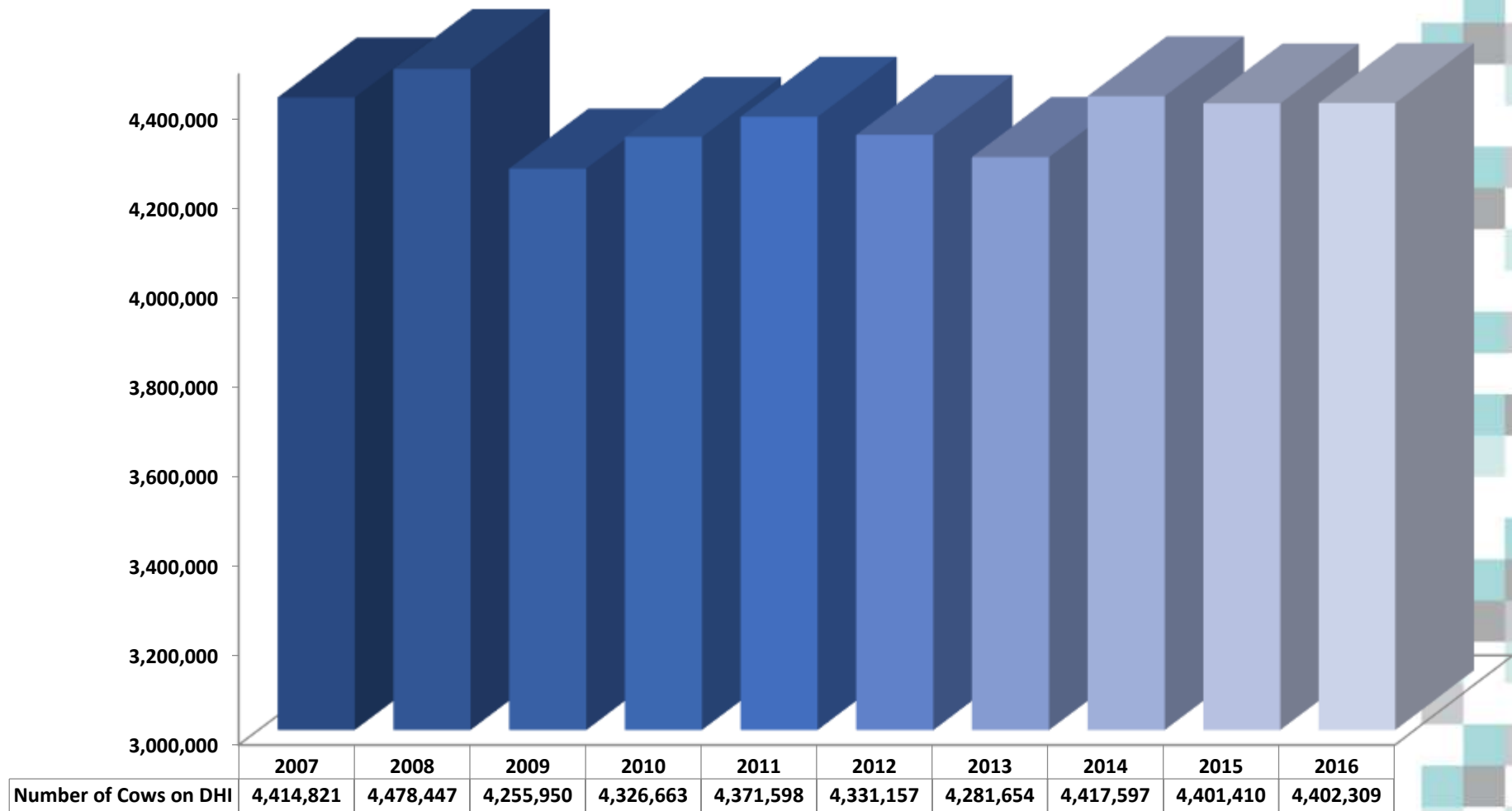
USA Dairy Farm Zones



USA Declining Farm Numbers

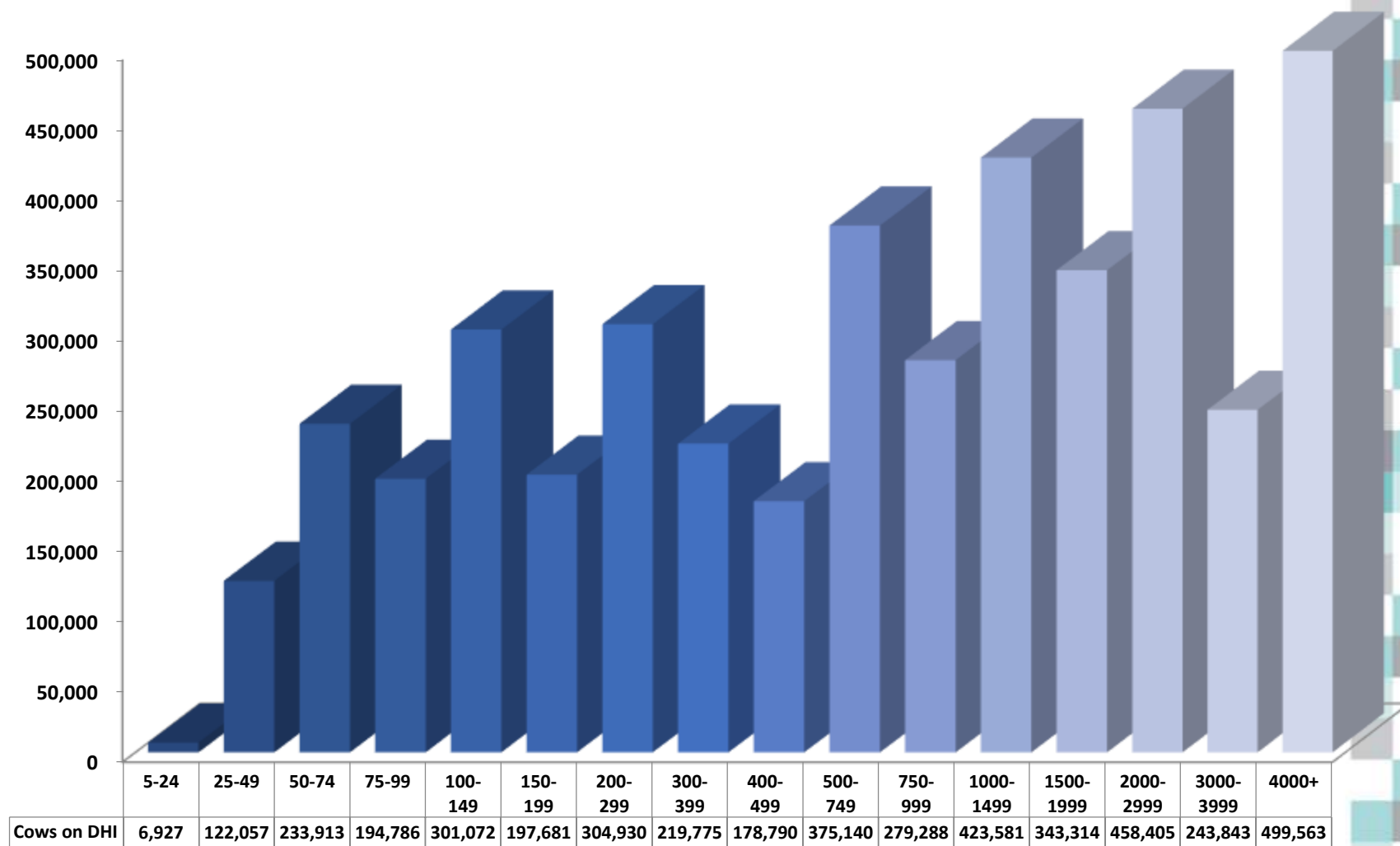


Cows on DHI Programs



Source: NDHIA, 2017

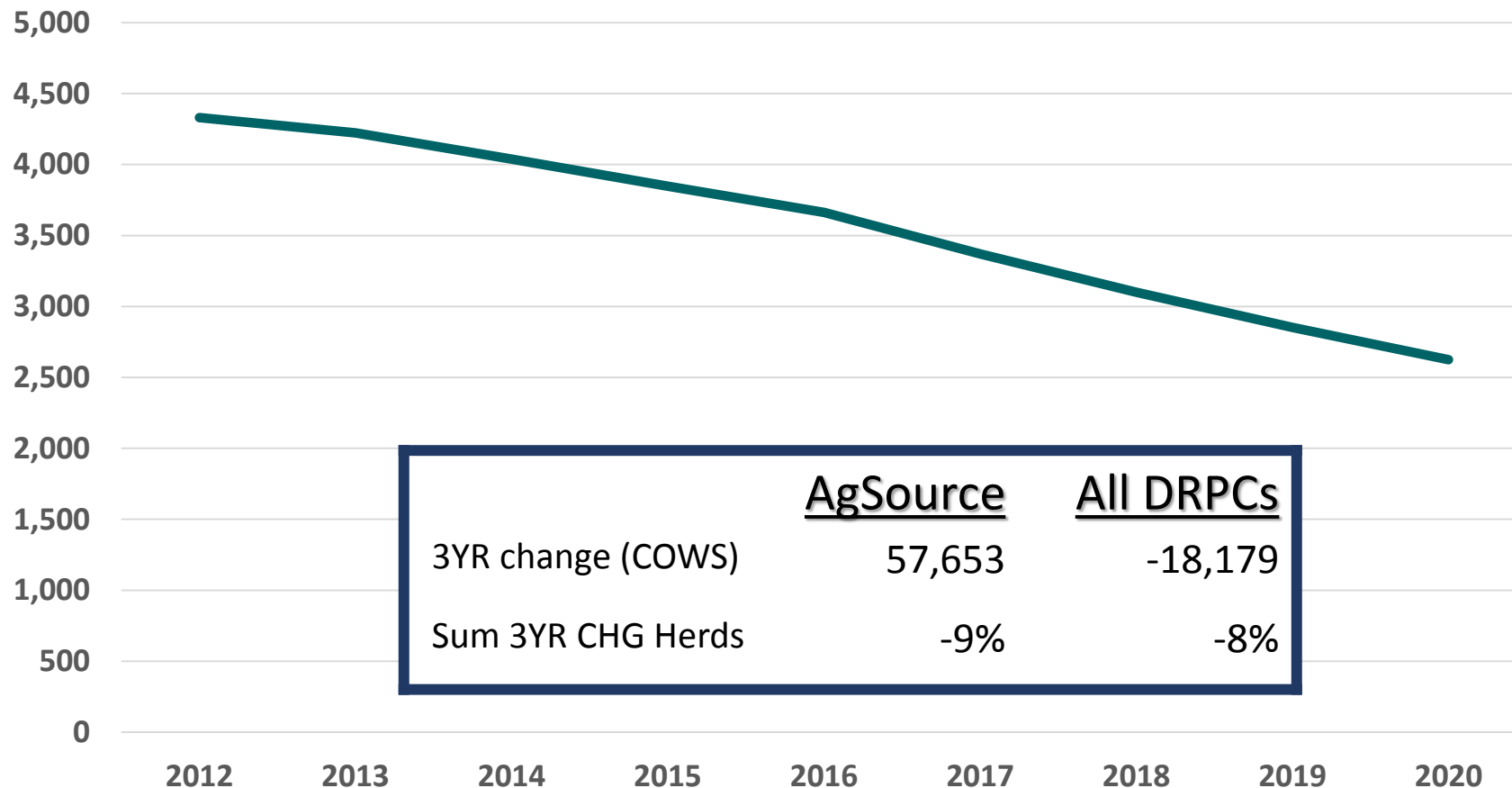
USA-DHI Cows by Herd Size During 2016



Number of Cows per Herd

Source: NDHIA, 2017

Trend in Number of AgSource Wisconsin Herds



Diverse Customer Demographics



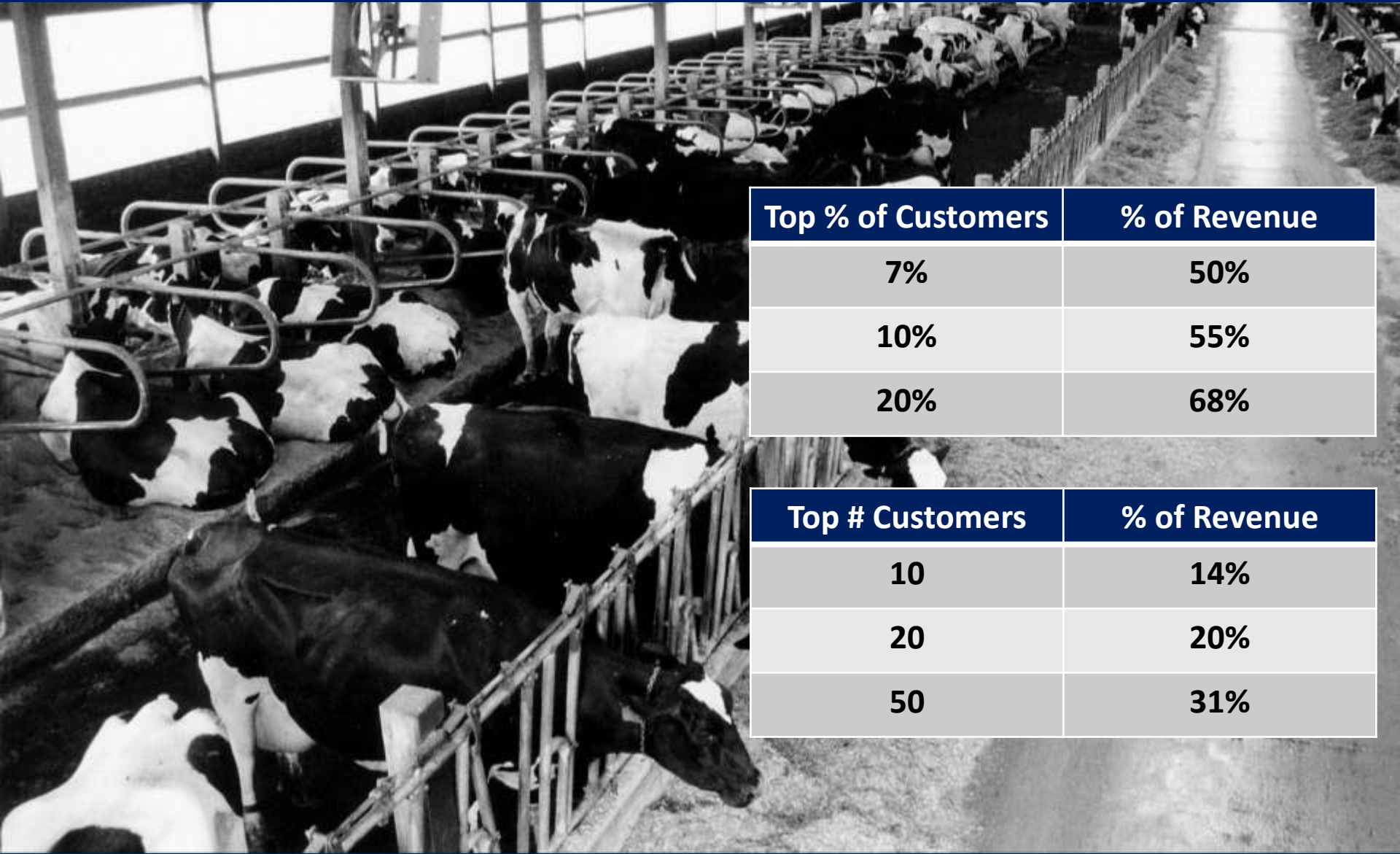
AgSource Distribution of Herds

Herd Size	% Of Herds	% Of Cows
<100 Cows	58%	14%
100-299 Cows	25%	19%
300-499 Cows	6%	11%
500-999 Cows	7%	21%
≥1000 Cows	4%	34%

**<200 cows
69% of herds**

**>750 cows
51% of cows**

Business Impact of Larger Herd Size



Top % of Customers	% of Revenue
7%	50%
10%	55%
20%	68%

Top # Customers	% of Revenue
10	14%
20	20%
50	31%

Diverse Customer Demographics



Value-Added Products/Services

- 
- **Identify Management Opportunities**
 - Herd trends, Benchmark Comparison
 - Target areas with greatest opportunity
 - Projection Analytics
 - **Use Management Decision Tools**
 - Herd Report Card
 - Transition Cow Index (TCI®)
 - KetoMonitor® - Monthly or Weekly
 - Profit Opportunity Analyzer ®
 - **Support delivery with Outreach Team**

The Value of Using Information

- 3YR review of AgSource member herds
 - Milk yield gain, Fat% and Pro%, SCC levels
 - Equated to Calculated Milk Check Revenue
- Average herd **\$53.80 gain per cow per year**
- Herds enrolled on Full Portfolio of Management Tools
\$86.88 gain per cow per year

Actionable Information vs Data

JUL 2016

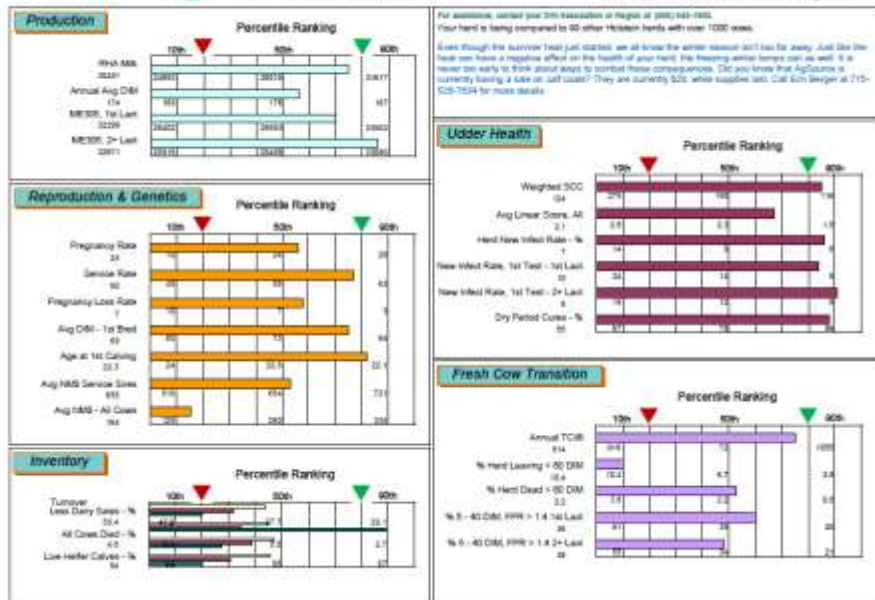


Herd Code: 2566608
Summary Date: 7/1/2016
Name: PRINTER ADDRESS

Feed: HOLSTEIN
Type: Test: D&AP

Herd Report Card

Further explanation of this report can be found at www.agsource.com



Key Indicator	All Herds	RHA Milk < 23,000 lb	RHA Milk 23,000 to 26,999 lb	RHA Milk ≥ 27,000 lb
Pregnancy Rate (yr)	21	16	21	24
Days to First Service	88	99	84	80
Projected Days Open	143	167	133	128
% 1 st Services Successful	43	49	42	38
% Heats Observed (yr)	48	34	50	60
Age at First Calving	25	26	25	24
% Bred to AI Sires	79	63	81	95
Percentile Rank of Proven AI Sires	56	41	58	72
% Cows Left Herd	38	37	39	38
Average SCC Score	2.1	2.5	2.0	1.9
Average SCC (1,000)	187	234	165	157
Peak Milk - 1 st Lact	82	70	84	95
Peak Milk - 2 nd Lact	103	85	106	121
Peak Milk - 3 rd Lact	112	92	115	132
Rolling Herd Avg. Milk lb.	24,432	19,631	25,038	29,007
Number of Herds	542	168	204	153
Average Herd Size	377	149	416	560

** Includes herds with ≥ 25 cows

** AI (artificial insemination) - bulls actively marketed by an AI organization

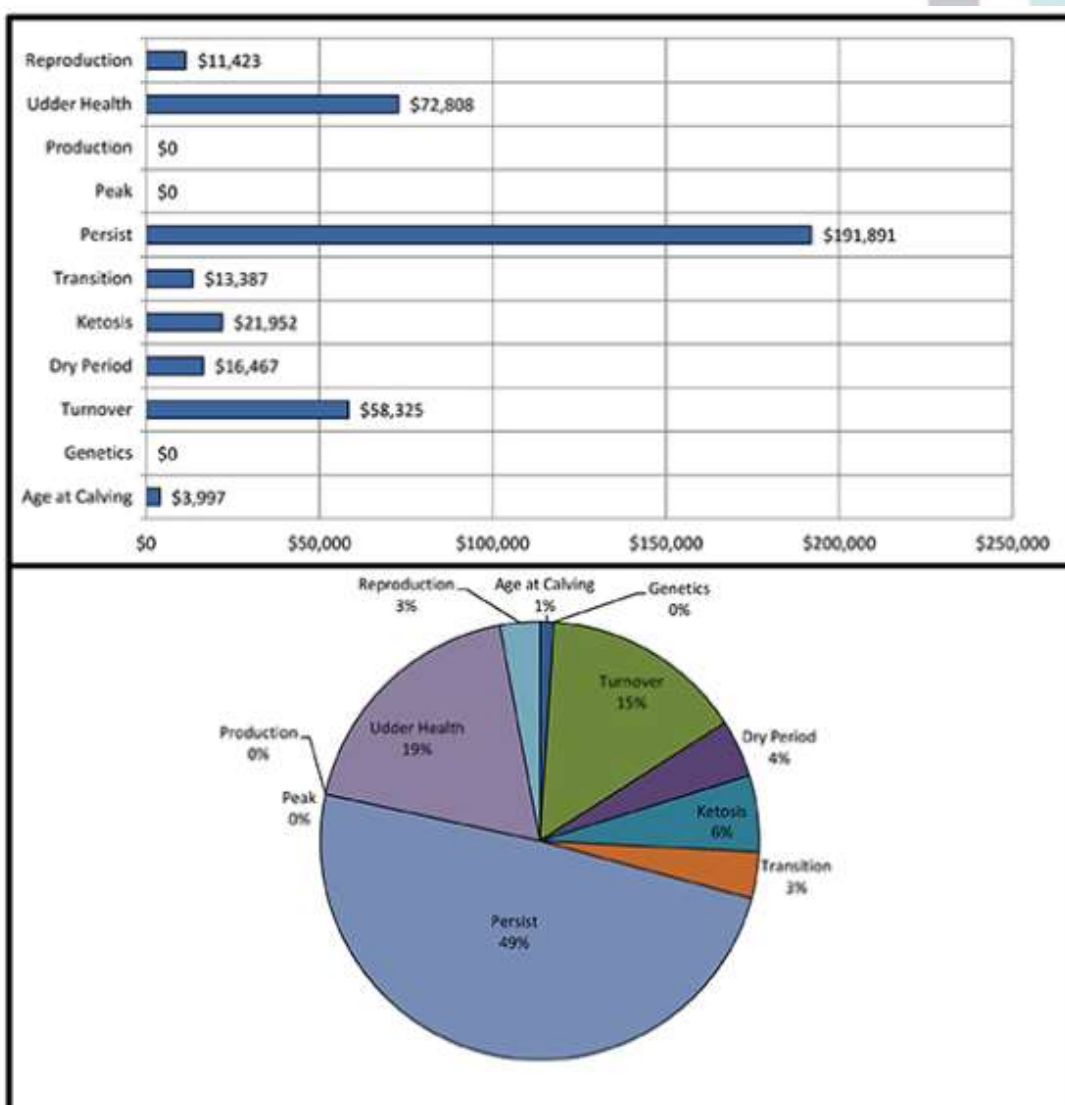
** SCC= Somatic Cell Count (cells/mL)

AgSource Profit Opportunity Analyzer®

- Comprehensive analysis of herd trends
- Analytics on Eleven Management areas
- Peer Benchmarking

Data Inputs:

Bench Mark Comparison:	500-1000 Cows/Herds
Herd Size	603 Cows
Times Milked/Day	3
Target Age At First Calving	23 Months
Milk Price	\$17.50
4 Month % of Daily Milk Sold	100%
Annual Interest Rate	0.04
Cull Cow Price	\$1,005
Replacement Cost	\$2,000
Calf Value	\$300
Avg % Annual Female Offsprir	50%



Accurate Decision Making Tools

90% Accurate



D Fresh Cows Predicted to Have Ketosis (5 - 20 DIM)							
Barn Name	Vis ID	Breed	Pen	Lact Num	DIM	Days Dry	Age at 1st Calving
12060		HO	1	2	5	85	
11525		HO	1	3	12	57	
10831		HO	1	3	14	48	
11549		HO	1	3	15	68	
12571		HO	1	2	16	46	
8537	8537	HO	1	6	16	39	
10512		HO	1	4	17	45	
3932		HO	1	3	17	101	
3578		HO	5	3	18	65	
4096		HO	3	2	18	51	
12495		HO	3	2	19	50	
8739	8739	HO	5	6	19	50	
12554		HO	3	2	20	49	
4186		HO	3	2	20	42	
4230		HO	1	2	20	63	
E Cows With Past Ketosis Due to Calve in Next 90 Days							
Barn Name	Vis ID	Breed	Pen	Lact Num	DIM	Due Date	
10395		HO	11	3		11/21/2016	
10514		HO	11	3		11/21/2016	
11395		HO	11	2		11/21/2016	

40% Accurate

COW ID	VIS ID	LAC	MILK	F%	P%	BHB
3124016722	13527	1	15	4.7	3.4	2.96
3126073362	7191	5	84	8.5	3.7	2.75
206099084	24963	1	40	10.9	4.2	2.44
00035STY5069	5380	2	96	7.4	4.7	2.27
367912978	43878	1	9	3.9	3.9	2.12
69401922	7210	4	106	4.3	2.7	2.07
70838716	3844	2	82	5.6	3.5	2.02
00035STV5269	2734	2	67	6.1	3.4	2.01
3011515993	5869	1	16	3.4	3.5	1.92
3004499611	1949	4	33	12.6	6.1	1.85
3134105025	4289	1	27	7.4	3.8	1.84
00035EEG5232	2696	3	32	6.3	2.8	1.81
3011588523	5081	1	22	1.6	3.0	1.81
70160088	4310	3	12	8.6	4.0	1.81
3012234211	1223	3	54	7.1	3.0	1.80
71074751	5921	2	65	6.5	3.4	1.79
00035EEU6162	465	3	14	8.7	3.5	1.76
00035SSX1402	12350	3	36	11.7	4.1	1.70
00035SUM9503	14569	1	75	19.5	5.8	1.68
00035ZQB3673	1945	5	50	12.1	4.3	1.67
00035SUV9690	6534	1	9	7.3	4.1	1.64



AgSource Dairy Services

More than DHI!

➤ Solutions Field Services

- Customized to fit every situation, every herd size
- Weekly sampling for partial herd diagnostics

➤ Modern technologies on farm and in the lab

➤ Animal health diagnostics and herd management supplies

➤ Professional Consultants to assist management teams



AgSource



Questions or Comments?

Thank You to ICAR and Conference Organizers

