

Heifer Help

Development programs add value to females.

by **Sara Gugelmeyer**

It seems everyone is handing out tips for marketing feeder calves, but what about females? After all, if you choose to retain females to develop and sell, inputs are going to continue to climb. And increased inputs mean marketing is even more important to ensure a profit. The decision to either sell heifers as feeders or keep them to sell as replacements can be a tough one. And even tougher may be deciding how and when to market them.

For Marty Lueck, manager of Journagan Ranch, Mountain Grove, Mo., the decision to start developing replacements was easy because the feeder calf market was down. “The first year we decided to keep some back to market as bred heifers; heifers were probably bringing \$350 to \$400 as feeders,” Lueck says. “So we decided to hold them, breed them and then those heifers ended up bringing somewhere around \$850 or \$900 as bred heifers.” Since then, marketing bred heifers has become an integral part of Journagan Ranch’s operation.

Market for profit, not price

Although retaining heifer feeder calves for replacements increases risk, it may also increase profit. This is a decision each individual producer has to make, according to University of Georgia Extension Livestock Economist Curt Lacy. He explains that from an economics standpoint the best marketing plan results in the highest profit, which is not necessarily the highest price per pound.

With that said, Lacy says producers contemplating retaining heifers should take a few things into consideration first. “Certainly they are going to have to consider their resource situation,

not only their labor but their feed and forage availability and all of those types of things,” Lacy says. “Then, quite honestly, they are going to have to do a little bit of market research to get a grasp of what the market is like for replacement females, not only in terms of time of when they would market, but also type.”

It’s also important to consider the opportunity cost of that heifer, Lacy says. The opportunity cost includes what she’s worth as a feeder calf, and then the longer you keep her, the cost of inputs should be added into that figure. Those calculations can be used to determine when to market her by estimating the price you will receive and making sure that will be more than the costs you’ve incurred including the opportunity cost.

Now, because the costs are going to fluctuate from year to year, this process needs to be revisited every production cycle, especially in drought situations when buying feed for replacements will dramatically increase costs. That’s why, in some circumstances, taking a lower price

for a heifer as a feeder calf may be the better option.

Or, Lacy suggests, consider selling them as open heifers instead of bred heifers. “Somebody who is either a smaller producer or is in a situation where their resources are really constrained, like in a drought or maybe they are just starting out and don’t necessarily have the land area or the feed resources to try to breed all those heifers, they would want to consider selling them as open heifers,” Lacy says. The producer needs to keep the heifers up to breeding age and have them ready to be bred. He adds that the breeder can even promote that the heifers are ready to breed but, this way, the buyer gets to choose the bull.

Premium programs

There are many marketing options once the choice has been made to retain and develop heifers. There are more and more heifer programs

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being developed to help producers make the right decisions when developing heifers for sale or retaining them for the cow herd.

One of those programs is Show-Me-Select Replacement Heifers Inc. (SMS). This program was developed by the University of Missouri and in 2004 became a

producer-owned and operated non-profit corporation. SMS was patterned after a similar program developed by the University of Kentucky.

Basically, the program consists of established guidelines and protocols that produce a reliably consistent product for replacement female buyers. And the advantage for producers is an established marketplace in which to sell their heifers at a premium.

Kendra Graham, University of Missouri Extension livestock specialist, works one-on-one with producers in her area — whether they participate in the program or not. She testifies to the results of the program. She says the biggest advantage for producers is the higher sale price. “The price really does catch their eye because, typically, you do see a \$200 to \$400 increase in price when the producer chooses to sell,” Graham says.

Maybe more importantly, though, is the higher quality product program participants produce. Graham explains that is a big reason why producers choose to become involved. “They want to manage their heifers right, and of the utmost importance, this is a total herd management program,” she says, which is especially important considering many participants retain some or all of the heifers in the program.

Marty Lueck says Journagan Ranch participates in the program, but it was already doing many of the procedures outlined in the protocol before the program began. He says, “The program just puts it to a regimen where everyone can use it and follow the same protocol.”

Although it may help boost demand and, subsequently, sale prices, producers don't have to participate in a program to add value to their heifers. They just need to have a good herd health program and follow guidelines that will help those heifers succeed when they're sold.

Graham suggests marketing heifers in good condition but not overly fat and being sure they're bred to calve early. She says, “Most people want to buy those heifers that are going to calve earlier in the calving season.”

Lueck says first and foremost it's important to have a good herd health program. He explains that Journagan has developed a regimented vaccination program with its veterinarian. The ranch's herd health program also includes ear snipping to screen for persistently infected BVD and brucellosis- and tuberculosis-free certification and accreditation. The ranch also qualifies for Level III of being free of Johne's disease.

“Those are just things that will add value to your product that you

Show-Me-Select program requirements

Because of the success of Show-Me-Select Replacement Heifers Inc. (SMS), many producers may want to examine its heifer development guidelines for ideas about how to improve or change their programs. Of course, the SMS program's protocol may not be perfect, but it is a good example of what buyers may be looking for. Here are a few of the guidelines that must be met in order for heifers to be eligible for the program.

Prebreeding evaluation: A prebreeding reproductive evaluation is required for all heifers. Individual animal identification and pelvic area and reproductive tract score are required. It is strongly encouraged that prebreeding exams be performed six weeks prior to breeding. Heifers with a pelvic area less than 150 cm² at prebreeding may be re-measured at the initial pregnancy exam within 90 days from the start of the breeding season and must have a minimum pelvic area of 180 cm² at this examination.

Minimum vaccination requirements: A comprehensive herd health vaccination program starting at weaning age or before should be administered under the advice and guidance of your veterinarian in the context of a valid veterinary-client-patient relationship.

Calfhood vaccination against Brucellosis (Bangs) must be given in accordance with state and federal regulations by an accredited veterinarian.

At weaning heifers must be vaccinated and given booster shots for IBR, BVD, PI₃, BRSV, Leptospirosis (5-way), Vibriosis and 7-way Clostridia. Heifers must be 5 months of age or older at time of vaccinations. Follow label directions for all products used.

To maximize protection against reproductive loss, vaccinations against Leptospirosis (5-way) and Vibriosis must be given between 60 and 30 days prior to breeding. A booster vaccination against IBR and BVD is also required between 60 and 30 days prior to breeding. Modified live viral vaccines for IBR and BVD are recommended. If killed viral vaccine products are used, two boosters are strongly recommended. Follow label directions for all products used.

A booster vaccination against Leptospirosis (5-way) is required at pregnancy examination.

An initial pregnancy examination must be performed within 90 days from the start of the breeding season. Individual animal identification, pregnancy status and fetal age (in days) are required. Herds utilizing artificial insemination must report breeding dates. Any heifer that fails to become pregnant during or loses a pregnancy following the original breeding season is no longer eligible for the program.

Also outlined in the program are restrictions on the bulls the heifers can be bred to in order to qualify. There are criteria for each breed of bull used for either birth weight or calving ease direct expected progeny differences (EPDs). Hereford bulls must have a calving ease direct EPD of 1.5 or less in order to be eligible.

The guidelines above are not comprehensive, even more criteria must be met in order for the heifers to be eligible to be sold through a SMS consignment sale. A complete list of requirements and costs involved with the program can be found at <http://agebb.missouri.edu/select/prgmreq.htm>. Although these guidelines are specific to the SMS program, any producer can adopt similar procedures in order to effectively manage his heifers to sell or retain in the herd. **HW**

are doing over and beyond what the average person may go to the sale barn and pick up,” Lueck says. (See sidebar for more about SMS and Page 47 for a list of previous *Hereford World* articles.)

Back it up with records

Graham suggests even if your state doesn't have a similar program, the Extension service or other association likely has a quality assurance or verification program. Even if neither of those programs is available, each individual can still develop his own protocol and back it up with documentation that each step was followed.

Remember to keep accurate records of birth weights and dates and weaning weights, Graham says. Also,

she encourages producers to keep records on the heifers' steermates. "Performance data is a good thing to advertise with the heifers as well as any genetic information available," she says.

Finally, Graham recommends starting out small and then growing with your customer base. Another plus to the SMS program and others like it is "You can do it in small numbers," Graham says. "You can sell one heifer, if you so choose."

No matter how many you sell, Lueck says be sure you are producing a product someone wants to buy. For instance, Journagan Ranch sells both purebred and crossbred heifers but has seen a rise in demand for purebred Herefords. "We've had a tremendous increase in people wanting straight-

bred Hereford heifers the past two years," Lueck says. "So there is value out there. It's just getting it out and doing a little advertising."

Lueck suggests using small community papers that reach several counties to advertise. "It's probably the most important marketing tool that you can use in your own region," he says. "But you have to back up your product with a good breeder's guarantee. Your product is no better than what you back it up to be."

Most importantly, the cattle have to speak for themselves. Lueck adds, "A good rule of thumb is if you don't want to keep it for yourself, it's probably not something you want to sell to somebody else. If you keep that in mind, you'll probably have success." **HW**

More than heifers

Marketing females is more than selling just bred heifers; in today's age of technologies, selling donor cows, embryos, flushes and confirmed pregnancies is becoming more and more common. Many seedstock producers are selling a combination of all of these, including cows or pairs, to provide customers with what they want.

Bob and Jami Goble, Ridgeview Farm, Alto, Mich., are focused on producing top-quality females for their primarily seedstock customer base. For them, this means continuing to weed out the sub-par cattle through all phases of production and then sell the remaining top-quality females, once they've been bred back for their second calf.

Another key aspect of the Goble's program is they buy calves to develop in addition to raising their own, like most operations. If a producer only raises his own replacement heifers, after a few years, he has many daughters out of the same bull, a situation which forces him to find a new bull, something Bob doesn't want to do. "To me it's very hard to find a bull that will be a consistent producer time after time again on a whole wide range of cows," Bob says. "So when we find one of those bulls that can do it, what it allows us to do is market his calves."

But first, Bob says, the heifers have to stand up to the Gobles' rigid expectations. "First, they have to go through our criteria: they have to breed and breed on time," he says. And the expectations continue. "We would never sell a yearling heifer. We calve them all out; that way we go through and get rid of the problems." Problems like udder quality, milking ability or any defects like a prolapse cause the females to be culled. "So when we go to market them, we are really confident that these cows will better someone's herd," Bob says.

Then, once the cows are bred back, they are split and sold individually at Ridgeview's annual sale. Not only are the cows guaranteed, "but people know how fat a calf they can raise because the proof is right there," Bob says.

While their main product is selling the split pairs, Bob says they do sell some embryos and the occasional flush as well. He says the key to selling an embryo is to be sure the sire is a recognizable

name. "And if we are going to try and sell embryos, we want some calves on the ground. If we can put together two or three calves by that mating that we are going to put in the sale, then we will sell some embryos with it," Bob says. It doesn't necessarily have to be the exact mating, but it should be something similar to it so customers can visualize what they are buying.

Although the Gobles have tried it, Bob says selling flushes hasn't been really successful for them. "You have to have a pretty main cow to do it," he says. If the cow is a well-known producer, a flush of her eggs can be a hot commodity.

Offering confirmed pregnancies, something Bob hasn't done, is another way to market. He says it takes an extensive recipient herd, which he doesn't have at this time, to be able to sell off confirmed pregnancies. Basically, the buyer is purchasing a recipient cow that is already settled with a certain mating, usually of a well-known dam and sire. The advantage to buying a confirmed pregnancy is that the buyer knows the recipient is bred and isn't going to spend time and money trying to get the job done, when there's still a good chance all he'll end up with is an open cow. Bob says, "This way you are buying a bred cow, and it's even better if it's a sexed embryo."

No matter what a producer is selling, Bob says the main thing is to cull hard first. "If the heifers don't breed, then they just go away, and if they don't breed back, they go away. I couldn't afford to keep cows around for two years if they only breed every other year." He adds, "This year we went through our bull calves, and we kept three out of a 100-some calves. There are too many people that just because they can sell a bull, they keep a bull. And they're not doing themselves any good or the Hereford breed any good. So the biggest thing is to sell something you are proud of, not something you want to get rid of." **HW**

