



PHOTO BY JAY BOHNSACK

using embryo transfer without investing more in land and labor resources to manage those calves. Commercial cattlemen are getting increased return on investment from their commercial cows by raising a calf at a premium with only a little extra management and expense.

That arrangement is something Ryan Topp, of Topp Herefords, Bismarck, N.D., has tried the last seven years. Topp raises purebred bull calves sold as yearlings at his annual February bull sale. Although he does have a large commercial cow herd, those cows calve in April because of the management issues associated with calving earlier. So it would not work for him to place embryos into his own commercial herd unless he waited to sell those bulls as 2-year-olds.

“So we pursued various producers who calved early enough in the season to hit that time frame that works for us,” Topp says.

It can be difficult to find a commercial cattleman who fits into the specific needs of the purebred producer, but there are businesses that specialize in genetic services that can help.

Ultimate Genetics, Wheelock, Texas, is one of those genetic service providers. Among other services, Ultimate Genetics can locate a cooperator herd and help set up an agreement that works for both parties.

What’s the advantage to using Ultimate’s service? Vice president of sire services at Ultimate Genetics, Jeremy Price, says basically it comes down to management. “What we do is improve the consistency from place to place,” Price says. “We make sure that cattle are managed in a similar way, that the commercial producer understands the creep feeding regimen, the data collection system and the cash flow scenario.”

Basically, in these situations, Ultimate Genetics, or other businesses like it, acts as a liaison between the embryo owner and calf raiser, as Price explains. Ultimate Genetics has access to about 5,000 head of recipient cows that are located throughout the country, but mostly in Texas, Arkansas and Oklahoma.

Veterinarian Lee Jones at Frontier Genetics International, Curtis, Neb., has a similar approach to cooperator herd agreements. Like Ultimate Genetics, he is able to provide all the technologies associated with the agreements, like embryo collection and processing; donor management including superovulation and breeding; embryo storage, transfer and shipping including international shipping; on-the-farm recipient synchronization; and transfer and recipient management in the clinic. Although Jones says he doesn’t keep a large inventory of

Cooperator Care

Cooperator herds can be beneficial if they are carefully managed.

by Sara Gugelmeyer

When we were children, adults would encourage us to cooperate with one another to get more accomplished. Maybe you developed partnerships with your siblings where one would run the tractor making tiny bales of hay while the other would erect plastic fence for the cows.

Well, even after you grow up, there are still advantages to cooperating with other producers to increase profitability for both parties involved.

A simple agreement

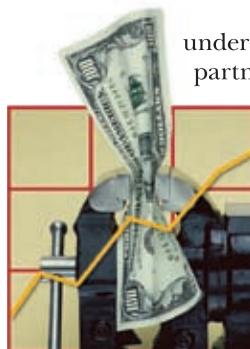
About 20 or so years ago, Gene Wiese, of Wiese and Sons, Manning, Iowa, felt the need to expand his herd but didn’t have the land or labor resources to do so. He sought out and found a young farmer who was interested

in the cattle business but didn’t have the capital to make the initial investment to buy cows, nor did he have the knowledge or experience to manage them and market the calves for the best price.

The two entered into an agreement in which Wiese supplied the cows and bulls and the young farmer supplied the land and labor. This arrangement was ideal for both parties because Wiese had the knowledge to help the farmer manage the cows and Wiese already had an established customer base to which the calves could be marketed.

Wiese explains what made the agreement work for them. “We were adding land that wasn’t

under our care; we were partnering with an individual that owned the land and provided the labor but, in some cases, didn’t have the resources,” he says.



As a seedstock producer, it also allowed Wiese a greater number of cattle to experiment with different genetics, something he didn’t have the luxury to do with his original herd. “It has added to our volume and added to our opportunity to view these genetics and test genetics and use them as proving ground for us,” he says.

Although, this method has worked well for Wiese over the last few decades, many producers interested in using embryo transfer are using cooperator herds with a more high-tech approach.

Same principle, different approach

The principle is the same. Purebred producers can increase calf crop numbers

Realistic expectations and achievable goals seem to be the key to a successful cooperator herd for both cattlemen.



recipient cows available, he can also find recipients as needed.

Jones says he also helps make these agreements profitable for both parties involved. "I try to fill in any gaps in the communication. I work directly with the commercial producer to explain what is necessary for a successful embryo transfer program and try to convey realistic expectations and set achievable goals."

Realistic expectations and achievable goals seem to be the key to a successful cooperator herd for both cattlemen. If those expectations and goals are met, it is a win-win situation for both parties. Jones says, "Depending on their situation, purebred producers may find it more economical to rent someone else's cows and increase their breeding stock production that way."

On the other hand, Price says, "The commercial cattleman gets a premium price for a calf that basically has similar cost of production." Although it depends on the market, the embryo calf usually represents a \$150-\$300 per head premium above the commercial calf market price.

It's not easy

But Price says, "If it were easy, everybody would be doing it." It can be difficult to accurately match up embryo owner to calf raiser, even with careful selection. "Sometimes we don't know it is going to be a mismatch until we get calves on the ground and either the genetics weren't completely understood, or maybe they were misrepresented, or maybe the management was misrepresented."

Whether you use a genetic service or find a cooperator on your own, there are disadvantages on both sides. From the embryo owner's point of view, it can be hard to allow someone else to care for such a big investment. No matter the careful selection, some commercial producers don't have the same level of management that the purebred producer might expect. According to Jones, the result is often lighter weaning weights, which will reduce the market value of the calf.

Another problem that can arise, and can't necessarily be predicted, is complications from weather. Price says, "The environment poses some huge challenges. If we put embryos in a cow herd, those cows can't go anywhere for at least 18 months."

That can mean some significant problems in the case of a drought. A commercial cattleman can no longer liquidate cows to avoid higher costs of production. He basically has to buy feed or hay which raises his costs considerably. That reduces profitability on the calf raiser's side, but the embryo owner

"The key point is to work with somebody you know and trust."

— Ryan Topp

doesn't want to be forced to pay more than the calves were originally estimated to cost.

Still, no kind of cattle production is devoid of risk. And no profit is made without risk. The key is to manage that risk by carefully choosing your cooperator and by protecting both parties with a detailed contract.

First, when choosing a cooperator, Topp says, "The key point is to work with somebody you know and trust."

Then, make sure that person's program is similar to your own because those calves will likely eventually be commingled with your home-raised calves. Topp suggests checking the prospective operation for the following criteria:

1. Make sure you and your cooperator calve at the same time of the year to keep your contemporary groups close in age.
2. Find out if the cooperator's management practices are similar to yours. For example, if you prefer to creep feed, make sure he is willing to creep feed.
3. Pick someone whose environment is similar to keep the data true. If you only graze native grasses, be sure the cooperator does the same.

4. Make sure he will wean his calves and place them on feed at the same time as you do.

5. Finally, and possibly most importantly, match vaccination programs and schedules so cooperator-raised calves have had the same vaccinations as your own.

Once you find a cooperator that meets all the above requirements or is willing to make changes to do so, it's important to discuss what each person's cost of production is to ensure that both parties can make a profit.

This is true in any agreement made. Even in Wiese's relatively simple partnerships, he stresses the most important thing is to keep both producers' best interests in mind. Wiese says, "We realize fully well that if our partner can't make it work, we've got to adapt and do all we can to make it work for both of us."

If both cattlemen are good managers, they should know their costs of production and be able to adjust beforehand to make it profitable. Jones also suggests meeting with an embryo transfer technician and veterinarian and discussing what a good recipient program looks like. "An ET (embryo transfer) technician

who is also a good cow-calf veterinarian can help plan a good herd health and synchronization program to

produce as many healthy calves as possible." Which is, after all, what both producers are interested in doing.

Get it in writing

Finally, write up a contract that protects both the embryo owner and calf raiser. Topp says his contract is broken down and outlines specifically what each party will provide and pay for. It's important to be as detailed as possible so everything is understood ahead of time.

For example, Topp strongly suggests that the recipient cows be at least 60 days post-partum before embryo transplantation. The cows also need to be on a rising plane of nutrition. Not fat, he says, but their energy intake should be increasing at the time of transplantation. These are specifics that are vital to improving conception rates and, therefore, need to be included in the contract.

Topp's contract also outlines that a discount will be made for any frozen ears. This is important to him because he will be penalized for frozen ears when he sells the bulls. He also encourages producers to set a minimum weight the calves must be at weaning.

These stipulations protect him as the embryo owner, but it's important to also include provisions to protect the calf raiser. He specifies any Caesarean operations that must be performed are his expense as the embryo owner.

Of course, also include how the payment will be figured. Some prefer a flat premium per weaned calf. Others choose a premium per pound of weaned calf above market price. In this case, be sure to specify what market price will be used.

Making sure details such as these are included in the contract signed by both parties beforehand may seem like a hassle, but if problems arise, it will be easy to look at the contract and solve any disagreements about what was originally agreed to.

Really, it's the same concept we were taught as children: cooperating can help both people out. But, since there is more at stake now than with a plastic playset, it's important to remember to enter into the agreement with caution and some good business sense. **HW**



A solid cooperator agreement can help seedstock producers increase their calf crop size with little added time investment.