

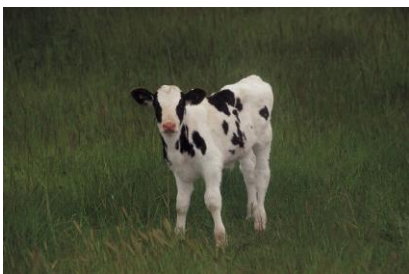
How Can Heifer Raising Costs be Reduced Without Sacrificing Quality

In 1998, the average cost to raise a heifer was \$1,595. Just nine years later, the cost has risen to \$2,149 with all calf costs included. As costs rise, how can dairy producers reduce the cost of raising one of their operation's greatest assets without giving up quality and keeping age at first calving low.

Feed cost needs to be the focal point when it comes to reducing overall cost in a heifer raising operation. Testing feed stuffs cuts down on the use of unnecessary supplements and reduces the chances of over-conditioned heifers. Feeding ionophores also increases feed efficiency reducing unnecessary feed costs.

Reduction in death loss, especially as baby calves is crucial. Investment in well designed calf housing has reduced death loss to near zero on certain operations for healthy born calves.

Intensive grazing of dairy heifers can reduce cost of labor and feed by reducing manure management and the feeding of harvested forages. It can offer one of the best alternatives to reducing feed and labor costs. Animals that were rationally grazed had an average daily gain of 1.5 to 2.1 lbs. on a season length of 144 to 181 days. The number of acres per animal ranged from 0.4 to 1.3. Have the pasture tested for nutrient quality and feed only the supplements needed.



Fact Sheet LT-08-1

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Profitability of Dairy Heifers on HIGH Quality Pasture

Reducing costs by grazing heifers on productive crop ground depends on management skills, yield and assumptions used. Two heifer raisers (MN and WI) shared about the same following results:

A good quality acre can support 1,350 pounds of animals (or 1.68 head of 800 lb. heifers). Dry Matter Intake was about 18 pounds over 210 days times 1.68 head per acre for 3.17 tons of dry matter harvested per acre.

A 1.6 lbs. daily rate of gain times 210 days equals 336 lbs gain/head. This 336 lbs. gain times 1.68 head/acre times 336 lbs. gain/head equals 564 pounds gain per acre. If each pound of gain is worth \$1.50, for example, the gross gain per acre is \$846.

Per acre expenses from these heifer growers were estimated at the following:

Fencing: \$75 per acre over 15 years	\$5
Water: \$40 per acre over 10 years	\$4
Fertilizer: Only manure was used	
Seed: \$80 per acre over 10 years	\$8
Land Rent: \$250 per acre	\$250
Lane: \$50 per acre over 10 years	\$5
Grain: (1 lb x 210 days x 1.68/head)	\$44
Labor: (4.5hours/acre x \$10/hour)	\$45

Total Expenses Per Acre: \$361

Return to Management: \$485

**Return to Labor and
Management per acre: \$530**

The assumptions above are conservative as > 4.5 ton dry matter has been achieved and 1.8 pounds gain per head per day in 250 days grazing with about the same expenses. These later figures could add another estimated \$150 to returns to labor and management. Clipping costs (if necessary) and death loss (negligible) not included. Overall, grazing can save costs!