

Thumb-rule Costs to Raise Heifers

“What’s a thumbrule cost to raise heifers?” This is an often asked question likely due to the large increase in heifer raising costs since 2007. There is a great risk of taking the “thumbrule” approach on heifer raising costs since management, facilities, labor efficiency and feeding practices can greatly alter the costs on individual farms. However, with the greater use of heifer raising contracts, the desire to know approximate costs is often important. Research literature from Wisconsin in 2007 was used as a starting basis, estimating feed and other costs to come up with a “thumbrule” table.

For unweaned, “wet” calves, a thumbrule of \$5.75 was used but realize this value varies widely from farm to farm depending heavily on facilities, labor efficiency, milk feeding programs, etc.

In Table 1, the “other costs” category includes bedding, utilities, fuel, veterinary and medicine, paid and unpaid labor, interest and death loss. Those costs hover around the \$1 per head per day mark, with a range of up to \$0.20 per head per day lower under 600 pounds and up to \$0.20 per head per day higher over 1,000 pounds. So, on average, \$1 per head per day is a good estimation.

Feed costs beginning at 4 months or around 300 pounds has a 10 cent slide for each additional 100 lbs up to 600 pounds. From 700 pounds to 1,200 pounds, a 20 cent upward slide is used for each additional 100 pounds of body weight.

Table 1.

Daily Cost “Thumbrules” with 2011 Approximated Costs						
Weight lbs.	Age months	Feed Costs	Breeding Costs	Other Costs	Total Costs	Total without Breeding Costs
100+	1-2	-----	-----	-----	\$5.75	\$5.75
200	3	\$1.00	-----	\$1.00	\$2.10	\$2.10
300	4	\$0.90	-----	\$1.00	\$1.90	\$1.90
400	6	\$1.00	-----	\$1.00	\$2.00	\$2.00
500	8	\$1.10	-----	\$1.00	\$2.10	\$2.10
600	10	\$1.20	-----	\$1.00	\$2.20	\$2.20
700	12	\$1.40	\$0.05	\$1.00	\$2.45	\$2.40
800	14	\$1.60	\$0.30	\$1.00	\$2.90	\$2.60
900	16	\$1.80	\$0.20	\$1.00	\$3.00	\$2.80
1000	18	\$2.00	\$0.20	\$1.00	\$3.20	\$3.00
1100	20	\$2.20	\$0.05	\$1.00	\$3.25	\$3.20
1200	22	\$2.40	-----	\$1.00	\$3.40	\$3.40

Thumb-rule Costs without Breeding

Breeding costs incur mostly between the 800 and 1,000 pound time frame depending upon breed but begin around 700 and might continue up to 1,100 pounds. The far right of Table 1 lists total costs except for breeding costs as a convenience for those who raise heifers for others but are not responsible for the breeding costs. This also gives some “easy to remember” approximate slide rules.



Beginning around 300 pounds at a cost of \$1.90 per head per day, there is a 10 cent slide upwards for each additional 100 pounds of body weight until 600 pounds and then a 20 cent slide upward for each additional 100 pounds of body weight above 600 pounds.

Again, these costs include feed, bedding, utilities, fuel veterinary and medicine, paid and unpaid labor, interest and death loss.

Summary

Trying to provide “thumbrule” costs on raising heifers is risky due to variables in management, feed costs, facilities and labor. Tables 1 is an attempt to give “ballpark figures” on heifer raising costs. Thus, **please use them only as “rough” estimates as many of the costs can vary 20% or more either way** on individual farms.

Heifer raisers are encouraged to look at their own costs of production when working through heifer raising contracts. ISU Extension has a dairy budget that includes the heifer enterprise that can be utilized for your particular operation.

by Larry Tranel, ISU Extension Dairy Specialist, NE/SE Iowa

