

# Heifer Raising Costs in 2019

The cost of raising heifers is often above their market value. A slide rule\* for heifer raising costs at various weights with labor included would be \$2.33 per head per day at 700 pounds with \$0.10 slide down for each 100 pounds under 700 pounds and a \$0.15 - \$0.25 slide up for each 100 pounds over 700 pounds.

Breeding age heifers, of course, run a bit higher due to extra labor and breeding fees at this age. Realize costs vary greatly from farm to farm. Thus, know this thumb-rule "slide guide" is just that--a thumb-rule guide. Calculate your own costs for more accuracy. Feed cost should change about \$0.15/head/day for each 100 pounds calculated with feed prices below:

ISU Extension Dairy Team Heifer Costs Per Day 2019							
Heifer Weight Lbs.	WI Data 2013 Base Yr			Estimated for 2019			
	2013 Cost	2013 Feed	2013 Other	2019 Slide	2019 Cost	2019 Feed	2019 Other
200	\$2.15	\$1.20	\$0.95	\$0.10	\$1.79	\$0.74	\$1.05
300	\$2.30	\$1.32	\$0.98	\$0.10	\$1.90	\$0.82	\$1.08
400	\$2.45	\$1.44	\$1.01	\$0.10	\$2.00	\$0.89	\$1.11
500	\$2.60	\$1.56	\$1.04	\$0.10	\$2.11	\$0.97	\$1.14
600	\$2.75	\$1.68	\$1.07	\$0.10	\$2.22	\$1.04	\$1.18
700	\$2.90	\$1.80	\$1.10	\$0.10	\$2.33	\$1.12	\$1.21
800	<b>\$3.15</b>	<b>\$1.92</b>	<b>\$1.23</b>	<b>\$0.20</b>	\$2.54	\$1.19	\$1.35
900	<b>\$3.45</b>	<b>\$2.04</b>	<b>\$1.41</b>	<b>\$0.25</b>	\$2.82	\$1.26	\$1.55
1000	<b>\$3.65</b>	<b>\$2.16</b>	<b>\$1.49</b>	<b>\$0.15</b>	\$2.98	\$1.34	\$1.64
1100	\$3.80	\$2.28	\$1.52	<b>\$0.15</b>	\$3.09	\$1.41	\$1.67
1200	\$3.95	\$2.40	\$1.55	<b>\$0.15</b>	\$3.19	\$1.49	\$1.71

**Feed 62% of 2013 costs      Other Costs 10% Higher**  
by Larry Tranel, Dairy Field Specialist, NE/SE Iowa

Heifer Costs 2019*	Size	700	15.75 lbs DM daily
Corn Price	\$3.25 bu	5 lbs	\$0.29 /hd/day
Hay Price	\$140 ton	10 lbs	\$0.56 /hd/day
Supplement	\$0.18 lb	1.5 lbs	\$0.27 /hd/day
2.25% BW		16.5 lbs	\$1.12 /hd/day
Feed Costs =			\$0.068 lb feed

Estimated cost of raising heifers from 2017 is shown in

the table on the right as costs did not change much since that time. For 24 months of feeding, around six tons of dry matter is needed per heifer for a total feed cost of \$1,167. The livestock costs add another \$268.40. Facilities and equipment add another \$240.62 for a total of \$1,672.02 before heifer ownership cost or labor is considered. This equates to a cost of \$2.30 per head per day without labor on average or a cost of \$2.67 per head per day with labor included. For producers selling raised heifers, the ownership cost of \$110 (interest on investment) and the initial calf value of \$175 in this example needs to be added in to obtain a break-even sale value of \$2,241 over the 24-month period.

Reducing the heifer raising period from 24 months to 23 months saves approximately \$93 per heifer. For a 100-cow herd raising 40 replacements each year, this savings would equal \$3,720 per year. Reducing the cull rate by 10% would further reduce heifers needed by four thus reducing heifer raising costs by another \$7,892 (\$2,148 -\$175 calf value = \$1,991 x 4). Since studies prove rotational grazing of dairy heifers reduces the cost of raising heifers, this budget has 1.25 ton of pasture forage per heifer included.

It typically costs \$5-\$6 per calf per day to raise a calf from birth to weaning. A 56-day birth-weaning period typically has an estimated \$336 of expenses. If this birth-to-weaning cost is subtracted, along with the ownership cost and initial value of the heifer, the cost to raise from weaning-to-calving is \$1,620 over 674 days or \$2.40 per day for the average weight heifer.

For custom heifer raisers who obtain the heifers after weaning without taking ownership, the previous thumb-rule would be a good starting point for negotiations but could vary depending which costs above feed costs (veterinary, medicine, breeding, and bedding) need to be recovered. Returns to labor and facilities are often very negotiable from one producer to the next depending on opportunity costs of each due to facility age or demand for use.

<b>*Itemized Costs -- 2017</b>		<b>Heifer Raising Budget</b>	
		<b>1 Heifer</b>	<b>for 24 months</b>
<b>Feed Costs (DM = Dry Matter)</b>		<b>Feed Costs</b>	
Hay/Haylage - DM		\$621.18	4.00 ton
Pasture Forage - DM		\$0.00	0.00 ton
Corn Silage - DM		\$270.83	2.50 ton
Corn Equivalent - US No. 2		\$64.35	18.00 bu.
By Product Feed			
Protein Supplement		\$95.29	550.00 lb.
Salt and Minerals		\$2.75	50.00 lb.
Fat Supplement		\$0.00	0.00 lb.
Milk Replacer/Calf Feed		\$112.20	120.00 lb.
		<b>\$1,167</b>	<b>7.98 DM ton/hd</b>
<b>Livestock Costs</b>		<b>Livestock Costs</b>	
Dairy Supplies		\$10.00	head
Freight/Trucking/Hauling		\$5.00	head
Veterinary & Medicine		\$70.00	head
Breeding Fees		\$42.00	head
DHIA/Accounting/Legal		\$3.00	head
Marketing		\$1.00	head
Bedding Costs		\$100.00	1 ton
Gas/Fuel/Oil		\$10.40	4 gal.
Electricity		\$17.00	170 kWh
Other (oper. int., phone)		\$10.00	head
<b>Facilities &amp; Equipment Costs</b>		<b>Facilities &amp; Equip Costs</b>	
Milking Center/Parlor			
Dairy Housing			Cost/Head/Day
Manure Storage	\$21.60	\$0.03	head
Heifer Housing	\$163.80	\$0.23	head
Machinery and Equipment	\$55.22	\$0.08	head
		<b>\$2.30</b>	<b>Cost/head/day</b>
		<b>\$2.67</b>	<b>with labor included</b>
<b>Cow Ownership Costs</b>		\$110.00	Ownership Cost/hd
<b>Heifer Replacement Costs</b>		\$175.00	Initial Calf Value
<b>Labor and Mgt Costs</b>		\$275.00	22.00 hrs/hd
		<b>\$2,241</b>	<b>Total Cost (24 mon)</b>
		<b>\$2,241</b>	<b>24 Mon. Cost</b>

ISU Extension Dairy Budget  
[www.extension.iastate.edu/dairyteam](http://www.extension.iastate.edu/dairyteam)

\*The slide rule is based on 2013 Heifer Raising Costs, University of Wisconsin-Extension, with feed prices adjusted to 2018-19 levels with other costs increased by 10%.  
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