

MAKING MORE PROFIT WITH HOLSTEIN STEERS

To get started, we must understand our true production costs. The most important cost and most difficult to determine is the feed cost per pound of gain. It should be simple, just take the feed fed and divide it by the amount the steers gain. This calculation gives you the feed to gain ratio (feed required for 1.0 pound of gain). Next, multiply the cost per pound of diet by the feed to gain ratio. This is the cost per pound of gain. However, this is often hard to do because cattle may be moved from pen to pen, and feed fed is not always measurable and recorded due to a lack of scales.

One tool the Kent Nutrition Group offers is a Cattle Monitoring Program on an Excel spreadsheet. However, we can also look at the calculation in a different way. What if a feed per pound of gain difference is a half pound more feed per pound of gain? So, if a steer consumed feed from 400 lb to 1,400 lb (1000 lb of body weight gain) it would consume 500 lb more feed. Of that 500 lb of feed, 8% is pellets at \$650 per ton (\$13 for the 40 lb of pellets) and the remaining 460 lb is corn at \$7.25 per bushel or \$59.55. **The total added cost due to an additional 0.5 lb of feed per pound of gain is \$72.55 per steer!** This proves again that knowing feed cost per pound of gain is crucial in cattle production.

So, how do you reduce cost of production if you do not know what the cost is? One way is to cull "poor-doing" cattle within a group. Another way may be to buy groups of cattle that can stay intact (not change pens) until sold. You can afford to pay more for feeder cattle if you realize a cost saving due to improved feed efficiency.

Another opportunity to improve profitability along those same lines is to try to purchase higher quality cattle from a single source with a better reputation rather than putting a group together from various, lesser quality sources. The \$72.55 savings we discussed above that could be realized with a ½ pound improvement in feed efficiency, equates to an extra \$.18 per pound available for the purchase of a 400-lb Holstein calf.

What do we want in a good group of cattle? The first thing with Holstein steers is single-source calves that are already started. These don't necessarily have to come from one dairy (which is ideal), but started from one calf ranch. It is best if you can work directly with a calf ranch or another calf feeder to supply large numbers of calves. This model gives you control of the feeder supply and can really improve health and feedlot performance. In addition, knowing the cull rate and/or death loss of the group being purchased or the ability to choose from within a group will improve profitability.

Another factor is crowding. Buy only the number of animals that will fit within the square footage you have available. In other words, don't overcrowd, because poorer performance and health issues can occur. You are better off to be under stocked.

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NUTRITION NOTES (continued)

It's also good to know the vaccinations the calves have had prior to your purchase. However, whatever vaccinations the calves may or may not have had, get them on your program right away to be sure to safeguard their health. It is hard on potential profit when you have a 600-lb feeder steer worth \$600+ die because you wanted to save \$1.00 by skipping a clostridial shot upon arrival! Always use a complete vaccine and animal health program.

The next aspect of animal health that can have a great positive impact on income is the consistent use of implants. I have seen too many situations where feedlots didn't implant a group because they were busy or forgot and now the group behind is doing better. Implants will get you 50-100 lb more gain on the same amount of feed. That is a large number at \$1.10 per pound (\$55-\$110 per steer difference) from the same amount of feed.

Keep in mind that Holstein comfort and care is different from colored cattle and when done right can improve profit. They need to be dry and clean to optimize efficiency. Holsteins need a dry place to lie down and they also need at least 25 square feet minimum of dry bedding/shelter, plus another 25 square feet of open lot/feeding area. With a 12% higher maintenance energy requirement than colored cattle, this makes sense. Being dry, comfortable and stress-free takes less energy. Less energy used for maintenance means more NE for gain. Walk the cattle daily so you can observe them for eating and drinking patterns. Sick animals will also be apparent as you get them up.

One last management tool that is underutilized in Holstein steer production is the Kent NutriVantage + OptaFlexx product (8107). This product will produce extra gain and enhanced feed efficiency the last 30 days prior to harvest. NutriVantage will maintain intakes the last 30 days before slaughter, which is the time when appetite typically declines as cattle approach finish.

Other management factors can be discussed, but the big take-home message is that Kent's Precision Dairy Beef program is designed to support optimum feed efficiencies. Knowing the cost per pound of gain is important so the producer can understand what these improvements (even a half pound difference) mean to profit.



