Texas Study Shows AI Heifers Perform Better

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COLLEGE STATION, Texas — How many times have you heard the statement, "I can buy better heifers than I can raise," or, "I don't see any difference between AI sired heifers nand heifers I can buy through a dealer or auction barn with no information"?

This may be true, but it's not because all heifers are of equal genetic merit when it comes to production. This has been illustrated a number of times in popular publications where the difference between the average AI sire and natural service sire is approximately 150 PTA$, which translates into an added $150 per year income from AI sired heifers.

Using top AI sires with PTA$ exceeding 200 will add another 25- to 30-percent added income.

A Texas study illustrates the point extremely well with a striking difference in added income.

A Texas study illustates the point extremely well with a striking difference in added income from AI versus commercial heifers.

The study was conducted on the Holtex herd in Lancaster, Texas, following the dispersal sale in 1980, with results reported in 1983.

Home-raised, purchased registered, and purchased commercial heifers were fed a totally mixed ration (TMR) and were kept under the same housing, feeding and management system.

The home raised heifers were all bred at Holtex Farm. The purchased registered were purchased after the dispersal sale from throughout the East and Mid West, and the non-registered or commercial heifers were well-grown heifers with no pedigree information.

As shown in Table 1, the home-raised heifers out-produced the purchased registered heifers by 1,656 pounds of milk. The home-raised heifers also out-produced the commercial heifers by 4,026 pounds of milk.

It is important to note the home-raised heifers represented some of the top genetics in the country at that time and that the difference was real.

If genetic progress is taken into consideration over the past 10 years, you can add at least 1,000 to 1,500 pounds to the average production reported in this study.

There is no question that the average genetic makeup of commercial heifers has improved over the past 10 to 20 years. However, the fact remains that genetics do contribute substantially to the level of milk production.

All heifers are not created equal and certainly heifers from top AI sires are superior. Is the difference real? You bet cha'.

Table 1. Homebred Versus Purchased Replacements[1]

	Home-Raised		Purchased Animals (R.)		Purchased Animals (Non R.)
Age (calving)	26.1 M (50)[2]		28.1 M. (29)		31.3 M. (20)
305 d. ME	18,759 lbs		17,103 lbs		14,733 lbs
Difference		1,656 lbs		2,370 lbs	
Persistency	99.6%		100.7%		95.6%

[1]White, T. H., Jr., C. G. Woelfel, and R. A. Baron. 1983.
[2]Number/group.

MILK CHECK

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SCRANTON (Lackawanna Co.) — The sudden rise in cheese prices last month is coming closer to home as it begins to show up in milk checks for April.

The Minnesota-Wisconsin Price Series jumped $1.13 in April following a 28-cent rise in March for a total of $1.41 in two months.

Since the M-W price is the Basic Formula Price for milk pricing in all federal orders, the increases are showing up already in the class prices that regulated handlers pay and, in turn, the uniform or blend prices to the producers.

The Class III price increases first and that is up $1.32 in Orders 2 and 4, and up $1.41 in Order 36, reflecting the change in the M-W price, so far.

Factored in the Class II price however, are the increases in cheese prices last month, so you will see big differences for milk going into soft dairy products.

From $10.78 in March, the Class II price jumps $2.15 to $12.93 in May and another 85 cents to $13.78 in June for a total of $3 worth of increases in three months.

Class II utilization is increasing now with warmer weather and more ice cream is being consumed, so a $3 increase in the Class II price will be significant in your milk check.

Class I prices bottomed out in April, but will increase 28 cents in May and $1.13 in June, again reflecting the increases in the M-W price.

Your milk check for April won't show increases that high yet, but it will be better by up to 42 cents a hundred weight, depending on which federal order is regulating your handler.

These increases in Class prices are indications of things to come in the next two months that will give you a farm price this summer higher than last year.

Peaked Out

Cheese prices increased another cent last month to $1.39 for blocks, matching the high price of last August.

That was four weeks ago however, and the price hasn't changed since then, so I gues it's safe to say it peaked.

The question is, what next?

It was a meteoric rise of 23 cents in seven weeks and if it stays there you can count on an average milk price higher than last year, but it may not hold all summer.

If cheese handlers were concerned about the milk supply and replaced their inventory stocks this spring, they will now be buying only what they need.

The export market for powder that helped to run up the cheese price has nearly disappeared.

The Dairy Export Incentive Program has contracted for no additional sales this month and powder prices are about like cheese prices — good, but not showing any movement.

Get It Now

Right now you can expect another good increase in the M-W price for May which will get you higher prices at the farm at least through July. What happens after that is the problem.

Will higher milk prices and new forage feed bring more milk to the market or will the attrition in cow numbers check the supply?

There's not much hope for improvement on the demand side with schools closing for the summer, unless exports can be stimulated through the incentive program or other efforts.

You're looking at market-driven prices so far above the support price that supports have little effect. You're seeing the volatility of free market prices that function for nearly all other farm products that other producers must cope with routinely.

Their strategy is to hang on to as much of their income as they can when prices are up because they probably won't stay there. I hope dairy product prices don't fall this summer but it's a gamble you may not want to take.