

Genetic Marketing Provides Extra Income For Fleetwood Dairyman



Seen here with son Andy, Jim attributes most of his success to the Rich-Ru Tesk Melinda family of cows he purchased from his neighbors Dean and Dale Smith. Good sound cows with fantastic udders, the Melinda family has given Jim the opportunity to market offspring to A.I. companies and high pedigree farms all over the world.

Genetic Marketing Dollars & Sense

Putting a profit value on genetic marketing is difficult.

According to Ken Raney, executive director for the Pennsylvania Holstein Association, profit from one flush can range from the negative numbers to significant dollars.

"Embryo transfer work isn't always gravy," said Raney. "If the cow you're flushing doesn't make anything, you still have all of the cost wrapped into it. And you have to try again."

Embryos resulting from one flush can range anywhere from 0 to 40. "Most guys hope for at least four to five embryos per flush," said Raney.

Costs involved with flushing include \$150 per embryo for flushing, \$50 to \$100 for freezing and transfer work, and around \$100 for semen costs.

You can sell an embryo for anywhere from \$150 to \$1,800. A.I. companies contract bulls for anywhere from \$3,500 to \$5,000.

"If you have a cow that really produces, you can get a couple of embryos to sell, a couple of heifers, and may get a bull to contract," said Raney. "So you make up your cost and then some."

According to Raney, the scope of the genetic marketing is very broad. "There are all kinds of buyers out there," said Raney. "Some are buying high index cows, and some are looking for the top show cows."

So, as Jim Younkens said, genetic marketing takes skill, knowledge, and a lot of luck.

"And a good cow is defined by the buyer," said Raney.

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they could, but it was up to me to pay for it and make it work."

Make it work they did. The first step was renovating the 30-cow barn into a 60-cow tie stall barn. With the help of their parents and a neighbor, Tim and Sue did most of the work on the barn. After it was set up, they needed to purchase their herd.

"I purchased my first heifer when I was 12, so I had a herd of cows at my dad's," said Younkens. "But I didn't want to take them all out of his herd at the same time. I let them dry off at my dad's and gradually brought them over here to calve in."

Instead, Younkens purchased a 60-cow grade herd from a neighbor who was selling out. "I never thought I would buy that kind of herd," he said. "But it was the best thing that ever happened to me. I bought the herd, which was averaging 22 pounds a day, for butcher price, doubled the herd average in two weeks, and got started at a lot lower cost than if I would have bought all registered."

Although Younkens still has some of those original grade cows, his herd is now about 75 percent registered. Most of his grade cattle carry embryos from his registered animals.

The herd averages 25,400 pounds of milk with 886 pounds fat and 825 pounds protein. With 27 very goods in his herd, Younkens' Breed Adjustment Average is 106.7.

Younkens has capitalized on that B.A.A. and marketed offspring from his herd to high pedigree farms and A.I. companies throughout the United States and beyond. He got his first taste of genetic marketing while his herd was still at his dad's farm.

"We were lucky that we had a cow --Plushanski Mark Oriya -- that did really well for us," said Younkens. "It brought a lot of people to my parents' farm from all over the world, including France, Japan, and England. That really got me started in the business."

Since then, Younkens has purchased several other high pedigreed animals, some that went on to great success and others that didn't turn out. But it was the Rich-Ru Tesk Melinda family that really put Kirbyville Holsteins on the map.

"Six months after I started, I got my first animals from the Melinda family," said Younkens. "I started out with six and then got four more later."

Younkens acquired the Melinda family from Dean and Dale Smith of Richard Smith and

Sons. "The barn was full, and they wanted to sell the cows to someone who could really market their potential," he said.

Today the Melinda family is internationally known for its excellent udders and good, solid frames. "I give the Smiths a lot of credit," said Younkens. "The cows were in a commercial free-stall operation. The Smiths registered, tested, and scored the animals. They definitely had the cow power there, but not much was going on in the genetic marketing end."

Acquiring the Melinda family gave Younkens the opportunity to merchandise that particular family, as well as the rest of his herd. "I never really counted on creating such a marketing interest with her," said Younkens. "I was just hoping to make a little money off of her."

Since the Melinda family came to Kirbyville, Younkens has sold more than 100 embryos and has exported them around the world. Although he has had success with other animals in his herd, the Melinda family has really overshadowed anything else he's had.

People from all over the world have come to visit Kirbyville Holsteins to see the high pedigree animals in the Younkens herd. In fact, the Prime Minister of Denmark was at the farm last year while on a tour of the area.

"We didn't realize it was that big of deal until we saw the Reading Eagle and other people covering the event," said Younkens.

A member of the Berks County Holstein Club board, Younkens is very active in the marketing arena. "I'm always studying genetics," he said. "But success in marketing depends a lot on the luck of having the right cows at the right time."

Over the years, Younkens has purchased different animals just to bring traffic into his farm. "The main thing in marketing is to get people to your farm," he said. "If they don't see the cows, they're not going to buy them."

He also advertises his herd through Holstein World and Pennsylvania Profiles. He is a regular consigner at Holstein sales throughout the state.

"Word of mouth is probably my best seller," said Younkens. "Enough people have seen my cows, so we merchandise a lot of animals privately."

According to his wife, Susan, who helps milk the cows, Jim spends most of his evenings talking on the phone. In December 1999, Susan quit her full-time job as a secretary for GPU Electric to help full-time on the

farm and raise their two children, Andy, 5, and Joel, 2.

"Most nights Jim comes in from the barn and gets on the telephone talking to different people about his cows," said Susan.

"You don't get any dumber by talking to them," said Jim. "People need to know who you are and where you are to buy your cattle."

According to Younkens, the dollar value of genetics varies from year to year. "It's a cash flow business," he said. "It's great when your milk check is low. A bull check really helps carry things along."

But, for Younkens, genetics isn't all profit. "There's a lot of expense in embryo transfer work," he said. "If you can't sell the embryos or bulls, it probably doesn't pay because it's so expensive."

One way Younkens keeps cost down is by transferring his own embryos. "Bill Pettit from Huff & Puff Embryos does my flushing, and he taught me how to do transfers," said Jim. "It isn't a whole lot different from breeding cows."

Younkens doesn't flush any animals that he doesn't have a contract on. "If you can't sell the embryos, it's not worth the cost."

He claims that successful genetic marketing has a lot to do with luck, skill, knowledge, and knowing when to let a good cow go.

"Somebody once told me that the last thing you want to do is be the owner of a cow when she dies," said Younkens. "You have to price her reasonably because the next guy only wants to buy if he thinks he can make money off of her."

Although genetic marketing does add extra to his bottom line, Younkens still depends most on his milk check. "Milk is my number one source of income -- it's what I base everything else off of."

"ET marketing gives me a little extra that I can use to do stuff on my farm," he said. "But if you have to start using ET profits to supplement the milk check, then you wonder if it is really worth it."

"We've been really fortunate here," said Younkens. "I owe a lot of credit to a lot of different people. My parents have been really supportive. I use my dad's equipment to farm our land, which helps cut costs. And my mom helps milk in the mornings. We feel really lucky to be able to live the life we've always wanted."

Bradford County Trends

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try in 1990, 1995, and 2000 by number of dairy cows, number of herds, DHI herd average, and average herd size.

In 1990: 38,000 cows, 660 herds, 16,459 pounds milk, and 57.4 cows.

In 1995: 32,000 cows, 520 herds, 18,098 pounds milk, and 59.6 cows.

In 2000: 30,600 cows, 460 herds, 18,858 pounds milk, and 66.3 cows.

As you will notice from this chart, cow numbers and total herds have shown a continual decline over the past 10 years. One interesting trend during this same 10-year period, or more accurately, a lack of a major trend is in herd size. Yes, average herd size has

grown, but not at as drastic a rate as we have seen in other major dairy areas of the country.

What are the major trends and changes that are occurring in today's Bradford County Dairy Industry? As I see them, they are as follows:

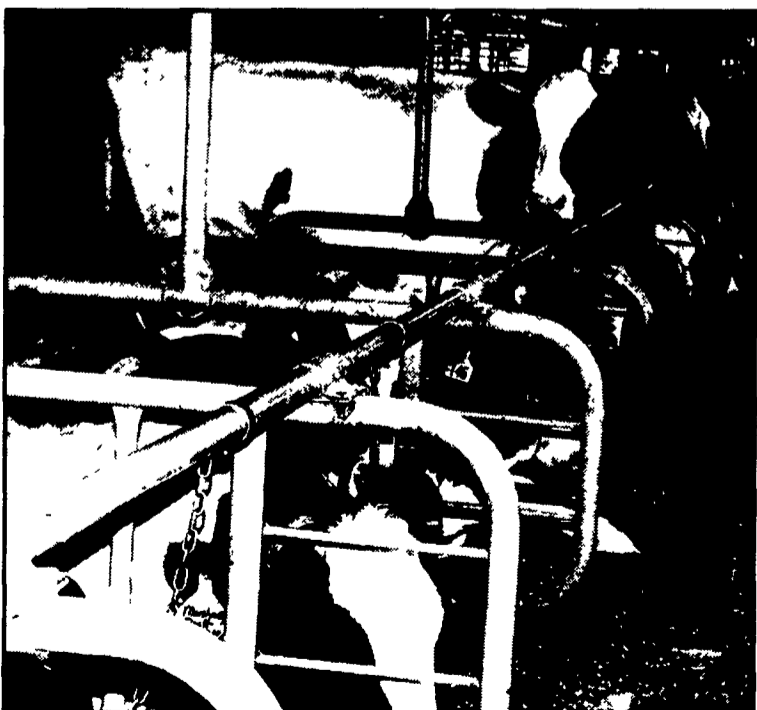
- ✓ A new accelerated move by some dairy farm operators toward major expansions (150-600 cows).

- ✓ A move by some dairy farm operators toward a grass based (intensive pasture management) system of feeding dairy cows and heifers.

- ✓ A move by some dairy farm operators toward specialization (especially contract heifer raising and contract forage harvesting).

- ✓ A move by some dairy farm operators to partially use all of the trends listed above; increasing herd size slowly, use some specialized contracting, and adjusting their feeding systems toward the use of Total Mixed Rations and/or utilizing pastures to maximize dry matter opportunities.

Because of the large amount of reasonably priced farm land, potential grazing land, and large acreage to spread manure and be in compliance with Nutrient Management Act guidelines, Bradford County will continue to be a major dairy area in Pennsylvania with at least the potential of growth in tomorrow's dairy industry.



Although Jim claims that there's luck involved in genetic marketing, it also requires a lot of skill. According to Jim, the first step in successfully marketing your cattle is getting people to visit your farm.