

Re-evaluating Replacements



PHOTO BY SHAUNA ROSE HERMEL

With a changed economy, it may be a wise time to review your replacement heifer strategies.

Story by Kindra Gordon

Savvy managers know that re-evaluating strategies can often add efficiency — and enhance profitability. One case in point that deserves for beef producers to do some number crunching in today's altered economy is replacement heifers.

Livestock specialist Sandy Johnson with Kansas State (K-State) Research and Extension at Colby, Kan., says, "It probably goes without saying that anytime you are not making money, and you intend to, is probably a good time to evaluate strategies.

"Feed and other production costs have gone up, increasing the already high cost to develop replacement heifers," she adds. "It is important to know not only your cost to raise a pound of weaned calf but also the cost of the replacement-heifer enterprise."

While Johnson emphasizes that she doesn't have insight as to what the future markets hold, she says that by reviewing costs, some producers may find resources used for replacement heifers may be better spent on something that will produce income sooner than this year's heifer calves. Others may have what it takes to know when the economy and market will go up and want to position themselves to take advantage of that.

Determining which strategy best suits your operation will require some analysis. Here, Johnson shares some factors to consider in determining if you should raise or buy replacements.

Weigh pros and cons

For starters, Johnson says a useful approach

is to look at a partial budget for purchasing bred replacements. This should include:

- ▶ added returns from the sale of raised heifer calves,
- ▶ reduced costs of growing heifer calves into bred heifers,
- ▶ costs of purchasing bred heifers, and
- ▶ reduced returns associated with the purchased heifers.

She points out that some factors that influence net returns include differences in reproductive performance and weaning weight, which can be hard to estimate. "Producers that have a low rebreeding rate on raised 2-year-olds might have better performance from purchased heifers that have attained the weight and condition they need prior to calving," Johnson says. "This is not uncommon for producers who don't have the resources to manage heifers separately from cows."

Genetics are another consideration to weigh in your decision-making. Johnson points out that purchasing F_1 females may be an easier approach to obtaining maternal heterosis than raising it. However, she says that must be countered against the fact that raised heifers represent known health programs and genetics and are adapted to your environment.

The bottom line is that the decision is for each individual operation. "These are important considerations but should not be used as an excuse for not considering other strategies," Johnson says.

Management reminders

Whether you raise or buy your replacements, Johnson says nutritional management is what will determine how they perform as cows. "The nutritional management is the hardest part; often producers are too nice to them [heifers] their first winter and may or may not be nice enough the second," she says.

"For a lot of our genetics it doesn't take too much feed to gain the needed weight between weaning and breeding, and if we put them in a drylot they can end up heavier-conditioned than needed," she says. "These are often the same heifers that don't seem to gain much when first turned out on grass."

Instead, she suggests producers need to take advantage of gains on pasture. "When it comes to those three to six months prior to calving, the continued need for growth of the heifer and increasing fetal size really demands the groceries. That's when knowing a current weight of heifers and balancing rations to meet the targeted gain can be a great benefit," Johnson says.

Lastly, she advises that a short breeding season — 30 to 45 days — on replacement heifers has multiple benefits. She points out that this helps concentrate the calving season activities — which hopefully means more live calves from more focused effort; it ensures the last heifer to calve still has a reasonable amount of time before she needs to be rebred; and open heifers that are identified early (by using ultrasound at 30 days after the end of the season) can often be marketed for a profit in the summer.

