

Table 1: Replacement heifer cost estimates

Value of heifer at weaning (550 lb. x \$1 per lb.)	\$550
Cost of gain: weaning to breeding (65¢ per lb. x 200 lb.)	\$130
Bull cost (bull cost – less salvage/25 cows/3 years)	\$ 24
Interest at 7%	\$40
Grazing and feeding cost: Breeding to calving	\$220
Veterinarian, medicine, vaccinations	\$30
Death loss, 1%	\$10
Total	\$1,004

Source: Cattle-Fax.

The Angus Link

by **TY GROSHANS,**
director of
commercial programs,
American Angus Association



Heifers: Retain or buy?

That is the question! Every producer's situation is different and complex in regard to effectively answering it. The lists of advantages and disadvantages can be very long and extensive.

Financial position of the operation has to be the first consideration, calculating profitability in regard to current markets, costs of gain and pasture costs.

Financial position of the operation has to be the first consideration, calculating profitability in regard to current markets, costs of gain and pasture costs. To assist producers with this calculation, Cattle-Fax has put together a replacement heifer cost estimate (see Table 1).

The assumptions made allow producers to calculate a rough estimate of the cost to raise replacements.

From an Angus perspective, this example does not consider the value of genetics. Utilizing high-accuracy sires, be it through artificial insemination (AI) or natural service, the quality of females retained in the herd would be much greater and more economical in terms of having to purchase high-quality genetics.

Environment and acclimation of purchased heifers must also be of concern. Moving heifers to a different region could result in health problems and weight loss. Facilities, labor, synchronization and bulls will determine whether AI or natural service can be utilized. Pasture conditions and feed resources to hold heifers till breeding, then another nine months to calving, will be a major cost.

An option to consider is to send heifers to a heifer-development facility 30-60 days before breeding.

With all of these factors involved, the decision needs to be based on sound financial reasoning.

