Western Heifer Alliance Helps Producers Cost-Effectively

Front-Load Calving Season

Helping producers build lifelong early calvers is the objective of this Idaho-based heifer development program.

Story by
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PHOTO BY SCOTT HOLT

Simplot and ABS Global teamed up five years ago to offer a full-service heifer development program to western producers. These Shaw Cattle Co. replacements are some of many this operation has sent through the program. "The beauty of it is we send a heifer calf down there (to Simplot), and we don't get anything back but bred heifers," remarks Sam Shaw.

Five years ago, Idaho's Simplot Livestock Co. combined its feedyard nutrition and management expertise with the reproductive and genetic expertise of ABS Global Inc. What's materialized is the full-service professional heifer development program known as the Sagebrush[SM] Heifer Alliance.

Based out of southwest Idaho at Grand View, this alliance's primary objective is to help profit-minded western beef producers turn replacement heifers into lifelong early calvers, while offering feed resource and value-added options in the process.

Needed: properly developed, early calvers

"There is definitely a need for heifer development done right," states Joe Jones, area beef manager for ABS Global, Declo, Idaho, a procurer for the Sagebrush program. "In our modern times, heifer development has been overdone in a lot of cases." But he believes there isn't a reason for this.

"The genetics of today grow and mature at a decent pace; therefore, the need to 'push them' is not as strong as it was years ago," he says. "Granted, there are still some heifers that get underdeveloped, but I run into far more that get overdeveloped and are too fat when we go to breed them."

Jones explains that overdeveloped heifers will suffer in regard to conception rate and efficiency as a cow, while underdeveloped heifers suffer in regard to conception and will never catch up as a cow.

"Our philosophy at Sagebrush is to feed them a ration with enough energy to keep them growing and start cycling, but to limit-feed this ration to control average daily gain (ADG), which we have come to find is crucial to conception rates as a heifer."

PHOTO BY KIM HOLT

The family-run Shaw Cattle Co., Caldwell, Idaho, has developed replacements through the Sagebrush Heifer Alliance since the program's inception in 2006. Pictured are (from left) Tucker, Greg and Sam Shaw.

The professionals behind this program prefer an ADG of 1.5-1.75 pounds (lb.) per day, while targeting 60%-65% of mature body weight at breeding.

"We don't ever want to have an ADG over 2 pounds per day," Jones assures. "Over 2 pounds we hurt our conception and, quite frankly, waste feed [and] thus increase producer costs."

He adds, "By limit-feeding the heifers, we also teach them the competitive spirit needed to be efficient as a cow."

Jones explains that proper heifer development with the use of artificial insemination (AI) allows producers to front-load their calving season to start a heifer's career as a cow off right by calving early (see Fig. 1). Cows that calve up front in the season wean heavier calves and make more money.

Darrell Wilkes reinforces the value of an early-calving herd. Wilkes is the U.S. Beef Supply Systems Manager for ABS Global, headquartered out of DeForest, Wis.

"If they start late, they stay late," he stresses. "They remain a lifelong late calver (or come up open at a young age). In either case, they never make any money if they start off as a late calver. Secondly, late calvers rob the profit from the early calvers. If you do the math, it is pretty alarming how much profit they steal (see Fig. 2)."

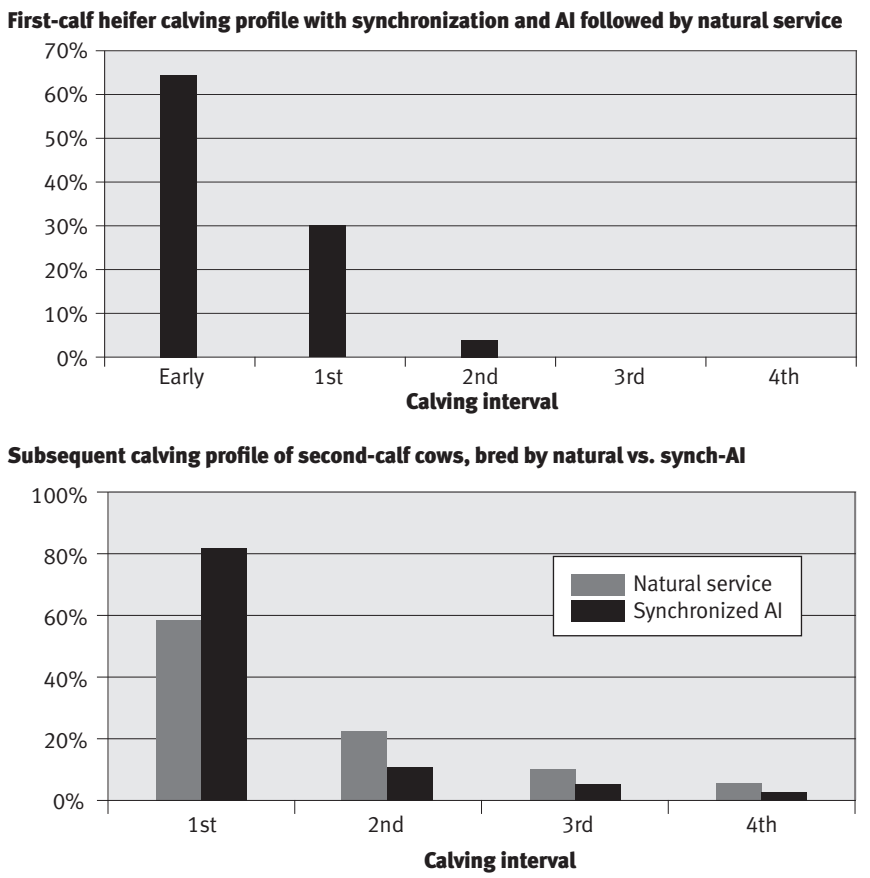
Wilkes says research done at Texas A&M University shows that the only cows with a positive lifetime return on investment are those that had their first calf early in the calving season, regardless if calving began in January or June (see Fig. 3).

"Of course, every ranch is different, but the fact remains that herds with a front-loaded (and short) calving season will wean heavier calves on the same resource as a herd with a strung-out calving season," he states. "If your first-calf heifers have a strung-out calving season, it's only going to get worse as they age."

Sharing success

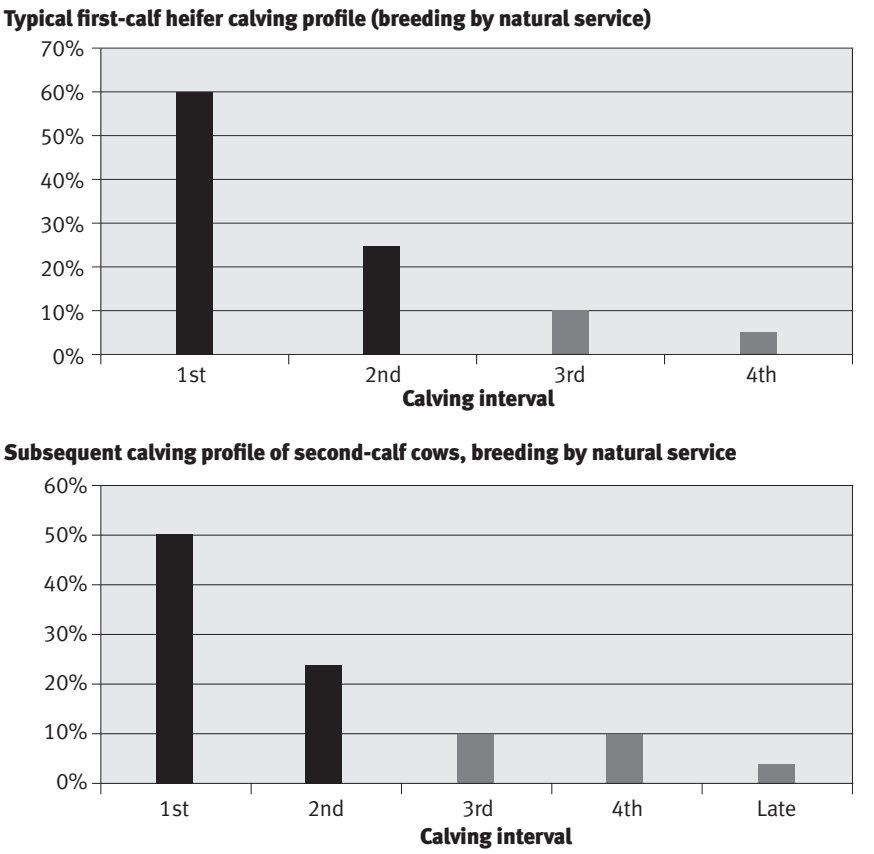
The Sagebrush Heifer Alliance was actually born out of the success Simplot Land & Livestock's cow-calf herds have experienced by front-loading their own calving seasons.

Fig. 1: First-calf heifers (synchronized and bred by AI one week early)



Synchronization and AI of yearling heifers, followed by synchronization and AI after their first calf, can nearly eliminate late-calving cows through their second calf.
Source: ABS Global.

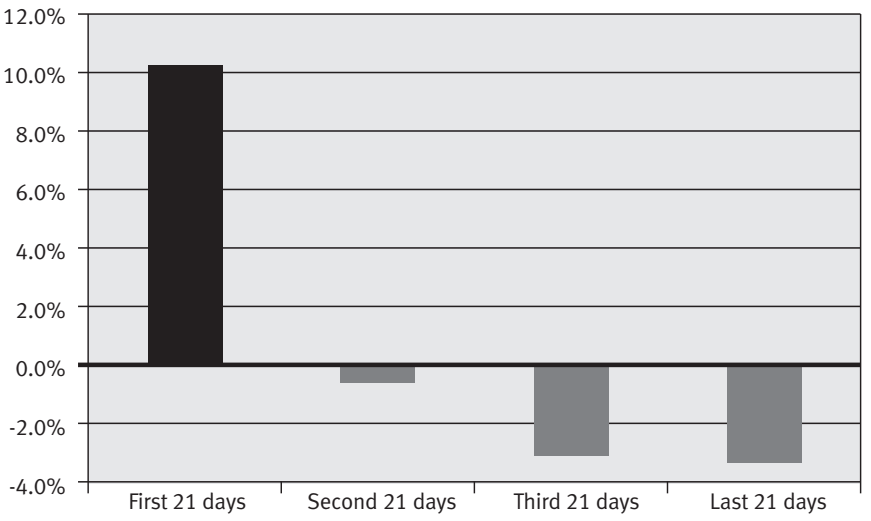
Fig. 2: Calving profiles of first-calf heifers



By the time they wean their second calf, 25% of the typical herd is locked into the late-calving habit. They are doomed to be breakeven cows at best, with a low likelihood of ever moving up.
The seemingly low percentage of cows calving in the third and later calving intervals gives the visual impression that the problem really isn't serious. This perspective changes when you factor in the economics.
- Every cow in the "late" calving group erases the profits of 2 cows in the first calving group.
- Every cow in the 4th calving group erases the profits of 1½ cows in the first calving group.
- Every cow in the 3rd calving group erases the profits of 1 cow from the first calving group.
- Taken together, the cows in the 3rd and later calving intervals erase 70% of the profitability of the cows in the first calving group.

Source: ABS Global.

Fig. 3: Lifetime avg. return on investment (ROI) per female as affected by date of calving as a 2-year-old



This is summary data of five Texas herds, 1,500+ head. Your herd might differ from the herds studied by Texas A&M, but the same theory holds in virtually every herd: Early calvers are the winners. Late calvers are the losers.
Source: L.R. Sprott, Texas A&M, 2001.

Bronc May, custom feeding manager at Simplot Livestock Co., Grand View, Idaho, who also procures Sagebrush heifers, explains that Simplot and ABS have worked together to annually develop and breed some 5,000 head of Simplot Co. heifers for the past seven years.

"We've seen how much better it made our cow herd, and how much better our heifers were," May explained (see Table 1, page 38). "So it was just natural to go out and offer the western cattlemen a way to professionally get their heifers developed, while adding new genetics and longevity back into the herd."

Scott McNeley, Simplot Livestock Co. general manager of cattle feeding, reports that about 6,000 non-Simplot heifers have gone through the Sagebrush program since its inception in 2006. Simplot Co. cattle add an additional 25,000 heifers.

Along with professional development and AI services, unique to this western alliance is a grass option for bred heifers offered by Simplot on a first-come, first-served basis.

"This year the fire risk has been pretty big," McNeley explains. "We've had a lot of our own (Simplot) ranches that had fires affect their winter and spring ranges." He says this option may allow producers to free up some of their own grass to feed cows instead of heifers, or it could help them increase overall numbers.

While it can help producers extend resources, Sagebrush also offers additional value though its multiple AI cycles and early pregnancy-checking features.

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>
> *— Darrell Wilkes*

Multiple AI cycles give producers an opportunity to have heifers 100% AI-bred to ABS bulls, which, Jones points out, "increases the uniformity of calves at marketing because they are all half-siblings."

And heifers are preg-checked in spring so, if there are opens, producers have the option to easily market them on the spot to Simplot.

"There's more profit potential in an 8-weight heifer in the spring, versus a 1,000-pound open heifer in the fall," Jones remarks.

Four year's satisfaction

Shaw Cattle Co., Caldwell, Idaho, is a seedstock operation that has used the Sagebrush program to its advantage for four years. This family-run registered Angus, Hereford and Red Angus operation was actually the first operation on board the program.

A number of factors steered the Shaws in this direction: Rising feed costs were of concern, as was a facility large enough to feed all heifers as a contemporary group for performance information. They also wanted to expand their herd, and the alliance presented them with a perfect opportunity to do so.

The Shaws send their entire heifer crop in late November.

"That way we can still get our entire yearling data collected," Sam Shaw explains. "When we take yearling weights is when we sort our replacement heifers."

In April they synchronize and AI for two heat cycles. The bred heifers go to Simplot-rented grass in early May, where

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Shaw cleanup bulls are turned in for 30 days. These bred females then return home in early September.

"The beauty of it is we send a heifer calf down there, and we don't get anything back but bred heifers," Shaw states. "She leaves here when she's 8 months old and comes back as a bred heifer ready to calve within four months."

He explains, "What it allows us to do is free up grass in order to run substantially more cows. If you're going to farm out something, those heifers are the easiest to do. If you truly sit down and analyze what it's going to cost us to feed those heifers as far as wear and tear, labor and feed costs, we can't compete with Simplot."

Plus, he says, Grand View is a good place to feed, whether heifers or steers. "It's dry, arid and cattle always do well there."

Shaw, who is also an independent ABS representative, says that four years ago was the very first time his family had ever let any of their cattle go somewhere to be developed or managed by someone else.

"It was an adjustment to see those heifers get on a truck, knowing that you didn't have complete control of them," he admits. "But it all worked fine. They were close enough that we could check on them. They've been really good for us to work with."

He describes the professionals behind the Sagebrush program as "very producer-friendly. They'll recommend but will also listen to what the producer wants," he says, especially when it comes to body condition.

Finding a good fit for heifer development is important, Shaw notes. "Those are your freshest, newest genetics. That's the future of your cow herd. If we don't take care of that generation, that calf crop, we're behind. We want to see them show their genetic potential without hurting them."

Table 1: Simplot Land & Livestock replacement heifer summary, 2009

Heifer origin	Pregnancy rate
Replacements out of first-calf AI-sired heifers	93.7%
All other company replacement heifers, from older cows	88.0%
Purchased heifers	79.0%

All replacements were developed and artificially bred.

Putting these figures into perspective, Simplot's Bronc May says, "A good AI program will breed fertility into your calf crop." He adds, "It looks like these numbers are going to repeat themselves this year."

The Land and Livestock Group of the Simplot Co. manages 15 ranches located in Idaho, Nevada, Oregon and Utah. When combined, these ranches rank this company in the top 10 for largest cow-calf numbers in the United States. They use mainly Angus-cross cattle.

A cost-effective alternative

Shaw bull customer Mark Mackenzie of Mackenzie Ranch, Jordan Valley, Ore., sent 90% of his replacement heifers to the Sagebrush program this past year.

The Mackenzie family maintains all English breeds, including Angus, on their commercial high-desert operation in the southeast corner of Oregon. Typically, they develop their own replacements, but Mackenzie wanted to take advantage of AI genetics in order to capitalize on calving ease and moderation and to shorten up the calving interval.

"I went and looked at it (Sagebrush) a year ago, and was pleasantly surprised at how they kept the cattle in good condition, but not overly fat. So that was

PHOTO COURTESY SAGEBRUSH HEIFER ALLIANCE

The Simplot feeding facility at Grand View, Idaho, the home of the Sagebrush Heifer Alliance, is noted for its warm, dry winters and low-stress, state-of-the-art breeding facilities.

one of the deciding factors that led me that way. They've done this long enough that they have the do's and the don'ts out of it," he remarks.

Mackenzie delivered his heifer calves to Grand View in early December and brought home bred heifers mid-April weighing about 730 lb. — "just a perfect size for us," he says. Mackenzie cattle range year-round, so environment dictates the size and type of cow they can have.

To develop replacements themselves, this ranch processes its own hay, but it has to import concentrates. Between feed and the cost of labor and machinery, Mackenzie says, "it was getting to be very costly."

"The heifer replacement program offered us an excellent ration cost, and the rate of gain was exceptional. We had a great experience as far as feed costs. It was very affordable."

They experienced success with breed-up rate, too, documenting a 96% conception after pulling cleanup bulls.

"I can't tell you the final end game until I ship those calves a year from now," Mackenzie remarks. "But the conceptions, the cattle, the way they wintered them — I had a great experience there. I'm really looking forward to calving those girls out and watching the performance of the calves based on the genetics we've selected."

Mackenzie Ranch's success thus far is precisely the outcome intended by those behind the Sagebrush Heifer Alliance, and their objective of helping to front-load the calving season with early-calving, money-making cows.

Tailor-made breeding programs

ABS Global's Joe Jones and Simplot's Bronc May procure heifers for the Sagebrush Heifer Alliance. In doing so, May sits down with producers to tailor the heifer development and breeding program to each individual rancher's needs.

"I just build him a plan that he can look at and see where he's going to be at the end of this program," he says. They look at a producer's cow herd and then mutually decide on an optimum weight at which heifers should breed, how many heifers he'll start with and how many are needed at the end.

Simplot offers financing for feed, and ABS will finance semen.

"We can make the program pretty reasonable for the rancher," May relays, "and they are welcome to come by any time and look at their animals while they're in the program."

Producers generally have an idea of the breeds of bulls they want to use, but they can also draw on Simplot's cattle-feeding experience.

"We're able to offer some opinions about the genetics that might work best," relays Simplot's Scott McNeley. "Obviously, it's the producer's decision, but we'd sure like to offer an opinion and have some input."

He adds, "We're very competitive in our feed costs, and real profit-minded producers who watch their costs closely will find that we can probably develop their heifers as cost-effectively as they can do it at home and improve their conception rates at the end of the day."

May says, "We feel it's a really good program for the rancher to take advantage of to build their herd. We have seven years under our belt and we feel like we can do a very good job for them."