Got Dairy Data?

Measure to Manage – Components

Change has been occurring in the dairy industry almost since bovines were domesticated and milk was harvested by cattle herders around the world. The pace of change has accelerated at the highest rate in the last 25 years. The changes in the last quarter century have brought into focus that management and breeding needs to be measured and managed for cow and herd productivity.

In economic terms, cash flow is a long understood metric that businesses have used as a management tool. Dairy farmers and their financial advisors and lenders have used this for farm management based on milk production and possibly cattle sales. What has become a dairy farm metric on most farms is cow flow - which cow is in a certain location for feeding or breeding, based on stage of lactation or production levels? There are many monitoring tools including on-farm software, consultants, and individual dairy farmers’ own criteria about managing the cows in their herd. This management is based on having data to manage both the herd and cow flow. This management will focus on production efficiency and the kind and composition of milk sold. The most advantageous option to improve profitability is to get better at the current herd size and manage what you can measure, particularly milk component production and yield.

At a recent agricultural banking conference, one of the speakers noted that from a business point of view, dairy farms will have to approach operations and management differently to manage returns and profits. The traditional strategy of adding cows for increasing returns and profits probably is not the best strategy in either today’s or in future milk markets. Dairy farmers will have to change management strategies for growing these returns and profits using on-farm management based on current facilities, feed quality and quantity, and cow flow. This management will focus on production efficiency and the kind and composition of milk sold. The most advantageous option to improve profitability is to get better at the current herd size and manage what you can measure, particularly milk component production and yield.

It has become clear that efficiency of production is the key to current dairy farm returns.

Milk Component Sampling

To achieve improved efficiency and profitability, dairy farmers should focus on component yield - fat which can be influenced by management and protein which will be more influenced by genetics. The yield and ratio will be important to manage as efficiency and profitability goals are determined and met.

The first step in this management and efficiency process is having periodic milk samples taken and analyzed for fat, protein and somatic cells over the entire lactation. This milk sample investment (view this as an investment rather than an expense) is having a sample taken, analyzed and then the sample information returned to the dairy farm so the farm management team of herd manager, nutritionist, veterinarian, etc. can...
monitor for efficiency through yield of fat and protein.

For many years the implementation of multiple component milk pricing has brought into focus fat and protein yields along with quality premiums for low somatic cell levels. One could surmise that milk volume should be considered from a negative point of view, since component yield is positive and milk volume shipped may not result in optimal efficiency or profitability. These economic signals have increased the need for measuring milk components through participation in the Dairy Herd Information (DHI) programs which result in measurements to manage current milk production and quality. Today, this participation in DHI programs has the opportunity to get a high level of return on investment (ROI) and also an opportunity for a high return through value on information (VOI).

Participation in DHI and subsequent use of this management information can be tailored to the needs of each dairy farm and its use of other on-farm data to manage the herd and its genetics.

When looking at efficiency of production at the herd level, DHI provides both the yield and ratios of fat and protein per cow per day. Having a 75-pound daily milk yield average certainly appears to be a good thing from an efficiency point of view, but more important is the daily component yield. In every herd, some cows will have average or above average milk volume but the fat and protein yields or the ratio is easily unlocked with DHI milk sample results. Without knowing the percentage components or milk quality, dairy farm managers only have half the picture. The saying “you can’t manage what you don’t measure” is really true in completing the dairy farm management picture.

DHI programs and services play a critical role in this evaluation process through sample collection, component analysis and returned results. The DHI system offers the services of an on-farm DHI field technician, DHI lab analysis, and dairy records processing centers (DRPCs), all working as part of the dairy farm’s data management team. Quality Certification Services (QCS) certified DHI organizations are reviewed for compliance with guidelines. QCS-certified DHI organizations have a level of quality and an assurance of accuracy that dairy farmers can trust when making important decisions concerning both herd and individual cow management.

**Make the Investment and Capture the Opportunity for Better Management**

It is clear that efficiency of production is “where it’s at” helping dairy farmers manage their herds as well as they can. The DHI system has been farmer driven, delivering this sample analysis for 109 years. National DHIA has been working on quality certification for the last 49 years for the benefit of both dairy farmers and allied industry to ensure the delivery of quality data for herd management. If you are a dairy farm on DHI, look at the services and products to make sure you are using the best for your management team. If you are not on DHI, consider the investment in the DHI program to increase the potential of your management, efficiency and profitability in today’s dairy business.