



Beef Yield™

BEEFING UP DAIRY RETURNS

Dairy producers continue to adopt beef-on-dairy programs to maximize revenue from the calves on their farms.

"We haven't hit the top of the iceberg yet," says Myles Immerkar, Semex Manager of Global Beef Programs.

"Based on the feedback we receive we expect to see consistent growth over the next three to five years."

This year, Immerkar expects Semex will sell 30% of beef sales for beef-on-dairy crosses. He notes that dairy producers have really come to understand and embrace the benefits a beef strategy can deliver - from fewer days open and increased profits to crossbred calves that gain faster, to reduced hard calvings and overall increased genetic value that comes from focusing on the herd's top genetics.

PREMIUMS FOR CROSSBRED CALVES

Semex's innovative genetic strategy program, Elevate, has proven to be a key contributor to Beef Yield's success. Dr. Steven Larmer, Semex Geneticist and Business Analyst says "With Elevate, we can tap rates, cull rates, death rates - any information we can gather on that herd," explains Immerkar. An algorithm can then determine the best management strategy for each animal: which animal should be getting sexed semen; which should go into an IVF program; and also identify beef-on-dairy candidates for beef semen.

"With this strategy, we produce enough beef-on-dairy to meet needs of the current herd size or the operation's growth goals while maximizing the profitability," says Immerkar. "It's a huge opportunity to increase profit because generally everywhere in the world we're getting paid a significant premium on a crossbred beef calf compared to a purebred dairy calf."

Immerkar notes that many producers are new to the dairy beef market and that means the Semex team needs to invest time with producers to help identify what breeds and what bulls fit their strategy. It's essential to explain the value of certain traits and how they add value to the bottom line. Understanding different markets, the US versus Europe for example, is also important.

UNDERSTANDING BEEF MARKETS

Throughout Europe, muscle mass is a key carcass trait buyers look for but the story is different in the US where marbling really adds value, notes Immerkar.

Traditionally, a Holstein has a small ribeye. Immerkar says Semex wants to help producers select bulls that increase the size the ribeye to increase the yield of these premium cuts. "One of the other things we're trying to do is improve carcass weight - we're selecting bulls that will add extra carcass weight, will grow more and grow quicker."

Calf buyers are also looking for cattle that feed efficiently. It's an important trait and buyers will go back to dairymen who can provide those cattle. "That's how calf buyers will pass on value and premiums," says Immerkar. "Cattle that meet those specs provide more value to them and they will pay more for those calves."

ADDING VALUE WITH SEMEX INNOVATION

Immerkar believes other Semex programs, including Immunity+ with its ability to identify disease-resistant genetics, will inject even more value into beef-on-dairy strategies. "We've started looking at healthier calves, calves that do well when they hit the feedlot. Immunity+ is going to become more important here as the market grows. That's the kind of future traits I think will add extra value beyond those carcass traits."

Immerkar feels more producers will adopt beef-on-dairy strategies as they learn how it can impact their bottom line and help maximize the profit of calves born on their operation.

"It's a quality grade market that pays marbling premiums. This has become more important so we're selecting for a higher amount of marbling meeting that demand."