Virginia Cooperative Extension
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Virginia Tech College of Agriculture and Life Sciences

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DAIRY PIPELINE

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DON'T BE CHEAP WITH YOUR CALVES!

Historically, the goal in raising calves has been to transform them into functioning ruminants as quickly as possible. This meant feeding marginal quantities of milk to encourage calves to eat dry feed sooner.

It seemed logical that less money spent on milk or milk replacer and increased consumption of less expensive calf starter and forage was a win-win situation. However, research and experience have shown that these practices are not biologically normal or profitable in the long run. Extensive studies at universities and on dairies have confirmed that it may save money during the relatively short period when liquid diets are fed but has potentially detrimental impacts on long term productivity and health.

"'Investment' priorities for the pre-weaning period should be directed towards those expenses that offer the most return in growth and good health."

What does it cost to raise a calf to weaning? Seventeen dairies in New York participate in an extensive record keeping program on replacement rearing costs (Karzes, 2013). Every 5 years this data is summarized. In 2012 the total rearing costs during the first 8 weeks of life averaged nearly $6.50/day. Of this amount, nearly $3.75 could be attributed to feed cost. "Investment" priorities for the pre-weaning period should be directed towards those expenses that offer the most return in growth and good health.

Feeding adequate amounts of a high quality liquid diet. Pre-weaned calves should receive at least 2 lb. of solids from milk or a high quality milk replacer. This amounts to at least 7 quarts per day and will cost $3.00 or more per day. More liberally fed calves won't consume much starter grain for the first 2-3 weeks of life, but should be eating 2–3 lb. per day at weaning around 6 to 8 weeks of age. Limit feeding calves milk, milk replacer, or feeding a poor quality milk replacer may save money per calf per day. However, the calf uses more nutrients for maintenance functions with less available to support gain. Calf growth per lb. of body weight can get very expensive in these situations. In addition, poor nutrition may result in greater health problems, particularly from respiratory disease as less nutrients are available to support immune function.

Labor efficient housing. The priority here is to keep calves dry. If their hair coats are wet, calves lose body heat more quickly which increases maintenance requirements and decreases gain and nutrient efficiency of the gain. Feeding milk fed calves is time consuming. Calf housing systems such as hutches are popular, but frequently are less labor efficient. The investment in properly engineered calf housing systems can promote good growth and a high degree of labor efficiency.

Thoroughly evaluate feed additives. Ask for published research to support the use of any additive in a calf diet. If testimonials or uncontrolled field trials are featured be careful. Anticoccidial drugs, Ionophores and some fly control chemicals are probably the most cost effective. Does the expected economic benefit of using the additive offset the additional expense?

Feeding and managing the pre-weaned calf is expensive on a cost per day basis. However, the length of this segment in heifer management is short and the potential long term impacts on health, growth and long term profitability are high!

—R. E. James,
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Upcoming Activities

See VTDairy for details.

May 2, 2015
Little All-American

May 18, 2015
Hokie Cow Classic Golf Tournament

June 12, 2015
District 4-H Dairy Judging Contest

June 22-25, 2015
State FFA Convention

July 17, 2015
VSDA Field Day at Kentland

September 25, 2015
State Fair Junior Dairymen's Contest

September 27-30, 2015
National 4-H Dairy Conference

November 2015
Holistic Management &Risk Assessment Workshops for Dairy Famers in the Southern Region (Workshop 1)

January 2016
Holistic Management &Risk Assessment Workshops for Dairy Famers in the Southern Region (Workshop 2)

If you are a person with a disability and require any auxiliary aids, services or other accommodations for any Extension event, please discuss your accommodation needs with the Extension staff at your local Extension office at least 1 week prior to the event.

For more information on Dairy Extension or to learn about current programs, visit us at VTDairy —Home of the Dairy Extension Program at: www.vtdairy.dasc.vt.edu.

R.E. James,
Dairy Extension Coordinator & Extension Dairy Scientist, Dairy Nutrition

PREPARING YOUR FARM BUSINESS FOR THE FUTURE

I run into many farm families trying to figure out how to transition their businesses to the next generation. There are some whom have a capable *and* willing younger generation, some that have a capable or willing younger generation, and still others that don't have either. Every situation presents its own set of unique challenges. No matter what the situation may be for your operation, planning is imperative for the succession to be successful.

Ideally, planning for the end of a business or the transition of one should begin early. By that I mean that when you start your farm business or when you take it over from your parents you should be planning for your retirement. For many farmers, retirement is a dirty word, but it shouldn't be. Planning for the future should be a priority for any business.

Planning is all about creating options for your business. If you don't have options, then you won't have the opportunity to make a decision that could better the life of you and your family. Many farmers are familiar with having a life insurance policy, but few take the time to create an IRA (Individual Retirement Account). While IRA's are commonly used outside of agriculture they are often viewed as an unnecessary expense for most farmers. Many farmers view their land and other physical assets as their retirement. I once believed this myself, but have come to realize it is just poor planning.

> "No matter what the situation may be for your operation, planning is imperative for the succession to be successful."

Starting an IRA in your mid-twenties and adding only a few thousand dollars a year is an achievable goal and those funds—though not usable today—will multiply 5 times by the time you are near retirement age. Now consider if you had a farm and a retirement account, the retirement funds would be able to supplement the payments being received from your heirs. This can significantly improve the profitability of a farming operation. With the average person now living to nearly 80 years old multiple sources of income in advanced years of age are not an option but a necessity. The sooner these investments begin the more funds that will be available in the future.

So, what if you are in your forties or fifties? If that is the case, then you should start your investments in retirement today. You can contribute $5500 per year up until age 50 then $6500 per year until you retire. You may want to consult your tax advisor to see if there are any tax benefits to investing this money.

Again, this strategy is not about telling you whether or not you should retire, or about when you should retire. It is merely about providing options so you can choose if and when you might retire and how to maintain a sustainable farming business.

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