

More than ever, managing milk components is key

To optimize milk cheques, SNF ratio or herd management, producers must continue to pay close attention to milk components.

From a business point of view dairy farms have to approach things differently in order to maximize and grow profits. For many herds, purchasing quota and adding cows was the strategy to grow cash flow, efficiency and profits. When operating in an environment where additional quota is expensive or hard to come by, while solid non-fat (SNF) policies are tightening up, you now have to look at optimizing your margin and the profit on that fixed quota. No doubt the focus is on efficiency of production and more than ever dairy producers have to focus on components production.

For Your Milk Cheque

At a time where buying more quota may not be possible, the only way to maintain or grow margins is to become more efficient at the various aspects of operating the farm. As it relates to milk production, the efficiency of components production is key. Under multiple components milk pricing, the amount of fat and protein sold and the cost to produce those components is what drives efficiency.

For example, filling your quota with fewer cows will result in an efficiency gain as it maintains your revenue while lowering your costs. In some cases, increasing the Protein to Fat ratio (without exceeding the SNF ratio) can have a very positive effect on your milk cheque.

Having a high per cow milk production is usually a good thing from an efficiency point of view, but more importantly is the components that are produced with that. Of course, producers get paid on what's in the tank, but improvements in the tank are

more easily made when individual cow and group information is readily available. We know that component production can vary significantly from cow to cow and that means that the revenue they bring also vary. Components yield is a function of volume and % components in that volume. Without knowing the % components you only have half the picture. Low component cows are inefficient cows and over time they should be replaced. Individual component testing is needed to identify those cows.

Milk weight alone can't tell how much fat and protein they produce. Component analysis is needed to find out which cows are profitable, and more importantly which ones are not.

Where is your herd at and do you know which cow is producing component rich milk and more importantly which cows are not? Selling milk at higher components and best possible ratio can really add to your bottom line.

SNF Ratio Cap

As the Canadian dairy industry continue to address the structural surplus situation, SNF cap policies are being adjusted, harmonized between provinces and are becoming more stringent for producers.

The milk your cows produce contains fat, and SNF (solids non-fat, which are essentially protein, lactose and minerals). The ratio under which these components are produced does vary at the cow level. The most variable and easily changed is the fat production. So working on higher fat yield will



not only improve your efficiency and reduce cost, but will also result in a lower SNF ratio which will help ensure your herd will not be penalized. Of course the SNF ratio is a bulk tank and overall herd issue, but some individuals or group of cows will have a naturally high or low ratio. Cows with low fat and high SNF ratios should move up the priority list as culling candidates. Knowing the cows and group information will help manage the overall herd situation.

Optimum Nutrition and Herd Management

The analysis of milk samples from individual cows for butterfat and protein provides herd managers and their advisors with valuable predictive information on the herd's nutrition and health status. The milk components can provide clues that one or more groups of cows within the herd are not performing up to the expected level, given the ration provided, genetic potential and herd management factors.

For example, if butterfat percentage in early lactation is high or has trended up, it could

be an indication of subclinical ketosis during the important fresh and transition period. It may be indicating a fresh cow or close-up ration or management issue. On the other hand, if butterfat levels are low or inversions are higher for a group or the entire herd, keeping an eye on effective fibre or subclinical acidosis would be warranted.

The analysis at the cow or group level can easily be done and customized for each farm with Dairy Comp 305 software. It can be done at the farm or with your advisor.

Changes in component percentages or ratio, particularly in the transition period, is usually a good indication that something has changed in the diet or that a health problem may be about to occur. Keeping an eye on components during the different stages of lactation is a simple, yet effective way to monitor the herd performance.

SCC, MUN, Disease and Pregnancy Testing

An added bonus is that DHI has a growing list of additional testing that can be done. From SCC, milk urea nitrogen (MUN) to mastitis, disease and now pregnancy testing, many value added test options are available. All of those tests can be done with incredible convenience, using that same already collected DHI sample.

Dairy farming is a big business and the old saying that you can't manage what you don't measure certainly applies. Knowing and managing for milk components, SCC and ratios is key to efficiency and profitability in today's environment.