



Dairy farmers share custom heifer raising preferences

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Many Wisconsin dairy farmers choose to have their young stock custom raised by someone else. This lets them concentrate on what they do best—manage the cows that produce milk—and frees up land and facilities for their milking herds. But dairy farmers are concerned about the price of custom heifer raising, and some transport heifers to another region of the country where housing and feed costs are lower. Would dairy farmers consider having their heifers raised in a managed grazing system to reduce costs? Confinement dairy farmers are typically the most likely to use custom heifer raising services and have enough heifers to support a custom raising business. Would they consider pasture-based operations?

Pat Hoffman of the UW Agricultural Research Station at Marshfield and Don Schuster of UW-Madison CIAS designed a survey to answer this question with support from the UW Extension Dairy Team. They found that Wisconsin dairy farmers using grazing, traditional and confinement management systems believe that raising heifers on pasture benefits their health and productivity. These farmers have specific preferences about calf and heifer raising which can help those planning or currently operating a custom heifer raising farm.

Dairy farm characteristics

Respondents to the survey identified their farms as grazing operations (100 responses), traditional operations (605 responses) or confinement operations (71 responses). By definition, grazing dairy farmers, or graziers, attempt to harvest up to one-half of their herds' forage needs using a grazing system. A traditional dairy farmer milks 50 to 150 cows with stored feed and primarily family labor. A confinement dairy farmer milks cows in a parlor, houses cows in a freestall barn and relies primarily on hired labor. In this brief, the term "calf" refers to a young animal still on milk or milk replacer, while the term "heifer" refers to a female replacement animal that has been weaned from milk or milk replacer.

About 20 percent of the confinement operations and three percent of the traditional operations had female calves custom raised, with no custom calf rearing on the grazing farms that responded to the survey. One percent of the grazing operations, 31 percent of the confinement operations and five percent of the traditional operations used custom raising for heifers. Twenty-one percent of the graziers, 88 percent of the confinement farmers, and over 43 percent of the traditional dairy farmers had considered this option.

"These survey results suggest that confinement dairy farmers consider custom rearing as a business option more so than graziers or traditional farmers, indicating that confinement dairy farmers would be a more likely set of clientele for custom calf and heifer rearing operations," says Hoffman. Larger confinement farms raise more calves and heifers than the other types of farms.

Preferences and concerns

The survey established that dairy farmers' interest and animal numbers are sufficient to support a growing custom raising industry. But how do these dairy farmers want their calves and heifers raised?

"We found that someone wishing to develop a custom heifer rearing business based on pasture would not be limited by farmers' ideas about the effect of grazing on the health and productivity of dairy heifers," observes Schuster. This survey asked, "Do you think that feeding and managing heifers on pasture has positive or negative implications for the health



Raising heifers on pasture can be very cost effective.

Wisconsin dairy farmer opinions about custom heifer raising

- Cost is the primary concern of dairy operators.
- All types of dairy operators in Wisconsin view grazing heifers positively.
- Confinement operations are the most likely to consider custom calf and heifer raising, but they are unlikely to use custom heifer grazing unless it is part of a single source, year-round operation.
- Wisconsin dairies are not interested in heifer rearing partnerships where heifers are grazed on one farm in the summer and sent to another farm for winter confinement, despite potential cost savings.
- Any custom calf and heifer business will require close attention to costs and disease prevention and control to attract the interest of dairy producers who currently raise their own heifers.

and productivity of replacement animals?” Nearly 90 percent of graziers responded very or somewhat positively. For confinement dairy farmers, nearly 75 percent held very or somewhat positive views about raising heifers on pasture. Nearly 72 percent of traditional dairy farmers were very or somewhat positive about pasture.

The primary concern about custom heifer rearing was cost. While disease was the second highest concern, graziers and traditional dairy farmers were less concerned about disease than confinement operators.

When producers were asked what housing system they would prefer for their custom-raised calves, confinement farmers strongly favored cold calf housing in either a cold housing barn or calf hutches. While graziers and traditional farmers did not have clear calf housing preferences, graziers wanted their heifers reared on pasture. Traditional and confinement farmers had no clear preferences about heifer housing.

Most dairy farmers wanted heifers bred by artificial insemination on the custom farm. They preferred paying per head per day over paying on weight gains and preferred having the heifers return one to two months before calving.

Possible scenarios

The survey asked for feedback on two hypothetical situations. First, dairy producers were asked to consider whether they would have heifers custom grazed just during the summer if it saved money. Forty-two percent of the graziers said yes. Only 22 percent of the confinement farmers and 30 percent of the

traditional farmers would consider this option. Confinement operations don't normally de-populate and re-populate heifer facilities by season. “This response shows that custom dairy heifer operations offering summer grazing and winter confinement would appeal to dairy producers,” concludes Hoffman.

A second question asked if producers would consider having their heifers graze in the summer at the farm of one custom raiser and move to winter confinement at the farm of a different custom raiser if the savings were \$500 per heifer compared to industry averages. Forty-two percent of confinement dairy farmers would possibly choose this option. Only 17 percent of the graziers and 22 percent of the traditional dairy farmers would consider it. A majority of survey respondents rejected this structure despite the substantial cost savings, suggesting that a situation involving two custom heifer raisers would not appeal to most dairy producers.

For custom calf and heifer raisers to appeal to most Wisconsin dairy farmers, they need to manage animals at one farm throughout the year. They also must control disease. If they can provide high-quality service at a competitive cost, they will be on track to build successful custom heifer raising businesses.

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