RAISING REPLACEMENT HEIFERS: WHAT ARE THE OPTIONS?

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The heifer calves born today are the cows that will be in milk two or more years from now. These heifers should be the best animals on the farm and should be managed as such. This is important to consider because proper management of these animals early in life will affect their future performance and ultimately the future profitability of the herd. The replacement heifer program is an investment in the future of the farm. Once weaned and moved out to pasture, these animals are often overlooked and are thought to be able to “take care of themselves.” This often is viewed as an area of savings in both expenditures and labor for the farm but may result in increased age at first calving and ultimately in increased herd costs. So what was originally thought of as savings can actually turn out to be just the opposite in the long run.

Regardless of the management guidelines followed by individual producers, the goals of any heifer-rearing program should be similar. That is, to rear replacement heifers that will develop their full lactation potentials at the desired age and with minimal expense. There is no “best way” for all producers to raise heifers, as resources and economic conditions vary from farm to farm. In choosing a replacement management program, it is important for dairy producers to know that they have options. They can raise their own heifers, contract with a grower, sell young heifer calves with first option to buy back, or purchase replacement heifers as needed. Each option has advantages and disadvantages, so farmers and growers should study them thoroughly before deciding who should raise the dairy herd replacements. The cost of poor management can be great, and it may be more profitable to contract or purchase heifers than to raise them on the farm.

Why would producers want to raise their own heifers as opposed to having someone else do it for them? First of all, this option enables a producer to maintain a closed herd and thus have better control over herd health. Additionally, this option would allow better control over herd genetics. There are numerous reasons for choosing to keep the heifers and raise them on the farm. These animals can provide returns to underutilized labor and facilities if this situation exists. Heifers can consume feed not used by the milking herd or can serve as a cleanup group to graze after cows. Rearing heifers is a job children can do and could provide training and income to the younger generation on the farm. Finally, the individual may have the ability to raise heifers better and cheaper or simply may not want the hassle of dealing with contracts.

On the other hand, why would a dairy producer have someone else raise their heifers? They may lack the experience, interest, facilities, or feed resources necessary to manage their heifer enterprise. If more milk is needed to improve cash flow, then more time will be needed to improve the production efficiency of the milking herd as cows return more income to labor, feed, and housing. In some cases, herd health problems may warrant the removal of young stock from the older problem animals. And finally, the farm family may want to improve their quality of life by having more free time and fewer responsibilities.

If raising heifers themselves or contracting with a grower doesn’t suit, dairy producers may want to purchase herd replacements. The reasons for choosing this option may be similar to those for choosing to contract with a grower, particularly those mentioned above concerning herd health problems and the need to improve milk production. However, there are situations that may be best handled by purchasing heifers. For example, herd genetics may be too poor to produce the type of herd replacements needed. Better replacement heifers could then be purchased as needed. Purchasing heifers could prevent a producer from being stuck with heifers poorly raised by someone else. This option also eliminates any possible conflict with growers and contracts.

Each option for rearing replacement heifers has advantages and disadvantages, and these vary with the individual situation. In deciding which option is best, the producer must determine which option is most economical for supplying healthier, better bred heifers for the future productivity of the dairy farm. However, control of decisions in management of these young heifers is something to consider. If heifers are raised on the farm, the producer controls all decisions, whereas with purchased animals he has no control other than to purchase or not. When contracting with a grower or when selling with an option to buy back the bred heifers, there may be an opportunity for some control over decisions in rearing and breeding. This is an important consideration when deciding how heifers will be raised because these decisions can affect the quality of the animal being purchased.
When considering contract heifer rearing, some basic questions must be answered concerning ownership, feeding and management practices, veterinary care, breeding, and payment for various services. Pricing criteria is an important consideration, as some growers charge on a per day basis while others charge on a weight gain basis. Care must be taken to avoid contracting with growers who excessively fatten animals in order to increase their profits. This could result in health problems and decreased milk production in lactation.

Finally, the producer must consider the economics. The advantages mentioned earlier may or may not justify the extra cost of contract rearing. Once the pro’s and con’s are sorted out, and the decision is made to work with a heifer grower, it is important for the producer to make sure that he has a contract. Entering into a contract deserves careful thought. The contract must be acceptable to both the dairy farmer and the heifer grower. Contract heifer rearing is a business arrangement in which the producer is the boss and the grower is the employee. However, the wishes and expectations of the dairy producer should be reasonable in order to receive the priority attention they deserve.

If purchasing heifers is the route chosen to obtain herd replacements, there are some considerations to keep in mind. Price is usually the first factor to consider when shopping for heifers. However, the quality of the heifers and reputation of the breeder are very important to evaluate in association with the price. The health, age, physical appearance (size and conformation), pedigree (sire, dam, etc.), and stage of gestation (if the heifer is bred) are all important factors to consider in determining the price of the heifer. The source of the heifers should also be evaluated from a biosecurity stand-point. And finally, the location and cost of transportation should be considered when purchasing heifers.

**SUMMARY AND CONCLUSIONS**

Replacement heifers represent the future of the dairy farm. When deciding the best way to manage the heifer enterprise, dairy producers should realize that they have several options. There are advantages and disadvantages to each option depending on the individual’s situation and needs. Therefore, it is important to carefully study these options to determine which is best to meet your goals.