

## Pricing Example

### May to May

210 kg animal.

Maintenance: \$2.50/head/week.

52 Weeks: \$130.00/head/year.

Weight gain: 230kg at \$2.25/kg =  
\$517.50

**Total: \$647.50 per year**  
**\$12.45 per week**



## The high cost of cheap grazing...

*A case study by a top dairy nutritionist shows how cheap grazing compromises herd production and fertility.*

The case study of a dairy farmer who was told to seek cheaper grazing for his 80 heifers, showed a \$12,480/year saving when his new grazer charged him \$9/h/wk, \$3 less than what he had been paying. However, he lost \$42,480 in milk production and \$8000 in heifers not in calf. He paid \$9200 to replace them, and also had increased costs for heifers that did not come on heat.

Farmers who grazed their heifers at home also faced increased feed costs. In a low payout year farmers might keep their heifers at home, so they either need to spend money on feed or have fewer cows and less production. Either they lose productivity or the growth of their heifers will be compromised. Dairy nutritionists say that over 17 months, average cross bred heifers would need 3 tonnes of feed to reach target weight of 370 kg. The farmer is better off to graze heifers off the farm - provided they come back fully grown.

Often calves and heifers are treated as a by-product until the 1<sup>st</sup> of May two years later. Farmers are then disappointed with their performance, when in fact they should be the most important animal they own. They are the future.

The first question for a lot of farmers is – how much will it cost? – not, what weight will they come back? Unfortunately, most farmers base their choice on the cheapest deal.

Properly grown heifers enter the herd and produce more milk solids in their first lactation and beyond, get in calf early for their second lactation, stay in the herd longer (so replacement rates are reduced) and need less intervention – meaning fewer vet costs.

An LIC study of more than 105,000 animals showed nearly ¾ were more than 5% underweight at 22 months old.

A warehouse approach to heifer growth is costly. In the long term, cheap grazing is expensive.

**THEY ARE NOT A COST, THEY ARE AN INVESTMENT!**



# PinnacleAg



## Grazing Services



# What we offer:



- \* Weight-gain based contract.
- \* Central North Island location.
- \* Service bulls provided.
- \* Monthly billing means no unexpected costs.
- \* Regular animal health programme.
- \* All drench supplied.
- \* Facial Eczema monitoring and treatment.
- \* Monthly weight gain reports provided.
- \* Specially formulated feeding regimes to achieve weight gain targets.
- \* Experienced staff dedicated to achieving the best results for your heifers.
- \* Grazing contract tailored to suit your needs—(May to May, Winter Grazing etc.)

## Pricing Example

### December to May (Weaner contract)

100 kg animal.  
 Maintenance: \$1.00/head/week.  
 21 Weeks: \$21/head.  
 Weight gain: 110 kg at \$1.80/kg =  
 \$198.00

**Total: \$219.00 for Dec–May**  
**\$10.42 per week**



*Target weights are double plus 10%  
 eg. End target for 210kg animal is 441kg*



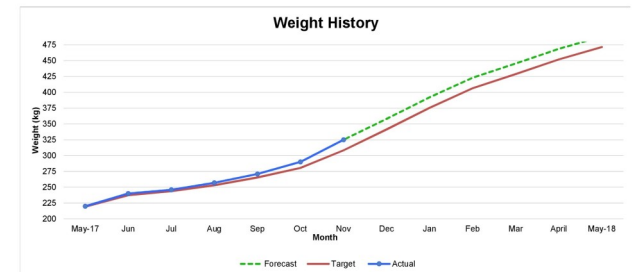
### EXAMPLE

Your Contact: **Andy Carlson**

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Phone: 0274 529 697

Monthly Weight Report					15/11/2016	
Grazier: H Smith					Owner: Dairy Farm 1	
<b>Summary Statistics</b>						
Weigh Date: 13/11/2016	Average Weight (kg)	Current Growth Rate (kg/h/d)	Overall Growth Rate (kg/h/d)	Activities:	Notes:	
Target	237.5	1.10	0.67	Matrix C Drench		
Average	247.9	1.14	0.71			
Min	202	0.57	0.49			
Max	289	1.5	0.95			



Purchaser:		Dairy Farm 1	
Tally	100		
Maintenance Rate (\$/Week)	\$2.74		
Weight Gain Rate (\$/kg)	\$2.25		
Maintenance - Maintenance rate x tally x days (converted into weeks)		Weight Gain - Weight gain rate x Total kg gained	
Days since last weigh	30	Total kg Gain	2500
Total	\$1,174.29	Total	\$5,625.00
Combined Total:		\$6,799.29	

### For Further Information:

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