

System 'shake up' can improve profitability

Tighter pattern reliability

Moving to block calving can go some way to mitigating lower milk prices and continuing market volatility. But is it for every herd? And what's the best way to implement a move from all-year-round calving to a tighter pattern?

text **Rachael Porter**

Are you one of the growing number of producers who's been mulling over the possibility of moving to a block-calved system? If so, then LIC consultant Piers Badnell says that the first question that producers should ask themselves is: 'would it improve profitability?'.

"If it won't improve profitability then it's a non-starter. The biggest driver for profit is cost of production. So producers should benchmark their COP and look for a potential reduction of more than 30%, compared to the national costed-herd average. If this figure is not high enough, it could be an expensive mistake."

If the figures add up, there are two typical ways to make the switch, according to Mr Badnell: gradually, across several years, with the strategic use of home-bred or bought in heifers; or selling the whole herd and buying in stock that's due to calve in the same 'block'.

"And there's a combination of these two. Some producers may move to two blocks by buying and selling stock as well as utilising their own heifers to shift the pattern. But whichever way producers decide to do it, having the right type of stock is a vital starting point.

Milk cheque

"Some breeds – typically the higher yielding Holstein – are much less suited to block-calving. Good fertility and the ability to graze are absolutely vital to the success of this system – be it autumn or spring calving."

Again, before any rash decisions are made or steps taken, producers also need to have a conversation with their milk buyer. "Find out how a change in your supply could impact on your milk cheque. Perhaps they're looking for more autumn milk, so that's a green light. Maybe they prefer a split block system, so that could be another option.

"If they're not particularly flexible, you could even look for a new contract elsewhere. But it would be



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Fresh start: moving to a block-calved system could give your bottom line a new lease of life

foolish to take such a huge leap without the backing from a milk buyer.”

Cash flow can also be an issue. So Mr Badnell says that producers’ second conversation – after the one they have with their milk buyer – should be with their consultant and/or accountant. “Find out if and how your business could cope with the impact to a change in cash flow. Perhaps there’s potential to increase overdraft facilities or there are other streams of income that could soften the blow.”

Budgeting is also vital because, although there will be quieter periods throughout the year, there will also be busier ones where additional labour may be required – or additional housing/facilities for calvings, and calves and greater demand on feed supplies. “Make sure you have the infrastructure, the labour and the skills required to cope with ‘peak’ periods, such as insemination, drying off and calving.

“Just take your time, plan well and know exactly what you want to achieve and how you plan to get there. And be sure that, when you do, you’re going to be in a much better

place financially and personally. I’ve yet to meet a producer who regretted moving to a block-calving system. As well as improved profitability, they all say that it’s given them a better quality of life and time away from the farm. But they add that this is only possible because management has to be more focused and there are periods when they’re flat out. But the pay off for them is worth it.”



Piers Badnell: "Block calving can improve profitability and offer a better quality of life"

Fertility focus

Dublin-based producer David Moore certainly falls into this category. He runs his 150-cow Fowlerstown pedigree Holstein herd, at Stamullen, on a split block-calved system. Around 40 milkers are due to calve in a five-week window – from October 1 to November 10 – this autumn. And next spring will see the remainder of the herd calving in an eight-week block from January 15. This is the tightest his ‘pattern’ has been since he began a move towards block calving two years ago. But the journey to where he is today started around seven years ago. “It’s been a gradual process and, looking back, I wish I’d had to knowledge to speed things up a little,” says David.

For him, the key to moving towards block calving

was herd fertility, which was less than ideal when he first joined the family business in 2009. Calving interval was 427 days and feed costs were 9ppl. Today, after a change of emphasis on breeding and feeding and grassland management, calving interval is down to 368 days and feed cost have dropped to just 4ppl.

“In 2009 our milk from forage was just 2,500 litres and we were feeding between 2.5 and 3 tonnes of concentrate per cow. Today those figures are 5,000 litres and 1.6 tonnes, respectively.”

Much of this is down to making better use of forage, by making a gradual change from all-year-round calving to two blocks. This has been facilitated, predominantly, by breeding for better fertility, according to David, who farms in partnership with his father Robbie and brother John.

“Fertility has been the focus for the past decade. Without good fertility, you can forget about block calving. So we select sires for fertility first and then production, followed by type.”

Submission at 42 days post calving is vital – 85% are seen cycling 21 days after calving – and non-cycling cows are monitored closely. No cow is allowed to slip through the net because maintaining a good calving interval is crucial.

Grassland management: producing more milk from forage is key to success



And David also uses genomic technology to identify the elite genetics in the herd. As well as improving milk solids production, health and feed efficiency, this also serves to maintain and further improve herd fertility.

“I wish we’d had access to this technology 10 years ago as I’d have got to where we are today much sooner. There’s no doubt that block calving is more profitable for our business – due to the reduced feed costs and increased efficiency. And it also gives me a better lifestyle. I have four busy six-week periods each year – a serving and a calving period for each block – rather than having the constant pressure of AI and calving all year round. It frees up more time to have a life, which is important now I have young children. I really can’t stress that enough.”

Life saver

Alan Jones, who runs a 300-cow herd in partnership with his father John at Llanon in west Wales, also says that moving to a block-calving system has given him his life, outside the business, back. “All-year-round calving on our unit produced a huge work load; Having to pay such close attention to detail for 365 days of the year was beginning to wear us down and the final straw was a lack of

free time to spend with my children. Something had to change,” says Alan, who admits that when his father first suggested they moved to a block-calved system more than 15 years ago, he was adamant that it wasn’t the way forward. “I’ve since changed my mind. Production is important, but not at the expense of profit and efficiency. And certainly not at the expense of quality of life.”

Strict approach

During the past five years, the Baecardi pedigree Holstein herd has predominantly moved over to more fertile and pasture-based Jersey cross cows. And this spring, apart from 35 heifers, the entire herd calved between January 28 and April 14. “This year everything will be dry come the winter. We’ll begin calving on February 10 and end in early April. We’re as tight as we’d like to be,” says Alan, adding that the challenge he and John now face is to keep the pattern tight. “We are now breeding for better fertility – that’s key to success of any block-calving system.” He’s also pushed up cow numbers since 2010 from 200 to what will be 360 head in spring 2017. “We’ve bred some of our own replacements, but we’ve also bought in Jersey cross heifers. The gradual change worked best for us. We started by moving to two blocks – spring and autumn. We found it easier to ‘push them on’, rather than reduce their calving interval. But we were also very strict about when we stopped serving and sold cows that didn’t get into calf.” Yields have fallen from around 9,000 litres, with 4,000 litres from forage, in 2010 to around 6,500 litres (4,100 litres from forage) this year. “That was inevitable, but we’re just as profitable now and we also have a better quality of life. We’re busy for specific periods of time and then there are quieter times. We will have to budget for a tighter cashflow to manage winter costs. But we’ll get used to it,” he says, adding that he’s also paid for milk solids with his current Arla contract.

As for advice for producers thinking about making the switch: “Join a local discussion group – that was a huge step forward for us. Meeting and talking to people who’d already moved to block calving was invaluable – both in terms of benchmarking and general support. They already know all the benefits and pitfalls of managing cows on such a system in your area, make sure you tap into that. I really can’t stress that enough.” |