



Economics of Reproductive Performance Tool

What is this tool?

This is a **gap calculator** tool. It compares your level of overall reproductive performance to targets and estimates the scope for increasing operating profit through improved reproductive performance.

Why use this tool?

Use this tool to get a quick estimate of how much more operating profit could be gained through improving overall reproductive performance in your herd.

1. Enter your **6-week in-calf rate** and **not-in-calf rate** in the boxes over page. Your *InCalf Fertility Focus* report will provide the actual or estimated 6-week in-calf rate. It may also provide not-in-calf rate depending on the quality of pregnancy diagnostics data.
2. Work out the gap between these measures and target levels of performance. You can use the industry targets listed, or with good reason generate your own targets.
3. Complete the rest of the calculations to estimate additional operating profit that could be made through achieving target levels of overall reproductive performance.

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1. What is closing your 6-week *in-calf* rate 'gap' worth?

Your herd's 6-week in-calf rate % **(A)**

Your desired 6-week in-calf rate % **(B)** (Note: industry target is 78%)

Gap (B - A) X *\$4 X cows in herd = \$ **(C)**

(e.g. A 300-cow herd with a 6-week in-calf rate is 65% (A) that aims to achieve 72% (B) next season. The gap is 7% (B – A). Use this actual % gap in the calculation above - 7 X *\$4 X 300 cows = \$8,400 (C)).

*This economic multiplier was estimated through modeling assuming a \$5.50 per Kg MS payout.

2. What is closing your *not-in-calf* rate 'gap' worth?

Your herd's not-in-calf rate % **(D)**

Your desired not-in-calf rate % **(E)**

(Note: Industry target is 13% after 9 weeks, 12% after 10 weeks, 11% after 11 weeks, 10% after 12 weeks)

Gap (D - E)..... % X **\$10 X cows in herd = \$ **(F)**

(e.g. A 300-cow herd with a not-in-calf rate is 15% (D) and aims to achieve 12% (E) next season. The gap is 3% (D – E). Use this actual % gap in the calculation above - 3 X **\$10 X 300 cows = \$9,000 (F)).

**This economic multiplier assumes a \$1000 value differential between a not-in-calf and in-calf cow.

3. What is closing your *overall herd reproductive performance* 'gap' worth?

Total operating profit (C) + (F) = \$ per year

(e.g. Closing the gaps (C + F) for the example 300-cow herd would generate an additional \$17,400 in operating profit. Investment costs that maybe incurred in the effort to close these gaps need to be considered in light of this potential economic benefit).

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