



LibertyGenetics
PROVING THE BEST VALUE

TEAM TALK

AUGUST 2010

Hot Topics in this Issue

- Profit opportunities from using sexed semen
- Retro Organics Success Story
- The Genomics Bubble
- Reviewing your Mating Plan

Profit Opportunities from LG75x Sexed Semen

Demand and Calf values are strong both for Dairy replacements and beef-X calves. Sexed Semen has been a long time coming but now it's here to stay because Liberty Genetics has come up with a cost effective sexed semen product, LG75x that creates new profit opportunities.

The sexed semen goes through a strenuous production process and the sorting of the female and male sperm results in semen being less fertile than conventional semen which can lower the on-farm conception rate by around 12%. This risk can be managed by advancing the mating plans, synchronising young stock at the start of AI or inseminating selected cows a week before the herd's official AI start date.

When using LG75x pay close attention to the instructions provided to maximise conception rates. LG75x is the best value sexed semen proposition and is priced attractively at \$38 for a nominated straw and \$32 for team LG75x per straw.

It is exciting that LG75x will enable farmers to:

- double herd genetic gain by breeding heifer replacements from the yearlings and the top of the herd

- increase cash flow during spring by selling surplus dairy heifer calves or beef-X calves.
- increase days in milk, with early matings and use of Short Gestation beef sires

LIBERTY GENETICS CAN HELP YOU CAPTURE THE OPPORTUNITIES

For farmers to maximise the return on their investment in sexed semen:

1. Mate your Yearlings (genetically superior, but should be well grown and cycling)
2. Inseminate highly fertile early calved cows.
3. Forward contracts and/or AB costs pre-paid, to supply some classes of calves
4. Stock Mates can provide skilled staff to execute your heifer synchro program

POTENTIAL BENEFITS FROM USING SEXED SEMEN FOR HEIFER MATING

1. Ramp up genetic gain – maximum number of high BW replacements
2. Certainty of sex ratio and positive outcome from heifer synchronized mating
3. More earlier born replacement heifers
4. More uniform breed mix in the herd - Possible to use same breed sire over the yearlings with minimal problems, (mostly heifer calves)
5. Reduce the bull power required for heifer mating
6. Extra early spring cash flow from calf sales
7. Extra days in milk
8. Improve overall herd fertility (short gestation effect, plus better and earlier calving replacements)

CALL LIBERTY GENETICS TODAY TO FORMULATE A PLAN!

Want More Value For \$ Spend On AB?

Then synchronise your yearlings to LG75x (Liberty Genetics 75+% Heifer Sexed Semen)

And:

- increase genetic gain by twofold
- increase heifer replacements
- increase on-farm cash flow by maximising calf values (dairy or beef)

Team LG75+% - \$32

Nominated LG75+% - \$38

MORE HEIFERS = MORE PROFIT

NZ farmer owned.

Driving down AB costs!



Check out our website or call
Freephone **0508 454 237**



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Retro Organics Success Story

Liberty Genetics clients Robin and Lois Greer are dairy farmers with a special passion.

The Greers started their farming career in South Auckland in 1981 and went on to achieve farm ownership, moving onto their 80 hectare Southland dairy farm in 1993. The Greers envisioned that their Southland property would not only produce quality milk, but process it as well.

Today the Greers own and farm two adjoining properties, 300 hectares in total, milking 770 Jersey cows. They produce organic milk and manufacture a range of organic cheeses, yogurts and milk in their on-farm milk factory that was built in 2008. The goal of Retro Organics is to process all of their milk in their factory however they currently sell the surplus to Fonterra.

The Greers hadn't set out to farm organically but the deadly cancer disease that took the lives of both Robin's and Lois' fathers at a very young age encouraged them to change their direction in the dairy industry. The Greers vision changed from merely commercially processing their milk to manufacturing an honest natural product that would contribute to the wellness of New Zealanders. To achieve this, the Greers had to look at the way they farmed, and seek alternative ways to produce a pure organic milk product.

High Herd Fertility with help from Liberty Genetics

Their animal health philosophy is to be proactive not reactive. The Greers spend less time working at the bottom of the cliff and more time ensuring that their stock are in good health and condition so as to maximise the money that they spend on breeding. The Greers use Team Liberty for the first 4 weeks of AB, inseminated by a StockMate technician, and remove the bulls from the herd at the end of December. They average a 4-5% empty rate which is well below Southland's average of 10%.

Robin spent a number of years as a sales rep for LIC and was capped the South Island's top sales person in 2001. Robin knows his genetics and says, "The reason we use Liberty Genetics is that, it is the best value for money, and we get genetics that are up there with the best. I am not convinced of the value in the other options that are available out there." Liberty Genetics supply the Greers with a high BW, low somatic cell and positive temperament sire selection to assist with foundations of the making of their fine cheese.

Wholesome Product Offering

Retro Organics, now produces 11 different types of



cheeses which in deference to their humble Southland beginnings, they have named after regions within Southland; Riverside Feta, Glencoe Garlic Colby (a creamy cheese that you can spread on your toast) and Hokonui Haloumi, (a cheese that you can cook) to name a few.

Robin and Lois' dream has come to fruition and one does sense their satisfaction. It is not only because they have achieved their vision for their Southland property but also because they produce a product that they are proud to stamp their name beside.

Robin and Lois offer a great value sample pack:



- 125 grams – Bronze Award Organic Caitlins Camembert
- 250 grams – Organic Farmhouse Cheese
- 250 grams – Organic Hedgehope Cummin

Cheddar Delivered to you for only \$20.

Contact Retro Organics at: robin@retroorganics.co.nz, or 03 203 7693

Genetic Base Change and AE Update

What's happened? What you need to know – and why?

- On the weekend of the 26th of June, the NZ Animal Evaluation Ltd (NZAEL) updated the genetic base for BW with the base being the average heifer born in the year 2000.
- This has had a significant impact on BW, dropping the average herd and bull teams by 41 BW points. For more information go to www.aeu.org.nz.
- If you are purchasing and selling animals, please ensure that you are looking at BW reports after the 26th June.
- Be wary comparing genetic rankings between suppliers. LIC have genomic data in their sire BW figures inflating the BW of their proven bulls and the DNA selections. Daughter performance is not measuring up to the genomic predictions in many cases.
- **There is no Genomic data in the BW of the top three Jersey bulls on the RAS list. Two of these stars, Ozark and Inspector, are Liberty Genetics proven.**



When will NZAEL deflate the Genomics Bubble?

- Many components of BW estimations using genomics are biased upwards at the top end, as proven in the Interbull validation test. Most of the high BW estimates are substantially overstated, probably by \$50-60 in the top “DNA Proven bulls”.
- Young sire teams without genomics in their evaluation are also overestimated relative to their daughter production, but normally in the range \$15-25 BW. This is similar to the reproof trend for sires that have a first proof in sire proving schemes, as they move to a widespread proof (-\$15).
- NZAEL has downplayed the problems with genomics and has failed to implement best practice in governance and implementation relating to genomics. NZAEL is working to correct these various problems in Animal Evaluation, but are they working with sufficient haste?
- Dairy Farmers urgently need these problems resolved so that they can confidently compare the various AB sire product offerings. Farmers do have time to reassess their herd mating plans for Spring 2010, but need to do so as soon as possible.

The Evidence:

1. The Validation test results that have been released by NZAEL in July
2. The “proof” results from the DNA Proven™(LIC) bulls that got daughter proofs in 2009-10

Implications for Dairy Farmers:

Those that have bought DNA Proven™(LIC) over the last three years are likely to be disappointed. These teams are highly unlikely to deliver the promoted advantage over rival products. They may come through slightly ahead of the comparable daughter proven or elite young sire teams, but the true difference is much less than initially predicted, and does not justify the significant price differential and risk. These farmers should review their 2010 mating decisions with more accurate information.

New graduate proven sires in 2009-10 season were also affected because the reliability of the genomics data has also been overstated. Some bulls that received widespread use have now dropped to an embarrassing level, and some continue to fall in their ranking as daughter production slowly dominates the Genomic information, (e.g. the top team of 2006 code Jersey graduate bulls dropped over \$40 from their “DNA Proven” BWs and look likely to drop further). By comparison the Liberty new graduate Jerseys slipped back \$20 and look solid, while the 2006 Jersey Premier Sires™(LIC) Team slipped back \$14 BW due to their widespread reproof information.

Farmers should query why NZAEL has not acted with more caution and greater independence in its decision making. Industry leaders are now considering options to achieve best practice governance at NZAEL.

LIBERTY STRAWS PACK MORE **PUNCH!**

To **MAXIMISE** Your **MATING RESULTS!**

- ◆ Frozen Straws **25 million** sperm
- ◆ Fresh Straws **2.5 million** sperm

{ competitor straws can be loaded
at less than half the above rates }

**BEST VALUE\$ = HIGH FERTILITY
+ TOP GENETICS + COST SAVINGS**

**NZ farmer owned.
Driving down AB costs!**

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www.libertygenetics.co.nz

Creating Value in Dairy Genetics since 1998

Should You Review Your Current Herd Mating Plan?

If you have put in a Liberty Genetics order you can rest assured that you have locked in a best value option. However, with the current strong markets, you may wish to reconsider mating your yearling heifers to create additional profitability in 2011.

Those that have ordered product that includes genomic data in the evaluation should seek additional information to assess the real risk and value proposition of that product. It's not too late to make changes if you are not comfortable with your original choice.

The key factors to consider in your choice of sire genetics will include:

- Fertility of the semen product, i.e. will it maximise pregnancy rates in the herd?
- The quality of the replacements produced and the likely return on investment on the spend on the various product offerings
- Budget and cash flow

OTHER KEY POINTS YOU MAY CONSIDER

- In the current uncertain financial environment it may be prudent to select a relatively low cost option.
- Be sure that the semen product will maximise conception rates. Increased sperm loading in the straw will increase the conception rate performance.
- Genetic improvement is a long term game. Most farmers are breeding replacements for

their own herd replacements. The benefits will come in 3 to 7 years time, plus subsequent generations.

- We know that the BWs of the genomically selected teams are substantially inflated and they are unlikely to deliver these results from their milking daughters.
- Check to see if the difference in BW does justify a higher price, and if that difference in BW is real.
- Individual bull reliability is not automatically your friend. If you use a team of young bulls the reliability of the team is similar to the reliability of a proven sire team (e.g. 94-97% versus 99%).

Email or call us if you would like further information or advice.

Liberty Genetics delivers Best Value to farmers by:

- Keeping costs low
- Maximising sperm loading and survival in the straw
- Using a young sire team strategy to deliver profitable genetic gain

David Hayman and the Liberty Team

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