

The Basics of Dairy Sire Selection

Francisco Peñagaricano

Sire selection is one of the most important decisions that a dairy producer frequently makes and represents indeed a great opportunity to improve the profitability of the dairy production enterprise. Dairy bulls are genetically evaluated for several traits, including different production, health, fertility, and type traits, and this genetic information is regularly compiled and published by each specific breed organization as sire summaries. There are at least three key concepts that appear in the sire summaries that we should consider in order to make proper sire selection decisions. These relevant concepts are **predicted transmitting ability** (PTA; a measure of the genetic merit of the bull for a given trait), **reliability** (REL or %R; a measure of the degree of confidence in the PTA of the bull), and **percentile rank** (a measure of the rank or position of the bull within the evaluated population for the trait of interest). These three terms are presented in more details below.

Predicted transmitting abilities (PTAs) are the genetic predictions that we should always use when making sire selection decisions. PTA is an estimate of the relative genetic superiority (or inferiority) that a particular dairy bull will pass to its offspring for a given trait. It is important to note that the PTA value of one animal has no special meaning because a PTA is not an absolute value: PTAs are deviations from some preset value (so-called the base) that is determined individually by each breed. However, PTAs are exceptional tools for comparing and ranking available bulls. In fact, the difference between the PTAs of two animals is an estimate of the difference we expect to observe in the performance of their progeny. For instance, **table 1** shows PTAs for protein yield, productive life, and daughter pregnancy rate of two dairy bulls. Based on this information, we would expect that daughters of bull *A* will produce on average 12 more pounds of protein in 305 days than the daughters of bull *B*. In addition, we would expect that an average daughter of bull *A* will survive 1 more month in the herd

than an average daughter of bull *B*. Furthermore, we would expect that on average 0.5% more daughters of bull *B* will get pregnant in a 21 day period compared with the daughters of bull *A*. Importantly, we can compare PTAs only among animals that were evaluated within the same genetic evaluation.

Table 1. Predicted transmitting abilities (PTAs) for protein yield (PY), productive life (PL) and daughter pregnancy rate (DPR) for two dairy bulls.

Bulls	PY (lb)	PL (mo)	DPR (%)
<i>A</i>	42	4.0	1.6
<i>B</i>	30	3.0	2.1
Difference	12	1.0	-0.5

Reliability (REL or %R) measures the accuracy or degree of confidence in the PTA; it is expressed as a percentage and ranges from 1 to 99. Technically, it is defined as the squared correlation between the true transmitting ability and the predicted ability of a given animal. REL is a function of the heritability of the trait and the amount of information available for the animal; basically, as heritability and the amount of information increase, REL also increases. Therefore, a bull has a more reliable PTA for protein yield than for daughter pregnancy rate because protein yield has a higher heritability. Similarly, a bull with many daughters has a more reliable PTA for any given trait than a bull with no or just few daughters. Although we should not select or exclude potential sires based only on reliability, we can use REL values as a guide to decide how intense we want to use a bull. For instance, we might choose to purchase 120 units of semen from a progeny-tested bull with 95% REL, or we might choose to purchase 20 units of semen from each of 6 different young bulls (with better genetic merit than the progeny-tested bull) but with only 70% REL.

Percentile rank are tables or graphs of PTA distributions that provide very useful information regarding the rank or position of a given bull within the population evaluated for a given trait of interest. The

interpretation of the percentile rank is very straightforward: if a bull ranks for a given trait at the 95th percentile, this means that the bull is genetically superior to 95 percent of all the evaluated bulls of its breed. For example, **table 2** shows the percentile rank of PTAs for protein yield, productive life, and daughter pregnancy for progeny-tested AI Holstein bulls (bulls entered AI since February 2008; official proofs from USDA-AGIL August 2015). Based on this table, we can see that the bull *A* ranks in the top 5% for protein yield while bull *B* ranks in the top 20% of the bull population for this trait. Moreover, bull *B* ranks in the top 20% for daughter pregnancy rate while bull *A* ranks in the top 50% (its PTA for DPR is a little below the threshold of the 80th percentile).

Table 2. Percentile rank of PTAs for protein yield (PY), productive life (PL) and daughter pregnancy rate (DPR) for progeny-tested AI Holstein bulls (data from August 2015)

Percentile	PY	PL	DPR
99th (TOP 1%)	48	6.9	4.3
95th (TOP 5%)	36	5.2	3.2
90th (TOP 10%)	31	4.3	2.5
80th (TOP 20%)	25	3.2	1.7
50th (TOP 50%)	11	1.0	0.0

Overall, dairy sires should be selected very carefully because they will have a great impact on the profitability of the dairy enterprise. Sire selection decisions should be based on PTA information: the percentile rank helps to see how genetically superior is the bull in question compared with the rest of the available bulls. The reliability should be used for managing the risk associated with imprecision in the PTA estimate.

For more information, contact Francisco Peñagaricano at fpenagaricano@ufl.edu or call (352) 392-1981 ext. 231. Francisco Peñagaricano is a geneticist in the Department of Animal Sciences at the University of Florida

Dairy Programs: Are You Part of The Florida Statistic?

Marina Arouca and John VanSickle

The 2014 Farm Bill introduced significant change to dairy policy, mainly with the elimination of the Milk Income Loss Contract Program (MILC) and the transition to the Dairy Margin Protection Program (MPP). MILC was a counter-cyclical payment program and payments

were issued when monthly farm milk price fell below \$16.94 per hundredweight (cwt), as adjusted by a dairy feed ration formula.

Effective September 2014, the Dairy Margin Protection Program replaced MILC and is effective until December 31, 2018. The MPP offers participating dairy producers:

1. Catastrophic coverage, at an annual cost of \$100 in administrative fees. Payments are made when the national margin (average price of milk minus an average feed costs) is less than \$4.00/cwt.
2. Coverage is offered at various levels of buy-up, from \$4.50/cwt to \$8.00/cwt.
3. A payment is triggered when actual milk margins are below the coverage selected.
4. No additional premium is charged for catastrophic coverage at \$4.00/cwt, however additional premiums are charged with coverage at higher margins, with premiums defined in the legislation based on buy-up coverage selected.

Once a producer selects MPP for coverage they are committed to using MPP for the duration of the Farm Bill, but are allowed to select different coverage levels in subsequent years. Election of coverage takes place from July 1 through September 30 of each year. The signup period for 2014 and 2015 took place from September 2nd through December 19th, 2014.

The Farm Service Agency released results of the 2015 MPP enrollment:

- In Florida, 66% of the 130 dairy operations licensed in 2014 established history for MPP.
 - The 87 operations that signed up for MPP account for approximately two billion pounds of milk produced in 2014.
 - 65% of Florida dairy operations enrolled at \$4.00 coverage level and approximately 22% enrolled at \$6.00.
- Nationally, 55% of dairy operations (25,102 of 45,334) registered for MPP.
 - The sum of all the participant operations, in all states, adds up to approximately 166 billion pounds of milk produced.
 - Approximately 44% enrolled at \$4.00 coverage level, 16% at \$6.00 and 26% enrolled at \$6.50.

For more information on the MPP program visit the FSA webpage at <http://www.fsa.usda.gov/programs-and-services/Dairy-MPP/index> Note that the enrollment deadline for the dairy MPP for coverage in 2016 has been extended until November 20, 2015.

Have any questions or concerns? Contact John VanSickle (sickle@ufl.edu); Rod Clouser (rclouser@ufl.edu); or Marina Arouca (arouca@ufl.edu). The authors are in the Department of Food and Resource Economics at the University of Florida.

Employee Mastitis Lessons Available in Hoard's Dairyman

Mary Sowerby

Improving milk quality is the bottom line goal of a multi-state university USDA grant which includes the University of Florida and Florida A & M University as partners.

As an outreach part of this grant, our Michigan State partners have begun a one-year series of articles in Hoard's Dairyman called "People and Parlors". The objective of this series is to help employees learn more about mastitis control and milk quality, plus provide an opportunity for on-farm discussions.

An introductory article by Stan Moore and Phillip Durst was published in the September 10 issue of Hoard's Dairyman. The first employee lesson (half page in English and half in Spanish) was published in their September 25th issue. There will be another lesson in each of the next 18 issues of Hoard's Dairyman.

Every lesson offers dairy owners/managers the opportunity to discuss the topic. Each following issue of Hoard's Dairyman will have a brief quiz based on the previous lesson. Employees can either fax their completed quiz to Hoard's Dairyman or complete the quiz online at the Hoard's website. Every employee who submits a quiz will receive a certificate at the end. Those who do all 19 quizzes will receive a special certificate.

As employees learn more about not only how, but the "whys" of doing their jobs, it should help improve their job performance and producers' milk checks as milk quality improves.

A related seminar/workshop for dairy producers and managers will be held at the **IFAS Citra Plant Science Research and Education Center** (south of Gainesville, north of Ocala) on **February 11, 2016**. Mark your calendars – we will have excellent speakers from around the country on Milk Quality, Transition Cows and Labor Management.

For more information about this project contact Mary Sowerby at meso@ufl.edu.

Florida Dairy Outlook and Margin Protection Program

Mary Sowerby

Discussion was high despite (or more likely because of) low milk prices at the Tuesday, September 29, Dairy Market Update and Margin Protection Program (MPP) meeting held at the Southeast Livestock Pavilion auditorium in Ocala. Since the MPP sign-up for 2016 was extended to November 20, keep in mind the summarized information shared below by Calvin Covington, former Southeast Milk, Inc., CEO and Dr. John VanSickle, from the University of Florida Food and Resource Economics Department, when making your decisions.

Dr. John VanSickle: *"It makes more sense to sign up for MPP in 2016 than it did in 2015."*

Dr. John VanSickle began with the current dairy and feed market situation:

- Milk prices have declined from the good year experienced in 2014 (when national milk margins peaked at \$15.53).
 - The All-Milk Price forecast by USDA has declined from an average of \$23.97 in 2014 to \$16.90 forecasted for 2015.
- Feed prices have moderated, providing some relief.
 - Corn prices in 2015 are forecasted at \$3.68/bushel, a decrease from \$4.46 in 2014.
 - Soybean meal forecast declined from \$489.94/ton in 2014 to \$370/ton in 2015.

Looking forward, the World Agricultural Supply and Demand Estimates (WASDE), published monthly by USDA, are projecting a 2015 crop of corn that is down from 2014 by 2 million acres from 83.1 to 81.1. Yields are down 3.5 bushels/acre total production with a fall from 14.216 to 13.585 million bushels.

Soybean acreage across the United States is reported by WASDE to be up 0.4 million harvested acres from crop year 2014 to 2015, from 83.1 to 83.5. Yields are forecast to be down slightly from 47.8 to 47.1 bushels/acre for a projected net loss in production of 34 million bushels, from 3,969 to 3,935.

Currently, we are in the September to December crop period where weather can effect crop harvests. However, because of ever larger grain harvesting equipment, most crop producers do not need a huge window of good weather to harvest corn and soybeans. Therefore a major change in crop projections is not expected.

Helping dairy producers on the feed side of their balance sheet, and hindering on milk income, is the currently strong U.S. dollar. The exchange rate in late

September was U.S. \$1.12/Euro. Euro values are the lowest in the last 5 years. This is great if you are planning to travel to Europe anytime soon, but a major problem for selling milk (or corn and soybeans) abroad, since the dollar currently is strong against most foreign currencies.

Forecasts of U.S. agricultural exports for fiscal year 2015 were revised downward to \$14.05 billion and would be the lowest levels of exports since 2012, if realized, according to the USDA's "Outlook for U.S. Agricultural Trade" report.

John VanSickle noted the Dairy Margin Protection Program (MPP) evolved from the 2014 Farm Bill. It is designed to allow dairy producers to manage the downside risk of producers' margins by taking the All-Milk price less the average feed cost.

Livestock Gross Margin Dairy Insurance (LGM-Dairy) is an insurance product to cover downside risk to producers' margins by using the Class III milk price less feed cost.

If you use MPP, you are required to continue to use it through the end of the program, December 31, 2018, and you cannot use LGM-Dairy. Fifty-one percent of all U.S. dairies signed up for MPP for 2015, 66% in Florida.

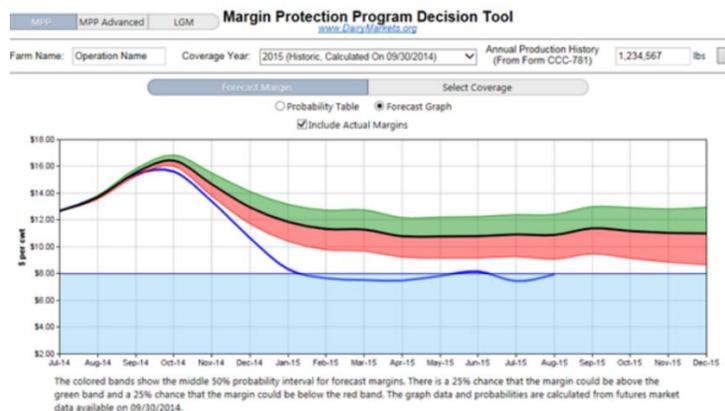
Producers on MPP make the following decisions:

- 1) Percentage of production coverage (based on highest level of actual production) for 2011-2013 from 25% to 90% in 5% increments.
- 2) Margin protection coverage in 50 cent increments from \$4.00 to \$8.00/cwt.

Payments are made if the determined Actual Margin is less than the Covered Margin, averaged over consecutive 2-month periods (January-February, March-April, etc.).

Unlike the LGM-Dairy insurance, MPP premiums are fixed for 5 years, ranging from \$0 for \$4 margin coverage to \$0.475/cwt for \$8 margin coverage for the first 4 million pounds of a herd's milk and from \$0 for \$4 coverage to \$1.36/cwt for coverage over 4 million pounds. A \$100 administrative fee is required to access the program at the "catastrophic" level (\$4/cwt margin) and must be paid annually if a producer starts using MPP.

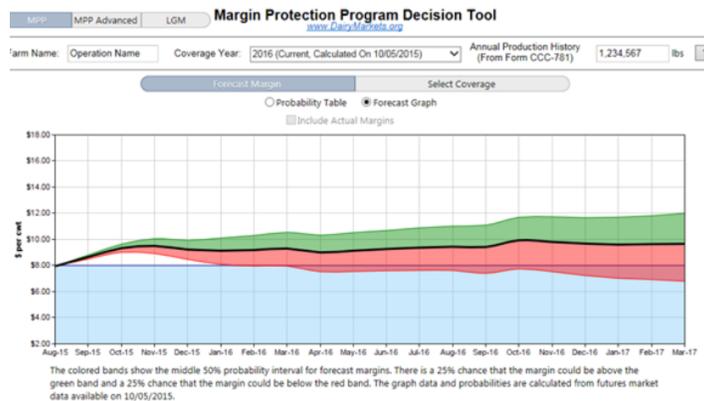
Looking at graphs from the Margin Protection Program Decision Tool, Graph 1 shows the tool's projection for 2015 calculated on September 30, 2014 with the actual margin shown by the lower line. Graph 2 shows the forecasted MPP margin from July 2015 to February 2017 calculated on October 5, 2015 (author used up-dated graph).



Graph 1. Forecasted MPP Margin July 2014- December 2015. Actual margin is the lower line.

Most notable is that Graph 1's projections for 2015 were never even close to the \$8 pay-off line, yet in reality margin payments for under \$8.00 were made this year. Graph 2's projections show a 25% probability of the actual margin being below \$8.00 for nearly the entire year of 2016.

Hence Dr. VanSickle's bottom-line advice for producers looking at 2016 MPP decisions: "It makes more sense to sign-up for MPP in 2016 than it did in 2015."



Graph 2. Forecasted MPP Margin for July 2015 to February 2017.

Yes, the point dairy producer Gerald Fieser made that All-Milk and national average feed prices are not Florida prices is very true. However, as an insurance product (you buy health insurance and hope to never use it) MPP use can cover major margin risk.

Calvin Covington: "2016 Florida Order blend prices are projected to be similar to 2015"

Covering strictly the dairy market outlook for both the U.S. and Florida, Calvin Covington began with a graph of U.S. milk production and dairy cows from 2010 to 2016 projected. Nationwide milk production has steadily headed upward from about 192,500 million

pounds to about 212,500 million pounds. Even when cow numbers decreased in 2012-13 and now in 2015, milk production has continued to increase.

A closer examination of the U.S. dairy herd from September 2014 to August 2015 showed U.S. dairy producers responded to the high milk prices in 2014 by increasing cow numbers from approximately 9,276,000 cows to a peak in May 2015 of about 9,325,000 cows.

Unfortunately, from 2010 to 2015 (projected) U.S. fluid milk consumption has steadily decreased 9.1%. However, the better news is an increase of butter sales by 15.8%, milk powder by 10%, other cheese by 8.7% and American cheese by 4.8%. Also, despite considerable year-to-year variability, per capita dairy consumption has been trend-lining up over the years.

The story foretelling the current slump in dairy prices was shown in Table 1 below on export sales.

Table 1. U.S. Dairy Exports % of Production (Jan.-July 2014 vs. 2015)

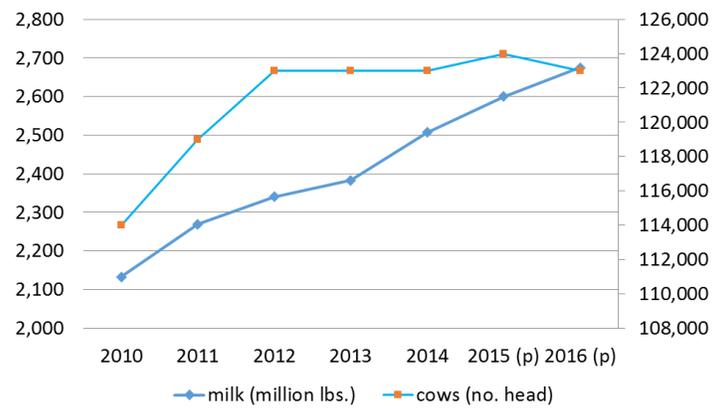
PRODUCT	2014	2015
NDM/SMP	55%	51%
Cheese	7.7%	6.5%
Butterfat	11.0%	2.9%
Dry Sweet Whey	61%	46%
Lactose	64.0%	75.0%
Total Solids	16.4%	14.4%

The overall 2% decrease in dairy solid exports (from 16.4% in 2014 to 14.4% in 2015) is roughly equivalent to the total annual milk production of the states of Florida and Georgia combined. The U.S. now faces the dilemma of what to do with all this excess milk.

Why have exports decreased? China reduced dairy imports from the U.S. by 30%. Russia has ceased European Union imports leaving Europe with an over-supply of milk. New Zealand and Australia have also lost significant milk sales to China. There is a worldwide over-supply of milk and as John VanSickle pointed out, with a strong U.S. dollar, it puts the U.S. at an even greater price disadvantage in selling commodities abroad.

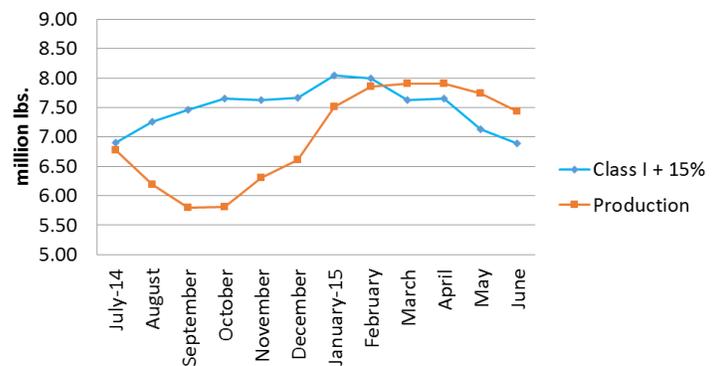
Meanwhile, butter, American cheese and nonfat dry milk powder inventories are increasing – not terribly high yet, but extra inventory depresses milk prices too.

On the Florida scene, Graph 3 below of Florida milk production and dairy cows from 2010 to 2016 (projected) shows a steady increase in milk, even when cow numbers remained about the same from 2012 to 2014. Improving nutrition, genetics and cow comfort, while decreasing somatic cell counts, has kept production per cow going up in Florida.



Graph 3. Florida Milk Production and Dairy Cows (2010-2016)

Graph 4 of Florida daily milk demand versus production from July 2014 through June 2015 shows the marketing dilemma Florida dairy producers face. The production and demand lines only meet briefly in February. The millions of pounds of milk represented between the lines is milk trucked in or out of Florida, most of the time at the producers' expense.



Graph 4. Florida Daily Milk Demand vs. Production (July 2014 to June 2015)

Table 2. Florida Blend Prices

MONTH	2015 projected	2015 actual	2016 projected
January	\$22.26	\$22.21	\$19.97
February	\$20.90	\$20.84	\$20.00
March	\$20.49	\$19.93	\$19.78
April	\$20.28	\$19.98	\$19.16
May	\$20.25	\$20.36	\$19.84
June	\$20.20	\$20.62	\$20.36
July	\$21.11	\$21.05	\$21.07
August	\$21.82	\$20.62	\$21.06
September	\$22.12	\$21.77	\$21.28
October	\$22.14	\$20.72	\$21.68
November	\$22.38	\$20.11	\$21.94
December	\$21.86	\$19.62	\$21.64
Average	\$21.32	\$20.69	\$20.70

Calvin Covington noted, “2016 Florida Order blend prices are projected to be similar to 2015.” (See Table 2.) Comparing Florida Federal Order blend price with mailbox price from January to June in 2014 versus 2015 shows a drop from \$27.81 to \$20.66. During that same time, average Florida mailbox prices were \$26.62 and \$18.77, respectively, for a difference of \$1.19 in 2014 and \$1.89 in 2015.

To summarize, Calvin Covington listed six key items impacting 2016 Florida farm milk prices:

- 1) Cow numbers and milk per cow
- 2) Exports – increase or decrease
- 3) European Union and New Zealand production
- 4) Domestic demand – will it keep increasing each year?
- 5) Inventories
- 6) Florida balancing costs

Then he showed the following three tables from the USDA MPP website (found at

http://www.fsa.usda.gov/FSA/pages/content/farmbill/fb_MPPDTool.jsp):

Table 3. MPP Premiums

Coverage Level	Premium/cwt. + \$100.00 fee
	(> 4 million lbs.)
\$4.00	\$0.00
\$4.50	\$0.02
\$5.00	\$0.04
\$5.50	\$0.10
\$6.00	\$0.155
\$6.50	\$0.29
\$7.00	\$0.83
\$7.50	\$1.06
\$8.00	\$1.36

Table 4. MPP Projections (July 2015 – December 2016)

Time Period	Projected Margin	Probability % < \$6.00
July-August 2015	\$7.61	0
September-October	\$8.63	0
November-December	\$9.40	0
January-February 2016	\$8.82	3
March-April	\$9.00	6
May-June	\$8.97	8
July-August	\$9.17	10
September-October	\$9.43	10
November-December	\$9.58	12

Table 5. 10 million lbs. Production History at 90% Coverage (Projected for 2016)

Coverage Level	Fee + Premium	Projected Payments	Net
\$4.00	\$100	\$342	\$242
\$4.50	\$1,563	\$785	-\$778
\$5.00	\$3,226	\$1,677	-\$1,549
\$5.50	\$7,015	\$3,320	-\$3,695
\$6.00	\$10,539	\$6,143	-\$4,396
\$6.50	\$19,114	\$10,742	-\$8,372
\$7.00	\$52,897	\$17,720	-\$35,174
\$7.50	\$68,442	\$27,591	-\$40,851
\$8.00	\$91,387	\$40,904	-\$50,483

* DMPP Decision tool as of September 23, 2015

Table 5 shows 2016 MPP premiums and projected payments for a hypothetical herd insuring 10 million lbs. of milk at 90% production coverage. As of the end of September 2015, it looks unlikely there will be enough payments to cover the MPP cost of the \$100 fee plus premiums in 2016.

However, without a rapid decrease in U.S. milk production or China and Russia welcoming more milk to their countries, margins could be very negatively affected in 2016, changing the net negatives to positive.

Conclusion

Having watched both John VanSickle and Calvin Covington’s presentations, while knowing the financial pressures currently on Florida dairy producers, paying the required \$100 for MPP at the \$4 catastrophic level may be your best choice, as Table 5 currently indicates. But do remember MPP is a form of insurance. Also remember:

- 1) There is a lot of excess milk worldwide currently with a strong U.S. dollar against other currencies. What if exports decrease another 2% or more in 2016?
- 2) Excess milk in the U.S. is now going into inventory. What happens when inventories are maxed and there is still too much milk?
- 3) The whole U.S. economy is built on a tower of debt likely to collapse at any inconvenient time or other unforeseen world events could significantly affect the U.S. economy. What happens to domestic milk sales then?

My point joins with John VanSickle’s: There is more reason for you to manage your price risk in 2016 than there was in 2015.

For more information about price risk management contact Mary Sowerby at meso@ufl.edu.

Ranking Cows by Milk Yield versus Value of Milk

Albert De Vries

The other day we had a discussion at the UF Dairy Unit in Hague about the cut-off milk yield to put cows on a do-not-breed list or on the potential cull list. We currently milk about 480 cows, in addition to the dry cows and young stock on the farm.

We looked at 10-day average milk yields of individual cows because that is obviously a good indicator of current and expected future revenues. But not all milk is worth the same. In Florida, our milk is paid for skim and butterfat content. We also receive an rBST free premium and a bonus for milk quality. Cows vary in the amount of milk they produce and their milk fat content. Therefore, the relationship between milk yield and milk revenue is not the same. The question was how cows compare when we rank them based on milk volume only versus on value of milk.

I looked at the data of the 474 cows in the DHI milk test of August 28, 2015. Average milk yield was 64.9 lbs with 3.61% fat and 3.12% protein. Because of some recent mastitis problems, SCC had increased to 345,000 cells/ml. Other statistics are in table 1. We see that milk yield varied from 1.4 to 123.3 lbs and fat% varied from 1.60 to 6.80% in the 474 cows on that test.

Table 1. August 2015 DHI milk test results of the UF Dairy Unit

	Yield	Fat%	Protein%	SCC
Cows	474	474	474	431
Median	64.5	3.60	3.10	81
Average	64.9	3.61	3.12	345
Max	123.3	6.80	9.90	6400
Min	1.4	1.60	2.30	13
St. Dev	21.8	0.72	0.46	744

I also used the August 2015 settlement skim milk price of \$11.3497/cwt and the butterfat price of \$2.2184/lbs fat. In addition, the rBST free premium was \$0.5/cwt. Given these prices, milk with 3.5% fat would be worth \$19.16/cwt.

From these data, I calculated the daily revenues for all cows, which varied from \$0.37 to \$22.89 with an average of \$12.58. The correlation between revenue and milk yield was 0.97.

If we ranked all 474 cows by revenue versus milk yield, then the average difference in rank was 23.4 places. The largest difference was a jump in 138 places (rank 98 when ranked by milk yield versus rank 236 when ranked by revenue) for a high producing cow with very low fat%. Generally speaking, higher producing cows had lower fat percentages as we would expect.

Some other cows maintained the same rank, regardless of ranking by milk yield or revenue. Therefore, ranking by milk revenue would reordered the cows on our do-not-breed and potential cull lists somewhat.

An alternative method to ranking cows by daily revenue is to rank them by their revenue-corrected milk yield. This is a calculated milk yield adjusted to a standard fat content, standard fat price and standard skim milk price. Example:

Say a cow produces 80 lbs with 3.8% fat. Then the cow's daily revenue, using the prices from above, is \$15.86. The cow's revenue-corrected milk yield (to 3.61% fat with a price of \$2.2184/lbs for fat and \$11.3497/cwt for skim) is $\$15.86 / (0.113497 + 0.038 * 2.2184) = 81.7$ lbs. At these skim and fat prices, a cow producing 80 lbs at 3.8% fat generates the same revenue as a cow producing 81.7 lbs at 3.61% fat.

When I applied this revenue correction formula to our 474 cows, the average revenue-corrected milk yield was 64.4 lbs with a range from 1.9 to 117.9 lbs. A scatterplot of actual milk yield versus revenue-corrected milk is shown in the figure. The rankings of the 474 cows based on revenue-corrected milk versus daily milk revenue is the same. Therefore, ranking by revenue-corrected milk would reordered the cows on our do-not-breed and potential cull list compared to ranking on milk yield. The reranking is not large, but perhaps large enough to warrant inclusion of the value of the milk components in the rankings.

My choice to adjust to 3.61% fat is arbitrary. You could take a different fat percentage. You could also take other prices than the ones I assumed here. Different standards would lead to different rankings.

The concept to adjust milk yield for the value of the milk is called Money Corrected Milk in PCDART. Money Corrected Milk is adjusted to a standard of 3.5% fat, but the prices for fat and skim need to be entered by the dairy producer. An option for component pricing is also available.

For more information contact Albert De Vries at devries@ufl.edu.

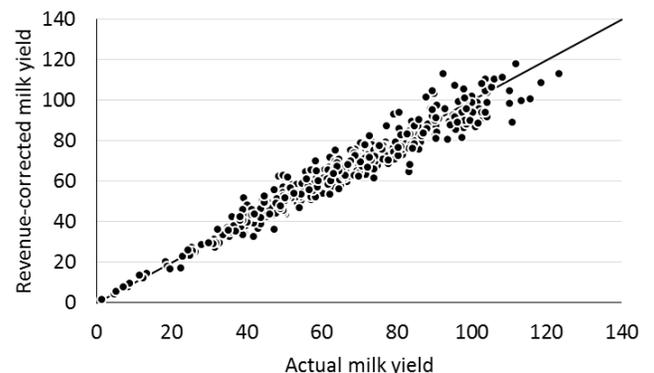


Figure 1. Scatterplot of actual milk yield versus revenue-corrected milk.

In Case You Missed it

Presentations made at the 2015 Corn Silage and Forage Field Day, held June 18 in Tifton GA, are found on the website

http://animal.ifas.ufl.edu/com_silage_forage_field_day_extension/index.shtml

Dairy Extension Agenda

- Sunbelt Ag Expo **October 20-22** at Spence Field in Moultrie, GA. For schedule of events go to www.sunbeltexpo.com
- “Managing Financial Risk When Milk Prices are Down” meeting/discussion with Dr. John VanSickle. Thursday, **November 12**. Location: American Dairyco-Branford, 2780 NW County Road 138 (just east of Rt. 129, south of the Santa Fe River about a mile), Branford, FL. Meet at 6:30 PM for pizza, 7 PM for John Van Sickle’s Outlook, and 7:45 PM for shared risk management strategies by dairy producers.
- Program on Milk Quality, Transition Cows and Labor Management, UF/IFAS Plant Science Research and Education Center in Citra, FL (south of Gainesville, north of Ocala). **February 11, 2016**. More information will follow.
- 2016 Florida Ruminant Nutrition Symposium, Tuesday-Wednesday, **February 15-17, 2016**. The symposium will be on Tuesday and Wednesday. Pre-symposium conferences on Monday and Tuesday. More information will follow.



Sign up for **UFL-DAIRYUPDATE-L**:

Receive *Dairy Update* and other announcements of UF Dairy Extension events by email. Subscribe and unsubscribe by visiting <http://dairy.ifas.ufl.edu/dairyupdate-L.shtml>

