

BC-3 Future Farm Summary

	Sell Bred Heifers, Add bulls	Sell Bred Heifers, Breeding Fee
Description	Diversify marketing by selling bred heifers	Diversify marketing by selling bred heifers
Assumptions	<ul style="list-style-type: none"> Percentage of female calves transferred to backgrounding down from 65% to 32% 43% of heifers between 12-24 months sold as bred heifers after preg check Bred heifer price at \$1,917/head (based on AB bred heifer price 2021) Open rate for the 12-24 month group is 10% (same as cows) Open heifers sold to finishing at \$157/cwt (900 lb + heifers, BC average) 133 hours of family labour added to managing the bred heifer group Add three bulls, \$4450/head Cull bull number increase from 4 to 5 head per year. Preg-check at \$5/heifer for 64 heifers Add \$1228 grazing fee (grazing fee at \$3.49/AUM, 64 heifer at 1.1 animal unit equivalent per head for 5 months) Short of hay (7 tonnes), purchase at \$152/tonne 	<ul style="list-style-type: none"> Percentage of female calves transferred to backgrounding down from 65% to 32% 43% of heifers between 12-24 months sold as bred heifers after preg check Bred heifer price at \$1,917/head (based on AB bred heifer price 2021) Open rate for the 12-24 month group is 10% (same as cows) Open heifers sold to finishing at \$157/cwt (900 lb + heifers, BC average) 133 hours of family labour added to managing the bred heifer group Breeding fee at \$180/heifer for 64 bred heifers, spread over 418 head of cows, that's \$28 per cow Preg-check at \$5/heifer for 64 heifers Add \$1228 grazing fee (grazing fee at \$3.49/AUM, 64 heifer at 1.1 animal unit equivalent per head for 5 months) Short of hay (7 tonnes), purchase at \$152/tonne
Trade-Off Considerations	<ul style="list-style-type: none"> There will be tax implications from earning less in year-one and earning higher revenue in later years. The model shows pre-tax numbers only Potential death loss between weaned and being sold as bred heifers Potential price discount on calves if not making a full load Increased feed requirement, and reduced ability to restock winter feed in good years in preparation of drought year Risk of market fluctuations with purchased feed 	<ul style="list-style-type: none"> There will be tax implications from earning less in year-one and earning higher revenue in later years. The model shows pre-tax numbers only Potential death loss between weaned and being sold as bred heifers Potential price discount on calves if not making a full load Increased feed requirement, and reduced ability to restock winter feed in good years in preparation of drought year Risk of market fluctuations with purchased feed



5-year average vs. baseline year*			
Estimated Change at Whole Farm Level (\$/year)			
Net Income		+\$42,474	+\$35,127
Net Cash Farm Income		+\$40,989	+\$35,121
Estimated Change at Cow-calf Enterprise (\$/cow)			
Short-term Profits		+\$98	+\$84
Medium-term Profits		+\$98	+\$84
Long-term Profits		+\$92	+\$79

* Changes in profitability come from the practice change as well as debt servicing

Detailed reports available upon request. Email: info@canfax.ca

