

Milk Value: The HPI's Main Component

- March 21, 2023

Due to its impact on the gross revenue of a dairy operation, Milk Value is the main component of [Lactanet's Herd Performance Index \(HPI\)](#).



In addition to the HPI, it can be found on many Lactanet reports and is a simple way to ballpark the overall revenue of the herd. While other factors influence a herd profitability, Milk Value offers a clear visual for return on investment— making it an excellent choice for benchmarking.

Milk Value is the average dollar value of milk components for actual production (annual) of all cows for current milk volume, component values and price.

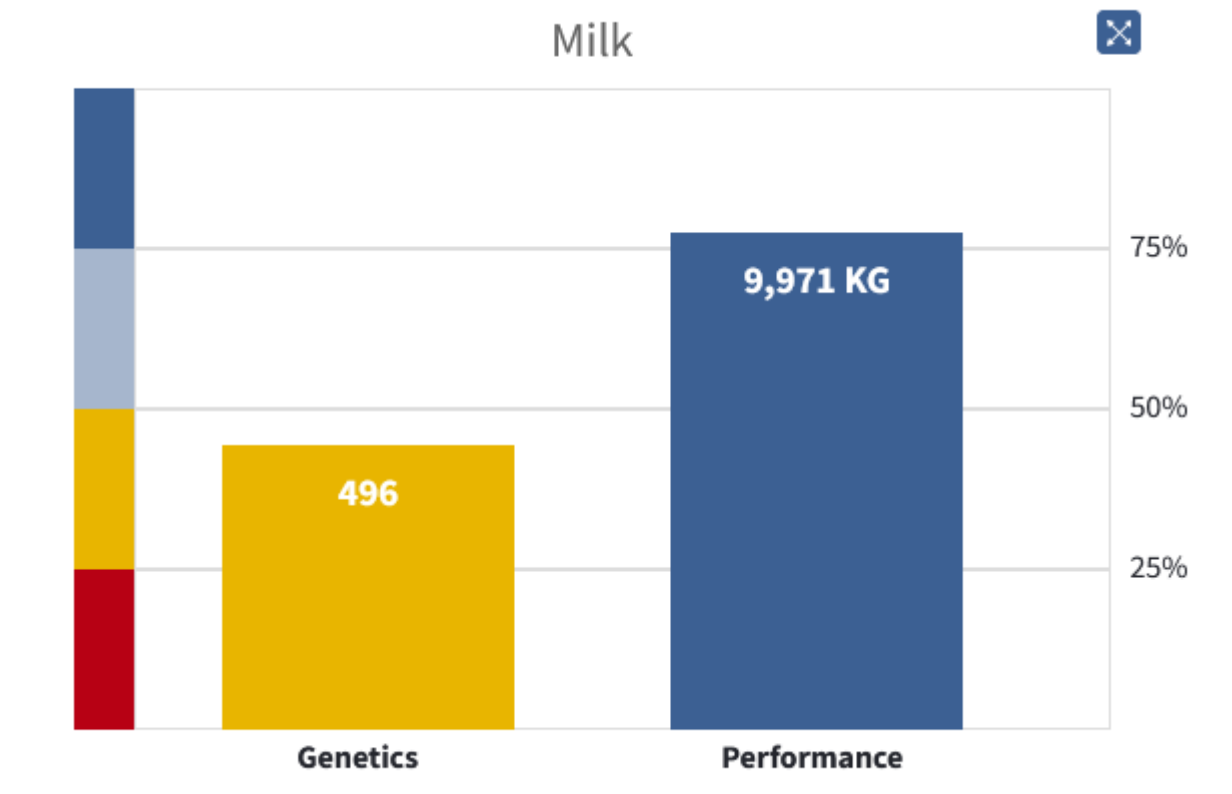
Regardless of the way a farm goes about achieving maximum milking productivity and increased Milk Value, be it in volume or component per cow, it is important to know where you start. It is a key determinant of where you can go!

1. Evaluate your genetics

Good management can mean a lot of different things and finding a starting line can be difficult. What about comparing how your herd is performing against their potential?

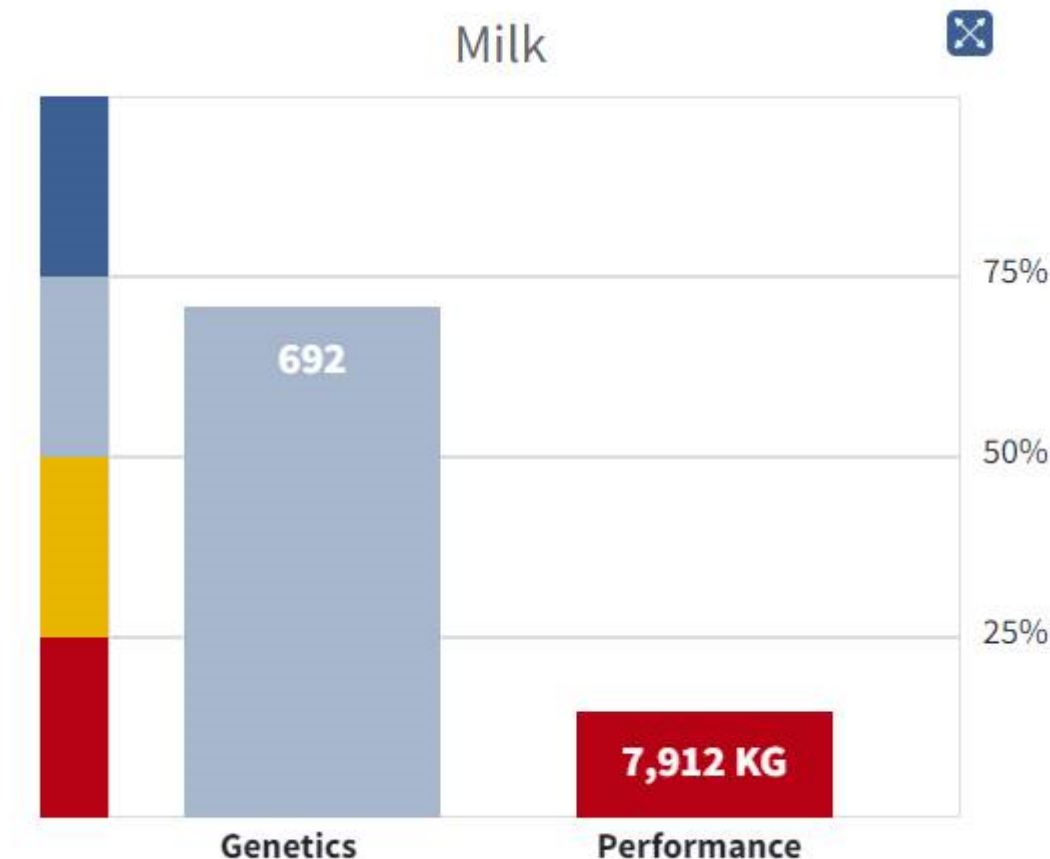
Developed in partnership with Holstein Canada, [Compass](#) is a tool that allows you to compare your herd's actual production (phenotype) with their estimated genetic potential (genotype) for both type and production traits. This can be done by visiting *Herd Genetics* and clicking on the *Genetics vs Performance* menu, which displays first-lactation data.

Figure 1. Comparison between Genetics and Performance for a given herd where production out-performs genetics



A herd that is out-performing genetics (high Performance (9,971kg of milk) when compared to Genetics (496 Milk EBV)) often results when great management and consistency come together. If this reflects your herd currently, perhaps consider how much more could be achieved with further genetic improvement. Your herd is already excelling past their baseline—what could be possible if that baseline moved up?

Figure 2. Comparison between Genetics and Performance for a given herd where genetics outpaces performance



A herd that is under-performing on their genetics (high Genetics (692 Milk EBV) when compared to Performance (7,912kg of milk)) can result from many things and doesn't necessarily mean a herd is doing poorly! It can equally mean that the genetic ceiling is set high. Living up to that genetic potential becomes a matter of a cow's environment, which is a complex subject. If this reflects your herd currently, consider that your cows have a strong base; your attention could move to other areas to help them live up to their full potential!

2. Optimize your feeding plan

Being the single largest individual input to a dairy farm, feed is important not just based on its impact but also on its input cost.

Your plan should always be discussed with your nutritional advisor when

possible, as your herd's needs are highly individualized.

Overall, general recommendations can still apply when creating your action plan and it can be worth re-[evaluating your plan before the season begins](#). For example, consider evaluating not just the quantity of your harvest, but its quality and what that means for your operation. Ensuring high quality milk begins with high-quality forages.

Once forages leave the field, knowing their base nutrients is essential to building a subsequent feeding plan. Forages have a highly variable nutritional value depending on many factors such as maturity, forage species, harvest method, storage quality, and more. If you want your cows to be fed a diet that will optimise rumen health and milk production, your nutritional advisor needs to know what nutrients are present in your forages. This will allow them to create a diet that will meet not only the requirements of rumen bacteria, but also of the cow.

Just as you do regular milk testing, consider arranging for [regular feed analysis](#) to provide vital information for your feeding program and to understand where you're starting.

Want to read up before the season starts? Consider:



Reducing farm expenses: optimizing forage production and use



Your Best Investment of the Year is to Harvest Quality Forage



Quick solutions when the price of concentrates is high

3. Herd Health

Another way to work towards maximum herd performance is to evaluate if any health factors are at play. Once you've evaluated their true potential and dialed in on the feeding plan, herd health is another great direction to look in.

Herd health should always be discussed with your veterinarian—as something multifaceted and personal to a farm, a veterinary professional can add meaningful analysis and action items that are relevant to your herd.

Metabolic diseases, such as ketosis and hypocalcaemia, as well as their subsequent impacts can be reduced through preventative management. Consider assessing the prevalence in your herd through either regular screening where possible (like ketosis), or data analysis if screening is not necessary or possible (like metritis). Knowing how many animals are affected and what sort of animals are affected (newly fresh, peak lactation, older cows...) can set the stage for efficient prevention and

recovery.



Other diseases and conditions, such as those that contribute to mastitis or that affect immunity or systemic functions can also be a cause for concern. Regular disease screening must be a consideration for open herds, as signs of diseases like Johnes, leukosis (EBL, caused by the BLV virus), contagious mastitis, *Salmonella Dublin*, and BVD have long-term impacts on production and health. For closed herds, screening should be considered in instances of sub-par production, veterinary recommendation, or sudden and unexpected illness in historically healthy cows.

Even if infections are not expected in your herd, they should be prepared for in advance!

Lastly, any of Lactanet's milk recording reports can help you arrange your data in unique and valuable ways to assist in action planning. Dozens of reports are available to you at little to no extra cost and can add immense value to your operation. Some reports, like the sDCT report, are available for free for eligible herds.

If Milk Value is of concern to you and your operation, adding it as a marker to your Herd Summary and Monitor reports, Cow Management and Cow Summary reports, and others is a great option to begin the benchmarking process. Lactanet even offers a Cow Income Monitor report, and having this Test Day feedback available is as easy as [contacting customer support](#) if you're not already subscribed.

To check your herd's Milk Value and other factors by region or milking system and get started on the path to HPI improvement, [find our benchmark files here](#). Read more about [Lactanet's HPI here](#), and discover our [list of 2022's top-performing herds](#).

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