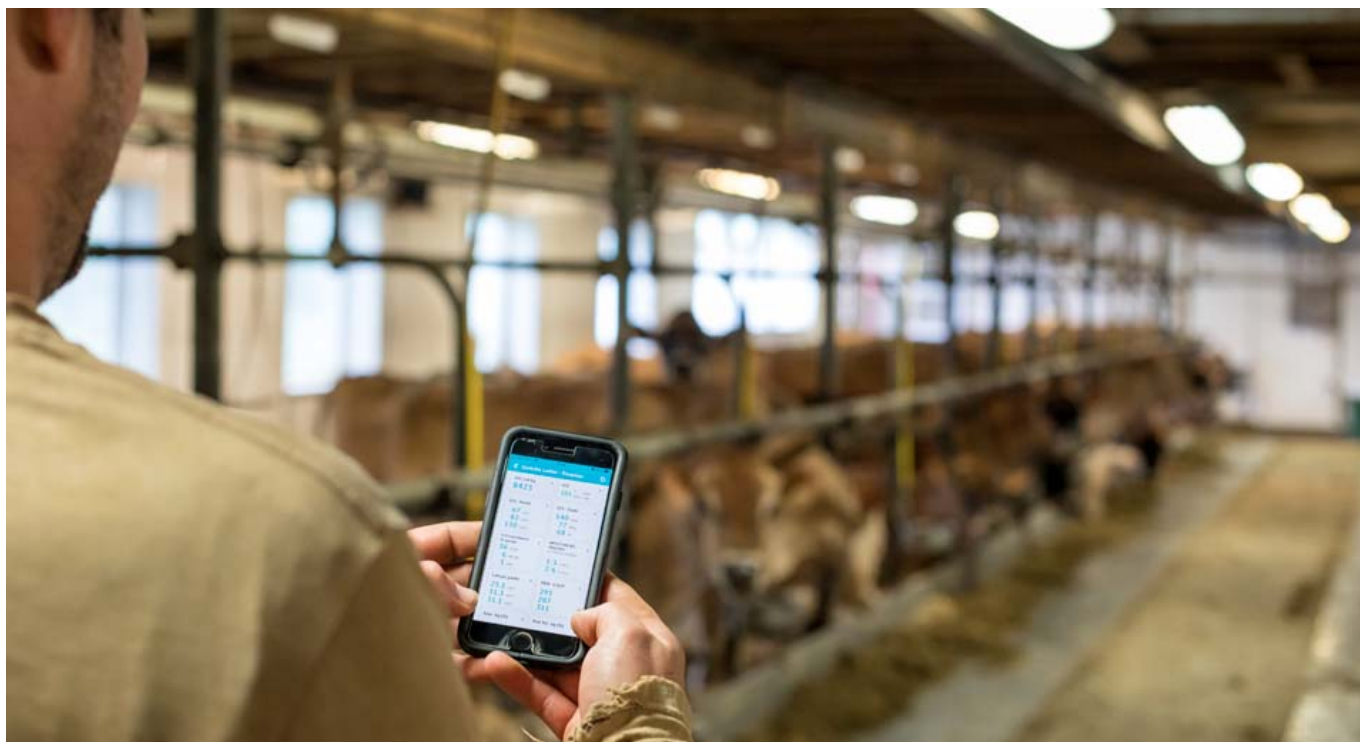




Your Tactical Decision Tools are at Lactanet

May 12, 2022

You make tactical management decisions on a regular basis, maybe without even realizing! These are monthly, quarterly or annual decisions based on recent herd performance, such as production trends, udder health (SCC), feed cost margins, culling and mortality trends, animal selection decisions and milking robot efficiency measures. How has udder health fared in recent months? Are feeding costs still adequate? What management criteria should I focus on to help sustain the business?



Historical performance and relative ranking of the herd compared to others, often called 'Benchmarking', provides informed answers to these tactical management questions. This is the main advantage of allocating resources to generate herd data with Lactanet.

How can we help?

Lactanet offers services and tools that facilitate tactical, and even strategic, decision-making. They can be found in the [DairyComp](#) and [Lac-T](#) herd management software, milk recording reports including the [new interactive reports](#), the [Lactanet Mobile app](#), [advisory services](#) and [learning programs](#).

Short-term - Day-to-day

Operational decisions refer to the [daily or weekly monitoring of activities](#): Monitoring, alert, reaction. For example, managing the herd production "in real time" at the tank or on the milking software; monitoring cows in heat

and to be inseminated; managing sick animals and late cows at the robots, etc.

Medium-term – Taking time to analyze

Tactical decisions are made using recent performance results to improve effectiveness in a recent context. Here are several examples:

- Intervening on certain cows or group of cows [based on the results of SCC, Ketolab and UreaLab reports](#) following a [milk recording](#) test;
- Reviewing the formulation of rations according to the [results of PROFILab](#) and [Transition Cow Index®](#) (for dry cows);
- Measuring the [margin over concentrates cost](#) and change the ration to improve the margin;
- Acquiring [an inventory](#) of bull semen for inseminations.

Long-term – Where the operation wants to go

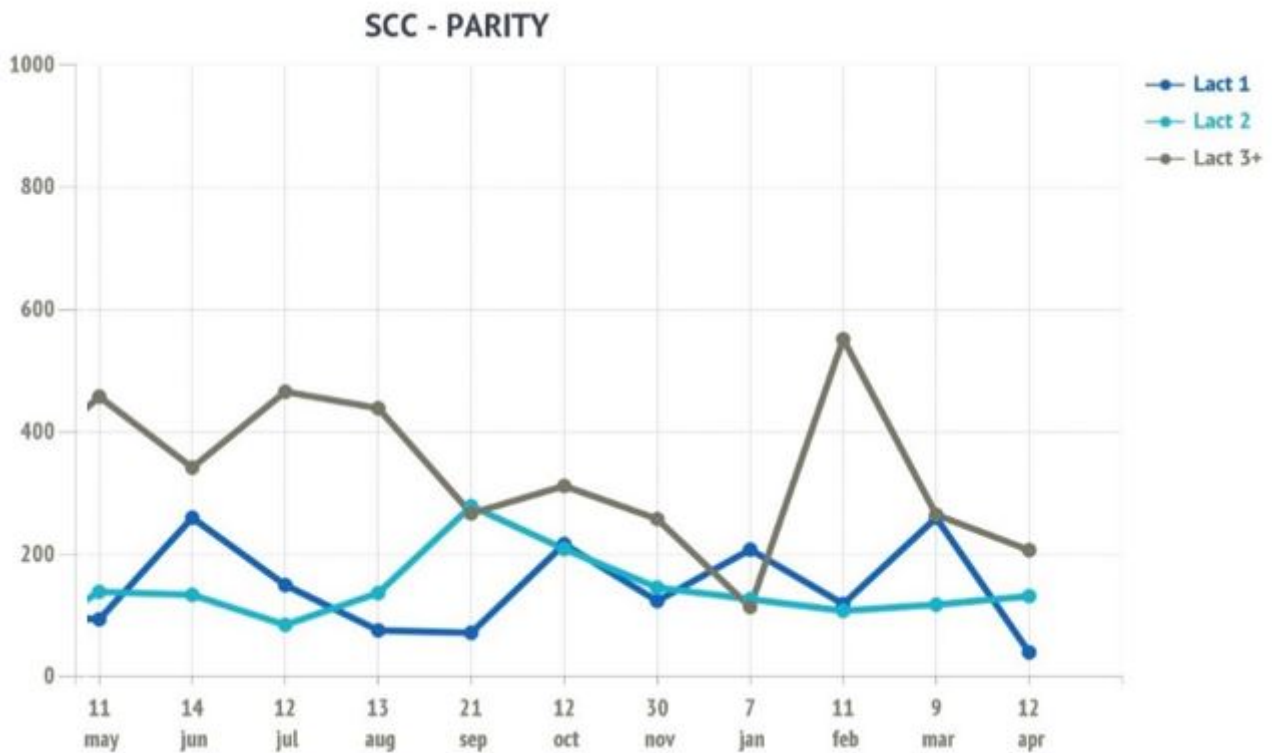
Strategic decisions refer to the company's vision over several years, and they guide the allocation of financial and human resources. They are often referred to in strategic planning. Strategic decisions are made by business owners and the [expertise of external professionals](#) is often required.

Example of strategic decisions:

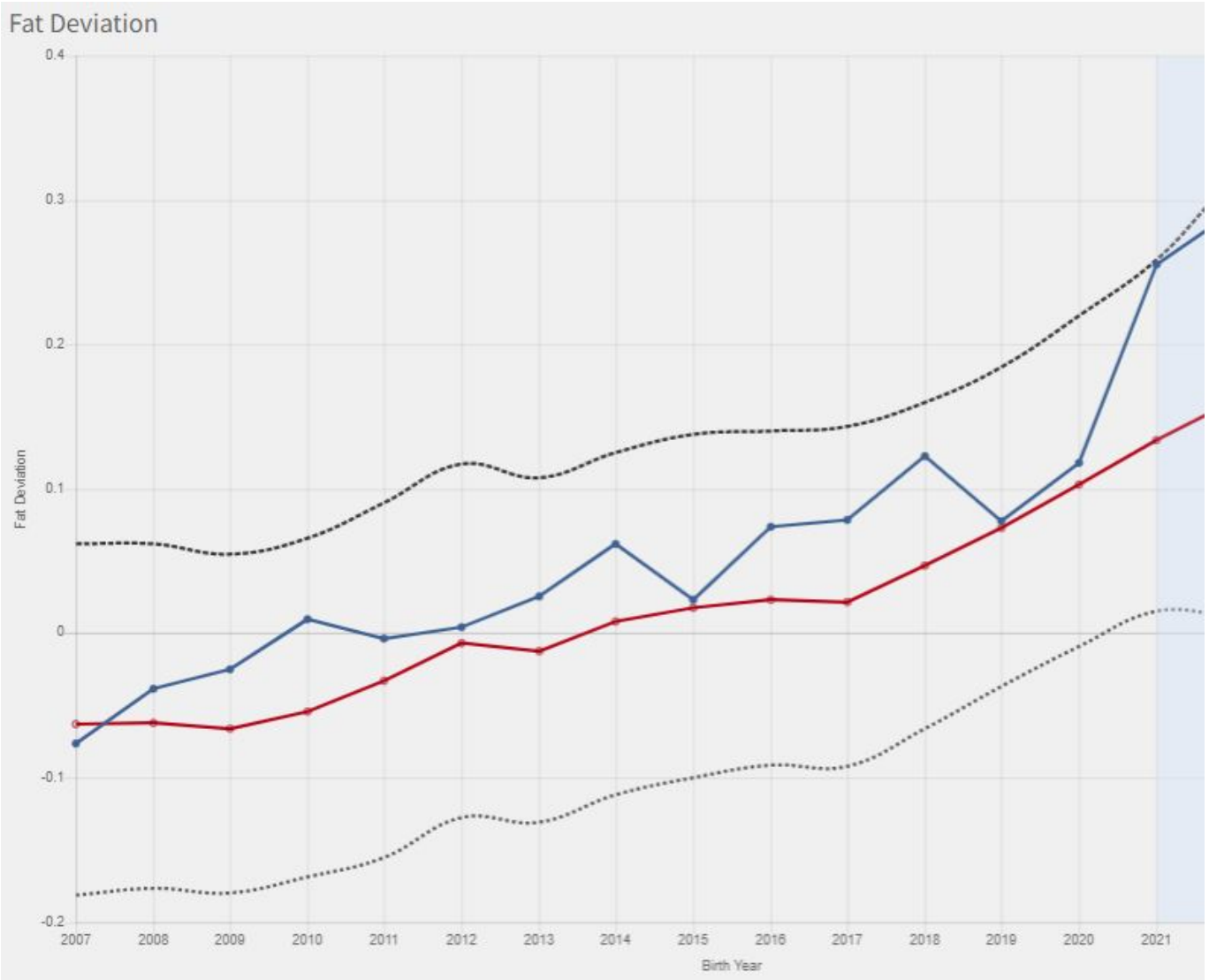
- Adapting the barn to improve transition and animal comfort
- Installing new milking or feeding equipment
- Building and expanding

Examples of Reports that Facilitate Tactical Decision Making

1. The [Lactanet Mobile App](#) offers various performance indicators supported by historical trends that facilitate tactical decision making. The graph below indicates that the manager should look at the unfavorable evolution of SCCs for cows in 3+ lactations.



- [Monitoring genetic progress with Compass](#) can have a significant impact on profitability. Below is a herd (blue line) where the manager made a tactical decision in 2020 to select very high fat sires to meet market needs. Heifers born in 2021 show a dramatic increase.



3. The [Interactive Robot Report](#) allows you to track robot productivity and compare performance to the provincial averages for robotic milking herds. Below is a manager who aims to maximize fat production per robot. He reaches more than 90 kg of daily fat per robot; he is in the top 20% .

Key Indicators - Robot (7 days)	Results	12 months	Robot prov. avg.	Top 20%-robot
Milk/robot (kg)	2326	2083		
Fat/robot (kg)	90.5	85.6		
Milk/cow/day (kg)	45.6	42.0		
Fat/cow/day (kg)	1.77	1.73		
Number of cows/robot	51	50		

4. [Margins on concentrate costs](#) is a hot topic at Lactanet, which offers training and tools to address the subject. Feed costs can have a major effect on a company's margins. The table below shows the results of a company that ignored tactical management on this criterion. An initial analysis shows losses totaling more than \$100,000 compared to the average company.

Results	Farm	References 4- Qc*	Difference	Impact on margin
Milk value (\$/hl) excluding premiums	79.05	82.18	3.12	(28 250)
- Deductions (\$/hl)	4.69	4.69	-	(17)
- Cost of concentrates (\$/hl)	23.99	15.29	8.69	(78 600)
Margin over cost of concentrates (\$/hl)	50.38	62.20	-	(106 867)

To achieve good business management and make the best tactical decisions, producers can benefit from Lactanet's tools, reports, and expertise!



By Mario Séguin, agr.

Mario is committed to improving dairy herds. A graduate in Animal Science from McGill University and a member of L'Ordre des agronomes du Québec, he contributes to the development and enhancement of the management tools offered by Lactanet.