





Taken these two factors into consideration (lower prices and excess heifers), there may never be a better time for producers to use tools to help them identify heifers with highest genetic potential!

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# Using genomic tools in the commercial

- · Several options exist for producers to improve performance and profitability
  - > Tests and rankings that emphasize growth/carcass
  - ➤ Tests and rankings that emphasize maternal performance (ie, pregnancy rates, calving ease)
  - ➤ Combinations of the two

## So which one should I use?

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## **Development of GeneMax Advantage**



- Initial collaboration with Angus Genetics, Inc and Certified Angus Beef, GeneMax Advantage was released to the industry in 2014
- Applicable to beef females that are ≥ 75% Black Angus
   Based on HD50K platform using ~39K Angus seedstock animals
- This platform provided the most reliable genomic predictions for maternal, growth and carcass traits available for Angus cattle

Trait	Correlation	Trait	Correlation	Trait	Correlation
CED	.67	SC	.80	CWT	.60
BW	.69	DOC	.68	MARB	.65
WWT	.56	HP	.62	REA	.68
YWT	.68	MILK	.37	FAT	.65
DMI	.73	MWT	.74		
YHT	75	MHT	71		

Based on validations including >108,000 head.
Source: American Angus Association and Angus Genetics Inc. 2016.

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# **Development of GeneMax Advantage**

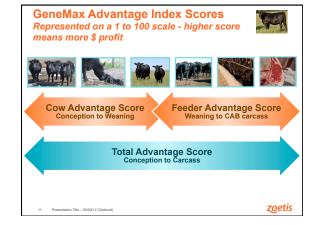


· MBV are generated for 13 traits and consolidated into 3 bioeconomic indexes

Cow Advantage, Feeder Advantage, Total Advantage

- Advantage indexes derived using simple selection index methodology and economic assumptions (revenues/costs) consistent with those used by the American Angus Association in their economic (\$) indexes; 3-year rolling averages
- These indexes can then be used for heifer selection, mating and marketing decisions

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# Traits included in the GeneMax Advantage indexes Cow Advantage



Heifer Pregnancy, Calving Ease, Weaning Weight, Milk, Cow Size (cow costs)

· Feeder Advantage Feedlot Gain, Dry Matter Intake,

Carcass Weight, Yield Grade, Quality Grade (marbling)



Total Advantage (conception to CAB carcass)



## Why present the information as an index?

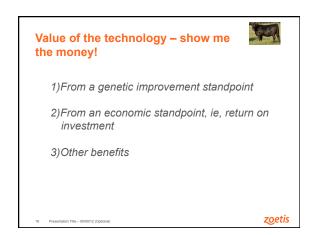


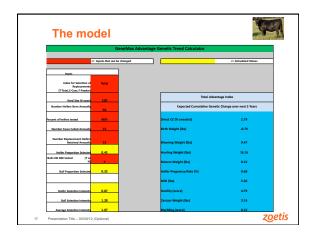
- The primary reason and benefit for using an index in beef cattle selection is to simplify improvement for many traits with different underlying genetic control (heritability) and economic value into a simple to use single number
- Maximum genetic (economic) improvement is then made by selecting and mating males and females with highest indexes
- •Dr Bob Weaber reviewed many currently available

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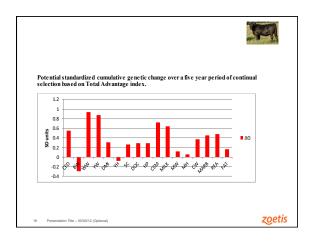


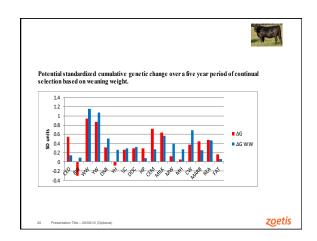
# **Example report** 02/13/2013 02/18/2013 02/16/2013 02/10/2013 18A 34A 17A 20A 101A 31A 15A 5A 38A 125A 115A 68A 53A 02/16/2013 02/23/2013 02/23/2013 02/16/2013 02/16/2013 03/06/2013 02/20/2013 02/15/2013 02/16/2013 02/12/2013 03/08/2013 03/07/2013 03/04/2013 03/20/2013 03/10/2013 03/06/2013 03/24/2013





# **Assumptions in Genetic Improvement Calculations** 1. Two-thirds of heifers produced are genomically tested and ranked on Total Advantage 2. Top forty-five percent of tested heifers are retained as replacement females (ie, 15 per year in a 100 cow herd) 3. Males (service sires) are HD-50K tested, are selected on the same index and come from the top 25% of the seedstock population zoetis



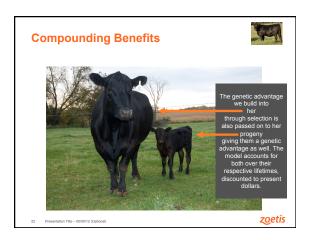


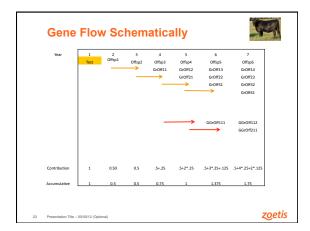
# **Assumptions in Value Calculations**



- Two-thirds of heifers produced are genomically tested and selected on Total Advantage
- Top forty-five percent of tested heifers are retained as replacement females (ie, 15 per year in a 100 cow herd)
- Males (service sires) are HD-50K tested, are selected on the same index and come from the top 25% of the seedstock population
- 4. Selected heifers produce 6 calves lifetime (1 per year)
- Each offspring/grand-offspring, etc has a 50% chance of being female
- 6. Future generations also considered
- 7. Test cost is \$39

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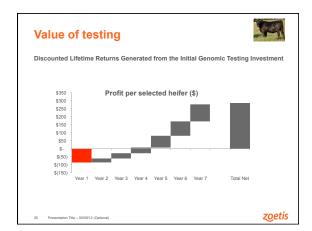


# Value of testing



- In year 1, only testing costs are incurred, no revenue generated
- In years 2 through 7, value is generated through the selected heifers own performance and that of their offspring (6), grand-offspring (up to 10), and great-grand-offspring (up to 3)
- Revenue in years 2 through 7 is discounted to year 1 to put on same time as when the investment is made (6% discount rate)
- Although not considered in the value calculations, in years 8 through 10 up to potentially16 grand-offspring descendants and 12 great-grand-offspring descendants are influenced by the original selected heifers' genes

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## Value of testing



- · Break-even occurs between years 3 and 4
- Value created by future generations is about 1.5X that of tested females (demonstrates the value of this technology in subsequent generations)
- Enhanced production (beyond 6 calves lifetime) will further increase the value of tested heifers
- Under assumptions considered here, there is a potential of an additional ~\$300 lifetime profit from selected females
- Genetic improvement is a long term investment!
- \_\_\_\_\_

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#### Value of testing



- Tested 500+ heifers in western US herd
- •Advantage index ranged from 14 to 96, averaged 69 pts
- Top 20% average 87 pts, bottom 20% average 46 pts
   39 pt difference @ \$1.55/pt = \$60 difference in potential per calf, \$360 lifetime
- Top 20% average 87 pts, every other heifer average 68 pts
   ▶ 19 pt difference @ \$1.55/pt = \$29 difference in potential per calf, \$174 lifetime

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#### Value of testing



- Tested 146 heifers in SD herd
- •Top 100 based on visual appraisal average 56 pts
- •Top 100 based on Advantage index average 65 pts
- > 9 pt difference = \$14 difference in potential per calf, \$84 lifetime
- \*\* 68 heifers in common between the two groups, however 32 high index heifers omitted by visual selection and many heifers were included that were near the very bottom in terms of index!

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## Value of testing



- Case Study from the University of Missouri, Dr. Jared Decker (http://www.cattlenetwork.com/advice-and-tips/genomics-case-study)
- Tested 80 U of M heifers in 2014
- Selected top 60% of heifers as replacements
- Dr. Decker estimates that one year of selection has added \$12.56 more profit per heifer calf or \$63 more profit lifetime
- Only assumed 5 calves lifetime and only considered own performance
- At 6 calves lifetime this equates to \$75, which is more than the \$61 we estimate based on own performance only doesn't consider any contribution from future generations

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## Value of testing



- · Relative to other herd investments
- ➤ A \$39 test cost is approximately \$15 more than a recommended health protocol incurred for a heifer up to first calving, or 43% of a preventative health protocol through
- or 43% of a preventative health protocol through 6 calvings
- Compared to genetic costs from natural service bulls (purchase price only)
- \$40 per calf for a \$4000 bull
- \$70 per calf for a \$7000 bull
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#### **Summary**

- Affordable and cost-effective genomic tools are now available for commercial cattle producers
- These tools offer the opportunity to improve performance and profitability of selected females over and beyond traditional selection methods
   Repro technologies, Dr Allan
- This technology also offers other advantages such as
   managing inbreeding, corrective mating
   value added marketing of tested heifers, steer mates and progeny of tested females
- Value to commercial producers is unique due to lack of routine genetic evaluations and EPDs

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# Thank You!

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