Michigan Per Cow Expenditures on BST

The question has been raised about how much to plan on annual spending for bovine somatotropin (BST) per dairy cow when budgeting for technology changes or expansion. At current prices, following vendor use recommendations would indicate planning to spend from $85 to $100 per cow per year.

To find what is actually being spent, the financial records in MSUE's Telfarm business analysis system were searched for BST. Forty farms were found that reported both BST and average number of cows (both milking plus dry) during the year 2000. Additional farms reported BST expenses, but not cow numbers. These 40 farms had an average of 261.3 cows and spent an average of $74.10 per cow, annually, on BST. This was calculated by totaling the dollars spent on all 40 farms, totaling the cows, and dividing the cow total into the dollars spent on BST.

It appeared that size differences existed in 2000. The 40 herds were divided into the 20 smaller and the 20 larger herds with averages run on each group. The 20 smaller herds ranged from 45 to 215, with an average of 121.9 cows. These 20 herds reported spending an average of $53.70 per cow on BST. The range was from $4.50 to $94.30 spent on BST.

The 20 larger herds ranged from 215 to 1,549, with an average of 400.7 cows. These 20 herds reported spending an average of $80.30 per cow, annually, on BST. The range was from $43.20 to $118.70 per cow spent on BST.

When doing forward planning, any projected cost should reflect what the farm team plans to do. Given the above variability in actual amounts spent on BST, how it is used on any given farm should be explored.

The 40 studied farms showed farm book keepers assign BST to a variety of expense categories. Telfarm/MicroTel has provided a BST code since the beginning of 1999. However, BST was also found as a subcategory under feeds, veterinary, supplies and miscellaneous when transferred into business analysis summaries. It appears these categories were randomly used.

A group of animal scientists recently went on record with the opinion that BST should be reported as a subcategory under feed. It would be nice for book keepers and builders of group averages to standardize on where BST is reported. Currently, few of the published group averages say where BST is hidden. As you fine tune forward projections with clientele, this factor needs attention.

There was no attempt to report the percentage of farms that use BST, nor the benefits derived from the farms that do use it. The data set was not designed to support such conclusions.

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