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Methods Used in Standardizing Data in Sire Profit Comparison

2011 Iowa Sire Profit Comparison Project

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- Lifetime profit was calculated on each progeny by calculating gross revenue and subtracting out feed, yardage, miscellaneous and SPA cow costs.
- Standardized feed cost was \$.120 per pound or \$240 per ton of dry matter consumed.
- All feed consumption was calculated using the Cornell Net Carbohydrate Model as developed by Dr. Danny Fox at Cornell University.
- Yardage was calculated at \$.33 per head per day.
- All individual health treatments were used at actual cost.
- Beginning value of calves were standardized using a formula developed from Standardized Performance Analysis records from the ISU Beef Cow Business Records program. A standard fixed cost and a variable cost depending on the weight of the calf was utilized. The actual formula was:
SPA Calf Value = \$152.94 + (Delivered Calf Weight x \$.5316)
- All miscellaneous costs were assessed as accumulated during the test and no standardization on these was done.
- All progeny, and thus sires, were evaluated and ranked using one grid pricing situation. A standard base price of \$190 per cwt of carcass weight was used and the grid premiums and discounts were applied as applicable. The grid utilized is at the bottom of this write up.
- Choice-Select price spread utilized in the project for evaluation and rankings is -\$10.00/cwt. The average Choice-Select price spread from July 1, 2010 to June 30, 2011 was \$6.62/cwt.
- All progeny were evaluated within test and sex group, a dollar difference per deviation point was found within each test group, and then those deviation dollars were utilized in a weighted analysis for each sire to determine Sire Effect on Profit. Difference in variance between each testing group was accounted for in final rank.

Grid for 2011 Sire Profit Comparison Project (\$/cwt)

Quality Grade	Yield Grade 1	Yield Grade 2	Yield Grade 3	Yield Grade 4	Yield Grade 5
Prime	\$209	\$207	\$205	\$190	\$185
Upper 2/3 CH	\$198	\$196	\$194	\$179	NA
Low Choice	\$194	\$192	\$190	\$175	\$170
Select	\$184	\$182	\$180	\$165	\$160
Standard	\$170	\$170	\$170	\$155	\$150