



## 2022 Budget Includes Fee Adjustments

At its November meeting in Louisville, Ky., the AJCA and NAJ Board of Directors approved pricing changes as part of the 2023 operating budget, effective January 1.

This includes a new tier for REAP and Performance programs (TPE, STEP) of 1-50 cows. The new fees are as follows:

- Herd fee – \$165;
- REAP fees: *(previous fees in parenthesis)*
  - 1-50 cows – \$14.50 per cow (*\$13*);
  - 51-100 cows – \$14.00 (*\$13*);
  - 101-300 cows – \$11.00 (*\$10.50*);
  - 301-500 cows – \$8.75 (*\$8.25*);
  - 501-1,000 cows – \$6.50 (*\$6*);
  - 1,001-3,000 cows – \$5.50 (*\$5.25*); and
  - 3,001 and up cows – \$4.75 (*no change*)

Equity fees will increase to \$3.80 (*\$3.75*) per cow.

Lifetime membership will also increase to \$150 beginning January 1, 2023.

These changes will generate revenue to cover increased operating costs of REAP, TPE and STEP, plus provide for necessary investments in staffing, programming and computer technologies.

“As Jersey breeders we have come to expect a level of service that is second to none,” comments President Alan Chittenden, Schodack Landing, N.Y. “However, the cost of providing these services has increased significantly. In order to maintain a balanced budget and compensate our valued employees at an appropriate level, the board felt justified in taking action with fee increases. What other services can you name that have not increased in price over the last 8 years?”

The history of REAP, which enrolls 97% of the cows on AJCA performance programs today, shows that while adding value to AJCA programs is a constant endeavor, fee adjustments are far from a common occurrence. The last update to cow costs was in January 2014.

When REAP was introduced in January of 1995, the annual herd enrollment fee was \$50 and the per-cow fee started at \$10.75 for the first 100 cows, with reductions for additional cows that reflected the economies of scale in providing service. For a single herd price,

all registrations under six months of age were processed; official performance records and genetic evaluations were delivered on schedule; type appraisal was done every seven to 10 months; NAJ provided milk marketing advice and support through Equity; and the *Jersey Journal* was delivered every month for a full year.

Twenty-eight years later, fees have been changed just six times and always with an eye towards improving services and adding value to ones already included. For example, REAP herds now receive a tiered reduction of pricing for transfers within the calendar year.

Because of timely fee adjustments, the AJCA was able to build the industry’s first on-demand 24/7 customer service website at [www.infoJersey.com](http://www.infoJersey.com). JerseyMate was introduced in late 2000 and because it was internet-based, herd owners could run it when and as often as they wanted to. Advanced programming led to the 2007 release of BullsEye, a tool that hit the bull’s eye with its easy-to-use search, sort and select capabilities. Product discounts have been included in REAP, for JerseyTags, genotyping, ownership transfers and no-charge male transfers, and the \$100 credit on advertising space of one-half page or larger in this magazine.

Increased demand for REAP services followed, as planned, in the wake of the implementation of MCP in most federal milk marketing orders on January 1, 2000. Since then, Jerseys have surged from less than 4% of the U.S. milk cow population to nearly 15%, domestic semen sales have increased 245%, and REAP cow enrollment has more than doubled. It has taken more people, more travel and more equipment and information processing capacity to deliver expanded services in a timely manner.

Every decision to increase fees is evaluated carefully by the Association’s directors, and not taken lightly because they too operate their own dairies.

The growth of REAP since its debut in 1995 is a powerful statement about the commitment the USJersey organizations have made to developing and delivering a service that makes you money, and that works best for you. If you’re not using REAP, give it some thought and give us a call. We would like an opportunity to tell you how it will help increase your returns from your Registered Jerseys™.

