

Production Sales Key to Inventory Management at Clover Patch Jerseys

Alan and Sharon Kozak have successfully managed herd inventory by capitalizing on niche cattle markets, offering in volume, and providing value for their customers. Proficiency, though, has been born of necessity, as internal herd growth at Clover Patch Jerseys has ballooned from a stellar calf raising program and the use of sexed semen. To best manage and care for the 450-cow herd in Millersburg, Ohio, the Kozaks have no choice. They need to merchandise.

Over the past 10 years, they have sold more than 1,200 head as dairy replacements to producers across the United States and Canada. More than half of these have been sold through four Clover Patch Cornucopia sales managed by Jersey Marketing Services (JMS) since 2013. The other half has been sold privately. Year-in, year-out, they have earned above average prices for replacement females.

So how did they do it? They started by building a great herd. In the early years, they sold cattle through private treaty sales and consignments to the local auction barn and a handful of JMS sales. They now find success by coupling farm production sales with private treaty sales. Buyers count on their production sales as a single source for a large group of uniform, well-grown, healthy, solidly bred cattle of all ages. The prices for these animals set the stage for

private treaty sales.

By merchandising a large cross section of the herd, the Kozaks have been able to focus on what they do best: care for Reg-



The Kozaks—Alan, Sharon, Brandon, Courtney and Courtney's fiance, Matt.

istered Jersey cattle and sell milk. Having said this, cattle merchandising is not viewed as a profit center for Clover Patch. Rather, it generates cash and reduces herd size, enabling them to better care for the animals they have retained.

As well, while others are breeding the bottom end of the herd to beef bulls to capitalize on this market, Clover Patch uses Jersey bulls for every mating, operating with the belief that a healthy, well-bred Jersey calf is worth more than a beef cross calf. This allows Clover Patch to use the

very best Registered Jersey genetics, which are often available only as gender sorted, and prevent stressful calvings. And, the more heifers that are born, the greater the chance of finding a valuable genetic female outlier.

The Basics: Build a Better Herd

Success with everything, including cattle sales, begins by doing the job right. You need to build a great product before you build demand for it. The Kozaks have used programs and services from the American Jersey Cattle Association to help them develop and manage their herd. When they established the herd 30 years ago, they used registration, production testing and herd appraisal services. The toolbox now includes REAP enrollment and newer programs like JerseyTags, BullsEye, JerseyMate and genotyping.

The herd has been bred generation-after-generation to leading sires and now ranks #3 in the nation for genetic merit with a herd average Jersey Performance Index (JPI) of +52 (December 2020). Predicted Transmitting Abilities (PTAs) are +159M, +18F and +15P. The 2020 actual herd average is 18,234 lbs. milk, 937 lbs. fat and 690

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*Pasture scenes courtesy
Sherry Bunting.*



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lbs. protein and the appraisal average stands at 80.5%. The entire herd is genotyped and tested for the beta casein gene, with many now testing A2/A2.

When potential buyers pair these numbers with other management numbers, like somatic cell count, and herd health protocol, they get an image of an “average” cow in the Clover Patch herd. If you sell from the top or bottom of the herd, these numbers are less significant. But if you want to develop a market for a large swath of your herd, they are paramount.

From the onset, these numbers have been important to Alan, a self-proclaimed numbers guy whose passion for figures is keenly evident when choosing service sires for the herd. He spends hours-on-end talking to other Jersey breeders, studying proofs, and delving into pedigrees to choose bulls that will improve the herd.

Kozak’s process begins with BullsEye, a free online tool that allows one to sort Jersey bulls in real time using a wide variety of criteria. He pares the down initially by sorting bulls that are breed average or better for Udder Depth (PTA UD). He then fiddles with values for the traits JPI and Jersey Udder Index (JUI), and status for the undesirable traits, JH1 and Jersey Neuropathy and Splayed Forelimbs (JNS), to find bulls that suit his breeding program.

This group of bulls is then plugged into the sire inventory of JerseyMate and reports run to provide mating recommendations for various groups of females. For REAP herds like Clover Patch, the service is free around the clock and reports can be run an unlimited number of times.

“We have used JerseyMate for years, not just because it provides mating options, but because it also helps us to manage inbreeding and JNS,” noted Kozak.

“One of the features I often use is the pedigree link to each recommended sire. This is super slick. Just click on the link and a PDF of the pedigree is displayed. This allows me to double check a sire before I use him for a mating. I can check A2/A2 status and eliminate bulls if they transmit undesirable characteristics I missed initially, like short teats, high cell counts or low conception rates.”

JerseyMate provides three mating recommendations for each female—first choice, second choice and corrective mating. Though Kozak leans toward use of the correcting mating recommendation, he also uses first or second choice if he deems it to be more desirable.

Such mindfulness of sire selection and use of tools like JerseyMate has enabled the Kozaks to improve the genetic level of the



Production sales enable the Kozaks to merchandise dairy replacements from a large cross section of their herd, including open heifers.

herd over time. Clover Patch Jerseys ranked #21 in the nation for JPI in December 2016. By August 2020, it had risen in the rankings to #2.

Dairy industry groups have often visited Clover Patch to learn about their success. The Kozaks have hosted grazing groups, students attending the Ohio State University Agricultural Technical Institute and AJCA members desiring to learn more about program use. Clover Patch was a featured herd for World Dairy Expo’s virtual farm tour program in 2010 and a tour stop on the World Jersey Cattle Bureau International Conference in 2018. The family has also hosted classes for Jersey Youth Academy.

Herd Health: Like Head Start for Cows

Herd health is another foundation that requires careful consideration in developing a product that buyers want. Though industry standards hover around \$40 per cow, the Kozaks invest twice as much, or about \$80 per cow, in measures to advance health and prevent disease. Calf death rate is just 1-2% thanks to team efforts led by the “calf whisperer” herself, Sharon.

The journey here was not an easy one, however. Apt metaphors might be, “when one door closes, another opens,” or, “when given lemons, make lemonade.”

For the Kozaks, closed doors and lemons came in the form of an outbreak of Johne’s disease in the spring of 1992, shortly after they moved their herd of 300 Jerseys to its present location in Millersburg. But with use of vaccinations and strict sanitation practices, they won the battle and received a whole herd negative culture in 2008. Today the herd is the largest in Ohio to test negative on a whole-herd basis.

Open doors and lemonade are buyers of Clover Patch cattle—healthy animals that hit the ground running and earning income for their new owners from the onset.

The protocol at Clover Patch includes

treatments from birth through calving to prevent scours, pneumonia and other respiratory diseases, mastitis, Brucellosis, Infectious Bovine Rhinotracheitis, and blackleg, among others. Other practices include treatments to prevent worms and pinkeye and regular hoof trimming, both before freshening and during the dry period.

The Clover Patch herd is seasonally calved, primarily from February through June and October through November. Cows are on pasture when forages are available and trained to be managed with a one-wire electric fence, headlocks and freestalls. Calves are raised in group pens and pastured as well. Milking cows are supplemented with a total mixed ration; other animals receive supplemental grain and hay or baleage.

The extensive health care program means Clover Patch cattle can be shipped across the country and Canada at a moment’s notice. The management style means they will do well in a variety of operations, from small grazing herds to large confinement herds.

Find Opportunities and Capitalize

When the Kozaks began using sexed semen heavily, they outgrew their initial cattle marketing strategy. They knew they needed to make a change. The first Clover Patch Cornucopia sale was held in 2013. The 195 lots sold for an average of \$1,694.10 and a gross of \$330,350. That offering included 83 cows, 75 bred heifers, 31 open heifers and six bulls.

Subsequent sales have been held in 2016, 2019 and 2020. At the most recent sale, 63 cows, 67 bred heifers and 87 heifer calves sold for an average of \$1,059.77 and a gross of \$229,970. Across the four sales, 688 lots have sold for an average of \$1,368.96 and a gross of \$941,845.

Though they still market some animals privately, the Kozaks typically hold onto

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their cattle until they can sell a group of 150-200 animals in a single offering like the Clover Patch Cornucopia sale. It is an efficient, cost effective way to sell cattle. Offering groups of animals of similar ages brings volume buyers, sometimes from distant states. Offering prime cattle, like springers and fresh young cows, with open heifers brings buyers who might not otherwise show up. Each sale helps to build interest in future sales.

Clover Patch has also been able to capitalize on the niche markets for A2/A2 milk and A2/A2 genetics. The milk marketing venue arose from lucky timing and locale. "When Snowville Creamery (Pomeroy, Ohio) decided to transition to non-GMO and A2/A2 milk in early 2014, we were in a position to capitalize," commented Alan. "We were already genotyping. So, for us to add the beta casein A1/A2 option to the genotyping test was a no brainer. The premium milk price from Snowville more than paid the cost of switching to a non-GMO diet as well." Milk from the herd is sold to a local cheese plant through the National Farmers Organization as well.

The market for female A2/A2 genetics has evolved primarily through word of mouth and advertising. Like specialty markets for most everything, people who have an interest in the niche will find you if you are findable. A2/A2 cattle from the Clover Patch herd typically sell for about 30% more than their non-A2/A2 peers.

As much as anything, the Kozaks know their customers and know their strengths. "Though we sold five bulls into A.I. and several elite heifers, this is a market we chose to not chase. Genetic progress accelerates rapidly, and we cannot keep pace with an aggressive flushing program. We just don't have the resources to compete in this part of the Jersey business."

"Our market is good quality, solidly bred milk cows. Our cattle frequently do better for their new owners than they performed for us because our facilities and management are limiting expression of their genetic potential."

Build Customer Confidence

A solid reputation is built slowly on choices made day-in and day-out. Companies like Amazon and Zappos have built thriving businesses by putting customer service at the forefront. It is no different for entrepreneurs who sell replacement cattle. Create happy buyers by offering cattle that make them money and do well in their new setting.

When the Kozaks host a production sale, it is not to cull the bottom end of the herd and get rid of problem cows. The Clover Patch Cornucopia sales have been marketed with the slogan, "They All will not Fit in the Barns Sale."

As such, the Kozaks are also mindful about what crosses the auction block at their sales. "I do not knowingly sell animals with blemishes. I do not want to have to announce at the sale that an animal is

three-quartered or light in a quarter, milks slowly in a quarter, has a high cell count and such. The solution is to not sell those animals from the onset."

"I believe that if I were to knowingly sell blemished animals, folks would wonder what I am not telling them about an animal." "One or two blemished animals can impact the entire sale and our reputation."

Alan and Sharon and the team at Clover Patch take a great deal of pride in their cattle. They would be happy to milk every female born on the place. But because this is not possible, they are thrilled to see animals they sell do well for others.

Down the Road

What does the future hold for Clover Patch Jerseys? As the dairy industry evolves, one can be sure to expect changes for both the farm and cattle merchandising business. Anyone who knows Alan knows his mind is always racing with ideas and he is always picking the brains of others to see how new concepts can be applied at Clover Patch.

For starts, the team at Clover Patch is now learning how to take full advantage of the fitness tracking program by Allflex, installed in December 2020. Beyond that? Maybe the future will involve cheese? Maybe it will be a cooperative cattle marketing venture with his neighbors to ship cattle in volume.

Only time will tell. No matter what the future looks like, Clover Patch Jerseys will continue its quest to do the job well and do it for the right reasons.

AJCA Programs Used by Clover Patch Jerseys

- **REAP** (Registration, Equity, Appraisal, Performance): the AJCA's flagship performance program, delivering the complete service package of registration, Equity milk marketing support, functional type appraisal and performance testing, among others. Additional information at <https://www.usjersey.com/AJCA-NAJ-JMS/AJCA/REAPBecausePerformanceCounts.aspx>.
- **JerseyTags**: Clover Patch uses double-matching, customized Jersey-Tags along with tattoos shortly after birth as a means of permanent identification. Additional information at <https://www.usjersey.com/AJCA-NAJ-JMS/AJCA/AnimalIdentificationServices/JerseyTags.aspx>.
- **JerseyMate**: comprehensive herd mating program. Free use for REAP herds. Additional information at <https://www.usjersey.com/AJCA-NAJ-JMS/AJCA/GeneticsCenter/JerseyMate.aspx>.
- **BullsEye**: online bull selection tool. Free for all at <https://infojersey.usjersey.com/publictools/bullseye/bullseye1.aspx>.
- **Genotyping**: reduced fees for REAP herds. Additional information at <https://www.usjersey.com/AJCA-NAJ-JMS/AJCA/GeneticsCenter/AJCAGenotypingServices.aspx>.
- **Tissue Sampling**: with Allflex TSU System.
- **Jersey Journal**: contract advertiser.