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2022 Semen Sales Report Reflects Changing Global Trends

National Association of Animal Breeders regular members unit sales shows shift in domestic and global semen use.

Madison, WI [March 29, 2023] – The National Association of Animal Breeders (NAAB) members report annual units for the categories of domestic sales, export sales, custom collection and imported units for dairy and beef breeds. With approximately 95% of the US AI industry represented by NAAB members, these annual statistics provide an accurate insight of the sales of U.S. bovine semen.

"After successfully managing two years of disruptions to the supply chain and public health challenges, the impact of the global economic downturn has reached the genetics industry resulting in a decline in total dairy and beef units sold," says Jay Weiker, president of NAAB.

2022 semen sales data

The U.S. bovine semen industry reports a decline of 5% in total unit sales, reaching 69 million total units reported for all categories combined. This represents a 3.4 million unit decrease from the previous year.

The total number of dairy unit sales for domestic and export was nearly the same as 2021 at 49.4 million units while beef unit sales experienced a significant decline of 15% representing 3.3 million fewer units sold. Breaking this down further, the beef on dairy semen sales increased by about 718k units both in the U.S. and for export, however beef on beef sales saw a decline of 4 million units.

Dairy producers in the U.S. continue to adjust their reproductive management programs and make breeding decisions that provide the best economic return for their business. Producers are using different combinations of conventional and sexed dairy semen along with beef semen to improve their bottom line. The cost of raising a heifer to the age of first calving has also increased significantly, so a calculated number of replacement heifers are produced to meet expected future needs and beef semen is used on the remainder of the herd.

Decline in domestic semen sales

The domestic dairy units reported for the U.S. declined by 5%, just over 800k units with a market size of 16 million dairy units. Dairy units declined in 2021 and 2020 by 1 million and 1.2 million units respectively; so over the last 3 years, the U.S. market has declined by 3 million dairy units.

On a positive note, domestic beef units sold in the U.S. increased by 322k units overall with units used on dairies increasing 457k units while beef used in beef herds decreased. Additionally, in the domestic market, sex sorted dairy product increased by 245k units or 3%. Sexed dairy semen has grown steadily and now represents 49% of the dairy units used by U.S. dairy producers, and this product mix is used to maintain the delicate balance of replacement heifer

management. Custom collected dairy units for non-members were down 12% while custom collected beef units for non-members were down 1%.

New record in dairy exports

“In spite of the economic and geopolitical challenges facing global dairy and beef producers, the international demand for U.S. dairy genetics continued to expand,” says Weiker. “The business interruptions of the past couple years haven’t dampened the interest to use imported genetics in their breeding programs.”

A new record was set with 31.6 million units of dairy semen exported representing an increase of nearly 1 million units for a 3% increase over 2021. Beef semen exports declined to a total of 4.7 million units, down 3.6 million units or - 43% from the previous year.

Brazil was the major market for beef semen and the economic crisis there was a major contributor to the decline in beef units. Beef semen exports are also impacted by the large number of elite beef bulls that have been exported live to Brazil where semen is produced locally instead of being imported. This will have a flow on effect as some of those units will be exported to other countries, especially in Latin America.

Global trends

Producers around the world face similar issues related to the cost of production, labor shortages and finding new ways to decrease the carbon footprint of livestock production. The reproductive management practices influence the type of product used.

While the U.S. market accounts for 8.3 million units of conventional dairy semen usage, export markets purchased 23 million units, or nearly 3 times the volume. While there has been a decline in utilization of conventional semen in the U.S., the demand from the export markets has continued to increase.

Similarly, 7.9 million units of sexed dairy semen is used by U.S. producers while 8.7 million dairy units were exported. Roughly 34% of the dairy semen produced by members was used by U.S. producers and the other 66% was exported.

For the second year in a row, China was the top export market for total units and dollars. Brazil remained the second highest for total units, even though exports were half of 2021 volumes. Russia was the second highest market for dollar value.

The top 36 international markets all imported product valued over \$1 million dollars in 2022 and 11 countries imported product valued over \$5 million dollars. These 36 markets account for 93% of the total export units and nearly 94% of the dollar value.

More information about NAAB and its annual statistics can be found on <http://www.naab-css.org/>

NAAB is the national trade association for artificial insemination businesses. In that capacity, NAAB has the responsibility to negotiate with international markets to resolve trade restrictions that might limit access to product from the USA. NAAB members account for about 95% of dairy and beef semen sold in the USA and market semen to 117 countries around the world. NAAB members also participate in the Certified Semen Services (CSS) program to assure that the semen they provide to both domestic and international producers meet or exceeds the minimum health standards as well as semen quality standards.