VirginiaTech
Invent the Future

Managing Feed Needs while Controlling Costs

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The answer is very simple…….


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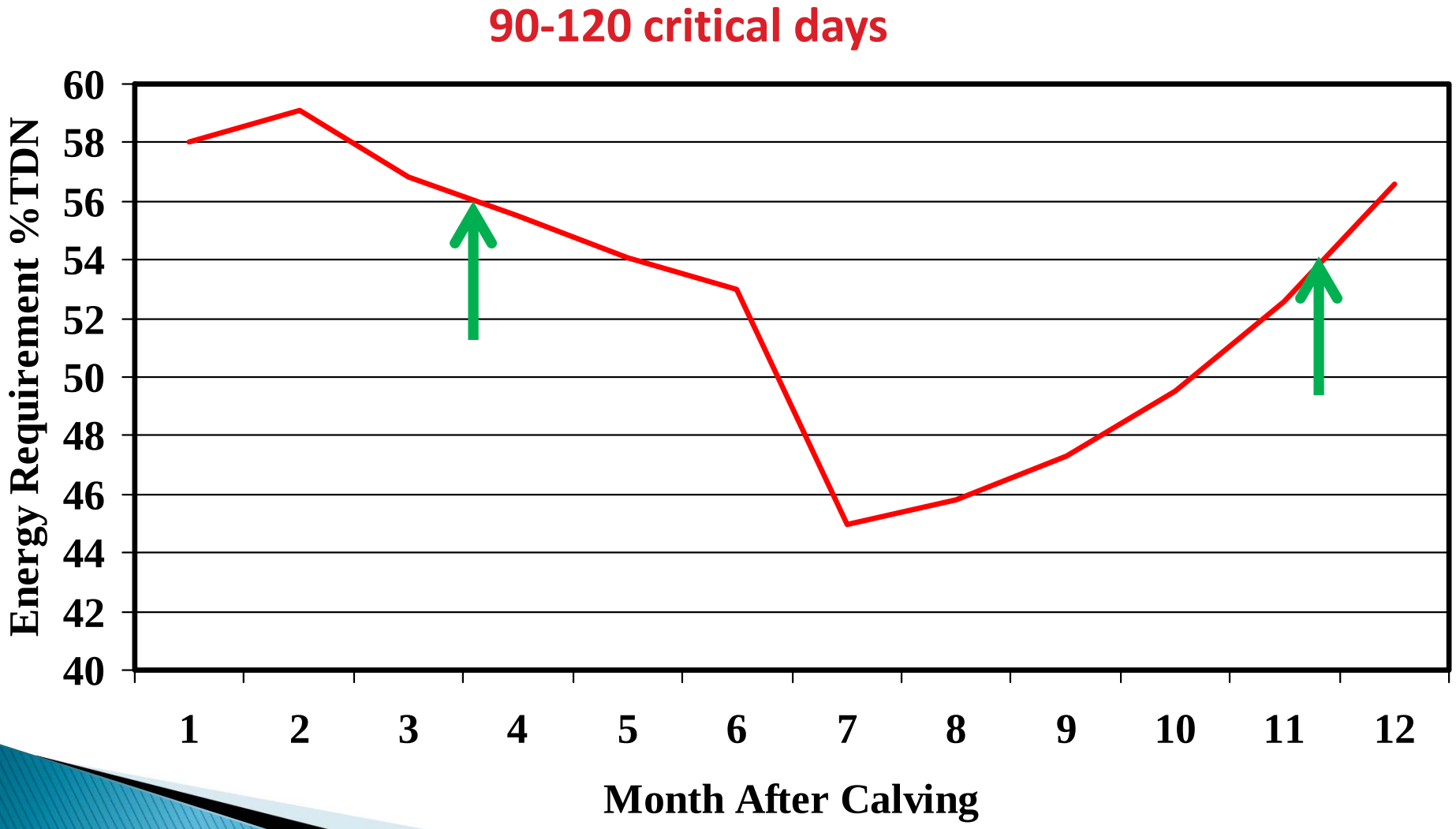
Don’t feed

Can't get something for nothing

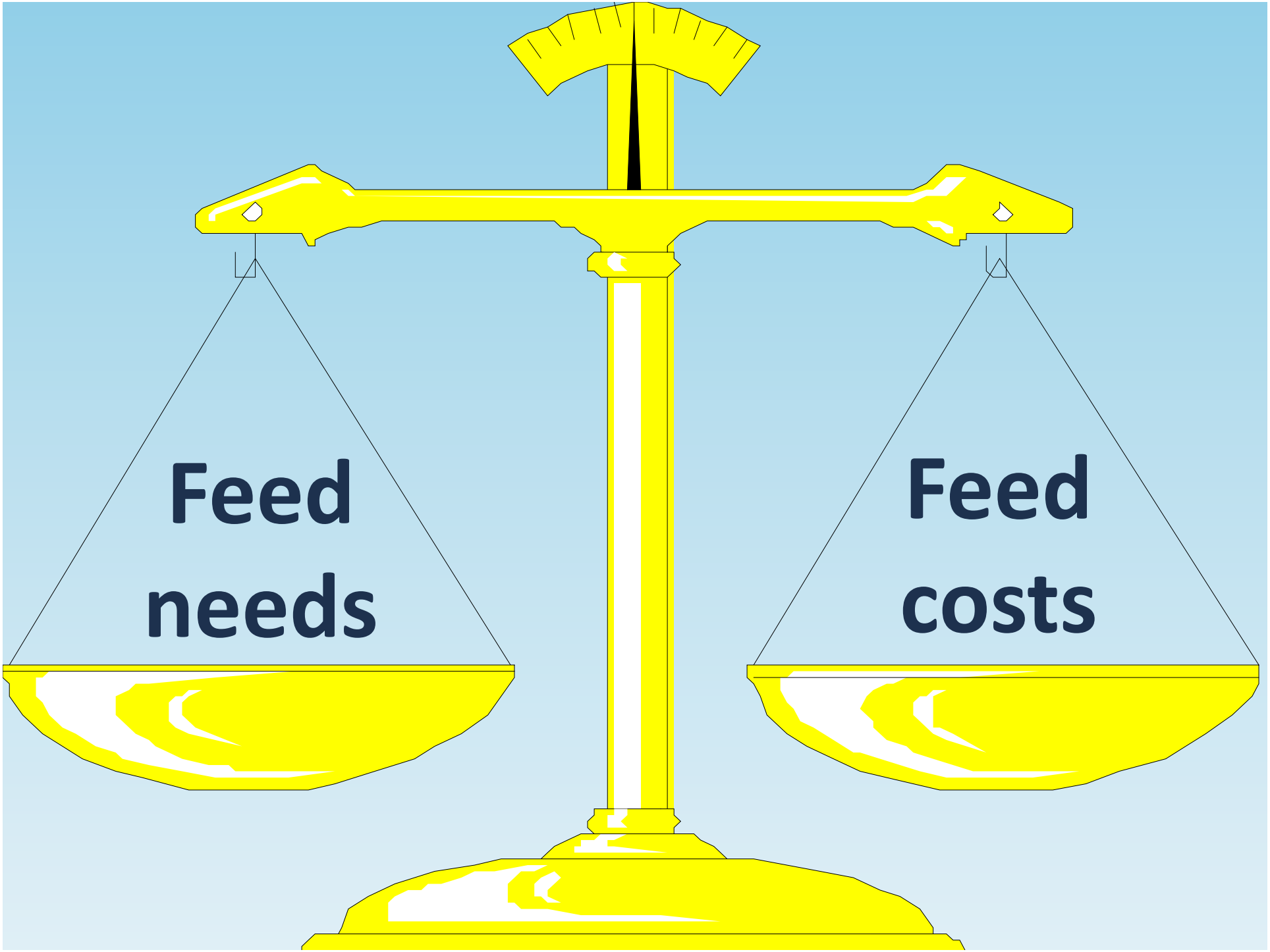
Cow energy requirements



Biological Priority for Nutrients

Priority	Function
1	Maintenance
2	Growth
3	Milk Production
4	Reproduction

Bottom line- need to calve at BCS 5+ & maintain body weight post-calving


Feed needs
Feed costs


Currently we are going down an unknown road with no milestones, no guard rail and with limited visibility

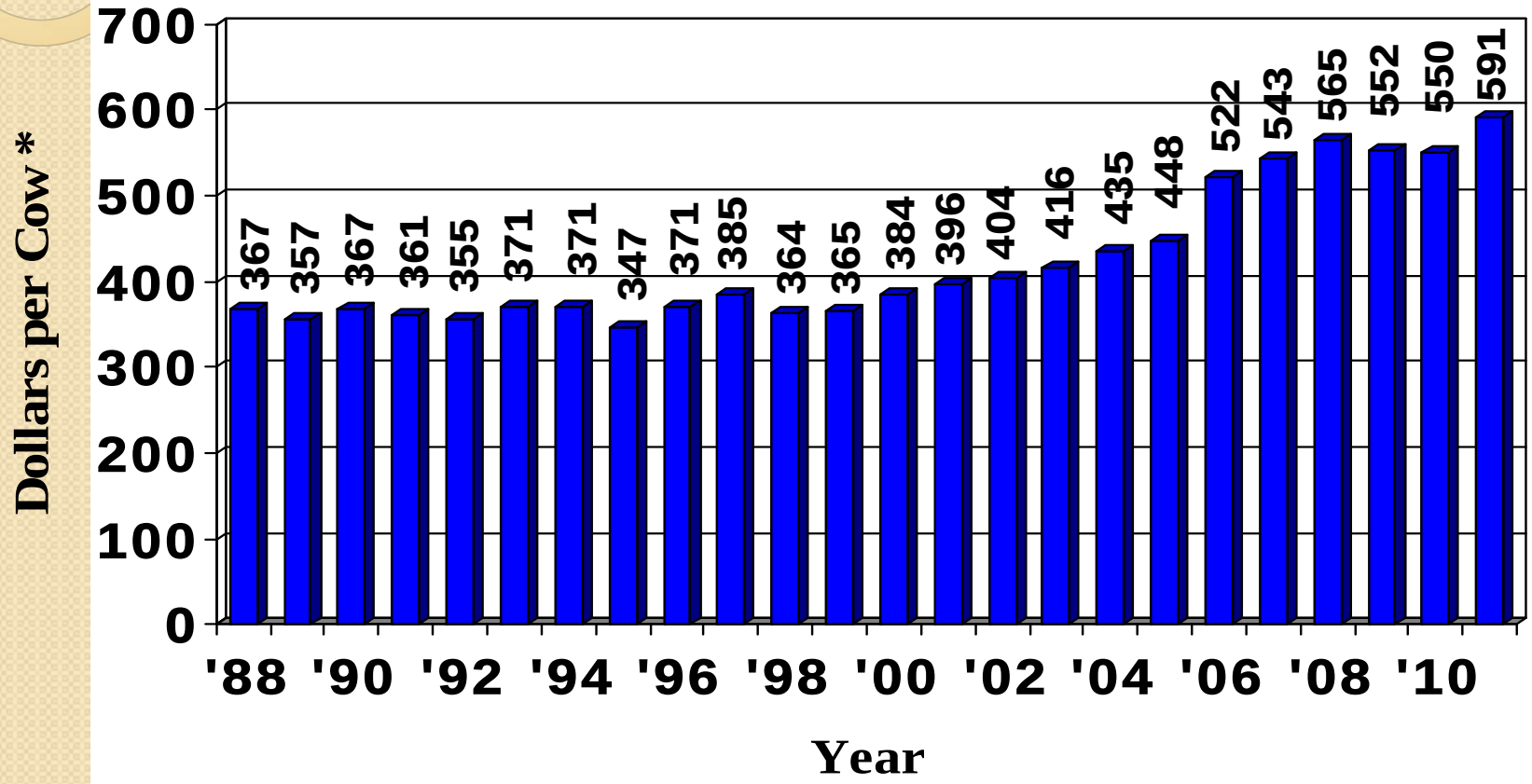
Increasing Production Costs

- Impact of the big three
  - Fertilizer, Feed and Fuel
- "I can't afford to fertilize my hay or pasture this year!"
- "No point in taking a soil test, I can't afford the fertilizer!"

Kevin Ferguson 2011


Good financial
records can at
least lift the fog

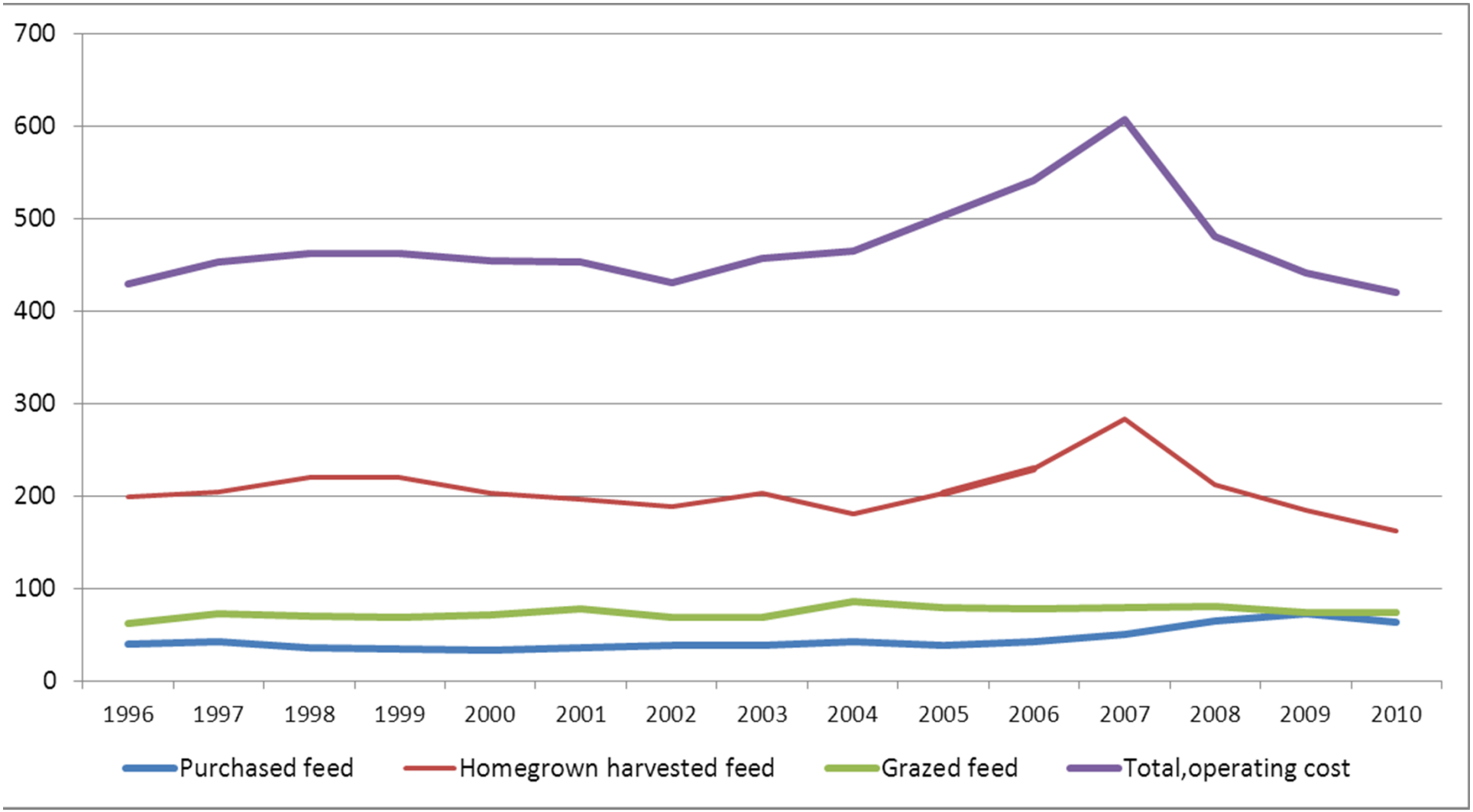
U.S. Average Cow/Calf Cash Production Expenses



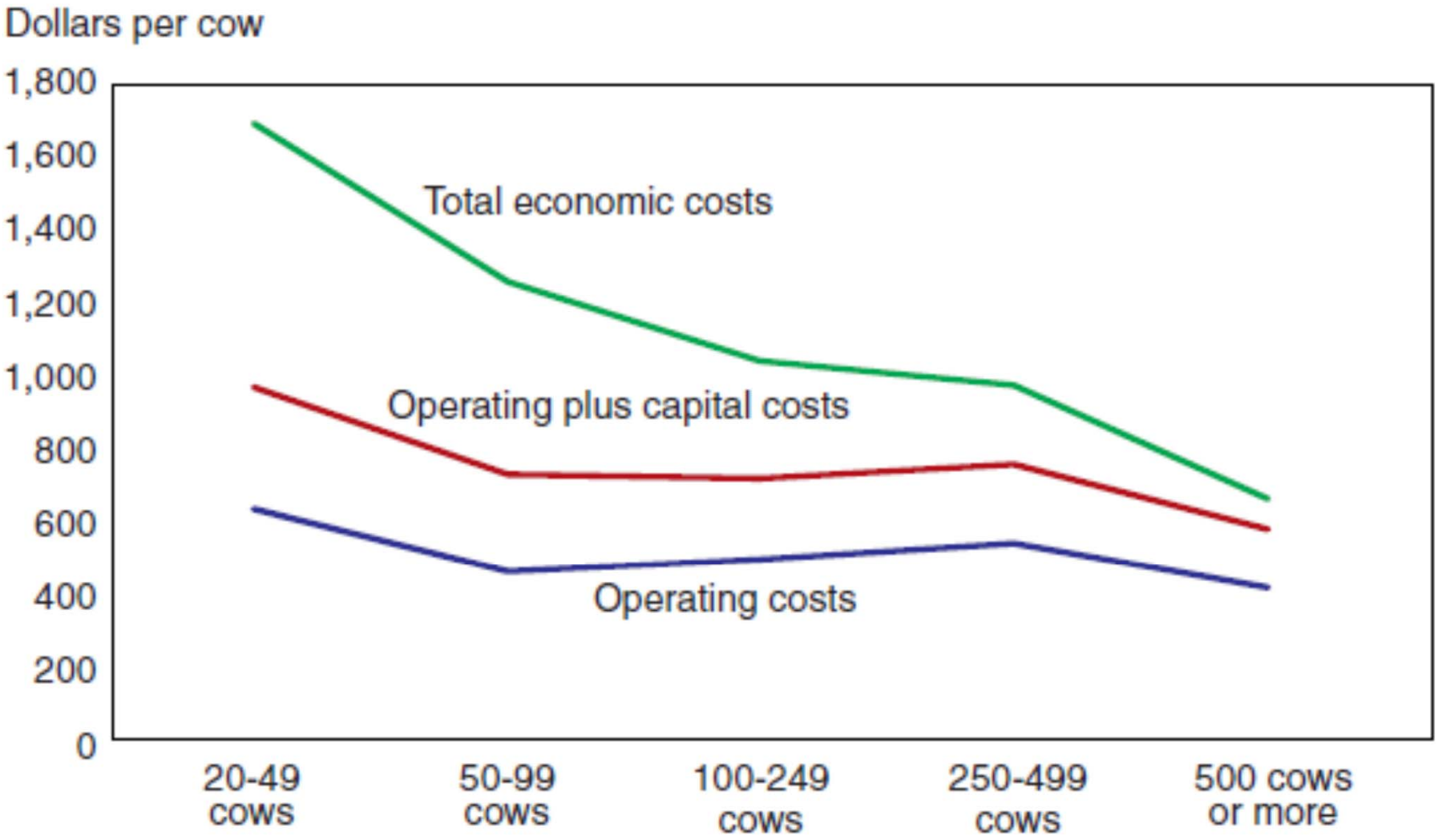
*** Includes interest costs and a pasture rental charge.**

Source: Livestock Marketing Information Center – Updated March 2011

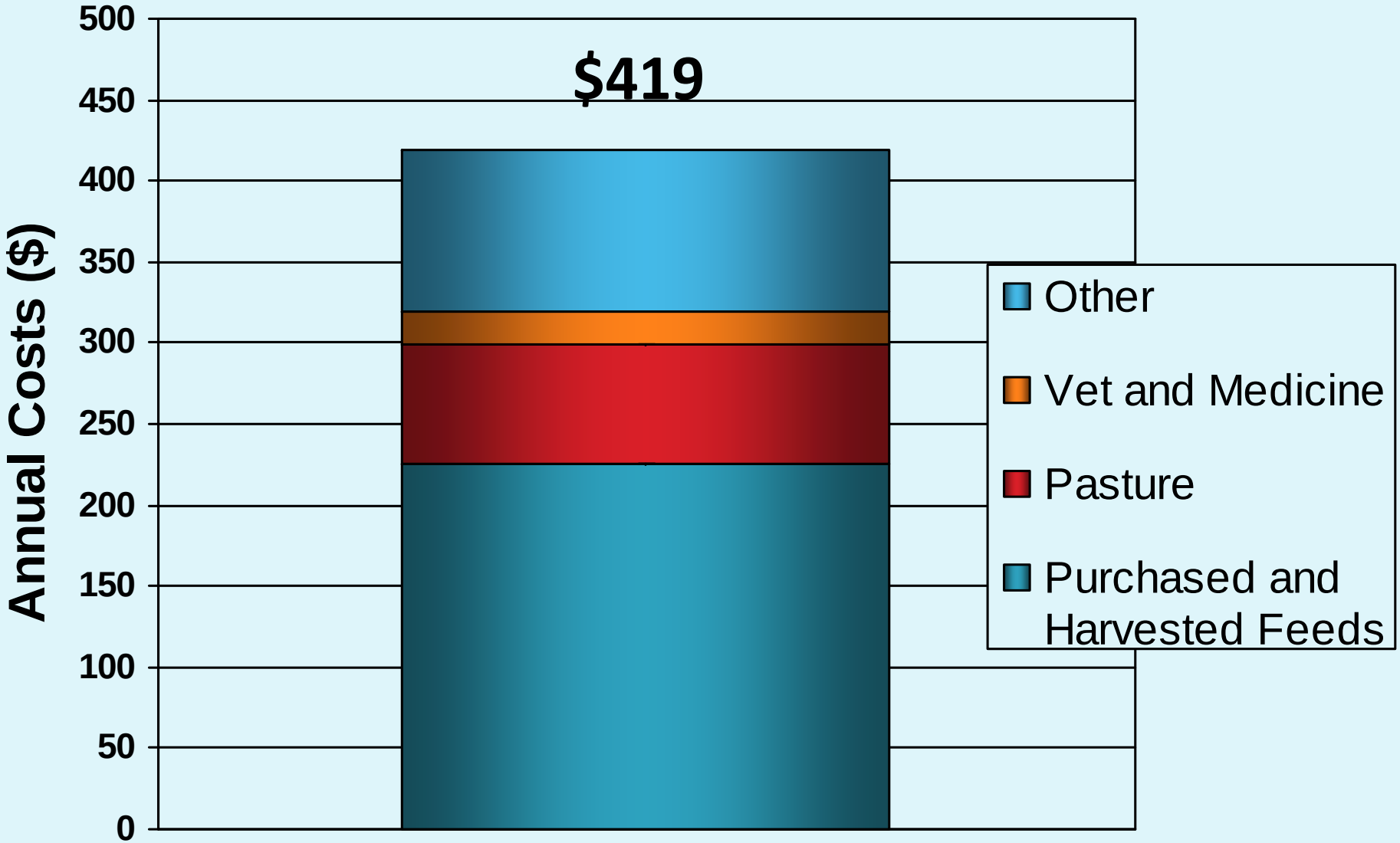
Annual Cow Costs
Eastern Uplands



Impact of herd size on cow costs

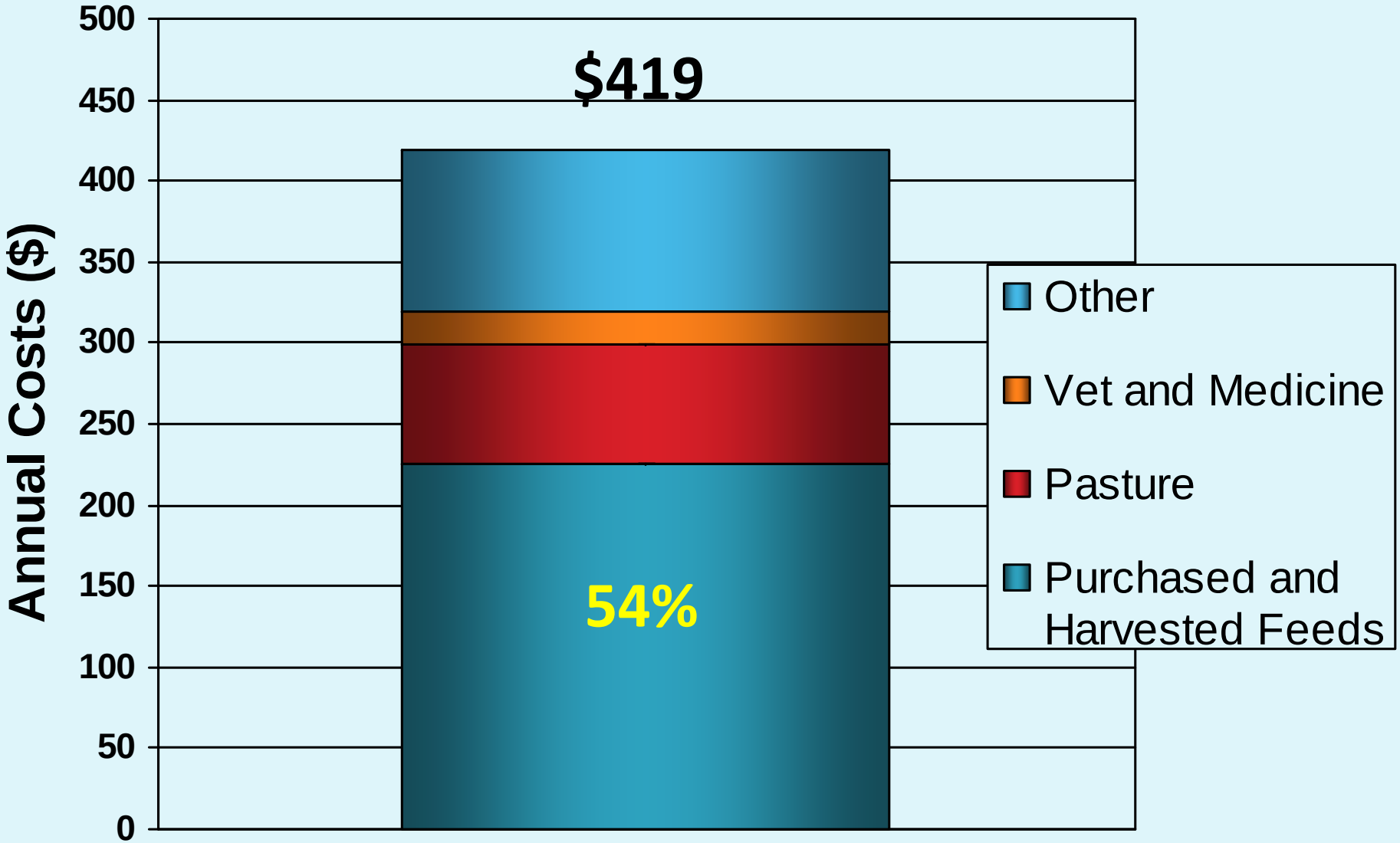


Annual operating costs per cow
Eastern Uplands

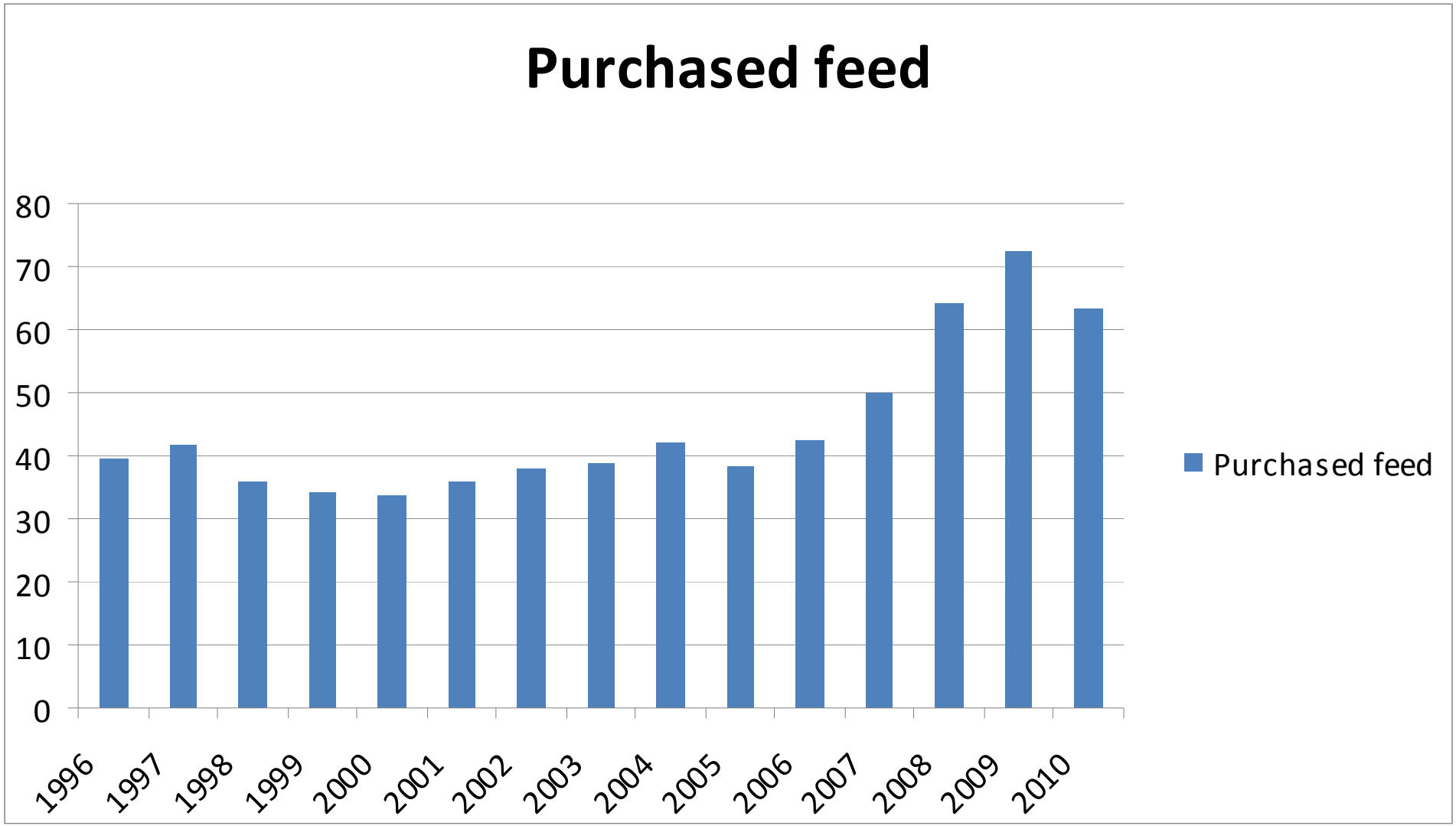


USDA, Economic Research Service, 2010

Annual operating costs per cow Eastern Uplands



USDA, Economic Research Service, 2010


Purchased feed
80
70
60
50
40
30
20
10
0
1996
1997
1998
1999
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
Purchased feed

2011 ????

Where to economize?

A key difference between high and low profit beef herds is the annual costs of harvested feed

Harvested feeds

- Cost of production and harvest
- Storage loss/cost
- Feeding loss
- Buy vs produce
- Capital Investment

Reduce Harvested Forage

- Key Concepts
  - Cow nutrient requirements
  - Forage amount & nutrient supply

- Key Options
  - Stockpiled fescue
  - Rotational grazing
  - Annuals
  - Crop Residues

Unrolling hay

Reduce overfeeding

Reduce winter mud

Increase dispersion of nutrients over farm

Hay rings vs unroller

Forage Test

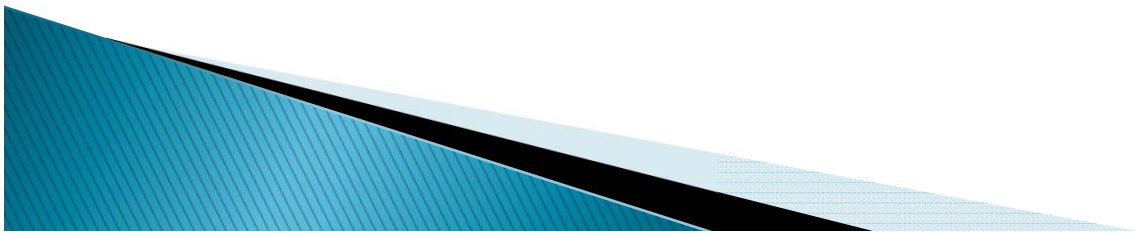
- ASAP after harvest
- If shelter is limited, cover the best and earliest produced…. Identify & record location
- Match hay to stage of production and nutrient need
- Shop for supplements which balance hay

Comparing the Value of Feeds

- Need to calculate price corrected for nutrient concentration differences

Ex. 48% CP Soybean Meal @ $400 per ton
0.48 x 2000 = 960 lbs of CP
$400 / 960 = 41.6¢ per lb of CP
22% CP Corn Gluten Feed @ $180 per ton
0.22 x 2000 = 440 lbs of CP
$180 / 440 = 40.9¢ per lb of CP

- The more expensive feed is the more economical source of protein
- Need to consider energy, physical form, storage



Mineral options

Match forage mineral content, generally-

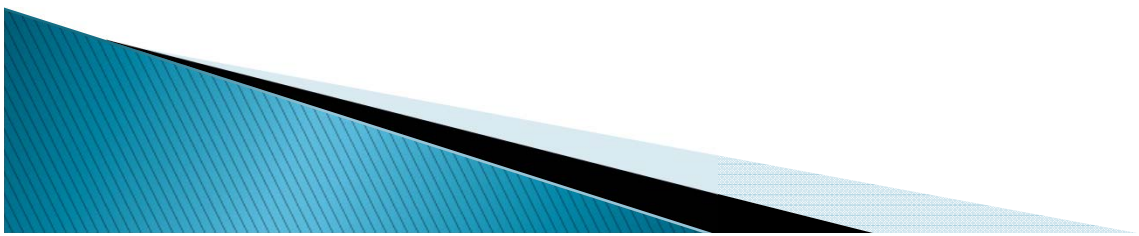
low in copper

marginal in phosphorus

no benefit of feeding Hi-mag beyond spring

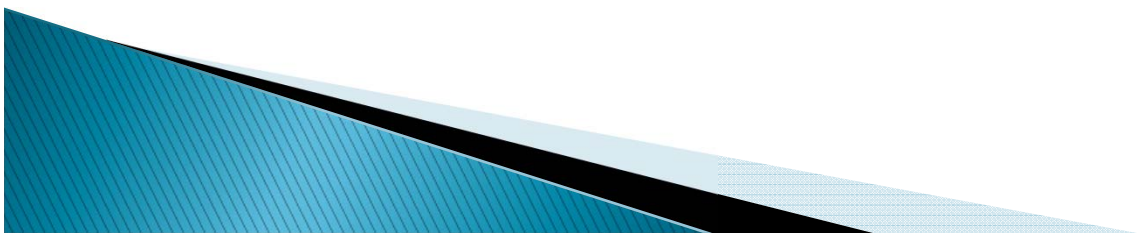
Summary- Nutrition Economics

- Meet cow's nutritional needs (120d are critical)
- Maximize use of grazed forages/ residue
- Minimize use of harvested forages
- Remember the balance of inputs and outputs related to forages and grazing management
- Test forages
  - Quality pays
  - Not everything needs the best



Summary– Nutrition Economics

- Consider purchasing hay
- Need to shelter at least 50% of hay crop
- Unroll hay rolls whenever possible
- Shop and purchase feed as cheaply as possible
  - don't forget to include waste & added labor
  - Match supplement to nutrient need (protein or energy)
- Match mineral program to cow needs & programs



COWBOY PHILOSOPHY


The road ahead will require both production and financial expertise


Questions