

Exploring Possibilities

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Kentucky dairy producers are facing a horrible set of circumstances – falling milk prices and higher input costs. What options do they have to try to have a profitable dairy farm business?

A recent farm visit with a dairy farmer, his two sons and their county agent began with a look at the cows and a tour of the facilities and the conversation centered on the current falling milk price and the future of dairy farming. Slowly the conversation turned to options the farmer and his family had for changing the situation they found themselves in and the possibilities for their dairy farm business this year.

The first step in problem solving/decision-making has been described by Dr. Steve Isaacs, an agricultural economist, as recognizing the problem or opportunity. The next step is to analyze the alternatives. In some places that might be called brainstorming or perhaps exploring the possibilities.

What possibilities might there be for dealing with the current dairy situation? A look at several different areas of the dairy operation might reveal some.

The quantity of milk sold at the current price determines most of the dairy income for the farm. Milk production of cows is largely controlled by the genetic ability of the cow to produce milk and the feed and nutrients the cow is fed. Feed costs are the largest cost in producing milk. Are there possibilities for reducing feed cost without giving up more money from reduced milk production? Does forage production offer a possibility? It really boils down to whether the nutrients in high quality forage can be produced more cheaply than they can be purchased. Can high quality home grown forages be used to supply more of the nutrients cows require to produce milk? Can legumes be seeded into grass to improve forage quality when harvested as hay, haylage or pasture? Can manure strategically applied to crop ground be used to reduce fertilizer costs for the forages grown on the farm? Are there alternative feedstuffs such as by-products which can be used effectively in the dairy ration?

To increase milk produced per cow and to receive milk quality bonuses, are there steps which can be taken in the herd to reduce somatic cell counts. Examining cattle housing especially cleanliness of bedding material, milking and teat dipping procedures and feeding schedules relative to timing of return from the milking parlor would probably be worthwhile. Could identifying high cell count cows and targeted culling of cows be used to earn milk quality bonuses which more than offset the value of the milk production of the cows culled? What is the status of herd reproduction? Keeping a high percentage of the cows and heifers in the herd pregnant and their subsequent calving guarantees the continued flow of milk in the herd. That requires close attention to all the details of the steps of cow reproduction beginning with heat detection and breeding, within 21 days of the beginning of the period when you are willing to start breeding cows after calving, and continued heat detection and breeding until she is confirmed pregnant. Good heat detection and monitoring the reproductive status of cows, whether or not of timed insemination procedures are being used, will be the keys to success.

Is there a possibility of reducing losses in the herd of calves and cows? Death loss of

calves, heifers or cows represents an end to the returns which can be earned from whatever investment there is in these assets of the dairy farm business. Will the herd reproductive rate and death loss be such that there will be surplus heifers which might be sold at a price exceeding the cost of producing them?

Are there other possibilities for changing the economics of the dairy farm business by adopting these and other tactics? Perhaps time spent exploring these possibilities and evaluating them realistically would be time well spent.