Getting Started in Ag: Staying Profitable with Alternative Feeds and Feeding Methods

These are challenging times to be involved in livestock production, especially cattle production. Prices for cattle and most other livestock have increased, when compared to the last several years; unfortunately, so have most cost categories, including feed.

Feed is often one of the most expensive and variable input costs in cattle production. Profit margins in these times can easily be made or lost on feed expenses. This is especially true if you are just starting out or new to the livestock business and don't have a large pool of capital to draw from.

It is critical to assess every aspect of a feeding enterprise when looking to adapt to changing costs and maintain profitability. Maximizing return on investment should be the primary objective, making sure every dollar spent on feed and feed delivery is earning the highest return possible.

There are many alternative feed sources and ways to maximize dollars spent on feeding. Every operation is different; what works well for one livestock producer may not be a viable option for another. The goal is to make efficient and effective feeding decisions, while keeping animal performance at target levels. We strongly recommend utilizing the services of an experienced livestock nutritionist to help achieve your feeding goals.

ALTERNATIVE FORAGE OPTIONS

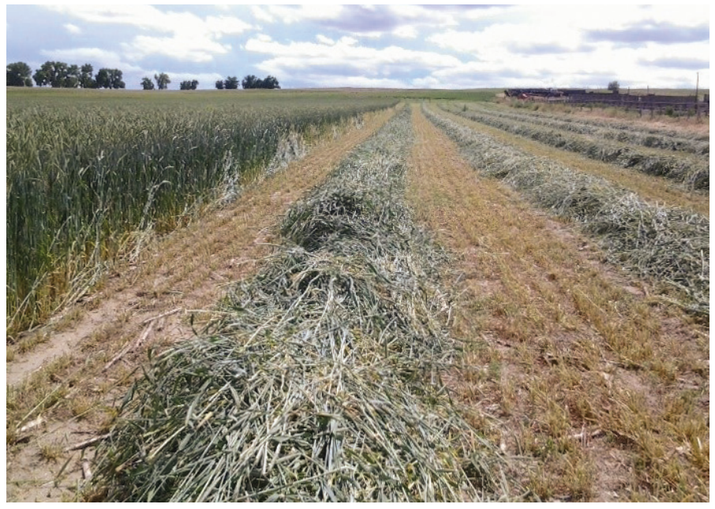
We tend to view alfalfa hay as the most common livestock feed in Wyoming, especially for cattle. However, numerous alternative forages are available. Current alfalfa prices are at or near record highs. How much alfalfa you can replace in your operation depends on several factors, including access to alternatives, transportation, and targeted animal performance. It may be more profitable to supplement protein and roughage from one or more alternative forages.

It is advisable to test all feeds, especially any purchased feed, using a trusted laboratory. This allows you to check for any potential problems that can arise, such as high nitrate levels, as well as establish the nutrient content.

More than just a few types of hay and forage can be utilized effectively. These substitutes for hay can replace a large portion of alfalfa hay in a ration, depending on their feed content. Small grains such as oats, wheat, barley, rye and triticale are examples. Often the availability depends on where you reside and the associated transportation costs.

Cereal grains harvested as hay offer advantages, as they often allow double cropping where adequate precipitation or irrigation water is available. In addition, they are relatively less expensive to grow compared alfalfa. Summer annuals such as sorghums, including sorghum/sudangrass hybrids, millets (proso and pearl) and teff grass can provide high tonnage feed sources.

Baled crop residue, in the form of small grain straw, corn stover or bean straw is used by some producers to stretch their feed dollars. While these forages are often cheaper than many conventional forages, their disadvantage is that they often require additional supplementation to result in a balanced ration. Adding corn or another available grain, such as oats or barley, may help to economically balance a ration as well, depending on cost.



Triticale hay

FOR MORE INFORMATION

For recommendations on ways to save money, improve efficiency and profitability, and evaluate feed options, visit farmanswers.org, or the Western Risk Management Library (found at riskmgt.uwagec.org). For resources on how to manage production risk associated with feeding, including free risk analytics budgeting tools, visit RightRisk.org.

James Sedman is a consultant to the Department of Agricultural and Applied Economics in the University of Wyoming College of Agriculture, Life Sciences and Natural Resources, and **John Hewlett** is a farm and ranch management specialist in the department. Hewlett may be reached at (307) 766-2166 or hewlett@uwyo.edu.

Cutting silage

The main consideration for all of the forages listed so far is that, depending on the body condition of your cattle, you may need to supplement protein. However, these alternative feed stuffs may still be economical when compared to high-priced alfalfa hay. Protein can be supplied in many forms, including lick-tubs, range cake, pelleted feeds and distillers grains. Distillers grains, along with other by-products, such as beet pulp, can be difficult to locate depending on your proximity to their source.

Consider feeding silage (corn, sorghum, small grain or even grass) as part of a total program if it is available. It can be competitively priced on a dry matter percentage basis, even though it contains a high water content on an as-fed basis. The main disadvantage to feeding silage is that it requires specialized feeding equipment, such as feed wagons/trucks and a loader.

Teff grass hay

LOOK CLOSELY AT YOUR FEEDING OPERATION

It is also important to evaluate how you are delivering the feed, in addition to the actual feeds you are supplying. Regardless of the feeding method, ensure that waste is kept as low as possible. Often this requires eliminating free choice feeding and feeding on the ground.

For example, rolling out $200/ton round bales on the ground for cattle to step on and sort through costs much more than you may realize. Even a loss as little as 10 percent could quickly cover the cost of using different equipment or feeding methods. This could be as simple as feeding in bunks, switching to a bale processor or using protein lick-tubs for a protein and mineral source.

Many equipment options are available that could make feeding more efficient. Equipment such as vertical feed mixers process and mix hay and forage with very little loss, allowing the operator to eliminate both grinding expense and most of the associated feed loss. In addition, you may be able use alternative feed stuff more effectively using this type of equipment.