

Forages: The Key to Profitability

Tennessee cattleman shares his take.

by Raymond Cooper

The cattle business as we know it is in a period of transition. We, as cow-calf producers, are the only segment of the industry that is not a margin business. As the industry consolidates, it leaves us, as producers, facing changes that are difficult but necessary. In order to remain profitable in this changing business environment, we must do everything possible to become a low-cost producer. The production and utilization of our forages is the key to this goal.

Production

Production of forages has received a great emphasis, as it should. The production of forages is very specific to different parts of the country and even different parts of a farm. In general, forages should be selected that fit your specific climate and needs.

Our goals for forage production should be similar even if variety and types may be different. Our primary goal should be to have forages available to graze every day of the year. This may be in the form of green, growing grass or dormant forage.

In most studies I have seen, the main difference in profitability on any given farm is the number of days harvested feed is fed to the cow herd.

Regardless of the area of the country we live in, the majority of our pastures should be permanent. Even though we can get great performance from annuals, the cost is prohibitive in most cases. In my own operation, I have gone exclusively to perennials in both grass and clover because cost of production is less and it is much more dependable. In areas where cool-season grasses are adapted, they should be the base of the forage program.

With the rising cost of fertilizer, clovers are more important than ever. While they were once grown mainly to add quality to a permanent pasture, their ability to provide nitrogen to the companion grass crop cannot be ignored.

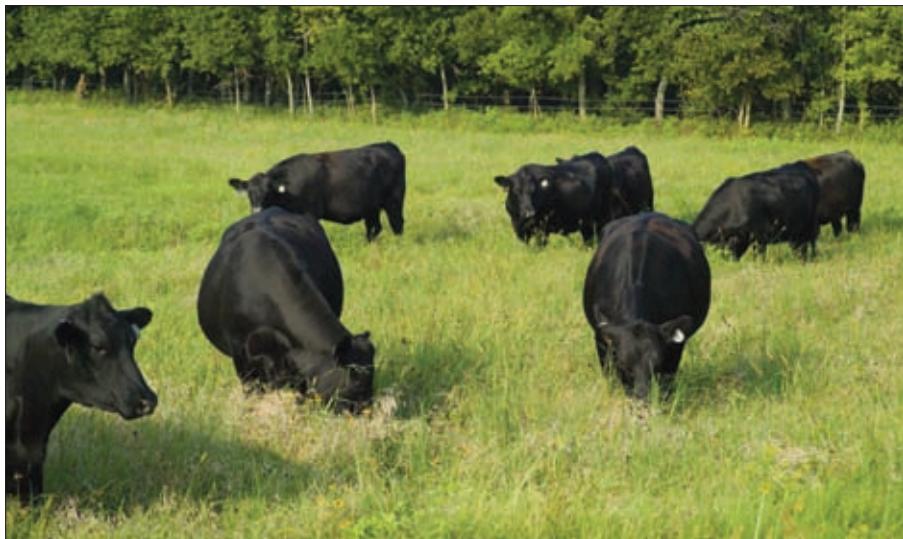


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Utilization

While great emphasis has been placed on production of forages by universities and industry, very little research has been done on the utilization of forages. Better forage utilization offers us the greatest potential to lower costs in a cow-calf operation. When fertilizer and fuel were cheap, it made economic sense to maximize production per acre; however, maximum production per acre and maximum profit per acre do not go hand in hand.

There is no more efficient forage harvester on any farm than a cow. If we aren't willing to let the cows do the work, it is going to be increasingly difficult to remain profitable. Efficient forage utilization can best be achieved with some form of intensive or rotational grazing system. This task has been made easier and more affordable with the introduction of high-tensile electrified fence.

These fences are easy to build and maintain and offer great flexibility for paddock layout. One or two strands of high-tensile electrified wire under low tension and post spacing of 50 feet (ft.) or more make a very practical system.

One of the many benefits of this type of system, other than low initial cost, is low ongoing cost of operation. A properly installed and operated rotational grazing system can give good results with greatly reduced ongoing expenses.

Due primarily to greatly improved manure distribution, fertilizer costs are drastically reduced. Weed control has proven to be less of a problem also.

The primary problem with this system is matching forage supply with animal demand. Neither is constant 365 days of the year. While this may be intimidating to a beginner,

most problems can be overcome with a little creativity and very little out-of-pocket cost.

Another key to a low-cost forage-based system is to match your production cycle to your forage resources as nearly as possible. The cows should be lactating and breeding near the peak of your forage cycle.

Holistic plan

There is no simple plan that will keep a cow-calf operation profitable and sustainable. Reducing or eliminating unnecessary expenses are a good beginning. Feed, fuel and fertilizer are the primary profit destroyers and can all be drastically reduced with a good perennial forage system that is harvested by the animal instead of a machine.

Matching cow size and type to our forage resource is another area that should be examined. A cow that requires too many purchased inputs is probably not matched to your forage resources.

Consideration should be given to backgrounding your calves, even if it requires a reduction in the cow herd. Backgrounding and selling calves through an age- and source-verified sale has worked very well for me.

Realize that we are in a constantly changing economic environment. What worked 10 or 20 years ago may not work well today. Adapt to changes caused by factors beyond our control as rapidly as possible and, remember, if it isn't profitable, it isn't sustainable.

AJ

Editor's Note: Author Raymond Cooper is a cattle producer from Morrison, Tenn. This article was prepared for and shared by the 2010 Cornbelt Cow-Calf Conference, which was hosted in Ottumwa, Iowa, Feb. 27, 2010.

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