Managing Feed Costs this Fall

After limited forage and many producers depleting stored feed, some may be going into fall with concerns about affording cattle feed expenses. There are a few management strategies to reduce feed costs, maximize the available feed resources, and boost animal efficiency to stretch feed as far as possible. These tactics include, but are not limited to considering alternative feed ingredients, minimizing feed shrink/loss, analyzing rations or ingredients on hand, and implementing a ration formulation program.

While we must consider opportunity cost, on-farm commodities are generally more cost effective than feed purchased off farm. Through increasing the inclusion in the ration of commodities produced on the farm (i.e. straw) may reduce the feeding costs. However, cattle managers should always consider the impacts of any changes on the animal performance. If it costs more in decreased cattle performance than is saved in utilizing these on-farm commodities, then this strategy is not cost effective.

Producers may also consider alternative feed ingredients. High protein feed ingredients like distiller’s grains, soybean hulls, and corn gluten meal can be a cost-effective substitute for a commercial protein product. Taking advantage of alternative feed sources can often reduce cost of feed per head. However, new sources of feed should be tested to determine nutritional value that can then be used to formulate a balanced ration. Furthermore, many of these products may have a shorter shelf life and be more inconsistent than a commercial product. However, in many cases utilizing these alternative sources may be worth the extra work with the savings that result.

Care should also be taken to limit commodity shrink or loss from feed waste and the environment. The methods of storage and feeding can significantly impact the amount of feed loss. For example, losses through poor storage and feeding methods have been reported at more than 30% for some beef cattle herds (Gunn & Schwab, 2016). These losses may occur when silage piles are left untarped, baled hay is left unstacked and outside, and when ingredients like ground hay are blown away. These losses stress the importance of proper storage. If a producer manages 200 head of 1400 lb cows that are fed hay for six months of the year, they will feed approximately 710 tons of hay. At $160/ton, if hay loss/waste was reduced by only 5% there is a savings value of over $5500 that year alone. While the reduction of loss may amount to more than 5%, this example alone results in a savings of $55,000 over 10 years assuming everything stays constant. These savings may encourage a hay shed that will shelter some hay and feed ingredients from the elements. Similarly, the reduction of feed loss may prove far more valuable than the cost of tarping a silage pile. When feed is short, these small steps may extend the resources to get cattle through the fall and winter.

Much like storage methods, how the feed is put up and fed can play a role in waste. Timing is something that should be kept at the forefront when harvesting and putting up hay during the summer as it can affect hay quality and nutritional value. As for feeding, a TMR (total mixed ration) can help reduce sorting and wasting. When given the choice cattle will sort out the best feed, grinding and mixing feedstuffs significantly reduces their ability to do so. Furthermore a TMR allows for specific formulations that ensure a nutrient balanced ration in every bite.

When feed resources are limited, efficiency is key. Beyond extending available feeds and considering alternatives, thinking on the animal side of things can prove to be a useful strategy. Take advantage of calf implants, ionophores, and feeding strategies such as limit feeding to improve feed conversion when possible. Along these lines, more efficient cattle can be selected thus resulting in genetic improvement in the herd. There are published EPDs to help producers select parent animals that are genetically predisposed to reduce feed intake without sacrificing animal performance. If feed efficiency is something of high importance to a producer, related EPDs should be considered during sire selection or bull purchases.

Finally, consulting with a nutritionist or other professionals and having feed rations tested can help ensure livestock nutritional requirements are being met and rations are cost-effective. Understanding the actual values of the feed ingredients instead of relying on average values can aid in meeting and not exceeding nutritional requirements if possible. If unsure where to start, contact your local extension office. There you will have access to feed sampling equipment, feed testing and ration formulation programs.

The take away message is that careful management can reduce feed loss, optimize animal performance, maximize ration. We cannot improve what we cannot measure. Paying closer attention and recording animal performance, being open minded to alternatives, and being aware of feeding costs and animal requirements can all cut costs and boost efficiency of the operation.