

Buying and Selling Hay

Many locations in central and southern Wisconsin are suffering from drought this year. This may create the opportunity for Barron County farmers to sell hay. First cutting hay yields in Barron County were excellent resulting in an abundant supply.

The University of Wisconsin-Extension has setup two websites to help Wisconsin farmers interested in buying and selling hay. These websites can be used to monitor hay prices, list hay for sale, and locate hay to purchase. The websites are: http://www.uwex.edu/ces/forage/pubs/hay_market_report.htm and <http://farmertofarmer.uwex.edu/>.

When selling hay here are a few things to keep in mind to help make the transaction go smoothly. Know what the buyer wants. Quality, hay type, packaging, payment options, transportation costs and delivery requirements are all aspects of a sale that need to be communicated from the buyer to the seller.

Purchasing and selling hay by the ton is the most equitable method of buying hay. Purchasing hay by the ton allows the buyer to know precisely how much hay he is getting for his money, provided the hay is cured properly and accurately weighed.

The cost of transporting hay is a major consideration when selling into any market. Hay buyers usually price hay by determining the local price for hay of the desired quality, and then deducting the freight from the seller's shipping point. As the market for the hay becomes more distant, the cost of freight to the hay seller becomes greater, reducing the profitability of shipping to distant markets.

Rarely does an entire hay crop come off as top-quality feed. Develop markets to sell your lower quality feed in order to maximize profits on the entire hay crop. Hay markets can be grouped into several broad categories, which include: Beef, dairy and horse. The hay quality needs for each of these animals is quite different.

The beef hay market is a lower quality, price-sensitive market. There are considerable differences in feed quality requirements within this market, varying from low-quality hay as a fiber source to relatively high-quality hay to feed replacement heifers and cows late in pregnancy.

The dairy industry predominantly requires alfalfa hay. The market for this type of hay is relatively strong in Wisconsin because of the importance of the dairy industry in the state. Because of the relatively high value of dairy-quality alfalfa, in some situations, accessing distant markets can be economical. These markets require a Relative Feed Value of 150 or greater, with protein contents of 22 to 30 per cent. The dairy industry prefers small, medium or large square bales, depending on the feeding system and equipment available.

The horse market is a diverse market that can include a wide variety of end users. The market for horse hay varies somewhat from buyer to buyer, but quality requirements for this market generally are as follows: good green color, free of dust, spores and mold, and protein between 12 to 18 per cent. Although these requirements are relatively consistent across this market, additional hay characteristics such as stem coarseness and protein levels vary from customer to customer. Timothy hay is preferred in many markets. The horse industry requires small square bales. Horse hay buyers can be considered the most discriminating of hay buyers, and usually will pay top dollar, and travel significant distances to obtain the quality of hay that they desire.

Additional information on buying and selling hay is available from Tim Jergenson, Agricultural Agent at the Barron County UW-Extension Office in Barron, or calling 715-537-6250.