



Farm & Field

Chippewa Valley Agriculture Newsletter

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Good Day!!

As we know, each spring is different an unpredictable, following no set pattern. This spring has brought extremely dry conditions in the field, but the ground is working up well and seedbeds look good. Farmers tell me that they have made changes in their planting plans, but final decisions are yet to be made by many. Let's hope the weather conditions hold as corn planting begins in earnest.

Children between the ages of 12 and 16 are encouraged to sign up for our Tractor and Machinery Safety program, which starts on June 1 at Fall Creek High School. Check out the story that appears on page 5 in the newsletter.

This time of the year seems to bring a number of farm management questions relating to custom machinery rates, rental rates and the like. I'll try my best to help you make those types of decisions in the coming weeks.

May is the traditional month for high school and college graduations. Try to take time away from field work and chores to spend some time with your families and celebrate those family moments that are once in a lifetime events.

Mahlon Peterson

Mahlon Peterson
UW-Extension Agricultural Agent

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Calendar

May

25 Memorial Day—Extension Office closed

June

- 1-6 Tractor and Machinery Safety Training at Fall Creek High School
- 10-11 Farm Progress Hay Expo—Hixton WI
- 12 Breakfast in the valley—Exposition Center
- 16 Chippewa Valley Forage Council Board Meeting—Loopy's

July

- 3 Extension Office closed in honor of Independence Day**
- 4 Independence Day**
- 29—Aug 2 Eau Claire County Fair

Please call our office for more details, registration information, etc.

For more Extension Information go to our website:
www.uwex.edu/ces/cty/eaucnaire/

Something To Chew On . . .



Mahlon Peterson Ag Agent
Eau Claire County

The 23rd annual Farm Progress Hay Expo, the nation's largest two-day hay event, will be held June 10 and 11 at Trinity Farms, located near Hixton, WI.

The show returns to a Wisconsin location after hosting several more recent events at locations on notable farms in prime Iowa alfalfa, hay and dairy producing areas.

Trinity Farms was created two years ago as a joint partnership between Aaron Kidd, Travis Armitage and Lynn Sedelbauer. The partners grow corn, soybeans, alfalfa and small grains on their farm; manage a 2,400 custom dairy heifer operation; and operate a custom planting, chopping and baling business and grain trucking company. By pooling their resources through the joint venture, the three partners are able to explore new opportunities that otherwise would have been unattainable.

In addition to their work on the farm, the three partners stay busy with family activities. Aaron and his wife, Gwen,



have three children: Lauren (6), Lia (4) and Ben (6 months). Travis and his wife, Stacy, have three sons: Garrison (5), and twins Grason and Gabe (4). Lynn and his wife, Barb, have three grown children: David, Chad and Laura.

"I am pleased to have the Hay Expo return to Wisconsin and to be working with Trinity Farms. The site gives us an excellent opportunity to showcase our exhibitors' products and live-action hay equipment demonstrations for the nation's hay producers. The location is readily accessible from Interstate 94, which makes it very easy for farmers to attend the show," says Matt Jungmann, Farm Progress national shows manager.

Farm Progress publications *Wisconsin Agriculturist*, *Wallaces Farmer* and *The Farmer* sponsor the event. Hay Expo offers farmers the opportunity to see a wide array of new hay and forage

technology with its extensive exhibit field and working demonstrations conducted throughout each event day.

The two-day hay show will showcase mowing, conditioning, baling, hay handling, and silage demonstrations on alfalfa and forages. Visitors will be able to compare the various equipment brands operating side by side under actual field conditions at Trinity Farms.

A 10-acre exhibit field will highlight displays from the major and shortline specialty manufacturers; seed, building and storage facility suppliers; and a range of related product vendors. Exhibitors plan to showcase a host of new items designed to boost the efficiency and profitability of hay and forage production.

The 2009 Farm Progress Hay Expo will be held June 10 and 11 from 9:00 AM to 4:00 PM. The show site is located off of Interstate 94, northeast of Hixton at Trinity Farms. Admission is free.

The next group of articles are part of the continuing series of articles from *Managing in Difficult Times*.

USING THE CULL.xls DECISION MAKING TOOL

One of the first questions dairy producers ask themselves during periods of negative profit margins is, "What is my breakeven milk production level?" Similar questions include, "Should I still be feeding the low producers the high group ration?" and, "How long to do I continue to milk a cull cow?"

Producers can get help with these and many other pertinent business management questions from University of Wisconsin-Extension resources. The CULL.xls spreadsheet is one opportunity to answer the questions

posed above.

CULL.xls requires only a few commonly known inputs to access your specific farm situation. Needed is your herd's average milk production per day in pounds, average butterfat, protein and SCC tests along with your latest base price for milk and value of components. The spreadsheet asks for dollar values per point of fat and protein, while today's market quotes values per pound of product, so just move the decimal point one place to the left. For example, the February quoted value for butterfat is \$1.0941/lb. so simply moving the decimal point one place to the left yields a value per point of \$0.10942.

Your ration consultant can help you with the average feed amounts and cost/cow/day. Feel free to use the standard values resident to the

spreadsheet or your own labor costs per cwt per day and the value of miscellaneous (all other variable costs) supplies per cwt. Finally, enter your current feed levels and values and you're ready to roll!

Output values from CULL.xls are dollar contributions to fixed costs per cow per day. In other words, how many dollars per day is a cow contributing over the major variable costs to pay the mortgage, management, interest and principle on operating and intermediate loans and to family living? Daily returns are reported in a table based on level of production, and SCC level. Given today's prices, a cow milking 60 lbs/day with a 525,000 SCC only returns \$0.04/day over the major variable costs.

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Here are three ways UW-Extension dairy and livestock agent Zen Miller helped producers use CULL.xls in management decisions.

A farm feeding a one-group TMR used CULL.xls to determine whether to implement a separate low- group ration to save feed expense. Another farm utilized the spreadsheet to determine when to sell cows in their Do Not Breed group as each cow can be assigned a different cut point depending on SCC and milk output. A third farm used the calculations to

look at what the average milk yield would generate over variable costs to see if a farm payment could be made. You can also test “what-if” questions by changing the milk price as well as inputs costs to test other scenarios. The spreadsheet is flexible enough to provide feedback about your situation but if needed your local UW-Extension agricultural agent has access to a multitude of other aids as well!

You may access CULL.xls and other farm management information at the UW-Extension-Center for Dairy Profitability webpage at <http://>

cdp.wisc.edu/Decision Making Tools.htm.

To access more information and/or tools to help analyze your situation, link to the Extension Responds web page at: www.uwex.edu/ces/ag/farmingindifficulttimes.html

For assistance in making these tough decisions, contact your UW-Extension county agent, your Farm Business and Production Management Instructor in the Technical College or the DATCP Farm Center at 1-800-942-2474.

ECONOMIC ANALYSIS OF SWITCHING MILKING FREQUENCY

In these challenging economic times dairy producers are looking for ways to improve economic net margins in order to remain competitive. An alternative to achieve this goal may reside in increasing the current milking frequency with the purpose of improving milk productivity and consequently enhance overall farm economic net margins according to Victor Cabrera, University of Wisconsin-Madison/ Extension dairy systems management specialist.



The motivation for this management strategy comes from long-standing proven research indicating that higher milking frequencies increase milk productivity per cow and overall herd milk production.

Cabrera noted that this increased productivity will require additional expenses. The two most important additional expenses are: (1) cost of additional labor and (2) cost of additional feed required. If the value of the additional milk produced is greater than the aggregated additional costs, then the proposition of increasing milking frequency would be worthwhile considering.

Nonetheless, the expected additional milk revenue and the additional costs will depend upon a series of farm and market conditions. Key variables to

watch out are:

- the expected milk price to be received from additional milk produced (\$/cwt),
- the expected additional labor required to implement an additional milking event every day (hour labor/day) along with the cost of labor per hour (\$/hour), and
- the expected additional feed required to produce the additional milk along with the estimated feed cost (\$/cwt of milk).

Knowing the number of milking cows in the farm, the net margin of an increase in milking frequency can then be calculated by subtracting additional costs from additional revenues. If this value is greater than zero, then the increase of milking frequency is profitable. The same reasoning can be used when switching from twice to three times daily milking, when switching from twice to four times daily milking, or even when assessing the net margin of decreasing milking frequencies.

All the above can be better explained with a case example. Let's think of a herd of 100 milking cows that is currently receiving \$12/cwt of milk and values \$14/hour of labor. Let's then assume that the expected increase in milk production when switching from twice to three times daily milking is 8 lb/cow per day, the additional labor required to milk the cows one more time in a day is 3 hours labor/day and the estimated feed cost is \$6/cwt of milk. Consequently, in a year a cow will have an additional revenue of \$350.4 (0.08 cwt milk/day x

365 d/year x \$12/cwt milk) while the additional expenses will be \$328.5 (\$175.20 of feed: \$6/cwt milk x 0.08 cwt milk/day x 365 d/year and \$153.3 of labor: 3 hour/day x 365 day/100 cows x \$14/hour). Therefore the net margin of switching from milking 2 times per day to milking 3 times per day in this particular farm for these particular conditions will be \$21.90/cow per year (\$350.4 - \$328.5) or \$2,190 for all the milking cows and therefore the proposition of increasing the milking frequency will be profitable and recommended.

However, many of the factors included in the calculation are rather uncertain. The most uncertain factors are probably the expected increased milk and the additional labor required per additional milking.



Consequently, it would be prudent to make these calculations under optimistic and pessimistic scenarios. For example what would happen if the milking frequency switching results in only 4 ponds of additional milk per cow per day (pessimistic) instead of 8 pounds? Or what would happen if the additional labor required is only 1.50 hours labor per day (optimistic) instead of 3 hours?

In the pessimistic scenario the milk revenue will only be \$175.4 and consequently the net margin will be -\$65.70.

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The bottom line is that you need to run your own numbers and make your own assumptions. To help you on that process we have created a tool named "Economic Analysis of Switching from 2X to 3X Milking" and it is available for you at the UW-Extension Dairy Management

Website: <http://www.uwex.edu/ces/dairymgt/> under Management Tools. This tool works directly in your web browser and it does not involve downloading or installation tasks. The tool requires only a few inputs as discussed above and it is fairly intuitive. Results are presented graphically (see figure) and include optimistic and pessimistic scenarios

to a user-defined uncertain variable.

To access more information and/or tools to help analyze your situation, link to the Extension Responds web page at: www.uwex.edu/ces/ag/farmingindifficulttimes.html

BUDGETS AND BUDGETING – PARTIAL BUDGETS

A budget is an attempt to predict financial performance for a specified time. Budgets are useful tools for planning and measuring performance according to University of Wisconsin-Extension specialists.

At least three types or levels of budgets are useful in the farm business. A farm manager will find a combination of all three - not necessarily at the same time - to be useful since each one has different characteristics. These three types of budgets are the total farm budget, the enterprise budget and the partial budget.

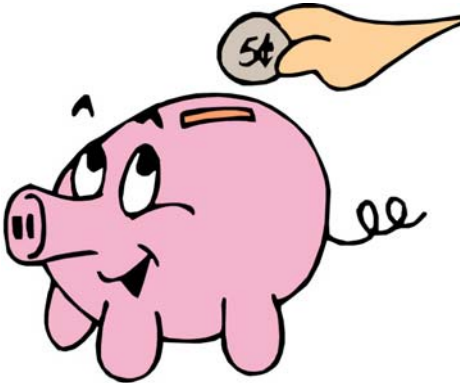
The total farm budget is the most familiar of the three. It is also the most complete in that it includes all income and expenses in the farm business. The bottom line of the total farm budget is profitability (or lack thereof) for the entire farm as one unit. The total farm budget is extremely useful to project profitability. However, the total farm budget is less effective than the enterprise budget in determining which operation enterprises are the most profitable and which are the least profitable.

In the enterprise budget each segment or enterprise of the total operation is an independent business. Each enterprise can then be examined for its contribution to profitability.

The partial budget is extremely useful to determine how to change profitability. It is a shortcut procedure that compares profitability before and after a managerial change.

Consequently, the partial budget can be an extremely useful tool for determining whether a specific change will make an operation better off than before. The managerial change is examined to see the net effect of the following four possible changes:

- increased income (+)
- reduced costs (+)
- added costs (-)
- reduced income (-)



The sum of these four factors should show whether the change will improve or diminish profitability. If income added by the change exceeds costs added by the change, making the change should add to profitability. A partial budget can be an effective way to test potential strategic changes in your farm that could help you in the decision-making.

Here is an example of a partial budget: Under these difficult economic times farmers are looking for ways to widen thinner margins. One specific managerial decision they could contemplate is the possibility of increasing the milking frequency in a day. The question: is it worth to switch from 2 (2X) to 3 (3X) milking times a

day? Evidence supports that higher milk production is realized when this managerial change is performed. However, along with additional milk production, additional expenses are incurred. Therefore is it really worth it? The short and quick answer is it depends on many factors. Among those factors, some are easily measured such as the price of milk and the cost of labor. However, other factors are more difficult to estimate such as the expected increase in milk production and the amount of additional labor required.

Using the University of Wisconsin-Extension 3X milking decision making tool we found that switching from 2X to 3X could be a profitable practice. We estimated that the net revenue of switching from 2X to 3X will be \$44/cow per year when milk price is \$12/cwt, the cost of labor is \$12/hr, the expected increase in milk is 8 lb/d per cow, the estimated additional cost of feed is \$0.06/lb of milk and the additional requirement for labor is 3 hr/day for every 100 cows.

As you can see this will greatly depend on your own conditions and because of that we have created a tool that would allow you to perform your own analysis quickly and efficiently. The tool is called "Economic analysis of switching from 2X to 3X milking" and it is available at the following website <http://www.uwex.edu/ces/dairymgt/tools/Milk3X.swf>

Along with the 3X milking tool, UW-Extension has available many other decision making tools, using the partial budget technique that could

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help you to make informed decisions.

These tools include:

-- LEASEVBUY.XLS: Provides cost information needed to determine whether it is less or more costly to lease an asset. See also, Leasing as an Option for Acquiring Assets: an explanation of the concepts of leasing. <http://cdp.wisc.edu/wk1/leasevbuy.xls>

-- COWVAL.XLS: Calculates how much you can afford to pay for a cow if she does not add to overhead costs. <http://cdp.wisc.edu/wk1/cowval.xls>

Additional decision making tools using partial and other budgeting techniques can be found at the following website http://cdp.wisc.edu/Decision_Making_Tools.htm and <http://www.uwex.edu/ces/dairymgt/tools>.

To access more information and/or tools to help analyze your situation, link to the Extension Responds web page at: www.uwex.edu/ces/ag/farmingindifficulttimes.html

For assistance in making these tough decisions, contact your UW-Extension county agent, your Farm Business and Production Management Instructor in the Technical College or the DATCP Farm Center at 1-800-942-2474

TRACTOR AND MACHINERY SAFETY SESSIONS ARE JUNE 1-6



The Eau Claire County Farm Tractor and Machinery Safety Program will be offered June 1-6 at Fall Creek High School. The Monday through Friday sessions will be held from 3:30 –7:30 PM

and the Saturday session will be from 8:00 AM until Noon.

Youth must be at least 12 years of age to take the course and will be eligible for a State of Wisconsin Certificate that allows them to work for their parents only.

Youth 14 and older are eligible for the Federal Certificate, which allows them to drive tractors and operate certain farm equipment for neighbors and others not family related.

There is a \$40.00 fee for the program. Area high school Agri-Science instructors have registration materials or you may contact our office before May 29.



Agriculture and the Environment

Farmers manage the land and water to protect the environment and the resources their farms depend upon and families use.

- ◆ Wisconsin farmers own 16 million acres of land – 44 percent of all the land in the state.
- ◆ Wisconsin farmers have enrolled more than 635,000 acres of their land in the Conservation Reserve Program to protect the environment and provide habitat for wildlife.
- ◆ Wisconsin farmers save 9 million tons of topsoil annually reducing nonpoint source pollution.



Greenhouse Gossip . . .

Erin LaFaive

Eau Claire County Horticulture Educator



Container Gardening

Did you know you can grow vegetables, flowers, and herbs without a speck of lawn? It's called container gardening and is great for individuals that have limited mobility as plot gardening takes more bending, lifting, hauling, hoeing, weeding, etc. than some individuals can tolerate.

The benefit of growing plants in containers is that you can have more control over their environmental conditions by moving the container (if it isn't too heavy). For example, if the plant isn't receiving enough sun you can move it to a different location or if it's receiving too much sun you can move it to the shade.

The challenge with container gardens is that they require more water than plants grown in the ground. Especially during hot or windy weather you may need to water three times a day. The amount of water required depends on the size of the container and plant. This is especially true towards the end of the growing season. During this time you may notice the water runs out the bottom of the container very fast when watering. The reason is that the growing plant has created a more extensive root system which takes up more space in the container and the nutrients from the soil. Less soil means less water retention which also means more watering. The good news is by the time this happens harvesting is already or close to completion.

If you take a vacation you **MUST** have someone watering your plants while you are gone or else you will have a sad or dead looking container garden. Adding mulch such as bark chips around the plant helps to reduce moisture loss. Some people even set up drip systems that are on a timer. To determine if the soil is dry insert your finger about an inch down into the soil, if it feels dry water thoroughly. Watering thoroughly means watering until the water runs out the



bottom of the container. Leave about an inch from the top of the pot free from dirt. This will help the water stay in place as it soaks into the soil rather than spill over the top.

There are many types of containers that can be used such as above ground pots, baskets, boxes, or barrels. Unglazed terracotta (orange clay pot) pots dry out quickly as the soil moisture gradually seeps through the clay walls. Try maintaining moisture by using a double-pot technique where a slightly smaller container is placed in a larger container with sand or pebbles in between.

The type of soil used is different than garden soil. If you will be moving your container around to capture more sun then try using lighter weight soilless mixes containing peat moss, perlite, and/or vermiculite. Soilless mixes have a tendency to dry out quicker. Pasteurized bagged soil mixes are free of

harmful organisms and weed seeds that could compete with your plants. Some garden centers sell plants specifically for container gardens. These varieties are smaller than their garden counterparts. The larger the plant the larger the pot for example, corn, squash, and pumpkins would need large pots to accommodate their root systems. Tomatoes and peppers grow best in five gallon containers and annual flowers and smaller vegetables such as lettuce and snap beans grow well in two gallon containers. Combination containers are a great way to maximize space. This is a term used when containers have a mixture of plant types such as flowers and herbs or flowers and vegetables.

To make container gardening economical find containers around your house such as ice cream buckets. Proper water drainage is required to reduce root rot so make certain holes are on the bottom of the container. When using containers for vegetables make sure the container wasn't used for chemicals or other harmful substances that may be left in the container and contaminate the plant and thus your food.

Jerry Jargon

Jerry Clark

Chippewa County Soil & Crops Educator



FACTORS TO CONSIDER WHEN LOWERING SOYBEAN SEEDING RATES IN 2009

Soybean seed prices have risen dramatically in 2009. In Wisconsin alone, seed prices have increased anywhere from 25% to 109%. Given the number of rebates, seed treatments, and programs available through seed and chemical companies, it is often difficult to get at the true cost that growers pay for seed.

With a dramatic increase in soybean seed prices, growers will likely consider decreasing their seeding rates in 2009. The extent of this reduction may be dramatic in some cases, compared to the current seeding rates used in Wisconsin. In a grower survey conducted with cooperation and support from the Wisconsin Soybean Marketing Board (WSMB), it was found that a majority (38%) of Wisconsin growers plant between 200,000 and 224,000 seeds per acre in rows spaced ≤ 10 inches. Those growers that plant in rows spaced 11 to 19 inches or ≥ 20 inches primarily plant at 175,000 to 199,000 seeds per acre. A key facet to remember as growers contemplate dropping their seeding rate is they need to plant enough seed to achieve a minimum stand of 100,000 to 120,000 plants per acre.

To successfully achieve our target density, we must first make sure our equipment is well maintained and calibrated. At \$15.00 to \$20.00 per bag, many of us didn't take the time to properly calibrate; however, at \$40.00 to \$50.00 per bag, it is well worth the time and money to make sure our equipment is in proper working order.

Once we have determined that our equipment is working properly, we must next consider seed quality. Unlike the problems we ran into in 2008, soybean seed quality in 2009 should not cause growers any concern, though it is still important to take the time to read the tag and check the germ to ensure a proper seeding rate. In a normal year, we assume 90% of the live soybean seed we plant will emerge.

Therefore, to estimate our final stand density, we conduct the following calculation:

$$\text{(Seeding Rate)} \times (\% \text{ Germ}) \times (\% \text{ Expected Emergence}) = \text{Estimated Final Stand}$$

$$\text{Example 1: } (180,000) \times (0.94) \times (0.90) = 152,280$$

$$\text{Example 2: } (180,000) \times (0.80) \times (0.90) = 129,600$$

In Example 1, a grower drills 180,000 seeds per acre of 94% germ seed, and assumes 90% emergence. The estimated soybean stand will be = 152,280 plants/acre. If a grower planted 80% germ seed, the estimated soybean stand would be = 129,600 plants/acre (Example 2). Under most environmental conditions, 129,000 plants/acre would produce 100% yield potential; however, if we do not achieve our assumed 90% emergence rate due to poor early season growing conditions, we rapidly approach lower stands where yield loss may occur.

A significant change we have seen over the last five years is the dramatic increase in seed treatments available to growers. Given the high value of establishing a soybean crop today, seed treatments are being marketed as 'insurance' to growers. If you choose to use a seed treatment, it is important to remember to select products that have efficacy on the pest complex that is present on your farm. Selecting a product that insures you against a pest that you do not have is like buying flood insurance for a house that sits on the top of a mountain. It may be cheap, but unnecessary.

Lastly, as we begin the planting process, we must remember to re-evaluate our soybean seeding depth. The University of Wisconsin-Madison recommends a seeding depth range of 0.75 to 1.25 inches for soybean. Based on WSMB survey data, only 30% of Wisconsin growers planted in this optimal range. Deeper planting depths were likely relevant 10 years ago, given later planting (i.e. warmer soil temperatures and dry soil conditions) and cheaper seed; however, in today's economic environment, planting at the proper seeding depth can reduce some of the risk.

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in Eau Claire and Chippewa Counties.*

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Requests for reasonable accommodations for disabilities or limitations should be made prior to the date of the program or activity for which it is needed. Please do so as early as possible prior to the program or activity so that proper arrangements can be made. Requests will be kept confidential.



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