

June 2009

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Updates

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Hello Sauk County Agriculture Producers and Professionals,

As I have travelled around the county over the past couple of weeks, it appears as though you're making a lot of progress in the fields. Corn is starting to poke through the ground, most first crop alfalfa is off, and I continue to hold my breath (through this week) that you will not be challenged by Mother Nature again this year.

I hope to see you at the Dairy Breakfast, Sauk County Fair, and/or Farm Technology Days this summer!

Sincerely,

Denise Brusveen
Sauk County UW-Extension
Agriculture Agent

ATTENTION SAUK COUNTY DAIRY YOUTH

A Showing and Fitting Clinic is planned for **Friday, June 19, 2009** at Shea-Hi Holsteins owned by Richard & Jean Sheehan, E3976 Woods Road, Wone-woc, WI. The event will start at **NOON** with a mixer and lunch. Then a variety of sessions will be held covering the following topics: show ring etiquette, showmanship, prepping an animal for show, washing, clipping, feeding at a show, supplies for a show, and herdsmanship.

Any youth, all ages, involved in the Dairy Project in Sauk County are invited to attend. Pre-registration is required, but there is no charge. Please register by Thursday, June 18 by contacting Kari Stanek at 608.963.6237 or goldenhill-cows@gmail.com.

The Showing and Fitting Clinic is being sponsored by the Sauk County Junior Holstein Association.

Pricing Standing Hay

By Denise Brusveen, Sauk County UW Extension Ag Agent

One of the most common questions received by Agriculture Agents across the state during this time of year is how to price standing hay. A very basic way to calculate this number is to look at the cost to produce the hay as a starting point for negotiations. We can divide that cost into three categories: land value, cost of establishment, and cost of maintenance.

Let's look at land value first. Local cash rental rates are a good benchmark of annual land value. Even if you own the land, it is important that you charge yourself the "opportunity cost" value for the use of the land. According to the USDA's recently released numbers, the average land rental value for Sauk County is \$95/acre. However, you know as well as I do that this number is extremely variable across the county, so don't just take this number. Alternative ways to calculate land rent on your own are either to use 2-4% of the value of the land if you were to sell it or 20-24% of the gross income off the land averaged over the past five years. For the purpose of this example calculation, I will use the \$95 county average.

Next, we look at your cost to establish the alfalfa. This primarily includes the cost for seed, fertilizer and lime invested during the establishment year. Your number probably falls somewhere between \$100-120/acre. You need to remember to divide that number out over the life of the stand. In my example, I will use \$120 divided out over three years, which equals about \$40 per year.

Last, we need to look at the annual maintenance costs. The major expense is fertilizer, namely potassium or potash (which unfortunately hasn't come down much in price). With current potash (0-0-60) prices of around \$800/ton, and removal of approximately 60 pounds of potassium per dry ton of alfalfa produced, we can calculate that it costs approximately \$40/acre for every ton of alfalfa produced.

If we add all of these numbers together, assuming a yield of four tons (Sauk County average) of dry hay equivalent produced per acre, we get a cost of \$295 per acre just to grow the crop. Dividing \$295/acre by 4 tons

(Continued on page 2)

Page 2 Pricing Standing Hay Continued

“The real value of having the ability to buy standing hay comes into play when you need to purchase haylage.”

means that the cost would be approximately \$74/ton of dry hay. Alternatively, we can convert that number to about \$30/ton of haylage at 60% moisture. Obviously, the seller wants to make more than break-even on his crop in most cases, but this gives a number from which to start.

The buyer also needs to take into account harvesting costs, which tend to run in the range of \$40/ton.

In many cases, it might be cheaper to buy the finished product if you're looking at dry hay. The real value of having the ability to buy standing hay comes into play when you need to purchase haylage. These numbers are intended to give you baseline estimates. If you would like me to help you with your numbers, feel free to give me a call at 355-3257.

Time for Post-Emergence Corn Herbicides

By Chris Boerboom, UW Extension Weed Scientist

In driving through the state this last week, most corn fields look like they have a pre-emergence program that has controlled early season weeds well. However, there are some corn fields with modest densities of weeds emerging. These fields will soon reach the time when post-emergence herbicides need to be applied to protect corn yields. In terms of yield protection, remember that it is better to err on the early side when it comes to weed control. It may be tempting to delay an herbicide application until all the weeds are up so they can all be killed. Unfortunately, they will have competed with corn for too long and have cut into yield by this time. An early herbicide application before weeds are 4 inches tall or the corn is about at the V3 stage will remove weeds before they inflict much damage. Even

though some weeds might emerge after this timing (if a non-residual herbicide was used), the yield loss from their competition for the whole rest of the season will be far less than allowing early weeds to compete.

If later herbicide applications need to be made to control problem weeds or in rescue situations, be sure to make the applications before the maximum labeled growth stages to avoid corn injury or illegal residues in the harvested corn.

Common corn herbicides that can be applied post-emergence and their labeled growth stages:



Herbicide	Corn stage
Accent	0-20" or V6; to 36" or V10 with drop nozzles
Atrazine	0-12"
Basagran	no restriction
Basis	0-V2
Beacon	4-20" or V6; to tasseling with drop nozzles
Buctril	4 leaf to before tasseling
Cadet	V2 to 48"
Callisto	0-30" or V8
Celebrity Plus	4-24" or V6
Dicamba (Clarity, etc.)	0-8" or 5 leaf; to 36" with drop nozzles
Glyphosate (Roundup, etc.)	0-30" or V8; to 48" with drop nozzles on RR2 hybrids
Halex GT	0-30" or V8
Hornet WDG	0-20" or V6; 20-36" with drop nozzles if harvested for grain

Time for Post-Emergence Corn Herbicides Continued

Impact	emergence to 45 days before harvest
Laudis	0-V8
Ignite	0-24" or V7; 24-36" with drop nozzles
Marksman	0-8" or 5 leaf
NorthStar	4-20" or V2 -V6; to 36" with drop nozzles
Option	V1-V6; to V7 with drop nozzles
Permit	0-36"
Priority	0-V8
Resolve Q	0-V6 or 20"
Shotgun	0-8"; to 12" with drop nozzles
Status	4-36" or V2 to V10
Steadfast	0-20" or V6
Stinger	0-24"
Stout	0-16" or V5
Unity	V1-V5 or 16"
Yukon	0-36"
2,4-D	0-8"; to before tasseling with drop nozzles

"An early herbicide application before weeds are 4 inches tall or the corn is about at the V3 stage will remove weeds before they inflict much damage. "

Herbicides listed below can be applied post-emergence for soil residual herbicide activity. They do not provide post-emergence control of grass weeds.

Bicep Lite II Magnum	0-5"
Camix	0-30" or V8
Dual II Magnum	0-40"
G-Max Lite	0-12"
Harness, Surpass, etc.	0-11"
Harness Xtra, Keystone LA	0-11"
Lumax	0-12"
Outlook	0-12"
Prowl	0-30" or V8
SureStart	0-11"

Treatment of Subclinical Mastitis

By Pamela Ruegg, DVM, MPVM, UW Extension Milk Quality Specialist

Take home message:

- It is possible to achieve satisfactory cure rates using intramammary antibiotics for treatment of subclinical mastitis during the lactation period but the cost effectiveness of the treatments will vary depending on herd & cow specific factors.
- Treatment of subclinical mastitis during lactation is not generally cost effective for herds that are able to effectively reduce transmission of contagious pathogens unless there is an alternative use of the milk that would be discarded.
- If treatment is undertaken, cow specific risk factors should be considered to identify cows that are most likely to respond to treatment.

Mastitis occurs in both a clinical and subclinical form. Clinical mastitis is readily apparent and treatment decisions for it are generally motivated by a desire to return milk to a saleable state. Detection of subclinical mastitis is more difficult and the use of indirect tests (such as counting somatic cells or bacteriological analysis of milk samples) is necessary. Subclinical mastitis is often undetected and therefore has the greatest economic impact. With the exception of infections caused by *Streptococcus agalactiae*, treatment of cows diagnosed with subclinical mastitis is usually discouraged because dis-

card of saleable milk results in financial loss. However, there are negative outcomes that result from having cows affected with subclinical mastitis in the dairy herd and many progressive dairy managers are interested in determining the impact of treatment. The potential benefit of treatment is especially relevant for herds that use pasteurizers and feed waste milk to calves.

Several recent studies have evaluated the impact of treatment of subclinical mastitis and all have confirmed that the most important step is to first identify the type of pathogen that is most frequently associated with subclinical cases on the individual farm.

The only way to definitively identify mastitis pathogens is to collect aseptic milk samples for microbiological examination. Recent research has also reinforced the importance of focusing first on reducing transmission of mastitis as the long term impact of treatment will only be effective if prevention is effective. Finally, treatment is only effective for cows with specific characteristics and therefore treatment of subclinical mastitis should be targeted based on specific characteristics of cows, pathogens and individual herds.

“Mastitis occurs in both a clinical and subclinical form.”

Cut, Bale and Scout

By Joe Bollman, Columbia County UW Extension Ag Agent

Over the past few years UWEX agents have reported that in some areas of the state, farmers are practicing a potato leafhopper (PLH) management program on alfalfa that can be best coined as the “Cut, Bale and Spray System”. Just as it sounds, alfalfa is cut, baled or chopped, and with an insecticide applied shortly after the forage has been removed. This is not recommended practice for the following reasons:

- PLH are usually not present immediately after harvest due to having been killed and/or chased out of the field by the harvest operations.
- Due to the non-selectivity of insecticides, the reduction of beneficial insect populations in alfalfa is a concern.
- Insecticides used for PLH control have relatively short residual properties. Farmers believing PLH are being controlled for a longer period of time may not scout their alfalfa fields. Consequently PLH can migrate back into fields, build up quickly, causing damage to the alfalfa stand.



Photos courtesy of Eileen Cullen, UW Entomologist

Scouting is vital to properly managing PLH. To get an accurate assessment of the PLH populations you need a 15-inch diameter insect sweep net. Walk a W-shaped pattern in the field and take 20 consecutive sweeps in each of the five randomly selected areas. Keep a running total of the number of leafhoppers



“Just as it sounds, alfalfa is cut, baled or chopped, and with an insecticide applied shortly after the forage has been removed.”

Cut, Bale and Scout Continued

caught and divide by 100 to get your count per sweep.

PLH thresholds are based on the height of the alfalfa. Below are the recommended thresholds for PLH:

<u>Alfalfa height (in)</u>	<u>PLH count (per sweep)</u>
3	0.2
6	0.5
8-11	1.0
12 or greater	2.0

***Do not spray if you are within 7 days of your normal cutting schedule. Instead, cut the alfalfa and reassess the situation by sweeping the regrowth for PLH.

Because PLH populations can vary greatly from year to year and from field to field, scouting is recommended for each field on a weekly basis.

For further information contact Joe Bollman at the Columbia County UW-Extension office at 608-742-9682 or by email at joe.bollman@ces.uwex.edu.

Managing in Difficult Times: Balance Sheet Can Signal Which Way to Turn
 By Greg Blonde, Waupaca County UW Extension Ag Agent

With so much uncertainty about the depth and length of this current recession, not to mention the sudden and dramatic effect it's had on agricultural markets, farmers should review financial statements carefully looking for signs regarding additional investment or refinancing decisions going forward according to Greg Blonde, University of Wisconsin-Extension Waupaca County agriculture agent.

While profitability and liquidity are essential for any business to succeed, solvency measures, calculated from the balance sheet or net worth statement, can provide a good indication of the farm business to withstand financial challenges over time. Farms with strong or stable financial positions have a much greater capacity to survive economic downturns because of larger net worth and/or earning capacity. Farms with less owner equity (net worth) and limited cash flow are much more vulnerable. The balance sheet can provide a starting point to look for signs regarding status, direction and even financing options available to each farm business.

Those farms with seventy percent or more owner equity (thirty percent or less debt-to-asset ratio) might see a "green light" when considering additional borrowing. But, with economic uncertainty, and the possibility of further decline in asset values, any additional borrowing will need to improve their earnings in order to help build back equity and maintain a strong financial position in the future. Also, keep in mind that assets are often discounted or depreciated, sometimes as much as fifty percent or more, when added to the balance sheet, which can have a bigger impact on owner equity than initially expected. For example, the cost of a new barn or milking parlor may be discounted as much as fifty percent or more as an asset on the balance sheet to reflect its "current market value" if the operation were sold.

-to-asset ratio, may very well be financially stable, consider this a "yellow" caution sign when considering any additional borrowing. Even refinancing from this position may actually make the situation worse over the long run if the farm has not been able show profitability over time. An alternative to additional borrowing is to talk with your lender about deferring principal and/or interest payments temporarily to help improve cash flow. If the operation has a history of weak earnings, more debt will likely only make the situation worse down.

For those with less than thirty percent owner equity (seventy percent or more debt-to-asset ratio), the farm is technically insolvent and may not be able to cover all of the current debt if the assets were liquidated, depending on how accurate the assets on the balance sheet reflect current market values. Consider this a "red light" or stop sign when it comes to borrowing more money, because most lenders definitely will. Exceptions may include those relatively new to the business with exceptional production and profitability performance. Most often however, the best solution in this situation is to liquidate and preserve whatever equity is still available. In the long run, doing nothing, deferring existing payments or even refinancing, will usually only make the situation worse and more painful for everyone involved.

So, make it a point to sit down with your lender and determine what signs are coming from your financial statements. 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.

Call or email me with other agricultural topics you'd like me to include in my newsletter.

Although farms with 30-70% owner equity, or debt

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Calendar of Events

JUNE

- 13** Sauk County Dairy Breakfast at the Ryan and Katie Richert Farm, E7179 Gavin Rd., Lyndon Station
- 19** Dairy Showing and Fitting Clinic at Shea-Hi Holsteins, E7976 Woods Rd., Wonewoc from noon to 3 PM. Dairy judging practice to follow. All youth welcome. Call Kari Stanek for details and to register at 608-963-6237.

JULY

- 7-12** Sauk County Fair, Baraboo
- 21-23** Farm Technology Days, Crave Brothers Farm, Waterloo, WI

AUGUST

- 6-16** Wisconsin State Fair, Milwaukee