Volume 11 Issue 3

DAIRY, LIVESTOCK AND FIELD CROPS NEWS

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Is it Time to Cut Yet? 1st Cutting Forage Quality Status Online! This reed canarygrass was in the boot stage and ready to cut June 6 a few years back. How fast will hay crops mature this year? Maybe it will be May 25 in 2004? We will be harvesting 5 different legume and 5 different grass hay fields beginning in early May twice a week to track forage quality. We will post the information to our Web site.

Check Out Our Web Site

Everyone seems to have a Web site these days. As of the time you receive this newsletter we will also have a one. The address is:

http//www.cce.cornell.edu/programs/cny-dairy-livestock-crops/index.html

At our Web site you should expect to find the following:

- **Calendar of Events**—not only the subject, date place and time but also the ability to access a copy of the announcement that you will be able view and print with Adobe Acrobat Reader.
- **Newsletters**—again they will be online with also the ability to access with Adobe Acrobat Reader.
- **Fact Sheets and Software Files**—we have put together various fact sheets and computer files that may be of interest and you will be able to download.
- **Current Crop Conditions** for the six counties—tracking 1st cutting forage quality, crop growth and development, pest problems and what to do about them.

If you wonder what activities are coming check out our web site. Want to know what insect pests are a problem at the moment visit our website. You will still receive newsletters and meeting announcements in the mail as you always have. The advantage to the web site is that we are able to update and change information on the Web site in more timely manner to keep you informed. Let us know what you think!

Dealing with High Milk Prices

You're probably wondering why I'm even talking about this topic. In fact about a month ago a local dairy producer told me that perhaps we should have a meeting on this topic. He was only kidding of course, but implying that milk prices had been down so long that dairy producers had forgotten how to spend the money that higher milk prices would provide. I'm sure that won't be a problem.

Dairy producers have been suffering with low milk prices for nearly two years. It now seems that the stars have all aligned to cause a rapid and dramatic upturn in price. As I write this article some economists are predicting that blend prices "could" exceed $20.00/cwt. for average component milk (Holstein components) for June production! Wow! We've never seen prices like that ever before, at least not for non-organic milk! What's caused this rapid and welcome turnaround in price?

Many factors have all had some impact. The CWT (Cooperatives Working Together) effort has taken some production off the market. The Mad Cow Disease scare in the state of Washington has caused the Canadian border to be closed to cattle imports. Thousands of head of dairy replacements had been imported into the U.S. each year from Canada. This has really tightened the availability of dairy replacements and driven prices skyward. Dairy farmers have been going out of business because of the poor dairy economy over the last two years. Even though many of those animals went to other dairies a certain number end up going for beef, which lowered milk supplies. Even though the national economy is not growing at the rate most would like, the strength it does have has increased overall demand for dairy products somewhat. Monsanto's problems with the production of Posilac has caused a rationing of the product to 50% of what people had bought and no new customers can be taken on. That has had a negative effect on production. Many parts of the country had very wet weather last spring. It caused enough weather delays that forage quality ended up being poor. This has reduced production per cow. And as you all know from your feed bill grain prices have gone up, especially protein feeds. Even though this shouldn't have effected production it did. The conservative nature we have has caused us to pull back on grain feeding and lower production was the result.

So, what should be your priorities with additional income from milk sales? For most people the first priority should be to pay up old bills that have accumulated over the last 2 years. This would include your feed supplier, veterinarian, A.I. technician, farm store, etc., etc. A pure economic analysis would tell you to pay down those bills based on the highest interest rate. If you pay those first you'll lower your total expenses. Most of your suppliers do not want to be in the banking business, that's why they charge interest on overdue accounts. They'd rather you do your borrowing from the bank and keep their account current. However, in some cases we know that additional bank credit was not available and dealer credit was very necessary. From a moral standpoint we also need to take care of those creditors who charged very little interest or no interest at all. These folks really made sacrifices by granting all that credit with little or no interest. Remember, your agribusiness people have had a very rough 2 years as well and also need to catch up on bills.

For any size dairy the expected upturn in milk price should not be viewed as a time to back off on intensive management, but as an opportunity to maximize revenue. These situations are when investments and/or expenses to enhance milk production will pay off the best. 3X milking, BST use (if you could get it), photoperiod manipulation, enhanced feed rations, investments in cow comfort, etc… will all pay off better when milk prices are highest.

I know some of you are saying that if everyone increases production that will cause the milk price to drop. That may be true, but you can't control what everyone else does. You have to focus on the things you can control and you need to watch out for number 1, that number 1 being you. The milk price will go down again anyway. Make the money you can now, so you can ride out the next down cycle.

I know feed prices are up quite a bit, but the Milk-Feed Price Ratio is actually improving because milk price is moving up so quickly. This is not the time to skimp on grain feeding. Looking at real farm data in New York tells us that purchased grain per cwt. of milk and purchased grain as a percent of milk sales **is not** as well correlated with profit

as net milk income minus purchased grain is. For farms that grow some of their grain we need to add the value of that home grown grain into these analysis. The bit of data I've looked at for 2003 tells me that net milk income per cow minus grain costs per cow will run between $1,000 and $2,000 for most farms, with the higher number farms being more profitable. This figure includes calf and heifer grain as part of grain costs. This is using accrual accounting. In other words, it's taking into account the grain used regardless of whether it had yet been paid for or was sitting in inventory on January 1st. Net milk income is your gross milk check minus all the typical deductions such as coop dues, advertising, hauling, etc. It does not include money you have deducted directly to pay the mortgage or other bills. It does include any premiums you may have gotten. It **does not** include any MILC payments from the FSA office. Calculate the number for your farm to see how you stack up. Remember, it's not a perfect correlation with profitability, but it's one of the best we have.

You need to be thinking about how you can position your business to make it stronger and more resilient. Don't hesitate to call. I'd be happy to discuss any particulars with you and/or come out to your farm. I don't profess to have all the answers, but I've seen lots of things that have worked on dairy farms and lots of things that haven't worked. I'd be glad to share any of that with you.
David R. Balbian

Soybean Seeding Rates: Not Too High and Not Too Low

Bill Cox, Department of Crop and Soil Sciences, Cornell University

We evaluated three soybean varieties (from Pioneer, Asgrow, and Dekalb) at three row spacings (7, 15, and 30") and three seeding rates (150,000, 200,000, and 250,000 seeds/acre) in 1997 and 1998. In both years of the study, all three varieties in all three row spacings yielded best at 200,000 seeds/acre Based on these results and data from Guelph, Ontario in Canada, we recommend seeding rates of about 200,000 seeds/acre in New York. There was a 3 to 4 bu/acre yield penalty for planting soybeans at too low a rate and 1 to 2 bu/acre yield penalty for planting at too high a rate.

We planted a Pioneer variety in 7" row spacing on May 20th at the Aurora Research Farm in 2003. Aurora had a dry August (1.65") and significant aphid feeding occurred so yields were somewhat low. Nevertheless, maximum yields occurred at a seeding rate of about 200,000 seeds/acre. In 2003, there was a 2 bu/acre yield penalty for seeding at too low a rate and a 1 bu/acre yield penalty for seeding at too high a rate.

Soybeans typically average only about an 80% emergence rate and in cool wet springs soybeans may only average a 70% emergence rate. We continue to recommend seeding rates of about 200,000 seeds/acre in New York, especially with May plantings, because soybeans typically respond to higher seeding rates in northern latitudes. We recommend that soybean growers carefully calibrate their soybean drill because seed size will generally be small this year so seeding rates could be higher without proper calibration. High soybean seeding rates not only increase seeding costs but also result in a slight yield penalty. If soybean growers wish to experiment with lower seeding rates, we recommend that they test in a field that they plant in late May or June when warmer soil temperatures should improve seedling emergence. Finally, we will continue this study for two more years to verify that a 200,000 seed/acre rate is still optimum for NY growing conditions.

The final stand and yield of a Pioneer variety at 7" row spacing at the Aurora Research Farm in 2003.

SEEDING RATE	FINAL STAND	YIELD
seeds/acre	plants/acre	bu/acre
150,000	118,000	37
200,000	150,000	39
250,000	193,000	39
300,000	238,000	38
350,000	269,000	38
LSD 0.05		2

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