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Dairy-Forage Nutrition Issue:

Finding & Feeding Forages

**Hay Supply Hot Spots
Diets At 75% Forage
Grazing RR Alfalfa
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Where's The Dairy Hay?

The overall U.S. supply of dairy-quality alfalfa hay has been severely lessened by weather. Yet dairy producers may still find plentiful and reasonably priced product in pockets of the country.



PHOTOS: RICK MOONEY

Later cuttings in Northern Great Plains offer good quality and supply

by Rick Mooney

Dairy producers looking to line up top-quality alfalfa hay for fall and winter shouldn't give up hope despite USDA's August *Crop Production* report.

It predicts overall production of alfalfa and alfalfa mixtures in the U.S. at 65 million tons in 2011, down 4% from that of a year ago.

The shortfall is most pronounced in the drought-riddled Southern Plains of Oklahoma, Kansas, Texas, New Mexico and southern Colorado. Alfalfa harvest numbers are also likely to be off in many traditionally strong dairy-production states ranging from Wisconsin and Iowa to California, Washington and Idaho.

Yet alfalfa growers in several other states may be on the doorstep of a banner production year. Those include South and North Dakota, Wyoming, western Nebraska, Montana and Michigan.

"Dairy producers in need of a supply of dairy-quality alfalfa hay will want to look toward South Dakota

this year," says Matt Diersen, ag economist with South Dakota State University Extension.

USDA's August report forecast a South Dakota harvest of 5.63 million tons, nearly 500,000 tons more than in 2010. Although unusually cool and wet weather early in the season hindered first cutting, as of mid-summer, later crops appeared to be coming on strong.

"Once we got beyond the first-crop supply disruptions, the weather really improved," notes Diersen. "We didn't have the rains we were getting in April, May and June. That boded well for having very good second and third cuttings."

Premium-quality, large-square alfalfa bales were selling for \$150/ton, on average, in eastern South Dakota and \$100-150/ton on the western side of the state, reported USDA Market News in mid-August.

Given the skyrocketing prices of dairy-quality hay in other regions – \$300/ton or more in California and Texas – Diersen believes hay transportation costs will become less of

an issue for dairy buyers as the year progresses.

"The price disparity is big enough to start pulling hay out of South Dakota into some of these other regions," he says.

First cutting was a challenge for many North Dakota growers, too. "A few people here were able to catch a weather window in late June, so there was some dairy-quality hay put up," says Dwight Grosz, who grows alfalfa and alfalfa-grass hay on 200 acres near Hazen. "But an awful lot of that first crop got rained on.

"Once we got some warm weather, the alfalfa really started coming on. A lot of the second-crop stuff was just plain beautiful." That tracks with USDA's forecast of total state production at 3.6 million tons, up roughly 12,000 tons from 2010 numbers.

Grosz packages his hay in large round bales and reserves about half to feed his 200-head, farmed elk herd. Most of the rest is sold to a feedlot in western Kansas for \$55/ton at the farm gate. "That's about the same price we were getting last year."

Favorable freight rates are making it more feasible to ship his hay into Kansas and other Southern Plains states.

"The standard (truck transport) rate here has been about \$4/loaded mile. At that, you can't make anything happen. This year, though, we've lucked out. The oilfields up here have been bringing in a lot of supplies and equipment out of Texas and Oklahoma. With a backhaul, the rate gets down to around \$2.50/mile. At that price, things can get done," Grosz says.

An activity boom in Wyoming's oilfields has similarly benefited hay growers in the east-central part of that state, says Greg Richendifer, farm manager at Wagonhound Land and Livestock Co. near Douglas.

"They're hauling pipe out of Texas into the Gillette area," he says. "That has flatbed truckers looking for backhauls to Houston. A lot of them are just trying to cover their fuel costs. It's really helped out on freight rates for hay moving in that direction."

Richendifer, who annually puts up 18,000 tons of alfalfa and alfalfa-grass hay on 2,800 irrigated acres, reports that weather problems crimped production of premium-quality hay during



Greg Richendifer, below, says ranchers in his Douglas, WY, area move hay by making use of backhauls to Houston, TX.

PHOTO: RICK MOONEY

first cutting.

"Our second cutting, though, was just perfect," says the grower, who markets primarily to dairies and horse operations. "Our third crop is also looking very good, and we are on track for a fourth cutting."

First and second cuttings yielded very little high-testing, dairy-quality hay in many parts of eastern Wyoming and western Nebraska.

"But the last two cuttings of the season will generate a lot of dairy hay," predicts Barry McRea of Valley Video Hay Markets in Torrington, WY. "We're 4" above normal for the year on rainfall, and there's also plenty of irrigation water available throughout the area."

There was an upside to abundant early season rainfall in Montana as well, says James Ward, reporter with USDA-Montana Department of Agriculture Market News in Billings. Typically, many Montana dryland growers take just one cutting annually. "This year, because of the rain, many of those growers will get a second cutting and some will even be able to take a third."

Irrigated growers have also had good production. "Irrigation water has been plentiful, and the guys were

PHOTO: WAGONHOUND LAND & LIVESTOCK CO.



really pouring it on," says Ward. "Yields have been very good. Overall, it's been a wonderful year for making hay in most parts of the state."

Top-quality alfalfa hay was bringing \$175/ton as of mid-August, while average hay was

selling for \$130-150, Ward says. A year ago, the best hay was fetching \$100-120.

Outside of the Great Plains, Michigan may be one of the better places for dairy producers to hunt for hay supplies.

"First cutting had very poor quality but very good tonnage in many areas," says Phil Kaatz, Michigan State University Extension forage specialist in Lapeer County. "Second cutting was better, and third cutting is excellent. Both quality and quantity should be better than average."

While getting a handle on statewide prices is difficult at best, according to Kaatz, the overall trend is up. "In-state prices have been inching up. For hay moving to Indiana and Ohio, where they had a lot of water problems early on, buyers have been paying premiums compared to a year ago. With demand as strong as it is, I don't think we're going to have a surplus for very long." ♦