

'Feed Shrink' May be Robbing You

By Thomas Quaife

FeedWatch Factsheet

Something had to be done! Every time someone peeled back the plastic on the bunker silo, spoiled silage — 6 to 8 inches deep — would show itself across the top of the pile. So, the managers at Linn Willow Creek Dairy in north-central Kansas decided to go with a plastic that was less likely to tear.

"Try tearing this," business manager Randy Hiesterman challenged a recent visitor to the farm. Not only was it impossible for the visitor to tear the plastic, there were no holes or perforations in the plastic covering the bunker silo. Hiesterman says raccoons used to dig into the silage when the previous plastic was in place.

The farm hasn't yet opened the new pile, but managers are optimistic there will be little or no spoilage across the top.

The point isn't whether one layer of tear-resistant or puncture-resistant plastic (with an improved resin blend) is the way to go versus two layers of conventional plastic. That is another story, and answers may have to wait until more research is done. The point, rather, is that the managers identified feed wastage on their farm and resolved to do something about it.

It is one example of how feed can get lost or ruined between the time it is harvested and the time the cows are ready to eat it. Such instances of "feed shrink" could be costing you thousands of dollars each year.

Silage is very vulnerable

OK, it's possible to lose some corn silage due to spoilage or cottonseed due to the wind catching it. But how do you lose corn grain?

You can lose corn grain in a number of ways, points out Keith Sather, dairy nutritionist from Dresser, Wis., who developed a software program known as Feed Supervisor to track feed inventories. Corn can get old or out of condition, and people just throw it away. Or, it is eaten by



birds, rodents and deer. Or, it drops to the ground as it is being delivered to the feed mixer

In working with clients, it's been Sather's experience that farms can indeed lose 3.5 percent to 10.7 percent of their corn grain due to shrink.

Corn silage is an even more vulnerable area.

Jim Barmore, nutritionist and founding partner with the GPS Dairy Consulting, says he emphasizes the importance of silage management to his clients as a way to reduce shrink. This includes proper wrapping the sides of bunker silos, proper packing density, inoculants — all of the things that can have a positive impact.

Silage management is a good place to start. By some estimates, the average producer in the Midwest may be losing 15 percent of his corn silage to shrink due to spoilage, wildlife and other factors.

Silent thief

Sather calls feed shrink the "silent thief"

"It's very subtle and takes place over time," Sather says. It involves a number of things — wind, birds or the front-end loader dropping feed — that management may no longer see because they happen every day and may no longer seem extraordinary.

It's an area that is still tripping up a lot of producers.

"When I give a talk or presentation and get to the part on shrink, I feel like I should have Star Trek music playing in the background because it truly is the last frontier as far

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as managing feed is concerned,” Sather says. Producers have made progress in improving feed efficiency and determining cost per hundredweight, but they still need to make progress on shrink, he adds.

Granted, it is difficult to keep track of which feed is delivered to which silo or which pile, or what the dry matter percentages were, or how much was later removed for feeding. It can be a very tedious and time-consuming task. However, there are now software programs that can keep track of this information electronically without requiring producers to do it manually.

Very expensive

It’s ironic that farmers will negotiate the cost of their feed down to the penny when they are buying it, yet lose much of it on the other end to shrink loss.

“For farms with 3,000 to 4,000 cows, (shrink loss) can easily be a six-digit number annually,” says Mike Brouk, extension dairy specialist at Kansas State University.

A lot of feed can disappear as it’s being delivered to and from the commodity sheds.

Brouk once helped a farm calculate how much feed it was losing in the commodity sheds, and it turned out to be costing the farm 13 to 14 cents per cow per day.

Consider soybean meal. A farm could be losing 8 to 9 percent of it due to wind and other factors, Brouk says. If you are paying \$380 per ton for soybean meal, a 9-percent loss means you are actually paying \$414 per ton. That is a \$34 per ton difference, or 1.7 cents per pound. If you are feeding 4 pounds in the ration, that is 6.8 cents per cow per day.

You are never going to completely eliminate shrink. But reducing shrink by just 3 percentage points can make a huge difference, Sather points out. On a 1,000-cow dairy, reducing shrink by 3 percent — at today’s feed prices — could amount to \$65,700 a year, he says.

Critical difference

Six to 10 years ago, a 3-percent reduction in feed shrink on a 1,000-cow farm would have saved less — \$37,580 per year by Sather’s estimates, compared to \$65,700 today. But feed prices have skyrocketed since then.

Increasing feed prices have made feed shrink more of an issue, Brouk points out.

Brouk goes on to say that in a competitive environment, farms need to be as efficient as possible to succeed — and even survive. In a time of thin economic margins, such as we have now, reducing shrink could become the critical difference.

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