

# The 'Two-Bale Tale' Or How Being Cheap Can Cost More

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I could detect a note of relief when Uncle Ray called me in early November, "By golly, I finally got a load of hay on its way here from out-of-state!"

Uncle Ray has a fairly small number of cows and seldom needed much hay, which prompted me to ask, "Couldn't your local source fill the bill?" His reply was one commonly voiced, "Yeah, early on he said he'd take care of me, but as the drought got worse, his hay went up to \$75 a bale and I can't pay that!"

After the first blast of cold weather hit Uncle Ray called, "When you get down my way, can you sample this hay for me?" Admittedly, I wanted to see his "out-of-state" hay because I had already eyeballed some shipped into my neck of the woods. In addition, I wanted to see the neighbor's hay if possible.

When I drove up, the first red flag was a hay ring half full of "stuff" that Uncle Ray's cows apparently refused to eat. The sample I cored from his stored bales provided the second red flag. I hinted that we should visit the neighbor who, after Uncle Ray introduced me, was more than glad to show us his hay. Upon entering the barn I immediately detected the fragrance of hay that had been cut, baled and stored as it should be. I'm openly biased toward Bermuda hay, and that's exactly what this fellow had, although he noted, as have most producers, "Sure didn't get the yield I normally do," thanks to a persistent drought.

After mentioning that he hadn't, but would like to sample the hay, I pulled out my 18-volt cordless drill and Pennsylvania hay probe. In just a matter of minutes Uncle Ray was sifting his fingers through the sample bag while feeling a little dejected about his November decision.

Later, the two hay analysis confirmed what our nose, texture and visual appraisals suggested. The "as-is" crude protein and TDN, or total digestible nutrient, levels of Uncle Ray's

bargain hay were 5.4 and 46 percent, respectively. The neighbor's hay showed "as-is" crude protein and TDN levels of 18.3 and 61.6, respectively. In addition, based on Uncle Ray's trucking invoice, his bales weighed about 1,000 pounds with a final cost of \$65 per bale, or \$130 per ton. The neighbor's hay, priced at \$75 per 1,100-pound bale, would have cost \$136 per ton.

The kicker, which few producers calculate, is the cost of usable forage! I guesstimated Uncle Ray's hay at being 50 percent consumable, based on hay ring waste, and the neighbor's hay at an 80 percent rate. That elevates the usable forage cost to \$260 per ton for Uncle Ray's hay and \$170 per ton for the neighbor's hay. The math may confuse some, as it did Uncle Ray, who was already fuming after mentally adding in the cost of supplementation he needed to purchase.

During drought years, not everyone will have access to a source of good hay, but as this neighbor noted, "If I had known there would be a strong local market, a bump in my early season fertilizer rate would have helped generate a few more bales."

Unlike grain and livestock markets, hay producers have no market opportunity to hedge. As a result they limit expenditures to satisfy a comfort zone developed through experience. High fertilizer prices and drought patterns have served to reduce total production expenditures, as well as the comfort zone.

The theme of a popular James Garner western, "Support Your Local Sheriff" easily fits hay production and marketing. One suggestion is for potential hay customers to develop a working relationship with local producers throughout the year. The second suggestion is to insist on a hay sample analysis before making a purchase, regardless of its source.

In the meantime, notes of sympathy may be directed to: Uncle Ray, P.O. Box 96, Cave Springs, AR, 72718. Δ

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