

Making the Best of a Challenging Situation – Dealing with Drought-Related Forage Shortfalls

Strategy/Action	Potential Positives	Potential Negatives	Unknowns/Uncertainties
Locate/bid on standing corn (for silage) within a reasonable hauling distance. Buy local corn silage out of storage .	Will help with shortfall situation.	If competition for the resource exists, you may not like the price demanded. Possible low or no supply.	How far you go with price is dependent on grain, forage and milk prices in the future (speculation).
Purchase hay of a known quality locally/regionally	Will help with shortfall situation.	Quality needed depends on quality of farm's stored forage and ability to allocate.	How far you go with price is dependent on grain, forage and milk prices in the future (speculation)
Purchase hay of a known quality from a distant market.	Semi-load quantities, often good quality both maturity-wise and condition.	You may be competing for a short supply nationally. Lots of spade work to find supplier. Prices <i>may</i> be high.	How far you go with price is dependent on grain, forage and milk prices in the future (speculation)
Work with Nutritionist to utilize highly digestible fibrous concentrates allowing you to safely minimize dietary forage.	Will help with shortfall situation.	Feeder must be up to the job as tolerance for error is often quite low.	Must speculate that these "forage replacement" concentrates will be a better buy than the forage replaced.
Board out heifers to facilities with adequate forage supplies.	Moves a known amount of daily dry matter needs off-farm.	Cash flow must be there to meet obligations. It's a new expense beyond daily costs associated with having them around. Could be large.	How good is the heifer raiser? Will they deliver an animal as ready to perform as those under your management?
Cull least profitable cows and heifers known to be health compromised, mediocre genetics or beyond numbers needed to maintain replacement rate.	Saves a known amount of daily dry matter needs in the short term or until 2012 harvest season.	On the cow side you may be giving up the ability to make operating margin. On the heifer side you need to be confident that involuntary culling is very much under management.	If milk price averages higher than predicted (speculative) because of diminished supply elsewhere due to high feed and forage prices (speculative), you may lose future marginal income as you rebuild herd numbers.
Sell milking herd, hold on to heifers.	Forage supply and daily intake may balance. May provide time and dollars to make facility improvements.	If off-farm income is needed, job market may be tight (but dairy work ethic always in demand)	Always a timing issue. Will dairy cow prices hold long enough? Will operating margins be better later?



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