Plummeting prices in the dairy industry are creating critical cash-flow and long-term survivability issues on Ohio’s 3,328 dairy farms. Cost-cutting decisions must be made with full awareness of both short and long-term production and economic consequences. OSU Extension’s Dairy Working Group, a collaboration of OSU Extension Educators and Specialists discuss:

Reducing costs to improve short term cash flow

Ingredient Replacement Opportunities
There are lots of different feeds that can be used to feed dairy cows because, being ruminants, cows can digest some of the fiber in feedstuffs and make good use of the resulting dietary energy and microbial protein produced in the rumen. Because many byproducts have little other use than to feed ruminants, their price is often discounted. Over the last 4 years, the following ingredients have been bargains over 90% of the time: corn silage, corn distillers dried grains, corn gluten feed, corn hominy, feather meal, and wheat middlings. These are the ingredients that you can almost always bet will save you some money. On the other hand, the following feeds have been bargains less than 10% of the time: beet pulp, canola meal, citrus pulp, corn gluten meal, soybean hulls, and whole cottonseed. These feeds are probably not saving you money and frequently are costing you more than a combination of other feeds with similar nutritional values.

It is generally best to re-balance the ration when using a new byproduct. However, there are a few direct ingredient substitutions that can be used that won’t compromise the nutritional quality of the ration.

Substitution 1
Remove: 1 part corn, 1 part soybean meal 48%, and 1 part soybean hulls
Replace with: 3 parts of dry corn gluten feed
Economics: In February 2009, 3 lbs of dry corn gluten feed using this substitution lowered feed costs by over 10¢/cow/day
Caution: Because dry corn gluten feed varies in quality, do not feed more than 4-5 lbs/cow per day.
**Substitution 2**

*Remove: 1 part corn, 1 part soybean meal 48%*

*Replace with: 2 parts distillers dried grains with solubles (DDGS)*

*Economics: In February 2009, 4 lbs of DDGS using this substitution lowered feed costs by over 20¢/cow/day*

*Caution: Because DDGS varies in quality, do not feed more than 4-5 lbs/cow per day.*

**Substitution 3**

*Remove: 6 parts of roasted soybeans*

*Replace with: 2.5 parts DDGS, 2 parts soybean meal 48%, 1.5 parts tallow*

*Economics: In February 2009, 3 lbs of roasted soybeans removed using this substitution lowered feed costs by 13¢/cow/day*

*Caution: Too much unprotected fat in the ration can be harmful to a healthy rumen. Do not feed more than 3 lbs/cow per day of the 3 ingredient mixture. Make sure that the total unprotected fat (fat in natural ingredients plus additional unprotected fat) does not exceed 5% of the total diet on a dry matter basis. Consult a professional nutritionist if needed.*

**Bottom Line:** Using byproducts in your dairy ration can save you significant money without compromising milk production.

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More DIBS are posted on-line at [http://dairy.osu.edu](http://dairy.osu.edu).