



Dairy Issue Briefs

DIBS



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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

Should I remove feed additives from my diets to reduce short term costs?

Feed additives include ingredients that do not provide a known nutrient (examples include yeast, mycotoxin binders, and bacterial probiotics), provide nutrients in a special form designed to alter absorption or metabolism of the nutrient (for example, organic trace minerals and rumen-protected vitamins), or nutrients fed at rates much higher than their requirement to elicit a pharmacological-type response (for example, niacin and choline). Responses to feed additives include increased milk yield, increased feed efficiency, and improved health; however, feed additives can also substantially increase diet costs. At this time of very tight cash flow, the use of feed additives must be evaluated critically by asking the following questions:

1. *Why is this specific additive in my diet?* If you put a mycotoxin binder into your diets two years ago because you had moldy silage, that silage is no longer around and the binder might not be necessary now. If you are feeding a buffer because your diets were high in starch but you have replaced a portion of corn grain with forage and byproducts, you might be able to eliminate or reduce the buffer. **Make sure an additive is appropriate for your situation today.**

2. *If the additive performs as advertised, is it profitable given today's milk price and feed costs?* An additive that was profitable when milk sold for \$18 may not be profitable when milk is selling for \$11/cwt and corn is at \$4/bu. Calculate the return on investment with today's feed and milk prices. If an additive increased milk yield by 2 lbs, this milk was worth about \$0.40 a few months ago but now it may be worth only \$0.20 (the additive is likely at the same price). Pay particular attention to cash items.

The probability that a specific additive will have a positive return on investment can be increased by:

1. Using only additives that are needed in your specific situation and that actually work based on sound scientific studies.
2. Targeting cows that are likely to respond. Milk production by cows in mid to late lactation often does not respond to feed additives. Feeding a single TMR for a herd means that several non-responding cows will be fed the additive which will reduce the overall return. Additives are most profitable when multiple TMR are fed and can be targeted to high producing, early lactation cows.
3. Limiting the number of additives in a diet. Several different additives have been shown to increase milk production but studies that evaluate additives usually only include one additive in the diet. If two additives have similar modes of action it is very unlikely the results of the additives are additive (no pun intended).
4. Consider long term effects. Some additives have short term effects (feed the additive, production increases, remove the additive, production drops), but others have long term effects, mainly on health. Feeding biotin or zinc methionine can improve hoof health, but several months are required before you observe a response. If you remove them, it will take several months to see any reduction in hoof health. Of course, when milk prices recover, it will also take several months to recover the benefits.



Bottom Line: Additives, as with all components of a nutrition program, must be evaluated critically. Use only additives that are needed and make sure the likely return is positive based on today's prices. Limit their use to those cows that are most likely to respond. If cash flow is the issue, additives with the greatest cash expense and smallest potential reduction in cash income should be removed from diets first.

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