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Reducing 1954

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Dairy

Costs

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Federal Cooperative Extension Service
Oregon State College ✓ Corvallis

Extension Circular 562

May 1954

Let's face it!

Milk prices are down. They are likely to go lower before they rise. What happens later depends mainly on —

- ▶ The amount of milk produced.
- ▶ Consumer's willingness to buy dairy products.
- ▶ Changes in prices of other things.

More milk. There is more in both Oregon and the nation. Farmers started saving more heifers 5 years ago. Cow numbers have increased for the past 2 years and will probably increase during 1954. Milk production per cow has climbed almost steadily for many years.

Lagging sales. Sellers of dairy products have not found customers to take the larger amounts at prices of a year or two ago. They are not likely to find them soon.

People are less willing to spend for butter. Prices would be even lower today except for the increased use of fresh milk, dried milk, cheese, and ice cream.

Other foods and farm products. Many are lower priced. Dairy prices tend to rise and fall with the prices of other farm products. In turn, all farm prices are influenced by changes in prices of other goods and services.

The Future?

Dairying will still pay for Oregon farmers who can meet lower prices with lower costs.

Others cut costs—Maybe you can, too.



Get More Production Per Cow

Low producers mean high costs.

- **Keep good cows.** Weigh milk regularly and test if possible.
- **Feed carefully** to get the most milk for your feed dollars.
- **Improve your herd.** Save heifers from the better cows. Breed cows to best sires available.
- **Cull low producers.** Two good cows are more profitable than three average cows.

Comparison of DHIA Herds—1952

	Pounds milk	Pounds fat	Value of product
Average per cow			
2 High Herds	9,530	540.6	\$724.40
Average per cow			
2 Low Herds	7,282	315.4	\$422.63
Average all			
DHIA Herds	8,377	387.0	\$518.58

Use More and Better Roughage

Roughage supplies nutrients at half the cost of grain. Top quality gets maximum consumption.

- **Pasture** produces cheapest roughage. Plant good legumes and grasses. Fertilize adequately and at the right time. Graze small areas in rotation. Irrigate if it will pay.
- **Silage** can replace hay to a greater extent on most farms. Cut early, pack tight, and protect from rain to avoid losses. Have enough to feed all the cows will eat.

- **Hay** should be harvested for highest quality. Cut in prebloom or early bloom for greatest feed value and palatability. If you buy, select carefully. Good legume hay saves grain.

Feed Grain According to Production

Careless grain feeding can wipe out profit. Feed the right cow the right amount.

- **Grain feeding**, if according to production, can be profitable as long as the value of 10 pounds of grain is not greater than the value of 1 pound of milk fat.
- **Don't overfeed protein.** Tests proved that 10.5% protein grain fed to cows on pasture produced as much milk as 16% protein grain.
- **Feed according to amount and test** of milk produced. Oregon Station Bulletin 464, "Feeding for Milk Production," gives a guide for grain feeding.

Save Labor

Time saved becomes available for other farm jobs.

- **Plan chore routine** to save steps and time.
- **Equipment and building** changes may cut costs. Milking parlors, pipeline milking, farm milk tanks, loafing sheds, and forage harvesters offer possibilities. A study of 45 dairy farms by O.S.C. showed an average of 145 hours labor per cow per year. Some showed over 300 hours and some less than 100.

Keep Records and Use Them

You may have hidden profit leaks. Adequate records help you find and plug them.

- **Production records** for each cow are necessary for herd improvement and profitable feeding.
- **Breeding and calving records** make for better herd management and reduce cow days dry.
- **Feed and labor records** help find unnecessary expenses.

Study your records often and know where you are going. Measure progress.

Some Dairymen Cut Costs

Studies show wide differences between farms.

Ten Portland milkshed herds had these average production costs:

	5 low cost herds	5 high cost herds
Cows in herd	27	26
Pounds 4% milk	9768	7125
Pounds milk fat	409	330
Cost per cwt.	\$4.83	\$6.79

*See your local
County Extension Agent
for current dairy management
and marketing information.*

This circular was prepared by M. J. Conklin, Department of Agricultural Economics; H. P. Ewalt, extension dairy specialist; and M. D. Thomas, extension agricultural economist, Oregon State College.

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