Buckle up for the Feed Cost Squeeze  
Dr. Dan Loy, Iowa Beef Center Director

If you are a crop producer, the recent run up in corn prices might be a pleasant surprise. If you are a cattle feeder, you are in for higher feed costs and greater cost of gain. As feeder margins narrow look for calf prices to suffer. And, when corn price increases other feed costs usually follow. In Iowa, corn price is the boat that floats all feed costs. The last time corn price increased significantly, cattle feeders had the option to substitute higher levels of corn coproducts. It was not at all unusual in 2012 for feed yards to include 50-60% wet or modified distillers grains on a dry matter basis. Now, with the ethanol industry at greatly reduced capacity, distillers grains are not a bargain in many locales. While forage prices may still be reasonable in some areas they will continue to be pressured by the upward pricing of other feedstuffs. Feed costs are typically over half of the cost of production for cow-calf producers and can be over 70% of the cost of gain for cattle feeders. As these costs continue to increase here are a few tips to consider to help manage escalating feed costs.

1. Graze when you can. For cow-calf producers, it is almost always cheaper to graze forage than to feed stored feed. Cover crops, summer annuals and cornstalks all can extend your grazing season.

2. Minimize feed waste. Feed waste is often underestimated. Bale feeders can reduce feed waste but it still can be as high as 20-30%. Is now the time to consider a total mixed ration (TMR)?

3. Scrutinize supplements and recalibrate rations. Costs of individual feed ingredients may have changed. Talk to your nutritionist and reevaluate the feed ingredients available in your area. There may be new opportunities.

4. Improve efficiency. For cattle feeders, improving feed conversion takes on a new importance with increased feed cost. Currently, even though corn prices are increasing they are 10% higher in regions of southwest Kansas and the Texas panhandle. That advantage can quickly disappear with a poor feed conversion, however. Good feed bunk management, ration energy levels, use of available technology and timely marketing are typically the low hanging fruit to improve feed conversion.

5. Know where you are. Having a good recordkeeping system that allows you to know your current costs is essential to making informed decisions about reducing them.
Prior to spring field operations, ensuring your equipment is ready can save valuable time and reduce stress when windows get tight due to weather conditions. The sprayer is a critical piece of equipment in most crop production operations. Ensuring your sprayer is mechanically sound, clean, and properly setup will help ensure quality and timely applications of spring fertilizer and pesticides.

**Nozzle selection and setup**

The spray nozzles are a critical piece of quality spray applications. Take time to look at the products you plan to apply in 2020 and evaluate if the nozzles you already have will work well with those products at the speeds and pressure you plan to operate in. Some chemicals like dicamba and 2,4-D products have strict nozzle requirements whereas other products like glyphosate allow more choices. For example, there are only four types of TeeJet nozzles approved for use with Enlist Duo herbicide (nozzle specifications on page three). When applying multiple products, refer to the label with the most strict nozzle requirements to select your nozzle for that application. If you operate at a wide range of speeds and pressures during the season you may want to evaluate the benefits of a PWM (pulse-width modulated) spray system to provide a broader range of nozzle flow rates while managing droplet size more consistently.

Running the sprayer with water to evaluate nozzle performance before the season starts is a best practice. Ensure this is done in a safe manner with proper personal protective equipment. This allows you to check the flow through each nozzle. While this can be time consuming, it helps you identify worn, plugged, or damaged nozzles. Using a tool like a Spot-On Calibrator (video available) can make this process quicker and simpler.

Nozzles with debris build up can cause significant deviations in flow between nozzles on a common rail boom setup (Figure 1). The debris will cause the affected nozzle to experience a different pressure than non-plugged nozzles on another area of the boom and create rate variation across the boom. This illustrates the importance of recognizing the quality of water you are spraying and taking appropriate measures to protect your system from debris. This might include additional strainers on the loading lines of the machine and cleaning nozzles more frequently. It’s also good to examine nozzle alignment during this process. Nozzle holders or mounts can bend or move (especially if booms frequently hit the ground or other obstructions). Proper alignment ensures the optimum spray pattern is maintained by your machine.
Each year many landowners receive substantial earnings by properly marketing mature trees from their woodland. However, many other woodland owners receive only a fraction of the real value for their timber because they do not follow recommended marketing guidelines.

1. Secure the services of a professional forester to help manage your woodland and market your timber. In Iowa, the Department of Natural Resources has District Foresters stationed at 13 locations across the state to provide on-the-ground assistance to landowners interested in managing their woodland resources. In addition, there are several private consulting foresters doing business in the state who provide professional services for a fee.

2. Maintain control of your woodland during the harvesting and marketing process. Make sure that you, in consultation with your professional forester, select the trees to market; don't allow timber buyers to choose the trees to be harvested. Selling young, small diameter, rapidly growing, high quality trees is not recommended. For example, high value species such as walnut or oak can earn a very high rate of return as they grow from a diameter of 16 inches to 22 inches or larger. In the process of adding six inches in diameter, the volume of the first 16-foot log will double and the value per unit of volume may triple or quadruple; this growth may increase the value of the larger tree by a factor of six or eight.

3. Sell your timber as standing trees, and secure competitive bids from bonded timber buyers. Advertise the trees that you have marked to as many bonded buyers as possible, and invite sealed bids for the timber. Reserve the right to reject any or all bids.

4. Sign a legal contract with the successful bidder, and make sure that full payment is received before harvest begins. Monitor the logging operation, and make sure the logger understands that your woodland is important to you and that minimal damage will be appreciated.
Making your fertilizer dollars stretch as fertilizer prices have increased

Joel DeJong, Field Agronomist in NW IA and Antonio Mallarino, Professor of Soil Fertility and Nutrient Management, Extension Specialist

Prices for soil fertility inputs have increased greatly in recent months. The bi-weekly “Iowa Production Cost Report” showed a 51% cost increase in anhydrous, a 31% increase for urea, 56% higher cost for MAP (11-52-0), and an increase of 38% for Potash (0-0-60), from the average prices reported last September 22 compared to the March 9, 2021 report. Many who did not book their fertilizer last fall are questioning how to prioritize cash flow needs with these increased costs. Here are some thoughts.

Evaluate soil test results to determine P, K, and lime requirements. See ISU Extension publication PM 1688, A General Guide for Crop Nutrient and Limestone Recommendations in Iowa. As stated in that publication, the percentage of P and K applications expected on average to produce a yield response within each soil test category is 80 percent for Very Low, 65 percent for Low, 25 percent for Optimum, 5 percent for High, and less than 1 percent for Very High. This means that as soil test levels increase, the probability of a positive yield response to fertilization and the amount of an expected yield increase decreases. Additionally, net return decreases and usually becomes negative at High and Very High soil test levels. Avoid applications to fields or field areas that do not need P and K or lime.

**Phosphorus and Potassium Applications**

For making fertilization decisions, P and K application priority should be to areas of fields where the chance of yield increase is large, and the expected yield increase is sufficient to at least pay for the applied nutrient. You could decide to only apply P and K to soils testing Low and Very Low, with optional application when tests are in the Optimum category, since the probability of an economical yield increase for soils in the Optimum category is lower.

Application to maintain soil-test values in the Optimum category is considered a good practice to sustain profitable crop production over time. However, applications can be withheld until the next year especially when product supply is short, funds are needed for other more critical inputs, or land tenure is uncertain. This is because the expectation for economical response to P and K in the year of application is small in the Optimum category and it becomes more uncertain as the price ratio becomes unfavorable.

For the corn-soybean rotation, many producers apply P and K needs for both crops once, before corn. This is as effective as applying those nutrients ahead of each crop if the fertilizer need for both crops is correct. However, if fertilizer price/availability will be better next fall, money could be saved now by applying the nutrient need of one crop and fertilizing again next year.

**Nitrogen**

Nitrogen applications should be tailored for the crop rotation. First-year corn following well established alfalfa often needs no N fertilization, and when required only needs 30-40 lb. N/acre. Unfortunately, corn in other rotations almost always needs N application, and yield increase to fertilization on the long-term is quite good. There are not many opportunities to eliminate application when N prices are high or in short supply.

Application rates can be adjusted downward somewhat when N fertilizer costs are high relative to corn prices. However, closely observe both N and corn prices before deciding on reducing N applications. Despite the high N prices, corn prices are also high and therefore the ratio between the two has not changed dramatically.

For the complete article go to [https://crops.extension.iastate.edu/blog/antonio-mallarino-joel-dejong/making-your-fertilizer-dollars-stretch-fertilizer-prices-have](https://crops.extension.iastate.edu/blog/antonio-mallarino-joel-dejong/making-your-fertilizer-dollars-stretch-fertilizer-prices-have)
Custom Rate Survey Shows Costs for Iowa Farming
Alejandro Plastina, ISU Extension and Outreach Economist

AMES, Iowa – Many Iowa farmers continue to hire at least some of their field work and livestock work to be done by others, and new data from a popular survey provides ranges and averages of what is being paid.

The “2021 Iowa Farm Custom Rate Survey,” conducted by Iowa State University Extension and Outreach, covers the amounts charged and paid for common crop and livestock services. Tillage, planting, harvesting, manure hauling and livestock transportation are all included, along with dozens of other tasks and data points.

Compared to last year, most custom rates saw a decline except for the cost of farm labor, according to Alejandro Plastina, associate professor in economics and extension economist at Iowa State University.

Fourteen percent of the respondents perform custom work, 16% hire work done, 45% indicated doing both and 25% did not indicate whether they perform or hire custom work.

The cost of combining corn ranged from $22 to $45 per acre, with an average of $35.10 per acre. The cost of combining soybeans ranged from $22 to $46 per acre, with an average of $34.20.

The cost to mow hay ranged from $8 to $15 per acre, with an average of $11.35 per acre. The average cost for baling small square bales was $.59 per bale, $9.35 for large square bales, $10.80 for large round bales without wrapping, and $13.20 for large round bales wrapped.

New information in this year’s survey includes rates for seeding cover crops, combining corn with a reel and scouting crops with fixed wing drones.

For the complete report visit https://www.extension.iastate.edu/news/custom-rate-survey-shows-costs-iowa-farming or call your local ISU Extension and Outreach office.
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Calendar of Events

Apr 6  Virtual Private Pesticide Trainings, 7-9:30 p.m., must call 319-882-4275 and pre-register to attend
Apr 12  Virtual Private Pesticide Trainings, 1-3:30 p.m., must call 319-882-4275 and pre-register to attend
Apr 14  Extension Council Meeting, 7 pm, Extension Office, Tripoli
Apr 17  YQCA Livestock Palooza, 1-6:00 pm, Waverly Fairgrounds
May 7  4-H/FFA Sheep Weigh In, 5-7 pm, Waverly Fairgrounds