

What is your grain cost per litre of milk produced?

DairySmart Nutrition Group's FREE "Cost Benchmark" program allows you to calculate grain cost per litre of milk and to compare it to other local farms.

Example:

Farm	Milk Yield	Total Grain Cost	Total Feed Cost	Grain Cost/L	Total Feed Cost/L	Total Feed Cost /Standardized L	Milking Frequency	Herd Size	Feed Company
104	39.0	\$2.64	\$4.73	\$0.07	\$0.12	\$0.13	3X	200-300	CGM
565	32.0	\$2.17	\$4.06	\$0.07	\$0.13	\$0.13	2X	200-300	CGM
830	33.0	\$2.73	\$4.56	\$0.08	\$0.14	\$0.14	2X	0-100	Other
208	35.0	\$2.87	\$5.06	\$0.08	\$0.15	\$0.15	3X	500	CGM
702	32.5	\$2.94	\$5.03	\$0.09	\$0.16	\$0.14	2X	100-200	Other

The program is free, all farms are anonymous and the report is published quarterly.

Why Benchmark Feed Costs?

- Manage grain feeding strategies
- Measure impact of change in forage quality
- Evaluate results of on farm management changes

Examples of how to manage your grain costs:

Farm A is feeding a one group TMR versus Farm B which is feeding a two group TMR (150 cow farm)

Early Lactation	Farm A	Farm B
Milk (L)	39.0	41.0
# of Cows	75	71
Forage Savings (\$2.25/c/d)	\$0	\$3,006
T grain/yr	349	332
Cost/T	\$240	\$260*
Cost/yr	\$86,668	\$86,212
Difference:		\$455

Mid-Late Lactation	Farm A	Farm B
Milk (L)	30.0	30.0
# of Cows	75	75
T grain/yr	349	349
Cost/T	\$240	\$220
Cost/yr	\$83,732	\$76,754
Savings:		\$6,978

How do we Benchmark?

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Collect Information

- Average milk yield
- Group size
- Feed weights
- Dry matter of home grown forage
- Cost of purchased feed

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Calculate cost per litre:

- Forage costs - cost of home grown and purchased forage
 - Range: \$2.00 - \$2.50 per cow per day
 - **Home Grown Forage Costs Example:**
 - % dry matter x 1.25
 - 30% DM x 1.25 = \$37.50/T
- Concentrate costs
 - Sum of all grain and byproduct costs
 - Range: \$2.00 - \$3.00 per cow per day
- Average cost per cow per day
 - Forage cost + concentrate cost
 - Weighted average for multi-group feeding



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Discuss the Results:

- All participating farms receive:
 - A copy of the Cost Benchmark Report
 - A detailed summary of how costs were calculated
 - The opportunity to discuss ways to improve cost per litre
 - Tools for measuring and comparing feed costs
 - The opportunity to compare cost per litre between farms
 - The ability to monitor your cost per litre over time

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