Linking Forage Quality with Economic Value



Currently, RFQ and RFV are used to value forages

RFQ = (DMI * TDN)/1.23

- Proxy for energy intake
- As [NDF] increases, RFQ decreases
- Does not implicitly value protein
- Current approach to diet formulation has reduced the relevance of these indices

RFQ gives protein little additional value



Forages get value by producing milk and meat

- Cows need nutrients to produce milk
- Cows need to eat lots of nutrient to produce lots of milk







NDF Forage NDF (essential nutrient) DMI (negative)

CP Metabolizable protein (essential nutrient) For forage MP = CP*0.56

NEL (essential nutrient)

IVNDFD DMI

Converting lab data to \$

- Various mathematical/statistical methods can do this
- Method based on least squares approach is most robust
- SESAME software uses that approach
- **Regional** results are available from different sources (*Buckeye Dairy News; Progressive Dairyman*, etc.)

Nutrient	West Region	Midwest
NEL, \$/Mcal	0.132	0.115
MP, \$/lb	0.519	0.538
fNDF, \$/lb	0.312	0.125

September, 2022 prices were used

Nutrient \$ Value Example (Sept, 22 Midwest region)

	Conc.*	Amt/ton	\$/unit	\$/ton
Dry matter	88%	1760 lbs		
CP	23%	405 lbs		
MP	12.9%	227 lbs	0.54	122
NEL	0.69 Mcal/lb	1214 Mcal	0.12	145
fNDF	39%	686 lbs	0.12	82
IVNDFD	55% of NDF	NA		
Total				349

Interpretation

Compared with other feeds, this alfalfa is worth \$349/ton •

This approach is great for: Corn grain vs. wheat DDG vs corn gluten Soybean meal vs cottonseed meal

 Compared with other feeds, this alfalfa is worth \$349/ton If it does not affect on intake or milk production

> Nutrient composition of forages does NOT account for all economic value

Change in IVNDFD can be used to adjust for quality

With 12 new comparisons (Oba and Allen, 2005) Avg: **0.26 lbs DMI**/IVNDFD unit = **0.5 lbs FCM**



Adjusting Nutrient Value for Quality

- 1. Measure 30 or 48 h IVNDFD
- 2. Calculate change from standard (Sample Std)
- 3. Multiple difference by 0.5 lbs of milk Multiple difference by 0.26 lbs of intake
- 4. Convert to income over feed costs
- 5. Convert to ton basis



What is

standard?

Change requires a reference or standard value

1. "Universal" 48 h IVNDFD means (NASEM 2021)

Alfalfa	49
Corn silage	52
Cool season grass	64

- 2. Specific lab mean Must use same lab for sample
- 3. Something else ?

Example: Quality Adjustment

Alfalfa hay: 0.69 NEL, 13% MP, 39% NDF; Nutrient value = \$349/T 48 h IVNDFD = 55% (NASEM mean =49)

- **1. Difference in IVNDFD: 55 49 = 6 units**
- **2. Expected increase in milk:** $6 \times 0.5 = 3.0$ lbs
- **3. Expected increase in DMI:** $6 \times 0.26 = 1.6$
- **4. Increase IOFC:** \$0.44/day (Milk = \$20/cwt, feed = \$10/cwt)
- **5. At 22 lbs DM inclusion:** 0.44/22 x 1,760 lbs DM/T = \$35
- 6. Final value: 349 + 35 = \$384/ton as-fed

Quality adjustment per IVNDFD/ton of DM

	Milk price			
Feed	\$14/cwt	\$17/cwt	\$20/cwt	\$23/cwt
\$8/cwt	4.5	5.8	7.2	8.6
\$10/cwt	4.0	5.4	6.7	8.1
\$12/cwt	3.5	4.9	6.3	7.6

Example: Test forage is 5% units lower in IVNDFD than standard: -5 x 6.7 = -\$33/ton DM (-\$28 as-fed hay)

Add (subtract) that to nutrient value

Limitations

- 1. Assumed diet inclusion of 22 lbs; effect of quality should be correlated with inclusion
- 2. We assume effect is same for all milk yields but higher producing herds probably more sensitive
- 3. Based heavily on corn silage and alfalfa



Conclusions

- 1. This method values <u>all</u> major nutrients (\$)
- 2. Method adjusts value (\$) for expected effects on DMI and milk
- 3. Method does not require any additional lab assays





Sunrise over the Ohio River