

Wisconsin Dairy Style Trends

By Tom Kriegl

University of Wisconsin Center for Dairy Profitability

April 21, 1999

Most people agree that Wisconsin's dairy industry is changing fairly rapidly, but perceptions differ on how it is changing and how quickly the change is occurring. No one seems to keep real definitive statistics to monitor this change, but existing studies and statistics can help us make some educated estimates.

There are at least three styles of dairy operations or systems in Wisconsin:

- 1) The traditional confinement family sized farm with a stanchion barn
- 2) The modern confinement dairy farm that uses a parlor for milking and free stalls to house cattle. Most modern confinement operations have recently expanded to 300 or more cows and rely heavily on hired labor
- 3) Management Intensive Rotational Grazing (MIRG) operations in which an attempt is made to harvest about half of the herds' forage needs via grazing. Wisconsin grazing operations may start milking in stanchion barns, but many are switching to parlors and free stalls.

When comparing the commonality of the three styles of farms it is useful to compare them three ways. These include;

- 1) The percent of the state's farms represented by each style
- 2) The percent of the state's cows on farms of each style
- 3) The percent of the state's milk produced by each style.

A University of Wisconsin report titled Grazing in Dairyland* used a random survey to estimate the proportion of four types of grazing farms versus confinement farms. This study didn't examine confinement operations as closely as it examined graziers, but it's reasonable to assume that most of the farms identified in it as confinement operations are traditional farms. The study found that the farms practicing MIRG increased from 7% of the state's total in 1992 to 14% in 1994.

Technically, the study identified another 29.6% and 35.3% of the farms in 1992 and 1994 respectively to be "non-intensive" graziers. However, it's my judgement that those herds identified as non-intensive graziers in the study would be thought of as traditional confinement herds by most observers.

Although it's likely that the percent of MIRG farms continues to increase at the expense of traditional dairy farms, the growth is not likely to be as rapid as occurred between 1992 and 1994.

For the sake of this comparison, first assume that Wisconsin MIRG farms represent 14% of the 25,050 dairy farms estimated by USDA to exist in Wisconsin in 1997. Then assume that Wisconsin MIRG farms represent 21% of Wisconsin dairy farms in 1997. The actual number is likely to be somewhere between those two.

If we assume that modern confinement farms are all of those in Wisconsin with 300 or more cows, then 400 or 1.6% of the dairy farms in Wisconsin are the large modern confinement type. This leaves the remaining 84.4% of Wisconsin's dairy farms in the traditional confinement group.

Estimating the percent of cows or milk produced by the three styles is trickier since no one seems to directly measure this information.

Once again, assuming that all Wisconsin herds with 300 or more cows are the large modern confinement type, they owned 7.9% of the cows.

Most of the 3,507 farms estimated to practice MIRG in 1997 would have less than 100 cows and are fairly close in terms of herd size to the average Wisconsin dairy farm. The estimated 3,507 Wisconsin MIRG herds are equivalent to 15.6% of the number of Wisconsin herds less than 100 cows in size. If the MIRG herds have 15.6% of all the cows in herds of less than 100 cows, then they have 11.1% of Wisconsin's dairy cows, leaving 81% of the cows in traditional confinement herds.

Using the same methods to estimate the proportion of milk produced by style of farm, the following proportions can be estimated:

Proportion of Three Wisconsin Dairy Farm Styles in 1997

Category	% of farms	% of cows	% of milk
Traditional Confinement Dairy Farms	84.4%	81%	80.7%
MIRG Dairy Farms	14%	11.1%	10.5%
Large Confinement Dairy Farms	1.6%	7.9%	8.8%

What if another 7% of the Wisconsin dairy herds were added to the MIRG style from 1994 to 1997 as occurred from 1992 to 1994? The proportions would look like this;

Proportion of Three Wisconsin Dairy Farm Styles in 1997

Category	% of farms	% of cows	% of milk
Traditional Confinement Dairy Farms	77.4%	74.5%	74.45%
MIRG Dairy Farms	21%	16.6%	15.75%
Large Confinement Dairy Farms	1.6%	7.9%	8.8%

The above numbers should not be considered absolutely accurate, but they do add more objectivity to perceptions about what proportion of Wisconsin's dairy farms, cows and milk production occurs on the three basic styles of Wisconsin farms.

The above numbers indicate that traditional confinement is still the most common style in Wisconsin. MIRG farms are a distant second in all categories, closely followed by large modern confinement farms in percent of cows and milk production. Other data shows that the two "newer" styles have been increasing relative to the traditional confinement style. This pattern is almost certain to continue.

Other data also suggests that MIRG farms will likely continue to outnumber large modern confinement farms, but fall behind in the percent of cows milked and milk produced. These gains will come "at the expense" of traditional confinement farms which could easily retain their "most common" status for another 10 to 20 years.

*Grazing in Dairyland was produced by Douglas Jackson-Smith, Brad Barham, Monica Nevius and Rick Klemme.