

Good News For Many Wisconsin Dairy Farms!

The Wisconsin Grazing Dairy Analysis (WGDP) confirms that Grazing (Management Intensive Rotational Grazing, MIRG) is an economically viable alternative for many Wisconsin Dairy farmers.

In contrast to large, modern confinement dairy systems, management intensive rotational grazing (MIRG) systems can provide a satisfactory income level on a farm that one family can operate with their own labor and management. This is good news for many farm families. What makes the news even better still for these families is that a traditional, Wisconsin dairy farm with average or better management has a good chance of improving its financial performance by judicious adoption of MIRG, especially if they are facing some important investment decisions.

However, while many Wisconsin dairy farm families have switched from a traditional Wisconsin confinement dairy system to MIRG without experiencing a traumatic transition, switching to MIRG won't produce overnight results. Graziers in the WGDP who combined seasonal calving (shutting the milking facilities down for at least a day per year) with grazing took longer than non-seasonal herds to consistently achieve desired economic performance. Seasonal calving is defined here as shutting the milking facilities down for at least a day per year.

Grazing isn't for everyone, but it could be the best choice for many families. Wisconsin farm families who are thinking about ways to become more economically competitive in the face of the current low milk prices, families just starting a dairy operation or families who are facing a major investment decision with their existing dairy operation, owe it to themselves to consider grazing as an alternative before making their final decision.

The MIRG system requires very little additional investment for a traditional Wisconsin dairy farm. Someone who invests in a well planned grazing operation will likely be able to recover most or all of their investment, if a few years later they decide to switch to a confinement system or quit farming entirely. In contrast, if you invest "from scratch" into a new confinement system, and decide to change or quit in a few years, you will be lucky to recover half of what you invested in that confinement system. This makes the MIRG system more economically flexible than the confinement system.

Read on for some characteristics that make an existing dairy farm a good candidate to try or switch to grazing:

Here are some characteristics that make an existing dairy farm a good candidate to try or switch to grazing:

1. **A desire to achieve economic viability** and you want or have a farm small enough to be handled by one family's labor. The large modern confinement system, by definition, is not an option for someone who wants to stay small. However, recognize that dairy grazing should also be economically competitive at any larger herd size too.
2. **Average or better management ability.** Grazing is a different management system instead of a reduced management system. And because most Upper Midwest dairy farmers "grew up" with conventional systems, and because so much of our research and dairy industry in the Upper Midwest has focused on confinement systems, it might be argued that it's more difficult to manage a grazing system.
3. **A willingness to change and try new things.** Switching from a conventional to a grazing system does require a considerable shift in thinking. For example, a well-managed pasture looks quite different from a well-managed "hay" field.
4. **The absence of much unproductive debt.** Regardless of one's biases, most people would agree that for a given number of cows, a state of the art grazing operation should require less investment/cow (and therefore less debt/cow) than a confinement system, especially a newer one. Consequently, a switch to grazing is probably not the salvation for a dairy farm burdened with too much unproductive fixed debt.
5. **The desire to avoid a new major investment.**
6. **Can be happy with a farming operation that minimizes the use of equipment.** A Wisconsin grazing system has less need for ownership and use of equipment than is typically found on traditional or large modern confinement dairy farms in Wisconsin. Consequently, dairy farmers who enjoy the equipment part of farming much more than the other parts may not be happy with a grazing system.
7. **Income generation is not the weakest link in your current conventional operation.** While some graziers have not sacrificed production and income per cow, the average grazier seems to sacrifice some of both despite other intentions.
8. **You would like to farm for more than a couple more years.** While several participants in the WGDPA made a relatively fast and smooth switch, they had much to learn, especially in the first year or two. If you are reasonably sure that you will exit farming in less than two or three years, you may gain more from planning a favorable exit strategy than from switching systems.

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