Leases - adjusting to the times

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. With over half of most farmland being leased, it is rare to find a producer that doesn't have at least one landlord. One of the biggest challenges for tenants and landlords is to figure out how to adjust to the changing times and changing prices and values of everything. In the early 1980's there were very very few cash crop leases. Pasture leases, sure, but crop leases were share leases, period. Leases were 50/50 or 60/40. The landlord paid for fertilizer, seed, herbicide and insecticide. The tenant provided everything else. But times changed. There were changes from conventional tillage to various forms of reduced till. Preplant tillage was replaced with herbicides. Roundup ready crops and other enhancements gave way to technology charges and the price of seed went through the roof, followed shortly thereafter by fertilizer prices and fuel prices. I wish I had a dollar for every call I've ever had from a landlord wanting to know if the charges at the elevator were legitimate. More and more crop leases are now moving towards cash and most of the tenants and landlords that have, love them. For the landlord, there's no longer any hassle with the splits of the production costs. It's easier at the elevator, it's easier at the FSA office and it's easier with crop insurance. The landlord knows going in what their income will be. If the landlord is worried about not getting their fair share of a really good crop, there's ways to create a variable cash rent that takes that into account. There are a few cases where cash leases probably won't work, but for many situations, they really should be considered! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Getting Cow Herds Ready for Winter Weather

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. Rolling on into mid November the weather leaves us no doubt that winter is on its way. There are several things that you should be doing to get you and your cow herds ready for winter. The first is to sort your cows by body condition. Specifically you want to get those thin cows those in the lower body condition score 4 and lower into a separate group so you can feed them extra. We know that cows that are in good condtion, scores 5 or 6, are going to deal with weather stress much better than those thinner cows. In general I find that most producers have cows that are more in the 6 or 7 range, but we can usually find at least a few skinny cows in most herds and either fatten them up or sell them! Develop a feed inventory and test your forages to know what quality of hay you have. Most producers over estimate the nutritional value of their hay supplies but usually don't get into trouble as they feed too much grain supplement anyway. Lay aside emergency hay reserves that you can get to your cow herd in blizzard weather. Then make sure that all of your equipment is in good condition and ready to go. Make sure that the cows are getting the necessary mineral and then deworm so that parasites aren't suppressing immunity that will impact not only the cow, but her calf later on. Always make sure that the cows have easy access to plenty of water. And finally, consider growing or developing a windbreak for the pastures where you normally winter the cows. This is long range planning, but a good way to make a difference in feed needs for future cow herds! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.

Planning for cowherd expansion

This is Ag Outlook on 1420 KJCK, I'm Chuck Otte, Geary County, K-State Research and Extension Ag & Natural Resources Agent. The past couple of years so saw folks scaling back on cow herds due to the drought and lack of forage. Now things are showing a little more optimism and producers are working to get their cow herds back up to where they were pre-drought or maybe even more to take advantage of new opportunities. Hopefully if you are in this situation you are pushing a pencil to make sure your choices are the right ones. It has been my experience that most cow herd producers way underestimate what it costs to keep a cow in the herd for a year. Based on Kansas Farm Management Association members, cowherd costs just keep going up. Over the past ten years, there was a slight dip from 2003 to 2004 but it's been nothing but up since then. Total annual cost per cow rose from around \$550 in 2004 to \$950 in 2012. Okay, so many producers will say that they really don't have any cost in that cow other than feed. Fine, feed cost in 2004 was about \$275 per cow per year and in 2012 it was \$487 per cow. Now here's when the profit is made - the range in cow feed costs across all farm management members who had cows was from a lot of under \$200 per year to a high of over 800 per year. 25% of the members reported costs of 426 to 500 bucks per cow and about 15% were in the category above that 500 to 575 and below that 350 to 425. Do I believe feed costs of under \$200? Well, maybe, but I don't want any of those cows. But if you can tweak your feed management just a little bit, it's obvious that you can shave 50 to 100 bucks off that feed cost and that's an easy 100 per cow profit! This has been Ag Outlook on the Talk of JC, 1420 KJCK, I'm Chuck Otte.