

Ag-Bag® Advantage



A publication on management practices and tips utilizing the AG-BAG® sealed storage system

Winter 98

Large Dairies Find Profits in the Bag Ag-Bag Sponsors Arizona Dairy Tour

As dairy numbers continue to decline the number of dairy cows remain constant. It is clear large dairy operators are expanding. With this expansion on the rise, dairies recognize their need for the highest quality feed possible.

In September, Ag-Bag organized an educational tour for people in the industry to learn what we already know about the quality of bagged forages. Our goal was to make those responsible for educating the industry more informed. We invited consultants, nutritionists, veterinarians, and university staff. In all, 35 people attended the two-day meeting in Phoenix, Arizona, including 15 people from Europe.

Bagged silage offers so much from financial, nutritional, and efficiency

points of view. And from the cow's perspective the feed is *udderly delicious*. By the time the tour was completed, we knew the participants would see that bagging is the number one choice for feed storage, particularly when planning an expansion.

Morning meetings offered speakers from the dairy industry who know bagging. The speakers were Doug Andrus, Jim DeMatteo, and Kevin James.

Doug Andrus, a dairy herdsman with Brigham Young University in Spanish Fork, Utah, shared their experiences in feeding bagged silage, for the past 16 years. BYU puts up alfalfa silage, corn silage, and earlage. For most of the 16 years, they have not fed any dry hay. When they do, it is because they can't raise enough



forage. Their dairy is the number one producing university dairy in the nation and is consistently the top producing dairy in the state of Utah. Their rolling herd average is 29,165 lbs. of milk with 3.52% fat. Since bagging their feed, Andrus reported



Come See Us

The Canadian Int'l Farm Eqpt.
Show
Toronto, ON

International Poultry Expo
Atlanta, GA

Virginia Dairy Association
Roanoke, VA

Mid-America Alfalfa Expo
Hastings, NE

California Farm Show
Tulare, CA

National Farm
Machinery Show
Louisville, KY

NCBA Trade Show
Charlotte, NC

Montana Agri Trade Expo
Billings, MT

Pacific Agriculture Show
Abbotsford, BC

New York Farm Show
Syracuse, NY

Pennsylvania Grazing
& Forage
Grantville, PA

PDPW
Middleton, WI

Electric Power & Farm Eqpt.
Show
Madison, WI

Wisconsin Public Service
Farm Show
Green Bay, WI

Arizona Large Dairy Tour

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in the last 16 years they have nearly doubled their milk production.

Jim DeMatteo is a nutritionist for large dairy herds and responsible for balancing rations for customers who feed bagged silage. Specializing in herds with over 1,000 cows, DeMatteo gave excellent information about harvesting, how maturity affects feed value, the importance of proper moisture, how the cow's nutritional requirements should be the primary determination in choices surrounding feed quality, how to maximize the fermentation process, etc. The information was useful and easy to understand. His motto is "success comes from doing ordinary things extraordinarily well."

Kevin James has been an Ag-Bag employee for many years. He was instrumental in developing the Ag-Bag Advantage™, a proprietary farm analysis, and authored the computerized version three years ago.

During his session, James demonstrated the benefits of bagging using the Ag-Bag Advantage™. This eye-opening presentation clearly illustrated the favorable economics of bagging silage versus putting feed in a bunker silo and led to a lively discussion and a better understanding of the benefits of bagging.

The afternoons were spent on tours of three dairies, as well as a commodities broker who has perfected bagging cottonseed and treating it with anhydrous ammonia to kill aflatoxin.

The farms toured are part of the Dugan

dairy family - Du Brook Dairy, D&D Dairy, and Red River Dairy. Each dairy is spotlighted in this issue.

CG Commodities is owned by Claude Gibson. Gibson mainly sells cottonseed and alfalfa. He also owns his own trucking company managing three trucks that make deliveries daily. CG Commodities contracts with the dairymen in the area for a one-year supply of cottonseed. They purchase area cottonseed from the gins and bag it. The process of bagging and ammoniating kills the aflatoxins that are prevalent in cottonseed.

They put up 50-60 10'x200' bags per year and have bagged for 17 years. The majority of the dairies they sell to are within 80-90 miles of their location. The dairies purchase on a clock contract, which means the customer takes delivery of a set amount each month. They deliver to the dairies on a year-round basis.

Everyone involved with the meeting came away feeling very positive. The response to the meeting was overwhelming and there were many requests to make it an annual event.

We shared our story with industry leaders. We substantiated university studies about feed quality improvement and reduced feed loss through bagging. We achieved our goal to educate and increase awareness.

Ag-Bag - It's more than feed in a bag...It's money in the bank.

Joe Harrison with Washington State University, explains the benefits of a vent valve to Corey Gieger, Hoard's Dairyman Bill Seglar, Pioneer Hi-Bred.



Tour Participants

UNITED STATES

Calvin Speckman, A/B Technologies
 Jim DeMatteo, Cargill Inc.
 Gary Snider, Farm Credit of WNY
 Don Rogers, First Pioneer Hi-Bred
 Kevin Shinnors, U of WI-Madison
 Doug Andrus, BYU
 Lynn Johnson, WA State University
 Joseph Harrison, WA State University
 Jim Vogt, John Deere Ottumwa Works
 Tim Meister, John Deere Ottumwa
 Book Cunningham, Ag-Bag Int'l.

GERMANY

Udo Weber, BAW (Ag-Bag Marketer)
 Dr. Olaf Steinhofel, Inst. Agriculture in Kollitch
 Dr. Joachim Wolf, Inst. Agriculture in Dummerstorf

CZECH REPUBLIC

Martin Hruska, CSR Marketing (Ag-Bag Marketer)
 Stanislav Brzobahaty, G7000 Owner
 Juri Hrivna, G7000 Owner
 Vitezslav Navratil, G7000 Owner
 Vaclav Holas, Custom Bagger

HUNGARY

Csaba Szocs, Ag-Bag Marketer
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 Prof. Dr. Jenő Csermely, U of Godollo

POLAND

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 Jacek Morycinski, Customer
 Franciszek Ratajczyk, Customer
 Wojciech Kwasnik, Farm Technician

SPAIN

Hans Peter Sieber, Ag-Bag Marketer
 Jaime Pons, Agricultural scientist

Visit our web site
www.ag-bag.com

The Dugan Family Dairies...

Finding higher profits through bagged silage

The state of Arizona has 87 dairymen and 105 locations averaging 1,100 cows per dairy with most of the dairies owned by 6-7 families. The Dugan Dairies control 12% of the state's milk production. The city of Phoenix has grown so much that half of the dairies are on the east side of the city and half are on the west side. Almost all of the dairies will need to relocate within 5-7 years because of the encroaching city limits and the larger dairies will become even larger.

The Dugan family moved to Arizona in 1963 from Wisconsin and started their first dairy. As the six boys in the family grew, their father started each a dairy. Four operate separate dairies near one another in Casa Grande. Between them, they farm over 4,000 acres and milk over 14,000 cows. Tom, 53, milks 3,500 cows. Richard, 51, milks 1,250 cows. Mike, 48, milks 1,500 cows. Dennis, 47, milks 1,300 cows. Pat, 44, milks 1,500 cows. Danny, 40, milks 1,400 cows.

Du Brook Dairy

Casa Grande, AZ

Prior to Pat Dugan starting his dairy in Casa Grande in 1985, he operated a dairy in Chandler, Arizona. Pat milks about 1,500 cows on this farm and has a second dairy about 6 miles away that milks about 70 cows. Pat also does custom harvest work for the three brothers living immediately around him. Tom does the bagging for corn silage and Pat does the bagging for haylage. Tom puts up 10,000 tons of corn in bags annually, while Pat bags 6,000 tons of haylage every year.

D&D Dairy

Casa Grande, AZ

Dennis and Danny Dugan have combined operations. They currently milk 2,500 cows,

three times per day. Prior to bagging their feed, they stored their silage in bunkers. They weigh in and weigh out all their loads. Most of the time they averaged 25% dry matter loss with bunkers. Since bagging their silage, their dry matter loss is 2-3%. Dennis said, "There is much more room for error in bunkers. The feed quality in bagged silage is much higher." Danny reported that he has

"There is much more room for error in bunkers. The feed quality in bagged silage is much higher."

Dennis Dugan

seen a significantly lower pH in bagged feed, meaning the silage is more preserved and more nutrients are available for the cows. Feeding bagged feed helps the feed stay

cooler longer, giving the cows a more enticing feed. 601008983096

D & D Dairy also marks each bag with the production date, a bag number, and field harvested from. This gives them a great tool to use when balancing rations, by testing each bag and knowing exactly what the cows are getting each day. When asked why more dairymen don't put up bagged feed, Dennis said, "Most farmers don't weigh their feed and feel they are better off not knowing some

things. This costs them a lot of money each year by not realizing their losses in feed storage." They feed 8 lbs. of oat or alfalfa hay to the fresh cows. The milking string gets mostly silage with a 2" length of cut and 6 lbs. of dry hay. They have a double rotary parlor with a double 58. All the milk goes to the co-op where 1/3 goes to powdered milk, 1/3 to fresh milk, and 1/3 for cheese.

In addition to putting up alfalfa and corn silage, they also bag cottonseed and treat it with anhydrous ammonia to treat aflatoxin. This has worked extremely well in their feed program and allows them to purchase large quantities when the price is lower.

The Phoenix area presents additional challenges when trying to maximize a feeding program with the number of cows the Dugans run.

In 1998, temperatures were over 100 degrees for 100 days with nights never getting below 80 degrees. The winter weather does not get below 48 degrees. They installed misters and air cooling devices to keep their herd's milk production up. It only takes 3 pounds of milk production per day to pay the initial \$450 per cow cost for the cooling unit.



Red River Dairy

Higley, AZ

Raised on a 60-cow dairy in Wisconsin, Tom Dugan learned to milk in a strainer. He opened Red River Dairy on March 6, 1996, milking 3500 head every 7 hours, three times per day. When they finish their dairy expansion they will have 8,000 head, all eating bagged silage. Tom faces the same challenges that his brothers do regarding heat and he said that his production never went below 80 lbs. of milk, even in the 110 degree heat.

In March 1998, they opened a feedlot next door with 15,500 steers and will soon have over 20,000. Tom raises his heifers to about 300 lbs., then ships

them out. In the next few months, he will raise his own replacements.

At the beginning of September, Tom traveled to Minnesota, South Dakota, Wisconsin, Indiana, Ohio, and Pennsylvania. His comment was that bagging is growing in those states and they are getting away from upright silos. He noted that none of the dairies in those areas have scales so they don't know what their losses are. Tom said he told them they are crazy not to use silage bags to store their forages.

The Dugans use the Ag-Bag® silage system because it makes them money. It's why they switched from bunkers. 601008983102

Need More Answers?

Contact your representative for more information about how the Ag-Bag® system can make you money!

Call 1-800-334-7432 today!

Read and Win!

Knowing the serial number of your Ag-Bagger®, Ag-Bag® Tuber, or Silopress machine could make you a winner. The Serial number is located on the left side of the main frame as you face the front (on most machines). In each Ag-Bag® Advantage, we print two numbers. If one of them is yours, let your dealer know or contact our office and we will send you an Ag-Bag® polo shirt, hat and mug. So, look closely at this issue and be a winner!



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