

SUMMER 2X-3X OPTIONS

Russ Giesy, University of Florida Extension

Several dairy producers with 3x milking schedules have discussed dropping to 2x for the summer months. The unknown is whether summer production is so constrained by the environment, that response to 3x is reduced and may be less profitable considering the cost of additional inputs (labor, feed, chemicals, utilities, etc.).

I was asked to look at DBAP data to attempt to determine the feasibility of this strategy, dropping to 2x for the summer months. Table 1 compares 2x and 3x dairies for both 1995 and 1996.

Table 1. Costs and returns per cwt. for 2x and 3x DBAP participating dairies in 1995 and 1996.

	2x average for 1995 & 1996	3x average for 1995 & 1996	2x-3x diff
Personnel	2.46	2.66	-.20
Purchased feed	8.08	8.06	.02
Crops	.32	.18	.14
Machinery	.65	.83	-.19
Livestock	2.26	2.20	.06
Marketing	1.12	1.02	.11
Real estate	.52	.41	.11
Other*	1.31	1.55	-.24
Depreciation	.55	.89	-.34
Total expense	16.98	17.38	-.40
Net farm income	1.38	1.00	.38

*Other costs are insurance, interest, utilities and miscellaneous expenses.

Assumptions and calculations:

- \$ A dairy with 800 cows in milk during the summer might expect to produce about 30-40 less cwt. per day if they drop from 3x to 2x milking. Assumed is that the normal 3x advantage of 15% is only 7.5% during summer months.
- \$ The producer expects costs to decrease about \$.45 per cwt. because labor would be reduced about 20 cents, feed 15 cents, utilities and chemicals 5 cents each.

- \$ On the other hand, overhead costs would go up about \$.15 per cwt. because those costs stay the same as the number of cwts. sold would decrease.
- \$ Given 800 cows producing 60 lb. (3x) or 55.8 (2x), milk sold would be 480 cwts. (3x) or 446 (2x). If milk price is \$16 per cwt. and the cost of production is \$16.45 (3x) or \$16.15 (2x), the net farm income would be \$-216 per day (3x) or \$-67 per day (2x).

Table 2. Calculations to determine feasibility of dropping to 2x milking on one 3x dairy.

	3x	2x
Production per day	800 * 60 = 480 cwts.	800 * 55.8 = 446 cwts.
Revenues	\$16 * 480 = \$7,680	\$16 * 446 = \$7,142
Expenses	\$16.45 * 480 = \$7,896	\$16.15 * 446 = \$7,209
Margin per day	\$-216	\$-67

Note: the key to accomplishing reliable calculations for your dairy is to have good assumptions for costs per cwt.

Conclusions:

5. Results of these calculations are too close to have a high degree of confidence. Managers are encouraged to accomplish their own calculations based on their set of circumstances and with their best assumptions. DBAP participants have an advantage since their past costs per cwt. are known.
6. A close look at the days in milk of groups of cows is probably a good first step. If you have a group of cows with low days in milk, it may be most profitable to keep those cows on 3x and drop the rest of the herd to 2x.
7. Assumptions and results are dependant upon your ability to keep cows comfortable and nutrition at a profitable level. Uncomfortable cows with reduced feed intake are probably not responding to 3x milking anyway.
8. With this group of assumptions, it would seem prudent to drop to 2x milking during the summer or until a sizeable group of cows begin to freshen.