

MARKETING KENTUCKY HAY

Commissioner Billy Ray Smith

Kentucky Department of Agriculture
Frankfort, KY

Hay testing and marketing

The production of hay and pasture crops is essential to a profitable future for Kentucky agriculture. The Commonwealth ranked seventh in the nation in hay production in the year 2000 with 6.2 million tons. These forages provide the bulk of the feed supply for our livestock industry. In addition, a significant portion of our hay crop is marketed, both to in-state and out-of-state buyers.

Before you can properly market your hay crop, the first thing you have to do is determine the quality of your forage or hay crop that you have to offer a potential buyer. I'm not just referring to alfalfa, or a clover mix, or timothy. Rather, I'm talking about the quality of your hay crop. Let's say you're a hay buyer looking for high-quality alfalfa. And you tell me that you have second and third cutting alfalfa hay from last year. You say that both cuttings were made when the crop was 10 percent in bloom and neither cutting got wet. Will there be a quality difference between the two cuttings? Yes, there will likely be a difference in quality and you can just about bet the farm on it. Some of the reasons are obvious in weather, curing, mechanical harvesting, and storage procedures.

In order to have a true handle on the quality of your hay crop, you should have it tested by the Kentucky Department of Agriculture. We have assembled a highly competent staff in our Hay and Grain Branch. In fact, our service has been certified by the National Forage Testing Association, and that should give the producers of Kentucky confidence when the Department does an analysis of their hay. Our program is here to help and promote the sale of hay produced in Kentucky. Our staff and the service they provide are one of a kind. As far as we know, there is not another state that offers these services at the nominal fees charged to producers.

The hay testing program has been an ongoing service of the Kentucky Department of Agriculture since 1988. Samples are collected on your farm by qualified KDA staff members, and an analysis is performed at our state-of-the-art laboratory in Frankfort.

To get your hay tested, call the Hay and Grain Branch at 1-800-248-4628. We'll set up an appointment for a member of our staff to visit your farm. Once there, they'll need some information from you such as the type of hay you have to sell, the quantity,

Next, a physical description will be made of your hay crop, including color, the amount of leaf shatter, the presence of foreign weed material, mold, things like that.

A hay probe will be used in several bales to collect a representative sample of hay for each cutting you wish to be tested. The hay probe works much like a soil probe, so it's done fairly quickly. It doesn't take our staff much time to collect a hay sample on your farm, nor does it require much of your time either.

It also doesn't cost you an arm and a leg. We charge \$10 per hay sample, a very small fee for testing your hay.

In a week or less, you'll receive your hay analysis in the mail; in it will be two sets of figures, one on a dry matter basis and the other on an "as received" basis. We test hay for relative feed value, percentage of crude protein, moisture, and percentage of total digestible nutrients.

Once you have your hay analysis in hand, you are well on your way to determining what kind of market is best suited for your crop. Each year, there are lots of hay customers combing Kentucky's countrysides, but most come from three major livestock enterprises. They include, but are not limited to, equine, dairy, and beef.

If your hay is high in quality and you're hoping to sell it to horse owners, it must be green, mold-free, blister beetle-free, and must contain no fescue. Horse owners typically look for alfalfa mixed hay, timothy, and the second cutting of orchardgrass.

As for dairy producers, they place a major emphasis on quality. They look at the stage of maturity and usually insist on a forage test. Visual qualities are less important to dairy producers than those buying for the horse market. Dairy producers in the hay market usually want alfalfa or alfalfa-grass mixes. They're usually not looking to buy grass hay.

Hay that can't be marketed to equine and dairy producers can be sold to beef producers, provided that the hay has some relative feed value.

Most hay buyers targeting the horse market are looking for hay that's been put up in conventional small bales. Dairy and beef producers are more open to purchasing hay in round bales. Other bale sizes that are gaining some popularity include 3x3x8 and 4x4x8. The weight of your bale is a crucial issue for those hauling hay long distances. Typically, buyers are looking for small square bales that weigh 50 pounds or more. It's important for the buyer to get the maximum load per truck.

Offering buyers a consistent supply of hay is a key to success for longevity in the industry. Buyers want a consistent supply, high quality, and sufficient quantities. And they want you to have a marketing plan in place. To market good quality hay, you should have it tested by the Department of Agriculture for quality or by some other

laboratory. You also need to promote your business and maintain contact with your previous customers.

In Kentucky, we average 48 inches of rainfall per year. That means there's a good chance that one or two cuttings will get rained on each year. High quality hay always sells and it usually sells first. But as a hay producer, you must develop an outlet for your low quality hay. Your plan should be to market every cutting of your hay that you don't plan to feed to your own livestock.

It's important for you to know how to describe your product. As already stated, you must have it tested. You should also be familiar with the terminology that's a part of the hay business. It's a good idea to distribute copies of the hay analysis to all your prospective buyers.

In order to be successful in the hay business, you must first know your market. You must produce high quality hay. You should always under-sell and always over-supply. And above all, always be honest about what you have to sell.

The Hay and Grain branch of our Division of Regulation and Inspection also assists producers in formulating rations for livestock and in locating markets for forage products. A hay analysis takes the guesswork out of balancing feed rations. And more importantly, it allows for a least-cost ration. It prevents the livestock producer from over-feeding his animals just as it prevents the under-feeding of animals.

The latest good news we have in the hay testing program is the expansion of testing haylage. This includes legume (alfalfa, & clovers), mixed legume/grass (alfalfa/clover/grasses), and small grain haylage (wheat, rye, barley etc.). This type of testing is offered for producers who are harvesting and storing haylage in the round, wrapped, single bales or chopped and put into some type of silo structure. This service is also offered to producers for \$10 per lot.

As a part of your \$10 fee, your hay product may also be listed on KDA's web site at www.kyagr.com. The site features an actual photograph of your hay as well as a physical description and other pertinent testing data. We don't list the price of your hay on the Internet because, like other commodities, prices fluctuate in a fairly short time span. Supply and demand factors are constantly changing for hay. A prolonged spell of wintry weather can cause hay usage to increase substantially and result in hay shortages.

There are three reasons to have your hay tested. First and foremost, a test reveals the true value of your hay. Second, it's a tool for balancing rations for livestock. And third, it's a tool for buying or selling hay.

For more information on the state Department of Agriculture's hay testing service, call 1-800-248-4628.

Legislative agenda

The General Assembly, currently meeting in Frankfort, has many issues before it that will affect the future of Kentucky agriculture. No issue is more important than the continued use of master tobacco settlement funds for agricultural development.

Kentucky has 90,000 farms, more than all but four states. That represents farm families that buy food, clothing, automobiles, school supplies and countless other goods and services. Two years ago, the legislature invested in the future of those families – and thousands of others that benefit from their economic activity – by setting aside 50 percent of the state's settlement monies for restructuring agriculture to meet the challenges of today and tomorrow. It is important that lawmakers continue this commitment.

The Agricultural Development Board, created by the 2000 General Assembly to administer these funds, has awarded millions of dollars for projects designed to help our farmers develop products and markets that will enable them to prosper in the years to come. For example, the Kentucky Beef Network, which was established with a \$2.3 million grant, has encouraged a significant increase in the number of CPH-45 (Certified Pre-conditioned for Health) sales, which enable participating producers to add value to their feeder cattle.

The board also has awarded grants to help farmers improve the genetics of their herds and share the cost of handling equipment. Kentucky is the leading beef state east of the Mississippi River, and the tobacco settlement funds invested in this key industry are helping many of the Commonwealth's 40,000 beef producers become more profitable.

Other issues before the legislature that we are watching on behalf of Kentucky's farmers are the grain law, the dead animal disposal issue, the change in organic laws, the milk law, the thistle law, truth in labeling, and funding for the Kentucky Agriculture and Environment in the Classroom (KAEC) project.

Web page builder/other technology

Eligible Kentucky farmers and farm businesses can log onto the KDA's web site at www.kyagr.com and build their own web sites through a simple process at no charge. An individual or business that already has a web site may create one through the KDA to lead users to its main site. Hundreds of farmers and farm-related businesses have taken advantage of this Internet opportunity.

The Department's web site also features Country Store and Farm Store sections where consumers can search for Kentucky-made foods, farm equipment, and dozens of other goods and services offered by Kentucky businesses.

The Information Technology division has supplied laptop computers to KDA employees in the field, cutting down on both telephone communication and paperwork.

The Department has added to its web site a Center for Ag Information that includes a Kentucky agriculture calendar and links to other agricultural resources. The Division of Information Technology continues to add improvements to the KDA Web site.

Consumer services

The Department's Office for Consumer and Public Service performs duties that touch all Kentuckians, farmers and non-farmers alike.

The Division of Regulation and Inspection oversees a number of programs that promote safety, accurate measurements, and equitable services to the citizens and industry of the Commonwealth. Division staff checks scales, gas pumps, motor fuel quality, price scanners, liquid fertilizer meters, amusement rides, limestone, eggs and frozen poultry.

The division also administers a hay-testing program and regulates and licenses the Kentucky grain industry. Since 1996, the division has coordinated the Teens and Tobacco Program, which strives to prevent the sale of tobacco products to anyone under 18. The Division of Food Distribution administers six food programs for the Food and Nutrition Service of the U.S. Department of Agriculture designed to provide food for schoolchildren, the poor, the elderly and new mothers and their infants.

In the past year, these consumer-oriented divisions have been relocated to a state-of-the-art facility in Frankfort that enables them to serve the public more efficiently. The 19,282-square-foot building contains six environmentally controlled laboratories and a test kitchen.

Rinse and Return/Pesticide Collection programs

The Division of Environmental Assistance oversees the Department's "Rinse and Return" recycling project. Pesticide containers are rinsed and delivered to collection sites in participating counties, where they are reduced to chips. Once chipped, they're shipped to a facility where they are made into new pesticide containers. A schedule of Rinse and Return collection dates and locations is available on the KDA web site.

The Division also picks up unwanted or outdated chemicals at Kentucky farms on request at no charge to the farmer. The KDA collected a record 59,198 pounds of pesticides in 2001 and has picked up 286,965 pounds of pesticides since the program's inception in 1995.

KAEC/scholarships/internships

The Kentucky Agriculture and Environment in the Classroom (KAEC) project integrates various aspects of agriculture and the environment into school lessons. KAEC is administered by the Department's Division of Agriculture and Environmental Education. KAEC is a non-profit corporation that promotes an understanding and appreciation of the system that provides our food and fiber and emphasizes the importance of the environment to our food supply. It offers educational programs and teaching resources to Kentucky schools.

KDA, through its Division of Show and Fair Promotion, awards \$500 savings bonds to 20 youth livestock exhibitors every year to help with their education. These scholarships reward exhibitors in dairy, beef, sheep, swine and equine.

The Department conducts an internship program through which college students from throughout Kentucky work side-by-side with KDA staff to learn about the Department's operations and gain a greater appreciation for agriculture's importance to Kentucky. Many of these interns have gone on to begin their careers with the Department.

Farm and Home Safety

I have made the issue of farm and home safety one of the top priorities of my administration. In 1998, I appointed Dale Dobson as a field representative to coordinate and present farm safety lectures and demonstrations from border to border.

The Department offers a farm and home safety plan that can be obtained at no charge from our Division of Public Relations and Communications or simply downloaded off our web site. The plan contains useful safety tips and space for adding emergency contact information.

Seventeen people died in farming accidents in 2000, down from 21 in 1999 and 65 percent lower than the recent high of 48 deaths in 1995.

People are changing their habits. Safety is a choice, and more farmers are making that choice. I applaud those throughout Kentucky who go the extra mile to stay out of harm's way. At the same time, my heart goes out to the families of those people who have lost their lives on the farm. As a farmer myself, I have seen the horrible consequences of one careless moment on the farm.

My administration will not rest until the number of farm fatalities in Kentucky is down to zero.

Conclusion

I've covered a wide array of topics in this presentation, from how to have your hay tested, to hay marketing, to services offered by the Department of Agriculture, and farm and home safety.

Let me assure you that I have assembled a highly-competent staff in the Department of Agriculture. It's their job to serve both the farm population and consumers. Our staff members are located all across the Commonwealth, literally from Pikeville to Paducah.

I pledge to you that our Department will continue to provide the many services that you've come to depend on and I encourage you to contact me if I can ever be of service to you.