



What's Standing Alfalfa Worth in 2019?¹

One of the challenges when pricing standing hay is the lack of a formal commodity market like we have for corn or soybeans. Another challenge is multiple cuttings during the same growing season versus a single year-end harvest for grain crops often with more variation in quality, as well as yield. As a result, the price for standing hay is often different from farm to farm, even between fields. Here's one example for pricing a field of standing hay in 2019.

Example: assume 4-5 ton dry matter (DM)/acre for the entire year of dairy quality alfalfa hay worth \$200 to \$250/ton baled (\$0.11 to \$0.14 / lb DM); half the value is credited to the owner for input costs (land, taxes, seed, chemical and fertilizer) and half the value is credited to the buyer for harvesting, field loss, weather and price risk.

To estimate total annual dry matter yield potential, determine average stems per square foot at several locations in the field, then calculate using this formula: $(0.10 \times \text{stems}/\text{ft}^2) + 0.38$. Wait until stems are at least 4-6 inches and count only stems tall enough to be cut by the mower. Actual yield could be less due to environmental conditions and harvest management practices.

Using yield distribution estimates from ongoing UW-Extension field research for both three-cut (40% / 30% / 30%) and four-cut (35% / 25% / 20% / 20%) harvest systems, the following price range (rounded to the nearest \$5) may offer a starting point for buyers and sellers to negotiate the sale of good to premium quality standing alfalfa in 2019:

	<u>4 cuts</u>	<u>3 cuts</u>
1st crop...	\$155-245/a	\$175-280/a
2nd crop...	\$110-175/a	\$130-210/a
3rd crop...	\$ 90-140/a	\$130-210/a
4th crop...	\$ 90-140/a	

In this example, the sale or purchase price for all cuttings the entire year would range from \$440 to \$700/acre. Again, the same price is not always the right price for every situation. Ultimately, a fair price is whatever a willing seller and an able buyer can agree on.



To help farmers and landowners better evaluate the options, Waupaca County Extension Ag Agent, Greg Blonde, developed a mobile app for pricing standing hay. It offers quick access to current baled hay markets with a projected sale/purchase price for each cutting using your own yield and harvest cost information. The app is free to download from the Google Play Store and is also now available for iPhones and iPads thru the Apple Store (search for **Hay Pricing**). The app also includes links to the current WI Custom Rate Guide and the NCR Alfalfa Management Guide. For more information contact Greg Blonde at greg.blonde@wisc.edu.

¹ Greg Blonde, Waupaca County UW-Extension Agent. April 2019.