

The Cure for High Prices is High Prices

“The cure for high prices, is high prices,” is a commonly used axiom in economics. If prices are high, soon they aren’t. Consumption decreases, it switches to alternative products when possible, and production increases, even if the cost of production inputs increases. Nowhere is this more evident than in agriculture. The opposite is true, low prices cure themselves, but the lag time for low prices to correct is longer because it requires producers to exit the business.

Last fall I was talking to a farm friend I play hockey with about his corn crop. He had the 2021 and 2022 crop still in storage and the price for 2023 corn was so low he was going to store it as well. When I asked what he was waiting for, I thought maybe it was some income tax strategy, he said high prices. The spring of 2022 prices had him drooling like a hungry dog, but he never sold his 21 crop. It wasn’t quite high enough.

If you have a one-of-a-kind art object, you have some luxury to wait for a desired price. Your buyer might switch to a different art piece, but it’s never going to be the one you have. Commodities don’t have that luxury. Although they are consumables by definition, they are also continuously produced. Profiting from commodity production is impacted from both ends. Cost containment is critical. A commodity producer doesn’t have to have the lowest cost of production, but he or she can’t have the highest. On the other end, marketing is critical. This is where critical thinking is important. You’re not going to pick the highest day for cash corn, and you’re not going to forward contract a year’s worth of milk on the day futures hit a record. Most years a producer can buy protection from severe downturns or at least purchase protection for income over feed costs, and at some point, you need to be content with a reasonable profit.

Corn Prices – 59 Year Historical Chart



The big spike in corn prices in the early 1970’s is when the U.S. started massive grain exports, especially to the Soviet Union which had major crop failures. At that same time world production was decreasing. The second bump in prices correlates with the renewable fuels act or the increase in ethanol production. This chart is from macrotrends.net and can be found at www.macrotrends.net/2532/corn-prices-historical-chart-data.

Vaccine Misunderstanding: Every Vaccine is Different

The hype and promises of the Covid vaccine proclaimed by the CDC have done a disservice to the entire vaccine industry. Realize every vaccine is different, just as every disease is different. Some vaccines will block infection (COVID vaccines do not).

Whether or not the vaccines block infection is very disease dependent. Some vaccines just minimize the extent of the disease. Some vaccines last years, and some only last 6 months or less. In dairy cattle, the J-5 coliform mastitis vaccines have no impact on infection of the udder. They are designed to reduce the severity of the disease process.

With animals properly vaccinated with BVD and IBR vaccines, the wild IBR or BVD gets stopped cold once it enters your cow. It starts the infection process but never gets a chance to infect the fetus of a pregnant animal and it never gets a chance to infect other animals in the herd.

All COVID vaccines did was reduce the severity of the infection. You still shed the virus and you still were a risk for others around you, just not as big of a risk.

Pinkeye vaccines are another example of a vaccine that reduces the severity of the infection. One of the three organisms that contributes to pinkeye infections changes constantly, like COVID and the flu does, and so we change our vaccine with each batch. Vaccines also have risks. There are allergic reactions that can occur. There is also a production drag. There is a biological cost to the animal to react to the vaccine.

Cows will drop in production in varying amounts when vaccinated. Fed cattle will eat and gain a little less for a couple of days. In disease free pigs, one dose of one vaccine added two days to the time on feed. That can have a big impact on 10,000 hogs. Every vaccine has a different cost and benefit to be discussed before it is used, both for people and livestock.

Allflex Tags are Now Available

After much delay and poor product supply, Allflex tags are back.

Merck has 2 production facilities now focusing on tags. They upgraded the original plant with better equipment and added a second site to fill production needs.

There are a variety of colors. You can order the tags with your custom farm numbers and names, colors and add 840 RFID tags all together in one pack.

The turnaround time is short and can be done in a few weeks. Tag quality is excellent.

The numbers are etched into the tag with a laser and then inked over in black, so they don't wear off.

Call the office for ordering information. Merck rep Jeannie Bishop is available to go to farms with sample tags to work on design and layouts with producers.

"Last spring I told Mark Sosalla that his strawberries do better with horse manure on them. He told me a week later he thought they were better with whipped cream."



- Dr. Al

Be Aware of Johne's Disease

Johne's disease is well controlled now, and most producers recognize the non-treatable diarrhea. Once they recognize it, they get rid of infected cows quickly.

But cows shed the organism for months or years before the diarrhea begins. I used to say that across the practice, we likely had only one client that didn't have the disease in their herd. That is probably still a pretty accurate statement.

Recent work on maternity pen risk shows that dirty maternity pens increase the transmission risk four-fold. One infected cow might infect her calf in the maternity pen, but she could infect several calves depending on maternity pen management. Calves should never receive pooled colostrum unless it's pasteurized. Realize that it takes years for Johne's disease to sneak up on you, so always be aware of it.

Consider Treatment Options for Lice

Lice are a constant irritant, but sunlight and short hair controls them for much of the year. Now we have short days, low sun loads, and long hair on cattle. There are many products that kill lice, all the pour on wormers, but for just treating lice, the inexpensive pour-ons are very effective.

Remember that lice eggs aren't killed by any treatment, lice are egg laying machines, so you need to retreat about two weeks later unless you are using a high-end residual wormer.

Talk to your herd vet about the best treatment options and keep cost in mind.