



Farm Views

Grain Stubble Rental Rates

Occasionally, we get a question about fair rental rates for grazing stubble fields. Several factors should be considered when setting a fair rental rate. One factor is what it costs the landowner to allow the stubble to be grazed. A second factor is stubble has a value as a feed and could be considered a part of the income stream from the crop; just as the grain is a part of the same income stream. The landowner should, therefore, try to maximize his return from both the grain and the stubble.

Looking at the other side of the ledger, one needs to calculate what benefit the animal owner gains by grazing the stubble. Obviously, the rate the animal owner can pay should not exceed the cost he/she would incur if alternative feed sources were used, including any differences in labor and depreciation on vehicles and machinery. A "fair" rental rate, it would seem, is a rate that more than covers the landowner's costs (and therefore contributes to his income stream from the crop) without exceeding the value of the benefits to the animal owner.

Considering the cost to the landowner, the most obvious cost is associated with the loss of plant residues. If the land is being grazed, some of the carbon, nitrogen, and other minerals contained in the leaves and shucks will be utilized for animal growth and maintenance and are lost from the plant/soil system. An advantage to grazing over machine harvesting forage is much of the nutrient content in the stover is directly returned to the field in the manure. The landowner benefits by the reduction in voluntary crop plants next season which would require additional expense and management to control.

A secondary consideration is whether residues are needed

to control soil erosion. Depending on the land classification, some minimum level of crop residue might be required to meet farm program specifications.

It is this author's opinion, when downed grain is present in the field, the value of the nutrients lost is generally offset by the benefit of reducing volunteer plants next season. The value of the nutrients lost by grazing stubble is not a big factor when setting a fair rental rate. The major consideration is the value of the stover as a marketable product to be sold as part of the income from the crop. The comparison becomes what will the market bear, considering the alternative feed sources available.

Given the variability between fields and weather conditions, probably the fairest way to rent stubble fields is to pay on a head-per-day basis. The amount the renter pays is more or less based on the amount of feed available and on the openness of the weather.

As is true for many products, one could say stubble is worth what people are willing to pay. Surveys have been conducted by university farm management specialists to determine the prevalent rental rates for stubble grazing. The latest survey was done seven years ago. In the 1993 survey, the average rate for six southeast Nebraska counties was \$0.27 per head per day.

Another comparison would be to calculate the cost per head per day to feed alternative forages as opposed to renting stalks. A mature dry cow, in the middle third of pregnancy, would have her dry matter, protein, and energy requirements met by feeding 22 pounds of mature alfalfa hay (13.5 percent crude protein, 51 percent TDN [Total Digestive Nutrient]) per day. At \$40 per ton, this would cost

See **RENTAL** on page 11

Biosolids Cuts Production Costs and Improves Yields

Now that harvest activities are over, are you thinking about ways to improve production and cut production costs? You can reduce your out-of-pocket fertilizer costs, improve poor soil, and probably see a yield increase next year by using municipal biosolids. This material is high in organic matter and has all nutrients that are needed by crops to grow. The city of Lincoln is paying up to \$.65 per cubic yard for application. If you don't have spreading equipment, you can rent a spreader from the city for a reasonable cost.

Cooperators must have a loader and be able to apply the materials in a timely way. Biosolids cooperators must return paperwork to the extension office for biosolids delivery in 2001 by January 15. Current cooperators will be receiving next year's application forms through the mail. Call Barb Ogg or Dave Smith at the Lancaster County Extension Office for more information about this program (402-441-7180). (BPO)

Every farmer is interested in improving farm profitability. There are many approaches including cutting expenses, increasing yields, expanding acreage, marketing, improving crop and variety choices. Adding value to the crop is another alternative which becomes even more important when commodity prices are low. There are many levels and definitions of "value-added" crops.

Value added generally refers to adding more labor or management to the farm operation to increase the value of the product being sold. This would be the flip side of adding more land and machinery. It could refer to adding livestock to market grain as meat rather than as grain. It could refer to switching to organic farming to sell grain with higher market value. It could be the growing of fruit, vegetables, Christmas trees, or specialty grains to command a higher market value. It could be raising a higher quality product which can be sold for seed or meets export demands.

In all cases, it probably requires more labor, management, and marketing skills. In most cases, the success of value-added products hinges on finding a 'niche' in the market where the consumer is willing to pay more than what would be possible with adding value. These markets are usually small, easily oversupplied, and may have high risks.

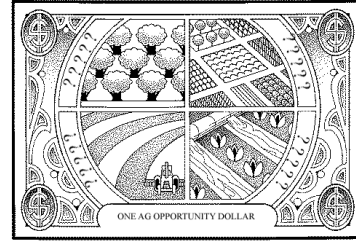


Irrigation well information is among the growing amount of data available through the World Wide Web.

Information about the state's 81,407 registered irrigation and many domestic wells is available on the Nebraska Department of Natural Resources web site and can be accessed through the Lancaster County Extension web pages.

The data includes the well's registration status; natural resources district in which it was drilled, legal description of its location; date drilled, replaced, or abandoned; number of acres irrigated; gallons per minute pumped; static and pumping water levels; pump diameter and

Assessing Alternative Ag Opportunities



The first step in finding a value added enterprise is to match consumer demands with products you can produce efficiently on your farm. The second step is to find methods of insuring a sale for the product, usually through contracts. The contract not only obligates a buyer, it also obligates you to meet some quality standards. It is usually the higher quality standards which will require additional labor and management skills. The third step is to plan for the crop, including getting a source of seed, proper machinery, and land area which best suit crop needs. Generally, choosing a new crop which you have never raised before is a high risk venture. For example, crops such as sunflower, safflower, pinto bean, crambe, canola, sesame, and castor would all present first time growers with a multitude of challenges with insects, diseases, fertility, machinery demands, and weather which would almost assure a disaster the first year. A safer option might be to look for variations of current crops which may be used for specific purposes. Examples of this might be soybean varieties which can be used in the oriental market for

tofu, natto, sprouts, etc. In the case of corn, it might be white corn, high-oil corn, or food-grade corn. For wheat, there are now some opportunities for white wheat which can meet some export and domestic demands.

Before planting any of these options, do your homework. You need to know where you are going to sell the crop and how much premium will be paid. (Consider potential crop yields, which may be significantly less than commodity grains.) You need to have a contract which assures the premium prices and states the quality standards and your options if the quality standards are not met. You need to know what other costs you may incur from seed, fertilizer, pesticides, and additional harvest expenses. If these costs are covered and leave an opportunity for some profit, then it would seem worth pursuing value-added crops.

Editor's note: Regular readers of this newsletter know Lancaster County Extension has been helping to organize a non-profit marketing cooperative called SNAP (Southeast Nebraska Area Producers) whose purpose is to assist growers with the contracting, quality assurance, and delivery of value added grains. Contact Tom Dorn at the extension office for more information. Source: Lenis Nelson, Extension Crop Variety Specialist (TD)

Irrigation Well Data Available on Internet

depth; and well depth. Information can be accessed by owner name, well location, or other criteria.

Since 1957, state law has required all irrigation, municipal, domestic, and industrial wells be registered. Until now, the information was available only by hard copy at the State Office Building in Lincoln. Attempts were made to automate

not completed. Finally, advances in computer hardware and software technology has made it possible to automate the process and make it readily available to the public. The system is easy and quick to use and should be a valuable source of information to well drillers, environmental or consulting engineers, as well as individuals.

To access well information, go to the Ag & Acreage web site at: <http://www.lanco.unl.edu/ag/> Click on the "crops" button under the Nebraska Production Ag icon, then click on "irrigation." The database is linked under the Wells and Pumping Plants heading.

SOURCE: Michael Jess, associate director/water resources engineer, Conservation and Survey Division/School of Natural Resource Sciences, NU/IANR (TD)



and make the information more accessible with punch-card mainframe computers, systems analysts, and even through private consultants, but these encountered problems and were