



LSP *Myth Buster* #4

An ongoing Land Stewardship Project series on ag myths & ways of deflating them.

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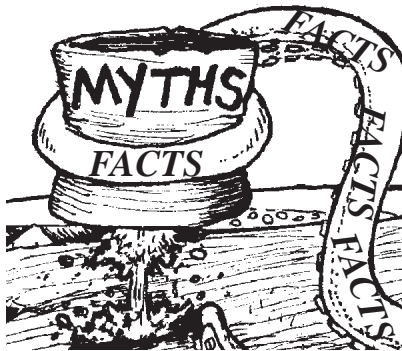
Myth: *The only way to get started in dairy farming is by investing hundreds of thousands of dollars in high-cost, full-confinement systems.*

Fact:

An increasing number of farmers are getting started in dairying without taking on huge amounts of debt, and they are showing low-cost systems are profitable and can contribute needed economic vitality to a community. The Land Stewardship Project's Farm Beginnings program is one of the best examples of how low-cost dairy systems such as management intensive rotational grazing (MIRG) can be viable for new farmers. MIRG, which produces milk by moving cows through a series of grass paddocks, allows farmers to make good use of a bovine's natural ability to harvest its own feed. MIRG dramatically reduces the need for expensive confinement buildings, liquid manure storage and handling facilities, as well as crop production resources. Such grass-based systems are also good for the environment since they spread manure efficiently and protect the soil with a perennial cover of grass. MIRG can also make good use of land that's of poor enough quality to be affordable to beginning farmers. A recent analysis shows that it's possible to enter a grass-based dairy business with as little as \$50,000 on as few as 40 acres. The study, which was conducted by Ag Connect out of Lenox, Iowa, developed economic case studies for dairy farms using rotational grazing systems in southern Iowa and northern Missouri between January 2001 and December 2002. Nine of the 10 families in the last year of the project were new to the dairy business since 1996. The average milking herd size was 60 cows, and the size of the farms ranged from 40 to 270 acres. In 2002, the 10 families participating

generated a total gross income of \$942,596 from the sale of milk, which in turn was used to buy feed, services and building and production supplies from local businesses. Tim Ennis of Ag Connect estimates that new dairies similar to the ones that participated in the study are likely to generate more than \$110,000 gross income per year.

Farmers who adopt MIRG go through a steep learning curve the first couple of years, and these families were no exception. Because of its low start-up and production cost, MIRG helped these dairies get established with relatively few resources, concluded the study. These farmers had a particular advantage in that rotational grazing allowed them to make good economic use of hilly or otherwise "rough" land. Because it isn't considered prime for row cropping, this kind of land can be purchased at a lower price than normal, another plus for beginning farmers.



More Information

◆ For details on the "Grass-based dairy and dairy networks/promotions" study, call Ag Connect at 641-333-4656.

◆ The Leopold Center for Sustainable Agriculture, which funded the study, has a summary available at www.leopold.iastate.edu/pubs/nwl/2003/2003-2-leoletter/dairies.htm.

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This Myth Buster is brought to you by the members and staff of the Land Stewardship Project, a private, nonprofit organization devoted to fostering an ethic of stewardship for farmland and to seeing more successful farmers on the land raising crops and livestock. For more information, call 651-653-0618 or visit www.landstewardshipproject.org.