

Fenceline

by Jody G. Holthaus

Meadowlark Extension District Agent

Livestock-Natural Resources

Comparing Protein Costs

Margins are tight for cattlemen and farmers this year. They are scrutinizing all purchases and as good managers they need to get the most bang for their buck!

When comparing costs, they need to consider the cost per pound of protein, not just the cost per ton. There can be wide gaps, in the differences. The first step is to get the feed converted to an as fed basis. This is the way feed is purchased. To convert the protein content from a dry matter basis to an as fed basis, just multiply the percent protein by the percent of dry matter in the feed.

For example: Calculate the protein content of corn gluten that is 25.6% protein on a dry basis to an as fed basis. Assuming that corn gluten is 90% dry matter, multiply 25.6% by 90%. This will equal 23.04% on an as fed basis. Now compare the cost of two protein supplements. Compare 48% soybean meal selling for \$352 per ton, and 25.6% Corn gluten that sells for \$170 per ton. The calculation to convert the corn gluten was done up above, so we can now compare the two.

First you need to know the pounds of protein in each feed. So you multiply the percent protein time's 2000 lbs (1 ton).

$2000 \times .48 = 960$ pounds crude protein in soybean meal

$2000 \times .23 = 460$ pounds crude protein in corn gluten

Next calculate the cost per pound of crude protein. This is done by dividing the cost per ton, by the pounds of protein in a ton of feed.

$\$352/960 = 36$ cents per pound of crude protein in soybean meal.

$\$170/460 = 37$ cents per pound of crude protein in corn gluten.

In this example the lower cost per ton protein source (corn gluten) was actually the higher costs supplement when comparing on an actual cost per pound of protein. Although, it was only a penny, you can see the difference. Each time you are making a purchase, make this calculation. If you need more information give me a call at the Extension office