



managed grazing for dairy profits

Springside Dairy, LLC

Written by James Paulson, Dairy Grazing Apprenticeship

**Olaf Haugen, Vance and Bonnie Haugen
Canton, MN**

Introduction

Springside Dairy, LLC., is located near Canton, MN; in Fillmore County, in southeast Minnesota near the Iowa border. The dairy operation was started by Olaf's parents, Vance and Bonnie Haugen, in 1993. The farm they bought was a crop and dairy farm that hadn't been kept up well. Vance had been working for University of Wisconsin Extension in northeast Wisconsin, and had a vision for a grass-based dairy using rotational grazing. The opportunity came up to buy the farm in Bonnie's home county. After doing some research on grazing dairy farms with low-cost swing parlors, Vance declared, "We can do this!"

Initially the Haugens farmed in a partnership with an unrelated couple on the farming venture. After a couple of years, the other couple decided that dairy farming was not for them. With good forethought, the couples had planned for a way to separate if that should be needed. The

Haugen family proceeded on their own. Vance continued to work for UW Extension in Crawford County, WI; while Bonnie kept the dairy going at home. Along with children Inga, Olaf, and Thor, the family continued as a low cost, low input, conventional grazing dairy. The children all graduated from high school and went on to graduate from college in various fields.

Olaf, after working off the farm for three years, wondered if he could use his engineering degree better on the farm. In 2011, he returned and started working as a share milker. Springside Dairy Farm now operates as a Limited Liability Corporation with Olaf Haugen the operating manager and 40% owner. Vance and Bonnie Haugen retain 60% ownership of the dairy operation.

Stocking Rate vs. Stocking Density

Stocking Rate = Number of animal units or pounds of animal per total grazed acreage of the farm

Stocking Density = Number of animal units or pounds of animal per acre in a paddock currently being grazed

The dairy LLC owns the cattle and machinery. The dairy rents pasture ground and facilities from Vance and Bonnie. Springside Dairy employs two full-time employees in addition to Olaf. They also have had some apprentices working there through the Dairy Grazing Apprenticeship program.

Pasture and land management

Springside Dairy operates 270 acres. Of this, 200 are grazed. The rest of the land is the building site or not suited for grazing. Cows get a new allocation of three to four acres of pasture every 12 hours. About a thirty-day rotation is the goal. This works out to a stocking rate of 0.85 cows (1100 lbs.) per acre and a stocking density of about 65,000 lbs. per acre. Their grazing season in southeastern Minnesota is mid- to late- April to late November, depending on weather.

Springside is a seasonal dairy with cows dry in the winter, so dry cows are not included in the grazing plans. Olaf uses some winter annuals such as rye to provide early pasture growth and summer annuals to help bridge the gaps in the summer heat. Olaf has long been a fan of grazing some field corn during those hotter months of summer. He will plant a regular corn variety every week in early summer to be grazed at around four feet height.

Milking animals fully utilize the available pasture on the home farm, so replacements are raised on rented pasture. Replacement heifers get about 90% of their dry matter intake from pasture in season, while lactating cows get about 70% of their dry matter intake from pasture. The rest of the ration is fed as TMR in the bunk to supplement energy and balance mineral needs.

Herd and milking

Springside Dairy has about 300 head of cows and youngstock. The milking herd consists of about 170 grazing animals, all calving within a two-month window in the spring. Calving usually starts around late March. This allows the family to have a couple of months off during the winter. A rotational crossbreeding scheme uses Holsteins, Jerseys, and various colored breeds to maintain a moderate-size cow with high components. Cows that are not bred within the time window are bred with a beef clean-up bull.

Marketing and financial management

Low cost and attending to profit margin have been the main approach in managing the herd. Springside Dairy sells milk on the conventional market, and they do not foresee pursuing the organic market. Doing so would limit their feeding options and increase their feeding expenses. Their equipment owned is limited to what is needed for feeding and care of the cows. They do not own crop production equipment and do not produce any of their own feed beyond the pasture for grazing.

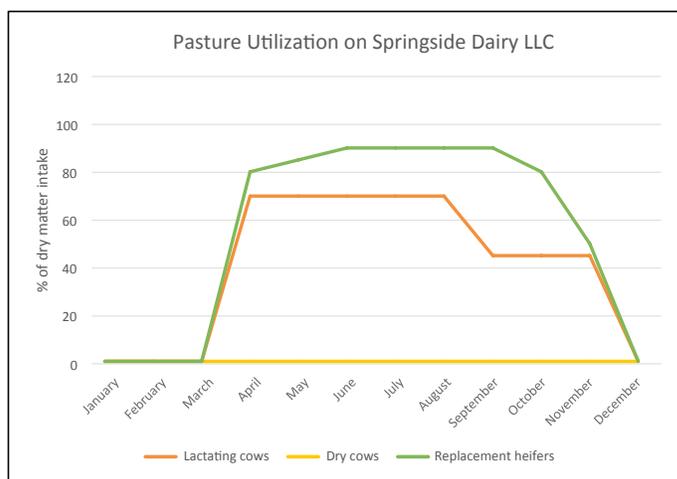
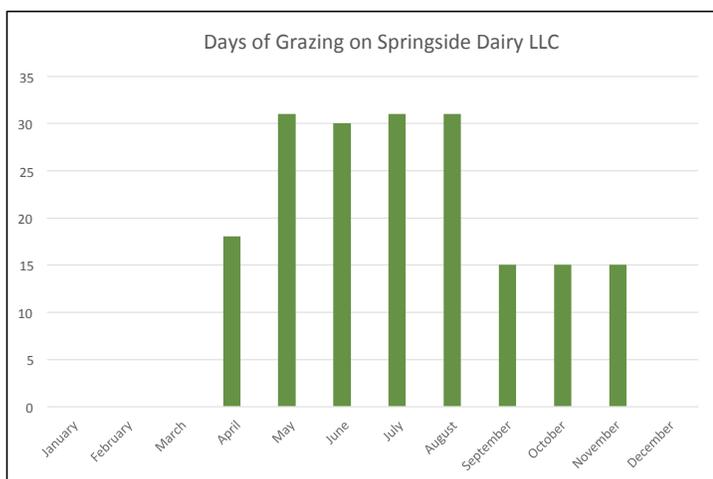
The milking cows receive about 70% of their dry matter intake from grazing in season. To make up the remainder of the ration, Olaf searches for good deals on a variety of feedstuffs. He uses various commodity feeds and cull vegetables like sweet corn cannery waste, vegetables and even cooked rice. Cottonseed and oat screenings are used for some additional fiber in the ration. The Haugens built a storage facility to enable them to purchase inexpensive feeds in bulk as the opportunities arise.

Summary and key points

The Haugens' philosophy remains simple and pretty much the same as it was 25 years ago: control costs, keep a profit margin per cow, and have enough cows to make enough money to live on and pay off debt. That is the way to get started and that is the way to stay in business.

Monthly Grazing on Springside Dairy LLC in 2017

Month	Days of Grazing	% Dry Matter Intake (DMI) from Grazing		
		Lactating cows	Dry cows	Replacement heifers
January	0	0	0	0
February	0	0	0	0
March	0	0	0	0
April	18	70	0	80
May	31	70	0	85
June	30	70	0	90
July	31	70	0	90
August	31	70	0	90
September	30/half-days	45	0	90
October	31/half-days	45	0	80
November	30/half-days	45	0	50
December	0	0	0	0



Testing Dairy Financial Risk through Grazing and Insurance. 2018. Midwest Perennial Forage Working Group, Green Lands Blue Waters. www.greenlandsbluwaters.net/dairy.html. Study conducted with funding from USDA-Risk Management Agency.

This project was conducted by members of the Midwest Perennial Forage Working Group of Green Lands Blue Waters, with funding from USDA-Risk Management Agency.

