

NEWSLETTER

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AUGUST 2015

Inoc-U-Lock[™] Provides Significant Returns To Livestock Producers



By Dan Leiterman

Properly inoculating livestock feedstuffs with Inoc-U-Lock™ can provide many benefits to the producer. Benefits include

reduced dry matter loss during storage, reduced nutrient loss (protein, energy) during storage, improved aerobic stability for less mold and yeast growth on storage face and a reduced risk of heating in the bunk. Inoc-U-Lock™

also supports higher dry matter intake, improved production and stronger profitability; all key reasons why so many producers are using Inoc-U-Lock™.

Since my article in the April 2015 Crystal Creek® Newsletter (Introducing Crystal Creek's Inoc-U-Lock™ Buchneri), we have had a number of questions about the detailed economics of using Inoc-U-Lock™ in both organic and non-organic dairy operations. Consequently, I thought it would be helpful to write a follow-up article demonstrating the significant economic advantages Inoc-U-Lock™ can provide.

The charts on pages 2-3 show an economic evaluation of Inoc-U-Lock[™] using only two key categories of performance: reduced dry

matter loss and reduced protein loss. In the first example, a non-organic 50 cow herd using Inoc-U-Lock[™] has a return-on-investment (ROI) of approximately 3:1 resulting in a profit increase of at least \$3,382.00. In the 50 cow organic herd, the ROI is at least 9:1 resulting in over \$10,256.00 additional profit.

Inoc-U-Lock[™] offers exceptional performance at a great value. Protect your hard work, investment and bottom-line by applying Inoc-U-Lock[™] to your feedstuffs.





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Cost To Treat With Inoc-U-Lock™

Figure 1

This chart estimates the cost to treat feedstuffs needed to feed 50 lactating cows.

Typical Lactating Dairy Ration (50 cows/year):

| <u>Ingredients</u> | As Fed (lbs.) | DM (lbs.) | Tons/Yr. | \$/Ton \$/Yr. |
|--------------------|---------------|-----------|----------|---------------|
| corn silage | 30 | 10 | 274 | 0.65 178.10 |
| haylage | 50 | 22.5 | 456 | 1.30 592.80 |
| hmsc | 20 | 15 | 183 | 1.95 356.85 |
| protein | 2 | 1.8 | | |
| mineral | 0.5 | 0.5 | | |
| <u>salt</u> | 0.2 | 0.2 | | 0.00 |
| Total | 102.7 | 50.0 | 913 | \$ 1,127.75 |

Return-On-Investment (ROI) For 4% Reduced DM Loss

Figure 2

This chart shows the return-on-investment for reducing dry matter loss by 4%. Typically forages and high moisture grains left to uncontrolled/wild fermentation could experience a dry matter loss ranging from 12 to 30%. Calculating a 4% reduction in dry matter loss when Inoc-U-Lock™ is applied is a conservative estimate and supported by independent research.¹

| <u>Ingredient</u> | Tons/Yr. | Conv. Value/Ton | Total (conv.) | Org. Value/Ton | Total (org.) |
|-------------------|------------|----------------------|---------------|----------------|---------------|
| corn silage | 274 | \$ 35.00 | \$ 9,590.00 | \$ 55.00 | 15,070.00 |
| haylage | 456 | 70.00 | 31,920.00 | \$ 110.00 | 50,160.00 |
| hmsc | 183/156* d | ry sh.corn 3.50/bu.* | 19,500.00 | \$ 14.00 | 78,000.00 |
| | | Pre-Loss Value | \$61,010.00 | | \$ 143,230.00 |
| | | Less 4% Loss | x 0.04 | | x 0.04 |
| | | Lost Value | \$ 2,440.40 | | \$ 5,729.20 |

Conventional: \$2,440.40 / \$1,127.75 = 2.16:1 **ROI** = \$1,312.65/50 cows/yr. **Organic:** \$5,729.20 / \$1,127.75 = 5.08:1 **ROI** = \$4,601.45/50 cows/yr.

ROI For Reduced Protein Loss (1% Point)

Figure 3

This example calculates the value/return-on-investment to reduce protein loss/degradation by 1% relative to the cost of 46% soybean meal or roasted soybeans.

One point of protein loss, i.e. from a 20% CP down to a 19% CP haylage* 2,000 lbs. x 45% = 900 lbs. DM x 20% = 180 lbs. CP /ton of haylage

2,000 lbs. x 45% = 900 lbs. DM x 19% = 171 lbs. CP/ton of haylage 9 lbs. CP / .46 = 19.56 lbs. of 46% sbm equivalent lost per ton of haylage

^{*} HMSC tonnage adjusted to dry shell corn equivalent, and then valued at \$3.50/bu. for dry shell corn.

^{*} A 1% point loss of CP equates to a 5% loss of CP (1/20 = 5%)

ROI For Reduced Protein Loss Of 1% Point (continued)

Figure 4

This example calculates the value/return-on-investment to reduce protein loss/degradation by 1% relative to the cost of 46% soybean meal or roasted soybeans.

| Protein Type | Conventional (non-organic) Prices |
|---------------------|--|
| 46% sbm (\$464/t) | 19.56 lbs. @ 0.232/lb. = \$ 4.54/ton x 456 tons of haylage = \$ 2,070.24 |
| 38% RSB (\$480/t) | 23.68 lbs. @ 0.24/lb. = \$ 5.68/ton x 456 tons of haylage = \$ 2,590.08 |
| | Organic Prices |
| 46% sbm (\$1,268/t) | 19.56 lbs. @ 0.634/lb. = \$12.40/ton x 456 tons of haylage = \$ 5,654.40 |
| 38% RSB (\$1,410/t) | 23.68 lbs. @ 0.705/lb. = \$16.69/ton x 456 tons of haylage = \$7,610.64 |

ROI Summary For Using Inoc-U-Lock

Figure 5

This example calculates the value/return-on-investment for both reduced dry matter loss and reduced protein loss. Note that no estimated value has been applied to other economic benefits such as, improved dry matter intake and/or the corresponding improvement of milk or meat production.

(Based On Saving 4% DM & 1% Pt. Protein Estimates On Previous Charts)

| 4% DM | 1% Pt. Protein | Total \$ Value I | <u>ROI</u> |
|-------------|---|---|--|
| c: | | | |
| \$ 1,312.65 | \$ 2,070.24 | \$ 3,382.89 | 3.0 : 1 |
| \$ 1,312.65 | \$ 2,590.08 | \$ 3,902.73 | 3.46 : 1 |
| | | | |
| \$ 4,601.45 | \$ 5,654.87 | \$ 10,256.32 | 9.1:1 |
| \$ 4,601.45 | \$7,610.64 | \$ 12,212.09 | 10.83 : 1 |
| | \$ 1,312.65 \$ 1,312.65 \$ 4,601.45 | \$ 1,312.65 \$ 2,070.24 \$ 1,312.65 \$ 2,590.08 \$ 4,601.45 \$ 5,654.87 | \$ 1,312.65 \$ 2,070.24 \$ 3,382.89 \$ 3 \$ 1,312.65 \$ 2,590.08 \$ 3,902.73 \$ 3 \$ 4,601.45 \$ 5,654.87 \$ 10,256.32 |

¹ Iger, 1994, 1995



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$\mathsf{INOC}\text{-}\mathsf{U}\text{-}\mathsf{LOCK}^{^\mathsf{TM}}$

(CONTINUED FROM PAGE 3)









Application Rates And Treatment Cost/Ton For Inoc-U-Lock™ Products

| INOC-U-LOCK™ BUCHNERI | | | | | |
|--|--|---|--|--|--|
| Сгор | Corn & Sorghum Silage | High Moisture Corn | | | |
| 350 gram Foil Packet | Treats 200 tons | Treats 100 tons | | | |
| INOC-U-LOCK™ Bacteria CFUs Per Gram Of Crop PLUS L. Buchneri Bacteria | 100,000 CFUs/gram PLUS 100,000 CFUs/gram | 200,000 CFUs/gram PLUS 200,000 CFUs/gram | | | |
| Treatment Cost/Ton | \$1.40/ton | \$2.80/ton | | | |

| INOC-U-LOCK™ WS (Water Soluble) | | | | |
|---|-----------------------------|--|--------------------------|--|
| Сгор | Corn & Sorghum Silage | Grass or Legume Haylage & Small Grain Silage | High Moisture Corn | |
| 350 gram Jar | Treats 200 tons | Treats 100 tons | Treats 66 tons | |
| Bacteria CFUs Per Gram Of Crop | 100,000 CFUs/gram | 200,000 CFUs/gram | 300,000 CFUs/gram | |
| Treatment Cost/Ton | \$0.65 | \$1.30 | \$1.95 | |

| INOC-U-LOCK™ BH (For Baled Hay) | | | | |
|--|----------------------|----------------------|----------------------|--|
| Tons Per Jar | 20 tons | 13 tons | 10 tons | |
| Grams Per Ton of Baled Hay | 20 gm | 30 gm | 40 gm | |
| % Moisture of Baled Hay | <18% | 18-20% | 20-22% | |
| Bacteria CFUs Per Gram Of Baled Hay | 210,000 CFUs/gram | 315,000 CFUs/gram | 420,000 CFUs/gram | |
| Treatment Cost/Ton | \$4.10 | \$6.30 | \$8.20 | |

| INOC-U-LOCK™ DRY | | | | | |
|---|-----------------------------|--|-----------------------|--|--|
| Сгор | Corn & Sorghum Silage | Grass or Legume Haylage & Small Grain Silage | High Moisture Corn | | |
| 25 lb. Bag | Treats 100 tons | Treats 50 tons | Treats 33.3 tons | | |
| Bacteria CFUs Per Gram Of Crop | 100,000 CFUs/gram | 200,000 CFUs/gram | 300,000 CFUs/gram | | |
| Treatment Cost/Ton | \$0.65 | \$1.30 | \$1.95 | | |