

Current Report

Cooperative Extension Service • Division of Agriculture • Oklahoma State University

OK Grass Hay

A Computerized Marketing Scheme for Grass Hays

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Hay plays an important role in livestock production and is also an important commodity for many Oklahoma farmers. In the past, most hay has been marketed primarily on the basis of quantity, with little attention given to hay quality. However, because of the high costs of providing protein supplementation, a new emphasis has been placed on producing quality hays that more nearly meet the nutrient requirements of livestock. Thus, quality hay becomes more attractive to the buyer, who in turn is willing to pay more to the hay producer.

This premise was addressed for alfalfa hays recently in the form of HAYMARKET (OSU Current Report 465), a marketing scheme devised by Oklahoma State University and the Oklahoma Alfalfa Hay and Seed Association. After only two years, HAYMARKET is being labeled a resounding success. HAYMARKET deals only with alfalfa hays however, thus a broad array of grass hays was not addressed. This changed recently with the formation of OK GRASS HAY.

OK GRASS HAY was established to assist both Buyers and Sellers in marketing grass hays more effectively. Information regarding hay availability is compiled on computer and then mailed at monthly intervals to County Extension offices in Oklahoma and surrounding states. Buyers and Sellers negotiate price, delivery, and quantity.

The objectives of OK GRASS HAY are:

- (a) To encourage production of quality hays;
- (b) To market only hay which has been graded by a neutral party and tested for protein content;
- (c) To expand the market for Oklahoma-produced hay;

- (d) To educate both buyers and seller about the factors that influence hay quality and yield.

ORGANIZATIONAL STRUCTURE

OK GRASS HAY is a program developed by the Oklahoma Forage and Grassland Council (OFGC) under the auspices of Oklahoma State University, Cooperative Extension Service. The OFGC is a non-profit organization whose primary objective is to promote the production of quality forages and forage products through research and education. The Board of Directors for OFGC serves as the governing body for OK GRASS HAY.

THIRD-PARTY GRADING

To ensure fairness to both Buyer and Seller, all hay listed with OK GRASS HAY must be inspected by a neutral Grader. Graders may be OSU Extension employees or other trained personnel that have received training in hay sampling and judging. Graders must participate annually in a hay grading school conducted by OSU. Graders are compensated through OFGC which has sole authority in establishing grading fees.

CRITERIA FOR GRADING

OK GRASS HAY involves visual inspection of hay coupled with appropriate chemical testing. This type of double-sampling offers the best way to evaluate hays for feeding value. Visual inspection consists of examining at least three bales of hay per lot, either by breaking (for small square bales) or by cutting with a saw (for large square or large round bales). Visual inspection includes comments on:

- (a) Species - Bermuda, Fescue, Love-grass, Mixed, Prairie, etc.
- (b) Color - Green or Brown

- (c) Foreign Material - Presence/absence of undesirable weeds like Milkweed, Horsenettle, Sandbur, etc., and also the percent foreign material (0-5%, 5-15%, or above 15%)
- (d) Mold - Presence/absence and degree of molding (none, slight, moderate, heavy)
- (e) Comments - Other pertinent information that the Grader feels should be included in describing the hay.

(c) Nitrate Test (for 1 lot @ \$6)	\$ 6.00
(d) Trip Charge	\$10.00
TOTAL	\$39.00.

A sale lot is normally considered one cutting from a specific field. However, if the grower wishes, additional hay may be included or excluded in a single lot. For example, a portion of one field may have been rained upon and the producer may wish to exclude that hay from the sale lot. Similarly, two or more small fields may have been baled under similar conditions and listed as one lot.

Chemical Testing

All hay listed with OK GRASS HAY must be tested for crude protein content. Additionally, any sorghum, sudan, or sorghum X sudan hay must also be tested for nitrate content. Because forage testing procedures, and subsequently test results, can vary from one testing laboratory to another, all chemical testing will be conducted by the Forage Testing Laboratory at Oklahoma State University. Chemical sampling consists of taking at least five 18" X 1" cores from representative bales. Forage samples are sealed in plastic bags and forwarded to OSU. Information from the forage tests includes:

- (a) Moisture Content (%)
- (b) Crude Protein Content - reported as percent dry matter
- (c) Nitrate Level* - reported as parts per million on NO on a dry matter basis

*Sorghum-sudan hays only.

FEES

In order to list hay for sale with OK GRASS HAY, a producer must first become a member of OFGC. Additional fees are assessed for each lot of hay listed for sale. For example, in 1984 the costs to list a lot of prairie hay would be as follows:

(a) Annual Membership Dues	\$ 5.00
(b) Protein Test (OSU Forage Lab)	\$ 6.00
(c) Trip Charge (By Grader)	\$10.00
TOTAL	\$21.00.

If the same producer wished to list additional lots at a later date, the costs would be \$6.00 per lot plus the \$10.00 trip charge. If another producer wished to list two lots of bermudagrass hay and one lot of sorghum hay, the costs would be:

(a) Annual Membership Dues	\$ 5.00
(b) Protein Test (for 3 lots @ \$6/lot)	\$18.00

COMPUTER LISTINGS

Upon completion of grading, the Grader submits listing information to the Market Coordinator. This information, in conjunction with results from the Forage Testing Lab, are compiled into the computer. Hay listings are prepared once per month and mailed out to:

- (a) all producers listing hay for that month,
- (b) all County Extension Offices in Oklahoma and surrounding states,
- (c) anyone else who has solicited to be on the mailing list for hay listings.

Producers may change selected information in their listing, such as the quantity for sale and expected delivery dates. Buyers contact Sellers directly for price and delivery negotiations. Neither OSU nor OFGC is responsible for transactions between Buyers and Sellers.

How OK GRASS HAY works:

- (1) A producer with hay to sell contacts his County Extension Office to make arrangements to have hay graded.
- (2) County Agricultural Agent directs the Producer to the designated Grader in that area.
- (3) Grader goes to the Producer's farm, conducts visual inspection of hay, obtains samples for protein (and nitrate test if required), and collects fees.
- (4) Results of protein tests and visual inspections are forwarded to Market Coordinator and compiled on computer.
- (5) Hay listings are mailed to potential buyers in Oklahoma and surrounding states.
- (6) Buyer contacts Producer by phone and negotiates price, delivery, etc.

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