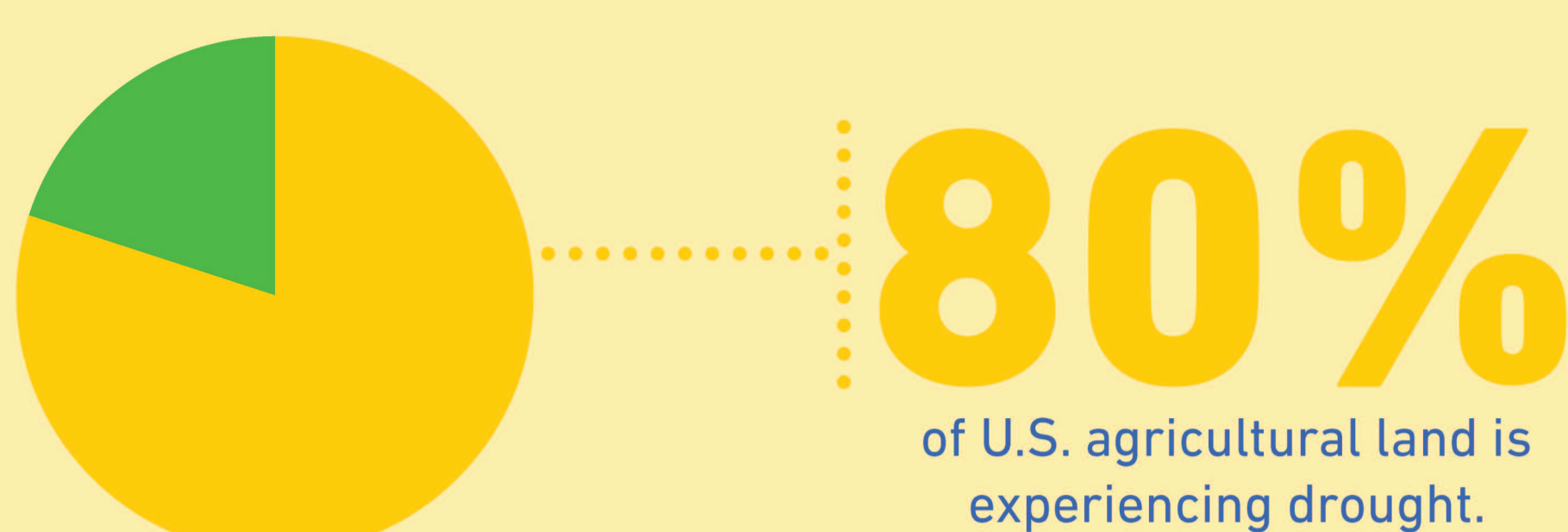


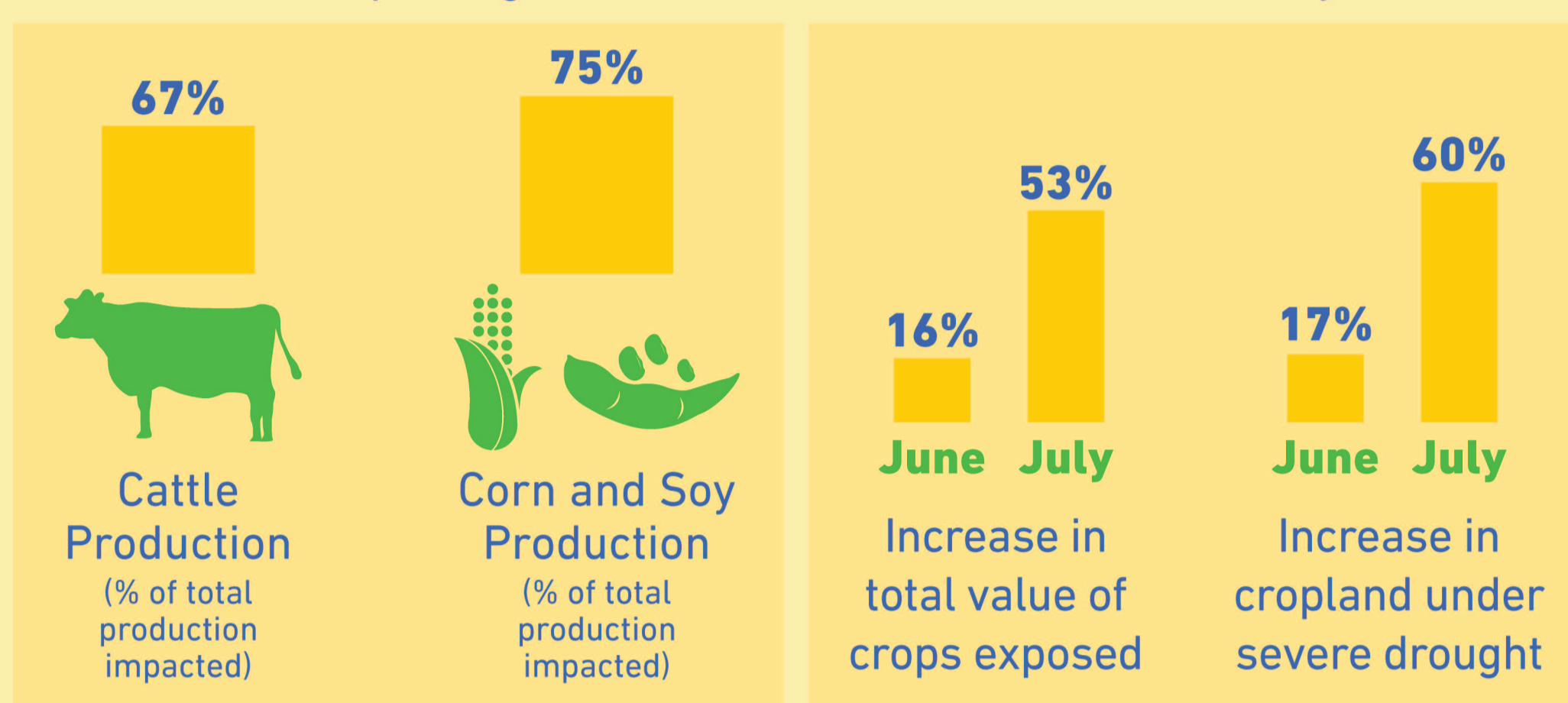
## THE GREAT 2012 DROUGHT

Warmer than average temperatures and little winter snow cover left land wide open for moisture loss, creating ideal conditions for drought. The 2012 U.S. drought is the most extensive since the 1950s.



Severe or greater drought is impacting:

From the short time of June to July:



Corn production yields are now forecast at 123.4 bushels per acre, the lowest since 1995.



Soybean yields are the lowest since 2003, estimated at 36.1 bushels per acre (in August) down from forecasts of 43.9 bushels per acre (in June).



This decline in quality is getting worse, ratings were:



## FEED IN A TIME OF DROUGHT

Kansas State University recently put figures to the cost of lost feed ingredients:



Wasted feed can lead to an added annual cost of **\$62 / heifer**.



With no shrink, cost of corn silage / corn stover ration was **\$1.37 / head** daily.

When typical shrink values were applied to each ingredient, costs rose to

**\$1.54 / head.**

At **40 bushels of corn per tonne**, and the **price of corn** in July at **\$7.36 / bu** even a \$1 jump per bushel, \$40 more per tonne, can have a huge effect. **Even a 5% shrink due to mismanagement, is a loss of \$17 per tonne.**

**About \$170 lost for every 10 animals**



Having the ability to change formulation at a moment's notice is another way to adapt to the changing prices in feed. **75% of the Top 50 North American feed companies use feed formulation software** to keep costs under control.

**Brill Formulation™ Multi-Blend by Feed Management Systems**

<http://www.feedsys.com/solutions/formulation.aspx>



**Feed Management Systems™**

### Sources

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