

Maximizing Profits vs. Minimizing Feed Costs

These examples show the difference between maximizing IOFC* and minimizing feed costs per hundredweight (cwt) of milk.

	Herd A	Herd B
Daily milk production (pounds)	85	75
Feed cost/cow/day	\$4.15	\$3.25
Feed cost/cwt milk	\$4.88	\$4.33
Income over feed cost	\$7.33	\$6.88
Gross milk price	\$13.50	\$13.50
Profit from maximizing IOFC	\$0.45	\$0.00

* Income Over Feed Cost