

Lacey Hay Sees Longevity in Hay Industry Pay Off

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Miles Lacey and his family are hay producers from Valley Springs, SD, approximately 15 miles east of Sioux Falls near the Iowa and Minnesota border. Miles' Dad, Dick, and Mom, Konny, started the operation in the early 1960s which also includes a custom hay grinding business. Their business is called Lacey Hay and it includes Dick, Konny, Miles, and nephews Tyler and Tanner Jacobson. Lacey Hay manages about 700 acres, some rented land nearby, and an irrigated section of land near Mound City, SD. Miles' two nephews spend most of the summer producing hay on the irrigated section. Miles' brother, Selden, helps haul hay back to the home place using a double trailer that can haul 40-42 tons/load. Dick still continues the custom hay grinding service.



Lacey Hay has benefited from the recent upward trend in hay prices, but has seen equipment costs rise as well. Miles indicated the swathers are the most expensive component to the operation. Lacey Hay prefers the sickle bar cutter head because the glacial till derived soils on their farm produce an abundance of small rocks that would cause breakage if they used a disc mower. Since the two farm sites are 300 miles apart, Lacey Hay has machinery at both locations. They run 2 swathers, 2 balers, 2 rakes, and 1 bale picker/stacker at each location. Lacey Hay provides a camper trailer and shop trailer to live and work out of at the farm near Mound City, SD.

Lacey Hay produces big square bales (4' x 4' x 8') that weigh about 1700-1900 lbs. These bales stack well and are easier to transport than large round bales. They have hay sheds and use tarps to cover the hay at the irrigated section near Mound City. Lacey Hay directly markets their hay to dairy producers in the region. Miles routinely trucks the hay to dairies, needing about 30-100 tons every 10 days. Lacey Hay has customers in South Dakota, Minnesota, Iowa, and Wisconsin. Their hay quality typically has a Relative Feed Value of 170+. Miles attributes abundant sunshine and warm temperatures in South Dakota to making great quality hay. Lacey Hay routinely tests their hay in 200 bale lots. Dairy quality alfalfa is their goal. If it gets rained on or matures too quickly before it gets harvested, Lacey Hay markets this hay to beef producers.

Lacey Hay typically gets at least 4-5 years out of their alfalfa stands. Miles says they like using Roundup Ready® alfalfa because it makes weed control during the year of establishment much easier. They will typically use 3-4 different varieties when seeding a large field to help spread the risk of poor performance due to undulating topography, differences in soil types, and growing conditions. When seeding a new field, they prepare the site by disking, field cultivating, followed by harrowing. Lacey Hay uses either a 26' Great Plains drill or a 12' Brillion drill depending on the size of the field. Often they will use a roller to get better seed-to-soil contact. Most of the time, Miles said they will seed in the spring, but they like the idea of seeding in the fall. The problem with fall seeding in the Great Plains is August and September moisture can be highly variable, so some years it works great, other times it's a bust.

Miles told of an interesting experience when Lacey Hay seeded the irrigated section of land near Mound City back in 2006. Lacey Hay decided they would purchase forage insurance to manage some of the risk at this farm. The seeding year, 2006, was quite dry, but they were able to get a successful stand established. In the summer of 2007, the region received record rainfall (35" from May-September). The following winter was very hard on the plants and in the spring of 2008, three-quarters of the section winter killed. The insurance company waited until the end of the growing season to assess the impact by gathering production data on the remaining 160 acres. The problem arose for the insurance adjuster because there wasn't 4-years worth of production data, so the adjuster had to use the county average. The sticking point was that the county average is based on dry land production. Lacey Hay's 160 acres of irrigated alfalfa produced more yield than a whole section of dry land alfalfa. So in the end, Miles said their business never received fair compensation. This life lesson is just one of many that producers endure and demonstrates that risk is never 100% straight forward.

In summary, the family has been rewarded by hard work and knowledge gained from everyone involved in the operation and in the forage business. Recent shrinkages in the cattle industry and increased production of row crops have tightened the hay supply which has resulted in higher hay prices. This has been good news for Lacey Hay. In past years they were not as competitive with grain farmers, now they are finally catching up and being rewarded for their time in the business when prices weren't so favorable. Miles' family loves what they do and the cattle industry is blessed to have such a great forage producer.