Dairy Connection

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EDITORIAL

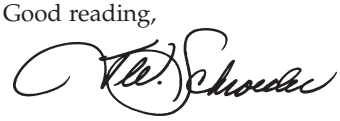
Economic downturn, runaway costs, deplorable prices, flood and lousy weather – are you depressed yet? Time and again, the message for producers this winter and spring has been, "It's brutal out here!" Recent phone calls only reaffirm that the situation hasn't changed. Add to that layoffs by Bobcat, Microsoft, Alien Technology and Trail King Industries and now the closing of nearly 2,000 U.S. Chrysler and GM automotive dealerships, and no one seems to be immune to recessionary fallout. This is a grim economic picture at best. So, how are you and your family doing through all of this bad economic news? No, not how are the cows or the crops, how are you doing? Probably too busy to think about it. We spend a lot of time tweaking the efficiency out of our cattle operations to point they have no more to give and despair sets in. So my message here is to not overlook your family or yourself during these difficult times. Remember the three R's: rest, routine and relationship.

- **Rest** seems rather obvious until you can't sleep at night. Are you or your loved ones getting unstable, cranky or even unbearable?
- **Routine:** Even though change is nice, the reality is we like our routine. It's comfortable and we feel in control. You provide a feeding and milking routine for your cows. Does your family still maintain a routine for work, meals or devotion?
- **Relationships** with others such as immediate family, extended family and community are important. Don't apologize for feeling overwhelmed and do not ignore the signs. Ask, "How are you doing?" and don't take "fine" for an answer. You don't have to try to fix it, either. Just listen, ask questions and ask if you can help in any way. Most of all – and this is important – be patient.

If you or others need help, know that 2-1-1 is available by phone or Internet. Launched by the United Way, 2-1-1 connects callers to information about critical health and human services available in their community. Check it out at *http://211us.org*.

Need a reason? Well, June is Dairy Month. Celebrate with your friends and family.

Good reading,



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HEIFERS AND CALVES

Seven Ways to Control Heifer Feed Cost

Does your heifer enterprise need help with getting a handle on spiraling feed prices? Dairy consultant Greg Bethard of G & R Consulting Inc. in Wytheville, Va., offers these tips:

- Minimize shrinkage and storage waste.
- Avoid weigh-backs and wasted feed at the bunk.
- Avoid overfeeding protein, minerals and vitamins.
- Procure forages that result in an inexpensive ration. Look at total ration cost rather than just individual forage cost.
- Minimize heifer-maintenance cost.
- Purchase ingredients that result in the least expensive ration while providing needed nutrients.
- Consider limit-feeding when appropriate.

Source: Dairy Herd Management, June 2008

■ COMMUNICATION

So is your family communicating? Here's a flow chart of ideal vs. common behaviors. See where you fit.

Ideal Behaviors	Common Behaviors
• Communicate your wants and needs, hopes and expectations	• Expect other family members to "know your wishes" or "read your mind"
• Respect the range of feelings other family members may experience	• Act as if "My feelings are the only ones which count!"
• Problem solve with others and negotiate win/win situations	• Ignore others or listen only for their ideas and ignore their feelings
• Praise others often; criticize others with great care	• Chew others out when they screw up; ignore any contribution they make
• Use adult-adult communication and treat others as adults	• Treat sons and daughters as "the kids;" treat parents as "the old man" or "old lady"
• Learn how to deal with your anger – report it to others	• Yell, scream or vent your anger; bury it or use "the cold silent treatment"
• Watch for the early warning signs of conflict and act on them	• Act as if you are not upset and ignore the signs that others are in turmoil
• Take time for other to develop and communicate opinions and ideas	• Operate on "My Timeline"

Source: AgVentures, People Considerations, p. 3.

Warm Weather Calls for Change in Calf Management

Now that summer finally is here, these are some time tips on calf management:

- If calves are raised in hutches, use shade cloths over rows of calf hutches and prop up the back end of the hutch to facilitate air movement. For calves housed indoors, open windows and lower side curtains. Fans may be advised in housing with permanent side walls.
- Remove bedding more frequently because it retains heat if excessively soiled with urine and manure. Consider moving hutches more frequently to minimize buildup of moisture and disease-causing organisms.
- Water management is critical. Make sure that water buckets are large enough so that they don't run dry during the 24-hour period.
- Locate buckets that:
  - Calves can't spill calf starter into them. This reduces water quality and waste of expensive calf starter grain.
  - Are not exposed to direct sunlight, which overheats the water and encourages algae growth.
  - Calves can't dump them. Buckets hung on hooks are not advised.
- Sanitation is critical.
  - Dump water buckets daily to maintain fresh water.

Source: B. James, Virginia Tech University

■ HERD MANAGEMENT

Drying Off or Culling a Dairy Cow

High costs and low milk prices may mean this is the time to re-evaluate the proper level of milk production at which to dry off or sell a cull cow. The two most important factors to consider when making this decision are feed costs and milk price. Other contributing factors are forage availability and overcrowding. If you are short on forage, then drying off or selling cows earlier than the breakeven milk production may more beneficial to avoid running out of feed. If the dairy is overcrowded, the extra cows may affect the milk production of the entire herd and thus they should leave the lactating string earlier than their breakeven point. The easiest way to determine if overcrowding is an issue on your farm is to dry off and/or sell 5 percent to 10 percent of your cows at about the same time. Then observe what happens to the bulk tank milk weights. If the bulk tank weights stay about the same or even increase a little, you will know that overcrowding was affecting milk production. The first table shows the breakeven milk production levels to dry a cow off for several different levels of milk and feed prices.

Lactating Cow Ration Cost	Dry Cow Ration Cost	Mailbox Milk Price	Breakeven Milk Production
per cow per day		per hundredweight	pounds
$4.00	$1.25	$14.00	17
$6.00	$2.00	$20.00	19
$6.00	$2.00	$18.00	21

Breakeven milk production level for drying off a cow

The next table shows the breakeven level of milk production to cull a cow. Several assumptions have been made to model the breakeven point. The first assumption is that a cow at this level of milk production will eat approximately 85 percent of the herd average dry-matter intake. The second assumption is that feed costs make up 90 percent of the variable cost of milk production for these cows. As mentioned before, it also assumes no overcrowding. One important factor to note: Even with the same input data, different breakeven levels of milk production occur for drying off versus culling; the difference is due to the fact that you still must feed dry cows.

Lactating Cow Ration Cost	Mailbox Milk Price	Breakeven Milk Production Level
per cow per day	per hundredweight	pounds
$4.00	$14.00	27
$6.00	$20.00	28
$6.00	$18.00	31
Breakeven milk production level for culling a cow		

Source: J. Currin, Extension dairy veterinarian, Virginia Tech

■ MILK QUALITY

Reducing Milk Losses Following Penicillin Use in Lactating Dairy Cows

Penicillin is an antibiotic commonly used in lactating dairy cows. It was approved many years ago and the label called for a dose of 1cc/100 pounds of bodyweight once a day. At this dose, the label recommendation is 48 hours for milk withdrawal and 10 days for slaughter withdrawal.

Current recommendations are much higher than those doses found on the label. Veterinarians commonly recommend doses of 3 to 5cc/100 pounds of bodyweight once or twice a day. Such doses lead to prolonged withdrawal time, which in turn requires more milk to be discarded. These extended withdrawal times have long been a source of frustration for farmers. Often, the most expensive component of treating a lactating dairy cow is the cost of the discarded milk (see table).

Milk Production During Treatment	Cost of Penicillin	Value of Discarded Milk	Total Cost of Treatment
per day	3.5cc/100# BW once a day for 3 days	Milk value = $18/100#	
30 pounds	$6.50	$43.00	$49.50
50 pounds	$6.50	$72.00	$78.50
70 pounds	$6.50	$100.00	$106.50

FARAD (Food Animal Residue Avoidance Database) is a government-sponsored organization that reviews scientific data and makes recommendations for appropriate withdrawal times for drugs that are used in an extra-label manner. To reduce the extended withdrawal times seen in cows treated with extra-label doses of penicillin, FARAD makes the following recommendations based on a review of the scientific studies:

For milk withdrawal:

4cc/100 pounds of body weight once a day for 5 days: milk withdrawal of 120 hours but ONLY if the following criteria are met:

1. The dose is given IM and not SQ
2. The volume of injection does not exceed 15 mls per site

Giving penicillin subcutaneously (SQ) or injecting larger volumes per injection site results in prolonged milk withdrawal times. Because of the expense associated with shipping adulterated milk, the recommendation still is that farmers test milk with an on-farm test four to five days after the last treatment before putting milk from the treated cow back in the tank.

Following the above recommendations will help eliminate unnecessary extended withdrawal time of seven to14 days. Use of penicillin at doses greater than those found on the label represents extra-label drug use and should be used only by or on the advice of a licensed veterinarian.

Source: J. Currin, Extension dairy veterinarian, Virginia Tech

35 Percent of Dairies Milked Infected Cows With Separate Unit

Milking cows infected with clinical mastitis with a separate milking unit or in a separate string can reduce the exposure of noninfected cows to mastitis organisms.

The U.S. National Animal Health Monitoring System (NAHMS) reported that 35 percent of dairy operations surveyed in the U.S. used a separate milking unit to milk cows with clinical mastitis. Little difference was revealed among various herd sizes or geographic regions.

However, large dairy operations were much more apt to milk infected cows in a separate string from healthier cows (83 percent in herds with 500 or more cows vs. 33 percent in herds with 100 to 499 cows and 30 percent in herds with fewer than 100 cows). More Western dairies (60 percent) milked mastitic cows in a separate string, compared with Eastern dairies (32 percent), which is not surprising given that larger dairies are more common in the West than the East.

The Dairy 2007 study, conducted in 17 of the major dairy states, represents 79.5 percent of U.S. dairy operations and 82.5 percent of dairy cows.

Source: Udder Topics Vol. 31, No. 5, October-November 2008

■ HERD HEALTH

Factors Contributing to Immune Suppression

Immune competence is the ability to mount an effective immune response against invading pathogens and is critical for health, productive valves, heifers and cows.

Immune suppression, on the other hand, can be defined as diminished immune responsiveness. This simplistic definition impacts a highly diverse system that affords protection against disease. Immunity against infectious diseases is mediated by diverse and often interdependent cellular and humoral mechanisms.

Many environmental and genetic factors influence the ability of cattle to mount effect host defense strategies against various pathogens and normal flora that cattle are exposed to throughout their lifetime. Immune suppression may occur as a consequence of several possible factors:

- Natural physiological conditions (for example, pregnancy, parturition and neonatal immaturity)
- Primary infectious disease episodes, which can predispose cattle to secondary disease events
- Exposure to various types of stress (both natural and management-induced), environmental factors (nutritional deficits, toxicity, shipping/transport stress, comingling, etc.) or stress deliberately induced by drugs such as glucocorticoids and other anti-inflammatory products

The consequences of immune suppression are increases in infectious disease and premature loss from the herd; both of which increase production costs and decrease profitability. Much is known about the various cases of immune suppression and how we might better manage our animals to overcome it.

Source: 2009 NMC annual meeting proceedings

■ MANURE MANAGEMENT

Proper Testing Preserves Manure's Value

Both buyers and sellers of livestock manure can realize its many benefits and proper testing can help pinpoint its real fertilizer value. You wouldn't go to buy commercial fertilizer and say "just give me fertilizer." The nutrients in animal manure should be managed with the same care as commercial fertilizer.

Determining the total amount of nutrients in the manure, the availability of those nutrients to the crop being grown and the amount of nutrients needed to optimize crop yields is important.

Advice for Manure on Alfalfa

Use care when applying manure to alfalfa fields to maximize crop benefits.

- Apply less than 3,000 gallons of liquid manure or 10 tons of solid manure per acre to minimize salt burn or smothering. If manure is dry, adjust the spreader to break up large chunks that can smother growth.
- Spread manure immediately after removing a cutting to minimize direct contact with foliage.
- If the goal is to stimulate grass yield, apply manure to fields with lots of grass; otherwise select fields with little grass if the goal is to minimize grass competition. The nitrogen in manure can stimulate grasses already in the alfalfa to become more competitive.

Manure application equipment can damage alfalfa crowns and compact soil, so producers should be careful not to do more harm than good when applying manure in alfalfa fields.

Source: B. Anderson, Extension forage specialist, University of Nebraska

■ FORAGES

Chop and Pack Same Day

Forages should be packed on the same day that they are chopped. Do not let chopped forages sit in the wagons overnight. You will lose valuable sugar if the forage is not packed right away. The plant still is respiring and growth of aerobic organisms uses the sugars.

Source: L. Kung, University of Delaware.

Tips for Harvesting High-quality Alfalfa

When is the best time to harvest alfalfa? The goal should be to harvest it at the point at which it meets the nutrient requirements of the animal you are feeding.

Some guideline to follow would be:

- Harvesting alfalfa within 10 days after the vegetative state in the spring and early summer provides optimum milk production and dairy-quality hay.
- Under nonirrigated conditions, forage yield increases and forage quality declines most rapidly because alfalfa matures during the spring and early summer.
- Harvest in late summer can be delayed by 15 to 20 days after the vegetative state because digestibility declines more slowly then than in the spring and early summer. This allows you to gain more yield and more milk per acre.

What's the Value of High-quality Forage?

When looking at the diets fed to dairy cattle, there is a wide variation in the amount of grain being fed. The quality and price are extremely variable, depending on the protein mix provided and the amount being fed. These choices really affect the dairy enterprise's annual costs. The farms with the lowest supplemental protein costs are nearly always those farms feeding high-quality forage. Good home-grown forages can reduce pricey grains and help control feed costs, even in tough cropping years. As you move into another forage harvest season, here are some reminders on making good-quality forage year after year.

The basics include a combination of good management practices and, of course, food fortune. We all remember the years that making high-quality forage was difficult. Forage can lose 10 percent to 20 percent of its crude protein (CP) and digestibility

if it is damaged by rain. However, since we cannot control the weather, we should focus on the things we do have control over. Listed below are some key management factors influencing forage yield and quality.

1. Harvesting forage on time it job one. As plants mature, head and flower, the forage increases in fiber, reducing the CP and digestible dry-matter content of the resulting hay. Hay digestibility decreases between .33 and .5 percentage point per day. Optimum harvest dates will vary across the state, so watch the growth stage of the grasses to determine when to start making first-cut hay. Hay should be cut when the grass is in the late-boot to early-head emergence stage. This stage provided the best compromise between yield and quality for the first cut. Later harvests should be made based on the growth stage of the legume. For highest quality, harvest when the legume is in the late-bud growth stage.
2. Providing plants with the proper nutrition is critical to high yield and quality. Maintaining adequate soil fertility will start with soil testing. If some fields have high fertility and some are low, focus on the low ones first.
3. Include legumes such as clover or alfalfa in your forage stands. Old grass hayfields, even with manure applied, can lose yield and quality as less favorable forage species take over. You know those fields; they're where you have to rake together several windrows to get enough for the baler and the hay only tests 12 percent protein. Seeding legumes into these fields can improve yield and quality of your forages. In general, a legume/grass stand having 25 percent to 50 percent legume will provide grass with up to 150 pounds/acre of actual nitrogen. First, legumes "fix" nitrogen from the air and make it available to the grasses, often increasing grass yields. Legumes also can increase the feed value by improving protein, energy and digestibility. Finally, a legume-grass mix lengthens the harvest window for hay because legumes generally mature later than grasses.

■ GENETICS

Genomic Selection of Dairy Cattle

Genomic predictions of genetic merit became official in January 2009. Predicted transmitting abilities (PTA) use genomic data derived from DNA in addition to traditional phenotypes and pedigree dates.

Genomic evaluation is an evaluation of more than 40,000 genetic markers that make up an animal. For each genetic marker, the difference in PTA is estimated between animals with one allele compared with the other allele. Genetic evaluations combine genetic markers' effects with existing parent average (PA) or PTA.

PTA requires a progeny record. Parent averages include only parent data. Genomics blurs the distinction between the two. Reliability of PA cannot exceed 50 percent because of Mendelian sampling, but genomics can predict the other 50 percent.

Three types of genomic evaluation – direct, combined and transferred – can be done. Direct genomic evaluation is the sum of effects for genetic markers. Combined genetic evaluation includes phenotypes of nongenotyped ancestors by selection index. Transferred genomic evaluation is used to propagate information from genotyped animals to nongenotyped relatives by selection index.

Genotype is a source of information just like parents, progeny and records. Official PTA will have an indicator if it includes a genomic contribution. Genomic evaluations are used the same way as traditional PTA.

Genomic selection will move genetic progress forward much more quickly. Young bull evaluations will have the accuracy of early first-crop evaluation. Artificial insemination organizations are marketing more than 100 genomically evaluated 2- to 4-year-old bulls. In the future, genotypes may be required for the bulls' dams or other animals to be marketed. The rate of genetic improvement could improve as much as 50 percent.

Genomic selection also could have animal identification applications. It will provide the ability to verify reported parents and discover parents if they are unknown or incorrect. It also will present the ability to trace animals or animal products in time of necessity.

Source: Heard in the Hutch, 2009

■ EMPLOYEES

Job Description for Herd Milker

Many dairy operations' profitability, efficiency and productivity revolve around the milking parlor. While the milking team plays a key role in these parameters' success or failure, the lead milker should take a proactive role in evaluating and monitoring the parlor's performance and output. David Reid and Mark Walker of BouMatic, Madison, Wis., suggest providing clear job descriptions for all employees, including the lead milker. Their recommended job description for a lead milker includes:

- Check all bleed holes for manure plugs
- Check all short air tubes for cracks/holes
- Check all liner milk tubes for crack/holes
- Check all liners for proper alignment
- Set up milking parlor
- Distribute milking parlor supplies
- Mark start and stop times for each pen when no meters are installed
- Make sure treated cows are marked properly
- Make sure all treated cows' milk is disposed of properly
- If using a basement parlor, conduct a walk-through to ensure all equipment is operating properly
- Change milk filters according to the dairy's protocol. Change filters every three to four hours of milking
- Observe milkers to make sure they are performing the proper milking routine
- Communicate issues or repair items to the dairy manager or owner

- Check the cooler to make sure it is on and cooling properly
- Milk cows in an orderly and consistent manner
- After milking, make sure all equipment sanitation procedures are followed

This long list highlights the importance of the lead milker. Strive to communicate these tasks clearly and succinctly. The list of responsibilities cannot be overwhelming or it will not get done. The most important factor in this is accountability. The owner or farm manager also must play a role in making sure the dairy's protocols are followed completely.

Source: "How to Write a Dairy Job Description: available at: www.ianr.unl.edu/pubs/dairy/g1224.htm

■ FINANCES

Key Financial Indicators

Perhaps you have seen this one, the Jan. 25 edition of Hoard's Dairyman, where Gary Sipiorski discussed his "dairy dozen," or 12 key financial indicators. While now is not the time of the year that you have time to revisit financial benchmarks, most everyone is battling run-away expenses and terrible milk prices.

The following is an abridged version of that article and a reference at the end should you want to review it in more detail.

1. **Income per cow – $4,000 target**
   The No. 1 cause of business failure is the lack of sales. Milk is 85 percent of the income on most dairy operations. Obviously, this number will be related to directly the milk price. Based on current related expenses, this number must be greater than expenses.

2. **Operation cost as a percentage of gross income – 80 percent**
   Can you believe that in 1980, the operating cost on a dairy farm was 50 percent? That means a dairy producer could do whatever he or she wanted with the other 50 percent. I guess those were the "good old days."

3. **Milk sold per cow – 24,000 (this is for Holsteins; make a breed adjustment for others)**
   Every dairy producer breeds with better bulls, tries to feed better feed and tries to improve on cow comfort. This keeps increasing the pounds of milk sold each year. The debt load partially will drive the need for gross income resulting from more milk.

4. **Ownership equity – 50 percent**
   Ownership equity is the percentage of the dairy that you own. To determine this ratio, divide the net worth by the total assets. These figures are found on your balance sheet.

5. **Current equity – $2 for each $1 of current liabilities**
   This is a critical ratio that shows your ability to pay your bills. It says that you need $2 of current assets for every $1 of current liabilities. Current assets are cash, feed, prepaid expenses and any item that is cash or will be turned into cash in the next 12 months.

6. **Cost to produce 100 pounds of milk – $16**
   There has never been a more important time than now to know what this number is. Many spreadsheets are available through accountants, lenders, dairy-related businesses and universities.

7. **Feed cost – 16 percent to 45 percent of gross income**
   Feed cost has been a wild one in 2008. The calculation is completed by dividing the purchased feed on Schedule F by the gross income. This most likely will be the largest expense. Growing and buying good-quality forage never has been more important. A huge range can occur in this number, depending on your operation.
   If you grow all of your forage and grain, your cost should be at the lower end of the scale but you will have extra costs in cropping, fuel and rent. Feed and cropping cost should run 25 percent to 30 percent. If you are purchasing all of your feed, you will be at the upper range of the scale, with no cost in cropping.

8. **ROA 8 percent – ROE 6 percent**
   Return on assets (ROA) and return on equity (ROE) are ratios that may be two of the most important business measurements that every business must take seriously. ROA is net income minus interest divided by total assets. ROE is net income divided by ownership equity.

9. **Debt per cow – $5,000**
   The inflation values of the major capital investments that touch a dairy operation have driven this number higher. Loan structure is very important in this area to have a comfortable cash flow. Some dairies will choke on $1,000 debt per cow. Others can handle more than $5,000.
   Another way to look at this is to have no more than $20 of debt per 100 pounds of milk produced. This will take into consideration the production level to the amount of debt that the cash flow should be able to handle.

10. **Debt coverage – no more than 20 percent gross income for payment**
    You have a couple of ways to look at how many dollars should be set aside for interest and principal payments. Ideally, not more than 15 percent of the gross income on a dairy should go toward interest and principal payments. This number can be pushed to 20 percent in times of need. Beyond 20 percent makes making payments very difficult.

11. **Asset turnover – 2.5 times**
    An example here is if you have $1,000,000 invested in your dairy and you generate $400,000 in gross income, you turned those assets in 2.5 years. Every business measures how long it needs to turn the assets that it has implemented. Most of agriculture takes 3.5 years to turn its assets. That is too long. This is a key calculation to do when you consider investing in more assets. Make sure you are investing in assets that generate money.

12. **Total investment per cow – $7,500 to $15,000**
    Divide the total dollars in assets by the number of cows. This number is closely related to asset turnover. The dairies with a limited land base will carry $7,500 of investment per cow. Dairies with large land bases will run up to $15,000 and beyond. Higher land, cow and building values have driven this up during the last 10 years. One of the owner's jobs today is to get the best return with the least investment per cow.

Source: Hoard's Dairyman, Jan. 25, 2009

Keeping Positive in Negative Times

I've started and am ending this newsletter focusing on you and your family. Mindless happy talk won't fix anything, but staying connected can help us through these financially troubling times. Here are some suggestions offered by B. Earley, dairy business manager, ADM Alliance Nutrition Inc.

As we look at the current economic environment, both in the dairy industry and nationwide, becoming pessimistic sometimes can be easy. However, now is a critical time for dairy producers to seek and obtain professional and objective consultation.

How can dairy producers best position their business in tough economic times?

- Take time to reflect on what you are doing right and be objective about what you can and should do better. Producers need to use this time to re-evaluate their operation. Evaluate key areas that can save costs without compromising production, health and profitability. Understand the return on investment of key technologies that are being used and the full consequences if these technologies are discontinued. Evaluate areas of known profit leaks and develop specific plans to correct them. Often the solution is hitting several singles and not necessarily a home run; every little bit helps.
- Get employees involved in decisions because they have a lot at stake as well. Empower employees to be part of the solution; begin with communication. Empower employees to provide ideas on reducing costs and/or improving efficiency in their area of responsibility (milking, feeding, people or cow management). Ensure employees understand that cost reduction and efficiency are the focus. Provide a sense of urgency and ensure employees realize the importance in helping meet the stated objectives because these employees will implement the strategies. Employees should be reassured of their importance in meeting goals and should feel a sense of ownership in making the required changes.
- Understand and use available records to make impactful management decisions. While there is no shortage of information, the best managers know how to use the most important information available and implement management practices with the most positive influence on their business.
- Financing will be harder to obtain. As financial institutions become more restrictive in their lending practices, producers have to be more astute in developing sound business plans that demonstrate to the lender they are a viable risk under prosperous and more difficult market conditions. Producers need to understand their critical financial number and the factors that impact those numbers. This will enable them to discuss with lenders their plans to help their operation weather the storm. This will go a long way in building lenders' confidence in their abilities.
- Now more than ever, having dairy producers work closely with their external management team (nutritionist, veterinarian, reproductive specialist, agronomist, milk/grain merchandising advisers, commodity broker and financial experts), and being objective and proactive with each on how to remove profit leaks are critical. Be an efficient and profitable operation with a planned course of action to meet this objective.
- Work closely with a nutritionist to ensure the best cost ration for all phases of the operation is being utilized and closely monitor any changes made. Work with a veterinarian on health practices, providing maximum preventative care at the least possible cost. Work with an agronomist to develop crop plan strategies that are sustainable for the operation.
- Where financially feasible to do so, producers need to take advantage of pre-pay, forward contracting, cash discounts, volume discounts and bulk discount opportunities that can add up to significant dollars in their pocket.
- To reduce significant profit losses, evaluate how incoming ingredients are handled to minimize shrink and feed wastage.
- Work with input suppliers on cost projections and protect price when feasible. Consult with a milk marketing expert on how to protect the worth of output as well.
- Focus on the parameters that will enhance the value of milk. Whether a producer's payments and premiums are based upon milk quality, milk components and/or volume, discussing with their advisers how these areas can be maximized to provide as much profit potential going off the farm as possible is essential.
- Communicate and go benchmarking with other positive-minded, business-focused producers, learning how they are managing through financially stressful times. Don't get caught up with negative-minded producers or advisers because they will impact your attitude negatively. Dairy producers need to surround themselves with positive, successful producers who are forward thinking and advisers who provide positive motivation and solutions to do the right things right.

As consultants to the dairy industry, our organization has a responsibility – a responsibility to provide leadership and professional consultation to help dairy producers sustain profitability and viability in good and uncertain times. Today more than ever, we will work diligently to provide dairy producers with the resources and direction they need to help them succeed.

We set the tone, we must lead by example, providing the focus, recommendations, solutions and determination that will assist in helping dairy producers maintain profitability in what truly is a turbulent time.

Source: Progressive Dairyman, Issue 3, Feb. 10, 2009

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■ FOR THE CALENDAR

State Dairy Show

Mark your calendars. You are invited to participate in the 63rd annual North Dakota State Dairy Show. It is scheduled for the last official day of the North Dakota State Fair, Saturday Aug. 1, in Minot. Here is a brief schedule of events for the State Fair:

July 28-29	Tuesday and Wednesday	Entry Days
July 30	Thursday	Open Shows
July 31	Friday	Youth Events
Aug. 1	Saturday	State Dairy Show

Check out the 2009 State Fair premium list, which is available on the North Dakota State Fair Web site at *www.ndstatefair.com* under the exhibitors and vendors tab at the top of the page. Then click on competition and select Dairy from the Open Class Livestock category. Catalogs containing entry forms will be out soon.

If Internet access is not an option for you but e-mail is, forms can be sent to you upon request. If you prefer, forms on a disk or CD for you to complete and return can be mailed to you. Simply call J.W. Schroeder at (701) 231-7663 and leave a message or send an e-mail to jw.schroeder@ndsu.edu.

Regardless of the method you use to register, the deadline for preregistration and fees is Tuesday, July 14.

■ MISCELLANEOUS

If I Had My Life to Live Over

"I'd like to make more mistakes next time. I'd relax. I would limber up. I would be sillier than I have been on this trip. I would take fewer things seriously. I would take more chances. I would climb more mountains and swim more rivers … . I would perhaps have more actual troubles, but I'd have fewer imaginary ones. …"

"You see, I'm one of those people who live sensibly and sanely every hour after hour, day after day. Oh, I've had my moments, and if it had to be done again, I'd have more of them. In fact, I'd try not to have anything else. Just moments, one after another, instead of living so many years ahead of each day. I've been one of those persons who never goes anywhere without a thermometer, a hot water bottle, a raincoat, and a parachute … .."

"If I had to do it over again, I would travel lighter than I have. If I had my life to live over, I would start barefoot earlier in the spring and stay that way later in the fall. I would go to more dances. I would ride more merry-go-rounds. I would pick more daisies … ."

Relax
By Nadine Stair, 86 years old

Source: Quality of Rural Life – Farm Stress Workshop