

The Dairy Business

By
Newton Bair

IS BIGGER ALWAYS BETTER?

We are beginning to detect some fallacies in the widely held notion that progress in the dairy business is measured by size. Maybe it's time to take a look at some of the yardsticks by which we measure progress and success

Will a herd of 120 cows return twice the profit of a 60 cow herd? Will the purchase of an extra 150 acres of land double the returns presently realized from a 150 acre farm? Will a new \$75,000 combine pay back its extra cost over an older but still useful one?

Of course, these questions are all academic and can only be answered in the light of the circumstances surrounding them. But they are the kind of questions facing dairy and other farmers every time a change is contemplated that will affect the size of an en-

terprize, or the size of ones income from it.

Pointing to "economies of scale", researchers and economists and even extension agents have been selling all kinds of evidence down through the years that the easier way to success is to get bigger.

Well, it's pretty hard to argue with facts — especially historical facts. When we look at the pure economics of bigness, there is no denying that over the past 50 years there has been a pronounced trend toward larger herds, more acres per farm, bigger and more productive — equipment, and consequently fewer and fewer people actually doing the work of feeding the rest.

This last statement is what has me worried. How far can this trend continue and where will it end?

At this point, you are going to anticipate a truth we've all heard many times. Get Better Before you Get

Bigger! Well, it is just as sound advice now as it was the first time you heard it. But lets examine it. Is this advice for you?

Most County DHIA annual meetings are held this time of year, and we all like to examine the current statistics and pat ourselves on the back at last year's progress.


As an industry, we can be justly proud of the continuing rise in production per cow, number of cows on test, and in many cases in rise in profit over feed cost, which is also a deceptive figure.

Our Lebanon County DHIA board gives special recognition to the herd which makes the most progress in milk production over the previous year. This year's

recipient went from 16,000 pounds to over 19,000 pounds of milk per cow, and of course, the over-feed-cost also soared. Some kind of expansion might well be indicated and justified, providing he can maintain production somewhere in this high range. It's a good example of getting better before getting bigger.

From a strictly economic viewpoint, whether you are comparing the profitability of a herd producing 18,000 pounds of milk with a 15,000 pound herd, or matching a 15,000 pound average with a 12,000 pounder, the higher profit always goes with the higher herd average, in spite of higher feed costs. Higher profits don't always ac-

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PUBLIC SALE

OF ROLLING HILLS FARMS AND ADDITIONAL TRACTS OF REAL ESTATE

On the premises of Tract No. 1 located 5 miles southeast of Mt. Union, Huntingdon Co., 3 miles northeast of Shirlleysburg and Rte. 522 along Germany Valley Rd., about 25 miles north of Penna. Turnpike, Ft. Littleton Exit, on

SATURDAY, DECEMBER 6
Sale at 12:30 P.M.

TRACT NO. 1 - Dairy Farm consisting of approximately 155 acres known as the Brant farm, about 75 acres tillable, bal. is pasture land with stream of water, several acres of woodland. Some of pasture land could be farmed. Buildings consist of large dairy barn with stanchions for 20 cows and 50 free stalls, plus cement holding area 50x90 ft., 12x45 tile silo, 10 room house with two fireplaces, Kalamazoo 27 in. furnace for coal or wood, forced air, full bath and half bath Farm is well located along Germany Valley Road. School bus and mail stops at door, handy for milk pickup.

TRACT NO. 2 - Known as the Bard Farm adjacent to tract No. 1 and along Germany Valley Rd. consisting of approximately 155 acres, about 70 acres tillable, bal. pasture and woodland with stream thru pasture, good bank barn for heifers or beef cattle, water system in barn, nice barnyard and handy to road. Nice site to build house. Land on tract No. 1 and 2 consists of limestone and loam soil with creek bottom for pasture.

TRACT NO. 3 - Eleven acres of land with road and water, partly wooded, woodland has been partially closed and will make a beautiful homesite overlooking Germany Valley. Tract No. 3 is included in Tract No. 1 but will be offered separately and together.

TRACT NO. 4 - Approximately 11 acres of level farm and grassland, hard road on one side and creek on other side.

TRACT NO 5 - All tillable land or about 60 acres of Bard farm lying north of Germany Valley Road. Tract No. 5 is included in Tract No. 2 and will be offered separately and together

TRACT NO. 6 - 50 acres of woodland with right-of-way from hard road. Good location for hunting camp or summer home.

PLEASE NOTE - This is an economical dairy farm setup. Inspection Saturday, Nov. 29 or by appointment. Terms 10% down on possession which can be given by April 1, 1981, or sooner. Owners reserve right to accept or reject all bids.

Owners,

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