

The Dairy Business

By
Newton Bair

FARMING IS EXPENSIVE

This might be a good time to recall some of the familiar cliché's like "farming is an expensive hobby", "it takes money to make money", or "I'd love to farm but I can't afford the luxury". Anyway, I often wonder just why farmers are willing to invest several hundred thousand dollars in a business that may only return a very low rate of return on their investment?

The answer of course is that they just plain love farming. It's in the blood—there's no better way to raise a family, can't stand city life, or a long family tradition must be continued. Dozens of answers can be found, including the chance of making money. More likely they

mean 'making a living', and that's the real and ultimate reason for farming.

Farming is expensive everywhere. In July, we visited a working dairy farm in Burgholzhausen, near Freidrichsdorf, West Germany. It is a typical family farm, owned and operated by the father-son partnership of Friedrich and Albrecht Wien. They have a small herd of German Red Friesians totaling 25 milking animals and an equal number of young stock. Most of their buildings are fairly modern, and are insured for a total of \$663,000! And that's only the beginning of the story.

Albrecht Wien told us that the land values in that area are greatly

inflated in the last 20 years. Their farm land is valued at \$22,000 per hectare if for sale.

The farm consists of 56 hectares, or 139 acres—(there are 2.47 acres in one ha). So that would make the farmland worth about \$8900 per acre.

Now hold on to your hat! Their machinery investment per U.S. acre is \$1123.00! Needless to say, they have a full line of highly specialized modern machines. It includes a self propelled Class Combine, a special sugar beet harvester, several tractors, and all the other equipment needed on a modern farm. So it begins to sound a little familiar to us, doesn't it?

COMPARING NOTES

It is pretty important to compare notes with farmers in other Western Countries in order to understand how we can compete with them in the world markets for farm products. We sometimes think that the United States is the only country that produces a surplus of food products. This is not necessarily so. The free countries of Western Europe all have some grain and lots of dairy products to sell. They face many of the same problems of over production and under pricing that American farmers face. Their costs of production are high, and financial survival is only possible because the Government subsidizes agriculture. It's probably a good thing that it does, or we would

have to feed them too, at great cost to us.

Just a few more words about that visit to a German farm. Their herd of Registered Red Friesians are producing about 13,221 pounds of milk and 580 pounds of fat. They also test for protein, and the herd averages 3.5% protein which figures out to 462 pounds per cow. Not great by our standards, but on the other hand we must remember that the German Reds were essentially a dual purpose breed—milk and meat.

However, they are breeding the Red cows to Red Holsteins, using semen imported from Canada and the U.S. We recognized some familiar names like Chief, Kaseman and Triple Threat. Some daughters of the Canadian and U.S. bulls, standing beside their German bred dams, were 6 to 8 inches taller and much sharper. Production of milk is also significantly higher in the cross bred heifers. They are quite aware of the value of high fat test as well as high protein test.

The milk produced by the Wien herd is sold to a nearby U.S. Army post, and must meet rigid standards. They get a premium price, which amounts to about \$15.00 per hundredweight.

Surplus bulls from the Cross bred Red Holsteins are in demand from their neighbors. They bring an average price of 3000 D. Marks, about \$1200 dollars when sold as breeders. Even though they appear a bit more beefy than our bulls, they will go a long way toward improving the milk production of German herds.

If there is one thing to be learned from our visit to this German dairy farm, it is that they face many of the same problems as American farmers, and are struggling with high production costs, sluggish markets, and the same vagaries of weather that we do. They respect and recognize the superior genetics of American cattle, and still look to us for leadership in many aspects of agriculture. But we should also be aware that they often surpass us in per acre yields of grain and other crops. Yields of 100 bushels of wheat are not uncommon in Germany, largely because they are not restricted in the use of new fungicides, growth regulators and high Nitrogen fertilization. Can you imagine what would happen if you applied 150 pounds of N plus several tons of fresh manure per acre on your wheat fields! Flatter than a pancake, no doubt!

Dairy goat conference

UNIVERSITY PARK — Goat owners and enthusiasts will have the opportunity to learn more about managing these efficient little ruminants at a one day conference sponsored by Penn State's Department of Dairy and Animal Science in cooperation with the Pennsylvania Dairy Goat Association.

The Dairy Goat Management Conference is scheduled for Friday, October 28, at the Penn State Sheraton Inn, State College.

Lecture topics include residue avoidance in goats, housing and

ventilation for dairy goats, building a market for goat milk, requirements for selling goat milk, nutrition, herd management, and more.

The conference is scheduled to begin at 9 a.m. and will conclude by 5 p.m.

Preregistration is requested and should be made by October 14. A registration fee of \$20 will be charged. For more information contact the Dairy Science Extension Office, 8 Borland Lab, Penn State University, University Park, Pa 16802, (814) 865-5491.



Quality Building Systems

7 KEENER RD., LITITZ, PA. 17543
PH: (717) 626-5204

MERVIN MILLER

YOUR RELIABLE BUILDER

- DAIRY • BEEF • SWINE • POULTRY
- HORSE BARN • ALL PURPOSE BUILDINGS

SKID LOADER
&
BACKHOE SERVICE
INSTALLATION WATER
&
SEWER LINES

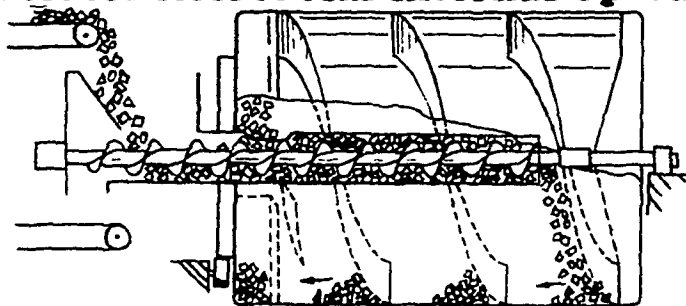
A TOTALLY MIXED RATION

with

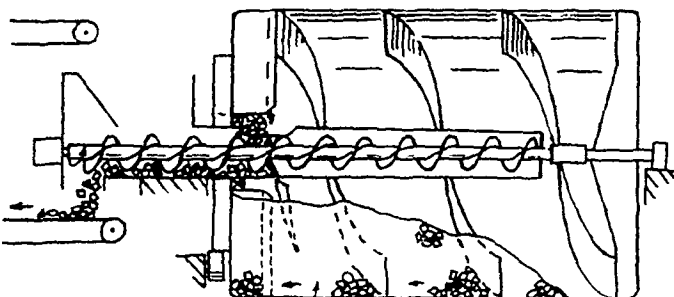


- Lower power requirements
- Tumble action eliminates the high resistance of conventional auger mixing
- Fast 1-3 minutes mix time
- Gentle on feed
- Rugged construction
- Fewer moving parts
- 180° discharge access
- Versatile enough to meet most mixing needs
- Center auger loads and unloads mixer
- Revolving drum gently tumbles feed
- No overmixing
- Proven on the farm

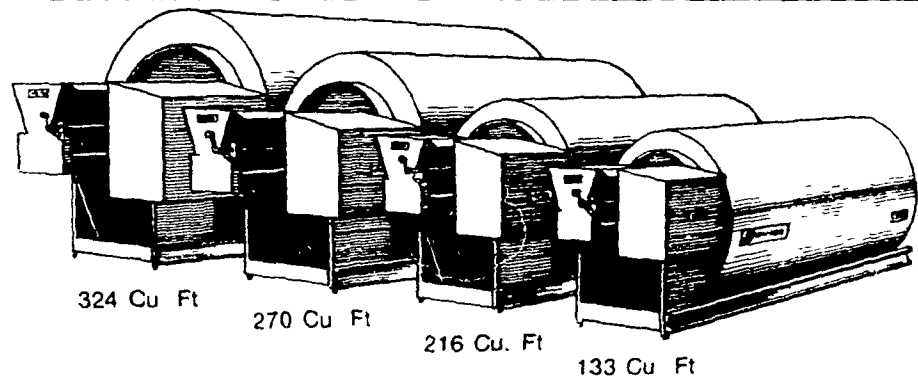
The Steiner Roll-A-Mix Internal Operation



In filling the Roll-A-Mix, feed is carried by the auger to the rear of the mixer, where it falls into the slowly revolving drum for a gentle tumbling thorough mix.



The spiral flights are designed to carry the feed back to the front into the reversed auger for discharge into your conveyor.



SEE YOUR LOCAL DEALER

PENNSYLVANIA

ALEXANDRIA
MAX ISENBERG
814-669-4027

BALLY
LONGACRE ELECTRIC
215-845-2261

CAMP HILL
LLOYD C. SULTZBAUGH
717-737-4554

CHAMBERSBURG
SOLLENBERGER
SILOS CORP.
717-264-9588

ELLIOTTSBURG
CARL BAER
717-582-2648

HAMBURG
SHARTLESVILLE
FARM SERV.
215-488-1025

LANCASTER
LANCASTER SILO
CO., INC.
717-299-3721

DISTRICT REPRESENTATIVE

JEFF BROWN
717-249-4936

MCALISTERVILLE
SANER FARM SYSTEMS
717-463-2606

MILTON
LANDIS FARMSTEAD AUTO.
717-437-2375

PIPERSVILLE
MOYER FARM SERVICE
215-766-8675

QUARRYVILLE
UNICORN FARM SERVICE
717-786-4158

SPRINGVILLE
JIM'S EQUIPMENT
717-942-6928

TERRE HILL
TERRE HILL SILO CO.
215-445-6736

TOWANDA
LEE & WOLF
717-265-6779

WILLIAMSBURG
LONGENECKER'S, INC.
814-793-3731

MARYLAND

EASTON, MD
HARMSEN'S DAIRY
EQUIP., INC.
301-822-3085
301-822-6055

HAGERSTOWN, MD
TFI-STATE FARM
AUTOMATION
301-790-3698

NEW WINDSOR, MD
ROOP FERTILIZER
& CHEMICAL
301-775-7678

OAKLAND, MD
SCHROCK & YODER
301-334-8517
301-334-9663

STREET, MD
P & S EQUIPMENT, INC.
301-452-8521

VIRGINIA

HARRISONBURG, VIRGINIA
DAIRYMEN SPECIALTY
CO., INC.
703-433-9117
800-572-2123