

Or not to reduce, that is the question

BY TRISH WILLIAMS

SUNSET — Gary Lentz and Barbara Sattazhnen grew up on adjoining dairy farms north of Mt. Zion in Lebanon County. Both were 4-H members and through their years of raising dairy project heifers, each had built a small herd. Each had visions of someday operating their own dairy farm.

Three years ago last September Gary and Barb married and combined their herds. They quite appropriately named the herd Dream On Holsteins. By the time they married Gary had 15 animals of his own in his older brother Bob's herd. Barb had five animals to contribute. So they began, on a rented farm in June of 1980, milking a herd of 20 dairy cows. Barb had to work off the farm to supplement their farm income.

Since then they have worked hard, planned wisely, borrowed and spent conservatively, to build a herd. After nearly four years of building their herd to 72 milkers, the Lentzes feel they have achieved a herd size that is large enough to support both of them without having to work off the farm, a goal they have striven for.

When they began dairying,

nearly no one spoke of a milk surplus. CCC purchases were something that only milk cooperative and USDA officials talked about. The average man on the street probably didn't even know what the CCC was.

But the tables have turned now. The country is confronted with a milk surplus and the USDA is asking dairy farmers to reduce their milk production. New legislation has been implemented for the sole purpose of reducing the milk surplus.

The legislation is designed to reward dairymen who cut their production by 5 to 30 percent from 1981 and or 1982 production levels. The reward is a \$10 per hundredweight incentive payment for milk not produced.

So where does this leave young dairymen like the Lentzes, who have been steadily increasing their production in order to establish a comfortable base for themselves?

Well Barb and Gary have looked closely at the program to determine if it would be profitable for them to participate. They recognize importance of correcting the milk surplus problem to the dairy industry. But have



Gary and Barb Lentz started milking their Dream On herd of registered Holsteins, nearly four years ago on a rented farm. Their goal is to someday have a farm of their own.



Barb represents 50 percent of the work force on the farm. Along with feeding the calves, she milks and maintains the farm records.

decided not to participate.

"I would not be economically feasible for us to participate in the Milk Diversion Program," Lentz said.

Barb, the farm record keeper added. "Our production for the year 1981 was 714,000 pounds of milk, in 1982 we produced 969,000 pounds, and in 1983 we shipped 1,263,951 pounds. We have leveled off now, our 1984 production probably will be about the same as 1983.

"This means that our 1983 production is 77 percent higher than our 1981 production, and 30 percent above our 1982 production. Even if we elect to use 1982 as our base year under the Milk Diversion Program, we would have to cut our production by at least 35 percent just to obtain the minimum participation level of 5 percent."

"If we were in the dairy business for five years longer than we have been, then it would probably be feasible for us to reduce production and participate in the Milk Diversion Program," Barb added. "We don't plan to add any more cows to our herd now. We are at a good level now."

The Lentzes have been training and working for a career as dairymen since they were young. They are progressive dairymen, belonging to the county, state, and national Holstein Association, their herd is on DHIA test, and they work with an accountant to find the most cost effective way to



Gary checks the breeding date of one his cows. Gary enjoys making genetic progress in his herd through sire selection and artificial breeding.



This farm north of Lebanon, near the village of Sunset, is home to the Lentz's Dream On Holsteins.

produce milk. This managerial ability allowed the Lentzes to increase their rolling herd average from 18,269 pounds of milk in 1982 milking 42 cows, to a 19,093 pounds of milk in 1983 after they had expanded their herd to 70 cows.

"We are not that concerned about increasing our rolling herd average anymore," said Lentz. "It is more important to us now to increase our profit over feed cost, and to increase the fat test of our herd. We have had to buy too much of our feed."

Being efficient is important in these tough dairying times, according to Lentz. He sees milk production being lowered under the new program, by dairymen going out of business as a result of a one dollar decrease in the price of milk.

"This was a bad year for crops," said Lentz. "I think we will see a reduction in our herd-average this year just because our feed is not as high a quality as it usually is. The kernals on the corn this year did not fill out. I can notice that the

cows aren't eating their feed like they did last year when it was of higher quality."

"If dairymen that have been in for awhile just cut back their herds by increasing culling by five percent, not only would it reduce the surplus, it would also help the feed situation," commented Lentz.

Advertising can do alot to reduce the surplus problem, the Lentzes feel. They voted in favor of mandatory deductions for milk promotion two years ago on the Pennsylvania milk promotion referendum. Their vote was defeated. Presently they are contributing \$20 per month for local milk promotion in Lebanon, through the Lebanon County Young Farmers. Their advertising dollars are used to air 30 second radio spots on two Lebanon radio stations. And they see the need for more advertising in the future.

"We have a goal set to own our own farm someday," Lentz said. "To do that we can't afford to cut our production."