

Novice dairyman opts for purchased-feed operation

BY SALLY BAIR
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MOUNT JOY — David Dum is a dairy farmer who never has to stop planting corn because it is milking time. And he never juggles his time so he can mow hay while the weather is good.

Dave purchases all his feed, which frees him for more cow-oriented chores. But while he doesn't spend time in the field, he does spend time at auctions looking for top quality hay to keep his cows producing.

It's been a little more than a year since he began renting facilities in West Hempfield Township, and his primary responsibility is his 55 cow herd of milking cows plus replacements. The herd was purchased intact, and it was a strong herd with good potential, but the stress of being moved showed in their first lactation production.

For David, the decision to become a farmer was one which was made with the full knowledge of what he was getting into - and out of. He had been a design engineer with J.I. Case for three years and nine months when he and his family decided to give up that security and go into farming.

The decision was not made lightly, and Dave had ample advice from his business partner and father, Sam Dum, former Penn State Extension farm management specialist. Sam and his wife, Beth, are not just financial partners; Sam is enjoying his retirement by working side by side with Dave.

Dave explains one reason for his decision, "I always had an itch to farm, and we decided to do it before it was too late and before the security was too great to risk making the change. I also knew I needed to be young enough for the long hours involved in farming."

Once the decision was made, they did not need to hurry to find a location because Dave continued in his job. They explored several options, including working with an older couple who might be wishing to retire in about ten years, renting facilities and land, and renting just facilities.

Just purchase cows

The decision to just purchase cows was made, according to Dave, because, "We felt that cows are going to make the money and so it is better use of money right away rather than investing in machinery for cropping." They also felt it would be most beneficial to purchase a herd intact, including milking cows and young stock.

Dave points out, "It is a good

way to get started." It was, in fact, the route that Sam had been suggesting to young people as a farm management specialist. "I was suggesting that they put limited capital into livestock because it would generate more rapid cash flow."

He adds that for many small farmers, purchasing feed may be the cheapest way to go because of the huge investment necessary for equipment, and the time involved in growing your own.

Sam adds that the most desirable way to start farming is to work as a hired man with an established farmer and have some of the pay go to acquire ownership of land and cattle. Of course that's not always possible.

Despite the lack of field work to be done, Sam and Dave agree that the start-up of the operation was hectic. They had investigated situations at leisure, but when the herd was located they had to move quickly because of other obligations of the herd owner. Sam adds, "I'm always in hopes that we'll get caught up." There is much maintenance, fence repair and other chores to keep them busy between milkings.

"We did a lot of budgeting through, using \$12.00 milk. Financially we didn't have any real surprises," says Sam, although they didn't always fit their budget. He says candidly, "The first six months were the hardest on us. After 6-9 months we were closer to our budgeted figures."

They found a lot of items which were simply hard to budget - things like scrapers, pitchforks and other necessary equipment, which just adds up. Furthermore, Dave says, "We figure the first lactation was fairly well lost."

It took the second lactation for the cows to really take off, and that threw the budget off. Some cows had been starting to peak, but because of the move "didn't hold the peak," Dave explains.

Another factor was silage purchased which was grown during the notoriously dry 1983 summer. It was very low in energy and contributed to low production along with the stress of the move.

Their goal is to get to 16,000 pounds of milk and 600 pounds of fat in the first year, and they are nearly there.

Limits on hay purchases

A continuing problem, and perhaps the biggest they have faced, is finding good quality hay consistently in large enough quantities to feed the herd. Because of being forced to purchase small lots of hay, Dave says,



Dave, left, and Sam Dum look over their breeding program as they consider options. They are equal partners with their wives in this dairy operation which features dairy animals in rented facilities.

"It is hard to keep the ration balanced."

Part of the reason for the unavailability of hay in large enough quantities, he says, is that "there aren't any real big hay growers." Most growers raise only 20-30 acres, and do it as a sideline to another operation.

"It is not the main enterprise for these farmers, and it is often their last preference for their time," he says. Consequently, much hay is overmature and loses palatability.

Because hay is not sold on a protein basis, "looks and feel" are the prime criteria, and that can be misleading when it comes to balancing rations. The Dums are constantly testing each load and readjusting their rations. This changing of rations is not ideal for the cows who don't get consistency.

A further problem in Lancaster County, according to Dave, is that horse people are looking for good quality hay and will pay top price. He says, "I can't compete with horse people." They are willing to pay much more than is profitable for a dairy operation.

He adds, "For heifers and dry cows, there is a ready source of hay at reasonable prices."

Of course, a lot of time is spent attending auctions, and often a day is wasted because no suitable hay is found. Dave said, "Most of the nice hay we have bought has been through private contracts."

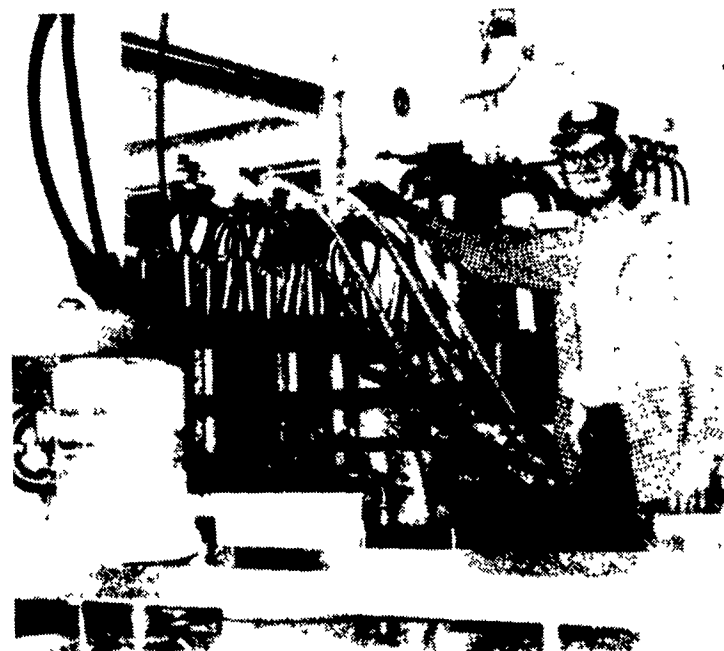
In fact, it is this difficulty which has forced them to decide to farm some of the rented acreage on the farm. Sam says, "We are not naive enough to believe that we can always make high quality hay, but it will be consistent quality and in large enough quantities that we will not always have to be readjusting the ration." They will purchase hay-making equipment and contract other work where timing is not as critical.

Corn silage has not been a problem. "We were able to purchase some out of the field," David says. Grain is purchased from feed companies. "It is very handy. It is hard to justify raising your own at current prices."

Other considerations

There were some other eye-openers in the first months. One item Sam says they underbudgeted was the cost of breeding cows. "We weren't figuring as many services per cow," Sam explains. Dave said using higher priced bulls than originally anticipated also adds to those costs.

Although Dave doesn't need to worry about weather from a work



Milking is the primary responsibility, as Dave concentrates his work on the cows, and purchases his feed. This set-up made it possible for him to go into farming, since he didn't have to purchase land as well.

schedule standpoint, he is just as concerned as the farmer who crops. "I want it to be grand weather for the crop farmers so there will be reasonable feed available. I would like to see a week of sunshine now."

Other considerations for young people who wish to go into farming include locating in an area where services are available. Sam says, "There are very adequate dairy support services here."

Another factor is choosing a good farming area, according to Sam, so "people who know what's going on can give you advice when you need it."

Sam has seen farming from both sides of the picture, and in many ways it is Dave who is following in his father's footsteps. Sam, too, held a professional job before going into farming in 1952. He says he was fortunate because he married a Lancaster County farmer's daughter, and that farm became available to him.

Located near East Petersburg borough, his home farm is now developed in housing, and it was this press of people and unavailability of land to expand which helped him decide to leave the farm and accept the position at Penn State in 1967.

Now he has some full circle, and is again farming. He makes it clear that he could not have gotten started in farming without the help and support of his in-laws, and he and his wife are pleased to be able

to assist Dave and his wife, Robin, as they begin their farming operation.

Sam says that realistically they don't see owning land as part of their future.

With a 2½-year-old son, Paul, Dave points out another important financial consideration for those looking to do what he is now experiencing. "They have to make sure they have some personal living money left over. You have to keep your family happy or you won't make it. You have to take a serious look at what it costs to live. Things like health insurance must be figured in."

Another important item to take a look at is the need for someone to take over for you occasionally. "You need to get away to recharge," Dave says.

Dave and Sam figure that Dave is accepting at least one-third less income in farming than in his former job. In fact, it may be even lower, when vacations and other benefits are considered.

Nevertheless Dave says, "People need to realize that we are building equity, not a cash income. It is a lifestyle, not a paying job, and farmers have to love what they're doing."

For Dave, this venture into farming is a lifestyle that he loves. He is enjoying the challenges of starting up and is looking forward to the benefits which accrue over the years.



Dave Dum feeds grain to part of his herd of 50 milking cows. Dum is purchasing all his feed, and concentrating his efforts on the milking herd, which he purchased intact.