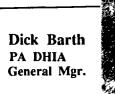


On The Record





Rating The Rates By Dick Barth General Manager, Pennsylvania DHIA

In my last column I briefly described what reorganization of the DHIA system in Pennsylvania is all about and described 10 major problems that the federated system creates for DHIA members. Let's look at

the first of those problems in detail, member service rates.

I am always surprised when a member indicates that he doesn't know that a local board of directors or a local association exists in his county. Many members seem to be under the impression that the state association alone sets all the rates for DHIA member services in Pennsylvania.

At this point, that's true in only four counties that have merged with the state association: Elk, Cameron, Clearfield and Bucks. In all other counties the rates for field services (i.e. DHIA supervisor services on the farm) are set by the local association's board of directors. The state association's board sets the rates for laboratory analysis, data processing, milk sample pickup and personnel services provided for DHIA supervisors.

The state board adopted a policy in 1988 to set state association service rates based on the cost to provide them plus a small margin, which is usually between three and 10 percent of cost. On average, about 40 percent of a member's total cost for

DHIA services comes from the state association. The balance, or 60 percent goes to the county associations for the field services they provide.

Many local associations have no policy on service rates they charge and this allows local boards to continue their historical practice of discriminatory pricing. Examine the rates in many counties and you will find that their rates for owner sampler and AM-PM herds are actually subsidizing the cost of 2X programs, those that require two supervisor trips to the farm each month rather than one.

As a rule of thumb, if field service rates are set to cover the actual cost of providing 2X service, then AM-PM should cost about 70 percent of the cost for 2X and owner-sampler should cost about 50 percent. We frequently find that AM-PM services cost more than 90 percent of a 2X program and owner-sampler between 80 and 90 percent. In these situations, if AM-PM and owner-sampler are even used they are subsidizing the true cost of DHIA and DHIR records services.

The practical problem created by this type of practice is significant. Currently about 40 percent of all herds in the state are on an AM-PM program. If that participation could be doubled to 80 percent, members would be able to save \$1,000,000 per year in on-farm supervisor costs. But, as long as local service rates for AM-PM remain unjustifiably high, there will be no financial incentive for members to switch to AM-PM and the opportunity to reduce costs is lost.

About a year ago the state association introduced a new low cost service called Prime. This partially processed record service, which is priced at \$.75 per cow per month, was designed to provide alternatives for two groups of dairymen: those who are members but must consider dropping testing due to financial problems, and those who would consider joining the association if an easy to use and understand records service was available at a reasonable price.

Since January, we have had only about 50 farms joining this program because the local associations have not supported it. Some local boards have refused outright to let these members use county owned meters, while others have leaned toward overpricing for the use of meters out of a fear that these new herds will cause meter costs to go up. These obstacles at the local level are causing this program to languish. What could be a very good service for some is often priced out of consideration.

Each year we lose dairy producers in Pennsylvania. About half of those are DHIA members. As the pool of eligible members continues to shrink, we must be able to provide attractive services to more producers or membership will shrink as well. Discrimination resulting from the sacred pricing practices that are the historical precedent at the local level are a major obstacle to membership growth. Many would rate the process of setting local rates very poorly. Ultimately, the loss of members will show how poorly.

How To Use Protein Test Information From Your DHIA Report

BY DAVE SWARTZ Acting Director Perry County Extension

Interest in protein levels in milk has increased in recent years due to the prospect of component pricing, milk premiums based on protein rather than fat, genetic performance indexes placing greater weight on protein yields, and the consumers increasing consumption of cheese.

You should closely monitor your herd's protein levels, not only from an economic motive, but also because protein levels can be an early indicator of hidden problems on your farm. Most of you pay more attention to milk and fat yield than you do protein yield. All three deserve attention.

In order to interpret your DHIA protein figures, you need to remember that generally protein content of milk is about 77 percent to 88 percent of the fat test. Some specific breed information follows in Table 1.

Table 1 Average Protein and Fat Contents in Milk (from PA DHIA information)

Breed	%	Protein	% Fa
	Protein	To Fat	
		Ratio	
Ayrshire	3.38	.85	3.97
Guernsey	3.60	.77	4.65
Holstein	3.21	.88	3.64
Jersey	3.81	.79	4.82
B. Swiss	3.55	.87	4.08

Following are ways to analyze your herd's protein data on the DHIA monthly report:

1. Herd average of protein to fat ratio--Divide your herd's protein percent by its fat percent. You should be close to the figure listed above for your breed. If your protein to fat ratio, or your percent protein yield, is lower than listed above, check your nutritional program.

Low protein yields are often related to nutritional problems including low protein levels in the ration and/or low energy levels in the ration. Your ration can be balanced for total pounds of protein, but often problems occur when too high a percentage of the protein is fed as rumen-bypassable.

When you change forage programs or sources, you may need to adjust protein types in the concentrate mix. Watch your herd's protein percentage as a gauge for balancing soluble and unsoluble protein sources.

Surprisingly, even if adequate protein is present in the cow's diet, low energy levels will cause a reduction in milk protein by 0.1-0.4 percentage points. Also, check the levels of calcium, phosphorus, magnesium and sulfur in the ration. If any of these minerals are below levels needed by the cow, digestibility of the ration, especially the protein portion, will be reduced and could lead to low protein levels in 'the milk.

Feeding fat can also reduce protein levels by 0.1-0.3 percentage points. Those of you who are feeding more than 5-6 lbs/

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