

STATE COLLEGE (Centre Co.) — The Pennsylvania Dairy Herd Improvement Association is announcing changes in the way its programs will be marketed as a result of the changes made to the Bylaws of National DHIA at the National Convention earlier this month in Reno, NV.

The major effect of the National Bylaws changes, which were approved unanimously by the delegates from across from the country, is the elimination of "protected" territories for members of National DHIA, which are state and regional associations. Member associations of National DHIA are now free to market their services across state lines, thus offering individual dairymen unprecedented freedom in the choice of their DHIA service provider.

Beginning May 1, 1993 dairy-

men will be able to transfer from one DHIA to another by filing a notice of intent to transfer with the losing and gaining organizations. National DHIA policy now requires the transfer to be completed within, 60 days unless there are clear reasons why transfer should not be allowed, such as outstanding bills or rules violations involved.

National DHIA was clear in stating that this change does not permit county associations to transfer memberships in behalf of individual dairy producers. Only individual producers are given a choice and they must take the initiative on their own to change their service provider.

#### **PENNSYLVANIA DHIA SUPPORTIVE**

The Pennsylvania DHIA, like many other members of National

DHIA, supports this fundamental change. Not only will it provide individual producers with greater choice, it will likely lead to more cooperation between National DHIA members and more efficient use of DHIA resources in the

The association has already been at work seeking ways to link up with other DHIA's to conserve resources and widen its services to appeal to non-members. Discussions with Northeast DHIA and Ohio DHI, Inc. have been held recently and show promise of cooperation that will benefit producers and the organizations that

In addition, the association has redesigned its services and pricing and continues to streamline its operations for greater cost efficiency without compromising quality of service. Pennsylvania DHIA consistently demonstrates an excellent combination of turn around time (3.5 days) and service prices that are very competitive with other DHI organizations. By breaking apart both the pricing and choice or reports, PA DHIA has given members the ability to determine how much they pay for service and what type of services they wish to use.

AFFECTS ARE BROAD

These changes at the national

level will affect nearly everyone in the DHIA system, including cooperating agencies like the USDA and Penn State. Those most affected, however, will be DHIA members and their service providers.

Pennsylvania DHIA will consider providing service to any producer anywhere, regardless of their membership affiliation.

It's also important to realize that what were formerly state and regional members of National DHIA are now affiliates of National DHIA with no territorial restrictions. All affiliates may market their services anywhere they deem appropriate.

#### QUESTIONS AND ANSWERS

The following may help clarify the changes and their impact.

As a dairy producer I'm a long way from things happening at the national level. So, how could I be affected by all of this? Although it's not guarranteed, you may find several DHIA's bidding for your business, especially if you live in a high cow density area. Chances are this new environment may lead to rather strong competition where the cost of DHIA operations is the lowest. And that's in high density areas.

Can I continue just the way I

have been, or do I have to do something different? You don't have to do anything at all if you are satisfied with your service. Pennsylvania DHIA will continue to provide service to you as long as you want it.

What if I want to transfer my membership to another service provider like Northeast DHIA or Ohio DHI, Inc.? You may do so if the service provider is willing to accept you, but you may not announce your transfer intentions before May 1, 1993.

If I transfer to another service provider, who is responsible for my service? You and your new service provider are.

If I change service providers, how much will service cost? That is up to the organization you are moving to. Each DHIA prices its services differently and determining the exact cost can sometimes be tricky. DHIA members would be well advised to check prices thoroughly before transferring to another service provider.

Can my local association tell me where I may or may not get service from? Absolutely not. National DHIA Policy is clear that such decisions are up to individual dairy producers to make, not local associations.

Can my local association or current service provider transfer me to another service provider without my knowledge and permission? No. In fact, no one may transfer you to another service provider even if you agree to it. That authority resides only with you, the individual producer.

Will new service affiliates be permitted to join National DHIA? Not at this time. However, they may be permitted at some time in the future.

What about private testers? Will this change allow them to come into the DHIA system? Private testers, or Independent Service Providers - ISP's as they are now called - may not affiliate directly with National DHIA. However, they may request to be certified by existing DHIA affiliates. If the affiliate agrees to do so, it is responsible for the services provided by the ISP.

Does this mean I could get official records from an ISP? Yes, if the ISP is certified by a National DHIA affiliate.

All this change seems like a confusing mess to me. Will my service actually improve because of all this new freedom of choice? That remains to be seen. DHIA is going through the same growing pains that AI organizations experienced a number of years ago. Competition does hold the promise of improved service. But what that means regarding the cost of service remains to be seen.

What's going to happen to Pennsylvania DHIA as a result of these changes? The association will continue to become more flexible and efficient, as it has been doing for the past decade. Working relationships with cooperating people and organizations will become stronger and more important. And more rapid change in the way service is provided is likely.

## VISION FOR THE FUTURE

Many people speculate about DHIA's future. And that's certainly normal in an industry that speculates about the future of the dairy producers that DHIA supports. What will DHIA service look like 10 years from now? How will milk samples be tested and what for? Will Technicians still make farm visits? If so, how often and what for?

Interesting questions for DHIA leaders to grapple with. But just as changes to DHIA business not foreseeable, the new developments in information technology we will see before 2,000 AD are also largely unknown. In spite of this fact, some vision is possible.

There will be fewer DHI service organizations as competition accelerates consolidation of existing organizations. There may be a few new entrants into the business, but probably very few because of the low margins in the dairy management information business. There will be more access and easier access to the DHIA databases as more service people find their service can be improved by using DHIA data. And this will likely result in better service to the producers in the industry.

DHIA will become more important, more effective, more concentrated and more appreciated as new services that display the concept of "more is less" are developed and implemented to save producers and allied industry both time and money.

It will be an exciting time for DHIA members and the industry.

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