

# Lancaster DHIA Looks

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shape, even though it doesn't appear that way on paper.

He said the net margin shows a deficit of \$26,000, but that the figure is misleading. According to Wenger, there were two, one-time purchases that Lancaster DHIA made last year that totaled more than \$50,000.

According to Wenger, the purchase of 21 laptop computers and a main computer for \$31,000, in addition to paying Pa.DHIA about \$20,000 more than what can be expected to be paid in the coming year, are both one-time costs that won't be part of expenses for 1994.

Further, he said that those purchases were made out of operating costs. The organization incurred no debt, and if costs remain close to the level for the past year, the organization can expect positive net margins in coming years.

He said that, if not for those one-time costs, the organization would have shown a net margin of \$26,000, one of the largest in years.

Meanwhile, Wenger, whose term on the board of directors is to expire, said the Lancaster DHIA has more than \$21,000 in reserves in the bank.

J. Robert Kindig, a director for National DHIA, said the changes of the past few years — the formation of the independent Lancaster DHIA and the implementation of new communications and computer technologies — has resulted in effectively eliminating state boundaries.

In fact, Phil Dukas, National DHIA manager, said during a Wednesday telephone interview, that all political borders are no longer relevant.

"The resulting ripple effect is bringing changes that will be felt for some time," Kindig said Tuesday.

To illustrate the new era that DHIA's are entering, Kindig said there has been a complete restructuring of how National DHIA secures its operational finances.

"It used to be 13 cents per cow, per year for National DHIA," Kindig said, adding that the system was inequitable with large states not receiving as much benefit as small states.

According to Kindig, National DHIA has looked at where staff was spending time and has made some changes that are to go into effect Jan. 1.

He said that now, each affiliate is to be charged an annual \$1,000 fee; each field service operation is to be charged \$1,300; each lab is charged \$1,500; each DRPC is to be charged \$1,000; and each meter calibration center is to be charged \$500 as a fee for being part of National DHIA.

Also, the cost-per-cow fee structure has changed. According to Kindig, all affiliates are to pay a basic fee of 6 cents per-cow, per-year; 2 cents additional for field services; 2 cents additional per-cow for laboratory services; and 1 cent per-cow additional for DRPC services.

"It is a living, moving document," Kindig said, "it's not poured in concrete. As we recognize change that needs to be made to keep things equitable across the system, we're perfectly willing to make (those changes) from year to year."

Kindig also said that the new fee structure was developed with the knowledge that change can be

expected — mergers have been taking place and other reformations within the whole organization have made it difficult to budget for National DHIA and set fees. However, he said that the structure shouldn't affect local producers much. "Obviously, the per cow fee won't change much."

In other news about the national organization, Kindig said that National DHIA has approved a new rezoning of its membership and representation across the United States.

Effective now, instead of having four regions, there are three regions approved by the National DHIA board: an Eastern Region, a North-Central Region, and a Western Region.

According to the official delegate map, the National DHIA Eastern Region is to include Ohio, Kentucky, Tennessee, Mississippi and Louisiana, and all states and territories east.

The North-Central Region is to be comprised of Minnesota, Iowa, Missouri, Arkansas, Wisconsin, Illinois, Indiana, Michigan.

The Western Region includes the Dakotas, Nebraska, Kansas, Oklahoma, Texas and all states west.

The reason for rezoning was to realign representation within the organization.

According to Kindig, each of the three regions represents about 1.6 million cows on test. Each has four directors to the board. "It's pretty equal in the number of delegates too," Kindig said.

According to Dukas, the new representation, though in effect now, will really be used for the first time at the national convention in San Antonio, Texas, set to be held February.

Also, Dukas said the new representational boundaries in no way create service restrictions. In addition to Lancaster, there are several service arrangements which currently cross states and regions.

In other business, Wenger said in his annual president's report that Lancaster DHIA members will not see a fee increase this year, and that experienced technicians — who were lauded many times by different people for their quickness to learn to use laptop computers and new barnsheets — have helped to keep down costs.

Wenger also said there are several new areas that are being worked on by Lancaster DHIA.

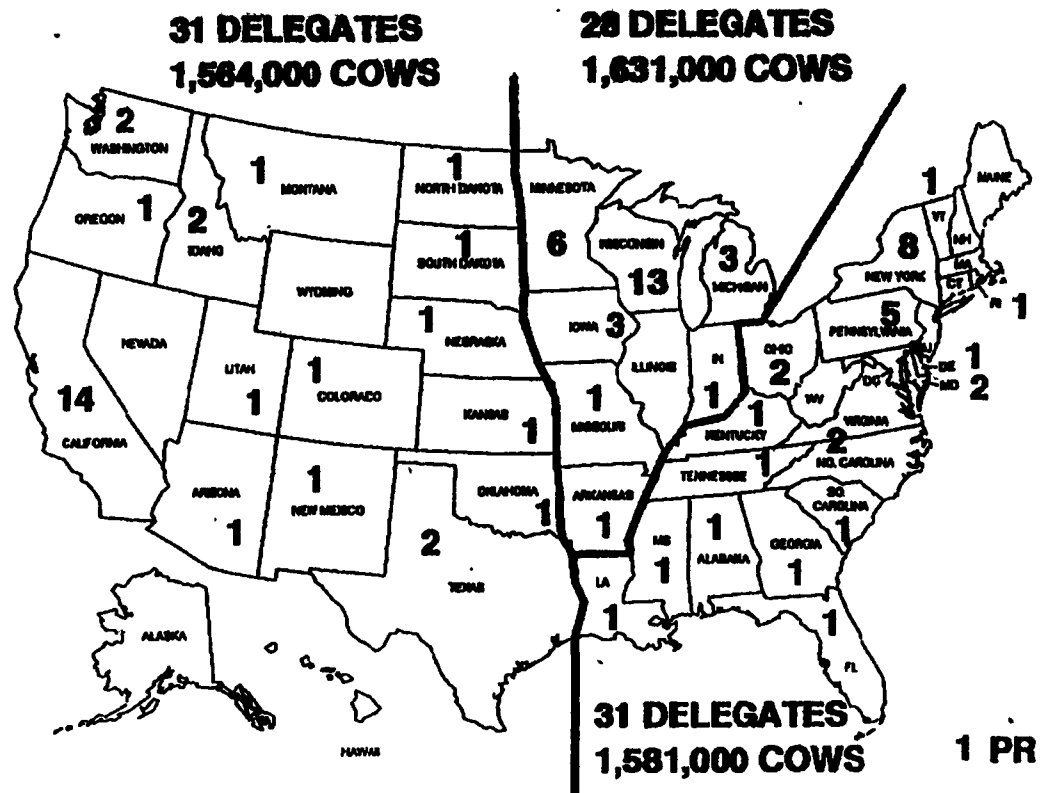
He said the association has applied to the National DHIA to become a service affiliate, which would put them on a level with a state affiliate, and will mean more involvement by the association into overall affairs. As it is, two delegates are being sent to the national convention in San Antonio, as well as sending representation to many other meetings.

"The next goal is to reduce turnaround time (in receiving reports). The goal is to make it better than anyone else," he said, adding that the overall goal is to keep the organization moving forward so that members can be more competitive.

Jay Mylin, Lancaster DHIA manager, said the past year has been a "milestone year," since the transfer of records in October 1992 from Pa.DHIA to Raleigh.

Specifically, Mylin said that the laboratory doing the testing, Mideast, is shipping three days a week and running about the same as Pa.DHIA has been.

The Raleigh DRPC staff has been very flexible and working



National DHIA has redrawn its representational borders and has gone from four regions to three. Each region is representative of about 1.6 million cows. The Eastern Region now ranges from Louisiana to the New England states to Puerto Rico.

closely with Lancaster, Mylin said. "Many times the report was not quite what we're used to and they worked on it and said, 'Yes. We can do that.'"

He said that any member who finds any mistakes on reports, or isn't getting exactly what they want should speak up. "We're not looking at whose mistake it was," Mylin said. "It's not important. What's important is that it can be corrected."

According to Mylin, the testing service choices of Lancaster members has changed. There are now 150 using 2X testing, which represents 13 percent of the membership; 492 subscribe to AM/PM testing, representing 45 percent of membership; and 462 have opted for Owner-Sampling, representing 42 percent of membership.

"The increase in AM/PM testing is partly because the Holstein Association has accepted AM/PM records," he said.

In other areas, Mylin also commented on the technicians' quick ability to become completely computerized in one year. "It took a whole lot of work, and the transition went well," he said.

In discussing the staff, Mylin said that one of the main reasons that Lancaster has been able to keep down costs is because it operates with a third to a half of the staff as other DHIA's.

He said the reason Lancaster was able to do this was because of "the quality of supervisors we have; the geography (close proximity) of herds helps keep staff time (on the road) down; and the cooperation of the dairymen served."

Mylin said most important to the Lancaster DHIA is the membership.

"I think it is the integrity we

have in this organization that we want to continue. It is something that is hard to find in this society," he said.

In other areas, Mylin told members that they can expect even faster service in the future as the Raleigh DRPC switches to laser printing, and he said there are some low cost programs that are to become available within the next month for those with small herds. "The more dairymen we can get on test will be a benefit to all."

Ken Butcher, manager of Raleigh DRPC, said that the 3.7-day turnaround time the service averaged is the lowest they've had.

Butcher said he attributed that to 79 percent of all the herd information the center handles now comes in through computer. The Lancaster reports are 100 percent computer sent.

Butcher said things are going to get even better: the outfit installed a new computer this year going with IBM technology which is to enable Raleigh to process data more than one time per day, in addition to having increased speed of operation.

He also said that the DRPC Advisory Board also has developed a long-term plan which includes installation later this month of Xerox color laser printers.

The use of the multi-color printers would be to highlight columns, if desired, and also to highlight, for example, those cows whose somatic cell count has increased from the previous test.

The color printers have a speed of 250 pages per minute, he said, and while the cost for the printer is significant, "it will (allow) a significant reduction in labor costs. It

will be enough to offset the cost."

Raleigh is also involved in two pilot projects — one involving the Vermont DHIA, the other Texas.

In the Vermont pilot program, Raleigh is to send data from its computer to a laser printer in Vermont. If successful, the arrangement would reduce turnaround significantly for the state's DHIA members, circumventing the federal postal system. And, it may open the way for Raleigh to serve other distant clients as well.

A pilot project in Texas is using a microcomputer there to process data.

Other goals set by the Advisory Committee are to develop an interface with automatic systems that some large producers are using; develop a TPE interface with existing dairy management and automatic systems; update programs to better reflect 2X- and 3X-milkings, and components testing; and to create an unofficial program to monitor the effects of BST on a herd.

According to Butcher, there are also some new quality standards that are coming from National DHIA that will require some adaptation work by Raleigh.

Butcher also complimented the Lancaster DHIA and the supervisors who, Butcher said, surprised him by their ability to grasp and use laptop computers and convert to a new laboratory during the past year. "We never thought anyone could switch to laptops so quickly."

Butcher's comments extended to the Pa.DHIA as well, for help in making the transition smooth. He especially named Jim Boyer, Pa.DHIA programmer, as a "professional in every way" for his help in making the transition.

## Lancaster DHIA Elects Directors, Presents Awards

VERNON ACHENBACH JR., Lancaster Farming Staff

SMOKETOWN (Lancaster Co.) — Lancaster DHIA held its annual banquet Tuesday at the Good and Plenty Restaurant in Smoketown and elected five directors to its board, in addition to presenting awards to its members with herds recording outstanding production.

Elected to the association's board of directors are Kenneth Byler in District 2; Herb Graybill,

District 5; John Groff, District 9; Larry Aaron, District 11; and Joe Graybill, in District 14.

The association annually presents supervisor awards to those who made the least errors. However, this year, with all supervisors using laptop computers, and with the added requirement that all mistakes be corrected before being sent to the Dairy Records Processing Center, in Raleigh, N.C., there were no mistakes to be counted.

According to Bob Wenger, Lan-

caster DHIA president, "Since all the supervisors worked extra hard this year to learn a new system and explain these new reports to the dairymen, the board decided to spread the bonus money around to everyone this year."

In other honors, Harold Lindcamp was presented a plaque and \$200 for his 40 years of service; Moses Martin received a plaque and \$150 for 35 years of service; and Lee Landis received a plaque

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