

Lancaster DHIA Reports Record Growth, Sound Financial Position

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SMOKETOWN (Lancaster Co.) — Leaders and officials of the Lancaster Dairy Herd Improvement Association (LDHIA) on Tuesday reported a record growth in membership and a sound financial position.

The organization has 1,193 member herds representing monthly testing of more than 64,000 cows. It held its annual banquet and meeting at the Good and Plenty Restaurant in Smoketown.

In addition to reviewing the past year's performance, honoring outstanding achievements by members, and receiving board director election results, those attending approved a revised set of bylaws.

The bylaw changes mainly were comprised of word changes to reflect current industry terms, but there were substantive alterations, such as the addition of a "past president" office, extending the terms of office slightly to three consecutive three-year terms, and creating a 15-member board of directors represented by three directors from each of five districts based on equal membership representation.

Another change to the bylaws was made in an attempt to limit the amount of legal costs associated with those accused of breaking rules of conduct in testing. For some DHIA's, hundreds of thousands of dollars have been spent in litigation, increasing service costs.

In order to prevent that, the LDHIA has declared in Article IV, Section 3 of its revised bylaws, "Violations of bylaws, rules, regulations or policies leading to expulsion and/or censure or cancellation of records shall be determined in accordance with the Due Process Policy adopted by the Board of Directors."

According to Joe Graybeal, board president, copies of the LDHIA Due Process Policy are available for members at the LDHIA office.

The overall report for LDHIA was good for members given the uncertainty that has accompanied restructuring within the entire dairy cattle testing and record-keeping industry.

During this change within the DHIA industry, the Lancaster organization diverged itself of the Pennsylvania Dairy Herd Improvement Association in 1993, instead of joining forces as have most other county cooperative associations in Pennsylvania.

(Garden Spot Red Rose DHIA in Lancaster County continues as a Pa.DHIA affiliate.)

In going on its own, the Lancaster DHIA used out-of-state lab and testing services to reduce costs and increase services and speed of

service. The split from using services of the State College-headquartered Pa.DHIA required approval by National DHIA, which has helped to guide the different mergers and divergences occurring within the industry.

The mergers and divergences appear to have been caused by the onset of computerized technologies, the abilities of large dairies to invest in the latest technologies, and market pressure.

Market pressure has forced dairy cattle breeders and dairy product producers to continuously seek decreases in operating costs and increases in product quality.

While the value of testing services varies according to the individual dairy business, generally its importance has increased overall as dairy managers seek better information about cow performance.

At the same time there has been increasing pressure to discover more efficient, less costly means to obtain needed services.

While the Pa.DHIA cooperative initially suffered from the divergence of LDHIA, it recently reported a positive turnaround in its financial situation and that its outlook is strong.

On Tuesday, Lancaster DHIA reported that it is in sound financial position and that members enjoy low costs.

In giving his treasurer's report, Dave Garber said that 1995 has been a transition year for the cooperative because it accomplished getting its own independent laboratory into full operation.

He said that as far as balancing the association's budget, substantial one-time and non-annual laboratory startup costs presented a challenge.

However, the association ended the year with a net margin of almost \$30,000. The income from the lab — in operation only a portion of the year — contributed most to that margin, Garber said.

Part of the startup costs for the year included a one-time \$25,800 fee paid to the National DHIA as part of its requirements to become a national affiliate. National affiliates have direct representation on the National board of directors.

Most of that — \$20,000 — is to return with interest to the Lancaster DHIA affiliate, over a four-year pay-back starting 1997, Garber said.

Other non-annual costs include the purchase of laboratory equipment, which eventually needs replaced as wear and tear and technological/economic advantages become apparent.

Garber said he anticipates that the LDHIA should experience an even better economic year in 1996



From the left in the front, LDHIA members receiving awards are Axel Linde for highest averaging Guernsey herd for production, Delmar Wenger for the top Jersey herd, and Warren Schmuck for the top Ayrshire herd. In the back row, from the left, Susan and Eugene Hess receive awards for having the highest producing Holstein herd for milk and protein, while Gary and Jenny Bowman receive awards for having the herd with the lowest average somatic cell count.



LDHIA technicians receiving quality service awards are, from the left, William Heistand, Dwight Rohrer, Joan Probst, Becky Hershey, Harold Probst, Nancy Book, Joe Lindecamp, and George Book.

because of lower overhead costs.

Though specifics of the LDHIA's record membership growth were detailed later in the program, in his address, Joe Graybeal said, "The goal (of the cooperative) is not to become larger, but to deliver quality service at a reasonable cost."

He said that if membership from outside the immediate service area of the cooperative continues to grow, it must be because those people agree with the cooperative. He said that it is not the intention of the board of directors to subsidize the service costs of out-of-area members merely to increase the size of the membership of Lancaster DHIA.

Out-of-area members of LDHIA pay extra for the additional cost of providing services over longer distances.

Graybeal said this as a reminder to members that growing in size is not necessarily growth in strength or health.

On other matters, Graybeal said that in the past few years he has traveled around the country attending DHIA discussions. He said that four topics are to be addressed in more detail at the January 1996 National DHIA Leaders Conference.

One of the topics deals with the incorporation of testing and recording technology by individual dairy operations and what that may mean to the cattle industry as far as availability of production data and the accuracy of information.

Another topic includes issues such as how to address the record standards of cow profile reports,

the effects of different needs and uses of records on the availability of data, and accuracy of data.

In order to get away from the litigation associated with the role of policing record keepers, and in order to allow more innovation in testing methods, the entire industry has begun adopting a policy of making the end-user of data responsible for determining the accuracy of specific records received.

Graybeal said many of the issues are highly technical and would consume too much time to detail during the meeting.

However, he said that as National DHIA finalizes the program, more information will be published.

Graybeal said that the purebred cattle associations and National DHIA have been developing close working relationships to deal with the issues and to see what can be done to satisfy the needs of the all involved with testing and recording data.

In his address to membership, Jay Mylin, LDHIA general manager, reviewed the achievements of the cooperative during the past year.

He said that the past year's 73-herd net membership gain, representing 5,000 additional cows tested by LDHIA, was realized growth beyond expectations.

According to Mylin, about half of that growth came from adjoining counties — Chester, Lebanon and Dauphin.

He said that a total of 142 herds were added during the year, and four technicians were responsible for starting 96 of those herds. Rec-

ognized for starting herds were Keith Martin with 31 herds, Ken Martin with 24, Harold Probst with 21, and George Book with 20.

In other recognitions, technicians who received quality service awards were Harold and Joan Probst, Joe Lindecamp, Dwight Rohrer, Becky Hershey, William Heistand, and George and Nancy Book.

In member production and quality records:

- Warren Schmuck, Peach Bottom, had the highest-averaging Ayrshire herd for milk production with an average 17,104 pounds milk and 590 pounds protein.

- Don B. Trimble of Peach Bottom had the highest averaging Brown Swiss herd for LDHIA with 20,365 pounds of milk, 885 pounds of fat, and 726 pounds of protein.

- Axel Linde and Millie Widman, Oxford, had the highest-averaging Guernsey herd with an average of 17,266 pounds milk.

- Delmar Wenger, Lancaster, had the highest Jersey herd with an average of 16,958 pounds of milk and 653 pounds protein.

- Eugene and Susan Hess, of Marietta, had the highest averaging Holstein herd for milk and protein production with 26,955 pounds of milk and 837 pounds of protein.

- Gary and Jenny Bowman of Nottingham received the award for having the lowest somatic cell count herd average with a count of 97,000.

In other activity, Jay Mylin was honored with a special plaque commemorating his 25 years of



From the left, From the left, Ronald Bauman presents an award to Jay Mylin in appreciation of 25 years outstanding service to Lancaster DHIA.