

# Farmers Get Advice On Surviving And Thriving At Dairy Days

**JAYNE SEBRIGHT**  
Lancaster Farming Staff  
**LANCASTER** (Lancaster Co.) — According to Brad Hilty, owner and chief consultant of PLS Agri-Management Associates in Carlisle, operating a successful dairy business can be challenging in today's agribusiness environment.

Hilty presented two sessions during the first Lancaster County Dairy Days, held several weeks ago. In his first presentation, he identified ten management strategies that farmers can employ to "survive and thrive" in today's volatile dairy industry.

Hilty's first recommendation for dairy farmers who want to maintain a profitable business is to develop a strategic business plan.

"I don't know too many farmers who would build a barn without first having blueprints," said

Hilty. "Yet many farmers don't have a written plan for their dairy operation."

Hilty recommended writing a mission statement. The farmer can evaluate his operation based on the framework established in the mission statement.

The farmer's plan should answer the following questions: Where are you and your business at now? Where do you want to be? What are your goals and objectives? How will you achieve them?

"Writing a business plan can be time consuming," said Hilty. He recommended enlisting the help of professionals.

Hilty's second recommendation was to control the controllables. "Focusing on the uncontrollables will drain you of your energy," said Hilty.

Milk production, milk pricing components, milk quality, and risk management were all listed

under the controllables, according to Hilty.

"Risk management is a key management practice that you have to brush up on," said Hilty. "It is going to be a key component in a successful dairy operation down the road."

Hilty warned against locking in milk prices without knowing your cost of production. "You don't want to lock in your milk price at \$14 when it cost you \$14.50 to produce the milk," said Hilty. "You have to know how to use the risk management tools."

The third recommendation was to maximize forage quality and feed a balanced ration. "Harvest, store, and feed high quality forages," said Hilty. "And make sure you test your forages."

According to Hilty, poor quality forages cost one farmer who milk 100 cows nearly \$100,000

in lost production and higher grain costs when he didn't manage his forages properly.

"You need to feed a consistent, high quality forage basis," said Hilty. "If you need alternative storages, such as an ag bag, use one."

Hilty's fourth recommendation emphasized cow comfort. "You need to evaluate your facilities for cow comfort," said Hilty. "Cow comfort improves production and reduces cull rates. Your longevity increases, which reduces one of the highest costs you have — heifer replacements."

The fifth recommendation was to know your cost of production. "You need a good accounting system and good production records, both on the dairy and the cropping enterprises," said Hilty.

Hilty encouraged farmers to manage their information systems so that they could spot

their strengths and weaknesses.

"If you know your cost of production and production records, you can compare them to benchmarks," said Hilty.

Hilty recommended that farmers compare their production records to benchmarks from the top ten percent of dairies in the country.

"Don't strive to be just average because average isn't going to cut it in ten years," said Hilty.

The sixth recommendation was to implement a management team and use key advisors as a sounding board for farm decisions. This "sounding board" can help develop key strategies for improving profitability.

"There are a lot of people demanding your time," said Hilty. "Why not demand some of their time back?"

Making wise investments was Hilty's seventh recommendation. "You should examine each

(Turn to Page A44)

## Randall G. Renninger

Certified Public Accountant

Specializing in agriculture and construction industries  
"We help business people discover ways to cut costs, save taxes, and be more profitable"

Call about our FREE seminars

535 W. Orange Street, Lancaster, PA 17603  
(717) 299-6480 ♦ Fax (717) 299-6390

### Attention Dairymen!

- ★ Reduce SCC
- ★ Improve milk quality
- ★ Increase profits & bonuses
- ★ Keep lines clean
- ★ Reduce cleaning compounds

**Millers Water Works**  
1-800-991-9188

### Up North Plastics

Made in the U.S.A.  
Bags 150, 10x300  
Bunkers 26x100, 60x200  
Bale Wraps 20x6000, 30x5000

**EARLY ORDER PRICES NOW IN EFFECT!**

**LERAY SEALED STORAGE**

(315) 629-4143  
(315) 639-4333

## KEYS' TRUCKLOAD SALE

Trade-In • Trade Up To A NEW  
**SUZUKI. 500 4x4**  
JUST PURCHASED...  
A Truckload of 1999 500 4x4's

- 500 cc liquid cooled
- low & high range
- shaft drive
- bright red

Buy 1 now and we'll deliver it FREE!

Now Just... **\$5299<sup>99</sup>**

**SAVE \$1000**



*We Need Your Trade!*

All Other Suzuki's On Sale. You Won't Beat Our Trade In Details!  
Suzuki QuadRunner ATVs may be used only by those aged 16 and older. Suzuki highly recommends that all ATV riders take a training course. We'll even pay for it. For safety and training course information, see your dealer or call the SVIA at 1-800-852-5344. ATVs can be hazardous to operate. For your safety, always wear a helmet, eye protection and protective clothing. Always avoid paved surfaces. Never ride on public roads. Never carry passengers or engage in stunt riding. Riding and alcohol or other drugs don't mix. Avoid excessive speeds. Be extra careful on difficult terrain. Along with concerned conservationists everywhere, Suzuki urges you to "TREAD LIGHTLY" on public and private land. Preserve your future riding opportunities by showing respect for the environment, local laws and the rights of others when you ride.

Financing Available | We Deliver Anywhere | We Take Trade-Ins | We Rent ATVs

**KEYS'**  
Hazen, PA, Rt. 28 • 814-328-2222 • 814-328-2904  
Clarion, PA, Rt 322 • 814-226-4444  
Clarion Store Closed Sundays  
Hours Mon-Thurs 8-7, Fri 8-8, Sat 8-5, Sun 12-4  
\*To qualified buyers. Not responsible for typographical errors.

*Don't have time to visit our store? Call Damien at our Hazen Location. A traveling salesman, he'll come to your door with a unit to test drive and also estimate your trade.*



## PENNSYLVANIA BASS FEDERATION

### Boat and Fishing Expo!

FRIDAY & SATURDAY, MARCH 10 - 11, 2000

Location: New Holland Ford, Main St., Rte 23 Time: Fri 12PM - 9PM, Sat 9AM - 6PM

### New Holland Ford Lincoln Mercury Toyota Will Be Featuring:

- Bassmaster Casting Kids - Sat, 10AM - 2PM**  
Zebco and Big KMart present a youth bass fishing contest on Saturday with casting, pitching & flipping events! It is one of the most successful youth fishing programs in the world!
- Champion Boats & Lund Boats On Display!**
- Hunting Guide Ken Gingrich, Safari Nordik**
- Beginner's Turkey Calling Seminar**  
The Sportsman's Shop will host a Beginner's Turkey Calling Seminar on Saturday! The seminar will be held by Barry Gunther, a member of the Quaker Boy staff, and conclude with a Youth Calling Competition

### Also Showing:

- **Stillwater Lures**  
Offering a complete line of fishing lures proven to catch all types of gamefish, especially bass, walleyes, striped bass & seat trout.
- **Pequea Rod Company**  
Inventor of the world's first fiber optic tip for night fishing. These high quality rods are guaranteed for life. See the "Night Angler" and sign up for a giveaway!
- **Hartman's Taxidermy**  
Full-time licensed taxidermists specializing in birds, North American and African game heads & life size taxidermy. Over 46 years experience!
- **Quaker Boy, Inc.**  
World Champion Game Calls and Accessories
- **The Sportsman's Shop**  
Buy, sell, or trade hunting, fishing, camping equipment, more! Expert gunsmithing on premises.
- **Safari Nordik**  
Hunts through Canada w/ high success rates of 98% on two caribou bulls & 92% on bear hunts.
- **Reading Boat Works**  
Displaying a large assortment of Champion Bass Boats and Lund aluminum boats to meet the needs of the beginner or professional angler.
- **Gambler Lures**  
The finest in fishing products from worms, weights and lures to rigs & ribbon tails.

## Concrete Walls Built to Your Construction Needs



**Lancaster Poured Walls, Inc.**  
Concrete Construction

2001 Jarvis Road • Lancaster, PA 17601  
**717-299-3974**  
Concrete Pumping, **NEW!** 28 Meter Pump  
Agricultural • Commercial • Residential

**WIOV Remote on site • Food, Refreshments, Door Prizes Drawing for fishing & auto equipment and accessories!**

## New Holland

Ford | LINCOLN | TOYOTA  
Mercury

717-354-4901 • 800-642-8605  
www.newhollandauto.com

