

On-Farm Milk Processing Conference Offers Alternative In Dairying

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FREDERICK, Md. — With on-farm milk prices at an all-time low, dairy producers are looking for alternatives to make a profit without expanding herd size. One of those alternatives is to develop an on-farm milk processing operation.

About 130 people attended a Farmstead Milk Processing conference in Frederick, Maryland, last week to learn more about this exciting opportunity to process and market your own milk. The University of Maryland and Maryland Cooperative Extension hosted the conference.

"This was the first time Maryland has hosted a conference of this type," said Scott Rankin, Ph.D., assistant professor of dairy foods for the Department of Animal and Avian Science, University of Maryland. "On-farm processing is an alternative that if done correctly can have potential to produce a viable income for dairy farmers."

"If they're struggling financially, they need to have all of these alternatives laid out in front of them," said Rankin. "However on-farm processing is not a quick button fix-all. The time to invest in this type of operation is not when you're already financially struggling. The processing operation is just another way to invest revenue that you already have."

Topics such as the legal ramifications of manufacturing milk on the farm, the fundamentals of processing milk, the resources needed to market milk, and ways to make the operation work successfully were addressed at the conference. The conference also highlighted the differences between making certain types of dairy products, along with the processes that

milk needs to go through for retail sales.

Dealers who supply on-farm processing equipment spoke to the group about their equipment and the investment needed to purchase the equipment. People already operating on-farm milk processing plants spoke about the benefits and challenges of having an on-farm milk processing operation.

Stan Foltz, an extension agent from Frederick County, was one of the initiators of the conference. "We have been getting a lot of calls from farmers asking for this type of conference," said Foltz. "It was time to do something about their requests so we contacted Scott about setting up the conference."

Currently nobody in Maryland is doing on-farm processing because of stringent state regulations. Foltz knows of one farmer in Delaware and several in Pennsylvania who already have their own farmstead milk processing plants.

"There's a lot of disposable income in this region," said Rankin, whose specialty area is in dairy processing. "If you look in Whole Foods, Fresh Fields, Dean & DeLuca, and other similar stores, you can find specialty dairy foods for sale, but they're coming from other parts of the country. The market is here for on-farm milk processing."

Karen Sowers from Middletown in Frederick County attended the conference because they are planning to install a processing plant. The Sowers have 400 head of dairy cows, 100,000 layer hens, 100 beef cows, and 1,600 acres.

"We have a business plan developed for the processing plant and are going to the zoning hearing on April 25," said Sowers. "We hope to be up and

running with a farm retail outlet and home delivery business by September or October."

Sowers felt the conference was very valuable because of both the information she learned during the sessions and the people she met who attended the conference.

"It was good to see people from all over the country there," said Sowers. "I didn't realize this conference was one of a kind."

One of the sessions that Sowers appreciated the most was the presentation from Bill Zepp, who works for the division of milk control for DHMH.

"He spoke about all of the things we have to do to make sure the plant meets regulations," said Sowers. "Our farm has been working closely with Bill to make sure that everything at our operation is up to par."

Sowers is looking forward to filling a niche in Frederick County with the on-farm processing plant. "We've talked to people who have been in the home delivery business for years, but it hasn't been done in the Frederick area since the 1960's."

The Sowers' farm is located right along the tour road for the Antietam Battlefield Tour, which makes opening a retail outlet on the farm very attractive.

"We've been talking about doing this for six or more years," said Sowers. "With milk prices the way they are, farmers have to do something or they're not going to be farming. We see those tour buses driving by and see them as our future."

Kelly Harding is a farmer in Frederick County who is already in the direct marketing business. He currently raises na-

tural-pastured chicken, eggs, turkey, beef, and pork.

"We wanted to find out the possibilities of making cheese on the farm and adding it to our product line," said Harding. "We're moving to a 120-acre farm in Myersville and already own a few dairy cows."

Like Sowers, Harding was very interested in meeting other people who are involved in on-farm milk processing. Although he didn't find anything presented at the meeting surprisingly new, he did realize that it was going to take a little more money to open an on-farm milk processing plant than he anticipated.

"To do it and do it right, you really need to make a substantial investment," said Harding. "You also need someone to run the farm, another to run the processing plant, and a third to handle marketing."

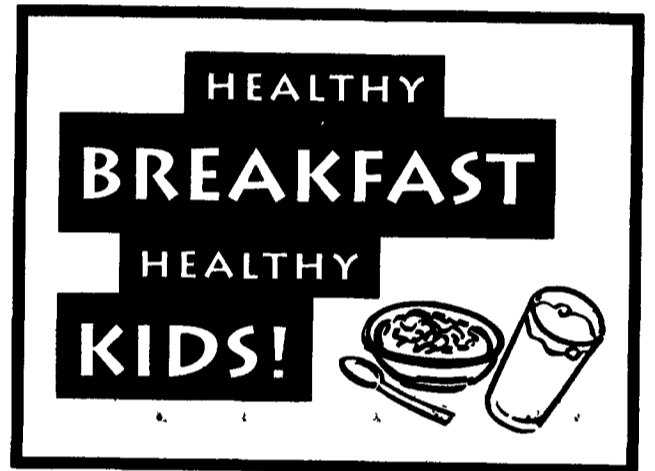
For Harding, who currently enjoys having a family farm with his wife and their small

son, the labor investment is an obstacle. "We're probably going to open an on-farm processing plant some day," said Harding. "I just don't know when that day will get here."

Both Rankin and Foltz agree that most attendees found the meeting very educational and beneficial. Once they evaluate feedback from the meeting, they plan to follow up on the topic.

"I have already received some excellent comments from people who have highlighted the strengths and weaknesses of the conference," said Foltz. "We will use this feedback to determine what people want for the future and to work out the nuts and bolts of the next meeting."

The Farmstead Milk Processing conference was sponsored by USDA Northeast Region Sustainable Agriculture Research & Education Program, Maryland Department of Agriculture, I.E.C. Engineering, Ltd., Kaestner Co., Rowland Sales, Inc., and Pladot Mini-Dairy.



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Photo above: Jill Hoffines (far right) from Maytown sold her 1998 Intell steer at the 2000 PA State Farm Show to First Union Bank, who donated the steer to the Lancaster County 4-H Livestock Banquet. Pictured (L to R): PA Secretary of Agriculture Samuel E. Hayes, Jr; Ted Bowers and Darvin Boyd representing First Union Bank.



Photo at left: Sarah Boyd from Clay with her grand champion market lamb at the Ephrata Fair, purchased by Ted Bowers and Chris Aukamp representing First Union Bank.

Photo below: Andrew Herr from Millersville with his champion FFA hog at the West Lampeter Community Fair, purchased by Roger Rohrer (right) representing First Union Bank. Standing at center is Danielle Kuhns, West Lampeter Community Fair Queen.



Photo at right: Angela Greaser (left) of Williamsburg and her grand champion lamb at the Blair County Livestock Roundup, purchased by John Mattilio representing First Union Bank.

