

## Paths to Profitability Many, If Open to New Ideas

She always works to make the bottom line the most she can. She doesn't really care how she goes about it, as long as it's the right way and it makes her money."

This statement, made by AJCA President Jim Huffard in response to Helene Dreisbach's talk about her management-intensive grazing program, became the take-home message from the *Improving the Bottom Line* management discussion on April 30, 2004 at Long Meadows Farm, Ham-



**Helene Dreisbach**

burg, Penna.

Joining Dreisbach and Huffard for the panel discussion were Doug Martin, Chambersburg, Penna., and Alan Kozak, Millersburg, Ohio.

Helene Dreisbach did less to explain how she fed the Wilderness herd to produce 18,185 lbs. milk at 4.5% fat and 3.6% protein per cow (*actual, 305-day production*) than to challenge the mindset of conventional profitability.

"You have to be willing to try different things and go at things differently," Dreisbach said. "We weren't looking for the highest production. We were looking to make money. Doc (husband Robert) always grouched that half of the milk check was going to feed. To us, management-intensive grazing has made sense."

She added, "You can't look at grazing the same as where you say to your employees, 'You're going to feed this TMR: so much pounds of this and so much pounds of this.' When you're grazing, every day is different. You are going to have to learn how to move them and how to manage the cows. Some people are going to love it and some people are going to hate it. If you hate it, don't do it."

Turning the discussion from improving profitability within a herd of Jersey cows, Jim Huffard found a unique perspective to talk to the 85-person audience about profitability between cows of different breeds.

"When I was in school, my father told me that we'd milk the cow that makes

the most money," recalled Huffard, who with his brother John owns and operates Huffard Dairy Farms near Crockett, Va. "It didn't matter if she was purple, green or whatever—that's what he wanted to milk. My father said, 'Let's take this pile of feed and run it through both cows and see who can make us the most money.'"

Taking a fixed quantity of feed—2,000 pounds—Huffard showed a spreadsheet analyzing gross income from a Holstein milking 70 lbs. at 3.5% fat and 3.0% protein and a Jersey at 55 lbs., 4.8% fat and 3.8% protein.

"Taking NRC values for dry matter intake per cow, we can feed 41.67 Holsteins and 50.5 Jerseys," he pointed out. "That 2,000 pounds of feed costs the same regardless of whether it's in a Holstein or Jersey, so we're comparing dollars to dollars.

"We get down to cheese dollars from 2,000 pounds of feed, the income is \$577 for Holsteins and almost \$720 for Jerseys. So if you put that feed through a Jersey, you have an advantage of \$182.42.

"I've decided now which is the breed I want to run that feed through," Huffard said. "It's hard to beat the Jersey cow."

Doug Martin concurred and fleshed out the argument for Jersey profitability with information about his own operation, Pleasant Valley Jerseys.

"When I was a kid," Martin said, "we were a Holstein herd and Dad (Lester Martin) bought some Jerseys. Twenty-five years later, we still have Jerseys and haven't had Holsteins on the place.

"This past winter, we participated in a large dairy herd benchmark program



AJCA President Jim Huffard (left) and Executive Secretary Neal Smith (right) present a porcelain Jersey calf to Helene Dreisbach in recognition of her service as chair of the Biosecurity Task Force. Next to Helene is husband Robert.

with Farm Credit and Pennsylvania Farm Bureau. I thought they wanted a Jersey herd for a guinea pig herd," Martin said with a grin, "and we also graze. I didn't know where we'd stack up."

"Where" turned out to be in the upper half of the top 20, "which really surprised me," he said. "There were 182 farms, all 300 cows or more, some of up to 2,000 or 3,000 cows."

Martin reviewed the combination of factors, aside from the higher price for Jersey milk, that increased the margin per hundredweight from the mostly spring-calving herd of 374 cows. "With our grazing, we were able to run our dairy over (its facility) capacity, to like 136%," he explained. "We're running our dairy at capacity through the winter (280 on test) and come springtime, we build it up real full with all the cows being able to go on pasture. When we started pasturing, we were able to add more cows without any expense at all: no more freestalls, no bigger feed troughs. We didn't change anything.

"Having the cows out just about all the time lowers our labor cost and lowers our feed cost because about one-third of their ration comes off the pasture."

And, the former Holstein owner reported, "We are able to sell excess breeding stock. Our culling rate is 12% to 15% for involuntary and the rest is voluntary. The past five years, we've been selling 75 cows a year for breeding purposes.

"Dad always had to buy Holsteins to keep enough cows around. Now we're on the other side and we have to sell cows every year."

The program, organized and conducted by AJCA-NAJ staff, was sponsored in cooperation with *Farmshine*; the Pennsylvania Grazing/Forage Lands Conservation Coalition; ADM Alliance Nutrition/Sensenig's Feed Mill; Accelerated Genetics; Alta Genetics/Jerseyland Sires; Horizon Organic; Jersey Origins; King's AgriSeeds LLC; Lancaster Farming; Land O'Lakes Animal Milk Products Co.; LBL Foods Inc.; Liberty Jersey Sires; and Select Sires. Also in attendance for the 90-minute session was William G. Zollers, Sr., regional director for the Pennsylvania Department of Agriculture.