

## ***A Model Beginning Dairy Producer***

Are you or someone you know interested in beginning a dairy career? Despite the loss of producers for many reasons, new producers are getting started with minimal resources. Many beginning dairy producers are following a general model being used in many Mid-western states. What are they Using?

- 1) **Use of beginning farmer loan programs.** New producers are encouraged to check out programs to assist beginning farmers acquire financial resources to get started dairying.
- 2) **Use of financial analysis.** Budget your operation carefully and compare your budget to other financially successful model farm operations. Dairies use a wide variety of production techniques for success. Dairy TRANS, FINPACK and other programs are available through ISU Extension.
- 3) **Use of lower cost milking systems.** The next generation will probably not milk in stall barn operations due to labor efficiency and ergonomics. Low cost remodeling of stall barns and older parlors whether owned or rented, is a means to milk more cows or harvest more hundredweights per person per hour. Combining a labor efficient milking and grazing systems are allowing some to handle 70-80 cows per one full labor equivalent.
- 4) **Use of limited machinery resources.** Beginning farmers are seeking means of getting started with a tractor, spreader and skid steer and looking to minimize crop production machinery needs by judicious use of custom harvesting, machinery sharing, rotational grazing and limited crop acres.
- 5) **Use of land bases for forage production.** The focus is often an acre or so per cow in rotational grazing along with one-third of an acre of corn silage (owned, rented or purchased out of the field). Other alfalfa forage is purchased or raised depending on land available and the production costs involved.
- 6) **Use of rotational grazing to reduce input costs.** Many Midwestern states now have on-farm data showing grazing is as or more profitable than average confinement dairies. Grazing is being chosen for reasons of quality of life, reduced machinery needs, reduced manure handling issues, labor efficiencies, environmental stewardship, less tillage and annual planting of crop, reduced pesticide and energy use and simply because they like it. Some graziers in NE Iowa are producing milk in the \$9.50-\$11.00 per hundredweight range with mediocre production averages, yet with great returns to labor and assets.
- 7) **Use of corn silage contracts.** Purchasing a high energy forage out of the field at around 1/3 of an acre per cow is a goal. The dairy producer asks Mr. Corn Grower to purchase standing corn for market price per bushel less \$25 or so per acre for not having to combine it. Mr. Corn Grower saves all drying, harvesting, storage and transportation costs. The dairy producer pays for the custom harvesting and bagging, etc. and agrees to provide 20 tons of dairy manure to pay for the stalk taken off. This corn silage provides for a large volume of high energy forage. Consult ISU Publication LT-1?? for more information on corn silage contracts.
- 8) **Use of Extension, grazing network, and peer group resources.** Many people are available for advice to get beginning producers started. Develop relationships with neighbors, family and others to share resources, ideas, etc.
- 9) **Use financial and production resources relative to risk.** Large investments in new facilities while building equity may be risky. Remodeled facilities, though often not ideal, can reduce risk and improve your ability to build equity. Budget these out carefully so as to not sacrifice long term profits with short term savings.
- 10) **Use of lender's who understand your operation.** Find a lender who not only is willing to work with you but also is informed about the type of operation that you want to implement.
- 11) **Use of various technologies to maximize dry matter intake and cow comfort.** Other issues pale in comparison. Every pound of dry matter increase above maintenance equals 2.5 lbs of milk and cows make milk lying down with good ventilation, cooling and quality water access.

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