



# EDITORIAL COMMENT

## HOARD'S DAIRYMAN FARM EXPANSION PROGRESSING

IT NOW has been about a year since we first shared with you our plans for new facilities at the Hoard's Dairyman Farm. Despite a few snags, the project has moved along well.

As a recap, we now have about 190 cows. For the past couple of years, our farm employees have been milking between 140 and 160 in our 82-head tie stall barn. That means they have been shifting cows in and out for milking. Anyone who has been a part of that situation knows the extra work and stress on cows and people that results. We also have filled our heifer barn to capacity and now have a couple dozen head at a custom grower. In short, like many of you, we have more than outgrown our old and labor-intensive facilities.

We will be relating many of our planning, permitting, and construction experiences in the magazine over time. But, here is a brief preview:

The milking center will include a double-10 herringbone, rapid-exit parlor. We will have electronic ID, including transponders that will monitor cow activity. We hope to breed as many cows as possible on the basis of activity and visual heat detection and cut down on use of reproductive hormones.

The milking center has a larger-than-normal basement where we have located as much equipment as possible. This means less space taken up on the ground floor, a more secure place for some chemicals, and a quieter milking area. To the extent we thought feasible, we have chosen a number of energy-saving features, as well as done

extensive planning to reduce the possibility of voltage problems.

Our electronic ID system will enable us to use sort gates, catch pens, and a palpation lane. We will use feed bunks rather than flat mangers. This is being done as a biosecurity measure and to trade more clean-up time for no push-ups.

Our initial 60-foot-wide free stall barn has 232 stalls. It is clear span with a drive alley and two rows of sand-bedded, face-in stalls. Sand in the manure, hopefully, will settle out in a 20- by 60-foot sand trap located between the barn and the earthen storage.

Our permitting went well. We were the third dairy to apply for a permit under Wisconsin's new livestock facility siting law.

We broke ground on November 11, 2006. The next 60 days were remarkably mild and dry. That enabled us to get much of the initial excavation done and foundations poured.

As well as the project has gone (knock on wood), it is difficult to say when we first will be able to use the new facilities. That could be as early as sometime during the month of June. However, there were two things we were warned about by many people . . . everything takes longer than you think, and everything costs more than you expect.

Stay tuned for more about our project and how things work out. In the meantime, those of you who are interested can follow the construction process on our website: [www.hoards.com](http://www.hoards.com).

## SHOULD WE MARKET ALL MILK AS THE SAME?

MILK is milk. Studies, including a recent one of grocery store samples from 48 states, confirmed that there is "no distinguishable difference" between conventional milk and BST-free milk. But is marketing milk as a generic product really what's best for our industry?

While milk may be undistinguishable once it gets to the supermarket shelves, we all know it is not the same when it comes out of the cow. Differences exist from breed to breed and even farm to farm in the percentages of milkfat and protein. Somatic cell counts are higher on some farms than others. Milk that comes from cows

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that have been grazed have higher levels of conjugated linoleic acid (CLA). Brown Swiss and Jersey milk will produce more cheese than most milk from Holsteins.

The beef industry has shown that market differentiation has its benefits. Nearly half of all beef sold in the U.S. is sold under a brand name, leaving many experts to predict that the "days for selling commodity, generic beef are numbered." The most successful of the many brands is Certified Angus Beef which continues to command a premium in grocery store meat cases and is mentioned on restaurant menus.

Is dairy going to follow this same path? We have learned that consumers are willing to pay more for milk that has a story they can identify with behind it. Regional brands in New England such as Rhody Fresh have confirmed this. From where we sit, it's hard to say that the sales growth for organic and BST-free milk has been all bad.

What concerns us is not whether cooperatives and processors should or should not be marketing organic, BST-free, and other specially labelled milks. The real problem we see is that the dairy farmers who are helping fill these niche markets, and in many cases giving up FDA-approved technologies to do so, aren't being given their share of the greater margins. Small, start-up cooperatives have been set up in some areas to make sure that this doesn't happen. However, national organizations need to make the same lasting commitment.

We're all for any strategies that help sell more milk. Consumers increasingly want to know where their food is coming from, and selling to this growing market is good business. But let's make sure that the dairy farmers whose story is being told are sharing in the success of these ventures, not left fighting for a few table scraps.

## PEOPLE SHOULD KEEP HIGHER FOOD PRICES IN PERSPECTIVE

ALREADY, we're tired of hearing and reading about higher food prices due to the ethanol craze.

We would have a couple of brief messages for consumers and the fear-mongering media that fuel their anxieties. First, U.S. consumers spend less than 10 percent of their disposable income on food. That's the lowest in the world. Second, wholesale food prices are going up, but there are many other factors that have more bearing on what grocery store scanners reveal. Here's why:

Considering an entire market basket of food products, the farmer's share has averaged 21.6 cents out of each \$1 over the past three years. The difference — 78.4 cents out of each \$1 spent — goes to assembling, processing, transporting, distributing, and retailing.

Let's look at the 2006 marketing year:

Category	Farm share
Meat products	31.6¢
Dairy products	27.1¢
Poultry	37.7¢
Eggs	29.7¢
Cereal and bakery	6.3¢
Fresh fruit	17.6¢
Fresh vegetables	18.9¢
Proc. fruits/vegetables	16.3¢

Consumers need to realize that what farmers get paid for their products bears little re-

semblance to what we all, farm families included, fork over at the supermarket. We realize that businesses further down the supply chain have to deal with escalating costs . . . wages, employee benefits, diesel fuel, interest rates, rents, and so on. Of course, these are exactly the same higher expenses that farmers themselves are facing, also.

We just hope consumers and the media keep higher food costs in perspective. Somebody needs to help keep the record straight.



### 122 years ago . . .

Our own experience with tuberculosis in the Hoard's Dairyman herd, having by the aid of the tuberculin test and sanitary measures completely driven it from the farm in 1900, is something that stays by us. This action has been worth thousands of dollars to us.

*W.A. Hoard*  
February 1900