

PDPW MANAGERS *memo*

October 8, 2010

Keep reading to see these highlights and more:

- Dairy Policy Summit lets you know how current issues could affect your dairy
- Calf Care Connection – last chance to register
- What does your accounting do for you?

Thanks,
PDPW

Featured PDPW Member: Sanric Dairy LLC – Rick and Sandy Bruecker

When Rick and Sandy Bruecker started their dairy 19 years ago, they chose a name that represents them and their dedication to the industry: Sanric Dairy LLC. Today the dairy has 180 Holsteins and 350 acres of crops. In a creative effort to maintain efficiencies, Rick shares resources with a neighbor who milks a couple hundred more cows but doesn't have enough land for crops. This year, Rick planted only corn and alfalfa and sold his surplus to the neighbor. In exchange, Rick uses some of the neighbor's equipment.

Rick, like many dairy producers, believes in the idea of dairy producers helping one another. It's one reason he joined the Professional Dairy Producers of Wisconsin (PDPW). He attends PDPW meetings during the year and hasn't missed PDPW's annual Business Conference in 12 or 13 years. "For me," Rick says, "the Business Conference is like going to church; you go there and get uplifted."

He adds that PDPW energizes the individual farmer, which has a positive effect on the dairy industry as a whole. It instills a positive attitude among members and helps producers to understand the importance of informing the public about the dairy industry. People need an accurate understanding of what farmers do and how they operate, he says.

Rick also likes the name: "The Professional Dairy Producers of Wisconsin is just that, Professional is exactly what PDPW represents."

For Your Dairy Business:

PDPW DAIRY POLICY SUMMIT, Oct. 27-28, at the Sheraton Hotel, Madison, is where milk pricing is one of the hot-issue dairy topics experts will delve into. Mark Stephenson, Director, Center for Dairy Profitability, UW-Madison, will share an in-depth analysis and highlights of milk pricing programs on the table in Washington, D.C., and will explain what the pros and cons of each program could be. Other topics include:

- Immigration,
- Livestock siting
- Water quality discussions with Dennis Frame
- Consumers' perception of and trust in farmers today
- What we've learned from the recent egg recall regarding activism
- Regulatory activities
- Air quality national research update and what's it means to dairy producers
- Challenges associated with keeping beef in today's schools and
- International market activity and what it means to the dairy industry

Dairy producers and other industry leaders, this is the place to gather up-to-date information and begin engaging on these important issues. For more details visit: http://www.pdpw.org/library/event_brochures/Dairy_Policy_Summit_flier_2010.pdf.

WHEN IT COMES TO MAXIMIZING RUMEN DEVELOPMENT OF YOUR CALVES, Dr. Jud Heinrichs, Pennsylvania State University, is THE expert. You can hear directly from Dr. Heinrichs and three other calf care experts at next week's one-day Calf Care Connection workshops: Tuesday, Oct. 12, Chilton, Wis., and Wednesday, Oct. 13, Eau Claire, Wis. Sessions by Dr. Heinrichs, Dr. Sandra Godden, Dr. Simon Peek and Dr. Jim Reynolds will give you the information and tools so your dairy can deliver more live calves, get them off to healthy starts and grow them into high-producing cows. This day-long classroom and learning labs training is a one-of-a-kind opportunity designed specifically for dairy producers, professional calf feeders and heifer growers. Call the PDPW office or visit:

http://www.pdpw.org/library/event_brochures/Calf_care_connection_2010_-web.pdf. **REGISTER TODAY!**

MIDDLE MANAGERS WANTING ENGAGED EMPLOYEES AND LESS TURNOVER—AND who want their companies to be more profitable and more productive—are encouraged to attend a Wednesday, Nov. 17, workshop at the Kalahari Resort, Wisconsin Dells, Wis.. Dr. Craig McAllaster will have middle managers attending the "Play to Your Strengths" workshop taking a focused look at themselves from the inside out and outside in and they will understand why the climate in the workplace is like the weather—extremely predictive of the moods and willingness of people to work. Workshop attendees will gain the knowledge and skills to create a climate that encourages people to do their best, put forth initiative, be creative and tackle each and every task to the best of their abilities. To learn more about the Nov. 17 Middle Managers Workshop or to register for the event, contact PDPW at 1.800.947.7379 or go online to http://www.pdpw.org/library/event_brochures/Middle_manager_wkshp.pdf.

CALLING ALL TEENS AGES 15-18! The 2010 Youth Leadership Derby is set for Saturday and Sunday, Nov. 6-7 in DeForest, Wis. Designed specifically for youth ages 15 to 18 years, the popular, fast-paced two-day event includes a four-stop bus tour—Wisconsin State Capital, Babcock Hall Dairy Plant, UW-Madison Vet School and the UW Arlington Research Farms—as well as a panel of university students who studied abroad, a session focused on communication skills and a rousing keynote by a Nebraska farm boy who knows the power of staying positive despite knockbacks. His amazing story and message is unforgettable. Register for the Youth Leadership Derby or find more information at http://www.pdpw.org/library/event_brochures/2010_Youth_Leadership_Derby0.pdf.

SUBACUTE RUMINAL ACIDOSIS CAN BE CHALLENGING TO DETECT AS SIGNS ARE OFTEN OVERT. Researchers and veterinarians recommend keeping the rumen pH above 5.5. When the rumen pH drops to 5.5 or below bacterial contamination can be seeded and subacute acidosis can occur. Dairy cows experiencing subacute acidosis often do not exhibit any clear, overt clinical symptoms. They merely have reduced or erratic feed intake to reduce the acid load in their rumen and will start eating again when ruminal pH is above 5.6. Other clinical signs often observed during a bout of subacute acidosis include reduced rumination (cud-chewing), mild diarrhea, foamy feces containing gas bubbles and

appearance of undigested grain in feces. Researchers note that, in the long term, dairy herds experiencing subacute acidosis usually exhibit secondary signs of the disease, typically three to six months after an episode. Secondary signs include episodes of laminitis, weight loss and poor body condition despite adequate energy intake, and unexplained abscesses. Undiagnosed, the secondary health effects of subacute acidosis, researchers stress, can lead to high herd culling rates.

WITH ENERGY COSTS ON DAIRY FARMS TYPICALLY REPRESENTING up to 6 per cent of the farm production costs, conservation measures for the short and longer terms represent good investments. In addition to helping you save money on your energy bills, conservation measures can also increase your competitiveness by boosting your bottom line. One measure that can achieve a 3 to 5 percent savings in refrigeration energy is to regularly clean the refrigeration condenser unit as dirty shutters and obstructed air inlets and outlets of ventilation fans can reduce fan efficiency up to 40 percent. Tip #2: Turn off lights during the night when they are not in use. Installing a timer, photo controller or motion sensor on lighting systems can help with this task, although motion sensors are not suitable for barn applications. A less-expensive alternative is to train staff to ensure that switches are off when the lights are not needed and, especially, at the end of the day. Tip #3: Clean heat exchanger coils. The heat exchangers in milk-cooling systems are designed to be opened and cleaned on a quarterly basis. Cleaning condenser coils alone can reduce milk cooling costs by 3 to 5 percent. Tip #4: Clean fans. Failure to clean fans and shutters, which provide ventilation and circulation, can reduce ventilation efficiencies by as much as 40 percent and will increase the possibility of fire hazard. You should also lubricate any motor bearings and shutter pivot points with machine oil at least once a month to ensure optimal operation. Last, check fan blades regularly for any damage—replacing fan blades is much more cost-effective than replacing an entire fan. For more energy-saving ideas, brainstorm with your employees or contact Focus on Energy Wisconsin.

For Your Business Mind:

NEXT WORLD-CLASS WEBINAR, MONDAY, OCT. 18. The second World-Class Webinar will feature the dynamic Dr. David Kohl. He will highlight the new financial regulations confronting the lending industry and detail how these changes impact how your business is viewed by an agricultural lender. During the noon to 1 p.m. CDT webinar delivered in the comfort of your home or office, Dr. Kohl will start with his assessment of the domestic and global economy and the agriculture industry that will impact your bottom line and balance sheet, then move on to the “topic of the day” followed by an interactive question section. Cost to participate in the Webinar is \$75/computer for PDPW members and \$110/computer for non-PDPW members, with no limit to the number of employees watching and listening to the Webinar per computer. The first webinar was extremely popular and filled quickly. While more spaces have been added, you must pre-register by Wednesday, Oct. 13, to participate in the Monday, Oct. 18, World-Class Webinar. You can visit http://www.pdpw.org/world_class_webinars.php to get more information.

WISCONSIN'S EARLY HARVEST HAS CREATED AN IDEAL OPPORTUNITY to get soil samples taken. UW-Discovery Farms' Amber Radatz stresses that soil testing is essential to predicting fertilizer and lime needs before crops are planted. “For an investment of just a few dollars per acre, soil testing can indicate fields where fertilizer and lime application can improve crop yields and identify fields where soil nutrient levels are already high and minimal or no fertilizer is necessary to maintain crop yield goals,” she states. “Applying fertilizer—whether from commercial or manure sources—without soil testing can either lead to excess nutrient applications, which may reduce profits and contribute to water pollution, or inadequate nutrient applications that may reduce potential crop yields.” Radatz adds that fields should be sampled every four years at minimum to appropriately credit nutrient levels in soils compared to crop needs with one soil sample collected per five acres. Each sample sent to the lab should be a mixture of at least 10 soil cores from within the five-acre sampling area. A soil probe or auger should be used to sample at least 6 inches into the soil profile. Crop strips should be sampled individually even when they are less than five acres in size, unless each strip has the same crop and management history. Soil samples collected should be representative of the entire field, avoid fence lines, low spots and fertilizer bands which could lead to inaccurate recommendations. For more information on soil testing, please refer to <http://learningstore.uwex.edu/Assets/pdfs/A2100.pdf> or contact UW-Discovery Farms at 715-983-5668.

GOOD ACCOUNTING ISN'T JUST FOR THE IRS; IT SHOULD BE PROVIDING YOU WITH GREAT INFORMATION.

Good accounting can tell you the exact costs per cow milking, answer questions such as if you should buy or grow your feed and will let you look at each activity center as a little business, considering labor, supply, utility costs, number of animals, etc. Good accounting will also give you big-picture financials and help you make educated and sound management decisions. To effectively drill down and manage business operations, however, may require rethinking accounting and shifting to managerial accounting. Dr. Gregg Hadley, University of Wisconsin - River Falls Associate Professor of Agricultural Economics and University of Wisconsin - Extension Farm Management Specialist, points out that resources are available to dairy producers interested in transitioning to managerial accounting. "My advice to dairies is to start by inquiring and gathering information about managerial accounting concepts, and learn how managerial accounting can help their particular situation," Dr. Hadley states. He adds that dairy producers wanting information about transitioning to managerial accounting are welcome to call him at UW-River Falls or Dr. Bruce Jones at UW- Madison. Another great resource would be an accounting or financial records firm that specializes in the dairy industry.

HAVING AN ETHICAL CULTURE IS AN IMPORTANT COMPONENT to running an effective business today, with a code of conduct serving as the foundation of an ethics program. Greg Heaps, vice president of professional services, Alliance, suggests that the development of a company's code of conduct be led by those at the top of the company while including employees in the process. The code, he says, should cover everything from guidelines for appropriate behavior in every aspect of the business to the treatment of co-workers. Equally important are enforceable and clear consequences for inappropriate behavior. Once a code of conduct is created, it should be posted as a daily reminder and employees should be given their own copy.

BOOK REVIEW: *The Manager's Book of Decencies: How Small Gestures Build Great Companies.* Long-time management and corporate culture innovator Steve Harrison offers easy-to-read tips on how managers who want to change the culture of their organization can do so without investing very much time and without investing any money at all. Harrison's secret: It's all about remembering to do the little things that mean so much to employees. "Change a company's internal culture for the better, and results skyrocket," he explains. In this book, Harrison describes dozens of small decencies, all field-tested by the best companies in the world, and shows how these small decencies can enhance communication, build teamwork, boost productivity and create a stronger dedication to the business. Called "crucial reading for every manager," Harrison's management book is based on the truth that everyone deserves respect from the heart and head, and that a business will thrive when people know inside their own heart and head that the business actually does depend on them and on their enthusiastic energy to perform.

FEWER THAN 20 MINUTES A DAY. That's the amount of time several studies have found that parents and children converse each day if you subtract talking that has to do with a command or criticism. And significant amount of evidence shows that interruption is common – and usually done by the person with the most power. To improve the quality and quantity of conversation with your children, experts suggest avoiding questions that are boring or threatening—questions such as "How did school go today?" or "How did you do on your test?" or open-ended questions like "Whatever happened to that friend of yours, Jimmy?" Kids sometimes perceive these questions as unsafe territory and wonder where is this kind of questioning going to lead? Am I going to get a lecture? Are we just sentences away from turning from a casual mention of my friend into the usual warnings about not spending too much time away from my homework? As a result of being intimidated, kids provide monosyllabic answers and very short conversations. To enhance conversations, one expert urges families to have a "you ask me and I'll ask you" time and no one interrupts an answer. And rethink how questions are worded. Example: Instead of "How did school go today?", ask "What was your favorite part of the day?"

PDPW Education Calendar:

October 12 & 13	Calf Care Connection , Chilton, Eau Claire, WI – Two One-day workshops
October 18	World-Class Webinar Series Class II
October 27-28	Dairy Policy Summit , Madison, WI A two-day event
November 6-7	Youth Leadership Derby , DeForest High School, DeForest, WI – A two-day lock-in for youth
November 10-11	Management Assessment Center Pilot Program , Arkdale, WI
November 17	The Middle Manager: How Do You Measure Up? , Wisconsin Dells, WI
November 29	World-Class Webinar Series Class III
December 2	Commodity Marketing Informational & Sign-up class , Baldwin, WI
December 9-10	Profit Symposium: Focusing on Dairy Financial Management , Madison, WI
January 18-20, 2011	Managers Academy , Albuquerque, NM
February 24, 2011	ACE Education Seminar
March 15-16, 2011	Dairy's Business Conference , Alliant Energy Center, Madison, WI
April 12 & 13, 2011	Hoof Care Brings Victory Over Lameness , Marshfield, Chilton, WI – Two One-day workshops

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