



Upcoming Calls Help Farm Businesses Prepare for 2011

By John Frey, Executive Director,
Center for Dairy Excellence

Editor's Note: This is a special feature from the Center for Dairy Excellence exclusively for the Farmshine newspaper.



From everyone at the Center for Dairy Excellence, we wish you and your family a wonderful Christmas and Happy New Year.

Each year as the holidays approach, we can't help but think of what the coming year will bring. With milk prices recovering in early 2010 and now edging downward, there is a lot of speculation around what milk markets will do next year and how that will affect Pennsylvania's dairy farms.

While nobody knows for certain what will happen in 2011, it's important that all dairy farm families look ahead to plan their business strategy. Knowing your cost of production and having a plan in place in case margins do fall below break-even levels is critical to the success of any business.

The Center for Dairy Excellence is pleased to offer three calls as part of our "Mastering the Dairy Business" series to help dairy farm families prepare for 2011.

There is no question about it — milk prices continue to be very volatile. The slightest change in supply or demand can have a big impact on your pocketbook. This month, Phil Plourd and Bill Curley from Blimling & Associates will provide a look at the factors in the domestic and global

markets that could influence the milk price forecast for the coming year.

In January, we will host two calls that can offer insight into your business planning process. Dr. Michael Boehlje with Purdue University will help dairy farm managers think more like a chief financial officer to better manage the business.

As milk prices become more and more volatile, every dairy farm needs to think through their risk management options. With changes to LGM for Dairy making it easier to use, Gene Gantz and Alan Zepp will explain how the insurance program can fit on any dairy farm.

Participation in the calls is free, but pre-registration is required. Call 717-346-0849 or e-mail info@centerfordairyexcellence.org to register for the call or calls of your choice.

Dec. 22 Call -- Dairy Markets

Jan. 13 Call -- Business Marketing

Jan. 27 Call -- LGM for Dairy



WEDNESDAY, DEC. 22

"What Dairy Markets Are Telling Us Today About Tomorrow," with Phil Plourd and Bill Curley, Blimling & Associates, NOON - 1:30 p.m.

The folks at Blimling & Associates spend their days and nights studying the ins and outs of the dairy marketplace. They help clients navigate the markets and filter information that affects dairy pricing.

As president, Phil Plourd helps clients execute risk management plans and leads numerous outlook sessions from coast-to-coast and around the world. Senior Vice President Bill Curley has long been a devoted student of economics, with clients coming to depend on his deep understanding of the dairy markets.

Rising feed prices have already tightened margins on many dairy farms. With milk futures falling in the first three months of 2010, what could next year bring for the dairy industry? Take a break from the holiday bustle to hear what Plourd and Curley have to say about what today's dairy markets are telling us about tomorrow's dairy marketplace.



WEDNESDAY, JAN. 13

"Thinking Like a 'Chief Financial Officer' on Your Dairy," with Dr. Michael Boehlje, Purdue University, NOON - 1:30 p.m.

Dr. Michael Boehlje is a distinguished professor in the Department of Agriculture Economics and the Center for Food and Agricultural Business at Purdue University.

Boehlje focus primarily on the importance of strategic planning and thinking to position the firm, or farm, for long-term success in a turbulent business climate.

Considered an expert nationally in agriculture finance, farm and business strategy, Boehlje can help producers broaden their understanding of financial management and three drivers of profitability: margins, asset utilization and financing.

Having good financial records is critical to the success of any small business. During the call, he will help dairy producers think more like a chief financial officer to better manage the business side of the farm.



THURSDAY, JAN. 27

"Understanding How the New LGM for Dairy Fits On Your Dairy," with Alan Zepp & Gene Gantz, Risk Management Agency, NOON - 1:30 p.m.

Changes to LGM for Dairy, an insurance program approved by the USDA Risk Management Agency (RMA), take effect on Dec. 17 to make the program easier for producers to use. The insurance program protects dairy farms from unexpected declines in gross margin (or milk price minus feed costs.)

Gene Gantz is an RMA educator and has been associated with crop insurance for 45 years. His passion is helping producers better utilize crop insurance-based risk management strategies.

Alan Zepp is the risk management program coordinator with the center and can explain to dairy producers their risk management options and help them better understand how the LGM for Dairy can benefit their dairy.