

New World News



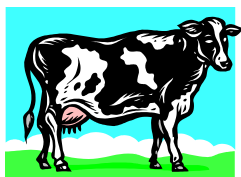
Milk-Feed Ratio Highest in Three Years

Lower feed prices pushed the December USDA milk-feed price ratio to 3.73 - a gain of 0.16 points and the highest level in more than three years.

Despite a modest increase in corn and soybean prices during November, feed prices weakened during December.

The price for baled alfalfa has declined \$1.60 - to \$92.40 per ton.

However, that is still \$5.40 more than December 2003. A bushel of corn cost \$1.99 during December - down 6 cents from November. That also is down 32 cents versus a year ago. Meanwhile, soybeans increased 5 cents during December to \$5.41 per bushel. That also



is \$1.76 less than a year ago.

Meanwhile, the all-milk price used to calculate the December ratio climbed 40 cents - to \$16.50 per hundredweight. One year ago, the all-milk price used in the calculation was \$13.80.

The milk feed ratio represents the pounds of 16-percent mixed dairy feed equal in value to 1 pound of whole milk. During December, a dairy producer could buy 3.73 pounds of feed for every 1 pound of milk sold. Whenever the ratio meets or exceeds 3.0, it is considered profitable to buy feed and produce milk.

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Raising Heifers

Leona and Art Feck are interested in raising heifers. They have 12 years experience in raising heifers. The Feck's are located in Carey, Ohio. You can call them at 419-595-2073 or e-mail at feck-farms@cros.net

Managing Manure

Check <http://www.epa.gov/guide/cafo/pdf/final-manure-guidance.pdf> for more information on NPDES permitting for CAFO's

Hooftrimmer

Matt Crandell of Bovine Hoof Care has 5 years experience in hoof trimming and follows Dutch Hoof trimming method. Phone 989-828-4734 Cell 989-621-0772

Market Update

The Mideast Federal Milk Marketing Order, which includes Michigan, Ohio and the majority of Indiana, milk prices are shown to the right.

For daily milk market information, visit: www.dairy.com and go to the "Dairy Reports" section.

*The Class I price is adjusted based on location and will range from \$18.45 to \$18.95 in the Mideast Order.

2005 Milk Prices (announced on February 4, 2005)		
Class of Milk	Price per 100 pounds (or 45.36 kg.)	Change from Previous Month
I Fluid Milk for drinking	\$18.85	+\$2.22
II Soft products: yogurt, cream cheese	\$13.04	-\$0.94
III Cheese	\$14.14	-\$2.00
IV Butter, powder milk	\$12.52	-\$0.90

Four Steps to be an Informed Purchaser

If you are uninformed, purchasing decisions can be a mine-field. As dairy farmers, you must make purchases based on accurate and timely information to insure a good return on investment. Failure to do so can have disastrous effects on profitability. Here are four steps you can use to make informed purchasing decisions:

1. Ascertain your needs

First, you should ask yourself, is this a necessary purchase?

Regardless if it is feed additives, pharmaceuticals, farm equipment or professional services, you must determine why this product or service is necessary. Ask yourself, if this purchase will reduce long-term cost or increasing milk production. Always review your health and production records to see if the purchase will have a positive effect on the herd.

2. Select a vendor

Don't succumb to high-pressure sales tactics, fancy brochures or video's to make a decision. Review the technical information on the

desired product. Press the vendor for non-biased technical information that will support its product claims. Companies with proven research will gladly share this type of data with you and your consultant. Make sure the product will meet the specific need you have identified and choose a vendor who can deliver a quality product and back it up with service or warranty.

3. Evaluate cash-flow impact

Before buying goods or services, evaluate how the purchase will impact cash flow. Ask yourself if the increase in expenditure will be recaptured rapidly, or if it will take months or years. Many producers go to great lengths to justify why they need to make a certain purchase. But, justification without technical support generally leads to an increase in cost of production. Know what your costs are and how this new product or service will impact your bottom-line. If more milk is required to pay for it, odds are you will not achieve more milk production throughout the year to cover the cost.

4. Calculate

All expenses have a return-on-investment (ROI). An investment that merely returns its input cost is a risky proposition. Determine what you feel is a good return for the risk you are taking and then inquire from vendor references if the results you need have been achieved elsewhere. Look for repeatability and longevity when purchasing items that have a long life span. Short-term items need to be easily monitored and validated for their effectiveness.

Whenever you make a purchase for the dairy, take time to evaluate the supportive data to ensure the company's claims are valid. Avoid justification of purchases, and use your professional advisors for unbiased advice prior to making the purchase. Keep your financial and production records up-to-date and know your cost of production. Remember, evaluation of all expenditures and their impact on profitability is paramount to a successful dairy in today's complicated economy.

Source: Dairy Herd Management

How to Handle Being Stopped by a Police Officer

When a uniformed law enforcement officer driving an official police vehicle signals you to stop by flashing their red and blue lights, you must pull out of traffic and stop safely as soon as possible. Wait in the car with your hands on the



wheel until the officer comes to your car. The officer may believe you committed a violation such as speeding or your vehicle may have defective equipment.

You must be able to show the police officer:

- Your driver license
- Vehicle registration
- Proof of insurance

Source: MI Secretary of State

Monsanto Announces Increase in Supply of POSILAC

Dairy producers currently using Monsanto's POSILAC® bovine somatotropin will soon have access to an increased supply. Monsanto has announced an increase in the allocation of POSILAC up to 115 % of historical shipments, beginning March 1, 2005.

Customers are being asked to indicate their dose needs to Monsanto (up to 115% of historical shipments) by February 11, 2005. Based on overall customer demand and manufacturing performance, Monsanto will be informing customers of the specific number of additional doses they will receive starting in March.

As previously announced, Monsanto expects to be managing supply well into 2005 with incremental increases occurring over time. Our focus remains on meeting the needs of current customers and getting more doses to those customers who want them as soon as those doses become available. Only after the needs of the current customers have been satisfied, will we begin to supply new and previous customers.

In December 2003, Monsanto announced an allocation of POSILAC due to the necessity of implementing corrections and improvements at its supplier's manufacturing facility in Austria.

Monsanto regrets the inconvenience that the limited supply of POSILAC has caused their valued customers and it continues to work diligently to complete all activities that will result in additional POSILAC being available to current customers as quickly as possible.

Monsanto encourages customers to work with their Monsanto representatives and other on-farm advisors to adjust their plans for using POSILAC. Monsanto will continue to provide updated information as it comes available.

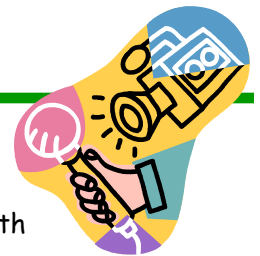
For more information, please contact Jennifer Garrett at (314) 694-3275. For direct assistance, please call Bryan Rodibaugh at 314-213-1678 or you may call Bernie Eash at 616-915-8101.

Source: Bernie Eash, Monsanto

Dealing with Reporters' Allegations

Talking to the media is a chance to inform the public about the dairy industry. National surveys continually show that the public holds farmers in high regard. However, sometimes you might run into a reporter that will throw allegations at you. Here are some tips to deal with these allegations:

- Don't poison your own well. Refute the allegations without really repeating it. Never repeat negative language. Reporters throw negative words at you hoping you will repeat them.
- Move to higher ground and talk about who you are and what you are doing. Avoid talking about who you are not and what you are not doing.
- Discuss the responsible actions you have taken or will take to achieve the opposite of the allegation. Show the public that you are doing your fair share.
- Don't respond to an attack with an attack of your own. The minute you get angry, you lose. Respond to issues, not to people. Greet negative questions with education, not anger.
- Don't assume the reporter has it right. State, "I have to verify that before I respond". If a reporter leaves a microphone in your face after you've answered the allegations, STOP. This is a trick to get you to talk more.



Source: Dairy Farmer Spokesperson Network

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Announcements

Calendar

March 12, 2005

1st Annual Indiana Dairy Youth Conf.
Place: Hamilton County Fairgrounds,
Noblesville, Indiana
Educational opportunities for
Indiana dairy youth.
Call 574-372-2340 for information

March 15-16, 2005

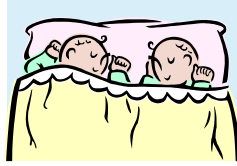
Midwest Woman in Ag Conference
Place: Essenhaus Inn & Conference
Center, Middlebury, Indiana
This conference addresses personal,
family, and farm issues that present
unique challenges to farm women.
Check www.ag.purdue.edu/wia for
more information.

March 15-17, 2005

Dairy Manure Management

Place: Syracuse, New York
This conference provides an
overview of manure management
challenges facing the dairy industry
and current manure handling
technologies. Check [www.nraes.org/
pdf/ManureRegistration.pdf](http://www.nraes.org/pdf/ManureRegistration.pdf) for
more information.

New Arrival



Congratulations to Johannes and Dawn Assen on the birth of their twins, Joseph Anthony and Donald Robert, born on December 23, 2004.

Welcome

Welcome to the van den Heuvels!
Peter and Miranda relocated from
Wanroy, the Netherlands and will
be temporarily residing at:
404 North CR 26
Gibsonburg, OH 43431
(419) 637-2093

Welcome to the Oolman Family!
Gerwin, Marinke and their daughter,
Esmee and son, Sem relocated from
Aalten, the Netherlands and will be
residing at:
170 W. Morse Street
Markle, IN 46770
(260) 758-2484

Milk Fact



Each year, the average
American eats 23 pounds of pizza.
It takes 33.5 billion pounds of milk
to make the cheese and 8 billion
pounds of tomato's to make the
sauce. Thank a farmer for that!

Source: www.agday.com

New Staff Members



I am Susan van der Burg and I began my internship at the Vreba-Hoff Dairy Development office on

January 6th.

My internship focuses on creating a manual for the dairy farm start-up period as well as creating documents such as job application templates. I grew up on a dairy farm in Utrecht, the Netherlands and am currently completing coursework on Management, Economics and Law in Utrecht.



I am Monte Tucker and I joined the Vreba-Hoff Dairy Development staff

in January. I have worked the past 17 years for Sauder Woodworking in manufacturing, safety and distribution, logistics and transportation.

I will take on the responsibility of Project Compliance Representative at Vreba-Hoff. I will work with contractors, engineers and the dairy operators to assist in the various dairy developments, expansions, Stormwater Pollution Prevention Plans and inspections for USEPA, Ohio EPA and ODA. I look forward to working with all of our dairy producers.