



MANAGEMENT *Outlook*

Start Seeing Dollar\$

James Bailey of Bailey Consulting, Inc. has worked in dairy nutrition and management for 17 years in Dane County and southern Wisconsin. With AgSource and the Profit Opportunity Analyzer® (POA), he is helping producers reveal opportunities that exist on their operations.

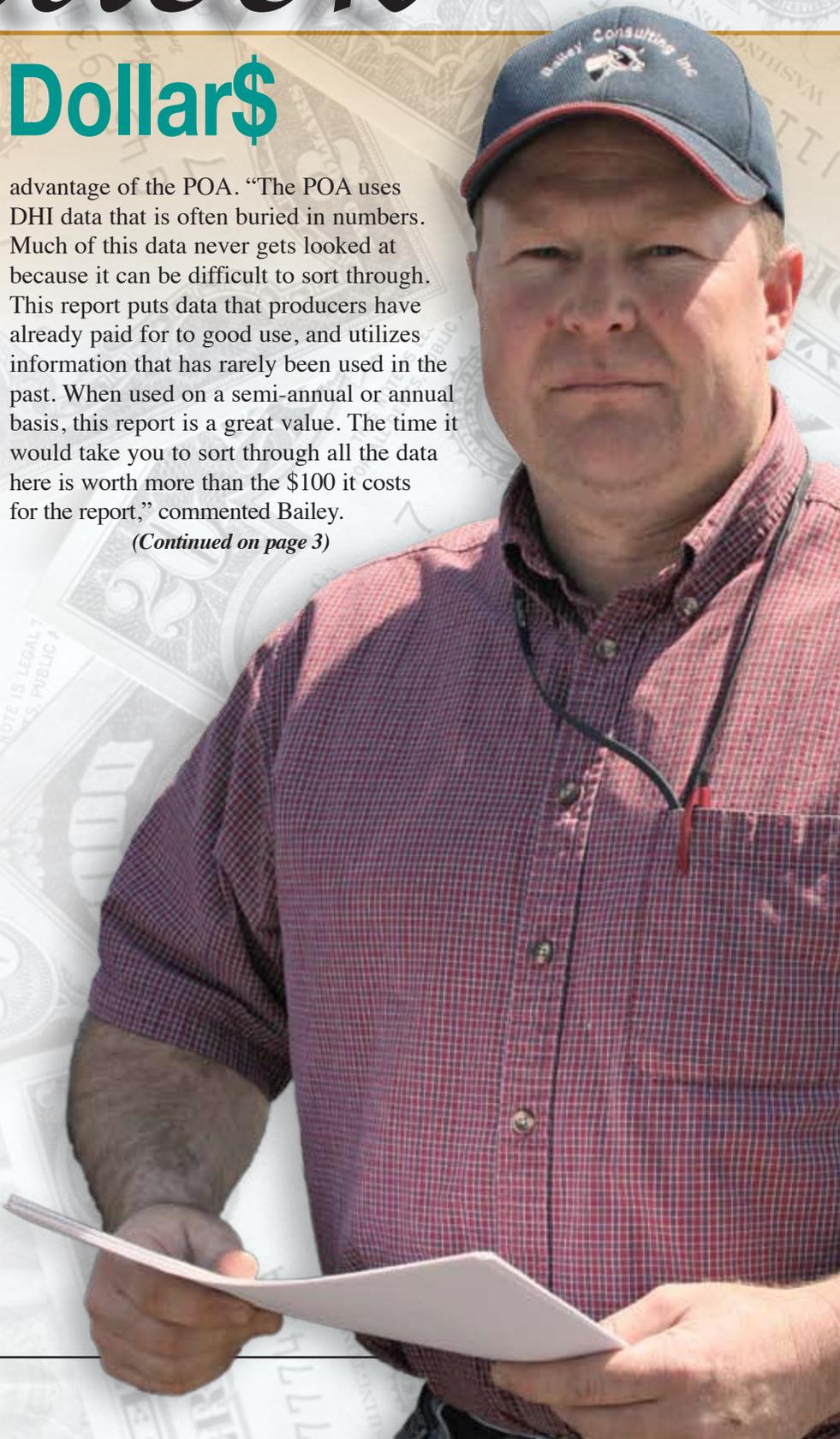
The POA allows AgSource members to use their numbers. Interest rates, milk price, replacement costs, cull cow prices, and calf replacement costs all come from the operation on which the POA is produced for. “The dollar value is the most important part of this report. Producers know where the numbers are coming from because they are their inputs. Instead of just looking at a percent, this is putting a number in front of them and helping them to decide if it is worth it to make changes,” remarks Bailey. “Knowing the dollar value allows my clients to make improvements and know what the return on investment will be. This allows them to decide if the investments in labor, facilities, a breeding service, or other improvements are worth it in the long run.”

Bailey’s clients like the report because it gets to the point quickly by showing missed opportunities and gives them the information they need to improve. The benchmarking in the report gives the POA an advantage, because it is information that cannot be found anywhere else. “Most producers feel the 80th percentile is very attainable, because they are already there in another category. They also know it is attainable because other dairies have been able to achieve those performance levels,” stated Bailey.

As a promoter of DHI testing, Bailey encourages AgSource members to take

advantage of the POA. “The POA uses DHI data that is often buried in numbers. Much of this data never gets looked at because it can be difficult to sort through. This report puts data that producers have already paid for to good use, and utilizes information that has rarely been used in the past. When used on a semi-annual or annual basis, this report is a great value. The time it would take you to sort through all the data here is worth more than the \$100 it costs for the report,” commented Bailey.

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AgSource Holds Annual Meeting

AgSource held its Annual Meeting March 23-24 in Bloomington, Minn. The meeting was the first ever joint annual meeting held by all three subsidiaries of Cooperative Resources International (CRI) in the same location. The meeting allowed CRI members to find out more about the products and services offered by CRI, attend educational sessions and network with other producers from across the country. Here are a few highlights:

Strauss Elected President

Edward Strauss, Sheboygan Falls, Wis. was elected President of the Board of Directors at the AgSource Annual Meeting. LeRoy Schmitz, Fond du Lac, Wis. was re-elected as Vice President; and David Koepke,



Hartland, Wis. was elected as Secretary. Schmitz and Strauss also represent AgSource on the CRI Board of Directors. In addition, Dan Monson, Brodhead, Wis. was elected to the board while Bruce Berth, Coleman, Wis. and Nathan Kling, Taylor, Wis. were re-elected.

Strauss has served on the AgSource Board of Directors since 2005 and previously served as Secretary. He is a member of Majestic Meadows Dairy LLC, formed in 1998, with his son Dean and Bob Radloff. The farm consists of 680 cows and 1,450 acres of corn, hay and soybeans. Strauss served on the Sheboygan County DHIA board for eight years, and has been an AgSource delegate for nine years. He has also served as Co-Chairman of the Grounds Committee for the 2006 Farm Technology Days. He is on the Kettle Lakes Cooperative Board of Directors and is Chairman for the Town of Sheboygan Falls Board of Appeals.

Friend of the Cooperative

AgSource Cooperative Services recognized **Dr. Nigel Cook** as the Friend of the Cooperative. The Friend of the Cooperative Award honors a non-member who contributed to,



supported, and helped strengthen our cooperative, its services, and the dairy industry as a whole. Dr. Cook is a clinical associate professor in the Food Animal Production Medicine section of the University of Wisconsin-Madison School of Veterinary Medicine. He was a key player in the development and updating of WisGraph, the Transition Cow Index, the Udder Health Management Package and the New Herd Summary. His professional insights have been used to develop reports allowing AgSource members to increase their profitability.

Leadership Award

Debbie Voegeli was recognized as the Distinguished Leadership Award recipient. The AgSource Distinguished Leadership Award is presented annually to a member who has demonstrated exceptional service and provided extraordinary leadership at all levels of the cooperative. Voegeli's service to DHI included six years of service on the Columbia-Marquette County DHIA Board of Directors, including two terms as President. In 1992, she was elected to the AgSource Board of Directors, where she served for twelve years. During her time on the board, Voegeli oversaw the formation of CRI, the first non-DHI acquisitions for the cooperative, and the name change of the cooperative.

Service Awards

Each year AgSource recognizes employees who consistently provide quality service to their members and customers in a timely, accurate and professional manner. Through the use of a selection committee, the award

recipients are chosen in each of the three categories including laboratory and/or office area, field services area and managerial/administrative area.



The Outstanding Service Award for the laboratory/office area was awarded to **Virginia Hustad**. Hustad is a licensed Laboratory Technician at the Menomonie laboratory. She has been with AgSource for 14 years and is a key player in the process of analyzing samples in the laboratory. Her work in the lab is critical to accurate identification, analysis, recording and merging of milk sample data. She also has played a major role in training new employees.

The recipient of the 2009 Outstanding Service Award for Field Service was awarded to **Dan Salter**. Salter has been an AgSource Field Technician for over 21 years in the Fond du Lac County area. Salter serves 71 herds with nearly 12,000 cows, with 99.5 percent of animals that are ID, 92 percent processed and sold over \$5,000 in resale supplies.



AgSource Cooperative Services recognized **Ron Mitchell** as the 2009 recipient of the Neal Langjahr Memorial Award. The award recognizes outstanding managerial service to the cooperative. Mitchell has over 40 years of DHI experience beginning his career with DHIA in 1968. In addition to his managerial duties, Mitchell has been a dedicated Field Technician. Monroe County DHIA services 126 herds and 12,321 cows.



AgSource Active Cows Showing Strong Growth

Over the past few years, AgSource has seen a turn-around in testing numbers. In the previous twenty year period, AgSource saw a decline in the number of active cows. AgSource used input from members to help turn this trend around. Although it would have been easy to accept the numbers as a decline in farm numbers, AgSource turned to its members and staff for a solution. Currently there are over 700,000 active DHI cows on test with AgSource, the highest since 1997.

Pete Giacomini, Chief Operating Officer for AgSource, attributes

much of the success to the hard work of AgSource staff and Board of Directors. “Members wanted improved information and consistently high service and AgSource has delivered. AgSource remains committed to listening to members and delivering information and services that meet our members’ needs,” stated Giacomini.

A big part of the growth seen by AgSource has come from new and enhanced reports. With products like the New Herd Summary, Udder Health Management Package,

Fresh Cow Summary, and Profit Opportunity Analyzer®, dairy producers are finding more value in DHI testing. Along with the new products came an investment in field training. This investment allowed Field Technicians to better serve the members by showing the value in the services offered through AgSource. Response from members has been positive and AgSource will continue to look to its membership to find even more value in DHI testing.

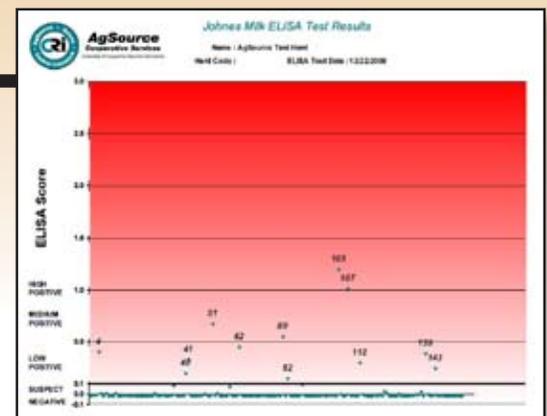
Johne's Testing

AgSource members can have their regular DHI samples analyzed for Johne's and have the results within a week of their test day. Johne's disease is caused by *Mycobacterium avium subspecies paratuberculosis*, otherwise known as MAP. Since this disease is difficult to treat, controlling the spread of Johne's is a critical management practice for all dairy producers to protect the future of their herds. In addition, the disease significantly impacts the economic performance of infected animals.

Diagnosing animals infected with Johne's disease is important to controlling the spread. The Milk ELISA Test detects a cow's antibody response to *M. paratuberculosis*.

Results are available in three to five days allowing producers to make timely management decisions. In addition, this test is economical making it an effective herd screening tool. The Milk ELISA test can be performed on frozen or preserved DHI milk samples. Duplicate samples are not required as the Milk ELISA can be performed on test day milk samples after component analysis is completed.

The Milk ELISA test has a sensitivity of 51 percent, which means it correctly identifies infected animals as a positive test 51 percent of the time. In addition, the specificity of the test is 99 percent. This means it correctly classifies uninfected



diseased animals as a negative test resulting in very few false positive test results. This is comparable to the accuracy of the blood ELISA test for Johne's detection.

If you are interested in more information or would like to begin testing today, contact your Field Technician.

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The POA also allows managers to evaluate management decisions on the farm. In one instance, Bailey and his client did not agree with the numbers on the POA. Instead of dismissing the report, Bailey worked with the client to see if the management practice in question was really costing the operation profit, or if the decision was justified. After

looking at the data, Bailey and his client were able to conclude that the management practice was working. “The POA allowed us to have that conversation and confirm that management practice was in the best interest of the operation, but without the POA we may not have evaluated that practice as thoroughly,” noted Bailey. Using this report allows

consultants and managers to have productive discussions on how to improve profitability on the operations.

To find out more about the POA and to order a copy for your operation visit www.AgSource.com or speak with your field technician. All POAs are delivered by a trained individual who can help members interpret the report.

New Herd Summary Insights

MITCH BREUNIG

Mystic Valley Farms
Sauk City, Wisconsin



What do you like most about the new Herd Summary?

I really like the production graphs. It gives a very good snapshot of where you have been and where you are going. I also like the 12-month average at the top of the test day average block. It lets you see how the last test compares against recent history. Another Section I like is the reason for leaving by lactation. This allows you to see where potential problems may be occurring.

Tip for using the Herd Summary:

Track when you make a change on the dairy and use it to see the results. It is important to take time to review the reports each month.

NATE JANSSEN

Golden Oak Farm
Wauconda, Illinois



What do you like most about the new Herd Summary?

The new Herd Summary is set up in a way that it is very easy to interpret information. With the graphical information the report is very easy to look at trends and evaluate whether a management change needs to be made. For example, MEs can be evaluated to see if there are times in the year where cows are not meeting expectations, or if first calf heifers are sub-standard against the rest of the herd. If so, consider a management change.

If you had to give a tip on how to use the new Herd Summary, what would it be?

Sit down with your herdspeople, vets, nutritionists, etc., just for a couple minutes to evaluate this information and brainstorm on management practices that can enhance the performance of the herd. For example, we would like to improve our reproductive efficiency. By looking at our herd summary, we can see we are in pretty good compliance with days to first breeding with our OvSynch protocol. Therefore, we need to focus in different areas like nutrition, conception rate or observing repeats to improve this efficiency.

KRISTI UECKER

Genex Area Program Manager
Shawano, Wisconsin



What do you like most about the new Herd Summary?

I enjoy the reproduction data the most. Several dairies don't have a real strong understanding of their reproductive performance. Monthly testing with accurate records will allow them to not only manage their milk production and somatic cell count, but now it includes reproduction. Especially informative are the genetic trait values given in Section K. Using high genetics today will make all the difference in your cows tomorrow.

If you had to give a tip on how to use the new Herd Summary, what would it be?

Watch for trends! The graphs available make it easy to identify upward and downward trends. Once a trend line forms, then dig deeper into the numbers. This information allows producers to make smart decisions on the dairy.

TOM GERRITS

Country Aire
Greenleaf, Wisconsin



What do you like most about the new Herd Summary?

Herd Summary is a quick snapshot on the overall performance of the herd. What I like about it is it is a quick summary we can use for team meetings. Information can be distributed quickly and all areas are covered with very detailed and to the point information, to be used in discussion.

If you had to give a tip on how to use the new Herd Summary, what would it be?

When reading the summary sheet, I look for trends and look for reasons why it ticks up or down. It is one of many management tools supported by the data allowing for easier decision making.



AgSource
Cooperative Services

A subsidiary of Cooperative Resources International
135 Enterprise Drive • P. O. Box 930230
Verona, WI 53593