



The Center Spotlight

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Retired Executive Enjoys Challenge of Counseling Dairy Farms



John Fleckenstein is one of several volunteers working with the Service Core of Retired Executives who have offered their services as facilitators for on-farm profit teams.

Editor's Note: This is part of a monthly series of timely articles and information from the Center for Dairy Excellence, a non-profit organization focused on strengthening Pennsylvania's dairy industry.

LANCASTER, Pa. — Ten years ago, John Fleckenstein was the senior vice president of operations at Armstrong World Industries, a global leader in flooring, ceiling and cabinets. Before that, he was president of a division of Emerson Electric, one of the world's largest manufacturing companies.

So what's someone like that doing on 100-cow dairy operations in Lancaster County? "I'm volunteering to serve as the facilitator of two dairy profit teams," he says. "I'm learning the language of dairy farming while helping them develop a disciplined approach to business management."

Business is Business

Fleckenstein is a member of the Service Core of Retired Executives (SCORE), a volunteer group associated with the U.S. government's Small

Business Administration. "SCORE has chapters all over the country, and mostly we are retired corporate executives and business owners," he says. "Our goal is to help small businesses either get started or improve profitability. We do that in two ways — by providing consulting services and offering low-cost seminars."

Fleckenstein is a SCORE counselor and works with entrepreneurs from all different facets of business. "I am working with one gentleman who wants to start an ice cream business and another who wants to grow his shed making business. We know our way around business, and our approach is that the fundamental of any business is just people trying to make money.

"One thing that intrigues SCORE volunteers about dairy farms is the sheer size and scale of them," he says. "They are larger businesses than others that we have worked with and we find that very interesting."

A Good Fit for SCORE

SCORE volunteers like Fleckenstein have made themselves available to serve as facilitators on farms enrolled in the Center for Dairy Excellence's On-Farm Resource Team Program.

"At some point, the center's executive director, John Frey, and one of our leaders realized that what we call a counselor is very similar to what the center calls a facilitator," Fleckenstein says. "It was a great fit for us to get involved in the program."

Another SCORE counselor, Dan Evans, is working with Fleckenstein on three different farms. "Our approach is that we always have back up," Fleckenstein says. "Dan serves as the facilitator on one farm while I serve as facilitator on two other farms. If one of us is not there when the farm needs us, the other can back him up."

They have been serving as facilitators for the

last month and hope to offer what they know about business to the dairy farm.

"There is no doubt that the dairy image terminology takes some translation. Sometimes it is very difficult for us to understand what our clients are trying to tell us about their business because they use different terminology," he says. "However, when it comes down to it, it is all about setting priorities. I have never been in a factory or on a dairy farm where they weren't trying to do too many things. The key is identifying your priorities and having people take accountability for those priorities.

"Any given dairy farm is faced with a vast number of investment alternatives for its scarce capital; it is all about capital management and we can help with that."

More SCORE volunteers eager to help

Fleckenstein is one of several SCORE counselors who are eager to work with dairy farms. Other farms interested in having a SCORE representative serve as the facilitator for their dairy profit, target profit or succession planning team can contact the Center for Dairy Excellence for more information.

Any dairy farm interested in establishing a dairy profit, target profit or succession planning team can receive funding of up to \$1,500 in 2010 to cover the cost of paid team members and discovery-related expenses. SCORE representatives have generously volunteered their services for profit teams, so there is no cost for their involvement.

The center offers other support for farms interested in taking a team approach to bringing better decision making, enhanced performance and improved profitability to their dairy businesses. For more information, visit the center's Web site at www.centerfordairyexcellence.org. Click on "Producer," then on "Learn More About Profit Teams." Or call the center at 717-346-0849.

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Pennsylvania Holds Market Share in Deteriorating Environment

HARRISBURG, Pa. — Pennsylvania's state dairy herd decreased by 10,000 cows in the past 12 months. However, milk production in the state remains steady, thanks to ongoing increases in milk

production per cow. This increase in milk production per cow has helped the state hold its market share of the U.S. milk supply, with the nation's milk supply down by 1.1 percent while Pennsylvania's remains

flat. Milk production per cow in the state is up 1.9 percent.

Hidden behind that increase in milk production per cow are improvements in somatic cell levels, pregnancy rates and days in milk. Age to first calving and days to first service also continue to improve.

Reach Your Benchmarks

The Center for Dairy Excellence has funding resources available to help farms reach their own benchmarks relating to production, performance and profitability. The on-farm resource team program is an invaluable resource to help farms identify bottlenecks and improve their profitability.

The center also offers educational events, such as the Dairy Profitability Forum in the fall and the Mastering the Dairy Business Conference Calls held regularly throughout the year. To learn more about the center's resources, visit www.centerfordairyexcellence.org.

The complete Pennsylvania Dairy Industry Performance Scorecard can be found by clicking on the "Scorecard" icon at the bottom right of the Center for Dairy Excellence homepage.



For more information, call the Center for Dairy Excellence at 717-346-0849.

Pennsylvania Dairy Industry Performance Scorecard Summary	Sept. 2008 Report	Sept. 2009 Report	Change from last year	Target range
Milk Cows	549,000 cows	539,000 cows	-1.8%	
Rolling 12-Mo. State Milk Production	10.642 bill. lbs.	10.532 bill. lbs.	-1.0%	10.8 bill. lbs.
Wholesale Milk Price	\$19.40/cwt.	\$15.40/cwt.	-20.6%	
PA Daily Feed Costs (cost of corn, soybean & hay at 100 lbs. milk)	\$6.92/cwt.	\$5.85/cwt.	-23.5%	
Milk Production/Cow/Day	58 lbs.	59 lbs.	+1.9%	80 lbs.
% of Herds with 80+ lbs./cow/day	7%	7%	+10.4%	
Rolling 12-mo. Herd Production Average	21,117 lbs.	20,955 lbs.	-0.8%	25,000 lbs.
Average Somatic Cell Count	315,000	273,320	+13.2%	200,000
% of Herds below 200,000 SCC	26%	37%	+41.1%	
Average Days In Milk	190 Days	187 Days	+1.8%	185 Days
Average Age to First Calving	25.6 months	25.4 months	+0.6%	21—24 mo.
Average Days to First Service	90 Days	89 Days	+1.6%	< 80 Days
Average Cull Rate (% left herd)	33.0%	33.8%		20—35%
Average Pregnancy Rate	16.11%	17.21%	+6.8%	> 20%
To view complete scorecard, visit:	www.centerfordairyexcellence.org			