



CENTER FOR
Dairy EXCELLENCE

Moving the Needle

2020-21 | ANNUAL SUMMARY

Filling the Tank and Helping Pennsylvania Dairy Progress

When things are uncertain, what's important becomes clear. For the Pennsylvania dairy industry, staying resilient, progressing forward, and working together as a community has never been more important. Throughout the last year, the Center for Dairy Excellence has leveraged funds from the Commonwealth of Pennsylvania to provide direct support to dairy producers who want to enhance efficiency at the farm level, make improvements in cow comfort and animal care, and develop practical risk management strategies. As a public private partnership, we work diligently to shape the conversation around innovation within the processing sector. In everything we do, we are committed to finding new avenues for connection and collaboration across the entire industry. With market uncertainty and challenging business dynamics, many dairy producers feel like they are running on empty. With an eye on the future, we work to fill producers' tanks and share industry-wide resources to help the Pennsylvania dairy industry **move the needle** and commit to excellence.



–Jayne Sebright, Executive Director

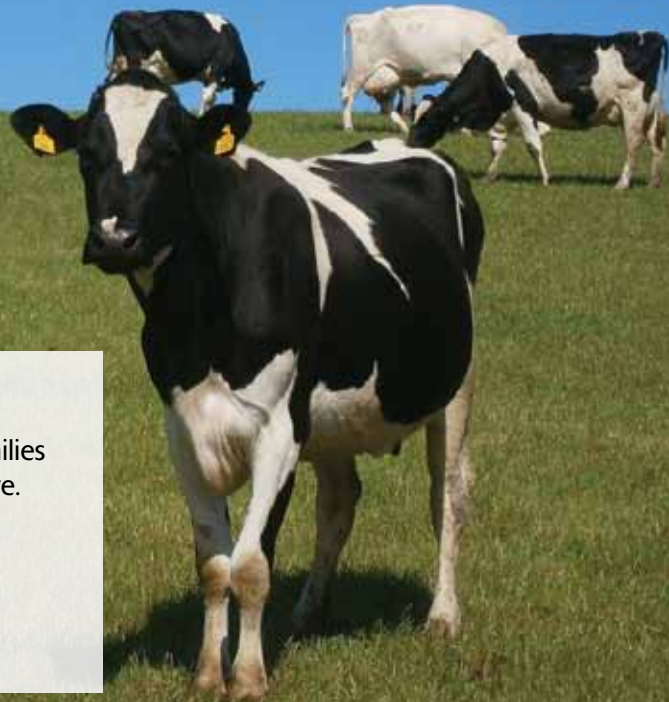


"As the Pennsylvania dairy industry navigated supply chain challenges, new assistance programs and other ripple effects from the pandemic, the Center for Dairy Excellence has worked to create new channels for communication, amplify dairy farmers' voices, and bridge the gap between individuals in all sectors of the industry – from dairy producers and processors to milk haulers and veterinarians. The Center is committed to providing real-time tools and resources to help dairy farm families remain profitable and forward-thinking. The Center isn't afraid to pivot when the unexpected happens and is always looking for new ways to move the needle across the industry."

–Phoebe Bitler, Chair of the Board of Directors

MISSION Empower and support Pennsylvania dairy families and businesses to thrive.

VISION Serve as a catalyst for a vibrant Pennsylvania dairy industry.



Supporting Efficiency and Modernization at the Farm Level

Pennsylvania dairy producers are independent and forward-thinking—always looking to make improvements on their operations to enhance cow comfort and improve efficiency. To meet the real-time needs of producers across the state, and support the industry's commitment to animal care, the Center designed the Dairy Excellence Grant Program. As a competitive grant program that supports dairy improvement projects, the funds are used by producers to improve their day-to-day productivity by repairing milking parlors, building new maternity barns, renovating calf barns, adding high-moisture corn feeders, and so much more.



Dairy Excellence Grants | 2020-21



80
dairy producers
received grants

\$400,000

awarded



Grant
recipients
represent

33
counties in PA

18,925

dairy cows impacted by
improvement projects



Crowd Gate: *If it's available and you qualify for it, go for it. Times are tough these days, and every little bit helps. The crowd gate was \$12,000 but \$5,000 helped a lot. It makes a difference.*

—Adam Derr, Faywest Holsteins

Manure Scrape System: *"We were so happy and thankful that we received the grant for improving the barn. It came at a time when the money was desperately needed, so it was a huge help. Our cows are so much happier now from what we could build because of it."*

—Lolly Lesher, Way-Har Farms

Fueling Dairy Transformation and Building Legacies for Generations to Come

As Donny Bartch of Merrimart Farms in Perry County, Pennsylvania brainstormed ideas for the future of his dairy farm, a Transformation Team Grant from the Center helped him consider whether transforming the farm with robotic milking technology was a good fit for his future. As he evaluated the robotic milking technology, the grant helped him form a team to perform a feasibility study.

"It took the risk out of the feasibility. There's such a huge investment to see if it's even possible before you draw up plans or think about barn design," Donny said. "For me, being able to work backwards was more helpful than doing all the design work first and talking financials after. I would rather see the scope that we can do and then make our future fit into that scope."

After working with his Transformation Team and building a plan for the investment, Donny and his family made the decision to move forward with robotics. While he cannot control the weather or milk prices, the plan he developed for the transformation has given him clear parameters for the type of investment they can make.

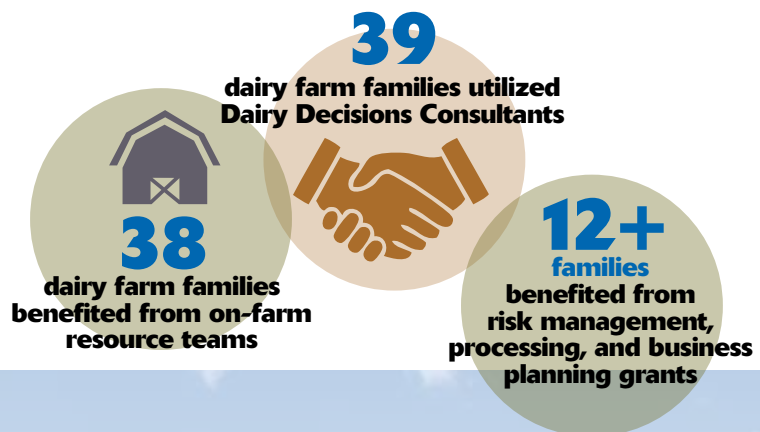
"The grant took away so many variables and gave us a concrete idea. It helped jumpstart everything. The grant gave me the confidence I needed to move forward with a project like this. It went from a pipe dream to a reality. We're going to come out on the other side without that uncertainty," he said.



On-Farm Resource Programs | 2020-21 Total Reach



Scan here to read more success stories from PA dairy farmers.



For Pennwood Farms in Somerset County, Pennsylvania, transition and succession planning has been a key goal of theirs for the past few years. With four brothers and various family members overseeing the business, they have been considering transitioning to an LLC to better protect each family. They have also been considering how the next generation could get involved in the partnership. Through a Transition Team Grant from the Center, the Stoltzfus family was paired with a consultant who could provide direction and help them identify the next steps.

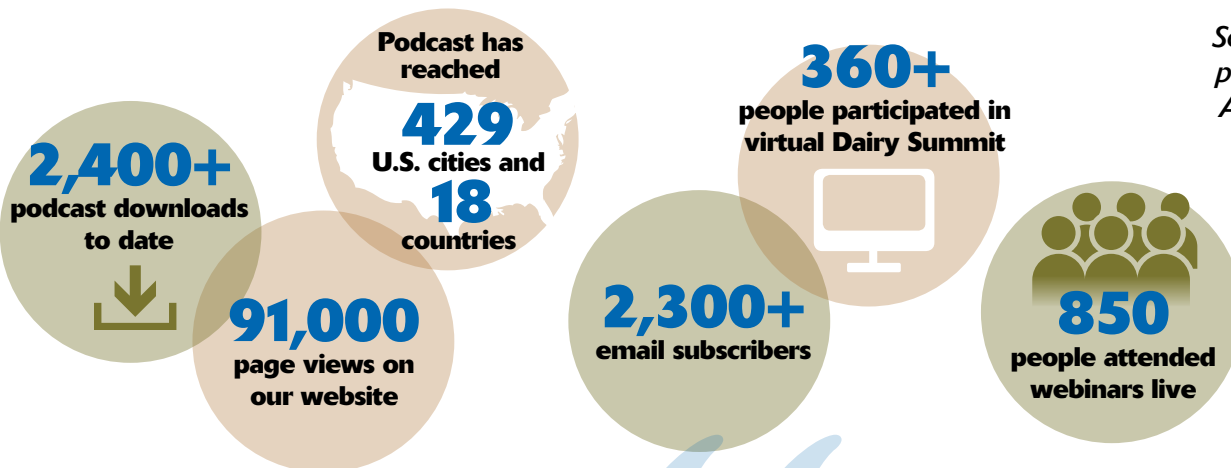
"We've been trying to do it on our own and nothing was happening. We've been talking about transitioning to an LLC and we've been talking about the next generation, but everyone is always so busy. It's always on the back burner. Finally, we just needed some direction. The Center for Dairy Excellence really provided that," said Joanne Stoltzfus.

As they continue with transition planning, the ultimate goal is to build a legacy for their dairy operation that will continue for generations to come. "Our farm has been in operation for over 50 years. We just want to see the legacy of our farm continue and to continue breeding good quality cows. With a plan in place, hopefully the farm continues on a positive note," Joanne added.

Building Connection and Shifting Gears to Reach Producers in All Spaces

As the dairy industry continued to find digital ways to connect when in-person meetings were not possible, the Center worked to amplify our reach throughout the year. We launched a podcast, hosted the first-ever virtual PA Dairy Summit, and formed new discussion groups about methane digesters and robotic milking technology. The “Cow-Side Conversations” podcast features one-on-one interviews with Pennsylvania dairy farmers and shares real-time farmer insight, tricks of the trade, and inspiring stories from dairies across the state. Through email communication, web resources, and virtual webinars about topics ranging from mental health and people skills to business planning and Dairy Futures recommendations, the Center is committed to sparking connection in all spaces.

Digital Tools and Resources | 2020-21 Total Reach



Scan here to listen to the podcast or subscribe on Apple Podcasts, Spotify, and Amazon Music.



Listening to the podcast is interesting to hear how other dairy farmers are finding ways to solve problems. You benefit by hearing the trials and tribulations of others who are seeking to be on the cutting edge.



—Alan Waybright, Mount Rock Dairy

I looked at the Center's Facebook and website often as we started to prepare to take over the family dairy farm. I think the Center is a great resource for dairy farmers to help their operations succeed.

—Annette Worthington, Curly Hill Farm

Managing Risk and Maintaining High Standards in Today's Marketplace

Even when the dairy industry is expecting a good year, the past 18 months have proven that black swan events can still occur. Risk management is essential to helping dairy producers protect their bottom line and navigate an ever-changing marketplace. Throughout the year, Zach Myers, Risk Education Manager at the Center, provided market updates and weekly columns and expanded the reach of these resources through podcasts, webinars, and other virtual tools. When in-person conferences were not possible during the height of the pandemic, the Center also pivoted to offer the Dairy Financial and Risk Management Conference virtually. As we reached more than 100 people, the success of this conference drove a continued plan to offer the conference in a hybrid model.



Risk management needs to be part of any business plan. You need reliable and trusted sources for information and advice like the Center for Dairy Excellence.

—Andy Young, Cargill

Risk Management Programs

2020-21
Total Reach



Virtual Dairy Financial Conference:
110
attendees




Weekly Markets and Management updates:
19,000
total reach

Protecting Your Profits webinar and podcast:

2,000
people reached

Weekly newspaper columns:

3,537,000
total reach



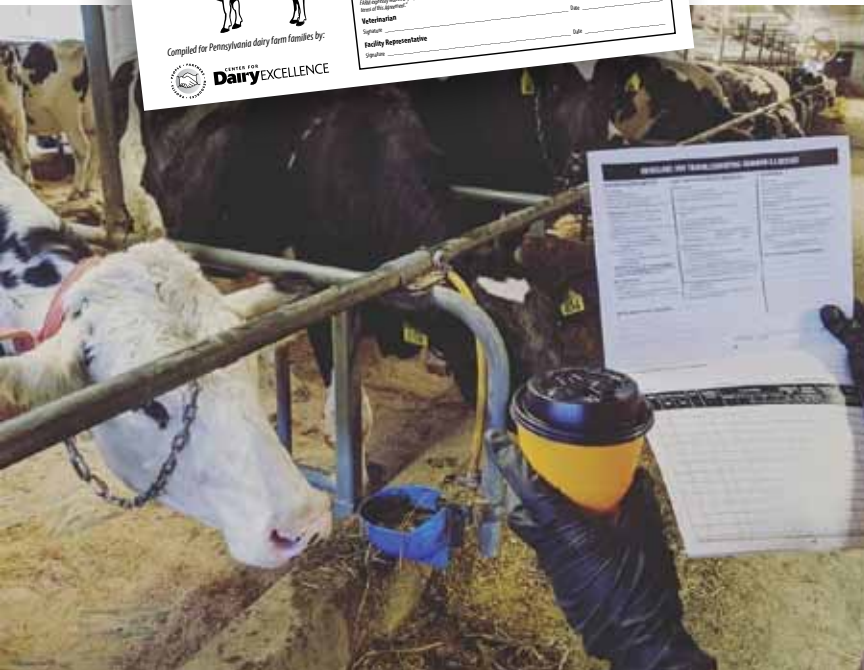
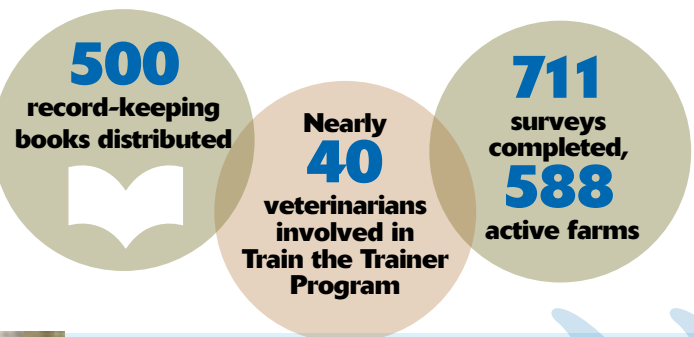
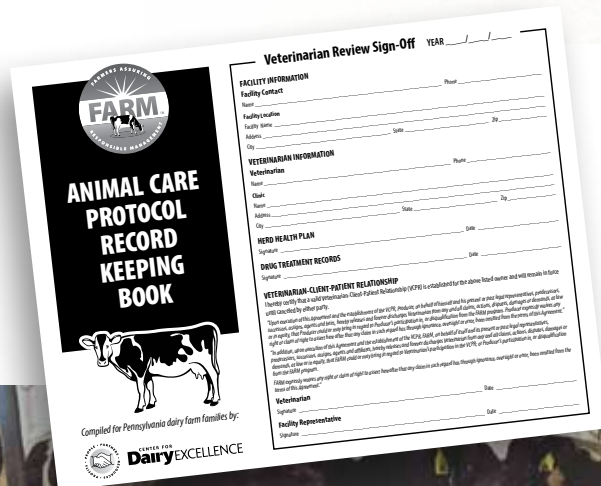
I enjoy the 'Protecting Your Profits' monthly update. What I like about it is, they go over the markets, supply, demand, and exports. I think it's an excellent tool to give me a recap on what's happening. It gives me an idea of where the markets are going and compares the different risk management programs to give you an idea of what you should and shouldn't do.

—John Hess, Jobo Holsteins

Finding the Gaps and Driving Change in the Industry

Outside of our farmer resources, the Center is focused on identifying issues within the industry and bringing together leaders to address those issues. This past year, the Center collaborated with the Penn State Smeal College of Business to survey farmers on the financial and other impacts of COVID-19 as well as their plans for transition and reinvestment. Nearly 10 percent of Pennsylvania dairy farms completed the survey, which pointed to a need for increased training and resources to help farmers navigate employee management, risk management, and animal welfare protocols. With the survey serving as a springboard for collaboration, the Center brought industry professionals together to identify areas of opportunity.

One of these areas related to helping farms navigate compliance with the National FARM Program. As a result of the collaboration, the Center hosted a “Train the Trainer” webinar on FARM 4.0 for veterinarians. We also developed animal care protocol record-keeping books to help dairy farm families meet their goals and maintain high standards for animal care that consumers demand.



The Center for Dairy Excellence's FARM 4.0 protocol book is simple yet detailed enough for clients. It hits home with clients as a manageable resource for farms to personalize the protocols with their veterinarian. My clients and I have reviewed and adapted the pages to fit their farms. This is an excellent resource for dairy farmers and veterinarians to facilitate the transition to FARM Version 4.0 standards.

—Dr. Jody Kull, Valley Mobile Veterinary Service, Inc.



FUNDING SOURCES TOTAL

Agricultural Excellence Line	\$1,383,305.00
Center for Dairy Excellence Foundation	\$ 134,533.00
Industry Support	\$ 114,894.00
Pa Preferred	\$ 4,250.00
COVID Assistance	\$ 101,757.00
TOTAL	\$1,743,379.00

ALLOCATION OF EXPENSES TOTAL

Programs	\$1,092,710.00
Partnerships	\$ 299,392.00
Administration	\$ 114,238.00
Events	\$ 160,610.00
Fundraising	\$ 21,310.00
TOTAL	\$1,688,260.00

(The financial statements are unaudited)

Private industry partners stepped up in 2020-21 to increase both their financial and in-kind support of the Center for Dairy Excellence, enabling the Center to document a 1:1 match between the public side and the private side. This demonstrates the Center's true purpose as a public:private partnership benefiting Pennsylvania's dairy industry.

Center for Dairy Excellence Board Members

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Vice Chairperson: Tony Brubaker, Mount Joy, Pa.
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Amanda Rife, Carlisle, Pa.
Amber Yutzy, Huntingdon, Pa.
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Secretary Russell Redding, Harrisburg, Pa.

2020-21 Allies for Advancement Contributors

Gold Level (\$10,000+)

The Pennsylvania Department of Agriculture
Bureau of Market Development
The Pennsylvania Dairymen's Association
AgChoice Farm Credit/MidAtlantic Farm Credit

Silver Level (\$5,000-\$9,999)

Farmshine *
Lancaster Farming *
Progressive Dairyman *
Land O'Lakes Foundation

Bronze Level (\$1,000-\$4,999)

Acuity Advisors and CPAs, LLP
Dairy Farmers of America
Farmer Boy Ag Inc.
Fulton Bank
Maryland & Virginia Milk Producers
Mt. Joy Farmers Co-Op Association
USA Gypsum

Friends of the Center for Dairy Excellence (\$500-\$999)

Agri-Applicators Inc.
Agricultural Veterinary Associates
Ephrata National Bank
Herbein & Company, Inc.
MSC Business Services
Premier Select Sires, Inc.
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(* indicates in-kind contribution)

