

Other Unique Components

Situation Overview (Satellite Dairy Rental):

A. *Please describe farm characteristics.*

- Number of cows – before project (80-90 total head, milk and dry) and after project(180 milking, with 26 dry cows and heifers)
- Number of acres – before and after the project (owned 160 acres, rental 160 acres)
- Total forage needs (in tons) – increased forage needs by 2,000 tons. Required 1,500 tons before expansion and today need 3,500 tons.
- Storage Structure Facilities – before, 3 silos, 1200 ton silage capacity and ag bags for corn silage. After the expansion, we've added more ag bags for corn silage.

B. *Additional key factors to the satellite dairy rental.*

- Winters are harsh in northern Pennsylvania, making it difficult to run cows outside in the winter. While we grew our herd for the new facility, we rented another tie stall barn.
- We milked in the rental barn from October – middle of May. Someone else was farming the land, so pasture wasn't an option in the spring and summer.

C. *How was the team instrumental in helping you think through available options? Please describe.* There was discussion within our team about building an inexpensive barn to give the cows shelter in the winter versus hiring more labor to milk cows at two facilities. They helped us weigh the pros and cons of both options, ultimately leaving the decision to us.

D. *Did any of these additional components result in added profitability or a change in management style? Please describe.* We quickly realized the rental dairy was not a profitable venture for us, as we were losing money. As an example, we fed the same TMR (total mixed ration) to our cows at our existing barn and the rental barn. The cows in the rental barn were producing five less pounds of milk, per cow. It convinced us that the new free stall would be more profitable for the business.