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Colorado dairies share best strategies for managing people, cows

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WELD, MORGAN, LARIMER COUNTIES, Colo.—“A lot we do well has to do with organization.”

With these words, Mike Veeman of Veeman Family Dairy Farms welcomed 50 dairy producers and agribusiness professionals from Pennsylvania, New York, and Maryland to his family’s dairy operation in Wiggins, Colorado, as part of the annual dairy tour hosted by the Professional Dairy Managers of Pennsylvania (PDMP) and Penn State Dairy Alliance.

Although Veeman was speaking specifically about his family’s six-generation dairy, his emphasis on success through careful organization and management was a theme echoed at all seven of the northeastern Colorado dairies the group toured October 21-24.

The group also toured: Empire Dairy, Wiggins; Quail Ridge Dairy, Fort Morgan; Bella Holsteins, Platteville; Dyecrest Dairy, Fort Collins; Long’s Peak Dairy, Pierce; and Johnson Dairy II, Eaton. Added together, the seven operations total nearly 51,000 cows and heifers.

Average milk production in Colorado is a whopping 1,850 pounds per cow per month, based on data just released from the USDA National Agricultural Statistics Service. This puts Colorado fourth in the nation in milk production per cow, following closely on the heels of Washington state with 1,900 pounds, New Mexico with 1,880 pounds, and Idaho, 1,870 pounds. NASS data shows Pennsylvania production at 1,530 pounds per cow.

Colorado dairies are challenged by water restrictions, drought conditions, high-priced feed, and lack of laborers, yet the approximately 135 herds that comprise the state’s dairy industry are able to maintain high production.

After visiting the dairies, Logan Bower, president of PDMP, believes the keys to their success lie in their “intense” management style, a cool climate with low humidity, access to high-quality feedstuff, and herds built on good genetics. (Several of the dairies shared that they had purchased cattle from Pennsylvania and the Northeast to build their herds.)

“Their cost of capital investment is also lower than ours,” observed Bower. “We’re becoming closer as time goes on, but land and facility costs are higher in Pennsylvania.”

“The Colorado producers have a different style of dairying, but they all accomplish their goals through how they manage people,” noted Bower. “From an employee-management

perspective, there's always something new to learn, and I think we can incorporate a lot of what we saw in Colorado on our own dairies here in Pennsylvania."

Highlights from the host farms

Norm Dinis, owner of Empire Dairy, shared the challenges he faces to train middle managers to oversee his 65-employee workforce that is 100% Hispanic. This second-generation producer milks 4,000 cows, farms 2,000 acres, and raises his heifers on-site. The dairy is an older free-stall facility that Norm retro-fitted himself.

"Empire Dairy was a very good example of how a dairy can continue to grow in an older facility," explained Glenn Gorrell, PDMP tour committee chairman.

Owner Gary Henrickson and son Jerod welcomed the tour to Bella Holsteins, home to 2,000 cows. Henrickson was the keynote speaker at the 2007 PA Dairy Summit. His philosophy on innovation and expansion was the impetus for the tour planning committee to select Colorado as its destination for the 2008 tour. A highlight of the tour included a manure composting and recycling operation that Gary helped design.

Terry Dye and daughter Amanda operate Dyecrest Dairy, a 3,000-cow facility. The dairy originated in West Edmeston, N.Y., 38 years ago with 50 cows. In 1985, when the dairy moved to its current home—a converted Colorado feedlot—it was the state's largest with 750 milk cows.

Its proximity to town prevents the dairy from expanding past its current 3,000 cows and "so we must play to our strengths," said Terry. A big strength is daughter Amanda, who runs the dairy's calf operation and oversees the breeding program for this all-registered herd. The dairy boasted a low 1.1% birth-to-weaning mortality rate last year with 1,473 calves.

At Johnson Dairy II, owner John Johnson and his brother, Phil, who manages the facility, showed off the largest milking parlor in the world—a double-80 parallel—located in the biggest dairy barn in the world. A double-35 parlor and single-30 are also in use at this new facility that is home to 12,000 cows. Combined, the parlors milk 9,500 cows 3x. The operation sits on the site of a converted heifer lot.

"We don't have a lot of bells and whistles here, we just milk a lot of cows," said John. The size of the operation means 40-60 calves are born each day, and at any one time there are 1,200 calves on bottle. The facility generates 150,000 yards of compost a year, which is contracted to a landscaper.

Rick Podtburg and Eldon Marrs, co-owners of Long's Peak Dairy, joined their operations in 1998 to increase their competitiveness in the market. Ironically, the two began talking about consolidating their dairies in order to increase their profitability while on a dairy tour themselves. Today, Long's Peak Dairy has 5,100 cows, 4,000 heifers, and 70 employees across the two sites.

Chris and Mary Kraft milk 4,000 cows at their brand-new Quail Ridge facility, which they designed. "Everything here was built on flow—cow flow, people flow, truck flow, milk flow, manure flow," said Mary.

A double-50 parallel parlor transports milk to 8,000-gallon tanks equipped with load cells that email the cooperatives when the tanks are full.

The free-stalls at Quail Ridge are bedded with compost created on-farm, and the alleys are scraped, rather than flushed, due to water restrictions. Mary thinks these factors keep the cows exceptionally clean.

Sixty-four employees work the two facilities, punching in for work on a time clock that scans their hands to ensure proper identity. Attendance at weekly staff meetings is mandatory. Educating employees and the public is a priority. Educational programs take place in a conference room that overlooks the parlor. The couple milks an additional 1,000 cows at their Badger Creek Farms special needs facility nearby.

Brothers Mike and Derrick Veeman are just two members of the Veeman family with an active role at Veeman Family Dairy. Many more family members can be found managing various aspects of the operation.

Closed-circuit cameras provide bio-security on the dairy, which features a 2,100-cow herd milked 2x on a 60-stall rotary parlor. The family moved to the facility three years ago and made many changes that, according to Mike, have paid huge dividends. One of these is a new facility for transition cows that features a staff dedicated solely to transition care and calving.

“We hit a complete grand slam with it,” noted Mike, who explained that they struggled a lot at their last dairy due to overcrowding. The family raises 1,700 heifers at a farm an hour away. Progressive Breeders Awards from the past 15 years line the walls of their offices.

PDMP has long offered dairy tours. Past destinations included Arizona, California, Florida, Idaho, Indiana, Maryland, Michigan, New Mexico, Texas, Vermont, and Washington.

“The tours provide a venue to learn from each other,” explained Bower. “Our producers get out of their own corners of the world and see how their fellow Pennsylvania producers and producers from other regions of the country do things.”

Gorrell believes the tour gets better every year. “They are always packed full of information. Dairy Alliance does a great job of organizing the tour so we can experience a lot of dairies in just a few days.”

This year, Dairy Alliance collaborated with Colorado State University to identify some of the top producers to visit. “By going to some of the best operations, our members get to learn their best strategies for managing people and cows. They share with us how they make it all work, even with the challenges specific to their region,” said Gorrell.

Bower also believes this year’s tour was one of the best to date. “We always strive to make the tour as good as possible. We had outstanding farms that were all managed differently. And the beautiful scenery we enjoyed on our visit to Rocky Mountain National Park on the final day of the tour was the icing on the cake.”

Gorrell attributes some of the success of the tour to its participants. “We had a great group of people. They are good operators on their own, and as we visited on the bus and over meals every day we got the benefit of learning not just from our peers in Colorado, but from our colleagues in the Northeast, too.”

The annual dairy tour is planned jointly by PDMP and Dairy Alliance, which is a Penn State Cooperative Extension initiative. The PDMP tour committee selects the sites, and Dairy Alliance coordinates the logistics. Tour committee members include Jeff Ainslie, Marilyn Hershey, Pat Heuser, Dale Hoffman, Lisa Holden, Mike Hosterman, Michele Moyer, Georgene Thompson, and Mark Yarish. Sponsors were AgChoice Farm Credit, Dairy Farmers of America, and Land O’Lakes Purina Feed.

For more about the dairy tour to Colorado, visit the blog at colodairytour.blogspot.com created by Dan Brogdon of AgChoice Farm Credit.