

April 2009

## Alliance Dairy Health and Nutrition Conferences: *Very Successful!*

The Northeast Ag and Feed Alliance recently hosted two dairy health and nutrition conferences attended by over 250 feed industry representatives, veterinarians, producers, and students, in Syracuse, NY and West Lebanon, NH. The outstanding line up of speakers provided insight into emerging issues of dairy cattle nutrition, forage management, and dairy farm management. A few snippets from the presentations are provided below; visit the Alliance web site at <http://www.northeastalliance.com> to view the power point presentations.

Dr. Pat Hoffman from the University of Wisconsin provided information on two topics, *Factors Affecting Starch Digestibility in Dairy Cattle* and *Feeding Heifers for Increased Efficiency*. Based on Dr. Hoffman's overview of corn morphology and physiology of corn digestion it is evident that some genetic traits of corn, which have a positive influence on starch digestibility, negatively influence agronomic performance.



Rearing dairy heifers to minimize economic and environmental impacts while maximizing future lactation performance is a common goal on dairies. University of Wisconsin research indicates that limit feeding heifers to 80% of their intake potential by offering nutrient dense diets has the potential to increase feed efficiency without compromising growth, calving ability, or future milk production. Indeed, research conducted at Penn State University suggests carefully controlled limit feeding might actually enhance future milking ability of dairy heifers.

Poor reproductive performance is a frustrating problem in high producing dairy cows and has been shown to be correlated with changes in body condition score. Dr. Matt Lucy of the University of Missouri reviewed research indicating that as cows improve their postpartum body condition score they also increase blood concentrations of IGF-I and insulin which increase ovarian responsiveness to FSH and LH, necessary for normal and fertile heat cycles.

Dr. Lucy also presented research conducted in New Zealand (NZ) indicating that genetic selection for milk production impacts how cows respond to increased nutrient intake. He compared cows from North American (NA) genetic stock to cows of NZ stock, with both groups selected for milk production. When fed nutrient dense diets the NA cows responded with increased milk yield, but no change in body condition. The NZ cows showed little change in milk production, but a marked increase in body condition when nutrient intake was increased.

Joe Stewart of Stewart Farms, Inc of Napa Idaho reviewed his management approach of the "One Cow Enterprise" applied to his 750 cow dairy. The premise of Joe's management is to maintain focus on the profitability of individual cows when managing large herds. A combination of technology and good business sense is used to drive profits. The farm employs ACCU-TRAC Dairy and Read-N-Feed Dairy to monitor cow events and feeding data. The two systems transfer data back and forth allowing Joe to link cow events to feed events. Motion sensors worn on the cows' necks are used to determine heat behavior and 100% of breeding decisions are based on the sensors. The farm no longer uses tail head chalking and has significantly decreased the utilization of synthetic hormones.



**Conference Speakers (L-R) Dr. Matt Lucey, Mr. Joe Stewart, Dr. Limin Kung, Dr. Pat Hoffman & Dr. Rick Grant of the NEAFA Board of Directors**

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# WELCOME

### New Members

NEAFA has seventeen new members to welcome into our association!  
A warm welcome goes out to:

<u>Name</u>	<u>Company</u>	<u>Phone</u>	<u>Email</u>
Doug G Sterkel	Agri Capital	(212) 944-9500	sterkel@agricapital.com
Juan Gomez-Basauri	Alltech, Inc.	(859) 885-9613	jgomez@alltech.com
Christopher T Garcia	Cargill, Inc.	(518) 465-2120	christopher_garcia@cargill.com
Wayne Davis	Casco, Inc.	(613) 213-0542	wayne.davis@casco.ca
Joel Hastings	Dairy Business Communications	(315) 703-7979 ext 227	jhastings@dairybusiness.com
William Conway	Interstate Commodities, Inc.	(518) 272-7212	wconway@icigrain.com
Matt Harris	Intervet, Inc.	(269) 217-9275	matt.harris@intervet.com
Bonni Kowalke	Lallemand	(585) 303-0212	bkowalke@lallemand.com
John Zmich	Lallemand	(585) 303-0212	jzmich@lallemand.com
Blake Lutz	Lutz Feed	(607) 432-7984	blakelutz@lutzfeed.com
Lise Daoust	Prorec	(450) 796-5219	
Stephane Le Moine	Prorec	(450) 796-5219	
Jim Carter	Reisdorf Brothers, Inc.	(585) 457-3092	jcarter@reisdorfbros.com
Charles Pierce	Reisdorf Brothers, Inc.	(585) 457-3092	
Gino Becerra	Richardson International, Ltd.	(450) 449-7801 ext 101	gino.becerra@richardson.ca
Mike Liddle	Shur-Gain	(585) 657-9471	Mike.Liddle@nutreco.ca
Harold Stewart	The Old Mill-Troy, Inc.	(607) 279-1965	omt@fltg.net

### Dairy Farmers Working Together – Enough is Enough

The VT Feed Dealers and Manufacturers Association helped sponsor the March 20 meeting of the VT based group, Dairy Farmers Working Together. The gathering in Burlington, VT, attended by nearly 200 dairy producers and many members of the industry, hosted several speakers from across the nation to discuss development of dairy pricing policy.

The message of the meeting was clear and was succinctly summed up by VT Secretary of Agriculture Roger Allbee when he stated “Enough is enough” in reference to current amounts of milk production. While the speakers represented a wide swath of geography, industry, and academia, the message was delivered with a fine point-dairy farmers must control production via a “growth management plan.”

Speakers in attendance included Calvin Covington, CEO, of Southeast Milk, Inc., in Florida; Jim Stewart, an Idaho dairyman; Bob Naerebout, executive director of the Idaho Dairyman’s Association; Sybrand VanderDussen, a California dairyman and president of the Milk Producers Council; and Rob VandenHeuvel, general manager of that Council. Ray Souza, dairyman / president of Western United Dairyman, via conference phone. The two main presenters were John Meyer, CEO, Holstein USA and Chuck Nicholson, a dairy economist from Cornell.



While DFWT does not have specific plan in place, the list of invited speakers clearly outlined the group’s focus on slowing the growth of milk production as a mechanism to provide price stability. The request for questions and ideas from the audience backfired a bit due to the style of facilitation utilized, but it is safe to say farmers will have many questions on details of the broad plans laid out.

Dr. Nicholson provided detailed information, including numerous charts and graphs from a multi-year study that outlining anticipated advantages of a supply management program. But as pointed out by Bob Gray, Washington lobbyist representing most Northeastern dairy cooperatives, “Nothing is going to happen without congressional action. There are worldwide issues to consider. We have to look at all options.”



**Massachusetts Dairy Farm Tax Credit Similar to South Carolina Program**

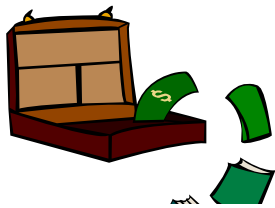
Last summer the Governor of Massachusetts signed into law a dairy bill that would establish a tax credit for dairy producers in the Bay State. The law is now in the process of having regulations prepared that would implement the tax credit. Dairy producers have been assured that the tax credit will be available for 2008 taxes. The intention of the tax credit is to provide an additional safety net to producers in the Commonwealth and it is estimated that the tax credit could provide \$1.319 per hundredweight of milk produced. The regulatory review process in Massachusetts requires public hearings and they are scheduled to start soon.

This concept of a tax credit to dairy producers follows up on a similar approach that was started in South Carolina in 2004. Under the SC program a producer must ship at least 500,000 pounds of milk to qualify for the program. A credit of \$10,000 is applied to the first 500,000 of milk and \$5,000 is applied to each additional 500,000 lbs. The goal for the SC program was to soften the blow of low milk prices. It is anticipated the MA program will be quite similar with provisions to eliminate the tax credit during periods of high milk prices.

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**Grant Program Available for Renewable Energy/Energy Efficiency Systems**

USDA Rural Development offices across the northeast are eagerly anticipating announcement of the Rural Energy for America Program (REAP) Guaranteed Loan and Grant application process. The REAP will provide grants for energy audits and renewable energy development assistance. It also provides grants or guaranteed loans to agricultural producers and rural small businesses to purchase and install renewable energy systems and make energy efficiency improvements.



The grants are awarded on a competitive basis and can be up to 25% of total eligible project costs. Grants are limited to \$500,000 for renewable energy systems and \$250,000 for energy efficiency improvements. Grant requests as

low as \$2,500 for renewable energy systems and \$1,500 for energy efficiency improvements will be considered.

The program is designed to assist farmers, ranchers and rural small businesses that are able to demonstrate financial need. All agricultural producers, including farmers

and ranchers, who gain 50% or more of their gross income from the agricultural operations are eligible. Small businesses that are located in a rural area can also apply.

Most rural projects that reduce energy use and result in savings for the agricultural producer or small business are eligible as energy efficiency projects. These include projects such as retrofitting lighting or insulation, or purchasing or replacing equipment with more efficiency units. Eligible renewable energy projects include projects that produce energy from wind, solar, biomass, geothermal, hydro power and hydrogen-based sources. The projects can produce any form of energy including, heat, electricity, or fuel.

For all projects, the system must be located in a rural area, must be technically feasible, and must be owned by the applicant. Contact your local Rural Development State Office and asked to be placed on a notification list. It is anticipated the full grant application process will be announced shortly.

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**Helpful Info for Customers Purchasing Chicks**

The Maine Cooperative Extension has prepared a very brief information sheet for you to hand out to your customers buying chicks. Quick and easy to read, this should help them get started, and will direct them toward more resources as they get past the first month of raising chicks. Please consider copying and handing these out to your customers buying chicks, or perhaps printing out a copy and keeping it on display.



**To print or download your copy, please go to:**

**<http://www.northeastalliance.com/Starting%20with%20Chicks.pdf>**

***Save the Date***

**Vermont Feed Dealers  
Annual Meeting and Conference**

The agenda is shaping up for the Vermont Feed Dealers annual meeting and conference in Burlington, VT on **September 23-24, 2009**. The key note speaker will be Pearse Lyons, President of Alltech Inc.

A full agenda and registration material will be available by mid-summer on the Alliance web site.



## Northeast Ag & Feed Alliance

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We're on the Web!

See us at:

[www.northeastalliance.com](http://www.northeastalliance.com)

## NEAFA Calendar of Events

### Golf for Good Works Annual Golf Tournament

June 25, 2009

Turnningstone Casino & Resort  
Verona, New York

*Brochure coming soon to  
your mailbox and online  
registration will be available at:  
[www.northeastalliance.com](http://www.northeastalliance.com)*

### Dairy Nutrition Shortcourse

August 17-20, 2009

Miner Institute

Chazy, New York

### AFIA Annual Liquid Feed Symposium

September 15-17, 2009

Music City Sheraton Hotel  
Nashville, Tennessee

### Vermont Feed Dealers Annual Meeting & Conf.

September 23-24, 2009

Burlington, Vermont

## NORTHEAST AG & FEED NEWS

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### New York State Budget: On time, But Contains Unwelcome News

The New York State Governor and Legislative Leaders worked feverishly to finalize a State budget by the April 1<sup>st</sup> deadline. But despite their success, the document is fraught with business taxes and fees, income tax increases, some spending cuts, federal stimulus dollars and a hope and a prayer that the New York's economy will pick up and provide for more tax revenues. From an agricultural standpoint, most of the state supported programs, including the Farm Viability Institute, sustained significant reductions. Most programs will continue, but at lower funding levels compared to last year.

Unfortunately the feed tonnage tax, which is assessed on feed manufactured and sold in New York, will double from 5 cents to 10 cents per ton. State lawmakers supported this budget initiative despite record low farm milk prices. The agriculture community, including New York Farm Bureau, The Council of Agricultural Organizations and the Northeast Ag and Feed Alliance, clearly articulated a message that this tax will impact

the dairy industry. But at the end of the day lawmakers could not find another funding stream to make up for the loss anticipated from the tonnage tax.



One tax that was defeated from the budget was the proposed seed licensing and sales tax program. This

initiative would have extracted approximately \$500,000 from the agriculture industry each year through a seed dealer licensing mandate and a sales tax of 25 cents per \$100.00 of seed sold to the end user. The proceeds were to fund a mandatory licensing and inspection program. The agriculture industry opposed this initiative and in the end State lawmakers, including Assemblyman Bill Magee and Senator Darrel Aubertine, eliminated the initiative. We are appreciative of the leadership demonstrated by Assemblyman Magee and Senator Aubertine, both Agriculture Committee chairmen of their respective houses.

### Nominations for Liquid Feed Hall of Fame Being Accepted

The American Feed Industry Association is accepting nominations for the Liquid Feed Hall of Fame. The inductee will be recognized at the seventh annual Hall of Fame Award Ceremony during the Liquid Feed Symposium in Nashville, Tenn., September 15-17, 2009. *Applications are due by June 1, 2009.*

Nominations may be submitted by anyone and are not restricted by company or industry affiliation. Nominees are typically retired and have made significant contributions as liquid feed manufacturing managers, educators, researchers, publishers, inventors, allied industry leaders, or have otherwise made a positive impact on the liquid feed industry.

Qualified nominees who were not selected last year will be automatically included in this year's ballot in accordance with the Liquid Feed Hall of Fame Charter.

A copy of the Hall of Fame application may be found at: <http://www.afia.org/Afia/Files/LFS%202009/Hall%20of%20Fame%20Nomination%20Form.pdf>.

Please complete the application, including the testimonial of 200 words or less, and submit your nomination by June 1 to Leanna Nail at [lnail@afia.org](mailto:lnail@afia.org). For questions, contact Leanna at (703) 558-3567.