



Pipeline

VOL 28, NO 2

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March 2011

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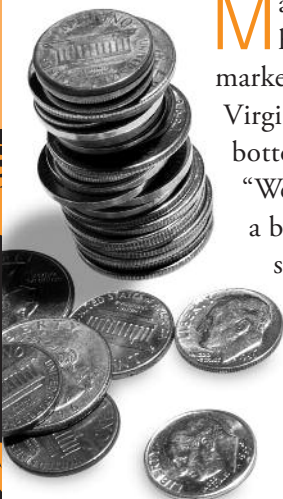


13th Check Delivers Much Needed 10¢

Maryland & Virginia delivered just more than \$2.8 million or 10¢ per hundredweight to members in early February. Representing additional market premiums collected throughout 2010 and proceeds from consigned Virginia base, the 13th check is always a welcome addition to members' bottom line.

"We're still recovering from 2009, so any extra income we get is definitely a bonus," said member Stephen Bray of Penhook, Va. "A dime doesn't sound like much, but it counts, and it helps pay the bills."

Market premiums have been harder to maintain in today's economy explained Mike John, COO of Raw Milk Marketing. "We work hard every month to maintain premiums and we certainly had our battles in 2010. That's not going to fade away in 2011, but we're going to keep pushing, to maximize whatever dollars are out there and to return them back to our members."

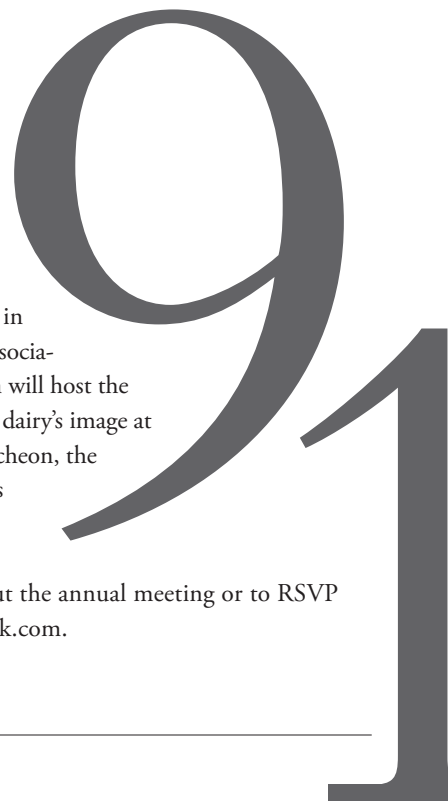


You're Invited to the 91st Annual Meeting

Maryland & Virginia invites members and guests to attend the Cooperative's 91st Annual Meeting and Member Recognition Luncheon on March 29, 2011 in Asheville, N.C. and continued on March 31, 2011 in Ellicott City, Md.

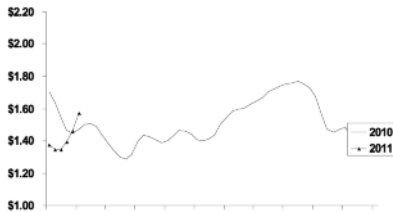
In addition to electing directors and receiving officer reports, members will have the opportunity to participate in a members' only executive session. Mid-Atlantic Dairy Association and the Southeast United Dairy Industry Association will host the ladies program and spotlight opportunities for improving dairy's image at every opportunity. During the Member Recognition Luncheon, the cooperative will honor the top quality producers as well as 50-year and 75-year members.

We invite you to attend and help us celebrate these significant milestones. For more information about the annual meeting or to RSVP visit the Maryland & Virginia website at www.mdvamilk.com.



Markets at a Glance

NASS Cheese Prices



The NASS Block Cheddar price on January 29 was \$1.458, marking four weeks of increases.

Class I Mover



February's Class I Mover is \$15.89, which is an increase of \$0.69 over last month.

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The newly released 2010 Federal Dietary Guidelines for Americans (DGA) encourages 3 daily servings of low-fat or fat-free milk and milk products for adults and children nine years and older. For children ages 4-8, the recommendation was increased from 2 to 2.5 servings, and for children ages 2-3, the recommendation remains 2 servings.

Most Americans fail to meet these recommendations, even though they have been previously established by the DGA and supported by independent health organizations. The DGA emphasizes the importance of establishing good milk drinking habits at a young age, as those who consume milk at an early age are more likely to do so as adults.

The U.S. dairy industry joins the federal government in urging most Americans to add one more serving of low-fat and fat-free dairy each day as they strive for healthier lifestyles that reflect DGA recommendations.

According to the DGA, current evidence shows intake of milk and milk products is linked to improved bone health, especially in children and adolescents. In addition, intake of milk and milk products is associated with a reduced risk of cardiovascular disease, type 2 diabetes and lower blood pressure in adults.



New Dietary Guidelines Call for
More Dairy!

Fact:

The air around us is loaded with bacteria. We all know this is true but rarely consider it because our bodies are designed and accustomed to naturally filter and destroy bacteria. So why then devote an entire Pipeline article to something that really does not affect us?

The answer is simple: these air-borne bacteria leave the air to find a viable food source and the right conditions to multiply very quickly. As I have discussed before, milk is that perfect food source and environment for bacteria to grow, multiply and flourish. In elevated amounts, these bacteria will cause problems with food shelf life, off flavors or the worst case scenario—a public health risk.

Is Hot Air Blowing Up Your PI Count?

by Pete Schaefer, Member Services Manager

The majority of milking systems use some variety of forced air to move milk. Unfortunately, most air-borne bacteria problems are discovered only after a producer experiences elevated Preliminary Incubation (PI) counts. What happens is that the bacteria contaminated air you are using pollutes 100% of the milk that is being pushed.

There are three major forced air systems when considering PI counts and air-borne bacteria: a pipeline system; a vessel (Sputnik) system; and a water system. In each of these systems, the air supply must be protected with a regulator, a moisture trap and a dry-air filter.

Pipeline Systems

Pipeline systems that are “blowing” milk from the receiver group are producing air using an electric compressor with a small ballast tank. Generally the compressors are located inside of a



Pipeline System

utility room with little variation in temperatures, thus reducing the chance for condensation build-ups inside the ballast tank. Although these

large ballast tank located outside with varying temperatures which cause large build-ups of condensation. This air is used to run all kinds of things on the farm, not just the air blow Sputnik system. I have opened ballast tank valves and watched black/brown water shoot out 10 feet and run for a minute or more. It is important to protect the milk with the configuration for the air



Sputnik System

blow hose as you see it here: Valve – Regulator – Moisture Trap – Dry Air Filter – Sanitary Hose.

This configuration has been mandated by the Food and Drug Administration and is the standard used for U.S. Public Health inspections. Even with these precautions, we regularly find that the air supply is the cause of many elevated PI counts. My recommendation for the Sputnik system is as follows:

- Keep the moisture trap clean
- Keep the dry-air filter clean and dry
- Regularly clean the sanitary hose
- Clean ballast tank monthly and treat it with a sanitizer solution (Quaternary Ammonium is best)

Hot Air continued on page 7

systems generally stay clean, they still need to be regularly checked for cleanliness and moisture build-up.

Additionally, pipeline systems have a small “disc” filter pad located at the point the air is forced into the line. This is the bacteria growth “Hot Spot” and should therefore be changed routinely. I recommend changing filters every two weeks.

Sputniks

The Sputnik system utilizes a shared air supply. Generally these systems are using air from a very

Success-ion Planning: Where's Your Map?

by Suzanne Perdue, Communications Specialist

Planning is invaluable, provided you stop and make time to do it. All too often planning gets pushed to the side or covered up with much more urgent “to dos.” For the Clowney family of Lagging Stream Farm in Gettysburg, Pa., taking time to map out a plan will be the key to keeping their farm in business and profitable farther down the road and something they’re not putting off anymore.

Patriarch Tom Clowney moved to his 350 acre farm in Gettysburg, Pa. in 1960. Seventeen years later, his son Bob joined the operation followed closely by his son John. The two brothers added their growing families to the mix, and their sister Carol and her son Zach have also become involved. Today Tom is retired leaving the 200-cow farm in the capable hands of his children. With so many family members involved, Bob and John quickly realized they needed a succession plan.

They started by broaching the subject with their business consultant, who suggested they contact someone specializing in dairy succession and even utilizing a profit team approach. The concept of a profit team involves pooling together different individuals (such as a vet, nutritionist, loan officer, etc.) to form a team that helps develop a profitability plan that will work best for your farm. The Clowneys had previously met with each individual on a regular basis but everyone sitting down together made a lot of sense as the farm prepared for the next generation.

Getting started was easier than they expected. The family worked with the Pennsylvania Center for Dairy Excellence which has established Profit Team and Succession Team programs.

Their Dairy Decision Consultant provided a list of suggested players to help determine who should sit around the table and worked with the Clowneys to brainstorm possible ideas and directions, as well as coordinate the team meetings.

Although the Clowney family is only in the early stages of their planning process, they feel that it is an investment that will pay off down the road. “People should take the time to make plans because it’s for your own piece of mind,” says Tom. “We have seen other farms that don’t have a plan and no one has a clue what will happen in the next few years or even in the next few months.”

With fewer and fewer young people interested in returning to the farm, John feels that it is important to make it possible for the next generation to work into the farm. “We are working to develop a more organized structure so that everyone knows where they stand,” he says. “It’s our goal to see the farm stay in business and work in all of the individuals that want to be involved.”

The Clowneys realize planning for the future is a big step and a large investment. They recommend looking for outside advisors and researching options rather than going it alone.

More importantly, the Clowneys’ best advice is to “Just do it” and pursue some sort of plan. “Things happen slowly, yet go by so fast,” John wisely shares. If you don’t take the time to make a plan, before you know it you just might be at a major crossroads with no map to help you navigate.

Success-ion Planning *continued on page 7*



“Things happen slowly, yet go by so fast” John Clowney says.





YCs Find Inspiration in the Wild Wild West

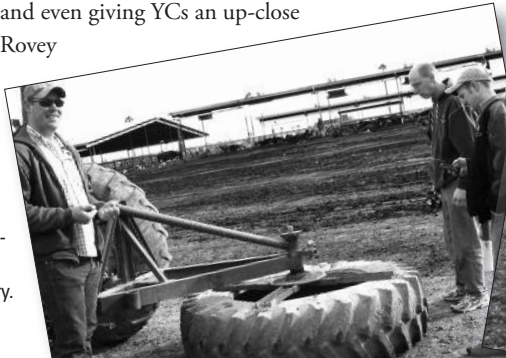
By Amber DuMont, Editor

Maryland & Virginia's Outstanding Young Cooperators headed west for a taste of dairy farming in the desert and to attend the first ever **Western YC Conference**. Hosted by United Dairymen of Arizona, the conference packed top-notch speakers, farm tours and plenty of networking opportunities to show YCs the "Windows of Opportunity."

"What a refreshing change," remarked Outstanding YC Charlie Patterson of Chestertown, Md., of his trip to Arizona. "It's amazing to see what challenges the farmers face out West in comparison to what we deal with here in Maryland. It's nice to see other styles of dairy farming and different business perspectives. Sometimes a change of scenery helps give you a fresh perspective."

Topping the highlight reel for YCs were visits to four different dairy operations. YCs spent a good part of a day touring **Rovey Dairy** located in Glendale, Az., just a mile and half from University of Phoenix Stadium. Owned by Paul Rovey, the farm is a 2,000-cow Jersey operation that's been in operation since the 1940s. Paul's son Eric guided YCs through the farm, answering questions, pointing out equipment and even giving YCs an up-close and personal look at the Rovey family's Watusi long-horned cows.

Eric Rovey (far left) explains to YCs Clint Burkholder and Justin Rhodes how the home-made third tractor wheel pushes up feed at Rovey Dairy.



In addition the YCs made stops at three other dairy enterprises: **Casa Grande Dairy Company**, milking 3,000 cows twice a day in a 60-stall rotary parlor; **Windmill Dairy LLC**, a 2,200-cow herd, milking three times a day in a double 25 parallel parlor; and **Dugan Dairies Feed Co.**, a consolidated feeding enterprise for five family run dairies or 7,000 cows, formed to reduce fuel costs, reduce commodity loss and head count.

Keynote speaker **Joelene Brown** focused her comments on the "Top Ten Stupid Things Families Do to Break Up their Business" and "Generations at Work – or at War." "I enjoyed hearing Jolene," shared YC Justin Rhodes of Somerset, Va. "She really makes you think about the other family members involved on the farm, where they're coming from and why they might act the way they do. I'm taking home some good suggestions that I hope will strengthen our farm so that we can pass it down to another generation some day."

Tom Fuhman's presentation "**Developing Leaders in Hispanic Employees**," also sparked attention. Discussing the difference between managers and leaders, Tom helped YCs identify attributes and skills they need to cultivate among farm employees.

The most important aspect of the conference for Maryland & Virginia's YCs was networking and interacting with other YCs from the West. During the show and tell session, Maryland & Virginia YC Clint Burkholder talked about one of his newest inventions that helps speed up calf feeding on his 650-cow dairy in Chambersburg, Pa. But it was what Clint heard from others that made the big impact. "There are so many different ideas here," explained Clint. "I know that I can't take them all back to my farm, but from what I've seen and learned these last few days, I know I'm bringing back so much more to Burk-Lea Farms than when I left it a few days ago."



(L-R) Justin Rhodes, Amber DuMont, Clint & Kara Burkholder, and Charlie & Sherry Patterson get up close with "Little Guy" one of Rovey Dairy's Watusi bulls.

Top Co-op Cook

Maryland & Virginia's YCs brought back more than just farm fresh ideas from their adventure out West—they also came home with a tasty new cornbread recipe! Devoured at **ZTejas Restaurant in Tempe, Az.**, the restaurant's signature cornbread was such a huge hit that the YCs asked for the recipe. While it's not a secret since it's available on the ZTejas website, the recipe is one the YCs wanted to share with the whole membership.

ZTejas Cornbread

- | | |
|-------------------------|----------------------------------|
| 1 ½ cups corn meal | ½ cup plus 1 tbs. cream corn |
| 1 ½ cups flour | ½ cup plus 1 tbs. frozen corn |
| ½ cup plus 1 tbs. sugar | 1 ½ cups buttermilk |
| 1 tbs. baking powder | 3 eggs |
| 1 tbs. baking soda | ½ cup plus 1 tbs. butter, melted |
| 1 cup plain yogurt | |



Mix all dry ingredients. In large mixing bowl, whisk together all wet ingredients. Add dry ingredients to form batter. Use a small pre-heated skillet, spray with non-stick cooking spray and then fill with 9 oz of batter. Bake at 375 degrees in a convection oven or 400 degrees in a regular oven for 16 minutes. Rotate at 8 minutes. Cornbread is done when a toothpick inserted to the center comes out clean.

Cut this card out and add it to your Recipe Box for convenience!

THE TRADING POST

FOR SALE

1968 Ford grain truck. Gas motor, 2-speed rear, hydraulic dump bed, 2 end gates (one for silage, one for grain), new tires on rear. Asking \$750. or best offer. Call 240-367-7568. Photo available on Maryland & Virginia website.

FOR SALE

1987 Ford L9000 with 3700 spreader tank, in good shape. Call 336-669-5856.

FOR SALE

DeLaval Equipment: HB 50 parabone stalls, Delatron 100B pulsation system, Midline swing line arm kits, 3" stainless midline high line system, stainless receiver group w/1.5 Hp 3 Ph system, vacuum entrance and exit gates w/controls, MC 30 milker units w/shutoffs, commercial gas hot water heater. All used only 7 months. 3 phase compressors, fans, air compressors. Approx. 200 pipe loop free stalls. Contact Steve at 540-825-2801.

FOR SALE

2500 tons of processed corn silage at \$50 a ton (silage in Mills River, NC.) Call Colby at 828-545-9239.

SERVICES

Heifer grower in south central Virginia.
Call Jonathan at 434-660-7301.

Situation Wanted: Hire me, buy my cows. Lifelong dairyman seeks position on a dairy that does some rotational grazing. Call Jim at 717-994-4311.

Belz Hoof Trimming
Call anytime! 304-268-7600 or 301-842-2782.

CATTLE FOR SALE

Holstein bulls and registered Jersey Bull for sale. Please call 717-597-7860 or 717-658-5328.

WANTED:

- Freestalls and mats
- Jersey cows or springing heifers
Call Andrew 240-409-0948

Domino's Pizza Launches Smart Slice School Lunch Pizza Program

Domino's Pizza, the recognized world leader in pizza delivery, is striving to be a part of the solution when it comes to promoting healthy, active lifestyles for young people – highlighted by the launch of its Domino's Smart Slice school lunch pizza.

Domino's Smart Slice is a white whole-wheat, reduced fat and reduced sodium pizza, which is baked fresh and delivered to schools. Domino's Smart Slice is already being served in more than 120 school districts, and Domino's plans to double that number within the next year.

Several school districts in the Southeast United Dairy Industry Association area have already signed on board, and folks at the Mid-Atlantic Dairy Association have introduced Smart Slice to one Pennsylvania school and are working to add more to their list.

Partnerships & Pizza as the Solution

Domino's has created solid relationships throughout the country with school nutrition professionals and others who also want to be part of the solution that includes pizza. Domino's partnership with the dairy industry has resulted in insights that supported product innovation.

"We have been conscious that pizza can be perceived as not healthy, and Domino's Smart Slice solves that problem," said Brent Craig, director of nutrition services in Douglas County, Colo., a participant school district.

"Pizza is without a doubt our students' favorite food, and serving this gives us an option that is nutritious – not to mention, our students love it. It's a great win-win for us."

"The team effort approach and support we have realized in collaborating with school districts and nutrition experts has reaffirmed that Domino's is doing the right thing," said Steve Clough, Domino's Pizza director of school lunch sales. "Nothing provides nutrition for kids if they don't eat it – so we strove to find a terrific balance of nutrition and great taste that we can't wait for more people to try."

Through its partnership with Dairy Management Inc. and its nutrition arm, National Dairy Council, Domino's is a founding partner of a new foundation developed to create nutrition and physical fitness opportunities in schools. The flagship program of the new foundation is Fuel Up To Play 60. Doyle is on the board of directors, along with representatives from other public, private and health professional sectors, and Russell Weiner, Domino's Pizza chief marketing officer, has been tapped as a strategic marketing resource.

"In addition to providing schools with a nutritious and great-tasting product, we want to continue utilizing programs and partnerships that help promote healthy living," said Doyle.



Water Systems

Air driven water supplies have come under scrutiny lately. The FDA has mandated new regulations to protect these systems from bacteria. This type of well utilizes air under pressure to drive water in a submerged cylinder into a water pressure tank. The air comes in direct contact with the potable water supply and therefore must be protected with a regulator, moisture trap and a dry air filter. These filters should be installed on the main air line dedicated to the well and in a place that affords temperature protection so they do not freeze and break in the winter. The danger with this type of system to the milk supply is that the water used to clean and sanitize dairy utensils may be laden with bacteria from the forced air supply.

Again, we know that air is all around us and that it is full with bacteria. What is important is to keep the bacteria in the air and not allow it to contaminate our milk supplies. Maintenance is the key to preventing air-borne bacterial contamination, maintaining low PI counts and producing a high quality product.

Questions about PI counts and milk quality? Call Pete at 717-756-6949 or e-mail him at pschaefer@mdvamilk.com.



Water System

WELCOME New Producers

December

Carter & Beiler Cattle Company, Trenton, Ky.
Matthew and Lynn Hubbard, Peterstown, WVa.
Venture and Luck Farm, Walkersville, Md.

WELCOME Transfer Producers

December

Hickory Mea Farm, Airville, Pa.



Welcome!

Success-ion Planning continued from page 4

The Profit Team Approach

Pennsylvania's Center for Dairy Excellence launched the Dairy Profit Team Program in 2005 to help Pennsylvania dairy farms establish on-farm resource teams to tackle various farm issues from productivity and nutrition to quality and succession planning. Since 2005, more than 200 farms have leveraged this resource to "get the right people around the table" to help them make better business decisions that benefit their operations. Their results speak volumes:

- Cow numbers increased by 12 head, or about 7 percent, per farm, based on numbers before and after the inception of the teams.
- The team approach helped to drive a nearly 2-pound increase in daily milk production per cow, with about 72 percent of the farms showing increases in milk production.
- Milk quality increased significantly, with somatic cell counts dropping an average of 40,000 (or 14 percent) after the inception of the team.



CENTER FOR
DairyEXCELLENCE

- Lowering somatic cell counts translates to additional milk quality premiums, with more than \$268,000 in estimated premiums added to the bottom lines of the participating farms.
- Improved overall reproduction, with an average pregnancy rate increase of 2.38 percent.

Using the profit team approach to make better business decisions or to troubleshoot a problem area can lead to greater profitability and enhanced performance, and not just in Pennsylvania. Any farm in any state can use this same concept to improve farm profitability. To learn more about establishing a Profit Team please contact Heidi Zimmerman by phone at 717-346-0849 or at c-hzimmerm@pa.state.us.



Conference Call Learning Series

Pennsylvania's Center for Dairy Excellence offers a conference call learning series called "Mastering the Dairy Business" to provide dairy producers with the insight and expertise they need to manage their dairy in an ever-changing industry. The calls are open to any dairy producer, regardless of location, and are provided free of charge. The next call will be held on Wednesday, March 2 from 12:00-1:15 p.m. Daniel Basse, president of AgResource Company, will share his insights on "A Global Outlook for Dairy in 2011 and Beyond." Daniel is a commodities economist who founded AgResource Company as a domestic and international agricultural research firm. Producers interested in participating in this call can register by contacting the Center for Dairy Excellence at 717-346-0849 or send an e-mail to info@centerfordairyexcellence.org.



Maryland & Virginia

Milk Producers Cooperative Association, Inc.

Marketing milk for dairy farm families from Pennsylvania to Alabama

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Have you Heard?



DAIRY NEWS FROM AROUND THE INDUSTRY

Farm-Friendly Tool Assists Dairy Producers in Developing SPCC Plans

The National Milk Producers Federation (NMPF) has developed a self-certification template tool to assist dairy producers in developing Spill Prevention, Control, and Countermeasure (SPCC) plans that cover all fuel and oil storage on the farm. The EPA rule addressing SPCC is not expected until fall, however dairy farmers need to be prepared. "Dairy farmers want to do the right thing on environmental regulations, but in many cases lack readily available tools to assist with the complex regulations," said Shawn Reiersgaard, Chair NMPF Environmental Issues Task Force. "The SPCC template provides dairy producers with a valuable tool to successfully implement SPCC plans on their farms and continue to be excellent stewards of our environmental resources." The template, developed with assistance from the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), is available on the NMPF website, www.nmpf.org.

— National Milk Producers Federation



FDA Delays Testing Compliance Program for Milk Residues

Last December, the Food and Drug Administration (FDA) Center for Veterinary Medicine informed the dairy industry that it would begin a new milk residue testing compliance program for producers who had a dairy cull cow tissue residue violation during the previous three years. Initially scheduled to begin in January, the FDA compliance project has been placed on hold, while FDA seeks additional stakeholder input. Industry, NCIMS, and State regulators have raised significant concerns about the scope, logistics, and marketplace disruption potential of the FDA compliance project as originally formulated.

The FDA intends to move forward with a compliance project; however, the approach will be different from the one previously announced because FDA now understands the many concerns expressed by stakeholders. FDA has committed to address industry concerns, and is continuing dialogue with stakeholders. National Milk Producers Federation believes that any FDA compliance project must be scaled appropriately to minimize marketplace disruption. FDA continues to affirm the safety of milk, stating, "FDA has not previously held the view, nor does it now hold a view, that the nation's milk supply is unsafe due to animal drug residues." — National Milk Producers Federation

"We're doing our best to serve you better."

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