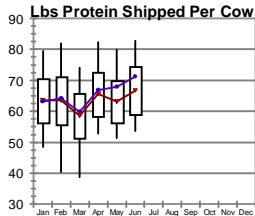


NEW! The Dehm Milk Check Analysis A benchmark and trend analysis of your component production, milk price, incentives, marketing, PPD and much more. Monthly. Call today! (585) 243-4427.



From Bruce Dehm's

When the price of milk falls below the cost of production, the business side of dairy farming gets ugly. We've been urging our clients to keep in touch with their lender and suppliers. Constant communication can make up for lack of cash for a good while. Meanwhile, keep paying attention to the things that keep cows happy and healthy. When the price does come back you'll be a position to take advantage of it.

Congratulations to [Mike and Cindy Weimer](#) of Solid Gold Holsteins in Emlenton, PA, for making it on the cover of the June 2002 issue of [Holstein World](#).

Front page dittos to [Mike Trout](#) and Trout Bros Farm of Loysville, PA in [Northeast Dairy Business](#) magazine's December '01 issue.

We're still forming new [Dairy Advisory Teams](#). If you're not making as much progress as you want to, consider letting us help you put the power of teamwork together on your farm. Teams have worked on many farms dedicated to the concept of continual improvement.

If you missed my article in the February 2002 issue of [Northeast Dairy Business](#) on being "[A Better Woolf](#)", get it from our website at [www.DehmAssociates.com](#)

AHA! VIRTUAL DAIRY TOUR— AUGUST 27 11:00AM

Like visiting other dairy farms but find it hard to get away? Then mark your calendars for Tuesday, August 27th for a tour of this 28,200 RHA dairy farm located in Greenwich, (Washington County) New York - all from the comfort of your office. Forget about scheduling someone to take over your chores for the day. No need to drive for hours just to get there. This is a virtual tour that takes everyone, no matter where they're located, only seconds to travel to.

Using conference call technology and photos displayed on your home or office computer, Aha! Virtual Dairy Tours lets you visit exciting dairy farms without leaving the comfort of their home or office. Producers can talk to each other and discuss how they have solved problems, increased production or improved efficiency.

The tour of Brotherhood Farms, a 350 cow dairy expanding to 630 cows this year, will focus on practices



Visit this 28,200 RHA dairy in Washington County from the comfort of your office or home. Talk with the owner and herdsman while viewing over 50 photos of the facility on your PC. Call Dehm Associates for information.

that lead to high milk production while maintaining reproductive efficiency. Owner George Houser and herdsman Mark Pernat have been able to ship between 90 and 100 lbs per cow per day over the past year, despite being over crowded by 65 percent, maintaining a culling rate of 25% and achieving a 35% breeding efficiency.

We chose this farm for our virtual tour because they're

getting production in facilities that are not a show case.

Pre-registration is required for this Aha! Virtual Dairy Tour. The cost is \$25 for Dehm Associates Dairy Business Management Program clients and \$40 for others. Registration is limited to the first 50 participants. Registration deadline is Friday, August 23rd. Contact Dehm Associates at 585-243-4427 for registration information.

AHA! VIRTUAL DAIRY TOURS: QUESTIONS AND ANSWERS

How does a Virtual Tour Work?

A virtual tour is conducted using conference call technology called a telebridge. No special equipment is needed, just a telephone. All callers dial the same telephone number or "bridge number" at the same time and are automatically connected to each other. Once the tour starts, participants will be paging through photos supplied ahead of time on disk at their computers. Telebridge instructions and photos will be provided when you register for the tour.

How long will tours last?

The tour will last about 90 minutes.

What if I'm late or have to leave the tour early?

You may dial into or leave the telebridge at any time during the tour without interrupting others.

What are the costs?

The registration fee covers the cost of the photos. Callers will be responsible for long distance telephone charges to a Florida number. At \$.05 per minute, a tour will cost about \$4.50.

What is the best way to prepare?

Get your telephone near your computer. Review the photos ahead of time. Gather your questions. Make sure everyone knows you'll be on the phone for awhile.

What is an "Aha!" ?

An "Aha!" is that one golden nugget of key information that we hope to find every time we attend a seminar, read a magazine article or visit another facility that helps us solve a problem.

Exploring DBM: Annualized Cost Per Cow

Each monthly report indicates your year-to-date costs on a pro-rated annual basis. This information is in a table called the Annualized Cost Per Cow.

Many budgets are developed using costs per cow as the basis for projections. Tracking these costs and comparing them to your budget can provide valuable insight into your current cost strategies. It can also alert you to possible future

ANNUALIZED COST PER COW				Projected Total Change vs Bgt
	YTD Actual	Budget	Difference	
Feed Purchased	992	885	107	30,517
Fuel & Lubricants	48	55	(8)	(2,203)
Hired Labor	602	533	69	19,656
Livestock Supply	222	186	36	10,245
Repairs/Parts	156	162	(6)	(1,626)
Forages		24	(24)	(6,717)
Utilities	38	53	(15)	(4,212)
Vet & Medicine	41	68	(28)	(7,920)
Total Cost	2,099	1,966	132	37,740

problems. YTD Actual is computed by multiplying your actual cost per cow per day by 365. Projected Total Change vs Budget is calculated by

multiplying your Difference by the Actual Average Number of Cows. Under-budget numbers are in parentheses. (That's a good thing).

The Projected Total Change can point to possible problems down the road and give you time to address them before it's too late. This example shows a mix of good and bad areas of cost control. Can you spot the impending problem?

DEHM ASSOCIATES

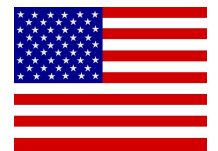
FARM BUSINESS SERVICES

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585-243-4427 www.DehmAssociates.com

IN THIS ISSUE:



- Our first [Aha! Virtual Dairy Tour](#) Tuesday, August 27 11:00 AM 12:30PM.
- From Bruce's Desk



REWARD FOR

If you're happy with the Dairy Business Management Program, why not tell a neighbor? If someone you refer becomes a client, we'll pay you \$100 as a thank you. [Help your neighbor and help yourself by referring us a new client today.](#)

Please take note
Our New Area Code: 585

ABOUT DEHM

For over ten years Dehm Associates has helped dairy farmers and managers operate more profitably. We offer our clients a range of financial services from budgeting to benchmarking so they can improve how they manage their dairy operations. Our Dairy Business Management Program provides farmers with current, accurate and easy to understand financial reports and analysis of their dairy busi-

ness. We facilitate Dairy Advisory Teams to help you solve bottlenecks. Dehm Associates give farmers the information they need to lower costs and increase productivity.

For more information about how Dehm Associates can increase the profitability of your dairy farm, call Bruce at (585) 243-4427.