

Future Direction for the U.S. and Kentucky Dairy Industry

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The purpose of this talk is to stimulate thought regarding the current status of the dairy industry, where the industry needs to go and how you and your company/organization can help the dairy industry get to where it needs to be. Make no mistake about it, all of us who work with dairy farmers are stakeholders in the future of the industry and we must work together.

The following is an incomplete list of some of the key factors and issues which influence the viability of the dairy industry. I have provided blank columns for you to record your assessment regarding control/ influence, current status and potential.

Key Factors and Issues Influencing a Viable Dairy Industry

Factor/Issue	Can We Control or Influence	Current Status	Potential
Some Basics			
Land resources			
Climate			
Market for milk			
Forage production capability			
Ability to produce quality forages			
Milk processing capability			
Infrastructure			
People - Off Farm			
Technical Support - Feed - A.I. - Veterinary - Extension - Consultants - Others			

Factor/Issue	Can We Control or Influence	Current Status	Potential
People - On Farm			
Expertise of dairy farmers			
Availability of trained reliable labor			
Willingness to adopt technology <ul style="list-style-type: none"> - A.I. - DHI - Forage test and balance rations - Vaccinate - TMR - BST - etc. 			
Willing to change the way we look at things			
Attitude - can make it with dairy			
Paradigm shift: tobacco ? cows			
Manage dairy enterprise as a business			
Try new ways of doing things			
Explore alternatives			
Business and Financial			
Financial institutions which understand the dairy farm business			
Farm business analysis participation			
Critical mass for support services to survive and thrive			
Reasonably priced inputs			
Invest in things that yield a return			
Control costs			

Factor/Issue	Can We Control or Influence	Current Status	Potential
Business and Financial (cont)			
Appropriate price for milk, fat, protein and quality			
Stable price			
Bottom line: make a profit and have a life while doing it rather than sacrifice lifestyle and standard of living for survival of the business			
Other			
Environmentally friendly			
Urban & rural compatibility			
Biosecurity			
Human nutrition/health			
Zoonosis: Perception vs Truth - BSE and Variant-CJD - Johne's and Crohn's			
Evaluate options, consider alternatives and new ways of doing things as an industry			
Build Alliances - information - buying - marketing			
Specialize - cows - crops and feed - heifers			
Business transition: Out and in			

Factor/Issue	Can We Control or Influence	Current Status	Potential
Other (cont)			
Industry leadership			
Cooperation of all stakeholders - Organization representing all stakeholders - One voice for industry - Fragmented too long by: who we are, where we are, where we sell milk, color of cows, registered or grade, etc.			

Please give the following questions some thought and let me know how we can work together for positive change.

? Which of the factors listed above are the most important to you?

? Which ones can we control?

? Which factors can you influence and change?

? How can you be a positive agent for change?

We all are stakeholders - how can we cooperate for the survival of the industry?