

successful business transitions to the next generation, MMPA, in cooperation with the Michigan State University Extension Farm Management and Dairy Educators, will be writing a series of articles in the *Messenger* that discuss business succession issues. In addition, educational programs on business succession planning will be offered in four locations across the state in February and March 2006. See page 11 for more information and a list of upcoming article topics.

What about the farm's location?

Another critical issue in long range planning of your dairy business is to evaluate your location. Take your neighbor's location, feelings and your ability to farm and maintain happy neighbors into careful consideration. Environmental issues you must consider are land base, proximity to water bodies, proximity to neighbors and odor issues.

Gather information

Prior to any expansion, you should have an odor footprint model conducted. This can be done by contacting your MSU Extension Educator or MMPA Member Representative.

Make sure you have enough land base to apply your manure or evaluate manure processing options. Be sure to complete all siting GAMMPs (Generally Accepted Manure Management Practices) prior to expansion.

Evaluate the markets

It is important to consider the following when evaluating the markets in your area: How close is the nearest dairy plant and will it be there in 10 years? Who will haul your milk and will there be a hauler in your area? Where are the markets for your cattle?

For instance, 10 years ago there were milk routes in both Manistee and Benzie counties in Michigan. Today, there are no

dairy farms left in either county. Anyone trying to start a dairy farm in those counties would have difficulty finding a milk hauler. And, if they did find a milk hauler, the cost to haul the milk might be cost prohibitive.

Plan for labor needs

Locate labor sources. Will you employ Hispanic workers? Should you know Spanish? Learn the labor laws and find out where to get updated changes. Develop training programs for all farm duties, creating written processes for all employees to follow.

Winter is an excellent time to take a moment to develop and refine the long-range goals for your farm. Start thinking about it today and make it a goal to work on a plan this winter.



MMPA Quality Premium Program

Somatic Cell Count premiums and deductions (in addition to Federal Order SCC Adjustments computed in the producer pay price) will be paid at the following levels:

- 50,000 or below +45¢ / cwt.
- 51,000 - 75,000 +40¢ / cwt.
- 76,000 - 100,000 +35¢ / cwt.
- 101,000 - 125,000 +30¢ / cwt.
- 126,000 - 150,000 +25¢ / cwt.
- 151,000 - 175,000 +20¢ / cwt.
- 176,000 - 200,000 +15¢ / cwt.
- 201,000 - 225,000 +10¢ / cwt.
- 226,000 - 275,000 +05¢ / cwt.
- 600,001 - 750,000 -10¢ / cwt.
- Over 750,000 -50¢ / cwt.

A payment of 5¢ / cwt. will be added for each of the following, if the count is equal to or below:

- 10,000 Raw Bacteria Count
- 20,000 Pre-Incubated (PI) Count

There will be a deduction of 10¢ / cwt. for the following criteria:

- Greater than 100,000 Raw Bacteria Count

A high raw count deduction will be waived if the producer has received the quality premium the previous three months for raw bacteria count.

To qualify for Raw, PI and Somatic Cell Count premiums there must **not** be any of the following during the month:

- Positive drug residue
- Abnormal freeze points
- High load count shipment or rejected load shipment
- #3 or #4 sediment *
- Raw Bacteria count over 100,000 *

The count levels for raw and PI will be determined on one test run per month.

** Note: These do not affect the somatic cell count premium.*

To qualify for MMPA volume premiums there must be:

- No abnormal freeze points during the month
- An average somatic cell count of 750,000 or less.