



University of Idaho  
Extension

# WESTERN EXTENSION COMMITTEE SYMPOSIUM

## WESTERN DAIRY INDUSTRY CHALLENGES

*WEC – WESTERN EXTENSION COMMITTEE*

*2019 ANNUAL MEETING, COEUR D'ALENE, ID*

Hernan A. Tejeda  
University of Idaho

*July 1, 2019*



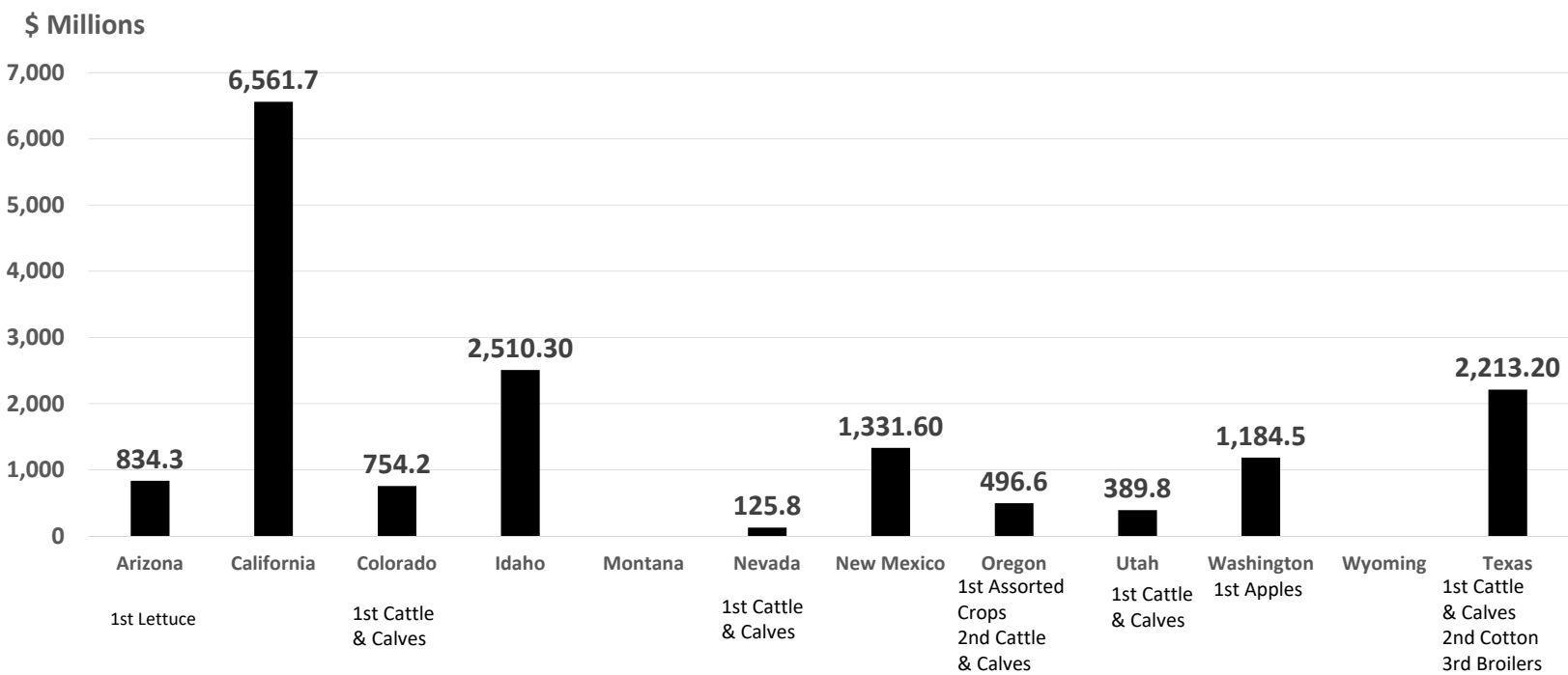
The Dairy industry is among the Largest operation for Ag. Commodities in many Western states (Farm Receipts).

It is the largest for California, Idaho, and New Mexico

It is the 2<sup>nd</sup> largest for Arizona, Colorado, Utah and Washington.

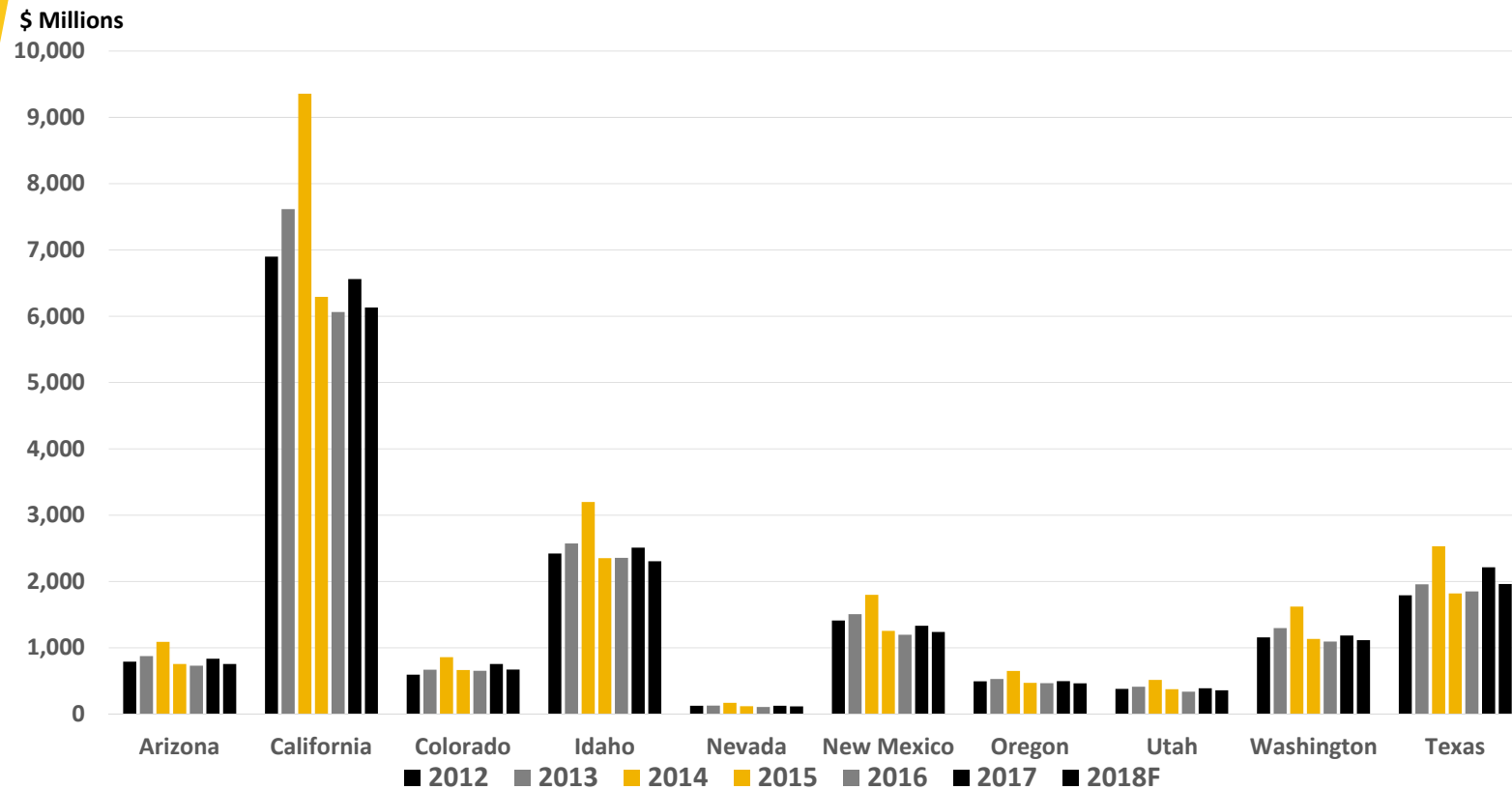


# Dairy Farm Receipts 2017 – in Millions of Dollars



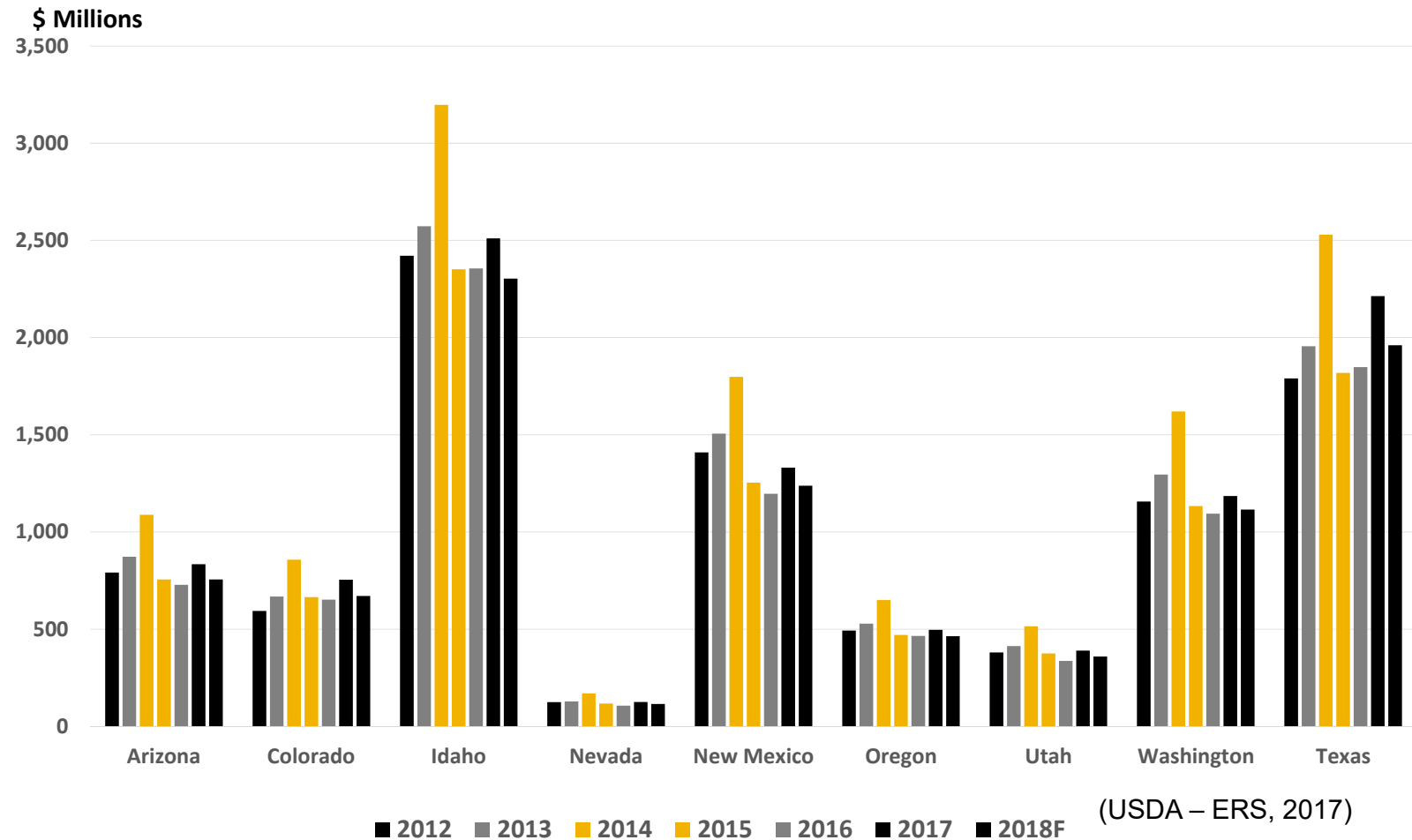
(USDA – ERS, 2017)

# Dairy Farm Receipts 2012 - 2017 in Millions of Dollars



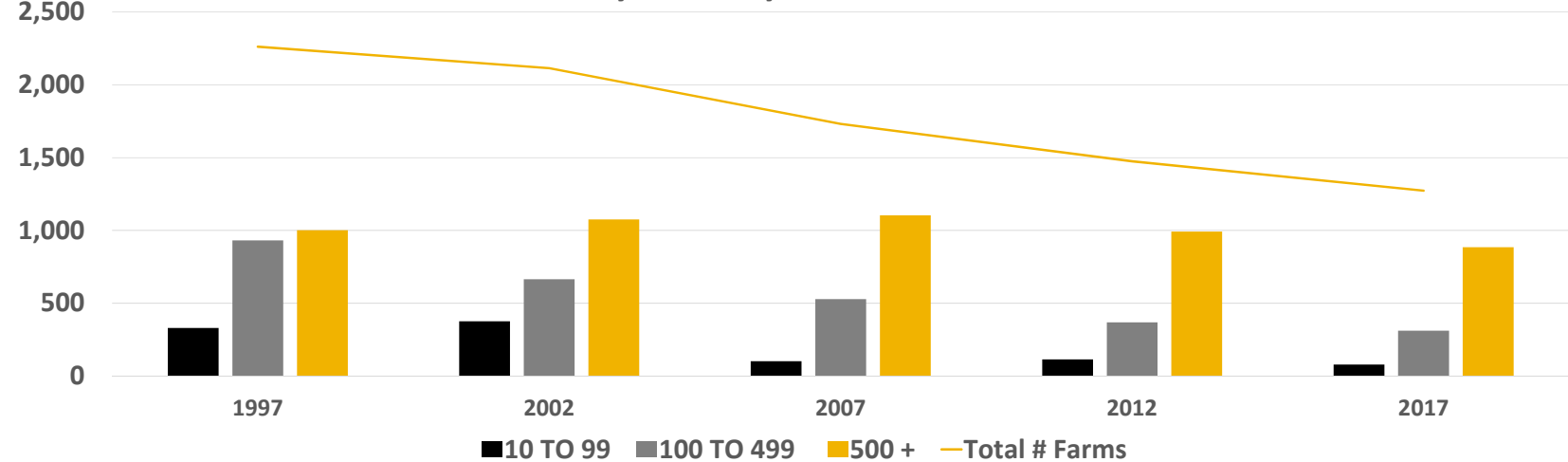
(USDA – ERS, 2017)

# Dairy Farm Receipts 2012 - 2017 in Millions of Dollars (excludes California)

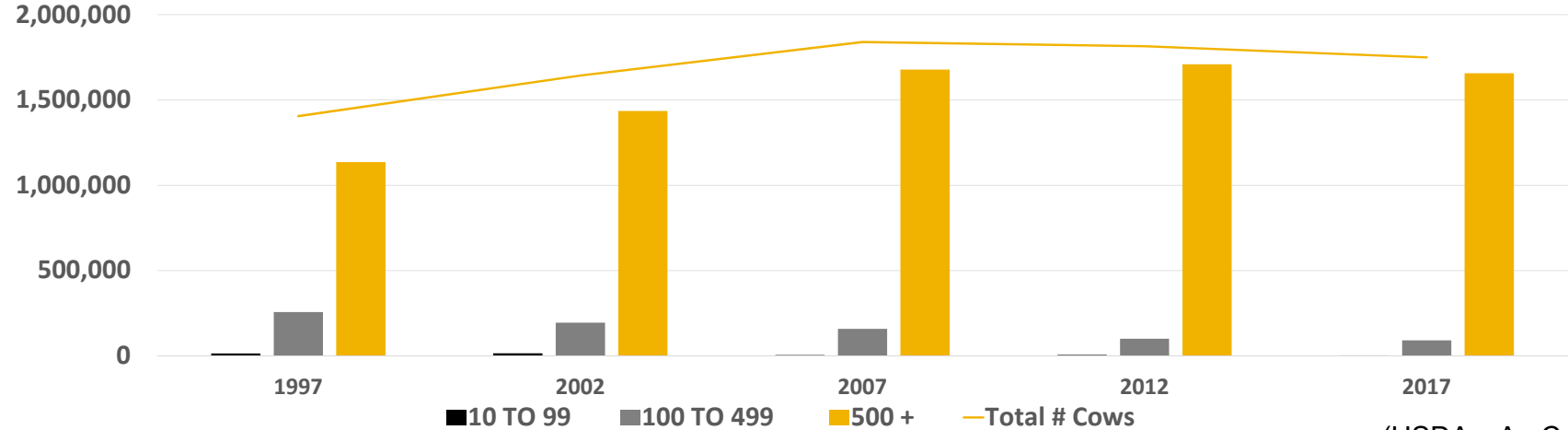




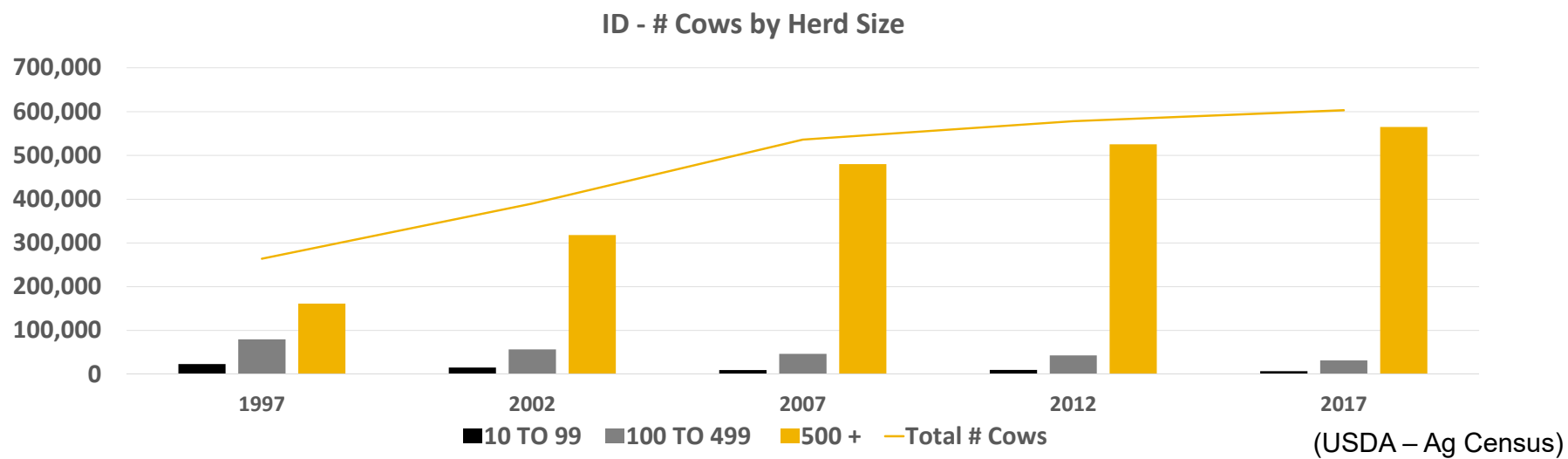
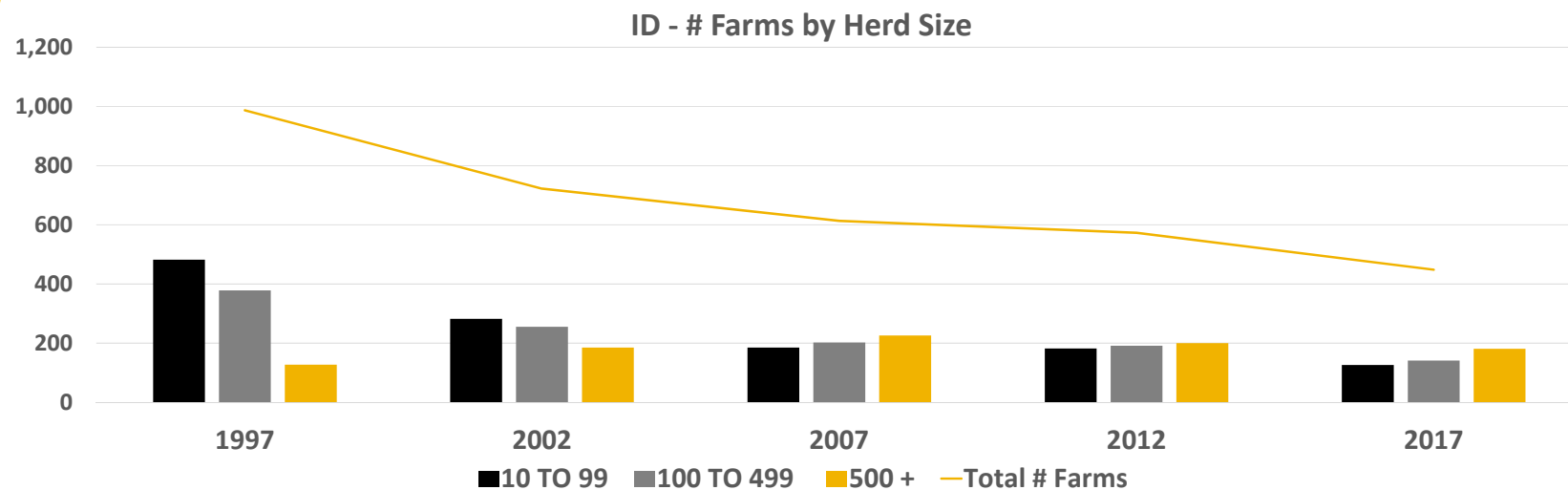
CA - # Dairy Farms by Herd Size, 1997 to 2017



CA - # Cows by Herd Size, 1997 to 2017

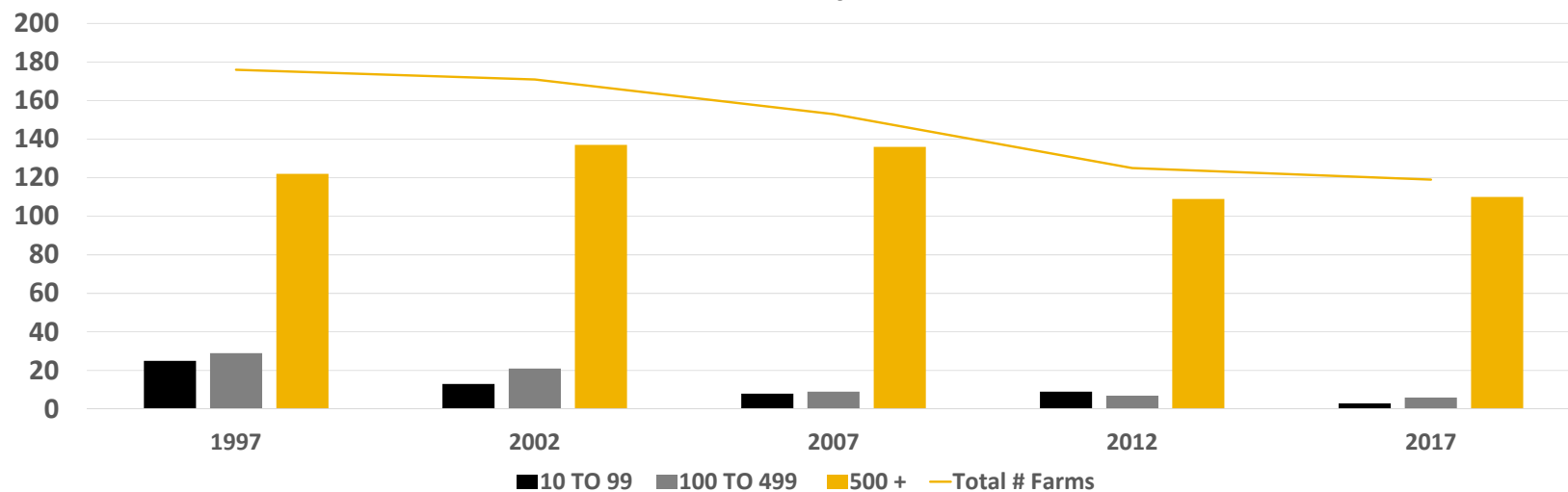


(USDA – Ag Census)

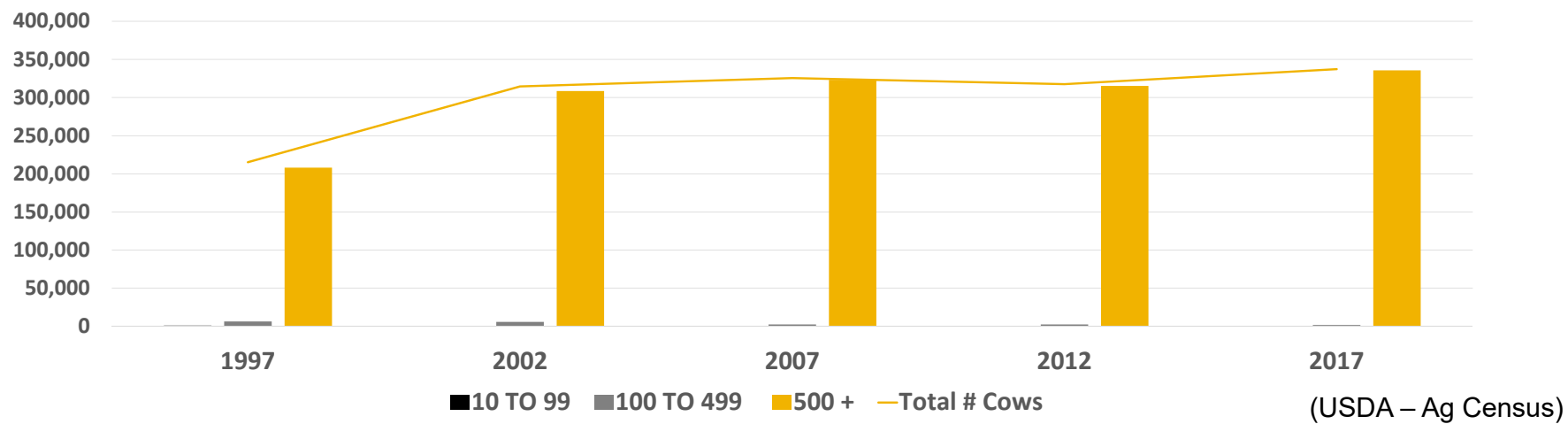




NM - # Farms by Herd Size



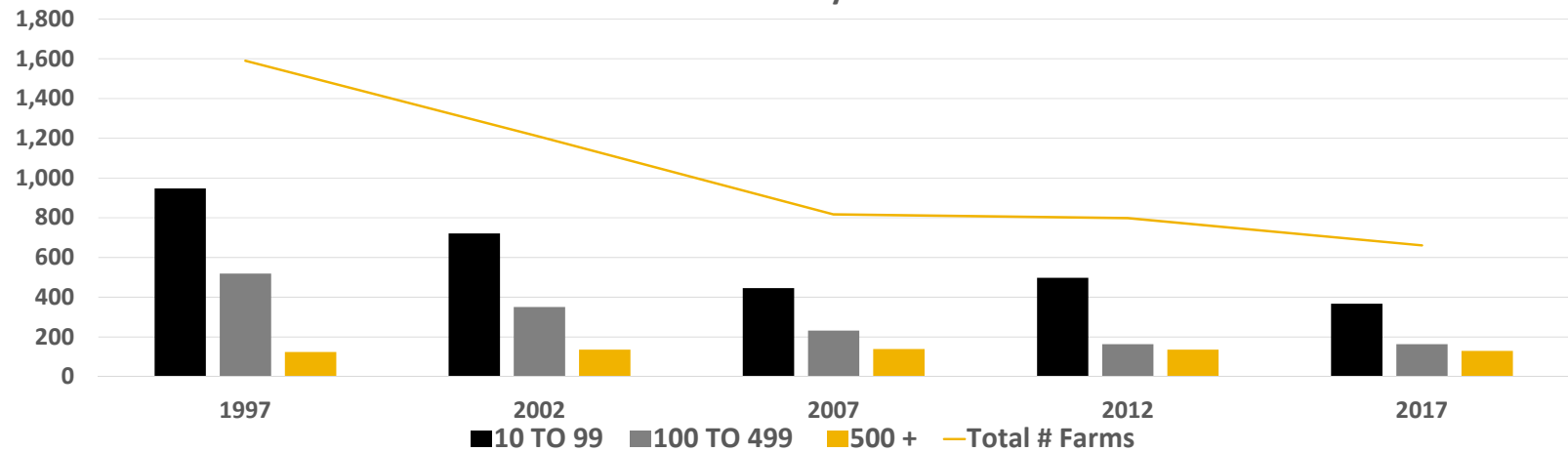
NM - # Cows by Herd Size



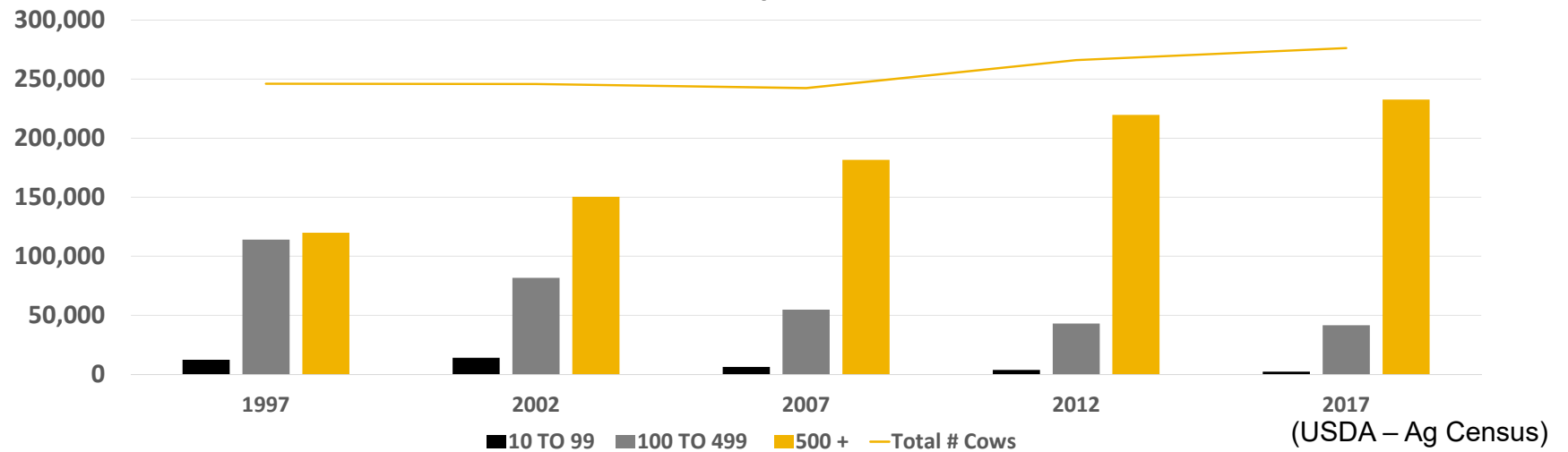




WA - # Farms by Herd Size

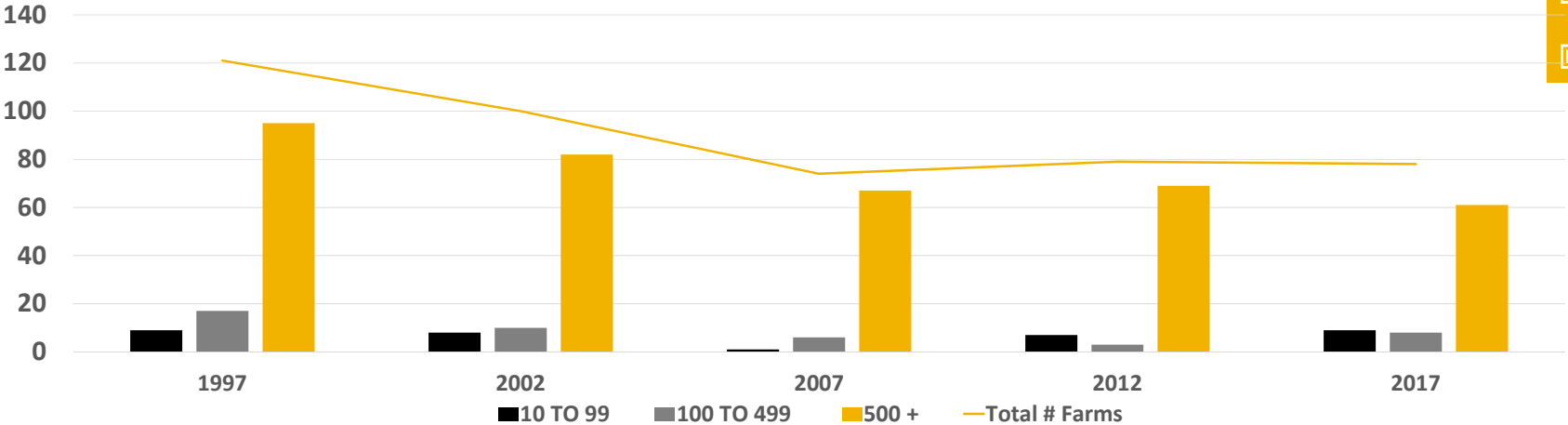


WA - # Cows by Herd Size

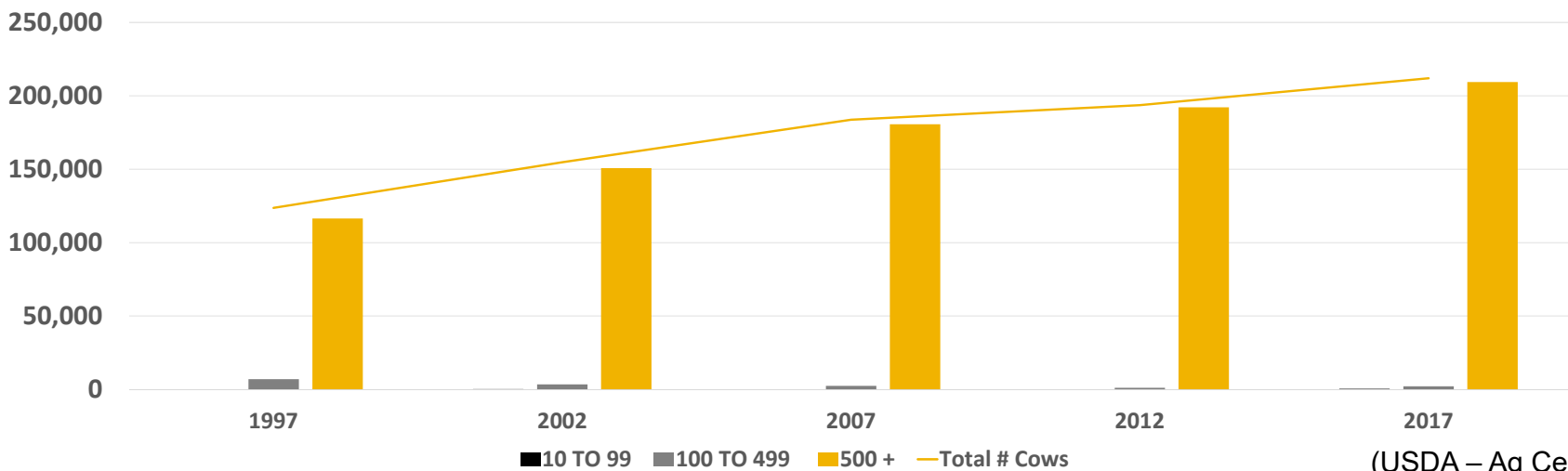




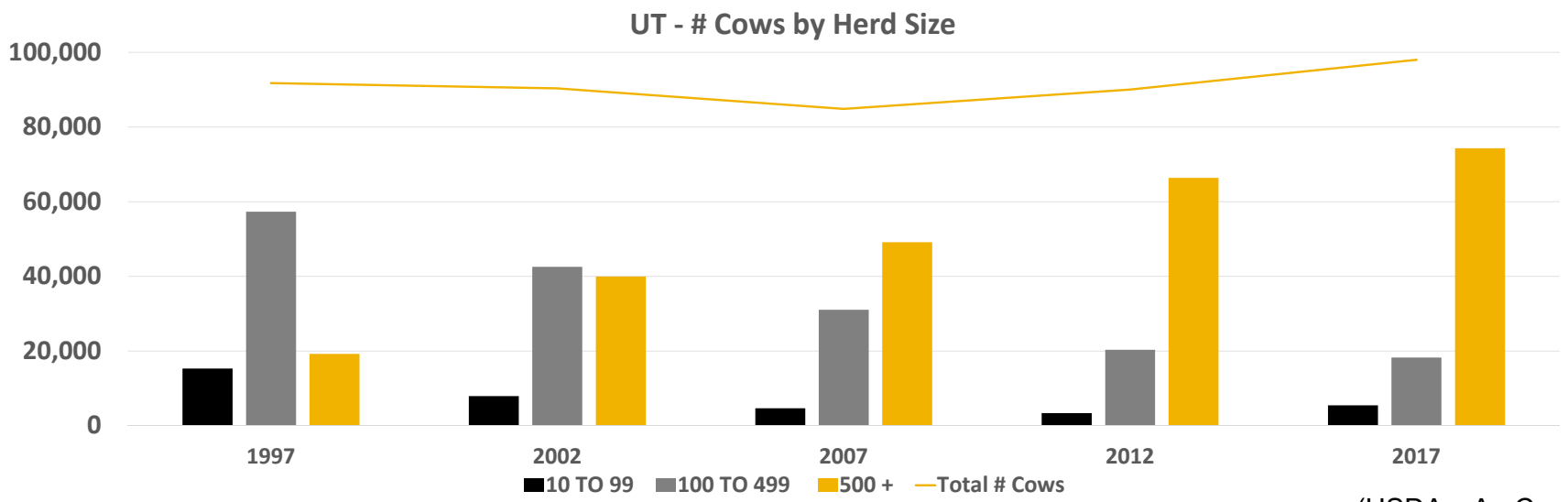
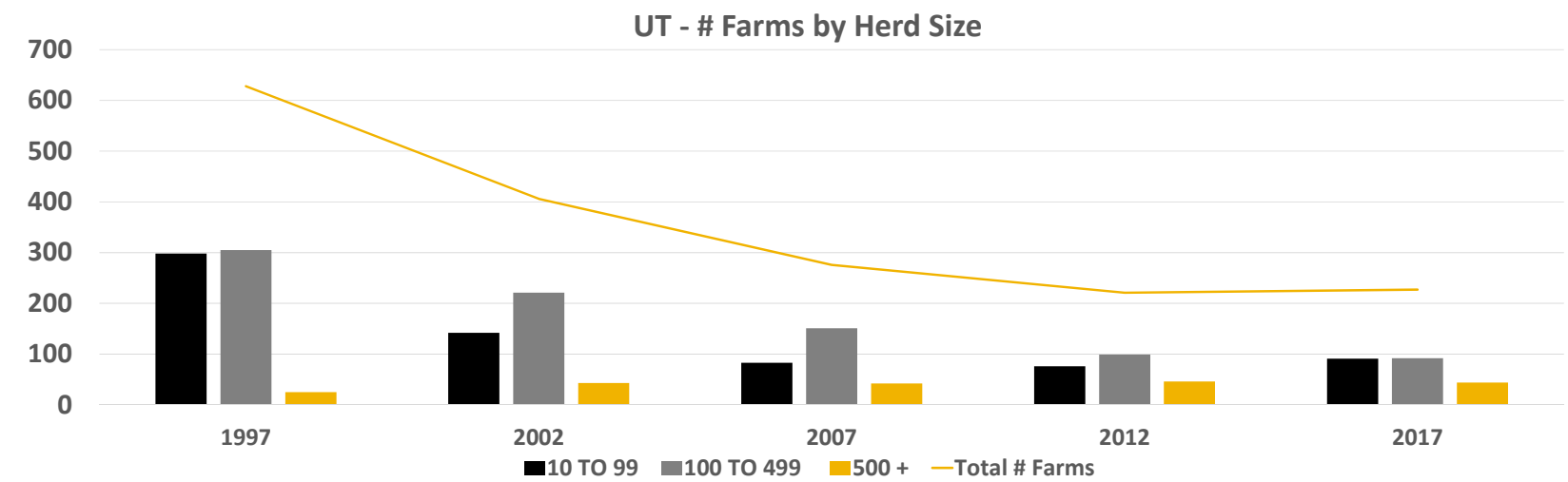
AZ - # Farms by Herd Size



AZ - # Cows by Herd Size



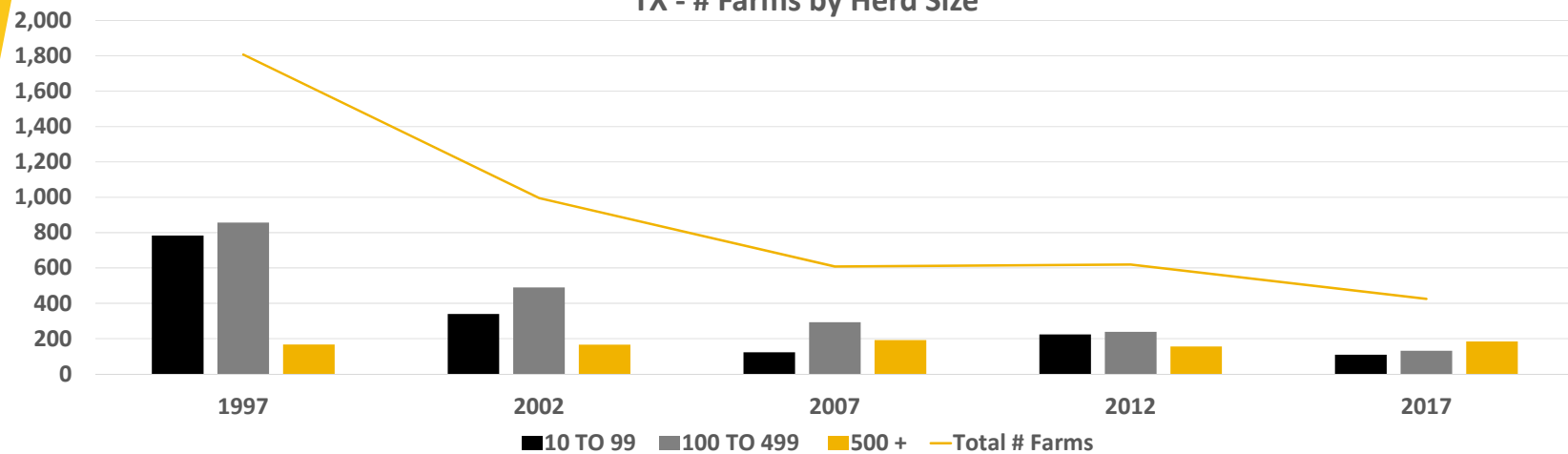
(USDA – Ag Census)



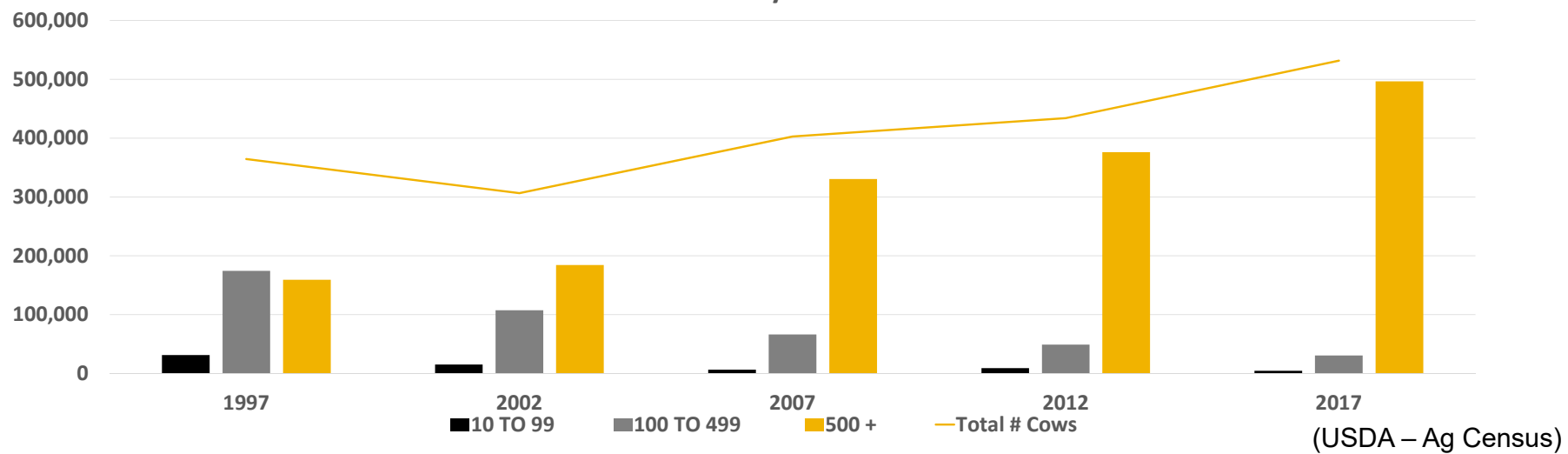
(USDA – Ag Census)



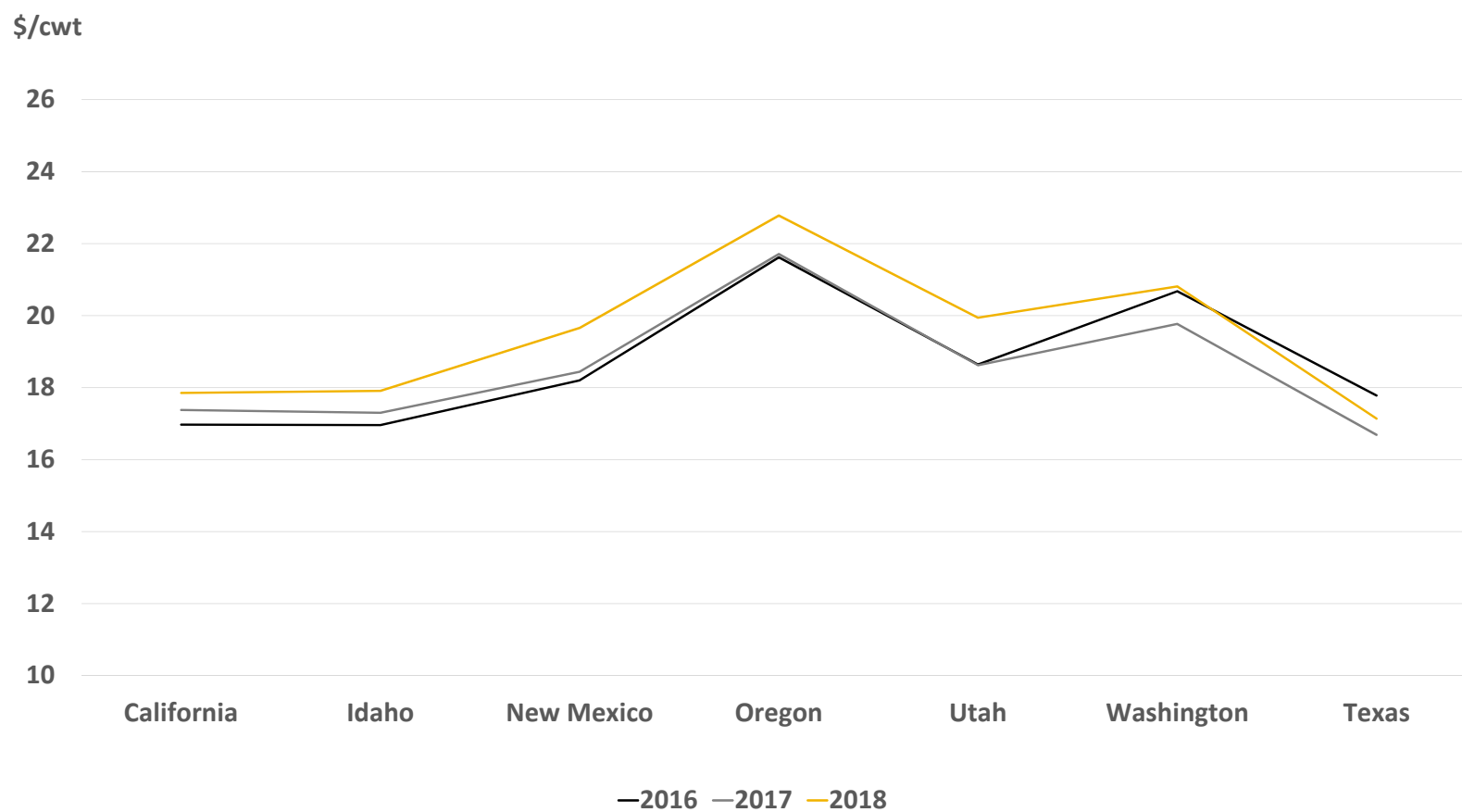
TX - # Farms by Herd Size



TX - # Cows by Herd Size

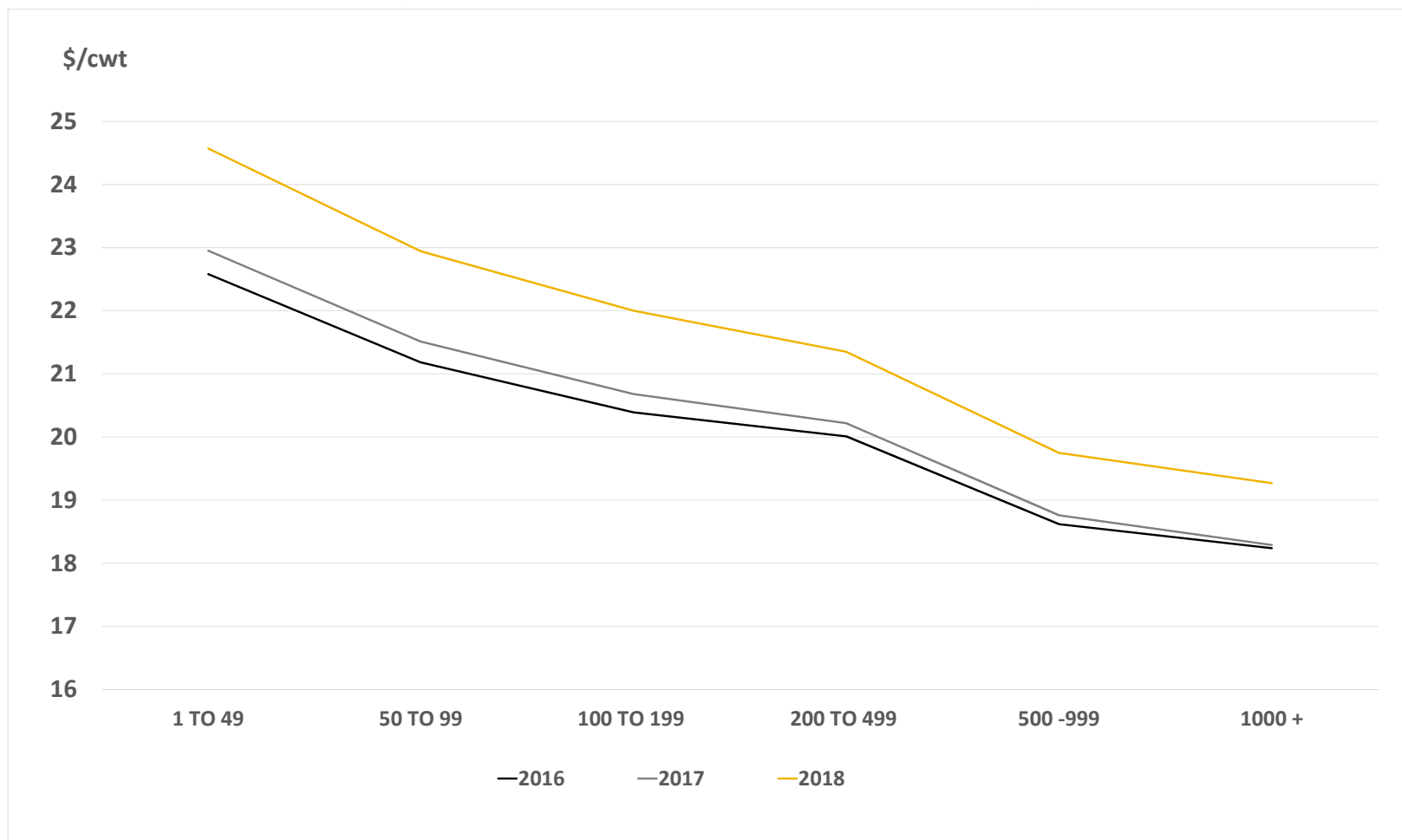


# Dairy Cost of Production by State



(USDA – ERS, Frazier LLP & Idaho Data)

# Dairy Cost Of Production By Herd Size

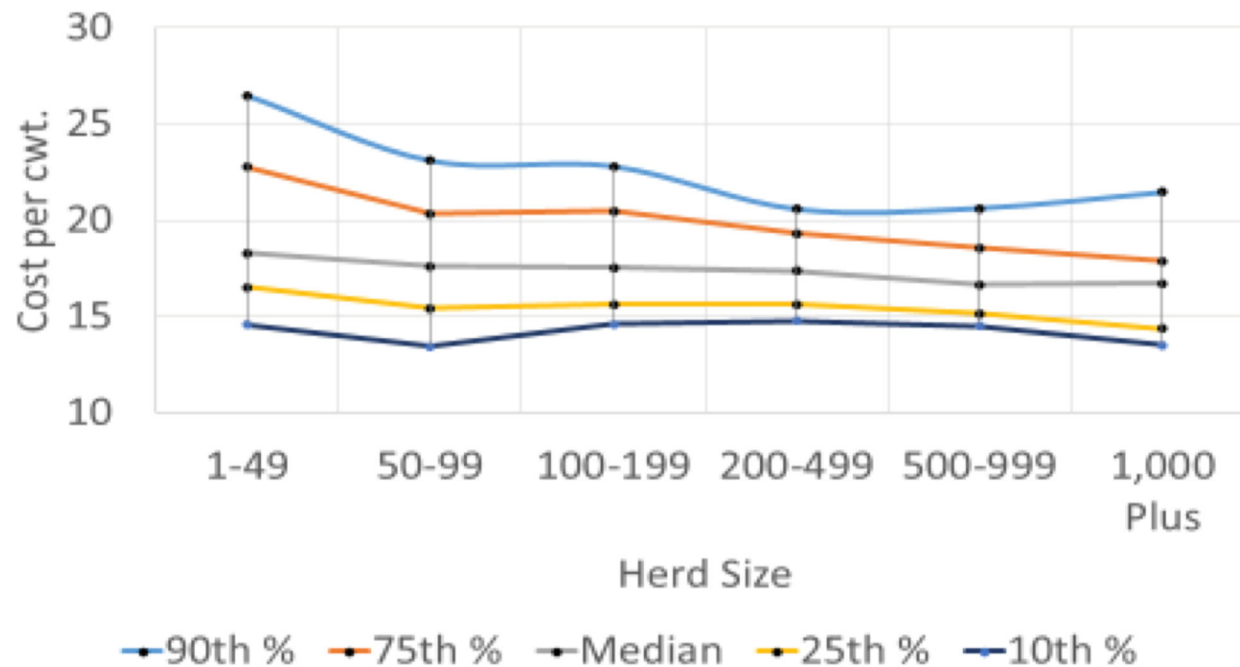


(USDA – ERS)

# Wisconsin Dairy Farms



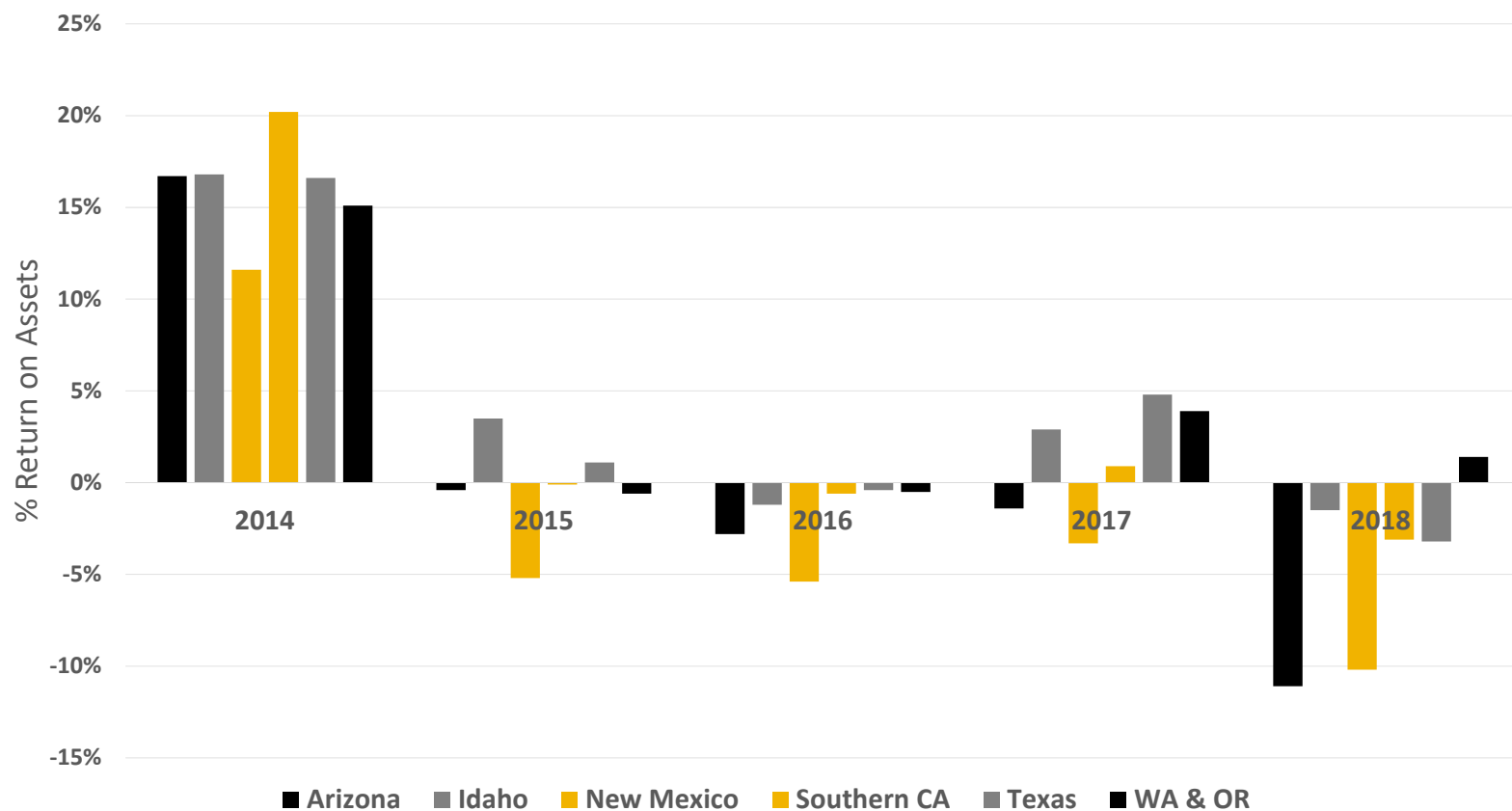
## Cost of Production: Median & Percentiles



(Mark Stephenson)



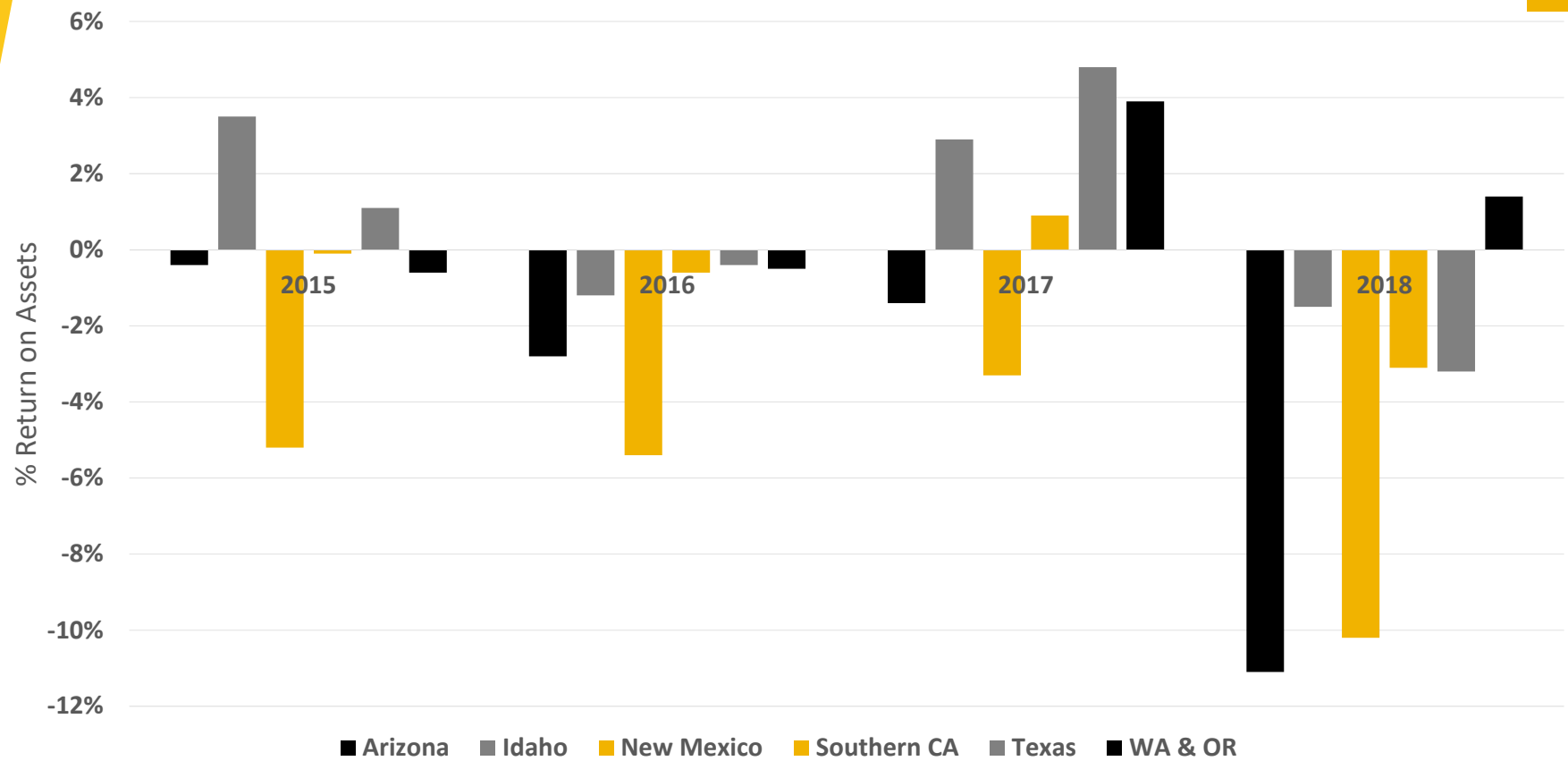
## ROA by States: 2014 - 2018



(Frazier, LLP)

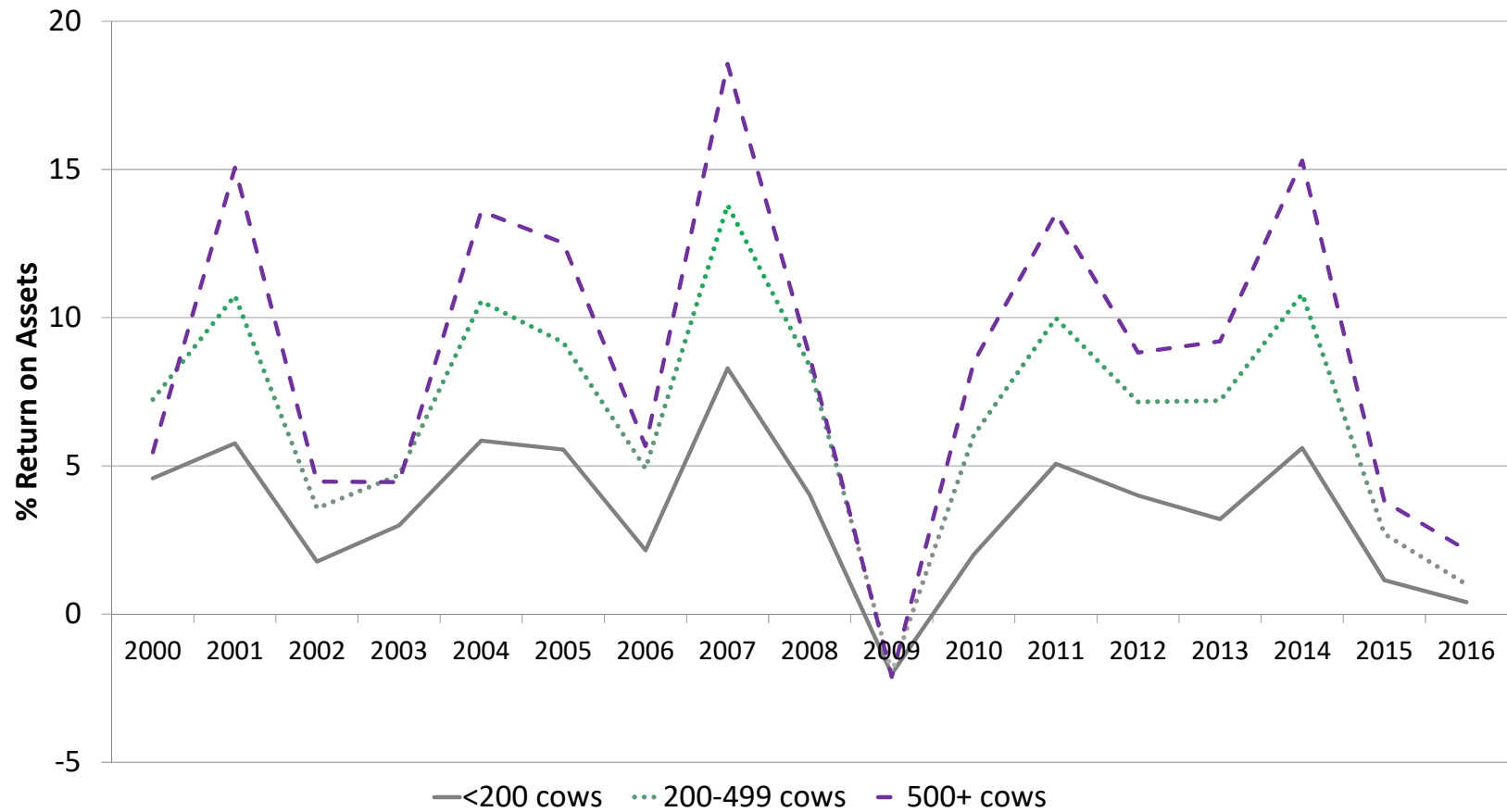


# ROA by States: 2015 - 2018



(Frazier, LLP)

## Average ROA by Herd Size (WI, MI & NY)



(Mark Stephenson)

**Dr. Mireille Chahine** is an Extension Dairy Specialist in the AVS Department at the University of Idaho. She has used innovative teaching to facilitate and present more than 400 workshops related to dairy management in Idaho and other states.



**Dr. Hernan Tejeda** is an Extension Specialist of Dairy & Livestock Economics in the AERS Department at the University of Idaho. He has conducted several risk management workshops to cattle and crop producers in Utah.



**Dr. Gonzalo Ferreira** is a Dairy Management Extension Specialist in the Department of Dairy Science at Virginia Tech. He has delivered numerous workshops in dairy management in Virginia and Nebraska.



After his graduate studies in dairy nutrition at University of Wisconsin and The Ohio State University, Dr. Ferreira worked in the dairy industry as a consultant.

The Dairy Management Extension Program focuses in developing educational tools to help farmers make better decisions in their businesses. A major focus of this program is the on-farm workshops to discuss dairy management practices.



## LOCATIONS AND DATES

### WORKSHOP 1 (NOVEMBER 2017)

- Preston, Franklin County: Wednesday, Nov. 15<sup>th</sup>
- Twin Falls, T.F. County: Thursday, Nov. 16<sup>th</sup>
- Marsing, Owyhee County: Friday, Nov. 17<sup>th</sup>

### WORKSHOP 2 (JANUARY 2018)

- Preston, Franklin County: Tuesday, Jan. 23<sup>rd</sup>
- Twin Falls, T.F. County: Wednesday, Jan. 24<sup>th</sup>
- Marsing, Owyhee County: Thursday, Jan. 25<sup>th</sup>

### WORKSHOP 3 (MARCH 2018)

- Preston, Franklin County: Tuesday, Mar. 6<sup>th</sup>
- Twin Falls, T.F. County: Wednesday, Mar. 7<sup>th</sup>
- Marsing, Owyhee County: Thursday, Mar. 8<sup>th</sup>

## FOR MORE INFORMATION CONTACT

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**Scott Jensen**  
Extension Educator & County Chair - Owyhee Cty.  
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R&E Center—Twin Falls  
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Extension Dairy Specialist  
R&E Center—Twin Falls  
Phone: (208) 736-3609



**Risk Assessment &  
Management Education  
for Dairy Farmers  
in the Western Region**





### WORKSHOP 1 (November 2017)

- Developing dairy business strategic plans
- Importance and analysis of balance sheets
- Cash-flow and budgeting in dairy



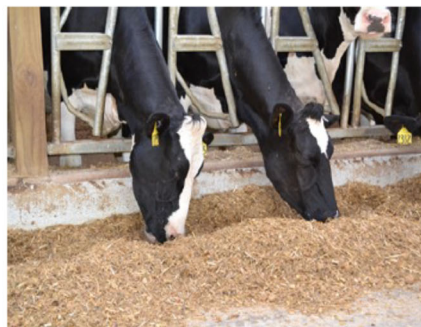
### WORKSHOP 2 (January 2018)

- Break-even cost and sensitivity
- Transition planning
- Analysis of investments

### WORKSHOP 3 (March 2018)

- Hedging by learning and investing in futures and options
- Expansion and growth process

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Extension



### WHO SHOULD COME?

- Any dairy farmer or manager wanting to improve their financial skills
- Extension agents willing to improve their financial skills
- Although the focus will be dairy, farmers from other agricultural operations (beef, crop, etc.) are welcome.



### WORKSHOP FORMAT

- From 9:30 am to 3:30 pm
- Introductory presentations to different subjects
- Hands-on analysis and real-time decision making exercises
- Peer-farmers group discussions
- Presentations of resulting decisions

### ADDITIONAL DETAILS

- It is preferable if you can bring your own laptop computer; however, we will have a few laptops available for use if needed.
- Limited to 25 participants per workshop
- Pre-registration is recommended by November 8th (workshop 1), January 17th (workshop 2) and February 28th (workshop 3). Please contact your extension agent.
- No registration fee is required, lunch will be provided

This material is based upon work supported by USDA/NIFA under Award Number 2015-49200-24225.

If you are a person with a disability and desire any assistive devices, services or other accommodations to participate in this activity, please the extension agent for the appropriate meeting during business hours of 8:00 a.m. and 5:00 p.m. to discuss accommodations 5 days prior to the event.

Thank you

