

STATEMENT TO PEOPLE ATTENDING SEVENTH ANNUAL
FLORIDA DAIRY PRODUCTION CONFERENCE

By Louis E. Larson, Delray Beach, Fla.

While being introduced as a successful dairy farm operator, reminds me of a little story about two fishermen who had been fishing most of the day and had a fine mess of fish to show for their days efforts. Late in the day two men approached them in a boat and one asked the age old question; "Any Luck?" "No Luck" one of the early birds replied. The late arrivals went putt-putting away. "We have a fine mess of fish here," the other man replied. "What do you men, NO LUCK", but came the truthful but modest reply "This wasn't luck, It was Sheer Skill".

With this idea in mind I believe a person could operate a Dairy Farm such as most of us are associated with now days on luck, for a while, but to stay in business you will need more than luck — you will need all of your own skills plus that which you can hire, borrow, or acquire through other means. You have to run your farm or soon it will be running you.

I think back to the days when I first went into business of Dairy farming shortly after the end of W. W. II and it frightens me to think of the way I operated and the risks I took compared to the methods we use today. I would like to think you could formulate the ingredients for a "High Income Dairy Farm Operation", I would put $M + M + M = \text{Milk} \div (\text{divided}) \text{ into Markets} = \text{profit}$.

Under the first "M" is Money — you must have enough capital or credit to soundly finance your operation. It takes a lot of cash to set up an operating Dairy Farm today. Also under the first "M" would be the wise use of money. You have to manage your money wisely and with discipline. You must remember that most of the money you handle "your cash flow" belongs to someone else and only after you have met your obligations should you use money for personal use.

The second "M" is MEN — without enough manpower you could not operate even if you are a family size dairy operation. You first need to evaluate yourself as to how much of a load you are capable of doing and how much you are willing to do. Most of the dairymen in Florida use hired labor. At our farms we generally have 30-35 people working. We have flat Barns-single shifts. We try to keep good relationships with our employees. In the past year or two the labor situation on Dairy Farms has at times been critical. To overcome this we have tried to improve working conditions, housing, salaries, bonus incentives, insurance plans, but most of all to know the men and show respect for a job well done. We do hire some women to do the clean up and find this arrangement very satisfactory.

The third "M" I would list as management or methods — or ME. It is up to me and me alone as operator of our farm to set work plans in motion. We have been raising nearly all of our replacements for several years. We breed our milk herd 100% artificially to some of the leading bulls in the studs available to us here in Florida. We keep herd records on each cow; Breeding-Production-Health. I use to work psichically much harder than I do now. I found that where I have so much to look after, a little brain power can go much farther than physical involvement. I do at times still help out when

there is a need. As the costs of doing business are continually rising, I find we must try to be even more efficient in the use of our time and materials used in the production of milk. Some of the sources of new ideas or changes in management methods, I get by visiting other farms, trade magazines, our County Agents, Bull sessions with other dairymen, suppliers, attending courses as this one. We do not make change just for the sake of change but only when a change is justified and would seem to work on our farm.

The first three "M's" should generate some milk. Now this M or milk needs a market. We find in most cases here in Florida most of our milk is regulated by Federal Milk Marketing order. It would be foolish to have the first part of the formula: Money-Men-Management and not have an adequate market to receive this milk. You cannot make a profit no matter how efficient your operation is unless you sell the milk for more than the cost of production. We must continue to try to produce for market needs. Also, I strongly believe we should be willing to invest in good public relations and promotion to expand and protect our market for milk. In most cases this is now being done here in Florida.

Now if all of these "M's" are used in a Dairy Farm Operation you should end up with a profit, but let me end by this little story.

Lost on a back road in Alabama a young man asked an elderly farmer who was sitting on a fence how to get to Montgomery. The Farmer looked down the road, scratched his head and gave a complete set of directions. After about 30 minutes, after carefully following the route laid out by the farmer, the young driver could hardly believe his eyes when he came upon the same elderly gentleman at the very same spot. Thoroughly exasperated, the young man pulled up and shouted "Look here, you act as though you expected to see me again, What's the big idea?" Well, young feller replied the farmer, "I didn't aim to waste my time explaining how to get to Montgomery till I found out if you could follow simple directions." One set of instructions will not fit each farm. Most all farms have a character of their own and we need to develop each one to its full potential.