

## **Ohio Dairy Health and Management Certificate Program**

Module # 7 – Economic of the Dairy Business

March 10-11, 2016

Shisler Conference Center  
Ohio Agricultural Research and Development Center  
1680 Madison Ave  
Wooster, OH 44691

Lodging available at:

Hilton Garden Inn, 959 Dover Road, Wooster OH 44691

<http://hiltongardeninn3.hilton.com/en/hotels/ohio/hilton-garden-inn-wooster-CAKWOGI/index.html>

General objective: In addition to developing an understanding of basic economic principles and how business management integrates with production management and impacts decision making on dairy farms, this session will also expand the practitioner's understanding of their practice as a business.

### Learning objectives:

- 1) Know and understand the financial language of the management team.
- 2) Be able to read basic financial statements.
- 3) Evaluate the financial health of a dairy business using basic financial instruments:  
-liquidity, solvency, profitability, efficiency, repayment capacity
- 4) Understand the financial standards used by the agricultural lending industry.  
(Farm Financial Standards Council)
- 5) Identify and calculate key production and economic benchmarks.
- 6) Learn where to find sources of data.
- 7) Learn what “people” resources are available to assist in these areas.
- 8) Understand factors affecting business decisions.

General requirements: electronic mail account and access to internet.

**THURSDAY, March 10, 2016**

| <b>Time &amp; Date</b>                        | <b>Topic(s)</b>   | <b>Speaker(s)</b>       | <b>Meeting</b>        |
|---|---|-------------------------|-----------------------|
| 7:00-8:00 am                                  | <i>Breakfast</i>  |                         | MLK Lobby             |
| 8:00-8:15 am                                  | Welcome & Introduction  | Dr. Gustavo Schuenemann | 116-J.M. Smucker Room |
| <b>Business Basics</b>                        |   |                         |                       |
| 8:15-8:30 am                                  | Business Performance – what difference does it make?          | Dianne Shoemaker        |                       |
| 8:30-9:30 am                                  | Introduction to the Balance Sheet – the business’s foundation | Dianne Shoemaker        |                       |
| 9:30-10:00 am                                 | Secrets of the Balance Sheet                                  | Dianne Shoemaker        |                       |
| 10:00-10:15 am                                | <i>Break</i>  |                         | MLK Lobby             |
| 10:15-11:00 am                                | Income Statements – telling it like it is                     | Dianne Shoemaker        | 116-J.M. Smucker Room |
| 11:00-11:30 am                                | Cash flow – where did it come from, where did it go?          | Dianne Shoemaker        |                       |
| 11:30-12:00 pm                                | A real world look – introduction of a case farm               | Dianne Shoemaker        |                       |
| 12:00-1:00 pm                                 | <i>Lunch</i>  |                         | Wilson Lobby          |
| <b>Factors Affecting Business Decisions I</b> |   |                         | 116-J.M. Smucker Room |
| 1:00-3:15 pm                                  | Transferring the Business to the Next Generation              | David Marrison          |                       |
| 3:15-3:30 pm                                  | <i>Break</i>  |                         | MLK Lobby             |

| 3:30-4:00 pm   | Cowside Conversation Tool: Net farm income per cow                    | Dianne Shoemaker               | 116-J.M. Smucker Room |
|--|---|--------------------------------|-----------------------|
| 4:00-5:00 pm   | Milk Price and Price Risk Management                                  | Dianne Shoemaker               |                       |
| 5:00 pm  | <i>Go to Dinner</i>   |                                |                       |
| <b>FRIDAY, March 11, 2016</b>                                  |   |                                |                       |
| <b>Time &amp; Date</b>   | <b>Topic(s)</b>   | <b>Speaker(s)</b>              | <b>Meeting</b>        |
| 7:30-8:00 am   | <i>Breakfast</i>  |                                | MLK Lobby             |
| <b>Measuring and Impacting Dairy Farm Business Performance</b> |   |                                |                       |
| 8:00-8:15 am   | Reflections from Thursday: what was useful, what needs clarification? | Dianne Shoemaker               | 116-J.M. Smucker Room |
| 8:15-9:00 am   | Using Numbers to Help Your Clients                                    | Dianne Shoemaker               |                       |
| 9:00-9:45 am   | Measures of Dairy Farm Competitiveness                                | Dianne Shoemaker               |                       |
| 9:45-10:00 am  | <i>Break</i>  |                                | MLK Lobby             |
| 10:00-10:30 am   | The Perfectly Profitable Dairy  | Dianne Shoemaker               | 116-J.M. Smucker Room |
| 10:30-12:00 pm   | Case farm evaluation – group work & discussion                        | Dianne Shoemaker               |                       |
| 12:00-1:00 pm  | <i>Lunch</i>  |                                | Wilson Lobby          |
| <b>Factors Affecting Business Decisions II</b>                 |   |                                |                       |
| 1:00-1:30 pm   | Conversation with a lender – impact of low milk prices                | Jennifer Stands<br>Mike Estock | 116-J.M. Smucker Room |

|              |  |                  |                       |
|--------------|--|------------------|-----------------------|
| 1:30-1:45 pm | Finding your local dairy business resources                                  | Dianne Shoemaker |                       |
| 1:45-2:30 pm | Business Entity Selection – Impacts on dairy farm business                   | Peggy Hall       |                       |
| 2:30-2:45 pm | <i>Break</i>   |                  | MLK Lobby             |
| 2:45-3:45 pm | Manure Management and Environmental Regulations: a look at recent litigation | Peggy Hall       | 116-J.M. Smucker Room |
| 3:45-5:00 pm | Case farm reports and class recommendations.<br><br>Wrap-up and evaluation.  |                  |                       |
| 5:00 pm      | <i>Go to Dinner</i>  |                  |                       |

| Speakers   | Address   | Contact Information  |
|--|---|--|
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