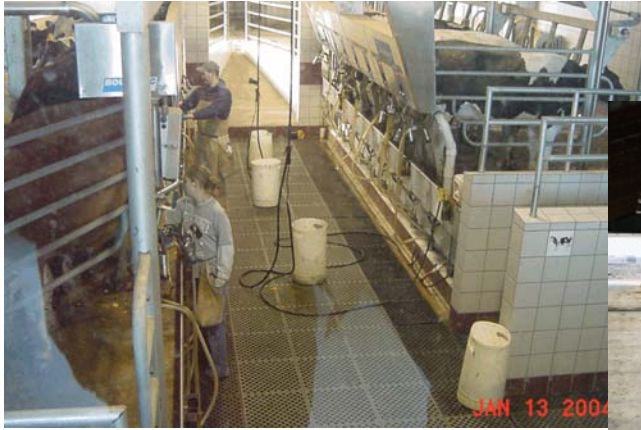


Dairyland State Academy

Wausau Region Chamber of Commerce Partnership for Progressive Agriculture

To Stimulate and Support the Economic Vitality of the Dairy and Related Industries Through an Integrated Program Including Education, Business Development, and Practitioner Engagement.



Overview

The dairy industry in northcentral Wisconsin is a critical component of the economy and social fabric of our region. The skilled people, natural resources, and dairy infrastructure provide a solid base for continued investment and growth. The industry needs to modernize, professionalize, and train replacement entrepreneurs and employees in order to build more vital and sustainable dairy production and processing industries and to compete in the world economy. To meet this need a committed group of farmers, agribusiness people, and educational professionals are developing an ambitious educational and business program focusing on dairy production, entrepreneurial skills, and value-added food processing. Modeled after a program at Northeast Iowa Community College in Calmar, IA, it will be producer led through an independent foundation to assure community engagement and program relevance. Existing private and public resources will be coordinated to meet identified needs. A signature facility will be developed to provide hands-on, practical learning experiences for our students. It will also function as a center for dairy producers and entrepreneurs in our region to seek and exchange new ideas and skills and to teach the public about opportunities in and the value of dairy in the region. Our goal is to initiate this program by August 2007.

Challenges, Assets, and Opportunities

Economic Impact

Agriculture in Wisconsin generates \$51.5 billion in economic output, 15.7% of the state's total. Direct agricultural product sales account for \$28.6 billion with the remaining coming from agricultural business purchases and the impact ag dollars have in other economic sectors. Agriculture provides 420,000 jobs, 12.2% of all Wisconsin jobs. 144,600 of these jobs are in the production sector and 68,200 in processing. Dairy is the most important ag sector contributing \$20.6 billion to the state's economy – \$10.5 billion of this coming from the sale of dairy products produced by 78,000 Wisconsin workers. Agriculture is even more important in northcentral Wisconsin where it accounts for approximately 17% of the economy, 68% of that from dairy (Deller, 2004).

The Challenge

Long considered a stable mainstay of the Wisconsin economy, agriculture is now experiencing rapid change and strong competition. Even while national milk and cheese markets have grown, milk production and the number of dairy farm businesses in Wisconsin have declined. (Jesse, 2002). 10-15% of the milk needed for processing in Wisconsin is now imported (Carpenter, 2004). The lack of milk is endangering the viability and preventing growth in the processing industries, jeopardizing a good source of high paying jobs for Wisconsin citizens.

Many dairy farms are going out of business, especially as the primary entrepreneur retires. Few people are starting dairy businesses. The traditional system of passing the farm to the next generation, is no longer providing adequate numbers of replacement farmers. Up to 80% of beginning farmers are not taking over the family farm and increasingly new farmers come from non-farm backgrounds (Barham, et al., 2001). Additionally, there are not enough skilled agricultural employees to meet the current demand on the farm and among ag businesses.

The Wisconsin dairy industry has not uniformly modernized its business and production practices and its overhead costs – labor, taxes, insurance, and asset depreciation – are considerably higher than for competitors in Idaho, California, and Texas (Jesse and Jones, 2003). Current educational services are not adequate or readily available to train the next generation of entrepreneurs and workers needed to effectively compete.

Assets

Wisconsin, and especially northcentral Wisconsin, is an excellent place to dairy farm. Average total operating costs for milk production are among the lowest in the United States, \$1.34 per hundred weight (cwt) of milk less than California's, primarily due to the lower feed costs provided by the good quality soil, rainfall and growing conditions, and agronomic skills (Jesse and Jones, 2003).

Northcentral Wisconsin has a strong dairy infrastructure. There are hundreds of farms dotting the landscape, a source for high-quality alfalfa hay, other feed, and good quality replacement heifers. Almost every town has support businesses including feed mills, dairy equipment dealers, farm implement dealers, and banks. Regionally there are dairy processing facilities, livestock and agronomic experts, research institutions, extension services, dairy genetics and services, crop genetics and services, soil and water conservation services, and all-season roads. There is competition among these input and processing businesses which keeps prices reasonable. The quality of life for those who choose to farm here is enhanced by numerous rural communities and cities with their schools, churches, retail businesses, service organizations, parks, fairs, arts, and other institutions. Finally, there is a cultural acceptance of dairy as a business enterprise in this region, an important resource as we build the industry.

Opportunities

We have the opportunity to build on our assets and capture more of the growing dairy market by improving the business, entrepreneurial, and production skills of Wisconsin dairy producers. Wisconsin's Secretary of Agriculture Rod Nilsestuen's Panel on Agricultural Education report *Developing Human Capital Needed to Grow Wisconsin Agriculture* (Lyon, 2004) describes the need for trained agricultural personnel in order to grow, both economically and socially, our agricultural sector. The panel recommends the expansion of educational opportunities in agricultural entrepreneurship, beginning farmers programs, and the coordination of educational programs among institutions. We concur with the recommendations of this panel and have envisioned a program, facility, and organizational structure which will implement their recommendations.

Vision

Our vision is to ***stimulate and support the economic vitality of the dairy and related industries through an integrated program including education, business development, and practitioner engagement.***

Our strategies for achieving the vision are to:

- Attract and train students to create new agricultural businesses in our region.
- Provide students an Associate's degree respected and recognized by industry, institutions, and universities and credits that can be articulated to a Bachelor's degree program.
- Provide practical, hands-on learning opportunities.
- Expose students to a variety of leading edge farm production models.
- Provide the knowledge and skills for people to build successful value-added agricultural enterprises.
- Meet the needs of place bound students.
- Offer lifelong learning opportunities for farmers and those that support their success.
- Collaborate with the primary and secondary school systems to attract new people to agriculture and retain young people in the community.
- Enhance the quality of high school agricultural education programs and offer advanced placement opportunities.

- Educate the public to the value and contribution of agriculture.
- Develop curriculum to meet regional needs directly engaging citizens in the process.
- Provide a career path for sustaining farms by creating mechanisms and support structures – including internships, shared milking arrangements, and incubator services – for farmers to retire and transfer farms to the next generation.
- Develop the skills and values for sustainable agricultural systems which conserve our soil, water, and genetic resources, is more energy self-sufficient, minimizes detrimental off-site environmental impacts, and creates an attractive rural landscape.

Physical Facilities

Facilities will be built or shared to:

- Provide practical, hands-on experiential learning opportunities in raising livestock, producing milk, growing crops, running a business, and other farm skills. *Students will operate a profitable dairy herd on-site.* Local farms will be used to provide more diverse experiences.
- Include both confinement and grazing models of dairy production.
- Provide food processing and other value-added training facilities.
- Provide a highly visible facility for recruitment, classroom and experiential training, meetings, and community education.
- Connect to the larger northcentral Wisconsin community by being physically located near the Wausau metro area, close to highways, educational institutions, and other community resources.
- Provide laboratory facilities to augment vet schools, WDATCP, Animal ID, and biosecurity needs in the region.
- Connect agriculture to allied disciplines in the community by utilizing laboratories and other facilities to train students in other life sciences and businesses.
- Retain the potential to expand programming to include an agricultural transportation and mechanic training facility, rural energy production and conservation, ag related GIS training, horticultural production, specialty crops and livestock, and other opportunities.

Operational Format

A producer driven, non-profit foundation will be created to provide the vision and drive to create the needed curriculum, facilities, and programs. Modeled after the Northeast Iowa Community-Based Dairy Foundation (Calmar, IA), it will be broad-based geographically, drawing members and representatives from central and northcentral Wisconsin. It will provide a mechanism to attract and manage funding. Since it will be producer driven, it will assure that the agricultural community is engaged in the program and that the program constantly changes to retain its relevance.

The foundation will provide the leadership to coordinate the various private and public individuals, businesses, and institutions that will become involved to achieve our vision. Potential private partners include farmers, agricultural businesses, producer organizations, and many others. Potential public partners include Northcentral Technical College, University of Wisconsin-Extension, University of Wisconsin-Marathon County, UW-River Falls, UW-Madison, Northeast Iowa Community College, Iowa State University, National Farm Medicine Center, USDA Agricultural

Research Service, Farm Services Agency, area secondary schools, and others. The foundation will seek to not duplicate services, but rather to make sure all relevant services are coordinated to produce the trained entrepreneurs and employees the region needs.

Institutional Capacity

The Wausau Region Chamber of Commerce's Partnership for Progressive Agriculture is providing logistical and organizational support for this program during its initial phase. Active participants in the development of this program include farmers from Marathon, Clark, Taylor, and Lincoln counties. The group is seeking to expand the regional representation to Langlade, Shawano, Portage, Wood, Price, and other interested counties. Additionally, there is strong participation by people in agribusiness including Farm Credit Services, M&I Bank, ag supply businesses, and a cheese factory owner. Educational institutions involved are Northcentral Technical College, University of Wisconsin-Marathon County, University of Wisconsin-Extension, the Wausau School District, and the Marathon County Conservation, Planning and Zoning Department. County board representatives from Marathon and Lincoln county are involved as well as representatives from the Wisconsin Milk Marketing Board, Farm Bureau, WDATCP, and the Wisconsin Technical College System.

The Community Foundation of North Central Wisconsin will serve as the fiscal agent for the Dairyland State Academy Foundation. As the Academy foundation is organized, it will assume logistical, organizational, and financial responsibility.

The greatest "institutional" capacity is the enthusiasm and leadership of the farmers, agricultural leaders, educational leaders, and political leaders involved in this process. We recognize the need and the tremendous opportunity we have to significantly impact the future of our region. We are in the process of conducting a needs assessment to determine the potential student numbers for the program we have envisioned.

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