

2007 Annual Meeting  
and General Assembly  
Verona, Italy  
Benchmarking Sessions  
Laboratories



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Presented by  
Mark Adam  
Director of DHI Services



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- \$17.1 m total sales
- 10% owner of Select Sires
- Distributor of multiple agricultural products
- Owner of AntelBio Systems  
Milk based diagnostic tests for  
Johne's, BVD, Leukosis and  
additional animal diseases

Comprehensive solutions for producer results.



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Animal Disease Testing  
Focus on milk based disease testing  
Johne's  
BVD  
Leukosis

Also offer Blood and Fecal testing

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NorthStar Cooperative DHI  
Service Areas



**NorthStar  
DHI Services  
Current  
Enrollment**

**1,450 Herds  
241,000 Cows  
70 Total Employees**

## ICAR Lab Benchmarking

“An easy and timely way to compare yourself to other business entities”

- Turnaround time
- Samples per employee
- Employee Training
- Finances

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## Two Milk Testing Laboratories

### • Wisconsin Fox Valley Lab

- Wholly owned by NorthStar Cooperative
- Located in Neenah, WI
- Two lines of Bentley equipment
- One Bentley Chem-spec MUN unit



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## 2006 Business

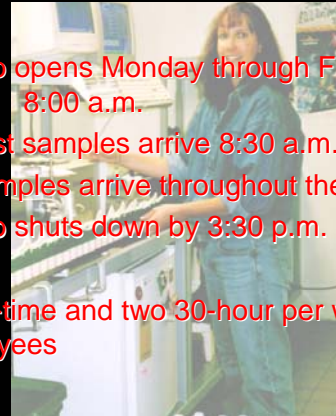
683,000	DHI samples annually
56,900	DHI samples monthly
166,000	Pay Lab samples annually
13,800	Pay Lab samples monthly
5,000	AntelBio samples annually



## NorthStar Wisconsin Lab

- Lab opens Monday through Friday at 8:00 a.m.
- First samples arrive 8:30 a.m.
- Samples arrive throughout the morning
- Lab shuts down by 3:30 p.m.

One full-time and two 30-hour per week employees



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## NorthStar Wisconsin Lab

- From test day until reports sent to dairyman by the data processing center  
1.7 days turnaround – quickest at DRMS
- Samples received:  
Walk-ins 40%  
United Parcel Service 20%  
Contracted Delivery Service 40%

**All samples tested & processed day of arrival**

## Universal Lab Services, LLC

- Limited Liability Corporation
- Based in Lansing, MI
- Jointly owned by Indiana State Dairy Association and NorthStar Cooperative
- Business basis
  - 82% NorthStar Cooperative
  - 18% ISDA
- Two lines of Bentley Equipment
- One Bentley Chem-spec MUN unit



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## 2006 Business

1,682,500  
Samples annually  
140,210  
Samples monthly  
37,000  
AntelBio samples  
annually

- Four full-time employees and one part-time employee
- From test day until reports sent to dairyman from data processing center:  
2.4 days turnaround – quickest of the large labs at DRMS

## Samples Received

Walk-ins 5%  
United Parcel Service 20%  
Route Vans 75%

All samples tested and processed  
on the day of arrival

## Universal Lab Services

- Lab opens Monday through Friday at 7:30 a.m.
- UPS delivers at 8:00 a.m.
- Route trucks arrive between noon and 3:00 p.m.
- Lab remains open until all samples are processed
- All lab employees are hired realizing that their hours must be flexible and on the premise that;  
“When there are samples in the lab – we work”

## Technician Training

- Four - six hour training days per year
- One per quarter
- Training topics range from lab work to field service to data processing
- All lab employees are cross trained to learn the basics of field service work
- Guest speakers are brought in for two meetings per year
- In-house speakers and trainers are used for remaining two meetings
- A minimum of 24 hours of training per year per lab technician is expected

## Finances

- All equipment is purchased and paid for on a five year depreciation plan
- Competitive environment of regional area constitutes prices are conservative and profit margins for NorthStar labs are approximately 10 to 15%

## Keys to a Successful Lab

- Teamwork
- Employee Cooperation
  - Field service
  - Route couriers
  - Lab personnel
- Excellent Communication
- Routine and Proper Maintenance
- Employee Ownership

- Cleanliness!
- Cleanliness!
- Cleanliness!





*“Surrounding yourself with good people makes your entire organization stronger, ultimately creating a more efficient environment for the dairy producer.”*

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**Thank you  
for your attention!**

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