









### AgSource/CRI

- One of three subsidiaries of Cooperative Resources International with total US sales of \$125 million
  - □ AgSource
  - □ Genex
  - □ Central Livestock
- AgSource Cooperative Services
  - □ DHI (Milk Recording)
  - □ Agronomy (soil, forage, turf, plant tissue, manure, etc)
  - □ Food & Environmental (milk, food products, water, wastewater)
  - □ 13 percent annual growth rate, 2004-2007



#### **Products and Services**

- Seven facilities in four states
- DHI Services –the only provider in the US to combine all aspects of DHI services, including:
  - □ Field Services
  - Mobile Meter Repair and Recalibration
  - □ Laboratory Services
  - □ Records Processing Service
- Other Services
  - □ Agronomy
    - Laboratories in Wisconsin; Iowa, Nebraska and Idaho
  - □ Food and Environmental
    - Laboratories in Menomonie and Stratford, Wisconsin



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#### **DHI Field Services**

- 157 DHI Field Staff throughout Upper Midwest
- Utilize DairyComp305/ FTech
  - □ offer multiple options for data access
- First DHI Provider in North America to use True Test Electric Milk Meters





#### **DHI Laboratory Services**

- Two owned laboratories Menomonie, WI and Jerome, ID – in addition to three affiliated association laboratories
- Menomonie and Jerome analyzed nearly 5 million DHI individual cow milk samples in 2007



Menomonie Laboratory



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# Processing Center/ Headquarters Verona, Wisconsin

- Over 6.7 million individual cow recordings processed in 2007
- Serving over 5,000 herds in eleven states

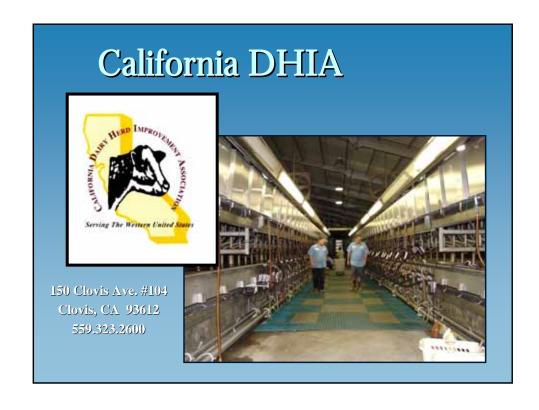




#### Unique DHI Programs & Services

- Transition Cow Index<sup>™</sup>
  - □ Objective measure of herd-level transition cow performance
  - □ Exclusive license of patent owned by University of Wisconsin
  - □ Presented as part of comprehensive Fresh Cow Reports
- Profit Opportunity Analyzer
  - □ Simple and innovative application of DHI database to produce economic benchmarks
  - □ 7 factor analysis of profitability based on DHI data
- Expanding the Use of TruTest Electric Milk Meters
  - □ Implementing the use of Data Handlers
  - □ Using RFID tags for better accuracy on test day





# Organizational Purpose Organized in 1967 Corporate Mission Statement:

To promote through programs and herd testing increased efficiency in milk production

### The California DHIA is a...

- > Non-Profit Mutual Benefit Corporation
- > 9 Member Producer Board of Directors
  - Represent Local Associations/Regions
  - Hire and Monitor Management Staff
- > Operates as a Federated DHIA System

# **Four Primary Functions**

- > Quality Assurance of Dairy Records
- > Production Statistics
- > Communications
- > Program Direction



# Other Purposes Include:

- > Promote Research Projects
- > Improve Accuracy & Uniformity in Testing Services and Data Collected
- > Sponsor Educational Programs
- > Provide Information Exchange

# California DHIA is a Federated System

- > Member Associations Located In:
  - California
  - Nevada
  - Arizona
  - New Mexico (some T'exas and Colorado Herds are members)
  - Oregon (some Washington herds are members)

# Within the CDHIA Federated System:

- > The dairy producer is a member of the local association
- > The local association is a member of the California DHIA

# California DHIA Scope of Operations

- >14 Federated Associations
- > 9 Laboratories
- > 4 Dairy Records Processing Centers Contracted
- >10 Certified Meter Centers

# California DHIA Scope of Operations

- > Current Enrollment Figures:
  - 1,008,798 Cows in 1,000 Herds
  - Average 1,009 Cows per Herd
  - 82 Datry Goat Herds 3,098 Does
  - Offices in Clovis, CA (Fresno)
    - > Scott Taylor, General Manager
    - > Alfred Duran, Assistant Manager
    - > Betty Crocker, Office Manager

# California DHIA Scope of Operations

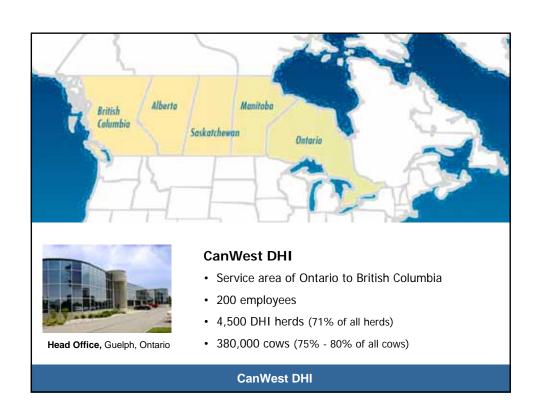
- > 6 Local DHIA Association Managers
  - 130 Local Association Employee Testers and ISP's Certified in 8 Western States
- > Tracking Annual Calibrations on
  - Over 1,500 Electronic On-Farm Meters
  - Over 4,500 Portable DHIA Meters

#### California DHIA Innovations

- > String Sampling Kits for MUN, Staph Microbiology, etc. of Pens of Cows
- > Pioneered Use of HandHeld Devices for Herd Testing – 15 Years Experience
  - 1 Tester in a Double 36 Parlor
- > Meter Guard Bolts for Tru-Test Meters
- Helped Develop the Waikato SpeedSampler Meter











#### CanWest DHI - History

- Provincial DHIs in Canada began as government programs (50 yrs ago)
- Last 25 years... privatized to producer owned and operated ('Cooperatives')
- Consolidation and mergers of provincial DHIs over last 15 years
- Merger of Ontario DHI and Western DHI in 2004 to form CanWest DHI

CanWest DHI



#### CanWest DHI - Products & Services

- Traditional Milk Recording (milk wts, components, SCC)
- Information primarily for Herd Management but service also for Breed Programs (official records) and Genetic Evaluation (sire evaluations)
- Other lab services MUN, Payment and Quality, ELISA tests
- · Milk Meter Sales and Rental service

#### **CanWest DHI**



#### CanWest DHI - Products & Services (continued)

- Herd Management Software Sales and Support to Producers and Advisors
- Variety of Herd Management Reports
- Electronic Registration of animals to Breed Herd Book (ie. Holstein Canada)

#### **CanWest DHI**



#### CanWest DHI - Unique Features...

- Very large distances in service area (3,000 kms end to end)
- Operating in multiple provinces/jurisdictions
- Field staff are ALL direct CanWest employees (no local staff or local organizations)

#### **CanWest DHI**

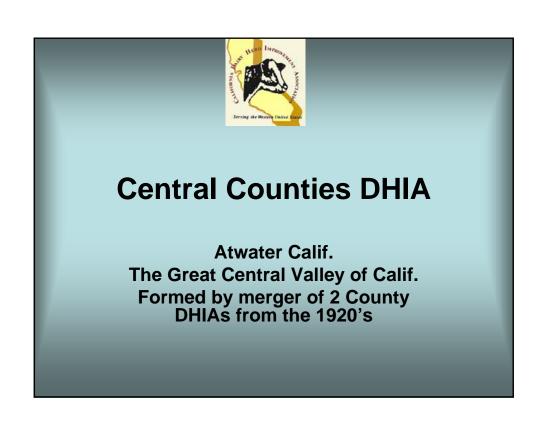


#### CanWest DHI - Unique Features... (continued)

- Part owner of Record Processing System (50:50 ownership with DHI in Eastern Canada)
- English & French speaking customer base and service delivery (field staff and reports)
- Disease monitoring through ELISA testing (Johne's & Leukosis)

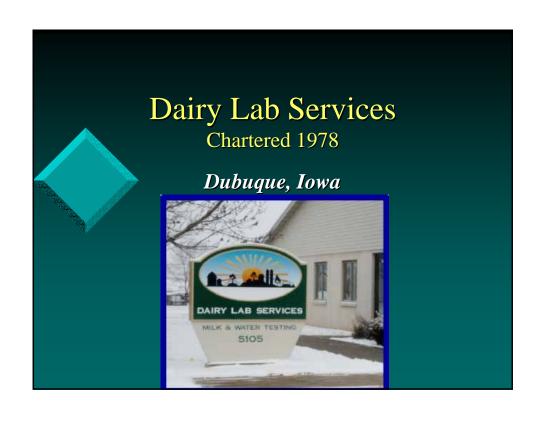
#### **CanWest DHI**







- Largest concentration of Jersey herds in the nation
- •Created a robot system to handle laboratory milk samples
  - -Improve efficient and accuracy
  - -Boost moral
- •40 total employees
  - -Field testers
  - -Lab technicians
  - -Office staff





#### Vital Statistics

- 50 employees
- 1300 producer members
  - 5 states
  - Primarily Iowa and Illinois
- 1.34 million lab samples annually
- DHI samples, milk quality samples
  - Milk components, SCC and MUN
  - DMScc, Cryo, Antibiotics, PI, PLC, LPC,
  - Johne's with milk Elisa



#### 1984

Building constructed at 5105 Wolff Road, Dubuque, Iowa, the present site of Dairy Lab Services.



#### 1993

Began analyzing commercial samples for payment purposes.



#### 1995

The DLS Route Service began by picking up samples at various locations throughout lowa, Illinois and Wisconsin.

# Dairy One Cooperative, Inc.

ICAR Meeting Niagara Falls New York June 2008



#### **Dairy One Mission**

The mission of Dairy One is to create and deliver data and information which will be used to make profit enhancing decisions for members of the agricultural community

Our goal is to provide information to aid in managing all aspects of dairy farm production



#### Dairy One Roots

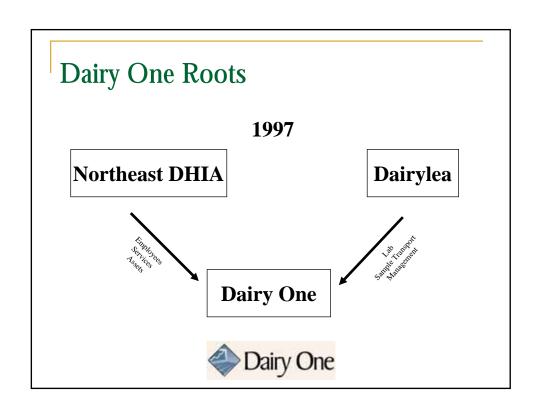
Most farm service organizations started at grass roots to serve needs of farmers and rural people. Dairy One comes from these roots.

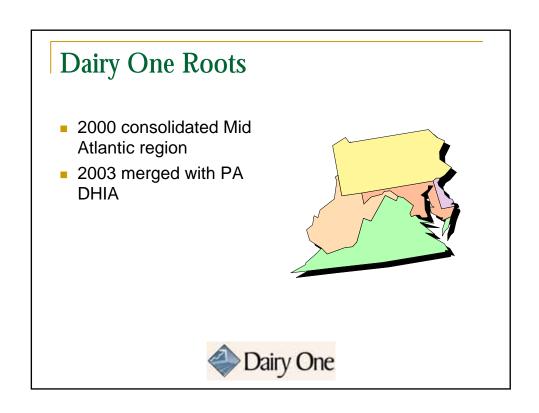


#### Dairy One Roots

- 1949 NY DHIC
  - Federation of county DHIAs county organizations formed through cooperative extension
- 1970's consolidation of counties involvement from Land Grant universities
- 1980's consolidation of Northeast state associations leading to NeDHIA.







### Dairy One Today

- Cooperative 501(c) 5 educational not-for-profit
- 19 member board
- Affiliated with Dairylea Cooperative
  - Managed under contract by Dairylea
  - Dairylea is a member organization of Dairy One
  - Significant business with Dairylea



### Member Organizations



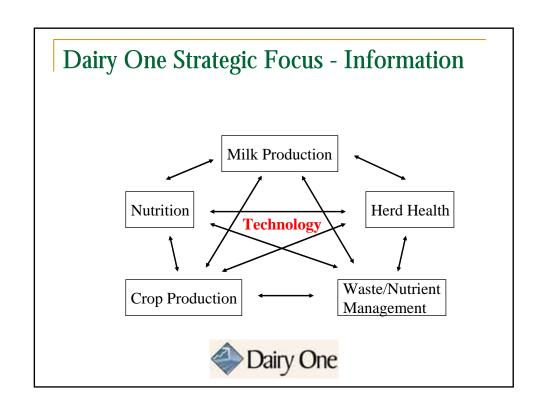




#### Size and Scope of Business

- 278 employees dedicated to creating and delivering information to the agriculture community
  - □ 192 in field/DHIA services
  - 67 in laboratories
  - □ 19 in support roles
- \$18 million in revenue
- Financially strong





### Dairy One Business Units

- Herd records services (DHIA)
- Analytical services
  - Milk
  - □ Forage manure, water
  - Soils
- Software sales and support
- Farmland Environmental
- Wine/juice pilot project



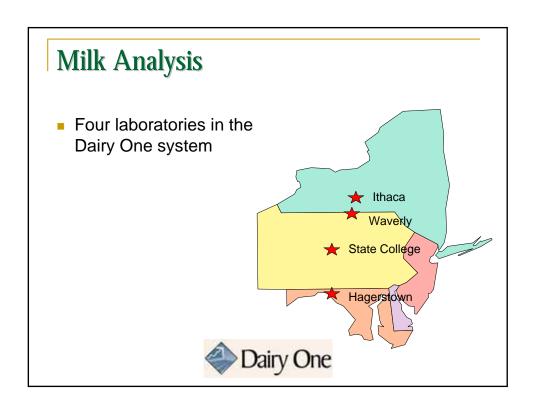


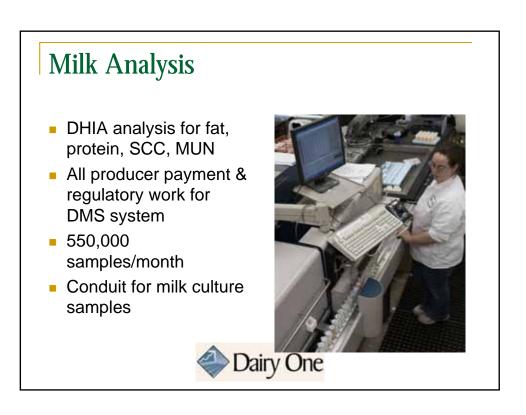
# Herd Records Services (DHIA)

- 5,200 farms, 600,000 cows
- 14 Northeast states
- Farms with 20 to 5,000 cows









### Milk Culturing

- Partnerships QMPS and PA Diagnostic Lab
  - Dairy One collects and delivers samples to labs
  - Labs culture samples
  - Dairy One handles data
  - Capitalizes on organizational strengths and provides better information
- Working with private veterinary clinics
- Culture Tracker software





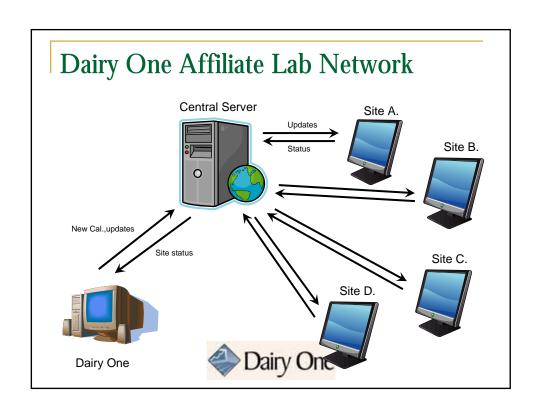
### Dairy One Forage Lab

Customers – 50 states, 30 foreign countries

- Customers
  - Nutritionist
  - Seed companies
  - Farmers
  - Zoos
- 125,000 samples/year
- NIR & wet chemistry









#### Soil Lab

- Established in 2006
- Move into agronomy information
- Leverage resources



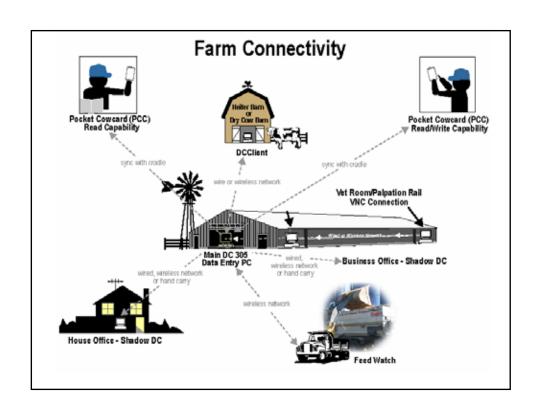


### **Dairy Management Resources**

- Group of 12
- Sell and service:
  - Dairy Comp 305, Scout, Analyzer, PC DART
  - ParlorWatch
  - FeedWatch
  - Computers
- Know cows, software and computers
- Help support management schemes at the farm
- Support field force







### Farmland Environmental

Organize, Optimize, Control



#### Farmland Environmental

- Organize
  - □ Field and Crop Information
- Optimize
  - Crop Yields
  - Use of Manure
  - Use of Purchased Fertilizers
- Give Control
  - The Information
    - Local trusted advisors
  - Compliance



#### Farmland Environmental

- Complement existing resources and people
  - Work with local advisors
  - Provide tools to help local advisors and farms be more efficient and effective
- Future services geared toward agronomy and environment



#### Farmland Environmental Products

- Geo-referenced Maps
- CNMP & CAFO Plans
- Fields and Crops software
  - Connecting farm and consultant



#### Juice & Wine Analysis

- Beginning fall 2008
- Working with Finger Lakes wineries
- Growing sector of Northeast U.S. agriculture
- Logical extension of services





## Thank You





### DHI COOPERATIVE, INC.

Committed to serving Ohio and surrounding areas



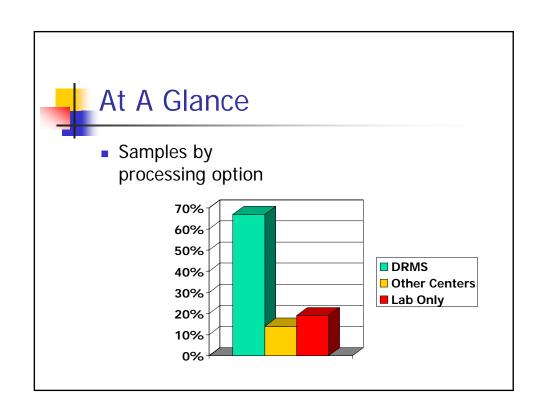
#### At A Glance.....

- 1250 Herds
- 131,000 samples
- 50 Field technicians
- 2 Laboratories
  - Columbus
  - Wooster



#### At A Glance...

- 77% of herds supervised
- Multiple testing options
- Extensive longevity of entire staff
- 4 Area Managers





# DAIRY RECORDS MANAGEMENT SYSTEMS

Established in 1957

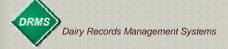
North Carolina State University – Raleigh 34 employees

Iowa State University – Ames 7 employees



#### **Functions**

- Process and Deliver DHIA Records
- Develop On-farm Information Management Systems
- Service and Support
- Provide Records and Information Systems to Industry



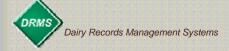
#### Clients

- 23 DHIAs with herds in 44 states
- 16,200 Producers with 2.2 million cows
- 920 DHI Technicians
- 29 Labs
- 540 Professional Consultants
- 80+ DHI Management and Extension Staff



#### Major Benchmarks

- 1957 DRPC is established at NC State Univ. in Raleigh
- 1968 Heifer program with first calf page
- 1974 Central Accounting System for DHIAs
- 1978 Electronic transfer of lab results
- 1980 On-farm computer program (DART)
- 1986 DART enhanced to PCDART
- 1996 Merged with Mid-States DRPC at Iowa State Univ.



### Major Benchmarks

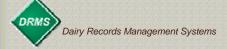
- 2000 CTAP program for analysis of records from any DRPC
- 2000 PocketDairy first dairy system for handhelds
- 2001 DairyMetrics first web based dairy benchmark system
- 2003 International ID input / output
- 2003 RFID input / output; wireless input with RFID tags
- 2004 PocketMeter test day input system for handhelds
- 2005 Premises ID input / output

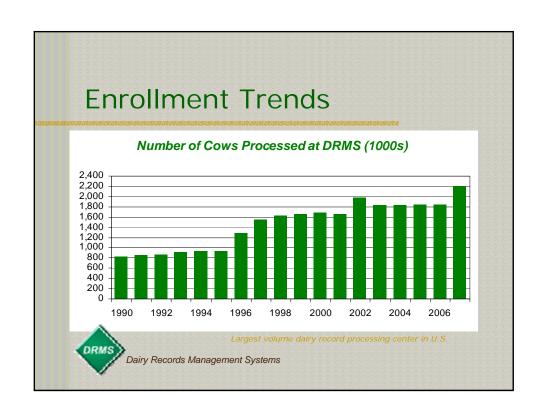


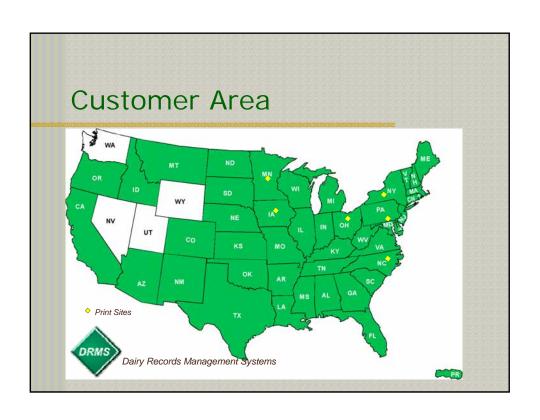
### Co-Op to Co-Ops

### DRMS Strengthens DHI Service Affiliates:

- Collaboratively develop state-of-the art info systems
- Assist with top-notch service and support
- Minimize technician workload
- Reduce administrative hassle and costs
- Leverage marketing efforts
- Enhance bottom line with revenue sharing
- Provide tools for optimum service to producers
- Energize link to industry







# Heart of America DHIA Craig Krogstad, President Dave Sukup, General Manager

- Heart of America DHIA was formed in 1995 with a merger of:
- North Dakota
- South Dakota
- Nebraska
- Kansas
- Oklahoma
- Arkansas





### **HOA Board of Directors**

- HOA Board consists of 7 Directors
- North Dakota, South Dakota ... 2 Directors
- Nebraska, Iowa......2 Directors
- Kansas, Missouri......2 Directors
- Arkansas, Oklahoma......1 Director

### Personnel

- HOA Management Personnel
- Dave Sukup...HOA Manager
- Jolene Guerra...Lab Manager
- Dennis Drudik...Financial Director and District Manager.
- Jason Richie...District Manager
- Bryan Stout...District Manager





### LOCATION

- Located at 628 Pottawatomie
- Manhattan, Ks. 66502
- Dave Sukup, Manager
- Jolene Guerra, Lab Manager
- Staff includes 4 Lab Technicians
- 48 Field Technicians

### **GENERAL STATISTICS**

- Analyze samples from 11 states: North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Arkansas, Missouri, Iowa, Colorado, Texas and Montana.
- Currently analyze about 125,00 to 130,000 samples a month.
- Analyze 3,500 individual MUN and around 50 bulk tank samples a month.
- Samples are received by UPS and Post Office.

# LAB EQUIPMENT • 2 lines of equipment from Bentley Instruments of Chaska, MN. • SCC500 and B2000 Machines • Chem-Spec MUN instrument.



## Sample Shipping Majority of Milk Samples are shipped UPS. All areas serviced by Heart of America DHIA have 2 day delivery All sample vials are returned to Technicians by UPS.



# Lancaster DHIA Started in 1992 Manheim, Pa.

# Milestones 1994 build DHI samples laboratory 2005 established Microbiology lab 2007 began culture lab 2008 added Johne's Milk Elisa testing

### **Core Activities and Growth**

- Farm DHI services and testing
- Raw milk permit testing
- IMS finished product testing
- Mastitis pathogen culturing
- Johne's testing
- 1992 1,065 herds and 45000 cows
- 2007 3,000 herds and 203,000 cows
  - 1500 Amish included





**Professional Services for Profitable Dairying** 

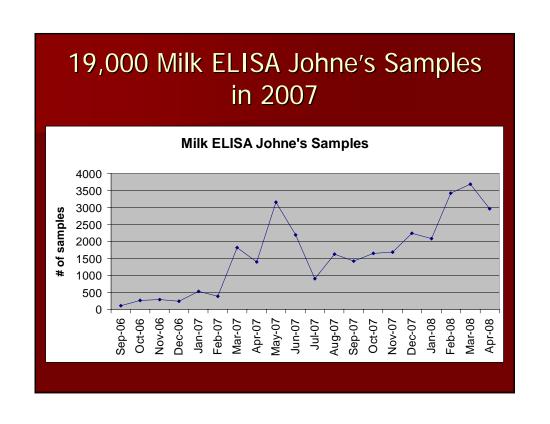
Buffalo, Minnesota Since 1910

### **Stats**

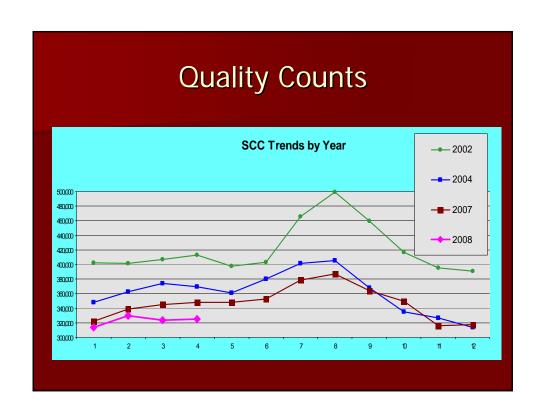
- 2,531 herds
- 281,109 cows
- 15% cows Milk Urea Nitrogen (MUN)
- 99% cows SCC
- 60,000 RFID Tags sold

### Organization Scope

- Process at all 4 Record Processing Centers
- 4 cooperating Milk Laboratories
  - 2 Wisconsin, 2 Minnesota
- Average Field Employee 18.5 years service
- Average Office Employee 15 years service
- 94% of herds AMPM Test







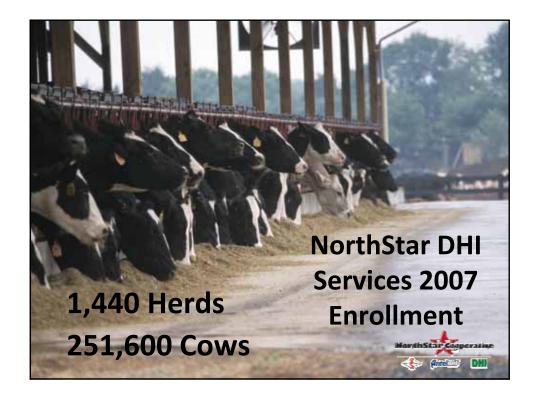


### NorthStar Cooperative Inc. Stock Based Cooperative 1,192 Common Stock Owners 1,613 Preferred Stock Share Holders \$17,975,000 – 2007 Total Revenue

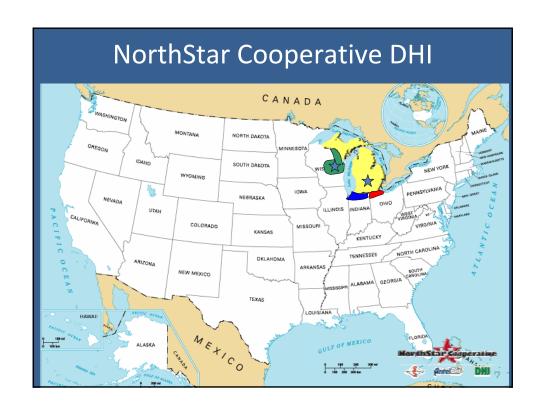








# Gary Smith – General Manager NorthStar Cooperative Inc. Mark Adam – Manager NorthStar Cooperative DHI Services Doug Brook – Technical Training Coordinator Jason Buher – Field Service Supervisor Carol Decker – Fox Valley Lab Supervisor Anne Edgecomb – ULS Lab Supervisor 63 – Field Technicians 8 – Lab employees (6 fulltime, 2 part time)



### Two Milk Testing Laboratories Wisconsin Fox Valley Lab - Wholly owned by NorthStar Cooperative - Located in Neenah, WI - Two lines of Bentley

One Bentley Chem-spec MUN unit

equipment

- 1.6 day turn around time



### 2007 Fox Valley Lab Business

- 660,876 samples annually
- 55,073 samples monthly average
- 172,546 pay samples annually
- 14,379 pay samples monthly average



### **Universal Lab Services, LLC**

- Limited Liability Corporation
- Based in Lansing, MI
- Jointly owned by Indiana State Dairy Association and NorthStar Cooperative
- Business basis
  - 83% NorthStar Cooperative
  - 17% ISDA
- Two lines of Bentley Equipment
- One Bentley Chem-spec MUN unit
- 2.4 day turn around time





### 2007 Universal Lab Business

- 1,771,412 samples annually
- 147,617 samples monthly average





### Southeast DHIA, Inc.

Serving Dairy Farms in Georgia and Florida

### Southeast DHIA History and Profile

- Southeast DHIA has 217 members
- Governed by a 9-member Board of Directors
- Formed in 2000 by merger of Georgia DHIA, Florida DHIA and Southeast Dairy Lab
- Southeast DHIA has 20 employees
- Serves member and contract herds in Florida & Georgia
- Assisted with organization of Southern Affiliates QC Group in 1998

### Management Staff of Southeast DHIA, Inc.



- Daniel WebbGeneral Manager
- Ray WestArea Manager-Georgia
- Christina Dore'
  Administrative Assistant
- Don Shaw
   Meter Specialist & Technician Trainer

### Service Priorities of Southeast DHIA

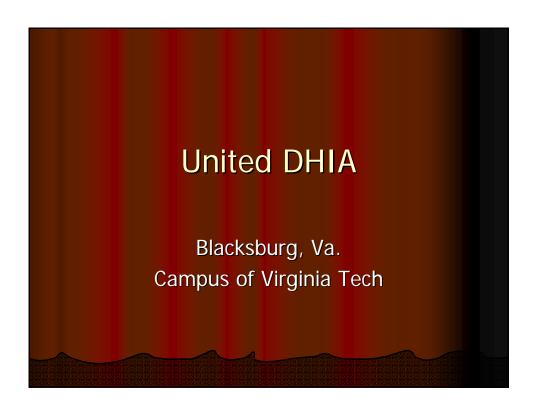
- Training and support of DHIA Field Personnel
- Quality test-day data collection on farm
- Training for dairy owners and employee on software use and data interpretation
- On-farm support for PCDART and PocketDairy
- Provision of laboratory results
- Oversight of field operations to insure Quality Certification
- Service and calibration of milk meters according to QC standards

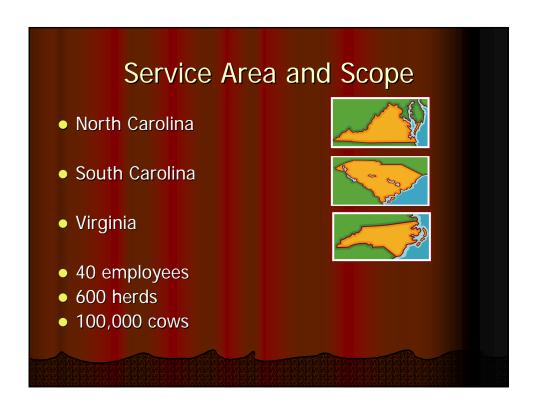
### **Service Cooperators**

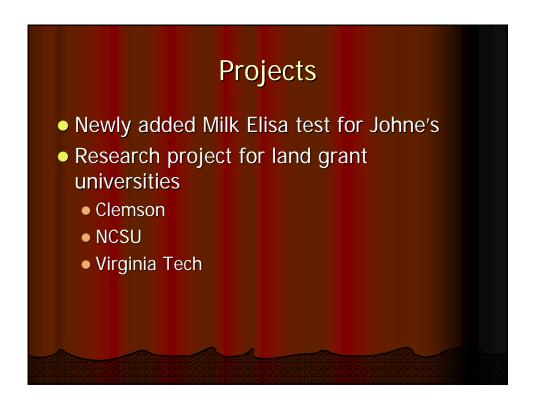
- Dairy Records Management Systems
- Southeast Milk, Inc.
- Southern Affiliates QC Group
  - Southeast DHIA
  - Tennessee DHIA
  - Louisiana DHIA
  - Alabama DHIA
- University of Florida
- University of Georgia

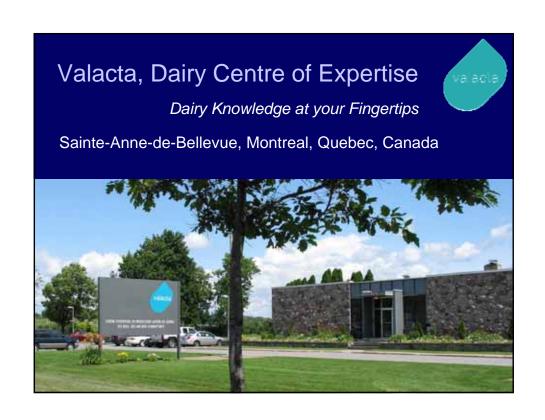
### Southeast DHIA Members and Clients

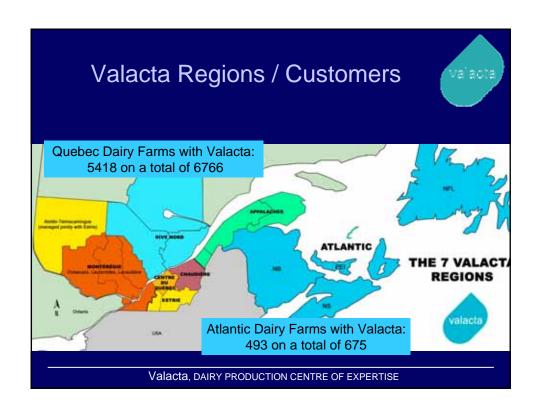
- 103,000 cows
- 151 farms in Georgia
- 66 farms in Florida
- 35 other non-member clients











### A few figures

### **Quebec and Atlantic provinces:**

296 employees (227 field, 69 head office)

- 5 900 dairy herds (79%)
- 304 000 animals (cows, goats, sheep)

### Quebec only, every year:

- 61 000 tests at the farm
- 3 000 000 laboratory samples
- 68 500 hours of advisory services
- 58 400 hours of milking supervision
- 14 300 hours of data entry at the farm
- 2 300 participants to training courses (33%)

Valacta, DAIRY PRODUCTION CENTRE OF EXPERTISE

### Personnel - Quebec and Atlantic

valacta

### **Head Office**

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3
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### Field

Dairy production technicians	109
Technicians	12
Milk quality technicians	9
Advisors	83
Strategic advisors	7
Regional managers	7
Total Field	227

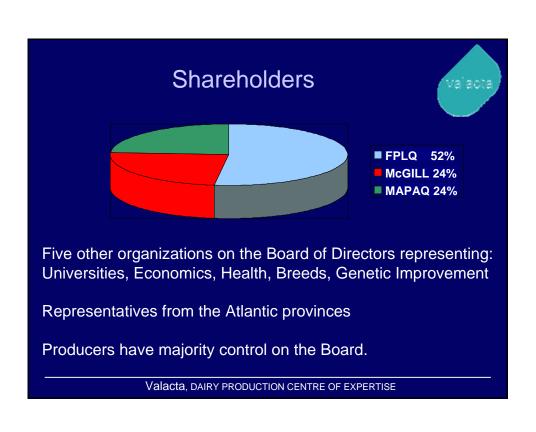
Total Valacta 296



### Valacta producers and service options



	Quebec	Atlantic	Total
Total supervised	1920 35%	361 75%	2281
Total non supervised	3498 65%	121 25%	3619
Total clients	5418	482	5900
Total producers	6766	675	7441
Market share	80,1%	71,4%	79,3%



### History





- 1966 DHAS Founded by Dr. John E. Moxley, McGill University
- 1970 PATLQ Joint program, McGill + Quebec Ministry of Agriculture
- 1989 PATLQ Incorporated Dairy producers majority shareholder by 1994
- 2006 Valacta Centre of expertise
- 2008 Valacta Merger with ADLIC (Atlantic provinces agency)

Valacta, DAIRY PRODUCTION CENTRE OF EXPERTISE

### MISSION since 2006 Centre of expertise

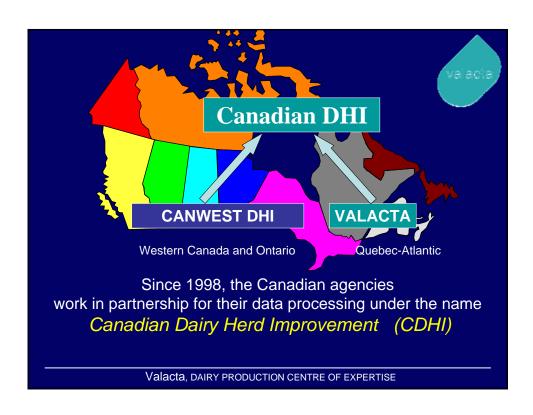


Differentiate and strengthen
the dairy production sector
by stimulating
the development of knowledge
and its transfer
to the dairy producers

Values
Innovation - Expertise - Quality - Commitment - Synergy







### CDHI central computer is located at Valacta



- Milk recording data processing centre for Canada
- Database includes:
  - 10,400 herds
  - -718,000 cows
- Common software for production analysis in Canada: Vision2000

