

Mooving Along

Dairies are vital link in rural development

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by Mike Lynch

CONSIDER IT DAIRY DETERMINATION.

With more than 1,500 milking cows and 18 full-time employees, Kevin and Tanya Van Winkle are motivated to make their dairy operation successful on every level.

However, to ensure that this occurs, working partnerships among employees, neighbors and industry are essential.

“We enjoy working for ourselves, though you don’t do something like this on your own. The relationships are rewarding and important. These include our neighbors whom we buy silage and hay from as well as Southeastern Electric,” Tanya stated.

The rural Canistota, S.D., dairy operation produces more than 12,000 gallons of milk per day. Originated in the fall of 2006, it took the Van Winkles only six months to reach full capacity.

A dairy nutritionist out of college and manager of Turner County Dairy for more than six years before starting his own operation, Kevin Van Winkle views dairy farming as a passion. “I enjoy working with healthy, productive livestock and the team of people that we have.”

Variety is viewed as Tanya Van Winkle’s most intriguing aspect of the dairy business.

“The challenge of running the operation and getting to do a lot of different things along with reaching goals is rewarding,” she said.

Though there is much reward in what they do, their role as dairy farmers does not come without obstacles. “Maintaining and keeping costs down and watching markets to lock in feed costs have made it challenging. Market volatility has changed the way we buy feed and sell milk. Also, feed prices have doubled since 2006,” Tanya said.

Twice per day, milk is shipped to the Le Sueur



Cheese Company, a division of Davisco Foods, International, Inc., based in Le Sueur, Minn. The demand for milk has in part been driven by the proliferation of cheese companies throughout the Midwest; consequently, large-scale dairies have become more important to meet the demand.

Jon Davis, chief operations officer for Davisco Foods International, Inc., is grateful to have dairies such as the Van Winkle's.

"As the average age of dairymen in the Midwest continues to increase, it is very important for people like Kevin and Tanya to enter the dairy industry and be successful," said Davis. "We as a company are very appreciative for the hard work they put forth to produce a quality product because it enables us as a cheese manufacturer to do the same."

Le Sueur Cheese Company was formed in 1943 in St. Peter, Minn., as a small creamery. Today, it has grown to three cheese manufacturing plants in Le Sueur, Minn., Lake Norden, S.D., and Jerome, Idaho.

"With the ever-increasing demand in the world market, we have the ability to produce a variety of cheese types and whey products to meet that demand. People are finding out dairy is a great source of protein and they are incorporating it into their diets," Davis said.

South Dakota Department of Agriculture Dairy Development Specialist David Skaggs said that South Dakota is an ideal place for dairy farming.

"South Dakota offers a very good dairy climate for cow comfort and lower than national average electric costs," said Skaggs. "The state also offers the room to grow and expand the ability to bring in future generations."

From October 2005 to the end of 2007, the number of dairy cows in the state increased from 79,000 to 86,000.

With such a large-scale dairy, it is vital that sufficient electrical power is delivered from the project's inception. Southeastern Electric Cooperative in Marion, S.D., agreed to bring three-phase power (typically required for commercial and industrial loads) to the Van Winkle site.

"Southeastern is very good at service. They take good care of us and respond quickly," said Kevin Van Winkle.

Load management – a control of various customer electric loads during times of peak usage on the electric system – is

an important program for both the consumer and the electric cooperative. By managing loads so that they are not all on at the same time, the cooperative is able to reduce wholesale power purchases, thus saving money and resources. Likewise, consumers are charged a reduced rate.

"During peak times, we get cost savings. It's a win-win for both parties," Tanya Van Winkle said.

Dairy farming in South Dakota has seen numerous changes over the past several years. South Dakota State University Extension Dairy Specialist/Assistant Professor Dr. Alvaro Garcia said that the biggest difference has been the consolidation of smaller dairy operations into larger units.

"From cow managers, they have turned into people managers where adequate hiring and training of personnel becomes a major issue. This has also led to specialization, with less time devoted to crops but more time dedicated to cows," said Garcia.

Garcia said that large dairies revitalize agricultural communities by the sheer volume of products being utilized. By purchasing forages and grain from neighboring farmers, it allows each part to devote more time to their main profit center.

"Dairies can concentrate on cow health and animal production, whereas forage growers concentrate in producing high quality forages," said Garcia. "In a world that is struggling with current oil prices, this strategy is vital to optimize the use of energy for food production."

The Van Winkles are unsure if they will expand their operation, though they have the capability of adding up to 500 cows.

"We are fine tuning what we have here. The permitting is already in place, but we need to see that the economics will justify it," Tanya Van Winkle said.

Skaggs has seen a growth in the state's dairy processors such as Valley Queen in Milbank, S.D., which will increase its capacity by 30 percent. Davisco of Lake Norden has also gone through several expansions in the past few years to stay ahead of the growth in the dairy industry. Associated Milk Producers, Inc. in Freeman, S.D., has added new equipment to increase their efficiencies and total volume output.

"It is a pleasure to work with current and prospective dairy producers, crop and forage producers, the cooperation of the different milk and dairy processors and industry representatives to continue to grow our dairy industry. As we grow, we will continue to see our rural communities grow as well," Skaggs said.

Opposite: Kevin and Tanya Van Winkle stand with part of their 1,500 head milk cow herd. The Van Winkle's rural Canistota, S.D., dairy produces more than 12,000 gallons of milk per day.