

# The Wisconsin Farm Center

Wisconsin Farm Center  
Farm and Rural Services Bureau  
WI Department of Agriculture, Trade and  
Consumer Protection  
800-942-2474

<http://www.datcp.state.wi.us/core/agriculture/agriculture.jsp>

Mike Exum

# Farm Center – proud history

- Born out of the farm crisis of the 80's
- “...consultation and assistance to distressed farmers...” Wis. Stats. 93.51
- Crisis Hotline (>100,000 calls in 21 years)
- Advice and counseling (including mental health & employment assistance)





Agriculture contributes about \$60 billion to Wisconsin's industrial output (i.e. industry sales), or about 12.5% of the Wisconsin total. Dairy, including on farm-level production/sales and processing, accounts for about \$26.5 billion of total industrial output. Dairy processing (such as cheese), accounts for the majority of industrial sales.

- Number of Licensed Dairy Herds in Wisconsin: 12,872
- Average number of dairy cows per farm: 98

# Farmers, rural communities in crisis.

QuickTime™ and a  
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are needed to see this picture.

In 2007 agriculture contributed 353,991 jobs to the Wisconsin economy, or 10% of total employment



WASS

# Farm income drops 56% in 2009

- Wisconsin net farm income in 2009 was under 2008 by an estimated \$1.45 billion—a fall-off of 56 percent.

# An Historical Comparison of Milk Prices That Farmers Get Paid For Their Milk.



June 1980 Milk Price, \$12.23 CWT

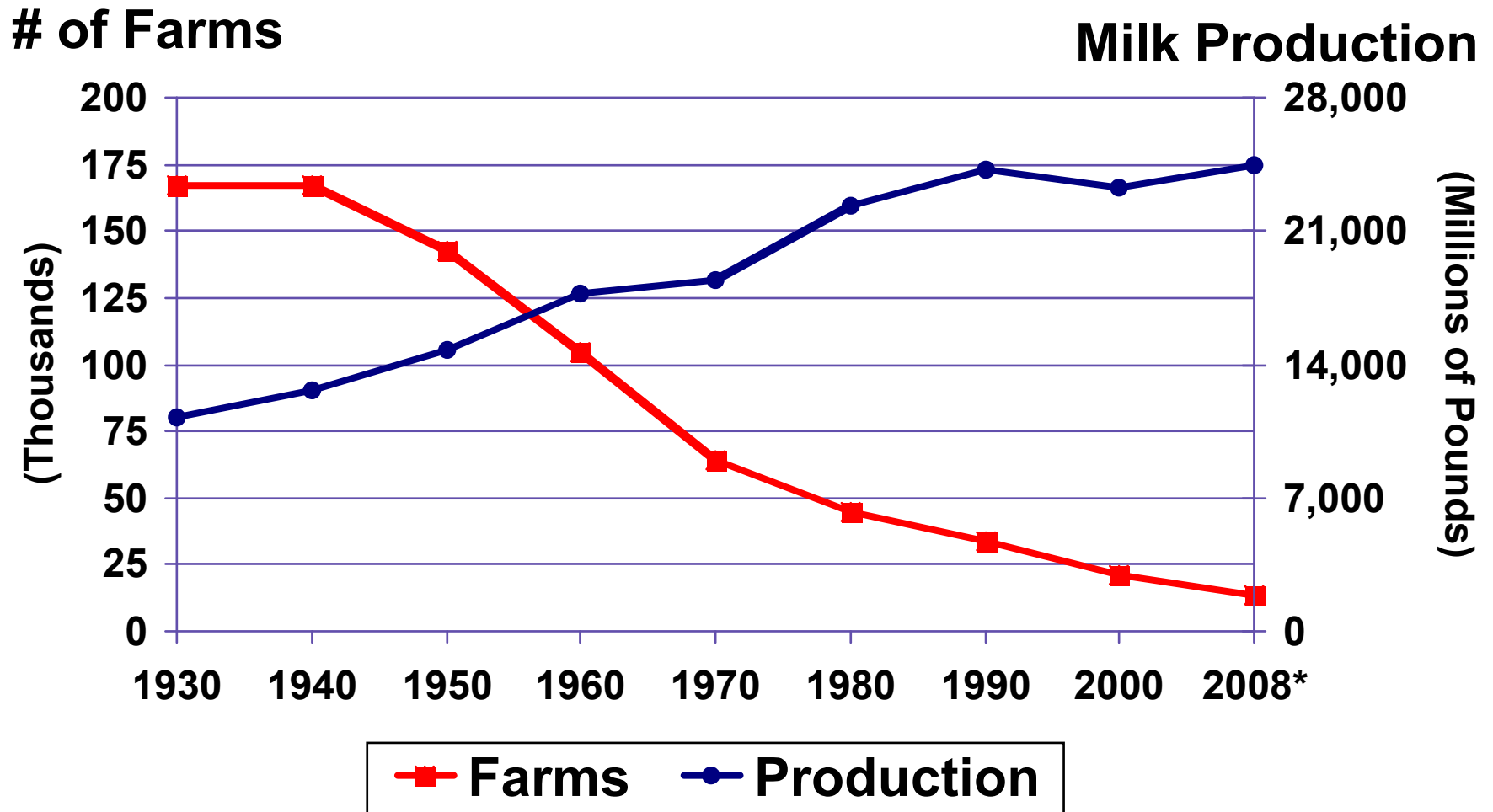
June 2009 Milk Price, \$11.40 CWT

# Cost of Production Increase

Fertilizer (needed to produce feed) price rises.

	<u>2005</u>	<u>2009</u>
Anhydrous Ammonia:	\$429/ton	\$787/ton
Potash:	\$242/ton	\$848/ton

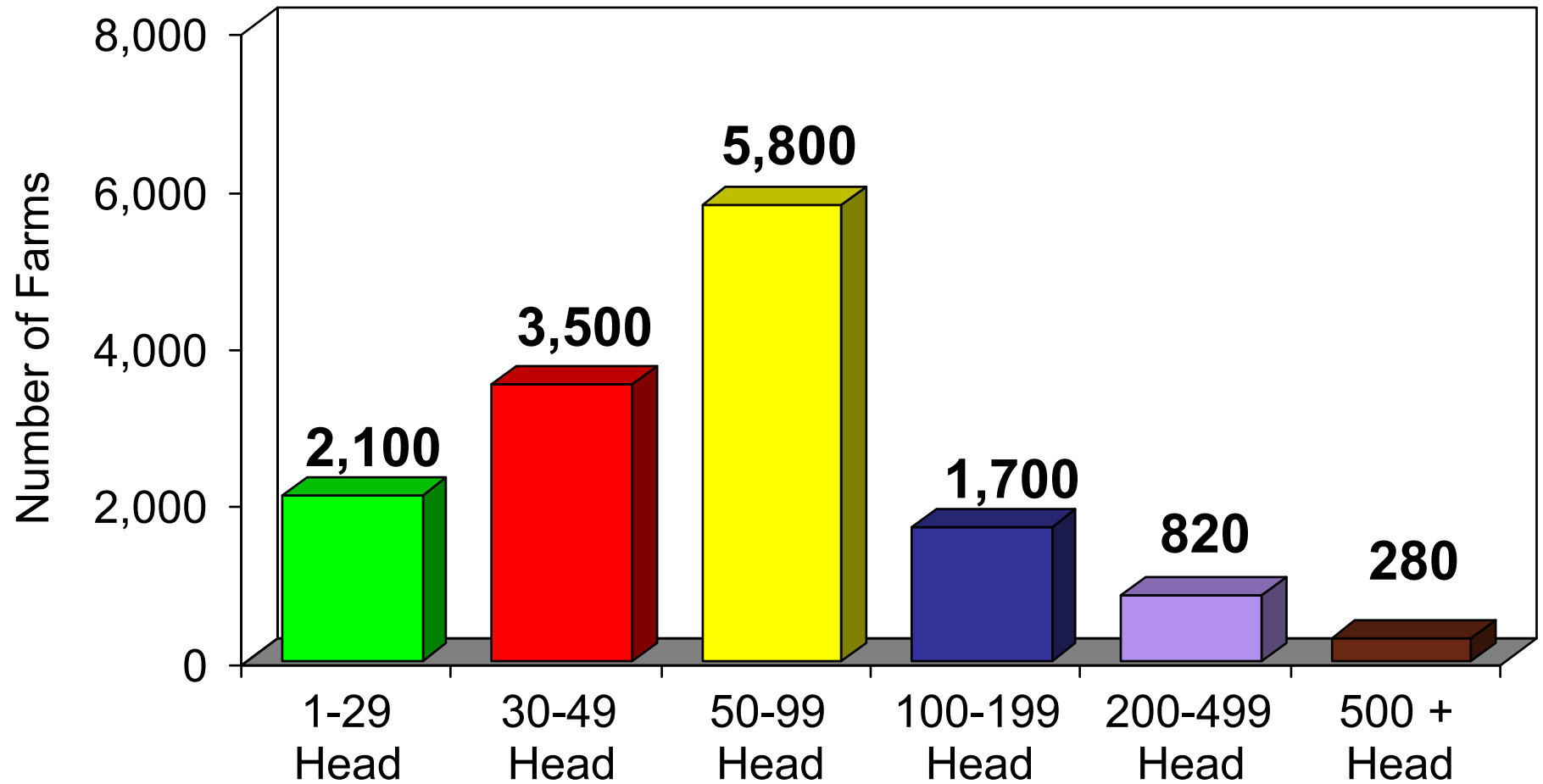
# WI Dairy Farms & Milk Production, 1930-2008\*



\*Preliminary estimate.

Source: USDA/NASS, Milk Production.

# Wisconsin Dairy Farms by Herd Size, 2007



Source: *USDA/NASS, Farms, Land in Farms, and Livestock Operations Summary.*

# The Old

Poverty level incomes place constraints on the quality of life for many rural residents. Farm income is low for many and increasingly uncertain for all. The vast majority of farm incomes are greatly supplemented with off-farm employment, many times driven by the need for health and retirement coverage. While the state's population is growing robustly, the rural population is both aging and declining.

WASAL.2007. Future of Farming and Rural Life in Wisconsin: Findings, Recommendations, Steps to a Healthy Future. Madison, Wisconsin: Wisconsin Academy of Sciences, Arts and Letters.



## THE NEW

Family owned, larger style dairy farm that will have about 5600 cows when expansion is completed. If average herd size 30 years ago was 40 to 60 cows, this single, 21st century way of farming, produces the milk that approximately 60 to 70 farm families used to produce.



# The people & stories behind the numbers

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## Random stories of the farmers we assist

Young, (late 20's) beginning farmer losses hand in combine week before his wedding (no insurance). Gets married in hospital, new wife inherits medical debt, likely will have filed bankruptcy by first anniversary.

Mid-50's goat dairy family - quit jobs at Lands End 7 years ago to pursue dairy. Market's dried up, cost more to produce milk than get paid for it (larger economic issue). Have one child in grade school. Filed chapt. 7 bankruptcy, on BC+, car repossessed, about to lose truck to too, live 10 miles in country, few life supporting jobs in their area. Wife had a mental breakdown.

61 yo farmer, single & farmed w/brother until farm could no longer support them both. Left the farm (family farm), got married but is struggling to find a job at his age - has never done any work other than farming - made comment "nobody out there wants a 61 year old washed up farmer."

55 year old, single farmer (caring for aging parents, from whom he took over farm, all live in same house) tore rotator cuff, has insurance but large deductible, can't use arm. Even if in good health, farm is no longer economically viable, although he has not yet come to this realization (as most farmers don't)- believes if he just works harder, like always done, can work way out of it (again, larger economic/social forces at play that are beyond single individual's efforts to overcome).

Married couple in mid-50's. Farm family farm with dad still living in house with them (they take care of him) but never completed estate plan so farm still in dad's name although son (and wife) own all cattle machinery (real property). W/no equity can't obtain operating loan, are "underwater" with debt. Need off-farm income to survive but dad's care costs will likely eat up real estate equity)



## Twilight time for the family dairy?

Picture of a multi-generational family dairy farm in Rock County that has a dispersal sale scheduled in April.

# Building Solutions



Finding new life for old farmers  
(and rural communities)

*“He who isn’t busy being born, is busy dying”*

Bob Dylan



**FUTURE FIELDS**

A new beginning for “old” farmers

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The Institutional Food Market Coalition (IFM) works to connect large volume institutional buyers in the private, public and not-for-profit sectors with local Wisconsin produce auctions, growers, and producers of local foods.

<http://www.ifmwi.org/>

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The goal of the AmeriCorps Farm to School program is to provide an innovative approach to decreasing childhood obesity by promoting healthy eating habits in students and increasing access to local foods in schools.

[http://www.datcp.state.wi.us/mktg/business/marketing/val-add/farm\\_to\\_school/index.jsp](http://www.datcp.state.wi.us/mktg/business/marketing/val-add/farm_to_school/index.jsp)

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## **About The Wisconsin Innovation Kitchen**

The Wisconsin Innovation Kitchen is a food processing facility in Mineral Point, WI, owned by the Hodan Center.

<http://iowacountyedc.org/food100.html>



Where do we go from here?

Other thoughts?

Thank you!

