**AFTER DAIRYING: WHAT’S NEXT?**

**By Adam Diamond, NODPA Contributing Writer**

ODAIRY had a series of posts in mid-December concerning a Wisconsin farmer’s recent attempted suicide, and Mary-Howell Martens suggested that it would be helpful to hear stories of successful transitions out of organic dairy. This article, in response to Mary-Howell’s post, seeks to vividly illustrate successful transitions out of dairying and in so doing provide a measure of hope in these difficult times. I talked with four farmers—Henry Perkins from Maine, Glenn Wise from Pennsylvania, Bruce Drinkman from Wisconsin, and Faye Benson from New York about their post dairying experiences. I gathered their stories about what prompted them to leave dairy farming, how they transitioned into other work and careers, and gleaned their insights and counsel to farmers struggling with the decision to stop milking cows or struggling to decide what comes next.

**Bull Ridge Farm, Albion, ME**

Henry Perkins farmed conventionally in Maine for thirty years, and then organically for ten years. He had sold his cows three separate times; he said “I felt I was losing my sanity, I would recharge my batteries when taking a break from milking.” Henry would always keep his heifers and when they calved he would come back to milking cows. But in his late 50s he had reached a point where he had enough and decided to call it quits for good. He had recently divorced, none of his kids were going to take over his farm, had always had side businesses doing road construction and logging, and had been very conservative financially. He sold his cows, then his heifers when they were ready to calve, and then his farm, keeping 40 acres on which he built a new house and keeps 12 head of beef cattle. He did custom work in addition to the road construction and logging work after the dairy farm was sold but severely injured his hand in a combine a year later.

While he was lucky in that he sold ten years ago when the market was still good for organic cows and heifers, he still lost some money (about $23,000) on the cows when the buyer got hurt and was not able to finish paying what he agreed to pay Henry for his cows. Henry started out with a major debt load-- $300,000 in the early 70s when he took over the farm from his dad, but otherwise he was very conservative with debt, deciding it was better to wait until he had saved up the money to buy a new piece of equipment. He counseled farmers debating whether to stay or quit milking cows—“don’t be afraid to quick milking cows, there’s no money in it now anyway.” As far as what to do besides milking cows, Henry believes there are good alternatives out there—“you can do a job doing something else, rather easily, probably less work and more money.” Furthermore, he pointed out, while cows and machinery may not get a good price, you can sell your land.

In thinking back, Perkins said at the time he felt “euphoria at the idea of not milking cows. I like to play in the dirt, but don’t like to play in the shit.” And his only regret was “selling cows to deadbeat in Louisiana who didn’t finish paying for them.” When asked about how he planned for retirement he said “I went from day to day. I’m not afraid to fail at things. It didn’t cross my mind as far as what came next. I never gave a thought about retiring- but always put money aside in case. Had own self-funded retirement program.” The major caveat of course for Henry’s situation is that relatively high milk prices at the time made it easier smoothly exit dairy farming; farmers now are likely to be carrying more debt as the cost-price squeeze eats into equity. Nonetheless, stopping milking and stopping the losses may be the pathway to a stronger financial foundation.

**Glenn Wise—Elizabethtown, PA**

Glenn Wise and his family have a mixed livestock and vegetable farm in Southeast Pennsylvania where they used to milk a 16 cow organic herd and sell all the milk through direct market channels—as fluid milk, yogurt, butter, cheese and cottage cheese. They bought their 20 acre farm in 2001 and started out just with produce on 7-8 acres, got a personal cow and started selling milk in 2005. The main constraint for the Wise farm was the lack of land; for 16 cows they really should have had 40 acres, which meant they had to spend a lot of money buying hay and paying other farmers to raise their heifers. This meant that they were not making as much money as they hoped to. Glenn asked an advisor he had met at a grazing conference about what to do. “I figured he was more sympathetic than a Penn State agent would be, thought he would give advice on how to manage my cows better, but…looked over the situation and based on limited land and other things suggested to sell cows.” After making the decision to stop milking cows in February of 2012 Glenn “advertised soon after that and took about 6 months to sell all the cows, sold a few at a time, trying to avoid a fire sale to maximize earnings from cows. I got $1,500-1,800 [per cow] for unregistered Jersey cows.” Glenn said that when he stopped milking cows “it was kind of a relief, but I was sorry I had to tell customers they had to find milk somewhere else. I know what I was producing was difficult to find.” One of the major lifestyle benefits of dropping cows is not being so tied to a daily schedule. “ Now with vegetables I can be a little more free, can go traveling sometimes, I don’t have to get as much help to care for animals, always had to do something with milk. Produce you can pick and store in a cooler—has a little more flexibility.”

Glenn, his wife, four of his children and his son-in-law work on the farm, where they raise broilers and turkeys on pasture and grow 7-8 acres of vegetables. They sell their meat and vegetables at an on-farm store, two farmers markets, a 50 member CSA and a restaurant. Excess product will go to auction, but it’s not a lot. Basically the farm started out as a produce farm, and now it’s back to being produce farm along with a being a pastured poultry farm. Some fields have gone from vegetables to pasture and back to vegetables. The original foray into selling milk came after they acquired a personal cow and then worked with a group called CARE (Consumers Alliance for Responsible Eco-Farming) to sell raw milk products directly to consumers. In terms of farm finances Glenn states “it wasn’t a major change, still a struggle, but seemed to head us in the right direction. We’re able to pay bills and pay down debt a little faster.”

Similar to Henry Perkins, Glenn always had a side business to supplement farm income. He has delivered heating and diesel fuel part-time for most of the past twenty years, which complements farming well as the seasonal peaks and valleys are exactly opposite each other, with heating oil peaking in the winter when things are slower on the farm, and vice versa. When the cows were sold he paid off all non-mortgage debt, and has since been careful to manage his debt load. Describing his frugal ways, he said “When bought the farm….didn’t want to spend a lot. Read too many of Joel Salatin’s articles. Stuff that rusts, rots and depreciates—make it multipurpose or just don’t have much of it if have cows on grass. They haul manure.”

Glenn continues to talk to the same grazing advisor who originally advised him to sell his cows; he still goes to grazing conference even though he’s not grazing cows because he “likes to keep up with them.” He also goes to vegetable meetings. When marketing his vegetables he calls them “chemical free,” which customers seem to accept. “Customers are not demanding certified organic. If they come once a week to the farm, that’s a lot more than the organic inspector.” When asked what advice he would give to those struggling whether to stop milking cows, he said “I would suggest talking to…others who have struggled through it already, see what they think looking in from the outside. Sometime we don’t see everything from the inside. Maybe they’ll say it’s hopeless or maybe they’ll give suggestions on how you could do something to keep it going.”

**Bruce Drinkman—Glenwood City, WI**

Bruce Drinkman started milking cows since he was a teenager. He was the third generation of his family to farm Desperation Acres Farm in Northwest Wisconsin, an hour east of the Twin Cities. In addition to being a farmer, Bruce has been a long-time farm advocate, serving on the board of the National Family Farm Coalition and the Midwest Organic Dairy Producers Alliance, and working with Farm Aid. He took over the farm from his parents in 1981 and milked a 50 cow herd for thirty two years, followed by a few years of just selling hay. He finally sold off the farm in 2017 after it was foreclosed on by the bank holding his mortgage.

A series of events in between contributed to his having to sell his farm and stop milking cows, including divorce, farm crisis, media fights with bankers, and personal injury. His divorce from his first wife in 2003 set him back almost $200,000. In 2009 Bruce was quoted in a 2009 Wall Street Journal article on the tightening of farm credit in general. He said—

*“my banker got mad because of the press exposure—he looked bad….article made for a lot of hard feelings. I couldn’t switch banks, declared Chapter 12 bankruptcy in 2010, and then I got hurt. A more understanding bank would have worked with me. They wanted me dead. I could lose use of my arm or sell the cows.”*

Bruce had a hard fall in 2012 that made it impossible to milk, and his wife had leukemia so he decided to sell the cows in 2013 and try to carry through by selling hay off his farm but there was a glut of hay and corn was not a good option because of the rugged topography of his farm. These factors, combined with the acrimonious relationship with his banker and the bankruptcy making it impossible to find an alternative lender led to foreclosure and sale of the farm just ahead of the bank seizing it. Meanwhile his wife Mari died in 2017 shortly before the farm was sold. As Bruce put it, “when it rains it pours.”

Amazingly, after all that he has been through, Bruce is about to buy a small farm and intends to go back to milking cows, and eventually go back to organic certification. He offered the following words to those thinking about next steps—

*“I strongly encourage anyone who may be considering changes to their organic dairy operation give some serious thought to what you want your future to be. Some may not have many options, others might. Many established farmers will struggle with working for someone else. It is hard to get independence out of your system when you are used to it. Some employers will value the independent steak of a farmer. Unfortunately many will not in this day and age of micromanagement.”*

He has had several jobs since he stopped milking, including working as an auto and farm machinery mechanic, construction work, and herdsman, but, he says “my heart is still with the cows.” Bruce endured eight years of limbo with his farm before finally throwing in the towel. One key learning he wants to share is that Chapter 12 bankruptcy, which allows farm businesses to continue to operate and reorganize, requires good legal representation to be successful, and this was very hard for him to arrange. Not only did he not have the funds needed to pay for good legal help, it was hard to find the help even if he had the money as the number of farm attorneys has declined precipitously in the last few decades. Having better legal representation may have allowed him reach a better outcome, either holding on to the farm or having more to show for 35 years of farming than the shirt off his back.

Bruce had a series of personal and business shocks that made it very difficult to plan. Bruce cautioned “For those who can afford to research...plan steps carefully….think about what you want to do if you have to sell your cows. Do some research on what you’re going to do for the next 10-15 years of your life.” He thought that if he would do anything differently it would have been “to look at options a little sooner—financially and operationally with agriculture, today is good and tomorrow is crappy.”

One option could be downsizing. Bruce had downsized in the past and felt he did a better job of producing milk.

*“…need to get out of the box…think unconventionally—where can you make a buck, how can you save money…. Make sure you are not overworking yourself, so you can take care of physical and mental well-being. When you’re doing a better job with smaller operations you do better work, and make as much money because things don’t fall through the cracks….Sometimes shrinking operation might be the best thing to consider if you can raise your efficiency level….If you can make the same amount of money with fewer cows—there’s some profit you can eke out…. If you’re not keeping up, then you’re that much further behind each day. [The two of us] were trying to do work for 3.5 people. With Chapter 12 we had to keep 110 head on hand, handcuffed in that regard. When divorced—I was down to 40 cows—I knew did better job with smaller herd, although at the time thought, ‘oh could make extra money with larger herd,’ but didn’t consider extra costs, time.”*

**Faye Benson—Groton, New York**

Faye and his wife bought their farm close to Ithaca, NY in 1983 and ran a 50 cow pasture based dairy for twenty years. His wife has had a job the entire time at Cornell University working as a lab supervisor at the veterinary school. He started transitioning to organic right after BST came out, and shipped organic milk in 1997. With the help of the organic pay price Faye was able to pay off all his debt 7 years after going organic. In the months leading up to making his last payment to Farm Credit, Faye started looking for an alternative career as he no longer wanted to be so tied to the farm; he wanted more flexibility to travel and do things with his family. The same month he made the last payment to Farm Credit for the loan on his family’s farm he took a job with Extension. He said that at that time “I was 49 and decided I wanted to do something else. I started looking around and tried to figure out what to do. I got an offer to be a grazing specialist with Cornell Extension… Sold the cows, but still have the farm, grazing dairy heifers, sell some hay. Nice to keep farm, need to make sure it pays for itself.” It would have been impossible to keep paying the note on the farm without the milk coming in, but once the farm was paid off that opened up new opportunities.

Background considerations that also factored into the decision to sell the milking herd were Faye’s health issues—he had had farmer’s lung for the last 10 years of his dairying career and also had 3 herniated disks. He had to use inhalers and got pneumonia fairly often, and pulling calves could be very painful. His farmer’s lung clearly up shortly after he stopped milking cows. Also, while a 50 cow operation usually doesn’t have hired help as the income doesn’t justify it, often times the whole family pitches in quite a bit; in this case the farm was mostly Faye’s responsibility. His wife handled the books, but her allergies prevented her from going to the barn and their kids had no interest in farming and did not have farm chores. Faye said that if his kids, who were teenagers when the herd was sold, had been interested in farming that would have changed his decision making process.

Faye counseled that “If I’m talking to a farmer thinking about leaving dairy farming [I suggest they] should try to keep the farm. Grazing dairy heifers is a good way to do it.” It’s relatively profitable and is not a lot of work.

Market conditions no doubt have changed since Faye decided to pull the plug on milking. He was able to sell his cows in less than a day after calling NODPA News. Now this would be much harder, and the price is likely to be lower. “Figuring out debt, and what to do with the farm” is a challenge for those considering stopping milking cows. One option is to sell off parts of the farm. Regardless, Faye says it’s important to seek counsel from outside professionals to prevent emotions from impairing one’s business decision making.

No doubt stopping milking cows is an emotionally fraught decision. Likewise, the stress of considering how to handle debt and figure out how to make a living without milking cows is filled with emotion, but outside help can smooth the process and help produce better outcomes. Everyone’s situation is different— there “ is not one answer, if you have an interest in working with the public, selling things close to the consumer is a great thing, rather than selling commodities. The opportunity for small dairies to sell as a commodity is going away. The key to happiness is acceptance. You don’t have to like something to accept it. For example, if the time for small dairies is gone, you’re struggling with a large debt load, and are far from markets you have to accept the situation. If you have loans on equipment that’s a burden. We had old equipment, not worth anything—no debt on machinery….It’s not going to get any better, move on, take losses and get moving in a new direction.” He continued “take time and figure out what is going to make you happy, don’t follow what you’re supposed to do, even if it doesn’t work out, you can still be happy.

Resources such as SCORE and NY FarmNet can provide advice to farmers figuring out what they should do. Likewise, it’s critical to network when developing a career transition plan. Faye explained “there are opportunities…with extension. Be in touch with organizations you want to work with, stay in contact with people. Call people, get on peoples mind. Find something you want to do. Get a job before you leave the farm. I used to go to pasture walks—fellow that was leading them was leaving his job…I got the job….Small farmers like to be on their own—you need to be social…. it pays to go to meetings if you’re not sure what you’re going to learn, because you’re going to meet people. My big success has been networking, talking to people, learning things.”

One thing farmers may not appreciate is how much certain aspects of farming carry over into other endeavors. Faye explained how “work ethic from dairying carried over. I know how to get job done. With dairy farming—you have to creative to be a dairy farmer…. If you do a good job there are opportunities. Farmers are problem solvers. And have a great work ethic.”

And as far as concerns about whether leaving dairying will leave a hole in one’s life, Faye emphasized how stopping milking cows opens up one’s life. “When I’ve talked to people, they don’t realize how hard the work is until they leave it. Once out of farming it’s a relief….so much stress and responsibility with animals…[people] don’t realize how much of a burden it is until they leave. You gain this thing called a weekend…it’s a whole new experience.”

**CONCLUDING THOUGHTS**

The present downturn in organic dairying may not be a passing thing, which makes it that much more urgent to think ahead about next steps, whether that means changing one’s milking operations to increase efficiency, seeking alternative farming opportunities or exiting farming completely. Every situation is different, and conditions have worsened in the organic dairy industry since our informants stopped milking, which makes it more difficult to keep one’s farm now after selling one’s herd. Nonetheless, an emergent theme is that it’s critical to manage one’s debt carefully regardless, and if conditions are bad and you’re losing money there’s no sense in throwing good money after bad. Look around, talk to people about what to do, and cut the cord if necessary. What these informants told us is that yes, it can be traumatic to sell one’s farm, or to stop milking cows, but there are opportunities out there. It’s critical to accept the reality one is facing, think ahead, seek outside resources, see how one’s dairy farming experience can open new doors, and make plans for the next stage in the journey of life.