

Introduction to Dairy Business Management – Course Objectives

Lesson 1: What financial information is needed to successfully manage a dairy business?

At the conclusion of the lesson, the student will be able to:

1. Define “asset” and “liability” with 100% accuracy.
2. Explain the meaning of “current,” “intermediate,” and “long term” assets and liabilities with 100% accuracy.
3. Recall the formula for “equity” and “net worth” with 100% accuracy.

Lesson 2: What are the business structures available to Dairy Farms?

At the conclusion of the lesson, the student will be able to:

1. Explain the 4 most common legal business structures relevant to dairy farms with 100% accuracy.
2. Describe the structures available within a Sole Proprietorship, Partnership, LLC, and Corporation with 100% accuracy.
3. Justify a legal structure for a given scenario to teacher satisfaction.

Lesson 3: How can I Interpret Dairy Financial records?

At the conclusion of the lesson, the student will be able to:

1. Identify a balance sheet and income statement with 100% accuracy.
2. Calculate equity and net income from sample financial records with 100% accuracy.

Lesson 4: What Other Factors affect Dairy Farm Profitability?

At the conclusion of the lesson, the student will be able to:

1. Calculate depreciation for 3, 5, and 10 year increments with 100% accuracy.
2. Calculate add-on, remaining balance and amortized interest to teacher satisfaction.
3. Recall the formula for calculating the milk margin (or Income over Feed Cost) with 100% accuracy.

Lesson 5: What are the Areas of Financial Risk on a Dairy Farm?

At the conclusion of the lesson, the student will be able to:

1. Discuss the milk and commodity pricing system within the United States to teacher satisfaction.
2. Describe the impact of commodity price volatility to teacher satisfaction.
3. Describe the impact of crop failure on a dairy farm to teacher satisfaction.

Lesson 6: What Risk Management Tools are Available to Dairy Farm Managers?

At the conclusion of the lesson, the student will be able to:

1. Discuss the process of milk and commodity forward contracting to teacher satisfaction.
2. Describe two other risk management tools available to dairy farmers to teacher satisfaction.
3. Explain the procedure to obtain crop insurance with 100% accuracy.

Lesson 7: How is a Business Plan Created?

At the conclusion of the lesson, the student will be able to:

1. Define SWOT with 100% accuracy.
2. Complete a SWOT analysis from a case study to teacher satisfaction.
3. List 5 required sections of a dairy business plan with 100% accuracy.
4. Complete a sample executive summary for a business plan to teacher satisfaction.

Lesson 8: What is my Ideal Dairy Business?

At the conclusion of the lesson, the student will be able to:

1. Complete a sample business plan containing an executive summary, the organization of the business, marketing strategy, and relevant financial documents to teacher satisfaction.