



DTN DAIRY®

Herrema Dairy, LLC

Fair Oaks, Indiana

Herrema Dairy is located in Fair Oaks, Indiana, and has 3,300 milk cows and 600 dry cows. Owner Derek Herrema also has 10,000 acres of corn, soybeans, and wheat custom farmed for him, all of which is used as feed. Working through a local elevator, Herrema markets his milk nationwide. The dairy has 35 employees.

The challenge

Herrema needs the latest agriculture news and market information to forecast grain and milk prices and to know when to lock in futures positions.

The solution

In 2002, Herrema started subscribing to DTN/*The Progressive Farmer* via satellite so that he could easily access market information. In December 2005, he upgraded to DTN Dairy Online so that he could access the service from the computer he was already using rather than maintaining a separate machine.

The results

Herrema purchases grain to meet their feed needs, and he depends on the service to monitor news and to help him determine the best time to lock in prices. "We'll lock in feed prices with a broker, but we use the DTN/*The Progressive Farmer* to see what the prices are currently doing and follow the agricultural news on the service to see what they could be doing

in the future. Then when I call my broker I don't have to ask what the price is, I already know what it is from watching the DTN/*The Progressive Farmer*."

Herrema typically checks the system first thing in the morning and then monitors it throughout the day. "I'll also check when the markets close to see where they ended," he said.

He also recently started using the DTN Ethanol Center™ which features the latest updates on ethanol. "There's news and information on ethanol — that's a nice feature," he said. He likes to follow Jerry Gulke's weekly Friday marketing column. "I think he's a big enough trader that he has a lot of experience. He usually has a pretty good perspective on the situation."

"I like the early morning comments. I use that quite a bit first thing in the morning to see what the overnight trades did. I also like the statewide and worldwide news. It gives you options on checking what's going on. Instead of having to go to one of the news sites online, DTN/*The Progressive Farmer* has it right there. I don't have to go to another web site to find news, and the DTN/*The Progressive Farmer* also has more agriculture-related news within it."



Herrema considers the service critical to his operations because of all the information it offers. "In the day and age we live in, the more information you have, then the more knowledge you have for making a better decision. I think there's a lot of information within the system, and that's what I like best about it."

The client's view

"If you want to find agricultural information or monitor markets, DTN/*The Progressive Farmer* is a good system to have. It gives you everything within one package."

Derek Herrema, Fair Oaks, Indiana