

# Dairies in Carroll County—Questions & Answers

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What would you say if I told you the EDC had attracted \$60,000,000 in investments, creating 100 new jobs comparable in pay to Peters-Revington? The EDC has done that. That's one way you could look at the benefit of the three new dairies.

Over the past two years Carroll County has attracted three new dairies. Citizens are always curious about new investment and have questions about it. Here are some questions and answers from recent conversations about the dairies.

**Q** I see Carroll County has a third dairy coming here. Why are dairies interested in Carroll County?

**A** Dairies are interested for several reasons. First, Carroll County has the farmland to grow the feed needed by the dairy cows. Second, our position in Indiana provides a great location. Two-thirds of the US population is within a day's drive for the milk trucks. Finally, acreage. Dairies, like stores and factories, are being forced to get larger in order to compete. That space is not available in Europe.

More dairies are being built in our country because of supply and demand. The demand for milk and cheese in the United States keeps growing. Most Americans enjoy drinking milk and eating cheese. We need more dairies to meet that need.

**Q** Why did the EDC look at dairies for the county in the first place?

**A** The EDC's role is to help bring jobs and investment to the county. The dairies do that. The three dairies represent a \$60,000,000 investment in the county. They will create nearly 100 new jobs, comparable in pay to Peters-Revington. Those jobs will mean more income tax coming in for the county. The dairies and dairy equipment will add needed property taxes to the county.

Besides more taxes, dairies are a good fit for Carroll County's strong agricultural base. These three dairies will have a positive annual impact of \$115 million on Carroll County's economy according to Brian Bergen, an agribusiness development specialist for the Eastern Indiana Development District, based on figures developed by the University of Wisconsin and University of Missouri. The dairies will buy silage and haylage from area farmers. They will mean increased business for veterinarians, equipment dealers, repair services, trucking firms, banking, and many business opportunities for local entrepreneurs to develop supporting businesses.

**Q** Why has the EDC concentrated on dairies?

**A** It hasn't, though it may seem that way because of the stories about dairies in the news. The EDC works to attract a variety of businesses to the county, like a new bank branch in Delphi, a printing business in Flora, and the new health care facility in Delphi. We work with all communities in the county. We have actively marketed structures like Globe Valve in Delphi. We are currently negotiating options on land that can be promoted for business development in different areas of the county.

**Q** How much has the EDC paid to get dairies in the county?

**A** The EDC has not funded any incentives to bring the dairies here. However, the EDC has worked with the dairy owners and dairy developers about establishing their businesses here. That is our job. We are the Economic Development Corporation. Our goal is to attract new investment in the county, especially investment that fits within our agricultural base. I think people would be upset if we did not pursue \$60,000,000 worth of investment for the county.

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Right now, manufacturing jobs are having a tough time in Indiana. On the other hand, it's a good time for agriculture and agri-businesses. That's why you hear of the recent agricultural activity. We need to take advantage of this cycle, because there will be time when it will change.

**Q** The Pleasant Dairy makes dairy number 3. Is your goal to get 12, 20, or what?

**A** The EDC has always maintained a balanced approach to development. We have stated a goal of 3 or possibly 4 such dairies for the county. The EDC has also tried to balance placement of the dairies in the county, with one in the south, one in the northeast, and one in the northwest. The Indiana Department of Energy, however, did talk to us about placing the dairies closer to each other for potential future energy generation plans.

A goal of ours is to pursue "value added" agricultural industries. With 3 dairies here and two others close by in Cass County, we have opportunities to pursue milk, cheese, ice cream, and other processing facilities. Competition is fierce and there are no guarantees. However, without the dairies, we couldn't pursue any of these businesses.

**Q** Aren't these dairies just "factory farms?"

**A** It's true that these dairies are much larger than past dairies. However, so are other businesses, industries, and farming in general. We may remember small farms of the past with fondness. However, there are fewer small farms and dairies in Indiana and across the country because they don't work as well economically in today's world. Consumers demand the best price. Factories, stores, and businesses have gotten bigger in order to produce larger quantities or buy in bulk to remain competitive.

**Q** Why are there so many dairies now?

**A** Amazingly, we have about ten thousand fewer dairy cows here now, even with the three new dairies, than we did in the 1940's. The number of dairy cattle has significantly declined here and throughout Indiana during the past 60 years. These new dairies are simply replacing some of the dairy cattle we have lost.

**Q** Isn't the manure from the dairies toxic? Why would we want it here?

**A** Virtually every gardening magazine I pick up tells readers to use manure to enrich their soil. Manure is a good, natural fertilizer. It is not made with synthetic chemicals or petroleum. Our farmers know about manure's fertilizer value, and that's a big reason why it is in demand.

Of course, just like other fertilizers, you want to apply the right amount. Farmers will do this; otherwise they will ruin their crops. If they apply fertilizer or manure at the wrong time and it washes off, they will lose all their investment, which they certainly don't want to do.

**Q** Are dairies coming here because they are being forced out in other places?

**A** Countries in Europe are much smaller. Holland and Belgium are both much smaller in size than Indiana. They simply do not have space to expand their dairies there, as needed to survive.

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**Q** I've heard that all these dairies are really fronts for foreign owners. Is that true?

**A** No, each of our dairies is individually owned. Each of our dairy owners goes through the same process that we do when we buy a house or business--we put some money down and go to a bank to secure financing. That's the same thing each of our new dairy owners have done. The owners are buying homes here, moving their families here, enrolling their children in school, joining churches and organizations, and paying taxes, just like the rest of us.

**Q** I've heard that these dairies will ruin the groundwater; how can you support them?

**A** We couldn't and wouldn't support them if that were true. Each of the dairies must meet USDA and Indiana environmental standards. The dairy lagoons are being built with thick compacted clay liners that meet all state and federal standards. Our dairy owners and their families will be living on or near their dairies. They will be drinking the same water as everyone else. Besides that, if they spoiled the groundwater their investment would be worthless and they would lose everything.

**Q** I have heard that these dairies will only employ 'certain ethnic groups.' Why would we want that?

**A** The dairy is an equal opportunity employer. Their goal, like any other company, is to have and retain good, dependable workers. They will not and cannot discriminate against any racial group.

**Q** Why should I support the dairies since they will only pay minimum wage.

**A** Dairies will pay competitive wages to attract and keep good workers. Their entry pay is just slightly above the entry pay of Peters-Revington, about \$10 an hour. Like Peters-Revington, there will be higher pay for more skilled positions. Dairies, like everything else, involve computerized equipment and need workers with technical skills.

The EDC's goal is to build the economic vitality of Carroll County. That can be done through the support of a variety of businesses, like these dairies, with differing pay rates. We are certainly willing to work with any person or group who would like to help the EDC pursue other industries. Again, our goal is to work toward a vibrant, diversified economic base.

**Q** Shouldn't we stop the dairies because of increased traffic from trucks and semis? Won't they ruin our roads?

**A** Commerce means traffic, so yes, there will be more traffic. However, increased traffic and commerce is a good thing. It means more jobs, more income tax revenue, and more property tax revenue for the county.

We could have located the dairies in remote areas of the county instead of near highways, but that would have required longer runs on our county roads. As it is, two of our three dairies are virtually next to highways. The third is two miles away from a highway. These sites are much closer to major roadways than other dairies in the state.

However, let's look at this question another way. Do you want me to ask any business prospect that I talk with to see if it uses semis? And if one does, do you want me to automatically cross it off our list? Do you really want Carroll

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- County to say no to any potential economic activity because it may ship things in or out with semis?
- Q** I've heard bad things about Vreba-Hoff. Shouldn't we stop the dairy because it's a Vreba-Hoff dairy?
- A** First of all, each dairy is a family owned dairy and not owned by Vreba-Hoff. Vreba-Hoff is a development company, hired by the dairy owner to help them build the dairy. That is much like you hiring a building company to build a new house for you.
- An advantage that our dairies have is that they are newer dairies, incorporating the latest technology and planning. Most examples that talk about problems with Vreba-Hoff dairies are talking about older dairies with a one-lagoon system. Carroll County's new dairies will use the newest, three-lagoon system with a press to remove solids. This system works much better and helps to better control odor.
- Q** Speaking of odor, I've heard terrible things about dairy odor. Can't we stop the dairy because it will smell?
- A** A dairy is an agricultural industry and there will be some odor. Other industries, like Peters-Revington, also had odors. However, the three-lagoon system will help reduce the odor. Required setbacks also help. Carroll County already has greater set backs than required by the state.
- The EDC also has a "green energy" goal to help our dairies move toward methane digesters. The digesters could help generate power and cut down the odor. Our new dairy owners are interested and have actively worked with us on this. The challenge is finding ways to make it economically feasible for our new owners to purchase and install.
- Q** What did you say about a "green energy" goal?
- A** The EDC has analyzed the county's strengths and weaknesses. Agriculture and its resources are strengths for the county. Green energy is an area of agriculture that we are actively supporting. We have been a partner in "Carroll County Green," a group working toward agriculturally based alternative energy generation. "Carroll County Green" has been incorporated into the newly formed Carroll County Agriculture group.
- The future can hold great promise for the county because of our agricultural base. Agriculture is increasingly being looked to as a way to help with both future energy production and medical product development. For instance, our current animal industry's waste (manure) could provide a source for power production, either through the methane gas or through the generation of electricity from burning the methane. The group has also looked at wind power as a potential energy source that may be tapped in the future.
- I hope these replies answer many of the questions about dairies here in the county. Please call the EDC if you have other questions (765-564-2060). We would love to help.

*Daryl Smith*

Executive Director, CCEDC

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