



“The DVF Gatas ng Kalabaw Experience in Value-Adding and Mainstream Products in the Market”

DANILO “DANNY” V. FAUSTO

President, DVF Dairy Farm, Inc.

Founder, Talavera Dairy Cooperative

National Chairman Y2006-2012, Dairy Confederation of the Philippines

Chairman, Dairy Committee, Philippine Chamber of Commerce and Industry

Chairman, Dairy Committee, Philippine Chamber of Agriculture and Food, Inc

Convenor, Agriculture and Fisheries Alliance

President, Preferred Ventures Corporation

District Governor RY 2007-2008, Rotary International District 3780

Basic Facts

- 101 Million – Population 2015, top 20 most populous country in the world
- Life expectancy – 68.55 yrs
- 25 out of 100 Filipinos are poor
- 75% of the poor are in the Agri sector
- 12 Million OFWs
- Unemployment rate – 6.1% (15-24yrs old-50.1%; 25-34yrs old-28.3%)
- Underemployment rate – 54.2% (Agri-35.5%; Services-45.7%; Industry-18.9%)
- GDP Target: 2016 – 6 to 7%; 2017 – 6.5 to 7.5%
- GDP per capita – USD 2,765.08
- 2017 Nat'l Budget-P3.35Trillion
- Dept of Agriculture Budget-P45.2B (1.35% of Total Budget)
- Livestock Dairy Sub-sector Budget-P609.76M (1.35% of DA Budget)
- Dairy Sub-Sector accounted for 16.47% of Agri growth



FILIPINO FARMER

P4,200 / mo: P50,000/yr

Survives on:

1 Crop Farm



2 Off Season Crops

3 Chicken



4 Vegetable

5 Fish



6 Hogs



7 Cattle



8 Carabao etc



THE FARMER

New Y Level _____ P 11,700

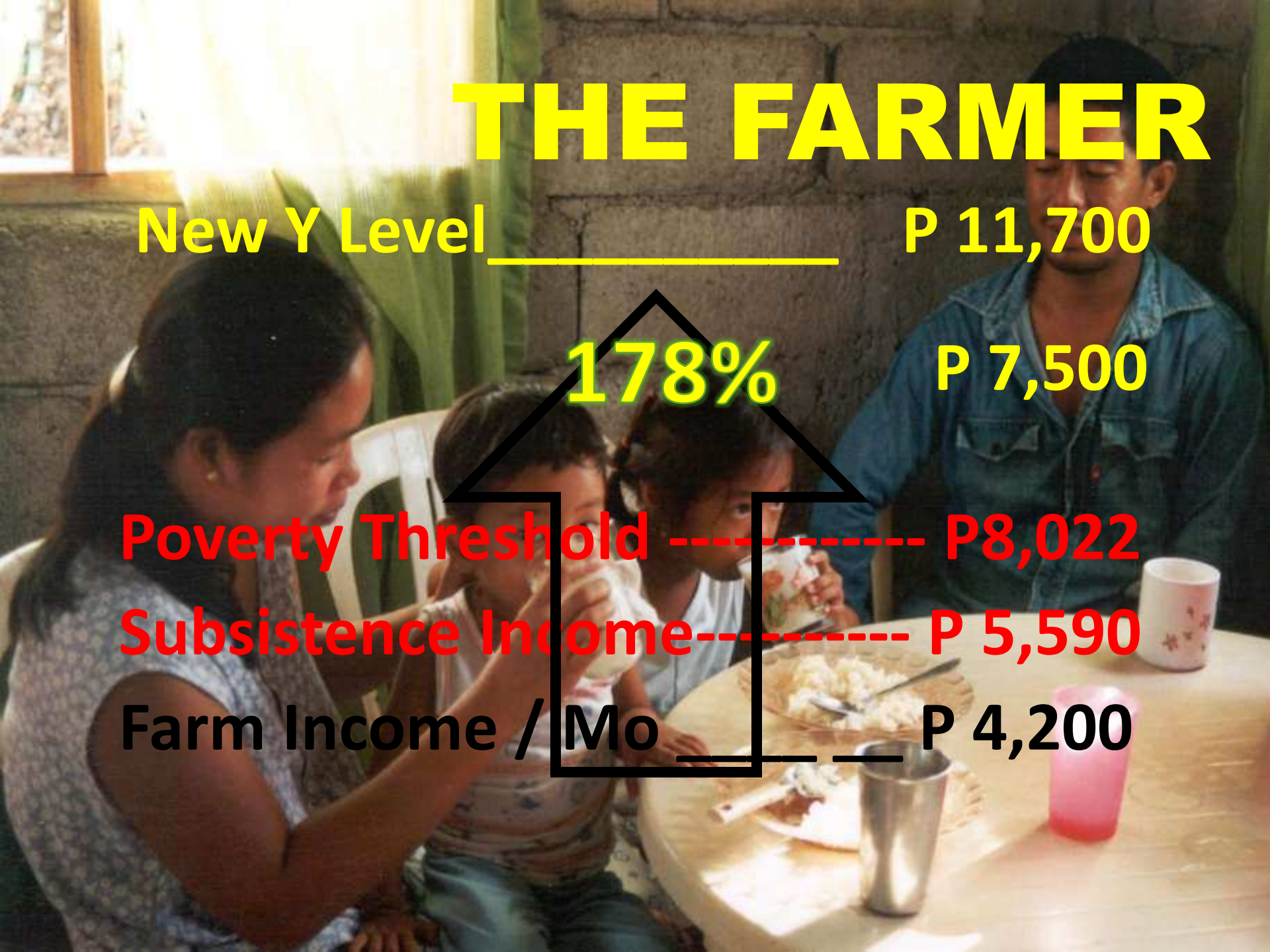
178%

P 7,500

Poverty Threshold ----- P8,022

Subsistence Income ----- P 5,590

Farm Income / Mo _____ P 4,200



TALAVERA DAIRY COOPERATIVE, INC.



- **Organized and established on September 24, 1992**
- **Registered with the Cooperative Development Authority**

THE DAIRY COOPERATIVE



**Annual Cooperative General
Assembly of the Talavera
Dairy Cooperative &
Committee Meeting**

Sept. 24, 1994

THE DAIRY COOPERATIVE



**Talavera Dairy Coop General
Assembly Meeting
Sept 27, 2003**



Talavera Dairy Coop General Assembly 2011

Farmers' Partners

Barangay Kinalanguyan, Talavera, N.E.



Pinili Dairy Coop



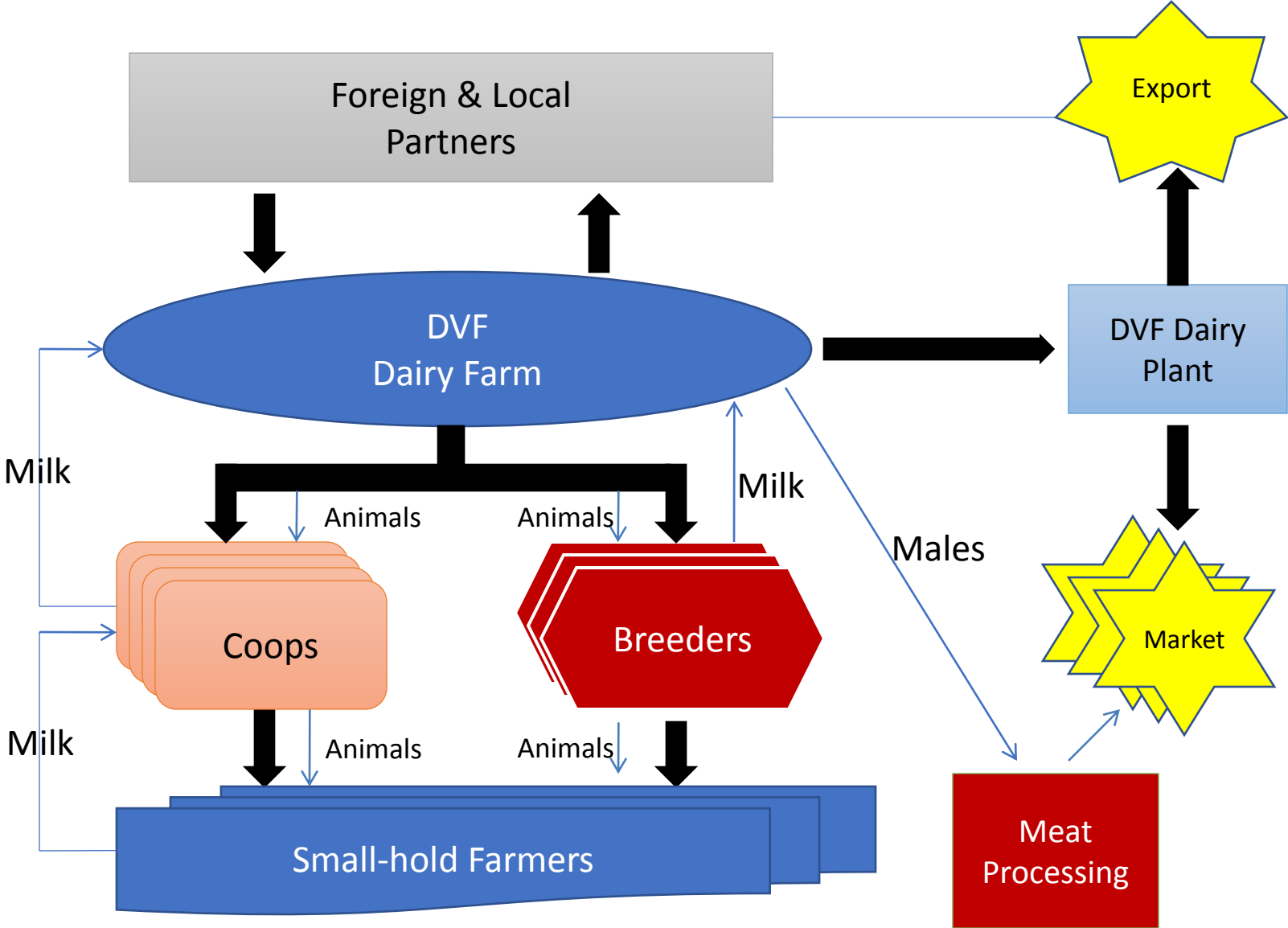
Rueda, Quezon



Barangay Collado, Talavera



DVF Dairy Farm System



The Dairy Plant



Year 2000



Year 2006



Year 2016



DVF Dairy Farm's VALUES/VISION

- What Do We Stand For ?

- ✓ EXCELLENCE

- ✓ QUALITY

- ✓ PIONEERING

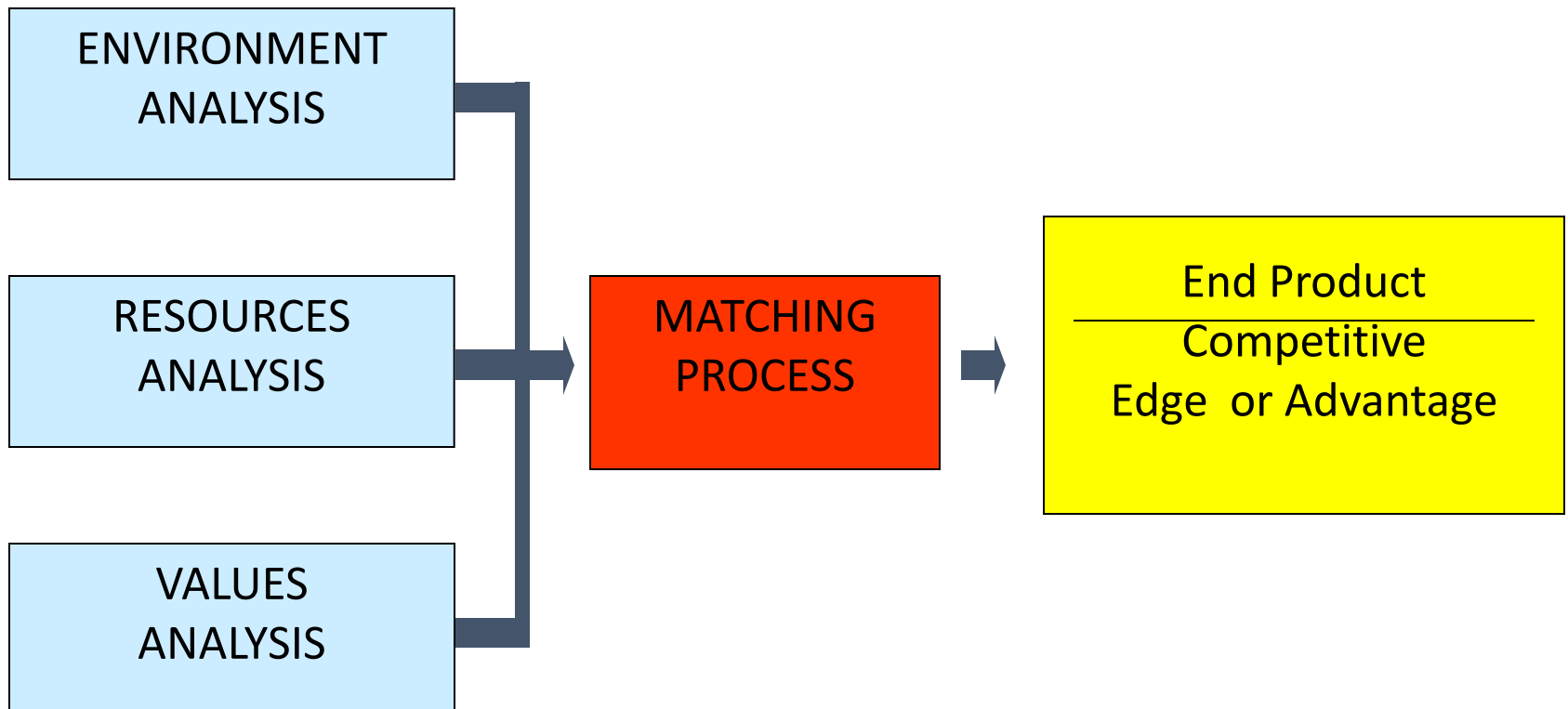
- ✓ LIVELIHOOD OPPORTUNITY

DVF Dairy Farm's PURPOSE/MISSION

- Why Do We Exist ?
 - ✓ Provide livelihood opportunity to the dairy farmers
 - ✓ Provide employment
 - ✓ Business Profits
 - ✓ Contribute to the Philippine Economic Development

DVF DAIRY FARM

CORPORATE STRATEGY



DVF DAIRY FARM

VALUE PROCESS: ORGANIZATIONAL STRUCTURE





Quarterly Review and Planning

Staff Meeting



Coverage Area
of Operation



Nueva Ecija

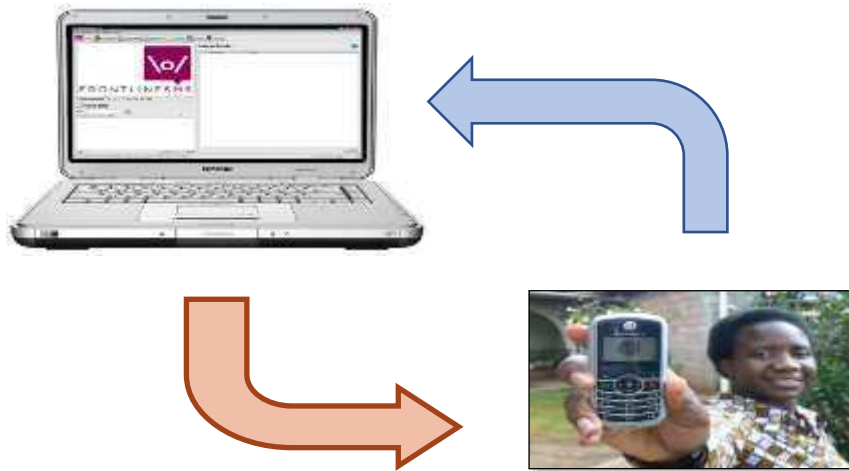
Philippine Advantages



- Close proximity to major cities allows **fresh** milk & **premium** cheese, yogurt & ice cream within a 5-6 day cold chain
- Large river-fed plateaus & high rainfall provide largest grazing resource in East Asia
- Large rural labor force benefits, while keeping costs low

Dairy Farm Monitoring System

- A combination of *information technology* and *people's activities* using that technology to support operations, management, and decision-making



Forage Management



**Super Napier grass
(Pakchong 1)**





Super Napier

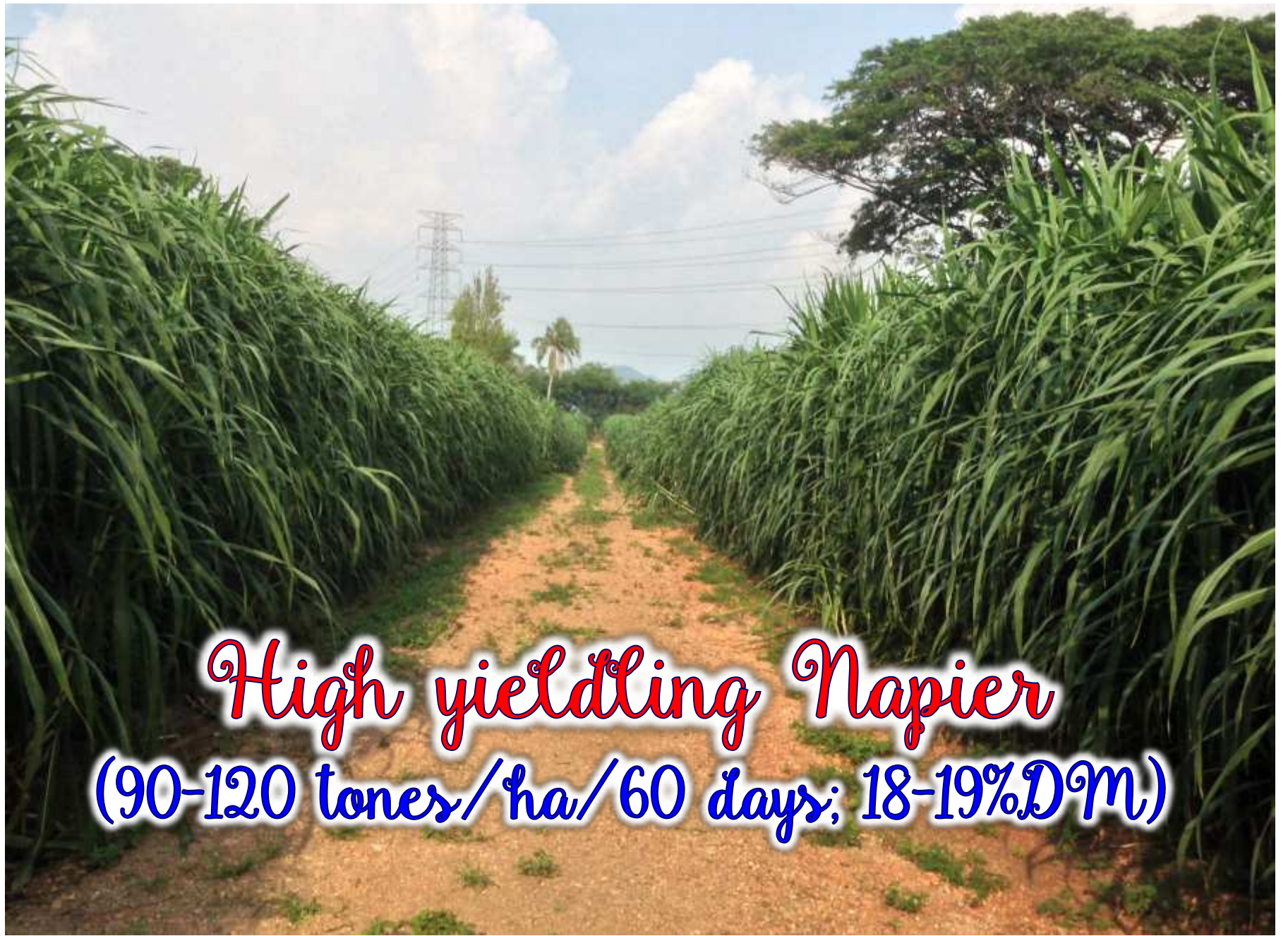


Plant Characteristics

▼ Napier Pakchong 1

- Tropical perennial bunchgrass
- Long-lived (8-9 year)
- Deep fibrous root
 - drought tolerance
- high fertility requirement
 - needs nitrogen fertilization
- high nutritive quality
 - cut and carry best
 - not suitable for haying due to high moisture content
 - suitable for silaging





High yielding Napier

(90-120 tones/ha/60 days; 18-19%DM)



The FARM

DVF DAIRY FARM



Dairy Carabaos



Milking of Carabaos



Milk Supply



Dairy farmer delivering milk at the plant

Centrifuge mounted on tricycle



DVF Dairy Milk Suppliers



House to house visitation



Quality Control and Processing



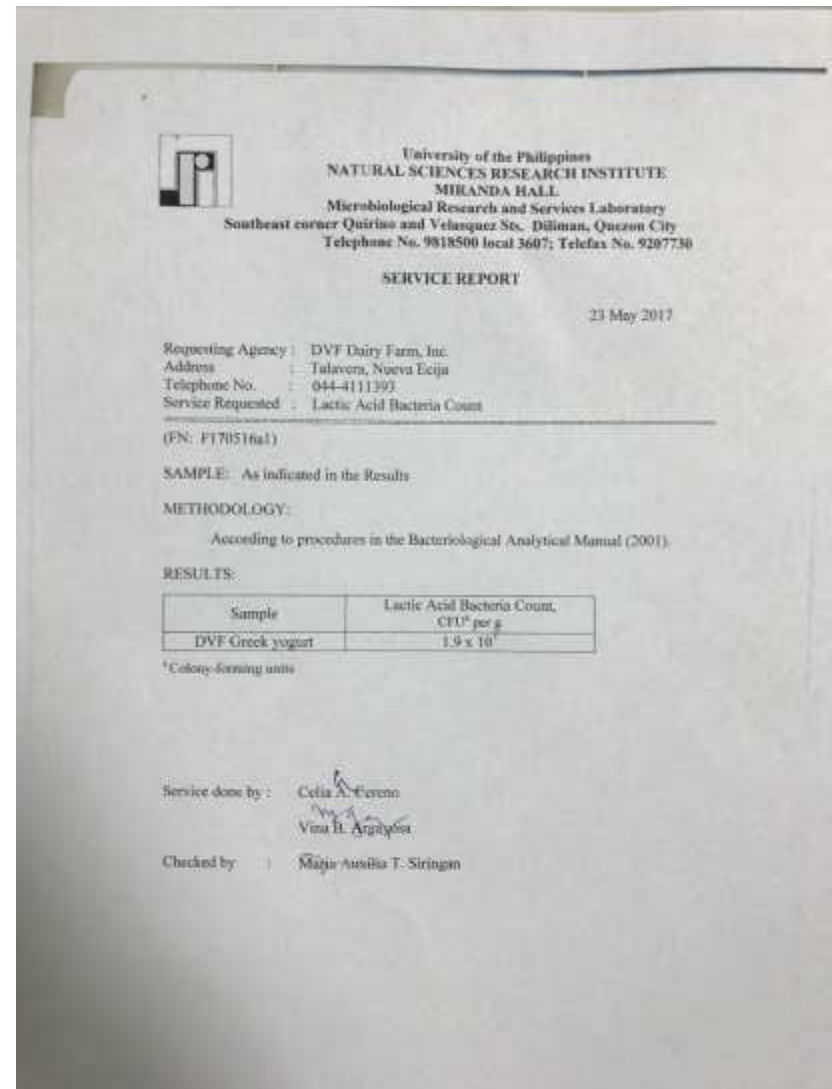
**Testing of Fresh
Carabaos Milk**



**Pasteurizing &
Homogenizing**



GMP Certificate from FDA



19Million Live Pro-Biotic Test Result
Done by the University of the Philippines







Outlets



SM North EDSA



SM Cabanatuan



Talavera Plant



DAIRY FARM

From our Farm to your Table.

HOME DELIVERY

(02)984-06-77
0922-801-1253



fresh milk • kesong puti, mozzarella • yogurt, yogurt drink • pastillas

On-Line Sales Provider

The screenshot displays the MetroMart website interface. At the top, the browser address bar shows the URL <https://www.metrofarm.com/welcome/shop>. The MetroMart logo is on the left, and a search bar is in the center. Below the search bar, the text "Select a store in Cubao - Project 4 - West Kamias, Quezon City" is displayed. A "Categories" section follows, featuring a large banner for "Craving for Sweets?" with the tagline "Your cravings delivered in no time!" and images of various pastries. Below the banner is a grid of 15 product category tiles, each with a logo and a brief description:

- Watson's:** A leading health and beauty retailer offering medicine, personal care, beauty and baby items.
- DELI:** Major gourmet products at affordable prices, offering great cuts, steaks, whole roast, seafood and more!
- FamilyMart:** Your go-to for quick meals and snacks.
- Pet Express:** One-stop shop pet supply store.
- The Blue Kitchen:** Wholesale from home, Philippine regional specialties and international cuisines.
- Pinkie Farm:** All-natural farm-fresh dairy products from Batangas.
- Sunshine Fruit Bar:** Sunshine Fruit Bar offers the freshest fruits, organic vegetables and other healthy food items.
- DVF Dairy Farm:** DVF Dairy Farm - Fresh, Certified Buffalo Dairy products produced in Talavera, Nueva Ecija. Pastured and homogenized with no preservatives.
- Ritayama Meatery:** Delicous Philippine-made integral beef dairy meat from Mt. Ritayama in Marikina, Rizal.
- Cupcakes by George:** Cupcakes by George is committed to sharing happiness with every bite of its delectable cupcakes!
- PAN de MANILA:** (Logo only)
- TOUR AN BREAD:** (Logo only)
- Harvester's:** (Logo only)
- National:** (Logo only)

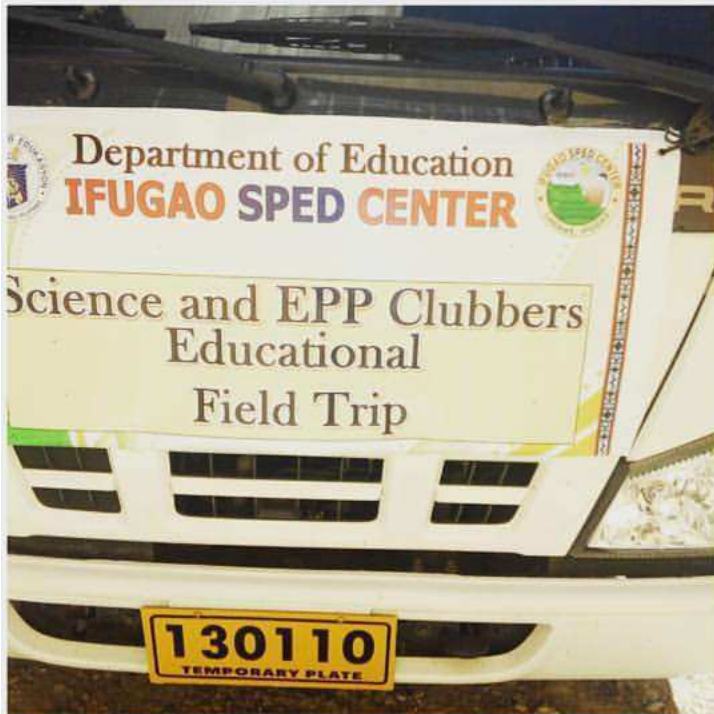
At the bottom of the page, there is a link: "Not in Cubao - Project 4 - West Kamias, Quezon City? Change Your Location." The Windows taskbar at the bottom shows the time as 4:25 PM on 22/10/2017.

Sales Outlets

- Supermarkets - 152 stores
- Institutions - 71 Hotels & Restaurants
- Dealers - 27 outlets
- In-House Stores - 4 Stores
- Others - Home deliveries, On-Line sales, Cash Sales, Trade Fairs









FRESH MILK ???

Rice Farming vs Grass

Comparative Analysis – Farm Productivity

RICE FARMING:

Assumptions:

- *Production hectare/year: 250 to 300 cavans – average of 80-100 cavans for rainy season & 150-200 cavans for dry season*
- *Price per cavan: Php 900.00 (P18/kl)*
- *70% prod'n inputs, 30% net income to farmers*

Projection Results:

Revenue/hectare/year (300xP900) = Php 270,000.00

Production Inputs = Php 189,000.00

Net Income = Php 81,000.00

Rice Farming vs Grass

DAIRY FARMING:

Assumptions:

- One (1) hectare grass = 90-120 tons of High Yielding Napier
- Add'l prod'n of carabao w/ Napier grass = 3-5 liters/ day
- Milk Price = Php 50.00 per liter
- Production period of milk = 10 months

Projection Results:

Napier Grass: P2/kilo X 90,000 X 6 = P1,080,000.00/ha/yr

Milk Sales increment per hectare per year:

- 3 Liters (3x10xP50x300) = P 450,000.00
- 5 Liters (5x10xP50x300) = P 750,000.00

Business Opportunities

- **Forage/Feed Production**
- **Calf Rearing**
- **Fattening**
- **Milk Collection**
- **Breeding**
- **Dairy Products Dealership**
- **Meat Processing**
- **Leather goods**
- **E-Commerce/Internet Selling**

Youth Program





@ Kinalanguyan

Technical Training

Barangay Mamandil, Talavera, Nueva Ecija





DVF Dairy Youth Program

- The Youth program is a training program for young people in the dairy zones operated by DVF Dairy Farm ages from 15-30 years old. The participants will attend seminars, camp and workshops organized by DVF Dairy sponsored and expenses paid for by DVF Dairy.
- It aim to encourage and assist the youth as responsible members of the family and potential dairy farmers and effective young entrepreneurs by providing them the training experience.
- To encourage continued succession and leadership in dairy farming of youth by youth.

Risks Mitigation

- Animal insurance coverage
- Strict monitoring
- Capability building of dairy network players
- Professional management and animal husbandry expertise
- Value chain technology from farm to market
- Strong brand and market penetration
- 6 years dairy animals as investment security with buy back or pre-termination provision
- Supply chain segmentation

Transforming Dairy Farmers



KATAS NG GATAS (Benefits from Dairy Farming)

**Above: new tricycle bought by
Rene Landingin from carabao's milk**

**Above: second hand car bought by
Enrico dele Cruz from carabao's milk**

Dairy Farming Initiatives

- **Capacity Gaps**

The key constraint to increasing production – Farmers’ lack of knowledge on how to feed milking animals so that they retain condition to produce milk, return to estrus, conceive and produce a healthy calf to complete a 15 -18 month cycle and continue to produce milk on a 300 days span.

- **Continuing Education**

- Organizational Development
- Cooperative Governance
- Forage and Pasture Management
- Nutrition and Health Management
- Lactation , Calf Rearing and Grower Management
- Milk Production and Hygiene
- Breeding Management
- Disease Control & Prevention
- Animal Registry Recording System
- Financial & Adult Literacy

Dairy Farming Initiatives

- Improved knowledge of staff veterinarians on animal science and husbandry
- Technological improvement on value chain from our animals with the farmers to the milk collector, collector to the plant and the plant to the market for improved quality of the milk and profitability.
- Access to markets per se is not limiting our dairy production. What we have is lack of scale which is a major impediment.

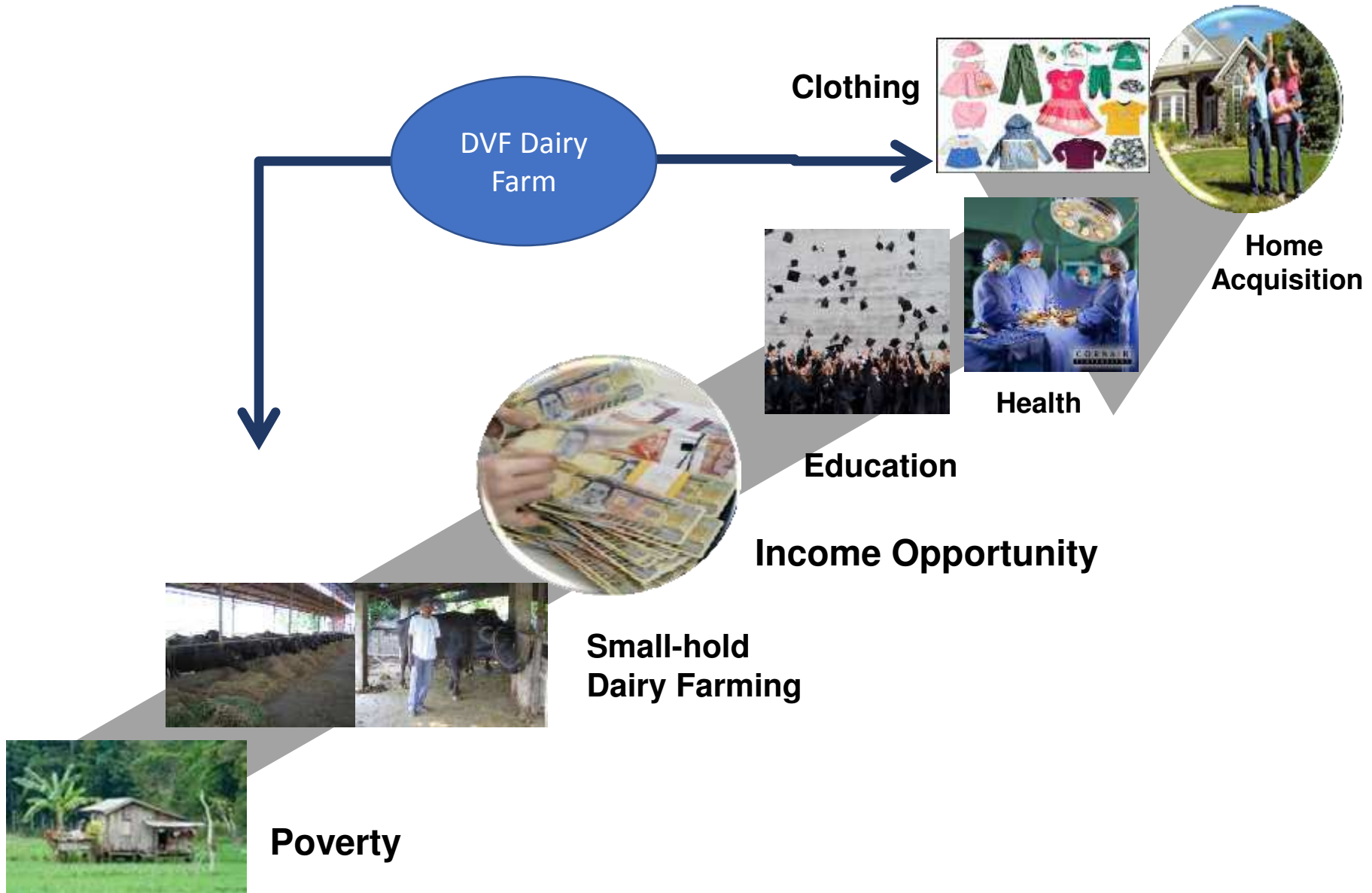
Dairy Farming Initiatives

- Continuing analytical study of our soils, forage and manufactured feeds
- AI services provisions in terms number and quality of local bulls
- Improved quarantine facilities
- Tailored forage seeds suited to our areas, economic analysis of seed production and development and expansion of our forage nurseries.

Sustainable Local Economic Development (SLED)



Wealth Creation through Dairy Farming





2010 Presidential Award Given by Pres Gloria Arroyo Thru Executive Secretary Leandro Mendoza





Go-Negosyo 2014 Most Outstanding Agripreneur

2016 GAWAD SAKA Most Outstanding Agricultural Entrepreneur From Pres Rodrigo Duterte



THANK YOU!

