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## **FarmFirst Dairy Cooperative Requests Stronger Support for Farmers, if Tariffs Persist**

*Madison, Wis.* [September 25, 2018] – FarmFirst Dairy Cooperative recently sent a letter to USDA Secretary Sonny Perdue requesting greater financial support to U.S. dairy farmers in light of the retaliatory tariffs from Mexico, China and other countries.

“We are disappointed in the small amount of assistance provided to dairy farmers in the dairy mitigation package, as it represents a fraction of the economic harm to dairy farmers,” says Jeff Lyon, General Manager of FarmFirst Dairy Cooperative. “Of course, our number one goal is to have trade restored and avoid any federal assistance at all. Until the retaliatory tariffs are suspended, dairy farmers will continue to suffer economic losses, which will continue to challenge many to stay in business.”

The letter outlines two requests; 1) to commit to a second round of tariff mitigation payments to dairy farmers, to be available through the end of the year; and 2) significantly increase the payment rate for dairy farmers to more fully reflect market losses related to the retaliatory tariffs.

“We recognize and appreciate the distinction between economic harm related to the retaliatory tariffs versus normal market volatility,” the letter states. “However, since the retaliatory tariffs were announced in late May, milk futures prices through December of this year have declined by \$1.2 billion, and milk prices are estimated to be about \$1.10 per hundredweight lower than price estimates just prior to the imposition of the retaliatory tariffs.”

This request is the second letter sent to the USDA from the cooperative, requesting attention be made to the issue dairy farmers are facing.

“The rate of dairy farm loss in the Upper Midwest is quite alarming and very devastating to the rural economy of our region,” the letter states. “As the region of the nation with the most concentration of dairy farms, many of our rural communities are deeply dependent on the economic health of the dairy farms in the area. In Wisconsin alone, dairy farm losses through the first nine months of 2018 have been about 40 percent higher than the average attrition rate for the same nine-month period over the previous five years. The trade disruption and related market price declines have greatly exacerbated those trends.”

June 1, 2018 is when the U.S. officially placed tariffs on steel and aluminum, and Mexico followed suit with placing tariffs on U.S. cheese. Farmers could sign up for the mitigation package beginning on September 4, 2018.

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FarmFirst Dairy Cooperative, established in 2013 and based in Madison, Wis., represents farmers in Wisconsin, Minnesota, South Dakota, Michigan, Iowa, Illinois and Indiana by providing legislative and regulatory advocacy, dairy marketing services, disaster protection, laboratory testing opportunities and industry promotion. FarmFirst Dairy Cooperative is a merger of three long-time prominent Wisconsin cooperatives.