

FOR IMMEDIATE RELEASE

Contact: Julie Sweney, FarmFirst Dairy Cooperative
608-286-1909 or jsweney@farmfirstcoop.com

Editor's Note - Downloadable images available at:
<https://bit.ly/FFDClogos>



A Message of Resiliency, Perseverance Received at FarmFirst Virtual Meeting

Madison, Wis. [February 16, 2021] – Resiliency and perseverance was the message that FarmFirst Dairy Cooperative President John Rettler delivered in his remarks to delegates during the cooperative’s virtual annual meeting held on Friday, February 12.

“This past year, businesses closed their doors. Restaurants, bars, and schools closed to prevent the spread, but we still kept plugging away, keeping up on our work and keeping our milk house doors open for the milk truck to arrive,” said Rettler. “We all are well aware of our dedication, but sometimes it deserves special recognition – especially during a pandemic.”

Rettler shared his optimism for the future, noting that such a challenging experience such as the COVID-19 pandemic certainly reminds us of the value our family and friends. He pointed out that in addition to dairy farmers, cheesemakers, truck drivers, and everyone in between also need to be recognized as consumers came to realize that those in food production are essential in keeping food available and stocked in grocery stores.

Delegates reviewed current and proposed amendments to the cooperative’s public policy. They reaffirmed their support for the Dairy Margin Coverage (DMC) program and changes to further enhance the program. With respect to Federal Milk Marketing Orders, the delegates approved policy to address negative Producer Price Differentials, among other federal order issues.

With respect to international trade policy, delegates further emphasized their support for fair trade agreements and added their opposition to agreements that sacrifice dairy interests for gains by other U.S. industries or ag commodities.

General Manager Jeff Lyon commended members for their continuous hard work in spite of the pandemic, reiterating the cooperative’s commitment to supporting dairy farmers through improved dairy policies and strong advocacy. He noted of the challenges faced across the industry, creating dramatic shifts in consumer demand to the retail space. While the cooperative’s milk marketing division managed to find a home for all of its milk, some were not so lucky.

“The obstacles we faced in 2020 took on many forms. In many instances, our hard work paid off. Yet, we cannot rest on our laurels,” said Lyon. “With the pandemic still not under control and restaurant and

food service institutions still not running at full capacity, there is concern on the growing gap between milk production and demand. We cannot eat our way out of this. Thankfully, our export markets have been strong to absorb much of the milk being produced. Our attention will continue to focus on expanding current U.S. trade.”

Lyon also shared how FarmFirst was successful in addressing the hardships faced by dairy farmers through the pandemic by securing more than \$2.8 billion in direct financial assistance to dairy farmers through the first and second Coronavirus Food Assistance Programs (CFAP), \$1.25 billion through the Farmers to Families Food Box programs as well as additional dairy product purchases under purchase programs including USDA’s Section 32 program. The Dairy Margin Coverage (DMC) program also buoyed farm income for those enrolled with more than \$200 million in payments. In total of all these programs, more than \$4.89 billion was disbursed to dairy farmers in 2020.

Lyon noted that the cooperative is in very good financial condition with all three divisions of the cooperative; Family Dairies USA, Fox Valley Quality Control Lab, and Member Services were profitable. Lyon shared his gratitude to the cooperative’s staff and their role in keeping the cooperative’s divisions open and operating, both safely and smoothly during the pandemic.

Looking to 2021, Lyon expressed optimism in building off the progress made in the past year, particularly on trade policy, FDA enforcement of labeling regulations and USDA advancing formal recognition in the positive role dairy products play in a healthy diet.

“Political dynamics and legislative priorities are always evolving, which is why FarmFirst is keeping a vigilant eye on these issues. Climate change, tax policy and ag labor come to mind. Others specific to milk pricing include federal order reform, negative PPDs, Class I price mover, the block/barrel price spread and oversight of CME price discovery,” said Lyon. “Now is the time for FarmFirst and our partners in Washington, D.C. to ensure our elected officials know the challenges facing the dairy industry and get things done for you.”

Jeff Schwager, CEO of Sartori Cheese, Plymouth, WI joined members to discuss various trade issues and the value of quality trade agreements in supporting the dairy industry.

Schwager, whose company exports their award-winning cheeses around the world, emphasized the dramatic impact that common cheese names and geographical indicators can have on the ability for a Wisconsin-based cheese company like Sartori to sell their cheese in countries that are looking to protect market share.

“Because of trade barriers existing in Europe, we had to come up with a new variety of cheese, which is how BellaVitano was created,” said Schwager. “The Europeans are working quicker than the U.S. is currently to get new free trade agreements in place, which is diminishing available markets to U.S. cheese exporters like Sartori. A cheese like parmesan cannot be sold in Mexico labeled as parmesan due to these trade barriers. The U.S. can label U.S.-made parmesan cheese under the Spanish name, parmesana, however, in that market, these cheeses are looked at being inferior and of lower quality.”

Schwager pointed out additional global market barriers that are restricting U.S. cheesemakers to market their cheese effectively and competitively in certain countries.

“China and Europe have retaliatory tariffs in place today. As an example, Europe placed a retaliatory tariff of 25% on U.S. cheese, virtually taking U.S. cheese out of the market. Unbalanced duties and export fees mean that Europe pays less per pound to export their cheese to the U.S. than what we pay to export there,” added Schwager.

He concluded by emphasizing the active role dairy farmers can play and using their voice to ensure policymakers and trade ambassadors know of the importance quality dairy trade agreements have on the U.S. dairy industry.

Re-elected to a three-year term, on the ten-member board of directors included Dan Vandertie, Brussels, Wis. to serve District 2, Wayne Gajewski, Athens, Wis. to serve District 4 and Kathy Bauer, Faribault, Minn. to serve District 9. Other board members include Steve Brock of Daggett, Mich. in District 1, John Rettler of Neosho, Wis. in District 3, Jean Reisinger of Spring Green, Wis. in District 5, Bob Dietzel of East Dubuque, Ill. in District 6, Rich Meyer of Unity, Wis. in District 7, and Brian Wozniak of Stanley, Wis. in District 8.

Annual meeting sponsors included at the platinum level are ARM Services, Compeer Financial, Dairy Farmers of Wisconsin, Dairy Management, Inc., M3 Insurance, Nelson-Jameson, Steimle Birschbach LLC, and Wisconsin Bank and Trust. This year’s emerald sponsors included CliftonLarsonAllen LLP, Investors Community Bank, StoneX, Vrakas Blum, Wisconsin Beef Council and the Wisconsin Livestock Identification Consortium. All sponsor contributions, which totaled just over \$4,000, will go to the cooperative’s scholarship program.

FarmFirst’s 10th Annual Meeting is set to take place February 11-12, 2022 in Onalaska, Wis.

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-based cooperatives. Learn more about FarmFirst Dairy Cooperative by visiting: www.FarmFirstDairyCooperative.com.

###

View the Full Press Release online at: <https://bit.ly/FarmFirstNewsReleases>

Access cooperative images and logos at: <https://bit.ly/FarmFirstPhotosLogos>