

MILKLINE

NEWSLETTER



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Celebrating Environmental Stewardship - Everyday



Spring is in the air and warmer, sunnier days are ahead. It is the beginning of a new chapter with this spring season, and I can confidently say we are all ready for it.

The new season means a new opportunity to grow the best crop to provide the best diet for your herd of cattle to make the most of our naturally-available resources. When it comes to water quality and soil health, the goal is always the same: to make it healthier and better than before.

Farmers have an amazing track record for being stewards of the land, and research proves this, regardless of what critics have to say. (Read more about how research continues to show it is time for the criticism to be directed at the real culprits of greenhouse gas emissions on page 5.)

In 2008, U.S. dairy was the first in the

food agricultural sector to conduct a full life cycle assessment at a national level which showed it contributes just 2% of all U.S. greenhouse gas emissions. Thanks to increasingly modern and innovative dairy farming practices, the environmental impact of producing a gallon of milk in 2017 shrunk significantly, requiring 30% less water, 21% less land and a 19% smaller carbon footprint than it did in 2007.

This showcases dairy as truly being a leader when it comes to sustainability, yet the industry isn't resting on its laurels. The dairy community has committed to conserving natural resources and making further progress with goals outlined to achieve by the year 2050. These goals support a vision that hold dairy farmers as an environmental solution and identify where U.S. dairy can have the greatest impact.

Specifically, these goals are:

Become carbon neutral or better:

Both the goal and 2050 timing align with what industry leaders believe is achievable based on today's science, technology and innovation.

Optimize water use while maximizing recycling:

This encourages dairy farms and businesses to make the best water management decisions, including using each gallon of water as many times as is appropriate, for their individual operations. This approach is intended to help account for regional differences in water sources and use, and incorporates recycling,

which is a practice at both the farm and processor levels.

Improve water quality by optimizing utilization of manure and nutrients:

This goal highlights the interconnectivity of manure/nutrient management, soil health and water quality.

The U.S. dairy industry has also launched the Net Zero Initiative (NZI), which is an industry-wide, on-farm effort that will play a key role in helping U.S. dairy continue to make progress toward these goals. Through foundational research, on-farm pilots and development of new product markets, NZI is breaking down barriers to make technology and best practices more accessible and affordable to farms of all sizes and geographies – recognizing there is no one-size-fits-all solution. NZI has four key areas of focus, including feed production, manure handling and nutrient management, cow care and efficiency, and on-farm energy efficiency and renewable energy use.

U.S. dairy remains committed to ongoing progress, to leaving a positive environmental footprint and to doing its part to nourish the planet for future generations. FarmFirst has been a long-time advocate and supporter of sustainability initiatives, especially from the grassroots level (no pun intended).

It's no surprise that some of the most successful efforts have been when farmers come together in a farmer-

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Dedicated to serving and representing you, our family farm members, FarmFirst Dairy Cooperative represents farms in Wisconsin, Minnesota, South Dakota, Michigan, Iowa, Illinois and Indiana through policy advocacy, dairy marketing services, laboratory testing opportunities and industry promotion.



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Celebrating Environmental Stewardship - Everyday (Continued from Page 1)

led program, like a local watershed group, and share their lessons learned in how to improve not only the soil in their fields but eliminate various nutrient runoff by focusing on various methods including cover crops and ultimately improve the water quality. It has been important to support funding for these programs and initiatives, and FarmFirst continues to make that clear to our policy makers. Through farmer-led initiatives for continual learning and improvement, farmers are leading the charge on effective environmental stewardship.

"It is no surprise that some of the most successful efforts have been when farmers come together in a farmer-led program and share their lessons learned."

Many believe that the year ahead will have a laser focus on the environment and climate change once the pandemic becomes less of a concern for our nation's thought leaders and policy makers. And when it comes to dairy, both farmers and processors, they have a great story to tell. And now is the time to tell it.

Dairy farmers have always been a part of the solution, and their positive impact on the environment is no coincidence. As stewards of the land and their cattle, dairy farmers have always embodied the notion of sustainability, even before it was a trendy topic.



When it comes to April 22, take the time to celebrate Earth Day. It is commonly thought of a day where school children plant trees and focus on the value of recycling, but when it comes to dairy, it is so much more than that. Every day, farmers celebrate their achievements on preserving and conserving our natural resources, especially on this wonderful day in spring. 🌱

*Article by Julie Sweney,
FarmFirst Dairy Cooperative*

FarmFirst Board Elects Officers

John Rettler of Neosho, Wis. was re-elected as president of FarmFirst Dairy Cooperative at a recent FarmFirst board meeting following the cooperative's ninth annual meeting, held virtually on February 12, 2021.

Other officers re-elected were Steve Brock of Daggett, Mich. as vice-president, Kathy Bauer of Faribault, Minn. as secretary, and Wayne Gajewski of Athens, Wis. as treasurer.

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 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, Brian Wozniak of Stanley, Wis. in District 8 and Travis Clark of Rosendale, Wis. serving as the Young Cooperator Chair. 🌱

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USDA to Examine Pandemic Food Distribution Program



National Milk Producers Federation Senior Vice President for Policy Strategy and International Trade Jaime Castaneda urged federal officials to effectively allocate dairy products as a

source of high-quality, cost-effective nutrition in any successor to the Farmers to Families Food Box Program at a USDA listening session on March 22.

"Dairy foods, including milk, cheese, yogurt and butter, and many other dairy products are staples of our diet. No single food contains as much nutritional bang for the buck as milk," said Castaneda during the session, hosted by USDA's Agricultural Marketing Service. "Additional USDA purchases of milk and milk products, to then be donated to food banks and other charitable feeding organizations, would deliver a wide range of healthy

nutrients to people at a relatively low federal cost. The cost-benefit equation for providing milk's nutrition to the nutrient-insecure is enormous."

USDA solicited feedback through March 31 on how it should overhaul or restructure the Food Box program, implemented last year as part of the federal response to the coronavirus pandemic. NMPF comments focused on the value of government purchases to the dairy sector and how the future product mix acquired and donated should minimize farm-level price distortions.

Castaneda said an ideal program would better balance its nutritional offerings to both serve families and minimize price disruptions in the agricultural community.

"That disparity caused tremendous market volatility and unusual pricing challenges throughout the country, including extreme price differentials between neighboring farms," Castaneda said. "We are eager to work with USDA to improve upon the product balance, particularly between cheese and butter, and ensure the department's efforts better meet the needs of all producers as well as the families that benefit from these dairy products." 🐄

Senate Ag Committee Holds Climate Policy Hearing

The Senate Ag Committee received feedback from agricultural and environmental organizations on the potential, and pitfalls, of sequestering carbon through farming practices to reduce the effects of climate change. Senate Agriculture Committee Chair Debbie Stabenow shared her optimism that lawmakers can craft a bipartisan approach to involving agriculture as a solution to climate change. NMPF's comments submitted to the hearing stressed the need for creating financial incentives to encourage adoption in the dairy sector of climate-friendly tools such as manure digesters, nutrient recovery technology and feed additives to reduce enteric methane production.

During the early-March hearing, the committee members heard from farmers already using conservation practices, such as no-till cropping, that any future policies also need to benefit producers who have been early adopters of carbon sequestering methods. Stabenow and committee member Mike Braun (R-IN) are expected to soon release a new version of their Growing Climate Solutions Act, a bill supported by leading dairy organizations like NMPF and FarmFirst in the previous Congress, that would authorize the USDA to certify carbon credit verification services. Dairy groups have emphasized to lawmakers that climate legislation must encourage voluntary, incentive-based, and market-driven opportunities.

FarmFirst is committed to reminding policymakers of the good work achieved by dairy farmers in a variety of ways, and why farmers will always be part of the solution when it comes to climate change and environmental issues. 🐄

Labeling Challenges of Lab-made "Seafood" Echo Dairy Industry Woes



During an FDA comment period on the labeling of lab-made seafood products, NMPF used the comment period to implore the agency – again – to focus its resources on our long-standing concern about the mislabeling of imitation

dairy foods. The seafood sector is now grappling with how to describe and label cell-cultured seafood – an issue already familiar to the dairy and meat sectors.

In comments submitted by NMPF, they stressed that the FDA should first enforce existing standards for things like milk, cheese, and butter before creating new ones in other food categories. NMPF urged the agency to coordinate its labeling oversight with the USDA, which has primary jurisdiction over meat products. NMPF also emphasized that using the term "cultured seafood" to describe lab-grown foods is particularly problematic for the dairy sector, since we already have a variety of cultured products in our category, including yogurt and sour cream.

FarmFirst believes it is imperative for the FDA to act and now to send this important message to food companies that consumers will not be misguided into believing they are receiving something that rivals the reputation of real dairy products. While the FDA continues to drag its feet, we will continue to find opportunities to continue sharing our message for dairy labeling. 🐄




FarmFirst Sets Policy Priorities for 2021

At its March board meeting, the FarmFirst Dairy Cooperative Board of Directors reviewed approved policies and identified this year's top priorities.

- **Post-COVID-19 Support and Economic Recovery** – In the year ahead, FarmFirst will work to ensure that the implementation of previously approved stimulus bills and any additional legislation serve the interests of dairy farmers, the agriculture community as a whole and consumers.
- **2022 Farm Bill** – FarmFirst will remain engaged in discussions related to dairy programs. Specifically, for the Dairy Margin Coverage (DMC) program, FarmFirst is looking to improve the feed cost calculator and update production history for all enrolled producers, among other modifications to further improve the program.
- **Dairy Labeling** – Advocating for the FDA to enforce their definition of milk and other dairy related terms to reduce the impeding nature of dairy alternatives continues to be a top priority. FarmFirst looks forward to working with the next FDA commissioner, to push back against misleading claims and marketing campaigns that negatively impact dairy.
- **Nutrition** – Expanding fluid milk and other dairy product options in school lunch programs is imperative since science has proven time and time again that the consumption of milk and dairy products is essential and beneficial to human health. Further, dairy needs to be a significant part of USDA's dietary guidelines.
- **Climate Change and Environmental Concerns** – FarmFirst will continue to advocate that any climate change, carbon credit, or other sustainability legislation recognize the positive contributions that the dairy industry has already made to the environment and that it can be economically justified and that it truly works for dairy farmers.

- **Ag Labor Reform** – FarmFirst recognizes the need and is actively engaged on ensuring there is a reliable, consistent, and legal workforce for the dairy industry. FarmFirst supports the Farm Workforce Modernization Act and is working towards its passage, to provide a consistent labor force for the entire dairy industry.
- **International Trade** – Advocating for trade agreements that do not sacrifice dairy products or limit our export reach remains a leading priority for FarmFirst. Additionally, FarmFirst strongly opposes Geographical Indicators (GIs) as these provisions would limit the reach of high-quality, delicious dairy products beyond the U.S. FarmFirst also supports the enforcement of current trade agreement with Canada, Mexico, and China.
- **Federal Order Reform** – Working its partners FarmFirst is actively addressing the causes for negative Producer Price and working for solutions to numerous issues to ensure a robust market-driven price discovery formula.

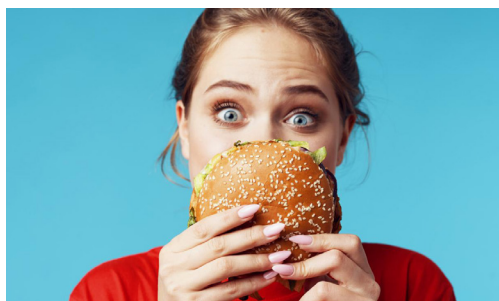
"Through our advocacy efforts over the years, FarmFirst has an established reputation in Washington, D.C. for representing dairy farmers in the Midwest. Working in stride with our industry partners ensures we get the message across to policymakers, and this year will be no exception," says John Rettler, dairy farmer in Neosho, Wis. and FarmFirst President. "After such a turbulent 2020, it is vital to have the needs of dairy farmers heard and acknowledged in good policy in 2021."

During the cooperative's ninth annual meeting held on February 12, cooperative delegates approved new policy in several key areas, including federal milk order reform, international trade policy, incentive programs, and commodity advertising, research, and promotion programs. Policies adopted at the meeting guide the legislative agenda for the cooperative in the year ahead. Resolutions were submitted by cooperative members as part of the cooperative's grassroots policy development process. 



The Bogus Burger Blame

By Frank Mitloehner, Professor and Air Quality Specialist at UC Davis



One of the most popular meals in America is one of the most maligned.

Climate change is the biggest challenge of our lifetime, which

we must address with urgency, but swapping out a hamburger once a month isn't how we do it. While the burger does have an impact on our climate, which we're working to reduce, it's simply not the climate killer it's made out to be.

Animal agriculture, including ruminant animals like the cows that belch methane as they digest food, has an environmental footprint. That's a fact. According to the EPA, animal ag is responsible for 4 percent of the United States' direct greenhouse gas emissions. Of that amount, beef cattle are in for 2.2 percent. If you want to use the more encompassing cradle-to-grave formula, beef cattle still only account for 3.3 percent of greenhouse gas emissions in the United States. The dairy sector is responsible for 1.9 percent. (Lifecycle assessments are the preferred method of measuring a sector's greenhouse gas emissions, but it's not always the most appropriate, which I'll explain in a minute.)

The greenhouse gas emissions of our four-legged friends? Clearly, they're not nothing. But they're not everything, either.

The elephant in the room (or rather, in the atmosphere) is fossil fuel. Its sectors combined account for nearly 80 percent of direct U.S. greenhouse gas emissions. There are no life-cycle assessments for these sectors, which is why direct emissions is most appropriate when making comparisons between sectors; between animal agriculture and transportation, for example.

Livestock has an impact on the climate, but in reality, it doesn't hold a candle to the damage being done by cars, trucks and planes, for instance, or by industry or by our insatiable need for electricity. Animal agriculture is a drop in the greenhouse-gas bucket, especially since American farmers have steadily reduced their impact on the environment. That's not to say there isn't more work to be done, but as a result of steady progress since the 1950s, cattle herds in the U.S. are at an all-time low, without a corresponding reduction in meat and dairy products. Put another way, a cow today is much more prolific and environmentally friendly than her ancestors ever thought of being. That's not the case elsewhere in the world, which creates a critical opportunity to bring our agricultural expertise to other countries, for the betterment of all.

In the meantime, we're not resting on our laurels here in the U.S. Instead, we're working on quantifying and mitigating emissions from manure and reducing ruminants' gassiness, to

put it plainly. Less gas, less burping, less methane.

These efforts will absolutely play a role in slowing climate change. A recent paper out of the University of Oxford School of Martin shows that reducing methane from animal agriculture can buy us time in our fight against climate change. To that point, a report by the World Wildlife Fund shows we have scalable ways to do so in dairy, and likely with beef cattle. In my lab, we have studied several feed additives that reduce enteric methane in cattle. My colleagues at UC-Davis are likewise breaking ground. And we must not forget that since methane warms differently than CO₂, we have a unique opportunity not only to reduce emissions from animal agriculture, but to offset emissions from other sectors.


To suggest that all we need to do to solve climate change is rid our society of beef burgers is at its best a gross exaggeration according to research out of Virginia Tech, and worse, a smokescreen by big oil. To quote climate scientist Michael Mann, whose recent book deals with the misinformation that distracts from big oil head on, "There is no way to avert the climate crisis without keeping most of our coal, oil and gas in the ground, plain and simple.

Yes, animal agriculture is complicit in climate change, but it's not the lead offender. By buying into that myth, we're distracting ourselves from real climate solutions and our most worrisome climate polluters. Even so, myself and others are laser-focused on making livestock better for the climate and environment.

My job is to work with animal agriculture to quantify and reduce its environmental footprint, because it's clear that beef and dairy will continue to be part of our diets, and likely plant-based meat alternatives for that matter. But make no mistake, forsaking efforts to reduce fossil fuels at a burger's expense will leave us with a warmer world.



Dr. Frank Mitloehner is a professor and air quality specialist in cooperative extension in the Department of Animal Science at UC Davis. As such, he shares his

knowledge and research, both domestically and abroad, with students, scientists, farmers and ranchers, policy makers, and the public at large. Frank is also director of the CLEAR Center, which has two cores – research and communications. The CLEAR Center brings clarity to the intersection of animal agriculture and the environment, helping our global community understand the environmental and human health impacts of livestock, so we can make informed decisions about the foods we eat and while reducing environmental impacts. Reprinted with permission from the CLEAR Center at UC Davis. 

FEBRUARY 2021

	UPPER MIDWEST	CENTRAL	MIDEAST
Order Name and Number	Order 30	Order 32	Order 33
Producer Milk (lbs.)	898,374,057	874,177,668	1,282,466,283
Producer Price Differential @ base zone	\$ -0.90	\$ -1.38	\$ -0.84
Statistical Uniform Price/cwt @ 3.5% BF*	\$ 14.85	\$ 14.37	\$ 14.91
Class I Price/cwt	\$ 17.34	\$ 17.54	\$ 17.54
Class II Price/cwt	\$ 14.00	\$ 14.00	\$ 14.00
Class III Price/cwt	\$ 15.75	\$ 15.75	\$ 15.75
Class IV Price/cwt	\$ 13.19	\$ 13.19	\$ 13.19
Component Prices & Test Avg. % aves			
Butterfat/lb.	\$ 1.4376	4.15%	4.10%
Protein/lb.	\$ 2.9816	3.24%	3.30%
Other Solids/lb.	\$ 0.31610	5.78%	5.80%
SCC Adjust Rate/1000	\$ 0.00080		5.79%
Producer Milk Classified %			
Class I	22.30%	43.16%	41.50%
Class II	20.80%	13.78%	23.20%
Class III	38.00%	5.72%	15.20%
Class IV	18.90%	37.34%	20.10%
	100.00%	100.00%	100.00%



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Happy Earth Day on April 22!

Milk Futures Are High - Now Is Your Time to Set a Floor

Take Advantage of This Market Opportunity with ARM Services, LLC



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The price volatility of dairy markets adds extra stress to dairy farmers' management workload and makes it challenging to prepare for the year ahead. While that uncertainty won't disappear, it can be reduced, with a solid marketing plan in place.

Receive the advice you need by calling ARM Services and learn more about:

- Livestock Gross Margin (LGM) Dairy Insurance and how it has performed over the last several years
- Dairy Revenue Protection (DRP) Insurance and how farmers are using it to protect based on components or market prices during seasonal fluctuations
- Dairy Margin Coverage (DMC) and what economists are expecting from this FSA program in 2021



Visit www.armservices.com or call **Travis Glaser** at 715-456-5607 to get your questions answered.