

MILKLINE

NEWSLETTER



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Bringing Dairy's Voice to Capitol Hill



Today's dairy farmers have dramatically different scales of production, technological capabilities, and global pressures than they did generations ago. But in 1950, like today, industry leaders recognized the value of developing and educating young farmers, and the importance of meeting their needs when developing national policies.

That's why the farmer and cooperative leaders of the National Milk Producers Federation (NMPF) formed the National Young Cooperators (YC) Program over 72 years ago, and it motivates the program's work today.

The YC mission of providing producers who are newer to dairy farming with educational opportunities to help make them more profitable, resilient business owners, and more effective, influential advocates is more important than ever. For those reasons and more, the program

is more active than ever, providing year-round learning opportunities to producers through monthly webinars and three in-person events each year. FarmFirst

farmers must continue to punch above their weight to maintain relevance in an increasingly urban Congress. The National YC Program equips them to

"I didn't expect to find learning about dairy policy to be something that would pique my interest. I feel much more confident speaking about the policies that directly and indirectly affect our farm."

launched its own Young Cooperator program in 2014, which is led by the Young Cooperator Steering Committee. Despite challenges caused by the pandemic, the committee is eager to begin planning programming for the year ahead.

Earlier in June, YCs met for the NMPF's capstone event in Washington, D.C. with 45 dairy farmers from 15 states across the U.S. participating in the program's annual Dairy Policy and Legislative Forum. This year, FarmFirst was represented by Nathan and Angela Wiese of Rosendale, Wis. It was their first time being in Washington, D.C., but they made it count – the two-day event included discussions about political engagement and dairy policy issues, along with training on how to be an effective advocate and spokesperson for dairy. Participants then headed to Capitol Hill to meet with their members of Congress and their respective staffs.

NMPF's effectiveness on dairy priorities in Congress depends heavily on grassroots engagement, such as the participation by FarmFirst YCs. With fewer people directly involved in dairy than even a couple of decades ago, dairy

do just that, providing opportunities to learn background information about the many issues affecting the industry, and empowering them to become—and stay—politically engaged.

During their Capitol Hill visits, Nathan and Angela met with representatives from Senator Ron Johnson (R-WI) and Senator Tammy Baldwin's (D-WI) offices, as well as with Congressman Glenn Grothman (R-WI). While it can be intimidating to meet with elected officials, Angela and Nathan were impressed by certain staff members that were incredibly knowledgeable on the issues, in addition to how receptive they were to the insight the YCs shared during their meetings.

"I didn't expect to find learning about dairy policy to be something that would pique my interest. I feel much more confident speaking about the policies that directly and indirectly affect our farm," said Nathan and Angela.

Prior to visiting with their representatives, YCs were briefed by NMPF staff on several issues, which helped prepare them on what policies to advocate for

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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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Bringing Dairy's Voice to Capitol Hill

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Meeting with staff from Senator Tammy Baldwin's office.

and what specific provisions. "We were impressed with all that NMPF is doing on behalf of farmers. They are well respected and strong advocates for dairy farms. We appreciated the time they took to explain various issues and how they impact us. Also, it is helpful to know what could be done to make positive changes for the dairy industry as we move forward," said Nathan and Angela. "I definitely have a greater interest in dairy policy and would feel more comfortable reaching out to representatives to speak about issues in the future."

In addition to policy advocacy, YCs also had a chance to connect and learn from other YCs from across the country representing other cooperatives. Nathan and Angela didn't realize how much they would enjoy networking with other farmers who could relate to their livelihood, but also face unique challenges from their part of the country.

"I didn't anticipate how encouraging it would be to network with other farmers from around the country. Finding out the variety




Meeting with Congressman Glenn Grothman.

of challenges, from weather to invasive species, was really interesting. Farmers in the west are struggling to have sufficient water available, while other farmers can't get any corn due to supply chain issues. It made me grateful for the climate and conditions here in Wisconsin!" said Nathan and Angela. "It was definitely a highlight of the trip to be sitting around a table with farmers from six different states and finding common ground, but also sharing what makes farming unique in our particular states."

This National YC Program is open to younger and beginning dairy farmers who own or are employed on a dairy farm that is a member of one of NMPF's member cooperatives, such as FarmFirst Dairy Cooperative.

In addition to in-person events, the national program offers a webinar series, which is open to all eligible dairy farmers and industry affiliates and available at no cost. The 45-minute webinars, each covering a different topic, are held every month. Recent topics include transition planning, onboarding, employee retention, risk management, and an economic outlook.

With a growing interest by members, FarmFirst remains committed to building the resources and educational opportunities for members to not only develop but also enhance the skills and talents of future cooperative leaders. And when it comes to advocating for dairy policy, no one represents dairy better than farmers themselves.

For more information on FarmFirst's Young Cooperator program, or to sign up for NMPF's YC webinar series, visit www.FarmFirstDairyCooperative.com. 

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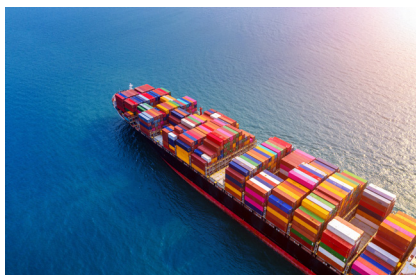
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Article by Julie Sweney, FarmFirst Dairy Cooperative & Theresa Sweeney-Murphy, National Milk Producers Federation

Dairy Commends Passage of Ocean Shipping Reform Act, Urges Swift Implementation



FarmFirst Dairy Cooperative along with the National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) applaud the signing of the Ocean Shipping Reform Act, S. 3580, by President Joe Biden. Following

passage of the legislation by the House of Representatives by a vote of 369-42, President Biden signed the bill into law on June 16. The enactment of the Ocean Shipping Reform Act sets in motion a series of new rules and regulations regarding ocean carrier practices that the Federal Maritime Commission (FMC) must implement over the course of the next year.

The legislation was introduced in response to the vocal advocacy by leading dairy advocates including NMPF, USDEC and other agricultural export and shipper organizations, as problems with effective ocean freight transportation worsened in 2021. Representatives from our Upper Midwest membership, including Dusty Johnson (R-SD), and Senators Amy Klobuchar (D-MN) and John Thune (R-SD) introduced similar versions of the Ocean Shipping Reform Act in the House and Senate, which both passed speedily through their respective chambers.

"We are grateful to our congressional champions for their leadership

in getting this legislation drafted, introduced and passed so quickly. The U.S. dairy industry has suffered many challenges in getting goods smoothly and reliably to export markets due in large part to problematic ocean carrier practices. These new rules will allow the FMC to better enforce reasonable behavior by the ocean carriers," said Jim Mulhern, president and CEO of NMPF.

"We have experienced unprecedented challenges in our nation's ports and throughout the entire supply chain over the past few years. While dairy farmers and processors have proven their resiliency, this issue has a far-reaching impact and is putting U.S. dairy's reputation at stake the longer these issues persist. FarmFirst applauds the passage of OSRA, placing value on the hard-earned relationships U.S. dairy exporters have built over the years and the value of U.S. dairy," says Jeff Lyon, FarmFirst General Manager. "We look forward to the fast implementation of these new rules to end the unfair and unreasonable practices that have held back getting quality U.S. dairy products where they are wanted."

According to Krysta Harden, president and CEO of USDEC, last year dairy exporters, due to international ocean shipping challenges experienced over \$1.5 billion in increased export costs and lost opportunities.

Dairy organizations called on the FMC to implement the rules as expeditiously as possible to support agricultural exporters in getting more products onto vessels in order to better address rising food security needs around the world. 🇺🇸

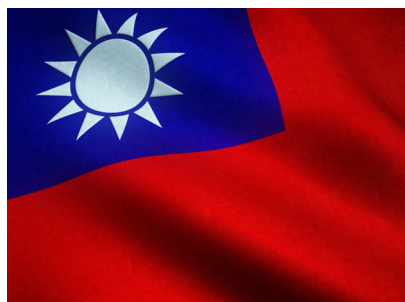
Ag Shippers Bill Introduced

The need to improve timely movement of agricultural products has also been the focus of new legislation from California Democrats John Garamendi and Jim Costa, who introduced a bill to improve the handling of U.S. ag exports. The American Port Access Privileges Act, which would give ships arriving at U.S. ports preferential treatment for delivering their cargoes, has also been endorsed by the National Milk Producers Federation.

This new preferential berthing will reward ocean carriers that serve both importers and American exporters by moving those vessels to the front of the queue for unloading and loading. It will similarly incentivize ocean carriers to make second-leg voyages to ports like the Port of Oakland, which is critical for California's agricultural exporters. Their bill is a follow-on to the Ocean Shipping Reform Act that was recently signed by President Joe Biden. 🇺🇸



Biden Administration Launches IPEF Trade, Economic Initiative



The Biden administration formally began trade talks with Taiwan in late June, aiming to strengthen ties between the nations but not committing to expanding market access for U.S. products. Taiwan was the 12th largest market for U.S. dairy exports last

year, amounting to \$140 million, and is a particularly important purchaser of higher value exports such as fluid milk and cheese.

This U.S.-Taiwan Initiative on 21st-Century Trade is modeled after the similar Indo-Pacific Economic Framework (IPEF) talks that also began this year, but Taiwan is not part of the IPEF process because of concerns about its strained relationship with China. As with the IPEF, NMPF welcomes such talks, but also is concerned that stronger economic ties must include additional trade opportunities for the dairy sector and that the administration should use the talks to improve dairy access flows into this important market. 🇺🇸

Dairy Groups Cheer USDA Announcement of \$20M in Supplemental Funding for DBIA

On June 20, the U.S. Department of Agriculture (USDA) announced that \$20 million from the American Rescue Plan Act (ARPA) would be directed to supplement the work of the Dairy Business Innovation Alliance (DBIA).

Speaking at Crave Brothers Farmstead Cheese in Waterloo, Wis., a USDA Under Secretary for Marketing and Regulatory Programs Jenny Lester Moffitt added that USDA will also make \$22.9 million in agency appropriations available to DBIA and three other innovation centers operating nationwide in Fiscal Year 2022.

"The Dairy Business Innovation Initiatives have proven to be an invaluable resource for dairy farmers and businesses because of their ability to provide targeted resources and funding through subawards at the local and regional level, maximizing impact. As we celebrate National Dairy Month this June, USDA continues to look for ways to support America's dairy industry, especially amidst ongoing supply chain and food system challenges," Moffitt said, "With this additional funding, the four DBIs are receiving a significant increase in resources, enabling each to continue facilitating the development of critical relationships with local dairy producers and processors to support their on-the-ground needs."

U.S. Senator Tammy Baldwin (D-Wisconsin), who has championed the Dairy Business Innovation initiatives, joined Moffitt at the event, saying, "Wisconsin's dairy businesses are a key driver of our state's economy and with all the challenges they face I'm working to do everything I can to help. This federal funding from USDA will help Wisconsin dairy businesses modernize, reach new markets, and create economic growth. The Dairy Business Innovation Initiatives provide our farmers, cheesemakers, and dairy processors with the tools they need to innovate and develop new Made in Wisconsin dairy products."

The additional \$20 million in DBIA funding will support an expansion of the program's service area to include Indiana, Kansas, Michigan, Missouri, Nebraska, and Ohio. Currently, the program covers Illinois, Iowa, Minnesota, South Dakota,

and Wisconsin.

ARPA funds will also be used to launch new dairy research projects focused on the creation of value-added products at the newly renovated Center for Dairy Research, and to support an innovative mentorship program engaging long-time dairy business leaders and cheesemakers to support entrepreneurship in the industry.

"We are thrilled to build on the impact of the Dairy Business Innovation Alliance, strengthening dairy farms and processors and rural communities," said John Umhoefer, WCMA Executive Director. "Our sincere thanks go to the Biden Administration, the U.S. Department of Agriculture, and Senator Baldwin for their recognition of the program's stewardship and effectiveness, and for this historic supplemental investment."

"This critical investment in dairy innovation allows us to expand our DBIA grants and support programs to 11 Midwest states that produce over a third of all U.S. milk production," said John Lucey, Director of the Center for Dairy Research. "This funding also provides key investments in critical research and emerging opportunities, such as biofermentation of dairy residues."

"The success of the Wisconsin and Upper Midwest dairy industry has been largely due to the innovation by our dairy processors and dairy farmers getting into the processing business, whether they are long time, well-branded companies or startups," says FarmFirst General Manager Jeff Lyon. "FarmFirst fully supports the DBIA initiative and greatly appreciates the leadership of Senator Baldwin and the Wisconsin Cheese Makers Association for their efforts in securing the funds, and the Center for Dairy Research for their expertise and assistance in making the most of the funds available for innovation and research."

Since its inception, DBIA has administered over \$3.7 million in 79 grants to dairy farms and businesses, conducted market research and product development projects and delivered direct technical assistance to Midwestern dairy farmers and processors. Learn more at <https://www.cdr.wisc.edu/dbia>. 



REGISTRATION OPEN: Exclusive Federal Order Webinar for FarmFirst Members on August 11



What: NMPF Federal Order Modernization Webinar

When: Thursday, August 11 from 12 noon to 1:00 p.m. (CST)

How do I Register?: Visit this link: <https://bit.ly/FarmFirstFMMO>

The National Milk Producers Federation has prepared and is sponsoring a customized one-hour Zoom webinar for FarmFirst Dairy Cooperative members to help members better understand the modernization issues under consideration by

the NMPF. The webinar will review the process for updating Federal Orders and there will be a discussion on the issues being examined by the NMPF Federal Order Task Force, of which FarmFirst General Manager Jeff Lyon is a member. There will be an opportunity for questions from participants.

In early 2022, the NMPF created a Federal Order Task Force to evaluate, study several federal order issues related to but not limited to make allowances, the Class I mover, milk composition, and dairy products and product specifications (price discovery, block/barrel spread). All these issues will be part of the discussion during the webinar.

There is no cost to participate in the webinar. Register today at <https://bit.ly/FarmFirstFMMO>. 🐮

Featuring Your Dairy Checkoff Midwest Dairy - Serving FarmFirst Members in South Dakota, Minnesota, Iowa, & Illinois

In an effort to share and promote the success of our partners in dairy checkoff, we are featuring the work and accomplishments of all the dairy checkoff organizations in our membership newsletter.



With a focus on driving dairy demand and sales, Midwest Dairy continues to expand collaborations with several retail and foodservice partners and is working hard to stay ahead of what consumers of all ages are looking for in their dairy choices.

Midwest Dairy collaborates with many retail and foodservice partners, including Coborn's, Pizza Ranch, and Dierbergs, just to name a few. This resulted in 47 million incremental pounds of milk sold in 2021. Our continual pledge is to make every drop count with a focus to build demand for, and trust in, dairy foods and dairy farmers.

Please visit MidwestDairy.com to learn more. 🐮

In 2021, your efforts and continued investment helped make **every drop count.**

Incremental pounds of milk sold



Retail:
42,863,553



Schools:
231,112



Foodservice:
4,312,818

MAY 2022

	UPPER MIDWEST	CENTRAL	MIDEAST
Order Name and Number	Order 30	Order 32	Order 33
Producer Milk (lbs.)	2,075,006,267	1,403,475,159	1,725,222,437
Producer Price Differential @ base zone	\$ 0.13	\$ 0.01	\$ 0.38
Statistical Uniform Price/cwt @ 3.5% BF*	\$ 25.34	\$ 25.22	\$ 25.59
Class I Price/cwt	\$ 27.25	\$ 27.45	\$ 27.45
Class II Price/cwt	\$ 25.87	\$ 25.87	\$ 25.87
Class III Price/cwt	\$ 25.21	\$ 25.21	\$ 25.21
Class IV Price/cwt	\$ 24.99	\$ 24.99	\$ 24.99
Component Prices & Test Avg. % aves			
Butterfat/lb.	\$ 3.1056	4.02%	3.98%
Protein/lb.	\$ 3.8696	3.15%	3.23%
Other Solids/lb.	\$ 0.48570	5.80%	5.81%
SCC Adjust Rate/1000	\$ 0.00121		5.79%
Producer Milk Classified %			
Class I	9.50%	25.66%	30.10%
Class II	1.80%	7.79%	10.60%
Class III	83.40%	42.43%	42.60%
Class IV	5.30%	24.12%	16.70%
	100.00%	100.00%	100.00%



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Sign Up for FarmFirst's Webinar on
Federal Marketing Order Reform - Page 5



Don't Wait Until Its Too Late

We are in times of uncertainty, not only in the U.S. but globally. Yet, we have incredible milk price futures, which can take a tumble when we least expect it. Don't wait until its too late - take advantages of this unique pricing opportunity!



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