

MILKLINE

NEWSLETTER

FARM FIRST™
DAIRY COOPERATIVE

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Reflections from World Dairy Expo



For 55 years now, World Dairy Expo has been recognized as where the global dairy industry meets, so it should be no surprise to witness the number and diversity of dairy farmers, scientists, enthusiasts, and entrepreneurs that come together from all across the globe to celebrate dairy.

Since its inception, FarmFirst has always been supportive and incredibly involved with the annual event, from volunteering with school groups, helping commercial exhibitors check in, sponsoring youth judging contests and supporting the National 4-H Dairy Conference. In addition, we have our booth in the tradeshow which gives us a terrific opportunity to connect with members from around the Upper Midwest.

Each year during this celebration Expo attendees have the chance to

learn about the latest developments in technology and genetic advancements and get up to speed on the issues affecting the dairy industry. After a whirlwind week, here are a few of my reflections on this year's Expo and what makes World Dairy Expo so unique.

“Expo brings farmers, artists, business professionals, cattle breeders, mechanics, scientists, economists, and educators together - the same people that the industry relies on for its success.”

Dairy is a Global Community

On my way into the Judging Contests Banquet, I was pleasantly reminded of the global importance of Expo as I followed a group of young adults and what appeared to be their coach who were going to the banquet. I could not understand their conversation but I quickly realized that they were speaking Dutch, and participated as a team from the Netherlands.

Seconds later, as I made my way to the reception, I overheard a family speaking Spanish. I imagined their conversation included what time the cattle shows were to start the next morning.

The judging contests and its banquet take place ahead of the cattle shows and the tradeshow, so it was only fitting that the international aspect of Expo would be so prominent upon the first few minutes of being on the Expo grounds. World Dairy Expo published at the conclusion of this year's event that 1,375 international guests were registered in attendance, representing 86 different countries.

Dairy truly is an international community, and World Dairy Expo helps bring everyone together.

We All Must Work Together to Achieve a Vibrant Future

During the Global Dairy Symposium,

four industry leaders from the United States, Germany, and the Netherlands took to the stage to share their perspectives on all the global dairy industry and the challenges of providing dairy protein to consumers around the world.

Marilyn Hershey, a Pennsylvania dairy farmer and Chair of Dairy Management Inc. discussed the far reaching impact of U.S. Dairy Export Council, its trade missions and their work with U.S. companies to enter into and expand dairy exports.

Sheryl Meshke, Co-President and CEO for Associated Milk Producers Inc., commented on how her Midwest dairy cooperative is addressing issues with respect to securing talent, supply chain issues, being a reliable supplier of specialty cheese for buyers.

Ad Van Velde, a dairy farmer in the Netherlands and President of Global Dairy Farmers, spoke about his own farm and how they are meeting the challenge of farming in...

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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.



CONTACT INFORMATION

BOARD OF DIRECTORS

President: John Rettler
Neosho, Wis. 920-625-3237

Vice-President: Steve Brock
Daggett, Mich. 906-290-1917

Secretary: Kathy Bauer
Faribault, Minn. 507-332-2870

Treasurer: Bob Dietzel
East Dubuque, Ill. 563-543-2368

Young Cooperator Rep: Travis Clark
Eldorado, Wis. 608-516-8789

Wayne Gajewski - Athens, Wis. 715-370-5078

Stephanie Hughes - Pittsville, Wis. 715-307-1520

Richard Meyer - Unity, Wis. 715-223-2058

Dan Vandertie - Brussels, Wis. 920-493-7564

MEMBER SERVICES FIELD STAFF

Bob Hodgson- Dyersville, Iowa. 608-642-2859

Betty Lund - Mondovi, Wis. 715-491-9119

Rick Wolfe - Aniwa, Wis. 715-581-4321

Pat Yeagle - Winslow, Ill. 815-291-4581

Dan Zeleske- Fond du Lac, Wis. 920-323-7079

MILK MARKETING FIELD STAFF

Jeff Bradley - Columbus, Wis. 608-516-3624

Cheryl Zablocki-Wagner - Seymour, Wis. 920-901-2173

MAILING ADDRESS

P.O. Box 14380
Madison, WI 53708-0380

MADISON OFFICE

4001 Nakoosa Trail, Suite 100
Madison, WI 53714
(608) 244-3373

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Reflections from World Dairy Expo

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a highly regulated environment with respect to the European Union's position on climate change and the requirements to implement sustainable farming practices.

The most thought-provoking information came from, Torsten Hemme, a dairy economist from Germany and President of the International Farm Comparison Network. In his presentation on the capabilities of countries to meet worldwide dairy demand, Hemme stated that the U.S. has a comparative advantage over the EU, New Zealand, and Australia. Later, Hemme was asked about the Ukraine war and its effect on the EU. He was greatly concerned that increased energy costs would severely limit growth in the global dairy industry.

I came away from the symposium encouraged that the U.S. has a fantastic opportunity for increased exports provided we have favorable trade policies and have a balance between meeting environmental stewardship goals and dairy farm profitability. FarmFirst will need to continue to be diligent in these and other dairy policy areas.



Alaina, daughter of FarmFirst members Brian and Kristi Dinderman, took to the colored shavings during the Supreme Show with their Grand Champion Guernsey cow, Africa.

It Takes All Kinds of Kinds

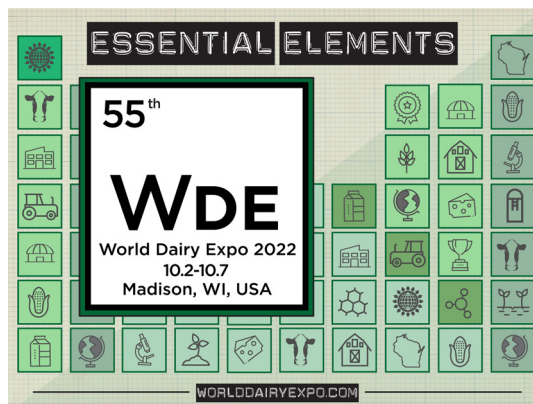
World Dairy Expo would not be possible without the efforts and participation by a diverse array of talented individuals. Expo brings farmers, artists, business professionals, cattle breeders, mechanics, scientists, economists, and educators together - the same people that the industry relies on for its success.

FarmFirst looks forward to World Dairy Expo every year as a fantastic opportunity to reconnect with members, but more importantly to support those that make the industry what it is today: dairy farmers.



FarmFirst is a proud sponsor of several youth judging contests.

Article by Julie Sweney
FarmFirst Dairy Cooperative



Daily Prize Winners
To Receive FarmFirst Apparel:
Jerome Gaul, April Schmeiser,
Austin David and Stacy Limberg

Grand Prize Winners
FarmFirst Embroidered Chair:
Charlie and Kristin Jones

John Deere Model Toy Tractor:
Henry Winnie

Industry Active in Resolving Supply Chain Disruptions



Industry leaders NMPF and USDEC ramped up outreach efforts to Congress and the administration in recent weeks on the need to improve freight transportation services to prevent significant economic difficulties and ensure that American farmers can

continue to feed the world.


In detailed comments to the Federal Maritime Commission (FMC) submitted on Sept. 14, NMPF and USDEC asked the agency to declare the current cargo congestion and inadequate oceans freight transportation service an emergency situation.

The comments emphasized results from a survey of NMPF and USDEC members which noted ongoing problems in export shipping despite the implementation of key provisions of the Ocean Shipping Reform Act this summer. For instance, 65 percent of survey respondents indicated that unreasonable detention and demurrage fees continue to be a challenge; more

than half have had recent experiences with cancelled sailings; and a massive 92 percent responded that they continue to experience cancelled or rolled vessel bookings.

Based on those survey results and additional reports of logistical issues elsewhere, NMPF and USDEC urged the FMC to require ocean carriers and terminal operators to provide to shippers, rail carriers and other parties advanced scheduling, storage and other information that would greatly improve on-time shipping. The Federation encouraged the FMC to update its metrics for determining emergency situations in the future.

Additionally, ahead of a rail labor agreement reported Sept. 15, NMPF met with the administration and signed onto a Sept. 8 letter to Congressional leadership urging federal action if negotiations failed to prevent a lockout or strike. Ensuring that rail access remains available to deliver input supplies to dairy farms and finished products from plant to port has been a critical NMPF priority over the past few months.

NMPF will continue to press Congress and the administration, as well as the private sector, to help address the lingering challenges in the dairy export supply chain. 

Ag Industry Calls on USTR to Reject Produce Petition




NMPF is among two dozen U.S. agricultural industry groups that urged the Biden Administration this week to reject a petition from the produce industry that could imperil our dairy exports to Mexico.

The petition, authored by Florida

Republican Senators Marco Rubio and Rick Scott, asks U.S. Trade Representative Katherine Tai to investigate an alleged “flood” of produce imports from Mexico, which the lawmakers argue is unfair competition for U.S. growers.

Our concern is that starting what's known as a Section 301 investigation could in turn generate a series of retaliatory actions by Mexico that could choke off the exports of many of the American agricultural products we sell there, including dairy foods. Mexico is the number-one market for U.S. dairy exports, and second-largest export destination overall for U.S. agricultural products.

“Merely accepting the petition and starting a 301 investigation could open a Pandora’s box of Mexico opening its own investigation into U.S. exports from all over the United States ... Punitive measures levied against Mexico by the U.S. would likely lead to similar retaliation against our industries, which support more than 22 million jobs and 20 percent of the U.S. economy,” NMPF, USDEC and the other farm groups wrote in a letter to Tai in early October. A previous U.S. government investigation into Mexican fresh produce exports found no basis for U.S. action. 


Supreme Court Hears Arguments About WOTUS Policy

In early October, the U.S. Supreme Court again waded into how federal regulators should define and protect wetlands under the Clean Water Act. During a hearing on the case of Sackett v. EPA, the justices revisited the court’s 2006 ruling, which established the “significant nexus” test of a property’s water streams to determine if that land is covered by the Clean Water Act.

A significant nexus analysis will assess the flow characteristics and functions of the relevant reach of the tributary, in combination with functions collectively performed by all wetlands adjacent to the tributary, to determine if they have more than an insubstantial or speculative effect on the chemical, physical, or biological integrity of traditional navigable waters.

During the arguments, a majority of the nine justices appeared to agree that wetlands adjacent to navigable waters were potentially covered by EPA regulations, but they again questioned how both regulators and landowners could determine the scope of government oversight of private property.

The Biden Administration EPA is currently revising the rules for regulating waterways and wetlands under the Clean Water Act, after the Trump administration EPA rewrote the Obama Administration’s version of the Waters of the U.S. regulation. The Supreme Court’s decision is expected to be issued next spring.

FarmFirst continues to advocate for common sense approach when it comes to maintaining healthy waterways as it impacts farmers. 

DMC Returns to Payments in August, Sign Up Coming Soon



UNITED STATES DEPARTMENT OF AGRICULTURE • FARM SERVICE AGENCY

margins in August under the federal Dairy Margin Coverage Program to levels that are triggering payments for the first time this year.

The August Dairy Margin Coverage margin was \$8.08/cwt, down \$1.84/cwt from July's margin and generating a payment of \$1.42/cwt for Tier 1 coverage at \$9.50/cwt under DMC, the main federal payment program for dairy producers. The August U.S. average all-milk prices of \$24.30/cwt was \$1.40/cwt lower than the previous month; meanwhile, the DMC feed cost rose \$0.44/cwt from the previous month to \$16.22/cwt.

August's milk-price drop was the third consecutive month after a streak of record high U.S. average milk prices that ended in May. Feed costs, meanwhile, reached a second straight monthly record in August. The three cost components of the feed formula have all generally contributed to its steady rise during the past ten months, but the price of corn was the main driver this spring, while soybean meal and premium

Falling milk prices and rising feed costs pushed

alfalfa hay prices have taken over this lead role during the past two months.

Available forecasts currently indicate that small margin coverage payments may be generated for \$9.50/cwt coverage during the remaining months of 2022. 17,776 dairy operations are currently enrolled in the Dairy Margin Coverage program. The decline in margins to payment-trigger levels, unexpected earlier in the year, underscores the affordability and value of DMC. The August payment alone would cover about three-quarters of the single-year annual premium for \$9.50 Tier I coverage for an enrolled operation.

2023 DMC Sign Up Coming Soon

The Dairy Margin Coverage program is an essential part of any dairy risk management program. Being incredibly affordable, it's an obvious choice to enroll year after year. However, the USDA reports that only 72.5% of operations with established production history enrolled in the program for 2022.

While milk futures might look promising, nothing can prepare us for the future reality of how the dairy markets actually play out. No matter how hard market analysts and economists work, they still haven't figured out how to use a crystal ball. Stay tuned for the 2023 Dairy Margin Coverage sign up period so you don't miss out on having this valuable program as a part of your risk management plan for the year ahead. 🇺🇸

Part Two of Your Risk Management Plan: LGM-Dairy

The Dairy Margin Coverage (DMC) program is must for any dairy risk management plan, along with the Livestock Gross Margin Dairy (LGM-Dairy) program. However, many farmers shy away from LGM because it seems like another cost on dairy farmers that doesn't deliver.

Farmers who participate would tell you the exact opposite.

LGM-Dairy has a proven track record of being an affordable option for dairy farmers that provides indemnities during low milk prices. There is no denying that the premiums can seem significant, however, dairy farmers who remain committed to their strategy regardless of forecasted market outlooks reap the greatest reward.

As an example, a dairy farmer in central Wisconsin had paid a premium of more than \$140,000 over the span of 35 months. Just shy of three years, he made a confident decision referencing the historical market information we provided him, and never looked back. It would have been easy to have questioned his decision, but at the end of those 35 months, not only did he earn enough in indemnities to make up for the premium cost but also to pocket \$60,000 during low milk prices.

The financial return on his decision was 33%.

And this type of outcome is very common for dairy farmers that remain dedicated and follow through with their marketing plan. So the only question remains... What's holding you back?



Insuring the Future of Farming.

FarmFirst has partnered with ARM Services LLC to provide resources and expertise on dairy risk management. Whether you are wrapping your head around risk management for the first



time or asking questions about a new strategy, we are confident that ARM Services can answer your questions and build a plan that works to meet your goals. 🇺🇸

**Call Travis Glaser at
ARM Services:
715-456-5607**

Make Your Reservations to Attend a District Appreciation Dinner Near You!

FarmFirst Dairy Cooperative is preparing for its 2022 District Appreciation Dinners taking place this fall. Join other FarmFirst members at an appreciation dinner near you to learn more about your cooperative, industry programs and the advocacy being done on your behalf on federal legislative and regulatory issues.

There will be ample time for questions with board members and staff. Registration for the noon meetings begins at 11:30 a.m., with registration starting at 7:00 p.m. for the 7:30 p.m. meetings.

Please take time to attend a District Appreciation Dinner near you to learn what FarmFirst is doing for all FarmFirst members across its seven-state membership region. Elections for delegates, D&R committee members and board of directors will be taking place.

Members are welcome to attend any

Date	Time	Location
Monday, November 14, 2022	Noon	The Phoenix Center, Richland Center, Wis.
Wednesday, November 16, 2022	Noon	Moose Lodge, Monroe, Wis.
Thursday, November 17, 2022	Noon	Rib River Ball Room, Marathon, Wis.
Monday, November 21, 2022	Noon	Dinger's D'Lites, Farley, Iowa.
Tuesday, November 29, 2022	7:30 p.m.	Iron Ridge Inn, Iron Ridge, Wis.
Wednesday, November 30, 2022	Noon	The American Legion, Greenwood, Wis.
Thursday, December 1, 2022	Noon	Pizza Ranch, Marshfield, Wis.
Monday, December 5, 2022	7:30 p.m.	Village Haus, Boyd, Wis.
Tuesday, December 6, 2022	Noon	Pizza Ranch, Fond du Lac, Wis.
Wednesday, December 7, 2022	Noon	Pooch Corner Pub, Freeport, Minn.
Wednesday, December 7, 2022	Noon	Fox Valley Quality Control Lab, Kaukauna, Wis.
Wednesday, December 7, 2022	7:30 p.m.	Pizza Ranch, Pipestone, Minn.
Thursday, December 8, 2022	Noon	Belgiumtown Restaurant, Stephenson, Mich.
Thursday, December 8, 2022	Noon	Pizza Ranch, Brookings, S.D.
Friday, December 9, 2022	Noon	J&J BBQ, Nelson, Wis.



meeting that best fits their schedule! Make your reservation by calling 608-286-1906 or going online to FarmFirst's website. For those of you that cannot attend, election ballots will be available by request or online. 🗳️

Make Your Dinner Reservation from Your Phone!

Never scanned a QR code before? Its easy! Simply open your camera app on your smartphone, and hold your phone in front of the code to the right as if you were taking a photo of it. A website link should pop up on your phone, and lead you to the District Appreciation Dinner reservation website - its that easy!

Wozniak Retires From Dairy Farming, Board

District 8 Director Brian Wozniak and his wife Cindy made the tough decision to retire from dairy farming this past summer. Joining the cooperative in 1989, Brian took on his leadership role in 2014 to represent the Wisconsin counties of Chippewa, Eau Claire, Jackson, La Crosse, Monroe, Taylor and Trempealeau.

Brian is the third generation dairy farmer, as his grandfather Joseph Wozniak came from Poland and eventually began dairy farming in the early 1900's in Stanley, Wis.

Dairy farming has always been a source

of pride for Brian, as he has been a strong advocate for farm policies that he believed would support dairy farmers and exuded pride for his family and their involvement on the farm.

During his tenure on the board, Brian was particularly focused on Farm Bill discussions, advocating for changes that would more accurately meet the needs of today's dairy farmers. Brian also has been an advocate for the youngest generation on the farm to become more involved in the cooperative.

Brian's grandfather started the farmstead

more than 100 years ago as a dairy farm, and Brian is grateful for his life experience of being a dairy farmer.

FarmFirst would like to thank Brian for his years of dedicated service to the cooperative and its members as a director on the board. Thank you, Brian! 🗳️



Brian Wozniak retired from dairy farming this past summer.

AUGUST 2022

	UPPER MIDWEST	CENTRAL	MIDEAST
Order Name and Number	Order 30	Order 32	Order 33
Producer Milk (lbs.)	2,896,314,982	1,312,143,997	1,301,135,028
Producer Price Differential @ base zone	\$ 0.50	\$ 2.72	\$ 3.23
Statistical Uniform Price/cwt @ 3.5% BF*	\$ 20.60	\$ 22.82	\$ 23.33
Class I Price/cwt	\$ 26.93	\$ 27.13	\$ 27.13
Class II Price/cwt	\$ 26.91	\$ 26.91	\$ 26.91
Class III Price/cwt	\$ 20.10	\$ 20.10	\$ 20.10
Class IV Price/cwt	\$ 24.81	\$ 24.81	\$ 24.81
Component Prices & Test Avg. % aves			
Butterfat/lb.	\$ 3.4001	3.96%	3.87%
Protein/lb.	\$ 2.1417	3.11%	3.13%
Other Solids/lb.	\$ 0.31460	5.80%	5.79%
SCC Adjust Rate/1000	\$ 0.00099		
Producer Milk Classified %			
Class I	5.80%	28.05%	38.90%
Class II	1.00%	7.11%	8.30%
Class III	92.70%	54.29%	51.30%
Class IV	0.50%	10.55%	1.50%
	100.00%	100.00%	100.00%



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October is National Coop Month

You're Invited!

Attend a District Member Appreciation Dinner

Enjoy a great meal with other members at an appreciation dinner near you. Come to learn more about the cooperative's membership programs, as well as celebrate the past year's accomplishments. Ballots will also be at each meeting for you to cast your vote on future cooperative leaders!

Make Your Reservations Today!

Reservations are due a week prior to each district meeting. Call 608-286-1906 or visit www.FarmFirstDairyCooperative.com. A full list of meeting locations can be found on page 5.