

MILKLINE

NEWSLETTER



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Young Cooperators - Back in Action



Dairy farming has undergone significant transformations, driven by technological advancements and innovative management practices. Today's young producers bring not only new methods but also a fresh perspective that is reshaping the industry.

FarmFirst is fully committed to fostering opportunities for these young producers to enhance their skills as farm managers, network with other producers, and grasp the full value of the cooperative's advocacy efforts, programs, and services. This is the purpose of our Young Cooperator Program.

Since we were formed in 2013, FarmFirst Dairy Cooperative has had a Young Cooperator program. When Covid 19 hit, our Young Cooperator programming and activities were

brought to a halt. We have been working in recent months to build this program back up and give it a fresh start. We recently held a bowling event in Cadott, Wisconsin to bring young producers together to discuss their ideas for what they would like to see from this program. We also have five Young Cooperator events coming up throughout Wisconsin.

On February 29th, we are hosting an event at the Knowlton House Distillery in Mosinee, Wisconsin. There will be a guided tour of the distillery as well as a tasting, where the intricate process of crafting spirits from pure milk sugar will be explained. There will also be a guest speaker from Nicolet National Bank to give insight into current trends in ag lending.

Our event on March 20th will be held at the University of Wisconsin-Platteville Pioneer Farm in Platteville, Wisconsin. Here we will take a tour of the updated robot facilities at the farm and will also learn about the research projects being funded through the Dairy Innovation Hub.

On March 21st, we will be at the Food + Farm Exploration Center in Plover, Wisconsin. This event will showcase the center's journey in creating a space for all to enjoy and gain a renewed perspective on food and the people who grow it. This event will be family friendly, and you are invited to bring your children to experience the fun and educational experience that the Food

+ Farm Exploration Center offers. We will also hear about ag lending trends from a guest speaker from Nicolet National Bank.

Hoard's Dairyman Farm will be welcoming Young Cooperators for a guided tour on April 3rd in Fort Atkinson, Wisconsin, where one of the editors from Hoard's Dairyman Magazine will discuss their latest projects. We will also hear about ag lending from a guest speaker from Lake Ridge Bank.

Our last scheduled event for the spring will be held on April 18th at American Foods Group, LLC in Green Bay, Wisconsin. This event will allow attendees to experience the workings of a meat processing plant to gain valuable insights into achieving the common goal of delivering a quality product to consumers.

We are excited about these Young Cooperator events because they not only provide educational opportunities, but also a means to connect and network with other producers in our cooperative. For more information or to RSVP, please contact Member Service Representatives, Abby Walker, or Barb Grzywinski.

While our focus is on local and regional events, a highlight of the Young Cooperator program is the opportunity for members to attend the NMPF Young Cooperator Dairy Policy & Legislative Forum held annually 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.

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Upcoming Cooperative Events

**YOUNG COOPERATOR
UPCOMING EVENTS**

**FEBRUARY
29**

1:00 PM

**Knowlton House Distillery -
Mosinee, WI**
Distillery Tour and Tasting, Guest Speaker
from Nicolet National Bank.

**MARCH
20**

10:30 AM

UWP Pioneer Farm - Platteville, WI
Tour the Pioneer Farm robot facilities and
learn about research projects being funded
through the Dairy Innovation Hub.

**MARCH
21**

10:30 AM

**Food + Farm Exploration Center -
Plover, WI**
Tour of facility and educational fun for all
ages! Guest speaker from Nicolet National
Bank.

**APRIL
3**

10:30 AM

**Hoard's Dairyman Farm -
Fort Atkinson, WI**
Guided Tour of and Information on Hoard's
Farm. Guest speaker from Lake Ridge Bank.

**APRIL
18**

9:30 AM

**American Foods Group LLC -
Green Bay, WI**
Tour the meat processing plant and gain
insight on the common goal of delivering a
quality product to consumers.



For More Information and to RSVP:

Abby Walker - 920-373-3513
Barb Grzywinski - 920-901-6346

Upcoming Trade Shows

Eau Claire Farm Show: March 5-6, 2024, Eau Claire, WI

PDPW Business Conference: March 13-14, 2023, Wisconsin Dells, WI

Central Plains Dairy Expo: March 19-21, 2024, Sioux Falls, SD

WPS Farm Show: March 26-28, 2024, Oshkosh, WI

WI Farm Technology Days: August 13-15, 2024, Cadott, WI

World Dairy Expo: October 1-4, 2024, Madison, WI

DMC Sign-Up Delay

In a notice to USDA Farm Service Agency (FSA) state and county offices, Jan. 22, John Berge, acting deputy administrator for farm programs, said Dairy Margin Coverage (DMC) program software updates will be announced tentatively in February or March. The new software is necessary to make milk production history modifications for the 2024 DMC coverage period.

Signed into law in November, the "Further Continuing Appropriations and Other Extensions Act, 2024" extended the DMC program through the end of 2024. As part of that extension, it also incorporated milk production history enrolled in the Supplemental DMC program.


For 2023 and prior year DMC production history changes, county FSA offices may continue to approve and access the DMC software to process these production history changes that occurred prior to Jan. 1, 2024. However, combining the two under the 2024 DMC program required software updates. Until the 2024 coverage election period starts, production history modifications (transfers, successions in interest and dissolutions) that occurred after Dec. 31, 2023, cannot be

loaded in the DMC software, delaying enrollment.

While there has been some urgency expressed regarding a 2024 DMC enrollment period, there is still time, and once DMC sign-up opens for 2024, producers will be able to obtain coverage retroactively for the full year.

The December 2023 margin and potential indemnity payments are not calculated and announced until Jan. 31. Looking ahead to 2024, the January 2024 DMC margin will not be calculated until Feb. 29.

As of Jan. 19, the DMC decision tool forecasts a December DMC margin of \$8.88 per hundredweight (cwt), triggering indemnity payments for producers enrolled at the \$9 and \$9.50 per cwt coverage levels.

Early 2024 decision tool projections estimate monthly DMC margins for the first quarter of the year will trigger Tier I indemnity payments: January - \$8.73 per cwt, February - \$8.98 per cwt and March - \$9.41 per cwt. 

Milk Hauling Bill Passes Wisconsin Assembly


On January 25th, the Wisconsin Assembly passed Senate Bill 431, authored by Representative Tony Kurtz (R-Wonewoc) and Senator Joan Ballweg (R-Markesan). The bill now heads to Governor Tony Evers' desk.

This bill allows for increased weight limitations for liquid milk byproducts including whey and whey byproducts by up to 18,000 pounds, subject to a maximum weight of 98,000 pounds. Under the substitute amendment, the increased weight limitations do not apply on any highway that is part of the national system of interstate and defense highways.

The substitute amendment also allows DOT to suspend a fluid milk

permit for six months if the person operating under the permit does any of the following:

- Violates any weight limitation specified in the permit more than two times during the valid period of the permit.
- Violates any weight limitation specified in the permit by exceeding the weight limitation by 10,000 or more pounds.

This legislation will help to address the shortage of CDL drivers in Wisconsin and will improve the efficiency of getting dairy products to market. 



Do you have a child that will be attending a University, Technical College or Short Course this year? Students must be the child of a FarmFirst member to qualify. Our scholarship application is on our website at

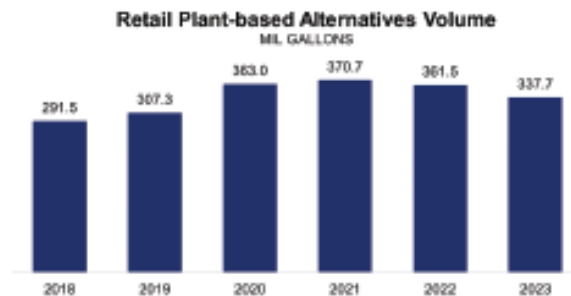
www.FarmFirstDairyCooperative.com. Deadline for applications is March 31, 2024

Milk's Lead Rises as Plant-Based Beverages Sink

The final numbers are in, and they confirm what we've anticipated all year. In 2023, consumers emphatically turned away from plant-based beverages at an accelerating rate that caused the category to lose market share to milk, where whole milk and lactose-free varieties are thriving and surpassing their competitors.

The numbers give even more reason to put a stake in all that overprocessed hype - and to push even harder for integrity in labeling beverages that are being abandoned by consumers tired of inferior alternatives to dairy.

With full year data now available from Circana Inc., which tracks grocery-store spending, plant-based beverage consumption in 2023 fell 6.6 percent to 337.7 million gallons. It's the second straight year of declines and the lowest consumption since 2019.



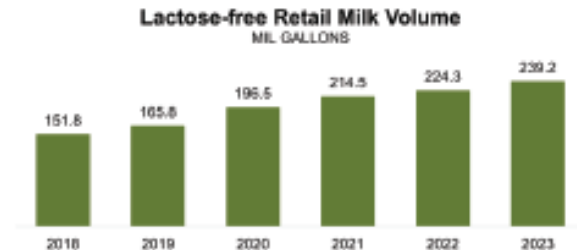
Sales volumes for almond drinks, the biggest plant-based category, fell 10 percent, and the soy beverages that vegan activists weirdly want in school lunches declined 8 percent. Even the once-Next-Big-Thing, oats, only rose 1.4 percent last year.

Sorry, Oatly - the froth has left your latte, and all that's left is the drain.

Meanwhile, fluid milk - the real kind - keeps chugging away. To be fair, like plant-based, its consumption also declined, and like plant-based, its sales volume number starts with a 3. However, that 3.137 is followed by the word billion - not million, which is where plant-based is stuck - and the drop was 2.7 percent, less than half the rate of decline for plant-based beverages. That means fluid milk last year lengthened its lead over plant-based. In 2022, fluid milk had 89.9 percent of the

pie. In 2023, it rose to 90.3 percent.

Beyond the overall number, fluid milk had more good news. Sales of whole milk, the most popular variety (and the one we



need back in schools), rose last year, and lactose-free milk - the one tailor-made for people with dairy sensitivities - jumped 6.7 percent to 239.2 million gallons. With that, lactose-free milk surpassed almonds; it's now a bigger category on its own than any plant-based alternative.

(You'll hear a lot about that in the next year. We'll make certain of it.)

The idea that milk was losing market share because consumers were turning to plant-based alternatives was always off-base. Now, it's just a lie. And the decline of plant-based beverage isn't likely to be an aberration: Once the initial hype is gone, and the sustainability claims are debunked, and the nutrition fallacies are exposed, what, exactly, does over-processed sugar water have going for it?

Oh, right, their misleading labels. 



Alan Bjerga is the Executive Vice President, Communications and Industry Relations for National Milk Producers Federation. This article originally appeared in NMPF's Dairy Defined weekly feature.



Global Demand for Cheese Continues to Climb

People can't get enough cheese, regardless of what continent they live on. Cheese has long been a staple in many countries' cuisine, and in those cultures where cheese has more recently been introduced, demand continues to rise. "Global cheese demand just keeps climbing," said Sarina Sharp, analyst with the Daily Dairy Report.

According to USDA's semi-annual Dairy: World Markets and Trade report, global cheese consumption is projected to reach a new record high of 21.6 million metric tons, or 47.7 billion pounds, this year. Compared to 2023, global cheese consumption is up 1.2% and compared to 2019, it's up 5.7%.

"Global cheese production is rising even faster than demand, and the United States is the major contributor to the surplus," Sharp noted. USDA expects that U.S. cheese production will be 9.8% greater in 2024 than it was in 2019, outpacing growth in domestic consumption, which is likely to rise 8.3%. During the same period, foreign cheese output is projected to grow 4.2%, which will not keep pace with the expected 4.6% increase in foreign cheese consumption."

Sharp's math makes it clear that the U.S. cheese industry will continue to depend on exports, but she quickly adds that the news on going forward is positive. USDA expects that each of the world's major cheese importers will import at least as much cheese this year as they did in 2023.

"However, slower economic growth and waning populations have softened demand in key Asian markets. Although Japan and South Korea are likely to import more cheese this year than

they did in 2023, their imports are expected to still fall short of 2020, 2021, and 2022 volumes," Sharp said. "Somewhat softer demand from these markets will likely be offset by record-setting imports from Mexico and China and record-tying purchases from Russia, the world's second-largest market for imported cheese."

USDA expects U.S. cheese exports to climb 7.6% this year to a record high. In late 2023, U.S. cheese prices declined even as values climbed in Europe and Oceania. That price gap will likely provide U.S. exporters with some new business in the first half of 2024.



Young Cooperators - Back in Action


Continued from page 1



Washington D.C. This leadership program is a unique platform that combines discussions on political engagement and dairy policy issues with training on effective advocacy for the dairy sector. Attendees have the invaluable experience of visiting Capitol Hill to engage with members of Congress and their staff, advocating for issues that directly impact the dairy industry.

Nathan Wiese, Rosendale, Wisconsin, a Young Cooperator,

and our Young Cooperator Board Representative shared a bit about his experience with the YC Program. "I didn't expect to find learning about dairy policy to be something that would pique my interest. Thanks to FarmFirst's Young Cooperator Program, I had the opportunity to attend the Dairy Policy & Legislative Forum in Washington D.C. There, I delved into the issues affecting the dairy industry and met with senators and congressmen," said Wiese. "Now, I feel much more confident speaking about policies that directly and indirectly affect our farm. It is empowering to know what can be done to make positive changes for the industry as we move forward."

FarmFirst Dairy Cooperative is committed to empowering young producers not only ensures the industry's resilience but will create a community of leaders actively shaping the future of dairy farming. Through our Young Cooperator Program, FarmFirst aims to develop the next generation of cooperative leaders through leadership, education, and networking. 

Article by Sarah Sarbacher, Director of Communications and Marketing for FarmFirst Dairy Cooperative

DECEMBER 2023

	UPPER MIDWEST	CENTRAL	MIDEAST
Order Name and Number	Order 30	Order 32	Order 33
Producer Milk (lbs.)	2,688,126,098	1,277,821,535	1,356,835,658
Producer Price Differential @ base zone	\$ 0.36	\$ 1.75	\$ 2.16
Statistical Uniform Price/cwt @ 3.5% BF*	\$ 16.40	\$ 17.79	\$ 18.20
Class I Price/cwt	\$ 21.56	\$ 21.76	\$ 21.76
Class II Price/cwt	\$ 19.88	\$ 19.88	\$ 19.88
Class III Price/cwt	\$ 16.04	\$ 16.04	\$ 16.04
Class IV Price/cwt	\$ 19.23	\$ 19.23	\$ 19.23
Component Prices & Test Avg. % avcs			
Butterfat/lb.	\$ 2.9778 4.36%	4.34%	4.25%
Protein/lb.	\$ 1.4499 3.34%	3.41%	3.30%
Other Solids/lb.	\$ 0.2242 5.77%	5.79%	5.78%
SCC Adjust Rate/1000	\$ 0.00081		
Producer Milk Classified %			
Class I	6.10%	29.22%	40.46%
Class II	0.90%	5.69%	7.09%
Class III	92.40%	52.28%	50.53%
Class IV	0.60%	12.81%	1.92%
	100.00%	100.00%	100.00%



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Join Us for
**Happy
Hour**



Tuesday, March 19
4:30 – 7:00 p.m.
Denny Sanford Center
Hospitality Rooms 6 & 7

Enjoy a casual atmosphere with drinks and appetizers along with good camaraderie leading up to Tuesday's entertainment at 7 p.m.

Members will receive FarmFirst apparel.