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CONTACTS:

Christopher Galen, NMPF: (703) 243-6111 Mark O'Keefe, USDEC: (703) 528-3049

NMPF, USDEC Organize Dairy Fly-In on Capitol Hill to Build Support for Trade with Canada, Mexico

WASHINGTON, D.C. – U.S. dairy leaders from across the country visited Washington, D.C., this week to urge Congress and Trump Administration officials to hold Canada accountable for its trade violations and hasten the repeal of Canada's controversial new dairy pricing system.

During a fly-in rally organized Tuesday and Wednesday by the National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC), more than 40 farmers and dairy company executives fanned out on Capitol Hill to discuss the importance of trade across North America. The



House Speaker Paul Ryan (center) meets with dairy industry executives during the fly-in event on Capitol Hill.

group emphasized that trade opportunities both north and south of the U.S. are crucial to America's dairy sector. In addition to speaking to elected officials, the members of the dairy coalition also met with Agriculture Secretary Sonny Perdue, Acting U.S. Trade Representative Stephen Vaughn and White House agriculture advisor Ray Starling.

"Canada's new Class 7 milk pricing scheme unfairly undercuts U.S. dairy exports to Canada and around the world. This is an economic dagger pointed at every farmer in the United States, not just those from a few states," said Jim Mulhern, President and CEO of NMPF. "We also were clear that the income of thousands of dairy farmers depends on the valuable partnership that we have with Mexico, our largest export market."

NMPF and USDEC member cooperative and company leaders explained to lawmakers how they have lost sales to Canada and expressed fears of the consequences of Canada dumping its milk excess onto global markets at prices far below their domestic price – in violation of Canada's trade agreement concessions.

Dairy leaders emphasized that U.S. dairy exports create jobs across the nation, and distributed fact sheets quantifying the economic impact <u>nationally</u> and <u>state by state</u>.

USDEC Senior Vice President Jaime Castaneda said that U.S. dairy groups "have repeatedly stressed that trade has become an integral part of the U.S. dairy industry and we must expand markets and fight to keep those that we have today. We should hold countries accountable when they break the rules."

NMPF Board member Leroy Plagerman, a farmer from Lynden, Washington, and member of Darigold, said that farmers in his region "are the closest to growing Asian export markets and we rely heavily on our ability to reach those customers – and so we feel very threatened by what Canada is doing."

Whittemore, Michigan, farmer Rod Daniels, representing the Michigan Milk Producers Association said that "Michigan is producing more milk and we need more export markets. Canada's repeated efforts to bend or break the trade rules to which it has agreed, makes things worse for dairy farmers in Michigan and across the country. Canada should know that we will continue to sound the alarm about the new pricing policy."

Legislators and dairy industry members also discussed the future of the North American Free Trade Agreement (NAFTA). Lake Mills, Wisconsin, dairy farmer Charles Untz, representing Dairy Farmers of America, said that as negotiations over the pact continue, "it is critical to preserve the strong and stable trade relationship the U.S. dairy industry enjoys with Mexico. Wisconsin's dairy sector, like so much of the rest of the country's, needs to continue building on our export business and Mexico is a big part of that equation."

Twenty-seven dairy representatives from outside D.C. attended meetings with various members of the House and Senate, including House Speaker Paul Ryan (R-WI), along with the Republican and Democratic leaders of the Senate and House Agriculture Committees, the House Ways and Means Committee, and the Senate Finance Committee. In addition to NMPF and USDEC, executives from the International Dairy Foods Association and the National Association of State Departments of Agriculture also participated in the meetings.

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The National Milk Producers Federation (NMPF), based in Arlington, Va., develops and carries out policies that advance the well-being of U.S. dairy producers and the cooperatives they collectively own. The members of NMPF's cooperatives produce the majority of the U.S, milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit www.nmpf.org.

The U.S. Dairy Export Council (USDEC) is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe.