

Activities & Accomplishments Report 2008

"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

Inside this issue:

Economic Policy & Milk Pricing	2
Cooperatives Working Together	3
Legislative Achievements	4
Trade Policy	5
Protecting Animal Health & Food Safety	6
Environmental Policy	8
Young Cooperators	9
Annual Meeting	10
Membership	11

2008 was a year of significant transition, both politically inside Washington, as well as within the leadership of NMPF. Our Chairman of the past five years, Charles Beckendorf of Texas, retired, and in his place, Randy Mooney of Missouri was elected. The composition of our leadership at the officer level also changed, with the election of two general managers of cooperatives, Dave Fuhrmann and Mike McCloskey, who joined our six other producer officers.

It was also certainly a year of dramatic transition economically, as we saw our global economy in turmoil, resulting in

reduced domestic and international demand for dairy products and much lower prices at year's end. It was a year where input costs severely eroded margins at the farm, jeopardizing the financial health of farms across our membership.

Despite these challenges, I'm confident that NMPF is positioned to achieve positive outcomes for dairy farmers and their cooperatives in the coming year, just as we did in 2008. I think many farmers may be surprised by the breadth of issues that we successfully tackled in last year at NMPF, and by the objectives we've accomplished.

However, more work lies ahead. We have rolled up our sleeves and are once again committed to tackling a myriad of issues on behalf of our membership.



*Jerry Kozak
President/CEO
National Milk Producers
Federation*

Important Dates for 2009

Board of Directors Meeting
The Ritz-Carlton Hotel—Arlington, VA
March 9-10, 2009

CWT Committee Meeting
The Westin Hotel—Alexandria, VA
June 9, 2009

Board of Directors & YC Meeting
The Westin Hotel—Alexandria, VA
June 9-10, 2009

CWT Committee Meeting
Gaylord Texan—Grapevine, TX
November 9, 2009

Annual Meeting
Gaylord Texan—Grapevine, TX
November 10-12, 2009

At Long Last – Delivering a New Farm Bill

NMPF's hard work and close cooperation with its member cooperatives successfully paid off in 2008, when Congress finally passed a new Farm Bill over several vetoes by President Bush. The bill reflected the dairy industry's key priorities, developed back in 2006 through the Dairy Producer Conclave process.

Although USDA is still in the process of implementing some parts of the bill, the measure has already proved its importance to dairy producers, as it will again in the coming year. A few key elements are worth focusing on:

- **Price Floor for Commodities** – Although some doubted the Dairy Product Price Support Program would be of any use, swift drops in dairy prices at the end of 2008 led to powder and butter sales under the revised DPPSP. Given expectations of a worsening dairy demand/supply imbalance and global economic crisis in 2009, the pursuit of a basic safety net for producers in this difficult time proves to have been a good decision.
- **Commodity Credit Corporation Sell-Back Floor** – The Farm Bill permits USDA to sell CCC stocks of dairy products, but only at a price 10%

higher than that paid for the product. In late 2008, NMPF successfully challenged in court USDA's plans to hold a third-party auction of NFDM stocks, even though such sales could have violated the Farm Bill's mandatory minimum price sell-back requirements.

- **Milk Income Loss Contract Program Payments** – Although the MILC payments do not provide all producers the same safety net, they do play an important role for many farmers. A key element of the new MILC pursued by NMPF was a feed adjuster. NMPF successfully included in the Farm Bill an index,

and hay, that will boost MILC payments when feed prices are high, as they were during much of last year.

- **Environmental and Energy-Related Funding** – The additional funds NMPF obtained for these types of programs in the 2008 Farm Bill will prove to be key in the coming year of low prices, as all additional income streams will be needed. One of notable importance to a great number of producers is the Environmental Quality Incentives Program, which many dairy producers throughout the country rely upon to help address compliance costs with environmental regulations.

NMPF Offers Hands-On Education of Key Congressional Leaders

NMPF's Congressional Education Program (C.E.P.), which recognizes "Champions of Balanced Trade," has proved to be an excellent outreach tool to increase awareness of the significance of fair trade to the U.S. dairy industry. Held in conjunction with the U.S. Dairy Export Council at meetings around the country, these events bring together constituents with



Then-Senate candidate Johanns speaks to the crowd at the Nebraska Policy Forum in August 2008.

their Representative or Senator to help drive home the need for balanced trade, and bring recognition to those in Congress that truly understand its importance.

Last year, NMPF and USDEC organized C.E.P. events that featured Congressman Dave Camp of Michigan, Senator Norm Coleman of Minnesota, and Senator Mike Johanns of Nebraska. Rep. Camp has just recently been named Ranking Member of the House Ways and Means

Committee, which handles trade issues. Sen. Coleman remains in a tightly contested race, but has been a firm champion of the dairy industry and the importance of balanced trade in his six years in office. Senator Johanns is starting a new six-year term, having previously served as U.S. Secretary of Agriculture. He will serve on the Agriculture Committee in the Senate, where his understanding of the complex challenges facing our industry will be useful for dairy farmers.

Seeking Solutions to Federal Order Pricing Questions

NMPF's Federal Order Task Force continued its efforts last year to develop a more effective pricing plan for the entire dairy industry. Even while that goal proved to be elusive, the Task Force's recommendations to streamline Federal Order hearings, and set firm dead-

lines for decisions by USDA, were incorporated in the 2008 Farm Bill and implemented by USDA in August. NMPF also developed a plan to reform the regulation of producer-handlers under Federal Orders, and will submit this to USDA in early 2009.

Offering Insightful Economic Analysis

NMPF's economic staff offers unparalleled insight into the direction of all of the trends affecting milk prices. This analysis is critical to the effective execution of CWT's Herd Retirement and Export Assistance programs, as it affects both the timing of cow removals, and the size of export bonuses.

NMPF publishes a comprehensive monthly analysis of production, utilization and sales of all milk and dairy products, the *Dairy Market Situation and Outlook*, under contract with Dairy Management, Inc. NMPF also offers weekly predictions on the size of MILC payments. Both resources can be found in the *Milk Pricing* section of NMPF's website.

The NMPF staff also provides economic services for the American Butter Institute and the National Ice Cream Mix Association under NMPF's management contracts with these organizations.

CWT in 2008: Setting Records in Both Its Programs



Last year proved to be the busiest in CWT's six-year history, as CWT conducted two herd retirements, in August, and later in December, even as it also assisted members in exporting a record level of dairy products. CWT's two-pronged efforts, combined with previous herd retirements, added 76 cents per hundredweight to dairy farmers' milk checks in 2008, accord-

ing to a detailed independent analysis by Dr. Scott Brown, University of Missouri and Food and Agriculture Policy Research Institute (FAPRI) economist.

CWT's first 2008 herd retirement removed just under 25,000 cows that would have produced 431 million pounds of milk. The second, underway as 2008 came to a close, will end up removing

more than 50,000 cows and one billion pounds of annual milk production. The impact of CWT's herd retirement programs are cumulative, reducing cow numbers and boosting prices in future years, as well as positively impacting dairy farmer milk checks immediately.

In 2008, operating under its Strategic Business Plan that aims products at targeted

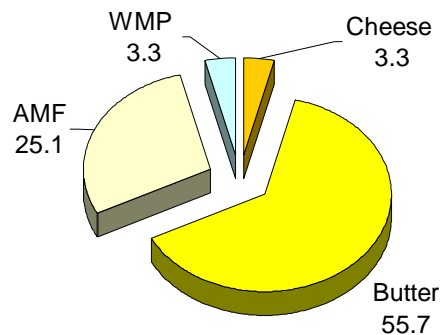
markets, CWT helped its member cooperatives make export sales of 87.3 million pounds of cheese, butter, anhydrous milk fat and whole milk powder to 36 countries on four continents. These exports removed the equivalent of two billion pounds of milk from the U.S. marketplace.

Totals for 2008 Herd Retirements 1 & 2

Region	Milk Lbs. (Millions)	Farms	Cows	Bred Heifers
Northeast	98.3	51	5,071	42
Southeast	129.8	63	7,737	230
Midwest	130.7	122	7,139	69
Southwest	389.2	75	22,702	677
West	659.7	76	32,566	477
Total	1,407.7	387	75,215	1,495

2008 CWT Assisted Exports

- Milk Equivalent = 2.0 billion pounds
- Fund Committed = \$30.0 million



(Million pounds, YTD 12/29/08)

Effect of the CWT Program on the U.S. All Milk Price

Year	2003	2004	2005	2006	2007	2008 *
U.S. All Milk Price	\$12.55	\$16.13	\$15.19	\$12.90	\$19.13	\$19.08
CWT Herd Retirement Impact	\$0.05	\$0.16	\$0.44	\$0.55	\$0.62	\$0.57
CWT Export Assistance Impact	NA	\$0.01	\$0.01	\$0.09	\$0.16	\$0.19
TOTAL CWT Impact	\$0.05	\$0.17	\$0.45	\$0.64	\$0.77	\$0.76

* Only includes 2008 CWT export assistance as of 11/21/2008

Pushing for Immigration Reform

Immigration reform remained a key priority for NMPF in 2008. One significant step taken in 2008 was the formation of the NMPF Immigration Task Force. The task force has been instrumental to the development of NMPF's grass roots efforts, pursuing information through an economic study and providing constant input to NMPF's staff on immigration issues around the country. The task force met on a monthly basis to ensure that members were up to speed on the current climate of immigration policy and to make sure that the dairy industry would be ready to move forward if the opportunity presented itself.

As a result of the task force meetings, NMPF connected with the Department of Labor to examine how dairy could be included in the H-2A program for seasonal workers. NMPF also retained an immigration lawyer to better inform NMPF members about regulation that would impact the dairy industry.

The Bush administration continued to move forward on enforcement measures in 2008. It is-

sued a rule which required the use of E-Verify for anyone with a federal government contract. Due to a coordinated effort of comments and discussions with the Bush administration, the dairy industry was excluded from this restrictive rule.

The Department of Labor also went through an overhaul of the H-2A visa system. Even with numerous comments from NMPF members, the new rule did not include dairy workers in the H-2A program. NMPF staff will continue to lobby for comprehensive immigration reform that addresses our members' foreign labor issues.

In Congress, Rep. John McHugh (R-NY) introduced the Dairy and Sheep H-2A Visa En-



Rep. McHugh introduced the Dairy and Sheep H-2A Visa Enhancement Act to the House of Representatives.

hancement Act of 2008 last year. That bill would have given dairy workers



Sen. Feinstein worked for passage of the EARA in the Senate, although the bill ultimately failed.

access to the H-2A program, providing a legal way for the dairy industry to hire workers. The McHugh legislation was not acted on in 2008.

In the Senate, Sen. Dianne Feinstein (D-CA) introduced the Emergency Agriculture Relief Act (EARA) early in 2008 as a way to stabilize the agricultural labor crisis until Congress and a new President can revisit the issue of comprehensive immigration reform. The EARA was a bipartisan compromise that was a temporary version of AgJobs. Because the program sunsets after five years, NMPF was hopeful that it would be passed because of the extreme need by the agriculture

industry. Unfortunately, political pressure against it remained too strong and 2008 concluded without its passage.

The Social Security "No-Match" process still looms as a continuing threat. It has been delayed for over two years in federal litigation. U.S. District Judge Charles Breyer - who blocked the so-called "No-Match" rule from taking effect in October 2007 - turned down a recent proposal by the Department of Homeland Security for an accelerated hearing schedule that might have allowed a new version to take effect before President Bush left office. Instead, Judge Breyer set a standard schedule for consideration of the lawsuit, leaving the issue for the incoming administration of President Obama. NMPF will remain watchful of any signs from the incoming administration regarding this rule, and will work to prevent the issuance of the "No-Match" letters.

NMPF Played Key Role in World Trade Organization Talks



World Trade Organization discussions continued haltingly in 2008. NMPF staff and dairy producer leaders attended the most significant meeting of the year, which was held in July. Negotiators attempted to reach a deal that could have resulted in expanding opportunities for U.S. dairy exports in both developed and developing countries. No agreement resulted, but

incremental movement towards further consensus on certain key issues was made.

Throughout the year, NMPF contributed to USDA's and USTR's negotiating principles as talks evolved. One of the many reasons why the U.S. rejected other countries' proposals was a strong insistence by NMPF for more equity

among all dairy markets. NMPF continues to insist on the complete elimination of export subsidies, strong movement towards harmonizing market access levels so that others accept their appropriate share of world trade, and preservation of our ability to provide an effective safety net to U.S. dairy producers.

Free Trade Agreements Offer New Opportunities for U.S. Exports

Throughout 2008, NMPF worked to support the passage of three Free Trade Agreements, with South Korea, Colombia and Panama, that were concluded the prior year, but still require Congressional approval. NMPF calculates that U.S. dairy producers would gain an average of approximately \$430 million annually if all three agreements were enacted, with the vast majority of that (\$380 million) attributed to the South Korea FTA. Congress has yet to enact any of these.

However, long-time efforts to finally enact an FTA with Costa Rica paid off in 2008, as Jan. 1, 2009, was the implementation date for the Central American FTA's terms with Costa Rica, a very important market in the region for U.S. dairy exports.

NMPF also urged the U.S. government to exclude dairy from any trade agreement negotiated with a growing list of Pacific nations as part of a so-called Transpacific FTA. NMPF has serious reservations about the nature of dairy trade that would result in an agreement with New Zealand, and will continue its efforts to shape the ultimate outcome of this proposal.



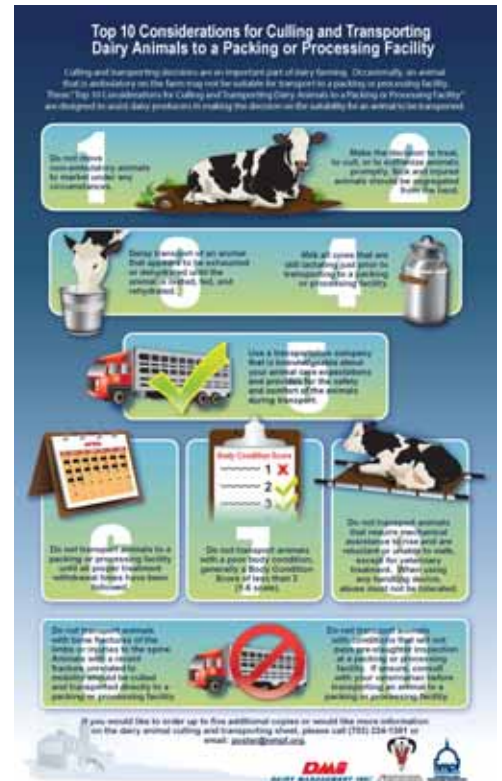
New Care Guidelines Created

In an effort to reinforce the importance of caring for dairy cattle at all stages of their lives, NMPF, along with Dairy Management Inc. and the American Association of Bovine Practitioners, unveiled a basic educational poster last year entitled "Top 10 Considerations for Culling and Transporting Dairy Animals to a Packing or Processing Facility." The legal-sized poster, printed on a barn-safe plastic sheet in both English and Spanish, serves as common industry guidelines for dairy producers to follow when they need to handle, transport, or cull their dairy animals.

Over 65,000 posters, developed by NMPF's Animal Health and Welfare Committee, were widely distributed to dairy producers and allied industry representatives.

In a related area, NMPF joined with two leading meat processing associations to ensure that all nonambulatory cattle are kept out of the human food supply. Last April, NMPF filed a citizen petition requesting that USDA eliminate a regulation allowing a government veterinarian to reinspect animals that become nonambulatory after

they initially pass ante-mortem inspection. In response to the petition, USDA moved in August to formally ban from the human food supply the slaughter of cattle that become non-ambulatory. This ban will affect about 600 cull cows per year.



Animal Identification Advanced Through IDairy

NMPF continues to advance implementation of the National Animal Identification System (NAIS) through IDairy, a coalition of six leading dairy organizations. Through education and advocacy, IDairy's goal is to accelerate NAIS implementation throughout the dairy industry. With the completion last year of a USDA grant to register dairy premises under the NAIS, there are now over 42,000 dairy producers that have

registered their premises – greater than 70% of commercial dairy producers.

With implementation of Country of Origin Labeling (COOL) on September 30, 2008, IDairy reminded producers that NAIS 840-RFID tags are an easy way to provide customers, and ultimately consumers, with the proper COOL documentation. While retailers are required to ensure COOL compliance, dairy producers

at the other end of the food supply chain will have to verify the origin of cattle that are subject to COOL. As an alternative to burdensome recordkeeping, USDA will recognize the use of the NAIS 840-RFID tags as a universal passport for a dairy animal during its lifetime, requiring no additional paperwork or record-keeping.



National Dairy Animal Well-Being Guidelines Finalized

NMPF helped complete the final principles and guidelines of the National Dairy Animal Well-Being Initiative. These standards are intended to provide a uniform umbrella of assurance that the industry is meeting its ethical obligations for dairy animal well-being.

During November's Annual Meeting, NMPF and DMI announced a joint effort to

develop a national animal care and well-being program to develop on-farm animal care standards and best practices. The program, known as the National Dairy FARM Program: Farmers Assuring Responsible Management, will bolster consumer trust and confidence in the U.S. dairy industry and demonstrate the industry's commitment to the highest levels of animal

care and quality assurance. Over the next year, the NMPF Animal Health and Welfare Committee will develop educational materials for this program.



NMPF Monitored BSE Status

With the reopening of the Canadian border to dairy replacement animals in 2007, NMPF remained vigilant in 2008, monitoring both imports from and BSE in Canada. In a July 2008 letter to USDA Secretary Schafer, NMPF reiterated its concern that it does not appear Canada has taken all

necessary measures to achieve the elimination of BSE from Canadian national cattle herd. At least seven BSE-positive animals identified in Canada were born after the USDA-determined date of effective enforcement (March 1, 1999) of the Canadian feed ban.

Impact of Cloning Dairy Cattle Studied

The Food and Drug Administration released its final Risk Assessment on meat and milk from cloned animals in early 2008, confirming the safety of such products. NMPF concurs with FDA on the safety of milk and meat from cloned animals, but has concerns about the implications of cloning technology on international markets. Due in part to NMPF's insistence, USDA has requested the continued observation of a voluntary moratorium on the marketing of milk and meat from cloned animals until a thorough assessment of the implications for international markets is complete. NMPF has met with USDA about these con-

cerns, and the voluntary moratorium remained in place at the end of 2008.

Domestically, both FDA and USDA initiated a process to regulate transgenic animals and their products. The USDA Advisory Committee on Biotechnology & 21st Century Agriculture provided USDA guidance on its regulatory and non-regulatory roles for transgenic animals. NMPF participates as a member of the USDA Advisory Committee. In joint comments to FDA, USDEC and NMPF supported a comprehensive mandatory pre-market approval process to regulate transgenic animals.

Johne's Disease Program Revised

NMPF continues an active oversight role through the U.S. Animal Health Association and with USDA directly to assure that the Johne's Control Program is appropriately implemented for the benefit of dairy producers. During the past year, through the National Johne's Working Group,

NMPF spearheaded the effort to revise and update the National Strategic Plan for Johne's Disease. Through the 2008 Farm Bill, NMPF was also able to extend legislation, previously set to expire, authorizing the Johne's Control Program through 2012.

NMPF Pushes for New Bovine TB Program

In a November 2008 joint letter with the National Cattlemen's Beef Association to USDA Secretary Schafer, NMPF outlined the requirements for modernization of the Bovine Tuberculosis eradication program to improve surveillance, testing, and diagnosis, and to decrease the need for de-

population. Among the needs identified: USDA needs to make improved TB diagnostics a priority, including establishment of a blood bank to facilitate development of new testing methodologies, eliminate the need for repeat handling of livestock, and increase the speed of test results.



The identical traits of Jewel and her clone Diamond particularly stand out when they pose side by side.

Food Safety Remains Key Concern

NMPF worked with FDA, in response to the China melamine contamination, to make sure that any melamine-contaminated dairy products and ingredients did not reach U.S. consumers, and that the U.S. dairy industry was not negatively impacted. As part of the effort, NMPF provided relevant information to FDA to make sure the agency was aware of all products that may be contaminated. As a result of these efforts, the image of U.S. dairy products and ingredients was well-

protected.

NMPF has also met with FDA to address raw milk sales to consumers. Under Federal regulations, raw milk for consumption cannot be sold across state lines. FDA has investigated a number of cases where this has occurred and has issued injunctions. NMPF has discussed how to also stop raw milk sales directly to consumers within state borders, and will continue to pursue this matter in 2009.

Climate Change Legislation Reviewed on Capitol Hill

Discussions on Capitol Hill of ways to mitigate global warming were a hot topic in 2008. In fact, both Presidential candidates agreed that there is a need for some type of climate change policy. In June, however, the Senate failed to move forward cap and trade legislation to regulate greenhouse gases, but the discussion is

expected to resume in 2009.

The environmental community has been focused on the issue of creating climate change legislation and regulating greenhouse gas emissions for over 10 years. In an effort to represent agricultural interests in this issue, NMPF joined forces

with other livestock and commodity groups to make sure that any legislation or rules that are passed benefit the dairy industry as much as possible, such as when NMPF and other livestock organizations submitted comments regarding EPA's Proposed Rules to Regulate Greenhouse Gas Emissions in November.



EPA Hazardous Materials Regulations Unveiled

The final rule for Revised *NPDES Permit Regulation and Effluent Limitation Guidelines for CAFOs* was issued in 2008. In comments submitted previously, NMPF had supported EPA's proposed change that only CAFOs that discharge or propose to discharge will need to obtain an NPDES permit, thereby complying with the *Waterkeeper Decision* that necessitated the rule changes. These changes were made in the final rule. Also in response to the final rule, NMPF has filed a re-

quest for a court review of the rule to ensure that certain provisions are supported by the law. We expect the court to make decisions based on a number of these requests in 2009.

In December 2008, EPA published a final rule that will exempt animal waste as a hazardous substance that requires reporting under the CERCLA rules. NMPF has long advocated with EPA that animal waste was never intended to be regulated under either CERCLA

or EPCRA rules, and is pleased with this rule from EPA. We will be evaluating the impact of continuing to require EPCRA reporting and provide guidance to NMPF members on this provision.

NMPF continued efforts to ensure that no adverse impact on the dairy industry occurs as a result of the *EPA Oil Spill Prevention, Control and Countermeasure (SPCC)* rule, a rule requiring operations, including farms which store oil or fuel, to have a

SPCC plan. EPA has finalized the rule and, while it addresses a number of agriculture-specific issues, NMPF continues to work with the agency on specific exemptions for the dairy industry. NMPF has recommended that any agency action regulating oil spill prevention and response takes into account the uniqueness of the dairy industry, is based on sound science and need, and that final regulations are clear and able to be implemented.



Air emissions monitoring equipment gathers data from inside a dairy barn.

National Air Emissions Monitoring Study Continues

NMPF continued to oversee the National Air Emissions Monitoring Study (NAEMS) for the dairy industry – the air research required as part of the Environmental Protection Agency (EPA) Air Consent Agreement. The air emissions monitoring study, which is being funded by a one-time use of dairy

checkoff money, is measuring emissions from dairy operations around the country during a two-year study which began in 2007.

This research will help determine what emissions come from barns and lagoons on dairy operations. NMPF's Environmental Task

Force also has determined that a scientific tool is necessary for dairy producers to help them estimate the air and water emissions from dairy operations. In 2008, the research and process-based model development was initiated.

Clean Water Act Limitations Advocated

In 2008, NMPF joined forces with many other agriculture and business organizations in the Waters Advocacy Coalition (WAC). The members of WAC are committed to the protection of

America's wetlands resources and are closely monitoring the proposed expansion of the *Clean Water Act*. WAC's members do not believe that it is in the nation's interest to have

federal agencies regulate ditches, culverts and pipes, farmland and treatment ponds as "waters of the United States" – a development that could cause burdensome restrictions on

the activities of farmers. NMPF will continue to work with WAC to ensure the Clean Water Act does not negatively impact dairy producers.

Young Cooperator Program Continues to Grow

The Young Cooperator (YC) Program continued to grow in 2008. YC meetings were held in June and September in Washington, along with the Annual Meeting in Nashville. Over 150 young dairy leaders attended these three meetings.

During the June meeting and the September Fly-In, the group focused on NMPF's role in Washington. NMPF has devoted more time and attention to the YC program in recent years because of the dual benefits of exposing the YCs to the political process, as well as helping to get exposure for our issues on Capitol Hill. The key issues the group discussed were immigration, the Clean Water Act, encouraging passage of pending trade agreements, and climate change legislation.

In addition to providing a forum for learning about the dairy industry and developing future leaders of the industry, the YC meetings also create a strong network of producers from all across the country. As the number of dairy farmers shrinks, it is increasingly important that everyone continues to work together to support the dairy industry.

2008 YC Advisory Council



Left to Right: Wade & Melinda Martin, Upstate Niagara Cooperative; Curtis & Kami Svedin, Northwest Dairy Association; Mark & Lauren Mosemann, Maryland & Virginia Milk Producers; Robert & Shayla VanHofwegen, United Dairymen of Arizona; Mark & Jill Lamborn, Swiss Valley Farms; Grant & Christy Gassstrom – Chair Couple, Dairylea; Tom & Tammi Serr, Dairy Farmers of America; Jo-Anne & Thomas Ring, Agri-Mark, Inc.; Aaron & Andrea Gasper – Secretary, Michigan Milk Producers Association; Myles & Lori Payne, Dairy Farmers of America; Joshua & Cassandra Zonneveld – Vice Chair, Land O'Lakes.

Not Pictured: Derrick & Leslie Josi, Tillamook County Creamery Association.

Annual Meeting Focuses on Innovation, Leadership, Results

Dairy producers, member cooperatives, Young Cooperators, industry representatives, staff, and others from all over the country arrived in Nashville, TN, for the 2008 Annual Meeting. Centered on the theme **"Innovation, Leadership, and Results,"** the meeting covered topics from sustainability to the WTO trade negotiations in Geneva.

In his final address to the NMPF membership, outgoing Chairman Charles Beckendorf celebrated the accomplishments of the

newly passed 2008 Farm Bill. "We need to reflect on what a profound victory it was for this organization to work toward the successful passage of a new Farm Bill," he said. The Dairy Product Price Support Program, the Milk Income Loss Contract Program, and the Promotion Assessment on Imported Dairy Products were

all highlights of the Farm Bill that were important for the dairy industry.

Beckendorf also touched on NMPF's other top priority in 2008, which was working to achieve immigration reform "so that dairy farmers and other employers continue to have access to a reliable workforce."

Beckendorf stated that "immigration reform is as important as any of the other farm policy challenges we've faced in the past."

This was Beckendorf's last appearance at the annual meeting in his capacity as Chairman. He announced his retirement from dairy farming and from the cooperative, promotion, and National Milk boards.

Randy Mooney was elected as the new Chairman by the NMPF Board of Directors in Nashville. Mooney had been serving as Assistant Secretary of the Board prior to his election to Chairman. He, his wife Jan and a partner operate a 250-cow dairy in Rogersville, MO, where he has farmed since 1979. Mooney serves on the cor-



Chairman Charles Beckendorf gives his farewell speech to the NMPF membership.

porate board of Dairy Farmers of America as Vice Chairman of that cooperative.

NMPF President & CEO Jerry Kozak's annual meeting speech was both one that he stated he didn't want to give and one that he needed to give.

The part of the speech that he didn't want to give acknowledged Beckendorf's retirement. "For the past five years, he's been NMPF's leader, and we couldn't have asked for a better one," Kozak said. "He has always been open to new ideas, has been engaged in our daily activities, and has made a point of not only knowing each of our staff, but our families as well. Charles has been totally committed to NMPF, and we have accomplished much under his leadership."



President & CEO Jerry Kozak discusses the future of the dairy industry.



Kozak moved on to the part of his speech that he needed to give, which was identifying five key areas that the dairy industry should focus on moving forward to the future. Those areas were: achieve immigration reform; reform and revitalize the federal orders; consider alternatives to the Dairy Product Price Support Program and MILC Program; take a more comprehensive approach to Animal Care and Well-Being and Environmental Initiatives; and maintain, adapt, and expand CWT.

"Now is the perfect time to build a boat that will sail our industry in a new direction, and position us to meet the challenges of a global marketplace," Kozak said. "We are indeed privileged to work for an industry so full of promise and opportunity."

Cheese Contest Won by AMPI

NMPF's distinguished Best Overall Cheese Grand Champion award was presented to Associated Milk Producers, Inc. for their Romano entry, which was manufactured at AMPI's Hoven, SD, plant and earned a score of 99.7 from the judges. For 2008, the cheese competition boasted 127 entries, totaling 2,406

pounds of cheese. Entries that weren't consumed at the cheese reception were donated to a local Nashville organization that gives food to the needy.



Tillamook Wins Communicator of the Year

Also in Nashville, NMPF presented the 2008 Outstanding Communicator of the Year Award. Instead of honoring a single individual, the 2008 award was presented to the communications team members at Tillamook County Creamery Association.

Kathy Holstad, Chandra Allen, Jay Allison, and Heidi Luquette were selected in part because of the excellence of the cooperative's entries in the 2008 communications competition: they had four award-winning entries – all first place awards – and one best of class.

Tillamook[®] Cheese

NMPF Membership Grows

NMPF's strength is in its membership, and without their support NMPF would not have accomplished as much as it did in 2008. NMPF's cooperative members proved that during the most difficult of fights, the producer community can come together and put

forth a unified front.

NMPF has 31 cooperative members that produce the majority of the U.S. milk supply, making NMPF the voice of more than 40,000 dairy producers on Capitol Hill and with government agencies. This list includes

27 of the 50 largest dairy coops in the U.S. NMPF members market about 60% of the milk in the U.S.

The Associate Membership category continues to grow with current membership at 75 members representing a wide variety of the industry. This list includes processor organizations, law firms,

state dairy trade associations, media, academia plus two international cooperative members.

NMPF's associate members also provided much assistance in grassroots efforts in the areas of immigration reform, animal well-being and environmental issues.

NMPF 2009 Officers



Randy Mooney, Chairman
Dairy Farmers of America, Inc.



Clyde Rutherford, 1st Vice Chairman
Dairylea Cooperative, Inc.



Cornell Kasbergen, 2nd Vice Chairman
Land O'Lakes, Inc.



Rod Delong, 3rd Vice Chairman
Northwest Dairy Association



Dave Fuhrmann, Secretary
Foremost Farms USA



Ken Nobis, Treasurer
Michigan Milk Producers Association



Paul Toft, Assistant Secretary
Associated Milk Producers, Inc.



Mike McCloskey, Assistant Treasurer
Select Milk Producers, Inc.

NMPF 2009 Board of Directors

Paul Johnston
Agri-Mark, Inc.

George Mertens
Dairy Farmers of America, Inc.

Bill Dropik
First District Association

Jay Bryant
Maryland & Virginia Milk Producers

Ed Welch
Associated Milk Producers, Inc.

Doug Nuttelman
Dairy Farmers of America, Inc.

David Scheevel
Foremost Farms USA

Adrian Boer
Northwest Dairy Association

William Blalock
Cooperative Milk Producers

Wayne Palla
Dairy Farmers of America, Inc.

Rich Ghilarducci
Humboldt Creamery

John Underwood
Northwest Dairy Association

Charles Beckendorf
Dairy Farmers of America, Inc.

Bill Siebenborn
Dairy Farmers of America, Inc.

Pete Kappelman
Land O'Lakes, Inc.

Paul Mills
Prairie Farms Dairy

Tom Camerlo
Dairy Farmers of America, Inc.

Rick Smith
Dairy Farmers of America, Inc.

Chris Policinski
Land O'Lakes, Inc.

Joe Wright
Southeast Milk Producers, Inc.

Tom Croner
Dairy Farmers of America, Inc.

John Wilson
Dairy Farmers of America, Inc.

Tom Wakefield
Land O'Lakes, Inc.

Ralph McNall
St. Albans Cooperative Creamery

Jim Hahn
Dairy Farmers of America, Inc.

Greg Wickham
Dairy Lea Cooperative, Inc.

Jim Baird
Lone Star Milk Producers

Pat Schroeder
Swiss Valley Farms, Co.

Les Hardesty
Dairy Farmers of America, Inc.

Joe Kusilek
Ellsworth Cooperative Creamery

Dennis Donohue
Manitowoc Milk Producers Coop.

Keith Murfield
United Dairymen of Arizona

Jerrel Heatwole
Dairy Farmers of America, Inc.

David Newhouse
Farmers Cooperative Creamery

Randy Geiger
Manitowoc Milk Producers Coop.

Bobby Hall
Upstate Niagara Cooperative, Inc.

Frank Sheckarski
Zia Milk Producers, Inc.

NMPF 2009 Member Cooperatives

Agri-Mark, Inc.	First District Association	Northwest Dairy Association
Arkansas Dairy Cooperative Association	Foremost Farms USA	Prairie Farms Dairy, Inc.
Associated Milk Producers, Inc.	Humboldt Creamery	St. Albans Cooperative Creamery, Inc.
Cooperative Milk Producers Association	Just Jersey Cooperative, Inc.	Scioto County Coop Milk Producers' Assn.
Continental Dairy Products, Inc.	Land O'Lakes, Inc.	Select Milk Producers, Inc.
Dairy Farmers of America, Inc.	Lone Star Milk Producers, Inc.	Southeast Milk, Inc.
Dairylea Cooperative Inc.	Manitowoc Milk Producers Coop.	Swiss Valley Farms, Co.
Dairyman's Marketing Cooperative, Inc.	MD & VA Milk Producers Coop. Assn., Inc.	Tillamook County Creamery Association
Ellsworth Cooperative Creamery	Michigan Milk Producers Association	United Dairyman of Arizona
Farmers Cooperative Creamery	Mid-West Dairyman's Company	Upstate Niagara Cooperative Inc.
		Zia Milk Producers

NMPF Staff

Jerry Kozak <i>President & Chief Executive Officer</i>	Roger Cryan <i>Vice President, Milk Marketing & Economics</i>	Anuja Miner <i>Senior Director, Executive Office & Member Relations</i>
Tom Balmer <i>Executive Vice President</i>	Chris Galen <i>Sr. Vice President, Communications</i>	Gail Mobley <i>Director, Finance & Administration</i>
Dana Brooks <i>Senior Director, Govt. Relations & Trade</i>	Khadija Gibson-White <i>Program Assistant, CWT</i>	Shawna Morris <i>Director, Govt. Relations & Trade</i>
Rob Byrne <i>Sr. Vice President, Scientific & Regulatory Affairs</i>	Jamie Jonker <i>Director, Regulatory Affairs</i>	Sarah Olson <i>Communications Coordinator</i>
Jaime Castaneda <i>Sr. Vice President, Govt. Relations & Trade</i>	Mary Knigge <i>Manager, Govt. Relations & Trade</i>	Jim Tillison <i>Sr. Vice President, Special Projects & CWT Chief Operating Officer</i>
		Peter Vitaliano <i>Vice President, Economic Policy & Market Research</i>

Contact

National Milk Producers Federation
2101 Wilson Blvd., Suite 400
Arlington, VA 22201

Phone: 703.243.6111

Fax: 703.841.9328

Website: www.nmpf.org

