



National
Milk Producers
Federation

News for Dairy Co-Ops

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Market Prices

Dairy Industry Organizations Announce the Distribution of Animal Handling Guidelines

As part of a joint effort with Dairy Management Inc. (DMI) and the American Association of Bovine Practitioners (AABP), NMPF today released industry-wide animal handling guidelines.

The guidelines, appearing on a legal-size, barn-safe plastic poster in both English and Spanish, emphasize the “Top 10 Considerations for Culling and Transporting Dairy Animals to a Packing or Processing Facility.” They are intended to present dairy producers with direction when they need to handle, transport, or cull their dairy animals.

“Dairy farmers recognize their responsibility to provide appropriate care for their animals, which they do an excellent job of providing on a routine basis,” remarked Jerry Kozak, President and CEO of NMPF. “However, sometimes we all need reminders of the best practices to follow. This poster will be a lasting and prominent reminder of those practices.”

The document was developed by NMPF’s Animal Health and Welfare Committee, and will be distributed during the month of July through dairy cooperatives to their members. Producers who are not part of a cooperative can order a copy by calling 703-224-1381 or sending an email request to poster@nmpf.org. A copy of the poster can also be viewed at www.nmpf.org.

This animal handling guidelines poster is part of a series of programs and measures supported by the dairy industry to highlight the important of conscientious care of cattle. Other programs include the Dairy Quality Assurance Center’s “Caring for Dairy Animals” guide, which NMPF has also distributed to cooperatives and producers.

[Click here for NMPF’s complete joint news release.](#)

Dairy Industry Commits to Reducing Greenhouse Gases, Increasing Business Opportunities Across Value Chain

On June 25, 2008, dairy leaders [announced an industry-wide commitment and action plan](#) to reduce fluid milk’s carbon footprint while increasing business value, from farm to consumer.

The action plan is an outcome of the industry's first Sustainability Summit for U.S. Dairy, an unprecedented gathering of 250 leaders representing producers, processors, non-governmental organizations, university researchers and government agencies that was held in Rogers, Ark., June 16 to June 19. The plan focuses on operational efficiencies and innovations to reduce greenhouse gas emissions while ensuring financial viability and industry growth.

"Sustainability is a challenge that requires industry-wide solutions, and our efforts establish a new standard for industry collaboration," said Thomas Gallagher, chief executive officer of Dairy Management Inc. (DMI), the nonprofit organization that manages the national dairy checkoff program on behalf of America's dairy producers. "Decision makers from across the dairy value chain are working together to commit to concrete, innovative solutions. This will ensure an economically, environmentally and socially sustainable industry."

Summit attendees recommended a number of actions, including to:

- Reduce energy use in the milk supply chain by developing technologies for next generation milk processing on the farm and in the plant.
- Establish a mechanism to optimize returns to the dairy industry from a carbon credit trading system that encourages the reduction of greenhouse gas emissions.
- Reduce carbon emissions and increase energy efficiency for dairy farmers and processors through financially viable best management practices and tools that calculate individual farm energy and alternative energy opportunities.
- Supply green power to communities by expanding the use of methane digesters.
- Stimulate development of low-cost, low-carbon, consumer-acceptable packaging.
- Reduce cooling costs and emissions associated with refrigeration by expanding economically feasible, environmentally responsible and consumer-accepted dairy products.

The Sustainability Summit, held in conjunction with the University of Arkansas' Applied Sustainability Center, was the first major step in a comprehensive dairy industry-wide initiative bringing together producers, processors, and others to identify and address sustainability opportunities. Leading the initiative along with DMI are the International Dairy Foods Association (IDFA) and the National Milk Producers Federation (NMPF).

"Sustainability practices have long been part of common practices on dairy farms, from recycling water and manure to crop technologies that improve soil and prevent erosion," said Jerry Kozak, NMPF's chief executive officer. "In an era of record high energy prices and a changing global climate, we must do more. It makes economic sense to find ways to conserve energy and reduce production costs, while recognizing that a growing number of consumers care deeply about the health and environmental impact of the products they buy."

NMPF will continue to monitor the climate change legislation. Although the Senate failed to move any legislation this year, the dairy industry will make sure that the best possible outcome is realized when the legislation is discussed in the future.

Farm Bill Finally Overcomes Second Presidential Veto and Becomes Law of the Land

On June 19, the House and the Senate both voted to override President Bush's second veto of the Farm Bill, effectively allowing the whole bill to become law. The vote passed by overwhelming margins of 316-108 in the House and 82-13 in the Senate.

After a technical glitch prevented one of the Farm Bill's 15 Titles from becoming law (Title III: the Trade Title), Congress attempted to correct the error by re-voting on the entire bill and sending it back to President Bush for approval a second time. When he vetoed it again, Congress mustered up more than the required two-thirds majority and overrode the veto again.

This means that the Farm Bill - in its entirety - is now law.

Visit the NMPF website for a [summary](#) of Farm Bill issues affecting the dairy industry.

USDA Issues Decision Adjusting Make Allowances

The USDA's Agricultural Marketing Service has announced a tentative partial final decision that proposes to change the manufacturing cost allowances used in Class III and Class IV product-price formulas as follows:

Current - Proposed
Cheese \$0.1682 - \$0.2003
Butter \$0.1202 - \$0.1715
NFDM \$0.1570 - \$0.1678
Whey \$0.1956 - \$0.1991

The butterfat yield factor used in Class III and Class IV product-price formulas is also adjusted from 1.2 to 1.211.

The USDA stated that other proposals will be addressed in a separate recommended decision, including NMPF's pursuit of an energy cost adjuster. Other proposals include establishing a manufacturing cost survey, and cost of production add-ons that manufacturers could include in the selling price of their products, but that would not be included in the NASS survey prices.

The decision will go to producers for a vote in most orders sometime next week. In the meantime, USDA will accept comments on the proposed changes for 60 days following publication in the federal register. It will then issue a recommended final decision which will go to producers for a final vote.

CWT Shows Strong Activity in June Exports, Concludes Bidding Process for Herd Retirement

As the first official days of summer arrived, CWT exhibited a strong performance in export markets as it accepted 18 export assistance bids throughout the month of June for products including cheese, butter, and anhydrous milkfat.

The bids were accepted for products intended for destinations as diverse as Egypt, Japan, Mexico, Morocco, the Netherlands, Poland, Russia, and Singapore. Also included in the export assistance bids was a sale to Libya, which is a new market for CWT-assisted

bids.

In other CWT news, the June 30 deadline for CWT member producers to submit bids for the latest herd retirement has passed, and the bidding process is now closed. CWT will begin to evaluate bids on July 15 and 16, with CWT farm auditors scheduled to head out into the field beginning the week of July 21. All bidders, whether successful or not, will be notified of their status no later than August 22.

For more information about CWT, [visit their website](#).

WTO Meeting to Again Tackle Global Trade Issues

A World Trade Organization ministerial meeting has been scheduled to be held the week of July 21st in Geneva. At this multi-national meeting, countries will aim to bridge their remaining differences in order to reach a WTO agreement on agriculture, market access for industrial products, and numerous other outstanding issues.

This ministerial will be a crucial in determining whether or not a new global trade agreement can be reached in the short-term. NMPF representatives plan to attend this important session in order to underscore the importance of a balanced agreement for our industry.

New BSE Case Detected in Canada

On June 23, Canada confirmed its thirteenth case of BSE in a five-year old Holstein cow from British Columbia. All of Canada's BSE cases have occurred in Western Canada. This cow was born after the introduction of the 1997 Canadian ban on feeding mammalian tissues to ruminant animals, and also after USDA's determined effective date of March 1, 1999 for the Canadian feed ban. Given the geographic clustering of the cases, combined with the number of animals which have been born after the Canadian feed ban, NMPF remains concerned about the effectiveness of Canada's BSE prevention measures.

Canada is classified as a Controlled Risk country for BSE by the World Organization for Animal Health (OIE), but the detection of this animal does not affect Canada's status. In part, this OIE classification was considered for reopening the border to imports of Canadian cattle, including replacement dairy animals, to the U.S. The border was reopened to cattle imports last November. So far this year (through June 21, 2008), 34,330 breeding age dairy animals have been imported into the U.S. from Canada.

More information on this latest Canadian BSE case is [available online](#).

NMPF Announces 2008 Scholarship Winners

Shortly after the NMPF Scholarship Committee and Board of Directors met at the beginning of June, they awarded \$11,000 in scholarships to four deserving Ph.D. level students as part of the 2008 NMPF National Dairy Leadership Scholarship Program.

The four scholarship recipients are all conducting research in areas that will benefit dairy

cooperatives and producers.

The 2008 Murray Hintz Memorial Scholarship, given to the top scholarship candidate, was awarded to Kathryn E. Cowles. As a student at the University of Illinois at Urbana-Champaign, Cowles is working for her Ph.D. in Animal Science. Her research will analyze urine pH as a diagnostic criterion for subacute ruminal acidosis (SARA) in dairy cows. Cowles hopes to provide producers with a better method for identifying SARA and making the necessary management and dietary changes for cows more quickly.

The Hintz Memorial Scholarship was established in 2006 to honor Murray Hintz, past Chairman of the Board for Cass-Clay Creamery, Inc., one of the cooperatives which played a key role in establishing the NMPF Scholarship Program.

The three other scholarship recipients are:

- Bradley J. Heins, a student at the University of Minnesota, is pursuing his Ph.D. in Animal Science - Animal Genetics and Breeding. Heins' research will examine the impact of crossbreeding on economics and profitability in the U.S. dairy industry.
- Kasey Margaret Moyes is working for her Ph.D. in Animal Science at the University of Illinois. She will be researching the relationship between energy balance, immune system function, and susceptibility to mastitis in dairy cows.
- Katie M. Schoenberg is pursuing her Ph.D. in Animal Science at Cornell University. Schoenberg's research will help determine the role of insulin resistance in transition cow metabolism and the effects of 2,4-thiazolidinedione.

Each year the NMPF Scholarship Committee awards scholarships to graduate and Ph.D. level students pursuing research in the areas of animal health, dairy product development, agriculture economics, environmental science and dairy food science. For more information about the NMPF Scholarship Program, visit the [NMPF website](#).

Successful Board Meeting Ushers In Busy Summer for Dairy

The NMPF Board of Directors concluded a busy summer meeting last month as they addressed important issues affecting dairy producers.

Aside from discussing higher input costs, sustainability, current and future legislation, and animal welfare initiatives, the meeting also highlighted a visit from Congressman Bob Goodlatte (R-Virginia) as he presented the guest speech during the NMPF Political Action Committee Breakfast. Since he serves as the Ranking Republican on the House Agriculture Committee, Congressman Goodlatte is familiar with current issues involving the dairy industry.

Cooperatives Working Together Committee Votes to Renew CWT Program for 2009

As members of Cooperatives Working Together gathered together as part of the NMPF board meeting, the committee overseeing the management of CWT cast a unanimous vote to allow the program to continue through 2009.

Jerry Kozak, President and CEO of NMPF, commented: "In this season of important votes, CWT has won reelection in a landslide, as its members have decided that our

industry is better off with this program."

Two New Board Representatives Welcomed to NMPF

Pat Schroeder of Swiss Valley Farms is a producer who is replacing Don Peterson on the NMPF Board. Schroeder is a second generation dairy farmer who milks 125 cows (100 Holsteins and 25 Jerseys). He and his wife, Karen, farm on 600 acres and grow corn and beans. The Schroeders have three children: one works on the farm, and the other two are in college. They reside in Lancaster, Wisconsin.

George Mertens of Dairy Farmers of America, Inc. is a member of DFA's Executive Committee. He also is chairman of the Western Area Council. Mertens serves on DFA's International Dairy Trade Policy, Compensation, and DEPAC committees and is chairman of the Fluid Marketing and Public Policy Committee. He is a former member of the National Commission on Dairy Policy, and a former president of the California Dairy Campaign, Sonoma County Farm Bureau, and Associated Dairyman. In the late 1980s, Mertens chaired the Sonoma County Planning Commission and chaired its general plan update. He milks 650 to 700 cows with his two sons and was named Sonoma County Dairyman of the Year in 1977. The family farms 1,100 acres of silage and hay. Mertens and his wife, Marilyn, live in Sonoma, California.

Young Cooperators Make Productive Visit to Nation's Capital

Fifty-five Young Cooperators attended the largest-ever NMPF Legislative and Policy Forum held in conjunction with the June board meeting. YCs from 18 different states participated in sessions about dairy legislative issues. They also visited their Senators and Representatives offices. In addition, they also attended the NMPF board meeting, the congressional reception and the group had the opportunity to have a tour of DC at night or attend a Washington Nationals game.

"This meeting presents an excellent opportunity for the next generation of dairy leaders to get a taste for the policy side of the dairy business," Jerry Kozak said. "The continued growth of the program demonstrates more than ever the importance of today's and tomorrow's leaders participating in dairy policy on the local, state, and national level."

Associate Member Focus: Credit Union National Association

Credit Union National Association (CUNA) - with offices in Washington, DC and Madison, WI - is a not-for-profit trade group that is governed by volunteer directors who are elected by their credit union peers. They provide many services to credit unions, including representation, information, & public relations services. Their company representative is Daniel A. Mica, President & CEO. For additional information, please [visit their website](#).

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