



News Release

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

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NMPF Leaders Set Sights on Immigration, Trade & Other Issues In Wake of 2014 Victory on New Dairy Safety Net

GRAPEVINE, Texas – With a major reform of the federal dairy safety net now complete, the leadership of the National Milk Producers Federation pledged today to step up efforts on other key issues, including the fight for meaningful immigration reform, and opening more foreign markets to U.S. dairy products.

Speaking at the organization's two-day annual meeting here, Board Chairman Randy Mooney and President and CEO Jim Mulhern also stressed the need to address environmental issues and concerns over the treatment of animals on dairy farms.

The Mooney-Mulhern joint presentation came less than two months after the Agriculture Department formally launched the new dairy safety net, a margin insurance program known the Margin Protection Program, or MPP.

NMPF conceived of the program after dairy farmers lost billions of dollars in equity in the 2008-2009 recession. The organization, the voice of 32,000 dairy farmers in Washington, then lobbied Congress to include margin insurance in the 2014 farm bill.

"The new Margin Protection Program is going to be more flexible, more fair, and more functional than the old MILC program," said Mooney, a dairy farmer from Rogersville, Missouri.

"I want, most of all, to remind farmers to take action and enroll their operation in the Margin Protection Program by USDA's Thanksgiving deadline," added Mulhern, who took over as NMPF president 10 months ago. "Even if you only want the barebones catastrophic coverage for next year, it will only cost you \$100."

Mooney and Mulhern said NMPF would continue working with USDA to smooth the implementation of the MPP, while also focusing on other key issues on its agenda in the months ahead.

On immigration, Mulhern said congressional inaction this year would not keep NMPF from

– more –

pressing the fight for reform in 2015. "Our industry and our members must continue to beat the drum in Washington, and – more importantly – in states and congressional districts across the nation, that immigration reform must be dealt with, and finally resolved, in the coming year," he said.

Regardless of who controls Congress after next month's elections, the two leaders said NMPF would continue pushing for reform because it is crucial for dairy farmers. "This issue must be resolved," said Mulhern.

On exports, Mooney and Mulhern said the U.S. dairy industry is intent on being a major player in world markets from here on out. "World trade in dairy is today's reality and tomorrow's opportunity," said Mooney.

Mulhern said dairy farmers have a lot riding on trade negotiations now under way involving both Europe and Asia. "Japan is a huge potential opportunity," he said. "We could export a lot more dairy products ... if the U.S. government can achieve a breakthrough in negotiations and bring back a trade agreement providing meaningful increased market access there."

But both in Japan and Europe, Mulhern said, entrenched domestic dairy interests don't want more competition from the United States. "The European defense strategy includes an outrageous focus on bastardizing the concept Geographic Indicators in an attempt to claw back, for their own protectionist use, the names of many common foods," he said. "These foods include many cheeses that we've been making for decades..."

"Christopher Columbus's relatives in the Old World can keep their Parmigiano-Reggiano," Mulhern said, "But those of us in the New World ... have every right to make and market award-winning Parmesan, for the use and enjoyment of folks here and, ultimately, around the world."

Both leaders also praised the role of Cooperatives Working Together, an NMPF-managed program, in today's favorable dairy export picture. "The rise in exports in the past decade is due to a number of factors, but a big one is that we have, in our Cooperatives Working Together program, a very effective tool to help seal the deal in markets where we are competing with products from other countries," Mooney said.

This year alone, CWT, which is funded completely by farmers, has helped find markets for 86 million pounds of cheese, 51 million pounds of butter and 37 million pounds of whole milk powder in 43 counties on six continents. "No other investment we make can pay off like CWT," said Mooney.

Turning to environmental issues, Mulhern said it is important for the dairy industry "to turn

them from a liability to an opportunity.”

As examples of this, Mulhern and Mooney cited NMPF’s work with the White House and federal agencies to encourage methane gas generation from dairy farm waste, and also efforts to recover and market valuable nutrients from livestock manure.

Mulhern compared nutrient recovery to whey generation by cheese plants, which not long ago was considered an environmental problem. “Today,” he said, “whey has been transformed into something like white gold, a nutritious high-protein source of money to cheese plants, and a boost for farmers’ Class III price.

“We have a great deal more work ahead of us to turn this from a dream into a reality,” Mulhern said, “but thanks to the vision, commitment and initial spadework of some of our co-ops, I firmly believe this will be a long-term boon to our farmers and cooperatives by creating new revenue sources, reducing regulatory pressures and legal challenges by solving potential environmental problems before they occur, and enhancing consumer and public attitudes toward our industry.”

Finally, concerning animal care, Mooney said it’s frustrating to hear “a small but vocal minority of critics attack dairy farmers and paint a twisted and false image of the care we provide our animals.”

Mulhern noted that conscientious animal care is not just morally and ethically right but also good business, since healthy cows produce more milk. “But it is also clear in this age of social media and the internet that we’re past the point where we can ask people just to take our word” that we are providing proper care, he said.

Both leaders praised the NMPF board for voting the previous day to require dairy cooperatives participating in an industry animal care program to require all their farmer members to be evaluated under the program’s guidelines.

“It means that all of our farms will be held to the same high standards, with no exceptions,” said Mooney. “And it helps us demonstrate that farms, regardless of size, are run by families ... who take pride in what they do, and are committed to running a successful business that centers on producing high-quality milk from healthy cows.”

Summing up, Mooney said, while the dairy industry faces challenges, there are also tremendous opportunities. “We have a world of opportunities awaiting us that, working together, we can take advantage of,” he said.

Mulhern concluded by stressing the need for better grassroots involvement by dairy farmers in policy decisions. "The political footprint of agriculture is contracting," he said. "That's one reason it was such a challenge to pass a new farm bill."

As a result, Mulhern said, the *quality* of grassroots engagement by farmers must improve. "Concentrating and amplifying our efforts," he said, "we can continue to accomplish great things."

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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 dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 32,000 dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit our website at www.nmpf.org.