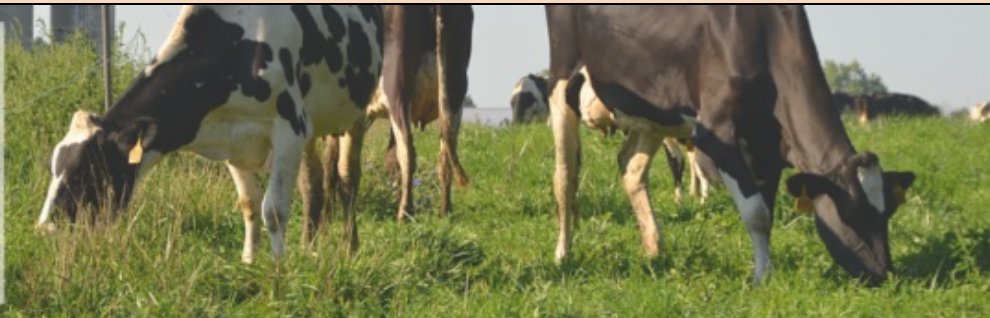




News for Dairy Co-ops



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March 2018

CEO'S CORNER



Jim Mulhern
NMPF President &
CEO

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Dairy Safety Net Bolstered by Congressional Spending Bill

After Congress made significant improvements last month to the dairy safety net at the request of NMPF, National Milk is now urging U.S. Department of Agriculture (USDA) Secretary Sonny Perdue to move swiftly to re-open 2018 enrollment for the Margin Protection Program (MPP) so farmers can take advantage of the program in the face of challenging on-farm economic conditions.



Congress passed a major supplemental assistance bill on Feb. 9 that contained \$1.2 billion in budget authority to both strengthen the MPP and remove the annual budget cap on the Livestock Gross Margin (LGM) program for dairy. NMPF had worked with leaders in Congress for nearly a year to find the budgetary resources to implement necessary improvements to the MPP, a program which has failed to offer meaningful safety net support to farmers in its first three years of operation. The budget package approved last month will allow farmers to insure more of their milk production history at a lower cost. It also eliminated the \$20 million annual cap on all livestock insurance programs, including the LGM. This will allow USDA to offer additional risk management tools for dairy producers. [Read more.](#)

NMPF Looking for Opportunity to Advance Immigration Legislation



Congress struggled last month to enact legislation that would both address those affected by the Deferred Action for Childhood Arrivals (DACA) program and provide additional border security. NMPF continues to urge lawmakers to include provisions focusing on the workforce needs of dairy farmers in any bill that reforms immigration policy, and has actively participated in the Coalition for the American Dream, which has worked with Congress



to solve immigration issues.

NMPF believes that resolution of the DACA issue may create an opportunity for the dairy sector to achieve further immigration policy changes benefitting agriculture. NMPF has supported House Judiciary Committee Chairman Bob Goodlatte's (R-VA) efforts to meet agriculture's unique workforce needs, while working on further improvements to his proposal, titled the Agricultural Guestworker (AG) Act. [Read more.](#)

NAFTA Talks Continue as NMPF Releases New Report on Importance of Mexican Market

As the latest round of NAFTA modernization negotiations concluded last week, NMPF continues to emphasize the importance of using the trade talks to address U.S. dairy trade priorities.

NMPF's Jaime Castaneda flew to Mexico late last month to hold meetings with U.S. and foreign government officials and attend confidential trade advisor consultation sessions during the seventh NAFTA round that took place from Feb. 25-Mar. 5. While there, he also met with key Mexican industry allies whose support NMPF has cultivated on several of the U.S. dairy industry's key NAFTA goals, including the importance of preserving the free flow of dairy products between the U.S. and Mexico.

Those sales from the U.S. were the focus of [a report released last week](#) by Informa Economics, which found that the current free trade agreement with Mexico is the driving force behind \$1.2 billion in U.S. dairy exports to our southern neighbor, as well as billions more in related economic contributions. [Read more.](#)



NMPF Backs Bill to Prevent Dairy Farms from Facing Air Emissions Reporting Requirement



National Milk is encouraging swift passage of bipartisan legislation that would prevent dairy farms from having to generate meaningless air emissions data under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

The Fair Agricultural Reporting Method (FARM) Act (S. 2421) would prevent farms, ranches and other agricultural operations from having to report livestock manure emissions data under CERCLA. The CERCLA provisions were originally enacted to deal with accidental hazardous air emissions emergencies from toxic waste sites, not day-to-day farm activities. However, because of recent

court decisions, the CERCLA law soon will require farms to generate reports that regulatory agencies do not want and will not use - unless Congress legislates a change. [Read more.](#)

NMPF Requests Correction to Canadian Study Claiming Milk Spreads Foodborne Illness

In a strongly-worded letter to a Canadian university, National Milk admonished two authors of a recent study that cited research falsely describing milk as a high-risk factor in spreading foodborne illness. NMPF insisted

that the study's authors must clarify that any significant dairy-related food safety risk is only associated with the consumption of raw milk, not commonly sold pasteurized products.



Prepared by a graduate student at McGill University and published in the Journal of Food Science and Technology, the study compared the nutritional profiles of four imitation dairy beverages and conventional cow's milk. The research demonstrated that none of the plant-based imitations replicates the nutritional benefits of real milk. However, the study also published inaccurate claims that cow's milk "has been associated to cause wide spread disease outbreaks around the world." [Read more.](#)

NMPF Applauds Withdrawal of Tennessee State Raw Milk Bills

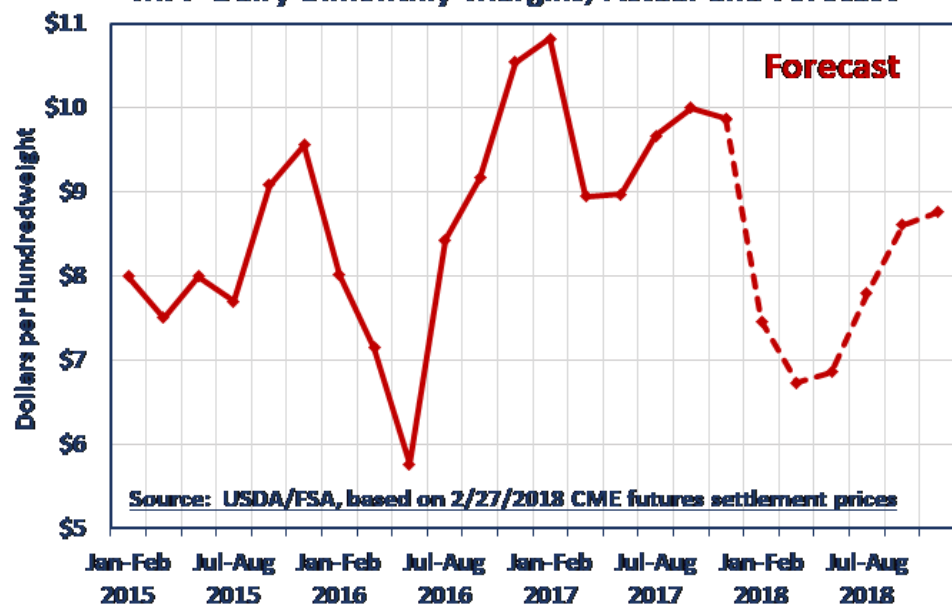
The National Milk Producers Federation (NMPF) and the International Dairy Foods Association (IDFA) applauded the withdrawal this week of a series of bills in the Tennessee state legislature that could have increased consumers' risk of foodborne illness by encouraging the use of raw milk.



The Tennessee state senate and its state general assembly each considered adopting a pair of bills meant to increase the availability of raw milk products: SB 1913 and HB 1963 would have removed existing regulations prohibiting the direct sale of raw milk butter; while SB 2104 and HB 2229 would have exempted raw milk and dairy products sold from a home kitchen from licensure, inspection and regulation. The Tennessee general assembly did not approve either bill, effectively killing the effort this year to pass both measures. [Read more.](#)

MPP Forecast: March 2018

MPP-Dairy Bimonthly Margins, Actual and Forecast



The monthly margin under the Margin Protection Program (MPP) for January 2018 was \$8.12/cwt., \$1.24 less than the December monthly margin. This was the second monthly drop in a row of at least \$1.00. As with the drop from November to December, the drop from December to January was due mostly to a lower milk price. The January U.S. average all-milk price was \$16.10/cwt., \$1.10 below December's all-milk price. The January MPP feed cost crept up by \$0.14 from a month earlier, about the same as the rise in the MPP feed cost a month earlier. Most of the feed cost increase for January was due to higher corn and alfalfa hay prices. [Read more.](#)

CWT Members Secure Export Contracts for 11.4 Million Pounds of Cheese, Butter

CWT helped member cooperatives secure 47 contracts to sell 8.81 million pounds of American-type cheeses and 2.62 million pounds of butter to customers in Asia, the Middle East, North Africa and Oceania. The product will be shipped to customers in 11 countries in five regions around the world from February through May 2018.



These transactions bring the 2018 total of CWT-assisted product sales contracts to 18.52 million pounds of cheese and 3.35 million pounds of butter. These contracts will move overseas the equivalent of 246.42 million pounds of milk on a milkfat basis. [Read more.](#)

F.A.R.M. Is Now World's First Animal Care Program to Achieve International Standards Organization Recognition



In mid-February, the National Dairy FARM Program became the first livestock animal care program in the world to be recognized internationally for its industry-leading animal welfare standards, after the Agriculture Department affirmed that it complies with the animal welfare requirements within the International Organization for Standardization (ISO).

"The U.S. dairy industry has worked hard to make the FARM Program a best-in-class animal care program, not just in the United States, but now around the world," said NMPF's Chief of Staff Emily Meredith.

ISO's animal welfare technical specification was designed to evaluate if animal welfare programs meet international standards for animal care. ISO, an independent, international standards-setting body, works with the World Organization for Animal Health (OIE) to help farmers and animal welfare programs like FARM determine how to implement species-specific animal welfare standards. [Read more.](#)

New FARM Program Introduces New Events, Resources for Participants

The National Dairy FARM Program is offering two new events and education materials to keep program participants abreast of the latest on high-quality dairy animal care.

FARM is hosting two animal care Evaluator and Trainer courses this year, in Wisconsin and North Carolina. The training in Madison, Wisconsin, will be held from March 20-21, and the training in Charlotte, North Carolina, will be in November.

To remain up to date on certification, FARM evaluators must complete Evaluator course annually, either in-person or online. Cooperative and processor staff who oversee the FARM Program are encouraged to refer to the database and evaluator training dates to ensure all evaluators' certifications are up to date. Space for the Madison evaluator training is limited, so please view the registration website to find out more information and register for the course. [Read more.](#)



NMPF Welcomes Morgan Beach as Manager for Trade Policy



Morgan Beach (pictured at left) has joined National Milk as Manager for Trade Policy. She will work under Shawna Morris, vice president of trade policy, contributing to NMPF's trade policy team work on a variety of key issues, including NAFTA, future U.S. trade agreements, geographical indications and various trade barrier

concerns.

"We're thrilled to have Morgan on the team, as she brings not just her farm background, but experience in the economic and legislative spaces," said Morris. "As the dairy export market continues to grow, we are excited Morgan is on board to help ensure our trade priorities are heard loud and clear." [Read more.](#)

Final Call for Applications for NMPF 2018 Scholarship Program

There is only one month left for interested graduate students to apply to the NMPF National Dairy Leadership Scholarship Program for academic year 2018-2019. Applications must be received by **Friday, April 6, 2018.**



Each year, NMPF awards scholarships to outstanding graduate students (enrolled in master's or Ph.D. programs) who are actively pursuing dairy-related fields of research that are of immediate interest to NMPF member cooperatives and the greater U.S. dairy industry.

Graduate students pursuing research of direct benefit to milk marketing cooperatives and dairy producers are encouraged to apply (applicants do not need to be members of NMPF to qualify). The top scholarship applicant will be awarded the Hintz Memorial Scholarship, which was created in 2005 in honor of late Cass-Clay Creamery Board Chairman Murray Hintz, who was instrumental in establishing NMPF's scholarship program. [Read more.](#)

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