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(Above) This is the view from the milking center at Pleasant Valley Farm, owned by Mark and Amanda St. Pierre near Richford, Vermont. During the PDMP tour here in March, members of the Professional Dairy Managers of Pennsylvania (PDMP) and fellow dairy producers in New England discussed everything from renewable energy, which Vermont is a leader in producing through anaerobic digestion, to cow management, to the issues facing American dairy farmers today in regard to milk pricing and supply management. (Below) Amanda St. Pierre talks about the work of Dairy Farmers Working Together during dinner at Cow Palace. This unique restaurant is operated by the daughter of Cow Town Dairy owner Doug Nelson, who diversified a few years back to develop an Elk herd in addition to his top-pedigreed Holsteins.

## Timely tour: Producers learn to unite

By SHERRY BUNTING  
Special for Farmshine

As Congressmen Peter Welch (D-VT) and Jim Costa (D-CA) prepare to introduce new legislation this week designed to prevent volatility in milk prices via supply management, members of the Professional Dairy Managers of Pennsylvania (PDMP) who attended the dairy tour to Vermont reflect on their discussions with northern peers last month.

The proposed legislation out of California and Vermont calls for the USDA to determine allowable growth in the dairy market on a quarterly basis, per the report of an advisory board. Producers who exceed the percentage increase allowed by the USDA would pay a fee, which would be distributed to the farmers who do not exceed the allowable growth percentage.

Vermont Secretary of Agriculture Roger Allbee, who met with PDMP tour-goers last month, has expressed his support for the Welch / Costa bill. He also told the PDMP tour group that his state is projected to lose 10% of its dairy farms this year. It is already consolidated down to 1100 dairy farms, but still making the same 2% of the nation's milk production as it has for many years.

"If we look around, this has pretty well happened all over the place," says PDMP vice president Dale Hoffman. "We as an industry are forced to be more efficient and add a few more cows, because the price has not kept up with other costs in our business. And yet, we definitely need that efficiency and competition in our industry even though as dairy farmers, we also need to come together."

Supply management is officially on the table, and discussion will now begin in earnest as stakeholders throughout the country weigh in on the pro's and con's, and as other proposals are currently being evaluated by Cornell and Cal Poly. Interestingly, it was only briefly mentioned during a U.S. House Ag Committee hearing in Pennsylvania this week, where PDMP past president Rod Hisson was one of four dairy producers to testify.

Hisson presented the main points of PDMP's position paper developed in October, which favors a more market-oriented approach to dealing with volatile milk prices.

However the Welch / Costa bill is considered a milestone for Dairy Farmers Working Together, according to one of its co-founders Amanda St. Pierre.

Amanda and her husband Mark own and operate Pleasant Valley Farm, a 700-cow dairy near Richford, Vermont. Their dairy farm and methane digester was a farm stop for the PDMP / Penn State Dairy Alliance Tour to New England in March.

"What I took away from the tour, and the farms that we visited, was the need to work together as an industry to enhance our future well being," Glenn Gorrell reflects. Gorrell



is the current president of PDMP. He and his wife Robin and daughter Jesse run a 650-cow dairy in Bradford County, Pennsylvania. "Bill Rowell (of Green Mountain Dairy, Vermont) probably put it the best when he said that, 'we can't give up 3% of our production (for supply management), but we could give up 50% of our price (all last year).'"

That comment hit home with the PDMP tour goers.

"We visited with the St. Pierre's and with Doug Nelson (at Cow Town Dairy)," said Gorrell. "They live within five miles of the Canadian border, and have neighbors in Canada that are getting around \$27/cwt., for their milk and whose farmsteads are in excellent repair, with new equipment, and doing just fine. The dairy producers up there are more in touch with how a different pricing system just over the border."

Hoffman agreed. He and his wife Carol and their four children are partners in a 650-cow dairy in Potter County, Pa. Two sons and a daughter-in-law came along to Vermont.

"We may not agree on everything (like supply management), but as dairy farmers, we have to come together. If we could just get competition back in the marketplace," says Hoffman, who was intrigued by the visit to Hatchland Dairy in New Hampshire. "I see where they are located, and they are putting their milk in bottles and selling it – it can be done."

Gorrell and Hoffman both liked the diversity in Vermont. "We know that the northern Vermont farms are at least \$1.00 / cwt. less than even we are in northern tier Pa.," adds Gorrell. "We heard that 'now is the time, and like so many other stops on our tour, they stressed the need to get everybody on the same path.'"

As previously reported in Farmshine, a survey in February and March by the Dairy Policy Action Coalition (DPAC) showed a clear line down the middle on supply management, with 52% of dairy farmers saying they favored a program that set "allowable growth rates" and "market access fees."

But at the same time, only 33% favored hav-

ing these decisions made by a board that would advise the Secretary of Agriculture on where to set these rates each quarter.

The responses for and against this type of supply management cut across all herd sizes and geographies: As many small farmers were against this type of supply management as were for it, and the same held true for the very largest farms who responded to the survey. The 50/50 split also showed up in the west as a region and the Northeast, Midwest, and Southeast as individual regions. Responses were received by nearly 400 dairy producers from 23 states with herd size ranging from 30 cows to 15,000 cows for an average of over 500 cows.

Like all PDMP tours, Gorrell notes that there is "a different atmosphere where we visit than the one we live in."

But as Hoffman added, "Despite our differences, we have a lot of similarities. And even if we don't agree on everything, we have got to get together as dairy farmers. I don't think we know how powerful that could be."

## Clarification on last week's feature story

NORTH HAVERHILL, N.H.—Two words were missing from last week's story on Hatchland Dairy, and those two words "per month" make a big difference. Hatchland Dairy bottled a little over one million pounds *per month* of last year's production (with balancing of weekend supply through DMS at manufacturing class price).

Interestingly, USDA issued its decision on March 4 regarding the 70-year-old producer-handler exemption. This decision amends the producer-handler definition of all federal milk marketing orders to limit exemption from pooling and pricing provisions of the orders to those producer-handlers with total route disposition and sales of packaged fluid milk products to other

plants of 3 million pounds or less per month.

National Milk Producers Federation and the International Dairy Foods Association petitioned USDA in 2009 to cap the exemption at 450,000 pounds per month, but the final rule compromised with a cap at three million pounds per month. The higher cap allows family dairies, like Hatchland, to continue growing their own markets for high quality fluid milk.

Had the 450,000 lb cap gone into place, dairies like Hatchland would have had to cut their sales or pay Class I differentials into the pool, even though they have their own capital investment at risk in the business and they own the cows and the farm that is producing the milk for their own consumers.