

## *Region to region* **Communication is lifeblood of change**

By SHERRY BUNTING  
Special for Farmshine

BARDSTOWN, Ky.—“It’s about losing our culture, and the opportunities for our young people to continue in dairy farming,” said Bernie Morrissey, DPAC treasurer and volunteer spokesman as he addressed the group of 25 producers and allied industry members during the Kentucky Dairy Development Council (KDDC) board meeting at the University of Kentucky extension office near Bardstown.

Heads nodded, and even more so when he said: “The milk truck backs up to your bulk tank and takes your milk, and you don’t know what you’re going to be paid for it...”

Bernie and I traveled to Tennessee and Kentucky April 29 and 30 as two producer organizations invited the Dairy Policy Action Coalition (DPAC) to speak to their boards. On Thursday, we met with the Tennessee Dairy Producers Association (TDPA), and on Friday the KDDC. At both locations, and on farm visits in between, the story was much the same. Something has got to change, but will dairy farmers have the fortitude, unity and clout to get it done?

There are big mountains to climb. With the severity of this 19-month run of low prices and the billions in losses sustained by rank-and-file dairymen, there is a growing sense of urgency and of unity among dairy farmers. But is there enough political will to take the necessary steps to right this ship?

DPAC’s efforts are a work in progress and a reflection of the diversity of farm families, farm sizes, and management styles in the dairy business. The task can seem overwhelming, but we’re breaking it down to keep one focus, with constant attention, follow-up, and perseverance. The key is to follow things through to the endzone. Otherwise, change happens in words and on paper, but falls short of the mark: On the farm.

As a diverse coalition of active dairy farmers, DPAC’s one key ingredient is what KDDC executive director Maury Cox observed as he talked with us after the meeting.

“The dairy industry needs diversity. This is why it is so important for producers to communicate with each other from different regions to see and hear the different things that are going on,”

said Cox after Bernie and I represented DPAC at the KDDC meeting last month. “But at the same time, we need consistency among us.”

Education, communication, solidarity... these are some of the reasons why KDDC contacted Farmshine a year ago to send the publication to Kentucky dairy farmers as a means of staying in touch with producers elsewhere. And it is why they invited DPAC to their recent board meeting, along with members of the Indiana Professional Dairy Producers Association.

“What I’ve heard from our members is they like that DPAC is focused on the milk pricing and going after some of the underlying problems to build on that and gain credibility and strength as a coalition,” Cox noted.

The discussion in Bardstown began with bringing people up to date on DPAC’s progress on section 1510 of the current Farm Bill: daily electronic reporting of dairy product prices and sales volumes along with quarterly auditing.

KDDC sent a letter to Sen. Mitch McConnell (R-KY) to support the funding for section 1510. McConnell is a member of the Senate Ag Appropriations Subcommittee and very important to this bi-partisan effort to enhance the transparency of the dairy product marketplace.



### **DPAC Update**

*‘Controlling your own destiny’*

**DPAC met with KDDC April 30 in Bardstown, Kentucky. The KDDC board is comprised of 12 producers and eight allied industry members: Jim Sidebottom (producer) serves as president; Bob Klingenfus (producer), vice president; Tom Hastings (feed industry), secretary/treasurer; and producers H.H. Barlow and Jimmy Woodall**

**also serve on the executive committee. Maury Cox is the executive director. Other producer board members are Alan Berton, Billy Rowe, Steve Young, Travis Mullins, George Purcell; Bill Newell, Stewart Jones, and Bennie Sims. From allied industry: Tony Curtsinger (equipment), Dan Johnson (genetics), Billy Joe Williams (processor), Richard Sparrow (cooperatives), Mike Owen (milk haulers), Dan Riddell (nutrition), Dr. Charles Townsend (veterinarian).**

*Photo by Sherry Bunting*

This lays the foundation for other policy changes that are essential.

Kentucky producers had good questions and insights for us, and they shared their concerns about the erosion of their Class I fluid market via transportation credits and diversions that dilute value and utilization.

As KDDC board member H. Barlow noted, “Even though we have a high Class I market here, any effort that helps with transparency of the price and value of manufactured products ultimately helps our milk price also.”

In a discussion of decoupling fluid prices from manufacturing class prices, the point was made that Congress and USDA have repeatedly said dairy producers need to come together with one voice to fix the problems they face.

This statement does not necessarily mean that all milk needs to be priced under one national order, but that regional differences can be discussed by a coalition that is unified on the main issues that tie dairymen together.

While news reports often indicate that the western U.S. was hardest hit by the 2009 losses, the actual “mailbox” milk prices suggest the South saw the largest decline. We

discussed how the dairy industry has consolidated rapidly since 2000 when the number of federal orders was consolidated to 11 (now 10), and how this market power, coupled with administrative changes in federal order regulations, creates consequences in the South.

According to the 2009 final average mailbox milk prices, announced by USDA on April 23, 2010, the Appalachian States, Southeast States and Florida saw a larger per hundredweight decline in their average mailbox milk price than any other region of the country.

While the southern Orders had the highest prices in 2009 (as they always do), they had the largest losses compared to 2008 prices (via dilution of their Class I market value).

The average mailbox price, across all federal orders, declined \$5.58/cwt. in 2009. California’s fell by \$5.15/cwt. In comparison, the Appalachian States lost \$6.14/cwt; Southeast States lost \$6.38/cwt.; and Florida lost \$6.60/cwt.

For information about DPAC, call 800.422.8335 or visit [www.dpac.net](http://www.dpac.net). Donations can be mailed to 890 N. Reading Rd., Ephrata, PA 17522.

*Look for more news from DPAC’s visits in Tennessee and Kentucky in a future Farmshine.*