

DPAC Executive Board & Action Group Activities Report

November 6, 2010

November 5 — DPAC received questions this week about the new National Dairy Producers Organization originating in California...

- We are getting questions about whether we are planning to “join forces” with the National Dairy Producers Organization, launched August from California. This is on the DPAC board agenda for Nov. 11.
- Two of our cream of crop sponsors have received calls from customers asking them this question and for their support (E-Zee Milking and Sensenig’s Feed Mill). And we have had three emails at the website asking this question also, plus three emails in the past week asking what DPAC’s position is on NMPF plan, supply management and price supports. Those particular emails were from producers who stated they are against government mandatory supply management and for the elimination of government price support purchases.
- Paul Horning reported he received a letter of solicitation to pay \$80 for a membership to National Dairy Producers Organization. Apparently, via recent email correspondence, they are NOT putting \$40 of the membership fee to the *Agribusiness Dairyman*, a magazine published in Fresno, California, which has been providing the marketing services and communications technology for National Dairy Producers Organization. That is a change from when it was first launched
- Sherry Bunting has listened in on four conference calls since August. Tom Van Nortwick, the magazine publisher, says this is the “one and only voice of producers.” They do not state an agenda yet, except to talk about reducing production to 5% below demand to drive the price higher. Their plan is to have five delegates from every state convene at World Ag Expo in Tulare, Calif. In February 2011 to set the agenda.
- The organizing committee includes: Gary Genske (accountant based in Calif. and part owner of two dairies in New Mexico and one dairy in Virginia), Arden Tewksbury (PA – progressive agriculture / writer of Specter/Casey bill), Doug Maddox (Holstein USA and CDI – California / proponent of Costa/Sanders bill), David and Robin Fitch (NY – progressive agriculture / Specter/Casey bill), Paul Rozwadowski (National Family Farm Coalition, Wisconsin), Robin Berg (Dairy Pricing Co-op Assn; Wisconsin, a different plan geared to having a buy back of milk at a minimum price), Bill Rowell (Dairy Farmers Working Together – advocate of Costa/Sanders) and a few others.
- DPAC Chairman Cliff Hawbaker has contacted Gary Genske about the organization.
- DPAC board member Alan Kozak sent you all a sample of their correspondence as was provided to him by another Ohio dairy producer.
- One of the National Dairy Producer Organization’s stated goals at the website is to develop a true milk supply management program, restructure the national pricing formula and work on legislation to prohibit unnecessary imports. More info is available at:
<http://www.nationaldairyproducers.org/>

November 2 — EXEC BOARD Meeting by Teleconference to plan Board Reorganization

- The Executive Board met by teleconference on Tues., Nov. 2 at 1:00 to plan the November 11 Board Agenda and Reorganization. Cliff has talked to various board members about moving to ad hoc positions and staying on action groups but making board seats available to bring two Southeastern producers and two Midwestern producers onto the board.

- Bryan Gotham, from New York, has stepped down from the DPAC board due to personal reasons. Laura Covert, also from New York, will be asked to take his place as she has been involved as an ad hoc member since Dec. 2009.
- Ben Shelton of North Carolina (chair of Southeast Dairy Coalition) and Jack Fritz of Tennessee (involved as ad hoc member since March) and Dave Forgey of Indiana (involved as ad hoc member since Feb) are three producers who will be recommended for DPAC Board seats for 2011. DPAC Executive Board is also talking with another producer from the Midwest regarding a board seat, and eventually want to see representation from a Florida member of the Southeast Dairy Coalition. As a result of the trip to Western States meeting, we hope to bring western perspective via ad hoc members.

November 1 — OHIO — DPAC Board member Alan Kozak participated in Ohio Farm Bureau Dairy Policy Meeting:

- Alan was one of 18 dairy producers invited to the Ohio Farm Bureau Dairy Policy Meeting. Ohio State University dairy economist Cameron Thraen was also present. Alan provided DPAC's Cornerstone for Change and an update. He reports that this was a very worthwhile meeting and he had a conversation with Ohio producer Brenda Hastings who is involved in the national dairy producer organization that was started by Agribusiness Dairyman, a magazine published in Fresno, California.
- Brenda visited the DPAC website and sent the following email stating: I'm a dairy producer in Ohio who has followed DPAC and appreciate your efforts. Does DPAC support/endorse the new group National Dairy Producers Association @ <http://nationaldairyproducers.org/>? It seems like DPAC and NDPA have similar goals."...
- Alan also continued a discussion with Cameron Thraen from Ohio State Univ., who seems to be puzzled by DPAC's desire to have daily reporting when, as he puts it, there is such a wealth of information from USDA Dairy Market News that sheds light on market conditions weekly. Information is part of the issue; accountability is the other part. It seems that the dairy economists do not see the accountability issue because they see CME as supply and demand market forces at work. Unfortunately dairy producers do not have any confidence at all that market forces are at work on the CME... it's more like forced marketing. (Forgive the editorializing!) Case in point: Friday, Nov. 5 crash in butter prices on one load offered at 27 cents below the previous day's price and 30 cents below the previous week's price.

October 28 — SENATE BILL 1480 – Senator Mike Brubaker sent a “no nonsense” letter to all interested parties, seeking constructive and specific comments on SB 1480 to amend the Milk Marketing Law. He wants written input by Nov. 22.

- Pennsylvania State Senator Mike Brubaker sent a “no nonsense” letter to all stakeholder groups in the dairy industry asking them to review Senate Bill 1480, which he had introduced in September and later withdrew after the Agriculture Committee wanted more time and more information. He plans to reintroduce this legislation to amend the Milk Marketing Law in the 2011-12 legislative session. He is asking “all interested parties” to give their constructive and specific suggestions or comments on S.B. 1480.
- In his letter, Brubaker asks that respondents “refrain from using generalities like ‘something must be done’ or ‘this proposal should never see the light of day,’ but instead make specific suggestions for improvement and justification for each suggestion, using SB 1480 as a starting point.”

- Sen. Brubaker also states that he intends to call each of the interested parties in to meet with him to discuss potential changes to the legislation through the fall and winter with the goal of an improved and comprehensive amendment to the Milk Marketing Law for introduction.
- He concludes with the statement: *“I welcome all points of view, but am adamant that the end result must be of benefit to the majority of dairy farmers in Pennsylvania.”*
- Those wishing to participate in this process are asked to respond to his office, in writing, with their input by Nov. 22.
- A copy of the letter was emailed to the DPAC Board upon receipt on Nov. 2. For anyone who did not receive it, the letter is posted at the DPAC website and will be featured in a story in Farmshine and a DPAC E-Moos going out Nov. 8.
- Read the letter at: http://www.dpac.net/publication_files/lettersenbrubaker102810.pdf

October 25-26 — RENO, NEVADA — DPAC accepts invitation to attend Western States Dairy Producers Trade Association Meeting.

- Rob Barley and Sherry Bunting represented DPAC at the Western States Dairy Producers Trade Association (WSDPTA) Meeting in Reno, Nevada. WSDPTA invited DPAC to their annual meeting, which was Mon. and Tues. of same week National Milk convened their annual joint conference with the National Dairy Promotion and Research Board and United Dairy Industry Association at the same hotel (Grand Sierra). We made good contacts and they may have a spring meeting in Washington D.C. that we could participate in... They'll let us know.
- Before reaching destination, we met two producers from Virginia on the plane. They were heading to National Milk convention at same hotel, and they were quite in favor of supply management. They said Virginia has a base program statewide tied to their milk marketing board. Rob had an interesting conversation with them and came around to understanding concept of “producing for a market.” They had the utmost respect for Ben Shelton (chair of Southeast Dairy Coalition). They thought Sherry was John Bunting’s wife.
- **Once we reached Nevada**, we had the opportunity to meet and share ideas with producers and executive directors from various organizations in Washington, Oregon, California, Idaho, Utah, Nevada, New Mexico/West Texas, and Kansas. We did not have any opportunity to meet with people who were there for NMPF convention as this was fly-in / fly-out per the Western States meeting schedule.
- During the Western States (WSDPTA) meeting, we found we had things in common on dairy policy issues and the burning issue of EPA’s reach on the environmental front. They are closely watching what is happening in the Chesapeake Bay states in the East and the Puget Sound region of the Pacific Northwest. It is widely known that EPA’s Chesapeake Bay TMDL is considered a template for environmental regulation across the country, so they spent time discussing it. They also noted that Sen. Cardin (from Maryland) has a bill (1860) that needs to be stopped because it over-reaches.
- Jim Krahn, from the Oregon Dairy Farmers Association and member of Ag Secretary Tom Vilsack’s Dairy Industry Advisory Committee gave a report from Washington, that the first of three subcommittee reports would be finalized in mid-November. Krahn noted the system is one thousand times more complicated than he ever imagined and “one piece” won’t solve it. **“There will be a give and take process by everyone,”** he said.

- Krahn also gave “his opinion” that National Milk’s Foundation for the Future is emerging as the comprehensive framework for change. He said it is “the plan on the table,” and he urged attendees to put egos aside and come out with one approach. **No one will get everything they want, he said, noting that supply management is part of the “main-frame” now.**
- Experts noted that with a Republican-controlled House it may take more time to get something done as there is less interest in opening the Farm Bill. Also... The political reality **in Washington is there is “no money.”** So whatever is done has to cost less.
- We also learned from Jim Krahn that the \$60 million Congress authorized for cheese purchases in October of 2009 (part of the \$350 million dairy aid package last year), has all been allocated, **BUT**, not all of the product has actually been taken in-hand... so some of that purchase power is still in inventory. The \$ were used to buy chunks and shreds, which means less cheese volume purchased off the market for the same money. From a pound perspective, double the volume of cheese could have been removed from the market if using different purchase specifications. But the food banks requested chunks and shreds when asked their preference.
- Among the western states producers we spoke with, there was widespread agreement that it’s time to end the guaranteed government purchases of product for stockpile. That’s one part of NMPF’s Foundation for the Future for which there is much widespread support.
- There were some who mentioned to us that they like the idea of a competitive pay price instead of end-product-price formulas, and there was much agreement on wanting to end the influence of the CME cheese exchange as the driver of the milk price.
- As one producer from the state of Washington put it: “The market needs to talk to producers about future returns... Does it? Really?” He continued: “The market talks to us when we are off the cliff. How do we get signals back to Pennsylvania or to Washington, that, here comes the train wreck? We have an old 1937 milk pricing system. It still tells us to make more milk when we’re falling off the cliff. We have a cost of production, risk, American expectations (environmental, labor, regs all over) and a world market price.” There was some applause.
- We learned that the Dairy Producers of New Mexico have been vocal and outspoken on daily reporting, competitive pay price, and market transparency in general. We connected with their group, who was represented by executive director emeritus Sharon Lombardi who grew up on a NY dairy farm... and also David Lawrence, a west Texas dairy producer who started with 40 cows and today is a family operation in partnership with another dairy producer collectively milking 4400 cows. They support what DPAC is doing and have offered their assistance.
- **Michael Marsh from Western United Dairymen gave a presentation on raising the milk solids standards for the Federal Orders to be like California... to “put more milk in the milk...”** He said there is a lot of support for this, and that it would cost processors almost nothing to implement. NMPF cannot go to bat for this—apparently—because IDFA would go bonkers and so it is up to others in the dairy industry to move it forward.
- Random samples show some current standards for solids content are often un-met. **Big side-bar issue is: No one is checking the milk at the store** (under current standards)!
- Raising the standard is expected to produce 27 cents/cwt boost in all-milk price in the first year, but after that, the benefit would be absorbed by increased production.
- Still, this market represents an estimated \$500 million per year value to dairy farmers and would use 350 million pounds of nonfat dry milk annually.

- Net benefit for consumer is more nutrition for less calories to drink equivalent amount of milk for those nutrients. Taste tests showed 2 to 1 acceptance of higher-standards fluid milk (whole and skim).
- One key aspect of dairy's future is the undeniable effect of a global marketplace. Several western states producers indicated they wanted to talk about "increasing demand" and making products the market wants.
- **US Dairy Export Council president Thomas Suber gave his report on the global picture: Recent trends and near term outlook.** Bottom line: It is here. It's not going away. But there are different ways to look at this fact. Producers talked about consumers having a choice to know the source of their milk products.
- Exports this year continued long-term trend upward, which actually began in 2002-03. Before the collapse in late 2008, **the U.S. exported almost 12% of its production on a milk solids basis. From January through August of 2010, that percentage increased to 14%**, but not at 2008 price levels. At 14%, that's an even larger export market than beef.
- He said that the world market is getting back to where demand is growing to strain supply, and the exports have been more stable in 2010 than 2008 because the price is more realistic.
- New Zealand yields are recovering and they are expanding with average growth. Big question out there is: What is the U.S. doing? International buyers are looking at the U.S. increasing its production and that has an effect more than anything else.
- A big global impact in 2010 is that the product mix has changed as China has imported huge amounts of whole milk powder (WMP) from the world market, which pulls fat away along with the protein.
- The non-U.S. markets are doing pretty well economically right now. **We always tend to "overshoot demand because we can."**
- He touched on the Bain report, showing a "window of opportunity" for U.S. to establish self selling to unmet demand before others will be capitalized to do it (and perhaps infringe on our own domestic ingredient market via multi-nationals).
- He said the **U.S. this year is in a positive trade balance on a milk solids basis, even though we are deficit on the value side, largely because the U.S. imports high value proteins and cheese while exporting lower value whey products.**
- U.S. products are perceived as having "less spec." Because CCC doesn't require the higher spec on powder and neither does the U.S. cheese vat, the powder spec on spore count and nitrate is lower on U.S. product. Seems to be a "speed issue" at powder manufacturing level. Can do higher spec... have to want to do higher spec... Need to listen to what customers want. If U.S. is slow to meet the global quality needs, other nations will get capitalized to do it. Fonterra already going to other areas for supply control: Chile for example.
- Perfect example of how price support program entrenches a "commodity" mindset.
- New Zealand would "kick butt" except for the limitations of land capacity. Lots of conversion farms from beef / sheep to dairy. Their fixed cost (land) is higher but variable costs (inputs) are lower.
- Reason Nestle and NZ look at U.S. milk pool is the cost relative to the size of the pool of milk. U.S. export growth cannot be achieved without a strong domestic market.

- Still, 2010 U.S. cheese exports and other exports soared to highest ever % of production on milk solids basis.
- 2010 exports were moving “virtually on the market without assistance,” said Suber.
- When asked, he did acknowledge that CWT-enhanced export subsidies had—on occasion—displaced a commercial sale that would have occurred anyway. “It happens,” he said. “There have been displacements where sales have bumped into each other between the assisted and non-assisted. But a lot of the assistance is also through new business.”
- His graphs showed major convergence of U.S. price and international price. Graphs illustrated **“how the U.S. supported the world price in 2009 (and other years). When that happens, it protects Oceania from damage while at the same time diminishing our own ability to recover because of the buildup of gov-purchased product in storage.”**
- The graphs showed a close convergence on the cheddar cheese price; whereas butter had far less convergence.
- Suber noted that the NZ auctions are “very narrow” price test; should not drive global prices.
- He answered questions on currency value and explained that all global dairy trading is done in U.S. currency. Thus, if a nation’s currency is devalued it can become a demand issue, but the constant ups and downs we see in U.S. currency value comparisons are not a problem, unless it’s a major decline. Currency is not a supplier competition issue on the global market, said Suber, it is a buyer demand issue.
- Suber was asked what current proposals are preferred in light of global opportunity. He responded that NMPF’s Foundation for the Future has “the lightest footprint.” He said since U.S. producers will over-produce, good to have program with a “light footprint” that comes in “occasionally.”
- Bottom line: There is opportunity for the U.S. if dairy producers are ready to be a consistent supplier making the products manufacturers want both here and abroad.
- Suber said: Since 1999, 76% of the time, the export price is higher than domestic Class III
- High priority is reform of regulated milk price, eliminate guaranteed gov. support purchases.
- Other priorities are customer satisfaction: quality, traceability, safety. Infant formula makers are high value buyers. SMP for export is standardized protein/fat vs. NFD... At home, General Mills would use this product, but it doesn’t exist.
- Someone stated: Buyers will gravitate to the market that gives them the best opportunity to manage risk. Need better mechanisms to reduce volatility.
- One side: Does U.S. want to be seller of last resort? The only reason we balance the world supply is because we (government) buy product and put it in storage
- Other side: Can producers rely on the global market?
- Milk price variability is greater when U.S. is “in and out” of the export market instead of staying “in.”
- One issue is USDA is not used to dealing with dairy as a global market commodity. Weren’t prepared for some things such as the SCC milk standards.
- The central question asked by participants: **What is the cost of inaction?** No matter where producers are on the spectrum of ideas, it is clear that maintaining the **status quo is not an option.** This collective discussion needs to continue between dairy producers across the United States.

October 15 — TELECONFERENCE of the 15 organizations that funded Drs. Stephenson's and Nicholson's Volatility Report.

- Denny Wolff, Sherry Bunting, Duane Hertzler, Alan Kozak and Dave Forgey (others?) participated on behalf of DPAC in the 15-organization conference call to follow up on what further steps this coalition might take together now that Dr. Mark Stephenson and Dr. Chuck Nicholson have presented their “Analysis of Proposed Programs to Mitigate Price Volatility in the U.S. Dairy Industry.”
- DFA CEO Rick Smith was on the call as were other notable cooperative leaders. Smith asked the economists if they have received much inquiry from Congress on their report. Mark noted they have not had any direct inquiries from Congress, but while they were in Washington in mid-September meeting with Sec. Vilsack's Dairy Industry Advisory Committee (DIAC), they also met with some Senate Ag Committee members who showed interest in their report.
- Geoff Vandeneuval of Milk Producers Council (the originators of the Growth Management proposal that eventually became the Holstein plan and then the Costa/Sanders bill) stated that Congress is “waiting for a signal from the dairy producer community as to what we think and what we've learned.” He believes this process is getting producers “ever closer” to the point of “pulling together to get behind one program.”
- Several people on the call highlighted what is happening with feed prices right now and what the next year will look like in terms of milk margins. They wondered if the economists could run the NMPF Foundation for the Future and the other two plans through their model to see how each one responds using the current information about how next year's baseline is shaping up.
- Stephenson noted that they already did impose a feed shock in their analysis, but it was at a different point in time in their report. Still, he said, they evaluated what would happen when a feed shock hits at the point in time when the milk price is on the way down. He said it looks like October is the high price for the year (for milk) and now the feed shock will hit shortly thereafter.
- Several on the call wanted Chuck and Mark to “add urgency to the discussion” by modeling next year's baseline with what is happening right now and to show how each program would perform with the current economic conditions changing.
- Dave Forgey asked if NMPF is getting any closer to finishing their Federal Order reform piece and how that may impact the Foundation for the Future stabilization plan as well as Agri-Mark's plan and the Holstein plan (Costa/Sanders).
- The reply from cooperative leaders was that National Milk's next meeting is the third week in November, so they don't expect any more information on that until after that meeting.
- Mark Stephenson said he “wouldn't assume any substantial change in Federal Order price.” He said even if there is a reform, it would not change the Federal Order price enough to affect their study. “Our presumed prices are the presumed prices. Even if the price is discovered with a different mechanism, it's not going to get you much different prices.”
- Geoff Vandeneuval noted DFA's online publication that tracks the milk margin. “We're now seeing the margin down in the \$3 range.” He and others felt this information is extremely important to “get out to the producer community and the broader dairy community.” They said: “We are going to have a disaster within a couple of months: Time is of the essence.”
- Leaders on the call were saying that the “Information we have right now is sufficient to motivate us to get something done very, very quickly.”

- The question was asked if there is enough political will to rally around an idea?
- DIAC is discussion farm savings accounts, so the 15-organization coalition talked about their influence on price volatility. Mark Stephenson said they reduce the effects of price volatility, but not to the same degree as the three supply management programs (NMPF, Costa/Sanders, and Agri-Mark) do. The incentive matching funds is the plus, but could be a budget breaker. Another piece is the tax avoidance to shelter funds in a good year to use them to augment cash flow in a bad year.
- The MILC payments for 2011 are estimated at 90 cents/cwt. Stephenson said that could amount to \$1 billion in federal budget outlays next year. Does that give Congress the urgency to do something different?
- One by one, organization leaders on the call said they would support NMPF's Foundation for the Future even if they prefer the other plans, because they want to make sure something gets done. There was a general sense of: "Need to do something ahead of time to address the problem we see in front of next year and in the following year."
- They viewed the insurance plan as much better for producers than MILC payments because there are no caps.
- They wanted the economists to play out next year's indicators in their model to show the baseline next to NMPF's Foundation for the Future to show the "immediate impact in reversing the fall of milk prices." Many made comments saying they would rather work with NMPF than without them now that they see NMPF is willing to move on something after the first of the year.
- Rick Smith said: "I absolutely believe NMPF is prepared to move after the first of the year. The Futures market in both milk price and feed cost is almost unbelievable to me; it's not sustainable; it's a train wreck; it creates the urgency."
- He also noted that NMPF is "very sensitive" to not wanting to move away from its "package" as a whole. A good number of NMPF members signed on to the package not the pieces.
- One leader stated that, "We're at an awkward point. We need to know who is going to be sitting where."
- NMPF may have a bill written within 45 days.
- CBO has not "scored" National Milk's plan, although Mark Stephenson noted his economic determination is that NMPF's Foundation for the Future reduces the cost to the government (although the report shows Costa/Sanders reduced the cost to the government even more)
- They discussed the "margin insurance" and talked about the calculator at NMPF's website, stating that the \$6 margin is "about the sweet spot" where it pays to spend the 15.5 cents/cwt to buy the extra insurance. That's also the point when producers are paid for 98% of their milk. Producers who do not buy the extra insurance would experience a \$6 margin AND a 2% assessment (for supply management and cheese purchases). Producers who do buy the extra insurance would get an indemnity payment to offset some of that loss. Once the margin gets to \$4; then producers have a 4% assessment (for supply management and cheese purchases) and they would benefit from the fully subsidized "free" insurance.
- The key of the supply management part is to be a mechanism for farmers to scale back production when the overall national market for milk recedes.
- Several on the call stated that technically and politically and pragmatically... NMPF's plan is the place to start because NMPF needs to be part of it to get it done.

- Several Costa/Sanders supporters said that “in substance” they can “live with” NMPF plan and “build on that one.”
- It was said that “the producer doesn’t have his own voice, and we’re kind of desperate.” There were multiple people stating they would like to see a supply management piece, and to see agreement to “stop building inventory.”
- One point made was the plan needs a board that has discretion and the ability to respond on the margin trigger. Discussion about having a producer board (like Costa/Sanders) but use a tool that is reasonable to the coops (like NMPF margins).
- Dr. Mark Stephenson said IDFA very nervous about this being the camel’s nose in the tent. They get very nervous where producers have unlimited power.
- Dave Forgey asked what does the plan do to keep us consistent on the world market. Rob Vandeneuval from Milk Producers Council said NMPF plan encourages innovation by getting rid of the price support purchases of butter/NFDM.
- Amanda St. Pierre from Dairy Farmers Working Together asked if it is possible to get Jerry Kozak on one of these coalition calls since it seems we’re talking about NMPF plan.
- The group also wanted a better idea of how the Midwest region feels about eliminating MILC.
- It was noted that Congress will be very hesitant to “carve out” any region for the supply management or use “caps” on the insurance safety net.
- They said, repeatedly, that all areas of U.S.—whether deficit or surplus—live in a nationwide dairy industry and have to deal with what happens in this national industry, thus a national program with “no carve-outs” because everyone is “overall better off with a stable industry.”
- NMPF will meet in November and then everyone will have a better idea of their legislative language for Foundation for the Future.

October 12 — Progressive Dairyman runs “Three Open Minutes with Dennis Wolff” — Story focuses on DPAC and daily reporting

- Dennis Wolff was interviewed by Progressive Dairyman editor Walt Cooley for the recent October edition of the national magazine. Wolff answered questions about the formation of DPAC and the quest for daily electronic reporting. To read Progressive Dairyman's "3 Open Minutes with Dennis Wolff," here is the website link:
http://www.progressivedairy.com/index.php?option=com_content&view=article&id=5162:3-open-minutes-with-dennis-wolff&catid=36:industry-news&Itemid=62

October 12 — Central PA Television station interviews DPAC vice-chair Rob Barley at Star Rock Farms.

- Central Pennsylvania Television Station CBS 21 News interviewed DPAC vice-chair Rob Barley of Star Rock Farms, Lancaster County in their nightly news segment: "Local farmers try to bounce back after 'devastating' year." It ran in mid-October in response to a *Wall Street Journal* story about the "Farm Belt bouncing back," which focused on corn, soybean and cotton prices spurring a boom in the Farm Belt despite a struggling national economy. With only a few moments in a television news clip to explain the dairy situation to a wider audience, Barley noted that dairy farmers are pushing for more control and transparency in a marketplace manipulated by those who best understand the complicated milk-pricing system. The news video can be viewed at: http://www.whptv.com/news/local/story/Local-farmers-try-to-bounce-back-from-devasting/i95eGdt-Emi_yU5iS6TWQ.csp

UPCOMING EVENTS

November (date to be announced) — DPAC to participate again in conference call among the 15 organizations to follow up on possible next steps after release of Drs. Stephenson's and Nicholson's "Volatility Report" and National Milk's board meeting in November.

December 8 — DPAC Meeting with PA Milk Marketing Board in Lebanon, Pa. on S.B. 1480.

December 9 — PA group of independent nutritionists invited DPAC to set up booth and give two-minute commercial (a customer of Sherry's since 1998). They haven't donated but want to help us by giving opportunities to spread the word; possibly also in their newsletter...

December 13 — DPAC Holiday Celebration Dinner at Shady Maple Smorgasbord, East Earl, Pa.

January 18 — DPAC seed planting opportunity – Sherry invited to speak on status of dairy industry (as a reporter) to a central PA feed company core customer group.

November through March — DPAC planning producer education and communication meetings in Northeast, Southeast, Midwest.

Respectfully submitted

***Sherry Bunting*, DPAC Correspondence Secretary**

November 6, 2010