

Meeting Minutes
Dairy Policy Action Coalition (DPAC)

First Organizational Meeting: November 19, 2009

11:00 a.m. – 3:30 p.m. at 890 North Reading Road, Ephrata, PA 17522

Dairy Producers Present:

Rob Barley, Conestoga, Lancaster County, PA; Logan Bower, Blain, Perry County, PA; Dan Brandt, Annville, Lebanon County, PA; Jake Esh, Gordonville, Lancaster County, PA; Eric Frederick, Martinsburg, Blair County, PA; Clifford Hawbaker, Chambersburg, Franklin County, PA; Duane Hertzler, Loysville, Perry County, PA; Dale Hoffman, Shinglehouse, Potter County, PA; Paul Horning, Stevens, Lancaster County, PA; Jon Jenkins, Columbia Crossroads, Bradford County, PA; Jim Kennedy, Butler, Butler County, PA; Gary Kline, Troy, Bradford County, PA; Alan Kozak, Millersburg, Holmes County, OH; Doug Martin, Chambersburg, Franklin County, PA; Zack Meck, Womelsdorf, Berks County, PA; Rodney Metzler, Martinsburg, Blair County, PA; Max Smith, Martinsburg, Blair County, PA; Dan Z. Stoltzfus, Honey Brook, Chester County, PA; Nelson Troutman, Richland, Berks County, PA; Sheryl Vanco, Bear Lake, Warren County, PA.

Others Present:

Meeting Organizer and Host: Bernard C. Morrissey

Corresponding Secretary: Sherry Bunting, Agriculture Writing Services

Governmental Relations/Advocacy Representative: Dennis C Wolff, Versant Strategies

Other: John Barley (Versant Strategies), Mike Gerhart, Noah Wenger, Craig Morrissey, Michele Morrissey, Nelson Habecker

PROCEEDINGS:

Meeting called to order at 11:00 a.m. by Host: Bernard C. Morrissey

Meeting purpose: Opportunity to form a coalition and set priorities for active participation in dairy policy affecting milk pricing.

Host Bernard Morrissey's Report:

- **Welcomed the 20 dairy producers representing 10 counties in Pennsylvania and one county in Ohio.**
- Presented overview of the opportunity to form a coalition of grassroots producers coming together to “control your own destiny.”
- Offered his staff and office and toll-free phone number as a “hub” of operations for the Dairy Policy Action Coalition.
- Offered to spearhead fundraising and cover the first month of operations with a donation of \$6000.
- Explained how the invitation list for this first organizational meeting began with identifying grassroots groups of producers who had already been meeting in different county regions of Pennsylvania (plus Holmes County, Ohio). Attending producers

represented these grassroots producer groups, which had already taken some first steps in communicating dairy policy messages to their legislators.

- Explained that he had asked Sherry Bunting—a free-lance writer who is familiar with the grassroots group efforts—to invite each of 8 groups representing 11 counties (PA and OH) to send two or three representatives to this first organizational meeting (as reflected above in the list of producers present).
- Noted this can be just the beginning, with long-range potential of growing the coalition to extend throughout the Northeast and beyond.
- Stated that: “We want any dairy producers, or group of dairy producers—barring none—to be a part of this if they wish. The purpose is to give producers a unified voice going to Washington or individual state capitols on policies and issues that affect their milk pricing.”
- Explained the coalition concept and proposed name: Dairy Policy Action Coalition.
- Introduced Sherry Bunting, a free-lance writer, who could be part of the team to keep producers up-to-date on what is going on through the pages of Farmshine and other media news releases and forms of communication.
- Introduced former Pennsylvania Secretary of Agriculture Dennis C Wolff, who is now a partner in Versant Strategies.
- Explained that Denny Wolff and Versant Strategies could be hired to consult with, develop action plans for, and represent dairy producers in Washington, D.C. or individual state capitols.
- Reminded producers that this would be a big undertaking and a relationship that demands commitment.
- Reminded everyone that forming a producer coalition “does not eliminate the need for other groups or milk cooperatives.”
- Closed by reminding everyone that dairy farmers “feed a hungry world through God. If you go down,” he said. “What happens to our hungry world?”

Secretary Sherry Bunting’s Report:

- Encouraged attending producers to challenge assumptions and take advantage of this opportunity to come together to build consensus and speak with one voice.
- Stated that: “This is your opportunity to make of it what you will.”
- Used the rest of her time to open the floor to producers to introduce themselves one at a time and declare their individual expectations.

Special Guest and Consultant Denny Wolff’s Report:

- Discussed how complex dairy policy is with a brief ‘look back’ since his involvement with dairy policy began in 2005.
- Explained how Farm Bill policy development works.
- Emphasized importance of finding common ground and speaking with one voice.

- Gave a brief overview of current federal dairy policy: “It’s not working. Markets are too volatile. Markets lack transparency in price discovery. Advance pricing and lag times are also a concern.”
- Encouraged the group to prioritize: “Pick a few specific things to start with, then move the initiative forward.”
- Emphasized importance of basing actions on accurate information.
- Explained how Versant can develop and roll out an action plan based on the priorities that are set by the producer-driven coalition.
- Highlighted the importance of educating legislators and other policymakers on the issues affecting milk pricing.

Meeting temporarily adjourned at 12:30 p.m. for lunch.

Meeting called back to order at 1:15 p.m. by Host: Bernie Morrissey

Discussion at-large:

- Information is power. Versant partner John Barley indicated their interest and experience in the complexities that make the dairy business unique, of getting the information and taking it to the next level so that it is known and understood.
- Producers indicated their belief that Denny Wolff could represent them well, has earned his credentials, and has the respect of policymakers.
- Single-bullet vs. shotgun approach was discussed. This coalition would focus specifically on active participation in dairy policy that affects milk pricing and supply management.
- Wolff talked about how to stimulate process at decision-making levels to affect change.
- Producers discussed how to organize themselves and seek donations from producer-members as well as additional fundraising.
- Producers discussed supply management as a factor in milk pricing with consensus to begin evaluating current plans.
- Producers focused on short-term priorities to get started with, giving high priority to federal milk marketing issues relating to price discovery and concerns about competition in the marketplace.
- Concept for moving forward described as: Step-by-step—Success breeds success.

New Business:

- Three nominations for Chair were received from the floor: Rob Barley, Dan Brandt, and Clifford Hawbaker.
- Clifford Hawbaker was elected Chairman by paper ballot.

- Unanimous approval on Chairman’s question of coalition name as well as address for correspondence and donations:
 - Dairy Policy Action Coalition (DPAC)**
 - 890 North Reading Road**
 - Ephrata, PA 17522**
 - Toll-free phone # 800-422-8335**
- Unanimous approval on Paul Horning’s motion to appoint Bernard Morrissey as temporary treasurer.
- Unanimous approval on the question of coalition membership: The right to membership is limited only to dairy producers. (i.e. *If you own a cow, you are theoretically a member of this coalition effort, which has the purpose of active participation in dairy policy that affects milk pricing.*)
- Unanimous approval on Jim Kennedy’s motion to construct a form that makes the case for producer contribution and requests a suggested minimum donation of \$50 per dairy producer.
- Unanimous approval on Max Smith’s motion and Rob Barley’s second to hire Sherry Bunting as DPAC’s Secretary at a cost of \$1000 per month.
- A separate unanimous voice vote on the second part of the previous motion approved the hiring of Denny Wolff and Versant Strategies to consult with and represent DPAC at a cost of \$5000 per month.
- Unanimous approval on Dan Brandt’s motion to set the following immediate priorities for the purposes of beginning the coalition’s action on milk pricing and supply management:
 - 1) Federal mandatory product price reporting to include more dairy products (i.e. fresh Italian cheeses, yogurt, etc.) and daily reporting. (Mandatory electronic reporting is written into the 2008 Farm Bill, but needs to be implemented by USDA and funds need to be appropriated).
 - 1) a. Concern about auditing in view of NASS Survey lag time and current price spread between NASS nonfat dry milk price vs. world price and Dairy Market News reported price.
 - 1) b. Seek federal mandatory reporting, with auditing, for NASS Cold Storage inventory reporting.
 - 2) Anti-trust investigations—Provide input at upcoming USDA / DOJ listening sessions and comments for the record, which are due Dec. 31.
- Chairman Hawbaker appointed Rob Barley and Dan Brandt (both of whom had previously been nominated for Chair) to join him on the Advisory Board, which will prepare bylaws for the group to consider and vote on at DPAC’s second organizational meeting (Dec. 10, 2009 at 1:00 p.m.)
- Chairman Hawbaker named Zack Meck, Dan Brandt and Nelson Troutman as the PA Milk Marketing Board information committee to report back to DPAC, as needed, on issues relating to Pennsylvania Milk Marketing Board.

- Attending producers agreed to each contact two or three agribusinesses for donations to the DPAC effort.
 - **NEXT DPAC MEETING was set for December 10, 2009 – 1:00-3:00 p.m.** at the same location: Conference Room at 890 North Reading Road, Ephrata, PA 17522.
 - **Adjourned** at 3:15 p.m.
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Advisory Board – 3:30-4:15 p.m. Nov. 19 (following DPAC committee of whole):

- Denny Wolff will do background work and propose action plan on immediate priorities identified by DPAC (listed above).
- Sherry Bunting will prepare minutes for distribution to DPAC attendees and work with Chairman Hawbaker and Advisory Board on Dec. 10 meeting agenda.
- Sherry Bunting will prepare a sample form for producer donations.
- Sherry Bunting will prepare a sample letter and form for agribusiness donations.
- Bernard Morrissey will meet with his attorney to secure the legal paperwork to establish an EIN # to begin receiving sponsorship donations.
- A letter to agribusinesses will follow after DPAC article appears in Farmshine.
- Chairman and Advisory Board will work on drafting bylaws as well as organizational structure and avenues of communication for review and approval at next meeting Dec. 10.
- Chairman and Advisory Board will meet Dec. 1 at 1:00 at Morrissey Insurance to prepare for Dec. 10 meeting.

Respectfully Submitted by:

Sherry A. Bunting

DPAC Correspondence Secretary

November 24, 2009