

## NDPO Board Members

### Mike Eby

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### Gary Genske

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### John J. King

Retired --- Pennsylvania  
(717)284---5756

### Tom Montieth

Retired --- Massachusetts



"We pledge to thoroughly and immediately review and study each of the issues that impact the price of milk paid to producers in order to determine and facilitate needed changes that may be required to reach our stated purpose of producer profitability, for now and in the future."

NATIONAL DAIRY PRODUCERS ORGANIZATION, INC.

## Producer's Voice

December 2016

[www.NationalDairyProducersOrganization.com](http://www.NationalDairyProducersOrganization.com)

## Dairymen – Here is what you can learn from the Canadian

### Dairy Farmers

	<u>CANADA</u>	<u>USA</u>
All Milk Price	\$24+	\$17+
Retail milk price (GAL)	\$6	\$4
The dairy industry created milk supply management	YES	NO
Match milk supply with profitable demand	YES	NO
Sustainable profitability through production management	YES	NO
Have 5 milk classes, class #5 prices exports	YES	NO
½ of milk price covers cost of production	YES	NO
½ of milk price covers inflation adjustment	YES	NO
Government subsidies	NO	YES
Government likes \$20-\$25/HR worker wages	YES	NO
Processor/Producer Board estimates profitable milk production needs every 3 months	YES	NO
Producers are advised in advance of profitable milk needs	YES	NO
All milk imports are assessed tariffs	NO	NO
Production strictly enforced	YES	NO
Responsible for oversight	Govt.	NO ONE
Quota value per cow \$30,000-\$50,000	YES	NO
Quota available to new producers	YES	NO
Marketers trying to eliminate/avoid quota	YES	YES
Unrestrained milk supply	NO	YES
Reduced milk components in fluid milk sold	NO	YES
100% Canadian/100% USA milk retail trademarks used	YES	NO
U.S milk producers must no longer defy basic economics of SUPPLY = PROFITABLE DEMAND = SUSTAINABLE MILK PRICE. Contact us or get on our weekly national conference calls to learn how to return to sustainable milk prices.		

**Note:** NDPO is not advocating a national milk "quota" system. We believe our individual co-ops have many alternatives to choose from in managing an oversupplies of milk, see page 2 for NDPO's preferred ideas.

**Tuesday National Calls:**  
**8 PM East – 5 PM West**  
**Live Calls:**  
**(712)775-7035**  
**Recorded Calls:**  
**(712)775-7039**  
**Pin: 330090#**

**OFFICE 949-375-4450 • FAX 949-650-9585**

# TO ALL U.S. DAIRY FARMER CO-OP MEMBERS

On page one of this newsletter, we clearly illustrate how the farm milk pricing system in Canada is organized and how the resulting milk pay prices are calculated. The Canadian system was designed solely for farmer sustainability. Their system was designed to coordinate milk supply with profitable demand by way of quarterly meetings between the milk producers and milk buyers. Further, the Canadian Government oversees the supply = demand = producer pay price negotiations to ensure that their country's dairy producers remain viable and prosperous.

Here in America, we producers have, over the years, formed co-operatives to market our milk. These co-operatives were charged with the responsibility to profitably market their members' milk. There are very few dairy farmers who can agree that their co-ops are currently seeking the same marketing objectives as they were seeking when these co-ops were formed.

So, what must be done to return the U.S. dairy farmer to a sustainable business? We at NDPO believe the dairy farmer himself holds the answer to sustainable milk prices. We do not need a national quota supply system with government oversight. We believe that our existing co-ops should reestablish the fundamental supply = demand = sustainable producer pay price economic concept that is the underlying purpose for the co-operative business model.

To return to farmer sustainable profitability, dairy farmers must take back control of their co-operatives. Insist all board members adopt the following:

- 1) The first agenda item at all co-op board meetings should be obtaining member sustainable farm gate milk prices. Remember, the Canadians coordinate this milk price effort quarterly, and have had milk prices above \$20/cwt for decades.
- 2) Implement a pro-rata across-the-board reduction in acceptance of member milk for processing until the milk supply is balanced with profitable demand that will provide co-op members with a sustainable farm gate milk price.
- 3) Accept no non-member milk unless the non-member milk can be sold at a price to return a sustainable farm gate milk price to the co-op members.
- 4) Do not own, construct or operate any milk processing facility, process any dairy product, or chase any dairy market that will not return a sustainable farm gate price to the co-op members.
- 5) Use the National Dairy Producers Organizations' "100% USA Milk" trademark on all co-op made products to promote U.S. dairy farmer milk.

The solution to our current unsustainable milk price dilemma is simple. Simply go back to managing our co-ops in the same way they were managed more than 15 years ago when we established them and adopt the "producer profitability for sustainability" goal.

# NATIONAL DAIRY PRODUCERS ORGANIZATION, INC.



## Membership/Assessment Application for The National Dairy Producers Organization, Inc.

Patron Name		Patron/Producer Number	
Address			If organic, check here
City	State	Zip	# of Acres
Phone	Email Address		# of Cows
Processor Name/Dairy Plant/Marketer Name		Phone	
Address			
City	State	Zip	

Under National Dairy Producers Organization, Inc. bylaws, your contribution is considered your membership dues. The dues cannot be raised without your consent. This agreement gives the National Dairy Producers Organization, Inc. permission to use your money to accomplish the specific work of the organization, under direction of the board of directors on behalf of its members so as to help all dairy producers achieve and maintain a profitable price for all milk regardless of its use, or the city, state or region of the country in which milk is produced.

Complete, sign, then mail or fax to:

**National Dairy Producers Organization**  
**C/O Gary Genske, Treasurer**  
**3187 Red Hill Ave., Ste. 110**  
**Costa Mesa, CA 92626**  
**Phone: 949-650-9580 Fax: 949-650-4490**

Please initial one of the following:

- 1) \_\_\_\_\_ I hereby authorize \$.01 (one cent) per hundredweight (CWT) plus \$20 per month assessments to be withheld from my monthly milk settlement payment and remitted to the National Dairy Producers Organization, Inc. at the above address, or
- 2) \_\_\_\_\_ I pledge payment of \$.01 (one cent) per hundredweight (CWT) plus \$20 per month to be paid by our dairy check and remitted to the National Dairy Producers Organization, Inc. at the above address, or
- 3) \_\_\_\_\_ I am a former dairy farmer and want to be a member of the National Dairy Producers Organization, Inc. and hereby pledge payment of \$80 for the annual membership dues to be remitted to the above address.
- 4) \_\_\_\_\_ We are a vendor to the dairy industry and wish to become an associate member and pledge payment of \$250 for annual membership dues to be remitted to the above address.

As of this date, this assessment request shall become effective and shall supersede prior National Dairy Producer Organization, Inc. assessments, if any.

Sign: \_\_\_\_\_ Effective Date: \_\_\_\_\_  
 The National Dairy Producers Organization, Inc. is a 501(C)(5), a not for profit organization.



National Dairy Producers Organization  
1835 Newport Blvd., STE. D-263  
Costa Mesa, CA 92627

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## 100% USA

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Last week in this column, I wrote about the loss of Country of Origin Labeling (COOL) for the meat industry. As this trend continues to remove ways for the food and agriculture industries to communicate with consumers about where their food comes from, some organizations are developing private labels and taking them to the producer and consumer sectors to make retailers aware that this labeling can continue privately and driven by marketing. National Dairy Producers Organization (NDPO) has such a label. Of course they want to see it used on milk and dairy products, but it is also available for any food product that is 100% USA sourced. The trouble is, many food products today are hybrids. Some of the ingredients may be U.S. sourced, while others are imported and combined. In the cattle industry, this could be as simple as a calf's life starting in Mexico or Canada and ending in a feedlot in the U.S. Retailers do not like to see "messy" trace-back. They want simple, clear methods for implementing marketing communications such as the 100% USA label. It's time to work on USA sourcing and marketing. In the dairy business, that may mean taking a second look at our Federal Order system in order to free milk for more aggressive advertising and localized marketing strategies. One way to help this effort is to consider membership in NDPO because their push for 100% USA labeling is just one of the things they are working on. This is an industry wide endeavor, not a lobbying effort. Forget Congress on this issue, take it to the streets. Get consumers involved. Visit retailers and let them know about the 100% USA program. Or, better yet, join up with NDPO and help them have a stronger voice in moving this seal forward with the strength of producers behind them.

**To all sellers of beef and milk, insist on these logos being used on retail packaging. For more information on 100% USA Milk and 100% USA Beef please check out our website at [www.100percentusa.org](http://www.100percentusa.org)**

