

NATIONAL DAIRY PRODUCERS ORGANIZATION, INC.

Producer's Voice 

September/October 2014

www.nationaldairyproducerorganization.com

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"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."

Nearly four years ago, still trying to recover from the disastrous 2009 low milk prices, the National Dairy Producers Organization, Inc. (NDPO) was formed by a number of dairy farmers from across the country.

Our objective: to unite dairy men in a national dairy producers organization to become the voice for the procedures.

Our goal: to achieve producer profitability for sustainability

Our Accomplishments:

1. Over 500 memberships in 30 states
2. Weekly informative calls
3. Development of the 100% USA trademark for retail packaging (www.100percentusa.org)
4. Development and marketing assistance of fortified milk to return all bottled milk to the current California (8.7SNF/3.5BF) standard to assist in improved Class 1 milk sales in schools and at retail
5. Removing milk off the market for donation
6. Beginning USDA hearing processes to seek improved class pricing that will result in higher procedure prices
7. Lobbied in Washington D.C. for a more producer friendly farm bill
8. Studied milk import tariff rate schedules and have identified a number of "Tariff Buster" imports that negatively affect USA dairy farmers, and we will continue to improve inequities
9. Continue to educate producers of issues needing reform with our website at: www.nationaldairyproducerorganization.com
10. Seek information from producers to help NDPO's goals
11. Studying our buying capabilities on the CME
12. Seeking 40,000 producer memberships, we must organize, who else will take care of us?

We have accomplished many things in our first four years and still have a lot of work to do. It is essential for producers to organize to try to avoid another 2009 financial crisis. This organization asks for one thing from the dairy industry: To receive our fair share of the retail dollar for our sustainability.

Tuesday National Calls 8 PM East – 5 PM West

Live Calls: (712)775-7035

Recorded Calls: (712)775-7039

Pin: 330090#

As presented on Dairy Line Radio in September, 2014 between Bill Baker and Mike Eby

What Makes it “White Gold”

Pennsylvania dairy producer, Mike Eby, also a board member of the National Dairy Producers Organization and president of Family Dairy Farm was back on Wednesday’s *DairyLine* to talk about the milk his operation processes according to California’s higher minimum solids level.

Whole milk, Eby explained, is taken to 3.5% fat not 3.25%. 2% milk has 10 grams of protein, not 8, he said, and 1% milk has 11 grams of protein not 8.

“Now with skim, if you follow the math, Eby said, “Skim would have to have 12 grams but California only takes it to 9.” Because Eby wants to follow the California model, they only use 9 grams as well.

“I don’t want this to be about White Gold milk,” Eby said. “I want this to be about California. California did something right back in 1962 and they need to be congratulated for it.” He said he wants to point the finger to the West when he asks, “Do you want to fix the problem of milk consumption in America then look to California.” “I don’t want to have to say here is a product I want to put out on the shelf. I’ll let you know how it turns out in a couple years and then we can decide whether or not to go forward with it. I want to be able to say, California did it right, the rest of the nation has done it wrong and we need to follow California if we really truly want to get out of this milk consumption decline.”

The changeover doesn’t come without cost. Eby admits that a reverse osmosis processor is critical to “really do what we need to do.” Right now it’s being accomplished by adding solids nonfat, he said, “but ideally to do it the way California does, they keep the milk in liquid form through the whole process, which would require taking out the milk protein through a reverse osmosis machine and they are not cheap.”

That’s part of their reason progress has been slow, according to Eby, “Because it’s not very cost effective for a processing plant to have a machine like that just for this purpose.” “They choose not to be innovative,” he said, “And when you choose not to be innovative, then you put yourself at a disadvantage and that’s why we are, in my opinion, 49 states behind California.”

Eby’s goal remains to expand from retail sales of White Gold to put it in schools. “If we mess this up,” he warned, “We have a big problem because we start with mouths. These mouths are accepting our product and it’s up to us whether or not we keep them in the future.

Unfortunately, with government regulations what they are, Eby says we’re “dumbing the milk down as much as possible, give it to these kids and then these kids choose whether or not they want to like it.”

“It’s unfortunate, Eby said, “Because as a dairy farmer we really have little control what goes in there (the milk), based upon regulations,” but he believes we need to “hold processors responsible for what actually goes into those schools as well because collectively we could get together and make a difference as a nation if we really truly wanted to.”

Eby is determined not to give up on the fluid market and warned; “If we lose our market share as dairy farmers through the school system, we’re in big trouble because about 7% of milk that’s sold in the East goes into schools. That’s a big number and, if you remove that number, that less consumption means more inventory, more inventory means lower future prices paid to dairy farmers for their raw ingredients.”

Several organizations are working together on this initiative, according to Eby. For more information, log on to www.dairypricing.org, www.familydairyfarms.com, as well as the National Dairy Producer Organization website at www.nationaldairyproducersorganization.com



Introducing Our 100% USA MILK Logo!

Encourage your processors to use this trademark!

The 100% USA icon is not just a brand building tool. It's a statement to the consumer that you as a company takes pride in the fact that your goods are produced in the United States. The sellers of products that carry this 100% USA icon must certify that their products are not only made in the USA, but it's main ingredients are produced in the USA, in accordance with U.S. laws.

An annual license renewal will include recertification and verification that the products continue to qualify to carry our 100% USA trademarked logo. Let the consumer know that when they buy your product they are buying 100% USA regulated, quality.



MARKET RESEARCH RESULTS SHOWS:

 96% of surveyed feel very positive about "100% USA".

 The average respondent would pay 5% more for products certified and labeled with the "100% USA" logo.



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