

Name	Received	Contact	Comment
Anonymous	8/23/2018	Letter	See letter in folder.
Tim Strnad	8/27/2018	strnadtim@yahoo.com	<p>Dear Sir,</p> <p>I'm writing to you to give the state a reality check, we are currently shipping are milk to a small proprietary cheese plant north of Green Bay along with 4 other farms . This plant has been paying below the minimum on butterfat since February between .24 and .30 cents a pound. Recently we discovered each farm that ships there is below the minimum by different amounts. After a conversation with a person that oversees the Federal Market Order 30 this is perfectly legal because they don't Pool there milk. Don't you think this is something all farmers need to know????? We tried to switch nobody is interested, farms are either to big or too small to switch right now depending on the room in the truck in the area.</p> <p>So stop telling young people there's a future in production ag anyone with math skills can see you can't start from scratch. Do the banks and investors know that any sleaze plant I mean cheese plant can depool there milk and not pay there farmers a dime. Do young people who started over the last ten yrs with high debt know that cheese factory owns them. Tell them or I will.</p> <p>As far as your dairy 2.0 your to late, just asked the question of every ag producer in WI. if he's a last generation farmer and you'll have your answer. We are maybe sooner than we planned . By the way Minnesota asked that question and its 80% there.</p> <p>If the Walker Administration isn't interested in are situation you don,t have to respond , but I might check in with Tony Evers.</p>
David Verhagen	7/9/2018	Letter	See letter in folder.
Anonymous	8/30/2018	Letter	See letter in folder. From same sender as 8/23 anonymous letter.
Tim Strnad	9/3/2018	strnadtim@yahoo.com	<p>Dear Neil '</p> <p>Thank you for responding, but I have no confidence in your Dairy 2.0 with the DBA and Edge Coop on there and you shouldn't either , Walker needs the independent VOTER ! Edge Coop members have pissed off every rural resident. Dirty water, polluting rivers and streams wrecking every side road up here and the towns get no money to fix them. Sand Mining doing the same thing in the western part of the state but what do we see another lane added between GB and Appleton. Stop listening to the DBA and Edge members, they don't care if you lose your job.</p> <p>Judging by the latest polls there already planning Sheila's replacement because Evers knows nothing about WI. Ag . Instead of offering \$5,000 to keep grads to stay here maybe he should try to keep as many small farms viable so the tourist can see something besides 10 acre manure pit . Without John Pagel, Edge Coop has to be having a power struggle right now, so Walker should not bet on them.</p> <p>Go to the comments section on any Web site connected to your task force and read, the issues are there.</p> <p>Please listen or I'll be E mailing the new ag secretary in November.</p> <p style="text-align: center;">Thank you for your time Tim Strnad</p>
Randy Wokatsch	9/26/2018	kwokatsch@gmail.com	<p>Hi,</p> <p>I am Randy Wokatsch. I dairy farm with my wife and family in central Marathon County near Marathon City. Our farm covers 330 acres and we milk 55 cows. We are the 4th generation and our farm was established in 1901. We are still hanging on, thanks to being a bit diversified, but we live hand-to-mouth, barely getting by. It isn't just dairy that is down. Almost all commodities are down including beef, soybeans, and corn, so on our farm, those sales are helping little.</p> <p>Downturns have always been a part of dairy farming, but this is the 4th year, which is one of the longest ever. Furthermore, no real relief seems to be in sight. One reason, likely the main reason, we don't recover is that herds around the country keep expanding ... despite prices below the cost of production. Not so long ago, I believed in survival of the fittest. I thought I would never support supply management. It clashes with my belief in capitalism and free enterprise. But we have never had proper supply and demand and capitalism in the dairy industry. Government grants, loan guarantees, illegal immigrants and other forces have enabled and favored expansions. There is a dairy based in Western Minnesota that will soon have ten 9200 - cow dairies for a total of 92,000 cows. Expansions are going on seemingly everywhere. I now see supply management of some type as the only way to save our family farms.</p> <p>I would like to see a two-tiered system like Organic Valley currently has, except EVERYONE is included. This would once again give value to small farms like ours. Small farms are the lifeblood of rural Wisconsin. Unfortunately, many of us are nearly on life support. I hope you will consider the consequences of doing nothing and look at what I am proposing. Thanks,</p> <p>Randy Wokatsch Wokatsch Dairy Marathon, WI</p>

Gordie Giese	10/12/2018	behnkeallen@gmail.com	<p>Neil,</p> <p>It was good talking to you the other day. I won't go into alot of detail, but will give you a little back ground and a few ideas of my own.</p> <p>We built a new parlor/free stall for 200 cows in 2000. Production herd health improved for the 1st six years, then started dropping. My boys felt we should go organic rather than getting bigger. By 2007 we transitioned to organic and signed a three year contract with Kemps at \$28.00 per 100 lbs. In January of 2009 Kemps was dropping farms and the conventional market dropped from \$20 something in December to \$11.00 In January and our production was continuing to decline. After having more than a dozen electrical consultants here, starting with the power company, the vet, and others from the farm center, we continued to struggle. Finally in 2013 the power company agreed to give us an isolator. By 2015 our production was back to the highest level since 2006. Then in August 2016, the bottom fell out. Then in October of 2017 our current dairy said our SCC was too high and we should look for another dairy and are still looking to this day. The answer I keep getting is that they aren't taking on any new farms, yet many of the bigger dairies will bring 12 or more tankers from out of state. Big dairies are expanding, but I can't find a market for the milk from my "Family Farm" of 120 cows. I hope that the task force can come up with some sort of solution.</p> <p>Good luck and we will be keeping in touch.</p> <p>Gordie Giese</p> <p>Dodge County Dairy Farmer</p> <p>P.S. Exports need to "pick up" too.</p>
Pete Hardin	10/30/2018	milkweed@registerprintce	See letter in folder.
Mike Marsch	11/6/2018	jjacobson@wptonline.org	See letter in folder.

July 5, 2018

David Verhagen
1810 Midway Road
De Pere, WI 54115

Secretary Sheila Harsdorf
Dept. of Agriculture, Trade and Consumer Protection
2811 Agriculture Drive
Madison, Wisconsin 53708-8911

JUL 09 2018

RE: Wisconsin Dairy Task Force 2.0

Greetings:

I am writing to recommend membership to your Task Force.

Here in Brown County we have numerous farmers operating mid-size to large dairy farm operations who are participating in the Lower Fox River Demonstration Farms Project. During a recent field day tour of some local farms, the participating farmers reported:

Their income is up since adopting practices promoted by the Demonstration Project. They achieved greater income as a result of significantly lowering labor and input costs. While the total amount of milk they produce was lessened and their resulting top-line earnings were thus reduced, their total take-home income was up due to having greater profit margins from adopting better practices.

These two outcomes address problems that are motivating reasons for creating your task force: Overproduction is depressing prices (lowering incomes). Reducing overproduction will help prices to recover and result in higher milk prices. Lower costs of operation means even higher incomes. Better soil management reduces harm to surface and groundwaters, while protecting soil fertility for future generations. It is a win-win for farmers and for the citizens of the state.

As farmers are most inclined to listen to fellow farmers, it is my strongest recommendation that you seek out farmers who are participants in this, or a similar program. Farm operators who have demonstrated results will be able to share them directly with task force members. Their experience can influence successful adoption of task force recommendations as well.

The Fox Demonstration website is at: <https://fyi.uwex.edu/foxdemofarms/>

Sincerely,



David Verhagen
Rural Resident of Brown County, WI

CC: Ray Cross

August 26, 2018

To Neil Kline,
Communication Specialist
Wisconsin Department of Agriculture
Please email to all members of the task force.
cc. Sec. Harsdorf, Sen. Olsen, Sen. Ringhand, Dr. Stephenson
Thank You

AUG 30 2018

Dairy Task Force,

I read the report on the first Dairy Task Force meeting in the Agri-View and I'm very disappointed in this report. Items listed for consideration: product and process innovation, regulatory certainty rural-communities support and infrastructure, markets, price volatility and profitability, consumer confidence and perception, education workforce, access to capital, next generation transfer and transition, economics of scale, barriers-financial, and time and money management. Give me and the dairy farmer a break –what are you thinking. This is not a list the dairy farmer (they have the most skin in the game) would put together but more like something coming from U of Wis. Madison & Dept of Ag employees. The only quote that made sense was from Shelly Mayer "stressed immediate action".

There are three big items (1) how to increase milk price, (2) how do we get dairyman and farmer through this financial stress period, and (3) how to work with the Trump administration on tariffs and exports. Remember President Carter cancelling corn sale to Russia that started the farm crisis of the late 70's and early 80's. The difference today versus the 80's crisis is dairyman and farm owe a lot more money.

Without an increase in milk price soon and returning dairy farmer to profitability I think Wisconsin will lose 2000 or more dairy farmer in the next two years. Is the dairy industry less important than FoxCom??

August 16, 2018

Congratulations on be appointed to the Dairy Task Force.

My son and I dairy farm in southern Wisconsin and I have been disappointed in what leader of the dairy industry on solving all the issues in farming. The economic issue is affecting all farmers dairy, beef, hogs corn and soybeans.

The Task Force must address all issues that affect all farmers in Wisconsin --financing, milk market, beef, hog, corn and soybeans.

Farm Financing

What are lenders going to do with the deterioration of farm equity?

1. Dairy cattle values have dropped more than 50% in last two years.
2. Land values are down because the local farmer has no money.
3. Use farm equipment is a buyer's (buyer's with cash) market.
4. Cash flow lack adequate margins to support interest and principal payment.

5. Farmer are already telling me lenders have eliminated credit and if was not for suppliers they would have not been able to put in their crops and feed their livestock.
6. The above five items mean equity is gone and with no cash flow this means the end of the farm.
7. How many farms will be forced to liquidate?? It will be a big number!!!

Milk Market in Wisconsin

1. Since the first cows that was milked by my grandfather in 1916 dairy farmer have supported the Wisconsin dairy processors. One cheese plant owner said just before his father past away he said "Do not forget the small 40 cow dairy farmer as they are reason you have the opportunity to own this cheese factory".
2. My suggestion any milk not produced in Wisconsin but processed in Wisconsin should be charged a tariff or fee of \$2.00 per hundred weight.

Dairy Cull Cows and Beef Cattle

1. Canada sells cull dairy and beef (cows and steers) to be harvested in the United States. So far this year Canada has shipped 140,672 feeders and 216,354 cattle for harvest in the United States (see attached USDA report). Do you think this effects the price of cull dairy cows??
2. The Trump Administration and USDA to either close the boarder to cattle imports or put a tariff on these cattle.
3. I'm sure they are paid with US dollars which is 25% more valuable than the Canada dollar.

Hog Farmer

1. A local hog farmer said he is losing \$25 on every pig he sells.
2. Canada so far this year has sent 2,609,160 hogs to the USA. See attached. Really?
3. Same as above—why do we allow this—again the Trump Administration and USDA to close the boarder to hogs or put a tariff on these hogs.

Crops Coming to the United States

1. We buy canola because it is cheaper than soybean oil meal—this is not fair to the crop farmers in Wisconsin.
2. All crops coming from Canada should have a tariff.

Dairy and Beef Replacement Heifer

1. We have ample replacement inventories to support the dairy and beef industry.
2. I would exempt cattle born in Wisconsin, raised in the west and returned to Wisconsin as springers but still owned by Wisconsin dairyman
3. The Wisconsin State Vet should charge \$200 per head permit fee to allow an animal to enter Wisconsin.

What to do with fees or tariffs collected?

1. Apply this money to research for all farmers in Wisconsin—dairy, beef, hogs and crop farmers.

I'm making these suggestions to give you item that are on all farmers minds.

Name with held per my family request.

Thank You for your consideration.

WA_LS635

St. Joseph, MO Wed, Aug 15, 2018 USDA Livestock, Poultry & Grain Market News

Data published in this report are collected by USDA's Animal and Plant Health Inspection Service. Due to import protocol changes, age identification for cattle destined for immediate slaughter is no longer required on the Canadian export certificate. Since we can no longer accurately distinguish the different classes of slaughter cattle, we combined the existing classifications into a broader category to include all slaughter steers, heifers, and cows. For questions on this report, please contact: stjoe.LPGMNC@ams.usda.gov. To learn more about import protocol changes, visit: www.aphis.usda.gov/aphis/ourfocus/animalhealth/animal-and-animal-product-import-information/live-animal-imports/import-live-cattle.

Canadian Live Animal Imports by State of Entry
Data for week ending: 08/04/18

Cattle

State	Feeder		Sltr		Breeding		Other	Total
	AA	AB	AD	AE	AF	AG		
Alaska	0	0	0	0	0	0	0	0
Idaho	354	2203	0	0	0	0	0	2557
Maine	0	62	3	0	30	0	0	95
Michigan	118	266	0	22	75	0	0	481
Minnesota	0	0	0	0	0	0	0	0
Montana	0	976	0	3	0	0	0	979
North Dakota	289	507	622	0	0	0	0	1418
New York	0	1264	346	0	0	0	0	1610
Vermont	0	177	0	0	0	0	0	177
Washington	0	313	6	0	0	0	0	319
Total	761	5768	977	25	105	0	0	7636
Cattle totals may include interstate shipments from Hawaii.								
YTD 2018	140672	216762	24790	807	4408	36	0	387475
YTD 2017	87453	271354	32418	844	7354	0	0	399423

Hogs Region Total	Feeder	Sltr	Sltr	Breeding	Breeding	Other
	AH	B/G AI	S/B AJ	Males AK	Females AL	AM
Alaska 0	0	0	0	0	0	0
Idaho 1524	0	1524	0	0	0	0
Maine 550	550	0	0	0	0	0
Michigan 15813	11075	1301	3437	0	0	0
Minnesota 0	0	0	0	0	0	0
Montana 882	0	623	0	97	162	0
North Dakota 74962	64899	2312	5165	111	2475	0
New York 2645	1255	846	544	0	0	0
Vermont 0	0	0	0	0	0	0
Washington 0	0	0	0	0	0	0
Total 96376	77779	6606	9146	208	2637	0
YTD 2018 3177504	2609160	200587	279712	3302	84741	2
YTD 2017 3404305	2813517	276128	248077	9914	56669	0

Memorandum

To: Wisconsin Dairy Task Force 2.0
From: Pete Hardin, Editor-Publisher, *The Milkweed* 608-455-2400
Dated: October 29, 2018
Subject: Ideas for your consideration ...

The vision that incubated Wisconsin's dairy industry in the late 1800s and early 1900s was likely the greatest economic development project in this nation's history. Our state's dairy visionaries faced a landscape significantly denuded of virgin timber. And overt reliance on wheat monoculture depleted the soils' natural fertility. Wisconsin's natural and human assets were perceived as ideal for developing a dairy industry that would provide a viable economy, restore soils' fertility, utilize our climate and moisture resources, and create rural employment in dairy production and related industries (cheese, meat, leather, transportation etc.) Six generations later, dairy remains a vital pillar for the state's economy.

However, after nearly four years of abysmal farm milk prices and at least a 50% decline in the value of dairy livestock assets, many of our state's dairy farmers have great difficulty seeing a better future. Thus, your challenge is to help guide our historic, "greatest economic development" to be future-appropriate. Towards that purpose, I offer a summary of issues and strategies to help restore profitability to our state's dairy farmers – the base from which all additional wealth in our industry flows. If you have questions, comments, or need further clarification, please call me at the above-listed telephone number.

Sell quality Wisconsin directly to consumers.

No state enjoys a greater connection to a single food product than Wisconsin to cheese. The money and profits are in the cheese market place. Consumer Price Index data shows U.S. consumers pay upwards of \$5 per pound for Cheddar at retail. And other varieties may command far greater prices at retail.

The current cheese marketing/pricing system does not return a fair share of the consumer dollar back to the dairy producer and cheese plant. From the back door of the cheese plant (where some cheese is already cut, wrapped, and priced into consumer packages) to the retail dairy case, a miraculous transformation takes place: Products' value generally increases by at least 200%!

Strategy: Wisconsin's state government should conduct a feasibility study on the merits of creating a state-wide initiative to develop a "mail-order" cheese business that would sell 10-lb. packages of quality, Wisconsin cheese at prices ranging around \$60-\$70. Order forms could be posted on-line, with consumers listing their choice of quality Wisconsin cheeses. (Example: 3 lbs. Cheddar, 2 lbs. Muenster, 2 lbs. Swiss and 3 lbs. Colby.)

After subtracting out perhaps \$14-\$18 dollars for packaging and shipping costs, there would still remain \$45-\$52 for all other costs. That money may be divided equitably

among participating dairy farmers, cheese plants and investors. Such a project would not impair existing mail order sales by Wisconsin cheese plants.

This project should be set up as a stockholder corporation with primary investors solicited from dairy farmers and cheese plants. Obviously, quality control and bio-security must be prevailing ethics in this type of business. Also, during the hot months of the year, mail order cheese sales would not be feasible, unless some better packaging were developed.

An initial customer base could be solicited by creating a grassroots public relations campaign inviting Wisconsin residents to provide the names and addresses of their friends, relatives and former neighbors living out-of-state who like to buy quality Wisconsin cheese. The emphasis could be on saving Wisconsin's dairy industry by returning more of the money to the farmers and cheese plants.

Basically, this type of project would keep in Wisconsin virtually all the miraculous, 200% (or more) value appreciation that takes place from the back door of the cheese plant to the retail dairy case. Wisconsin jobs would be created for employees conducting numerous tasks -- from fulfilling orders to marketing and inventory management positions.

Repeat: The money and profits are in the cheese market place. Our current, extended dairy pricing/marketing system has devolved to a game of "keep away" – i.e., keep the money away from the dairy producer and the cheese plant.

Develop a whey research and marketing effort.

Whey is the untended stepchild of dairy product marketing. Whey proteins are perhaps the most valuable proteins in dairy. Whey yields are approximately 5.5 lbs. per hundredweight of milk processed into cheese, after the curds have been formed. Wisconsin produces roughly half as many pounds of whey as this state's cheese output. The economic value of whey produced in Wisconsin is approximately one-eighth of the value of cheeses sold. (Estimating \$1.60/lb. cheese and \$.45/lb. whey.)

Currently, dry whey prices at the Chicago Mercantile Exchange range in the "mid-40s" (cents per pound). However, the prices reported by USDA's Agriculture Marketing Service's weekly survey are in the low "40s." Each penny move (up or down) in whey prices pushes USDA's monthly Class III (cheese) milk price by 6 cents per hundredweight.

Virtually no industry-wide whey marketing initiatives are at hand. Whey products are widely used in many consumer nutrition products. Go to a "General Nutrition Center" store and you can find many dozens of products containing whey – sold at high prices per pound.

An effort by Wisconsin to boost consumers' awareness of whey values would supplement the value of the nearly 90% of Wisconsin farm milk that goes into the cheese vat. What, if anything, is Dairy Farmers of Wisconsin doing to aggressively promote the use of whey?

Investigate niche markets such as Organic, A2 milk, Grass-fed and GMO-free. All consumer food trends start from a niche, and sometimes grow and prosper. Dairy features several evolving niche markets – which merit greater respect from the state.

Organic dairy comprises about 5% of total milk production in Wisconsin, and about 8% of total Wisconsin farm milk revenue. Dairy Farmers of Wisconsin conducts ZERO marketing efforts for organic dairy products.

Further, Wisconsin organic dairy producers are under tremendous financial duress due to highly-questionable supplies of “organic” milk produced in arid states. (Example: 6 “organic” dairies in Texas produce more organic milk than Wisconsin’s 450 organic dairy farms.) The State of Wisconsin should intervene with USDA, demanding an investigation of those “organic” mega-dairies and the impact of those supplies upon prices received by Wisconsin’s organic producers.

A2 dairy products are derived from dairy herds that exclusively contain A2A2 genes. The A2 Milk Company of New Zealand, Ltd. is the predominant marketer of so-called “A2” dairy products globally. A2 infant formula products have enjoyed growth rates in China of +100% each of the past three years. 85% of persons of Chinese heritage are unable to consume milk without gastro-discomfort. In Australia, A2 beverage milk commands slightly more than a 10% market share of all beverage milk sales, despite a 100% retail price premium. A2 milk and dairy products open up that vast potential market, as well as for non-Chinese persons in the United States who believe they are “allergic to milk.”

Non-GMO milk and dairy products are following trends established in sectors of consumer food marketing. A significant array of consumers are highly skeptical of genetically-modified foods.

Grass-fed dairy products are an evolving niche, relating to their higher levels of CLAs and Omega-3s. Why can a person find two brands of imported, grass-fed butter from Ireland in the Piggly-Wiggly store in Brodhead, Wisconsin, but there are virtually no domestic grass-fed butter products available?

Research

Milk from cows with Kappa-casein BB genes yield about 10\$ more cheese from the same volume of farm milk. There are three recognized variants of the Kappa-casein milk protein: A, B and E. Based upon their genetics, dairy cows may carry variants of these genes: AA, AB, AE, BB, BE, and EE. Published research from Europe indicates that milk from dairy cows with the Kappa-casein BB genetic profile will yield 10% (or more) cheese from the same volume of milk as cows with AA traits. Research also indicates that that milk from cows with the EE trait is problematic for curd formation in the cheese vat. Unfortunately, some of the industry’s biggest-selling sires possess the Kappa-casein EE trait.

Strategy: It would be very simple for researchers at the University of Wisconsin-Madison to isolate milk from Kappa-casein BB dairy animals and conduct cheese-making yield experiments to determine the accuracy of prior research from Europe. If such research confirmed a 10% (or more, depending upon variety of cheese) yield gain in the cheese vat, an application of dairy genetics to encourage dairy farmers to breed for Kappa-casein BB traits would result in a tremendous efficiency for our state’s cheese plants. Further, when such milk supplies were available, producers should receive premiums for milk that’s Kappa-casein BB. Information Kappa-casein traits is readily available from most firms selling dairy semen break down the sire’s Kappa-casein traits. In Wisconsin nearly

90% of our farm milk is destined for the cheese vat. Bulls with the Kappa-casein EE trait would be best utilized as sausage.

Research alternatives to corn/alfalfa in dairy rations. Alternative crop programs might include a rotation of winter forages and dwarf sorghum. These crops require inputs – seed, fertilizer and chemicals -- that are less costly than those for corn/alfalfa. An additional benefit: the soils stay covered most months of the year. Sorghum has an added benefit. The root hairs contain a substance that kills corn rootworms. Thus, one year of dwarf sorghum will allow the farmer to skip two subsequent years of rootworm insecticide applications if corn follows a sorghum crop.

Environmental/agronomic advantages of composting dairy manure. One of dairy's Achilles' heels is the fact that ruminant manure stored in anaerobic (oxygen-free) environments generates methane – a serious greenhouse gas. Storage and treatment systems for manure, including ponds, lagoons ... and even methane digesters ... must be rethought their environmental impact. In the case of manure digesters, the cognitive production of methane is then burned to create energy. The by-products of methane combustion are carbon dioxide (CO₂ – another greenhouse gas) and water, plus minor amounts of far worse greenhouse gasses.

Strategy: Advantages of composting dairy manure are being reported. Dane County is conducting ongoing composting projects. Among the advantages are: Reduction in the moisture content of manure (reduced volume of materials requiring to be land-spread), ability of the farmer to defer spreading until the soil conditions are more appropriate, and improved response by crops (such as alfalfa) to nutrients in compost (vs. applications of fresh or stored-in-liquid manure).

Cautious land-spreading of raw milk as a fertilizer. Dairy farmers possess a great fertilizer resource – raw milk. Research has showed that three to five gallons of milk per acre has a significant benefit for crop yields – and reducing need for purchased fertilizers. Particularly when applied in the spring (when farm milk tends to be in greater surplus), approval of land-spreading of milk as a soil fertility booster would remove a small quantity of farm milk from the market and reduce input costs.

Problem: Currently, the Wisconsin Department of Natural Resources bans the land-spreading of milk as a fertilizer. In fact, in early 2017, when a few dozen dairy farmers in Wisconsin were facing no milk markets (due to their being terminated by Grassland Dairy Products), the DNR sought information on those farms from DATCP to make sure that no land-spreading of milk took place.

Strategy: A review of the science on land-spreading of milk as a fertility agent – and DNR's policies that restrict that practice – are highly merited. Three to five gallons of milk spread per acre offer significant soil fertility benefits, with little, if any, environmental impact.

Convert Wisconsin's Producer Security Program to a system of low-interest loans & expand to include coverage for dairy plants and milk haulers.

Inevitably, financial failures will occur. For several reasons, including sales to out-of-state buyers, Wisconsin's dairy plant security program is outdated and too narrow.

Adequately securing Wisconsin's dairy industry must go beyond the farm to include milk haulers and dairy processors.

Strategy: Convert Wisconsin's dairy plant security program from its current status to offering low-interest loans to dairy producers, milk haulers, and cheese plants that have cash flow interrupted due to the failure of a dairy plant, cooperative, or dairy products buyer. The low interest loans might have terms from one to three years (at the discretion of DATCP farmers and the parties involved in the failure). These payments would not be a grant from the state. Rather, the recipients of such grants would be obligated to pay back the funds. Further: any disbursements from a bankruptcy would be assigned to DATCP by parties receiving such grants, if the loans had not been repaid. Adequate security for the dairy industry must go beyond the farm, to include dairy plants and milk haulers.

Water. Water. Water.

In recent years, some of the greatest gains in milk production come from states in arid regions of the United States, where water is drawn from aquifers to grow livestock feeds. That model is not sustainable for future decades. The aquifers are being rapidly depleted.

Wisconsin and the Great Lakes Basin will be the locale for expanded food production in the future – greatly due to available water and climate resources. However, the state's repeated failure to safeguard our surface and ground water resources from pollution sourced from livestock and poultry operations promises a great disconnect between public health and public support for Wisconsin agriculture.

What are the future prospects for arid states' dairy industries, two decades ahead, if draw down of aquifers continues at present rates? How may Wisconsin's water resources be better safeguarded? Water issues should be reviewed by the Dairy Task Force – both as a future competitive advantage as well as for better safeguarding the quality/quantity of our surface and ground waters.

Dysfunctional federal dairy programs and areas of federal oversight. It's beyond the scope of the Wisconsin Dairy Task Force 2.0 to change certain failing federal dairy programs. However, in a future vision of Wisconsin's dairy prosperity, at the very least the Dairy Task Force 2.0 may suggest changes to federal programs may be passed along to our elected federal officials and bureaucrats in Washington, D.C. Such federal concerns include:

Federal milk orders: Nearly 20 years into a "revision" of a program originally cobbled together in the 1930s, the federal milk order is ill-serving Wisconsin's dairy industry. Numerous cheese plants in Wisconsin are shifting producers out of the federal milk order program, due to negative financial returns associated with the Upper Midwest federal milk order. Federal milk orders were designed to safeguard adequate supplies of fluid milk to consumers. Nearly 90% of Wisconsin's milk goes into the cheese vat. A modern federal milk order program should recognize two classes of milk and a small number of regional marketing orders. Class I should include farm milk processed into cheese, fluid and yogurt. All other uses of farm milk may be lower-priced Class II. A common butterfat differential for Class I and Class II is needed. Further, an "upcharge" for nonfat dry milk and condensed skim milk processed into Class I would be necessary.

Irregularities at the Chicago Mercantile Exchange: At this moment, there are three trading irregularities (or, perhaps less judgmentally, “anomalies”) playing out at the CME. First, butter traders are in an uproar over a West Coast dairy cooperative’s failure to put the Kosher icon on butter sold at CME. Second, barrel Cheddar cash markets at CME have been groveling 15-cents to 25-cents below the weekly average prices reported by dairy manufacturers to USDA’s Agricultural Marketing Service. Third, whey prices at CME are lagging 10-cents to 15-cents per pound below the weekly manufacturers’ reported prices.

All of the above-cited, current/recent incidents skew the costs for dairy manufacturers and destabilize the system for pricing milk to Wisconsin’s farms. Irregularities at the CME are a matter for the Commodities Futures Trading Commission.



November 6, 2018

Members, Dairy Task Force 2.0
DATCP
2811 Agriculture Drive
Madison, Wisconsin 53718

Dairy Task Force 2.0 Members:

First, we would like to thank you for your commitment to the future of Wisconsin's dairy industry. With unprecedented hardship facing such an enormous part of our economy and local communities, we are confident that you are acting in the best interests of our state's future.

Our organization is comprised partly by thousands of farmers. Our member representatives engage these individuals on a daily basis in every corner of the state. We are writing today because it has become evident that the public is generally unaware of the scope, goals, and timeline under which Dairy Task Force 2.0 is operating.

We have heard from a multitude of dairy farmers that they have not heard from the task force about opportunities for public input, meeting locations and times, or the topics on which you are focusing.

As you can imagine, this is greatly disheartening to the individuals whose future livelihoods rely on your work and subsequent recommendations. With Wisconsin's media outlets reporting nonstop on the uphill battle taking place on every small family farm in the state, many of our members wonder why there has barely been mention of Dairy Task Force 2.0 in the news since the announcement of its creation.

We respectfully ask that Dairy Task Force 2.0 increase its efforts to make the public more aware of your actions, intentions, and meetings. Simply put, our state was built by the very farms whose futures are now at stake, and they deserve more than a mere spot on the DATCP website where instructions for public input is currently placed.

The media is on your side- please use it to get the word out.

Thank you for your consideration.

Respectfully,

Mike Marsch, President
WPT, Incorporated.

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