

FOOD Farmers

Federation Of Organic Dairy Farmers

For Immediate Release

Organic Dairy Farmers Join together to demand a fair price for their milk and work with their farm partners

The Federation Of Organic Dairy Farmers (FOOD Farmers) representing organic dairy farmers across the country have requested a 20% increase in the price they are paid for their organic milk. The Presidents of the three regional organizations that are part of FOOD Farmers (Northeast Organic Dairy Producers Alliance (NODPA), Midwest Organic Dairy Producers Association (MODPA), and Western Organic Dairy Producers Alliance (WODPA), who represent over 800 organic dairy farmers across the country) state that an increase of 20% to farmers represents a maximum increase of only \$.23 per half gallon or 6% of the average retail price for organic milk.

“Organic dairy farmers are suffering from rapidly escalating costs,” says Darlene Coehoorn, Wisconsin farmer and President of the Midwest Organic Dairy Producers Alliance (MODPA), “and we need processors to recognize the effect it is having on our families and the sustainability of our farms. While processors are signing on new farmers with bonuses and incentives, they should act responsibly by providing their current farm partners with a pay price for our milk that recognizes the needs of family farms.”

Since 2001 the average price paid to farmers for their organic milk has increased by only 26%. By any measurement, whether they are for soft costs (insurance, living expenses) or production costs, this does not represent an adequate return for the skilled labor and capital investment of organic dairy producers. The data that has been collected by USDA Agricultural Research Service and the Universities of Vermont, Maine and Wisconsin indicate that the base price paid to family farmers in the Northeast in 2007 should have been \$28.50 and needs to rise to \$32 for 2008 rather than the \$26.50 currently paid to farmers.

The costs of doing business are rising. Health insurance rises each year with an increase of 78% from 2001-2007 and a projected increase of 10% in 2008. Production costs continue to rise despite more efficient business and production practices. Fuel prices have risen by an average of 20% over the last two years depending on the location of the farm. Cost of purchased forage and corn has risen dramatically with no sign of any decrease as the market settles. The rapid increase in the organic poultry industry and human demand for corn and soy have resulted in increased prices, difficulty in supply and lower quality product being available for livestock feed

“While the challenges we farmers face are many, none is more important than a sustainable net farm income. This fall some areas are reporting a 30% increase in grain and forage costs, a 15% increase in insurance and 13% increase in fuel costs,” said Steve Morrison, Maine farmer and President of Northeast Organic Dairy Producers Alliance (NODPA), “We all understand that the economics of farming vary from year to year, but these are direct costs that have been increasing steadily and show no indication of decreasing. After increasing costs of production have eroded farm profits to zero, they begin to cut into our ability to maintain equipment, buildings, soil fertility and then animal welfare.”

Although we are always very proud of the new green, energy savings facilities that are built by our processors and retailers and the benefit packages provided for their employees, producers want to be able to provide the same benefits to their families and employees, recognizing that employee costs are a

significant expense with organic production. Producers need a living wage that allows them to save money for retirement, children's college expense and the occasional vacation.

FOOD Farmers will continue to work with all of our partners to ensure a strong future for the organic dairy industry. As producers of a high quality product that sells for a premium in the market, organic dairy farmers need to be able to purchase adequate health insurance, send our children to college and provide a healthy diet for our family. Organic dairy farmers are proud of how we farm and want to provide a positive contribution to our community.

"As farmers we need confidence in our financial future to project a positive image to our family, fellow farmers, friends and consumers," said California organic dairy producer and Western Organic Dairy Producers Alliance (WODPA) President Tony Azevedo, "I very willing to work with consumers to show them the cost to family farms of providing a high quality product and it's organic integrity."

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Federation Of Organic Dairy Producers (FOOD Farmers)

The Federation Of Organic Dairy Producers is an umbrella group for the three regional organic dairy farmer organizations: Northeast Organic Dairy Producers Alliance (NODPA), Midwest Organic Dairy Producers Association (MODPA), and Western Organic Dairy Producers Alliance (WODPA) and represent over 800 organic dairy farmers across the country.

FOOD Farmers continue to ask the USDA NOP to adopt the following recommendations as part of their proposed rulemaking.

Clarification of the access to Pasture standards

1. *Organic dairy livestock over 6 months of age must graze on pasture during the months of the year when pasture can provide edible forage.*
2. *The grazed feed must provide significant intake for all milking-age organic dairy cows. At a minimum, an average of 30% of the dry matter intake each year must come from grazed pasture during the region's growing season, which will be no less than 120 days per year.*
3. *Temporary exemption from pasture may be allowed because of:*
 - i. *Conditions under which the health, safety, or well-being of the animal could be jeopardized, including to restore the health of an individual animal or to prevent the spread of disease from an infected animal to other animals.*
 - ii. *Short term inclement weather.*
 - iii. *Temporary conditions which pose a risk to soil and water quality.*
 - iv. *In no case will temporary confinement and exemption from this pasture standard be allowed as a continuous production system.*

The measurement of the consumption of dry matter from grazed pasture will be calculated based on the daily dry matter intake from grazing averaged over the total time period grazed per year.

Organic Dairy Herd replacements

Once an operation has been certified for organic dairy production, all dairy replacement animals, including all young stock whether subsequently born on or brought onto the operation, shall be under organic management from the last third of gestation prior to the animal's birth.