



ALLIANCE UPDATE

Electronic news update of the Northeast Agribusiness & Feed Alliance, Inc.

APRIL 2018

Federal Budget Bill Resolves Coop - Corporation Disparity: Other Benefits to Agriculture Included

In mid-March the U.S. House and Senate passed an omnibus spending bill to fund the federal government through the end of fiscal year 2018. The legislation includes language addressing the Sec 199A deduction that threatened to split the agribusiness community. The omnibus spending bill restores the competitive marketplace for commodity buyers and processors under Section 199A and will maintain tax benefits for farmers selling to cooperatives.

Alliance President Andy Dugan traveled to Washington D.C. to lobby in favor of the correction to Sec 199A as part of a coalition developed by the National Grain and Feed Association and the National Council of Farmer Cooperatives. Several Alliance members also responded to the request to contact their legislators as part of a membership outreach effort.

In a related matter, the Alliance proposed removal of onerous reporting system requirements from Natural Resources Conservation Service (NRCS) contracts. Federal legislative staff followed up on the suggestion and the omnibus bill includes language clarifying that recipients of NRCS contracts will no longer have to comply with the reporting registration steps.

The spending bill also includes a one-year delay of the Electronic Logging Devices mandate for livestock haulers and exempts concentrated animal feeding operations (CAFOs) from having to report emissions under federal pollution laws.

Alliance Partners with UConn, U of Maine on Dairy Nutrition Seminars

Alliance Past President Dr. Rick Grant presented at the New England Dairy Conference in Vernon, Connecticut in mid-March, joined by Amy Vasquez and Joe Lawrence of Cornell University and Bob Wellington from Agrimark. Sixty-five people attended the conference, co-sponsored by UCONN, USDA Risk Management and the Alliance, including dairy farmers from Connecticut, Massachusetts and Vermont.

The University of Maine at Orono joined with the Maine Dairy Industry Association and the Alliance to host their meeting, also in mid-March in Waterville, Maine. Over 100 farmers and industry representatives from Maine attended the meeting. Dr. Peter Erikson of the University of New Hampshire provided an update of new research on early life management of calves.

Chair of the Alliance Government Relations Committee, Art Whitman, traveled to both locations, he was joined at Maine by Alliance President Andy Dugan and Government Relations Director Louise Calderwood.

For the second year, the Alliance has provided administrative support and marketing assistance to UCONN and UMO during their winter dairy farmer meetings.



Andy Dugan (R) and Art Whitman (second from left) at the Maine Dairy Industry Annual Meeting with Dave Marcinkowski, of the University of Maine.



Dairy farmers Bobby Jacquier (left), Jim Jacquier (far right) and Paul Knox, (second from the right) join UConn Professor Sheila Andrews and dairy seminar speakers Rick Grant, Joe Lawrence and Amy Vasquez at the March 19 Dairy Nutrition Conference in Vernon, CT.

Clark MC's Vermont Dairy Producers Association Conference

In late February the Vermont Dairy Producers Association (VDPA) held their annual conference, and masters of ceremonies was John Clark, the Alliance Vice President. "I admire the work of the VDPA and support their mission of presenting relevant and progressive information to Vermont's dairy farmers by hosting premier speakers at their annual conference," Clark remarked.



Nearly 300 farmers and industry representatives gathered to hear Dr. Katy Proudfoot, Assistant Professor and Extension Specialist in Animal Welfare at the Ohio State University's College of Veterinary Medicine speaking on rethinking the maternity pen with the cow's behavior in mind; Jack Rodenburg discussing success factors for robotic milking; Dr. Mike Lormore of Zoetis addressing what drives financial success on dairies, as well as other speakers on animal health and milk production topics.

The VDPA is a farmer driven coalition with goals to preserve the dairy industry for future generations so that they may enjoy a rewarding, fulfilling and comfortable standard of living and to promote dairy agriculture as a respectful and professional life to consumers. The VDPA also strives towards consumer confidence in dairy foods that are produced in a green, healthy and animal friendly environment.



Alliance to Meet with Vermont Legislators: Wednesday, April 25

For the second year the Alliance will host Vermont legislators for an informal gathering around coffee and muffins from 7:30 AM to 9:00 AM on Wednesday, April 25 in the Statehouse cafeteria in Montpelier. We welcome Alliance members and anyone in support

of modern agriculture to join us for the event-there is no need to register.

Last year the event drew the interest of many legislators who stopped by to learn about the mission of the Alliance. Please join us as we converse with legislators ahead of the final flurry of activity at the end of the legislative session.

If you have questions about this event please contact Louise Calderwood, Director of Government Relations at 802-586-2239 or louiseh.calderwood@gmail.com

Potential China Tariff Impact Tempered by Dairy Export Council Progress



Has the "Trade War" begun? President Donald Trump imposed over \$50 billion worth of tariffs on China, effective March 23. China responded with tariffs on 128 U.S. products. Import tariffs of twenty-five percent are being placed on steel and ten percent on aluminum. Although the effect of Trump's move won't be clear until the U.S. submits a final list of products subject to the new taxes, there are ripples of concern across the agriculture sector about decreased exports markets and increased costs of imported goods used in agricultural production. The Iowa Soybean Association said the president's action "poses an immediate and grave threat to their industry and Iowa agriculture."

The president imposed the tariffs on China and Canada using an authority granted because of national security threats. The administration will take public comments for 30 to 60 days on the proposed action.



While dairy is not directly involved, it will be impacted in the coming weeks. The potential effect on northeast agriculture could decrease the demand for dairy exports and increase the cost of farm machinery.

The impact of the tariffs on dairy products may be tempered by recent progress achieved by the US Dairy Export Council (USDEC). During a recent trade mission trip to China the USDEC signed an MOU to partner with China's Jiangnan University to create the US-China Dairy Innovation Center. The purpose of the Center is to encourage the development of innovative, China-friendly product formulations that incorporate US dairy ingredients, particularly whey and milk proteins and skim milk

powder.

Through participation in the Center, US dairy suppliers will be more engaged with and responsive to China's food industry through access to in-market facilities and opportunities for jointly pursuing innovation projects.

USDA Reopens Enrollment for Improved Dairy Safety Net Tool Sign-Up set for April 9 – June 1, 2018

On April 3 the Agweek Wire Report stated that U.S. Secretary of Agriculture Sonny Perdue is encouraging dairy producers to consider enrolling in the new and improved Margin Protection Program for Dairy (MPP-Dairy), which will provide better protections for dairy producers from shifting milk and feed prices. With changes authorized under the Bipartisan

Budget Act of 2018, the U.S. Department of Agriculture's Farm Service Agency has set the enrollment period to run from April 9, 2018 to June 1, 2018.

"We recognize the financial hardships many of our nation's dairy producers are experiencing right now. Folks are losing their contracts and they are getting anxious about getting their bills paid while they watch their milk check come in lower and lower each month. The Bipartisan Budget Act provided some much-needed incentives for dairy producers to make cost-effective decisions to strengthen their farms, mitigate risk, and conserve their natural resources," said Secretary Perdue. "This includes our support of America's dairy farms. We encourage dairy producers to review the provisions of the updated program, which Congress shaped with their feedback. Those changes are now in effect, and I'd ask any producers who are interested to contact their local USDA service centers."



CFD Preventive Controls for Animal Food Training **April 18 - 19, 2019**

Registration for this PCQI training class will close on Friday April 13th. The class is being held at CFD in Conklin, NY and can be taken for the first time or as a refresher class.

Please contact barbsimeon@co-opfeed.com for more information.

[Click here for more information and to register](#)

AFIA Taps Stephens for Board Seat

Lon Stephens, General Manager of Co-operative Feed Dealers, Inc and Secretary of the Northeast Agribusiness and Feed Alliance, has been nominated to serve on the American Feed Industry Association's Board of Directors. The Agribusiness and Feed Alliance is a member of AFIA and works closely with the organization on national and regional public policy issues. "We welcome Lon's leadership role with AFIA" stated NEAFA President Andy Dugan. "A northeast representative on the AFIA Board will assure that our perspectives and priorities are properly considered." The AFIA Board election process is currently underway. AFIA members are encouraged to register their support for the slate of candidates.



In Memory of Dick Lutz
By Blake Lutz, Grandson



Richard Frederick Lutz, 91 passed on April 2, 2018. Dick grew up in Roxbury, NY. He served in the United States Navy during World War II from 1945-1946. Following his stint in the military, Dick returned to Roxbury and worked as a building contractor. He built over 100 homes in the Margaretville, Roxbury, and Stamford area. With extra construction help in the winter, he found a natural transition into the feed business and founded Lutz Feed Co. in 1958. Through hard work and acquisitions the business progressed from Lutz Feed/Construction to Lutz Feed/Lumber to Lutz Feed/Tire to Lutz Feed. In 1976 when the rail road went out in Roxbury, Dick and his wife Marge picked up stakes and made the move to Oneonta, NY to relocate the business back on rail. Dick was intelligent, industrious, ambitious, and a visionary. It's a result

of these qualities that that Lutz Feed continues to operate as a successful third generation business.

Dick served many years on The Board of Directors for the National Bank of Roxbury, the D and O Railroad, and Co-operative Feed Dealers. He was also a long-time member of the Eastern Federation of Feed Merchants. Dick's passion was his work and his workshop. He loved the dynamics of the feed business. While the feed business brought plenty of challenges, Dick always said one it's best attributes was the people. He felt privileged to work with the farmers, fellow feed merchants, and suppliers in the feed business.

Calendar

Co-Operative Feed Dealers - PCQI Training Class

April 13, 2018

For more information: fsma.cfd.coop/training/

NEAFA Board of Directors Meeting

April 23, 2018

NEAFA VT Statehouse Legislative Reception

April 25, 2018

Montpelier, VT

American Feed Industry Association's biennial Feed Industry Institute (FII)

June 11-14, 2018

Saint Louis, MS

For more information: <http://www.cvent.com/events/afia-feed-industry-institute/event-summary-946745dbb75c4369ab98b6cb943df614.aspx>

NEAFA Golf for Good Works Tournament

June 28-29, 2018

Turning Stone Resort Casino

Shenandoah Golf Club

For more information: <https://www.northeastalliance.com/upcoming-neafa-events/2018/6/28/golf-for-good-works>