



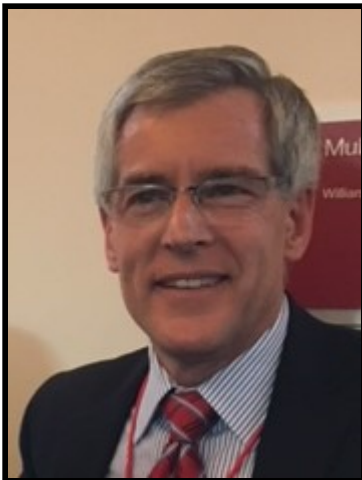
Northeast  
Agribusiness  
& Feed Alliance

## NEAFA NEWS August 2018

*A quarterly e-publication of the Northeast Agribusiness & Feed Alliance.*

### Dairy Farmers, Industry, Supporters, Gather to Discuss Severe Economic Conditions

*by Rick Zimmerman*



The dairy industry is under severe stress. Farm milk prices have been too low for too long and the losses on the balance sheets and number of farms going out of business are testaments to the severity of the situation. Economists forecast that this milk price slump may last another one to two years! It is under this backdrop that motivated some 400+ dairy farmers and ag community representatives to respond to AgriMark Cooperative's invitation to an August 13 meeting in Albany, NY.

This type of gathering is not without precedent. Dairy farmers have been meeting for over 100 years in various shapes and forums to talk about milk prices, price supports, milk marketing, marketing orders, managing supply and supply management programs. Dairy cooperatives, milk marketing orders and farm bill policies were created out of necessity and brought to light

through farmer meetings. However, this farmer meeting may be unique.

This time the depth and breadth of economic hardship may be to the point where radical change will be seriously considered by a greater cross section of the dairy farm community.

Farmers from California, Michigan, Wisconsin, Pennsylvania, New Hampshire, Maine, Vermont and New York met in Albany to discuss change options. Voluntary and mandatory proposals were presented. Government and industry actions were offered. Most ideas were not new, but there were some refreshing improvements. A Canadian dairy farmer talked about the virtues of their quota program. There was agreement to continue talking and a website, [www.dairyproposals2018.com](http://www.dairyproposals2018.com) was launched.

I share this story with you because we all are dependent upon a profitable dairy industry. We all are stakeholders in a successful outcome to the current price drought and hopefully the avoidance of future ones like it. Therefore, we have a stake in the policy discussions that could emanate from the Albany meeting and I offer you some suggestions.

First, we must continue to listen to our farmer customers. Their economic plight is very severe, and your sympathetic ear can let them know that you care. Further, if you think that outside professional support is needed for a farm family to avoid a health or financial crisis, encourage them to reach out to NY FarmNet. 1-800-547-FARM, [www.NYfarmnet.org](http://www.NYfarmnet.org), will access a FarmNet professional.

Second, we should become aware of the various policy proposals being considered and be prepared to offer feedback and support to the dairy producer community as the discussions continue. For your convenience, we will provide details of the various proposals as they are

formulated and give you some insight on what the dairy leaders think about them.

Finally, we need to remember that without a profitable dairy farm industry, we do not exist. Our business models are focused on serving the dairy production sector and that can only happen if dairy farmers have a reasonable chance for a reasonable return on their investment. Perhaps our business models should also focus on supporting and assisting the production sector in achieving policies and programs that enhance their collective ability to make a profit.

### Consider referring someone to NY FarmNet if they...

- Have business related questions
- Are struggling to pay bills or be profitable
- Are ready to enter or exit farming
- Need to plan for the future or make a major decision
- Have suffered damage from a natural disaster
- Need help resolving family or marital conflicts
- Are experiencing health concerns
- Are feeling worn down by constant stress

### Or, if you...

- Notice a change in appearance, mood, or habits
- Feel uncomfortable with the current situation
- Think outside assistance would be helpful

If you're unsure, then refer!  
1-800-547-FARM (3276)  
[www.nyfarmnet.org](http://www.nyfarmnet.org)



### How to refer someone to NY FarmNet

If you notice a farmer needs help, say it.

*"It seems pretty tense here right now."*

*"It sounds like you have a lot of decisions to make."*

*"If I were in your shoes, I would feel really stressed."*

- Listen to and acknowledge what the farmer is saying.
- Introduce NY FarmNet as a free and confidential source for information, referrals and consulting.
- Share your personal experience with NY FarmNet. Your recommendation may make the difference.
- Provide NY FarmNet materials to the farmer, and encourage them to call or submit the contact form online.
- Prepare the farmer to share their name, contact information, and a brief description of their situation when they call.

1-800-547-FARM (3276)  
[www.nyfarmnet.org](http://www.nyfarmnet.org)



## NGFA / AFIA Engage on FSMA Guidance Document

After the U.S. Food and Drug released the draft guidance document called "Hazard Analysis and Risk-Based Preventive Controls for Food for Animals" this year, both the National Grain and Feed Association (NGFA) and the American Feed Industry Association (AFIA) have released statements regarding the rules required in the Food Safety Modernization Act (FSMA).

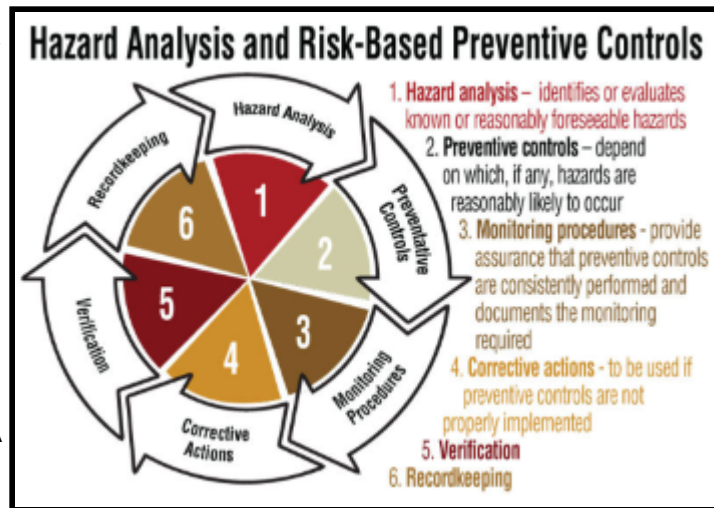
While the NGFA touched on many topics in their 18 page response to the FDA, their main focuses were on the following. First, according to the NGFA, "the vast majority of hazards that are known or reasonably foreseeable for animal food facilities can be controlled adequately through prerequisite programs and do not require the use of preventive controls. The NGFA urged FDA to more clearly indicate this fact when issuing its final guidance."

Secondly, the NGFA believes that the "FDA's final guidance should draw greater distinctions between direct human contact animal food and livestock and poultry feed related to the need for control of pathogens. More specifically, the NGFA strongly recommended that FDA clearly state in its final guidance that pathogens typically are not of regulatory concern for facilities involved in manufacturing and distributing livestock and poultry feed."

Finally, the NGFA believes that "the draft guidance's Appendix E, which lists potential hazards associated with various animal food ingredients, should not, by default, become known or reasonably foreseeable hazards that FDA expects to be addressed by animal food facilities during their hazard analysis. The NGFA urged FDA to characterize such hazards within its

final guidance as being potential hazards and clarify that each facility is responsible for determining those hazards that are known or reasonably foreseeable for its own operation.”

The AFIA touched upon many similar points in its 38 page response to the FDA regarding the FSMA and the HA/PC. The AFIA comments “affirm the animal food industry’s commitment to a “full and successful implementation of FSMA across its varied industries but urges the agency to take a flexible approach when regulating under this rule.” According to AFIA’s Richard Sellers, the senior vice president of public policy and education, and AFIA’s Leah Wilkinson, vice president of public policy and education “the importance of a flexible rule and guidance document cannot be underestimated in our dynamic, very diverse industry. We continue to urge the agency to extend its flexibility rationale and approach to its inspection staff, both state and federal. Companies will have many ways of reaching the same goal of animal food safety and should be allowed to use a variety of approaches.”



The AFIA “agrees (with the FDA) that not every facility will identify hazards that require a preventive control, therefore no preventive controls will need to be implemented. By taking a flexible approach, the agency can ensure via these rules that the company takes proper action to control hazards that cannot be controlled through Current Good Manufacturing Practices.”

While the AFIA believed that the draft guidance is well rounded, it also believes that the document would benefit from changes and comments. The AFIA “cautioned that any lists used in the guidance could be construed by investigators and employees as “checklists,” which may not be the case,” and that “taking a 'kitchen sink' approach when it comes to providing a lengthy list of outdated references, older than 10 years, is 'neither justified nor scientifically defensible,' and where the guidance applies specifically to pet food manufacturers should be better defined.”

According to the AFIA, “it is estimated that if fully implemented, the law will cost the U.S. feed and pet food industries more than \$1 billion with little improvement to animal health, animal food safety or other real benefit.

Sources:

[https://cb4q22fdswq370gsj3m681um-wpengine.netdna-ssl.com/wp-content/uploads/NGFA-Statement-FDA-HA\\_PC-Draft-Guidance-July-23-2018.pdf](https://cb4q22fdswq370gsj3m681um-wpengine.netdna-ssl.com/wp-content/uploads/NGFA-Statement-FDA-HA_PC-Draft-Guidance-July-23-2018.pdf)

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[http://www.afia.org/blog\\_home.asp?Display=308](http://www.afia.org/blog_home.asp?Display=308)

[http://www.afia.org/rc\\_files/970/FDAcomments\\_July23.pdf](http://www.afia.org/rc_files/970/FDAcomments_July23.pdf)

### **2018 MPP Deadline Extended, New Dairy Revenue Protection Plan Announced**

The USDA has announced that the Margin Protection Program for Dairy Producers (MPP-Dairy) premium balance due date for 2018 coverage has been extended to September 28th, 2018 from September 1st, 2018.

According to the USDA, "The Margin Protection Program for Dairy (MPP-Dairy) is a voluntary risk management program for dairy producers authorized by the 2014 Farm Bill through Dec.

31, 2018. Significant changes to MPP-Dairy for the 2018 coverage year are further authorized by the Bipartisan Budget Act of 2018. The MPP-Dairy offers protection to dairy producers when the difference between the all milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.” June Margin rates have been established at \$7.37/cwt, triggering payments for farmers in the program at the \$7.50 and \$8 coverage levels.

Additionally, the American Farm Bureau Federation is offering a new Dairy Revenue Protection Insurance. Congressman John Faso (R-Kinderhook) recently highlighted the plan that will help local dairy farmers during sudden declines in the sale of milk. It will be open for sign-up on Tuesday, October 9, 2018 with coverage beginning in the first quarter of 2019.

According to the USDA, “The new plan provides insurance for the difference between the revenue guarantee and actual milk revenue if prices fall. It also provides a greater choice of prices, from those that focus on cheese to fresh milk, protein or butterfat. Coverage levels are available from 70 to 95 percent of revenue. Dairy Revenue Protection is available in all counties in all 50 states.”

"American Farm Bureau Federation's new Dairy Revenue Protection Insurance is another important risk management tool to help dairy farms weather this depressed farm economy," said David Fisher, New York Farm Bureau President. "The program will address overall revenue needs and help protect farmers from unexpected declines in milk prices. The program would have not been possible without the federal support from Congress and Rep. John Faso."

Faso added that "this is another useful tool in the toolbox for dairy farmers who have seen their livelihoods put at risk due to falling milk consumption, unfair trade practices, and alternative products that masquerade as 'milk'."

Producers who are interested in purchasing this product must go through a crop insurance agent. A list of these agents can be found at USDA Service Centers or online at <https://www.rma.usda.gov/tools/agent.html>.

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### **Perdue Comments on EU GE Ruling**

U.S. Secretary of Agriculture Sonny Perdue issued the following statement regarding the [European Court of Justice \(ECJ\) ruling](#) on newer mutagenesis methods that genetically alter an organism in a manner that does not occur in nature. “Government policies should encourage scientific innovation without creating unnecessary barriers or unjustifiably stigmatizing new technologies. Unfortunately, the ECJ ruling is a setback in this regard in that it narrowly considers newer genome editing methods to be within the scope of the European Union’s regressive and outdated regulations governing genetically modified organisms.

“We encourage the European Union to seek input from the scientific and agricultural communities, as well as its trading partners, in determining the appropriate implementation of the ruling.

Innovations in precision biotechnology, such as genome editing, hold great promise. For consumers, potential benefits include healthier, higher-quality foods at affordable prices. For farmers, they include improvements in productivity, plant and animal health, and environmental sustainability.

“The global regulatory treatment of genome-edited agricultural products has strategic innovation and trade implications for U.S. agriculture. For this reason, [USDA has clear science- and risk-based policies](#) that enable needed innovation while continuing to ensure these products are safe. In light of the ECJ ruling, USDA will re-double its efforts to work with partners globally towards science- and risk-



based regulatory approaches.”

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### **Benefits of Free-Range Poultry Production Not Always Clear Cut.**

The Council for Agricultural Science and Technology (CAST) recently released a paper looking into Free-Range Poultry Production versus other production systems, finding that stated benefits and negatives of different systems are often inconclusive and/or contradictory.



According to CAST, consumers have become “increasingly interested in where their food comes from, and how the food is produced.” Consumers also have a perception that free-range poultry production as being better for the poultry as well as producing a higher quality product compared to conventional enclosure based systems. However, research so far hasn’t been so conclusive. Comparisons between systems often don’t examine differences in flock sizes, geographic area, and differences in seasons. Some positives have been found for pasture based systems. “It does appear that the nutrient content of poultry meat

and eggs can be enhanced with access to pastures, with the effect depending on the type and quality of the pasture provided.” However, this is mostly due to the pasture raised poultry having access to different nutrients; varying or providing a higher quality food is more important than having an outside run.

Negatives to free range poultry include increased mortality in free-range production systems compared to conventional cages according to CAST. Several studies have also found increases in helminth infections compared to conventional housing, however “there is no indication that the presence of free-range poultry poses a risk to conventional poultry” in terms of disease exposure.

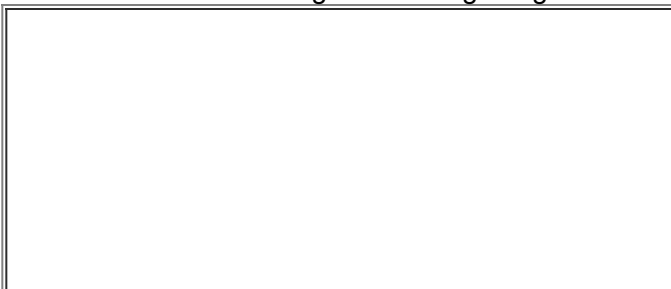
Overall if the goal is to raise poultry in a sustainable and humane manner while producing a high nutrient product, there are a lot of factors to consider. Waste disposal, acreage required, mortality rates, feed requirements, and accessories for the system involved can all increase the environmental footprint of a facility. According to CAST the increased mortality seen with free-range production increased “all environmental impacts, including greenhouse gas emissions, eutrophication potential, acidification.

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### **NEAFA's 12th Annual Golf for Good Works Tournament a Success, New Scholarship Program Announced**

The NEAFA Golf for Good Works 12th annual Golf for Good Works tournament took place June 28th through the 29th at Turning Stone Resort's Shenendoah Golf Club, an 18 hole course set up for the rigor and demands of PGA Tours. With 111 golfers hitting the green this year, NEAFA raised more than \$15,000 that will be used to support agricultural outreach and education programs.

Previously, funding has been given to the Northeast Regional Intercollegiate Dairy Challenge, the New York Agricultural Society Foundation, Future Farmers of America Foundation, NYS 4-H Foundation's Junior Dairy Leader



Program, New York Animal Agriculture Coalition's Dairy Cow Birthing Center, and LEAD New York.

NEAFA President Andy Dugan announced that the Good Works Program is starting a new partnership with the NY FFA Foundation to provide scholarships to college aged students entering a field of agricultural studies. Details of the program will be announced this fall.



Foursome Nick Stacy, Justin Baldauf, Steve Dearstyne, and Rich Pugsley took first place in the tournament, closely followed by second place winners Tom Buck, Julie Bowman, Ed Bridges, and Alan Graves. Mark Anderson, Brad Saunders, Dan Myers, and Keith Anderson rounded out the winners in third place. NEAFA would like to thank everyone that attended and enjoyed themselves while raising money for worthy agricultural causes. NEAFA would also like to thank the generous support of the many sponsors that made this tournament possible. Through your support we are able to contribute to good works!

### **Birthing Center: Not too Late to Volunteer!**

The New York Animal Agriculture Coalition is looking for volunteers for the 6th Annual Dairy Cow Birthing Center at the New York State Fair. Last year, this great NYS State Fair venue



welcomed 37 calves into the world, and more importantly, talked to over 350,000 fairgoers! This exhibit has become one of the top attractions at the New York State Fair, and volunteers are what make this exhibit so special and successful. The goal for the exhibit is to enhance the awareness and understanding of dairy farms. While fairgoers wait for a birth, which can take hours, the coalition has the opportunity to talk about their farms, cows, families and all the good things in the dairy industry. The questions are endless, and the public is enamored with their livelihood. So, get your talking points out and your biggest smile ready because you are about to be bombarded with interested fairgoers who know very little about dairy farming and who want to know everything you got!

**[It's not too late to volunteer! Click Here to Signup Now!](#)**

For more information visit: <https://signup.com/client/invitation2/secure/2287320/true#/invitation>

### **Passero Remembered for Industry Contributions**



Frank Passero, former director of the New England Grain and Feed Council, passed on July 28 at his home in Spring Hill, Florida, at age 85. He is survived by his wife Peggy, two daughters, and numerous grandchildren and great-grandchildren.

Passero took great satisfaction from his successful career representing Pacific Molasses, and having so many industry friends in the Northeast, particularly in the Eastern Federation of Feed Merchants. He also loved playing sports and was quoted about changes and standardizations to stickball in a 1989 Sports Illustrated article about stickball in New York City, where Passero grew up. Upon retirement to Florida, he quickly became the centerpiece of several softball teams.

“I had the pleasure of visiting Frank and Peggy at their Florida home a number of times, including this past spring,” said Bill Bell, of Bell Industries and former NEAFA executive director. “The high point of these visits was always retiring to his den after dinner and listening to his hilarious stories about 'the feed industry'. All of us who knew Frank will be saddened by his departure but should be heartened by how much he enjoyed his times with us, and the memories he leaves behind.”



Michael DuBois - Vetagro, Inc - (773) 610-2087 - michael.dubois@vetagro.com  
Rob Martin - Chr. Hansen USA - (217) 493-4872 - usroma@chr-hansen.com  
Kent Penland - Life Products, Inc. - (724) 979-2112 - kent@lifeproductsinc.com  
Brandon Riehlman - Multimin USA - (607) 345-6626 - brandon@multiminusa.com  
Denny Sells, PAS - H.J. Baker & Bro., LLC - (931) 823-3465 - dsells@hjbaker.com  
Kevin Sheahan - Yara Canada, Inc. - (888) 968-8666 - kevin.sheahan@yara.com  
Megan Smith, Ph.D., P.A.S. - Lallemand Animal Nutrition - (484) 705-5348 - msmith@lallemand.com  
JB Voss - NovaMeal by Novita Nutrition (605) 610-1026 - sales@novitanutrition.com

Calendar

#### **NEAFA Board of Directors Meeting**

September 6, 2018  
Cayuga Ingredients  
Auburn, NY

#### **Cornell Nutrition Conference**

October 16-18, 2018  
Doubletree Hotel  
Syracuse, NY

**For more information:** <https://ansci.cals.cornell.edu/news-events/cornell-nutrition-conference/>

#### **NGFA's 47th Annual Country Elevator Conference and Trade Show**

December 2-4, 2018  
St. Louis, MO

**For more information:** <https://imis.ngfa.org/CEC/About/Events/CEC/About.aspx?hkey=cb38ca22-a3be-4156-86c1-2c16a12bb261>

#### **NEAFA Annual Meeting**

March 4-5, 2019  
Rosen Shingle Creek

Orlando, FL

## Herd Health & Nutrition Conference

April 8-9, 2019  
Doubletree Hotel  
Syracuse, NY



Andy Dugan  
President  
315-841-4167  
adugan@goldstarfeed.com

John Clark  
Vice President  
315-868-5646  
johnclark@nasf.us

Lon Stephens  
Secretary  
607-651-9078  
lpstephens@co-opfeed.com

Barry Baetz  
Treasurer  
716-380-8735  
bbaetz@globalagritrade.com

Rick Grant, Ph.D.  
Immediate Past President  
518-846-7121  
grant@whminer.com

### DIRECTORS

Mark Anderson  
315-247-7176  
manderson@diamondv.com

Janet Beken Smith  
607-652-7225  
janetbekensmith@yahoo.com

Corwin Holtz  
607-844-3649  
holtz296@frontiernet.net

Ryan James  
607-239-2381  
ryanj@mcdowellwalker.com

Blake Lutz  
607-432-7984  
blakelutz@lutzfeed.com

Greg McCulloch  
518-478-7850  
gmcculloch@feedcorp.com

Jenny Mills  
315-697-7669  
mills\_jenny\_k@elanco.com

Craig Newton  
802-453-6684  
feedvt@gmail.com

Danielle Penney  
518-382-5994  
danielle.penney@novusint.com

Alexandra Phillippi  
716-992-1111  
allieobrienfeeds2@gmail.com

Clayton Wood  
518-429-2858  
clayton\_wood@cargill.com

### OFFICE CONTACTS:

Rick Zimmerman  
Executive Director  
518-426-0214  
rzimmerman@zga-llc.com

Sue VanAmburgh  
Membership &  
Meetings  
518-783-1322  
sue@nysta.mobi

Newsletter  
Please forward news to:  
Kate Ziehm  
kate@morningagclips.com

Northeast Agribusiness & Feed Alliance  
194 Washington Avenue  
Albany, NY 12210

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