

Stakeholder Comments and Comparative Organizational Support for the Pennsylvania Dairy Industry¹

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Executive Summary

This document summarizes information on three related topics: the feedback of key dairy industry stakeholders on issues related to the overall study on growth and competitiveness, the themes discussed at “listening sessions” during Fall 2017, and an overview of the comparative organizational support networks in Pennsylvania, New York and Wisconsin.

Our key findings are:

- Stakeholders have diverse views regarding the drivers of dairy industry growth in Pennsylvania, among them market access, regulation, farm structure, access to production resources, and professional development;
- The key data requirements include a set of broadly accessible information about farm financial performance and processing capacity, although future market opportunities and the benefits of existing programs were also mentioned;
- Most stakeholders indicate that existing programs and organizations provide support for dairy industry growth and competitiveness. The most frequently mentioned were the Center for Dairy Excellence and Penn State Extension programs;
- There were diverse opinions about how programs and organizations might be modified to better support growth and competitiveness. The development of a common vision and action plan for the future led by industry could be facilitated by additional capacity to assess programs and policies affecting dairy farms.
- A diverse set of themes and issues were discussed at listening sessions in Fall 2017. The most notable include those related to regulation (environmental and pricing), market outlets for farm milk and dairy products—and related processing capacity, the need to define metrics of success for the state’s industry and to promote collaboration among all segments of the dairy supply chain. Few comments were received about how the state could support better decision making by dairy-related businesses;
- Pennsylvania has a diversity of organizations that provide support for dairy farms and dairy processors. However, our overview suggests that there are organizations and state-level programs in New York and Wisconsin that do not exist in Pennsylvania, and that might usefully be considered in greater detail to assess their effectiveness and appropriateness.

¹ The analyses described in this document are one component of the *Study to Support Growth and Competitiveness of the Pennsylvania Dairy Industry*, which has been funded by the Pennsylvania Department of Agriculture and the Center for Dairy Excellence.

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This document summarizes information on three related topics: the feedback of key dairy industry stakeholders on issues related to the overall study on growth and competitiveness, the themes discussed at “listening sessions” during Fall 2017, and an overview of the comparative organizational support networks in Pennsylvania, New York and Wisconsin.

Stakeholder Comments

The design of this study explicitly incorporated a mechanism to solicit feedback from key industry stakeholders, recognizing that this would improve the insights gained from the studies, raise awareness of issues and potential solutions and facilitate coordinated action. It was originally envisioned that stakeholders would base comments to a large extent on the draft study components made available online and from presentations related to the project (at, for example, listening sessions) in addition to personal experience. Although many of the stakeholder comments received appear to be based primarily on personal experience and the number of individuals and organizations submitting comments is small (N=9), the comments reflect key issues and the range of perspectives that may be useful for defining and addressing issues.

This section summarizes the stakeholder comments received and the themes discussed at industry listening sessions held during the Fall 2017.

The stakeholders were asked to respond to a series of questions related to factors affecting the growth and competitiveness of the Pennsylvania dairy industry. A complete listing of responses follows, but a summary of each is useful.

What do you view as the key drivers of growth and competitiveness for the dairy industry in Pennsylvania?

The key drivers mentioned include proximity and access to markets for milk and dairy products (including relevant infrastructure for processing, the potential for value-added and ways to increase demand), regulation (permitting for dairy farms and price regulation under the PMMB), access to production resources (land and labor), farm structure, farm profitability and professional development (attitudes and management skills for current and potential farmers). Labor laws and taxation were also mentioned as factors relevant to growth and competitiveness.

What data or information not currently available would be helpful to assess current status and future opportunities for the Pennsylvania dairy industry?

The key data or information that is not currently available includes accessible information about farm financial performance (including both prices and detailed costs) to support management decisions, information about the state’s processing capacity and utilization, the potential for new products to increase demand for farm milk and the functioning and merits of programs affecting dairy farmers (for example, the checkoff program and PA Preferred). It is worth noting that the first two of these were focal points for data collection efforts under this project, and there were considerable challenges in acquiring broad-based information.

Which current programs or policies help support growth and competitiveness? (These can be state level programs or policies, industry initiatives, or efforts of private businesses.)

A number of state and national programmatic efforts were mentioned, the most frequent of which were the Center for Dairy Excellence and Penn State's extension programs in dairy production and processing. (Please see the more detailed listing below, Table 1.)

Which current programs or policies might be modified (and how) to better support growth and competitiveness? (These can be state-level programs or policies, industry initiatives, or efforts of private businesses.)

There were a number of different answers to this question, indicating a lack of clear consensus about what might be changed (and how or why). Consistent with previous responses, suggestions included modification of the farm permitting process, concerns about the competitiveness of Pennsylvania farm milk given pricing regulation under the PMMB and the need for a discussion of supply management. One suggestion was for a reference/source for consumers to find where PA products are available (as a possible addition to PA Preferred). Another respondent thought that programs should focus more on supporting the state's small farms—although another comment focused on the need to support farms that want to grow. One respondent indicated the crucial importance of a strategic plan for the industry to coordinate the actions of the diverse industry stakeholders. A suggestion was made to evaluate the potential for a public-private industry partnership such as that in Wisconsin. Specific programmatic suggestions were made for CDE, PSU Extension, environmental programs and economic development programs.

Which current organizations help support growth and competitiveness? (These can be state level organizations, industry initiatives, or efforts of private businesses.)

There is a good deal of overlap between the responses to this question and those related to programs, which is reasonable given that the programs represent the implementation of activities by organizations. The most frequently mentioned organizations were the Center for Dairy Excellence, Penn State extension and farm credit organizations. However, three of the respondents indicated they were not sure or not aware of organizations that help support growth and competitiveness, which is to some extent a statement about awareness of the activities of the different organizations mentioned.

Which current organizations might be modified (and how) to better support growth and competitiveness? (These can be state-level organizations, industry initiatives, or efforts of private businesses.)

The responses to this question were also quite diverse. There were suggestions to streamline the permitting process, modify the PMMB (but it was not stated how to modify), create better partnerships to enhance promotion and marketing—particularly to communicate to school-aged populations the benefits of dairy products—to foster collaboration among industry organizations for data collection, analysis and development of industry benchmarking tools, and to focus more on small farms. One respondent favored a strategic orientation towards growing the state's industry for major programmatic efforts. Three respondents suggested that a common vision and action plan for the industry's future should be developed (with industry-led efforts the primary driver) and which would be facilitated by additional capacity to assess policies affecting dairy farms.

Table 1. Complete Listing of Stakeholder Responses

What do you view as the key drivers of growth and competitiveness for the dairy industry in Pennsylvania?

A more business competitive attitude at the farm level. Do what is best for your (PA Dairy) farm business and let the industry and the markets deal with the over-production issue.

Follow the recommendations of the PA Dairy Industry study. Let's get the cheese processing going to provide an additional market for PA milk.

The regulations and permitting to expand or build new dairy facilities are very burdensome in cost and time.

Our dairy farmers need an attitude which allows them to have a vision for the future.

Having a market for the milk produced in PA

A unique product, marketing approach, market or something to set PA dairy apart and increase the demand for PA dairy

Engaging young producers (return to farm)

Encouraging students to pursue dairy education (new to industry)

Location: being close to major markets

Lack of local processing has hurt the growth and competitiveness.

Disappearance of quality premiums and large quantity bonuses are killing the small farms

More infrastructure to process milk in concentrated areas, like Lancaster county. However, to encourage the industry to locate here we need to be able to provide them milk at a price that competes with other areas of the country.

We also need to stop propping up the price of consumer milk in supermarkets and allow them to run advertising specials for dairy products to boost demand. I question the relevance of the milk marketing board in the current dairy situation.

Increasing fluid milk consumption is the main one. Avoiding onerous regulations from EPA is also important; Pennsylvania's DEP has been much more willing to work with farms.

Proximity to market

Factors that will limit growth:

Producer Outlook (Lack of producer focus on the business of operating a Dairy)

Aging infrastructure on farm and off the farm

Non-farm competition for land (residential, commercial, etc...)

Available skilled labor for both on farm and processing

Availability of educational programs (finance, marketing, skilled jobs, etc...)

*Access to markets*³ is a key driver for growth and competitiveness of Pennsylvania's dairy industry. Pennsylvania has an advantage in processors being close to the market as well as an *opportunity for producers to provide value-added products* directly to consumers. In the past, our industry may have used these advantages as a crutch, resulting in our producers not making steps forward in other areas as dairy producers have done in other areas of the country.

Pennsylvania dairy producers need to improve *profitability (and more specifically, cost of production)* to remain competitive. This is likely a main reason why the industry has grown outside of Pennsylvania, instead of within our state which has other advantages. Our dairy producers need a better *business sense and one that focuses on growth* (can be growth in size or efficiency). Admittedly, the cost structure for PA dairy farms is different than in other areas of the country with higher investments in equipment, land, facilities, etc. *Access to land* is a disadvantage for PA producers because there are simply not the available land resources in large blocks that support large dairy farms. Our farms may need to look at opportunities for *partnership and collaboration* to help overcome some of these challenges in our area. Labor issues must also be considered in growth of farms. Our *labor laws and taxation* need to be advantageous so workers want to come to Pennsylvania dairy farms to work.

There is great opportunity to determine Pennsylvania's niche in the greater dairy industry. Our industry needs to find ways to *increase demand for milk produced in Pennsylvania*. Likely, this will come through adding value to products and/or producing new and innovative products. Our dairy industry will not grow if we do not grow the demand, which could be within Pennsylvania or within markets easily accessible from Pennsylvania.

What data or information not currently available would be helpful to assess current status and future opportunities for the Pennsylvania dairy industry?

Many of our dairy farms do not have good analysis of their profitability nor cost of production. These data help make significant management decisions and highly influence dairy farm business succession to the next generation.

Any new dairy products on the horizon which may provide new market opportunities could provide stimulus to grow the Pennsylvania dairy industry.

Not sure

It would be very interesting to see the spread in prices per cwt between large and small farms.

Lenders are becoming reluctant to support the industry. Any data that would build their confidence would be helpful.

Where are dairy farmers' milk check-off dollars spent? How do we increase transparency of those expenditures? Can we have a third party confirm the claims of huge returns to money spent on advertising?

Do we want to recover some of our lost fluid milk market? If so, how do we focus resources on that recovery? Who is willing to recover the fluid milk market? (I'm not convinced the national

³ Drivers italicized by study authors for easier recognition.

co-ops or the PA milk marketing board or processors really want to deal with milk.)

No answer

Statewide farm level financial performance data for benchmarking purposes

Statewide data on available processing capacity and market demand

Clearing house for agricultural programs available statewide

A main area where we need more *comprehensive data is on the financial aspects of Pennsylvania dairy farms*. The data needs to be representative of the entire Pennsylvania dairy industry in order to understand the industry as a whole. The current information provided by AgChoice likely comes with a bit of a bias to the data since it is a small dataset and also only includes farms who took the initiative to sign-up in the benchmark program and work with AgChoice. Additionally, it would be valuable to collect even greater detail on some of the costs on today's farms.

A second main area where more information is needed is *data on consumer wants*. Growth of Pennsylvania's industry is dependent on our ability to provide products that appeal to today's consumers. Wisconsin's industry supported a public-private product innovation and research center that seemed to spark interest and growth in the dairy industry with considerable support from producers. Would there be opportunity for something similar in Pennsylvania? We also need to understand if regional differentiation (PA Preferred dairy products) add value to our products.

After reading the reports, it is also evident that more information needs to be collected on the potential of adding cheese processing plants in Pennsylvania. Consideration needs to be taken on hauling costs and blend prices. Also, we question why State College was identified as a potential location due to limited milk acquisition (maybe better suited in Altoona or Hollidaysburg because of easy access to 'The Cove'?)⁴. Recent dairy processing plants that have been built have been partnerships between producers and processors; this should also be a consideration to the location of the plant.

Which current programs or policies help support growth and competitiveness? (These can be state level programs or policies, industry initiatives, or efforts of private businesses.)

PDA support for centers for excellence

I believe the profit, transition, and other team opportunities supported by the Center for Dairy Excellence provide business resources which our dairy farmers have not had before.

I also think that Pennsylvania has next generation, and dairy youth development programs which encourage careers in agriculture much more than many other states.

PA Preferred, partnerships with food banks

⁴ Author's note: The spatial modeling analysis includes only a limited number of city locations, and is best thought of as indicating general locations for plant facilities, with additional detailed assessment appropriate for specific plant location decisions, undertaken collaboratively. This is consistent with the comment above.

The recent changes to the MPP hopefully will help some. Don't think this is an answer to our industry problems but it's a least an attempt to try.

How can we grow when producers are limited by newly enacted quotas by co-ops with no place to go with the milk?

None that I am aware of

CDE profitability teams

Kerry E. Kaylegian, PSU dairy processing resource- she acts in an extension role for dairy processors in the state-really great resource!

PSU dairy extension webinars and staff available to provide input to producer questions. Much appreciated.

Center for Dairy Excellence (Funding source – Ag Excellence Line, PDA Budget)

Environmental Programs: Resource Enhancement and Protection grant program, State and County Conservations Commissions, Environmental Management Assistance program, Small Business Development Centers of PA

“Grow PA Ag” Industry-organized and lead group focused on growing Pennsylvania Agriculture Farmland Preservation

Center for Dairy Excellence programs – DDCs, team programs, etc.

Penn State Extension Dairy Team – although see potential modification below

Benchmark programs – Progressive Dairy Benchmark Program

Lending organizations that support growth (Farm Credits, Fulton Bank, some other banks)

Pennsylvania currently has a strong dairy infrastructure in several areas of the state

Which current programs or policies might be modified (and how) to better support growth and competitiveness? (These can be state-level programs or policies, industry initiatives, or efforts of private businesses.)

If milk from PA is more expensive for out-of-state handlers and processors to purchase, then something ought to be done to make PA milk more attractive to those handlers.

Streamline the permitting process for new or remodeling dairy facilities.

Not sure who would oversee, but an easy reference/source for consumers to find where PA products are available (possible addition to PA Preferred?)

We really need to take a look at how we can help our small farms stay in business.

Unfortunately, we are headed down the path of the pork and chicken industry that they traveled 30+ years ago.

PA Milk Marketing Board

Is it possible to eliminate the PA Milk Marketing Board? Probably not, since it is entrenched in Harrisburg; however, who can at least get them to eliminate over order pricing and minimum retail pricing?

"The next pound of milk" isn't more profitable if it doesn't have a market. As an industry, we may need to address supply management in order to protect our milk price.

Pennsylvania needs a strategic plan for agriculture and the dairy industry. This would allow all organizations to act with focus for a greater purpose.

State dairy marketing program: We question whether PA Preferred brings value to marketing dairy products or perhaps there is a better marketing approach?

Center for Dairy Excellence programs: These programs need to be modified and expanded to fit larger operations (mostly smaller operations have taken advantage of the programs in the past). Programs need to fit operations who already have some planning/budgeting in place. Programs should also support collaboration and joint venture opportunities. Consistent, assured funding for the Center would also encourage consistency of programs throughout the year and availability year-after-year.

Penn State Extension – Resources should be focused on growing the industry versus maintaining existing clientele.

Environmental programs – We should look at allowing some current programs (EQUIP, Chesapeake Bay grants, etc.) to be used for growth of operations versus maintaining the status quo. While some advancement has already been made in helping with environmental permitting challenges in Pennsylvania, this should be a continued focus to encourage growth in our state. Expanding dairies in neighboring states have 1/3 the cost and 1/10 the time of permitting as Pennsylvania.

Economic development: Consideration should be made to have tax advantages for dairy farms that grow or increase efficiencies (example: Wisconsin's Dairy Investment Tax Credit). Also, a focus should be on working with Team PA for economic development in the dairy processing sector in Pennsylvania.

Wisconsin's industry supported a public-private product innovation and research center that seemed to spark interest and growth in the dairy industry with considerable support from producers. Would there be opportunity for something similar in Pennsylvania?

Which current organizations help support growth and competitiveness? (These can be state level organizations, industry initiatives, or efforts of private businesses.)

The Center for Dairy Excellence - provides direct assistance to help farms understand the point above about needed data. Also provide opportunities for young people with hopes and dreams about being a part of the PA dairy industry.

Penn State Extension Dairy Team - continues to provide educational support to the dairy industry. Knowledge is still power.

The Center for Dairy Excellence
Ag Choice Farm Credit

The Penn State Dairy Extension team
PDMP

Not sure

No answers

Center for Dairy Excellence

None that I am aware of

CDE

PSU dairy extension team (see above)

The PA Milk Marketing Board protects the price that PA producers receive for their milk. It's not a popular organization in times of low milk price, but not all producers understand their function

Professional Dairy Managers of Pennsylvania

Center for Dairy Excellence

Penn State University Extension

University of Pennsylvania School of Veterinary Medicine

Pennsylvania Farm Bureau

Agricultural Lenders (Farm Credit, Regional Banks, Community Banks, etc...)

(Please see our response about the question related to programs and policies above).

Which current organizations might be modified (and how) to better support growth and competitiveness? (These can be state-level organizations, industry initiatives, or efforts of private businesses.)

Nothing to add

The Department of Environmental Protection needs to be much quicker in their permitting of new facility plans.

Strengthen partnerships with child care providers to disseminate education on the benefits of dairy products to parents through the children (programs

Penn State Extension Better Kid Care, Head Start, Penn State -Expanded Food and Nutrition Education Program)

Partner with school athletic programs or club sports for youth to promote dairy to young athletes

I feel like all the effort being put forth is focused at the wrong places. The large farms have no trouble staying in business managed properly. The state level organizations need to focus their attention on the small family farms instead of the large operations.

PA Milk Marketing Board

See the items under "programs".

Also, how do we get our message out to Congress? to the National Academies of Science and of Medicine (who provide our nutrition recommendations for cows and who apparently really dislike milk fat in fluid milk)?

How do we make 2% and whole milk desirable again?

Who is our main focus? Is anybody spending time or money determining that? (We spend money on research but have failed to do a good job of getting that data to people who appreciate it)

PA Farm Bureau should add Economic Analysis to their policy development process. It's not helpful to have farmers in opposition of each other in the policy arena- particularly when their policies aren't required to consider economic consequences.

Roles for new or existing organizations in the future:

- Collaboration with promotion and marketing campaigns

- Collaboration with data collection, analysis and development of industry benchmarking tools

- Collaboration with government entities: PA Department of Agriculture and PA Department of Economic and Community Development

Utilize the results of this study to develop and implement a common vision and plan with action steps

Industry growth needs to be driven by the industry not government

The entire agriculture (and dairy) industry must have a common vision (strategic plan) and voice. This will guide our industry moving forward as well as assist in influencing legislators on issues important to agriculture/dairy.

State Agencies (PA Department of Agriculture, DCED): state agencies need to have more of an industry growth role which can affect both dairy processing and dairy farms. The potential of having a funded position within Team PA to assist in these opportunities, particularly with dairy processing, will be a benefit.

PSU Extension, Center for Dairy Excellence and other industry organizations: All need to work together to support the industry. The Center's main niche has been providing on-farm team resources to dairy farms. For Extension, perhaps there could be a focus on helping farms better manage those teams?

Themes in Stakeholder Listening Sessions

At listening sessions held in Lebanon, PA and Indiana, PA during Fall 2017, a variety of comments were received. These comments focused on diverse issues, but it was possible to put most of them into a smaller subset of categories as a way of summarizing this information. This does not directly indicate which themes are considered the most relevant or important by different industry stakeholders, but it suggests a set of issues that future actions might need or want to address. The theme areas mentioned in the meetings are:

- Regulations for permitting new dairy facilities (the complexity and length of the process) and its potential impacts on competitiveness of Pennsylvania dairy farms;
- Market outlets for farm milk and dairy products (including inter-regional movements of farm milk (to and from the Northeast), restricted access to markets for some producers, declining sales of fluid milk products, the role and effectiveness of promotion in expanding demand for dairy products, potential in export markets, the need for (or role of) additional processing capacity and seasonal balancing);
- The need to educate consumers about the benefits and healthfulness of milk, including removal of limits on school servings of milk;
- The role of cooperatives in facilitating growth and competitiveness in the region, managing milk supplies and related membership policies;
- The current and future structure of dairy farming in Pennsylvania (including proportion of milk coming from smaller herds and plain sect farms, costs of servicing and milk hauling) and how this will affect growth and competitiveness;
- The role of the Pennsylvania Milk Marketing Board, including its activities (should it regulate less and promote more?) costs and benefits;
- The need to define criteria for success for the industry (for example, growth in milk production versus a balanced milk supply, profitability of farms and processing facilities);
- Differences in production systems, producer outlooks, market opportunities and future growth potential for different regions of Pennsylvania;
- The need for the key players in the industry (from input suppliers, farms, processors, buyers to consumers) to communicate to increase understanding, define desirable and achievable goals and to work together to improve outcomes.

These are commonly-expressed themes, and some but not all of them were addressed by research undertaken for other study components (such as market outlets, processing capacity, export market potential, farm structure and performance, and price regulation under the Pennsylvania Milk Marketing Board). It is also common for discussions such as these to focus on factors external to management of individual farms or processing businesses. However, the themes and tone of the discussions seem to suggest a high degree of what is sometimes termed a “external locus of control”—success or failure of a business is attributed to factors beyond the control of the manager⁵, rather than being determined by the managers’ actions.

⁵ People who base their success on their own work and believe they control their life have an **internal locus of control**. In contrast, people who attribute their success or failure to outside influences have an **external locus of control**. Source: <https://study.com/academy/lesson/locus-of-control-definition-and-examples-of-internal-and-external.html>.

For example, there was no mention of how the state might support improved decision making by managers of farm or processing businesses, although this is a focal point for efforts by CDE and PSU Extension. A number of stakeholder respondents, as indicated above, suggested that it would be useful to work towards modifying the mindset of managers to avoid a “Lack of producer focus on the business of operating a dairy.” This is not to say that these themes are unimportant to farm or processing business performance and should not be addressed by the state when possible and appropriate, but we believe that many would be difficult to substantively modify through state programs or policies.

Comparative Organizational Support in Key Dairy States

As noted in the stakeholder comments discussed above, many organizations provide support that is essential for the success of farm and processing businesses in Pennsylvania. A somewhat selective listing of these organizations identifies them as state-related, business and(or) advisory entities, and professional membership associations. In general, these types of organizations support dairy industry operations through the U.S. and internationally. It is beyond the scope of this study to undertake a detailed assessment of the role of these organizations and their efficacy related to their stated goals. However, it is useful to compare the listing of organizations in Pennsylvania to those in other states. The summary below is intended to provide a brief introduction to the differences in the landscape of organizational support for dairy. We would encourage additional exploration of the roles and effectiveness of selected programs and organizations in other states to assess their applicability in Pennsylvania.

We note that although the basic nature of the supporting organizations has some overlap among the three states, there are programs in New York and Wisconsin that do not seem to be present in Pennsylvania⁶. In New York, there appear to be more programs associated with environmental management, farmland preservation and energy (Table 2). The Dairy Acceleration Program, Excelsior Jobs Program, Linked Deposit Program, FarmNet, Flex Tech Review and Farm Viability Institute appear to have no direct counterparts in Pennsylvania.

Wisconsin organizations and programs include many that are similar to those in Pennsylvania (Table 3). Although the Center for Dairy Profitability and the Center for Dairy Research have some overlap with the responsibilities of the Center for Dairy Excellence and PSU Extension, these Wisconsin counterparts have a larger amount of resources and collaborate more closely with each other and with the Wisconsin Milk Marketing Board (WMMB). Despite the similarity of both having “Milk Marketing Board” in their names, the PMMB and WMMB have very different responsibilities. The WMMB is a producer-funded promotion organization and has no regulatory authority over milk pricing. Although a number of dairy processors operating in Pennsylvania are members of the Northeast Dairy Foods Association, the importance of cheese to Wisconsin’s dairy industry has resulted in the presence of both the Wisconsin Cheese Makers Association and the Wisconsin Dairy Products Association to represent and educate members.

⁶ It is also worth noting that the information from New York and Wisconsin was easily available online in summary form. If this is not already the case for Pennsylvania, this would be recommended.

Table 2. Institutions and Organizations Supporting the Pennsylvania Dairy Industry⁷

State Related

- Center for Dairy Excellence
- Penn State Extension Dairy Team
- Penn State Food Science Processing Extension
- University of Pennsylvania New Bolton Center

Industry and Advising

- Pennsylvania Farm Bureau and the MSC Business Services
- Dairy One DHIA and Lancaster DHIA
- AgChoice Farm Credit
- MidAtlantic Farm Credit
- Private Banking Institutions (Fulton Bank, Univest, BBT, Mid-Penn, First Citizens Bank and other smaller ones)
- Feed Companies (Cargill, Land O'Lakes Purina, Hoover Feeds, etc.)
- Independent Nutritionist Groups
- Veterinary Clinics
- Milk Cooperatives (Land O'Lakes, Dairy Farmers of America, Maryland & Virginia, Lanco Pennland, Upstate Niagara, Organic Valley)
- Processors with independent producers (Schneiders, Turners, Harrisburg Dairies, Rutter's Dairy and others)
- Acuity Advisors
- Herebin & Associates
- Simon Lever
- Bruce Dehm and Associates
- Dairy Enterpriser Services

Industry Association

- Professional Dairy Managers of Pennsylvania
- Pennsylvania Holstein Association
- Pennsylvania Dairyman's Association

⁷ This listing is designed to be representative, rather than all-inclusive, and was compiled by the study authors with the assistance of staff of the Center for Dairy Excellence.

Table 3. Contents of Brochure Summarizing State Government Support for New York's Dairy Industry





NEW YORK
STATE OF
OPPORTUNITY.

Agriculture and Markets

	State Agency	Ag Specific?	Type of Assistance	Competitive	% Cost Supported	Funding Limits	Availability
Agriculture Environmental Management Addresses environmental issues on farms, using progressive tiered planning and a strategic implementation approach, while maintaining economic viability of farms. http://www.agriculture.ny.gov/index.html	NYS Dept. of Ag & Markets	Yes	Technical Assistance	No, Open to All	N/A	N/A	Continuous, through County Soil & Water Conservation Districts
Agriculture Nonpoint Source Abatement & Control Program Helps prevent water pollution agricultural activities through planning and implementation grants to construct or apply on-farm best management practices. http://www.agriculture.ny.gov/index.html	NYS Dept. Ag & Markets	Yes	Grants in conjunction with AEM	Yes	Up to 87.5%	No Limits	Annually, through County Soil and Water Conservation Districts
Cattle Health Assurance Program Assists dairy and beef producers in implementing best management practices on the farm to increase profitability and productivity by addressing cattle health, comfort and welfare. http://www.agriculture.ny.gov/index.html	NYS Dept. Ag & Markets	No	Technical Assistance	No, Open to All	N/A	N/A	Continuous
Dairy Acceleration Program Provides funding to assist New York dairy farmers to address specific business needs necessary for expansion and growth. http://www.agriculture.ny.gov/index.html	NYS Dept. Ag & Markets	Yes	Grants	No	80%	\$5,000	Continuous, through Cornell Cooperative Extension
Excelsior Jobs Program Provides tax credits for businesses that create jobs or make significant capital investments. Agricultural firms must create at least 10 new jobs; manufacturing firms must create at least 25. http://esd.ny.gov/BusinessPrograms/Excelsior.html	ESD	No	Tax Credits			N/A	Continuous



Agriculture and Markets

	State Agency	Ag Specific?	Type of Assistance	Competitive	% Cost Supported	Funding Limits	Availability
Farmland Protection Implementation Grants Assists municipalities, land trust and local conservation districts in purchasing the development rights on viable agricultural lands that are facing significant development pressure and that serve as buffers to significant natural public resources. http://www.agriculture.ny.gov/index.html	NYS Dept. Ag & Markets	Yes	Grants	Yes	Up to 87.5%	No Limits	As funding is available.
Farmland Protection Planning Grants Supports municipalities, land trust and local conservation districts that develop agricultural and farmland protection plans. http://www.agriculture.ny.gov/index.html	NYS Dept. Ag & Markets	No	Grants	No	Town 75% Counties 50%	Towns \$25,000 Counties \$50,000	Continuous
FlexTech Review Funding for energy audits for farms and food processors. http://www.nyserda.ny.gov/	NYSERDA	No	Grants	No, First come first served	Farms 100% Food Processors 50%	Maximum \$2,500	Until funds expended
Linked Deposit Program Provides existing businesses with bank loans at reduced interest rates (2-3 percentage points) to improve market access, product development, modernize equipment, expand production, introduce new technologies; transition ownership, or create/retain jobs. http://www.esd.ny.gov/BusinessPrograms/LinkedDeposit.html	ESD		Bank loans at lower interest rates			Maximum \$2,000,000 loan Maximum lifetime assistance \$2 million	Continuous



Agriculture and Markets

	State Agency	Ag Specific?	Type of Assistance	Competitive	% Cost Supported	Funding Limits	Availability
Cornell Pro-Dairy Program For 23 years Pro-Dairy has linked New York's dairy farmers and agribusiness professionals to critical research and resources, giving them the information needed to build and manage robust businesses. Pro-Dairy's contributions to educational programming and applied research have helped New York to continue to grow its milk production and remain among the top dairy states in the United States. http://prodairy.cals.cornell.edu/		Yes	Technical Assistance				
Cornell Cooperative Extension The Cornell Cooperative Extension Education System extends Cornell University's land-grant programs to citizens all across New York State. With a presence in every county and New York City, CCE puts research into practice by providing high value educational programs and university-backed resources that help solve real-life problems, transforming and improving New York families, farms, businesses and communities. http://www.cce.cornell.edu/Pages/Default.aspx		No	Technical Assistance				
Farm Net Provides farmers and their families with a network of contacts and support services to help them develop skills for dealing with life challenges and transitions, through personalized education, confidential consulting and referrals. http://nyfarmnet.org/farmlink/new-york-farmlink		Yes	Technical Assistance				
NY Farm Viability Institute Provides funding for agricultural research and education projects to help farmers become more profitable and improve the long-term economic viability and sustainability of New York farms. http://www.nyfvi.org/		Yes	Grants	Yes	N/A	No	As funding is available



Agriculture and Markets

	State Agency	Ag Specific?	Type of Assistance	Competitive	% Cost Supported	Funding Limits	Availability
New York Power Authority Recharge New York Through the state-wide CFA process, entities are eligible for power that has not yet been allocated through the Recharge NY program. http://www.nyopa.gov/		No	Low cost power contract	Yes	N/A	Up to 50% of the demand of the customer	As power is available
New York Power Authority Expansion & Replacement Power, Preservation Power Entities that are within the 30-mile radius of NYPA's Niagara facility (NIAGARA HYDROPOWER) and those in the three counties (Jefferson, Franklin, St. Lawrence) ST. LAWRENCE-FDR HYDROPOWER around the St. Lawrence facility are eligible for low cost electric power. https://www.nyopa.gov/services/economicdev/economic.htm		No	Low cost power contract	Yes	N/A	Up to 100% of the demand of the customer	As power is available
Tractor Rollover Program Provides funding to assist farmers to purchase and install rollover protective structures. https://www.nycamhoutreach.com/ropsr4u/ny/		Yes	Grants	No, First come First served	N/A	Maximum \$500	As funding is available

Table 4. Agricultural Organizations Supporting Dairy in Wisconsin

Wisconsin agricultural organizations listed here also offer resources for dairy producers and processors.

[Cooperative Network](#)

Cooperative Network is committed to building Wisconsin's and Minnesota's cooperative businesses. Cooperative Network provides government relations, education, marketing, and technical services for a wide variety of cooperatives including farm supply, health, dairy marketing, consumer, financial, livestock marketing, telecommunications, electric, housing, insurance, worker-owned cooperatives, and more.

[Dairy Business Association](#)

DBA is an industry organization comprised of dairy producers, corporate and allied industry supporters. DBA promotes the growth and success of all dairy farms in Wisconsin by fostering a positive business and political environment.

[Grassworks, Inc.](#)

GrassWorks provides leadership, education and resources for grass-based farmers and regional organizations that support graziers. Grassworks increases awareness of the benefits of managed grazing among farmers, policy makers and the general public.

[Professional Dairy Producers of Wisconsin](#)

PDPW offers education and information valuable to dairy operations. PDPW connects you with helpful resources including other dairy producers, industry leaders and experts, world-class scientists and researchers, and preferred suppliers.

[UW-Extension](#)

The University of Wisconsin-Extension works in partnership with 26 UW System campuses, 72 Wisconsin counties, three tribal governments, and other public and private organizations to fulfill its public service mission. Through statewide outreach networks, UW-Extension connects university research to the specific needs and interests of residents and communities.

[Wisconsin Center for Dairy Profitability](#)

The University of Wisconsin Center for Dairy Profitability develops and delivers effective interdisciplinary education and applied research to dairy farms and dairy industry service providers resulting in sustainable profitable decisions, and a healthy and progressive dairy industry.

[Wisconsin Center for Dairy Research](#)

CDR's vision is to enhance the competitive position of the dairy industry. CDR will be the leader in innovative strategic dairy foods research, technology and applications development, training, and education.

[Wisconsin Cheese Makers Association](#)

Wisconsin Cheese Makers Association gives voice to Wisconsin dairy processors on national and state issues that impact our businesses. WCMA is advocate for fair and reasonable

regulation and legislation, offers communication about the industry, and provides educational workshops, seminars and special services to member businesses.

[Wisconsin Dairy Products Association](#)

Wisconsin Dairy Products Association represents all segments of the dairy industry and offers educational opportunities for its members to improve their business operations. WDPA's primary goal is to represent its members in the formation and adoption of rules and regulations pertaining to the dairy products industry.

[Wisconsin Farm Bureau Federation](#)

The Wisconsin Farm Bureau Federation is the state's largest general farm organization representing farms of all sizes, commodities and management styles. The mission of Farm Bureau is to lead the farm and rural community through legislative representation, education, public relations and leadership development.

[Wisconsin Farmers Union](#)

Wisconsin Farmers Union is committed to enhancing the quality of life for family farmers, rural communities and all people through educational opportunities, cooperative endeavors and civic engagement.

[Wisconsin Milk Marketing Board](#)

The Wisconsin Milk Marketing Board (WMMB) is a nonprofit organization funded by Wisconsin dairy farmers. WMMB promotes the sale and consumption of the more than 600 varieties, types and styles of Wisconsin Cheese and other dairy products from America's Dairyland.

[Wisconsin National Farmers Organization](#)

National Farmers offers commodity marketing and ag risk management programs and services. National Farmers works to put profit in American farm enterprises.

Figure 1. Examples of Support Programs from Wisconsin

Today, Wisconsin is home to more than one million dairy cows and a growing segment of goats and sheep. Dairy production is by far the largest agricultural sector in the state, generating \$43.4 billion annually for Wisconsin's economy. There's no other land where the dairy industry is more vital, supported and understood.

The **Wisconsin Farm Center**, part of the Department of Agriculture, Trade and Consumer Protection's Division of Agricultural Development, provides assistance to dairy farmers, without regard to size or type, focusing on creating long-term, sustainable operations. The Center, with its staff of professionals who come from diverse agricultural backgrounds, can provide dairy farmers and family members a wide range of information and outreach services. The center also serves as a resource to connect farmers with many state, university and federal programs. The staff and trained volunteers provide guidance and assistance to help people find the services and information they need.

Call DATCP's Grow Wisconsin Dairy Team toll free at (855) WIDAIRY [(855) 943-2479] or email GrowWisconsinDairy@wi.gov.

The Wisconsin Farm Center, part of DATCP's Division of Agricultural Development, provides assistance.

New: DATCP is accepting applications for Dairy Processor Grants through April 13, 2018. Click on the links for an application or for Requests for Proposals information.

[Application](#)

[RFP information](#)



DATCP Dairy Processor Grants

Request For Proposals (RFP)

Applications Due: Friday, April 13, 2018

INTRODUCTION

The Dairy Processor Grant strives to improve the long-term viability of Wisconsin's dairy industry through services to dairy processing plants. DATCP's Dairy Processor Grant is available to processors to facilitate operational changes, improve profitability and foster innovation and economic growth.

AVAILABLE FUNDS

Funds will be distributed through a competitive review process. Grants will be awarded for projects up to **\$50,000** and up to two years in duration.

APPLICATION AND FUNDING TIMING

RFP is released	March 1, 2018
Applications due to WI DATCP	April 13, 2018
Applications scored and selected by review committee	May 1, 2018
Selected applications notified by WI DATCP	May, 2017
Approval Letters Issued by WI DATCP	May, 2017
Anticipated project start date	June 1, 2017
All projects must conclude no later than	June 30, 2019

ELIGIBLE PARTICIPANTS

Applicants must satisfy the following criteria to be deemed eligible for funding under the Dairy Processor Grant Program. An applicant must:

- Operate a licensed dairy processing plant engaged in pasteurizing, processing or manufacturing milk or dairy products that is located in WI
- Have a project(s) that will make operational improvements, improve profitability, and/or involve a new process or innovation
- Have no outstanding state penalties or violations and be in good standing with Wisconsin Department of Financial Institutions
- Employees of Wisconsin DATCP and immediate family members (i.e. mother, father, brother, sister, spouse, and children) are not eligible to receive a grant

ELIGIBLE PROJECTS

The Grow Wisconsin Dairy Processor Grant is designed to provide access to services and resources for proposed dairy processing plant projects that enhance or develop the current business, solve an existing problem or concern at the plant, improve production or profitability, and/or help the processor innovate. Focal areas for the grant are highlighted below. Projects could include multiple aspects from the following areas.

- Dairy plant modernization and expansion efforts to provide assistance with professional services costs related to: siting, engineering, design, layout of new facilities or production lines.
 - Food safety: consulting services to help pass a food safety audit or certificate needed to meet a customer driven market requirement.
 - Training of plant staff on food safety requirements, new technology, etc.
 - Assistance for related professional services and consultants: developing new processes, wastewater treatment or handling, new uses for whey, or other innovations.
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- Efforts to improve/enhance staff retention, training, and knowledge
 - Other dairy processing projects may be considered.