



Local Meetings Matter

In December, I wrote about how I was looking forward to the Local meeting season. It was going to be the first opportunity I would have as President of MMPA to visit, update, and listen to your concerns. Since then, I've spent a great deal of time on the road, participating in 18 MMPA Local Annual meetings from Jackson County to the Western U.P. and from Bad Axe to Zeeland. The food was good (I gained 5 pounds) and the interaction was great. Having completed my first season of our local meeting process, I can see where the meetings add a great deal of strength to our cooperative, and the time MMPA board members and MMPA staff spend on the meetings is well worth the effort.

2007 was a very good year for dairy farmers and MMPA financially. It wasn't perfect, (for example, rBST) but all in all pretty good, most of which generated plenty of discussion at our meetings. We cussed and discussed the decision to not allow the use of rBST. It seems very few people liked what we had to do, though I think most everybody understood why it had to be done.

The need for expanded processing capacity was discussed along with the need to probably reinstate an Equity Capital Retain to maintain a solid balance sheet as we go forward with plant expansion. It has been so long since we've had a retain, that some of our members were a bit perplexed on how it would work. The proposed plan is to retain 10 cents per hundredweight now and repay it back in 10 years.

The rapidly changing world of export markets, how important these markets have become for

enhanced prices, and the probability that they will provide a more stable price over time was also a popular topic for discussion. In mid-February as I write this column, we are witnessing first-hand how the export market can stabilize our domestic prices. As cheese prices declined below \$1.70 per pound, international buyers stepped in, buying, and driving the price back to \$1.95 and higher.

The increasing price of inputs such as feed, fuel and fertilizer on our farms and how this will impact our profitability going forward provided recurring discussion points and questions: How will this affect plant expansion requirements? Will milk prices stay high enough for producers to remain profitable?

For those of you who attended your local annual meeting you are, of course, well aware of these discussions. Annual meetings provide an opportunity for all members to meet with fellow members and voice their opinions on any subject concerning the organization. People like me, coming into your communities get a chance to know you personally, and you probably get to know each other better.

After attending all of these meetings, it is apparent to me that so many issues we deal with as an industry are not farm size-specific. This fact was driven home by our rBST issue. Whether or not you were or were not pleased with the loss of rBST as a management tool was not determined by the size of your herd. Small herd owners were disappointed just as much as large herd owners were.

The topic of animal care was also discussed during the meetings.

Any possible restrictions that arise from animal care issues won't be size-specific, either. They will affect all producers. The dairy industry has not yet faced the intense scrutiny that the poultry and pork industries have faced, but we will. I agree with the comments that I heard at your meetings that we all do a good job of caring for our animals. Now we need to explain to people outside our industry the practices that we have in place to care for our animals. We must take a proactive position to ward off unnecessary changes in the care of our dairy herds.

MMPA is structured to allow for individual member input into the decision-making process through local meetings, the Advisory Committee, delegate structure, and board representation. The opportunity to visit one-on-one with many of you was very valuable for me in my first year as president, because it reaffirms that our cooperative's system works very well. The messages I heard at local meetings were the same ones we have heard throughout the year from Advisory Committee members and through other communications. The local meetings are an important method for confirming that we are on the right track.

I wasn't surprised by the cooperative spirit I witnessed attending the meetings; in fact, it is gratifying to see that some things don't change. As long as we cooperate and remember that each member adds to the value of our Association, we will continue to support the interests of one another and prosper.

A handwritten signature in black ink that reads "Ken". The signature is written in a cursive, slightly slanted style.