President's Letter Gary Bonestroo April, 2006

Winter has finally come this first week of spring...at least on the east side. Mother Nature must be getting old and is losing track of when the seasons are supposed to start and end. I guess that's New Mexico.

February turned out to be a successful month for the dairy producers across the state and nation. We were successful in receiving \$2 million for dairy biomass projects and \$250,000 for the Pecos Valley Biomass Project. We also received funding for two more NMDA milk inspectors.

DPNM held our fourth producer forum in Washington, D.C. We had dairy producers from nine states represented. It was a good meeting. Even though the dairies represented are in different regions, we all have some of the same concerns. It is beneficial to discuss these issues. The hot topic of immigration was one of the issues discussed. You would think it would be a "no brainer" that closing the border and sending the 15 million plus illegals back to Mexico is a bad idea. However, there are a lot of organizations and people calling their delegations in support of such a bill. This would not be good for farmers and all other industries that depend on this type of labor because no one else will do these jobs. So, we all need to call our congressional delegation and tell them our concerns and how devastating it would be to pass such a bill.

Issues discussed at the forum:

Ben Yale discussed the expected growth of milk production and size of dairy herds. It is a little uncomfortable when you are sitting at a table of dairymen from Maine and Vermont. I thought they might get up and leave, but they didn't. They realize they will have to make changes to survive.

Ted Jacoby from Jacoby Inc. told us about the trade market that needs to be tapped into with MPC. He discussed how we have to change the way we process milk to what other countries want and not just process products that they know. They can just sell to the CCC. We won't be able to really make a difference in the world market until we make these changes.

Brad Bouma discussed the importance of research and development of new ultrafiltrated methods that will be the key for these markets. Not only are there less producers, there are fewer processors. The Greater Southwest Agency was a model that other regions are interested in duplicating. He also discussed FMMO's and their future. To put it bluntly, personally I do not think that FMMO's have much of a future. Look how low the support price is. Do we really want the government to set our prices or is there a better way? Something needs to be done.

On our last day in D.C., we met with our congressional delegation—Jeff Bingaman, Pete Domenici, Steve Pearce, Tom Udall, and Heather Wilson. Sharon made us an organized team with Ben Yale, Robert Hagevoort, Sharon, Kaye, Art and me. We were able to give them facts on all the current issues, and it was very impressive. We have to thank them for their time because they meet with people all day long when they are not in meetings. Senator Domenici is a most impressive leader, and we need to continue to support him as well as the others.

National Milk Producers Federation had their meeting that same week. The outcome was very good. It looks like the make allowance hearing is going to have a hard time passing with 80% of the nation against it, and we got another nickel for CWT making it a ten-cent assessment with no falling out of support from other regions. CWT will try to reduce the national herd by 125,000 by the end of the year. With the dairy industry united like that, we can make the changes we need to make in all aspects of the industry from the farm to world trade. That is why unity is so important in the national arena as well as at the state level. We need all dairy producers in New Mexico on the boat with DPNM to make us the strongest and best organization we can be.