

President's Letter
Allen G. Squire
July, 2009

We have just concluded our Annual Meeting in Ruidoso and as usual Kaye and Susan were instrumental in organizing a terrific program and a dynamite silent auction. Thanks, Girls! We had a large number of dairymen attending, hoping for some glimpse of a solution to our current economic situation. The discussions we had during the member only meeting concerning solutions were as diverse as you would expect. Unfortunately, consensus continues to elude us dairymen, even in ensuing discussions. At the urging of Board member Ron Schaap, we put together a very basic survey to attempt to quantify the feelings of our members. Unfortunately, once again comments were all the way from A to Z concerning almost every question on the survey. Unfortunately, a year ago we were producing for an overheated export market which ultimately dried up. Until export demand increases or we can find a quick solution to shut off the excess milk flow while restricting imports – things will not dramatically improve. In the future, we will need to learn to protect our markets and profitability with risk management solutions based on hedging and application of the Livestock Gross Margin Insurance. I would like to have several seminars for our members to learn the process.

After the Annual Meeting, Sharon and I went with Brad Bateman, President of Western States Dairy Producers Trade Association, to Washington, D.C. to meet with Jerry Kozak and Jim Tillison of National Milk Producers Federation (NMPF). We had a reasonably warm reception and a lively discussion of the dairy situation and the options available. We even covered a potential looming problem – tail docking. Unfortunately, since NMPF represents such a diverse group of dairy coops and their dairymen, we learned that if everyone is some-what displeased about what NMPF is doing, then Kozak feels he is doing his job. (More on committees later.)

Later that day, we saw Kathleen Merrigan, Deputy Secretary of Agriculture under Vilsack. Our meeting was cordial; however, the administration's influence was noticeable in that USDA is now talking about how the government can get into all aspects of rural economic development. Their catchphrase is "Every day in every way." What does this mean? It appears the government approach is to involve themselves in all aspects of rural life instead of having strong farms and rural businesses being the local economic drivers. It also appeared to us that they are more concerned about the lobbyists from the E.U. and Oceania than they are about fully implementing DEIP to help our farmers. She did not want to hear our thoughts about ethanol and greenhouse

gases. We need to solve our own problems, folks. Any attempt to get this government to assist us without doing major damage to us is highly unlikely!

I'm beginning to remember comments made about the actions of a committee. A camel, a giraffe, and a zebra are examples of a horse made by three different committees. Remember that as we go forward. Speaking of committees, in July, USDA is holding a two-day discussion and seminar in Denver on the future of the TB Program in the United States (aka "How to keep hundreds or thousands of government jobs safe even though they have no money left"). Sharon will be attending.

In conclusion, Linda and I wish to thank Dairy MAX for the two scholarships awarded to our sons, Bill and Justin, during our last meeting. Also, I need to thank my wife Linda for encouraging the boys to apply for these and other scholarships. And, thanks to the boys for being such deserving students and for listening to their mom for once. What a good year for this to have happened! Thanks, Dairy MAX!