President's Letter Gary Bonestroo November, 2006

Greetings fellow dairymen and women. By the time you get this letter Halloween will be history. But the futures are still scary. We had some 13 dollar plus milk futures, and I thought to myself, look the light at the end of the tunnel. I guess someone thought the light was a target and shot it full of holes. Hopefully, they are back up in November. They definitely need to be in order to keep pace with the grain futures.

We had an opportunity recently to meet the new CEO for Dairy Farmers of America. My first impression at the start of his presentation was skeptical. BUT that passed very quickly with his cost cutting plan – 10 to 12 million the first year, the same the second year. Also, he sold the company jet that he had total access to. It is totally not uncommon for a CEO of a nationwide co-op or company of that size to have that convenience at their disposal. He attacked the problem and demanded change at the Corona plant in Southern California and the Lovington, NM, plant. So of course with his enthusiasm, he looks to be the right guy for the job. But like anything else, time will tell and with a job that big, it might take a while.

The CWT program should start back up in 2007 and for the co-op's and other dairy areas that did not participate in the past because they did not want to spend ten cents, I hope they realize that now it is costing them one dollar plus per hundred weight. This spring and early summer we had the best production ever, like everybody, but we had some of the lowest milk prices. Now production is down and the milk price is coming up. Maybe there is some kind of hidden message there. Maybe we as a nation of dairymen should get rid of BST altogether – food for thought or a no-brainer.

The use of our check-off money in advertising needs to educate the consumers about the comparison between butter and margarine as well as "real" dairy products to other imitation dairy products. I think this would be a good way to start that education. I think it would be a great idea to have a live broadcast with a store customer talking about those differences between "real" dairy products and imitation. That way we could hear the reactions live. It's a thought.

I hope you all have a great Thanksgiving with all the silages harvested that did a lot better than I thought they would do earlier this summer. It is time to thank God again for all we have and for everything Dairy Producers of New Mexico does for each of us. For the New Year that is coming, have a great one whatever you do.