

James Maroney
Comments on Second Meeting of Dairy Task Force
Submitted June 7, 2021

Dear Members of the Task Force:

First and foremost the problems besetting the Vermont dairy industry are part and parcel with the coop model: they predate COVID by many years if not decades. It is therefore not going to help you revitalize the dairy industry to question coop CEOs about how their models work, which is to the members' detriment.

This assertion was proven near the end of the session when Senator Starr asked the CEOs rather directly how the coops planned to help farmers make more money? The coop people dodged this question because, quite frankly, it is not their concern.

I commend Senator Starr for asking this question which is really the only one the task force should concern itself with.

I also commend Heather Darby who asked a series of poignant questions toward the end of the session having to do with the environment, and whether the Vermont dairy industry might reimagine itself (her intentions but my words) in order to serve consumers who are also concerned about dairy's contribution to the problem.

Heather used the phrase greenhouse gas emissions not the phrase global warming. But she is I think referring to the Vermont legislature's recently enacted Global Warming Solutions Act. The act mandates that Vermont lower its GHG emissions by 30% by the year 2035 and the law will concentrate on the transportation and heat generation sectors. But dairy is the third greatest contributor to GHG emissions in Vermont and I have heard little or no talk of plans on how the industry will meet its reduction target. No surprise really as five years ago the TMDL tasked dairy with reducing its contribution to lake pollution by a staggering 66% and thus far it has managed just about 11%. Dairy needs to own this problem and come up with a real solution, which must begin with stopping denying it.

Early in the session Laura Ginsburg suggested that dairy's problems could be remedied if the farmers could (i) lower their costs (ii) raise their revenue and (iii) sell more products. She also suggested that lowering operating costs by (as was mentioned a few more times in the session) adopting some risk management strategies or by converting to pasture and away from balancing the ration with grain. These two things might help - a little. But the median Vermont dairy farmer milking 200 cows is getting \$17/cwt for milk that costs him/her \$20/cwt to produce. But no amount of risk management strategies or switching to grass rations will make up for a \$3/cwt loss. As to selling more products, that implies more milk. And while John Roberts alluded to the problem of over supply the dairy industry cannot revitalize itself unless and until it gets control of its individual member's drive to raise production which is the main driver of group losses.

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