

STATE OF VERMONT TASK FORCE TO REVITALIZE THE VERMONT DAIRY INDUSTRY

June 22, 2021

The Task Force to Revitalize the Vermont Dairy Industry was created by the General Assembly to develop legislation to improve the future viability of the Vermont dairy industry. The Task Force is hearing testimony and seeking input from all sectors of the dairy industry, including milk handlers and dairy processors in the State. The Task Force plans to hear from multiple dairy processors at its July 12 meeting.

To help prepare witnesses, the Task Force drafted the following list of questions related to dairy processing in the State. Because time will be limited and the list of questions is long, we ask that you please review the questions and prepare written responses for the Task Force. If a response would involve divulging proprietary business information, please note that you need to protect the information, but also please provide a general response or range if possible.

Our goal as a Task Force is to support the long-term viability and success of the Vermont dairy industry, a goal that we share with dairy farmers and processors across the State. We thank you in advance for helping us achieve that goal.

If you have questions or need additional information, you can contact Linda Leehman at <u>lleehman@leg.state.vt.us</u> or Michael O'Grady at <u>mogrady@leg.state.vt.us</u>.

Sincerely,

Senator Robert Starr Co-Chair Task Force to Revitalize the Vermont Dairy Industry Dan Smith Co-Chair Task Force to Revitalize the Vermont Dairy Industry

Questions for Dairy Processors in Vermont

- 1. How much milk or milk products (e.g. cream) do you purchase annually?
- 2. Who do you purchase your milk or milk products from? Do you purchase solely from the co-ops or do you buy directly from farms?
- 3. What price do you pay for the milk or milk products you purchase?
- 4. Are you a regulated Federal Milk Marketing order (FMMO) pool plant required to pay FMMO class price minimums, or are your prices set by contract with your raw milk co-op supplier, or a combination of both? Please provide as much detail as possible about how regulated and non-regulated pricing work together to establish your pay prices.
- 5. In any case, do you pay a premium for any of the milk or milk products that you purchase, above the FMMO class minimums that are would be applicable to your class usage?
- 6. If yes, what do you pay a premium for? If no, would you be willing to a pay a premium and for what?
- 7. How much of the milk or milk products that you purchase are from Vermont farm producers? How much are from farm producers located outside Vermont? If you purchase from producers outside Vermont, does the milk come only from New York or from other states?
- 8. What finished products do you produce?
- 9. What is your plant capacity:
 - a. in raw milk equivalent; and
 - b. in pounds of finished product?
- 10. What is your plant output (we recognize proprietary concerns—provide as much info as possible, using a range if necessary):
 - a. in raw milk equivalent; and
 - b. in pounds of different finished products?
- 11. How much, by percentage, of your products are sold in Vermont and domestically? Where do you sell your products domestically outside of Vermont?
- 12. How much, by percentage, of your products are sold internationally? What products do you sell internationally?
- 13. What value does the "Vermont" brand add to your product?
 - a. Is it only a matter of branding or does the composition of Vermont milk, distinct from Wisconsin or California milk, affect the quality and flavor of your products? Why?
 - b. How much value per pound of cheese, pint of ice cream, or container of yogurt do you think the Vermont brand adds?
- 14. Do you buy organic raw milk? If yes, how much by percentage of the milk or milk products that you purchase are organic? What organic products do you produce?

Questions for Ben & Jerry's

- 1. Please explain your Caring Dairy Program.
 - a. How many farms are in the program? What size farms are these?
 - b. How much do farmers get paid?
 - c. How can the State help you make the program stronger?
- 2. How many pounds of ice cream can you produce from 100 pounds of raw milk?
 - a. After you buy the cream, what other milk components are left over and to whom/how are they marketed and sold?

Questions for Commonwealth Dairy

- 1. How many pounds of yogurt can you make from 100 pounds of raw milk?
- 2. Do you buy the raw milk and sell off components or have arrangement with your co-op supplier. How does that work?

Questions for Cabot Creamery

1. How many pounds of cheese can you make from 100 pounds of milk?