



October 10, 2021

Dear Vermont Dairy Task Force Members,

Thank you for the opportunity to provide written testimony on the topic of milk and dairy product hauling. As you know, the tight labor market continues to be an ongoing challenge across the country and throughout all industries. Dairy is not exempt, and due to the nature of our business requiring milk to be moved 365 days a year, arguably at greater disadvantage and risk of disruption compared to other industries. Our inability to secure new workers and the competition to retain our existing workforce are critical hurdles that must be overcome and a top priority of our cooperative. Specifically, the insufficient number of truck drivers is becoming increasingly problematic and is expected to impact our ability to haul milk and deliver finished product.

On the milk-hauling side, Agri-Mark contracts with individual hauling companies who hire their own drivers. We dispatch approximately 145 loads of milk per day, of which roughly 35-40 are assembled in Vermont. We continue to see attrition and consolidation among milk haulers. Insurance, equipment, and general input costs are all rising and putting stress on our existing pool of haulers. It is an ongoing challenge for our milk haulers to attract and retain drivers. The system is fragile and faces significant risk should a critical hauler go out of business. The more haulers we lose, the more difficult it is to backfill those positions. The time and cash-intensive equipment required to start a business severely limit the number of people entering or starting a milk hauling business.

Despite these challenges, our existing haulers continue to make improvements in efficiency, and we have a growing number of members direct loading to tanker trucks. We are using Piper systems, a metering system on tankers to provide efficiencies for haulers on route assembly. Most milk haulers work with multiple cooperatives allowing us to co-mingle loads of milk. Our ability to work together generates significant hauling efficiencies for the haulers and farmers in our region.

We have 23 trucks running approximately 230 trips per week to deliver our finished product. We are grateful to have only one opening currently yet remain vigilant in our continuous efforts to stay competitive and retain drivers in today's marketplace. As with milk haulers, we are seeing severe driver shortages across the industry and region for a multitude of reasons including an aging workforce, a lack of drivers entering the market, a lack of driver experience in a hazardous job and a sometimes unattractive lifestyle.

Our industry is reliant upon a robust transportation sector to get milk from farm to consumer. We encourage the Task Force to work towards state or regional solutions to address our labor transportation needs. While the following list is not exhaustive, we recommend consideration of the following: promote driving careers at high schools, technical schools and others, consider a market campaign featuring the benefits of driving, support continued investment in safety training and equipment enhancements for drivers, increase safety for truck drivers by upgrading and improving infrastructure, improve road signs to accommodate several languages, provide tuition support or reimbursement for CDL training schools, and provide incentive programs for safe driving results.

Thank you for the opportunity to share our experience and recommendations. We look forward to efforts the Vermont Dairy Task Force may undertake to help address the labor shortage we are facing.

Sincerely,

A handwritten signature in cursive script, appearing to read "CdeR", written in black ink.

Catherine de Ronde, VP, Economics & Legislative Affairs



Owned by the farm families of Agri-Mark who provide their farm fresh milk to their award-winning brands.

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