

September 8, 2023

USDA/AMS/Dairy Program  
Order Formulation and Enforcement Division,  
Stop 0225-Room 2530-S,  
1400 Independence Avenue S.W.,  
Washington, DC 20250-0231

Subject: Testimony on proposals seeking to amend 11 Federal milk marketing orders (FMMOs). Agency/Docket Numbers: Doc. No. 23-J-0067; AMS-DA-23-0031 and Document Number: 2023-15496

Witness:

LeAnna Companga  
258 N Main Street  
Whiting, VT 05778

Dear USDA Dairy Programs and Judge Strothers,

Thank you for providing me the opportunity to testify today via Zoom. I would have been willing to testify in person but this time of year on the dairy farm is busy and this year has been exceptionally busy due to flooding and massive amounts of rainfall. We are working on finishing up our hay harvesting while also beginning the 2023-2024 school year homeschooling our children ages 10, 7, 5, and 3.

I farm with my husband Mike and our four children in Addison County, Vermont. We are a Grade A licensed dairy and currently produce USDA certified organic milk with a herd of 230 mature cows in the town of Whiting. We ship our milk with Organic Valley and are active members of the cooperative.

We manage around 1,300 certified organic acres of hay and pasture, owning about half of the acreage and leasing the rest. Those 1,300 acres include the hay land we harvest for my parents. My parents manage a second 50 cow certified grass-fed organic dairy that also ships to Organic Valley. We have two full-time employees on the farm along with three family members who work part time. Additionally, my brother-in-law runs his custom harvesting business from our farm.

By definition established by the Small Business Administration, we are a small business.

My parents certified the home farm and began shipping certified organic milk to Organic Valley in 2007, the year I left for college. I graduated from the University of Vermont in 2011 with a bachelor's degree in animal science and my husband and I joined my parents on their farm in 2012. Mike and I were able to join the family farm business thanks to the stable milk price provided by Organic Valley. Milk price stability provided financial security for my parents.

Shortly after that, in 2016, we made the leap to establish a second dairy, the farm my husband and I now manage in Whiting. It was a vacant dairy operation for roughly ten years, previously having been a conventional dairy farm. We saw an opportunity to establish our own dairy and know our success was only possible because of the organic milk market we are part of. I believe the organic dairy market can offer the same promise for farmers like us.

Our milk market, Organic Valley has around 600 farm members in the 10-state Northeast region and about 100 farmer members in the state of Vermont.

Within the cooperative governance I serve on the Gen O Executive Committee, which is focused on supporting the next generation in organic farming; as well as the Co-op Committee which makes recommendations on bylaw changes, equity and membership policies and other issues facing the co-op. Our cooperative not only has farmers intimately leading co-op governance but also has its farmers involved in marketing efforts of our brand and in educating policymakers.

Additionally, I am a board member of the Champlain Valley Farmer Coalition and our family is involved in 4H which means for part of the summer our county fair is a big part of our life when our daughter and sons show their dairy calves.

I've been involved in farming my entire life and like many farmers we are focused on caring for animals and the land that sustains us. We are farming for the future and are conscious about farm decisions that will impact generations to come. We hope that our dairy can offer our children the option to consider a farming career and lifestyle if it's something they choose for themselves.

As an organic dairy farmer, I do not track or work intimately with the Federal Orders. I'm dairy farming and raising a family day-in and day-out. I rely on my marketing cooperative to monitor and comply with the FMMO regulations.

I struggle to see any benefit these federal pricing regulations have for an organic dairy farm like ours.

In fact, the opposite seems true.

It seems that the Orders, as they function, and some changes being considered in this hearing, would only undermine my dairy and create larger pool obligations for my marketing cooperative, Organic Valley. Those pool obligations are resources that leave the co-op and owners like me.

The logic is hard for me to understand.

We became organic because it fit how we wanted to farm and it meant better premiums for our milk. Our cooperative has always paid us above the minimum prices and still we are forced to pay tens of millions of dollars each year into the FMMO system that shifts those resources to other non-organic farmers for some minimum pricing requirements.

For a cooperative that manages our supply with a quota system, balances our own organic product inventories, and pays some of the strongest dairy prices to farmers in the nation, why are we paying into this system?

This is fundamentally wrong, and USDA needs to convene an honest discussion about organic dairy and its position in federal pricing regulations.

Much of the milk Organic Valley sources from its members is processed for table milk. That's true in Vermont as well but some of our milk from the farm is also used in organic yogurt production.

I am worried that some proposals offered in this hearing will increase my cooperative's FMMO pool obligation. This will compete with my co-op's ability to maintain a high, stable pay price and our ability to invest into our farms.

Organic Valley has been one of the last markets for many small family farmers. They are willing to take on challenging routes to pick up farms and deal with those inherent logistical and financial inefficiencies. Greater pooling costs would be one more squeeze to our cooperative's profit margins and could potentially undermine the ability to take on smaller farms. We have seen a shrinking number of organic milk buyers in the Northeast and anything that financially cuts against my cooperative will potentially mean less success and resiliency for a farm that was like mine seven years ago when we started. I'm encouraged that one proposal is asking the industry to evaluate the basis for the FMMO pool obligations.

I believe it is wrong to go the other direction and increase FMMO pool obligations for a co-op processor like mine. It will increase milk prices in the grocery stores and we are already seeing enough pressures on fluid milk – some segment of consumers will either buy down in their dairy purchases or leave milk drinking all together.

As a mom of four kids, I believe milk is a super food and it provides great nutrition and supports healthy eating patterns. Of course, I'm biased to organic milk but we should not be risking price increases at retail, due to government policy.

At a time of high inflation and a category facing all kinds of nut juices and oat slurries that call themselves milk (which they are NOT) any cost increases will not be well received.

I believe people love dairy and we can do more through our cooperatives or brands to connect with more consumers about the taste and value of dairy in a good diet. We can also bring more innovation to the market like grass-fed milk, lactose free, ultra filter or additional fortifications and packaging designs that appeal to more people, but if pool obligations increase it will undermine those type of investments.

Thank you for the opportunity to testify and I am open to any questions from USDA.