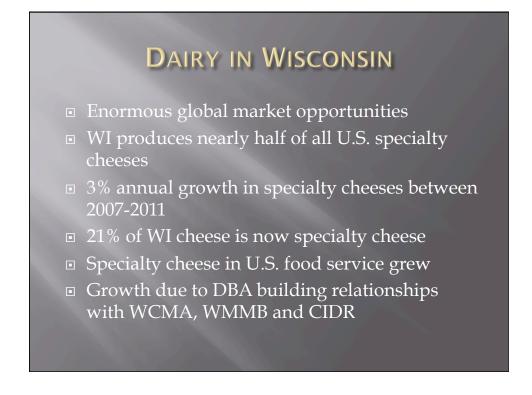


DAIRY IN WISCONSIN

- Most active industry in WI
- \$26.5 billion per year; 146,000 jobs
- Milk deficit of 10 to 12%
- □ Gov. Walker's 30x20 Initiative
 - Grow WI dairy to 30 billion pounds by 2020





DAIRY EXPORTS FROM WMMB

- Average annual dairy export increased by 22.5% from 2006 to 2011
- 2006 to 2007 dairy export increase was 134%
- WI dairy exports increased by 8.6% from 2010 to 2011 (\$228,364,000)
- 92% of WI milk processed into cheese
- World population expect to grow to 9.1 billion people by 2050; requiring 70 to 100% increase in food production

DAIRY SECURITY ACT/SENATE FARM BILL

Positives of DSA

- Eliminates antiquated dairy "safety net" programs (MILC, DPPSP, DEIP)
- Provides another risk management tool
- Establishes an information clearinghouse for FMMO
- Extends dairy forward pricing on Class II, III & IV
- Extends Federal Milk Marketing Order review that previously was unfunded

DAIRY SECURITY ACT/SENATE FARM BILL

Negatives of DSA

- Most cooperatives favor
- Most individual processors oppose
- Progressive Dairyman Mag. producer poll
 - 23% favor DSA, 77% oppose DSA
- Cooperatives continue to block vote on Federal Order Referendums
- Comment from Congressman Ribble
 - First the Cooperatives come into my office and say everyone supports 'supply management,' then the farmers come in 10 minutes later and tell me they oppose.
- Government reaction not fast enough to meet industry requirements





