

*Note: This essay is being submitted by the Pennsylvania Association for Sustainable Agriculture (PASA) as written testimony for the Joint Informational Hearing on Pennsylvania Milk Pricing and Dairy Policy being held by the Pennsylvania Senate and House Agriculture and Rural Affairs Committees, to be held on Tuesday, May 22 in Harrisburg. Additional questions can be referred to the author at [brian@pasafarming.org](mailto:brian@pasafarming.org) or 814-349-9856.*

## **A Dairy Crisis in Pennsylvania is not Inevitable!**

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As executive director of the Pennsylvania Association for Sustainable Agriculture (PASA), I pay a lot of attention to dairy issues for two main reasons: 1) Our dairy farms are a natural treasure, playing a huge role in our state's economy and, 2) like a canary in a coalmine, they also provide a good indicator of what's to come for other farm sectors.

Let me also say from the outset that I don't think the news is all bad when it comes to dairy farming in the Commonwealth. The Pennsylvania Department of Agriculture, under the leadership of Dennis Wolff, has provided a spark that has reinvigorated some parts of the industry and made a difference for many individual farmers, especially in the face of uncertain market conditions.

But these are not normal times in American agriculture, and a normal concept of "success" or "progress" will not do for many of our farmers who are now seeing their dairying days come to an end after many consecutive generations of endurance. The sad part for me is I have heard some of our more revered farm "experts" talk about this occurrence as part of an inevitable trend, or even a desirable restructuring of the industry.

This is where true leadership must intervene, with a sense of vision, asserting that the greatest asset of the Pennsylvania dairy industry is not its cows, producing ever increasing volumes of milk, or modern facilities holding more and more cows, but the farmers themselves. So far I've been unsuccessful in convincing our dairy leaders that the practice of counting the number of farmers, with an aim to preserve this important reservoir of indigenous knowledge and experience, is even worthy of becoming a goal.

To me, one of the greatest aspects of the Pennsylvania dairy industry is the fact that the average size farm milks just 60 to 70 cows at a time. For some, this is considered a weakness. Sure, I understand the concepts of "efficiency" and "economies of scale," but I also understand the power of "community" and "connectedness" between farmers and consumers, which is much easier to achieve around a modest-scaled farm.

Let's say it like it is...at a time when consumers everywhere are becoming increasingly interested in understanding and being connected to their food systems, right down to the farm level, the average sized dairy farm in Pennsylvania is rather well-suited to benefit.

But I'm not going to say there's just one way to proceed from here to avoid the crisis that many farmers are already experiencing. In fact, quite the contrary, I'm only looking for a balanced treatment of the issues and a deliberate expansion of our concept of what a successful dairy farm in Pennsylvania will look like in the future.

Specifically, there are three concepts I wish to introduce to this discussion, and I suggest that, while they are hallmarks of what we at PASA advocate for as "sustainable agriculture," they are broadly applicable to the dairy industry as a whole and relevant to Pennsylvania farms of every size and description. They are as follows:

- Quality
- Diversity
- Proximity

The concept of milk *Quality* is one that has been important to the dairy industry for a long time, beginning at least with the advent of pasteurization. In fact, the idea of keeping milk safe for public consumption has led over the years to related concerns for the productivity of cows and shelf-life of milk in a retail setting. But we may have gone too far in promoting this limited view of milk quality without considering the ultimate value of the end product to consumers.

Today's consumers are looking at quality from several new perspectives, and shelf-life doesn't count very highly among them. For instance, much is being learned about the nutritional benefit of milk that comes from cows fed primarily on pasture as opposed to grain-intensive diets. Also, many people are also looking to buy products from systems that reduce or eliminate chemical inputs of all kinds, including unnecessary antibiotics and artificial growth hormones.

It's high time we acknowledge and embrace milk production technologies that are important to a growing segment of the market that is willing to pay more for a better product...and we need to be willing to define "better" in the customers' terms. Public funding is needed, both for honest research into how milk quality can be maximized in this regard and for marketing campaigns that promote the resulting products.

Simply put, every Pennsylvania dairy farmer stands to benefit if our leaders adopt a broadly-defined concept of milk quality and make it a matter of highest priority.

We all are familiar with the idea of *Diversity* on individual farms as a method for reducing risk and boosting the income potential of a fixed asset base. In this case, however, I want to emphasize the positive aspects of a similarly diversified dairy industry as a whole.

It begins with a healthy mix of large and smaller farms, which I take as a given necessity. Beyond that, diversity on dairy farms can get quite interesting. For instance, in 2006, a year when milk prices paid to farmers dropped while the cost of grain began to rise, you could sure hear some rather "diverse" opinions from our farmers.

Many who utilize conventional production methods called it one of their worst years ever. Others, who had already transitioned to grass-based production, found the year at least quite manageable. Still others were able to take advantage of the boom in organic milk sales and enjoyed one of their best years ever.

In another year, under other circumstances, these results could reverse...which is just exactly the point. We need farms using many different methods to work together in maintaining the strength of the industry for all.

Furthermore, there are many different types of products and marketing strategies that are succeeding on Pennsylvania dairy farms these days, including at least the following: 1) on-farm bottling, which is re-surging in popularity; 2) farmstead enterprises making cheese, butter, yogurt, ice cream and other products; 3) production and marketing of complementary products such as naturally-raised beef, whey-fed pork and pastured poultry; 4) sales of raw milk and raw dairy products – an increasingly popular option we've been able to maintain in this state over the years.

It may seem my arguments in favor of diversity are a forgone conclusion and would draw no opposition. But this has not been my experience. I've heard this strategy referred to negatively as "an attempt to fragment and damage the industry."

And while many farmers across the country are thriving with grass-based systems, I've even been told by some of those aforementioned "experts" that such methods are only relevant to kids starting out and retired farmers looking to slow down. In this regard, it is notable that the American Farmland Trust has demonstrated the economic feasibility of grazing with herds numbering over 200 cows on a research farm right here in Pennsylvania.

We need our leaders to stand up for diversified strategies on our dairy farms in every way possible. Such diversity brings strength and stability to the dairy industry as a whole, and improves the reputation of all products coming from the Commonwealth's dairy farms.

By *Proximity* I mean to indicate the closeness of food production to where it is ultimately consumed. Research has shown that consumers are willing to support local farms if they can easily identify food that is produced locally. Furthermore, the eaters of this country understand that economic development depends in large part on the recirculation of hard-earned dollars within one's own community.

This is much harder to achieve than it sounds, especially given the current status of American food production and distribution. Everything from fresh greens to meat and, yes, dairy products are gathered in large quantities from across broad geographic regions and then distributed out even more broadly. For over thirty years it has been a mantra of most states' agriculture departments that commodities must be exported as far away as possible in order for their farmers to succeed.

Mercifully, the tide is beginning to turn in terms of understanding the importance to any community, state or region of its "food shed" on a par with its source of water. Whether talking about food safety and security, the economic wellbeing of rural communities, reduction of fossil fuel use for transporting food or the health and quality of life for people everywhere, there is hardly anything more far-reaching and effective to be done than to expand and utilize local sources of fresh, healthy food.

When it comes to dairy products, it is of course an ideal situation when a family is able to access milk from a local farmer. But this is not always, or even commonly practical. Therefore, the standard our leaders must insist on is that all Pennsylvanians be informed of, have easy access to and get plenty of encouragement to buy dairy products that come from farms as nearby as possible. A campaign to create this awareness would in fact generate interest and even excitement on the part of our citizens to see just how "local" they can get, and would surely generate more sales in the process.

The three-pronged strategy I propose in this essay has the potential to revolutionize the way we look at Pennsylvania food and farming systems in general and our dairy industry in particular. The job of the state legislature will be to create incentives for farmers to implement such a strategy, while decreasing wherever possible the regulatory barriers that now exist.

But what we really need first and foremost is a cooperative approach to leadership within the Pennsylvania farm community, and a vision of how things can continue to improve for the long-term future, even while we work hard to avoid an impending crisis that many farmers see coming.

If you have any trouble recalling my various recommendations, just remember I've suggested that **QDP** (quality, diversity and proximity) be made a priority **PDQ** (pretty darn quick), in order to restore the optimism and preserve the integrity of one of Pennsylvania's greatest natural assets...our dairy farmers.