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*We hope you like our new format. Your comments and suggestions are appreciated.*

## Whitman Optimistic About Dairy Industry



Art Whitman, President of the Northeast Ag & Feed Alliance, expressed his optimism about the future of the dairy industry in the Northeast in a recent interview with the Rutland (VT) Herald. Whitman, has been involved in the feed business his whole life and is currently owner of Whitman's Feed Store in North Bennington, Vermont. He assumed the presidency of the Northeast Ag and Feed Alliance in early February.

Whitman said he is optimistic about the future of agriculture due to the fact that people around the world are raising their standard of living and will demand an increased amount of meats, dairy products, feed grains, fruits and vegetables in the coming decades. "I'm very excited about what the Northeast has to offer the world, but our industry is going to find that it is not business as usual. We've got to learn how to continue to make milk more efficiently because the world demand for grain will continue to rise. China is going to be a competitor for our feed grains and a customer for

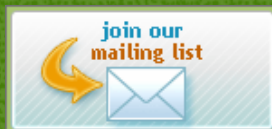
our meat and dairy products. I'm quite excited about the future, but we've got to learn where our niches are and we've got to learn to do business a little bit differently," he said.

As a retailer, Whitman's customer base is within a 75 mile radius of his North Bennington farm store and feed mill. New York dairy farmers represent a significant portion of his farmer client base and, according to Whitman, available New York farmland may be the reason for continued growth of New York dairy operations, in comparison to Vermont. "As efficiencies of size continue to encourage farm growth, New York dairy farmers have had the opportunity to expand," said Whitman.

Vermont farms may be finding their footing by specializing, according to Whitman. "I see the small farmer, able to make cheese and creating specialty products, as having an advantage. What's interesting is that what goes around seems to come around. Small niche agriculture is finding a place in our food and agriculture system and we should recognize this sector as a viable alternative for many farmers throughout the Northeast," he said.

As the leader of the Northeast Ag and Feed Alliance, Whitman pays attention to issues throughout New England. There are some variations in the issues, but Whitman said he believes they're basically the same across the Northeast. For instance, Vermont's dairy industry couldn't exist without migrant workers, according to Whitman. Connecticut has a similar issue, however migrant workers in Connecticut support greenhouse farming.

Another significant concern, Whitman said, is the little knowledge of farms and farming by the general public, even in rural states like Vermont. "It is true throughout the rest of the country. Most folks are far enough removed from agriculture that (they) don't really understand modern agriculture practices and the role agriculture plays in society," he said. "I don't think people understand how precious farmland is to farmers. A farmer is an environmentalist because he knows if he doesn't take care of the land, it's not going to take care of him,"



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Whitman remains optimistic about the recovery of the dairy industry. "The industry's salvation is probably not going to be getting someone in Boston to drink an extra glass of milk. It's going to be providing a protein supplement to Africa or to Russia. Or it is going to be breaking milk down to its components of fat and proteins and utilizing them in various food and non-food applications. It's quite amazing what you can do with the proteins and fats in milk. We've got to learn what people want (around the world,)" he said.

*Compiled from the Rutland Herald, April 3, 2011*

## Fifth Annual "Golf for Good Works" Registration & Sponsorships Now Available!

"Golf for Good Works"! This year's tournament is scheduled for Friday, June 24<sup>th</sup> at the Turning Stone Casino Resort. What better way to spend a beautiful June morning than to play golf at the beautiful [Shenendoah Golf Club](#) with your friends and colleagues, and raise needed funds to support important causes that will impact our agricultural industry?

[Registration brochures](#) will be mailed to you soon and are now available on our website.

Our [on-line registration system](#) is now open!

Please also consider sponsoring this year's tournament. Sponsorships assure the Feed Alliance's ability to make contributions to worthy causes and activities that enhance agricultural education and outreach. For example, through your support, the Feed Alliance has been able to provide substantial support to the North America Dairy Challenge, FFA, Agriculture in the Classroom and the Animal Industry Alliance. Our continued support for these and other worthy causes is critical.

For more information on registration and sponsorship opportunities, check out our website at: [www.northeastalliance.com](http://www.northeastalliance.com).



## Food Safety Modernization Act: Important Points for the Feed Industry

The Food Safety Modernization Act (FSMA) was signed into law by President Obama on January 4, 2011. This Act is the most comprehensive change to feed regulation since FDA was created in 1938. FSMA encompasses feed, ingredients, pet food, imports and transportation. All firms currently registered under the Bioterrorism Act are affected by this landmark legislation; however, many of the new authorities are dependent on Congress providing \$300 million of additional funding annually.

### Primary sections affecting the feed industry:

**Hazard Identification and Written Risk Management Plan:** The centerpiece of the FSMA is the need for hazard identification and a written risk management plan to control those hazards. This is required of all feed, pet food and ingredient facilities that process, pack, manufacture or hold feed and must be available for FDA to review and copy. It encompasses several areas and requires recordkeeping for two years.

FDA has an 18-month timeframe to implement new regulations which will be separate from the food rules. FDA is authorized to hire 17,000 new employees over the next four years to carry out inspections (subject to congressional funding).

**Registration:** Facilities must be registered under the Bioterrorism Act on even numbered years, and the FDA can suspend a facility's registration for cause.

**New Fees Allowed to be Collected by FDA:** FDA is authorized to collect new fees (e.g. direct costs) for reinspection of failed facilities, reinspection at ports of entry, participation in voluntary import programs and export certifications.

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**Mandated Inspections Timeframes:** FDA is required to create regulations for low and high-risk facilities. Low-risk facilities must be inspected within five years of the date of enactment and seven years thereafter. High-risk facilities must be inspected within three years of enactment and five years thereafter. Regulations defining these high/low risk rankings are due in 18 months.

**Traceability and Recordkeeping:** FDA may require more records for high-risk facilities and must require records for all facilities to be maintained for at least two years. Traceability for "commingled" products has been limited (e.g. corn bins).

**Records Access:** The Bioterrorism Act language was amended to allow FDA to require records for "...any other similar products..." that are related in adulteration events. This may be products of the same type (e.g. swine feed) or processed on the same line.

**Mandatory Recall Authority:** This is a new authority, but FDA must request a firm to first voluntarily recall products and if it refuses or does not meet the request within the FDA's specified timeframe, FDA's Commissioner can issue a recall order. Firms may request a hearing that must be granted within two days and the recalls may only be for serious adverse health consequences or death in humans or animals.

**Administrative Detention:** This authority has been increased from the Bioterrorism Act. FDA is authorized to detain products that are either "adulterated or misbranded" instead of "serious adverse health consequences or death in humans or animals" and if it has a "reason to believe" instead of "credible evidence." Rules are due in four months.

**Import Requirements:** All feed and food importing firms must certify that firms exporting products must meet the same hazard ID and written risk management program requirements before exporting to the U.S. This also allows such firms expedited imports. Rules are due within 24 months.

**Safe Food Transportation Act:** FDA has 18 months to publish final rules for this law that was originally passed in 1990 but never implemented. It would require records on backhauls and non-food items.

**Performance Standards:** FDA is required to develop performance standards for adulterants (e.g. mycotoxins, etc.) based on existing science and review the standards with the USDA every two years. These will likely be guidance documents or action advisory levels.

If you have questions or for more information on FSMA, contact the American Feed Industry Association at [afia@afia.org](mailto:afia@afia.org) or (703) 524-0810.

*By Richard Sellers, AFIA's Vice President of Feed Regulation and Nutrition*

## The Ag and Feed Alliance Wants To Hear From YOU!



Last fall, the Northeast Ag and Feed Alliance Board engaged in a strategic planning process for the organization. From their work, the themes of **collaboration, education and advocacy**, on behalf of Alliance members and production agriculture, were determined to be the primary tenants to realizing the organization's mission. Therefore, we are asking you, the members of the Alliance and allied organizations, to provide us with input on projects and services that you believe addresses one of these three objectives. Your recommendations can be as straightforward as topics for the annual meeting next February or as complex as major new initiatives to be considered by the Alliance. To help get your creative juices flowing, we have provided a list of some of the tasks we have accomplished over the past year. This is not meant to be inclusive, but rather to give you an idea of the sort of work we are already accomplishing.

Successfully advocated in support of re-instatement of funding for NY PRO-DAIRY

Supported creation of an animal care review board in CT

Met with Commissioners and Secretaries of Agriculture from CT, NH, MA, ME and NY

Met with the Dean and faculty of the Cornell College of Agriculture and Life Sciences

Worked with congressional staffers on FDA regulation of feed ingredient imports

Co-hosted legislative/industry receptions in VT and NY

Addressed a risk management meeting for agriculture professionals in NH

Supported the North America Intercollegiate Dairy Challenge Program

Supported construction of a mobile cheese processing unit

Produced monthly newsletters

Conducted a two day annual meeting providing networking and education to members and industry supporters

Hosted two Herd Health and Dairy Nutrition Conferences, in partnership with PRO-DAIRY, for members, veterinarians, producers and others

Please contact Art Whitman, Rick Zimmerman or any Board member with your ideas for Alliance activities.

### Members in the News ....

#### Novus International Awarded First AFIA IT Innovation Award

The American Feed Industry Association (AFIA) is proud to announce the first AFIA Information Technology (IT) Innovation Award was given to Novus International, Inc. of St. Charles, Mo. The runner-up was awarded to Feed Energy Company of Des Moines, Iowa.

In 1993, Novus pioneered a vendor-managed inventory for bulk liquid feed ingredients with the introduction of a patented automated remote monitoring system known as AIMS®. This system provided improved inventory management of Novus's bulk liquid ingredients via the telecommunications system. In 2009-10, Novus upgraded the AIMS infrastructure by incorporating the latest satellite communications and remote monitoring technology throughout its bulk liquid product supply chain. The new platform is internet-based and provides precise, dependable and instantaneous inventory readings for any customer 24/7, and has been implemented at over 500 locations across North America. Congratulations to Novus International

The 2011 AFIA IT Innovation Award was sponsored by AgGateway and *Feed & Grain* magazine. A donation will be made to the Global 4-H Knowledge Platform Project on Novus International's behalf. This project develops a system to connect 4-H partners worldwide for greater impact of the programs. Over the next five years, a network will form that employs the 4-H model to create sustainable livelihoods and improve economic security for young people around the world. For more information on the 4-H Global Knowledge Center, visit <http://www.4-hglobalknowledge.org>.

#### Crop Prices Lagging Livestock Prices

University of Illinois ag economists note corn prices and their relationship to livestock and milk prices have changed. In the study, "Livestock/corn price ratios in a new era," Scott Irwin and Darrel Good compared the ratio of livestock (hogs and beef) prices (\$/cwt.) to corn prices (\$/bushel) for January 1973-September 2006 to those for December 2006-March 2011. For the milk/corn price ratio, they compared January 1986-September 2006 to December 2006-March 2011. The study indicates livestock and milk price increases have lagged crop price increases, implying average livestock production profitability has been reduced in the new era of crop prices. Using a corn price of \$5.60/bushel, the milk price would need to be about \$34/cwt. To restore price ratios to the average of the previous era. At \$4.03/bushel for soybeans, the price of milk would need to be about \$24/cwt.

***Remember, if you missed one, past issues of NEAFA News are  
always available on our website at:***

[www.northeastalliance.com/newsletter.html](http://www.northeastalliance.com/newsletter.html)

## Calendar of Events:



### Dairy Nutrition Short Course

June 13-16, 2011

Miner Institute  
Chazy, New York

[Click here for more information](#)

### Kansas State - AFIA

#### Advanced Feed Manufacturing Short Course

June 13-16, 2011

Manhattan, Kansas

[Click here to register online](#)  
or complete the [PDF registration form](#)

### "Golf for Good Works"

#### Annual Tournament

June 24, 2011

Turning Stone Casino Resort  
Verona, New York

[Click here for more information](#)

### Cornell Nutrition Conference for Feed Manufacturers

October 18-20, 2011

Doubletree Hotel Syracuse  
East Syracuse, New York

[Click here for more information](#)

### Cornell Dairy Executive Program

December 4-8, 2011

The Statler Hotel & Cornell University  
Ithaca, New York