



**BEFORE THE UNITED STATES DEPARTMENT  
OF AGRICULTURE  
AGRICULTURAL MARKETING SERVICE**

**IN RE:** : 7 CFR Parts 1005, 1006, and 1007  
: :  
**Milk in the Appalachian,** : **Docket No. 23-J-0019**  
**Southeast, and Florida** : :  
**Marketing Areas** : **AMS-DA-23-0003**

**Franklin, Tennessee**

**February 28, 2003**

**Testimony of Marilyn Calvin**

**On behalf of the Dairy Cooperative Marketing Association**

**Proposed Amendments to the Orders Regulating the Handling of Milk  
in the Appalachian, Southeast and Florida Marketing Areas**

## Testimony before the United States Department of Agriculture

### Agriculture Marketing Service

*In the Matter of Proposed Amendments to the Appalachian, Southeast, and Florida Federal Milk Marketing Orders*

Franklin, TN, February 28, 2023

My name is Marilyn Calvin. My son, Kenlee, and I operate Thunder Ridge Dairy located at 9899 Lawrence 1107, Mount Vernon, Missouri. I am a first-generation dairy farmer. We began dairy farming in 1972 with 80 acres and five cows. Today, my son, our long-time employee, and I milk 200 cows and raise replacement heifers on a 160-acre intensive grazing system. We farm an additional 400 acres of corn silage, haylage, hay, and pasture. Since we first moved to this farm in 1972, we have been farmer owners of Mid-America Dairymen, which later became Dairy Farmers of America (DFA) in 1998. In recognition of the increased costs my farm is facing, I appear here today to testify in support of the proposals put forth by the Dairy Cooperative Marketing Association (DCMA).

My goal as a dairy leader has always been to serve the farming community and dairy-farm families. I currently serve on DFA's Southeast Area Council and as vice chair of Midwest Dairy Association Ozarks Division Board. I am a past DFA corporate board member, chair of Lawrence County USDA Farm Service Agency Committee, and served on the agriculture advisory boards of U.S. Senator Roy Blunt and U.S. Congressman Billy Long. I have been honored with a variety of awards, including being the first female inductee into the Missouri Institute of Cooperatives Hall of Fame.

In my home state of Missouri, dairy farmers have really struggled over the last 16 years. Milk production throughout the state has declined by nearly half, 49 percent, since 2006. Additionally, licensed dairy herds have declined by more than half, 69 percent, since that time.

Missouri Dairy Milking Herd Statistics			
	<u>2006</u>	<u>2022</u>	<u>% Change</u>
Milk production (billion lbs.)	1.840	0.941	-49%
Milking cows	115,000	67,000	-42%
Licensed dairy herds	1,790	560	-69%

Source: USDA, *Milk Production Report*

Southern Missouri, a region commonly referred to as the Ozarks, is part of the Order 7 marketing area and has regularly supplied Class I markets in Order 7 for many years. The Ozarks should be one of the best places in the United States to dairy farm, not only because of the access to some of the best markets, but also the ability to raise forage and pasture. However, because of rising input costs and volatility in milk prices,

especially during the past two years, we continue to see fewer dairy farms and less milk production in the region.

Lessening dairy farms and a reduced amount of milk places a bigger burden on those of us still in business given milk must now travel further to meet the needs of consumers. Our monthly hauling costs have gone from \$0.735 per hundredweight in 2021, and \$0.85 per hundredweight in 2022, to \$1.04 per hundredweight in January 2023. On average, this has increased the hauling costs to our dairy around \$9,000, over a two-year period.

Because most of us in the Ozarks lack access to enough quality soil to grow the crops required to feed our herd, we must make substantial grain purchases to supplement our feed needs. The cost of feed has also increased over the last few years. A 24-ton truck load of feed used to cost \$6,500, but today costs \$10,500, adding additional \$12,000 per month feed cost for our farm.

In addition to feed, other costs have risen. These include at least a 50 percent increase in fuel, fertilizer, and crop inputs. Finding suitable labor has always been challenging in the dairy industry, but wage rates have starkly climbed as businesses around us increase their pay to recruit. In addition, we suffered a severe drought in 2022, which caused us to lose crop production on our farm and made procurement of quality hay and silage costly. These rising input costs have created a financial strain on my dairy and other producers throughout my region contributing to the decline in milk production.

With less milk produced in the area, raw milk is required to move further to service the customer needs in Order 7. At times of the year, supplemental milk is even needed to be brought in from outside Order 7 to fulfil raw milk demand. Additionally, the rates paid to haulers for delivering milk have gone up in the face of higher fuel, labor, and other input costs. Given the expanding population in the Southeastern part of the country, these issues will just continue to grow.

These factors create a greater financial burden to be borne by myself and other dairy farmers. I urge USDA to recognize the increased input and hauling costs farms like mine are facing and take prompt action to allow the farmers, through their cooperatives, to share this burden more fairly within the dairy supply chain. Since December, Class III and IV milk futures for February and March have declined by more than \$4 per hundredweight, which means my milk check's blend price will be that much lower. While milk prices are weakening, my input costs remain elevated increasing economic pressure to my dairy.

Even with all these challenges, we continue to try to do everything right on our dairy farm. We always strive to care for our dairy herd and to produce high-quality milk for the consumer. Thank you for letting me appear here today and testify about an issue that is of great importance to me, my family, my dairy cooperative, and DCMA.