

### **Testimony of Justin Peterson**

My name is Justin Peterson, and I own Creamery Creek Holsteins in Bangor, Wisconsin, with my wife and family. Our farm began in 2010 when my wife and I merged our 100-cow herd into another existing 150-cow herd belonging to the Hansen family.

An internship had brought us to Wisconsin from Michigan, where we both grew up and attended Michigan State University. The Hansen family met us through a classified ad that the couple had posted: "WANTED: Dairy Farm to Rent. 200-300 cow sand bedded free stall barn with parlor."

In 2010, we moved onto the farmstead with our children. Creamery Creek continues to be a joint venture between the two families, as the fourth generation of the Hansen family carries on the partnership with the Petersons.

Currently, we milk about 700 cows and farm about 2,500 acres. Our milk is shipped to a manufacturer where it is processed into butter. We have adopted several modern technologies into our herd, including computerized neck collars to monitor activity and extensive genomic testing. We also practice sustainable farming practices through various cropping and nutrient management practices.

In addition to our dairy, we also sell pasture-raised dry-aged beef and heritage pork within our community as a way of diversifying our business. The meat includes start-to-finish traceability and an increased focus on sustainable farming and high-quality animal care. In addition to supplying beef for the La Crosse School District, every purchase made from our meat business helps us make donations to our local food pantry.

We are involved in many organizations, including the Dairy Business Association, Farmers for Sustainable Food, various breed organizations, the National Cattlemen's Association, Ducks Unlimited, Wisconsin Farm Bureau, our town board and many more.

I also serve on the board of directors for Edge Dairy Farmer Cooperative. Edge, based in Green Bay, Wis., is the third-largest dairy cooperative in the country based on milk volume. In addition to milk verification services, Edge provides dairy farmers throughout the Midwest with a voice in Congress, with customers and within our communities. Our over 800 member farms are located in Illinois, Indiana, Iowa, Kansas, Minnesota, Nebraska, Ohio, South Dakota and Wisconsin.

Dairy farming has been a rewarding career for us. We love working with family. It can be challenging, but there really is nothing else like it. The profession also offers quite a bit of freedom and flexibility. No two days are the same, either. I truly do enjoy the challenges. I thrive on dealing with the daily challenges and finding what problems need to be solved today. Above all else, the people are amazing, too. They make dairying a true pleasure.

However, there is an old saying about dairy farming: The farmer is the only one who buys at retail, sells at wholesale and pays the freight both ways. Obviously, the market variables at play can make the job challenging at times. You really must work smarter, not harder these days. Utilizing risk management when you can is paramount.

We utilize risk management tools when we can on our farm, including DRP, DMC, futures contracts, options and hedge-to-arrive contracts. If any of our risk management tools were to be suspended for any amount of time, we would risk significant financial exposure for our business. I agree with Edge's stance

that over five quarters is the best option to ensure our entire dairy supply chain can continue effectively managing their risk exposure.

I am also supportive of proposals 16 and 17, submitted by Edge, that further enhance a dairy farmer's ability to effectively manage their price risk.

Negative PPDs, or producer price differentials, were one of the key forces driving farmers to urge for this hearing, as they can adversely impact our ability to hedge revenue. As Edge proposes in Proposal number 16, Class III Plus allows us to use the dairy industry's most traded commodity to set pricing. Cheese plants, like dairy farms, must always run at or near capacity under nearly all economic conditions, unlike most plants in Classes I, II and IV. Edge doesn't advocate this because they are from a cheese area, but rather because cheese is an active market.

I want to finish by thanking USDA for this opportunity for farmers like myself to provide comments today and throughout this hearing. This policy critically affects our livelihoods, so it is critical we have our voices heard. Getting time away from the farm, especially during harvest season, is not always feasible. Thank you for this opportunity and the added flexibility given to accommodate our voices.