

Testimony for Paul Cornette

My name is Paul Cornette, and my brother and I co-own and operate Cornette Dairy in Luxemburg, Wisconsin. Our dad bought the current farmstead in 1972, making us the second generation here. However, we still operate both of my grandparents' farmsteads. We also farm some land that has been in the family since the late 1800s.

We milk about 425 cows with 6 Lely Robots. In 2017, we built one new barn, retrofitted an old freestall barn and made the switch to 100% free-flow autonomous milking. We raise our replacements from birth until about four months, after which they go to a heifer-raising farm in eastern WI. They return about two months before calving. In total, we raise about 500 head.

We farm just under 1000 acres, raising alfalfa, corn, winter wheat and sometimes some soybeans. Most years, this provides us with all our forages and shell corn. We run our farm with just two full-time employees and four retired part-timers who help us with harvesting.

We strongly support the local economy and partner with many local businesses, including feed mills, nutritionists, equipment dealers, veterinarians and others. We also ship our milk to a privately owned cheese plant just 11 miles from our farm, where it is made into award-winning mozzarella and provolone cheese.

Our farm also firmly believes in practicing sustainability through innovative practices and technology. We utilize cover cropping, no-till planting, strip tillage, nitrogen stabilizers and more. I also serve on the board of my local farmer-led watershed conservation group, Peninsula Pride Farms. I also serve as vice president of Farmers for Sustainable Food, a non-profit organization created to unite, inspire and empower farmer-led conservation groups.

For the hearing record, our farm would have qualified in 2022 under the small business definition of \$3.75 million in annual revenue.

I use DMC and DRP as price protection tools. On a farm my size, the 5-million-pound tier in DMC is quite helpful. The highest coverage level covers about 40% of my production for a relatively good value. I'd call it the cornerstone of our strategy. I then add to the coverage using DRP when my consultant and I feel the timing and value may be suitable. I think the two programs complement each other quite well.

To truly protect a dairy farm's revenue, the time to enroll in these programs is usually 6 to 12 months out, in my opinion. That makes consistency in implementing and funding these programs critical to avoid costly lapses in coverage or missed buying opportunities. Any changes made to the federal order program must consider impacts on risk management options for farmers.

I also want to testify today, 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, adversely impact farmers' ability to effectively hedge price risk. Edge's Proposal number 16, which implements a Class III Plus pricing mechanism for the Class I skim milk price calculation, allows us to use the dairy industry's most traded commodity to set pricing. Edge advocates this because cheese is an active market.

Thank you to USDA and AMS for providing opportunities for farmers to share our voices throughout the hearing. The added flexibility to provide virtual testimony saves us time and money while preserving our ability to speak up on issues important to us. Thank you again.