

Consolidated Notes from Dairy Sector Workshop

August 30, 2016

Objectives

- **Keep margins profitable by developing a good milk market and maintaining low feed costs coupled with a valued labor force**
- **Maintain and improve public perception that dairy is a *trustworthy* industry producing high quality products**
- Grow infrastructure that can service the dairy industry (parlor equipment supply, etc.) and provide additional jobs
- Increase exports of dairy products to boost nationwide demand for milk
- Make the most of water resources in the western dry climate to make the most of the dairy industry.
- Achieve top-ten ranking nationally for milk production
- Achieve greatest profit per cow in the nation
- Consistent labeling (ex. organic)
- Evaluate possibilities for small-scale milk processing to capture local food movement.

Barriers

- **Dairy processing facilities need a comprehensive training program that can educate potential and current employees**
- **Immigration reform is critical to creating a stable environment that allows dairies to grow with certainty**
- **People are not aware of the quality of high paying jobs available in the dairy industry. We have competitive wages, but need to work on quality of life in some rural areas to catch good employees. Create programs in junior colleges and high school ag ed programs to serve as a channel for future recruits**
- **Affordable employee housing**
- Lack of successful succession planning inhibits intergenerational transfer of operations
- Consumptive use water regulations are greatly inhibitory
- Truck weight limit regulations inhibit more efficient transportation of milk
- Matching available land with available water to assist in the process of identifying potential dairy building sites is difficult
- KDHE and environmental regulations can be cumbersome and difficult to navigate
- Obtaining financing for dairy projects
- Low milk prices greatly inhibit profitability and future growth

- Lack consistent regulations across the Midwest in terms of animal health, truck weights, environmental programs, etc. These cause a confusing patchwork that is difficult to navigate.

Opportunities & Advantages

- **Growth in additional milk processing capacity**
- **Potential for increased dairy heifer development**
- **Job training in the dairy manufacturing sector can be developed from scratch to match the needs of the industry**
- **Development of programs for farmers with no one to take over operation for eventual buy in by someone lacking resources to buy their own.**

- Additional service companies for milk parlors.
- Can we catch greater value from our manure? Is manure more valuable than milk?
- Lower corn basis vs. rest of U.S. creates an inherent advantage over other locations.
- Milk protein products can capture recent growth in protein demand from consumers