

THE FOLLOWING TESTIMONY IS BEING SUBMITTED
TO THE
PENNSYLVANIA MILK MARKETING BOARD
BY ARDEN TEWKSBURY, MANAGER
OF THE PROGRESSIVE AGRICULTURE
ORGANIZATION

MARCH 3, 2021

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Mr. Chairman and Members of the Pennsylvania Milk
Marketing Board:

My name is Arden Tewksbury. I'm presently the manager of the Progressive Agriculture Organization (Pro-Ag). I wish to commend the Pennsylvania Milk Marketing Board for your unwavering continued support for the need of an over-order premium on fluid milk bottled and sold in Pennsylvania.

Mr. Chairman, I usually submit my experience with different farm organizations which I have been involved with to improve the welfare of all dairy farmers. However, I'm not submitting these efforts today, as I believe they are already in the records of the PMMB.

The Pennsylvania Farmers Union, the Farm Women United in Laceyville, PA, the South Auburn Grange, and many consumers are supporting my efforts today.

The over-order premium established by the PMMB is still very necessary because neither the US Congress nor the USDA have

come to grips with the inadequate prices that dairy farmers are continuing to receive.

According to figures published by the Economic Research Service (ERS), a division of the USDA, the national average cost of producing milk in the United States is hovering between \$22 and \$23 per cwt. (hundred pounds). New figures will be issued by the ERS on May 1, 2021. According to the ERS, they consider the cost of producing milk from 23 states, representing nearly 90% of the milk produced in the USA (Pennsylvania is one of the states).

The organizations which I represent today strongly urge the PMMB to maintain at least \$1 per cwt. premium on the eligible fluid milk that is produced and bottled in Pennsylvania.

Mr. Evanish, a former manager of the MSC business news has also clearly noted that at various PMMB hearings that the cost of producing milk has been increasing ever since 2009.

Everything that we observe clearly illustrates that in Pennsylvania the average dairy farmers are collectively losing \$500 million dollars per year. I'm sure the board will take these figures into consideration when you make a decision about the level of the premium on fluid milk in Pennsylvania.

Readington Farms of Whitehouse, New Jersey is still paying all of their producers \$1 per cwt. premium on their total

production. A few people wondered how the premium in Readington came about. Recently, the President of Pro-Ag, Dennis Boyanowski, said he would finally tell everyone how the premium was developed. At a meeting that Pro-Ag called for that was attended by Cory Durling of Durling Farms of Whitehouse, NJ, and an official of Pro-Ag met in the Shadowbrook Dairy Bar in Tunkhannock, Pennsylvania. This was done in the 1980's. After Mr. Durling conferred with his partners, they agreed to pay the negotiated premium. They continued the premium, which was increased from time to time, as long as Durling Farms existed. Not only did Pro-Ag negotiate the Durling premium, but Durling agreed to participate in the RCMA premium, while we had some other milk handlers who fought the RCMA premium.

When Shop-rite purchased Durling Farms, further negotiations were held between the new owners of Durling Farms, which they identified as Readington Farms, and they agreed to pay the original premium, and they also contributed to the RCMA premium, which helped their farmers, and many other dairy farmers.

President Boyanowski said that we know the premiums amounted to millions of dollars with the majority of the Readington and Durling producers having no idea how the premium was established. Boyanowski said that we certainly

thank Durling Farms and Readington Farms for their generous support for the dairy farmers.

Mr. Chairman, is there any way that the PMMB can estimate how much premium money is actually going to the dairy farmers that our consumers are paying for when they buy whole milk? They are helping dairy farmers stay on the farm.

Again, I urge the dairy cooperatives make very clear how they are handling this premium money. I wish to report that one co-op official said to me recently, the days are coming when we will have to report how that money is used.

I fully understand with this pandemic that marketing costs are running higher than usual. However, the premium money must go to all dairy farmers who qualify, just like Readington Farms pay all their producers.

Thank you.

