

WCMA Dairy Facts

An Exclusive Newsletter of the WISCONSIN CHEESE MAKERS ASSOCIATION

February 16, 2018



Wisconsin Cheese Makers Association is calling on federal lawmakers to modify language in Section 199A of the recently-approved tax reform policy to ensure a stable agribusiness economy.

Section 199A allows farmers to deduct 20 percent of their gross sales to cooperatives, but farmers selling to privately-held companies may only deduct 20 percent of their net income. This seemingly-inadvertent inequity has triggered concerns for all sectors of the dairy industry, but Congress failed to approve a fix in the last continuing budget resolution.

WCMA Executive Director John Umhoefer has released this statement on the matter:

"With members ranging from the nation's largest dairy cooperatives to small, multi-generation independent cheesemakers, Wisconsin Cheese Makers Association is urging lawmakers to work quickly to address the inequity created by the new Section 199A in recent tax reform legislation.

"WCMA supports immediate Congressional action to restore or rebalance tax policy, providing stability for dairy producers and processors alike."

This statement, released just yesterday, is gaining traction via media coverage and WCMA staff have been in touch with all of the members of Wisconsin's Congressional delegation to further explain our Association position.



U.S. Rep. Sean Duffy (R-Wausau)

Congressional Members Set to Call on Ryan, McConnell to Address Section 199A Inequity

According to the Office of U.S. Representative Sean Duffy (R-Wausau), Congressional members are drafting and are poised to send a letter to Speaker Paul Ryan and Senate Majority Leader Mitch McConnell, detailing in the "dramatic competitive imbalance impacting numerous agricultural value chain stakeholders including grain handlers, feed mills, seed companies, ag retailers, biofuels producers, banks, and livestock marketers" created by Section 199A.

Signers will further call on leadership to " retroactively restore

the competitive marketplace for agricultural producers and replicate the tax benefits accorded to cooperatives and their farmer-patrons under Section 199 prior to the enactment of Section 199A."

WCMA will keep you informed of major developments via this e-newsletter. Any members with interest in more immediate updates should contact <u>WCMA Executive Director John Umhoefer</u> or <u>WCMA Communications and Policy Manager Rebekah Sweeney</u>.



WCMA Policy Committee Lobbies Lawmakers on Transportation, Economic Development

WCMA Policy Committee members met with State Senators Dan Feyen (R-Fond du Lac), Howard Marklein (R-Spring Green), Assembly Minority Leader Gordon Hintz (D-Oshkosh), and State Representatives Lee Nerison (R-Westby) and Travis Tranel (R-Cuba City) on Wednesday to talk about the Association's legislative priorities for the final days of the 2017-2018 session.



Topics included transportation

funding, rural economic development, potential restrictions to FoodShare, a worker's compensation medical fee schedule, and workforce concerns. These meetings had the immediate result of an amendment to safeguard dairy products from restrictions on the use of FoodShare, and helped to further develop our working relationships with lawmakers.

The group also met with Wisconsin Department of Natural Resources Secretary Dan Meyer and Assistant Deputy Secretary Pat Stevens to discuss wastewater and CAFO permitting, as well as the department's recent staffing and structural changes.

WCMA's sincere thanks go to members from Agropur, Cedar Grove Cheese, Chr. Hansen, Eau Galle Cheese, Grande Cheese, Great Lakes Cheese Company, Klondike Cheese, Meister Cheese Company, Nasonville Dairy, and SEH - Short Elliott Hendrickson Inc. for representing our industry and its priorities. Special thanks go Zimmerman Cheese's Paul Witke, who was elected and agreed to serve as WCMA Policy Committee Chair.



In the News...

Reuters: Senate rejects immigration bills after Trump veto threat

Chicago Tribune: <u>Divided Senate rejects bipartisan</u> immigration plan on 'Dreamers,' border wall

The Salt/NPR: <u>Trump Administration wants to decide what food SNAP recipients will get</u>





CDR-Led Seminars Focus on Cheese Quality Issues & Solutions, Dairy Ingredients, and Artisan Cheesemaking

WCMA is proud to detail three seminars led by International Cheese Technology Expo co-host, the Center for Dairy Research. Ever-popular, the 2018 CDR line-up offers unparalled expertise and insight for cheesemakers and R&D scientists alike.

"Cheese Quality Issues and Solutions" features talks on micro issues, advancements in starter cultures, and the use of high solids milk for better-quality cheese. "Dairy Ingredients in the Global Food Market" will focus on permeate caking issues, the functionality of plant and dairy proteins, and the sustainability of dairy foods globally.

Artisans will want to act quickly to sign up for the limited-enrollment two-day seminar track offering at-the-vat instruction from the CDR's brightest and best.

For more on all of the ICTE 2018 seminar offerings, click on the button below.

ICTE SEMINARS

ICTE 2018's exhibit floor will feature 295 companies offering everything from air and water treatment to cheesemaking equipment, and from ingredients to robotics. A complete list of exhibitors and a show floor plan is available now.

ICTE EXHIBITS

SIGN UP NOW & SAVE 10%

Sign up to attend ICTE 2018 on <u>CheeseExpo.org</u> **before 12 midnight on Monday, February 26** and enjoy 10% off registration fees.

WCMA Tech Committee Meets with Wisconsin DNR

Nearly 70 members of WCMA's Technology Committee and of the Midwest Food Products



Association met jointly this week for a forum with officials from the Wisconsin Department of Natural Resources.

The meeting featured talks on thermal and odor regulation, TMDL limits, and alternative phosphorus compliance, with insight from Ellsworth Creamery Cooperative, as well as an update on a nitrogen research study at the University of Wisconsin.

WCMA's Tech Committee meets several times each year, often offering opportunities for Certified Wastewater Operator Credits. Participation is free for all members; to learn more, contact WCMA Executive Director John Umhoefer.



WORLD CHAMPIONSHIP

CHESE CONTEST

MONONA TERRACE CONVENTION CENTER MADISON, WISCONSIN, USA

Contest Breaks Entry Record



World Championship Cheese Contest organizers have announced a record-breaking 3,402 entries in the 2018 competition, set for March 6-8 at the Monona Terrace Convention Center in Madison, Wisconsin. Overall participation is up 15 percent from 2016, when the biennial Contest was last held.

International entries in the 2018 Contest are up 33 percent, to a total of 919. Cheesemakers from 26 nations including Argentina, Australia, Austria, Brazil, Canada, Croatia, Denmark, Estonia, Finland, France,

Germany, Greece, Ireland, Italy, Lithuania, Mexico, Netherlands, New Zealand, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, and the United Kingdom, are sending their best dairy products for evaluation.

The United States of America is also strongly represented, with entries coming from 32 states: California, Colorado, Connecticut, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Texas, Utah, Vermont, Virginia, Washington, and Wisconsin.

Act Quickly for Cheese Champion Tickets

Cheese fans should act quickly to reserve their tickets to Cheese Champion, the signature public event of the World Championship Cheese Contest.

This evening reception, set for Thursday, March 8 at the Monona Terrace Convention Center in Madison, features a tasting of more than 50 Contest stand-outs from all over the world, local specialty foods, and craft beer samples.

Attendees also have the rare opportunity to learn the intricacies of cheese evaluation from Contest judges, and will be present as the winner of the 2018 World Championship Cheese Contest is announced for the first time.

Cheese Champion tickets cost just \$25 per person, and are on sale now at

WorldChampionCheese.org. With a limit of 500 attendees, space will sell out well in advance of the event.





WCMA Wage & Workforce Survey Due Wednesday, February 21

Don't miss your opportunity to learn how your company stacks up, in terms of wage and benefits offerings to employees. WCMA's 2018 Wage and Workforce Survey is due back on Wednesday, February 21.

Dairy manufacturers and processors completing the survey by February 21 will receive a report detailing industry wages and benefits. Results will be shared without identifying involved companies and responses will be held in strict confidence.

TAKE THE SURVEY

Should you have questions about this survey, please contact <u>WCMA Communications and Policy Manager Rebekah Sweeney</u>. Thank you for your participation.

WCMA Scholarship Applications Due February 28

WCMA will again offer five student scholarships in 2018, worth a total of \$15,000. Those interested in being considered for an award have until February 28 to submit an application.

Employees or children of employees at WCMA dairy manufacturing, processing, or marketing member companies may apply for the WCMA Myron P. "Mike" Dean Cheese Industry Student Scholarship . Two students will receive scholarship awards of \$3,000 each.



2017 WCMA Scholarship Recipients

Employees or children of employees at WCMA supplier member companies may apply for the WCMA Cheese Industry Supplier Student Scholarship. Three students will receive scholarship awards of \$3,000 each.

Applicants must supply transcripts, a letter of recommendation, and a completed application form by February 28, 2018. Forms may be found here or can be directly requested from WCMA Communications and Policy Manager Rebekah Sweeney.

WCMA Reaching High School Students in Workforce Connections Effort

Our challenging labor market makes connecting with the emerging workforce critically important.



WCMA is now partnering with Students & Leaders Network (SLN) to reach Wisconsin high school students and share information about the multitude of job opportunities in cheesemaking.

Recently, WCMA taped a piece for SLN-connected guidance counselors to share with their classes about careers in dairy processing; that is video is now-wiewable-here.

WCMA Welcomes New Members

A warm WCMA welcome goes to five new supplier members this week: <u>FBC Industries</u>, <u>NIZO</u>, <u>Sparks Belting Company</u>, <u>Steel & O'Brien Manufacturing</u>, and <u>Synergy Sales LLC</u>. We're glad to have you join our ever-growing Association!

In Memoriam...

WCMA mourns with the family of Dolores A. Knaus, age 82, of Mayville, Wisconsin who passed away on Thursday, February 1. Dolores, along with her husband James, owned and operated the family cheese business Weyauwega Star Dairy. A Mass of Christian Burial was held on February 8; for more information or to express condolences, click here.

In Brief...

Register now for WMMB's PCQI training sessions, set for March 27 in Green Bay and March 29 in Madison. These training sessions include a 16-module online course which must be completed prior to the one-day workshop.

WCMA members are invited to participate in a series of interactive, educational web conferences on labor law in Wisconsin, hosted by the Department of Workforce Development. These sessions provide basic information about fair employment, worker's compensation, vocational rehabilitation, labor standards, and unemployment insurance. Learn more and register here.

Registration is now open for the upcoming Wisconsin Association for Food Protection's Pasteurizer Operation and Procedures class, set for April 10 in Appleton. <u>Learn more and register here.</u>

The U.S. Dairy Export Council and USDA host a U.S. Pavilion at the APAS Show 2018 in São Paulo, Brazil, from May 7-10, 2018. APAS is the largest retail food expo in Latin America and booth spaces are available to WCMA members. For more information, contact <u>Mariana Desani</u> with River Global, USDEC's partner in South America.

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STAY CONNECTED:





