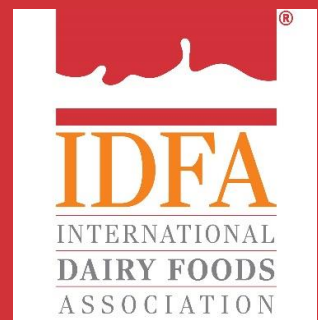




IDFA Cheese Board Meeting

Wednesday, October 2 | 1:30 – 3:00 pm

Vienna North | Conrad Indianapolis | Indianapolis



Welcome and Roll Call



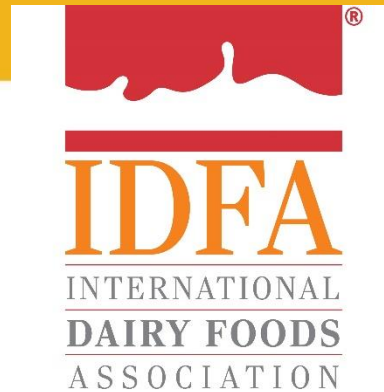
Antitrust Statement



Chairman's Remarks



Strategic Priority Review



Cheese Board– Strategic Priorities

	Standards	Trade	FMMO	Labor	Nutrition	Natural Cheese
Strategic Priorities	<ul style="list-style-type: none"> Flexibility to use microfiltered milk in cheese making with the ingredient labeled as milk 	<ul style="list-style-type: none"> Expand global market opportunities for cheese 	<ul style="list-style-type: none"> Modernize FMMO system to encourage greater innovation and investment 	<ul style="list-style-type: none"> Advocate for changes to immigrant visas through Agriculture Workforce Coalition (AWC) and Essential Worker Immigration Coalition (EWIC) that accommodate the needs of the dairy industry 	<ul style="list-style-type: none"> Defend cheese's role in dairy food group in the 2020 Dietary Guidelines for Americans (DGA) 	<ul style="list-style-type: none"> Protect members from frivolous lawsuits related to natural cheese
Goals	<ul style="list-style-type: none"> FDA regulatory discretion granted for using microfiltered milk in cheese making with the ingredient labeled as milk 	<ul style="list-style-type: none"> IDFA is recognized as the preeminent U.S. dairy organization on international trade policy by ensuring cheese is prioritized in trade negotiations, enforcement, and facilitation 	<ul style="list-style-type: none"> Consensus Class III and spot market rules priority issues are identified Member-supported changes are adopted in a federal order hearing or legislatively 	<ul style="list-style-type: none"> Immigration legislation, if passed by Congress, includes a visa proposal that meets the needs of dairy processors and farmers, including a workable year-round visa program accommodating worker families and not requiring "touchbacks" 	<ul style="list-style-type: none"> Updated DGA maintains three servings a day recommendation for dairy foods that include cheese. Allow one serving of dairy to be reduced fat 	<ul style="list-style-type: none"> Pass the CURD Act

Cheese Board– Key Actions (1/2)

Standards	Flexibility to use microfiltered milk in cheese making with the ingredient labeled as milk	<ul style="list-style-type: none">• Determine the scope of request to FDA (dried or fluid forms, other restrictions)• Secure broad industry support (NMPF, ADPI, state dairy associations) for request to FDA• Pre-meeting with FDA Commissioner's office & CFSAN to determine receptivity• Develop data/evidence on widespread use of MF milk in imported cheese• Develop communication strategy to advance advocacy• Recruit members, state dairy associations and state departments of agriculture in cheese states and federal policy makers to lobby FDA
Trade	Expand global market opportunities for cheese	<ul style="list-style-type: none">• Determine TRQ quantities with Segment Board for cheese that ensures improved dairy access equal to or better than CPTPP and EU-Japan EPA and present to USTR, USDA and Congressional trade committees• Support MOU between USDA and FDA that facilitates export certification process in a timely manner• Continuous review with IDFA Trade Committee on FTA priority countries and present country priorities to USTR, USDA, and key Congressional offices• Brief congressional allies to elevate cheese's profile in future trade agreements• Work with coalitions, state dairy associations and members to lobby
FMMO	Modernize FMMO system to encourage greater innovation and investment	<ul style="list-style-type: none">• Class III and Class IV and Spot market rules issues working group formed• Provide technical support to working group and develop best practices• Data supporting industry priorities is developed• Longer term issues working group established

Cheese Board– Key Actions (2/2)

Labor

Advocate for changes to immigrant visas that accommodate the needs of the dairy industry

- Advocate for IDFA's Immigration Task Force priorities through the Agriculture Workforce Coalition (AWC) and Essential Worker Immigration Coalition (EWIC)
-

Nutrition

Defend cheese's role in dairy food group in the 2020 DGA

- Advocate Dietary Guidelines Advisory Committee (DGAC) consider new scientific evidence on the role of higher fat dairy in a healthy diet
 - Written comments and testimony to DGAC include evolving science on milkfat
 - Work with NDC on review of full fat dairy research
 - Coordinate testimony and comments with NDC, NMPF and members
 - Analyze DGAC report, meet with USDA and file comments to support dairy role and higher fat recommendations in the DGA
-

Natural Cheese

Protect members from frivolous lawsuits related to natural cheese

- Enactment of legislation that inserts a definition of "natural cheese" supported by our members in federal statute
 - Outreach to HELP member offices to pave the way for utilizing the "hotline" process in the Senate to pass the bill
 - Develop leverage that will help overcome Chairman Pallone's opposition in the House by generating support from House Democrats
 - Assure FDA technical consultation with Congress on CURD Act definition is supportive
-

Natural Cheese



Federal Milk Marketing Order Reform



FMMO Class III / IV Reform Discussions



- Historic Context
- Alternatives discussed and rejected
 - Competitive pay price
 - Flexible make allowances
- Interest for long term policy reform remains
- Near term, revisiting current formula in anticipation of make allowance hearing after USDA-commissioned cost study released

Class III / IV Elements Under Review



- Product forms

- Class III

- Add 640# blocks?
 - Eliminate barrels?
 - Replace cheddar with mozz or add mozz?
 - Change basis of whey valuation?
 - Add grade A whey?
 - Convert to other reference (condensed whey, protein only, etc)



- Class IV

- Add SMP?

Class III / IV Elements Under Review

- Price Discovery Mechanism
 - Survey vs. CME?
 - Concluded survey due to implications on futures
- Survey Criteria Refinement
 - Lengthen pricing timeframe for eligible sales?
 - Adjust national survey result to western base?
- Yields
 - Confirm yields in both Class III / IV formulas



Class III / IV Data Requests



- Survey to identify likely eligible volume if mozz added to Class III formula
 - Need to identify most common spec; would be limited to bulk (20# plus?) unshredded
- Identify cheddar reportable volume and geographic dispersion by form
- Identify degree of marketplace differentiation (price) between Grade A and Extra Grade whey

New Business





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