

IDFA Membership Briefing COVID-19 Update



Welcome & Introduction



Tom Wojno – SVP, Innovation & Member Advancement





WELCOME & INTRODUCTIONS: Tom Wojno

INDUSTRY UPDATE: Michael Dykes

IDFA EFFORTS: Regulatory- Joe Scimeca, Cary Frye, Danielle Quist Advocacy- David Carlin, Tony Eberhard Communications- Matt Herrick

IDFA People Strategy- Heather Soubra, Colin Newman, Tracy Boyle,

IDFA Legal Community- Danielle Quist

Updated IDFA Programing- Tom Wojno

HOUSEKEEPING



- All lines are placed on mute during this briefing.
- Questions can be submitted via Chat throughout the briefing. Any unanswered questions will be addressed individually after the briefing.
- Only IDFA staff can view Chat questions and will answer questions without revealing their source.
- This Membership Briefing is being recorded. The recording will be available at www.idfa.org, in the Knowledge Center, on the Webinars tab.
- For technical difficulties during the briefing, send a message through the Chat box or e-mail membership@idfa.org.



State of Industry Report



Michael Dykes, President & CEO

Coronavirus Food Assistance Program (CFAP)



\$19 billion Total Assistance

Direct Support to Farmers and Ranchers \$16 billion in direct payments (\$2.9 billion for Dairy)

USDA Purchase and Distribution \$3 billion in fresh produce, dairy, and meat.

- \$100 million per month in fresh fruits and vegetables
- \$100 million per month in a variety of dairy products including fresh milk
- \$100 million per month in chicken and pork products



Direct Support to Farmers and Ranchers \$16 billion in direct payments

- \$5.1 billion for cattle
- \$2.9 billion for dairy
- \$1.6 billion for hogs
- \$3.9 billion for row crop producers
- \$2.1 billion for specialty crops producers
- \$500 million for others crops

Coronavirus Food Assistance Program (CFAP)



Producers will receive a single payment determined using two calculations:

- Price losses that occurred January 1-April 15, 2020. Producers will be compensated for 85% of price loss during that period.
- Second part of the payment will be expected losses from April 15 through the next two quarters and will cover 30% of expected losses.

The payment limit is \$125,000 per commodity; overall limit of \$250,000 per tax ID. Also AGI test of \$900,000*.

USDA is expediting the rule making process for the direct payment program and expects to begin sign-up for the new program in early May and to get payments out to producers by the end of May or early June.

Three Programs for USDA Food Purchases





\$3 billion – USDA Purchase and Distribution

NEW program created with authority & funding under CARES Act, FFCRA, other. Administered by AMS. Approved vendor process not required.



\$873.3 million – Section 32 Program

Existing money in USDA budget; approved vendor process required



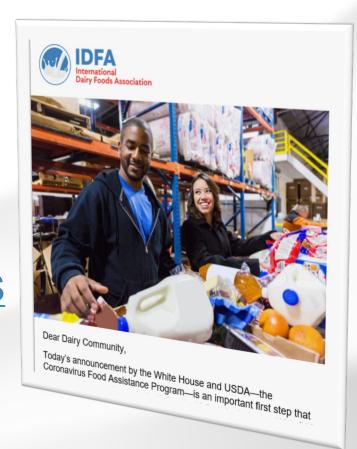
\$850 Million – Administered by FNS Approved vendor required

Coronavirus Food Assistance Program (CFAP)



1.

- NEW USDA Purchase and Distribution: purchase \$3 billion in fresh produce, dairy, and meat. (\$1.8 planned/\$1.2B TBD)
 - \$100 million per month in a variety of dairy products
 - Food distributors interested in participating should contact <u>USDAFoodBoxDistributionProgram@US</u> <u>DA.Gov</u>







\$873.3 million – existing Section 32 money in USDA budget

USDA has up to an additional **\$873.3 million available in Section 32 funding** to purchase a variety of agricultural products for distribution to food banks. Dairy can participate. Must be approved vendor.

USDA Purchase Programs



3.

\$850 Million – Administered by FNS; Approved Vendor Required

- \$400 million from Phase 2 FFCRA funding for food banks.
- \$450 million from Phase 3 CARES Act for food banks.
 - \$200 million is for food
 - \$250 million is administrative costs.



IDFA Efforts – Regulatory



Joe Scimeca – SVP, Regulatory & Scientific Affairs

Food Industry Worker Protection



- Return of workers following CV19 exposure → new CDC guidance¹
- OSHA Enforcement Guidance on Recording Cases² → guidance on when CV19 cases are to be filed as OSHA recordable
- OSHA Interim Enforcement Response Plan³ → Field Operation Manual procedural changes when conducting inspections
- OSHA Enforcement Discretion re: Employer's Good Faith Efforts⁴ → guidance on achieving compliance with certain OSHA requirements
- Industry Guidance on Proper Use of Face Masks/Coverings⁵
- Industry Guidance on Screening Employees for CV19 Symptoms⁶

¹ https://www.cdc.gov/coronavirus/2019-ncov/community/critical-workers/implementing-safety-practices.html

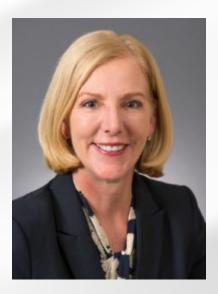
- ² <u>https://www.osha.gov/memos/2020-04-10/enforcement-guidance-recording-cases-coronavirus-disease-2019-covid-19</u>
- ³ <u>https://www.osha.gov/memos/2020-04-13/interim-enforcement-response-plan-coronavirus-disease-2019-covid-19</u>
- ⁴ https://www.osha.gov/memos/2020-04-16/discretion-enforcement-when-considering-employers-good-faith-efforts-during
- ⁵ https://www.idfa.org/wordpress/wp-content/uploads/2020/04/ProperUsageofFaceMasks_6Apr2020_Version2_SIGNED.pdf



⁶ https://static1.squarespace.com/static/5e7d1107dac60a6b3e3f098d/t/5e87363778809401b00ff99f/1585919544175/Employee+Screening+-+20200330 draft+final+%28002%29 SIGNED.pdf



IDFA Efforts – Regulatory



Cary Frye, SVP, Regulatory Affairs

School Meal and Labeling Flexibility



- Responding to IDFA/NMPF Milk Crisis Plan
- Free school meals for pick up and delivery when schools are closed additional meal flexibilities
 - Operating under Summer Food Service Program (SFSP) rules can serve any fat level of milk, including whole and 2%, plain and flavored milk.
 - Operating under Seamless Summer Option (SSO) must request a waiver from their state agency to differ from the typical school milk options.
 - USDA memo allows larger container sizes of milk with school meals – above 8oz. requirement per meal
- IDFA is working with FDA to seek flexibility with food ingredient labeling to substitute or omit an ingredient that is not available







IDFA Efforts - Advocacy



David Carlin – SVP, Legislative Affairs & Economic Policy



- Congress added \$321B to Paycheck Protection Program this week.
 - The bill also include \$60B for economic disaster assistance; \$75B for hospitals and \$25B for coronavirus testing
- Work is now underway on a broader COVID-19 bill that could include new programs as well as changes to programs that were included in earlier packages.



- Strong bipartisan congressional interest in providing supplemental financial recognition/incentives to front-line essential workers
- IDFA has led a coalition of food and agriculture trade associations that support such legislation
 - Letter to congressional leaders April 3rd
 - Letter to President Trump April 10th
 - Recruiting Senate and House champions
- Once a bill is introduced, we will activate a grassroots campaign so that our members can voice their support for this important legislation.





IDFA Efforts - Advocacy



Tony Eberhard – Vice President, Legislative Affairs



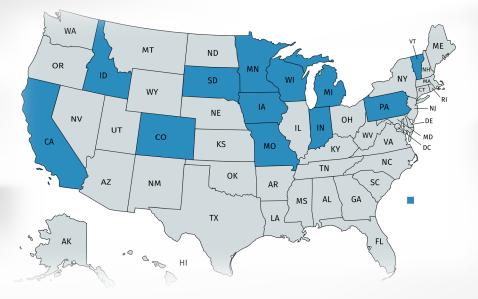
• Providing Working Capital in a Time of Crisis

- Authorize a new dairy recourse loan program that will allow dairy processors to secure credit against their inventory
- To be administered by the U.S. Department of Agriculture (USDA)
- USDA authorized to use all types of dairy products as loan collateral, including commodity products as well as specialty products in all segments of the industry
- ${\rm \circ}$ Should last two years to ensure it can get processors through the crisis





- California, Iowa, Indiana, Pennsylvania, South Dakota, Missouri, Idaho, Wisconsin, Michigan, Vermont, Minnesota, and Colorado.
- Advocate for Recourse Loan Program IDFA.org\signon





IDFA Efforts – Communications



Matt Herrick – SVP, Strategic & Executive Communications

Where to Get COVID-19 Updates





- Visit idfa.org/coronavirus
- Join the IDFA community on LinkedIn to follow updates
- Email the IDFA team at coronavirus@idfa.org
- Read IDFA's email alerts
 and digest newsletters
- Watch the IDFA Blog (under Newsroom on the website) for expert perspectives



What is the #Essential Campaign? Social media campaign to appreciate men & women working tirelessly through COVID-19 to bring fresh, safe, nutritious dairy products to consumers.

How do I join the #Essential Campaign? Share photos, GIFs, video with #Essential on Twitter, Facebook, and LinkedIn. Visit idfa.org/essential to get your content and learn more.





Explaining Demand Destruction to Media

Landing Robust USDA Assistance = Payments + Purchases + Loans Essential Worker Compensation for Food Industry Workers

Maintain Retail Momentum: No Limits on Milk at Retail

Regulatory Flexibility: FDA, USDA, OSHA

Introducing #AskIDFA on LinkedIn





Have questions for IDFA's subject matter experts? We are here for you:

- Visit the IDFA page on LinkedIn, look for #AskIDFA
- IDFA's SMEs will respond to your Qs with an A within one business day
- How do we respond? Public response, direct message, email or phone call

IDFA Communications Department



Thank you!



Matt Herrick mherrick@idfa.org



Andrew Jerome ajerome@idfa.org



Michael Goodin mgoodin@idfa.org





Heather Soubra – Chief of Staff







HR Leaders in Dairy

Community of CHROs and Senior HR Leaders in Dairy

Virtual Meetings Bi-Weekly Next Call April 24 @ 2:30 p.m.

Exchange of ideas and sharing of best practices

Email Heather Soubra at hsoubra@idfa.org



NextGen Leadership Program



Colin Newman – Director, Political Affairs and Strategic Programs



Advocacy, Leadership Development, Networking

NextGen Leadership Program

Applications **Open** May 18 Applications **Due** June 19 **Module 1** - August 17-19

www.idfa.org/nextgen

Email Colin Newman at cnewman@idfa.org







Tracy Boyle – Director, Employee Relations and Administrative Services



395 Members and Growing!

Advisory Council

www.idfa.org/womenindairy

Empower | Encourage | Support

Women

in Dairy

Email Tracy Boyle at tboyle@idfa.org



The **Power**of **People**

October 6-7 | Washington, D.C.

Building Organizations and Workforce of the Future

Registration opening soon

Email Heather Soubra at hsoubra@idfa.org





Next Virtual Meeting: Friday, April 24 at 2:30 p.m. ET



Applications Open on May 18



Empower | Encourage | Support

Join today by going to www.idfa.org/womenindairy



October 6-7



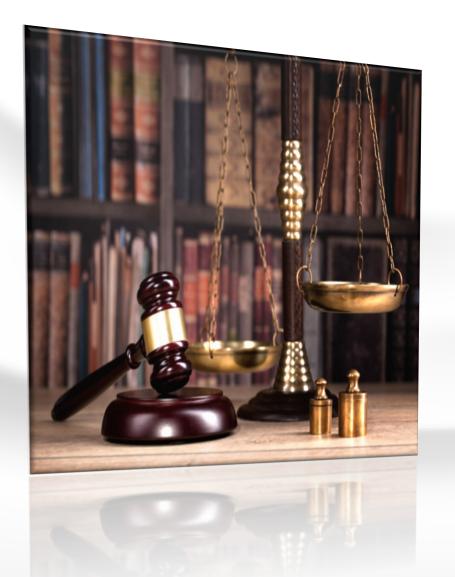
IDFA Legal Community



Danielle Quist – Senior Director, Regulatory Affairs & Counsel

IDFA Legal Community





Informal network: forum for communication, legal updates, information and resource sharing and networking

Distribution list for IDFA legal information and updates

IDFA member in-house general counsel

Email Danielle Quist at Dquist@idfa.org



Updated IDFA Programming



Tom Wojno – SVP, Innovation & Member Advancement



idfa.org/resources/webinars

- Membership Briefing on COVID-19 and Legal/Contracts
 - April 2nd w/ Faegre Drinker
- Navigating the CARES Act An Analysis for Dairy
 - April 16th w/ Herbein + Co.
- Women in Dairy Webinar
 - April 16th w/Egon Zehnder

Cleaning and Disinfection Practices for Dairy Companies
 April 22nd w/ Ecolab



idfa.org/events

Coronavirus Webinar: What is The Story on Testing? Dr. Stephen Ostroff, Fmr. Deputy Commissioner, FDA

- Fmr. Deputy Director, National Center for Infectious Diseases, CDC
 - Wednesday, April 29, 1:00 PM ET

5 Week Webinar Series w/ McKinsey & Co

• Wednesdays, 1:00 PM ET beginning May 6th

Dairy Accounting and Finance 2.0 – June 10th

• 1:00PM ET Webinar + Recording Available – CPE Credit Available

Regulatory RoundUp Webinar Series July 21-22

^{42•} 12:00PM – 3:00PM Daily



Questions??

Please use the chat box to submit your questions



Thank you

