



NATIONAL DAIRY
FARM PROGRAM™

2016

Year in Review

2016

Over the last year, the FARM Program has continued to grow, proving its value to consumers, dairy customers, cooperatives, processors and producers.

At the end of 2016, 98% of the U.S. milk supply came from farms participating in the FARM Animal Care Program.

In May, the FARM Team welcomed two new staff members: Emily Yeiser Stepp as Director of Animal Care and Beverly Hampton as FARM Program Coordinator.

In June, the FARM Program added its third silo: FARM Environmental Stewardship. It serves as a voluntary tool to help dairy farmers ensure they're implementing efficient environmental practices on their operations.

The FARM Team remains engaged on the issue of antibiotic stewardship by being present during crucial conversations pertaining to the judicious use of antibiotics.

The National Dairy FARM Program hopes to continue this positive momentum in 2017 by building relationships with the dairy supply chain, including producers, dairy cooperatives, processors, customers and consumers, to better tell the great story of dairy social responsibility.

FARM: Dedicated to Healthy Cows and Wholesome Milk

Consumers today are more interested in their food than ever before: its safety and nutritional value, how it's produced, who's producing it and how animals are treated.

By participating in the National Dairy Farmers Assuring Responsible Management (FARM) Program, farmers demonstrate a commitment to quality farm management practices and safe, wholesome dairy products.

We are earning the trust of consumers across the country by holding our members to the highest standards when it comes to our three program silos: **Animal Care, Environmental Stewardship and Antibiotic Stewardship.**

Created by the National Milk Producers Federation, with support from Dairy Management, Inc., FARM began in 2009 and has participation from dedicated dairy farmers, cooperatives and processors from across the United States. We hold our participants to rigorous guidelines that ensure the utmost quality on our nation's dairy farms.

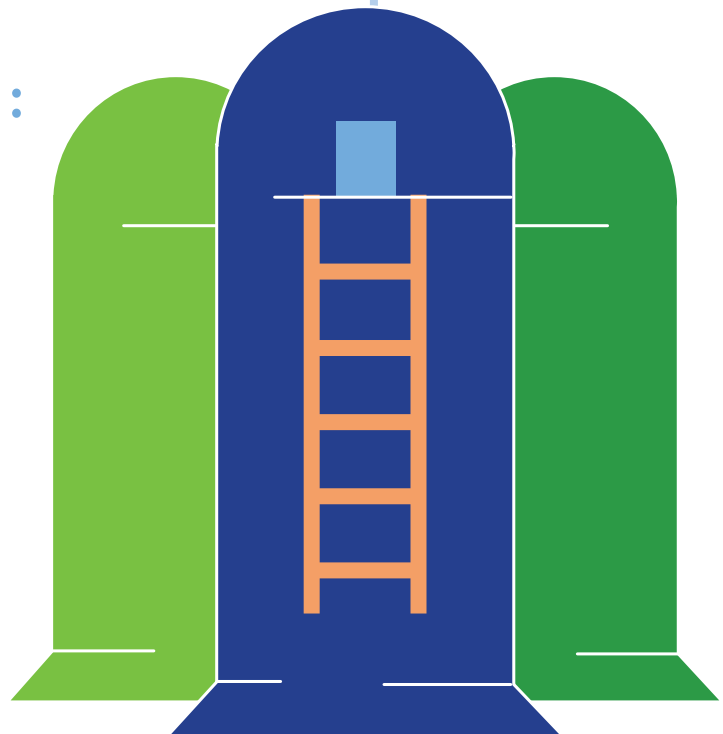
We understand there's always work to be done. That's why FARM creates a culture of continuous improvement, inspiring the dairy community to work every day toward positive change.

Uniting around sound farm management practices and making smart decisions for our cows are not only ethical obligations, but vitally important to ensuring the long-term success of the dairy industry.

WE ARE
EARNING
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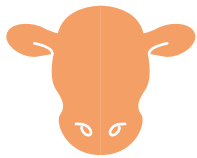
3 PROGRAM SILOS:

- ✓ **ANIMAL CARE**
- ✓ **ENVIRONMENTAL STEWARDSHIP**
- ✓ **ANTIBIOTIC STEWARDSHIP**



ANIMAL CARE

The FARM Animal Care Program demonstrates that dairy farmers share consumers' values when it comes to quality animal care and safe, wholesome milk. Available to all dairy farmers, the FARM Animal Care Program:



Details animal care guidelines that farmers follow for every cow and calf on the farm – guidelines that evolve with the latest research on quality animal care



Provides on-farm evaluations and feedback on how farmers are doing



Ensures the integrity of the program through third-party verification, completed by outside experts who evaluate a representative percentage of farms each year

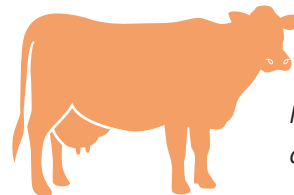
Last year was spent planning and preparing for the implementation of FARM Animal Care Version 3.0 on Jan. 1, 2017. FARM's Animal Care Program standards are revised every three years following an extensive review process by a technical writing group made up of animal scientists, veterinarians, dairy producers and other industry experts. **Minimum participation requirements for Animal Care Version 3.0 now include:**



A signed Veterinarian-Client-Patient Relationship document between the dairy producer and Veterinarian of Record



Annual employee training in animal care and a signed Dairy Cattle Care and Ethics Agreement



No routine tail docking

From July to December 2016, more than 100 Animal Care Program Evaluators were trained on the new Version 3.0 materials. *For a complete list of Animal Farm Care Program participants, see back cover.*

2017 GOALS

- Develop more dairy farm animal care employee training resources
- Increase consumer understanding of dairy animal care through enhanced engagement on social media and other platforms
- Introduce a FARM product packaging label initiative

Farm has a Veterinarian-Client-Patient Relationship

The VCPR establishes guidelines to assure that veterinarians and farmers work together to provide the highest standards of care and treatment for the cows. In FARM Version 3.0, a VCPR is now required.

7,732
FARMS

FARM Version 1.0
2009 – 2012

22,082
FARMS

*More than
Tripled!*

FARM Version 2.0
2013 – 2016

Animal Care Training for Farm Employees*

*At Least on an Annual Basis.

7,808
FARMS

FARM Version 1.0
2009 – 2012

15,951
FARMS

*More than
Doubled!*

FARM Version 2.0
2013 – 2016

CHOBANI®
GREEK YOGURT

“Chobani is proud that all dairy farms supplying milk to us participate in the FARM Program. This program allows us to communicate to our customers that dairy farmers have a commitment to the highest standards of animal care. We see increasing interest from both consumers and retailers in how our products are produced, and FARM allows us to communicate animal care assurance to build consumer trust in dairy products.”

Farm Has a Written Herd Health Plan*

*Developed in Consultation with the Herd Veterinarian.

8,836
FARMS

FARM Version 1.0
2009 – 2012

9,490
FARMS

FARM Version 2.0
2013 – 2016

We're Working to Improve!

In Version 1.0, a Written Herd Health Plan was a recommendation. In Version 3.0, it's a requirement.

ENVIRONMENTAL STEWARDSHIP

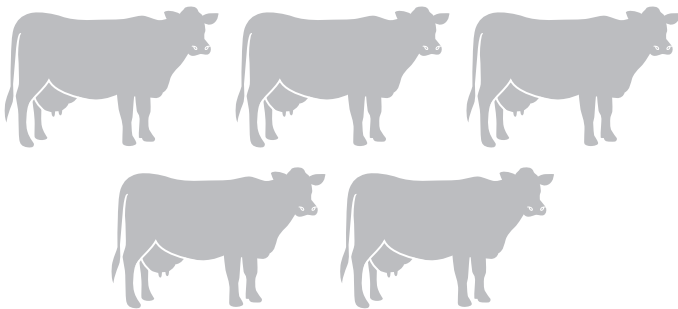
In 2016, the FARM Program welcomed Environmental Stewardship to the existing FARM silos of Animal Care and Antibiotic Stewardship. FARM Environmental Stewardship is a voluntary module for existing FARM Program participants.

The FARM Environmental Stewardship module provides a comprehensive estimate of greenhouse gas (GHG) emissions and energy use associated with dairy farming.

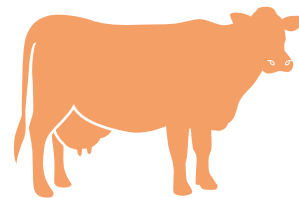
The module asks a set of questions to assess a farm's carbon and energy footprint – reducing the burden on farmers while still providing reliable, statistically robust estimates. This tool is based on a life-cycle assessment (LCA) of fluid milk conducted by the Applied Sustainability Center at the University of Arkansas, incorporating data from more than 500 dairy farms across the United States.

The carbon footprint of a gallon of milk decreased 63% from 1944 to 2007.

1944



2007



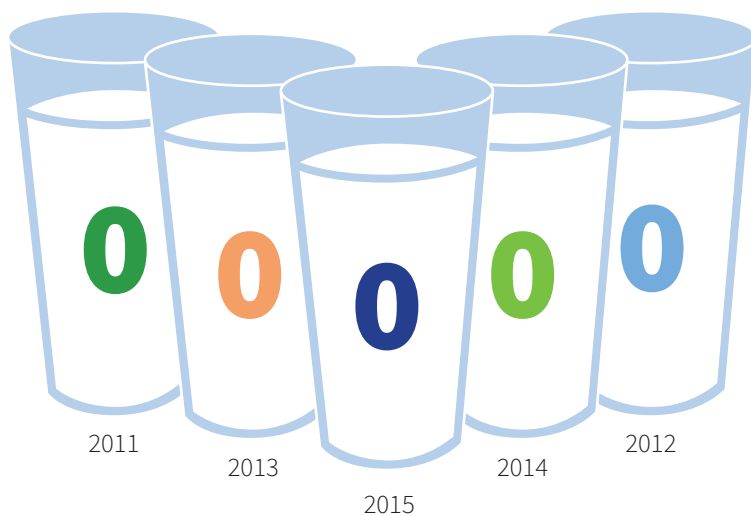
One cow produces as much milk as five cows did in 1944.

2017 GOALS

- Launch Environmental Stewardship in 2017, which includes providing education and training materials to FARM Program participants
- Increase awareness of the Environmental Stewardship tool
- Provide producers with more educational resources on Environmental Stewardship

ANTIBIOTIC STEWARDSHIP

Since 2011, **ZERO** retail-ready milk products have tested positive for traces of antibiotics.



Your milk is 100% safe. Period.

In the United States and around the world, the proper use of antibiotics was a highly visible topic in 2016 in both the food marketing sector and public policy. At several major public conferences about the concerns of antibiotic resistance, the FARM Program advocated on behalf of dairy producers on this sensitive issue, so that they can continue the judicious, responsible use of antibiotics for treatment, control and prevention of disease in their animals.

One of FARM's primary tools to ensure judicious antibiotic use stewardship is its Milk and Dairy Beef Drug Residue Prevention Manual, which was updated in 2016 and distributed across the industry.

Dairy farmers' commitment to keeping antibiotic residues out of the milk supply was affirmed yet again in an FDA report that tracks drug residue levels. The report showed a decline in positive drug test results for the fifth year in a row.

All milk is screened for antibiotics, and any load that tests positive for a drug residue is discarded and never makes it to market.

2017 GOALS

- Release the 2017 Milk and Dairy Beef Residue Prevention Manual
- Create more on-farm resources on antibiotic stewardship, including a mobile application and pocket guide with animal medication information

The National Dairy FARM Program would like to thank the many cooperatives, proprietary processors and individual producers who participate in the FARM Animal Care Program.

Agri-Mark, Inc.
Agropur Inc. USA
Associated Milk Producers Inc.
Baker Cheese
BelGioioso Cheese Inc.
Bongards Creameries
Borden Dairy Company
Brewster Cheese
Booneville Farms Co-op
Burnett Dairy Cooperative
Byrne Dairy
Cady Cheese, LLC
Calhoun Cooperative Creamery
California Dairies, Inc.
Cayuga Marketing
Cedar Valley Cheese Store
Central Equity Milk Cooperative
Chula Vista Cheese Company
Clarco Farmers Cooperative
Cloverland Farms Dairy
Cobblestone Milk Cooperative
Cooperative Milk Producers Association
Crystal Creamery
Dairy Farmers of America, Inc.
Dassel Cooperative Dairy Association
Dean Foods
Decatur Dairy
Eau Galle Cheese
Elmdale Creamery
Ellsworth Cooperative Creamery
Erie Cooperative Association
Family Dairies USA
Farmer's Co-op Creamery Co.
Finger Lakes Milk Co-op
First District Association
Foremost Farms USA
Gilman Cooperative Creamery

Glanbia Foods, Inc.
Gossner Foods, Inc
Grande Cheese Company
Grassland Dairy Products, Inc.
Guggisberg Cheese
Hastings Cooperative Creamery
Hilmar Cheese Company
Hoard's Dairyman Farm
Holland Patent Co-op
HP Hood Booth Bros
Independent Milk Producers
Innovative Food Solutions
Jefferson Bulk Milk Cooperative
Klondike Cheese Company
Land O'Lakes, Inc.
Lanco Pennland Quality Milk
Producers Co-op
Leprino Foods
Lone Star Milk Producers
Lynn Dairy
Magic Valley Quality Milk Producers
Maryland and Virginia Milk Producers
Co-op Association
Michigan Milk Producers Association
Mount Joy Farmers Co-Op Association
Middlebury Cooperative
Midwest Dairymen's Co.
Mullins Cheese
National Farmers Organization
Nelson Creamery Association
Northwest Dairy Association
Osakis Creamery Association
Organic Valley Co-op
Pacific Gold Milk Producers
Piedmont Milk Sales
Plainview Milk Products Cooperative
Prairie Farms Dairy, Inc.

Preble Milk Cooperative Association, Inc.
Premier Milk Inc.
Pro-Ag Farmers Cooperative
Queensboro Farm Products, Inc.
Riverview Dairy LLP
Rolling Hills Dairy Producers Cooperative
Rutter's Dairy Inc.
Saputo Cheese USA
Sartori
Scenic Central Milk
Producers Cooperative
Select Milk Producers, Inc.
Schneider's Dairy
Schuman Cheese
Snake River Dairyman's Association
Sorrento Lactalis Inc.
Southeast Milk, Inc.
South New Berlin Milk Cooperative, Inc.
Springfield Co-op Creamery Association
St. Albans Cooperative Creamery, Inc.
Stockton Cheese Inc.
Sunrise Ag Cooperative
Swiss Valley Farms Company
Tillamook County Creamery Association
United Ag Services
United Dairymen of Arizona
Upstate Niagara Cooperative, Inc.
Valley Creamery Association
Valley Queen Cheese Factory, Inc.
Wapsie Valley Creamery, Inc.
Wells Enterprises, Inc.
Weyauwega Star Dairy
White Eagle Cooperative
Zia Milk Producers
Zimmerman Cheese, Inc.