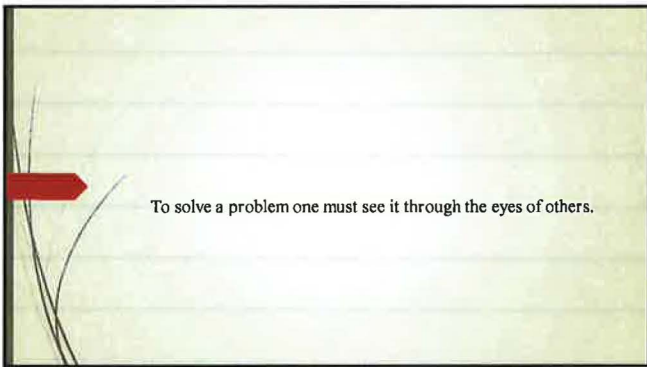


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THEME 2

Closing the Border

What People Said

- Troy and Butler sessions reflected frustration with lower prices in neighboring states
 - Northern Tier – "Eliminate PMMB"
- Out-of-state milk coming in
 - Blame placed on processors and minimum pricing system, in general
- Frustration and anger that State/Board cannot prevent movement of milk across state lines
- "Why is Texas milk sold in my store?"

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THEME 3

Minimum Pricing

What People Said

- Elimination will increase milk sales at retail level
- System works to benefit processors and retailers, not farmers
 - Processors and retailers are making a lot of money at expense of farmers
 - Retail minimum too high; producer minimum too low
- Can't compete with other states

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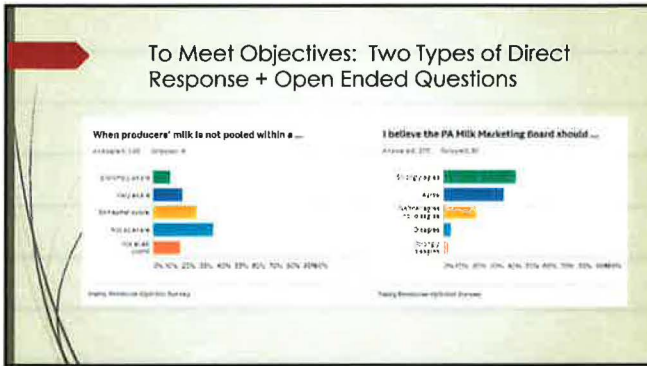
THEME 4

Over Order Premium

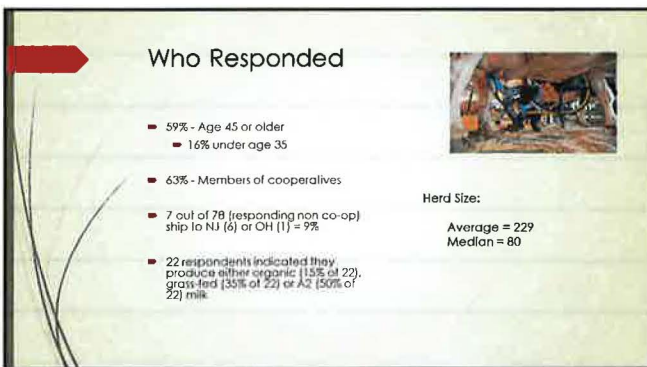
What People Said

- PA Over Order Premium going to out-of-state producers
- Disparity between independent producers and cooperative members
- Cooperatives don't have to tell members how much OOP they receive
 - Suspicion
- Processors "pocketing OOP"

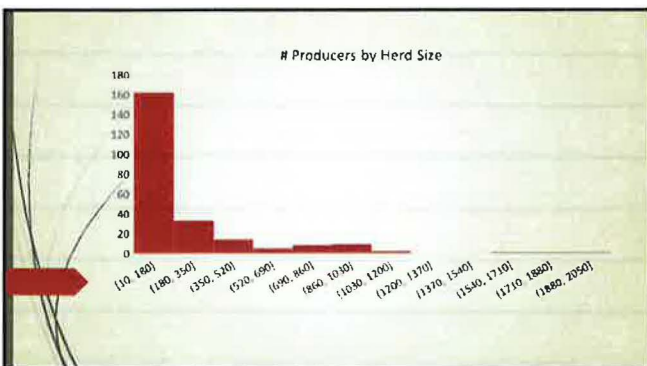
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What PA Dairy Farmers Believe

- Knowing prices they will receive helps maintain cash flow.
- They are less competitive in the market with other states because of PA's minimum pricing system.**
- Minimum pricing has NOT been factor in decision to stay in business.**
 - SIG DRI: Independent producers more likely to state that it has**
- PMMB does NOT perform important functions for dairy industry.
- Revenues are NOT higher because of minimum pricing.
- PMMB should **review and revise** minimum pricing system.
 - SIG DRI: Coop members more likely to believe this.**

TWO research studies dispute this: 2017 Center for Excellence Dairy Study & 2018 study of ME system

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Over Order Premium

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Farmer Knowledge about Over Order Premium

- Majority aware that the OOP applies to milk produced, processed and sold in PA
- Only slightly aware that the Board holds hearings and hears testimony on the OOP about every six months
- Only slightly aware that OOP hearing dates are published ahead of time and that they can provide testimony.
- Of 269 who responded to "Do you receive an Over Order Premium?"
 - 120 receive OOP
 - 71 do NOT receive OOP
 - 78 are not sure if they receive OOP

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OOP System Suggestions, cont

- Revise OOP System, continued
 - Amount needs to be increased
 - SUGGESTION: Put a tax on consumer
 - SUGGESTION: Make OOP more flexible with the market
 - SUGGESTION: Entire amount should go to producer

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What We're Doing


Results of Listening Sessions

- Sessions used as "focus groups" to frame development of survey.
 - Increased newsletter distribution
 - Increased social media distribution
 - Developed online form for anonymous feedback.
 - Increased communications with Ag & Rural Affairs Committees
 - Enhances communication about PMMB with constituents
 - Added one conference site to interact with constituents

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What We're Doing, continued

- Increased Board attendance at local events
 - Developed PowerPoint for use in presentations to local groups
- Investigated school fundraiser guidelines and communicated results
- Communicated with federal and state legislators regarding milk in school issues
- Milk Chugging Challenge for PR



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