



NATIONAL DAIRY FARM PROGRAM

2020

YEAR IN REVIEW

WHY FARM?



Today's consumers are engaged with what they eat. They want wholesome nourishment produced responsibly in a safe and sustainable way. By participating in the National Dairy Farmers Assuring Responsible Management (FARM)[™] Program, dairy farmers demonstrate a commitment to high-quality farm management practices and safe, sustainable dairy production.

The FARM Program partners with farmers, subject matter experts, cooperatives and processors to establish the highest, science-based standards for the dairy industry in Animal Care, Antibiotic Stewardship, Environmental Stewardship and Workforce Development. Through work with like-minded industry stakeholders, FARM continues to build trust in U.S. dairy.



About FARM

FARM was created by the National Milk Producers Federation (NMPF) with support from Dairy Management Inc.™ (DMI) in 2009. Program participation is open to all U.S. dairy farmers, cooperatives and processors. Participants follow rigorous guidelines to ensure the utmost social responsibility on our nation's dairy farms, while committing to continuous improvement. Strong farm management practices paired with smart decisions are ethical obligations of any dairy business and are vital to ensure long-term success of the dairy industry.



NMPF is the voice of dairy cooperatives at our nation's capital. Its mission is to foster an economic and political climate in which dairy farmers, and the cooperatives they own, can thrive and prosper. Success in doing so assures consumers of wholesome and nutritious dairy products at affordable prices. The FARM Program allows NMPF to show policymakers how the dairy industry employs a robust, standards-based approach to ensure excellence and continued improvement. Find out more: nmpf.org



DMI is funded by America's 34,000-plus dairy farmers and dairy importers. DMI and its related organizations work to increase demand for dairy products through research, education and innovation, and maintain confidence in dairy foods, farms and businesses. Find out more: usdairy.com

COVID-19

The effects of the COVID-19 pandemic were felt in every corner of the dairy industry. For FARM, the in-person evaluation component was temporarily suspended to uphold the Centers for Disease Control and Prevention (CDC) recommendations, and maintain the health and safety of everyone involved with on-farm evaluations. Third-party verifications were also suspended. The FARM Program decided to extend all program cycles by one year, until December 31, 2023.

Pivoting to a virtual world

Webinars/engagement with stakeholders

As many of the typical opportunities for FARM to engage with internal and external stakeholders became virtual or were canceled, FARM staff took the opportunity to connect remotely through podcasts, webinars with organizations like the Dairy Welfare Council and the American Association of Bovine Practitioners, and engagement partnerships with NMPF/FARM, Zoetis, Alltech and Elanco.

The Dairy Stakeholder Summit Meeting was moved to an online format. On July 8-9, the FARM Team presented the latest developments affecting the dairy farmer community during the pandemic. The webinar, held in multiple 2-hour sessions, covered the latest happenings with the FARM Animal Care and Workforce Development Programs, and examined other developments in the areas of animal care legislation, antibiotic use and environmental policy. An update on dairy economics and policy was provided with a recap of federal assistance for the farm sector.

Engagement hours

The FARM Program organized monthly engagement hours to keep in touch with evaluators on a virtual platform. These presentations provided general program updates, animal care information and discussion time.

Virtual annual meeting

For the first time, the NMPF Annual Meeting in October was moved to a virtual platform. The FARM team delivered their Town Hall updates in a video format, covering program updates and 2020 successes, FARM's COVID response, new hires and progress in the four program areas.



Evaluator Conference

In a series of virtual sessions, the FARM Program hosted the fourth annual Evaluator Conference on July 21-22. The first session began with a Town Hall, where FARM team members shared initiatives, successes and workstreams with participants. A summary of FARM Animal Care Version 3 was given.



The second session started with a Training Development & Producer Engagement Panel. Industry experts explained a veterinarian's role in producer trainings and education in collaboration with FARM, and how the Beef Checkoff works with producers.

The NMPF communications team delivered media training during the third and final conference session. To wrap up the conference, Krysta Harden, executive vice president of global environmental strategy for DMI presented the Net Zero Initiative and U.S. dairy's 2050 Environmental Stewardship Goals.

Quick Convos

The FARM Program began a series of online informational sessions beginning in November. These "Quick Convos" were designed as an opportunity for farmers to engage and ask questions about program components, expectations and resources in a quick and digestible format. Each 30-minute, live-streamed segment was hosted on Zoom and streamed via Facebook. The 2020 sessions included a FARM Program overview, a discussion on the farmer's role within the program, and separate sessions on the Animal Care and Environmental Stewardship Program areas. Recordings of the conversations and supplementary material are available on the FARM Quick Convos [webpage](#).



In 2021, FARM staff will continue Quick Convos to cover the remaining program areas and other hot topics of interest to the dairy farmer community.

Resource development

FARM worked with NMPF to develop a coronavirus [resources page](#). This page provides quick access to information on federal assistance programs and resources for the dairy industry. From essential employee permits to animal care and veterinary guides, FARM and NMPF prioritized the rapid sharing of relevant information to help the dairy industry navigate the pandemic.

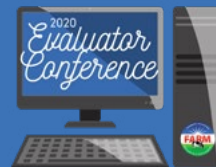
VIRTUAL ENGAGEMENTS

The challenges of 2020 brought opportunities to engage in new ways with our audience resulting in:



114

participants in the highest attended engagement hours



125

average attendees during each Virtual Evaluator Conference session



1,377

views of Quick Convos

ANIMAL CARE



As the FARM Program's foundational pillar, Animal Care helps establish and maintain the highest level of science-based animal welfare for the U.S. dairy industry. The FARM Animal Care Program covers 99% of the milk supply. FARM Animal Care Version 4 went into effect January 1, 2020 and will run through December 31, 2023 to allow time to conduct the evaluations put on hold due to COVID.

The FARM Animal Care governance structure was updated in 2020. The former Technical Writing Group will now be referred to as the Animal Care Task Force and once approved by the NMPF Animal Health and Well-Being Committee, will welcome five new members. Industry stakeholders were given the opportunity to nominate new members for this task force.

Also, through collaboration with the Innovation Center, staff updated the Innovation Center Animal Care Committee structure and members. This update was to allow for dairy supply chain insights related to animal care to be shared and bolster alignment around the industry's vision for excellent animal care.

The FARM Program also partnered with the National Cattlemen's Beef Association/Beef Quality Assurance, the Veal Quality Assurance Program, and the Dairy Calf and Heifer Association to align, develop and disseminate a calf care training and education platform, and in 2020, developed a working group. This group consists of three individuals representing each involved industry sector with appropriate geographic diversity and one staff member from each partner organization.



CALF CARE & QUALITY ASSURANCE



DCHA DAIRY CALF & HEIFER ASSOCIATION

Willful Mistreatment or Neglect Protocol

In a situation where credible evidence or allegations of willful mistreatment or neglect of animals is reported to the FARM Program, a thorough review of the allegation is completed by an ad hoc FARM committee. **Despite limited in-person contact and COVID restrictions, the willful mistreatment protocol was still initiated when necessary through 2020.** In situations where evidence is deemed credible, a third-party audit of the alleged animal care issues at the farm is conducted to determine the validity of the evidence or allegations. In any willful mistreatment investigation, the hope is that the allegations or evidence are proven to be untrue.

If evidence or allegations are verified through the audit, the protocol requires the farm to take mandatory corrective action steps before FARM will return the farm to good standing and full certification in the program. Corrective action steps are verified through a follow-up audit. Only after successful completion and verification that the corrective action steps have been implemented is the farm reinstated to good standing with the FARM Program.

For program support or technical assistance, please contact the FARM Program:

Program Support

dairyfarm@nmpf.org
888-567-COWS

Technical Support

farmtechsupport@nmpf.org
833-492-7979



FIRST ANIMAL CARE PROGRAM TO HAVE TWO VERSIONS ISO-APPROVED

Earlier in the year, the U.S. Department of Agriculture (USDA) Agricultural Marketing Service again approved the FARM Animal Care Program's animal welfare standards, determining that Version 4 meets the International Organization for Standardization (ISO) Technical Specification requirements. **FARM is the first animal care program in the world to have its standards verified through this stringent process twice.**

The ISO standard assessment determines whether animal welfare programs meet international standards for animal care as set by the World Organization for Animal Health.

FARM ANIMAL CARE IN 2020

BY THE NUMBERS

Version 4 standards began January 1, 2020 and remain in effect through December 31, 2023. The summary below contains data collected from the 2,674 facility evaluations conducted in 2020.



66%

of facilities had a valid, signed veterinarian-client-patient-relationship (VCPR)



84%

of facilities met the stockmanship training requirement

CONTINUOUS IMPROVEMENT PLANS

0.02

Avg. CIPs
created per facility

Complete permanent treatment records, the most frequent CIP, accounted for 17% of all CIPs

Unmet standards frequently triggering CIPs:

- Permanent treatment records
- Broken tail benchmark for lactating cows
- Pain mitigation use for disbudding and inclusion in protocol
- Euthanasia continuing education for family employees

MANDATORY CORRECTIVE ACTION PLANS

1.58

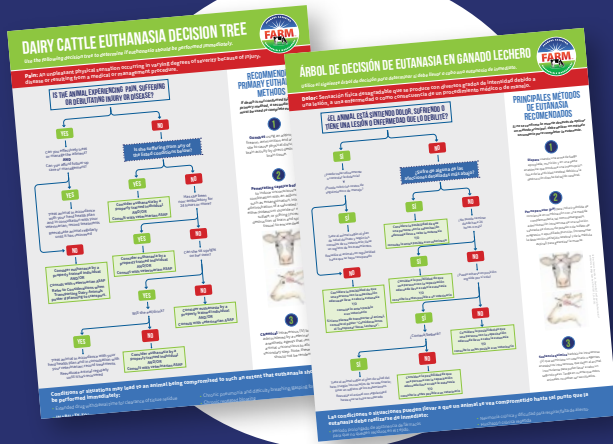
Avg. MCAPs
created per facility

Unmet standards frequently triggering MCAPs:

- Written herd health plan annually reviewed by Veterinarian of Record
- Signed annual VCPR
- Stockmanship continuing education for family employees
- Signed cow care agreement by non-family employees
- Pre-weaned calf management continuing education for non-family employees



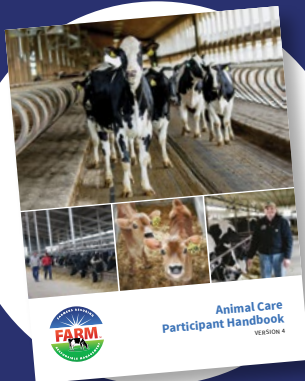
NEW RESOURCES



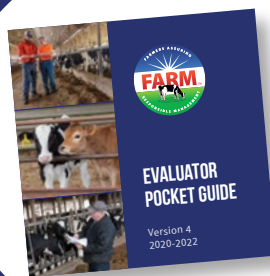
Euthanasia Decision Tree
English | Spanish



Animal Care Reference Manual
Version 4



Participant
Handbook



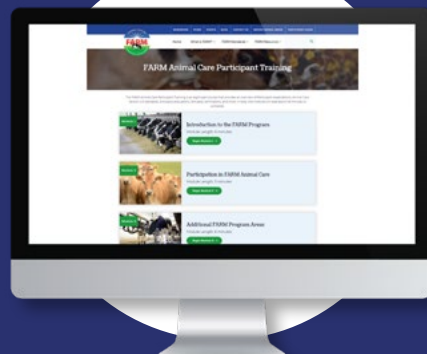
Evaluator Scoring
Pocket Guide



Body Condition
Score Guide



I Care - A Mi Si Me Importa Video
Produced in partnership with Elanco and Zoetis



Participant Modules

ANTIBIOTIC STEWARDSHIP



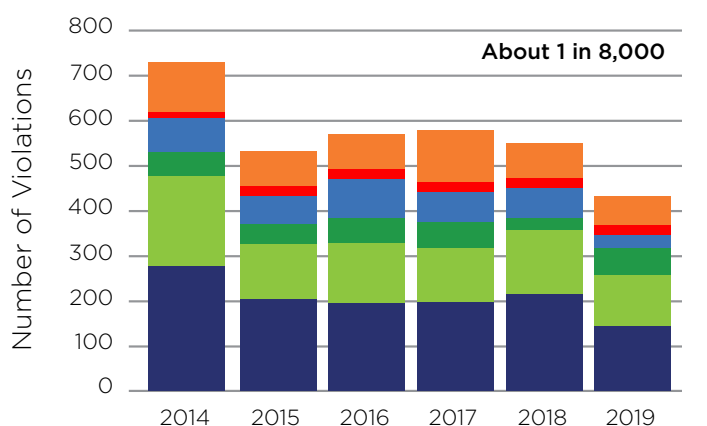
In 2020, NMPF and FARM reinvigorated the Antibiotic Stewardship Task Force comprised of animal scientists, veterinarians and animal health professionals with the goal of advancing judicious and responsible antibiotic use in dairy cattle — an important part of the FARM Program.

The FARM Drug Residue and Prevention Manual is the primary educational tool for dairy farmers on the judicious and responsible use of antibiotics, including avoidance of drug residues in milk and meat. The 2020 manual provides an updated list of approved drugs and screening tests under the FARM Program. It covers drug administration, residue prevention and best practices, record keeping and residue testing.

The FARM Program requires farmers maintain a valid and active Veterinarian-Client-Patient Relationship (VCPR), through which a veterinarian can consult on the development of treatment and record keeping protocols to address proper antibiotic use.

Tissue (Meat) Residue Testing

Each year, about 3.25 million adult dairy cows are slaughtered for beef. Of that amount, a very small percentage tests positive for antibiotic residue. USDA Food Safety Inspection Service (FSIS) has reported a 45 percent decline in the number of tissue residues in market dairy cows since 2014, however, this represents 68 percent of all violations reported under the USDA FSIS inspector-generating sampling plan.



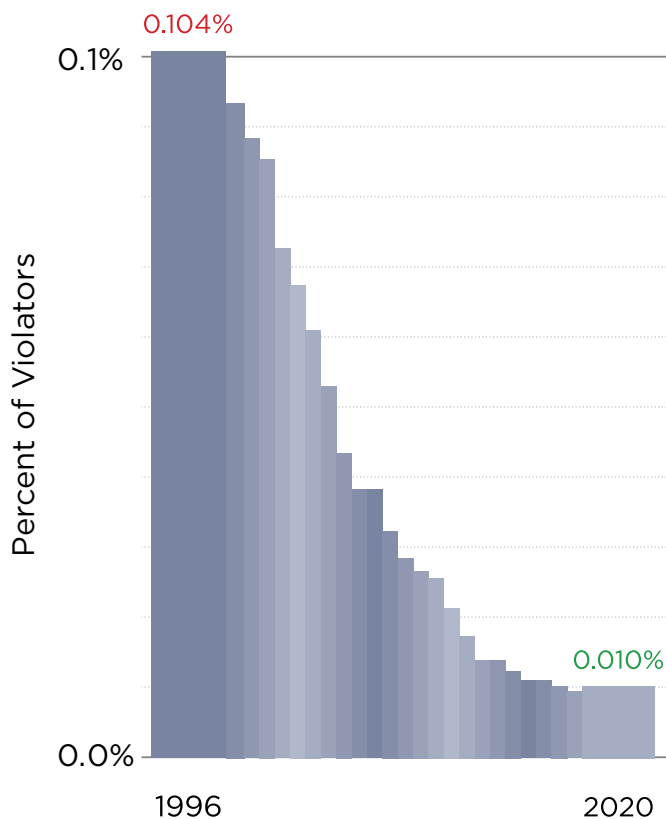
Dairy Cull Cow
Tissue Residue
Violations



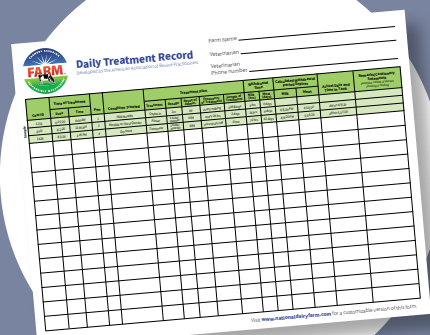
Milk Tanker Truck Residue Violations

Only 1 out of 10,400 milk tankers tested positive for antibiotic residues last year, according to the 2020 National Milk Drug Residue Database.

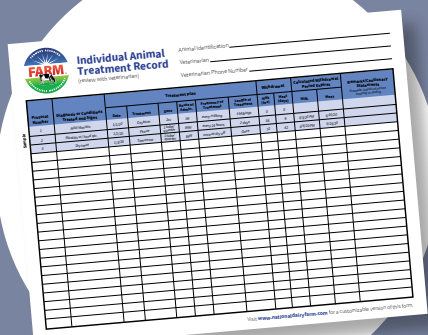
This data illustrates the continued long-term national pattern of industry improvements in milk quality practices. The full report is available from the National Milk Drug Residue Database (NMDRD).



NEW RESOURCES



Updated Daily
Treatment Record &
Customizable Excel Files



Updated Individual Animal
Treatment Record &
Customizable Excel Files



2020 Drug Residue
Prevention Manual &
Pocket Guide

WORKFORCE DEVELOPMENT



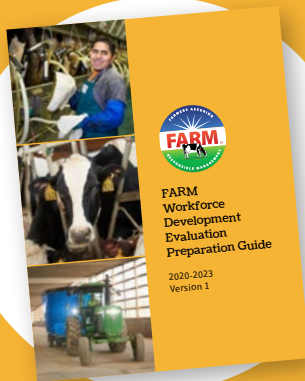
Dairy farm families and their employees work year-round to provide excellent cow care and produce wholesomemilk. The FARM Workforce Development Program equips dairy owners and managers with tools to enhance their safe and thriving work environments. In 2020, with approval from the NMPF Board

of Directors, FARM released Version 1 of the FARM Workforce Development evaluation after a pilot and public comment period.

This voluntary evaluation focuses on human resources and safety best practices and was developed in collaboration with the FARM Workforce Development Task Force. The evaluation provides important assurances to the supply chain and helps farmers identify what will be most useful to implement within their operation and track improvement over time.



NEW RESOURCES



Workforce Development
Evaluation Preparation Guide



Nationwide Labor
Survey Report



Updated State Legal
Fact Sheets

LABOR SURVEY RESULTS

The FARM Program commissioned a nationwide survey to better understand current labor trends and practices on U.S. dairies. The survey was conducted by the Center for North American Studies (CNAS), part of Texas A&M University.



40%

of dairy farms hire non-family workers. There are **over 129,000** non-family employees on dairy farms across the country.



Dairies offer a wide variety of non-wage benefits, such as paid vacation leave, housing and incentive pay.



Dairy farms provide **13 hours of training** per year on average, covering a breadth of content including general orientation, safety and job-specific technical skills.



Accurate pay is a priority. For example, **83% of dairy employees** work on a farm that uses electronic time tracking.



About half of surveyed dairy farms take steps to build a sense of community by holding social events, providing recreation facilities, letting employees know about local events, etc.

ENVIRONMENTAL STEWARDSHIP



The FARM Environmental Stewardship Program provides tools and resources for dairy farmers to measure and improve their environmental footprint. With each Environmental Stewardship evaluation, farmers, cooperatives and processors can assess change over time, identify areas of operational improvement and report progress to their customers. In fact, cooperatives and processors representing 78% of the U.S. milk supply participate in FARM Environmental Stewardship. Since the program started, there have been more than 1,700 evaluations conducted on over 1,400 farms.

In 2020, FARM released Version 2 of the Environmental Stewardship Program containing important scientific updates and new data inputs including updated crop emissions factors, a breakdown of greenhouse gas emissions by gas type, a metric on the use of nutrient management plans, and the ability to capture the benefits of solid-liquid separation, and solar and wind energy.

FARM also released an online training for second-party evaluators. This self-paced training program promotes consistent program implementation and equips evaluators with the knowledge they need to be successful.

Strategic planning

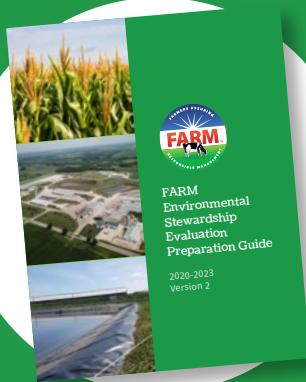
FARM Environmental Stewardship initiated a strategic planning process in 2020 to develop short-term and long-term goals and objectives, with a goal of releasing the plan in 2021. Through continued evolution and improvements, the Environmental Stewardship Program can stay at the cutting edge of scientific findings, tell dairy farmers' holistic environmental stories and meet the growing need for supply chain assurances. The process will promote continued alignment with the industry-wide 2050 Environmental Stewardship Goals and the Net Zero Initiative.

2050 Environmental Stewardship Goals

According to a life cycle assessment for fluid milk commissioned in 2007, U.S. dairy contributes only 2% of all U.S. greenhouse gas emissions. Coupled with a rigorous and third-party reviewed materiality assessment, the industry prioritized the most pressing areas of environmental sustainability as the foundation for the 2050 goals:

- 1 Become carbon neutral or better
- 2 Optimize water use while maximizing recycling
- 3 Improve water quality by optimizing utilization of manure and nutrients

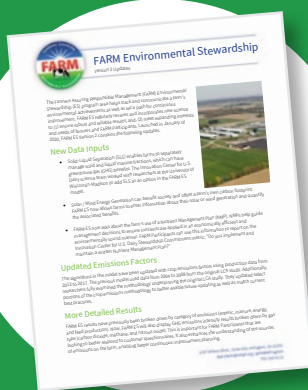
NEW RESOURCES



Environmental Stewardship
Evaluation Preparation Guide



Environmental Stewardship
Version 2 User Guide



FARM Environmental Stewardship
Version 2 Fact Sheet



Data Collection Sheet

CUSTOMER OUTREACH

Throughout 2020, the Innovation Center for U.S. Dairy customer outreach team and National Dairy FARM Program staff continued to focus on education, engagement and increased support for U.S. dairy initiatives, including the cornerstone of dairy's social responsibility efforts, the National Dairy FARM Program, with key customers. Undoubtedly, it was an unprecedented year, disrupted by a massive and ongoing global pandemic, which shifted customer outreach work and priorities. In-person events were no longer an option to connect with customers.

Reflecting on customer support this past year, among the industry's nearly top 40 customer targets, 78% publicly support the FARM Animal Care Program (19% unknown level of support). And there is growing strength in customer support of the FARM Environmental Stewardship and Workforce Development Programs.

Ongoing customer engagement opportunities in 2020 included:

- Virtual customer seminar with two farm tours
- Customer support webinars on animal care, worker care and dairy 101/industry basics
- Establishment of a new restaurant and food retail working group under the Dairy Sustainability Alliance®
- FARM Environmental Stewardship Program customer input session
- Quarterly calls with key dairy customers
- Increased customer support of dairy industry initiatives

Although on-farm efforts to enhance and grow program support in FARM Environmental Stewardship and FARM Workforce Development were stunted due to the pandemic, customers continue to bring up these two key areas as a top priority.



THE FARM MISSION

To aid dairy farmers and cooperatives/processors in assuring consumers and customers that dairy farmers manage their animals, workforce and land in a responsible manner through science-driven methods and a commitment to continuous improvement.

NEW PARTNERS CONTRIBUTE TO FARM'S GROWTH

In 2020, FARM Animal Care and Workforce Development welcomed Agricultural Communications & Epidemiological Research (ACER) Consulting as an evaluator training facilitator vendor. ACER brings a wealth of dairy science and technical on-farm knowledge with the ability to lead learning opportunities which ensure competency and consistency of FARM's standards and program administration. During this year of uncertainty, ACER was able to adapt and create a successful virtual learning environment.

NewInsights, a Colorado-based technology company, also partnered with FARM. They took over the maintenance and development of FARM's technology suite, including the FARM Program database and evaluations application. As a company combining best-in-class technology with a passion for dairy, NewInsights is driving development of refined, easier to use applications tailored to the needs of our end users—evaluators, processors and cooperatives, and dairy farmers.



LEARN MORE

Anyone with questions about the National Dairy FARM Program are encouraged to contact their participating FARM Program organization or FARM Program staff at dairyfarm@nmpf.org.



JOIN US!

Dairy cooperatives, processors, marketers and individual farms interested in participating in a National Dairy FARM program area can connect with us at dairyfarm@nmpf.org.



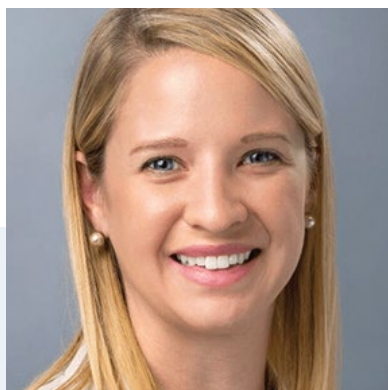
RESOURCES

Visit nationaldairyfarm.com to find on-farm templates, Animal Care Program evaluation preparation materials, Environmental Stewardship user guides and human resources and worker safety documents, along with additional resources.

#FARMPROUD



MEET THE TEAM



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2020 PARTICIPATING ORGANIZATIONS

Thank you to the many cooperatives and processors that participate in the FARM Animal Care and Environmental Stewardship Programs! Participants as of January 1, 2021.

ANIMAL CARE PARTICIPANTS

Ag Oasis
Agri-Mark
Agropur Cooperative — USA
Albertson's
Associated Milk Producers, Inc.
Appalachian Dairy Farmers Cooperative
Arla Foods
Baker Cheese Factory, Inc.
Beecher's Handmade Cheese
BelGioioso Cheese, Inc.
Bongards Creameries
Boonville Farms Cooperative, Inc.
Borden Dairy Company
Brewster Cheese Company
Burnett Dairy Cooperative
Byrne Dairy, Inc.
California Dairies, Inc.
Cascade Cheese Company
Cayuga Marketing
Cedar Valley Cheese, Inc.
Central Equity Milk Cooperative
Chalet Cheese Co-op
Chula Vista Cheese Company
Clarco Farmers Co-op
Clover Farms
Cloverland Farms Dairy
Cobblestone Milk Cooperative
Conagra Brands
Cooperative Milk Producers Association
Danone
Dairy Farmers of America
Eau Galle Cheese Factory, Inc.
Elba Cooperative Creamery
Ellsworth Cooperative Creamery
Erie Cooperative Association, Inc.
FarmFirst Dairy Cooperative
Farmers Cheese Cooperative Association
Farmers Union Milk Producers Association
Finger Lakes Milk Cooperative
First District Association
Foremost Farms USA
Foster Farms
Galliker Dairy Company

Glanbia Foods, Inc.
Gossner Foods, Inc.
Grande Cheese Company
Grant Farmers' Cooperative
Grassland Dairy Products, Inc.
Great Lakes Milk Producers
Guggisberg Cheese, Inc.
High Desert Milk
Hilmar Cheese Company, Inc.
Holland Patent Farmers Co-op
Hood
Homestead Creamery, Inc.
Idaho Milk Products
Innovative Food Solutions (Gibby Group)
Jefferson Bulk Milk Co-op, Inc.
Joseph Gallo Farms
Kalona Farms
Klondike Cheese Company
Lactalis American Group, Inc.
Lafayette Dairies
LaGrander's Hillside Dairy, Inc.
Lake Country Dairy
Lanco-Pennland Quality Milk Producers
Land O'Lakes, Inc.
Leprino Foods Company
Liberty Milk Producers Cooperative, Inc.
Lone Star Milk Producers
Lowville Producers Dairy Cooperative
Lynn Dairy, Inc.
Magic Valley Quality Milk Producers
Maryland & Virginia Milk Producers
Cooperative Association, Inc.
Michigan Milk Producers Association
Middlebury Cooperative Milk Producers
Midwest Dairymen's Company
Minerva Dairy, Inc.
Mohawk Valley Cooperative, Inc.
Mullins Cheese, Inc.
Nasonville Dairy
National All-Jersey, Inc.
National Farmers Organization (NFO)
Nestle USA
Northwest Dairy Association

Oak Grove Dairy, Inc.
Oneida Madison Milk Producers Co-op
Organic Valley
Organic West Milk, Inc.
Pacific Gold Milk Producers
Pioneer Milk Producers Cooperative
Plainview Milk Products Cooperative
Prairie Farms Dairy, Inc.
Preble Milk Co-op Assn., Inc.
Producer's Cooperative, Inc.
Queensboro Farm Products, Inc.
Rockview Family Farms
Rolling Hills Dairy Producers Cooperative
Rutter's Dairy
Saputo
Sartori Company
Scenic Central Milk Producers Cooperative
Schneider's Dairy, Inc.
Select Milk Producers, Inc.
SmithFoods, Inc.
Snake River Dairymen's Association
Southeast Milk, Inc.
Steamburg Milk Producers Cooperative
Stewart's Processing Corporation
Stonyfield Organic, Inc.
Superior Dairy, Inc.
Tillamook County Creamery
Toft Dairy
Turner Dairy Farms
United Dairy, Inc.
United Dairymen of Arizona
Upstate Niagara Cooperative, Inc.
Utah Dairy Farms Cooperative
Valley Milk, LLC
Valley Queen Cheese Factory, Inc.
Walmart
Wapsie Valley Creamery, Inc.
Wells Enterprises, Inc. (Blue Bunny)
Westby Cooperative Creamery
Weyauwega Star Dairy
White Eagle Cooperative
Widmer's Cheese Cellars
Wisconsin Dairy State Cheese Company
Zimmerman Cheese, Inc.

ENVIRONMENTAL STEWARDSHIP PARTICIPANTS

Agri-Mark
Associated Milk Producers, Inc.
California Dairies, Inc.
Cayuga Marketing
Cloverland Farms Dairy
Cobblestone Milk Cooperative
Dairy Farmers of America
Elba Cooperative Creamery
Ellsworth Cooperative Creamery
First District Association
Foremost Farms USA
Glanbia Foods, Inc.
Grande Cheese Company

Grassland Dairy Products, Inc.
Great Lakes Milk Producers
Hilmar Cheese Company, Inc.
Holland Patent Farmers Co-op
Idaho Milk Products
Land O'Lakes, Inc.
Lone Star Milk Producers
Maryland & Virginia Milk Producers
Cooperative Association, Inc.
Michigan Milk Producers Association
Mullins Cheese, Inc.
National All-Jersey, Inc.
Northwest Dairy Association

Prairie Farms Dairy, Inc.
Saputo
Satori Company
Select Milk Producers, Inc.
Southeast Milk, Inc.
Tillamook County Creamery
United Dairy, Inc.
United Dairymen of Arizona
Upstate Niagara Cooperative, Inc.
Valley Queen Cheese Factory, Inc.
Walmart
Wapsie Valley Creamery, Inc.