



THE BELLINGHAM HERALD

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Whatcom County milk an international hit

WHATCOM FARM FRIENDS - THE BELLINGHAM HERALD

With our climate, soils, cows and farmers, we have a perfect environment for producing milk. Depending on the year, Whatcom County has had the highest average milk production per cow in the United States, thanks to the superb job done by our cows and farmers.

Most of our milk is marketed through Darigold, a farmer-owned, Northwest cooperative. In addition, we also have farmers such as Twin Brook, Edaleen, Jackie's Jerseys, Breckenridge Farms and Fresh Breeze that direct market and thereby capture more value for the milk they produce. And we also have three organic producers such as Fresh Breeze who receive premium prices for their milk marketed through - for example - Organic Valley.

In this column we want to briefly feature the importance of global connections in sustaining Whatcom County dairymen. With population increasing, albeit at a slowing rate, significant increases in incomes and the corresponding rise in disposable incomes around the world, world consumption of dairy products has significantly increased. Consequently, substantial international market opportunities are growing for dairy products. Our local dairy producers are just one part of the larger U.S. dairy industry. Nevertheless, the expanding global market broadens the customer base for our producers through their farmer-owned cooperative: Darigold. New Zealand still dominates the world export markets for dairy products, but we've shown we can compete with the Kiwis.

In 2010, our farmers produced about 1 billion pounds of milk. Much of that milk was processed at the Lynden powder plant and almost all was exported. In 2010, we accounted for around 12 percent of all U.S. powder exports - not an insignificant amount. Because of its particular, intensive management practices, the Lynden powder plant is known in international markets for its low scorching, which helps maintain the competitiveness of our milk.

In southeast Asia, for example, countries such as Malaysia, the Philippines and Indonesia are important destinations for the Whatcom County product. North Africa, Eastern Europe and Latin America are other important destinations for Darigold milk products. In southeast Asia, our customers are makers of infant formula, local dairy companies, bakeries and confectioneries. In 2010, exports accounted for on the order of \$140 million to \$145 million in sales at the farm gate.

International markets won't solve all of the problems facing dairymen in our county. Growing feed costs challenge profitability right now. For example, the price of corn is particularly problematic - the price in part driven up by an ill-conceived ethanol program that particularly accelerated prices since the signing of the Energy Policy Act of 2005.

Still, with so many people moving out of poverty around the world wanting to improve their diets, the international markets broaden and diversify the demand for our milk, contributing to sustaining agriculture in Whatcom County and keeping our farmers farming. We are proud of the role of our dairy producers in meeting world food needs.

This column was a joint effort of the Whatcom Farm Friends' Board of Directors. The group's columns appear regularly in The Bellingham Herald. Visit their online site at wcfarmfriends.com.

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