

## Danone/Horizon Task Force

### Meeting notes

August 27, 2021

Secretary Tebbetts welcomed task force members and stated that we all need to work together to find options for the farms impacted by the decision of Danone Horizon to cease working with Vermont Farmers in August 2022. This is a difficult situation and thanked everyone for being willing to assist the farmers.

Diane Bothfeld from the Agency of Agriculture will lead the task force as requested by Secretary Tebbetts. The goal of the task force is to get as many options together for the farms impacted as possible. Each option will be reviewed and clarified to make sure it is a valid option and provided to farmers with a specific contact information. The farmers will then need to make the contact and determine if the option works. The Farm and Forest Viability program is willing to work with farmers to determine which options work best for individual farms.

The task force will have 5 working groups:

1. Farmers – information, communication, outreach and assistance
2. Processors- check with processors for willingness to process additional milk and organic milk, assistance for the willing to move forward, equipment, facility, marketing and connection to farmers
3. Funding – farmer and processor funds – grants, loans, foundations, lenders
4. Organic Standards – address concerns with organic standards that create differences across the nation
5. Regional Coordination and Activities – the Danone/Horizon pull out impacts New York, New Hampshire, Vermont and Maine. Many organizations have contact in each state. Keep organized and collaborate as possible.

The situation was reviewed:

28 dairy farms in Vermont impacted, one has ceased operation in August. Of the 27 remaining farms, 7 are independent and the remainder are associated with cooperatives.

Agency of Agriculture met with Danone/Horizon representatives regarding this decision. The reason for the decision was stated as distance to processing facilities that are located near Buffalo, NY and Virginia. Danone/Horizon is willing to discuss further if processing capacity is found in the New England States and if a solution for these farms has been found but is not quite ready by August 31, 2022 – possibly extending a month or two if needed. Further discussion would be needed and there are no specific options to discuss at this time with Danone Horizon.

Two specific questions were asked during the Danone/Horizon call:

1. If a farm has a contract starting June 1, 2021 through May 31, 2022 will that contract be honored. Yes, but the contract would end on May 31, 2022 with no extension. If a farm wants to have a market through August 31, 2022, then the farm should consider the new contract.
2. Does the pay program include a winter premium and a quality program? Yes, but the information sent to farmers did not include the proper cover page. Farmers should call Danone/Horizon and request the updated cover page that includes information on the winter premium and quality program.

Max Dawes at (614) 940 4687 or [maxwell.dawes@danone.com](mailto:maxwell.dawes@danone.com)

OR

Greg Wolf at (330) 289-2724 or [Gregory.WOLF@danone.com](mailto:Gregory.WOLF@danone.com)

Action items from meeting:

1. Resource list for farmers – put all information in one place to assist farmers.
  - a. Work group - Liz Gleason - [egleason@vhcb.org](mailto:egleason@vhcb.org); Tony Kitsos - [tony.kitsos@uvm.edu](mailto:tony.kitsos@uvm.edu) ; and Laura Ginsburg – [Laura.Ginsburg@vermont.gov](mailto:Laura.Ginsburg@vermont.gov)
  - b. Items to include
    - i. Farm Viability, Ag Mediation, Farm First, Stonyfield contact, Organic Valley contact, Danone/Horizon contacts for missing information from contract and possibly- VT Law School
2. Develop a list of questions for the farmers on the following: milk volume, component levels, quality, farm type, grass based, feeding management etc. Group will work on the questions and collect data from farmers. Need farmer permission to make data available to others. Data used to assist POTENTIAL processors interested to know about the farm and milk.
  - a. Work Group - Jen Miller - [jen@nofavt.org](mailto:jen@nofavt.org); Liz Gleason - [egleason@vhcb.org](mailto:egleason@vhcb.org) ; Jackie Folsom - [crkdbks@aol.com](mailto:crkdbks@aol.com) ; Mike Thresher - [mike@morrisonfeeds.com](mailto:mike@morrisonfeeds.com)
3. Processor Survey – Agency of Ag outreach to processors in VT with list of questions about expansion of processing.
  - a. Working group – E.B. Flory – [Elizabeth.Flory@vermont.gov](mailto:Elizabeth.Flory@vermont.gov) ; Britt Lundgren - [britt.lundgren@stonyfield.com](mailto:britt.lundgren@stonyfield.com) ; Marty Mundy - [marty@vtcheese.com](mailto:marty@vtcheese.com) ; Jason Johnson - [jason.johnson@us.lactalis.com](mailto:jason.johnson@us.lactalis.com) ; Liz Gleason - [egleason@vhcb.org](mailto:egleason@vhcb.org)
  - b. Marty has done some of this work with Cheese Council members and has a list of questions to share.
4. Organic Standards – Group to continue working on Organic Standard issues
  - a. Working Group – Mike Thresher - [mike@morrisonfeeds.com](mailto:mike@morrisonfeeds.com); Nicole Dehne- [nicole@nofavt.org](mailto:nicole@nofavt.org) ; Tom Berry - [tom\\_berry@leahy.senate.gov](mailto:tom_berry@leahy.senate.gov) : Ryan McLaren - [ryan.mclaren@mail.house.gov](mailto:ryan.mclaren@mail.house.gov) ; and Britt Lundgren - [britt.lundgren@stonyfield.com](mailto:britt.lundgren@stonyfield.com)

Agri-Mark and DFA will reach out directly to Danone/Horizon farms that kept membership with those cooperatives on the conventional milk option.

Agency of Agriculture will look into concerns with hauling availability in Vermont which is impacting all dairy buyers. Trucking of all kinds is an issue at the national level.

Regional Coordination and Funding working groups will be seated at future meetings.