

Lie & Deny: NMPF's 'MPCs in Fluid Milk' Role

by Pete Hardin

The organization claiming to be the “voice of America’s dairy farmers” wants to include Milk Protein Concentrate (MPC) in Class I (fluid) milk through USDA’s federal milk order pricing program!

National Milk Producers Federation (NMPF) and its member co-ops propose to “garbage” fluid milk products by including MPCs in beverage milk. How can any organizations and leaders claiming to represent dairy farmers’ interests want MPCs in fluid milk???

NMPF’s credibility among dairy farmers could go into the sub-basement of the outhouse as more dairy farmers learn that their co-ops (through NMPF) supported a proposal to legalize MPCs in Class I (fluid) milk products at a national USDA milk order hearing in Pittsburgh on June 20-23, 2005.

(USDA is currently mulling hearing testimony and post-hearing briefs. No predictions as to when USDA will issue recommended decision.)

Most MPCs used in U.S. dairy and food processing are imported, sometimes from nations (India, Poland, Brazil, etc.) that have lower dairy sanitation standards than what federal agencies require of U.S. dairy farmers and milk plants. NMPF’s proposal ignores the fact that MPCs come from nations with problems such as radioactive contamination, and diseases such as Foot and Mouth Disease and Bubonic Plague! Where’s “Mr. Yuk” when you need him?

MPCs are not legal under the federal Food and Drug Administration’s “Generally Recognized As Safe” (GRAS) rules. MPCs have not been subjected to mandatory GRAS safety testing. Further, using MPCs in Class I (fluid) milk under USDA’s milk order program would ignore Pure Milk Ordinance Grade A dairy sanitation rules. Virtually no foreign nations shipping MPCs to the U.S. have their dairy farms, milk trucks and dairy plants qualify as Grade A.

Lie & Deny! Lie & Deny!! Lie & Deny!!!

Typical of the distortions emanating from NMPF co-ops is single page issued September 26 by Michigan Milk Producers Association staff, following questions from members about that co-op’s position on the MPCs in fluid milk proposal. MMPA informed its members:

“National Milk Producers does NOT support the expanded use of imported or domestic milk protein concentrates (MPC’s) in milk, and we do NOT support changing the government’s standards of identity for milk that restrict what goes in the bottle.”

WRONG! Numerous documents reveal the truth: NMPF AND ITS MEMBER CO-OPS DO PROPOSE ALLOWING MPCs IN FLUID MILK IN THE FEDERAL ORDER PRICING SYSTEM.

Proof of NMPF’s support for including MPCs in fluid milk is found in federal order testimony, cross-examination of witnesses at that hearing, internal NMPF documents, and post-hearing briefs submitted by NMPF and Dairy Farmers of America (DFA — NMPF’s biggest member co-op). Here’s the history:

• **At the request of several parties**, USDA held the national hearing in Pittsburgh in late June of this year. Adverse publicity helped embarrass one farmer co-op (Upstate Milk Co-ops, based in western New York) to drop its specific proposal mentioning MPCs in fluid milk. DFA dropped its own proposal during the hearing. Both co-ops shifted to backing NMPF’s proposal.

• **What did NMPF want?** Roger Cryan of NMPF’s staff testified supporting so-called “Proposal 7,” which sought, in part, to:

“Replace the 6.5% nonfat solids minimum with a 2.25% protein minimum.”

Basically, NMPF proposes widening the definition of dairy proteins to include MPCs, and lower the threshold for including milk-based beverages as Class I from the current minimum of 6.5% nonfat solids to a 2.25% dairy protein standard. Virtually *any* dairy proteins could be included under NMPF’s proposal ... domestic or imported. During the hearing, Cryan never specifically mentioned MPCs—just dairy proteins.

To achieve that goal, NMPF proposed changing USDA’s definition of milk under the federal milk order program to the following:

“Class I milk shall be all skim milk (**including the skim milk-equivalent of protein derived from milk, where the proportions of skim milk solids have been modified (including the skim milk-equivalent of protein derived from milk, where the proportions of skim milk solids have been modified)**) and butterfat, **except whey and whey solids;**”

Cryan’s testimony at the Pittsburgh hearing was so weak that he was basically invited to depart the witness stand by the presiding administrative judge.

• **But just after the hearing**, in a June 25, 2005 e-mail communication to John Bunting (writer/researcher for *The Milkweed*), NMPF’s Roger Cryan wrote:

“As I said in testimony, what we are proposing is essentially a reform of the accounting of Class I. Protein is the basis for value of skim milk. **And counting MPC’s and such stops processors from getting a price break when they use them in fluid beverages.**” (Emphasis added.)

(Cryan’s e-mail asked Bunting to “Please treat the following as a background explanation of my testimony:” Background? *The Milkweed* believes such duplicity should be widely exposed!)

Any doubt that NMPF supports using MPCs in Class I milk?

• **DFA’s hearing witness admitted use of MPCs in Class I.** Elvin Hollon, DFA’s director of fluid marketing and analysis, testified at the order hearing in Pittsburgh. Hollon’s testimony did not specifically mention MPCs as proteins to be used in Class I milk. But under cross-examination, Hollon spilled the beans.

Antoinette Carter of USDA asked the following question of Hollon: “... if

I run down a list, could you say yes or no if those are the type of ingredients?” To which Hollon replied, “Yes.”

The first item on Ms. Carter’s list was “Milk Protein Concentrate?”

Hollon answered, “Yes.”

Any doubt that DFA supports using MPCs in Class I milk?

• **DFA’s post hearing brief: “MPCs should be included.”** Marvin Beshore, an attorney representing DFA, filed a post-hearing brief with USDA on September 6, 2005. Beshore’s post-hearing brief stated, in part:

“All dairy ingredients, including whey, casein, **milk protein concentrate, and all derivatives of MPCs should be included** in determining whether there are sufficient ingredients to qualify as a fluid milk product.” (Emphasis added.)

Any doubt about where DFA stands on including MPCs in fluid milk???

• **NMPF post-hearing brief belittled opponents’ viewpoints.** NMPF’s post-hearing brief, which was received by USDA on September 6, 2005, denigrated opponents’ charges about MPCs in fluid milk. On page 3 of the post-hearing brief, NMPF noted that, “... several witnesses had objected to milk protein concentrates (MPCs) being considered ‘dairy ingredients’ in fluid milk products.”

NMPF claimed that opponents misunderstood the nature of the hearing and incorrectly believed that federal order language could prevent use of MPCs in fluid milk. Here’s what NMPF’s post-hearing brief specifically says about MPCs in Class I milk:

“NMPF does, however, sympathize with the frustration expressed by these witnesses with cheap dairy ingredients taking Class I revenue from fluid milk suppliers in Federal Order markets. However, this legitimate frustration is best addressed by **including MPCs as dairy ingredients in Class I accounting methods**, and by assessing an appropriate upcharge from Class IV to Class I.”

Any doubt that NMPF supports MPCs in Class I (fluid) milk products???

Conclusion: NMPF’s “Lie & Deny” tactics exposed!

NMPF, the so-called “voice of America’s dairy farmers,” and the co-ops belonging to NMPF, are dangerously proposing inclusion of MPCs (and anything else that came from a cow’s udder, anywhere in the world) in Class I milk. MPCs are not legally considered a “safe” food ingredient under FDA’s GRAS rules. No source nations exporting MPCs to the U.S. qualify as Grade A under this nation’s Pure Milk Ordinance.

This proposal is so bad, that even Fonterra, New Zealand’s dairy monopoly that controls much MPC imported into the U.S., filed a post-hearing brief with USDA claiming that including MPCs (and other dairy proteins) in Class I pricing would be a detriment to the U.S. fluid milk industry. (See article below.)

Why does NMPF—the so-called “voice of America’s dairy farmers”—want to allow MPCs in fluid milk under USDA’s milk order program?

Fonterra (NZ), MIF Oppose Class I Pricing Changes

Question: How bad is the proposed change by National Milk Producers Federation to amend Class I (fluid) milk definitions in the federal orders to price dairy proteins (including MPCs) in beverages with a minimum of 2.25% dairy protein content?

Answer: The proposal is so bad that even Fonterra (New Zealand’s near-monopoly dairy co-op) and the Milk Industry Foundation (MIF—the U.S. fluid milk processors’ lobby) oppose the change.

Both Fonterra and MIF submitted post-hearing briefs to USDA after the June 2005 national federal milk order hearing in Pittsburgh. Both Fonterra and MIF come down against redefining fluid milk to include beverages low in dairy content as “milk” for Class I pricing purposes. Fonterra is the largest exporter of MPCs to the U.S. Here are select quotes from those two organizations’ post hearing briefs:

FONTERRA:

“Fonterra addresses only certain of the proposed amendments to this definition in this brief. In particular, we believe that two proposals offered and/or supported by DA and the National Milk Producers Federation (“NMFP”), and which were the subject of a large portion of the hearing testimony, **would significantly modify the fluid milk product definition to the detriment of the overall dairy industry.**” (Emphasis added.)

MILK INDUSTRY FOUNDATION:

From the time of the first petition to USDA requesting a hearing to consider changes to the fluid milk product definition MIF has taken the position that such a hearing was not necessary (“On September 19, 2003, MIF submitted comments to USDA indicating its opposition to holding a hearing based on the lack of data and analysis necessary to justify any change in the regulation. USDA extended the deadline for interested parties to submit comments on January 30, 2004. This time, the National Milk Producers Federation joined with MIF to file joint comments to USDA requesting that no hearing be held, citing the lack of information about the market for beverage products containing milk and other dairy-derived ingredients. Again USDA extended the deadline for submitting comments, this time to September 30, 2004, **and again National Milk Producers Federation joined with MIF to request that USDA not hold a hearing, noting that ‘initiating the formal rule-making process required to amend Federal Orders without further data and analysis may compromise the effectiveness of the resulting decision.’** (Yonkers transcript pages 879-880.)” (Emphasis added.)