



COACT organizes co-ops, groups to address improper exemptions for corporate dairies

Groups recommend proper protocol to Ag Commissioner

Since the Minnesota Corporate Farm Law was enacted in the early 70s to protect family farms, the definition of family farming has varied with increasingly different opinions.

The interpretations have reached the point that some corporate dairy operations have been improperly defined as family farms and allowed in the state by exemptions to the law granted by Minnesota Agriculture Commissioners.

A legal analysis by the Farm Legal Action Group (FLAG), upon COACT's request, found exemptions for particular corporate dairy operations to be improper because they (1) fail to qualify as family farms under the law's definition, and (2) they adversely impact family dairy farms through concentration and control of milk production by a few large producers.

Learning from COACT of these improper exemptions, dairy co-ops and other groups joined COACT last November in a letter recommending to current Agriculture Commissioner Dave Frederickson that proper protocol be followed in the granting of future exemptions.

Joining COACT in the recommendation are Elmdale and Sunrise Co-ops, Land Stewardship Project (LSP), and Sustainable Farming Association Central Chapter

At a January 28 meeting at Genola in Central Minnesota, these groups planned a meeting with the Commissioner on their recommendation based on their definition of family farming and the adverse economic impact of corporate control. The meeting will be held before spring planting.



Dairy co-op board members and LSP's Paul Sobocinski (right) at the January 28 planning meeting in Genola. Not pictured are other co-op board members, COACT Vice President Charlie Quick and Executive Director Don Pylkkanen.

Corporate displacement of family farms hurts the local economy

The upcoming meeting with the Agriculture Commissioner offers the opportunity for family farmers, main street business owners, and community leaders to assert what is needed to protect family farming as the base of the local economy and rural way of life.

Elmdale Co-op employs nine workers, said manager Amy Swanson at the January 28 meeting. Without local family dairy farms maintaining our co-op, Elmdale loses its biggest employer.



Elmdale Co-op, with 9 workers, is the biggest employer in town.

The adverse economic impact on communities by a few corporate entities controlling and concentrating production will be discussed with the Commissioner as a reason for proper protocol for granting future exemptions.

The farmers listed processors owning production as the biggest negative economic impact. Twenty to 30% of processor ownership of production negatively impacts farmers' price, they said; and 20% of production by one particular producer in an area cut off the other local dairy farmers from the market.

Also, benefits such as generous government subsidies, tax breaks, and large volume premiums that flow to the few large operations leave family farms at a greater financial disadvantage.

Such concentration of production by a few large operations hurts the local economy because they bypass main street businesses that depend on many smaller family farms staying in business. And family farms need the affordable prices and proximity of local suppliers, veterinarians, farm services, and implement dealers.

The inappropriate exemptions set a bad precedent for maintaining family farms and main street businesses. Therefore, the farmers concluded that family-farm-accountable protocol is needed for the granting of future exemptions.