

## **Dairy Farming Abroad!**

This past January I accompanied forty-nine freshman and sophomore students from Cornell University to Italy to guide them through agriculture in another country. The trip included ten days of visiting over fifteen production farming operations and eight processing facilities along with many historical sites. The goal of the trip for the students was to gain an understanding of both farming and the food system in Italy and then critically compare this to what we see in the United States. I will be writing a three-part series covering various aspects of this trip, in this installment I will cover what we saw for dairy farming practices and production. In the second installment I will cover what we observed for processing and marketing, and in the third installment I will cover the other agricultural industries we toured besides dairy.

While in Italy we covered from the Cremona Region all the way Rome touring dairy farms. The size of farms we saw were anywhere from 100 cow dairies to a dairy over a thousand cows both organic, called biologica, and conventional. On average, most of the farms were somewhere between 200-500 cows. This was particularly interesting to me because in the northeast that size range presents some challenges. There are those that would indicate that here, that dairy size you are “too big to be small and too small to be big.” This usually means that farms of that size cannot take advantage of economies of scale but are subject to higher levels of labor and regulation. Most of the farms we toured in Italy as well had participated in a biogas project, meaning that had a digester to produce energy on the farm site. This was very financially advantageous to farmers overall, and many had indicated that they were going to increase their project investment.

An interesting part of the dairy farming in Italy as well is that many send their milk to be made into Parmigiano-Reggiano Cheese. In order to do this, the farmers are not allowed to feed fermented feeds, so no silage or haylage. This means that cows diets are grass hay, grains, supplement, and grass in the summer. Although, in the Crema region, many farms did use fermented feeds. This is quite different than what we see in the northeast where most dairy farms are using fermented feeds readily. In addition, they can only milk two times a day and the milk must get to the plant within 6 hours after milking. From an industry or structural standpoint there were many differences between here and Italy. Unlike here, farmers do not usually belong to cooperatives that ship that then sell their milk to various processors based on (to some degree) day to day needs. Instead they will belong to a consortium related to the type of product that they will ultimately be making. In the case of Parmigiano-Reggiano, the farmers work with their processors directly and both work with the Parmigiano Reggiano consortium directly to determine milk produced, products made etc. This also meant that the consortium institutes a quota for farmers, meaning if they want to expand or produce more milk, they will have to purchase quota in units of 100 litres at 70 euro. Farmers seemed to be mixed on their appetite to expand and purchase more quota, some didn't see it as a hindrance or obstacle while others did.

Overall, a primary concern that farmers had was very similar to here was generational transfer. Some farms had a next generation but had done little to structure the actual transfer while others were concerned because they did not have a next generation. In Italy the birth rates have been low for years, meaning there are physically less people and then considering the smaller percentage in agriculture this is a concern. Italy remains a global agricultural player, in that they produce several higher quality products that are readily exported. It is important for them to be able to continue those businesses and

maintain that income. While dairy farms they have similar production and business challenges to the US, they have many differences in the processing and marketing that I will cover in my next installment.