DAIRYBUSINESS

Sustainability: Dairy's 'best of class'

U.S. Dairy Sustainability Awards winners announced

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Rosemont, Ill. — In a special award ceremony in Washington, D.C., the Innovation Center for U.S. Dairy® announced the winners of the inaugural U.S. Dairy Sustainability Awards, a program to recognize dairy farms, dairy companies and collaborative partnerships for efforts that advance the sustainability of the dairy industry.

"Across the supply chain, the dairy industry continues to demonstrate leadership in meeting consumer demand for great-tasting, wholesome and nutritious dairy products, while finding new ways to preserve our planet's precious resources," said Barbara O'Brien, president of the Innovation Center for U.S. Dairy, which was founded by dairy producers.

In its first year, the program has gained widespread support from key organizations, including Elanco, U.S. Dairy Export Council®, the Center for Advanced Energy Studies/Idaho National Laboratory, United States Department of Agriculture, World Wildlife Fund, MilkPEP and the Dairy Research Institute®.

Winners of the *Elanco* Award for **Outstanding Dairy Farm Sustainability:**

The Audet family and Blue Spruce Farms work hard to protect their natural surroundings as pioneers in operational efficiency. Nationally recognized as a model in sustainability, the dairy also serves as a destination for other farmers looking to learn how to reduce their environmental impact.

• **Blue Spruce Farm**, operated by the Audet family in Bridport, Vt., is admired as a pioneer in operational efficiency. When three Audet brothers – Eugene, Ernest and Earl – decided to partner with their parents, Norman and Mary Rose, in the dairy business, they envisioned a future focused on natural resources and the environment. As the largest employer in their town, they pictured a farm that would increase their labor and energy efficiency, provide the best in cow health and comfort and produce the highest quality milk.

Today, Blue Spruce's 1,480 cows produce over 30 million lbs. of milk each year. They also have 3,000 acres of crops. Two Cabot Cheese plants are owned by the Audets and other farm families. Blue Spruce Farm's top quality milk is used to make Cabot cheddar cheese.

It was one of the first farms in the country to install variable speed a vacuum pump control, reducing energy used during milking by nearly 60%. Blue Spruce also was the first dairy farm to participate in the successful Central Vermont Public Service's Cow Power™ program, which allows consumers to purchase renewable energy generated on a dairy farm. By implementing new technologies in lighting, milking, milk cooling, barn construction, ventilation and water heating, the farm reduced energy use from an average of 1,000 kWh per cow per year, to an average of 500 kWh per cow per year. These savings, in turn, reduced greenhouse gas emissions by an estimated 500 lbs. of CO2e per cow per year.

Sustainability is a cornerstone for Holsum Dairies, where long-term sustainability must benefit the environment, as well as the dairy and the community financially and socially.

• **For Holsum Dairies, LLC, of Hilbert, Wis.**, sustainability of the community and the natural environment were significant factors when they designed the dairy and planned the operations. The two dairies (Holsum-Irish and Holsum-Elm) each have about 4,000 cows. Holsum relies on a model of trust and mutual benefit in working with nearly 40 local crop farmers and custom harvesters to provide all of the dairy's forage needs. In this win-win relationship, benefits to the farm, the community and the environment include higher quality feed; 11,000 acres under a single nutrient management plan; lower cost and emissions associated with manufacturing and transport of

fertilizer; more efficient crop production; and more precise fertilizer application.

Andy and Jim Werkhoven use of a manure digester to power their farm, which also helps minimize the dairy's carbon footprint and keep the air and water clean.

• **A decade ago, Werkhoven Dairy, Inc., of Monroe, Wash.**, assumed a leadership role in developing a collaborative partnership between their farm and the neighboring dairy and beef producers of the Sno/Sky Ag Alliance; the Northwest Chinook Recovery (an organization working to restore salmon habitat); and the 3,500-member Native American Tulalip Tribe. Together, they focused on opportunities for resource conservation and formed Qualco Energy. Qualco — which means "where two rivers come together" in the language of the native peoples — is a nonprofit entity that collects manure from the cows and pre-consumer food waste from nearby companies and uses those materials to generate energy through a digester system. The system produces enough energy each day to power 300 homes, while keeping the air and water clean and protecting salmon streams. It also creates, enough Grade A compost for Werkhoven Dairy to naturally fertilize their fields and share with their neighbors.

Established in 1959 by Sam Werkhoven, Jim and Andy Werkhoven began managing the dairy in 1984. The dairy originally began with 20 cows and 40 acres. It has grown to 1,000 cows and 700 acres of owned and leased land.

Winner of the *U.S. Dairy Export Council* Award for **Outstanding Dairy Processing & Manufacturing Sustainability:**

Sustainability is central to how Darigold, Inc. does business, and the company strikes a balance between environmental and economic impacts through energy conservation and water and waste reduction.

• **Through a companywide commitment to sustainability, Darigold, Inc., in Seattle** has empowered its employees to work together to reduce use of water, fuel and energy, as well as waste. Darigold has reduced its water usage by more than 15%, equal to more than 130 million gallons. It recycles 50% of its waste, and has seen nearly a 50% improvement in fuel usage per unit, equal to more than 216,000 gallons of diesel fuel annually. They have completed more than 20 sustainability-driven packaging redesigns, reducing cost by more than $1 million and greatly reducing corrugated and plastic usage.

Company-wide engagement is crucial to Darigold's successes, along with growing an understanding of the complete sustainability journey. "Striving to become better is part of the Darigold culture," says President and CEO Jim Wegner.

Honorable mention of the *U.S. Dairy Export Council* Award for **Outstanding Dairy Processing & Manufacturing Sustainability:**

• **Oakhurst Dairy of Portland, Maine,** was one of the first companies in Maine to sign on to the governor's Carbon Challenge and has developed a sustainability roadmap with long-term reduction goals across all aspects of the operation. Over a two-year period (2008-10), Oakhurst reduced its plant energy, greenhouse gas emissions, water use and transportation fuel use by roughly 10 percent each — achieving half of its overall goal.

The Bennett family has made caring for the environment a core value of the Oakhurst Dairy for three generations. The company's commitment to "The Natural Goodness of Maine" is a part of every aspect of their business, including the Maine farmers that provide their milk, to the employees that run the dairy and the drivers that deliver their delicious milk, cream, cottage cheese and other products to customers around town. This family-owned dairy processor has installed a solar energy system to the use of hybrid delivery trucks and biodiesel fuel.

Winners of the *Center for Advanced Energy Studies/Idaho National Laboratory* Award for ***Outstanding Achievement in Energy*** are:

Through the use of an anaerobic digester and solar panels, the Brubaker family has created another revenue stream — they generated stronger profits selling electricity than they did selling milk in a recent year.
Click on image for larger view.

• **Brubaker Farms of Mount Joy, Pa.**, has mastered energy efficiency by creating a successful new revenue stream through the implementation of an anaerobic digester system. The farm now produces its own electricity, and the surplus electricity — enough to power approximately 200 homes — is sold to the local utility. The Brubaker family is committed to sharing its lessons learned by hosting busloads of visitors to tour the property, which includes three solar panels totaling 10,000 square feet producing an additional 130 to 150 kWh on sunny days.

Brubaker Farms, owned by Luke Brubaker and his sons Mike and Tony, is home to 950 cows producing 25 million lbss of milk per year. Other livestock include 750 head heifers and 250,000 broilers per year. They also grow 1,000 acres of corn, 300 acres of rye, 125 acres of hay, 200 acres of wheat and 400 acres of soybean. The Brubakers met with and learned from other farmers working with biogas, government agencies offering funding and guidance, local utilities buying renewable energy and local colleges looking to avoid putting food waste in landfills. The result: In a recent year, when the price paid to farmers for milk was especially low, Brubaker Farms made more money selling electricity than they did from selling milk.

Dean Foods Company and AgPower Partners created the first major third-party-owned and operated manure digester program. The result is a sustainable energy source and digested fiber for crop fertilization and animal bedding, held here by Mark Vander Hege.

• **In a collaboration that formed DF-AP, LLC, of Gooding, Idaho,** Dean Foods Company and AgPower Partners embraced the essence of innovation when they teamed up to create the first major third-party owned and operated dairy digester project in the nation. From the very first year in operation, the project has been financially self-sustaining and has paid a return to its investors, while lowering operational costs for the dairy, improving manure management and reducing greenhouse gas emissions. The methane-fueled renewable energy system produces enough energy to provide the power needs of approximately 900 homes and produces 34,000 cubic yards of ammonia-free fiber that is sold at retail as a landscape fertilizer.

The methane-fueled renewable energy system located on Big Sky West Dairy produces 1.2 megawatts of power -- enough renewable energy to power approximately 900 homes in the community. It also produces 34,000 cubic yards of ammonia-free fiber that is sold at retail as a landscape fertilizer. The dairy producers at Big Sky West are seeing the benefits; the project lowered their manure management costs, reduces greenhouse gas emissions and provides higher quality bedding materials for the cows and natural fertilizer for the crop at no cost to the dairy.

An independent panel of judges representing the full spectrum of the dairy supply chain — as well as academia, government, media, business and nongovernmental organizations — selected this year's winners based on the program's or project's results as measured by economic, environmental and social responsibility aspects.

"In reviewing more than 40 nominations and selecting the 'best of the best,' the Sustainability Award judges were impressed by the model programs and processes that deliver real benefit to the business, community and the environment," said Molly Jahn, who serves as special adviser for Sustainability Science at the University of Wisconsin-Madison and as the U.S. Commissioner on Sustainable Agriculture and Climate Change. "Clearly, sustainability is core to the success of these farms and organizations. They serve as leaders in their communities and industry."

The awards are part of the U.S. Dairy Sustainability Commitment, an industrywide effort to measure and improve the economic, environmental and social sustainability of the dairy industry. Launched in 2008, the Sustainability Commitment is supported by hundreds of organizations, including universities, government agencies and nongovernmental organizations.

The Innovation Center represents the entire dairy value chain — dairy producers, processors, manufacturers, transporters, retailers and brands.

“We are developing unique and traditional partnerships that work toward the common goals of protecting our environment, growing our communities and strengthening our businesses,” O’Brien said. “The Sustainability Award winners are a testament to efforts underway across the country, and we commend them for their outstanding work and dedication to sustainability.”

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Innovation Center for U.S. Dairy® is a forum for the dairy industry to work together pre-competitively to address barriers and opportunities to foster innovation and increase sales. The Innovation Center aligns the collective resources of the industry against common priorities to offer consumers nutritious dairy products and ingredients, and promote the health of people, communities, the planet and the industry. The Board of Directors for the Innovation Center includes dairy industry leaders representing key producer organizations, dairy cooperatives, processors, manufacturers and brands. The Innovation Center is staffed by Dairy Management Inc™ staffs the Innovation Center. Visit USDairy.com for more information about the Innovation Center for U.S. Dairy.