

Matthew R. Peckham  
Elm Farm LLC

**Testimony on HB 5272 An Act Creating a Relief Fund For Connecticut Dairy Farmers, and HB 5483 An Act Concerning Financial Relief For The Dairy Industry**

Dear Members of the Environmental Committee:

My name is Matthew Peckham. I am a 6<sup>th</sup> generation dairy Farmer from Woodstock. My wife Christine and I have three children, Caleb, age 7, Grace, age 5 and our three month old son Graham. We would like to provide the 7<sup>th</sup> generation of our family with the opportunity to operate our farm and pass it to the next generation. I am here today to ask for your support on bills 5272 and 5483. The future of our family farm has never been in more jeopardy than this year. As the price of milk continues to deflate, there may be no amount of cost control that we can leverage to remain in business.

I would first like to tell you about our farm. My grandfather's great-grandfather Amos Peckham moved from Newport, RI to take advantage of Woodstock's prime farmland. He purchased our farm and slowly started to grow our herd of dairy cattle. His son, S.Howard Peckham built a nationally recognized herd of Guernsey cattle. He sold cream to Boston and his sons peddled milk to local homes and into Putnam. My grandfather Robert and his father Clayton modernized our dairy farm and expanded the herd to 70 cows. My grandfather later expanded the herd to 100 cows in the early 1980's providing a viable family dairy capable of supporting 3-4 families for over a 20 year period.

In the five years that my wife and I have been farming input costs such as grain, fertilizer and fuel have risen significantly. In 2007 we started working with agri-business advisers to plan out a future for our family farm. We realized that our dairy would have to expand to meet the tough times we would be facing. Last year with the help of a Farm Reinvestment Grant from the Connecticut Department of Agriculture, my wife and I completed a new barn allowing us to milk over 125 cows. At the time seemed like a 25% increase in production (over half a million pounds of milk per year) would be enough to allow us to meet our costs and provide for our family. Now we are realizing that even with a herd expansion we will never be able to meet our bills this year.

To give you some figures as they pertain to our farm, last year we produced 2,380,848 lbs of milk. It cost us \$17.40 for each hundred lbs of milk that we produced. With two employees and all of our input costs we basically broke even. The projected average milk price for this year is \$13.65. That is \$3.75 less than our cost of production for each 100 lbs of milk we ship. This year we are looking at a 25% increase in production with the added animals, giving us a total of about 2,975,000 lbs of milk. Even with our increased production, we stand to lose \$111,562 (29,750 hundred weights x \$3.75). I could make the picture even more depressing by adding that we will have to purchase 25% more grain to feed these cows, (another \$28,500 expense) as well as veterinary care, added utilities for milking and all the other input costs associated with a larger herd. Realistically we are looking at losing more that \$150,000 this year. For a family with three small children, this is of course not an option.

Therefore I am asking you to support the two bills providing assistance to Connecticut's dairy farmers. We are a small family farm facing the possibility of financial loss too devastating to overcome. I am also asking you to understand that the majority of the other farmers in this state have businesses much larger that that of my own and are facing figures that are far more grave than the ones I am looking at. Be that as it may, \$150,000 is more than 5 years of income for our family, and is a loss that we can in no way absorb. The worst expense for my family, however, will be the loss of our dairy farm for future generations.

Please work with us to support all bills brought forth to sustain the dairy industry in Connecticut. It is time now for our state to take part in the future of dairy farming, and preserve the face of Connecticut agriculture for the next generation. I thank you for your time and welcome any specific questions you may have for me.

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