Young farmers, board members, and cooperative staffers from 6 NECC member cooperatives along with a visiting scholar from Brazil and a Fulbright Scholar from Pakistan attended the 37th Future Cooperative Leaders Conference held in Mt. Morris, NY. Chris Fesko, founder of the Farm Discovery Center and On the Farm video series suggested successful leadership traits include emotional intelligence, accessibility, determination, effective communication, resiliency, servant attitude, integrity, and humility. Todd Schmit helped the group get to know one another as they played Co-opoly and learned about balancing the needs of members and that of the cooperative. David Chamberlain, Director, Northeast Council, DFA provided information about cooperative governance. Will Baildon, Eastern Regional Vice President, CoBank presented information on understanding cooperative financial statements and the ratios that creditors use when evaluating a loan application. Terri Webb, Advisor, DFA Northeast Area Council, shared information about joint ventures, mergers, and sale and purchase of assets with the group. This was in preparation for the Future Leaders to assume board member roles in one of two cooperatives and deliberate over the issues facing the organization posed in a scenario. The group moved through a series of round table discussions with cooperative leaders to learn more about NECC members. Future leaders were impressed with the diversity of co-ops doing business in the Northeast U.S. and surprised by the differences in approach between cooperatives handling similar commodities.

The event included a tour of R.L. Jeffres and Sons, a diversified crop and agri-service business, Craigs Station Creamery, which cold-separates farm milk into cream, skim milk, and reduced-fat milk and Noblehurst Farm. Tour guides noted the need to respond quickly to change and shared perspectives on how to evaluate new opportunities to position their businesses in the future. Scott Lackey, Director, Northeast Council, DFA shared his perspective as both a new and young board member—his path to leadership and balancing the responsibilities of family, farm, and cooperative. The group weighed in on what they believed to be the opportunities and concerns about the Northeast agriculture and the food system. Opportunities included access to markets, infrastructure, densely populated urban areas, and skilled labor. Climate and availability of water were also mentioned as other opportunities. Challenges included concerns over reliable labor and willingness to work, regulations, taxes, and consumer education. Participants “valued the perspective that board members shared with the group” and the “encouragement provided by knowledgeable leaders.” The Council is very appreciative of the efforts and support of Dairy Farmers of America serving as the host cooperative for the event.
Comfort Co-op is a nationwide cooperative with 3 major production areas. It has been in business for about 50 years. In the early 2000s it struggled financially. The CEO repeatedly suggested a need to shut down unprofitable plants, consolidate others, and switch some to seasonal use. Every suggestion pitted one area against another and the board had become divided on most issues. Board members complained that the CEO was too bottom-lined focused when he should have been member-focused. Several retreats had been held for strategic planning but nothing seemed to be accomplished. A proposed acquisition slipped away as the CEO did not act in a timely fashion. Discussions from the board meeting leaked into industry publications and on social media. Through time there was a 60 percent turnover in the board, a new CEO was hired in 2012, and profitability had improved. Comfort Co-op was now faced with a significant renovation and expansion of a major processing facility close to its members. The site was constrained by space. This would be the final expansion of the plant.

The 10-year old River Co-op, handled similar raw ingredients as Comfort Co-op near the Comfort Co-op plant. River Co-op had a smaller footprint than Comfort and had successfully negotiated the struggles of a start-up business along with the purchase and upgrades of key processing facilities. River Co-op had developed a new technology and was experiencing exponential growth. The board was interested in expansion and had considered making an offer on the Comfort plant, figuring they could get it for “pennies on the dollar.” River Co-op had never operated in a “down” market. They put their projections together and met with their bank representative. The credit rep determined that the project was too risky for the bank.

In the meantime, each cooperative had been approached and met confidentially with the Economic Development Agency (EDA). EDA had a site ready for construction, utilities in place, the promise of low interest loans, loan guarantees, and tax abatements if either co-op decided to build. The site was further away from the members of each co-op but much closer to the customer base of each. What should the board of directors recommend to their respective memberships regarding renovation, sale of assets, new construction, or a joint venture or merger?
Cooperative interns....

The summer draws to a close and along with the student internships at NECC member cooperatives. The Cooperative Internship Recognition Award (CIRA) will be presented at the 68th NECC Annual Meeting and Leaders Forum, February 28, 2018. Past recipients have interned with Agri-Mark, Inc., AgChoice Farm Credit, ACA, CoBank, ACB, and Yankee Farm Credit, ACA and were enrolled in the University of Vermont, The Pennsylvania State University and Cornell University. Please encourage your interns to apply for this award.

Eligibility:
♦ Must successfully complete an internship with a NECC member cooperative between January 1 and October 31, 2017
♦ Must be a college junior, senior or graduate student with a minimum GPA of 3.0/4.0 studying in an accredited college in New England, New Jersey, New York, or Pennsylvania
♦ Demonstrate successful completion of coursework in one of the following: production agriculture, agri-business, finance, agricultural marketing, food science, agriculture and food policy
♦ Complete and submit application by deadline November 15

Application Process:
The application will reflect the internship experience in the calendar year preceding year of the award.
♦ The application packet includes a current college transcript, faculty recommendation, and internship supervisor recommendation.
♦ The applicant will provide a letter of interest to the Review Committee that includes goals, description of internship, leadership experience, course work

Contact Bobbie Severson at email: rmh27@cornell.edu or phone 607.255.1987 for more information. Application will be posted at http://cooperatives.dyson.cornell.edu/necc/index.php

The Northeast Cooperative Council Cooperative Internship Recognition Award is supported by the Cooperative Development Institute, Northampton, MA through funds from the NECC Cooperative Leadership Fund administered by the Cornell University Foundation. While our work is in alignment with the mission of the Cooperative Development Institute, the content is solely the responsibility of the authors and does not necessarily represent the official views of the Cooperative Development Institute or Cornell University.

Remembering Bruce Anderson

Bruce Anderson, Professor Emeritus, Cornell University passed away June 26, 2017 at the Hospice Residence of Ithaca, after a brief battle with cancer. Bruce grew up on a dairy farm in Falconer, NY. He attended Cornell University (BS), the University of Uppsala (Fulbright Scholar), Purdue University (MS), and the University of California, Berkeley (PhD.) He is well known for the undergraduate class in Cooperative Management. His research interests included the study of management, financial, and marketing strategies of cooperative and food/agribusiness companies. He taught executive development programs in Sweden, Denmark, Australia, Ireland, the United Kingdom, India, Hungary, and Slovakia. He, along with Brian Henehan provided guidance to cooperatives headquartered or doing business in New York State. He is survived by his former spouse Gunilla (Sjoman), daughter Kristina (Samuel McNutt) Anderson, and son Philip (Janae).

Students learn best when they apply the knowledge gained in the classroom to real life challenges outside of the university setting. The Charles H. Dyson School of Applied Economics and Management will continue to offer Cooperative Business Management (AEM 2230) during the spring semester. Associate Professor Todd Schmit invites cooperatives to submit a problem or issue of concern, which students could investigate through the class and near the end of the semester report back to the cooperative their findings and suggested recommendations. Contact Todd directly at tms1@cornell.edu or phone: 607.255.3015.
Dairy One Cooperative Inc. is chartered as an educational not-for-profit cooperative with approximately 4,500 dairy farmer members throughout the Northeast and Mid-Atlantic regions of the United States. The headquarters and main laboratory facilities are located in Ithaca, NY. The organization employs more than 250 people of which 80 are based in Ithaca. The co-op is governed by a 16-member board of directors. The organization was formed in the 1940s as the NY Dairy Herd Improvement Cooperative. Northeast DHIA was searching for a partner organization to cooperate with the USDA, National Association of Artificial Breeders and Purebred Dairy Cattle Association to provide records useful for bull proofs, pedigrees, and research. Artifical Breeders and Purebred Dairy Cattle Association to provide records useful for bull proofs, pedigrees, and research. Dairy One is a preeminent organization that provides numerous services to the farm and agribusiness sector in all 50 states and 35 different countries. Dairy One has developed a variety of services that can be customized to their members’ needs. Twenty-first century Dairy One technicians are available to collect the data and samples of milk on the farm. At the laboratory milk samples can be tested to determine pregnancy status and status of certain diseases (Johnes disease, Bovine Virus Diarrhea, and Leucosis). Dairy One is not limited to dairy cattle, it provides testing for dairy goats and forage testing for the horse industry through Equi-Analytical.

Dairy One is best known for its milk analysis and operates one of the largest laboratories of its kind in the U.S. The Ithaca milk lab is recognized and approved by the AOAC Research Institute and FDA as an independent reference laboratory. The lab analyzes over 500,000 milk samples monthly. Most bulk tank milk samples in the Northeast come to Dairy One for analysis and data is used for producer payments.

Dairy One has expanded its analytical services through the years. Through its Agro-One laboratory, the organization has the capability to test nutrient content in soil, examine plant tissue for fertility, and conduct manure analysis for nutrient management. The corn stalk nitrate test estimates the nitrogen available for to the corn plant during the growing season. The organization tests water for overall quality and contamination along with chemical analysis useful when creating dairy cattle diets.

Dairy One is a member of the National Dairy Herd Information Association, an organization that promotes the accuracy, credibility, and uniformity of DHI records. One of the priorities of DHIA is to cooperate with the USDA, National Association of Artificial Breeders and Purebred Dairy Cattle Association to provide records useful for bull proofs, pedigrees, and research.

FYI….Cornell University Tax Schools

**Focus: Partnerships**

Tuesday, September 26, 2017
Doubletree by Hilton
6301 State Route 298, East Syracuse, NY

Wednesday, September 27, 2017
RIT Inn and Conference Center
5257 W. Henrietta Rd. Rochester, NY
Early-bird pricing through September 9

**In-Depth Schools:**

Nov. 2 & 3 Binghamton, NY
Nov. 6 & 7 Saratoga Springs, NY
Nov. 8 & 9 Syracuse, NY
Nov. 13 & 14 Buffalo, NY
Nov. 20 & 21, Rochester, NY

**Annual Income Tax Update Schools:**

Nov. 8 & 9 Syracuse, NY
Nov. 29 & 30, Rochester, NY

More details at http://www.taxschools.dyson.cornell.edu  Questions: Email: taxschools@cornell.edu