



Nov. 8, 2016

The Honorable James Sensenbrenner
U.S. House of Representatives
Washington, D.C. 20515

Dear Representative Sensenbrenner:

I am writing to you on behalf of the Dairy Business Milk Marketing Cooperative to urge you to support the Trans-Pacific Partnership (TPP). The final version of the TPP could certainly be improved upon, but the deal is still worth ratifying. TPP would increase U.S. agriculture's and Wisconsin dairy's ability to develop export opportunities to foreign markets and open the door to future export growth.

DBMMC is a farmer-owned Federal Milk Marketing Order cooperative representing dairy farmers of all sizes across nine states in the Midwest. A majority of our member farms are located in Wisconsin. As you are well aware, Wisconsin's dairy community is one of the state's main economic drivers. Nearly half of agriculture's \$88 billion economic impact in Wisconsin is generated by our dairy community.

The dairy community has a lot to gain from the trade opportunities that TPP provides. The Pacific Rim countries in the TPP have growing economies and growing middle classes. This growth and increased incomes have resulted in more demand for protein in the diets of those populations. Dairy has an opportunity with TPP to fill those demands because dairy protein is among the most portable protein in the world. Dairy doesn't have to be refrigerated like some proteins and can be transferred without a lot of water. It makes sense to move dairy foods into those countries, which represent nearly 500 million additional customers.

The U.S. Department of Agriculture estimates TPP could create an additional \$150 million to \$300 million in annual dairy exports by lowering or eliminating many tariffs. The agreement expands our dairy community's access in several key Asian countries, such as Japan, Vietnam, and Malaysia, and also provides new but limited access into Canada. While TPP may not have achieved the full market access dairy exporters had hoped to gain, it is a solid first step in improving our trade position in several markets.

Along with providing new market access, the TPP contains two important non-tariff achievements for dairy. The two achievements put higher restrictions on rules countries can impose to dampen, limit or de facto ban our products. The first strengthens the existing World Trade Organization's SPS (sanitary and phytosanitary chapter) commitments in order to address the escalating threat posed by unwarranted SPS measures used by some foreign governments as a

pretext to attack U.S. agricultural exports. The second measure would develop a more equitable international model for approaching the issue of geographical indications (GIs). This protection combats the European Union's efforts to aggressively push for special protection of their dairy products based upon the region in which they were historically produced (e.g. prohibiting a cheese from being called feta unless it was produced in Greece). Both of these measures amount to heightened due process standards that countries would have to meet before imposing restrictions on our exports.

A final reason to support the TPP agreement is the opportunity for the deal to expand. Some countries have already expressed interest in joining the agreement. This would allow the deal to offer even more market access opportunities. Additional countries would potentially add hundreds of millions of customers to the agreement and also subject those countries to the heightened SPS and GI trade rules provided for by TPP.

The Dairy Business Milk Marketing Cooperative asks for your support in moving TPP forward making the United States a party to the agreement that our trade representatives have worked so hard to craft. TPP is good for the dairy community as it opens the door to new market access, strengthens trade rules important to dairy exports, and encourages additional countries to embrace freer and fairer trade. Wisconsin's dairy community is significant to our state's economy, and TPP would improve dairy's ability to benefit the people of our state.

Sincerely,

A handwritten signature in black ink, appearing to read "John Holevoet". The signature is fluid and cursive, with the first name "John" being more prominent and the last name "Holevoet" following in a similar style.

John Holevoet
Director of Government Affairs