



FARMERS CREAMERY

Monthly Newsletter | June 2019

GENERAL NEWS

Kalona SuperNatural Launches New Campaign: We Do Dairy—Better!

In honor of National Dairy Month, we've launched a campaign to showcase how "We do dairy—better!" than the competition. The campaign consists of multiple pieces including: a video showing the path of Kalona SuperNatural milk, written content on the importance of non-homogenized, batch-pasteurized dairy, farmer spotlights, and consumer giveaways.

The goals are to: increase brand awareness, educate consumers on the differences between dairy brands, and showcase why Kalona SuperNatural products are superior.



A Message from Phil: Why Do We Use FARM?

All of our farms are certified organic and use FARM standards. What does this mean? We treat our farms and the animals right! Recently, a dairy farm in Indiana was claiming they treat their cows humanely. After an undercover investigation, it was found that they weren't. Since then, the brand Fairlife is being taken off grocery store shelves. Read the story below to see just how fast a dairy brand can "disappear" because of bad work done on farms.



Fair Oaks Farms Under Investigation After Undercover Video Exposes Animal Abuse

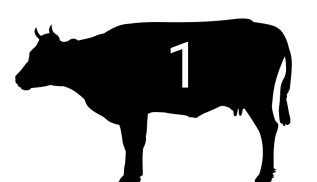
Story Courtesy of Caitlin O'Kane of CBS NEWS

A dairy farm in Indiana has come under immense scrutiny after an undercover video released by an animal rights group revealed newborn calves being abused by farm employees. Footage shows Fair Oaks Farms workers dragging calves by their ears, throwing them into small plastic enclosures and hitting them with milk bottles.

The abuse extends to kicking and beating calves, as well as force-feeding them until they can't breathe. The video was filmed by a member of Animal Recovery Mission, who got a job at Fair Oaks Farms and went undercover as an employee from August to November of last year, CBS Chicago reports. (Cont. on page 2)

COMMODITY PRICES

Grower FOB Farm Gate Organic Grain				
Commodity	Price Range	Average	Change	Prior Year
Yellow Corn	8.00 - 9.75	8.73	-0.15	10.90
Soybeans	18.00 - 19.50	18.81	0.07	20.46
Grower Delivered Elevator/Warehouse Organic				
Commodity	Price Range	Average	Change	Prior Year
Yellow Corn	8.40 - 10.80	9.02	-0.15	10.22
Soybeans	18.50 - 19.50	19.00	-0.05	19.07





INDUSTRY NEWS

Fair Oaks Farms Under Investigation After Undercover Video Exposes Animal Abuse

(Cont. from page 1)

Story Courtesy of Caitlin O'Kane of CBS NEWS

The Animal Recovery Mission recently released the video, which prompted local law enforcement to launch an investigation. The calves appeared to stay in filthy, overcrowded and hot conditions. Temperature readings show it was more than 100 degrees inside their hutches. Dead calves were dumped in mass grave sites by employees, the video shows.

Animal Recovery Mission also alleges supervisors and owners at the farm were aware of the conditions and took part in the abuse. In response to the video, local grocery store chain Jewel-Osco said it was removing all Fairlife products that come from Fair Oaks Farms from its stores.

"At Jewel-Osco we strive to maintain high animal welfare standards across all areas of our business and work in partnership with our vendors to ensure those standards are upheld. We apologize for any inconvenience," spokeswoman Mary Frances Trucco told CBS Chicago in an email.

Mike McCloskey owns both Fairlife dairy products and Fair Oaks Farms. He released a video statement following the backlash from the Animal Recovery Mission revelations.

"I am disgusted by and take full responsibility for the actions seen in the footage, as it goes against everything that we stand for in regards to responsible cow care and comfort," McCloskey said in a written statement on the company's website.

"The employees featured in the video exercised a complete and total disregard for the documented training that all employees go through to ensure the comfort, safety and well-being of our animals."

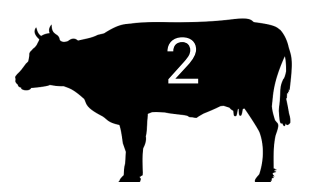
Fair Oaks Farms said five people in the video were identified and four of them are employees at the farm. The fifth person is a truck driver who works for a third party. Coworkers caught three of the four employees abusing animals, reported them to management and they were fired before the Animal Recovery Mission video was even released. The fourth was fired Tuesday, according to Fair Oaks Farms. The truck driver, who was responsible for picking up the calves, will not be allowed on Fair Oaks Farms again.

"A full investigation of all aspects of the video is underway, during and after which disciplinary action will be taken, including termination and criminal prosecution, of any and all employees and managers who have violated either our animal care practices or the law or both," the statement reads.

Fairlife said it has immediately suspend deliveries and will provide more animal welfare training for employees. The company also promised to increase animal welfare checks and will no longer get dairy from farms that violate its animal abuse policy. It is unclear if Fairlife will still get dairy from Fair Oaks Farms, since both are owned by the same man. (Cont. on page 3)



Fairlife dairy gets its milk from Fair Oaks Farms. They are both owned by Mike McCloskey.





INDUSTRY NEWS

Fair Oaks Farms Under Investigation After Undercover Video Exposes Animal Abuse

(Cont. from page 2)

Story Courtesy of Caitlin O'Kane of CBS NEWS

Below is McCloskey's full statement for Fair Oaks Farms:

This morning I was made aware of an animal abuse video that the group Animal Recovery Mission (ARM) produced and has released to the public and the press. Most of the footage for this video was captured on one of the dairies that belongs to Fair Oaks Farms. While we were made aware a couple months ago of the fact that ARM had gone undercover at Fair Oaks Farms, and had proactively made a statement, we had no idea what kind of footage had been captured or what – if any – abuse had occurred.

It is with great disappointment to find, after closely reviewing the released ARM video, that there were five individuals committing multiple instances of animal cruelty and despicable judgement. Of the five, four were our employees and one was a 3rd party truck driver who was picking up calves. Of the four who were our employees, three had already been terminated prior to us being made aware months ago of the undercover ARM operation, as they were identified by their co-workers as being abusive of our animals and reported to management. So, in this instance our policy of cow care training – "see something, say something" – worked. After reviewing the video frame-by-frame, those three employees are responsible for the overwhelming majority of offenses seen in this video.

Unfortunately, the fourth employee's animal abuse was not caught at that same time. Although he underwent another training session in animal care when we discovered there was an undercover ARM operation on our farm, after viewing the extent of his animal abuse, he is being terminated today.

As to the individual who worked for the transportation company, today, we will notify the company that he works for and he will not be allowed on our farms again. It is our position that any companies that come in contact with transportation of our animals, should be well-versed in and adhere to our industry's animal welfare practices which can be found in FARM.

Months ago, when I first learned of the undercover activity, I requested a 3rd party review and we went through a re-training process throughout the dairies. While the review came back favorable, I am not letting my guard down and will institute more thorough monitoring and training so that this abuse can never happen again. This video and any future videos will be immediately handed over to the authorities for review and potential prosecution.

Regardless, I am disgusted by and take full responsibility for the actions seen in the footage, as it goes against everything that we stand for in regards to responsible cow care and comfort. The employees featured in the video exercised a complete and total disregard for the documented training that all employees go through to ensure the comfort, safety and well-being of our animals.

It is a shock and an eye-opener for us to discover that under our watch, we had employees who showed disregard for our animals, our processes and for the rule of law. This ARM video shines a light on an area that – despite our thorough training, employee on-boarding procedures and overall commitment to animal welfare – needs improvement. However, as I have stated before, the fact that ARM takes months before notifying owners or authorities regarding on-going animal abuse is concerning. I have personally reached out to ARM's founder, Richard Couto, to discuss a more symbiotic relationship but he has yet to reach back.

A full investigation of all aspects of the video is underway, during and after which disciplinary action will be taken, including termination and criminal prosecution, of any and all employees and managers who have violated either our animal care practices or the law or both.

The statement that we grow and sell drugs on our farms is false. The plants featured in the video are an invasive perennial species that is rampant on farms all over the midwest. With that said, I am disappointed to learn of potential drug use on our properties. Months ago, the individual seen smoking by the barn and doing drugs in a truck was turned in by his co-workers to one of our managers. That manager notified local law enforcement about the drug use and, accordingly, a police report is on file.

It is with a heavy heart that I prepare this statement today. As a veterinarian whose life and work is dedicated to the care, comfort and safety of all animals, this has affected me deeply. I am disappointed for not being aware of this kind of awful treatment occurring and I take full responsibility for what has happened. I also take full responsibility to correct and ensure that every employee understands, embraces and practices the core values on which our organization stands.

I am and will continue to be deeply involved in the resolution of this matter, down to every one of our employees, so that I can guarantee that these actions never again occur on any of our farms.

Please feel free to contact me if you have any comments or questions.

Dr. Mike McCloskey, Fair Oaks Farms

