The Future of Dairy in California

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Long Term Trends

US Dairy Operations & Average Herd Size

CA Dairy Operations & Average Herd Size

USDA Data

Operations
Average Herd Size
California is the top milk producing region in the US supplying nearly 20% of the nation’s milk.

Success in achieving California’s goals while maintaining a successful California dairy sector is important way to lead.
Growing Demand for Dairy

US Per Capita Dairy Consumption

Pounds Per Capita Milk Equivalent, Milkfat Basis; USDA ERS
- US output on a steady upward trajectory
- California output largely static since 2007
Demand for dairy is growing, however the California dairy herd is not growing to meet that demand.

Given status quo - we expect more of the same in the next 10-20 years - increased dairy demand being met by growth outside California.

Growth is occurring where GHG legislation does not exist.

California dairy is sensitive to leakage.
Dairy Footprint Has Improved Dramatically

- According to recent study in the Journal of Dairy Science California dairy has improved its footprint in GHG, water, and land dramatically over 50 years.
- Between 1964 and 2014 California dairy reduced its:
  - Greenhouse Gas (GHG) emissions per unit of milk produced by 45%
    - Through genetic improvements, and better nutrition and animal care
  - Water use intensity by 88%
  - Land requirements for crop production by 89%
    - Through dramatic increases in crop yields
Pasture

- Most pasture-based dairies on the north coast are members of Western United Dairies (WUD)
- WUD works closely with our members on the north coast
- Pasture works well for these dairies as the soils and climate are not well suited for other crops
- Most are organic to offset higher costs
- These dairies satisfy the market for organic milk
- Conversion of all dairies to pasture would require more land and water
  - Increase GHG emissions to maintain current levels of production
  - Would undo decades of production efficiencies that have reduced GHG emission intensity
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- Trend of fewer-larger dairies likely to continue
- Dairies will comply with tougher air and water quality standards
- Dairies will have significantly lower GHG emissions based on long term and recent trends
- Provide renewable energy to displace fossil fuel use and help California meet its targets
- If goal is to reduce global GHG emissions, then leading by reducing our emissions while maintaining a vibrant California dairy industry is vital to leading other states and countries in successfully achieving their own emissions reductions