

## Covington Named Expo's Industry Person of the Year

The achievements of a man conscientiously serving the best interests of the U.S. dairy industry—as well as the truth of an idea—will be recognized October 1 when Calvin Covington is presented the Industry Person of the Year Award by World Dairy Expo in Madison, Wis.

Covington, former Executive Secretary and Chief Executive Officer of the American Jersey Cattle Association and National All-Jersey Inc., will be the thirty-fifth recipient of this award. Now Chief Executive Officer of Southeast Milk, Inc. and living in Ocala, Fla., Covington joins a list of Who's Who in the dairy industry, people “who have demonstrated exceptional leadership in research, development, education, and marketing,” said Expo general manager Tom McKittrick.

For 22 years, Calvin Covington provided informed, determined, innovative and tireless leadership to National All-Jersey's grassroots effort to change the pricing of milk throughout the United States. Through his efforts, he exerted a positive influence upon the economic well-being of dairy producers and processors that has been far-reaching and will be long-lasting.

Describing his initial reaction to his selection as Industry Person of the Year as one of “shock,” Covington said, “I think this is a recognition for all those involved in promoting fair and equitable milk pricing. It's too bad it couldn't be given to Equity supporters, the ones that put their money up.”

NAJ's Project Equity was built upon the idea that producer milk should be priced in direct relation to its economic value in the marketplace. Its objectives were to change Federal Order pricing to a system that priced milk based on its most valuable components in accordance with use in consumer products, and to encourage adoption of yield-based pricing systems by individual plants and cooperatives.

Early leadership was provided by Dr. Guy M. Crews, with Covington joining the team in November of 1978. Over the next 22 years, Covington traveled hundreds of

thousands of miles to present the concepts of component-based milk pricing. He worked with major dairy cooperatives, processors, manufacturers and government agencies to develop new pricing programs and policies. He was directly involved in developing and writing regulatory language and building industry consensus for component pricing, along with providing expert testimony in seven Federal Order hearings. That work culminated January 1, 2000, when seven of the 11 Federal Orders, representing 85% of the FMMO milk, implemented multiple component pricing (MCP).



Calvin Covington

### Looking Back

In a recent interview, Covington recalled his enthusiasm at the beginning of the project. “We were so excited” about the possibilities, he said. “We were going to go from pricing ‘cow water’ to what was in the water.”

But, “when I stop and look back at what we did, to be perfectly honest, with what we know today, we probably wouldn't even try it. I don't think people realized how deeply skim-fat pricing was embedded.

“When, since the Federal Orders began,” he asked, “has the way milk is priced been changed?”

It would have been impossible, if not for “all the groups of people who came together to get the job done. But if you get outside the Jersey people who were actually involved in Equity, who really knows what was involved? A few of the long-time Federal Order people, they'll mention that it was pretty amazing that it was pulled off. But other than that, you can almost count them on one hand.”

Covington recounted some of the key moments in the long Equity campaign. “800 in '80 gave it credibility. It showed people would support it. Getting over the hurdle when Minnesota declared protein pricing illegal. Getting automated and reliable protein testing equipment and then DHIA testing milk for protein. Just having it on your barn sheets brought attention to it.”

Credit also belongs to the milk plants that stepped up to try this radical idea.

“Cuba Cheese was a biggie. What the fellows did out in California with Leprino was a pioneer for Hilmar. What Tri-State Milk Cooperative did in the Upper Midwest assembling loads of high protein milk. Then you got the first couple of plants on cheese yield pricing, like Pine River cooperative and Edelweiss Cheese.”

Then, there was the key moment in the Federal Order hearing process. “People forget we got MCP on the docket for the promulgation hearing for the Carolina orders. We knew the chance to implement it was slim to none, but we got it on the docket and were heard. That laid a lot of groundwork for future hearings.”

### Never A Breed Issue

“If equitable milk pricing had only served Jersey breeders,” said Neal Smith, Covington's successor as AJCA-NAJ Executive Secretary, “I do not believe that he could have been effective in promoting MCP. His desire was to see equity in milk pricing back to all producers so that the dairy industry would regain its health. Multiple component pricing was the clearest way to achieve that goal.”

Now three years after Federal Order implementation, Covington observed that the impact of Federal Order implementation has yet to be fully realized. “Yes, it added equity to the system, and it has given producers the economic signal to produce the kind of milk the market wants and needs. But, further down the road, it's going to have even greater significance. It takes time for people to change their feeding and breeding programs to correspond to market signals.”

While multiple component pricing was never a breed issue, Jersey breed growth has flourished in its wake. “It's what got people switched over,” Covington recently observed. “Once they are switched over, they see the other advantages” of the Jersey cow.

The 2003 World Dairy Expo Industry Person of the Year is sponsored by Accelerated Genetics, *Dairy Herd Management*, Merrick's Inc. and Priority One. R.S.V.P.s are necessary for the Dinner with the Stars, which begins with a reception at 6:30 p.m.. For banquet tickets, priced at \$22.00 per person, contact World Dairy Expo at 608/224-6455.