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NEWS RELEASE

Dairy Producer Financial Assistance Needed

Economic Assistance for New York State's Dairy Farmers Critical

**FOR IMMEDIATE RELEASE
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(N. Syracuse, NY) New York State's centuries old policy of supporting the agriculture and dairy industry is needed more today than at anytime in history. The dairy production industry not only in the state but entire nation is experiencing an economic rock and hard place. For the past 10 months, prices dairy farmers receive monthly for milk produced on dairy farms which is based on a formula overseen and calculated by the USDA Federal Milk Market Order system in the 1950s are very low, that is the rock. The hard place created for milk producers is the cost of raw milk production is at times higher than the revenue received in recent months. This economic situation creates cash flow problems for many dairy farmers and hurts their ability to stay in business.

Bruce W. Krupke, Executive Vice President for the Northeast Dairy Foods Association, Inc., a trade association representing customers of dairy farmers, milk processors and dairy product manufacturers said "dairy farmers deserve economic support from New York State; I call on Governor Paterson and the state legislature to act immediately to provide financial assistance similar to the help they provided in 2007. If Governor Paterson and legislators truly believe and agree it is in the best interests for our state to have a policy to ensure a strong thriving dairy industry they need to provide the funds necessary to temporarily assist dairy producers with assistance now to get them through this difficult period."

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Northeast Dairy Foods Association, Inc. supports a call on the entire dairy producer industry to work together to find long term compromises and solutions that will help avoid these very low periods of raw milk pricing. In addition the association supports state assistance versus any other system that unfairly taxes milk and dairy product consumers or unfairly distorts the markets. Mr. Krupke notes “the dairy processing and manufacturing industry are currently studying and working diligently on solutions and answers to help upgrade and make the price discovery method for raw milk more efficient and competitive for New York and Northeast U.S. dairy producers. Mr. Krupke continued, “we look forward to working with the dairy producer community to find the best solutions to provide consumers with the best milk and dairy products possible at the lowest cost.” The association supports the ability and programs for northeast dairy producers to become as efficient as possible in order to compete in the country and world dairy markets.

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The Northeast Dairy Foods Association, Inc. is a full service trade association of dairy product processors, manufacturers and distributors located in New York State and the Northeast U.S. since 1928.