

# Producers to join Dairy Farmers of America?

## Foster Farms president wants DFA to handle milk supply

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While the cooperative known as the Humboldt Creamery Association is still alive, the president of Foster Farms Dairy — the owner of the stalking horse bidder title — made it clear on Monday that he wants one of the nation's largest cooperative to handle the milk supply that will be sent to Fernbridge.

"We're asking help in managing the fluid milk," said

Foster Farms Dairy President Jeff Foster. "That's what DFA (Dairy Farmers of America) does and that's what they do well."

DFA, Inc., is a dairy marketing cooperative that serves and is owned by nearly 18,000 dairy farmers in 48 states. It also owns 25 percent of Humboldt Creamery, LLC, which is now in bankruptcy protection proceedings.

The creamery's acting CEO Len Mayer explained

that the creamery's association owns the milk supply currently and that there is an ongoing discussion among producers as to whether the association should remain intact or whether a new agreement should be negotiated. That discussion continued this week on Wednesday when DFA's Western Area CEO Glenn Wallace met with producers at Town Hall Wednesday morning.

Dairyman Jim

Regli told *The Enterprise* after the meeting that there are both positives and negatives to joining DFA.

"On the upside, the blanket of DFA means they'll always take our milk, even if they have to haul it out of here," he said, adding that both DFA and Foster Farms Dairy are "sound companies." On the downside, if the producers join DFA, they will be member/owners of a mega cooperative instead of a locally-owned company.

Regli, like other organic producers, also has concerns over how much organic milk Foster Farms will be able to utilize. A major change for organic producers will be getting paid only for organic milk used by the creamery. While usage pay has been in effect since the spring, organic producers used to be paid for all organic milk delivered to Fernbridge.

"No one knows the plan on how they will expand

usage," said Regli. "Hopefully, they will expand to new markets."

In all, DFA's Western Area — consisting of California, Nevada and parts of Arizona, represents 320 member farms that market 6.1 billion pounds of milk cooperatively. Average production per member farm is 19 million pounds of milk per year.

DFA offers, among other services, member retirement plans.