FOR IMMEDIATE RELEASE Contact: Julie Sweney, FarmFirst Dairy Cooperative 608-286-1909 or <u>isweney@farmfirstcoop.com</u> **Editor's Note** - Downloadable images available at: <u>https://bit.ly/FFDClogos</u>



FarmFirst Dairy Cooperative Pleased with Announcement of FMMO Modernization Proposal

Madison, Wis. [October 25, 2022] – FarmFirst Dairy Cooperative is pleased by the announcement made today by the National Milk Producers Federation (NMPF) unanimously endorsing a proposal to modernize the Federal Milk Marketing Order milk-pricing system at its annual meeting in Denver, Colorado.

"Trying to modernize federal milk marketing orders is no small feat and becomes quite the balancing act when involving every milk shed across the country," says Jeff Lyon, FarmFirst General Manager, who serves on the NMPF board of directors, its Economic Policy Committee and was also a member of NMPF's FMMO Taskforce. "The recommendations approved by the Board of Directors are the result of many months of meetings by the taskforce and the Economic Policy Committee to address the needs of the various regions of the country.

The NMPF recommendations address the Class I mover, milk composition, dairy product specifications and make allowances.

The NMPF recommendations include going back to the "higher of" for the Class I mover. FarmFirst originally advocated for returning to using the "higher of" for the mover in the spring of 2021 because of its proven track record and the fact that it was fully vetted in a national hearing process more than 20 years ago.

"In 2021 we believed going back to the using the "higher of" would best address the large negative PPDs in 2020 due to reasons related to the COVID-19 pandemic, the large spread between Class III and Class IV prices, and lastly, the large increase in Class III prices over a short period of time which encouraged Class III handlers to significantly depool their milk from their respective federal order," Lyon added.

"There is still a lot of work to do, and other ideas will surface, but today's announcement of the recommendations provide a solid foundation. Now, we need to keep this proposal moving forward," says Lyon.

FarmFirst Dairy Cooperative, established in 2013 and based in Madison, Wis., represents farmers in Wisconsin, Minnesota, South Dakota, Michigan, Iowa, Illinois, and Indiana by providing legislative and regulatory advocacy, dairy marketing services, disaster protection, laboratory testing opportunities and industry promotion. Learn more about FarmFirst Dairy Cooperative by visiting: www.FarmFirstDairyCooperative.com.

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