

Statement

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"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

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Processors Distort Consumer Milk Price Increase Claims

From Jerry Kozak, President and CEO, NMPF:

The International Dairy Foods Association (IDFA) claims that "the current Farm Bill includes a new intrusive program that would significantly increase the cost of milk, yogurt, cheese, and other dairy products." The truth is that this program would not increase the cost of any dairy product.

While IDFA picks a single month to assert that the <u>Dairy Security Act</u> (DSA) "would have raised milk prices by about 32 cents a gallon in September 2012," the study shows that DSA, in fact, would have resulted in lower milk prices than the actual prices 37 out of 48 months and lower prices than the Goodlatte-Scott in 36 out of 48 months. IDFA bases its claim on a recent study of the impact of the DSA and the Goodlatte-Scott amendment, which shows that the DSA would have increased <u>farm</u> milk prices by an average of just one-half cent (0.5¢) per gallon during the period 2009-2012, while the Goodlatte-Scott amendment decreases <u>farm</u> milk prices by one and a half cents per gallon (1.5¢), compared with actual prices during that period.

The responsible conclusion from the facts discussed above is that the very temporary increases in the farm milk price that might occur under the DSA program would not result in any discernible change in the cost of milk and dairy products to consumers or to government food assistance programs that use milk.

IDFA is simply being deceptive in an attempt to alarm consumer groups about a dairy program that would benefit dairy farmers, but not affect consumers.

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The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's 30 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 32,000 dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.