



News Release

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**NMPF FORMS TASK FORCE TO EXAMINE FUTURE
OF FEDERAL MILK MARKETING ORDER SYSTEM**
Focus Will Be On Long-Term Solutions To Issues Involved In Milk Pricing

ARLINGTON, VA – A new task force focused on milk pricing issues has been formed by the National Milk Producers Federation to examine how Federal Milk Marketing Orders may need to change in the future, NMPF announced today.

Approximately 66% of the nation's milk is priced under the regulations of the Federal Order system, which was established to ensure consumers an adequate supply of fluid milk, and to prevent the economic predation of individual dairy farmers by setting regional minimum prices.

The new NMPF task force will allow the organization's members to provide input on ways to improve how the system functions, with the ultimate goal of advocating long-term solutions before Congress and/or the U.S. Department of Agriculture, which oversees the Federal Order system.

“The Federal Order system is well-intentioned, but it has flaws that need addressing,” said Dave Fuhrman, President of Foremost Farms USA of Baraboo, WI, and chairman of the task force. “Our role will be to think outside the bottle, and come up with ideas that can make it faster, fairer and more efficient in the 21st century.”

The task force will review the functions performed currently under the ten Federal Orders, including classified prices, regional pooling, monthly minimum prices, and data reporting, and how those functions might be improved.

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The task force will also compare Federal milk orders to state pricing regulations, such as the system used in California, the nation's largest dairy state, and to areas where there are no pricing regulations at all, such as Idaho, the 4th-largest dairy state.

The task force is expected to conduct its analysis throughout 2007, with the goal of producing recommendations at some point in early 2008.

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 32 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of nearly 50,000 dairy producers on Capitol Hill and with government agencies.

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