



News Release

2101 Wilson Blvd., Suite 400, Arlington, VA 22201
703.243.6111 • www.nmpf.org

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

FOR IMMEDIATE RELEASE
Tuesday, May 19, 2009

Contact: Christopher Galen
(703) 243-6111 ext. 356
E-Mail: CGalen@nmpf.org

NMPF Welcomes Long-Overdue Arrival Of Promotion Checkoff On Dairy Imports USDA Unveils Regulations To Apply Promotion Assessment To Foreign Dairy Products

ARLINGTON, VA – The National Milk Producers Federation hailed the announcement today by the U.S. Department of Agriculture that it will finally apply the dairy promotion checkoff to imported dairy products, 25 years after the national 15 cent checkoff was first applied to U.S.-produced milk. Jerry Kozak, President and CEO of NMPF praised Agriculture Secretary Tom Vilsack for moving quickly to implement the assessment.

On Monday, the USDA published a proposed rule spelling out how it will calculate and assess the checkoff on imports. Interested parties will have 30 days to submit comments. The proposal will assess the equivalent of 7.5 cent per hundredweight on all dairy-based imports, including cheese and butter products, as well as dry ingredients such as casein and milk protein concentrates. The money will be collected by the National Dairy Board to be used for nutrition research, consumer education, issues management, and other programs that build demand for dairy consumption.

"At a time when most of the news about the dairy economy is bad, it's heartening to see that we have finally prevailed in a decade-long battle to ensure a level playing field between U.S.-made dairy products, and imports," said Kozak. "All that America's dairy farmers have ever asked is that dairy importers, who benefit from the world's largest dairy market, pay their fair share to help expand that market, the same way that our farmers do."

NMPF first worked with Congress to include a provision in the 2002 Farm Bill to expand the promotion checkoff to imports, but the expansion was blocked due to objections that the domestic checkoff was not applied to farmers in all 50 states, only the continental 48. So, NMPF again worked with Congress as it wrote last year's Farm Bill to ensure that the checkoff was applied in every state, removing the potential stumbling block importers had raised about the equal treatment of all domestic and imported milk production.

-more-

NMPF NEWS RELEASE///PAGE TWO

Kozak noted that imports of dairy products have grown in the past two decades, at a rate even faster than domestic production. In the past 10 years alone, the value of dairy imports sold in the U.S. has expanded from \$800 million, to nearly \$3 billion. He also noted that ten other farm commodities have promotion programs that apply their checkoff to imports, saying that “dairy has been a glaring exception to a common practice.”

“While dairy imports enjoy a larger share of the U.S. market compared to where things stood back in 1984, importers haven’t paid a single penny to help promote the market, the way America’s dairy farmers have. It’s time that inconsistency ends,” Kozak said. “Everyone who benefits from this market should pay part of the tab.”

Kozak said NMPF will urge the USDA to quickly review the comments it receives in the coming month, and implement the import assessment soon after the comment period closes.

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 31 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 40,000 dairy producers on Capitol Hill and with government agencies.