



News Release

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

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

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

NMPF Applauds Long-Awaited Arrival of Promotion Checkoff on Dairy Imports USDA Finalizes Regulation to Apply Promotion Assessment to Foreign Dairy Products

ARLINGTON, VA – After many years of delay, the U.S. Department of Agriculture (USDA) is poised to finally apply the long-delayed promotion checkoff on dairy imports, a development hailed by the National Milk Producers Federation (NMPF).

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 the 2008 Farm Bill to ensure that the checkoff was applied in every state. However, implementation of the measure has languished for the past three years in regulatory limbo – until now.

Today, a final rule was released by USDA. It will extend the checkoff to all 50 states and Puerto Rico as of April 1st, and starting on August 1st, it assesses the equivalent of 7.5 cents 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.

"It's been a long time in coming, but we've finally achieved a degree of fairness in the area of dairy promotion between domestic milk production and imports. Dairy importers, who benefit from the world's largest dairy market, need to help pay to expand that market, the same way that our farmers do," said Jerry Kozak, President and CEO of NMPF. "We appreciate the efforts of Agriculture Secretary Tom Vilsack to recognize how important it was to finally resolve this issue."

Under the new import assessment, regional and state promotions, including those in Wisconsin and California, will continue to drive demand for dairy products, and the program will, in all substantive respects, continue to run as it has. The USDA has stated that the dairy import assessment will be administered so as to continue to permit state and regional promotions.

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“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 also noted that at least ten other farm commodities have promotion programs that apply their checkoff to imports, saying that “dairy has been the exception to a common practice.”

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. Visit www.nmpf.org for more information.