

ICMPA, MMI, Reach Milk Supply, Marketing Arrangement

STRONGSVILLE, Ohio — Two north central dairy cooperatives are building a "co-op to co-op" relationship that will improve milk supply, market balancing, and manufacturing efficiencies between the two organizations in Michigan and Indiana.

In a joint statement today, the leaders of Milk Marketing Inc., (MMI) of Strongsville, Ohio and Independent Cooperative Milk Producers Association, (ICMPA) of Grand Rapids, Michigan announced an arrangement which includes a milk supply agreement and the sale of ICMPA's Kalamazoo Creamery Company operations and assets to MMI.

"This is a win-win situation for the members of both dairy cooperatives," says Don Schriver, MMI's executive vice president and CEO. "MMI and ICMPA were faced with the same industry challenges — a smaller dairy producer base, declining milk supplies, harsh and unpredictable price swings, larger customers, and fierce competition for market share. It made economic and marketing sense to work together to reduce costs and to maximize efficiencies for our dairy farmer members."

The plan calls for an exchange of resources and capabilities. According to the long-term agreements, ICMPA will close its Kalamazoo, Michigan butter and condensed milk operation, which is used primarily as a balancing facility to process surplus milk. MMI will purchase the plant's

assets, and move the ICMPA milk supply to MMI's Dairy Farm Products plant in Goshen, Indiana. The Goshen facility will perform the all-important balancing function for both organizations. The Kalamazoo assets will be transferred by August 1, 1997.

Charles Courtrade, general manager, ICMPA, agrees that the relationship will be beneficial to the farmer-members of both organizations. "After thoroughly studying the situation, ICMPA's board of directors unanimously agreed to this long-term relationship," says Courtrade. "The positive impact this will have on our ability to market milk for the highest return to member-producers was the driving force behind the board's decision."

Under the arrangement, ICMPA and MMI will work together on milk supply needs, mutually

strengthen the ability to efficiently balance supplies when there's too much milk in the marketplace, reduce the costly overhead of running two balancing facilities in the same market area, and help to stabilize member incomes.

"It made no sense to continue duplicating efforts. MMI was balancing milk in Goshen; just across the state line, ICMPA was doing the same in Kalamazoo," says Courtrade. "Why run two plants when one would do the job? This arrangement is logical. ICMPA members get a stable market for their milk, and access to a balancing facility. MMI gets a year-round milk supply to maximize the capacity and potential of its Goshen operations."

From a geographic standpoint, the businesses collaboration makes sense. ICMPA and MMI are located closely to similar

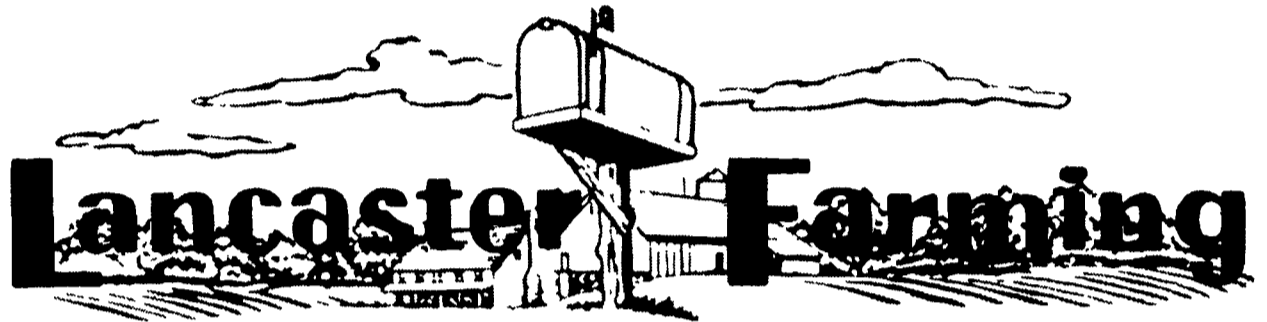
markets and milk supply areas. ICMPA markets and processes milk for 700 dairy producers in the state of Michigan. MMI represents 7,500 producers in 11 states, including Michigan's southern tip.

"This is an exciting cooperative arrangement. If cooperatives are to maximize returns to their dairy farmer-owners, they must pursue relationships like this to increase efficiencies for members in the movement and marketing of their milk," says Schriver. "It's just that simple. MMI and ICMPA share a common vision of working together to maximize returns to their farm families."

Headquartered in Grand Rapids, Michigan, ICMPA is a

dairy cooperative that markets and processes milk for its 700 dairy producer members in the state of Michigan. Last year ICMPA marketed 965 million pounds of milk.

With 1996 sales revenues of more than \$1.15 billion, Milk Marketing Inc. is the nation's third largest dairy producer-owned cooperative and the 11st largest dairy food processor. Headquartered in Strongsville, Ohio, MMI's 7,500 dairy farm families in 11 states (Ohio, Indiana, Pennsylvania, Kentucky, Maryland, Michigan, New York, West Virginia, Massachusetts, Vermont and Delaware) process and market nearly 7 billion pounds of milk.



SPECIAL SUMMER ISSUES

JULY 26, 1997

A Special Section Recognizing
The Northeast Dairy Farm
Beautification Annual Winners

For 1997



Advertisement Deadline -
Thursday, July 17



AG PROGRESS DAYS

Pre-Show Exhibitors
And Dairy Features

AUGUST 9, 1997

Advertisement Due
Thursday, July 31, 1997



FIDELITY TRU-GRIP FARM TIRES

9.5-24.....	4 ply.....	\$105.00
11.2-24.....	4 ply.....	\$109.00
12.4-24.....	4 ply.....	\$142.00
14.9-24.....	4 ply.....	\$186.00
14.9-24.....	6 ply.....	\$200.00
16.9-24.....	6 ply.....	\$237.00
16.9-24.....	8 ply.....	\$312.00
11.2-28.....	4 ply.....	\$142.00
12.4-28.....	4 ply.....	\$132.00
13.6-28.....	4 ply.....	\$149.00
13.6-28.....	6 ply.....	\$166.00
14.9-28.....	4 ply.....	\$194.00
14.9-28.....	6 ply.....	\$212.00
16.9-28.....	6 ply.....	\$257.00
16.9-30.....	6 ply.....	\$244.00
18.4-30.....	6 ply.....	\$347.00
18.4-30.....	8 ply.....	\$358.00
16.9-34.....	6 ply.....	\$281.00
18.4-34.....	6 ply.....	\$308.00
18.4-34.....	8 ply.....	\$377.00
13.6-38.....	4 ply.....	\$211.00
13.6-38.....	6 ply.....	\$234.00
15.5-38.....	6 ply.....	\$218.00
16.9-38.....	6 ply.....	\$330.00
16.9-38.....	8 ply.....	\$378.00
18.4-38.....	6 ply.....	\$320.00
18.4-38.....	8 ply.....	\$347.00

24 Hour farm tire service
Front Tractor & Wagon Tires.
Exide Batteries Low - Low Prices
Call us first & save
1-800-437-4961
JOE'S BATTERY & TIRE
2225 UNION BLVD.
ALLENTOWN, PA 18103