

# Northeast Dairy Survival: Processors Require Improvements In Milk Supply

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Editor

HARRISBURG (Dauphin Co.) — Dairying isn't what it used to be. And neither are milk prices.

In fact, in the past seven years, the Order 1 blend fell four times below \$12 per CWT, then took off, recuperating for a time before the cycle began again. This time, the price has fallen below \$12 per CWT and "it's flat," said Rick Smith, Dairylea Cooperative chief executive officer. "That's what makes this cycle so absolutely painful."

Smith spoke in early December last year during the Pennsylvania Dairy Stakeholders 2002 Annual Conference at the Holiday Inn East in Harrisburg.

Despite all the turmoil and the flat price, producers are doing what they can. But they can do more, because processors are consolidating and require greater supplies of milk.

If the processors can't get milk from Northeast producers, surely they'll get it from the West.

Smith told the few hundred who attended the conference that "we need an attitude and a culture

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— Rick Smith  
CEO, Dairylea

of growth here in the Northeast," he said. "If we are not growing, if we are not moving forward, if we are not showing we are innovative, flexible, and adaptive, this industry will go into a death spiral."

Dairylea has about 2,500 producer-members producing 5.5 billion pounds of milk yearly. Dairylea, based in Syracuse, N.Y., in October conducted its 95th annual cooperative meeting with the theme, "Strength Through Unity."

Said Smith, "For those with the right attitude, there is tremendous opportunity."

Smith explained the various mergers with

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