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Agri-Mark farmers will share \$15 million year-end profit

Methuen, Mass. -- Agri-Mark has announced a profit after taxes of \$15.0 million for the year 2011, up from \$11.3 million in 2010. This is the fifth year in a row of strong earnings for the dairy cooperative's 1,250 Northeast dairy farm families who own Agri-Mark and share in the profits generated from the sale of their farm fresh milk.

These profits follow \$19.2 million in payments that Agri-Mark farmers received in their monthly milk checks throughout 2011 for increased milk quality and other incentives, and another \$5.2 million in milk hauling subsidies -- forming a combined total of \$39.4 million that the co-op generated last year in addition to providing many valuable services for its farmer-members.

"Despite another challenging year in the marketplace, our Cabot and McCadam dairy brands continue to grow and generate much-needed profits for our Northeast farm families," says Agri-Mark CEO Dr. Richard Stammer. "Though aged cheddar remains our top-selling product, our sales of whey protein and butter were also very good and made a substantial contribution to our bottom line."

Agri-Mark's profit allocation to its dairy farmers from New England and New York will be \$.525 per hundredweight or roughly \$.05 per gallon for all of the milk each farm family marketed through the cooperative during 2011. This represents earnings of roughly \$11,000 for the average Agri-Mark member. Profit checks were mailed to farmers last Wednesday.

Stammer says that the past five years have been the most profitable ones in history for Agri-Mark. This year's \$15 million profit was the second best year ever for the marketing co-op, which had record profits of \$17.6 million in 2007. Agri-Mark total sales of milk and manufactured dairy products for 2011 were \$900 million. In recent years, the region's dairy farm families have experienced record high milk production costs, making the profit checks critically important to many of them who are struggling to make ends meet.

"Our brands continue to generate profits and the wholesale side of our business is also doing well," says Neal Rea, a dairy farmer from Cambridge, N.Y., who serves as the cooperative's Chairman of the Board. "We will continue to work hard to expand our Cabot and McCadam branded sales, and also work to establish farm milk prices at levels above the cost of production for our region's dairy farm families. These are both top priorities for 2012."

Agri-Mark, with \$900 million in 2011 sales, markets more than 300 million gallons of farm fresh milk each year for more than 1,250 dairy farm families in New England and New York. The cooperative is headquartered in Methuen, Mass., has been marketing milk for dairy farmers since 1913, and actively represents their legislative interests in the Northeast and in Washington, D.C.

Agri-Mark farmers own the award-winning Cabot brand of Vermont Cheddar, butter and other dairy products in addition to the McCadam brand of New York Cheddar, Pepper Jack and other cheeses. Cabot has won the award of World's Best Cheddar twice and McCadam recently won the award of America's Best Cheese. Agri-Mark has also invested in operations to manufacture and market valuable whey proteins globally while also marketing fresh fluid milk from its local farm families to the region's largest dairy processors. For more information about Agri-Mark, visit our web site at www.agrimark.net.