



# News Release

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



FOR IMMEDIATE RELEASE  
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## **CWT ACCEPTS 194 BIDS REPRESENTING 34,000 COWS, 654 MILLION POUNDS OF MILK IN TENTH HERD RETIREMENT**

ARLINGTON, VA – Cooperatives Working Together announced today that it has tentatively accepted 194 bids its latest herd retirement, representing 34,442 cows and 653,893,409 pounds of milk. Farmers had submitted a total of 209 herd retirement bids to CWT.

CWT's three herd retirements last year were the primary reason why U.S. cow numbers dropped steeply in 2009, "but cow numbers have leveled off since the end of the year," said Jerry Kozak, President and CEO of NMPF, which administers CWT. "This latest herd retirement will push cow numbers lower still, which is what our industry needs to better align supply and demand."

Starting next week, CWT farm auditors will begin visiting the farms whose bids were accepted, checking their milk production records, counting cows, and then tagging each cow for processing. All farmers will be notified no later than July 30<sup>th</sup> as to whether their bid was among those accepted in this herd retirement round, the tenth that CWT has conducted since 2003.

Once CWT auditors approve the herds accepted during the bid process, farmers have 15 days in which to send their animals to a processing plant. CWT will again provide each farmer the NMPF animal handling guidelines for the proper culling and transporting of dairy cattle, Kozak said.

Producers whose bids are accepted in this herd retirement will be paid in two installments: 90% of the amount bid times the producer's 12 months of milk production when it is verified that that all cows have gone to slaughter, and the remaining 10% plus interest at the end of 12 months following the farm audit, if both the producer and his dairy facility – whether owned or leased – do not become involved in the commercial production and marketing of milk during that period.

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In CWT's three herd retirements conducted in 2009, the program removed a total of 200,000 cows and four billion pounds of milk. Details of past herd retirements can be found here: <http://www.cwt.coop/sites/default/files/pdf/past-herd-retirements-060210.pdf>.

Cooperatives Working Together is being funded by dairy cooperatives and individual dairy farmers, who are contributing 10 cents per hundredweight assessment on their milk production through December 2010. The money raised by CWT's investment is being apportioned between two supply management programs that strengthen and stabilize the national all milk price. For more on CWT's activities, visit [www.cwt.coop](http://www.cwt.coop).