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NATIONAL MILK
PRODUCERS FEDERATION

NEWS RELEASE

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Dairy Groups Applaud U.S. Government Action to Resolve NAFTA Trucking Dispute with Mexico

The National Milk Producers Federation (NMPF) and the U.S. Dairy Export Council (USDEC) applauded today the announcement by President Barack Obama and President Felipe Calderon of Mexico that both countries have an understanding on the path to resolving the cross-border trucking dispute.

In response to the long-standing lack of U.S. compliance with its trucking obligations to Mexico under NAFTA, Mexico has been legally levying tariffs on a variety of U.S. exports since March 2009. In August 2010, Mexico added a new retaliation list that included many U.S. cheeses. The U.S. dairy industry appreciates the work between the U.S. and Mexico governments to craft a satisfactory resolution. Furthermore, NMPF and USDEC are looking forward to a swift process by the Department of Transportation to complete a final agreement. Mexico has announced that once a final agreement has been reached, Mexico will suspend its retaliatory tariffs on dairy products by 50 percent and will suspend the remaining 50 percent when the first Mexican carrier is approved to cross the border.

“We commend the efforts by the U.S. and Mexican government to work together to seek a final resolution to this old dispute. These are encouraging developments for U.S. exporters of dairy products that today have to pay a higher rate to enter Mexico,” said Tom Suber, president of USDEC. “Mexico is our largest market and we want to ensure that we remain the number one source of dairy products.”

“World markets, and in particular Mexico, are essential to helping grow sales opportunities for our farmers. This agreement is welcome news since it would help re-



open doors for our dairy products at a time when rebuilding markets for U.S. milk is critical to the well-being of our dairy producer community,” said Jerry Kozak, president and CEO of NMPF.

NMPF and USDEC stressed the importance of maintaining the U.S. and Mexico agreement intact and urged members of Congress to support this agreement. It is imperative that members of Congress support the efforts of the Obama Administration in resolving the Mexico trucking dispute once and for all.

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The U.S. Dairy Export Council (USDEC) is a non-profit, independent membership organization that represents the global trade interests of U.S. dairy producers, proprietary processors and cooperatives, ingredient suppliers and export traders. Its mission is to enhance U.S. global competitiveness and assist the U.S. industry to increase its global dairy ingredient sales and exports of U.S. dairy products. USDEC accomplishes this through programs in market development that build global demand for U.S. dairy products, resolve market access barriers and advance industry trade policy goals. USDEC is supported by staff across the United States and overseas in Mexico, South America, Asia, Middle East and Europe.

The National Milk Producers Federation (NMPF), based in Arlington, Va., develops and carries out policies that advance the well-being of U.S. dairy producers and the cooperatives they collectively own. The members of NMPF's 31 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of nearly 40,000 dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit www.nmpf.org.