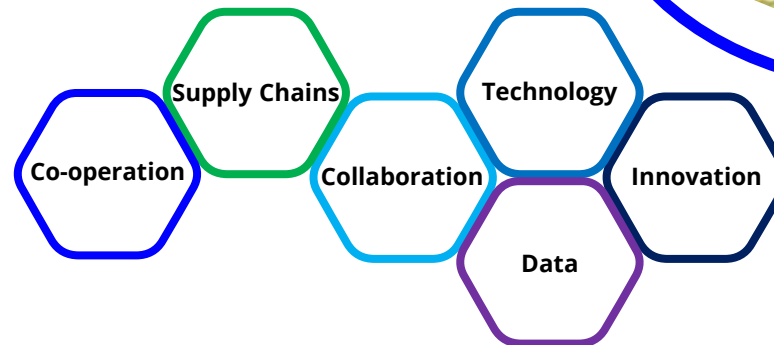


SAOS

**Working together
to shape the future
of farming and food**



Dairy PO's – our shared journey



History

- 1994 – deregulation
- Early 2010's – trauma, protest, consultation
- 2012 – introduction of voluntary code
- 2015 – removal of milk quota
- 2015 – DCD attained PO status, 2024 for the rest of us
- 2020/23 – more consultation
- 2025 – implementation of Fair Dealing Regulations



Wider issues

- Dairy Industry Road Map
- Climate Change Legislation
- Courtauld Commitment
- Roll out of sourcing standards encompassing carbon and sustainability
- Fair Dealing Regulations linking to contracts
- Rationalisation at all points along the chain
- Future Dairy Partnership



Supply chain structures in the dairy sector

- Individual farmers with individual relationships with private processors
- The integrated co-op model, e.g. Arla, First Milk, Dale Farm etc
- The emerging PO co-op/collaborative model professionalising farmer processor relationships



Learnings/challenges

- Processor reluctance and changes in key personnel
- A transactional culture along the supply chain
- Managing the commercial tensions and expectations for all
- Understanding processor needs, markets, contracts, legislation
- Understanding how to create value – can be frustrating
- International ownership creating global competition for capital
- UK milk pools have similarities and differences



Relevance to others

- Some sectors embrace producer/processor collaboration others less so
- We obtain better outcomes and/or moderate behaviour
- Sectors face challenges which collaboration can address
- Co-operation can strengthen sectors for everyone in the chain
- Fair Dealing Regulations will be extended to other sectors



Moving forward

- Help form more PO's to spread good practice
- Access some/more funds to create and build value
- Help processors retain and grow market access but also retain value for farms
- Help create an environment where all can thrive via professional representation
- Investigate forming an APO
- Other sectors might review the same PO opportunity



DCD, MSA, MMGDF and Selkley Vale

- History and working of DCD, MSA, MMG Dairy Farmers and Selkley Vale
- DPO status
- What can an APO achieve





**Working together
to shape the future
of farming and food**

