

## CWT Completes Eighth Herd Retirement Round

Total Cows Removed in 2009 Reaches 226,000

(CWT News Release)

ARLINGTON, VA – Farm audits for the second herd retirement implemented by Cooperatives Working Together in 2009 have been completed, and the majority of the 74,114 cows that produced 1.5 billion pounds of milk have been sent to processing plants. In addition, 2,958 bred heifers also were removed through CWT's eighth herd retirement round.

In this most recent round, CWT removed 274 herds in 38 states. When combined with the herd retirements completed last winter and earlier this spring, CWT has removed 225,783 cows that produced 4.5 billion pounds of milk. In addition, the nearly 3,000 bred heifers taken in this herd retirement bring the total removed by CWT in the past nine months to 5,016.

CWT received 312 bids from dairies in 39 states during the bidding process in July, which offered a set maximum acceptable bid price. As a result of the selection and auditing process CWT follows, along with some withdrawals by bidders, the final number of bids processed totaled 274, down 20 from the initial tentative tally.

"In recognition of the severity of the financial crisis in the dairy industry, CWT auditors moved quickly to audit the selected farms, completing their task in just 30 days," said Jim Tillison, Chief Operating Officer of CWT. "The national dairy herd is 230,000 cows smaller this fall because of CWT's actions since this winter."

As with each of the seven previous herd retirements CWT has carried out, CWT auditors verified the information submitted by bidders, and then applied a special tamper-evident CWT ear tag to every milking cow and dry cow, as well as to the bred heifers, if a producer chose that option.

Tillison said farmers' names from this eighth round will be posted on the website as they are sent their payments. He noted that additional CWT herd reduction actions are possible in 2009, given the continuing cost of production-milk price squeeze farmers are in.

The totals for each region in the Summer 2009 herd retirement round include:

Region	Northeast	Southeast	Midwest	Southwest	West	Total
Total Farms	69	49	84	38	34	274
Total Cows	5,740	4,084	8,625	31,476	24,188	74,113
Total Heifers	174	368	578	713	1,125	2,958
Average Herd Size	83	83	103	828	711	270
Total Milk Removed	108.8 million pounds	65.8 million pounds	164.6 million pounds	672.1 million pounds	511.9 million pounds	1.523 billion pounds

Average Production per Cow	18,954 pounds	16,118 pounds	19,088 pounds	21,352 pounds	21,162 pounds	20,884 pounds
% Dairies	25%	18%	31%	14%	12%	100%
% Milk Removed	7%	4%	11%	44%	34%	100%
% Cows Removed	8%	6%	12%	42%	33%	100%

[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). 9-24-09