

**Dairy Farmers of America posts loss on higher revenue**  
(Kansas City Business Journal, KS)

Higher milk prices led to a large increase in 2007 revenue for Dairy Farmers of America Inc., but the cooperative recorded a loss for the year due to plant closures and revaluation of past investments.

The Kansas City-based dairy marketing cooperative reported revenue of \$11.1 billion in 2007, up 48 percent from restated revenue of \$7.5 billion in 2006. The increased revenue was caused by higher milk prices, the company said in a release. DFA members received an average pay price of \$19.38 a hundredweight, up 48 percent from \$13.08 in 2006.

DFA marketed a record 61.9 billion pounds of milk in 2007, up from 61.7 billion pounds in 2006. The company increased export sales to \$211.4 million in 2007, up 75 percent from \$120.8 million in 2006.

But the cooperative reported a loss of \$109.3 million for the year, compared with earnings of \$34.7 million in 2006.

DFA closed cheese plants in Lovington, N.M., and Corona, Calif., last year. Because of the closings, the cooperative took a write-down of assets for those plants of \$48.5 million and an impairment of affiliate investments of \$96.3 million in 2007, company spokeswoman Stephanie Meyers said Thursday.

The company eliminated 300 jobs with the Corona plant closing and 60 at the Lovington plant, Meyers said. The company worked with the affected employees during their transitions, including helping to find potential jobs at other DFA locations, she said.

Operating income was \$48.8 million in 2007, down from restated operating income of \$60.7 million in 2006. The 2006 operating income was restated because of the two closed plants in 2007, which originally recorded a \$25.7 million loss in 2006 but now are accounted for as discontinued operations, said Joel Clark, DFA's senior vice president of accounting.

DFA originally reported 2006 operating income of \$35 million.

DFA ranks No. 1 on the Kansas City Business Journal's list of area private companies.