

## **Organic Valley farmers can raise milk output; sales increase expected**

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By STEVE CAHALAN

Officials of La Farge-based Organic Valley say its dairy farmer members will be able to increase their milk production Aug. 1 because the outlook for organic milk sales has improved.

And the organic farmer cooperative said it expects a 16.6 percent increase in its total sales this year, after seeing sales remain flat in 2009. The co-op expects about \$610 million in sales this year, up from \$523 million in 2009.

In lieu of cutting prices that its members receive for milk, Organic Valley last year required its dairy farmer members to reduce their organic milk supply by 7 percent by July 2009. That requirement will be lifted Aug. 1, when the supply quota will return to 100 percent of active base.

“After a challenging year, we are beginning to see the economy rebound, and have experienced an increase in sales across all commodities, fluid milk, butter and cheese,” Organic Valley Chief Operating Officer Louise Hemstead said. 6-30-10