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Lt. Governor Ellspermann Announces New Dairy Strategy

Study shows growth opportunities for dairy segment of agriculture

INDIANAPOLIS – Lt. Governor Sue Ellspermann today announced a new dairy strategy for Indiana agriculture in remarks to the Indiana Livestock, Forage and Grain Forum hosted by the Indiana Soybean Alliance. The strategy was commissioned by the Indiana State Department of Agriculture with the assistance of a national agriculture consultant who conducted research and market analysis working with the Indiana dairy industry.

Key elements of the strategy focus on expanding Indiana's current dairy processors, attracting new dairy processing facilities to Indiana and adopting policies that support and improve dairy farming operations.

Lt. Governor Ellspermann noted, "Each day four million pounds of milk produced in Indiana are shipped to processing facilities outside of Indiana. Our goal is to add value to that product before it leaves our borders by increasing our dairy processing capacity in our existing 23 plants as well as by attracting new facilities. As the strategy notes, Indiana's geographic location and transportation infrastructure provide a competitive advantage for Indiana-based plants shipping dairy products to East Coast markets."

"With a renewed and united focus, we can make Indiana an even more productive dairy state," said ISDA Director Ted McKinney. "ISDA staff, along with our key partners from around Indiana, will help inform the public and dairy industry on the long term benefits of investing in milk production and dairy processing in the state of Indiana."

The report also suggests that Indiana continue to protect and support the ability of dairy farms to operate productively with reasonable environmental guidelines that protect Indiana's land and water. Furthermore, it identifies the need for Indiana to maintain both the transportation infrastructure and transport policies that facilitate moving milk from the farm to the processor and then out to the broader markets, including such issues as weight limits on tanker transports.

For more information on the Indiana Dairy Strategy, please visit ISDA's website at www.isda.in.gov.

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OBJECTIVE:

To grow the dairy industry in Indiana by increasing the volume of dairy processing in Indiana and creating market opportunities for expanded dairy production.

CURRENT DAIRY PROCESSING:

- Indiana current has 21 processing facilities:
 - Three specialty cheese plants
 - Eight ice cream plants
 - Seven fluid milk processors
 - One Reddi-Whip plant
 - One condensed milk powder plant
 - One fluid milk and ice cream plant
- Indiana is home to 14 farmstead operations.
- Indiana hosts six of *Dairy Food's* top 100 processors

OPPORTUNITIES:

Indiana ranks 14th in the nation in milk production and 2nd in ice cream production. However, approximately 4 million pounds of milk is exported from Indiana per day!

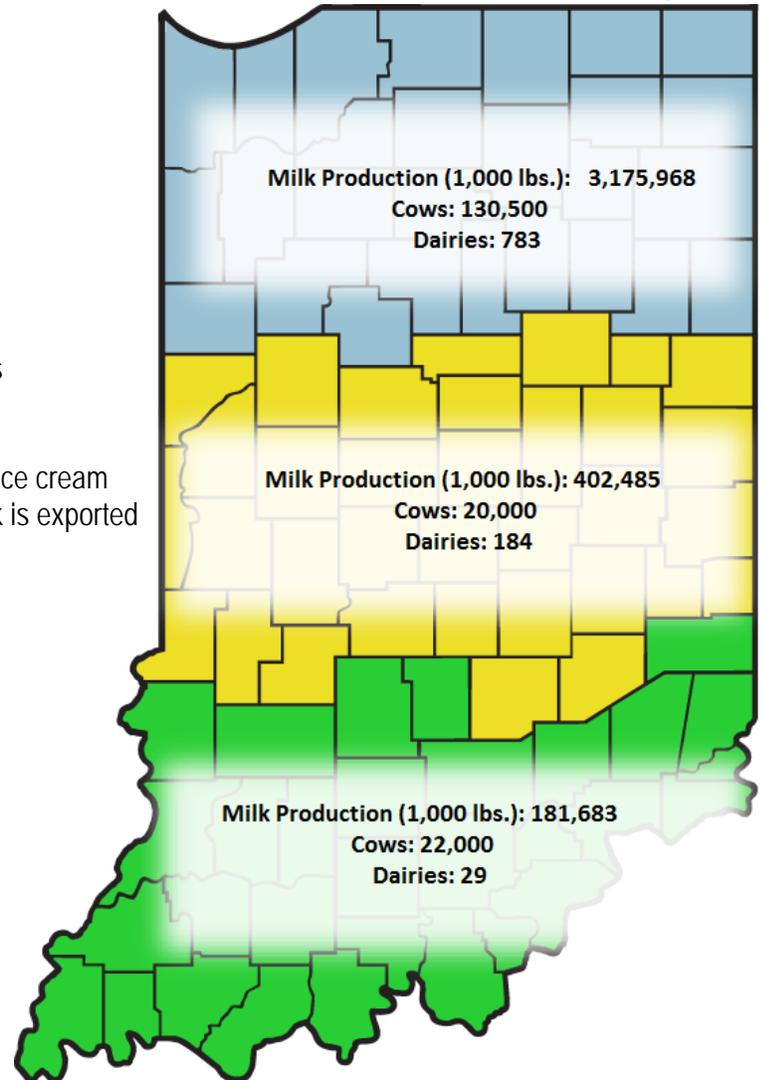
This creates significant opportunities for investments in:

- Cheese production
- Ice cream
- Infant formula
- Powdered milk
- Yogurt and more!

INDIANA'S BENEFITS FOR THE DAIRY INDUSTRY

- Within a day's drive of 80% of the U.S. population
- Home to progressive dairy farmers employing sustainable farming practices
- Access to high-quality feed
- Competitive production costs
- Modernized plants
- Supportive regulatory environment
- Access to a skilled, stable workforce
- Economic development support from the State of Indiana

Indiana Milk Production per Region



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