

What part of sustainable don't they understand??

Dairy Farmers of Scotland (DFOS) are furious at the latest insult from Tesco...

...Barely a year after introducing the Tesco sustainable milk group (dairy farmers dedicated to supplying all their milk to Tesco) and promising to source 100% of their own brand milk from this group, Tesco have introduced a value range 10 ppl cheaper than milk sourced from their own contracted farmers. With this milk sitting side by side with Tesco own brand, it's obvious which milk consumers will choose and who would blame them.

With the industry already in such a fragile state, DFOS see this move as another huge nail in the coffin of the British dairy industry and indirectly the negative impact will only drive more farmers out of business.

DFOS have already been contacted by smaller local dairies saying that there is no way they can compete against this price without dropping prices to their farmers who are already throwing in the towel at existing prices.

The impact of such a large price cut will not just cause a ripple throughout the industry but a potential tsunami with devastating effects.

It is naïve to think that other retailers will not follow suit.

DFOS would like to challenge Tesco to ensure the farmers contractually forced to provide this 'value milk' receive a price for their milk which **at least** covers the true cost of production. In this age of supply not meeting demand, Tesco are taking a huge risk with continuity of supply, with escalating production costs having left the industry on a knife edge and farmers wielding the handle, not retailers.

DFOS represent as many co-op producers as direct suppliers and a fairly large amount of Tesco producers too. One Tesco producer of the many that contacted DFOS predicted his cows would be sold within the year, "The calf scheme has been a failure and the draconian measures forcing me to sign with Promar to do full farm costings (effectively meaning I have to allow full access to my accounts) are nothing short of blackmail and now for Tesco to begin to assume I am so simple as to believe consumers will pay an extra 10 ppl for my milk is an outrage".

It's situations like these, knocking the feet from farmers in a constant cycle of business brutality, that add more and more weight to DFOS's Fair Milk campaign.

In comparison to the Tesco move which is only in Tesco's own interests short term, the Fair Milk brand is designed to protect the interests of consumers and farmers alike by guaranteeing consumers the continuity of a high quality, sustainable milk supply and is being promoted across Europe by the European Milk Board of which DFOS is a member.

Iain Smith, acting DFOS chairman said, “We must work together regardless of milk buyer to achieve greater negotiating strength – what about starting with the NFU’s milk contract template and the Fair Milk campaign?”

DFOS are urging farmers to complete the NFU template contract and hand it to their milk buyer regardless of who they are... the buyer must either accept it or come back to the table with a counter proposal.

They are prepared to help initiate these negotiations on farmers’ behalf and with enough farmers demanding fair contracts, fair prices can become a reality. Then perhaps, as dairy farmers, we will no longer be the laughing stock of the industry and can finally receive milk prices that at least cover the **true** cost of production.

Joining Dairy Farmers of Scotland could ensure the tactics of the bully are a thing of the past.

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