

News From...

Michigan Milk Producers Association

P.O. Box 8002 • Novi, MI 48376-8002 • (248) 474-6672



For Immediate Release
June 12, 2012

Information Contact:
Alexandria Henry
248-474-6672

Dairy Tops the Growing Ag Sector, Contributing \$14.7 Billion to the State's Economy

(Novi, MI)... According to a recently released Michigan State University (MSU) study on the economic impact of Michigan's dairy sector, dairy contributes a staggering \$14.683 billion to the state's economy each year.

President of the Michigan Milk Producers Association, Ken Nobis, wasn't surprised by the new statistics, "Dairy has always been a substantial part of Michigan's economy, currently generating almost 40,000 direct and indirect jobs. It is truly a bright spot in our state's economy showcasing the innovation, commitment and tenacity of our state's dairy farmers, processors, wholesalers and retailers."

Taking a closer look at the study, the total includes \$2.339 billion from dairy farming, \$7.97 billion from processing and \$4.374 billion from wholesaling and retailing. These numbers are historically high, caused by a rising number of cows and milk production in the state. Coupled with fluctuating prices, dairy farm cash recipients swelled nearly 50 percent from 2006 to 2010, with 8.3 billion pounds of milk produced in 2010 compared to 7.1 billion pounds in 2006.

Estimates summarize total economic impact including direct, indirect (impact on industry inputs) and induced impact on the general economy and are based predominately on 2010 data-the latest available. Processing data is obtained from the 2007 Economic census which experts suspect understates the current level of dairy processing.

Bill Knudson, MSU Product Center product marketing economist, expanded on the role dairy plays in the state economy saying, "Nationally, Michigan ranks eighth in milk production, and the number of dairy cows and the amount of milk produced in the state continues to increase. Clearly, the dairy sector is an important component of Michigan's food and agriculture system."

MMPA is a member-owned and operated cooperative serving over 2,100 dairy farmers throughout Michigan, Wisconsin, Ohio and Indiana.

###

For more information or photos, contact MMPA's Member Relations Department,
P.O. Box 8002, Novi, MI 48376-8002 or call (248) 474-6672.