

Media Release



Tuesday 1 September 2015

ADF welcomes Fonterra announcement

For Immediate Release

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[Australian Dairy Farmers \(ADF\)](#) has welcomed the announcement that the first products under Fonterra Australia's partnership with Woolworths, rolled off the line at the milk processor's new Beverages Plant in Cobden, Victoria yesterday.

The state-of-the-art plant, which will be officially launched by Fonterra in September, has generated 50 new jobs in Cobden and will supply Woolworths' Select Own Brand Milk for the next ten years.

ADF President, Noel Campbell said he expected that the benefits of the long term contract between Fonterra and Woolworths would flow through to the farmers' bottom line.

"The duration of Woolworth's commitment with Fonterra Australia is welcome. Retail contracts with this sort of longevity provide milk processors with the security and certainty they require to invest in the industry's capability and growth," Mr Campbell said.

"The ten year contract also gives Fonterra the option to provide longer term contracts to their suppliers. Farmers are always more willing to invest on-farm when they have a certain destination for their product."

Mr Campbell said ADF would continue to monitor farm gate returns for farmers supplying fresh milk contracts and as always, encouraged all Australians to buy branded to support all Australian dairy farmers.

"It is essential that farmers are paid sustainable prices for the dairy sector to remain healthy and competitive so we can continue to produce high quality dairy products in Australia."

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