



## PRESS STATEMENT

23rd December 2015

### **DCD DPO RESTRUCTURE WITH DAIRY CREST DAIRIES SALE**

Dairy Crest Direct (DCD), the UK's first DPO (Dairy Producer Organisation) that currently represents 1,020 farmers supplying 1.5 billion litres/annum to Dairy Crest, will evolve and separate from 27th December on the completion of Dairy Crest's sale of its Dairies business to Müller.

DCD DPO will continue to represent farmers in the south west supplying their milk into Dairy Crest's Davidstow Creamery in North Cornwall, producing the leading Cathedral City cheddars and the new de-mineralised whey powder for infant formula. In addition, a brand new company '**Direct Milk DPO Ltd**' has been established to represent DCD members transferring from Dairy Crest to Müller.



Direct Milk DPO Ltd will represent 660 farmers supplying over 1 billion litres p.a. via Standard Liquid, Liquid Formula, Organic and the aligned contracts for M&S, Sainsbury's and Waitrose. The structures of the evolved DCD at Davidstow and the new Direct Milk will continue to be run along existing lines following the core principles of: elected accountability; financial independence; and, representing members across the supply chain. David Herdman Chairman of the existing DCD transfers to become the inaugural Chairman of Direct Milk, whilst current DCD Vice Chairman, Stephen Bone will become Chairman of DCD at Davidstow.

Current DCD and new Direct Milk Chairman, David Herdman commented:-

*"We look forward to representing our members who will supply Müller through our new organisation Direct Milk DPO Ltd. DCD will continue it's ongoing representation at Davidstow.*

*The decision to evolve DCD was carefully considered by the DCD Board and our wider DCD Forum, in order to provide continuity in representation through DCD Davidstow to Dairy Crest and Direct Milk to Müller. This evolution allows both groups to concentrate on the needs of their members in supplying two distinct milk processors. Our initial aim is to establish the best way to integrate Direct Milk within the new larger Müller milk business, whilst DCD continues to work closely with Dairy Crest with its unique product mix at Davidstow.*

*It is important that against the current unprecedented level of production and resulting pressure on dairy markets, that representation remains as effective as possible. I believe this transformation in our structures will assist with these goals."*

**- Ends -**

For further information please contact:

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Michael Masters, *Direct Milk Company Secretary* 07729 788767

Stephen Bone, *DCD Davidstow Chairman* 07802 862710

Richard Stanbury, *DCD Davidstow General Manager* 07736 118834

**Notes:**



**660 Members**



*electing, contract specific Forum Members*

**15 Forum Members**

(incl M&S, Sainsburys, Waitrose, Organics, Std Liquid, Liquid Formula)



*the Forum electing Directors*

**3 Directors**

**Chairman: David Herdman; Richard Pearman, Grant Hartman; Company Secretary: Michael Masters**



**360 Members**



*electing, geographic specific Forum Members*

**8 Forum Members**



*the Forum electing Directors*

**3 Directors**

**Chairman: Stephen Bone; Ian Harvey, +1 to be elected; General Manager: Richard Stanbury**