PENNSYLVANIA MILK MARKETING BOARD
CONFIRMS DEAN FOODS PAYMENTS
TO INDEPENDENT PENNSYLVANIA PRODUCERS

The Pennsylvania Milk Marketing Board confirms that the former Dean Foods Company and its subsidiaries have paid Pennsylvania independent dairy farmers all amounts owed for milk shipments to Dean Foods plants. Dean Foods filed for Chapter 11 bankruptcy protection in November 2019. Dean Foods continued to pay dairy farmers during the bankruptcy proceedings. However, after the sale of Dean Foods assets was completed on April 30, 2020, the final payment for April milk was made late. Board audits have confirmed, though, that all independent Pennsylvania dairy farmers have now been paid.

Unfortunately, dairy cooperatives with Pennsylvania members have not been paid. Board Staff is completing audits to determine the amount owed to cooperatives. When the amounts owed are finalized, the Board will proceed with bond claims to recover the money owed to cooperatives. Preliminary information indicates that the bonds will be sufficient to cover the amounts owed to cooperatives on account of their Pennsylvania members' milk.

"It is nothing less than extraordinary that this positive outcome for Pennsylvania independent producers has been achieved given the pandemic," stated Board Secretary Carol Hardbarger. "I am grateful to the Dean Estate, the Pennsylvania Department of Agriculture and

the Center for Dairy Excellence, as well as our Staff, who were able to work together under these extreme circumstances."

"We hope that Dean is able to pay the cooperatives without the Board making bond claims," Board member Jim Van Blarcom remarked. "We have bonds to take care of situations like this. If Dean doesn't pay the cooperatives our Staff is completing the necessary steps to make those claims if necessary."

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