



Agri-Mark Overview

- 1,000 dairy farm families from all six New England States and New York belong to the co-operative
- By working together cooperatively, farmers can accomplish more than they can individually
- The co-op was started in 1913 as the New England Milk Producers Association in Laconia, N.H. - incorporated in 1916

Overview continued...

- The co-op has four value-added, dairy processing facilities to handle member milk and service customers
- We market about 3.2 billion pounds of member milk annually
- Our average member farm produces 2.6 million pounds of milk per year – more than 301,000 gallons
- Agri-Mark markets a full truckload of milk every six minutes, 24 hours a day, seven days a week

The Challenge of Marketing Agri-Mark Member Milk



Milk is picked up at dairy farms every day or every other day, depending upon the size of the farm. Agri-Mark's 1,000 members produced about 3.2 billion pounds of milk annually, about 1.5% of U.S. milk production. We must find a home for a 50,000 pound truckload of milk every 6 minutes of every hour, non-stop, 24 hours a day, 365 days a year, including holidays, at the best possible price.



Class I Bottling Customers

Sales to these plants, including H.P. Hood and Booth Brothers, are a priority, since higher Class I sales and prices do the most to increase farm blend prices in the Northeast. However, these plants take different volumes of milk each day of the week, depending upon their sales. Most take little or no milk on weekends and holidays.



Manufacturing Plants/Customers

These plants buy milk from Agri-Mark according to the sales needs of their individual products. Some take one load a week, while others operate seven days a week during peak milk production periods like the spring, but only four or five days other times of the year.

Agri-Mark Plants

Our value-added plants in Cabot, Middlebury, Vt., and in Chateaugay, N.Y., get the milk remaining after the Class I needs are met and manufacturing customer needs are considered.

Another important facility is our butter/powder plant in West Springfield, Mass., which is the market's primary "balancing facility." This plant is open 365 days a year and receives milk on weekends and holidays when many other plants are closed, manufacturing this milk into storable commodities like butter and powder.



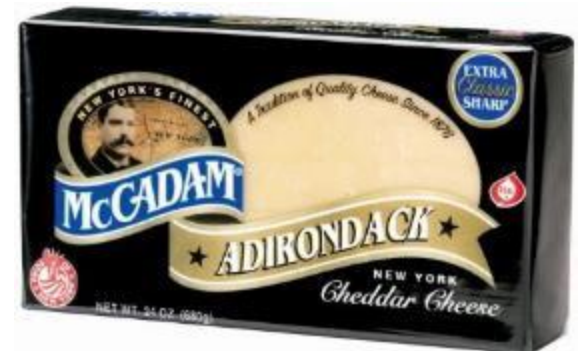
**How and why are we different
from other milk handlers?**



Agri-Mark Members Own the Cooperative!



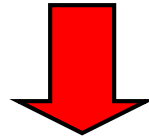
Agri-Mark activities are to benefit the Member/Owners and enhance their income and support their industry structure. The co-op represents members in the marketplace, in Washington, D.C. and State Legislatures



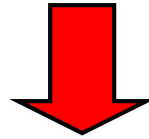
Members Control the Co-op!

One vote per farm – they elect local farmers to represent them

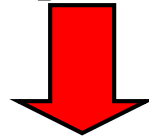
Members



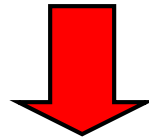
Resolutions Committee



Voting Representatives



Board of Directors



General Manager

Members elect other local farmers to represent them on policy-setting committees and the Board of Directors. The Board hires and oversees the General Manager who carries out the day-to-day activities of Agri-Mark.

Important Policy-setting Committees that are elected by Members

Board of Directors

1 per region ~ 14 total

Voting Representatives

1 for every 12 members

Resolutions Committee

1 per region ~ 14 total

Hauling Committee

1 per region ~ 14 total

Agri-Mark's Mission

- **Market all member milk**
- **Perform member services**
- **Represent members' interests**
- **Make a profit!**



Agri-Mark Membership Map With Regions



Chateaugay, N.Y.



Cabot, Vt.



Middlebury, Vt.



West Springfield, Mass.

**Agri-Mark has four manufacturing facilities
and one cut and wrap operation**



Agri-Mark members from New England and New York own and control the cooperative.

100% of our profits are allocated to our farm families each year!



Agri-Mark's McCadam Cheese Plant, Chateaugay, N.Y. recently received money from Empire State Development. The co-op will invest \$30 million in the facility during the next few years.



Agri-Mark's West Springfield, Mass, Butter/Nonfat milk powder plant





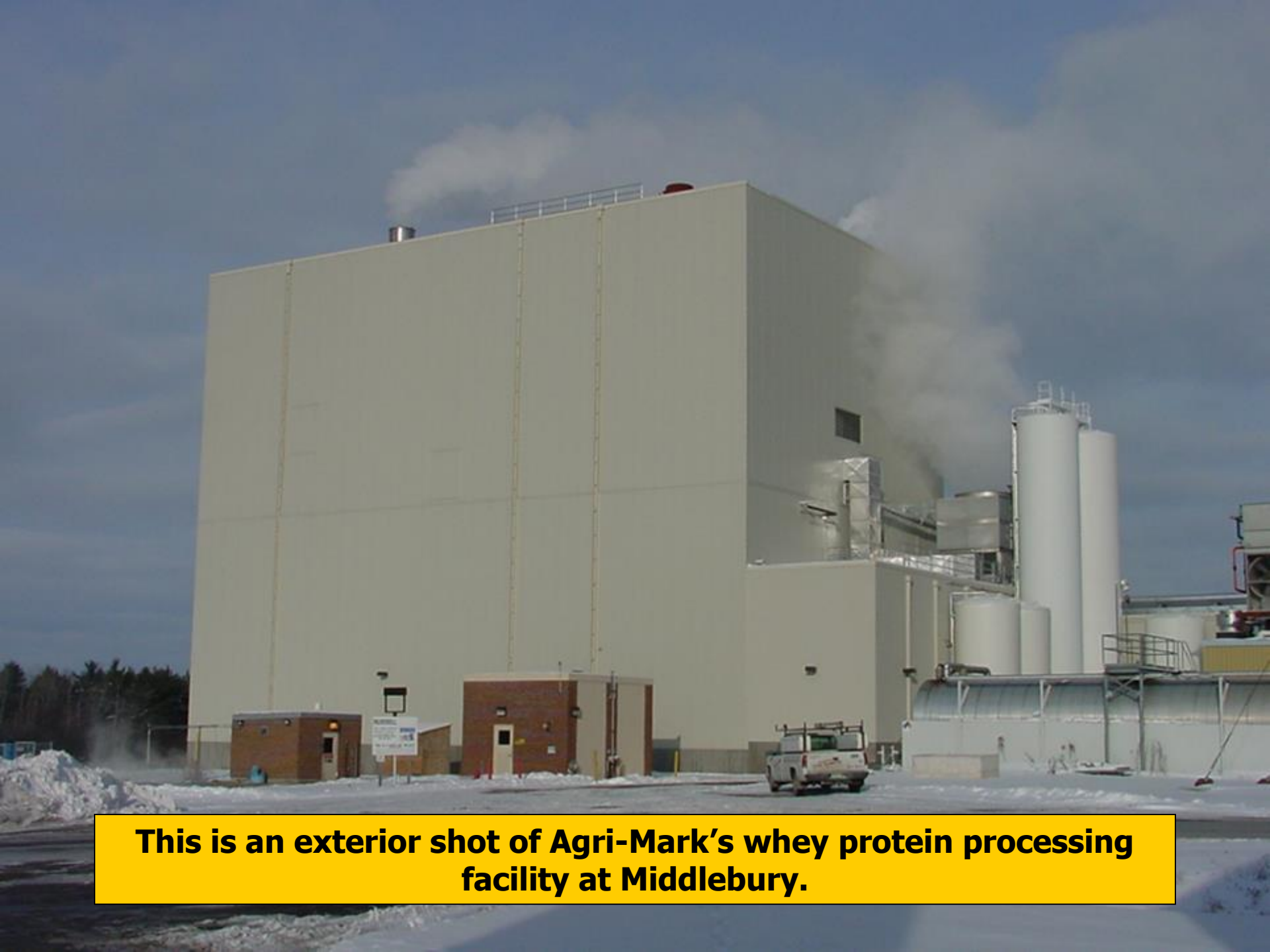
**Agri-Mark's Middlebury, Vt.,
Vermont Cheddar and Whey Protein Plant**



The “World’s Best Cheddar” starts with only the highest quality milk from more than 200 local farm families.



Farm fresh milk undergoes several tests for quality and antibiotics before it can be unloaded into the silos at Agri-Mark's Middlebury, Vt. facility



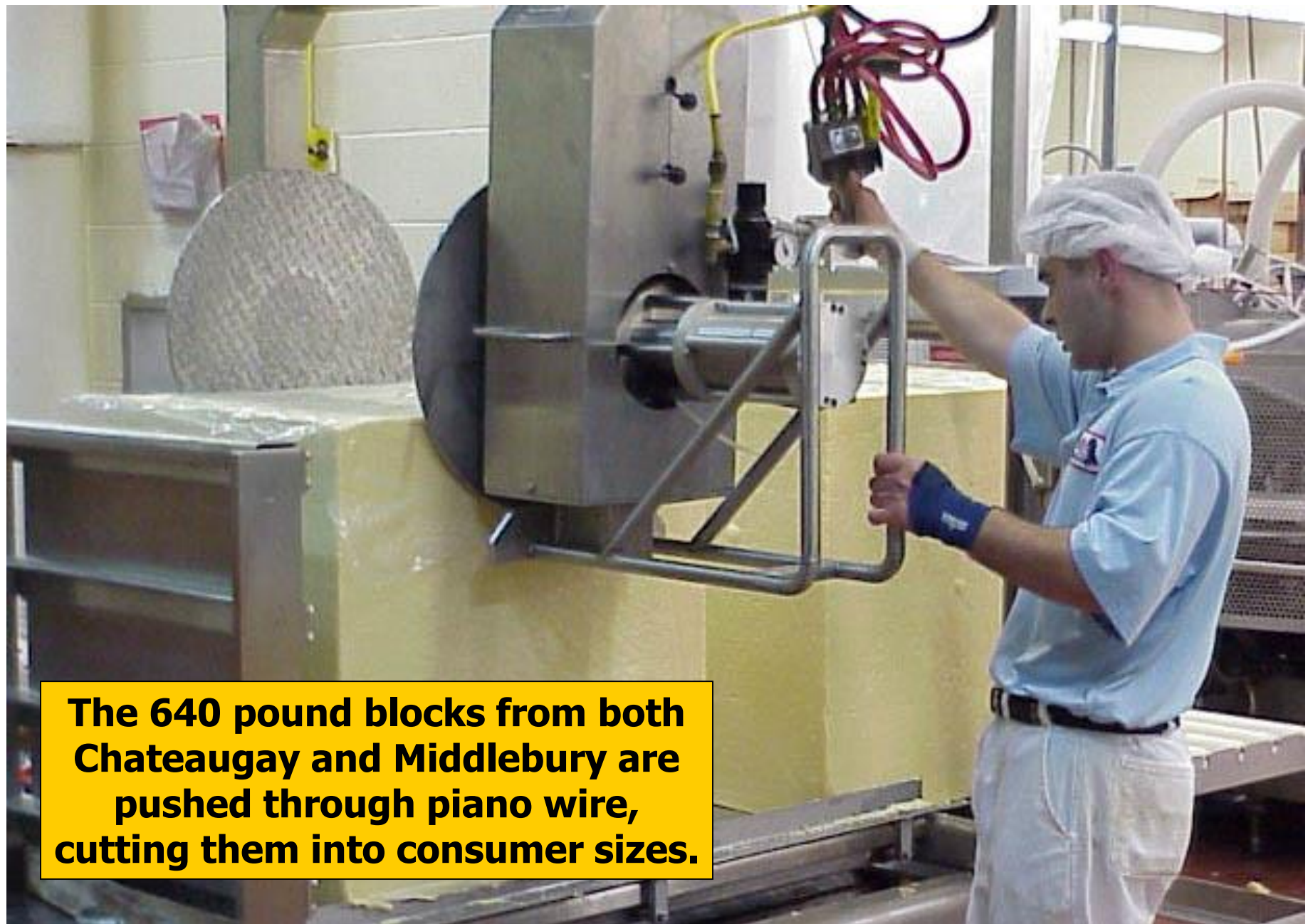
This is an exterior shot of Agri-Mark's whey protein processing facility at Middlebury.

**Agri-Mark's
Cabot, Vt. Visitor's Center and
manufacturing facility**



This is the cut and wrap building at Cabot where more than 72 million pounds of cheese are packaged each year.



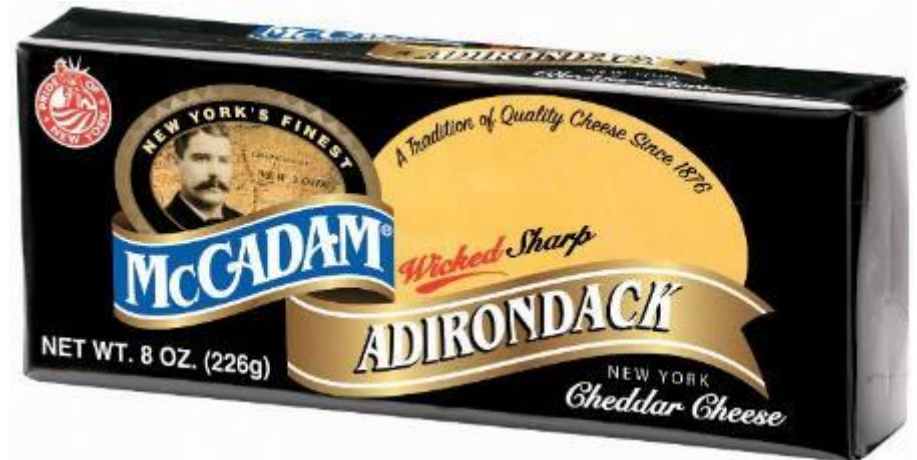


The 640 pound blocks from both Chateaugay and Middlebury are pushed through piano wire, cutting them into consumer sizes.



**Here blocks
are being cut
and sent
down the
line to be
packaged.**

The Final Product!



**And this is
what makes
our
company so
unique -**

**100% of
profits are
shared by
members!**



cabotcheese.coop



Working year-round for Northeast dairy farm families!

