

J.N.DAIRIES LTD
National Distribution Centre (Head Office)
115 Millfields Road
Wolverhampton
WV4 6JQ
+44(0)1902 408 567



BREAKING: NFU CHAIRMAN WELCOMES MOVE BY J.N.DAIRIES

Further to J.N.Dairies' below statement about 'Leading Middle-Ground Dairy Company to Increase Prices to Fulfil Its Responsibilities as an Ethical Player', the *Farmers Guardian* has published a response from the National Farmers Union.

The NFU Dairy Board Chairman Mansel Raymond said he welcomed the moves to put more money in the supply chain, but was particularly heartened by the firm's stated support for the efforts of the coalition and its stance on undercutting.

- ENDS -

14th September 2012

LEADING MIDDLE-GROUND DAIRY COMPANY TO INCREASE PRICES TO FULFIL ITS RESPONSIBILITIES AS AN ETHICAL PLAYER

J.N.Dairies, a leading 'middle-ground' dairy distribution company operating across the Central Regions of England is playing its part in the sustainability of the dairy industry by immediately increasing the price it pays to its milk processing suppliers, to ensure more money can be paid to farmers this Autumn and Winter. From 24th September 2012, J.N.Dairies will also be increasing the price it charges its customers in order to recoup the necessary money from the marketplace.

In speaking about the step that J.N.Dairies has taken, **Manrupe Singh Nijjar of J.N.Dairies** says, "We support the Dairy Coalition and we support the farmers. We will continue our commitment to work with our suppliers to support dairy farmers and therefore strengthen the industry." The increase paid will be in line with other market movements.

"The British Dairy Industry continues to suffer while it remains at its lowest point in modern times. The industry is faced with a catastrophe as hard-working British dairy farmers continue to go out of business partly as a result of unsustainable price wars between Retailers, Middle-Ground Dairy Distributors and Milk Processors. The recent extensive media coverage of farmer action consisting of protests, political lobbying and blockades outside dairies/retailers have truly publicised the milk crisis and has categorically shown that dairy farmers have simply had enough. If they don't receive more money, they will go out of business and there won't be any British milk for anyone, it's as simple as that."

Already there is a huge national fresh milk shortage in the country, notably in the last fortnight and this will remain an on-going problem as milk supplies become tighter.

A step down the supply chain, milk processors have had to absorb heavy falls in the returns from commodities, and packaging costs have been increasing too. Many processors are in a loss making position and the only recourse is to increase prices to their customers and distributors, who must then pass the increases down to their own customers and consumers.

"J.N.Dairies has a farming heritage and understands farmers. As a responsible player, the Company is taking a proactive role to fully support its milk processing suppliers who need to support the farmers, even where the terms of our contracts allows us not to. The market is changing and must move. There is no option." adds Mr Nijjar.

"If middle-ground competitors wish to continue squeezing suppliers in a bid to gain market share by selling milk cheaply, that is their business. We, however, will not be an obstruction in the campaign to save the industry, regardless of commercial consequences."

"The days when retailers could promote milk at low prices or competitors undercut with senseless, unsustainable offers is over. Our customers are aware of our honesty and our good business ethics within the market and those are backed by a robust well-thought out business strategy to ensure we remain competitive, sensibly, for the long-term, and our customers do too. Sustainability throughout the supply chain is the only way forward. J.N.Dairies customers should remain confident that they continue to deal with an honest and ethical supplier who will carry on providing them with unsurpassed quality, service and value."

- ENDS -

13th September 2012

For and on behalf of the National Executive Board of J.N.DAIRIES LTD
General & Press Enquiries can be made by contacting J.N.Dairies on 0844 800 7740.

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