



1531 SE 36th Avenue, Suite D
Ocala, FL 34471
Phone: (352) 433-2527
Fax: (352) 433-2547
tpittman@premiermilk.org

*Thomas Pittman
General Manager*

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CONTACT
Tom Pittman
Premier Milk Inc.
(352) 433-2527
tpittman@premiermilk.org

Southern Marketing Agency Brings Quality Premiums to Florida and Georgia

Ocala, Fla. (October 29, 2009) - The board of directors of the Southern Marketing Agency (SMA) has enhanced and expanded its quality program to include premiums for member milk producers in Florida and Georgia and will implement its program on January 1, 2010. Premier Milk, Inc. (PMI) was instrumental in working within SMA in getting these plans put together and implemented.

Previously, SMA offered a quality program in other procurement areas of the Southeast, but South Georgia and all of Florida were excluded, as no other competitor in those areas offered premium incentives for quality milk. That changed when PMI came on the scene.

PMI was the first to pay premiums for high milk quality in Florida. Shortly after its formation, PMI became an active member of SMA, and immediately started working within the SMA organization to help bring a quality incentive program to all qualifying SMA producers in the Florida and Georgia procurement areas. Like PMI, SMA is an organization committed to efficiency in marketing, and its board made the decision to join PMI's efforts in the Florida area and expand its quality milk program to all member areas.

The new quality programs include premiums and deductions based on somatic cell counts (SCC), deductions related to standard plate counts (SPC), and premiums and deductions for pre-incubated counts (PI). SMA will distribute money to its member organizations from the producer pool based on the adopted quality parameters. Cooperative members of SMA may redistribute that money in like manner or in a different method as determined by their own leadership.

Funding for premiums paid to producers in the program comes from two primary sources: Program deductions from producers with lesser quality milk and savings generated by reducing costs related to the marketing and transportation of poor quality milk. Rewarding high quality milk reduces the amount of lesser quality milk and results in more efficient transportation and fewer plant rejections.

Producers of high quality milk now have a choice. Winners in this development include both producers and consumers. Quality-minded producers will enjoy premium prices, and consumers will enjoy premium quality milk.

For more information, contact Premier Milk, Inc. at (352) 433-2527, or visit www.premiermilk.org.

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