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AMPI and First District Association announce formation of Common Marketing Agency

NEW ULM, MINN./LITCHFIELD, MINN. (Feb. 24, 2021) – Associated Milk Producers Inc. (AMPI) and First District Association (FDA) announced today the formation of a jointly owned Common Marketing Agency (CMA) of the two Minnesota-based dairy cooperatives.

The CMA will optimize operational and supply chain efficiencies to benefit members and customers. This includes enhanced on-farm services, better utilizing manufacturing capacity and serving domestic and global customers with an expanded dairy product portfolio.

"We see endless opportunities to leverage our dairy farmer-owned assets," said Josh Barka, chairman of the FDA Board of Directors. "The CMA exemplifies the cooperative principle of cooperation among cooperatives."

"The CMA is a natural progression for two like-minded cooperatives to better position themselves for long-term strength," said Steve Schlangen, chairman of the AMPI Board of Directors.

"The strategy of forming CMAs was in use before the Capper-Volstead Act was enacted in 1922," said Michael Boland, professor of agricultural economics at the University of Minnesota with expertise in cooperatives. "Co-ops in other sectors, such as dairy cattle genetics and sugar beets, have used CMAs to their advantage. It allows cooperatives to coordinate value-added services with each other, while individual cooperative members retain ownership and independence."

The CMA — known as the American Dairy Cooperative — will be led by a board of directors, comprised of AMPI and FDA members. Together, the CMA members annually produce 7 billion pounds of milk.

About AMPI:

[AMPI](#) is headquartered in New Ulm, Minn., and owned by dairy farm families from Wisconsin, Minnesota, Iowa, Nebraska, South Dakota and North Dakota. The cooperative's award-winning cheese, butter and powdered dairy products are marketed to foodservice, retail and food ingredient customers. The co-op launched its [Dinner Bell Creamery](#) brand and accompanying Co-op Crafted promise in 2019, highlighting more than 50 years of dairy farm families partnering with skilled buttermakers and cheesemakers.

About FDA:

Since 1921, [First District Association](#) has been a grassroots, member owned dairy cooperative located in Litchfield, Minn. The cooperative's mission is to create a sustainable market for dairy products and allow family farms to prosper in the time honored Midwest dairy traditions. First District Association is focused on maximizing returns for its producers and employees through innovation and by providing high quality products to a global market.