



Milwaukee
Cooperative
Milk Producers



Frequently Asked Questions

Benefits

- ***What are the advantages of the merger?***
The key benefits of merging organizations include combining strength and brand value, establishing a more powerful voice in milk marketing policy, attaining greater operational efficiencies, expanding services to members, and providing the same cooperative advantages members have already had.
- ***Why is getting bigger an advantage?***
With a bigger membership base, the new cooperative will have a stronger voice in dairy policy decisions, which in turn makes the members' voice more influential. Additionally with more members, our service programs will be able to be enhanced due to greater efficiencies obtained on the volume of individuals involved.
- ***In what ways will the new cooperative be more efficient?***
In the due diligence process already conducted by the combined Boards, several areas of immediate efficiency have already been identified. These include member communications efforts, memberships to various industry organizations, and even staff/personnel capabilities. Additional efficiencies are expected to be identified as the combined efforts of what have been three independent entities team together for common goals and needs of one.
- ***Why is this being done now?***
The timing of this Plan of Merger is ideal to combine strengths and establish an immediate, solid foundation to build a new, single cooperative. The current financial status of each of the three cooperatives involved is in outstanding condition, which supports the goal of immediate opportunities for our members.

Leadership & Representation

- ***How will the merger change my relationship with my field representative?***
The goal of this merger is to make it as seamless, proactive and beneficial as possible to our members. Unless future considerations warrant it, your relationship with your field representative should not change. Your field representatives will be kept informed of all details that would impact your business with them.
- ***How will the voting be done and who gets a vote?***
Each organization will hold meetings with their membership during November and early December. On December 18th, each cooperative will hold a special member

meeting and ballots submitted by all eligible, voting members of each cooperative will be tallied to determine if that cooperative will join FarmFirst Dairy Cooperative.

- ***How many districts will there be in the new cooperative and how will they be organized?***

There will be a total of 9 member districts, based on geography and a balance of member representation within those districts, with the goal of maintaining equitable representation for all farmer-members.

- ***How will new directors be selected?***

The proposed delegate representation will be based on a combined total of 9 districts, based on membership within the districts. Each current director will maintain a position for one year following the consolidation, at which time a transition plan has been established in the provisional bylaws. Current directors will serve a one year term and follow a three year transition plan. In the future, each member will have the opportunity to vote, by mail-in ballot, to elect the director who will represent their district.

- ***Who is going to be the General Manager, or who will lead the company?***

A management transition plan for the new organization has been defined. This will be an evolving process, to ensure effective representation of all members through the development of the new, single organization. Each of the 3 current General Managers will have leadership roles in the new organization. Dennis Donohue will serve as the new lead General Manager beginning January 1, 2013.

- ***How can grassroots representation be ensured with fewer delegates?***

As any organization established to represent member constituent interests, our new cooperative will strive – and work very hard to achieve – fair and equitable representation of our farmer-members. This is a farmers' cooperative, and will stay true to grassroots democracy. This is not only a vision of the new cooperative, but a core component of its infrastructure. In most cases, more delegate representation per member will be integrated in the structure. Members will continue to have a clear vote in electing their directors, and the combined cooperative effort will allow for spring and fall meeting opportunities.

Infrastructure & Organization

- ***Where will the new cooperative office be located?***

Though there will be operational transitions, the new cooperative will ultimately be located in Madison, Wisconsin.

- ***What will the new cooperative name be, and why was it chosen?***

The new cooperative will be called FarmFirst Dairy Cooperative. This name was chosen because it represents the brand promise and commitment of putting members first.

- ***What happens to shares and/or equity in the merger?***

The Board of Directors have discussed a rotational schedule to address that equity which has already been allocated by an organization which would allow the organization to remain strong while providing returns to those members. The non-allocated equity or retained savings by an organization will remain part of the new organization and would be available per the Articles of Incorporation should there be a dissolution or liquidation of the organization sometime in the future.

- ***How many staff positions will be eliminated?***

There are no specific plans to reduce any staff positions at this time. The goal of the new organization is to provide more for all members. Therefore, it is believed that the new cooperative will have plenty of staff positions for good employees that share this vision and can help write the new chapter of an outstanding dairy cooperative.

- ***What if the merger doesn't pass, then what?***

If the merger is not approved by the member votes of either 3 cooperatives, the reasons why will be reviewed and future considerations pursued accordingly. However, each cooperative will continue business independently in the short-term.

- ***What size farms will be represented by the new cooperative?***

The new cooperative will welcome members of all sizes. As evident in the new name – FarmFirst – all farms deserve equal and adequate representation. The focus and attention to programs and representation important to our members needs is what FarmFirst Dairy Cooperative will provide to members.

- ***Where can I go if I have additional questions?***

Members seeking additional information are encouraged to contact their current General Manager, Board of Directors, review the transparent public information that will be posted on www.yourcoopportunity.com, or use the “Have Questions” feature on the site to send questions via email.

- ***If the merger is approved, when will the new cooperative start operating?***

If each cooperative votes to approve the merger on December 18th, 2012, the new cooperative will officially begin conducting business on January 1, 2013.

- ***Does everything with the old cooperative's name on it have to be thrown away or changed?***

If the merger is approved, we will begin conducting business as FarmFirst Dairy Cooperative as of January 1, 2013, but any change like this will come step-by-step. You should not look at how fast we make the change, but how soon we can take the membership advantages to the next level. A comprehensive and strategic marketing plan that will guide the evolution and elevation of the new brand will follow an official merger.