

DFA Michigan

Scott Corrin
Director of Operations and Business Development

THIS MARK MATTERS. > **DFA**
Dairy Farmers of America

1

DAIRY FARMERS OF AMERICA



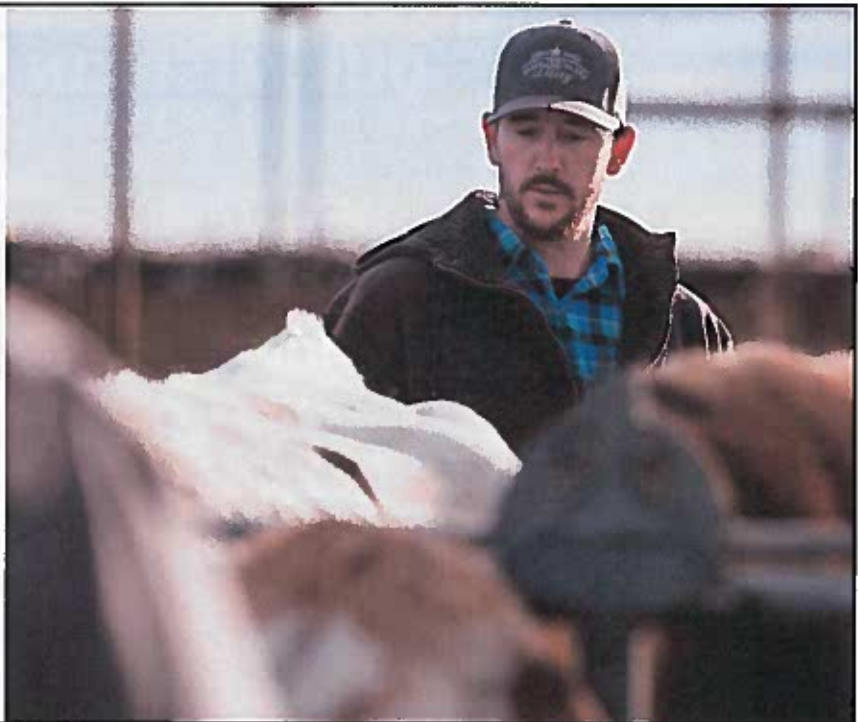
DFA is the largest supplier of raw milk in the world



Headquartered in Kansas City, Kan.



A global dairy foods company owned by dairy farmers





AT A GLANCE



Diversified product portfolio



44 manufacturing facilities



\$13.6 billion 2018 US annual sales



Fourth largest global dairy company*

Largest USA dairy company*

*Source: Rabobank dairy sales turnover data, 2016

3



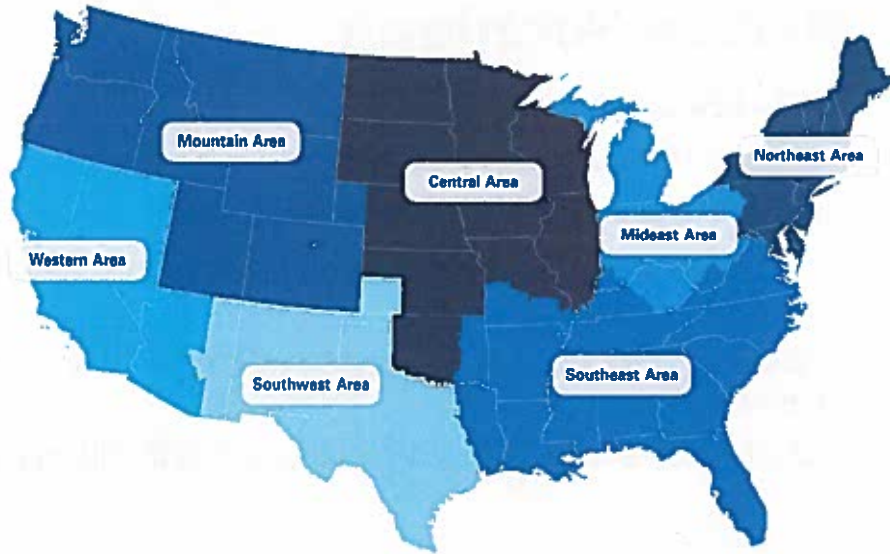
OUR MISSION

**DELIVERING
VALUE TO
MEMBERS**



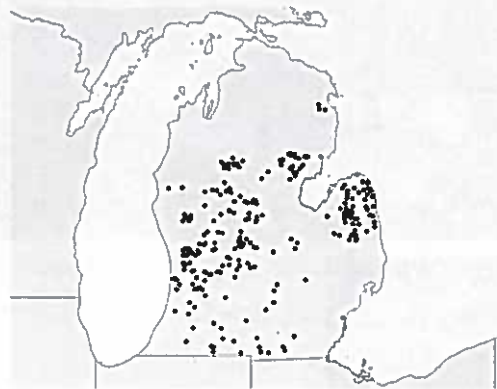
DFA'S AREAS

DFA is organized into seven Areas to streamline milk marketing activities and provide regional support to members and customers.



5

DFA Michigan Farms



DFA Michigan members as of March 2019



6

DFA in Michigan

- 275 - DFA member farms
- 149,268 – DFA cows milked every day
- 90 – people employed by DFA and its partners
- \$524.7 million – revenue generated by milk sales from DFA members
- \$996.9 million – economic impact by milk sales from DFA members
- DFA members have invested in the following Michigan plants:
 - Adrian
 - Cass City
 - St. Johns (under construction)

7

DFA Michigan Plants



Adrian



Cass City



St. Johns

8

Project Spartan

- Cheese/whey processing plant is a joint venture among Dairy Farmers of America, Glanbia Nutritionals and Select Milk
- Modeled after Southwest Cheese in Clovis, N.M.



Project Spartan

- Eight million pounds per day of milk processed (20 percent of Michigan's milk)
- Approximately 100 trucks used to transport milk from farm to processor
- 800,000 pounds/day cheese (American-style cheddar)
- 40,000 pounds/day whey power (primarily > 90 percent protein)
- Permeate (byproduct) will be pumped to co-located plant built, owned and operated by Proliant for drying of milk permeate
- 450,000 pounds/day permeate power (high in lactose)
- Includes dedicated wastewater treatment plant
- Projected costs:
 - Cheese and whey plant - \$445M
 - WWTP - \$25M
 - Permeate plant (by Proliant) - \$80-100M

Project Spartan

- Start date of October 2020
- 375,000 square foot manufacturing and warehouse facility
- Significant civil work on site: rerouted existing drainage ditch, raised surface elevation 4-7 feet
- Immediate economic impacts
 - More than 600 temporary jobs at height of construction
 - Three general contractors, eight process vendors, numerous subcontractors
 - Short-term, immediate housing needed
- Long-term economic impacts
 - Approximately 250 jobs
 - Competitive wages
 - Hiring plan calls for significant job hiring beginning third quarter 2020

11

October



12

November



13

December



14



April



17

May



18

