



Mit uns
wird **Ihre Milch** stark!



Bayern MeG w.V.

Gembloux, 07th of november 2018

Outline

1. Broad idea Bayern MeG w.V.
2. Main activities
3. Selling price
4. Goals for the future

What's the system?

Dairy farmers

Dairy Farm-
Cooperatives

Association of
dairy farmers

Farm-
Cooperatives
without dairy

Single farmers
without
organisation

Bayern MeG w. V.
5 billion kg milk,
121 member-organisations,
15.000 dairy farmers

cooperative delivery

delivery by contracts

4 important grocers, high amount of export



Main activities

- Coordination of marketing
- Consultation
- Information, that is conform with competition law

Some Activities in detail

- Dairy delivering contracts:
 - Price: fixed prices, price indexes, no security net just negotiation every quarter
 - Duration: from one year to seven years
 - Volume: from 5 farmers up to 70 Mio. kg
 - Quality of the milk: conventional, organic, GMO-free, paddock milk, hay milk, ...

→ All these variations are part of the contracts, it depends on what the farmers and dairies are willing to have and about the competition situation in the region
- Preparation and performance of price negotiation with dairies
- Support of competition around the milk

→ OUR BIG BENEFIT: WE´VE GOT A NETWORK!

Selling price

- Mostly price rounds every quarter with farmers, purchasers of the dairy and one member of Bayern MeG (Sometimes the dairy holders are also part of the discussion)
- Price wishes and ideas always depends on the milk market (prices at the food retail markets, global dairy trade, notations at the national and international market, AMI, german ministry publications)
- If there`s a safety net in the contract – e.g. like the average bavarian price – there are also anual price rounds
- **PROBLEM:** there are no consistent farmer costs, so it´s hard to involve the costs into the price findings. But of course the farmers know their costs and make their claim with this knowlegde
→ Claims have to figure the market – you can´t get prices far away from what the milk market tenders offers you

Thanks for your attention!

