

## PRESS RELEASE

23<sup>rd</sup> February 2017

### Exports pave the way for OMSCo organic milk pool growth

The Organic Milk Suppliers Cooperative (OMSCo) has signed new members to meet demand growth from its premium export business, increasing its milk pool by nearly 30% over the next two years.



Speaking at the NFU Conference this week, Nicholas Saphir, OMSCo's executive chairman, explained how the cooperative has achieved growth over the last few years despite a

relatively static UK market. The UK organic dairy sector grew 2.2% last year behind total UK organic food growth of 7%.<sup>1</sup> "Global organic dairy market growth is currently outstripping that of the UK and our market diversification strategy has led us to spread risk and take advantage of this by developing premium, specialist organic dairy ingredients for sale worldwide."

He added that since gaining USDA organic accreditation and Chinese certification the cooperative's export business has gone from strength-to-strength. "We've now built long-term relationships with leading market players on a global manufacturing and distribution scale, and as a result, last financial year our exports grew by 58% to 20% of our total revenue," said Nicholas.

"However, we have spent almost an entire year supply constrained. We prioritized our UK sales and this has limited our potential export developments. Supplying the home market is a priority to ensure that it does not weaken again, but we think that in the medium term there is enough milk coming forward to meet limited growth in UK demand and this will be supplied by the natural expansion of the existing organic dairy supply base in the UK. The additional recruitment has enabled us to supply new contracts with global partners, as well as to further balance UK market fluctuations," said Nicholas.

---

<sup>1</sup> Soil Association Organic Market Report 2017



Looking to the future, Nicholas emphasised that international growth will continue to be a key strategy for the cooperative. “Global consumer demand for organic dairy is creating new opportunities. However, there will be hurdles to overcome as we move forward into a post-Brexit reality. Most critically we need to ensure that policy makers understand the detailed implications of future trade options and that’s something we’re working hard to achieve.”