



Key findings of the 12th IFCN Dairy Conference 2011 in Kiel

**Participants:
Dairy economists from
45 countries**

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International Farm
Comparison Network

Key findings of the IFCN Conference

This paper summarises the key findings of the 12th IFCN Dairy Conference, held in Kiel, Germany the 1st to 8th June 2011. So far 91 countries participate in the annual IFCN work. These countries represent 97% of world milk production. Dairy economists from 45 countries have participated in IFCN Dairy Conference, representing 84% of world milk production.



1. Milk production growth 2011/12 can reach new record highs of + 20 mill t/year

- In 2010 milk production grew 11.8 mill. t (cow/buffalo milk, standardised 4% fat, 3.3% protein)
- In the crisis year 2009 milk production grew only 4.1 mill. t.
- In 2005 to 2010 world milk production grew in average by 11.7 mill. t / year.
- In 2011 and also 2012 good milk prices can lead to a growth of up to 20 mill. t milk per year.

2. IFCN 2011 Ranking of the top 21 milk processors

- The top 21 dairy companies process 24% of world milk production.
- No. 1 milk processor in the world is Fonterra which processes 3% of the world milk.
- No. 2 to 5 are: Dairy Farmers of America, Nestlé, Dean Foods, Royal Friesland Campina.
- Compared to the IFCN ranking from 2009 there was no mayor change in the ranks 1 to 10.
- Via mergers Nordmilch & Humana and Sodial & Entremont alliance have improved their rank.
- In Asia the companies Mengniu, Yili and Amul gained position via strong growth in milk intake.
- Milk processors in the USA showed stable milk intake and lost positions in this ranking.

3. IFCN strategy to be “The leading, global knowledge organization in milk production”

The research partners in the network have agreed to implement a new strategy to reach the vision to be the leading, global knowledge organization in milk production. This new strategy provides a better base to support local dairy stakeholders creating dairy development strategies. Moreover, it enables the IFCN to better serve the needs of the global dairy industry as a whole. The very unique intranet platform, formally introduced the 8th of June, allows a much faster and deeper exchange of information in the network.

4. The new IFCN Dairy Report 2011 will be released in October

The IFCN Dairy Report 2011 will be available in October 2011 and will cover the topics described above in much more depth. Results of the 2011 IFCN work will be also presented at the IDF world dairy summit in Italy. For details on the IFCN and its researcher and company partnerships please visit our website or contact info@ifcndairy.org.

5. The IFCN World Dairy Map 2011 was released (details see Annex 1)

IFCN Top-21 milk processors list 2011 (measured by milk intake)

Rank	Company name	Country	Dairy processing plants main location	Milk intake in mill. t	Market share in % of world milk production
1	Fonterra	New Zealand	international	20.5	3.0%
2	Dairy Farmers of America	USA	USA	17.1	2.5%
3	Nestle	Switzerland	international	14.9	2.2%
4	Dean Foods	USA	USA	11.8	1.7%
5	Royal FrieslandCampina	The Netherlands	The Netherlands	10.3	1.5%
6	Lactalis	France	international	10.2	1.5%
7	Arla Foods	Denmark/Sweden	Denmark/Sweden	8.7	1.3%
8	Danone	France	international	8.0	1.2%
9	California Dairies Inc.	USA	USA	7.7	1.1%
10	Kraft Foods	USA	international	7.5	1.1%
11	Nordmilch & Humana (DMK)	Germany	Germany	6.7	1.0%
12	Saputo	Canada/USA	Canada/USA	6.2	0.9%
13	Land O' Lakes Inc.	USA	USA	5.8	0.9%
14	Sodiaal & Entremont alliance	France	France	4.2	0.6%
15	Mengniu group	China	China	3.8	0.6%
16	Parmalat	Italy	international	3.7	0.6%
17	Yili group	China	China	3.7	0.5%
18	Amul	India	India	3.4	0.5%
19	Northwest Dairy Association	USA	USA	3.3	0.5%
20	Schreiber Foods Inc.	USA	USA	3.3	0.5%
21	Murray Goulburn	Australia	Australia	3.2	0.5%
Sum top 21				163.9	24%

Source: IFCN analysis is based on the IFCN Dairy Report 2010 and additional analyses and estimates. Data represents in most cases the year 2009 or 2010.

Explanation: Milk intake represents milk volume collected, commodity purchase (in milk equivalents) and subsidiaries in other countries. Milk intake figures in mill. tons. In some cases recalculated from liter (1liter = 1.033 kg). **Comments:** Amul (India): milk with high fat content. Nordmilch and Humana merged in 2010 and created new company Deutsches Milchkontor (DMK). Sodiaal and Entremont alliance merged in 2011. Fonterra and Nestle incl. 50% of milk intake of Dairy Partners America (DPA) each. In some cases: double-counting of milk intake possible (companies purchase milk / dairy ingredients from each other).

IFCN Top-21 milk processors list 2009 (measured by milk intake)

Rank	Company name	Country	Dairy processing plants main location	Milk intake Mill t ME	Market share % of world production
1	Fonterra	New Zealand	International	18,6	2,7%
2	Dairy Farmers of America	USA	USA	16,2	2,3%
3	Nestle	Switzerland	International	12,0	1,7%
4	Dean Foods - US	USA	USA	11,8	1,7%
5	Campina & Friesland	The Netherlands	The Netherlands	11,3	1,6%
6	Lactalis	France	International	8,9	1,3%
7	Arla Foods	Sweden	Denmark/Sweden	8,3	1,2%
8	California Dairies Inc.	USA	USA	7,7	1,1%
9	Danone	France	International	7,3	1,0%
10	Kraft	USA	International	6,7	1,0%
11	Land O' Lakes	USA	USA	5,5	0,8%
12	Saputo	Canada	Canada/USA	4,3	0,6%
13	Nordmilch	Germany	Germany	4,2	0,6%
14	Schreiber Foods	USA	USA	3,7	0,5%
15	Bongrain	France	France	3,6	0,5%
16	Parmalat	Italy	International	3,5	0,5%
17	Murray Goulburn	Australia	Australia	3,2	0,5%
18	Northwest Dairy Association	USA	USA	3,1	0,4%
19	Mengniu group	China	China	2,9	0,4%
20	Glanbia	Ireland	Ireland/USA	2,8	0,4%
21	Amul	India	India	2,7	0,4%
Sum top 21				148	21%

Source: IFCN analysis is based on IFCN Dairy Report 2008 + additional analysis and estimates. Data represent mainly the year 2007.
Explanation: Milk intake represents milk volume collected + commodity purchase in home countries and subsidiaries in other countries.
ME= Milk equivalent; Method: Fat/protein method, Data: Basis is mainly 2007 in some cases 2006

