

WFU: Applauds AG Kaul for joining DFA lawsuit

Posted on Monday, May 4, 2020

>> WisPolitics is now on the State Affairs network. Get custom keyword notifications, bill tracking and all WisPolitics content. [Get the app or access via desktop.](#)

Wisconsin Attorney General Josh Kaul joined the State of Massachusetts and the U.S. Department of Justice in a lawsuit against the nation's largest dairy cooperative, Dairy Farmers of America (DFA) on Friday. DFA was recently approved as the **primary** buyer of Dean Foods' assets after Dean Foods declared bankruptcy last fall. As part of the settlement, DFA must now give up the sale of three milk processing plants, including the Morning Glory Dairy plant in De Pere, Wis., and the use of two dairy product brands.

"We applaud Attorney General Kaul for blocking DFA from gaining a larger share of the fluid milk market in Wisconsin," said Wisconsin Farmers Union President Darin Von Ruden. "The sale would have left farmers with fewer options for milk buyers, and it would have greatly reduced competition in retail and school milk markets in the state. We believe that a competitive marketplace is better for farmers and consumers, and we appreciate Attorney General Kaul for standing up for both."

WFU and dairy farmers raised concerns about the sale of Dean Foods to DFA, citing a history of anticompetitive business practices and a tendency to pay farmers less for their milk than other buyers. "We especially want to thank the Attorney General's office for taking the time to listen to farmers and consider the impact this merger could have on their livelihoods," Von Ruden added.

Von Ruden noted the COVID-19 pandemic has brought to light the risks of a highly consolidated food system, particularly in meat processing.

"Wisconsin is one of the few places in the country where we still have robust dairy processing infrastructure and this action on behalf of our state Department of Justice will help preserve that," Von Ruden said. "Though the sale of the majority of

Dean Foods' assets to DFA has been approved by the U.S Department of Justice, the state of Wisconsin can claim victory."

"WFO has long been calling for stronger enforcement of antitrust laws, and the current crisis we're in has clearly demonstrated how vulnerable a consolidated food supply chain can make us" Von Ruden said. "This is a step forward in much needed reform of our food system."