

## **Holstein Canada and CDN Boards Take Current Amalgamation Proposal Off The Table**



Holstein Canada

Brantford/Guelph, January 10, 2012 – Following in-depth discussion and with the total support of their Board members, Holstein Canada and Canadian Dairy Network (CDN) Presidents Paul MacLeod and Grant Roy announce their organizations will discontinue the current amalgamation plans.

Board discussions on this subject were initiated in 2010 and continued with members and industry partners throughout 2011. This led to a cross-country consultation of Holstein Canada members and clients in October, facilitated by an independent consultant, which culminated in a report tabled to both Boards at the end of December.

Paul MacLeod stated, "The content of the report, with its detailed feedback from each region, led the Holstein Canada Board to this final decision. Some members acknowledge the changing dynamics of our industry and are open to new ideas. However, we did not obtain a clear majority to this change, at this time. We are a grass roots association – such a change required more support than obtained."

President MacLeod added "The Board is enlightened by the fall member consultation process - we asked questions, we listened to all the answers and we got to know our members better. We hope the participants learned more about their Association and about CDN, a very important organization to every Holstein Canada member. This in itself is very constructive and will help us continue our discussion on how best to answer the needs of our members in today's dynamic, yet shrinking dairy industry."

President MacLeod concluded "No other amalgamation plans are on the table at this time for Holstein Canada. Our Board will take the required time to examine future options and we assure all our members Holstein Canada will be visionary and continue to strive for further efficiencies. Status quo is not an option."

CDN Chairman Grant Roy shared these sentiments; "Many of the producers attending the meetings across Canada told us the industry cannot continue doing the same thing, the same way. Like dairy producers do on their farms, service organizations need to continuously adapt to new realities. However, the amalgamation, as proposed, is not a priority for some producers at this time."

Chairman Roy added that CDN, under the leadership of General Manager, Brian Van Doormaal, will continue to work on its many priorities.

"We are indebted to Brian for leading both companies for over 18 months. We are especially thankful to him for accepting to continue as CEO for a transitional period while the Holstein Canada Board proceeds with the recruitment of our next CEO", added Paul MacLeod.

Although the organizations will remain under separate governance structures, both Presidents were quick to add the close working relationship developed over the past 18 months will of course continue. "Holstein Canada is a strong member organization of CDN and we are both service providers to the same on-farm customers. Working closely together, the way we do with all our industry organizations, is a strength of which Canadian farmers should be proud."

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