



Recently, the Fonterra Australia Suppliers' Council (FASC) spent time together in Inverloch for our bi-annual conference. These occasions present the opportunity to align our focus areas and ensure we represent the interests of all Fonterra suppliers.

We spent time discussing our role and understanding what it means to be an effective farmer representative. We also discussed the challenges faced by farmers this season - dry conditions, limited access to water, high input costs, and a lower milk price. These current year considerations reinforced the view of the entire FASC group about the importance of why we exist.

We must continue to strengthen our relationship with Fonterra and bring our priorities to the table each time we're together, and our time in Inverloch allowed just that.

As part of the conference, we welcomed Matt Watt and the Farm Source leadership team, alongside **Fonterra Oceania's new Managing Director, David Breckenridge**. It was good to meet David in person and hear how the business is tracking and understand his passion and plans for delivering the Oceania strategy.

It was equally important for David to hear from FASC on how farmers are tracking, and the types of decisions we're confronted with right now that will impact not just the months ahead, but our farming businesses into the future.

We sought reassurance on the outlook for next season, reinforcing that farmers need confidence sooner rather than later to invest in their business. Do we need another step-up before the end of the season? Absolutely, we passed that message on loud and clear.

We also reflected on this time last year when we were scenario planning for a drop in price. Right now, global markets are in a better position than where they were 12 months ago, which is welcome news for farmers. Impacts of seasonal conditions and current milk price will remain a challenge, but let's see this season through and prepare for the next – which is showing positive signs for improvement. We'd expect our Farm Source regional teams to be in a position to start scenario planning on new season price ranges in the coming weeks.

We also spoke to Matt and David about the **divestment of the Co-op's global consumer business**, which includes Oceania, and how farmers are feeling as the sale progresses. We're hearing from farmers there are varying levels of understanding about the sale process and what it means for us. For FASC, our focus is on ensuring continued access to Farm Source Professional and the familiar faces of the Farm Source team. We also communicated the

extent to which we value this service model, which has been a priority in the feedback shared to date.

There will be feelings of uncertainty over the coming months, but what we do know is that a potential buyer will want a stable and reliable milk supply, and we continue to work with Fonterra on reassuring farmers on contracts as we approach the new season.

Lastly, we've had another successful run of **Proud to be a Dairy Farmer**. It's now been five years since the program began, and each year it grows in interest and impact. Last month, we welcomed another 28 participants through the program, from nine different processors who were selected from almost 100 applications right across the country.

A standout for FASC was seeing the wide representation of processors and industry bodies at the Gala Dinner, with leaders from Bega, Bulla, and Saputo joining us for the first time.



My thanks go to the FASC team who brought it all together; Brooke Theodore, Kal Young, Dean Turner, and Celia Hobbs for their role in supporting the 2025 program. You can view more photos on Instagram [@proudtobeadairyfarmer_australia](https://www.instagram.com/proudtobeadairyfarmer_australia) and applications for 2026 will open again in October.

Take care, and I look forward to catching up soon at Supplier Meetings mid-year.

Regards,

Paul Weller
Chair – Fonterra Australia Suppliers' Council