

NEWS FROM ICOS

IRISH CO-OPERATIVE ORGANISATION SOCIETY

[www.icos.ie](http://www.icos.ie)

The Plunkett House, 84 Merrion Square, Dublin 2

Tel: (01) 676 4783 / Fax: (01) 6624502

**Press Statement on Glanbia Restructuring Proposals from President of ICOS**

**“For actively trading farmers, there is no substitute for being in a position to influence and control investment and management decisions in regard to their future processing and marketing requirements”  - Bertie O’Leary**.

In a detailed statement below, the President of the Irish co-operative movement ICOS (Irish Co-operative Organisation Society Ltd) - Bertie O’Leary today called on Glanbia Shareholders to vote ‘YES’ to the proposed creation of Glanbia Ingredients Ireland.

ICOS (the Irish Co-operative Organisation Society) represents co-operatives and organisations in Ireland – including the Irish dairy processing co-operatives and livestock marts - whose associated businesses have a combined turnover in the region of €12 billion, with some 150,000 individual members, employing 12,000 people in Ireland, and a further 24,000 people overseas.

The initial advisory vote by Glanbia Co-op members on the joint venture proposals takes place on Tuesday, 13th November at various polling stations around the country.

O’Leary said:  “This new joint venture company rebalances the relationship between the Co-operative and the PLC in a manner that is positive for the co-operative and its members. “

Welcoming the proposal to allocate 7% of the Co-operatives shareholding in the PLC to individual co-op members, he said that most co-op shareholders were not seeking to extract the last penny from the proposed sale of 13% of the Co-operatives shares in the PLC.

The Co-op shareholders, he said, have an understanding and a regard for the intergenerational nature of a co-operative.

“The contribution of past generations in building Glanbia is not something to be appropriated exclusively by one generation,” he said.  “Each generation is entitled to its fair share but also has a duty to leave behind them a business structure capable of servicing the next generation.  The proposed creation of Glanbia Ingredients Ireland is a step in the right direction.”

“For actively trading farmers, there is no substitute for being in a position to influence and control investment and management decisions in regard to their future processing and marketing requirements.  The joint venture proposal creates a structure that considerably strengthens the influence of milk supplying members in this regard.”

“For active milk suppliers who are shareholders in Glanbia, the new model gives greater control and ownership of the assets that are of most strategic importance to them in determining their livelihood beyond the farm gate.”

“The proposed new joint venture company also provides an important potential platform for enabling structural change for the entire milk sector.  It has the potential to attract alliances with existing established processing co-operatives that will create further economies of scale and the potential to allow for a more coherent approach to export marketing of dairy products.”

“It is only when farmers themselves own and control the processing and marketing of their raw material that they can be certain that their best interests will be the priority of the business.”

Bertie O’Leary, President of ICOS, concluded by calling on Glanbia Co-operative shareholders to support the proposal that the co-operative create a new joint venture company with Glanbia PLC by voting yes for the advisory vote and by voting yes at the subsequent Special General Meetings of the Society.

**MONDAY, 5TH NOVEMBER 2012**