■ VOLUME 30 NUMBER 8 FEBRUARY 26, 2016

MISSOUTIL AWYETS WEEKLY

■\$3.5 MILLION SETTLEMENT

Settlement ends suit over milk pricing

MISSOURI MERCHANDISING PRACTICES ACT

- Venue: Jackson County Circuit Court
- Case Number/Date: 1216-CV13257/Nov. 18, 2015
- Judge: David Byrn
- Plaintiffs' Experts: Keith Leffler, Seattle (economics); Christian J. Santesteban, San Francisco (economics)
- **Defendant's Expert:** David P. Kaplan, Washington, D.C. (economics)
- **Caption:** Kristie Tessandori and Barbara Cusick v. Dairy Farmers of America Inc.
- Plaintiffs' Attorneys: John F. Edgar and Boyce N. Richardson, Edgar Law Firm, Kansas City; Isaac L. Diel, Sharp McQueen, Overland Park, Kansas; Thomas H. Brill, Law Office of Thomas H. Brill, Leawood. Kansas
- **Defendant's Attorney:** Steven R. Kuney, Williams & Connolly, Washington, D.C.; Jonathan P. Kieffer, Wagstaff & Cartmell, Kansas City

By Scott Lauck

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A Jackson County circuit judge approved a \$3.5 million settlement that resolved a consumer class action lawsuit against Kansas City-based Dairy Farmers of America.

The lawsuit, filed in 2012, alleged that DFA, the nation's largest milk marketing cooperative, had artificially increased the price for milk and cream products through the premature slaughter of dairy cows. The suit on behalf of Missouri dairy consumers alleged those unfair practices violated the Missouri Merchandising Practices Act.



John F. Edgar

The suit alleged that DFA was an integral part of Cooperatives Working Together, a producer-funded, national program developed by the National Milk Producers Foundation. CWT oversaw and supervised a herd retirement program, which the plaintiffs alleged reduced the supply of available farm milk, artificially inflating the prices of milk products.

DFA denied any unfair practices and did not admit fault in the settlement. It argued that its actions were allowed under state and federal cooperative laws.

Judge David Byrn gave initial approval to the settlement in August and finalized the deal on Nov. 18. It provided \$10 payments to people who bought DFA milk products between 2004 and the present. According to court documents, a third of the settlement, about \$1.17 million, went to attorneys' fees. Named plaintiffs Kristie Tessandori and Barbara Cusick each earned \$7,000 as class representative awards.