

# Soares Dairy

Alfred & Reis Soares  
21282 Rd. 6, Chowchilla, Ca 93610

(559) 665-5879

---

August 8, 2012

Karen Ross, Secretary  
California Department of Food and Agriculture  
1120 N. Street  
Sacramento, Ca. 95814

Dear Secretary Ross:

I am a dairy producer and am pleading with your department to consider the petition dated August 6, 2012, submitted by Western United Dairymen for an emergency hearing.

I am a first generation dairy producer and have been dairying for 28 years. Dairying in 2009 was about as devastating as I could have ever imagined until 2012 "right now". I don't have to tell you what has happened to our grain/feed costs as you are fully aware of the nation's worst drought in decades. In 2009 I borrowed on our farm in order to be able to feed our cattle. I refinanced our farm for more than what I originally paid for it just to stay in business. I guess you can say I bought our farm twice now. The equity of our farm is gone; the equity in our cattle is gone; so we have nothing left to borrow on.

Saputo Cheese's letter opposing the hearing to CDFA stating and I'll quote them along with **truth on the matter**; "Frequently recurring petitions for hearings are counterproductive. They create uncertainty in the marketplace" **(Dairy producers have been living with uncertainty for the last four years)** "dilute industry resources" **(Dairy producers' resources are past being diluted)** "challenge the credibility of the Department" **(I would agree, Dairy producers lack the confidence in the credibility of CDFA)** "Prices are higher in other regions of the country because local market conditions warrant them, not because of government mandates". **(Dairy producers have been living with "government mandates" for as long as I can remember. Oh yes, isn't the Make Allowance one of them?)** "Efforts to manipulate or manage markets often interfere with, delay, or impede their orderly functioning" **(Dairy producer prices are manipulated and unfairly managed by the CME dictating what our price should be)**

I don't understand how CDFA can allow this much injustice to continue. The dairy producer pays for the processors' cost of operating. The dairy producer pays the full cost of producing and hauling the milk to the processor. The processor is able to sell the finished product at a profit yet they don't have to share with the dairy producer. I fail to understand how such a broken system could continue.

I believe your conclusion in the most recent hearing decision that the industry should seek structural changes in dairy pricing to establish a more stable foundation for the future was judicious and should be followed through. However, in the meantime, how many more dairies will be lost in California and how many more years will Dairy producers have to endure instability before CDFA takes responsibility for its role to ensure that California Dairy Producers have a right to a fair market on the product they produce?

The best lessons are often learned from our children. My son reminded me some years back that no matter what the situation: **"IT'S NEVER TOO LATE TO DO THE RIGHT THING"** We petition CDFA to do the right thing!

Sincerely,

*Reis Soares*

Reis Soares,  
Soares Dairy

