

MULAS DAIRY CO., INC.

DAIRY AND FARMING

2034 FREMONT DR.

SONOMA, CALIFORNIA 95476

August 25, 2010

A.G. Kawamura, Secretary
California Department of Food & Agriculture
1220 N Street, Suite 409
Sacramento, CA 95714

Re: Floor Price Hearing

Dear Secretary Kawamura:

We are writing to request your support in the petition calling for CDFR to hold an emergency hearing to floor the all milk price. As the petition may be requesting the price at \$14.50; we feel that is not sufficient to meet the States Cost of Production. California dairy consumers are privelege to be receiving dairy products which meet the highest standards in the Nation. California dairymen should be recognized and compensated for meeting these standards and adhering to the numerous environmental regulations many states have managed to avoid.

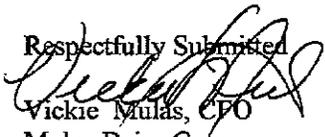
We own and operate a dairy in the Sonoma Valley and have done so since the early 1920's. This is a family owned operation that spans four generations and counting.

Having difficulty in securing the necessary financing to continue operating due to the fact we are **NOT MEETING COST OF PRODUCTION** is commonplace with many dairy families throughout the state.

Banking with Wells Fargo Bank since the early 20's has not been of any value. We have been working on securing our Line of Credit since last August. The bank has made it very clear they are not interested in financing the Dairy because we do not Cash Flow. We have had to leverage everything we have and cross collateralize vineyard land just to get them to extend our Line of Credit to September 2010. As I write this letter we are still awaiting funding; even with all the documents and insurance requirements in place.

We understand you had met with Wells Fargo Ag Economists and Officers several months ago and were hopeful they would have been forthright with their concerns, giving you adequate insight as to the severity of the situation. The fact you have not called for a hearing prior to this request is concerning. Although many issues lend to this crisis; we believe establishing a reasonable floor price along with production management could bring stability to the States Dairy Industry. Outdated formulas in establishing milk pricing along with unrealistic data representing feed and opperating cost need to be reviewed.

Respectfully Submitted


Vickie Mulas, CFO

Mulass Dairy Company