

RUMIANO

SINCE 1921
FINE NATURAL CHEESE

December, 15, 2011

Dear Karen Ross Secretary:
California Department of Food and Agriculture

On behalf of Rumiano Cheese Company, I am writing to request that the Department of Food and Agriculture deny the December 2, 2011 petition received from Western United Dairymen. The Department's August 22, 2011 decision (effective September 1, 2011) made significant changes in the Class 4b whey factor. It acknowledged the need to balance minimum producer prices with the wide range of cheese manufacturing, whey usage and disposal in California

While we understand producer's desire for higher prices, we believe that increasing the Class 4b, as proposed by Western United, would be detrimental to the industry. Production of cheese in California is still below the high reached in 2007, and more importantly, there is a very evident lack of new cheese manufacturing capacity in the state. At the same time, California milk production in 2011, will eclipse the previous record milk production seen in 2008 and the state's milk production growth rate (+2.6% year -to-date) is significantly higher than the milk production growth rate for the entire country (+1.6%). Milk cow numbers in the state are increasing and are up by 27,000 head (1.5%) for the most recent month that figures are available. At the June hearing, both cooperative and proprietary manufacturers testified to concerns about a lack of adequate manufacturing capacity in the state. Those concerns still exist and would be pushed to a higher level if a new hearing were called so soon after the most recent hearing decision was implemented.

Small cheese manufacturers like Rumiano Cheese cannot afford to process its whey in a profitable way. This would be a death sentence to all cheese Companies that don't process their whey or only partially processing their whey. We respectfully request that the Western United petition be denied.

Sincerely,



R. Baird Rumiano
President

Cc: Sandra Schubert, Undersecretary
Candace Gates, Chief, Dairy Marketing Branch