CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE
Karen Ross, Secretary

June 27, 2014

Dr. Eric M. Erba
Sr. VP & Chief Strategy Officer
California Dairies, Inc.
2000 N. Plaza Dr.
Visalia, CA 93291

Dear Dr. Erba:

This letter is in response to the petition dated June 16, 2014 for a public hearing submitted to the Department on June 17, 2014 by California Dairies, Inc. The petition proposes changes to the manufacturing cost allowances for butter and nonfat dry milk in the Class 4a pricing formula.

After careful consideration of your petition and the issues facing the dairy industry in California, the Department is denying your request for a hearing. The Secretary does not want to impede the ongoing efforts of the California Dairy Future Task Force in developing potential alternative pricing scenarios that address the issues of our state's antiquated pricing system.

Sincerely,

Candace Gates, Chief
Dairy Marketing Branch