CALIFORNIA DAIRY CAMPAIGN
"DAIRYMEN WORKING FOR DAIRYMEN"

September 15, 2004

David Ikari, Branch Chief
Dairy Marketing
California Department of Food and Agriculture
1220 N Street
Sacramento, Ca. 95814

RE: Land O' Lakes Petition

Dear Mr. Ikari,

The California Dairy Campaign is requesting that the department not grant a hearing petitioned for by Land O' Lakes.

The CDC feels the last whey cost study over stated the cost of producing whey by a huge amount. The large discrepancy between the whey cost and nonfat dry milk cost is highly unusual furthermore the large gap between the minimum and maximum range per costing category is to great. Using the lowest cost per category the theoretical lowest cost would be around $0.14 substantially less then the weighted average. Until another whey cost study is completed to verify the whey cost data no hearing should be granted.

Sincerely,

Xavier Avila, President
California Dairy Campaign

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