



March 30, 2016

The Honorable Karen Ross, Secretary
California Department of Food and Agriculture
1220 N Street
Sacramento, CA 95814

Dear Secretary Ross:

California Dairies, Inc. ("CDI"), a full-service milk processing cooperative owned by 385 California-based producer-members, offers its support for the proposal on whey valuation within the Class 4b milk pricing formula as submitted by Western United Dairymen, Milk Producers Council, and California Dairy Campaign. Furthermore, on behalf of CDI, I commend you for calling the hearing on your own motion and keeping the hearing focused on only alternative methods for valuing whey in the Class 4b milk pricing formula.

The proposal supported by CDI is logical, has a strong economic basis, and mirrors previous positions taken by CDI with regard to whey valuation within the Class 4b milk pricing formula. It is also consistent with the producer-led effort to pursue a federal milk marketing order in California. The proposal corrects the well-known deficiency in the Class 4b milk pricing formula by instituting an expanded dry whey value look-up table that emulates the whey values achieved in federal milk marketing orders. The proposal will be presented and fully explained at the upcoming April 11, 2016 hearing and I urge you to give the proposal due consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Eric Erba", is written over a light blue horizontal line.

Dr. Eric M. Erba
Sr. VP & Chief Strategy Officer

ARTESIA

11709 E. Artesia Blvd.
P.O. Box 6210
Artesia, CA 90702-6210
Telephone: 562-865-1291
FAX: 562-860-8633

FRESNO

755 "F" Street
P.O. Box 11865
Fresno, CA 93775-1865
Telephone: 559-233-5154
FAX: 559-268-5101

LOS BANOS

1175 Pacheco Blvd.
P.O. Box 2198
Los Banos, CA 93635-2198
Telephone: 209-826-4901
FAX: 209-826-4294

TIPTON

11894 Avenue 120
P.O. Box 837
Tipton, CA 93272-0837
Telephone: 559-752-5200
FAX: 559-752-5201

TURLOCK

475 South Tegner
Turlock, CA 95380
Telephone:
209-668-6150
FAX: 209-668-6162

**CORPORATE OFFICE
VISALIA**

2000 N. Plaza Drive
Visalia, CA 93291
Telephone:
559-625-2200
FAX: 559-625-5433