LAND O'LAKES, INC.

4001 Lexington Avenue North
Arden Hills, MN 55126

Mailing: P.O. Box 64101
St. Paul, MN 55164-0101

651-375-2222
www.landolakesinc.com

LAW DEPARTMENT
Writer's Direct Number: 651-375-2827
Facsimile: 651-234-8119
E-Mail: psjanzen@landolakes.com

July 30, 2013

The Honorable Karen Ross
Secretary of Agriculture
California Department of Food and Agriculture
1220 N Street Suite 400
Sacramento, CA 95814

Dear Secretary Ross:

On behalf of Land O'Lakes, Inc., I am writing to request that the Department of Food and Agriculture grant the hearing as requested by California Dairies, Inc., California Dairy Campaign, Milk Producers Council and Western United Dairymen proposing:

- Modification of the sliding scale that determines a dry whey factor in the Class 4b formula
- Replacing the "temporary price adjustment" that is currently in place with a new "temporary price adjustment" as outlined in their petition

We remain concerned about the widening gap between California's Class 4b price and the Federal Order Class III. For the month of June 2013 the Federal Order Class III price was $2.11 higher than the California Class 4b.

We are also concerned that the cost of production per the California Department of Food and Agriculture continues to exceed the California "Statewide Blend" price. These types of economic trends are having significant long term impacts within the California dairy industry.

We appreciate your attention to this matter and urge you to grant the hearing as requested by the above mentioned parties.

Respectfully,

PSJ

Peter S. Janzen
General Counsel
Chief Administrative Officer
Land O'Lakes, Inc.