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MARQUEZ BROTHERS INTERNATIONAL, INC.

Manufacturers of **EL MEXICANO** brand cheese

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(559) 276-7800 FAX (559) 276-0102

Cheese Production Division
612 W. 5th St.
Hanford, CA 93230-5043



Chorizo Production Division
1328 Colegrove Ave.
Montebello, CA 90640-5051

March 1, 2012

California Department of Food and Agriculture (CDFA)
Attn: Karen Ross, Secretary of CDFA
1220 N. Street
Sacramento, California 95814
916-654-0466

Dear Secretary Ross:

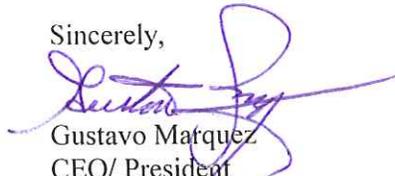
It has come to our attention that CDFA is being pressured by dairy farmer organizations and dairy cooperatives to call a pricing hearing to increase the Class 4b (cheese milk) price by increasing the whey pricing factor in the Class 4b formula. Such a change will be detrimental to our operations. Based on the last hearing, the increase that dairymen were asking for would have raised the mandatory regulated price that cheese-makers would have to pay for milk by as much as \$3.00 per hundredweight.

This change would increase cheese prices and have a material and adverse impact on our corporation. Marquez Brothers is a proud supporter of the community and provides employment in economically depressed areas in California. This potential price increase in milk would jeopardize our ability to offer much needed jobs. Similarly, this increase would raise the consumer price index (CPI) through higher food costs on cheese related products.

Marquez Brothers is committed to the CDFA and their involvement in establishing sound pricing and safe food products. However, these continuous petitions from the producer groups to increase the Class 4b pricing have long-term consequences for both consumers and smaller cheese companies such as ours. We request that you consider all parties before taking action. We also request that you limit the number of petitions/hearings that are reviewed in any specific year to a reasonable amount. Increases in the 4b pricing will affect our business viability and reduce jobs.

Thank you for considering our point of view and we would like to extend an invitation to visit our plant in Hanford. If you have any additional questions about our company, please call me at (559) 584-8000.

Sincerely,


Gustavo Marquez
CEO/ President
Marquez Brothers International Inc.,

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