

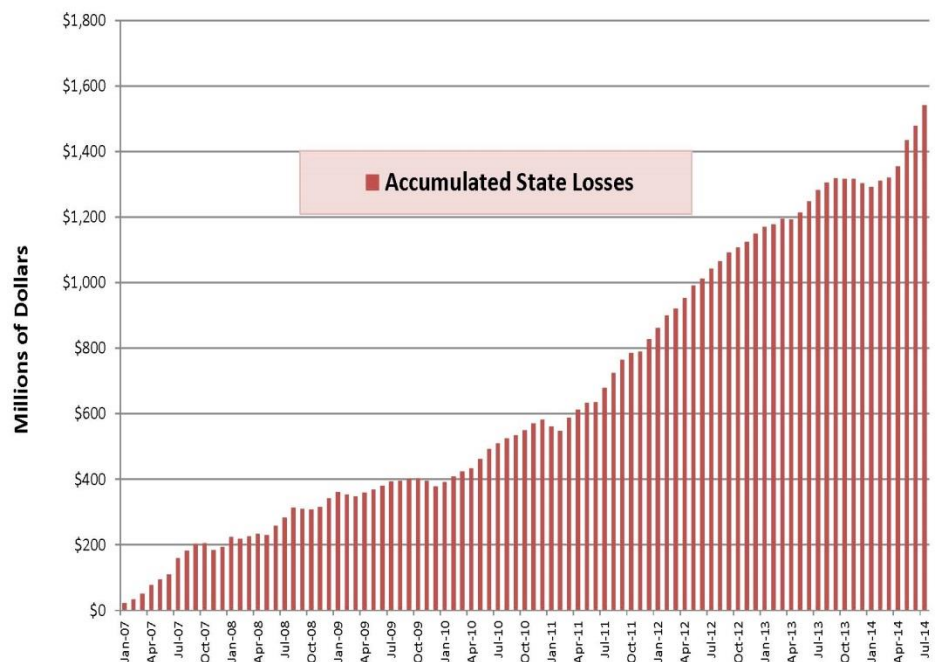


## September 26 Update

**On Wednesday, September 24<sup>th</sup> CDC hosted a meeting in Merced to discuss details of the Dairy Margin Protection Program (MPP)** - Merced County Executive Director Garrett Pedretti served as the featured speaker to discuss the dairy margin protection program (MPP). Sign up has begun and continues until close of business on Nov 28<sup>th</sup>. USDA offers an online MPP tool which is available at <http://www.fsa.usda.gov/mpptool>. National Milk Producers Federation has an online tool at: <http://www.futurefordairy.com/mpp-calculator>, which is designed to complement the USDA tool. The NMPF tool is available both online and in an Excel file. The USDA tool is pre-programmed with market forecasts from the Chicago Mercantile Exchange (CME), the NMPF tool allows farmers to input their own projections for milk as well as corn, soybean meal and alfalfa. *Next CDC MPP meeting October 16.*

**Losses due to large gap between California and Federal Order Prices total more than 1.4 billion:** CDC Executive Director Lynne McBride discussed the substantial cost of the current California dairy pricing system to California dairy producers. The presentation included a graph that showed the accumulated losses for California dairies totaling more than 1.4 billion due to the fact that the California system pays prices to dairy producers that are not equitable compared to federal order prices. CDC urged dairy producers to call on dairy cooperative leaders to finalize a federal order proposal for California to bring prices in line with federal order prices.

What is California Pricing Costing Us



Losses based on California class utilization times FMMO class prices less California blend times the California milk production.  
Source: CDFA and USDA  
Compiled by: California Dairy Campaign

**On Tuesday, September 23, CDC Executive Director Lynne McBride testified in opposition to an increase in dairy permit fees before the State Water Resource Control Board in Sacramento:** More than 35 people testified in opposition to the proposed increase including many dairy producers from throughout California. In Coalition with other dairy organizations through Dairy Cares, CDC opposed the fee increase for a number of reasons including the fact that fees have already quadrupled since the program began. Despite the widespread opposition, the board voted to increase dairy permit fees by 33% on all dairies statewide.

**Upcoming Meeting 4 pm on October 16<sup>th</sup> at the Fruityard in Modesto, CA:** The next CDC board and membership meeting will focus on details of the Dairy Margin Protection Program (MPP) and CDC's ongoing efforts to enable California to join the federal milk marketing order system to bring California dairy producers prices in line with prices paid in other states. Location: 7948 Yosemite Blvd.

**For more information and to RSVP contact Bertha in the CDC Office 209-632-0885**