From: Dori Klein

Sent: Friday, August 17, 2012 10:41 AM

To: Coale, Dana - AMS **Subject:** Dairy Price petition

Dear Secretary Vilsack & Deputy Administrator Coale:

Due primarily to drought and fast-rising grain/forage costs, many U.S. dairy farmers face their worst net income squeeze ever — even worse than in 2009. USDA's monthly "All Milk Price" vs. USDA data for "U.S. Monthly Dairy Costs of Production Per Cwt. of Milk Sold" show this progressive red ink bath for January-June 2012 (per hundredweight of milk sold): January (-\$4.05), February (-\$6.22), March (-\$6.23), April (-\$7.12), May (-\$8.35), and June (-\$8.65). Milk prices are at about 32% of parity.

The Secretary of Agriculture has the authority, under Section 608(c) 18 of the enabling language for federal milk orders, to act upon evidence presented at a hearing to adjust regional farm milk prices when, according to the law:

"... the parity prices of such commodities are not reasonable in the view of the price of feeds, the available supplies of feeds, and other economic conditions which affect the market supply and demand for milk and its products ... he shall fix prices as he finds will reflects such factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest."

This communication is a request to you to immediately convene a national federal milk order pricing hearing, under Section 608(c) 18. We urge you to hold this hearing in a Drought-stressed dairy region – so REAL dairy farmers may attend. No prevailing "other economic conditions" exist to justify failure to act under Section 608(c) 18.

We await your immediate response and action on this matter.

Dori Klein

August 17, 2012