



**NATIONAL DAIRY
PRODUCERS
ORGANIZATION, INC.**

"Our number one priority and responsibility is producer profitability"

July 22, 2011

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Honorable Debbie Stabenow
Chairman, Senate Committee on Agriculture
1901 W. Ridge 133 Hart Senate Office Building
Marquette, MI 49855 Washington, D.C 20510

Re: Dairy Industry Reform

Dear Senator Stabenow:

Being a Certified Public Accountant for over 37 years, serving dairy farmers in 30 states (including Michigan) who produce 12% of the nations' milk supply, also as a dairy farmer in New Mexico and Virginia (60 miles west of D.C.), and as a board member of the National Dairy Producers Organization, we ask for your help concerning proposed dairy industry reforms.

Last week, Congressman Peterson released a draft of a proposed bill called Foundation for the Future authored by the National Milk Producers Federation, a dairy industry lobby organization. A detailed summary is attached for your reference. Also attached is our organizations July 18, 2011 letter to all members of the House and Senate Agriculture Committee describing some of our objections to that proposed bill. After your review of those two attachments, as well as several other attached articles published in opposition to the Foundation For the Future proposed bill, you can conclude that there does not exist, a consensus within the dairy industry on a plan to adequately reform dairy policy as it relates to this bill proposal.

While considering dairy policy reform, we ask you to please consider our bill proposal "Dairy Industry Stabilization and Sustainability Act of 2011" (DISSA). Our bill has been delivered and discussed with Cory Claussen in D.C. and can be viewed in full text at www.nationaldairyproducers.org. Our proposal was written by our Board of Directors, who are dairy producers with decades of experience in grass roots organizations that have worked on dairy reform.

We also ask that consideration be given to the list of dairy issues contained in our "Contract with Producers", found on our website. Fourteen of these issues are addressed in our DISSA bill proposal, and only three are found in the Foundation For the Future proposal. Therefore, while considering dairy policy reforms for the future, we ask that future legislation address all of the issues that are negatively impacting dairy farmers in this country. We feel our bill address those producer concerns and at the same time, our plan would reduce government spending to a small fraction of what is proposed in the Foundation For the Future bill!



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Finally, in 2009, dairy farmers across this country lost \$10 billion for a variety of reasons, and our bill addresses these issues (price, exports, imports, supply management, etc.). The average loss at the farm level was \$4.00.c.w.t., and to the dairymen and the economy of Michigan, this represents a combined loss of \$320 million. Some of those losses have been recouped in 2010, but now with record high operating costs we could begin to see more losses. The U.S.D.A. reports that dairy profitability, even with today's milk prices, is at the second lowest level (mid 2009 being the lowest) in decades. Our bill proposal will give the average dairy farmer a chance for profit!

We thank you for your consideration.

A handwritten signature in blue ink, appearing to read "Gary Genske".

Gary Genske, C.P.A.
Board Member, National Dairy Producers Organization, Inc.