Hearing
At
Strongsville, Ohio
Beginning February 26, 2007

Conducted by:
Agricultural Marketing Service, USDA

Considering proposals that would amend the Class III and Class IV product price formulas applicable to all Federal milk marketing orders.

Presented by:
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My name is Bryan Wolfe. I am a dairy farmer from Ashtabula County, Ohio. I am president of the Ashtabula/Geauga County Farmers Union, Vice President of Ohio Farmers Union, an executive board member of the National Family Farm Coalition (NFFC) and a member of the NFFC Dairy Subcommittee.

Both Ohio Farmers Union and NFFC have been involved in previous hearing conducted by USDA Agricultural Marketing Service. I have been active in promoting the idea of involvement in the hearing process.

During a recent NFFC Dairy Subcommittee conference call, which included members from all over the country, I was selected to represent the consensus of the members who are boycotting this hearing.

Overall, there is no faith that the interest of the dairy farmers will be represented in the hearing process.

Some may ask how that can be when large dairy cooperatives are regularly a part of the hearing process? Cooperatives operate under the Capper-Volstead Act, but sadly, there is absolutely no effective regulatory oversight of cooperatives to assure that the actions of those, often massive organizations truly benefit their members. Capper-Volstead has become a convenient, meaningless mechanism, utilized by business to avoid regulation, often at the expense of farmers and consumers.

National Milk Producers Federation (NMPF) regularly participates in these hearings. NMPF's mission statement says, "The policies of the NMPF are determined by its members from across the nation. Therefore, the policy positions expressed by NMPF are the only nationwide expression of dairy farmers and their cooperatives on national public policy." Is this really true?

NMPF's associate members include: the Chicago Mercantile Exchange, Dairy Australia, Dean Foods, Fonterra Co-operative Group Ltd, Monsanto, and Schreiber Foods, Inc. Does anyone think these associate members obtain no benefits?

The "club of insiders" is well represented at every USDA hearing. The interest of the average dairy farmer is ignored.

For example, USDA gave interested parties an opportunity to submit proposals concerning Class III and IV pricing. Some 41 dairy farmers submitted letters to USDA, 33 urged USDA to consider dairy farmers' cost of production. Five others made it clear that the price that they receive for milk is too low. The remaining three had other ideas for improving farm milk prices. Not one farmer was satisfied with the status quo. Several grassroots farm organizations also submitted proposals to factor in producer cost of production and/or use the true value of milk reflected in the retail price as a factor to determine farm milk prices.
USDA/AMS chose to completely ignore the legitimate concerns of real farmers. USDA also continues to habitually ignore the mandates of the 1937 Agricultural Marketing Agreement Act 608c18. This hearing is an insult and a slap in the face to farmers who submitted letters and proposals to USDA. It is very difficult for farmers to attend these hearings. What incentive do we have when USDA steadfastly refuses to listen to our real concerns.

USDA’s own data indicates American dairy farmers, on average, lost $3.15 per hundredweight in the period 2000 through 2005.

How we are today discussing problems brought about because of Federal Order “Reform” of 2000. Who questions why we have this pricing system in the first place? Who ask, “Who are the winners?”

We know who the losers are. The losers are the American dairy farmers. Data from AMS’ economic analysis tells us that, under the cooperative, AgriMark’s proposal, dairy farmers will lose $11,000,000 and, under DFA’s proposal, dairy farmers will lose $47,000,000.

The Capper Volstead Act exempts co-ops from antitrust action, “Provided, however, That such associations are operated for the mutual benefit of the members thereof...”. What is the proof of this benefit to farmer members? Many dairy farmers are profoundly dispirited. Families, and farms are broken. The suicide rate for American farmers is at least twice the population norm.

Do these factors have any meaning to the representatives of the powerful in this room today? Do lives and livelihoods have meaning? Hiding behind statistics and data is no longer possible after a year in which farmers and farm families are being ripped apart by needlessly low farm milk prices. USDA is the vehicle by which the pain is administered through a sanitized hearing process.

On May 15, 1862, Abraham Lincoln signed a bill creating USDA. In an address to Congress Lincoln said, "The Agricultural Department, under the supervision of its present energetic and faithful head, is rapidly commending itself to the great and vital interest it was created to advance. It is precisely the people’s Department, in which they feel more directly concerned than in any other. I commend it to the continued attention and fostering care of Congress.”

Would Lincoln recognize today’s USDA as “the people’s Department”? Hardly. The bureaucracy, the red tape, the endless layer upon layer of rules, the oblivious attitude toward suffering is more like what one might expect in the People’s Republic of China. In my opinion, it is an insult to our democracy and an insult to the memory of Abraham Lincoln.

We recommend this hearing be terminated until the public’s interest is placed at the forefront. There is no conflict between the dairy farmer’s interest and the public’s interest. No one’s interest is served when the parasites kill the host as is happening in
dairy today.