September 24, 2006

USDA/AMS/Dairy Programs
STOP 0231-Room 2971
1400 Independence Avenue, SW
Washington D.C. 20250-0231

To Whom It May Concern:

I wish to share some ideas regarding Class III and Class IV milk pricing. For many years American dairy farmers have endured unbelievably low prices for their high quality product. It is not surprising that so many small family farms have been forced out of business. These low prices have affected all elements of the agricultural industry. No matter how efficiently a dairy farmer operates his or her business he is unable to continue to afford basic maintenance of equipment and facilities not to mention supporting a family. A hardworking, efficient farmer should at least be able to afford family health insurance, a higher education for the children, and a secure retirement but often this is not the case. As a retired, former farmer I am concerned about the future of small, family-owned dairy farms. My son and his wife struggle to raise their three children and meet basic living expenses while milking seventy cows on a small farm in Pennsylvania.

I suggest the present federal order system be eliminated. A new order with a quota system should be established based on the cost of production which takes into consideration the size of the farm, location, and other demographics affecting each farm. Farmers should receive their “fair share” of the retail price of milk sold at the local grocery store.

The financial hardships faced by small family-owned dairy farms are becoming insurmountable. Small traditional American dairy farms are in danger of becoming extinct. The loss of these farms is having a serious negative impact on rural communities across the country. The challenge of creating a fair pricing system must be met.

Sincerely,

Frithjof (Fred) N. Carlsen