## DAIRY COOPERATIVE MARKETING ASSOCIATION, INC.

200 W. HIGGINS ROAD, SUITE 305, SCHAUMBURG, ILLINOIS 60195

Via email and fax <u>Dana.Coale@usda.gov</u> 202-690-3410

Ms. Dana Coale, Deputy Administrator USDA April 22, 2020

Dear Ms. Coale,

RE: Set Class I Mover Floor in All Federal Milk Orders

In the wake of the unprecedented decrease in dairy commodity prices due to the COVID 19 crisis we, the members of Dairy Cooperative Marketing Association, Inc. hereby request that the USDA **set a minimum Class I Price Mover for all Federal Milk Orders at \$15.00 per CWT** in an effort to help maintain milk prices necessary to save our dairy farmers. We ask that the USDA make this change expeditiously and consider these needed changes as an *emergency provision* needed to maintain orderly marketing and to assure that an adequate supply of milk remains available.

The Class I Price Mover is based on a combination of Class III and Class IV prices, plus \$.74. The Class III and Class IV prices are calculated by using the surveyed commodity prices for butter, cheese, skim milk powder, and whey. When this system was established, nobody thought we would ever be in a situation where all commodity prices would collapse at the same time to the levels we are seeing today. Due to this unprecedented collapse of the commodity prices, we believe the Market Administrators must set a minimum level for the Class I Price Mover.

We believe the Federal Order system has some "emergency action" leeway that would allow for Market Administrators to take dramatic actions to assure the objectives of the Federal Order System are met. The COVID 19 crisis certainly constitutes an "emergency" causing us to consider the actions proposed above.

Thank you for your consideration.

Sincerely,

/s/

Kevin Satterwhite, President jksatterwhite@aol.com

On Behalf of all DCMA agency members: Appalachian Dairy Farmers Cooperative, Inc., Cobblestone Milk Cooperative, Inc., Cooperative Milk Producers, Inc., Dairy Farmers of America, LANCO-Pennland Quality Milk Producers Association, Inc., Lone Star Milk Producers, Inc., Maryland & Virginia Milk Producers Cooperative Association, Inc., Premier Milk, Inc., Select Milk Producers, Inc., Southeast Milk, Inc.