

June 7, 2002

The Honorable Philip Crane, Chairman
Subcommittee on Trade
Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Crane:

I am writing to you on behalf of the 2,500 dairy farmer-members of Dairylea Cooperative Inc. We urge the passage of H.R. 1786 that imposes tariffs on imports of milk protein concentrate (MPC) and casein. We also support the efforts of the National Milk Producers Federation in this matter.

Large quantities of imported dairy proteins are displacing U.S.-produced nonfat dry milk and other forms of domestic milk solids. This has caused a decline in dairy farmer income of about \$1.1 billion since 1995, according to NMPF statistics. Additionally, many of these imports have taken markets away from domestically produced nonfat dry milk. This has contributed to increased purchases and costs of the Federal Dairy Price Support Program. The passage of H.R. 1786 would help to remedy this situation in a fair manner by applying the same tariff-rate quotas currently assessed on similar dairy products like nonfat dry milk.

Thank you for your time in considering Dairylea's requested action. If you have any questions, please feel free to contact me at (800) 582-2552, extension 5502.

Dairylea Cooperative Inc. is a farmer-owned agricultural marketing and service organization based in Syracuse, NY. It has more than 2,500 member farms located throughout the Northeast. In 1999, Dairylea and Dairy Farmers of America's Northeast Council created a milk marketing entity, Dairy Marketing Services, LLC (DMS), to jointly market milk together. Including other marketing relationships, DMS now serves as the marketer of 11.5 billion pounds of raw milk annually produced on over 7,000 Northeastern U.S. farms.

Sincerely,

DAIRYLEA COOPERATIVE INC.

Clyde E. Rutherford
President

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