



NEW YORK STATE SENATOR

James L. Seward

Seward To AG Cuomo - Dairy Industry Investigation Needed

JAMES L. SEWARD September 14, 2009

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ONEONTA, 09/14/09 -- State Senator James L. Seward (R/C/I – Oneonta) is calling on the attorney general to investigate how the dairy industry may be shortchanging farmers.

“Our hard working farmers put in an honest day’s work. We need to make sure the rest of the dairy industry is doing the same,” said Senator Seward. **“While many upstate farmers are going out of business, dairy processors and co-ops are reporting record profits. Something just doesn’t add up.”**

Seward is calling on New York State Attorney General Andrew Cuomo to launch a full-scale investigation into the dairy industry. Seward says particular attention must be directed toward possible violations of price gouging and/or anti competitive laws.

“Upstate farmers are being paid less and less for their milk, forcing many to sell off their herds and leave behind a generations old family business. Meanwhile, the price families pay at the grocery store for dairy products remains relatively unchanged. In the middle are the dairy processors and co-ops who are thriving,” Seward added.

Seward has previously written the governor asking him to appropriate \$60 million in unclaimed American Recovery and Reinvestment Act (ARRA) money to assist farmers in the short term.

Seward met with dairy farmers and other agribusiness leaders in Schoharie County recently and heard their plight first hand. The latest figures for September show dairy farmers in New York receiving only \$10.93 per hundredweight of milk, compared to \$18.63 per hundredweight of milk at this time last year. At the same time some large processors are reporting profits of over 30 percent for the first half of the year.

In 2006, Seward led the fight to create the Dairy Investment Act which provided \$30 million in immediate financial assistance to struggling farmers. The funds served as a lifeline to New York's dairy farmers, and helped stabilize other sectors of the upstate economy dependent on agriculture.

“I am hopeful that the attorney general will take a stand and fight for our dairy farmers, protecting an important upstate industry and a way of life for many families,” Seward concluded.