

U.S. HOUSE OF REPRESENTATIVES COMMITTEE OF AGRICULTURE PUBLIC HEARING  
HARRISBURG, PA. APRIL 20<sup>TH</sup> 2010.

You have heard all the numbers, seen the research, and are aware of questionable practices at the Chicago Board of Trade. You have also heard how Dean's Foods, and other dairy processors, have had record profits this past year. I'm not going to bore you with more of that; I want to make it more personal. I want to share a little about how dairy pricing affects a family run dairy farm, the local community, and the country.

My name is Ralph Moyer. My wife, Crystal, and I own and operate Mor-Dale Farms, a dairy and crop farm in Berks County, Pennsylvania. We have three adult children. My parents and our family moved to Berks County in 1967. Through many years of hard work and sacrifices, my family built a successful dairy and crop farm.

Crystal and I worked into the business and have spent 30 years improving and growing our family-owned business. Five years ago we started to look at our options. We had old dairy facilities that would be costly to renovate. We looked at options for new facilities that would provide a long term, viable business that would appeal to future generations. We also provide school and community educational events and this was important for us to consider in our decision.

In the spring of 2009, we started construction on a new, four-unit, Lely robotic milking facility that will milk up to 250 cows. This includes increased feed storage to provide year-long storage of livestock feed. A new manure storage and biogas digester system is being completed this summer. This will turn methane gas into electric to run our operation, with an added benefit of providing extra energy for our community. This will create a long-term, environmentally sound, community friendly, family-owned business.

This construction job created many jobs for local businesses over the last year and a half and will continue to provide a significant influence on the local economy in service, equipment and supply purchases.

We used a conservative \$16.00/cwt for our milk price while doing our budgeting and feasibility study. This past year has been and continues to be a serious financial struggle with no real end in sight. When I was in high school in the late 70's my parents were receiving over \$15.00 /cwt for their milk, that's more than we averaged for the last year on our farm. Agriculture in general and dairy farming in particular, is different than many other businesses. We buy most of our inputs and supplies at retail prices. We then grow or produce a product, in this case milk, and sell it at wholesale prices.

We pay for the hauling for almost everything we buy, and then when we sell our milk, we are charged the hauling cost to deliver it to the processor. A make allowance, or the amount the processor needs to produce the end product, like cheese, is taken out of our price. The advertising of milk and related products is deducted from the amount we receive.

We contribute to the CWT program, which is designed to remove product from the market to improve our prices. The problem is, as we remove safe, locally produced milk; then imported, unregulated, questionable-quality products are brought in to replace them. The United States does not produce a surplus of dairy products; the last number I heard was that we produce a deficit of about one billion pounds. The worst part is that a large percentage is being replaced with products like Milk Protein Concentrates and other ingredients that do not need to meet our quality standards. Some are not approved to be used in food, but are allowed into the United States for glue or construction use. This is why a quota or supply management program will not be successful in this country. Many articles have been written about how milk pricing is unfair and the ability of a few large buyers to control the price in their favor.

One of the most important things we can do for the strength and security of our country is utilizing locally produced food. We must keep our dairy farms profitable in order for our country and economy to prosper. Dollars generated by dairy farms are multiplied several times over by being reinvested back into other local businesses. The amount of other businesses that are impacted by dairy farms in a community is astounding. To list a few we personally deal with; bank, equipment dealer for purchases and service of farm equipment or milking equipment, trucking, custom operators, feeds purchased, veterinary services, nutritionist, and accounting. Many are quality, well paying jobs, creating tax revenues to provide for our schools, roads, and other necessary services in our communities. We would like to provide the opportunity for a young person or couple to be part of our business but unless the financial picture improves that will not be possible.

Committee on Agriculture  
U.S. House of Representatives  
Required Witness Disclosure Form

House Rules\* require nongovernmental witnesses to disclose the amount and source of Federal grants received since October 1, 2007.

Name: Ralph E. Moyer  
Address: 91 Frystown Road myerstown Pa 17067  
Telephone: 717-933-5550  
Organization you represent (if any): \_\_\_\_\_

1. Please list any federal grants or contracts (including subgrants and subcontracts) you have received since October 1, 2007, as well as the source and the amount of each grant or contract. House Rules do NOT require disclosure of federal payments to individuals, such as Social Security or Medicare benefits, farm program payments, or assistance to agricultural producers:

Source: A.R.R.A. act of 2009 Amount: 1,531,297  
Source: \_\_\_\_\_ Amount: \_\_\_\_\_

2. If you are appearing on behalf of an organization, please list any federal grants or contracts (including subgrants and subcontracts) the organization has received since October 1, 2007, as well as the source and the amount of each grant or contract:

Source: - N A - Amount: \_\_\_\_\_  
Source: \_\_\_\_\_ Amount: \_\_\_\_\_

Please check here if this form is NOT applicable to you: \_\_\_\_\_

Signature: Ralph E. Moyer

\* Rule XI, clause 2(g)(4) of the U.S. House of Representatives provides: *Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof. In the case of a witness appearing in a nongovernmental capacity, a written statement of proposed testimony shall include a curriculum vitae and a disclosure of the amount and source (by agency and program) of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) received during the current fiscal year or either of the two previous fiscal years by the witness or by any entity represented by the witness.*

PLEASE ATTACH DISCLOSURE FORM TO EACH COPY OF TESTIMONY.

Committee on Agriculture  
U.S. House of Representatives  
Information Required From Non-governmental Witnesses

House rules require non-governmental witnesses to provide their resume or biographical sketch prior to testifying. If you do not have a resume or biographical sketch available, please complete this form.

1. Name: Ralph E. Moyer
2. Business Address: 91 Frystown Road  
Myerstown, Pa. 17067
3. Business Phone Number: 717-933-5550
4. Organization you represent: Mer-Dale Farms.
5. Please list any occupational, employment, or work-related experience you have which add to your qualification to provide testimony before the Committee:  
Self Employed Dairy Farmer  
For 30 years.
6. Please list any special training, education, or professional experience you have which add to your qualifications to provide testimony before the Committee:  
Managed a successful Dairy & Crop Farm  
And have built a new state of the art  
Robot Dairy Facility.
7. If you are appearing on behalf of an organization, please list the capacity in which you are representing that organization, including any offices or elected positions you hold:  
- N A -

PLEASE ATTACH THIS FORM OR YOUR BIOGRAPHY TO EACH COPY OF TESTIMONY.