

SUMMARY

Several factors have combined to give grave concern to the domestic evaporated milk and sweetened condensed milk industries. These are:

(1) A gradual and steady increase in European surplus milk causing this milk to look for an outlet in the world market place;

(2) A steady increase in the U.S. price support level with commensurate increases in prices in the retail market place. Thus, the U.S. market becomes more attractive to European suppliers;

(3) U.S. quota restrictions on other major imported dairy products caused potential European marketers to export canned milks which were nonquota items in the U.S.

(4) Previous pleadings of the industry to the Tariff Commission prior to June, 1968 had been to no avail. It was not until substantial quantities of products were imported into the United States and the industry was on the brink of disaster that appropriate action was taken.

While the industry welcomes and sincerely appreciates the action of the President in establishing emergency quotas on canned milks, we have no assurance that the Tariff Commission will subsequently make the canned milk quota permanent. Even if the quotas are made permanent, we become deeply concerned that importers will find devious ways to evade quotas, and the intent of the Secretary of Agriculture, as they have in the past.

We conclude that a long range solution to the problem of retaining a fair share of the total U.S. domestic dairy market for imported products that will be equitable and reasonable for *all* segments of the domestic industry would be additional legislation.

Proposed legislation such as H.R. 3816, Sisk (D-Calif.) and cosponsored by over 200 members of the House of Representatives would assure that the intent of the Secretary of Agriculture relative to dairy imports would be carried out quickly and efficiently.

We urge that this Committee give serious consideration to expediting this type of dairy import legislation.

KOLB-LENA CHEESE Co.,
Lena, Ill., May 23, 1968.

HON. WILBUR D. MILLS,
House of Representatives,
Washington, D.C.

DEAR MR. MILLS: We have learned of the forth-coming hearings on tariffs and trade and would like to advise our position.

We have manufactured foreign type cheese for forty-three years and have recently noticed a sharp decline (ranging from 12 to 83% in our New York City sales due to the increased amounts of French and Danish cheese entering the American market.

NEW YORK CITY SHIPMENT OF CHEESE

	1964	1965	1966	1967	1st-quarter sales		
					1967	1968	Decrease (percent)
Rexoli-lunch.....	687	513	379	294	102	50	3
Camembert whole.....	1,728	1,676	735	38	24	4	50
Camembert 3 port.....	155	184	26	10	10	6	86
Camembert 6 port.....	659	677	420	425	119	64	4
K Brie wholes.....	436	501	327	345	90	76	4
Delico Brie.....	14,628	16,995	15,035	16,968	4,360	3,329	13
Delico Swiss.....	6,520	6,280	7,360	5,860	1,600	1,400	20
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As you may know, Europe is currently faced with an over-production of milk and is trying through every media to find a profitable outlet which means the U.S. Market. Now, not only to assist the American Dairy farmers' position, the American Dairy plant employees' position, but the American dollar drain, we urge you to place a strict quota or tariff on all imported Dairy Products. Dairy import standards should also be checked as we are continually improving our quality regulations.