



International Dairy Foods Association
Milk Industry Foundation
National Cheese Institute
International Ice Cream Association

April 27, 2010

The Honorable Thomas Vilsack
Secretary of Agriculture
U.S. Department of Agriculture
1400 Independence Avenue, S.W.
Room 200-A Administration Bldg.
Washington, DC 20250

Dear Secretary Vilsack,

The recent announcement that China plans to block imports of U.S. dairy products beginning May 1 is of great concern to the International Dairy Foods Association (IDFA). IDFA represents the nation's dairy manufacturing and marketing industries and their suppliers, with a membership of 550 companies representing a \$110-billion a year industry.

Despite the fact that the U.S. and China have had a USDA Agricultural Marketing Service (AMS) Sanitary Certificate in place since 2007, China has now retracted the terms of the previous agreement with the United States and has advised the U.S. government that it will block all U.S. dairy exports within a week. This abrupt about face will have a major economic impact on the U.S. dairy business at a time when it is just beginning to recover from the world-wide economic downturn.

The Pacific Rim, including China, represents one of the most important export markets for the U.S. dairy industry. Dairy trade with China has increased exponentially over the past few years, with exports increasing from \$61.6 million in 2005 to over \$180 million in 2008. If U.S. dairy exports are shut out of China, other suppliers can quickly move in and displace U.S. market share, which would result in a loss of business and jobs for American dairy processors and suppliers. Any growth we have enjoyed over the past few years will be swiftly reversed, impeding not only dairy exports but also the overall U.S. policy initiative to increase export growth broadly across all sectors.

We urge you and your staff to find ways to continue uninterrupted imports of U.S. dairy products into China as this certification requirement is resolved and to pursue a bilateral solution that will make sure the Chinese market remains open for U.S. dairy products. Thank you in advance for your time and attention in reviewing the issue and feel free to contact me with any questions or concerns.

Sincerely,

Connie Tipton
President and CEO

CET/hs