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[Hettinga Milk](#)

Hein Hettinga of Sarah Farms got his start "trimming hooves and castrating bulls," and these days he seems to be doing much the same thing to the corporate dairy industry, as reported by Ilan Brat in *The Wall Street Journal*. "He went from a curiosity to an irritation to a real problem in the marketplace in a relatively short period of time," says Bill Shiek of the Dairy Institute of California. The curiosity is that, unlike most dairy farmers, [Hein Hettinga](#) both produces and bottles milk; most farmers do just one or the other. The irritation is that he has used his unique status as a loophole to avoid paying into the price support system that was designed back in the '30s, and that keeps the milk supply stable and milk prices high. The law exempts producer-distributors like Hein because most farmers in his category are too small to make a difference in the scheme of things.

The real problem is that Hein Hettinga milked (sorry) his special status to a point where "he now supplies more than 10 percent of the bottled milk in Arizona, about 25 million gallons annually, he says." Because he didn't have to pay into the price-support program, he was able to sell his milk cheaper, and sell it he did "in discount supermarkets across the state." In addition, Hein "has avoided pricing rules at the state level. Because he has a bottling plant in Yuma, Ariz., that ships milk into California, he isn't covered by Golden State regulations. That means his costs are lower than those of rival processors; he can sell his milk for less. By some estimates, his entrance into the Southern California market lowered milk prices for retailers by 20 cents a gallon." Did those retailers pass the savings on to consumers? Of course not.

But Hein's price-cutting ways have truly upset [Dean Foods](#) and the [Dairy Farmers of America](#), who, like Archer Daniels-Midland in grain and Tyson in meat, "are working on a similar feat with milk. Dean already controls a third of all milk that is consumed in America annually and DFA represents more than a third of fresh milk produced." To stop Hein Hettinga they have corralled (sorry again) "California Republican Rep. Devin Nunes, a former dairyman, and Sen. Jon Kyl, a Republican from Arizona." Nunes introduced a [bill](#) and Kyl secured an [amendment](#). Says dairyman Mike Marsh: "The farmers just want everybody to play by the same set of rules that they have to play by." But Hein Hettinga remains defiant, plastering his trucks with giant stickers, reading: "Stop the milk monopolies from raising your milk prices!" And he continues to sell some 700,000 gallons of milk a month through 20 Costco stores.
~ Tim Manners, *editor*

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