

# Required Notice Language to Terminate Dealer-Producer Contracts

---

July 18, 2018

To: Board of Directors, PA Milk Marketing Board, c/o deberly@pa.gov;

Submit electronically to: ra-pmmb@pa.gov

In response to the interpretation by the PA Association of Milk Dealers of the regulation and law wording as it pertains to the notice of termination to producers in the PA Milk Market Law in their letter dated July 2018 to the PAMMB, I submit the following observation for discussion, right or wrong.

THE REGULATION: I interpret this to read that by regulation a dealer must provide a producer at least 28 days written notice ( i.e. **reasonable advance notice**) before termination and that beginning on the 29<sup>th</sup> day, according to the MILK MARKET LAW §404. Grounds for refusal, suspension or revocation of a producers license by the board, if the producer has [rejected, without reasonable cause, any milk purchased or acquired from a producer, or has rejected, without either reasonable cause or **reasonable advance notice**, milk delivered or made available by or on behalf of a producer in ordinary continuance of a previous course of dealing, except where the contract has been lawfully terminated: Provided, however, That in the absence of an express or implied fixing of a longer period in the contract, "reasonable advance notice" shall not be construed to mean notice of less than fourteen days nor more than forty-five days;]

So, as it stands, dealers must give a minimum of 28 days **written notice** of termination before declaring to a producer the last day of their contract with said dealer will be fourteen to forty-five days hence.

28+14 = 42 days' notice before forced termination of contract unless another agreement is reached

28+45 =73 days' notice before forced termination of a contract unless another agreement is reached

Therefore, it is perfectly permissible if the powers that be so choose to lengthen the regulation from 28 days written notice to a minimum of 45 days' notice of termination before declaring to a producer the last day of their contract will be no less than fourteen days nor more than forty-five days;

45+14 = 59 days' notice before forced termination of contract unless another agreement is reached

45+45 = 90 days' notice before forced termination of contract unless other agreement is reached

So, a distressed farmer gains 17 more days to find another market by this suggestion. A compromise would be two weeks. In consideration of the hardship to the processor/dealer, perhaps adding language that would trigger a mandatory quality-quantity-quota (Q<sub>3</sub>) if a dealer/processor begins dropping producers because of surplus we would never come to this fork in the road again.

Sincerely,

Ms. Melissa Bravo, M.S. Agronomy, B.S. Animal Science, CCA, <http://agricultureadvocate.org/>

Candidate, PA 68th District House of Representative Vacancy - Platform Dairy Crisis

---

Meadow Lake Farm Consulting Services / P.O. Box 447 Lawrenceville, PA 16929 / [bravomelissa@yahoo.com](mailto:bravomelissa@yahoo.com)