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Fee-for- environmental services organization created to meet dairy challenges

Modesto, CA - - Faced with a rising tide of water quality regulations that threaten to swamp its members' livelihoods, Western United Dairymen has created a fee-for-service organization that will lend a helping hand to California dairy families.

Known as Western United Environmental Services (WUES) , the fee-for-services organization will provide environmental expertise to dairy producers who are finding themselves overwhelmed by environmental regulations, the most recent being the complex and costly Waste Discharge Requirements (WDRs) that affect Central Valley dairies.

The WUD board of directors approved creation of the organization at its August board meeting. WUD president Ray Souza said the new venture is in keeping with the industry's tradition of self-reliance in the face of challenges. "We believe this new organization will effectively leverage the reputation that WUD has built over the years as the leader on environmental issues," said Souza. "We're very concerned about the costs our members are facing in complying with environmental regulations. Containing costs is critical to the future economic well being of our members. This fee-for-services approach will provide our members with the expertise they need at a reasonable cost."

The current WUD staff has been highly impacted by the level of assistance being required by members to comply with environmental paperwork. "Our mission has always been to provide services to our members," noted Souza. "These new regulations are too time-consuming and complex to expect either the producers or our current organization to be able to absorb them. This new organization will provide the staffing needed to assist our members with complex and time consuming regulations."

Enabling, Souza emphasized the current level of member services to continue unabated. "WUD members will continue to enjoy the high level and quality of services they are

used to,” he explained. “This new structure is based on producers who need the services paying for those services. Fees will pay for employees who will focus on providing environmental services.”

The newly enacted WDRs provided the impetus for the formation of WUES, explained CEO Michael Marsh. The Central Valley Regional Water Quality Control Board staff estimated the initial cost of compliance could range from \$45,000 to \$65,000 per dairy and annual compliance costs could run from \$35,000 to \$45,000. “Those are tremendous costs for producers to bear and are equal to one skilled employee per dairy” said Marsh. “We hope that by pooling resources, we can offer a high level of expertise and help contain costs for our members.”

WUES will also establish working relationships with various engineering firms so that their services can be offered to WUD members at a discounted rate, said Marsh. “We think these partnerships will prove to be very beneficial to our members and help reduce the confusion they are experiencing while trying to comply with these regulations.”

The articles of incorporation are being drafted and environmental technician job descriptions are being written, with the hope to have the new company up and running by the end of 2007. Potential employees should have degrees in agriculture, agricultural economics, agricultural business, animal science, dairy science or environmental science, said Marsh. Interested applicants should contact WUD at (209) 527-6453.

WUD is a voluntary membership organization representing more than 60% of the milk produced in California. Membership benefits include resources in labor law, environmental regulations and pricing issues. Members decide the direction of state and federal legislative efforts affecting the dairy industry.