

# Were Monday's milk checks short?

Producers concerned about payments; creamery attempts to clarify process

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Editor/Publisher**

Were the delayed milk checks Humboldt Creamery producers received on Monday smaller than expected?

Several producers voiced concerns earlier this week of a discrepancy in what they received, including newly-elected Creamery Director Andy Titus on KIEM-TV newscast Wednesday morning.

However, Humboldt Creamery, LLC Interim CEO Len Mayer explained, it's all a matter of "perspective." He said before the company

filed for bankruptcy, it would pay a "small advance" about the 15th of the month following the month the milk was delivered. A settlement check would arrive the last day of the month following the month milk was delivered.

"We also paid organic prices for 100 percent of the organic milk delivered," he explained. "Currently we only pay organic prices for organic milk delivered and sold as organic. This is a big change and depending on utilization, ends up paying organic farmers less than they used to receive."

Mayer said the creamery is also paying weekly rather than twice

a month.

"In order avoid overpaying for milk if milk pay prices fall, we pay for a portion of milk delivered," he said. "This issue was never a problem before the bankruptcy because we paid from 45 days to 60 days in arrears. Now that we are paying closer to COD, a portion is still held back until we receive final pricing about the 25th of the following month."

Mayer admits the payment system is "consuing" and acknowledged that producers may feel their checks are "short."

"In reality we are paying them faster than before but they missed part of January and all of March so the impact to them is significant and it doesn't feel like they are getting paid faster," he said.