

It will pay every consumer...every dairy farmer...to read this:

1½¢ REDUCTION IN MILK PRICE Guaranteed by Safeway Stores

Upon passage of the bill for milk reform by a majority vote of **332 X YES**, Safeway pledges that the following steps will be taken:

1. The price of Lucerne milk in the Portland market and in Salem will be 20½¢ - 1½¢ less than the present minimum price of 22¢ now fixed by the milk controller for both doorstep and store sales. **This will be done without any reduction in the price paid to producers.**

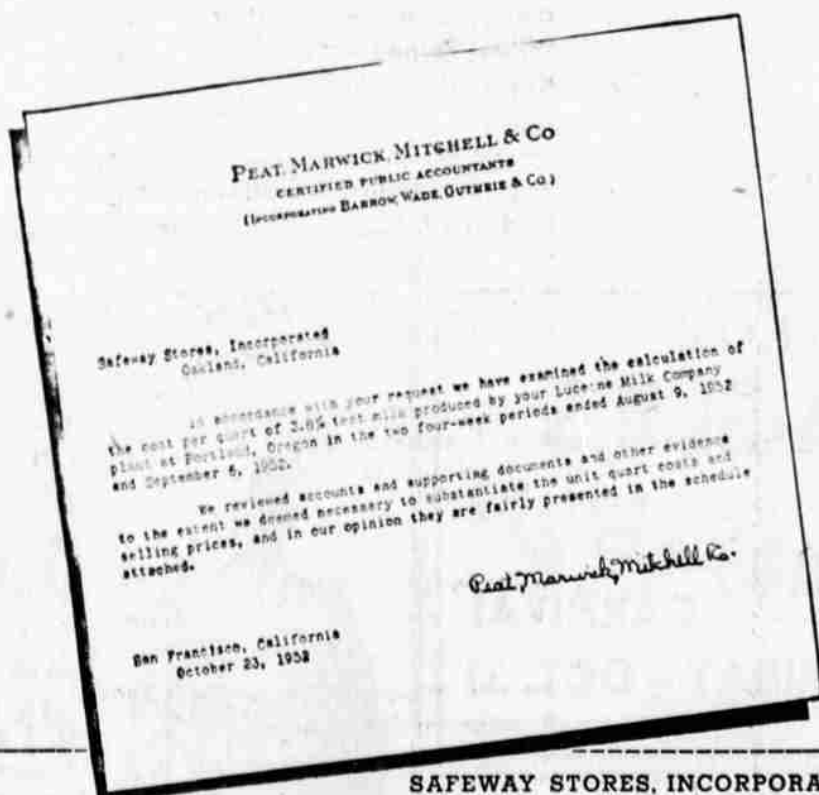
2. Safeway stores in upstate communities, selling milk purchased from local distributors, will retail such milk at competitive prices. When arrangements can be made for local supplies, the price will be at least 1½¢ per quart less than the prevailing doorstep price.

It is our policy to offer local dairymen a market for their milk. (We are already buying milk from Salem area producers.)

3. Safeway will undertake to maintain existing gross retail margins on milk. These vary, but it is presently 2¢ in Portland. The reduction in Portland and Salem retail prices will be made entirely from the excessive wholesale profit now being made by our Lucerne plant. See certified statement below.

4. Safeway guarantees that it will pay dairymen *at least* as much as they are now receiving. We are paying our present suppliers a premium over state-fixed minimums, and will continue to pay a premium on quality milk.

5. It will be Safeway policy to maintain a price for Lucerne milk at least 1½¢ below the prevailing doorstep prices. Should the new administrator of the milk reform law increase producer prices, we will increase our retail price *only* by the amount of the increased price, rounded to the nearest ½¢.



Thus, SAFEWAY GUARANTEES TO GIVE YOU RICHER MILK at LOWER PRICES

and...

we believe that other efficient milk distributors can and will reduce prices in line with the reduction herein pledged by Safeway. We believe too, that home-delivered prices will *not* increase. Lower store prices will hold down home-delivered prices.

Remember...

when you go to the polls on November 4th look for...

SAFEWAY STORES, INCORPORATED Costs and Profits Relating to Production of a Quart of 3.8% Milk at the Plant of Lucerne Milk Company (Division of Safeway Stores, Incorporated) Serving Safeway Stores in Portland

Per Quart of 3.8% Butterfat Milk

	Four weeks ended August 9, 1952	Four weeks ended September 6, 1952
Retail sales price out of stores	\$.2200	\$.2200
Less store spread	.0200	.0200
Sales price to stores	.2000	.2000
Production costs:		
Price to producers, F.O.B. plant	\$.1370	\$.1370
Procurement cost and fat loss	.0011	.0010
Cost of milk	.1381	.1380
Costs other than milk	.0340	.0336
Finished product losses	.0001	.0001
	.1722	.1717
Delivery and advertising expenses:		
Delivery expense	.0040	.0047
Advertising expense	.0033	.0039
Total costs (Note)	.1795	.1803
Net plant profit (before Federal income taxes)	\$.0205	\$.0197

Note: The above costs include an aggregate of \$.0056 per quart for the period ended August 9, 1952 and \$.0058 per quart for the period ended September 6, 1952, representing charges for expenses pro-rated to the Portland plant by other divisions of Safeway Stores, Incorporated.

MILK PRODUCTION AND MARKETING ACT

Purpose: Authorizes governor to appoint milk control administrator, an instrumentality of state, with annual salary of \$7200, vested with power to investigate, supervise and regulate the production of milk for human consumption within the state.

Act requires butterfat labeling of milk and licensing of milk dealers. Appropriates license fees for expense of administration.

Authorizes administrator to designate marketing areas, require uniform records and accounts to be kept by producers and dealers, fix minimum milk production prices after public hearing, and require bonds of milk dealers.

Appeals are provided for and penalties for violations; all existing milk control laws are repealed.

332 X Yes. I vote for the proposed law.

333 No. I vote against the proposed law.

VOTE 332 X YES ON NOVEMBER 4th