

April 22, 2009

By e-mail only to dana.coale@ams.usda.gov

Dana Coale
Deputy Administrator, USDA-AMS-Dairy Programs
1400 Independence Avenue, SW
Washington, DC 20050

Re: Docket No. AO-14-A78, et al.; DA-09-02; AMS-09-0007;
Second Request for Information and Data Submitted by the
American Independent Dairy Alliance

Dear Ms. Coale:

The American Independent Dairy Alliance (“AIDA”), proponents of proposals 23, 24, and 25 in the above hearing docket, requests that Dairy Programs (“Dairy Programs”) provide the following data and information for introduction during the evidentiary phase of the hearing which is scheduled to begin on May 4, 2009 in Cincinnati, Ohio. This request supplements the first request submitted to Dairy Programs by AIDA on April 16, 2009.

If Dairy Programs needs additional information or any clarification regarding any of these requests, please contact me directly. If Dairy Programs cannot provide the information requested in a timely manner, please so indicate and then explain why such information is not available or cannot be provided.

AIDA requests that Dairy Programs produce the following documents/information:

1. Provide for each marketing area the number of nonmember producers (producers not members of a cooperative association) and pounds of milk marketed by cooperative members and non-members for each month from January 2000 through the most recent available month. For the number of non-member producers and the volumes of milk marketed by non-members, provide the percentage of the total number of producer and marketings represented by the non-members.
2. Provide for each marketing area, or on such other regional division as is available, the cost of production for dairy herds broken down by the following herd sizes: 100 cows and fewer; between 100 and 300 cows; between 300 and 800 cows; between 800 and 2000 cows; greater than 2000 cows. The costs should be provided for each month for the previous three years. In addition, please provide available cost of production information for organic herds, herds that are pasture-grazed, and herds that are kosher certified in as close to the same categories as the overall cost of production figures.
3. Provide for each marketing area, for the past three years, the percentage of Class I volumes pooled on the order that are organic.

4. Provide for each marketing area, for the past three years, the percentage of Class I volumes pooled on the order that are processed by handlers marketing their products through handler-owned, brand-specific outlets or by home delivery.
5. Provide for each marketing area, for the past three years, the percentage of Class I volumes pooled on the order that are processed by handlers marketing their products as locally produced, grass-fed, or which otherwise service niche markets.
6. Based on the data collected by AMS on the retail prices of milk in various markets, provide any data on the effective economic value to consumers of competition as reflected in retail prices for fluid milk.
7. Provide estimates of the costs that producer-handlers would incur for pool participation exclusive of producer settlement fund obligations. Please include Dairy Programs' estimated costs of preparing and filing pool reports, the costs of administrative assessments, and the costs of testing the milk from the handlers' own farm. As part of this data, please provide the estimated costs for each order and for producer-handlers with total production of 250,000 pounds per month, 500,000 pounds per month, 1,000,000 pounds per month, 3,000,000 per month, and 5,000,000 per month.
8. Provide a breakdown of the number of distributing plants and supply plants for the FMMO system and for each marketing order by size for the years 1950, 1960, 1970, 1980, 1990, 2000, 2005, and 2009 into the following categories: (1) less than 450,000 pounds per month; (2) 450,001 pounds to 1,000,000 pounds per month, (3) 1,000,001 pounds to 3,000,000 pounds per month, (4) 3,000,001 pounds to 5,000,000 per month; (5) 5,000,001 pounds to 10,000,000 pounds per month; (6) 10,000,001 pounds to 20,000,000 per month; (7) 20,000,001 pounds to 30,000,000 pounds per month; (8) more than 30,000,000 pounds per month.

Please provide the responses of Dairy Programs to AIDA by e-mail to Al Ricciardi (awr@ashrlaw.com), Ryan Miltner (ryan@miltnerlawfirm.com) and Nancy Bryson (nbryson@hollandhart.com). Any questions from Dairy Programs to AIDA regarding these requests should be directed to either Al Ricciardi or Ryan Miltner.

We appreciate your efforts in providing the information requested.

Very truly yours,

/s/

Ryan K. Miltner

Cc: Gino Tosi (by e-mail)