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UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) Docket Nos.
Milk in the Northeast,) AO-14-A78, AO-388-A23,
Appalachian, Florida,) AO-356-A44, AO-366-A52,
Southeast, Upper Midwest,) AO-361-A44, AO-313-A53,
Central, Mideast, Pacific) AO-166-A73, AO-368-A40,
Northwest, Southwest, and) AO-231-A72 and AO-271-A44,
Arizona Marketing Areas) DA-09-02, AMS-DA-09-0007

Post-Hearing Brief
Submitted by:
Erick Metzger
General Manager
National All-Jersey Inc.
6486 E. Main St.
Reynoldsburg, OH 43068

National All-Jersey Inc.'s (NAJ) testimony in this hearing was marked as Exhibit 86. NAJ proposed that producer-handlers with own-farm milk be regulated by the Federal Milk Marketing Orders as partially regulated distributing plants. Specifically, NAJ proposed that up to 3 million pounds of Class I sales originating from own-farm milk be exempted from FMMO pooling, but own-farm milk in excess of 3 million pounds per month, and any purchased milk be subject to FMMO pool obligations. The focus of this brief will be on an area of cross examination that followed NAJ's prepared statement.

Cross examination from Mr. Beshore focused on how much own-farm milk that is currently subject to FMMO pooling would be exempted from pooling by NAJ's proposal versus how much currently exempt producer-handler milk would be brought into the FMMO pools. (Tr. Pg

million pounds per month from each of seven handlers, a total of 37.1 million pounds of milk per month will be added to the FMMOs.

The following equation can approximate the amount of milk NAJ's proposal would add to the FMMO pools.

37.1 million pounds currently exempt that would now be pooled
-19.7 million pounds currently pooled that would now be exempt
17.4 million pounds added to FMMO pools


Finally, it is important to note that if the plants with between 3 and 20 million pounds of Class I sales per month that have own-farm milk actually have less than NAJ's maximum exemption of 3 million pounds of own-farm milk, the total volume of milk added to the FMMO pools will be greater than 17.4 million pounds.

NAJ believes that exempting the first 3 million pounds of own-farm milk is equitable for producer-handlers that use:

- Less than 3 million pounds of own-farm milk,
- More than 3 million pounds of own-farm milk, and
- A combination of own-farm milk and purchased milk.

In addition, all pooled producers will benefit from the additional pounds of Class I sales that will become pooled instead of remaining exempt.

Respectfully submitted,

 July 16, 2009

Erick Metzger

On behalf of National All Jersey Inc.