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February 1, 2001

Hearing Clerk
Room 1081, South Building
US Department of Agriculture
Washington, DC 20250

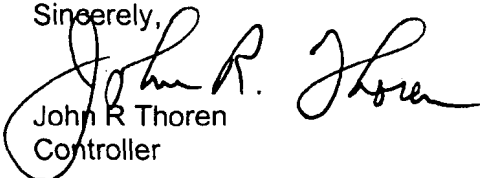
Re: Tentative Final Rule

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USDA
DALLAS/IRMO

I just got word that a judge in the US District Court for the District of Columbia, has issued a preliminary injunction on the separate Class III butterfat pricing. I am very disappointed with this event and encourage the USDA to do whatever is necessary to reinstate the butterfat and protein pricing as stated in the Tentative Final Rule even if it means re-opening the hearing. I have been in the cheese business for 25 years and the pricing for class 3 components as stated in the Tentative Final Rule will finally price components for cheese properly, according to the economic value they contribute. The company I work for makes part skim cheeses. Under all previous pricing concepts, the value of the skim or protein solids were grossly understated or overstated when the butter and cheese prices went in opposite directions. When the butter prices were low and the cheese price was moderate to high, the protein in the skim was priced higher than the economic value it contributed. During those periods, it puts undue economic hardship on processors making part skim cheeses.

The brief filed by the NCI is mainly concerned with the increased cost of cream cheese the tentative rule imposes and the disadvantage federal order regulated plants would have with processors in California. Can't there be another solution to this dilemma without destroying the most equitable component pricing for cheese manufacturing the industry has ever seen.

Sincerely,


John R Thoren
Controller