April 24, 2009

Dana Coale, Deputy Administrator, AMS
and Dairy Programs Staff
U. S. Department of Agriculture
Washington, DC 20250

By email only:
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Kate.Fisher@ams.usda.gov


Dear Dairy Programs Staff:

On behalf of Mallorie’s Dairy, Country Morning Farms, and Nature’s Dairy, co-proponents of proposal No. 17, I request information and data for the upcoming Cincinnati hearing. Statistical information requested would be for 2002 to date, monthly and annual, if available. The data is requested for each marketing area. To the extent necessary to preserve confidential information, or because monthly data cannot be compiled by the first week of the hearing, data can be aggregated in annual or quarterly periods. Similarly, if data for individual markets cannot be produced because fewer than three handlers are involved for relevant periods, data should be aggregated for adjoining markets.

1. Data on the utilization of milk by producer-handlers in all classes. A similar request was previously made by Mallorie’s to the PNW Market Administrator, the results of which (annual only) are attached for illustration. Please be sure to include in lower value classes the volume of milk that would ordinarily be assigned to shrinkage pursuant to section 1000.43(b). The resulting data should reveal pounds as well as percent of use in the various classes by producer-handlers.

2. Data on the utilization of milk in all classes by fully-regulated distributing plants that receive 70% or more of their raw milk directly from producers (ie, less than 30% from 9c handlers), reported in a manner comparable to data in response to Request # 1. Please also indicate in your response the average % of direct producer receipts for this group of plants.

3. Data on the utilization of milk by partially regulated plants in all classes for those partially-regulated plants that account for receipts and utilization as though fully-regulated pursuant to Section 1000.76(b). This data should also be presented in a manner similar to that in response to Request # 1.
4. Data showing receipts (volume and pounds) of milk, milk products, and milk ingredients by producer-handlers from sources other than own-farm production. This volume would include each of the following categories, reported separately and in total:
   - Bulk fluid milk from regulated handlers
   - Packaged fluid milk from regulated handlers.
   - Class II products
   - Other (describe what is included in this category).

5. Calculations for each month showing what the net change in pool prices (PPD or uniform blend) would have been in each month if Proposal #1 had been in place, taking into account the data produced (or available if not produced) in response to Request #1, #4, and #6.

6. Contributions to the producer-settlement fund of each market by producer-handlers. Such contributions would be made indirectly, whenever a producer-handler receives bulk or packaged fluid milk products from a fully-regulated handler. The value of such contributions would be based on the difference between the blend price and the Class I value of such milk receipts for the relevant month.

7. Data on producer-handler Class I volume by type of container used in producer-handler route distribution – i.e., glass, plastic, paper, and other.

8. Copies of correspondence generated between the period from February 2006 to date between regulated parties (handlers and 9c handlers or their representatives) and AMS-Dairy Programs (including each of the Market Administrator Offices) on producer-handler issues or producer-handler statistics. Data requests, proposals, and correspondence for this hearing which are published on the Dairy Programs website are not included in the scope of this request.

Please call or email me if you require clarification of these requests, or if it would be efficient to combine my requests with requests for similar information from other parties.

Thank you.

Very truly yours,

[Signature]

Ec:
Mallorie’s Dairy
Country Morning Farms
Nature’s Dairy
### Pacific Northwest Order (FO 124): Producer Handler Utilization, by Class
#### 2007 & 2008

*Requested by Charles Flanagan on behalf of Mallorie's Dairy*

<table>
<thead>
<tr>
<th>Year</th>
<th>Class I</th>
<th>Class II</th>
<th>Class III</th>
<th>Class IV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-Area Sales 1/</td>
<td>Total</td>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td>2007</td>
<td>84,441,329</td>
<td>255,596,158</td>
<td>15,274,667</td>
<td>2/</td>
</tr>
<tr>
<td>2008</td>
<td>79,866,974</td>
<td>267,555,686</td>
<td>14,042,588</td>
<td>2/</td>
</tr>
</tbody>
</table>

1/ Represents route dispositions of packaged fluid milk products in the Pacific Northwest Order (FO 124) marketing area. All other figures include usages that may be inside or outside the marketing area.

2/ Data represents fewer than three handlers, is restricted, and is included in Class IV.

3/ Includes Class III.

Prepared by:
Market Administrator's Office
Bothell, Washington
February 2009
Charlie,

We have prepared a set of figures in response to your request for additional Order 124 producer-handler data.

Your data request asked for total in-area dispositions for all classes of milk for the Pacific Northwest Order (FO 124) producer-handlers for 2007 and 2008, either monthly or annually. We opted for annual information, but can provide monthly details upon request.

Unlike Class I products, handlers are not required to report the distribution of their Class II, III, and IV manufactured products by in-area vs. out-of-area. For Class II, III and IV, each handler reports the pounds of milk ultimately used in these classes. We have prepared a spreadsheet that shows Class I, II, III, and IV utilization by FO 124 producer-handlers for 2007 and 2008.

Please note that the Class IV data does not include inventory, and the data excludes any dumped milk, animal feed, and shrinkage. Class III utilization represents fewer than three handlers and is restricted. For this reason, Class III has been included with Class IV. Also note that these figures include all of the six producer-handlers as indicated on our plant list for each year, respectively.

Please feel free to contact me or Lori Espe if you have any questions or find that you need any additional information.

John Mykrantz
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425-487-6009

200903 Mallories.pdf