

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

| | | |
|--------------------|---|--------------------|
| In re: |) | [AO] |
| |) | Docket No. 15-0071 |
| |) | |
| Milk in California |) | |
| _____ |) | |

VOLUME X

TRANSCRIPT OF PROCEEDINGS

October 5, 2015

Myra A. Pish, CSR No. 11613
397073



| | | | |
|------------------------------|-------------------------------|-----------------------------|------------------------------|
| (310) 207-8000 Los Angeles | (415) 433-5777 San Francisco | (949) 955-0400 Irvine | (858) 455-5444 San Diego |
| (310) 207-8000 Century City | (408) 885-0550 San Jose | (760) 322-2240 Palm Springs | (800) 222-1231 Carlsbad |
| (916) 922-5777 Sacramento | (800) 222-1231 Martinez | (702) 366-0500 Las Vegas | (800) 222-1231 Monterey |
| (951) 686-0606 Riverside | (818) 702-0202 Woodland Hills | (702) 366-0500 Henderson | (516) 277-9494 Garden City |
| (212) 808-8500 New York City | (347) 821-4611 Brooklyn | (518) 490-1910 Albany | (914) 510-9110 White Plains |
| (312) 379-5566 Chicago | 00+1+800 222 1231 Paris | 00+1+800 222 1231 Dubai | 001+1+800 222 1231 Hong Kong |

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES DEPARTMENT OF AGRICULTURE
BEFORE THE SECRETARY OF AGRICULTURE

In re:) [AO]
) Docket No. 15-0071
)
Milk in California)
_____)

BEFORE U.S. ADMINISTRATIVE LAW JUDGE
JILL S. CLIFTON

Monday, October 5, 2015

9:01 a.m.

Clovis Veterans Memorial District
808 4th Street
Clovis, California 93613

TRANSCRIPT OF PROCEEDINGS

VOLUME 10

Reported by:
Myra A. Pish CSR
Certificate No. 11613

1 APPEARANCES:

2 U.S. DEPARTMENT OF Office of the General Counsel
 3 AGRICULTURE: BY: BRIAN HILL, ESQ.
 LAUREN BECKER, ESQ.

4

5 U.S. DEPARTMENT OF WILLIAM FRANCIS, Dairy
 6 AGRICULTURE: Product Marketing Specialist
 LAUREL MAY, Marketing Specialist
 MEREDITH FRISIUS, Marketing Specialist

7

8 CALIFORNIA DAIRIES, Law Offices of Marvin Beshore
 9 INC., DAIRY FARMERS BY: MARVIN BESHORE, ESQ.
 OF AMERICA, INC., Hanson Bridgett, San Francisco
 10 LAND O'LAKES, INC.: BY: JOHN VLAHOS, ESQ.
 MEGAN OLIVER THOMPSON, ESQ.

11 DAIRY INSTITUTE OF Davis Wright Tremaine
 12 CALIFORNIA: BY: CHIP ENGLISH, ESQ.
 ASHLEY VULIN, ESQ.

13 LEPRINO FOODS: SUE TAYLOR, Vice-President
 Dairy Economics and Policy

14 DEAN FOODS COMPANY: ROB BLAUFUSS

15

16 HILMAR CHEESE JOHN VETNE
 17 COMPANY: JAMES DEJONG

18 CALIFORNIA PRODUCER Stoel Rives
 19 HANDLERS ASSOCIATION: BY: NICOLE HANCOCK, ESQ

20 SELECT MILK PRODUCERS: MILTNER LAW FIRM, INC.
 21 BY: RYAN MILTNER, ESQ.

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X - V O L U M E 10

WITNESSES IN CHRONOLOGICAL ORDER

MARK McAFEE:

| | |
|-----------------------------------|------|
| STATEMENT READ INTO THE RECORD | 1950 |
| DIRECT EXAMINATION BY MR. BESHORE | 1955 |
| CROSS-EXAMINATION BY MR. ENGLISH | 1959 |
| CROSS-EXAMINATION BY MR. VETNE | 1962 |
| CROSS-EXAMINATION BY MR. FRANCIS | 1968 |

CHANDLER GOULE:

| | |
|---------------------------------------|------|
| STATEMENT READ INTO THE RECORD | 1973 |
| CROSS-EXAMINATION BY MR. McAFEE | 1983 |
| CROSS-EXAMINATION BY MR. BESHORE | 1983 |
| CROSS-EXAMINATION BY MR. ENGLISH | 1986 |
| CROSS-EXAMINATION BY MR. VANDENHEUVEL | 2002 |
| CROSS-EXAMINATION BY DR. SCHIEK | 2008 |
| CROSS-EXAMINATION BY MR. SCHAEFER | 2018 |
| CROSS-EXAMINATION BY MR. BESHORE | 2019 |

ROB VANDENHEUVEL:

| | |
|----------------------------------|------|
| STATEMENT READ INTO THE RECORD | 2026 |
| CROSS-EXAMINATION BY MR. BESHORE | 2043 |
| CROSS-EXAMINATION BY MR. ENGLISH | 2045 |
| CROSS-EXAMINATION BY MR. VETNE | 2057 |
| CROSS-EXAMINATION BY MS. HANCOCK | 2070 |
| CROSS-EXAMINATION BY DR. SCHIEK | 2074 |
| CROSS-EXAMINATION BY MR. MILTNER | 2090 |

RIEN DOORNENBAL:

| | |
|---------------------------------|------|
| STATEMENT READ INCOT THE RECORD | 2104 |
|---------------------------------|------|

ERIC ERBA:

| | |
|------------------------------------------|------|
| CONTINUED CROSS-EXAMINATION BY MR. VETNE | 2106 |
| CROSS-EXAMINATION BY MR. MILTNER | 2137 |

---o0o---

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X - V O L U M E 10

INDEX OF EXHIBITS

| NO. | DESCRIPTION | I.D. | EVD. |
|-----|------------------------------------------------------------------------------------------------------------------------------|------|------|
| 48 | TESTIMONY OF MARK McAFEE | 1949 | 1970 |
| 49 | TESTIMONY OF NATIONAL FARMERS UNION BY CHANDLER GOULE | 1973 | 2022 |
| 50 | TESTIMONY OF BY MILK PRODUCERS COUNCIL BY ROBERT VANDENHEUVEL | 2026 | 2043 |
| 51 | DAIRY SITUATION AND OUTLOOK 2010 BY ERIC ERBA | 2107 | 2118 |
| 52 | CALIFORNIA DAIRIES, INC., LETTER TO CDFA SECRETARY KAREN ROSS JUNE 16, 2014 | 2118 | 2126 |
| 53 | PUBLIC HEARING STATE OF CA DEPARTMENT OF FOOD & AGRICULTURE DAIRY MARKETING BRANCH MONDAY, MAY 20, 2013 PAGES 49-68 | 2126 | 2136 |

---o0o---

1 MONDAY, OCTOBER 5, 2015 - - MORNING SESSION

2 JUDGE CLIFTON: We're back on record. It is 9:01 in the
3 morning on Monday, October 5, 2015. This is the milk hearing.
4 This is Day 10. My name is Jill Clifton, I'm a United States
5 Administrative Law Judge, and my assignment is to take evidence
6 at this hearing.

7 I'll be taking the appearances of other USDA employees
8 first, and then the participants who are here, first from the
9 teams who are backing one proposal or another, or opposing the
10 proposals, and then from other participants, including those
11 who would like to testify today.

12 So let us begin, please. I would like the groups to
13 come to the podium and identify yourself, and please include
14 your spelling of your name. And state, if you will, what your
15 ordinary work is, and if you have a special function in this
16 hearing, if you will state what that is.

17 MR. FRANCIS: Good morning, William Francis, F-R-A-N-C-I-S,
18 USDA, Agricultural Marketing Service, I'm a Dairy Marketing
19 Specialist.

20 MR. CARMAN: Good morning, Clifford Carman, C-A-R-M-A-N.
21 Assistant to the Deputy Administrator, Dairy Programs, USDA.

22 MS. MAY: Good morning, Laurel May, with USDA, AMS Dairy
23 Program. I'm a Rule Writer on the Order Formulation and
24 Enforcement Division.

25 MS. FRISIUS: Good morning, Meredith Frisius,

1 M-E-R-E-D-I-T-H, F-R-I-S-I-U-S, and I'm with USDA, Order
2 Formulations, and I am keeping charge of all of the exhibits
3 and anyone who would like to testify.

4 MR. SCHAEFER: Henry Schaefer, H-E-N-R-Y, S-C-H-A-E-F-E-R,
5 Agricultural Economist for the Upper Midwest Milk Marketing
6 Area, Federal Order 30, here on detail with USDA, Dairy
7 Programs.

8 MR. MYKRANTZ: John Mykrantz, J-O-H-N, M-Y-K-R-A-N-T-Z,
9 Economist with the Pacific Northwest and Arizona orders, on
10 detail with Dairy Programs.

11 MS. BECKER: Good morning, Lauren Becker, USDA Office of
12 the General Counsel.

13 MR. HILL: Good morning, Brian Hill, B-R-I-A-N, H-I-L-L,
14 attorney with the Office of the General Counsel.

15 MR. BESHORE: Marvin Beshore, M-A-R-V-I-N, B-E-S-H-O-R-E,
16 Attorney for the Cooperatives, which are the proponents of
17 Proposal Number 1, California Dairies, Inc., Dairy Farmers of
18 America, Inc., and Land O'Lakes, Inc.

19 MS. OLIVER THOMPSON: Good morning, Megan Oliver Thompson,
20 Megan is M-E-G-A-N, I'm an attorney with the law firm Hanson
21 Bridgett, H-A-N-S-O-N, B-R-I-D-G-E-T-T, co-counsel for
22 proponents of Proposal Number 1.

23 MR. SCHAD: Good morning, Dennis Schad, S-C-H-A-D, I work
24 for Land O'Lakes.

25 MR. HOLLON: Good morning, Elvin Hollon, E-L-V-I-N,

1 H-O-L-L-O-N, Dairy Farmers of America.

2 MR. ERBA: Good morning, Eric Erba, E-R-I-C, E-R-B-A with
3 California Dairies, Inc.

4 MR. ENGLISH: Good morning, your Honor, Day 10.

5 My name is Chip English, C-H-I-P, E-N-G-L-I-S-H, and
6 I'm with the law firm of Davis, Wright, Tremaine, and I'm here
7 on behalf of the Dairy Institute of California, proponents of
8 Proposal 2.

9 MS. VULIN: Ashley Vulin, A-S-H-L-E-Y, V as in Victor,
10 U-L-I-N, also with Davis, Wright, Tremaine representing the
11 Dairy Institute of California.

12 DR. SCHIEK: Good morning, William Schiek, S-C-H-I-E-K,
13 Economist with the Dairy Institute of California.

14 MR. BLAUFUSS: Good morning, Rob Blaufuss, B-L-A-U-F-U-S-S
15 with the Dean Foods Company.

16 MS. TAYLOR: Good morning, Sue Taylor with Leprino Foods,
17 L-E-P-R-I-N-O.

18 MR. DEJONG: James Dejong, J-A-M-E-S, D-E-J-O-N-G, Dairy
19 Policy Economic Analyst with Hilmar Cheese, a dairy
20 farmer-owned manufacturer of cheese, whey, and milk powders.

21 MR. VETNE: John Vetne, V-E-T-N-E, representative for
22 Hilmar Cheese.

23 MS. HANCOCK: Nicole Hancock, H-A-N-C-O-C-K, with Stoel
24 Rives, S-T-O-E-L, R-I-V-E-S, and I represent Ponderosa Dairy
25 and the California Producer Handlers Association.

1 MR. SHEHADEY: Richard Shehadey, Producers Dairy Foods and
2 Bar 20 Dairy Farms.

3 JUDGE CLIFTON: And how do you spell Shehadey?

4 MR. SHEHADEY: S-H-E-H-A-D-E-Y.

5 MR. MILTNER: Good morning, Ryan Miltner, M-I-L-T-N-E-R,
6 attorney with Select Milk Producers, Inc.

7 MR. McAFEE: Good morning, your Honor. Mark McAfee, that's
8 M-A-R-K, Mc A-F-E-E. And today I hope to testify on behalf of
9 the Central Valley small branded producer distributors, Dairy
10 Goddess, Top of the Morn, Rosa Brothers, and Organic Pastures
11 Dairy.

12 I'm also a representative from California to the
13 National Farmers Union. For the California Farmers Union,
14 elected by farmers here in California to represent ourselves at
15 the National Farmers Union. I'm also sitting on the Executive
16 Board of the California Dairy Campaign. But I am a producer,
17 and I'm a producer-distributor foremost to testify today.

18 JUDGE CLIFTON: And what's your availability time-wise
19 today?

20 MR. McAFEE: As soon as possible. Thank you.

21 JUDGE CLIFTON: All right. You're welcome.

22 MR. GOULE: My name is Chandler Goule, C-H-A-N-D-L-E-R,
23 G-O-U-L-E, I'm the Senior Vice President of Programs for the
24 National Farmers Union. I'm here to testify today on behalf of
25 Proposal 1 by California, Inc., DFA, and Land O'Lakes. And if

1 I could testify as soon as possible so I could catch my flight
2 back to DC.

3 JUDGE CLIFTON: All right. When did you need to leave this
4 room?

5 MR. GOULE: Before noon.

6 JUDGE CLIFTON: Good.

7 MR. VANDENHEUVEL: Rob Vandenheuvel with Milk Producers
8 Council, that's V-A-N-D-E-N-H-E-U-V-E-L, here to testify in
9 support of Proposal Number 1.

10 JUDGE CLIFTON: And what's your timeframe of availability.

11 MR. VANDENHEUVEL: I hesitate to say -- I'm as flexible as
12 we need to be. I'm here for a couple of days.

13 JUDGE CLIFTON: Wonderful. So if you wanted to testify
14 today, but you were willing to wait until the other two
15 gentleman testify.

16 MR. VANDENHEUVEL: We've already worked that out. Yes,
17 they will be going ahead of me.

18 JUDGE CLIFTON: All right. Great. Is there anyone else
19 who would like to be identified who has not yet come forward?
20 I would like now to turn to preliminary matters. Any that
21 anybody would like to present?

22 MS. FRISIUS: Meredith Frisius. Good morning, everybody,
23 happy Monday.

24 I'm Meredith Frisius. I work with the USDA. I just
25 wanted to let all of you know that we're glad to have you here

1 and thank you for participating. You can identify USDA staff,
2 many of us have name badges, and if you would like to testify,
3 you could ask any of us, but I'm actually the one in charge of
4 that. So if you can come find me, I'll get you on the list and
5 then we will be able to notify the Judge.

6 When you come, please provide me with a business card
7 so I can provide it to the court reporter. And USDA's role
8 here at this hearing is to be able to get a complete record for
9 us to be able to continue forward and make a decision with. So
10 please feel welcome to contribute to the record.

11 If you are an audience member and you have a question
12 for any witness, you are welcome to come up and approach the
13 microphone and do so. If you do, just identify yourself.

14 We are broadcasting this as a live audio feed, but it
15 is not being recorded. You can listen to this at
16 tinyurl.com/californiamilkhearing -- I had Laurel write that
17 one down. And then the court reporter --

18 JUDGE CLIFTON: Let me -- California milk hearing sounds
19 different from what I heard before.

20 MS. FRISIUS: Oh, camilkhearing, yes, camilkhearing, that
21 was incorrect even reading it. Anyway -- the court reporter is
22 recording an official transcript and they will be available
23 about two weeks after the end of each week's hearing, so we
24 should be seeing the first one, I think, at the end of this
25 week I believe.

1 And then exhibits are numbered in the order they are
2 presented. And there will be copies available at the back of
3 the room.

4 And then as always, there's refreshments and food.
5 Please enjoy. At the end of Friday we ended with Dr. Eric Erba
6 getting, finishing cross-examination --

7 JUDGE CLIFTON: No, not finishing.

8 MS. FRISIUS: I was going to say finishing with John Vetne
9 finished, but I'm not sure. Working on cross-examination. But
10 today we will return to Dr. Eric Erba after we hear from the
11 producers that are here today. Thank you.

12 JUDGE CLIFTON: Thank you so much.

13 I see we have another preliminary issue. I'm going to
14 just put the docket number into the record now, and then I'll
15 ask for additional preliminary matters.

16 The docket number is in brackets, [AO], that just
17 stands for Agreements and Orders, it's a type of case for which
18 the Hearing Clerk of United States Department of Agriculture
19 maintains the record file. The docket number is 15-0071.
20 Again, that's the Hearing Clerk's designation. There are other
21 numbers that the Agricultural Marketing Service has, and so
22 forth.

23 The case caption is In Re: Milk in California.
24 The transcript pages from today will be numbered in sequence to
25 those that we have already had. And now I would like to take

1 other preliminary matters.

2 MR. BESHORE: Marvin Beshore. In terms of the scheduling,
3 your Honor, as Ms. Frisius had indicated, of course Dr. Erba
4 was on the stand when we adjourned Friday at cross-examination.
5 Among our team, Mr. Vlahos has had the lead in presenting
6 Dr. Erba. He's not able to be here until middle of the
7 afternoon today. So it's our preference if Dr. Erba could
8 continue when Mr. Vlahos is here. But if that's not possible,
9 we do understand.

10 But with that condition, that circumstance, we're more
11 than happy to have Mr. McAfee and Mr. Goule and
12 Mr. Vandeneuvel testify this morning, or as long as necessary,
13 and when that's completed, any other producers, of course. But
14 when they are completed, Dr. Erba would then resume
15 cross-examination or perhaps Mr. Vlahos is able to be here.

16 JUDGE CLIFTON: Do you have someone, if we finish all of
17 the people who are not Dr. Erba, do you have someone else you
18 could call that would be questioned by someone other than
19 Mr. Vlahos?

20 MR. BESHORE: No, we do not. But we'll proceed with
21 Ms. Thompson and myself with Dr. Erba, if time requires.

22 MR. ENGLISH: Chip English. Mr. Beshore and I had a
23 conversation off the record before the hearing began. We are
24 certainly happy to accommodate this issue. We assume we're
25 going to have some accommodation issues when we're on, but

1 absolutely, first of all, the dairy farmer witnesses and dairy
2 farm representative witnesses who will necessarily go first,
3 and as long as they are happy to do it this way, we certainly
4 are. So we have no issues of any kind with respect to this
5 kind of procedure.

6 JUDGE CLIFTON: Are there other preliminary matters?

7 MR. ENGLISH: Chip English. Your Honor, on Friday the USDA
8 read a statement into the record with respect to CDFA coming
9 Thursday, and I think we agreed that they would do that again
10 as part of the preliminary matters this morning.

11 JUDGE CLIFTON: I would like that to be repeated. There
12 are people who may be listening today who don't know this yet.

13 MR. HILL: Brian Hill. The statement is as such:

14 "CDFA will be present on October 8th for the limited
15 purpose of entering reports into the hearing record, developed
16 in response to requests from interested parties. CDFA will
17 only answer questions regarding the compilation of the data
18 contained in these reports, in order to remain neutral and
19 avoid being associated with the particular proposal."

20 That's the entirety of the statement.

21 JUDGE CLIFTON: Thank you, Mr. Hill. A couple of other
22 preliminary matters I have. I did announce a change in
23 schedule for this week. Normally we go 9:00 to 5:00 each day.
24 This Friday we will go only until noon, no later than noon we
25 will stop.

1 I was in error when I said every one of those days
2 would be here in the Liberty Room. Does anybody want to
3 comment about that now or shall we save that for later?

4 MS. MAY: Laurel May. On Wednesday we will be in the
5 Independence AB room, which is where we were for the last two
6 days last week, and then Thursday and Friday we'll be back in
7 here. So feel free to come for the whole taping and moving
8 thing.

9 JUDGE CLIFTON: It is a lot of work to break down and move,
10 but nevertheless to have a facility of this wonderful caliber
11 for as many days as we have got it is amazingly good. So it's
12 a small price to pay -- and it's easy for me to say that since
13 you, Ms. May, and you Tyler, are the main shakers and movers.

14 Other preliminary matters I have are, anybody is
15 welcome to record the proceeding. You may want to use it for
16 your own use, although the transcript will be available to you
17 on the website for free, there's a delay, since it won't go up
18 for at least two weeks after you have heard it. So for that
19 reason, you may want to record it, whether you are listening
20 from home or whether you are here in this room. You are
21 welcome to do that.

22 We also have a photocopy machine in the back, if you
23 have brought a written statement that you would like to have
24 marked as an exhibit and you didn't bring enough copies for all
25 of us, you are welcome to make those copies. We don't know

1 what number your written statement would be until we know in
2 what order you are testifying, because we just do them in
3 sequence. And so whoever's going to go first today, if you
4 have such a written statement, you may want to let it be marked
5 with its number before you make additional copies. And we can
6 take a break while you make copies.

7 That's all I can think of right this minute. Are there
8 any other preliminary matters? There are none.

9 The two gentlemen who both want to testify as soon as
10 possible, have you worked it out as to who goes first?

11 MR. McAFEE: Yes, ma'am.

12 JUDGE CLIFTON: Good, you may come forward.

13 MR. McAFEE: Good morning.

14 JUDGE CLIFTON: Good morning. Now, do you have a written
15 statement?

16 MR. McAFEE: I do. Mark McAfee, I do have a 40 copies.

17 JUDGE CLIFTON: All right. Before you start to distribute,
18 let's determine what number it is.

19 MS. MAY: It is number 48.

20 (Thereafter, Exhibit Number 48 was marked
21 for identification.)

22 JUDGE CLIFTON: Number 48. So when you get your copy of
23 this, you will mark it as number 48. And if you brought 40
24 copies, that may be enough. So the first thing you do, you
25 will give Mr. Carman three, those will be the record copies,

1 well, two of them will be record copies. Then I have one and
2 the court reporter has one, and so we have already used up five
3 of your copies, Mr. McAfee.

4 For your testimony when it comes time for you to
5 testify, you are welcome to have a seat in the witness stand.

6 Raise your hand if you want a copy and do not have one.
7 We're putting the extras on the table that's over to the right
8 side of the room from the perspective of the majority of the
9 people in the room. All right, then.

10 I'll swear you in. Would you raise your right hand,
11 please? Do you solemnly swear or affirm under penalty of
12 perjury, the evidence you will present will be the truth?

13 MR. McAFEE: Yes, I will.

14 JUDGE CLIFTON: Did you already testify once?

15 MR. McAFEE: I tried to. I was the first to speak, and I
16 said that I would want to be called as a PD, and I just kind of
17 shared a little bit of the content of my position. But I was
18 the first to speak on the first day.

19 JUDGE CLIFTON: I thought so. So I could have said you
20 remain sworn. But --

21 MR. McAFEE: You didn't swear me in.

22 JUDGE CLIFTON: Then I'm glad I swore you in today. Very
23 good. Then please again, state and spell your name.

24 MR. McAFEE: My name is Mark M-A-R-K, M-c-A-F-E-E.

25 JUDGE CLIFTON: And that A is capital?

1 MR. McAFEE: Correct.

2 JUDGE CLIFTON: But there's no space?

3 MR. McAFEE: No.

4 JUDGE CLIFTON: All right. Now, you said something in your
5 introduction, you used the word small. And I wondered why you
6 used the word small. Could you explain that before you get
7 into your testimony?

8 MR. McAFEE: I think that's a relative term. It could be
9 very large to some and small to others, so maybe that's taken
10 out of context. From my perspective it's small.

11 And when I mean the word small, I'm talking about
12 producer-distributors here in the San Joaquin Valley that
13 loosely associated themselves with one another, namely Dairy
14 Goddess, Top of the Morn, Rosa Brothers, and Organic Pastures
15 Dairy, who are all subject to the California dairy milk pool,
16 but use their own milk for their own products, at the same time
17 pay a tremendous amount of money into the milk pool but reap no
18 benefit from it.

19 And under the Federal milk pool, would have a
20 tremendous advantage to be treated like the rest of the
21 producers in America that do brand themselves and reach out to
22 consumers and create their own food chain, and don't buy milk
23 from others, who would not have to pay the milk pool up to
24 11,000 gallons of milk per day. And I guess that's the
25 relative term "small". Because if you made more than 11,000

1 gallons a day, then perhaps you would be in a different class
2 or category and be treated differently.

3 JUDGE CLIFTON: That's a very helpful introduction. Now,
4 do you want to tell us a little bit more about yourself before
5 you get into the statement that has been marked as Exhibit 48?

6 MR. McAFEE: Yes, your Honor, that would be great.
7 Although I'm here testifying mostly for Organic Pastures Dairy,
8 I'm the founder and CEO of Organic Pastures who is a
9 distributor of organic milk throughout California, and it's a
10 producer-distributor.

11 I also am aligned with other producer-distributors in
12 Central Valley that make other products; cheese, butter, cream,
13 ice cream. And those branded products are branded Dairy
14 Goddess, Top of the Morn, and Rosa Brothers, and maybe others,
15 but those are the ones I can officially speak for today. And
16 we all have alignment that we belong, would be better fit to be
17 in the Federal Milk Pool than under the California regulatory
18 process of the California Milk Pool.

19 I also, just as an aside, have been elected to
20 represent California to the National Farmers Union as a
21 California Farmers Union Representative for the last three
22 years, and this will be the fourth year there, representing
23 California in formulating national dairy regulations for
24 farming that become part of policy that the National Farmers
25 Union then uses to work in the national front in terms of

1 policy for all farming. So I do -- I'm elected to represent
2 California in the National Farmers Union.

3 I'm also part of, sit on the Executive Board for the
4 California Dairy Campaign, which is roughly 300 farmers,
5 organic conventional farmers that are dairymen and work
6 together in the loose knit organization or California Dairy
7 Campaign.

8 So I do have some political roots, but there's no
9 misalignment between any of those groups. They all believe we
10 belong in the Federal Milk Pool. So there's no conflicts in
11 terms of my position today that I'm representing.

12 JUDGE CLIFTON: Thank you. That's excellent. You may
13 proceed.

14 MR. McAFEE: I submitted two letters today. One of them is
15 actually dated June 23rd of 2014, which actually kind of speaks
16 to the long ballad that we have had with the California Dairy,
17 the California Milk Pool, where the four producer-distributors,
18 the smaller distributors here, the newcomers that have been
19 around for let's say ten years or so, fifteen years, collected
20 their opinions together and asked our Secretary of State or
21 Secretary of Agriculture, Karen Ross, to please find a way for
22 us to get under the Federal Milk Orders.

23 There's been a lot of discussion in California in CDFA,
24 there's been a lot of hearings, and even some litigation, and
25 we associate ourselves, this is over a year-and-a-half ago, and

1 so I just wanted to share, your Honor, and put as part of this
2 dialogue and this process, the fact that these four dairymen
3 have really been struggling and having a hard time for quite
4 sometime. And I just as a matter of reference to the time.

5 And then the second letter is dated this year in
6 February, to the USDA, again stating that these four
7 organizations, these four dairymen, definitely would support
8 being involved with the Federal Milk Pool. And specifically,
9 the Proposal Number 1, the DFA, Land O'Lakes proposal.

10 It is really tough as a producer to go outside of the
11 milk pool system here in California and struggle to survive.
12 At \$14.50 per hundredweight, you can't pay your bills.

13 These four producers and others have reached out and
14 connected to consumers through their own brand process, and get
15 a higher per hundredweight return because they take the risk to
16 create jobs and create brand and create products outside of the
17 normal food chain.

18 And when you are -- I'll just speak for my own self --
19 when you are asked to pay \$50,000 in one month, December of
20 2014, into the milk pool when I didn't get one drop of milk
21 from the milk pool, that is a very, very, very hard thing to
22 have to do. And we did that. We paid over a million dollars
23 in the last few years into the California Milk Pool, but yet we
24 only bottle our own milk.

25 We don't think it is just plain unjust, it's not right,

1 and I could go on and on with a litany of descriptors of how we
2 feel this is not right. I think the Federal Milk Pool has it
3 right, and has it right for all dairymen in the United States,
4 but somehow the California Milk Pool will not permit
5 producer-distributors to be exempt, at least under the current
6 regulatory scheme, and allow them to use their own milk without
7 tithing into the greater pool.

8 So we would very much support the transition of
9 California into the Federal Milk Pool system, not only for
10 ourselves, but also those that participate in the standard food
11 chain process, whether it be compensated at a higher rate
12 because the price discovery is a different structure than
13 currently is used by California.

14 That's basically my testimony, and I'm certainly
15 interested in answering any questions anybody might have.

16 JUDGE CLIFTON: Who would like to be the first to question
17 Mr. McAfee?

18 MR. McAFEE: We like that.

19 JUDGE CLIFTON: No, we're not done yet. You know they all
20 want to, nobody wants to go first.

21 DIRECT EXAMINATION

22 BY MR. BESHORE:

23 Q. Marvin Beshore. Good morning, Mr. McAfee. Just a
24 couple of questions, I think, for you.

25 Can you tell us just a little bit more about Organic

1 Pastures Dairy? What size operation do you have? How many
2 cows and that sort of thing?

3 A. This morning we're milking 540 cows. We're certified
4 organic by the USDA. We have our own on-farm processing
5 facility that makes butter, cream, cheese, milk. We serve
6 California for the most part. We do a little bit of interstate
7 shipment for our cheese, but for the most part serve just
8 California in 700 stores.

9 Q. And are you familiar -- I think from your testimony I
10 gather you would be -- but are you familiar with the terms of
11 the producer-handler exemption as reflected in Proposal 1, and
12 as generally in the Federal system in terms of ownership that's
13 required? Common ownership for production, and of the cattle,
14 and the processing, and the distributing system -- that sort of
15 thing?

16 A. I am generally familiar with that. I'm not an expert
17 in it, but I have done enough research to understand that a
18 family operation owning a dairy that has its own on-farm
19 creamery can sell into its local markets and not be subject to
20 the milk pool up to 11,000 gallons a day, and that's a pound
21 basis per month, but roughly.

22 Q. Okay. And you would qualify under that category?

23 A. From my -- what I understand, yes.

24 Q. Okay. Is your -- is Organic Pastures owned by yourself
25 as one entity or yourself and family members as one operating

1 entity?

2 A. Yes.

3 Q. Can you -- and what products do you process?

4 A. The word process is kind of interesting because our
5 milk is not processed. We actually make certified organic raw
6 milk, and that's why it is limited to the State of California
7 distribution. But our products are unpasteurized,
8 unhomogenized, unstandardized. All we do is test it
9 intensively, and filter it, chill it, and deliver it. We do
10 make a cheese which comes into the Federal Code and the PMO,
11 which is permitted to be transported and sold across state
12 lines. Cheddar cheese, and that's sold in many different
13 states.

14 Q. So fluid milk, and take back the word process with
15 products you distribute, but fluid milk products and cheese?

16 A. Yes.

17 Q. Do you purchase any inputs, any milk from other
18 sources, from other dairies?

19 A. We have, but only for Class 4b purposes for cheese and
20 on rare occasion. We're talking about maybe two truckloads a
21 year.

22 Q. The one million dollars paid into the pool in the last
23 two years -- did I hear that right?

24 A. No, the last ten years.

25 Q. Ten years.

1 A. Yeah. And it is actually much more than a million
2 dollars, I was just throwing out some round numbers just to
3 share.

4 Q. Okay. Good. So the pay, those payments, are they net
5 payments after you're credited with the overbase price or the
6 quota and overbase price on your production?

7 A. They are based on the four classes of milk, and the
8 fact that we bottle a lot of our milk in Class 1. And just to
9 throw an interesting point in, that consumers have told us,
10 anecdotally and testimonially, they have no problem digesting
11 raw milk. And so there's been a very big trend towards
12 consuming our milk in raw fluid form, versus being used in
13 other classes.

14 And as you know, there's kind of a sliding scale and
15 there's a changing structure of how these classes compensate
16 each other in the milk pool system. But because we bottle so
17 much of our milk fluid, we are overburden by this huge weight
18 of extra financial burden on the Class 1 because we don't have
19 a demand in our market for other products. They want it raw
20 and they want it fluid, and that's where we get this imbalance.

21 But yet, by state law we're not allowed to make some
22 Class 2 and 3 products, which may allow us to offset, because
23 we can't do it raw, and everything has a standard identity
24 associated with it. So we are in a kind of a legislative
25 regulatory corner we can't get out of, and that's just my

1 perspective from my business.

2 If you look at the other businesses here, Top of the
3 Morn, Rosa, and Dairy Goddess, they have a similar issue with
4 their own problems with the milk pool.

5 Q. Do you have any -- do you have knowledge or can you
6 estimate how many producer-distributors of fluid milk there are
7 in California that would be under the 3 million pound limit as
8 proposed in the Proposal 1, in addition to yourself?

9 A. I can't really estimate. I don't know that number. I
10 just know the ones I know of, and I'm sure there's more.

11 Q. How many do you know of?

12 A. Five.

13 Q. Thank you very much. That's all I have.

14 CROSS-EXAMINATION

15 BY MR. ENGLISH:

16 Q. Good morning, sir, my name is Chip English and I mostly
17 have some clarifying questions, and pardon me if some of these
18 get a little technical. If I don't do it, the Department may
19 ask one of those questions anyway.

20 With reference to small business, you responded to
21 Mr. Beshore that you're milking 540 cows; is that correct?

22 A. That's correct.

23 Q. Okay. So for purposes of a small business for the
24 farm, USDA, for whatever reason, just take this, uses an annual
25 gross revenue of less than \$750,000. Now, I'm not looking for

1 confidential information from you, I don't want to know your
2 number, but with 540 cows I think you are certainly well over
3 \$750,000, correct?

4 A. Correct.

5 Q. Thank you. Do you own quota?

6 A. I do not own quota.

7 Q. Now, are you aware that under Federal Orders there is
8 also, in addition to the 3 million pound producer-distributor,
9 producer-handler exemption, are you aware that there is also an
10 exemption for plants that receive less than 150,000 pounds of
11 milk?

12 A. I'm not familiar with all of the structure.

13 Q. Okay. Would any of these entities that you have
14 mentioned qualify for that other exemption?

15 A. One might.

16 Q. Okay.

17 A. One or two might.

18 Q. And I take it with respect to the producer-handler
19 exemption that you say is 11,000 gallons and works out to be
20 roughly 3 million pounds, you are okay with that?

21 A. I'm okay with that, and it's certainly more fair than
22 where we are today in California. And I also like the process
23 by which it is managed and handled.

24 We have not had a good process in California by which
25 we could appeal or seek fairness in terms of what we thought

1 was an injustice.

2 Q. Now, you said, I believe on your testimony that was
3 varying from these letters, that you were in particular support
4 of Proposal Number 1.

5 A. Correct.

6 Q. And you are just looking to be exempt, correct?

7 A. No, I think there's more to being exempt. I think that
8 being exempt under the right program is better than being
9 exempt under a program which perhaps wouldn't be so good.
10 Exempt is what I'm looking for, but I think exempt with the
11 best program is what we're looking for, optimally.

12 Q. Now, are you aware that from what you have said that,
13 that one of the places where the Dairy Institute of Proposal 2
14 is largely in agreement with the coop Proposal 1, you would be
15 exempt under the Dairy Institute proposal as well?

16 A. I can't really specifically respond to that because I
17 have not read all the proposals in depth, I'm only familiar
18 with Proposal Number 1. And I am just basically familiar with
19 the rest. I can't speak to the particulars.

20 Q. Are you aware that within the Federal Orders there are
21 some differences with respect to how the exemption language is
22 written beyond the 3 million pound limit?

23 A. I'm not intimately familiar.

24 Q. I have no further questions of this witness.

25 MR. VETNE: John Vetne, representative of Hilmar Cheese

1 Company.

2 CROSS-EXAMINATION

3 BY MR. VETNE:

4 Q. Good morning, Mr. McAfee.

5 A. Good morning.

6 Q. You indicated that you process or package, in addition
7 to fluid milk, butter, cream, and cheese at your on-farm
8 processing facility, correct?

9 A. Correct. We also make kefir.

10 Q. Kefir?

11 A. Yes.

12 JUDGE CLIFTON: You say it again the way you say it,
13 Mr. McAfee.

14 MR. McAFEE: Kefir.

15 MR. VETNE: KEFER or KIEFER.

16 MR. McAFEE: KEFIR.

17 BY MR. VETNE:

18 Q. Okay. Kefir?

19 A. Kefir is fine.

20 Q. Is a cultured milk product, correct?

21 A. Yes, it is.

22 Q. Do you make any other cultured beverage products?

23 A. No.

24 Q. I infer from your testimony about your facility, that
25 you balance your own milk requirements by use of cheese, butter

1 primarily?

2 A. That is correct.

3 Q. Have you ever had occasion to market your milk to
4 another manufacturer because you had temporary surplus above
5 your own needs?

6 A. Yes, specifically skim milk, sold off into the organic
7 markets.

8 Q. And when you sell skim milk, to what kind of facilities
9 does that skim milk go?

10 A. A bulk processing plant that pasteurizes and uses it
11 for who knows. I really don't have any transparency into what
12 they do with it. It could be dry powdered milk, could be milk.

13 Q. It would be a facility that uses skim milk to make
14 further processed products that are labeled organic; is that
15 correct?

16 A. Yes.

17 Q. What is that facility?

18 A. There are several that we sell to. It is sold through
19 a broker, TTT Organics, Heritage Stremicks in Los Angeles
20 sometimes buys some. The broker may send it to different
21 locations.

22 Q. Do you have your own bulk tank trucks that are used for
23 that purpose or do you use some other vehicle?

24 A. We do have one small bulk tank truck, but we do not use
25 it for that purpose. It's generally a service provided by the

1 broker and then other bulk tanks are used.

2 Q. Okay. You indicated that your milk, excluding kefir,
3 is not pasteurized, standardized, or homogenized. When you
4 package milk for sale to consumers, is it something in addition
5 to whole milk? Do you have, for example, skim milk?

6 A. Yes. None of our products are pasteurized,
7 homogenized, or standardized per se. There's a little bit of
8 standardization that goes on with cream to make sure it is
9 thick enough, but none of those products are pasteurized.

10 Q. Do you sell skim milk in package form?

11 A. We do.

12 Q. Do you sell reduced fat milk, 2 percent, 1 percent, in
13 package form?

14 A. Unfortunately, the standard identity in California
15 prohibits the sale of raw milk unless it's skim or whole, and
16 there's no intermediate 1 or 2 percent allowed.

17 Q. Okay. With respect to whole milk and skim milk, you
18 indicated you do test your milk, so you do test for solids
19 content, correct?

20 A. We do.

21 Q. And have you ever had the need to add solids to your
22 milk to meet the standard of identity for whole milk and skim?

23 A. It's my understanding -- it's been a few years since I
24 have had to go through this process -- that in California there
25 is no requirement to fortify a raw milk product to meet

1 standards, because what comes out of the cow is what comes out
2 of the cow, you don't change it.

3 Q. For skim milk and whole milk only?

4 A. From what I understand, yes.

5 Q. Okay. You indicated that you don't own quota. When
6 you account to the California Milk Pool you are credited, in
7 effect, with having paid yourself the overbase price; is that
8 correct?

9 A. I'm not familiar with that terminology.

10 Q. Okay. Let me try to put it a different way. The
11 amount that you send to the milk pool, is that based on the
12 classification value at your facility?

13 A. Yes, and that's adjusted on a monthly basis, and I
14 would also go further to say that it's extremely confusing and
15 we spent years to figure out how to do the reports, and we're
16 audited several times a year on these reports. And we have a
17 person who actually is an expert in reporting this, and I don't
18 even understand it.

19 Q. Okay. That spares you several questions.

20 A. Well, I will say that I went through a class at CDFA
21 when I started the milk pool process back in 2002, and it was
22 two days in Sacramento, and every Department I went to
23 conflicted with the other Department and said, no, they had it
24 wrong. They didn't even understand it. So I'm sure they
25 understand it better now because we fought over it for awhile.

1 But it was extremely confusing, and even to this day you can
2 get various different complete opinions on exactly what
3 happens. It's not an easy process.

4 Q. For your own farm production and its various uses, what
5 percentage approximately is in fluid beverage form?

6 A. 80 percent, 83 percent.

7 Q. Okay. It varies monthly, correct?

8 A. We are demand-driven, and so whatever the market wants,
9 we provide.

10 Q. And you also have variations in your own farm milk
11 production by season, by month?

12 A. Yes, we do.

13 Q. And does that follow the normal, Spring you get a
14 little bit more, Fall you get a little bit less?

15 A. Yes, it does.

16 Q. Okay. And on your farm what's that difference between
17 the Spring and the Fall, the flush and the deficit?

18 A. We can see up to 12, 15 percent more during the Spring
19 than we do during Summer when we have the heat. Every year's a
20 little different.

21 Q. Okay. The months of lowest milk production you said
22 were summer on your farm?

23 A. June is general, June/July are generally our lower milk
24 production months.

25 Q. And the higher ones are?

1 A. March and April.

2 Q. Okay. Is the butter that you make also limited in its
3 distribution to in-state?

4 A. Yes.

5 Q. Is that packaged in consumer one-pound packages or
6 something like that?

7 A. Yes, it is.

8 Q. Do you market your butter to anybody else?

9 A. Only under our own brand for distribution to retail
10 markets and farmer's markets, and buyer's clubs in our own
11 brand.

12 Q. For further distribution within the state?

13 A. Correct.

14 Q. With respect to the other three producer-distributors
15 for whom you speak, Dairy Goddess, Top of the Morn, and Rosa,
16 do they pasteurize, homogenize, and standardize their products
17 or do they do something similar to you?

18 A. I can't specifically speak to each of them individually
19 because I'm not them, but from what I understand, they all
20 pasteurize. I don't know whether they homogenize or not.

21 Q. Do you know whether any of them also have on-farm
22 manufacturing, like you, making products other than fluid milk?

23 A. All of them have processing plants. I know two of them
24 do an on-farm and there's one that's off-farm, but owned by the
25 same family, just physically located a few miles away.

1 Q. Processing what kind of products?

2 A. Ice cream.

3 Q. Do any of them make cheese or powder?

4 A. Yes. Powder? I don't think so. Cheese, yes.

5 Q. Cheese, yes. Which one makes cheese?

6 A. Dairy Goddess makes cheese.

7 Q. Okay. And Top of the Morn and Rosa do not as far as
8 you know?

9 A. Top of the Morn, I believe, makes some butter, and I'm
10 not familiar with the rest of the products.

11 Q. Okay. And on your farm, in terms of volume, what is
12 your average monthly volume production?

13 A. Well, it's 5.5 gallons per day, times 550 cows, so
14 we're talking 21,000, 20,000 gallons a week, which is 80,000
15 gallons or 90,000 gallons a month.

16 Q. Okay. And that would be an average, and that would be
17 a number from which we can adjust the seasonality that you
18 testified concerning?

19 A. I think that's fair.

20 Q. Okay. Thank you, very much.

21 A. You're welcome.

22 CROSS-EXAMINATION

23 BY MR. FRANCIS:

24 Q. Will Francis, USDA. Just a couple follow-up quick
25 questions on the small business aspect.

1 You testified you're representing three additional
2 organizations, Top of the Morn, Rosa Brothers, and Dairy
3 Goddess. Just wondering if you are aware whether they would
4 fit a small business definition. And again, just to remind
5 you, we're using \$750,000 annual gross sales, and we have
6 estimated that to be approximately 315,000 pounds per month
7 production. If you know if they are higher or lower?

8 A. My best guess is that all of them are not small, but
9 one might be. One is on the borderline. Dairy Goddess might
10 be now that they sold their herd, and all they have is the
11 surviving smaller heard to make their own products, because
12 they couldn't survive in the California Milk Pool, so they kind
13 of downsized to the place that did make money, which was their
14 own brand. And I don't know whether they meet that threshold
15 or not.

16 Q. Okay. Those are all of questions we have. But I just,
17 before I stop, I wanted to thank you very much for your
18 testimony here today. It's important that we hear from dairy
19 farmers, and we appreciate you taking the time out of your day
20 to do so.

21 A. It's my pleasure. I would like to add one last thing
22 if I could. It might be news to you, I'm not sure, it may be
23 valuable. There is a movement to get raw butter permitted to
24 be transported across state lines, and there is a citizen
25 petition sitting with the IPA right now in that regard. It was

1 interesting that on FOIA, on Freedom of Information Act
2 requests from the Department of Health Services in California,
3 CDFA in California, the CDC, there could not be found one
4 illness or death from raw butter in 50 years, but yet it was
5 included in the interstate ban for raw milk. So because it's a
6 Class 4 product, we believe that raw butter could soon perhaps
7 maybe, hopefully flow to more people across the United States,
8 because people are just really, really wanting it, and it is
9 restricted just to California.

10 Thank you very much. I appreciate the time to testify.

11 JUDGE CLIFTON: Don't leave yet.

12 MR. McAFEE: I'm not going anywhere.

13 JUDGE CLIFTON: Are there any other questions for
14 Mr. McAfee? Mr. McAfee, with regard to Exhibit 48, do you want
15 to read it into the record or is it sufficient to have it in as
16 a document?

17 MR. McAFEE: I think it would be very boring to say what I
18 have already said again, so we'll just leave it alone. Leave
19 it as it is. Thank you.

20 JUDGE CLIFTON: Is there anyone who wishes to question
21 Mr. McAfee about Exhibit 48 before determining whether you have
22 any objection to it being admitted into evidence? There's no
23 one. Is there any objection to Exhibit 48 being admitted?
24 There are none. Exhibit 48 is admitted into evidence.

25 (Thereafter, Exhibit Number 48 was

1 received into evidence.)

2 JUDGE CLIFTON: Mr. McAfee, you referred to Triple T
3 Organics. How would that look written out?

4 MR. McAFEE: TTT Organics.

5 JUDGE CLIFTON: All right. So three capital letters, all
6 together.

7 MR. McAFEE: Yes.

8 JUDGE CLIFTON: No periods.

9 MR. McAFEE: I believe so.

10 JUDGE CLIFTON: Okay. And then you mentioned Heritage.
11 What was that whole name?

12 MR. McAFEE: Heritage, is a processor in Los Angeles, and,
13 excuse me, I just don't know, the other brand is Stremicks.

14 JUDGE CLIFTON: All right. And we have had the spelling of
15 Stremicks before, but if you happen to know it, if you would
16 state it again.

17 MR. McAFEE: I don't know.

18 JUDGE CLIFTON: Okay. We do have it in the record. All
19 right. Now, I wanted to ask another question. You have heard
20 some of the testimony in this hearing, I believe. Were you
21 present when there was some questioning about an-all-or-nothing
22 exemption for producer-handlers?

23 MR. McAFEE: I have not been present for the hearing except
24 for the first couple of hours, and then I did not hear the
25 content you are referring to.

1 JUDGE CLIFTON: All right. So have you considered with the
2 companies with which you are associated, whether if you lost
3 your exemption for a month for having more than 3 million
4 pounds in that month, how that would work with what you are
5 objections are, and if you lost it for more than a month how
6 that would fit with what you hope will happen for your
7 businesses?

8 MR. McAFEE: The nuances and particulars of operations
9 under the Federal exemption at this point are largely unknown
10 to us. All we know is that there's 11,000 gallons which
11 appears to be an upheld number, courts have upheld that number
12 on the exemption, and that would give each and every one of us
13 breathing space to strive under that limitation.

14 Above that limitation we know that there would be a
15 participation requirement, and there's a question right now
16 whether that means all would be subject to, or just the amount
17 above 11,000. And I don't know how that works. Obviously we
18 prefer to have just that milk above the 11,000 be subject to.

19 JUDGE CLIFTON: You are not the only one.

20 MR. McAFEE: The free market is wonderful, it really is,
21 when it is free.

22 JUDGE CLIFTON: What other questions does anyone have of
23 Mr. McAfee? Mr. McAfee, thank you very much.

24 MR. McAFEE: Thank you very much.

25 JUDGE CLIFTON: You're welcome. You may step down.

1 I see that Mr. Goule also has a document. That will be
2 Exhibit 49 and we'll be -- we won't be off record, but we'll be
3 silent for just a moment while those documents are distributed
4 among us. Please raise your hand if you still would like a
5 copy of Exhibit 49.

6 (Thereafter, Exhibit Number 49 was marked
7 for identification.)

8 JUDGE CLIFTON: You have left over, which we are putting
9 on the table to the right of most people who are seated in the
10 room.

11 I'll swear you in in a seated position. Would you
12 raise your right hand, please? Do you solemnly swear or affirm
13 under penalty of perjury that the evidence you will present
14 will be the truth?

15 MR. GOULE: I do.

16 JUDGE CLIFTON: Please state and spell your name.

17 MR. GOULE: My name is Chandler Goule, C-H-A-N-D-L-E-R.
18 Last name Goule, G-O-U-L-E.

19 JUDGE CLIFTON: Thank you. Please tell us about the
20 National Farmers Union and yourself, and anything else you
21 would like preliminary to turning to Exhibit 49.

22 MR. GOULE: Sure. Thank you, your Honor.

23 The National Farmers Union, before I begin my
24 testimony, is the second largest general farm organization in
25 the United States. We were founded in 1902. We represent

1 approximately 200,000 family farmers, ranchers, and fishermen
2 across the country. We have membership in all 50 states. We
3 are organized in 33 states. And so with California, we do have
4 a California Farmers Union, as well as many others, Minnesota,
5 Wisconsin, New England Farmers Union, Texas Farmers Union, so
6 other major states that have large dairy production.

7 Before my time of working at the National Farmers
8 Union, I spent 11 years working on Capital Hill; 7 of those
9 years I worked for the House Agriculture Committee. And during
10 that 7-year tenure, I always was the Livestock Staff Director
11 whether we were the minority or the majority. The last 5 years
12 on the committee I was the Staff Director for the Subcommittee
13 on Livestock Dairy and Poultry. And at the end of my testimony
14 that's been handed out, I will go into many of the hearings
15 that we held in 2008 and 2009 as the dairy crisis started
16 working its way across California, and why it is so important
17 for California to join the Federal Milk Marketing Order.

18 Though I am here today on behalf of the National
19 Farmers Union, have been working in dairy policy on the
20 national level for more than a decade.

21 JUDGE CLIFTON: Do you want to read your statement into the
22 record?

23 MR. GOULE: Yes, ma'am.

24 JUDGE CLIFTON: All right. Now, as you go through it, if
25 you want to add to it you are sure welcome to -- I almost

1 frightened Dr. Erba off of doing that -- but if there's a
2 deviation from the words here and you want us to change your
3 statement accordingly, let us know that. Okay.

4 MR. GOULE: Okay. If there's a deviation, it's because I'm
5 from Texas and mispronounced it.

6 I want to thank you, your Honor, the staff from USDA,
7 and everybody here from the dairy industry. And thank you for
8 the opportunity to speak on behalf of the National Farmers
9 Union and our 200,000 members. NFU -- as you will hear me
10 refer to National Farmers Union throughout my testimony -- is a
11 grassroots organization that is guided by a policy book written
12 and approved entirely by our members. The mission of NFU staff
13 is advocate for policies -- for the policy prescriptions
14 contained within that handbook.

15 This hearing is of a particular importance to our
16 California members, but also to our organization as a whole.
17 As part of our 2015 policy, members set expectations over the
18 Federal Order system. NFU believes that the order should be
19 maintained and expanded to include all areas within the
20 Continental United States. A national milk marketing order and
21 pricing reform should emphasize maximum return to its
22 producers. Our policy also holds that the establishment of a
23 Federal Milk Marketing Order should include California so that
24 California dairy producer prices are brought in line with the
25 prices paid in the Federal Order, which will benefit all dairy

1 producers nationwide. We support the dairy proposal that is
2 being put forward by California Dairies, Inc., Dairy Farmers of
3 America, Inc., and Land O'Lakes to establish a Federal Milk
4 Marketing Order here in California.

5 As I mentioned, this is an important issue for our
6 California members, but I would like to also stress this is
7 important to our members outside of this state. Our
8 organization has a strong presence in Minnesota, Wisconsin, and
9 major dairy producer regions, and continuing growing presence
10 in New England historically, but still significant dairy
11 producing area. In each of those, members support the efforts
12 of the dairy farmers here today.

13 As many here are aware, since 2010, certain California
14 and Federal Milk Marketing Orders -- or FMMO -- classified milk
15 prices have shown a much wider divergence that has resulted in
16 lower prices to California manufacturers, thereby providing a
17 cost advantage for their business, while at the same time,
18 producers have seen a drop at the farm gate price. Dairy
19 producers in California have seen the cost of feed purchases
20 for their operations increase dramatically. Lower milk prices
21 and higher purchase feed costs have combined to pinch the dairy
22 margin in the state and have contributed to the closures of
23 dairies across the state. In the past five years, that has
24 totalled over 400 operations.

25 The significance of California dairies is well known.

1 As the top producer in a number of products, it is the most
2 important region that is not part of the Federal Order system.
3 In recent years, we have witnessed changes in the U.S. milk
4 markets, and as such, the FMMO regulations have evolved to fit
5 those changes. The system in California can not say the same
6 thing. It has become more and more difficult for California
7 dairies to operate under the California system. In fact, a
8 recent submission by the California Cooperatives to the USDA
9 Agricultural Marketing Service, shows that California's failure
10 to establish minimum prices to producer, which reflects the
11 national value for classified milk, has cost the state dairy
12 farmers more than \$1.5 billion since 2010.

13 As we all know, the differences between the Federal
14 system and the California system has resulted in -- has
15 resulted in disorderly marketing and inverse goals of the
16 Federal system. The most pronounced problem with the CDFA's
17 Class 4b price system as it relates to the Federal Milk
18 Marketing Order Class III pricing formula. 4b and Class III
19 have rarely equalled, and in recent years have created a delta
20 that is different and negatively impacting producers. The
21 difference in that average continues to this day.

22 As a general farm organization, we count dairy
23 producers from all of the major dairy producer regions as
24 members. A member of Wisconsin or a member in Minnesota
25 experiences vastly different regulatory minimum prices with the

1 milk used to produce cheese and whey products than those
2 members in California. That's reflected whenever there are
3 significant downward pressures within the dairy pricing. It is
4 our California members that are always calling us first because
5 their income over feed cost margins are the thinnest. These
6 producers need a system that prevents or at least softens this
7 harsh cycle.

8 This cycle has, in part, played a role in the
9 shuttering of dairies -- in the shutting of dairies -- across
10 the state. In 2005, this state was home to 2,043 dairies.
11 Today, according to CDFA, California only has 1,435 dairy
12 farms. While correlation does not imply causation,
13 California's dairy pricing structure deserves substantial blame
14 for its role in these closures. We can be for certain that
15 drought impact has played a significant role. After all,
16 producers without water are paying for additional wells to be
17 drilled or paying astronomical sums for water to be delivered.
18 Feed cost continues to increase as more land has to be fallowed
19 which previously grew alfalfa, and more and more feed grain
20 comes in from out of the state. The cost of production, which
21 would be challenged by these increases in a normal scenario,
22 are all made worse because producers have been underpaid for
23 their products. Years of underpayment have left producers much
24 more susceptible to the impact of drought and lower prices due
25 to the recent slump in demand.

1 The latest cost of production data available from CDFA
2 is a second quarter of 2015, which reports that an average cost
3 to produce milk in the state totaled \$18.74 per hundredweight.
4 The California mailbox price for May was \$14.72 per
5 hundredweight, indicating the income that month was nearly 25
6 percent below the average cost -- below the average production
7 cost. Since then -- since then, prices paid to producers have
8 continued to remain substantially below production cost.

9 The federal government, through the 2014 Farm Bill,
10 continued to alter the dairy safety net. As such, dairy
11 farmers are increasingly utilizing risk management strategy as
12 a critical component of survival. As producers gathered here
13 today know, the dairy safety net is not very thick. Each tool
14 is of utmost important in ensuring each tool is available to
15 every producer across the country is critical. Unfortunately,
16 due to the divergence of Class III and Class 4b, California's
17 ability to utilize the future's market to hedge is severe
18 impaired. The difference in settling prices do not offset on a
19 one-to-one basis, making this tool's effectiveness
20 questionable. Its questionable use only takes a tool out of
21 the toolbox that is already -- that is already stocked.

22 California dairies are in a much less competitive
23 position to bid for land, cattle, feed, labor, and other
24 services of those operating within the Federal system. This
25 led our California members to work with us and the Senate and

1 the House Agriculture committees beginning in 2011 as we worked
2 to craft legislation that ultimately became the 2014 Farm Bill.

3 The 113th Congress saw the introduction of two
4 standalone bills; one bill in the House of Representatives, and
5 one bill in the Senate, which would allow California to enter,
6 after a referendum, the Federal Order system. These bills
7 included wide and bipartisan support from the State's
8 Congressional delegation. The standalone bills were ultimately
9 rolled into the 2014 Farm Bill, which reinstated the language
10 first passed in the 1996 Farm Bill, authorizing the California
11 Milk Marketing Order. And I quote:

12 "Upon the petition and available -- upon the
13 petition and approval of California dairy
14 producers in the manner provided in Section 8c of
15 the Agricultural Adjustment Act, re-enacted with
16 amendment by the Agricultural Marketing Agreement
17 Act of 1937, the Secretary shall designate the
18 State of California as a separate Federal Milk
19 Marketing Order. The order covering California
20 shall have the right to reblend and redistribute
21 other receipts to recognize quota value."

22 JUDGE CLIFTON: I want you to re-read that last sentence,
23 because I'm not sure your pronunciation was adequate to get the
24 right word in for the transcript

25 MR. GOULE: Sure. The last sentence?

1 JUDGE CLIFTON: Yes, please.

2 MR. GOULE: "The order covering California shall have the
3 right to reblend and distribute order receipts to recognize
4 quota value."

5 I think I said reorganized -- to recognized quota
6 value. Sorry about that.

7 JUDGE CLIFTON: Well, actually I was worried about the
8 pronunciation of the word "order."

9 MR. GOULE: NFU was proud to support this legislation and
10 the process it established, which brought us here today. NFU
11 is thankful for the ability to testify. We would urge voting
12 members of the referendum to vote in favor of joining the
13 Federal system for the benefit of the State's dairy producers.
14 We believe this step will increase minimum prices paid to
15 producers, which in the end, could prevent the ongoing closures
16 of dairies that we have seen over the last ten years in this
17 state.

18 And the last part of my testimony is clearly California
19 milk production prices received between 2013 and 2015.

20 Your Honor, that concludes my written statement, but I
21 would like to expand upon some additional personal experiences
22 that I have had.

23 So I started working for Congress, started working on
24 the House Representatives back in 2000 and spent 11 years
25 there. In 2003, I started to work for Congressman Collum P.

1 Peterson from Minnesota, clearly a large milk producing state.
2 And then in 2005, I joined the House Agriculture Committee,
3 where I continued to work on dairy policy through my tenure
4 there when I left in 2009.

5 During the crafting of the 2008 Farm Bill, I was a
6 Livestock and Dairy and Poultry Subcommittee Staff Director.
7 We held three hearings, specifically on dairy, three weeks in a
8 row as the dairy crisis began to emerge in 2008, '09, and '10.
9 On all three of those panels, we always had someone from
10 California.

11 During my time period on the House Agriculture
12 Committee when I held, when I was specifically was in charge of
13 dairy policy, you could always tell when we were going to have
14 a turn down, or at we which realize milk prices are cyclical.
15 But they always hit California first, they always hit
16 California the hardest, and California was always the last to
17 come out of that cycle. And I can bear witness to that because
18 I was the one that took all those phone calls. But you can
19 also look through the hearing transcripts from each of the
20 dairy producers during 2008, '09 when we had those hearings
21 specifically looking at the crisis at that time.

22 So I think between that and the fact that National
23 Farmers Union represents dairymen across the country,
24 California is the most and top producer in dairy products and
25 fluid milk, it only makes sense for them to join the Federal

1 Milk Marketing Order through the Proposal 1, as I outlined in
2 my statement from DFA, Land O'Lakes, and California, Inc., and
3 the National Farmers Union, of course, wants to lend its name
4 to that.

5 Congress has even noticed that there's a problem here
6 in California and that this needs to be fixed, and that is why
7 we were able to work with the Senate and the House to get this
8 language in the 2014 Farm Bill to allow producers the
9 opportunity to rejoin the Federal Milk Marketing Order. And
10 with that, I will be happy to take any questions.

11 JUDGE CLIFTON: We are very fortunate to have someone with
12 your experience here. Who would like to be the first to
13 question Mr. Goule?

14 CROSS-EXAMINATION

15 BY MR. McAFEE:

16 Q. Mark McAfee. When you received phone calls from
17 California regarding crisis, did that include farmer suicides?

18 A. Yes, it did. During the time period which actually set
19 off the main reason we started to have those three hearings
20 that were back to back, one each week, I believe there had been
21 six suicides within about six-week period here in the State of
22 California.

23 Q. Thank you. I appreciate it.

24 CROSS-EXAMINATION

25 BY MR. BESHORE:

1 Q. Marvin Beshore. Thank you for your testimony,
2 Mr. Goule, and for traveling coast to coast here, I guess, to
3 present it.

4 I have just a couple of questions. There's a chart at
5 the, on the last page, a graph of your testimony which is
6 marked as Exhibit 49, your prepared testimony.

7 The copy I have is in gray scale or black and white.
8 Is that a colored chart? And I wonder if the record copies are
9 in color. If it is, because I think -- I think it probably is.
10 And it's somewhat difficult to read in gray scale to fully
11 understand

12 A. So the copies that were distributed were also in gray
13 scale. I do have an electronic copy that I can e-mail that is
14 in color, but as you also can see, the source is from NASS,
15 from USDA.

16 Q. Is it a NASS -- is the full -- I understand the data is
17 NASS data, is the chart or graph itself a NASS-prepared graph?

18 A. I'm going to have to be honest, my staff prepared this
19 for me, I don't know.

20 Q. Okay. Can you interpret in gray scale, just -- for me,
21 if you look at the first set of bars to the left, Production
22 2013, there are three bar columns there for January, and I
23 guess I'm wondering what they are.

24 A. You know, you are right. I am going to have to pull
25 that back up on my color version to look at that. Oh. There

1 we go.

2 Q. Maybe you could check if we have a break here before
3 he's done, your Honor, if you can check and if it is a NASS
4 sourced document, if it is actually published by NASS, and we
5 can just find the NASS publication that it's in and identify
6 that for the record, that would be sufficient for my purposes,
7 if we knew that it was a NASS, a NASS prepared, published chart
8 and we could just identify that.

9 A. All I need to do is call the office. How do I have
10 that sent? I can have it e-mailed to the USDA or do we have it
11 e-mailed here.

12 Q. If you can just get the information and we can give,
13 put that we can state that information for the record, I'm
14 satisfied with that.

15 A. I will do that as soon as --

16 Q. Now, I have one -- on the second -- second page of the
17 text. As you -- as you read -- as you read the text, I didn't,
18 at least I didn't hear one word that I thought probably wanted
19 to -- wanted to make clear. And this is the first, the second
20 paragraph from the bottom, the last sentence and the next to
21 the last word, you talked about the toolbox. And I think what
22 I heard you say is that out of a toolbox that is already
23 stocked, and there's a modifier there, at least in my copy,
24 that says weakly stocked.

25 A. Hang on, mine's double-spaced, supposedly so I could

1 read it better. But you are correct, it says "weakly stocked."
2 And by that what we meant is the toolbox for dairy producers is
3 already weakly stocked and California has even less
4 availability to use that toolbox because of your current
5 system.

6 Q. Gotcha. Okay.

7 JUDGE CLIFTON: And for those listening, spell weakly.
8 Which kind of weakly, meaning once a week or --

9 MR. GOULE: Weakly, W-E-A-K-L-Y, as in poorly.

10 JUDGE CLIFTON: Yes. Thank you.

11 MR. BESHORE: Those are all the questions I have. Thank
12 you very much, Mr. Goule.

13 CROSS-EXAMINATION

14 BY MR. ENGLISH:

15 Q. Good morning, Mr. Goule.

16 A. Mr. English.

17 Q. Chip English.

18 So I want to talk a little bit about the second
19 paragraph and policy and some of your testimony with respect to
20 this proceeding.

21 In the second sentence it says, "part of our 2015
22 policy, members set expectations of a Federal Order system."
23 Was that 2015 policy adopted at your annual meeting in March of
24 this year?

25 A. Yes, sir, it was.

1 Q. Okay. And just to be clear for the record, the
2 National Farmers Union has an annual meeting every year, either
3 in late February or early March, correct?

4 A. Correct.

5 Q. Was this your meeting in Washington DC?

6 A. No, it was not, it was in Wichita, Kansas.

7 Q. Wichita. And at that policy meeting, did the
8 organization expressly adopt a policy supporting the
9 Cooperative proposal that had been submitted a couple of weeks
10 prior to that?

11 A. At that annual meeting, which is where we set our
12 policy for the year, the National Farmers Union delegates went
13 above and beyond what our normal policy is on Federal Milk
14 Marketing Orders, by passing what is called a special order of
15 business. Meaning, we already have policy on Federal Milk
16 Marketing Orders, but pulled a section out and specifically
17 wrote that we support California rejoining the Federal Milk
18 Marketing Order that was before, to my knowledge, or neither
19 proposal had been brought forward. It was -- it was more of a
20 general statement that was unanimously voted on by the entire
21 delegate body that California rejoin the Order, but no proposal
22 was mentioned.

23 Q. Okay. So in the next to the last sentence you say
24 that, "our policy code holds that the establishment of a
25 Federal Milk Marketing order should include California so the

1 California dairy producer prices are brought in line with
2 prices paid in the Federal Order, which will benefit all dairy
3 producers nationwide."

4 Do you see that?

5 A. Yes, I do.

6 Q. Is that an important part of the policy that all dairy
7 farmers benefit nationwide?

8 A. Yes. That is one of the main reasons why National
9 Farmers Union felt the importance to come and testify at this
10 hearing for, not only to support Proposal 1, but for California
11 to rejoin, to help basically balance the playing field, because
12 I represent dairy procedures in all 50 states.

13 Q. And what, based upon that policy, if adoption of a
14 California Federal Order did not benefit dairy farmers
15 nationwide, how would that fit into the National Farmers Union
16 policy?

17 A. The special order of business which highlights our
18 policy or brings something forth for us to work on more
19 specifically that year, is directed towards California
20 dairymen. But due to the economic impact that California and
21 dairy production has on the rest of the country, a proposal
22 that would make the current system better for producers and
23 help increase the farm gate price, would be beneficial, and
24 through, since the proposals 1 and 2 were not available at the
25 time when we held our annual convention, this testimony was

1 written within the last two weeks. And by our evaluation,
2 Proposal 1 would still be the best direction to go, and would
3 benefit California producers and would still help US dairymen
4 across the country.

5 Q. So since your testimony was written and the decision
6 was made within the last two weeks, did you review USDA's
7 preliminary economic impact analysis that was issued in August
8 of this year?

9 A. I personally did not.

10 Q. Did you know whether your staff reviewed it?

11 A. Yes, it did.

12 Q. Did anyone in your staff point out that according to
13 USDA's preliminary impact analysis, dated August 2015, that in
14 the Federal Orders, that in fact, while California statistical
15 uniform price would go up, that in all other Federal Orders
16 that particular price would go down?

17 A. So as we also know milk price --

18 JUDGE CLIFTON: Before you explain --

19 MR. GOULE: Answer his question. No, I didn't. No, that
20 was not pointed out.

21 JUDGE CLIFTON: Okay. Now you may explain.

22 MR. GOULE: Thank you. We all know that milk prices are
23 cyclical. We, luckily over the past couple years, the states
24 that are in the Federal Milk Marketing Order have seen good
25 dairy prices, but when you compare it with the prices that have

1 been here in the State of California, California is still lower
2 than the rest of the states that are currently participating in
3 the Federal Milk Marketing Order.

4 BY MR. ENGLISH:

5 Q. So I just want to go back to your statement on page 1
6 where your policy is that "California a Federal Order, which
7 will benefit all dairy procedures nationwide." Is that
8 statement, "which will benefit all dairy producers nationwide,"
9 consistent with the USDA preliminary economic impact analysis
10 that says that statistically uniform prices, blend prices, and
11 tests, and producer revenues, with the exception of Arizona
12 which would just be zero, would be negatively impacted if the
13 Cooperative proposal is adopted?

14 A. Could you repeat the question?

15 Q. So taking into consideration your policy statement on
16 page 1 with the clause that says "which will benefit all dairy
17 producers nationwide," how is that consistent with USDA's
18 preliminary economic impact analysis from August of 2015 that
19 says that for static uniform prices or the existing Federal
20 Orders, they will all be down. That the blend prices that test
21 for existing federal prices, they will all be down -- Federal
22 Orders, I'm sorry, and that as to producer revenue changes,
23 with the exception of Arizona which is a net of zero, that they
24 will all be down?

25 A. So I think we need to focus on the word preliminary and

1 the fact that we do not know exactly what is going to happen
2 until one of the proposals is adopted.

3 But through our justification, and our looking at the
4 proposals, Proposal Number 1 is still the best for dairy
5 farmers here in California.

6 Q. So the bottom line is you just didn't consider USDA's
7 preliminary economic analysis in this testimony?

8 A. When we look at preliminary, we look at the word
9 exactly what it is, is preliminary. A lot of times we look at
10 policy that comes out of the USDA, just like with any
11 economics, we don't know exactly what's going to happen until
12 the policy is put in place.

13 Q. So what if the final economic analysis by USDA,
14 indicates that producer prices outside of California and the
15 existing Federal Order system will be down?

16 A. Then in 2016 that will give our delegates an
17 opportunity to rethink about their policy, but this is
18 currently where our policy stands.

19 Q. Thank you. So at the bottom of page 1 you say, "as you
20 all know," I think you might have actually said "as we all
21 know," but I think your statement in the -- what has been
22 marked as Exhibit 49 is, "as you all know, the differences
23 between the Federal system and the California system has
24 resulted in disorderly market."

25 So first I want to focus on the differences, and that's

1 a plural word. You have then referred to pronounced problem is
2 the California 4b pricing. What are the other differences that
3 that sentence is referring to? And I'm sorry, I keep saying
4 bottom of page 1 and your testimony is double-spaced

5 A. No, no, that's my problem to deal with, not yours.

6 Q. Well, no, it's identifying the issue, so it is both our
7 problems. So do you know -- do you see where I am?

8 A. Yes, I do.

9 Q. Okay. So you have used the plural word "differences"
10 after that your focus has been on the Class 4b comparison to
11 Federal Order Class III. When you use the plural differences,
12 what are you referring to in addition to the 4b, Class III
13 issue?

14 A. So in the 2008 Farm Bill we had a margin. We had the
15 Dairy Product Price Support Program, which basically set prices
16 for dairy products. And then when we went to 2014, we moved to
17 a Margin Revenue Insurance Program, which is what a lot of the
18 different commodities have moved to.

19 And the way the California Federal -- or the way the
20 California marketing system is set up, it hinders California
21 dairies from being able to fully utilize the margin revenue
22 system, and to hedge based off the open market because of the
23 way your system is set up. So between the differences between
24 Class III and Class 4b, that is one difference; and weakening
25 the tool that we put the 2014 Farm Bill of Margin Revenue

1 Insurance, that would be a second difference making it more
2 difficult for dairy producers here in California.

3 Q. Okay. I'm going to come back to that in a moment. So
4 you have the 4b, Class III issue, and then its relationship to
5 the Margin Insurance Protection Program and the further
6 relationship to risk management, correct?

7 A. Yes.

8 Q. Okay. What other differences, if any, are there other
9 than those three?

10 A. Those would be the two main ones that we focused on.

11 Q. Okay. It was, just to be clear, and we have done this
12 exercise recently, so just to be clear, you said main ones.
13 But any others that you want to inform this record about?

14 A. I mean, you can look at the testimony, it also talks
15 about the fact that rarely, you know, if you are in the Federal
16 Milk Marketing Order, rarely is Class III and 4 equal. But
17 when you come to California, you got 4b that have been, that
18 have caused a negative impact on our producers. So you have
19 basically got two competing systems here with a state that
20 produces 80 percent of our milk in the United States, that is
21 directly in conflict with all the other large dairy producing
22 states that are in the Federal Milk Marketing Order.

23 And so by the time you break the Class III and the 4b
24 issue out of the toolbox, because that weakens your ability,
25 when you make the Margin Revenue Insurance Program, which is

1 the only safety net available to dairy producers right now, and
2 you weaken that or make it more difficult to use, and then you
3 talk about the Class III and Class 4b being equal or being
4 close together, making a negative impact on dairy producers,
5 all of which lower the farm gate price for dairy producers in
6 California, reduce their ability to use risk management tools,
7 and again, that's why I go back to the Cooperative proposal to
8 help and bring dairy producers back into the Federal Milk
9 Marketing Order.

10 Q. Okay. And any other differences that you want to put
11 in the record?

12 A. No.

13 Q. So I'm going to skip ahead and come back to this series
14 of sentences, because you brought up the risk management issue,
15 and you have referred to the weakly stocked toolbox, and the
16 inability, or the lack of ability, to use the futures market.

17 Are you aware of sophisticated risk management tools
18 that California producers can use to create effectively a
19 synthetic overbase futures product?

20 A. I would not be able to speak to that specifically.

21 Q. So now go back to where we were with respect to the
22 differences. And your statement is, as you know, the
23 differences between the Federal system and the California
24 system has resulted in disorderly marketing. So what is your
25 definition of disorderly marketing for this record?

1 A. Per capita, when you look across the country, and by
2 state that is, by states that are currently in the Federal Milk
3 Marketing Order and how many dairymen have gone out of business
4 in those states compared to the percentage of how many have
5 gone out of business in the State of California, clearly the
6 system here is not working as efficiently. I would personally
7 say it's broken.

8 Q. Do you have that data for the record?

9 A. Not in this testimony. But I do from my years on the
10 Hill as Livestock Dairy and Poultry Staff Director. And I do
11 know that the USDA has the ability and does have the data from
12 the ag system of how many dairies have gone out of business or
13 left each of the states. That would not be difficult to
14 obtain.

15 Q. Give me a second. If the record evidence later showed
16 that that is an inaccurate statement, how would you revise your
17 testimony?

18 JUDGE CLIFTON: You don't have to answer that. You can
19 try. I mean, if you don't know what it is you would be looking
20 at. So --

21 MR. BESHORE: Well, I object to that question. He has no
22 idea what he's looking at, how can he possibly answer that? I
23 object.

24 MR. GOULE: I prefer not to -- I prefer not to answer that
25 question.

1 MR. ENGLISH: Just give me a second, your Honor.

2 MR. GOULE: First objection of the day, I must be doing
3 something right. Just teasing.

4 MR. ENGLISH: I'm trying to find one thing, your Honor, why
5 don't we take a break, probably be more efficient that way.

6 JUDGE CLIFTON: I like that plan. I'd like two assignments
7 during the break. You do whatever you are going to do,
8 Mr. English. And if you, sir, would contact your office and
9 teach us what we see in this chart.

10 MR. GOULE: Yes, ma'am. Yes, your Honor.

11 JUDGE CLIFTON: This chart has a lot of information so I
12 think it will be very helpful if you explain it to us.

13 MR. GOULE: Yes, ma'am.

14 JUDGE CLIFTON: All right? We normally take 15 minutes. I
15 would like to do that. It is now 10:40. Please be back ready
16 to go at 10:55.

17 (Whereupon, a break was taken.)

18 JUDGE CLIFTON: Let's go back on record. We are back on
19 record now at 10:59.

20 Mr. English, you may resume your cross-examination of
21 Mr. Goule.

22 BY MR. ENGLISH:

23 Q. So during the break I took the opportunity to talk with
24 the court reporter and look at the answer, so I just want to go
25 back over the answer that gave rise to my remaining questions.

1 Because I think, I want to see if I can rephrase your answer
2 just to make sure I have got it correct, because you were
3 talking about sort of efficiencies and things like that. But
4 were you saying in your comparison of the loss of California
5 farms, that it is your testimony that that loss is greater in
6 California on a percentage basis than in other parts of the
7 country?

8 A. Yes.

9 Q. Okay. And that is one, I want to explore others, but
10 that is one basis for your response to my question of what is
11 disorderly marketing, correct? That -- that fact to you
12 presents evidence that there's disorderly marketing; is that
13 correct?

14 A. Yes.

15 Q. So putting that aside for a moment. What, if any,
16 other definitions do you have for disorderly marketing to
17 describe?

18 A. Disorderly market is a adjective or a description of
19 how the California system is perceived. It does not have
20 actual parameters around how the market should function. So
21 we're using it as adjectives.

22 Q. So what is it that it is or isn't doing that makes it
23 not functioning correctly?

24 A. I think you're actually using a better word, it is
25 dysfunctional better than disorderly. And I think we have

1 outlined the differences of weakened or less number of tools
2 the dairy farmers can use for risk management; the lower farm
3 grade prices here in California compared to other countries;
4 and the staggering number of dairies that have closed. So
5 maybe disorderly is not the best word, but dysfunctional
6 compared to the rest of the Federal Milk Marketing Order would
7 be a better description.

8 Q. Okay. And that, in summary, is what your testimony is
9 about with respect to that particular sentence?

10 A. Yes.

11 JUDGE CLIFTON: When you said California has lower farm
12 gate prices than other countries?

13 MR. GOULE: Counties, I meant states, sorry.

14 JUDGE CLIFTON: Okay.

15 MR. ENGLISH: Thank you for catching that, your Honor.

16 MR. GOULE: I meant states.

17 BY MR. ENGLISH:

18 Q. So I do want to turn last to Figure 2, and so I guess
19 it would be appropriate to, if you have the information of
20 where that came from, as far as I'm concerned, your Honor, then
21 now would be a good time to talk about that so that we, just
22 there's no point in me asking questions about it and his not
23 knowing responses.

24 A. And I also went and got a record copy of the testimony
25 so we are all on the same page.

1 Figure 2 that is entitled "California Milk Production
2 and Prices Received, 2013 through 2015," it was published by
3 EIS using NASS data under a title called ERS-California Drought
4 Farm and Food Impact. It was last updated June 25th of 2015.
5 Alex Milton at the USDA is the key contact for the chart. And
6 your Honor, I actually have the website, it is rather long, I'm
7 happy to cite it for the record.

8 JUDGE CLIFTON: Yes, slowly please, so we can capture it.

9 MR. GOULE:

10 [Http://www.ERS.USDA.gov/Topics/in-the-news/California-drought-](http://www.ERS.USDA.gov/Topics/in-the-news/California-drought-farm-and-food-impacts/California-drought-livestock--dairy--and-poultry-sectors.ASPX)
11 [farm-and-food-impacts/California-drought-livestock -- dairy --](http://www.ERS.USDA.gov/Topics/in-the-news/California-drought-farm-and-food-impacts/California-drought-livestock--dairy--and-poultry-sectors.ASPX)
12 [and-poultry-sectors.ASPX.](http://www.ERS.USDA.gov/Topics/in-the-news/California-drought-farm-and-food-impacts/California-drought-livestock--dairy--and-poultry-sectors.ASPX)

13 And if your Honor would like, I'm happy to give this to
14 the court reporter if she would need it. That's a long title.

15 JUDGE CLIFTON: She nodded yes, so afterwards you can do
16 that.

17 So when I was copying just hearing you, I wrote down
18 the wrong spelling of livestock because I put a B where it's
19 obviously supposed to be a V like Victor. Okay. Well, that
20 website certainly describes what's depicted.

21 MR. GOULE: Yes, ma'am.

22 Further describing the chart, the first -- and I'm
23 sorry that it was not in color, so let's talk about the bars.

24 The first bar is clearly the production for 2013; the
25 darker bar in the middle is the production for 2014; the next

1 bar is the production for 2015.

2 The top price line is 2014; the lower price line or the
3 middle, I guess it would be middle price line would be 2013;
4 and the shortest price line clearly going only from January to
5 April is the price for 2015.

6 That's all the information I have on the chart.

7 BY MR. ENGLISH:

8 Q. Okay. Well, I attempted to duplicate that and it says
9 the shrink is broken, but that's probably just me. All right.
10 So it's published by ERS but ERS is relying on NASS data,
11 correct?

12 A. That is our understanding from the way that it is
13 sourced.

14 Q. Fair to say that you, in your work on Capital Hill and
15 otherwise, don't have a high opinion of NASS data?

16 A. NASS can have its challenges depending on what is
17 having producers fill out their forms and return the
18 information back to them.

19 Q. In fact, in a different setting, one of my colleagues
20 recently examined you on a deposition, correct?

21 A. Correct.

22 Q. And that was back on July 23, 2015, correct?

23 A. Correct. Yes.

24 Q. And in that examination did you not say as to NASS,
25 "garbage in, garbage out?"

1 MR. BESHORE: Your Honor, I would like to object to the
2 interrogating the witness about testimony given at another,
3 somewhere else, another venue, another place. Quite tangential
4 to, if at all relevant to what he gave here.

5 JUDGE CLIFTON: No, not tangential, clearly relevant. If
6 this is based on NASS statistics and there's some difficulty
7 with NASS statistics, we'd all need to know that. The
8 objection is overruled. You may answer.

9 MR. GOULE: That is what I said during that other
10 deposition.

11 MR. ENGLISH: Thank you, I have no further questions.

12 JUDGE CLIFTON: You have already partially explained that,
13 Mr. Goule, by saying that NASS can have its challenges
14 depending on how many producers fill out their farms and send
15 them back in. Are you aware of any other potential, what shall
16 I say, inaccuracies that might result in relying on NASS
17 statistics? And you can limit it just to this chart, that's
18 what we're dealing with now.

19 MR. GOULE: Sure. So this chart is clearly a snapshot in
20 time of what they have covered. What I don't know, and I think
21 would be a question that the USDA would be able to answer, is
22 if ERS goes back and reuses data from a different agency, is it
23 peer reviewed and checked? I don't know the answer to that.

24 I know that the source where we found it from was the
25 Economic Research Service and not the National Agricultural

1 Statistics Service, and my former comments from a completely
2 different situation was based strictly on NASS, which relies on
3 producers returning information back into them and ERS is not
4 set up the same way. So there is a possibility that this
5 information could be more accurate.

6 JUDGE CLIFTON: Who next has questions for Mr. Goule?

7 CROSS-EXAMINATION

8 BY MR. VANDENHEUVEL:

9 Q. Good morning. Rob Vandenheuvel, Milk Producers
10 Council.

11 I wanted to follow up on a couple of questions you had
12 responded to by Mr. English, and I'll start with the study or
13 the preliminary analyses that USDA conducted. I understand
14 that you haven't read it, but I would like to ask you some more
15 general questions, and then also some questions specifically
16 about the study, and what you might, what your action might be.

17 In your time at the House Agriculture Committee, did
18 you deal with macroeconomic simulation models, estimates, or
19 forecasts of what would happened under this policy or that
20 policy?

21 A. Yes, I did.

22 Q. So farm bills, what would be the impact going forward
23 the next five or ten years under this policy versus a different
24 version of that language or what not?

25 A. Yes.

1 Q. Okay. And as you know, or would you agree that those
2 models are limited to, they don't necessarily think, but rather
3 respond to data that's inputted and what the model calculations
4 assume the outputted activity would be pursuant to what you put
5 into the model? Kind of a complicated way of asking the
6 question. They don't -- they are very straightforward is what
7 I'm trying to ascertain. They don't -- they don't -- they
8 can't consider every variable, they are limited to what the
9 model is designed to predict?

10 A. Yes, I would agree with that. I think that's why I
11 specifically emphasized the word preliminary, and I think you
12 also need to emphasize the word it is a model, so it is not
13 reality.

14 Q. Okay. Fair point. Fair point. We had some discussion
15 about this particular model earlier in the hearing on days that
16 you were not able to attend, but there was a lot of discussion
17 about the baseline of this model. And you understand that any
18 model, they have to create a baseline by which to compare the
19 future projections to. It was identified that in this baseline
20 model of California's milk production, assuming no changes,
21 assuming a baseline, would increase from 41.3 billion pounds of
22 production in 2013, to 66.6 billion pounds of production in
23 2024. That is 61 percent in 12 years.

24 Do you have experience in other agriculture commodities
25 besides dairy in your portfolio of issues?

1 A. Yes, I do.

2 Q. Given your knowledge of California, are you aware that
3 California is in the process of having some of our dairies sold
4 to permanent tree crops and torn down, likely never to be a
5 dairy again, but be producing acres for tree crops, almonds,
6 pistachios, etcetera?

7 A. Yes, I am aware of that situation.

8 Q. So given what you know about that, given what you know
9 about the regulatory climate in California, would you, as
10 someone analyzing this particular study, have a lot of question
11 as to whether we would actually see 61 percent increase in
12 California milk production over the next 12 years?

13 A. I would find that to be an extremely difficult goal to
14 reach and highly unlikely.

15 Q. And that's the baseline under the model that
16 Mr. English questioned you on, or that you had acknowledged
17 that you hadn't a chance to fully review. It is assumed that
18 California dairy producers would be paid a higher overall blend
19 price as a result of Proposal Number 1, and that as a result of
20 that, California producers would increase production over this
21 baseline that I just mentioned, by an additional 500 million
22 pounds of milk per year, would your feeling of caution or
23 questions about the baseline also apply to those assumptions
24 that we would not only meet these baseline figures, but go
25 above that based on your knowledge of, you know, the dairy

1 industry's outlook for land use competing with the current
2 crops?

3 MR. ENGLISH: Your Honor, I object. The question said that
4 a model assumes certain things. And I think that's a
5 restatement of what the model does. And I think the question
6 is not a fair question, given what we have heard is the
7 testimony about the model.

8 JUDGE CLIFTON: Well, just a minute, Mr. English, come
9 back. There are assumptions in any kind of an economic
10 analysis, are there not?

11 MR. ENGLISH: But this one assumed price issues, and I
12 think that given the proposals, it wasn't assuming price
13 issues, it was actually using real prices built into the model.
14 So that was -- his underlying statement very early on in that
15 very long question, tied assumption to prices. And the
16 proposals have impacts on prices that are built into them that
17 are not assumptions, that's the part I object to.

18 JUDGE CLIFTON: Understood. Your objection is noted.
19 Mr. Vandeneuvel, you may either reword your question or not,
20 and I'll ask the witness to field the question.

21 BY MR. VANDENHEUVEL:

22 Q. All right. In a model, an economic model, trying to
23 predict what would happen under a given set of circumstances,
24 not -- scratch that.

25 Well, I think -- I think I have made my point, your

1 Honor.

2 You would agree that it's very difficult to predict,
3 using a model, exactly what would happen, when we know that
4 there's an element of uncertainty with any given model. The
5 data, though, that is derived from these models can be subject
6 to change based on different assumptions built into the model.
7 You would agree with that? As the assumptions change, the
8 models, the results would change, correct?

9 A. Correct. As you add or subtract any variable, the
10 outcome of any model would change.

11 Q. So, you know, this particular model has built into it a
12 feature that predicts that additional revenue generated for
13 California producers would result in significant additional
14 milk production, and that's just the way the model, as we
15 understand it, is written. But if that production did not
16 actually end up occurring, you would get different results
17 expected out of that policy change, correct?

18 A. That's correct. And I am actually going to break one
19 of my own rules and elaborate on that.

20 With what we know that is going on here in California,
21 as these dairies go out of business and are moving to other
22 predominantly specialty crops, having worked in agriculture for
23 15 years in Washington, once you go out of business in dairy,
24 you usually don't come back. So the chances of you picking up
25 additional dairy producers back to even where you were just

1 five or six years ago, I think is going to be quite difficult.

2 Q. So going back to my original point, your statement at
3 the question that Mr. English had asked was had you considered
4 these things. And, you know, you admitted you had not read the
5 study. But given what you know about the limitation of
6 macroeconomic modeling, is it entirely possible, if not likely,
7 that you would have still supported Proposal Number 1 because
8 of your past experience dealing with models and the uncertainty
9 that surrounds them?

10 A. Yes.

11 Q. All right. Thank you. And then the other question I
12 wanted to ask is, you had responded to some questions about
13 disorderly marketing, and I know that you changed the
14 terminology to dysfunctional. But you are aware that
15 California's Class 2 and Class 3 have a different price
16 discovery mechanism and different schedules of announcements
17 with regard to how advanced they are versus the California II
18 class, and that that creates month-to-month, as was talked
19 about earlier in this hearing, gaps that vary and that could
20 create some disorderly marketing amongst those handlers and
21 those purchasers of milk?

22 A. I am aware of that. And it not only produces gaps, but
23 it definitely decreases transparency and harmony of what's
24 actually happening here in your market in California.

25 Q. And you're aware that California's State Order is

1 unable to regulate interstate transactions due to previous
2 court decisions, and that that also could potentially create
3 disorderly marketing conditions having some products brought to
4 market under a no regulatory scheme, as opposed to under the
5 California State Order?

6 A. I am. California is surround by several states that
7 are not in the Milk Marketing Order.

8 Q. And you are aware that this morning we heard about
9 producer-handler provisions in the Federal Orders around the
10 county that differ from the way we do producer-handler
11 regulations here in the State of California, and that that also
12 could create some differences or disorderly marketing
13 conditions amongst handlers?

14 A. Yes.

15 Q. Thank you, very much.

16 CROSS-EXAMINATION

17 BY DR. SCHIEK:

18 Q. Good morning, William Schiek, S-C-H-I-E-K, for the
19 Dairy Institute of California.

20 Mr. Goule, I just, I think I have a number of
21 clarifying questions, for the most part. I was -- and I may
22 have missed this in your opening statement, if I do -- if I
23 did, I apologize. But how many dairy farmers does NFU
24 represent in California?

25 A. So we are a federation, National Farmers Union, so we

1 are made up, we have a California Farmers Union that has 1250
2 members. Their membership and what they produce is actually
3 held at the state level, so I don't know specifically how many
4 are in their California Farmers Union.

5 Q. Okay.

6 A. I just know we have 1250 members here in the state.

7 Q. So you would not know, then, how the size of your
8 members in California compares to either the average for
9 California or National average of your members?

10 A. That are dairymen?

11 Q. Yes.

12 A. No.

13 Q. Okay.

14 A. Within my own organization?

15 Q. Right. And am I also correct in assuming you wouldn't
16 know how the cost of production of the NFU dairy farm members
17 in California would compare to the average cost of production
18 for dairy farms in California, or the average cost of
19 production for the nation as a whole, or for members, say, in
20 Wisconsin or other parts of the country?

21 A. Not from my position that I currently hold at National
22 Farmers Union, but the years I spent on the House Agriculture
23 Committee, and we didn't just have those three hearings after
24 the dairy crisis, we had hearing on the Farm Bill for 2008, so
25 throughout my tenure on the Hill, I'm going to estimate that I

1 put, organized myself, and pulled together at least 10 to 15
2 hearings specifically on dairy, where we had each of the five
3 major regions represented at each of those hearings, and cost
4 of production was always brought up. So though I may not know
5 that information for National Farmers Union, I am acutely aware
6 of the differences in cost of production across the country in
7 California is by far the highest.

8 Q. Highest cost of production in the country?

9 A. Across the average.

10 Q. Okay.

11 JUDGE CLIFTON: I want to make sure I understand what you
12 are saying. Can you start by telling me what the five regions
13 are?

14 MR. GOULE: Well, we broke them down. So the House Ag
15 Committee, the way we did it was, we would have someone from
16 the Northeast, and just to be very honest, I mean, it is
17 Congress so there's not a lot of rules. Sometimes Northeast
18 included New England and Pennsylvania, sometimes it didn't.
19 And then we always had someone from the Upper Midwest, from
20 Minnesota, Wisconsin, so ones of those states. We always had a
21 California witness, we always had someone usually either from
22 Texas or New Mexico. We usually had someone from the Southeast
23 because they have a lot of different problems due to humidity
24 and heat and size of the herd, they also have a fluid milk
25 issue. And then someone from the Northwest, I'm sorry, I

1 should have said six regions.

2 But every hearing I can guarantee, whether we had two
3 witnesses or five witnesses, California was always invited
4 because -- because of the unique system that you have out here
5 and the fact that the prices out here were always lower than
6 what we were experiencing across the country. But that all,
7 again, goes back to my time on the House Ag Committee, not as
8 my current position at National Farmers Union

9 JUDGE CLIFTON: So when you talked about the cost of
10 production and then you said California is by far the highest,
11 and then you said on average. What are you averaging?

12 MR. GOULE: Well, you are currently facing one of the worst
13 droughts that you have ever had, so, I mean, it is even higher
14 now than it was say ten years ago, when your fields were in
15 alfalfa, or if you moved to closer to Minnesota and Wisconsin,
16 closer to the grain belt, you have shorter transportation cost,
17 you have got the availability of forage. So the cost of
18 production as you move to the Midwest and closer to the
19 Mississippi, it's clearly lower due to the availability of feed
20 stock. That's just one prime example.

21 The Eastern side of the United States is not currently
22 going through a drought, so of course your cost of production
23 here is even higher. But even when you are in normal years,
24 you, California still has had a higher cost of production. Or
25 from my experience, when we were taking testimony on the House

1 Agriculture Committee, when comparing it to dairy producers
2 across the country, the California number was always higher.

3 JUDGE CLIFTON: Thank you.

4 BY DR. SCHIEK:

5 Q. So if I can follow up on that a little bit more. You
6 have mentioned feed, feed costs are higher in California than
7 other parts of the country. Are you familiar with some work
8 done by ERS that shows how cost of, total cost of production on
9 a per hundredweight of milk basis varies with farm size or herd
10 size? Are you familiar with that?

11 A. I mean, if you are asking about a specific study, no.
12 If you are asking about those who produce their own forage and
13 feed rather than purchase it, yes, I am aware of that does
14 affect your cost of production.

15 Q. Okay. Just generally, would you agree with the
16 statement that on average, dairy farms of under a hundred dairy
17 cows, on average, have higher cost of production, total cost of
18 production per hundredweight of milk than dairy farms with a
19 thousand or more cows? Would you agree with that statement?

20 A. I would agree with that statement only with a caveat,
21 though. When you start talking about dairy farms with a
22 hundred or less cattle, or cows, you are moving into New
23 England and a very niche market that are in the Federal Milk
24 Marketing Order and are receiving a much higher farm gate price
25 than what you are receiving here in California.

1 Q. I understand. I'm just asking about cost.

2 A. The cost would be higher.

3 Q. In smaller farms?

4 A. In smaller farms.

5 Q. Thank you. You mentioned some CDFA data on cost of
6 production, dairy cost, milk cost of production, for the second
7 quarter of 2015. And you report that the average cost to
8 produce milk in the state is \$18.74 per hundredweight. And I
9 pulled up that second quarter CDFA data. I'm just, again, this
10 is a clarification. I find the \$18.74 number that I believe
11 you used. And were you aware that that number includes
12 allowances for return on investment and return on management,
13 things that we normally pay out of profits? So there is also a
14 number for the total cost of production, which is lower. Were
15 you aware of that?

16 A. I was not.

17 Q. Okay. You mentioned the mailbox price for May, which
18 is only one of the three months, excuse me, one of the three
19 months in the second quarter of the year. Is that -- would you
20 agree with that?

21 A. Yes.

22 Q. May is only one month?

23 A. Yes.

24 Q. So you know it is \$14.72 per hundredweight. Were you
25 also aware that the mailbox price has marketing costs, like

1 hauling and assessments for promotion and those kinds of things
2 already deducted from it?

3 A. Yes.

4 Q. Okay. And were you aware that the cost of production
5 number you cite actually has those costs in it, too?

6 A. No, I did not know. I did not know the difference. I
7 did, all -- not all. Farm gate prices across the country
8 already have those things taken out as well. That's why I'm
9 more familiar with the farm gate price than I was the \$18.74.

10 Q. So would you agree that in order to get an apples to
11 apples comparison, you either have to add back into the price
12 the marketing costs, or you have to take them out of the cost
13 of production to avoid double counting?

14 A. Yes, you would need to use the same variables.

15 Q. Okay. In looking at the second quarter, 2015, did you
16 look at similar data for 2014? Just similar, the cost of
17 production data in California versus the mailbox price in 2014?

18 A. No, I did not.

19 Q. Okay. If I told you that during that period prices
20 were higher than the cost of production by a significant
21 margin, would that surprise you?

22 A. No, the chart, figure number 2 which we have now
23 figured out where that's at, actually demonstrates that. But
24 if you look at 2013, you also see August, September, October,
25 November, and a little bit of December, where -- I'm sorry, I'm

2014

1 backing up on that. January, February, March, April, May,
2 where you are actually losing money. So the back -- the back
3 chart does agree with that.

4 Q. I'm having trouble understanding that chart, because it
5 appears to be a chart that plots production against price. I
6 don't know that I can see any margin or relationship to cost
7 here. So I'm wondering how I would know that you are losing
8 money from this chart.

9 A. Well, I can tell you for the first half of 2015, I
10 haven't had any phone calls from California, but all through
11 2013 my phone rang everyday.

12 Q. Okay. But you would agree this chart doesn't show
13 anything?

14 A. Probably not the best chart.

15 Q. Okay. You mentioned some information about the impact
16 of the drought in terms of dairy farmers, dairy farms exiting
17 the business. I guess my question is there, do you have any
18 sense in terms of -- I think you talk about price being an
19 impact and the drought being an impact, do you have any sense
20 of the relative difference in terms of the importance of those
21 impacts?

22 A. Well, I mean, it's not just dairy that's being impacted
23 by the drought. You were losing dairies back in, I mean,
24 really you started losing dairies back in 2002, 2003. But the
25 significant part of the loss was -- from what I have understood

1 from listening to the hearing a little bit, everybody is
2 throwing out a different date. But really we started noticing
3 it in Congress in 2007, 2008, 2009, 2010, when California was
4 not in a drought. So that was based on other circumstances
5 predominantly the marketing order that you have here that was
6 driving producers out of the business.

7 Now, in 2015, you are in the middle of your third or
8 fourth year of a severe drought that is complicating things
9 even further. So they, even though we're, you are trying to
10 ask me to compare the two things, but we have got years where
11 were you losing dairymen, had suicide, and low dairy prices
12 when you did have not a drought.

13 Q. Is it also true that in that period you reference,
14 2007, 2008, 2009, that feed prices spiked to levels that were,
15 hadn't been seen in a long time?

16 A. Feed costs in certain commodities did go up.

17 Q. Corn, for example?

18 A. Corn did go up across the country, not just here in
19 California.

20 Q. Right. They did. And would you say corn is a pretty
21 large part of the California dairy ration?

22 A. Corn is a large part of dairy rations, but it could be
23 substituted for cheaper other commodities that were not seen,
24 the significant increase that we saw in corn.

25 Q. Such as?

1 A. I grew up on a dairy replacement, I grew up in Erath
2 County, Texas, the largest dairy producer county in the State
3 of Texas. You can use cottonseed hulls. There's, of course we
4 used to use different varieties and versions of scillas, and
5 some that did and did not use corn.

6 So there -- and then with all the specialty crops and
7 things that you have here in California, there are multiple
8 ways to balance the dairy ration using less corn when corn is
9 at a higher price.

10 I think it is important to note, too, that Minnesota,
11 Wisconsin, Texas, Portales, New Mexico, all these other states
12 that have significant dairy production, also use corn and still
13 yet we're able to manage through that crisis, yet they may have
14 lost some dairies, but still -- so to say that that was a key
15 issue here in California, it was experienced across the
16 country.

17 Q. Okay.

18 A. And corn prices have also gone back down. As a matter
19 of fact, we're almost about to hit the target price in the Farm
20 Bill in many states that had dairy production, so I don't think
21 we can really point to corn as a production, cost of production
22 factor as much as we used to.

23 Q. Okay. Thank you. That was a very complete answer. I
24 was just asking about those years. All right. I think that's
25 all the questions I have for this witness.

1 JUDGE CLIFTON: Dr. Schiek, I love your questions. They
2 are so practical. Thank you. Who else has questions for
3 Mr. Goule?

4 CROSS-EXAMINATION

5 BY MR. SCHAEFER:

6 Q. Henry Schaefer from USDA. Just a couple questions.

7 I noticed in your, some answers to Mr. English's
8 cross-examination, that you talked about the Federal Order
9 returning to the, or California returning to the Federal Order.
10 Do you know for sure that they had ever been in a Federal
11 Order?

12 A. I may have misspoke there. I know this is the second
13 time we have put in a Farm Bill for California to have the
14 opportunity to rejoin the order. I also know that California
15 could rejoin the order through a referendum process on its own,
16 but we have worked with Congress to put this in two separate
17 farm bills to start this process.

18 Before, so before the year 2000, no, I do not know if
19 California was ever in the marketing order itself, the Federal.

20 Q. Thank you. I believe, and we're going to follow up on
21 this, that they have never been in a Federal Order. We believe
22 that they may have had some licenses back in the '30's, and
23 there was also some marketing agreements that may have been
24 possible. But as far as the Federal Order as currently
25 constructed, I don't believe they have ever been in there.

1 I also believe that in one of the responses to one of
2 the questions, you indicated that California had 80 percent of
3 the milk production in the U.S.?

4 A. I said that, yes.

5 Q. That seems a little high. And I believe the number is
6 closer to 20 percent to 25 percent.

7 A. I'm sorry, I must have had them inverted. It is the
8 largest dairy producing state, that's probably a better way to
9 say it.

10 Q. Thank you very much, sir.

11 A. Yes.

12 CROSS-EXAMINATION

13 BY MR. BESHORE:

14 Q. Just a follow up question or two, Mr. Goule.

15 Thanks for the info on Figure 2 and its source. I
16 think it is -- it is very useful, and I just want to look at
17 one set of information provided on Figure 2 of Exhibit 49. And
18 that's 2015 Milk Production in California.

19 I believe you indicated that the third bar to the right
20 on the monthly information is 2015 for California; is that
21 correct?

22 A. Yes, sir.

23 Q. Okay. And if I'm reading it right, in each case there
24 are, it just goes through April, so in each case, California's
25 production in 2015 is less than in 2014; is that correct?

1 A. That's how I read the chart, yes.

2 Q. Okay. So in noting that the preliminary, the impact
3 analysis of the USDA that Mr. English asked you about was
4 preliminary, as you probably noted. Were you aware that in
5 that preliminary study, the production baseline that had been
6 used as reflected in Exhibit number 7 provided by USDA showed
7 an increase from 2014 to 2015 for California milk production of
8 6.5 percent, plus 6.5 percent in 2014 to 2015 was the baseline
9 data input in the model. Were you aware of that?

10 A. I was not.

11 Q. But so that's -- would that be just an example of how
12 when anybody's doing these models, when they are in advance of
13 actual data, you might not always get it right.

14 A. Yes, I would agree with that.

15 Q. And have you observed that from time to time in your
16 Congressional experience?

17 A. Very much so.

18 Q. So one question Mr. Vandenhoevel asked you with respect
19 to prices for Class 2 and 3 versus II and III, do you remember
20 that question?

21 A. Yes.

22 Q. And I think he just misspoke, I want to make sure the
23 record's clear. He was comparing, you were comparing
24 California, which calls it Arabic 2 and 3, versus the Federal
25 system, which is Roman numeral II.

1 A. Correct.

2 Q. Okay. And then just?

3 JUDGE CLIFTON: Roman numeral II or Roman numeral III?

4 MR. BESHORE: II in that case, Federal Roman numeral II
5 basically matches Arabic 2 and 3 in California.

6 BY MR. BESHORE:

7 Q. Just one final question. So Mr. English asked you
8 about the Farmers Union, the National Farmers Union position
9 taken at its convention, and the fact that economic projections
10 might suggest that a policy could have a, may have a somewhat
11 slightly negative impact in one area, and a positive impact in
12 another. Would it be correct that, you know, your membership,
13 first of all, is evaluating things from the farmer perspective,
14 not necessarily from the perspective of running the economic
15 models themselves?

16 A. Most definitely. Our entire organization is made up of
17 just, not just, family farmers and ranchers, so they are
18 evaluating this from the milk check of what comes to their
19 dairy and cost of production and their personal experience is
20 what they bring to the policy to debate.

21 Q. And when they look at things as a national organization
22 at a national convention, is it fair that they are looking for
23 the, they would be voting on a policy that they believe is best
24 collectively for the nation?

25 A. At the annual convention, yes. It is by majority, and

1 it is best for what -- so all 33 of our organized states get to
2 vote, and I would agree with that statement, yes.

3 Q. Okay. Thank you very much for, again, for coming.

4 A. Thank you.

5 Q. The other side of the country to be here.

6 JUDGE CLIFTON: I'll allow other questions. There are a
7 couple of little things I want to make sure I don't forget.

8 Does anyone want to question Mr. Goule with regard to
9 Exhibit 49 before you determine whether you object to its being
10 admitted into evidence? There's no one. Are there any
11 objections to Exhibit 49 being admitted? There are none.
12 Exhibit 49 is admitted into evidence.

13 (Thereafter, Exhibit Number 49 was
14 received into evidence.)

15 JUDGE CLIFTON: How do you spell the name of the place in
16 Texas that you are from?

17 MR. GOULE: Oh, sure. It's Stephenville, Texas,
18 S-T-E-P-H-E-N-V-I-L-L-E, and it's Erath County, E-R-A-T-H
19 County. C-O-U-N-T-Y.

20 JUDGE CLIFTON: What do you want to add to what you have
21 provided us so far?

22 MR. GOULE: I think it's important -- I think that I bring
23 very unique view to this hearing. Not only did I grow up in a
24 very large predominant dairy producing county with dairies all
25 around me, we raised dairy replacement heifers, so we were not

1 a dairy, let me be very clear. We raised replacement heifers.
2 Then I went to Texas A and M, got a degree in Animal Science,
3 and worked in Washington DC for 15 years, and specifically
4 agriculture policy, and with a very strong emphasis on
5 livestock and dairy for seven years. And then I have now been
6 with NFU for six years where I have had an even broader
7 experience.

8 So though I am not a dairy Economist, I have worked
9 with dairy, with national dairy federal policy, I have fielded
10 phone calls from dairymen from California almost my entire
11 professional career.

12 I can tell you when, as I have said earlier, we know
13 that milk prices are cyclical, it's almost sinusoidal, but I
14 can tell you more about the start of the downturn because
15 California starts calling me three months before any other
16 state, and California also stops calling me six months after
17 every other state has stopped. And so I know that's not a very
18 technical answer, that's my experience coming from, working on
19 the Hill, the House Agriculture Committee, and the National
20 Farmers Union, and having a good basic understanding of the
21 safety nets and the programs out there for dairymen, and having
22 grown up around dairies my entire life.

23 JUDGE CLIFTON: You mentioned that you worked for
24 Congressman Collin Peterson. Would you spell his name, please?

25 MR. GOULE: Sure. C-O-L-L-I-N, P-E-T-E-R-S-O-N. And he is

1 currently the ranking member of House Agriculture Committee.
2 And from Minnesota's 7th Congressional District.

3 JUDGE CLIFTON: When you were talking about cyclical
4 changes, you used a word I have never heard before. It sounded
5 like sinusoidal.

6 MR. GOULE: Sinusoidal?

7 JUDGE CLIFTON: What are you saying there?

8 MR. GOULE: It's a Trigonometry term. It is a wave, it's a
9 wave equation, where there's always peaks and valleys.

10 JUDGE CLIFTON: Do you know how to spell it?

11 MR. GOULE: Trigonometry? No, I do not know how to spell
12 sinusoidal.

13 MR. ENGLISH: Your Honor? It's S-I-N-U-S-O-I-D-A-L.

14 JUDGE CLIFTON: Before the AL, what letter?

15 MR. ENGLISH: D as in dog.

16 JUDGE CLIFTON: Okay. Good. Well, I took that course, but
17 I don't remember that term.

18 MR. GOULE: And again, I was using it as an example, it is
19 not exact art in dairy pricing.

20 JUDGE CLIFTON: All right. You have given us plenty of
21 reason to understand the plight of California producers, but
22 isn't it true that very often a number of farms goes down, but
23 production doesn't go down? Now, you have shown us some
24 figures that show production going down, but what factors are
25 important besides numbers of farms?

1 MR. GOULE: That's a very subjective question. For us, the
2 National Farmers Union, the more farmers we have out there, the
3 more family farmers that we have out there, the more people you
4 have going in and buying trucks', and the more people you have,
5 more families you have going to the hardware store; and the
6 more families you have going to the grocery store. And as you
7 continue to put you dairies out of business, you are going to
8 see larger and larger and larger dairies, and you are going to
9 get to the point where you have caused such an increase in
10 concentration in your dairy production by having so few dairies
11 actually producing this 20 percent of the national average,
12 correct my statement there, you are decreasing competition.

13 And when you look across agriculture as a whole, we're
14 seeing significant concentration not only in dairy, but also in
15 meat processing and biotech trades, and things along those
16 lines. And so, your Honor, you are correct in some instances
17 where you may be losing dairymen, but, and this graph here, of
18 course just went through the first part of 2015, you may see an
19 increase in production, but what you are seeing is a decrease
20 in family farmers and a decrease in jobs, which we find very
21 troubling. Which will hurt California's overall economy, not
22 just your dairy production and dairy industry.

23 JUDGE CLIFTON: Are there any questions for Mr. Goule?

24 Mr. Goule, it's 11:52. It worked out well. Thank you
25 very much. You may step down.

1 We begin with the testimony of the third witness or
2 would you prefer that we take a lunch break? Begin? Everyone
3 is saying keep it going, we're good.

4 Mr. Vandenheuvel, you may come forward.

5 Ms. Frisius, shall we mark this one as Exhibit 50?

6 MS. FRISIUS: Yes.

7 JUDGE CLIFTON: We shall. This will be Exhibit 50.

8 (Thereafter, Exhibit Number 50 was marked
9 for identification.)

10 JUDGE CLIFTON: If you want a copy of Exhibit 50 and do not
11 yet have one, would you raise your hand? That's good. It
12 appears that we have an adequate number, and some left over for
13 the table that is to the right of most of the participants
14 here. Thank you very much for providing those,
15 Mr. Vandenheuvel.

16 I'll swear you in in a seated position. If you would
17 raise your right hand. Do you solemnly swear or affirm under
18 penalty of perjury that the evidence you will present will be
19 the truth

20 MR. VANDENHEUVEL: Yes.

21 JUDGE CLIFTON: Thank you. Please state and spell your
22 name.

23 MR. VANDENHEUVEL: My name is Rob Vandenheuvel,
24 V-A-N-D-E-N-H-E-U-V-E-L.

25 JUDGE CLIFTON: Would you like to make preliminary remarks

1 before you go directly to Exhibit 50?

2 MR. VANDENHEUVEL: Any preliminary remarks I have included
3 in the text of Exhibit 50.

4 JUDGE CLIFTON: All right. You may proceed.

5 MR. VANDENHEUVEL: Thank you.

6 Thank you for the opportunity to provide testimony
7 today at this critical hearing impacting not only today's
8 California dairy families, but the generations to come. My
9 name is Rob Vandenheuvel and I am the General Manager of Milk
10 Producers Council -- later I'll refer to it MPC -- a
11 producer-funded nonprofit trade association that has been
12 representing the interests of our member dairy families since
13 1949. Our membership is currently made up of approximately 120
14 dairies throughout California, accounting for about ten percent
15 of the state's milking herd. The positions I'm testifying to
16 today have been affirmed by our Board of Directors.

17 My experience in the industry goes back to my
18 childhood, growing up on a dairy farm in Chino, California --
19 that's in Southern California. I worked on my family's dairy
20 as I attended college, obtaining my Bachelor's degree in
21 Business Administration from California State Polytechnic
22 University in Pomona. Upon graduating from college, I moved to
23 Washington DC, where I worked from 2002 to 2007 in the U.S.
24 House Representatives Ways and Means Committee, most recently
25 serving as Press Secretary. In 2007, I moved back to

1 California and took over as General Manager of MPC, where I
2 have been the past eight years.

3 In my role at MPC, I have been closely involved in the
4 issues surrounding California's Milk Marketing Order. I have
5 testified on behalf of MPC at every one of the minimum price
6 hearings held by the California Department of Food and
7 Agriculture, or CDFA, during my tenure, and have participated
8 in either authoring or co-authoring multiple proposals and
9 alternative proposals.

10 Need for a Federal Milk Marketing Order

11 In the notice of hearing, USDA identified the purpose
12 of this hearing, including a determination of whether there is
13 a need -- whether there is need for a marketing agreement or
14 order regulating the handling of milk in the area. Mr. Elvin
15 Hollon from Dairies Farmers of America -- that's America, not
16 American, that's a typo -- has laid out the expansive data
17 demonstrating a clear lack of orderly milk marketing in
18 California. And while USDA's preliminary regulatory impact
19 analysis of proposals to establish a California Federal Milk
20 Marketing Order is a forward-looking analysis, the figures
21 represented in that report also speak volumes as to the
22 financial impact on California milk producers of continuing to
23 operate under the current state order, compared to the Federal,
24 proposed Federal Milk Marketing Order.

25 In addition to the lack of orderly milk marketing

1 within the State of California, this hearing also has great
2 importance to the orderly milk, marketing of milk throughout
3 the country. Contrary to the characterization Mr. English made
4 in his opening that the "only reason" we're holding this
5 hearing is related to a dry whey factor disparity in recent
6 years. The market disrupting problems of operating a separate
7 California state order have long been identified.

8 Nearly 30 years ago, pursuant to the 1985 Farm Bill,
9 USDA established the "National Commission on Dairy Policy."

10 In fact, I would note here, Mr. George Mertens, who
11 previously testified in this hearing, mentioned his
12 participation in that committee or that commission.

13 Resuming the text. This commission, which was made up
14 of 18 dairy producers from around the United States, including
15 two producers from California, was directed to "study and make
16 recommendations concerning future operation of the Federal
17 program established to support the price of milk marketed by
18 producers in the United States." -- and that is from the
19 Legislative language of the 1985 Farm Bill.

20 In its final report and recommendation --

21 JUDGE CLIFTON: Wait, you haven't read yet what's in
22 parentheses after the quote ends.

23 MR. VANDENHEUVEL: Yes. (The 1985 Farm Bill can be found
24 in a search of Public Law 99-198.)

25 In its final report and recommendation submitted to

1 then Secretary Richard Lyng -- Secretary of the USDA -- which
2 was unanimously endorsed by the 18 participating producers, the
3 commission specifically noted the market disrupting issues
4 related to having a separate California State Marketing Order,
5 going so far as to recommend that "Federal law should prohibit
6 California or any other state from using a greater allowance to
7 establish a Grade A price for milk for manufacturing butter,
8 nonfat dry milk, and cheese."

9 My point in bringing this up is that the issue of
10 operating a California State Marketing Order that discounts the
11 regulated price of milk relative to comparable regulated prices
12 used in Federal Milk Marketing areas, whether you use make
13 allowances or any other feature --

14 JUDGE CLIFTON: I'm sorry, may not make a difference, but I
15 would like to you read again beginning with "comparable
16 regulated prices."

17 MR. VANDENHEUVEL: Absolutely. I'll start that sentence
18 over.

19 My point in bringing this up is that the issue of
20 operating a California State Marketing Order that discounts the
21 regulated price of milk relative to comparable regulated prices
22 used in Federal Milk Marketing Orders, whether due to make
23 allowances or any other feature of the various end product
24 pricing formulas, is a long-standing concern by dairy farmers
25 in California and throughout the United States.

1 Having said that, it is true that California dairy
2 producers, through their cooperatives and trade associations,
3 have aggressively pursued remedies in recent years to address
4 the significant deficiencies of the California State Marketing
5 Order that have been outlined in testimony during this hearing.
6 Included in those efforts were numerous Administrative Hearings
7 before the California Department of Food and Agriculture.
8 Below is a list of those hearings from the past five years.

9 Administrative Hearings Held in the Past Five Years

10 Number 1. June 30 to July 1, 2011, was a hearing on
11 Class 4a and 4b minimum milk pricing formulas.

12 Number 2. May 31 to June 1, 2012, was a hearing on
13 Class 4b minimum milk pricing formula.

14 Number 3. December 21, 2012, was a hearing on
15 temporary adjustments to minimum price, minimum milk pricing
16 formulas for all classes.

17 Number 4. April 4, 2013, was a hearing on
18 transportation credits and allowances.

19 Number 5. May 20, 2013, was a hearing on temporary
20 adjustments to minimum milk pricing formulas for all classes.

21 Number 6. September 12, 2013, was a hearing on
22 temporary adjustments to minimum milk pricing formulas for all
23 classes and proposals on the whey components of the Class 4b
24 minimum milk pricing formula. And;

25 Number 7. June 3, 2015, a hearing on temporary

1 adjustments to Class 4b, minimum milk pricing formula.

2 Of the seven hearings listed above, six included
3 significant testimony and discussion on minimum milk price
4 formulas, with producer testimony focused on bringing closer
5 alignment between California's monthly milk prices and those
6 announced in the Federal Milk Marketing Orders.

7 JUDGE CLIFTON: Now, you have read it somewhat differently
8 than you have written it, so do you mean to say California's
9 monthly milk prices, or do you mean to say California's monthly
10 minimum prices?

11 MR. VANDENHEUVEL: Milk could be added in there, but either
12 one is acceptable. Monthly minimum milk prices.

13 JUDGE CLIFTON: Good. Thank you.

14 MR. VANDENHEUVEL: This list does not include the six
15 hearings that were requested and denied during that same
16 period.

17 Despite the extensive time and effort invested over the
18 years and aggressively pursuing meaningful change to the
19 minimum price formulas, 2014 actually saw the widest gap in
20 recent history between California's Class 4b minimum price,
21 which accounts for the largest volume of milk among the five
22 classes, approximately 45 percent of milk produced and sold
23 within California, and the Federal Order Class III -- Class
24 Roman Numeral III price, an average gap of \$2.41 per
25 hundredweight throughout the year. To put it bluntly, the

1 efforts by producers and the representatives have failed, and
2 after exhausting our options over the years to address this
3 with CDFA, we are excited to have the opportunity to present
4 testimony in support of a California Federal Milk Marketing
5 Order.

6 MPC Supports Proposal Number 1 -- Cooperative Proposal

7 The Board of Directors for Milk Producers Council on
8 behalf of the dairy families we represent, voted to fully
9 support the proposal for a California Federal Milk Marketing
10 Order submitted by California Dairies, Incorporated; Dairy
11 Farmers of America; and Land O'Lakes -- referred to as Proposal
12 Number 1 in the hearing notice.

13 This endorsement came after analyzing the details of
14 the proposal. My testimony today will outline some of the key
15 components of that proposal that led MPC to take the strong
16 position of support.

17 First, Proposal Number 1 establishes orderly milk marketing in
18 California.

19 Proposal Number 1 would result in California handlers
20 being required to pay regulated minimum prices in alignment
21 with regulated minimum prices paid throughout the other ten
22 Federal Milk Marketing Order areas. While the estimated
23 impacts are indeed significant, such as the projection by USDA
24 Economists that California's all milk price would increase by
25 an average of \$1.03 per hundredweight over the baseline from

1 2017 to 2024 under the Cooperative proposal, that really merely
2 highlights just how significant the California State Order has
3 discounted the regulated minimum prices in California.

4 It is worth noting -- as this will likely get lost in
5 future testimony given in this hearing -- that nothing in
6 Proposal Number 1 suggests establishing California minimum
7 prices above those regulated prices used in the other ten
8 Federal Milk Marketing Orders, but rather that prices be
9 established equal to those used in the other Federal Milk
10 Marketing Orders.

11 In addition, Proposal Number 1 restores orderly milk
12 marketing in California by using the Constitutionally-given
13 authority to regulate interstate commerce. California's State
14 Marketing Order is simply incapable of establishing regulations
15 that apply to transactions outside of California, even if those
16 transactions result in unequal raw product cost among handlers
17 competing for markets within California. Proposal Number 1
18 directly addresses the shortcoming by establishing definitions
19 of a "Pool Plant" that apply to any handler distributing dairy
20 products in California markets, regardless of what state that
21 plant is located.

22
23 Second, Proposal Number 1 respects and retains unique elements
24 of California's dairy industry.

25 California's dairy industry -- like any dairy industry

1 around the country -- has certain unique characteristics.
2 Proposal Number 1 prioritizes several of those items of
3 importance to our producer members.

4 1. California's quota program

5 Since market-wide pooling was introduced in California
6 in the 1960's, the California Department of Food and
7 Agriculture has maintained a quota program. This program has
8 undergone various modifications over the years, but in its
9 current form -- which has been stable since 1994 -- the program
10 provides a fixed premium payment for specific volumes of milk
11 sold by producers who own this quota. Approximately \$12
12 million of pool revenues are devoted to paying the premiums
13 associated with California's quota program.

14 It is important to note that the quota program is
15 essentially an agreement amongst the family of the California
16 producers on how our monthly pooled revenues are distributed.
17 It has no impact on the minimum prices paid for raw milk by
18 California handlers. The quota holders receive the first
19 roughly \$12 million per month from the pooled revenues. After
20 that, the monies needed to fund the transportation subsidy
21 system -- which I will discuss in more detail later -- are
22 accounted for. The remaining dollars are rebled across all
23 milk in the pool. To put that \$12 million into perspective, in
24 the first seven months of 2015, the total pooled -- the total
25 pooled revenue in California has averaged a little more than

1 \$497 million per month.

2 While it is true that the quota program has no impact
3 on the minimum prices paid by handlers -- by California
4 handlers -- I would actually argue that the program has a
5 positive impact on supporting a reliable local milk supply for
6 some of our handlers in areas that might otherwise be
7 uncompetitive for a modern dairy. For instance, the historic
8 milk shed of the Chino Valley -- located approximately 40 miles
9 east of Los Angeles -- continues to be the hope of a shrinking,
10 but significant, milk supply. Those dairies, which were built
11 decades ago, do not allow for expansions needed to capture
12 economy to scale. They are all also unable to produce much, if
13 any, of their forage and grain needs locally. One way in which
14 those dairies have coped with the competitive disadvantage that
15 they might otherwise face, is by purchasing and owning quota,
16 thereby increasing revenues to their dairy without expanding
17 their operation. This is just one example of how handlers in
18 those regions that need milk, are actually benefitting from the
19 convenience and lower cost of a local milk supply due to a
20 program that is producer run and producer funded.

21 Furthermore, the provisions of the 2014 Farm Bill
22 specifically give the USDA the "right to reblend and distribute
23 order receipts to recognize quota value." MPC worked our
24 California Congressional representatives to secure that
25 opportunity, and are strongly supportive of its inclusion in

1 Proposal number 1.

2 2. Strong pooling regulations

3 California's State Marketing Order requires that
4 handlers pay classified minimum prices for all Grade A milk
5 that is purchased. This is not a requirement to buy all
6 Grade A milk that is produced, but whatever Grade A milk a
7 handler chooses to purchase must receive the minimum classified
8 price regardless of pool participation. MPC strongly supports
9 the provisions of Proposal Number 1 that define California
10 plants that purchase California Grade A milk as pool plants in
11 addition to the other categories of pool plants.

12 MPC recognizes that other Federal Milk Marketing
13 Orders have various requirements for handlers to be classified
14 as pool plants, and we support the rights of the producers and
15 those orders to vote in favor of that language. Milk Producers
16 Council believes that the goal of orderly milk marketing in
17 California is best served by a system of stable participation
18 in the pool. Voluntary depooling on a month-to-month basis as
19 is being proposed in Proposal Number 2 by the Dairy Institute
20 of California is potentially destabilizing and threatens the
21 comprehensive approach toward orderly marketing taken by the
22 Cooperatives in Proposal Number 1.

23 3. California's uniform blend prices for all producers

24 Earlier I spoke about the basic accounting of the
25 monthly pool revenues under the California State Marketing

1 Order, with the monies needed to fund the quota and
2 transportation subsidy programs accounted for and the remaining
3 dollars reblended across all pooled milk sold that month. The
4 prices calculated after that reblending is called "base" and
5 "overbase milk." Under the current regulations, both of these
6 prices are identical and they both apply equally to every
7 producer selling pooled milk, regardless of where that, where
8 the dairy is located or where the milk is first delivered.

9 MPC supports a continuation of this policy, as outlined
10 in the Cooperatives' Proposal Number 1. We recognize that
11 other Federal Milk Marketing Orders have elected to establish
12 producer location differentials which aid in the facilitating
13 the movement of milk to deficit areas through higher
14 differentials. However, as I will discuss momentarily,
15 Proposal Number 1 takes a much more direct approach in
16 facilitating that movement of milk in the form of a focused
17 producer-funded transportation subsidy program. In the
18 interest of orderly marketing -- orderly milk marketing -- MPC
19 believes that is a much more efficient policy for a California
20 Federal Milk Marketing Order.

21 4. Transportation subsidies to facilitate movement of milk
22 into California's deficit markets

23 As California's milk production has shifted away from
24 urban regions into the Central Valley, we have seen significant
25 milk deficits in the areas of Los Angeles, San Diego, and the

1 Bay Area. In order to facilitate movement of milk for Class 1,
2 2, 3 use in these regions, California producers have
3 historically supported a system of transportation allowances
4 that provides pool-funded direct subsidies to producers and
5 cooperatives who serve the qualifying Class 1, 2, 3 plants in
6 that area.

7 JUDGE CLIFTON: Your text says in "these" areas rather than
8 in "that" area, which would you prefer?

9 MR. VANDENHEUVEL: In "these" areas of Los Angeles, San
10 Diego, and the Bay Area, so these areas would align with that.

11 While MPC has advocated in recent CDFA hearings to have
12 a surcharge added to the Class 1 minimum price in order to
13 partially fund this transportation subsidy program, we
14 nonetheless have supported its use as a focused and efficient
15 method of facilitating the movement of milk into deficit
16 regions, and agree with Cooperatives' decision to include a
17 very similar system in Proposal Number 1.

18 5. California's enhanced standards for fluid milk products

19 California's enhanced standards for fluid milk products
20 sold in the state were established by the California
21 Legislature and are protected by Section 144 of the 1996 Farm
22 Bill -- and that's 7 USC 7254, is the citation.

23 While the issue of California's authority to maintain
24 the separate standards is outside of the scope of this hearing,
25 it is still a very relevant topic as the current State

1 Marketing Order, as well as both the Cooperatives' Proposal
2 Number 1 and the Dairy Institute of California's Proposal
3 Number 2 include a fortification credit in the calculation of a
4 fluid milk handler's pool obligation providing a partial offset
5 for the cost of purchasing the condensed skim or nonfat dry
6 milk needed to meet the enhanced standard. MPC supports the
7 inclusion of this credit in California Federal Milk Marketing
8 Order.

9 A comprehensive approach

10 In summarizing MPC's support for Proposal Number 1, I
11 believe the five points above are a glimpse at what MPC would
12 describe as a sound comprehensive approach for a California
13 Federal Milk Marketing Order. The items do not stand on their
14 own, but rather, represent various interrelated pieces of an
15 overall approach to achieve specific policies objectives. And
16 the case of MPC, our policy objectives include (in no
17 particular order):

- 18 - Integrity of the California market-wide pool;
- 19 - A level playing field for producers -- and by that I
20 mean minimum milk prices that are aligned with
21 national prices for comparable milk;
- 22 - A level playing field for processors -- and by that
23 I mean equal raw product costs within classes,
24 nationally competitive minimum prices, and support
25 for producer-funded initiatives to assist processors

1 in securing an adequate milk supply; and
2 - The protection of California's historical quota
3 program.

4 MPC believes Proposal Number 1 put forth by dairies,
5 California Dairies, Inc. -- California Dairies, Incorporated,
6 Dairy Farmers of America, and Land O'Lakes, uniquely meets all
7 of these objectives resulting in orderly marketing of milk in
8 California.

9 That concludes my written testimony.

10 JUDGE CLIFTON: I'm going to begin, Mr. Vandenhoevel, by
11 confirming with you that we will make just little changes in
12 the document, Exhibit 50.

13 On page 1, where Dairy Farmers of America has an "N" in
14 American, we'll strike the N. Is that correct?

15 MR. VANDENHEUVEL: Yes. They are very American, but the
16 name is Dairy Farmers of America.

17 JUDGE CLIFTON: That's under the heading, "need for a
18 Federal Milk Marketing Order" and it is the third line down.
19 All right. We'll make that change on the record copies.

20 The next change we discussed was at the bottom of page
21 2. You compare California's monthly minimum prices, and those
22 announced in the Federal Milk Marketing Orders. We're going to
23 insert the word "milk" in the phrase "California's monthly
24 minimum milk prices" is that where we want it?

25 MR. VANDENHEUVEL: That is fine. To my knowledge, I think

1 those are the only minimum prices that are announced monthly by
2 Federal Milk Marketing Orders, but including "milk" in between
3 minimum and prices would be an appropriate insertion.

4 JUDGE CLIFTON: Excellent. So the record copies will do
5 that. They will insert the word "milk" in between "minimum"
6 and "prices" on the third line up from the bottom of page 2.

7 And the only other change that you noted as you went
8 through this, is on page 4, under the heading "California's
9 quota program" the third paragraph, the top line says, "while
10 it is true that the quota program has no impact on the minimum
11 prices paid by" and I believe you want to insert the word
12 "California" before "handlers;" that correct?

13 MR. VANDENHEUVEL: Yes.

14 JUDGE CLIFTON: All right. So that will be done on the
15 record copies. "California" will be inserted between the word
16 "by" and the word "handlers" in the top line of the third
17 paragraph under "California's quota program."

18 Does anyone want to question Mr. Vandenheuvel just with
19 regard to Exhibit 50? Are there any questions that you want to
20 ask just to determine whether you object to it being admitted
21 into evidence?

22 MR. HILL: Brian Hill. Just one small change on the first
23 page as well. I think if you look at the last paragraph he
24 read it a little bit differently, I think he corrected himself.
25 "In addition to the lack of orderly milk marketing" it is

1 written differently, but he read it properly, but it is written
2 differently on the copy, striking the "AL" he said "in addition
3 to the lack."

4 JUDGE CLIFTON: Oh, thank you. I didn't even see it.
5 Good. Thank you. So it is the second word in that last
6 paragraph on page 1, it's, the word is supposed to be "in
7 addition" and we strike now the "AL." Thank you, Mr. Hill.

8 MR. VANDENHEUVEL: Mr. Bill Gates doesn't correct my
9 spelling my takes when it is an appropriate word.

10 JUDGE CLIFTON: Spell check, it's a perfectly good word.
11 All right. Good. Thank you, Mr. Hill.

12 Does anyone object to the admission of Exhibit 50 into
13 evidence? There are no objections. Exhibit 50, that's 50, is
14 admitted into evidence.

15 (Thereafter, Exhibit Number 50 was
16 received into evidence.)

17 JUDGE CLIFTON: Who would like to ask the first questions
18 of Mr. Vandenneuvel?

19 CROSS-EXAMINATION

20 BY MR. BESHORE:

21 Q. Marvin Beshore. Thank you for your testimony,
22 Mr. Vandenneuvel.

23 I have just one question not directly related to your
24 statement per se, but there's been testimony in this hearing
25 about the so-called California discount. Have you ever heard

1 of that?

2 A. Yes.

3 Q. Is that a term that has been used by your organization?

4 A. Yes. In our communications to members in a weekly
5 newsletter we have referenced the California discount.

6 Q. Can you just describe generally what it means and the
7 extent to which you put dollar figures on it, and how generally
8 those were determined?

9 A. Absolutely. The California discount has been something
10 we have calculated in our weekly newsletter on a monthly or
11 near-monthly basis. It is a calculation of the difference
12 between California's Class 4b and the Federal Order Class III
13 prices. Not just the difference per hundredweight, but
14 applying that difference to the actual milk production figures
15 in California, the milk production that is sold to cheese
16 manufacturers in the State of California. And so what that
17 figure per hundredweight equates to in dollars to the
18 California pool.

19 And through July of this year we had calculated that
20 since 2010, that calculation had added up to more than \$1.8
21 billion over that five-year period, five and a half year
22 period.

23 Q. Did you start in January 2010?

24 A. January of 2010 is where that particular class, we
25 started to note a wider gap, which is why we had to pick a

1 start period. So for that calculation, yes. I did not include
2 it in this testimony because we do have quite a bit of other
3 statistical data that are calculating the difference, and the
4 data that we have included in the record already looks at all
5 five classes. And since this was very focused on 4(b) versus
6 Federal Order Class III, it seemed more appropriate to use the
7 more inclusive data that's already been inserted in the record.

8 Q. Okay. So your use of the California discount in your
9 newsletter is focused solely on 4(b) and not on any price
10 differences between other classes of utilization in California
11 and the Federal system, or the proposed prices in Proposal 1?

12 A. We have written articles on other classes, but this
13 particular label so-to-speak of the California discount is
14 specific to these price areas.

15 Q. Thank you. That's the only question I have for
16 Mr. Vandenheuvel at this time, your Honor.

17 CROSS-EXAMINATION

18 BY MR. ENGLISH

19 Q. Chip English.

20 Good afternoon, sir.

21 A. Good afternoon. Is it afternoon?

22 Q. Yeah. So first, in the opening paragraph when you talk
23 about your membership --

24 A. Yes.

25 Q. -- of the 120 dairies throughout California that

1 account for about ten percent of the State's milking herd,
2 would it be fair to say that some of those dairies are also
3 members of one or more of -- well, not more -- one of the
4 Cooperatives?

5 A. Actually, one or more. We have some dairies that have
6 multiple membership in the Cooperatives.

7 Q. Thank you for correcting me. So, but would it be fair
8 to say that some of those dairies are members of one or more of
9 the Cooperatives?

10 A. That's right.

11 Q. Do you have a breakdown approximately of how many would
12 be members of DFA, CDI, and Land O'Lakes?

13 A. I do not. We'd also have -- we do have members, I know
14 we have members that are also independent, not shipping their
15 milk through a Cooperative.

16 Q. That's a fair answer, thank you. Now, under the first
17 heading, you testified about Mr. Hollon having provided
18 "expansive data demonstrating a clear lack of orderly milk
19 marketing in California."

20 Let me ask a few predicate questions. You have been
21 here during parts of the hearing; is that correct?

22 A. Yes, I have been physically here and tried to listen in
23 while doing my day job while I'm gone.

24 Q. So did you actually either attend or listen to
25 Mr. Hollon's direct and cross-examination?

1 A. I believe it went on for more than a day. I listened
2 to much of that testimony, I can't say I hit every single
3 minute. But some of the testimony related to how California's
4 Class 2 and Class 3 compared to Federal Order Class II was
5 included in the sections that I was able to listen to, as well
6 as other differences between the price series of California
7 4(b) and Federal Order Class III, those were other portions
8 that I heard in his testimony and cross.

9 Q. Do you have any additional information -- based on what
10 you heard, do you have any additional information that is
11 different or add-on or what Mr. Hollon testified about that
12 constituted a lack of orderly milk marketing in California?

13 A. Anything in addition to Mr. Hollon's testimony that I
14 have not included already in this testimony?

15 Q. Yes.

16 A. No. I -- those are the items that I had specifically
17 highlighted.

18 Q. On the top of page 2 you reference the '85 Farm Bill on
19 a commission and a recommendation "that Federal law should
20 prohibit California or any other state from using a greater
21 allowance to establish a Grade A milk for -- Grade A price for
22 milk for manufacturing butter, nonfat dry milk, and cheese."
23 Do you see that?

24 A. Yes.

25 Q. Did Congress, in fact, adopt provision along those

1 lines at one time?

2 A. Yes. There was a -- there was a provision in a
3 subsequent Farm Bill that included language to that effect.

4 Q. And that was called Section 102?

5 A. Correct.

6 Q. That was then in a later Farm Bill, repealed, correct?

7 A. Correct. I don't believe it was ever actually
8 implemented fully by USDA.

9 Q. So there was a recommendation, Congress passed
10 something, USDA didn't implement it fully, and ultimately
11 Congress repealed it; is that correct?

12 A. Yes.

13 Q. Now, there's been a fair amount of testimony in this
14 record about milk production and its impacts, so on the top of
15 page 3 when you are discussing a 2014, and this widest gap, is
16 it also true that California dairy farmers were paid their
17 highest prices ever in 2014?

18 A. I believe the data I have seen is that the, yeah, the
19 average prices paid were higher.

20 Q. Were the highest ever; is that correct?

21 A. Correct.

22 Q. And is it also the case that California milk production
23 was the absolute highest it ever was in 2014?

24 A. I will take your word for that, but it would not
25 surprise me. I don't have that data in front of me.

1 Q. So under Proposal 1, your first two paragraphs, you are
2 talking about what California handlers would be required to do,
3 and you discuss that it's worth noting that Proposal 1 would
4 establish California minimum prices. There's actually nothing
5 in Proposal 1 suggests establishing California milk prices
6 above those regulated prices used in the other ten Federal Milk
7 Marketing Orders, but rather, the prices be established equal
8 to those used in the other Federal Milk Marketing Orders.

9 Do you see that?

10 A. Yes.

11 Q. Now, that statement is true as far as it goes under
12 other Federal Milk Marketing Orders, not all plants outside of
13 Class 1 have to actually pay regulated prices, correct?

14 A. No. That's correct. Or yes, that's correct. That is
15 correct.

16 If I could real briefly, I am aware of data that
17 demonstrates that there is milk that is eligible to be pooled
18 and not pooled, I'm not aware of any data set that shows what
19 that unpooled milk, what the price paid for that unpooled milk
20 is, but I am aware that milk doesn't have to be pooled under
21 the Federal version.

22 Q. But the reason why there is no data with respect to
23 what the price is, is since it's not pooled, it isn't subject
24 to regulation, correct?

25 A. Correct.

1 Q. And if it is not subject to regulation, USDA simply
2 doesn't enforce a minimum price as to that milk, correct?

3 A. Correct. And to expand that, we also don't have data
4 in that data series because, as you noted, it's not regulated
5 as to who is making that transaction. Is it a Cooperative
6 serving as the handler on behalf of the dairy or is it an
7 independent producer selling direct to a plant? So there's
8 some data we're not able to gather.

9 Q. But nonetheless, you recognize from that exhibit that
10 that milk eligible to be pooled that is not pooled is simply
11 not part of a minimum regulated price, correct?

12 A. Correct.

13 Q. Other than testimony you may have heard from
14 Mr. Hollon, on the bottom of page 3, when you talk about the
15 proposal addressing potential for unraw product cost by
16 handlers, do you have any actual examples?

17 A. I'm sorry, what page?

18 Q. I'm down at the bottom of page 3, same page, the next
19 paragraph from where we have been. And you are discussing the
20 ability for a Federal Order to regulate interstate commerce.

21 A. Uh-huh, uh-huh.

22 Q. And you talk about the shortcoming. And I'm asking
23 first, you have, other than any testimony you might have heard
24 from Mr. Hollon, any examples of those shortcomings causing
25 disruption in the California market since the adoption of the

1 Milk Regulatory Act?

2 A. I am aware of milk that is moved across state lines in
3 bulk and package form, and that those transactions, because
4 they are not under the minimum pricing system that California
5 operates, that there would be an unequal raw product cost, and
6 that is an indication of disorderly marketing. But I do not
7 have any direct knowledge, as I am not a participant in those
8 transactions.

9 Q. Now, you just said they have an equal raw product cost,
10 but, in fact, if California doesn't -- you don't actually know
11 they have a equal raw product cost, you just don't know what
12 the cost; is correct?

13 A. That's correct.

14 Q. Thank you. Over on page 4, you inserted, and Judge
15 Clifton made sure that it ended up in Exhibit 50, in that
16 paragraph in the middle of the page you inserted "California"
17 in front of "handlers" while it is true the quota program has
18 no impact on the milk prices paid by California handlers. Was
19 there any particular significance in inserting the word
20 California?

21 A. Because it's a California program. As I was reading, I
22 just made it clear that the impacts, the prices paid by
23 California handlers as we just talked about a minute ago, there
24 are handlers that out-of-state that participate in the
25 California market that we don't have a minimum price for them.

1 So in my line of thinking, I included California in my
2 statement.

3 Q. All right. And again, where you say we don't have
4 minimum price, California doesn't have a minimum price,
5 correct?

6 A. California doesn't.

7 Q. But that doesn't mean, for instance, that if the milk
8 is produced in Nevada and received in the Nevada plant, that
9 Nevada has an established minimum price, correct?

10 A. Correct.

11 Q. Under strong pooling provisions, pooling regulations,
12 and this relates to some questions I already asked, but to be
13 clear, carried over from page 4 to page 5, you say, "but
14 whatever Grade A milk a handler chooses to purchase must
15 receive the minimum classified price regardless of pool
16 participation."

17 A. Correct.

18 Q. Now, that statement, again, would be different from any
19 other Federal Order, correct?

20 A. This statement is specific to California's Milk
21 Marketing Order --

22 Q. And --

23 A. -- currently.

24 Q. Do you agree that under existing Federal Milk Marketing
25 Orders, handlers purchasing milk that do not participate in the

1 pool, are not required to pay a minimum classified price?

2 A. I'm aware of that, yes.

3 Q. Okay. And so just so the record is clear, in
4 California today, if a Cooperative, Cooperative A, is the
5 importing handler on the milk, and for some reason an isolated
6 transaction sells that milk to a cheese plant and processing
7 cheese, not only is the cooperative handler obligated to
8 account to the California pool at the Class 4b price, but also,
9 so; is that correct?

10 A. Yes.

11 Q. That far. But also, that transaction between the
12 Cooperative and the Class 4b plant, the cheese plant, that
13 plant must, under California, pay the 4b price, correct?

14 A. Yes.

15 Q. Okay. And under existing Federal Milk Orders, that
16 second transaction, if that milk is received at a nonpool
17 plant, would not be subject to minimum price regulation,
18 correct?

19 A. As I understand it, that is the way the other orders
20 operate. They are not required to pay it. We don't know
21 exactly what they are paying, but they are not required to pay
22 it.

23 Q. Now, as an observer of the dairy industry with Milk
24 Producers Council, and that's to say your day job, do you look
25 at dairy market news weekly publications on a regular basis?

1 A. I do.

2 Q. And are you aware during this year there had been
3 transactions reported, sales in the Upper Midwest for instance,
4 where the ultimate price paid is X dollars below class?

5 A. Yes. If I can expand on that.

6 Q. Of course you can.

7 A. We have had that situation in California in the past,
8 when dealing with any kind of live animal where your
9 production, you can't scale down a machine -- or scale down a
10 cow like you would a machine. We have a periods of imbalance
11 and California has had distressed milk or surplus milk
12 production in the past as well. And in those cases, they must
13 find alternative markets, and I think it's worth noting that
14 the cost of finding those alternative markets, transporting the
15 milk to those markets, is borne exclusively in California by
16 the Cooperative and the producer members, or the individual
17 producer, if that be the case. Not the handlers, i.e., the
18 private proprietary plant in purchasing the milk volumes that
19 they need and only what they use.

20 Q. But let's explore that example -- and thank you for
21 that example. It's a lengthy example, so I have to break it
22 down. When that has occurred, that imbalance --

23 A. Yes.

24 Q. -- what you are saying is the milk is moved
25 out-of-state, correct?

1 A. In some cases it's moved out of the state. In other
2 cases, the alternative markets within the California, within
3 the State of California such as a calf ranch, could be a
4 purchaser of milk as well.

5 Q. Regardless, yes, if it's a Cooperative who is the
6 reporting handler, they are going be, because of the way the
7 California system works, obligated to pay or account to the
8 pool for the classified price, correct?

9 A. Yes.

10 Q. And as you say, that is cost borne by the dairy farmer
11 members in that Cooperative, correct?

12 A. Correct.

13 Q. But whether or not it is delivered to what you call
14 alternative marketing outlet in California such as a calf
15 operation, or shipped out-of-state, a reason for that is that
16 because if it's received at a cheese plant, the cheese plant
17 has to pay the regulated price regardless, correct?

18 A. They do.

19 Q. And if the cheese plant can't recover the cost of that,
20 instead, it's says, no, we don't want the milk, correct?

21 A. That may or may not be a calculation of whether they
22 can absorb the cost, it maybe an operational decision that they
23 cannot handle any more milk than they are currently buying.

24 Q. So is the situation where a Cooperative and its members
25 must bear the cost of handling distressed milk, is that a

1 disorderly marketing condition that is a consequence of the
2 pooling system in California, and the pricing system that
3 requires everyone to pay a minimum regulated price?

4 A. It's a result of running an operation or a business
5 where you are dealing with a live animal that cannot, that is
6 not producing a predictable amount of milk relative to the
7 demands for that milk. Cooperatives provide the service of
8 balancing milk supplies all the time. We have heard from
9 Cooperatives in this bearing that have built manufacturing
10 plants to assist in that balancing, but sometimes those plants
11 are, even those plants are not capable when various conditions,
12 weather conditions, or other conditions result in surplus milk
13 production beyond what the demand is in the state. And in
14 those cases, alternative outlets for that milk must be found at
15 the cost of the producer and the Cooperative. That's correct.

16 Q. So on page 5, in the full paragraph, the first full
17 paragraph on page 5, you discuss the Dairy Institute of
18 California's proposal, and you say "voluntary depooling on a
19 month-to-month basis as being proposed in Proposal Number 2 by
20 the Dairy Institute."

21 Do you understand that on the Dairy Institute's
22 proposal, that like, in fact, identical to the language in
23 Order 30, that if milk is depooled one month, that there are
24 limits on how much milk can be depooled in the following month?

25 A. I am aware that the decision, while monthly, has

1 ramifications potentially in future months, yes.

2 Q. And you understand that post-Federal Order reform,
3 there were a number of proceedings in the Federal Order system,
4 with respect to pooling issues, correct?

5 A. I don't have direct knowledge of those, but I know it
6 is an issue of interest among the various parties.

7 Q. And as a result of that, if there were two hearings in
8 the Upper Midwest that there were changes made to make the
9 economic consequences of depooling for purposes of repooling
10 different, correct?

11 A. I will take your word for it. I'm not directly aware
12 of the history there.

13 Q. Thank you very much. That concludes my
14 cross-examination.

15 JUDGE CLIFTON: Who next will ask questions of
16 Mr. Vandenneuvel?

17 CROSS-EXAMINATION

18 BY MR. VETNE:

19 Q. John Vetne for Hilmar Cheese Company.

20 Mr. Vandenneuvel, I want to expand a little bit on your
21 knowledge of existing treatment within the California system of
22 distressed milk. Okay? When a Cooperative association, for
23 example, is unable to process California produced milk at
24 California locations, and sends it to an out-of-state
25 manufacturer, under the California system, must that milk be

1 reported to the pool and included in pool calculations? Or is
2 there an option to include it or not include it?

3 A. My understanding of distressed milk in that situation,
4 is that there is an option to report to the pool, but that
5 given the, given the fact that it is likely reporting that milk
6 to the pool at the manufacturer class price would result in a
7 pool draw, that there's an incentive to report that milk to the
8 pool. That's my understanding.

9 Q. Okay. So a choice can be made based on price variables
10 in the given month?

11 A. You know, I would have to consult the California
12 Regulations, which I can do and get back, not right now.

13 Q. And the same question, if milk is marketed within
14 California to a replacement heifer farm, for example, which is
15 not a plant, again, if included in the California pool, is that
16 a mandate of the pool or pricing regulations or an option
17 available to include it or not include it?

18 A. Again, my -- my understanding has been that that milk
19 does get reported to the pool, I believe at the lower of
20 Class 4a or 4b, and thereby almost ensuring that there will be
21 a pool draw, so as an incentive to report it to the pool, but
22 if there is an option to not report it, I would have to look
23 into that.

24 Q. Are you aware that when milk is sold, disposed of
25 within California, whether there is a requirement to notify

1 state authorities in advance of the transaction or maybe
2 concurrently with the transaction?

3 A. I'm not aware of that, no.

4 Q. And with respect to proposed Proposal Number 1, if you
5 know or have an understanding, would the option to pool or not
6 pool distressed milk sold out-of-state or to distant locations
7 be available in Proposal Number 1 as you understand it now
8 exists in California?

9 A. I would have to consult with the regulations or the
10 proposal language, as I'm not a hundred percent sure.

11 MR. HILL: This is Brian Hill. It is about ten minutes to
12 one now, if they are going to be out there blowing, it might be
13 a good time to take a break or take a lunch.

14 MR. VETNE: And the reference is to leaf blower, not to
15 Mr. Vandenheuvel's actual voice.

16 JUDGE CLIFTON: Mr. Vandenheuvel, were you planning to come
17 back after lunch?

18 MR. VANDENHEUVEL: Yes.

19 JUDGE CLIFTON: Okay. Good. Then let's do take a break.
20 So please be back and ready to go at 2:05. 2:05. Please be
21 back and ready to go.

22 (Whereupon, the lunch recess was taken.)

23 ---o0o---

24

25

1 MONDAY, OCTOBER 5, 2015 - - AFTERNOON SESSION

2 JUDGE CLIFTON: We are back on record at 2:10. Thank you
3 for waiting for me.

4 Mr. Vetne, you may resume cross-examination of
5 Mr. Vandenneuvel.

6 BY MR. VETNE:

7 Q. Thank you. Mr. Vandenneuvel, I'm looking at the bottom
8 of page 4 of your testimony, the end of the paragraph beginning
9 with "while it's true," the last sentence refers to an example
10 how handlers in those regions that need milk are benefitting
11 from the convenience of lower cost of a local milk supply,
12 through a program that's producer-run, producer-funded.

13 The example that you are referring to, does that mean,
14 or does -- does it incorporate the fact that quota owned by
15 farms in Southern California such as Chino Valley, are entitled
16 to a regional quota adjuster when they own quota?

17 A. I'm not sure that that's a totally accurate statement.
18 There is no regional quota adjuster in Southern California is
19 perhaps what you meant.

20 Q. Well, I guess that's true. All the adjustments
21 elsewhere provide for a lower quota price or you are looking at
22 relative quota price. The highest quota price available is to
23 Southern California, correct?

24 A. Yes.

25 Q. Okay. And is that what you are referring to?

1 A. No. I'm referring to a general, this -- the fact that
2 the quota system creates an opportunity for dairy farmers in
3 that region to enhance their revenue per hundredweight without
4 expanding their herds. As I mentioned in that paragraph,
5 expansions to meet economies of scale are not available in that
6 area, and so the quota -- and I have heard the same thing in
7 the North Coast region of the state, so this was an example I'm
8 very familiar with, I grew up in that area. And I would say
9 that quota is only one program that's producer-funded, that
10 provides that benefit to handlers. The Transportation Subsidy
11 Program is another producer-funded program, which I believe
12 benefits the handlers in the Southern California area. And I
13 can expand on that briefly, but I don't want to take you on a
14 different tangent than your question.

15 Q. Don't forget the tangent you were about to embark on
16 because you may want to discuss it later.

17 In the markets, in the Federal Order markets, with
18 which I have a little bit greater familiarity, producers are
19 responsible for the cost of transportation from the farm to the
20 plant of first receipt. Is that not the case in California?

21 A. That is the case in California.

22 Q. It is the case in California?

23 A. Yes.

24 Q. Okay. So how, then, would it be a benefit to the
25 handler?

1 A. How would what be, the quota program?

2 Q. How would the quota program or the transportation
3 credit be a benefit to the handler since milk is, since the
4 producer bears the cost of transportation to the plant of first
5 receipt?

6 A. There is a general practice in California that the
7 producer pays the cost of transportation. But that does not
8 preempt the buyer of that milk from offering assistance and
9 providing additional premiums or subsidies to help offset some
10 of the that transportation cost. And what I am talking about
11 in this particular paragraph, is the fact that if there was
12 theoretically no milk in the area, didn't make sense to dairy
13 there, and they didn't have an opportunity to increase their
14 revenue, but there was still a plant locally in that area that
15 needed a milk supply, it's entirely possible and likely that
16 they would have to offer a premium to be competitive with
17 bringing milk from further away, into their plant.

18 And the same goes for the Transportation Subsidy
19 Program. But, yeah, that is the point I was making, is that by
20 having a local milk supply, it makes those producers willing to
21 haul the milk to that plant. If that plant had to bring in
22 milk, say, from the Central Valley, a couple hundred, 150 miles
23 away, and those plants have a closer alternative, it would be
24 much more difficult to secure that regular milk supply and they
25 would likely have to offer premiums of some of sort.

1 Q. When you said those plants have a closer alternative,
2 you mean those producers have a closer alternative?

3 A. Yeah, I must have misspoke. The producers in the
4 Central Valley, if a plant in Southern California was seeking
5 milk from the Central Valley, and this was not a Class 1, Class
6 2, or Class 3 plant, which has the transportation subsidies I
7 mentioned, this was a cheese, whey, butter, powder plant, they
8 would likely be competing for milk from a dairy producer that
9 had a cheaper option to haul its milk to more locally and so
10 that would cost the Southern California handler more money.

11 Q. Cost the Southern California Class 4 plant.

12 A. Yes. That's the point I was making in that paragraph.

13 Q. I see. In the last sentence, you refer to "benefit to
14 handlers from a lower cost of a local milk supply."

15 What lower cost does the handler benefit from?

16 A. The example that I just gave, fortunately for our
17 handlers in Southern California, it is only a hypothetical at
18 this point. We do have local milk supply in that area. In the
19 absence of that local milk supply, they would have to compete
20 for milk. That handler in the Souther California would have to
21 compete for milk from a milk shed further away, and it's
22 entirely possible, and I would say likely, that they would have
23 to be significant premiums to help cover that transportation
24 cost to attract that milk into that Southern California
25 location.

1 Q. Okay. Are you aware whether handlers in Southern
2 California start their -- are paying, and a history of paying,
3 premiums, significant or otherwise?

4 A. I believe I -- I'm not -- I don't run a trade
5 association, we don't market milk, but my knowledge of the
6 industry is that there are premiums that are paid, service
7 premiums of some sort.

8 Q. Do you have any source that you can recommend that I go
9 to to determine what those premiums are, and the magnitude and
10 quantity of milk they cover?

11 A. I would suspect that those are proprietary in nature,
12 but you could talk to folks that are selling milk in Southern
13 California, producers or Cooperatives.

14 Q. Okay. Are you aware of any documentation such as those
15 previously provided in the exhibit concerning CMPC premiums?
16 Is a similar document available for perusal in California?

17 A. I lost you at CMPC premiums.

18 Q. CMPC was an early exhibit concerning premiums in the
19 Upper Midwest. You weren't here that day apparently.

20 A. Fairly possible.

21 Q. You don't remember that?

22 A. I don't remember that particular reference.

23 I would like to expand on the transportation issue that
24 we talked about before you move onto another topic, if that's
25 all right with you.

1 Q. Sure. This is what you had in mind when you said you
2 would like to go off on a tangent?

3 A. Well, it is a related issue. It is the issue of a
4 producer-funded program that helps facilitate a milk supply.
5 We have had numerous hearings in the past in California about
6 our Transportation Subsidy Program, and what you hear and what
7 you would read in transcripts of those hearings, is that milk
8 from the Central Valley is shipped down into Southern
9 California, it's a Class 1, 2, and 3 plants, to meet those
10 needs, because those hauls, those transfers of milk are
11 eligible for a transportation subsidy from the pool. Whereas,
12 milk shipments to a manufacturing plant 4a, 4b is not eligible
13 for that subsidy draw. So what ends up happening is, to the
14 extent that milk from the Central Valley is drawn down to meet
15 the needs of the Class 1, 2, and 3 plants, that leaves more of
16 the local milk supply available to the local cheese
17 manufacturers that operate in Southern California.

18 Absent that transportation, absent that producer-funded
19 transportation subsidy, that milk in Southern California, Chino
20 Valley, and San Jacinto region, would be attracted to the Class
21 1 markets likely, because those are the highest paying plants,
22 and that would leave less milk, or maybe no milk available for
23 the manufacturing plants locally.

24 So that is another case where local manufacturing
25 plants get a benefit from having a milk supply due to a

1 producer-funded program called the Transportation Allowance
2 Program.

3 Q. Referring to Southern California, what local
4 manufacturing plants do you have in mind?

5 A. I don't know all of them. There are approximately, I
6 think 60 or 55 to 60 plants spread throughout the state. Some
7 of the larger ones you hear in Southern California are Farmdale
8 Creamery, Cacique Cheese, and I'm sure there are more -- Los
9 Altos Cheese. But I -- I -- perhaps that's a question of the
10 Dairy Institute where the break down of their members, their
11 cheese making members is, but I know there are some significant
12 buyers in Southern California that buy milk for cheese making
13 purposes.

14 Q. So that one may compare the relative use of Class 4b in
15 Southern California versus Northern California, is that data
16 normally published by CDFA?

17 A. I do not believe they publish a regional breakdown of
18 the plants or the regions and what the milk purchases are. If
19 they do, I'm just not aware of that publication. To those
20 individual plants, however, the ability to secure milk and
21 secure a local affordable milk supply is very important
22 regardless of the magnitude in the larger pool.

23 JUDGE CLIFTON: If I might get a couple of spellings. In
24 addition to Chino, you mentioned, I think you called it
25 San Jacinto.

1 MR. VANDENHEUVEL: S-A-N, J-A-C-I-N-T-O. Is a region about
2 30 miles east of Chino Valley. That's another milk shed with
3 some substantial milk production.

4 JUDGE CLIFTON: And then you named, I believe, three cheese
5 plants that are fairly large in Southern California. Can you
6 help me with those again?

7 MR. VANDENHEUVEL: Farmdale, F-A-R-M-D-A-L-E, Los Altos,
8 L-O-S, A-L-T-O-S, and Cacique. Do we have any Spanish-speakers
9 in the audience? Cacique, I'm not going to take a guess. It
10 starts with a C.

11 MR. VETNE: C-A-C-I-Q-U-E.

12 JUDGE CLIFTON: C-A-C-I-Q-U-E. Looks more French than
13 Spanish, but I'll take your word for it. Thank you.

14 BY MR. VETNE:

15 Q. You and other witnesses have referred to the California
16 system as the California Milk Order.

17 A. Uh-huh.

18 Q. For milk that is processed and sold in California,
19 there are, however, three different sets of regulations, not a
20 single set, like there is in Federal Orders. There is a
21 Southern California marketing and stabilization plant which
22 fixes class prices in Southern California, correct?

23 A. Yes.

24 Q. And there is a Northern California marketing
25 stabilization plant, a separate set of regulations, which fixes

1 prices in Northern California, correct?

2 A. Yes, with a lot of similarities to the Southern
3 California system, but with some differences on particularly
4 Class 1 and Class 2.

5 Q. Yes. Just like there are a lot of similarities among
6 the federal markets. And there's a third set of regulations
7 called the California Pooling Plant --

8 A. Correct.

9 Q. -- which is a separate regulation, separate from the
10 classified pricing plants?

11 A. It is a separate document, yes.

12 Q. So there are, in essence, three marketing orders having
13 different functions or different places?

14 A. Yes, the two stabilization marketing plans have the
15 same function but different regions, and the pooling plant has
16 different functions.

17 Q. And CDFA organizationally within the dairy unit has a
18 marketing branch which is devoted to the two stabilization
19 plans, the classified pricing plans and a pooling branch, which
20 is devoted to the statewide distribution of statewide revenues,
21 correct?

22 A. Correct.

23 Q. I'm looking for it here, but I think you made reference
24 someplace to the federal system of adjusting producer prices by
25 lowering prices by a dollar?

1 A. Page 5.

2 Q. What order is that?

3 A. Item number 3 there, California's uniform balloon
4 prices for all producers.

5 Q. Oh, yeah, first sentence in the second paragraph under
6 that. So you are familiar with the way the Federal Milk Market
7 system works in that respect, that producer prices are adjusted
8 by location at the same rate as Class 1 prices?

9 A. Generally, where I believe at the, depending on the
10 location of the plant of handler first receipt.

11 Q. Okay.

12 A. Or plant of first receipt.

13 Q. What -- would it be fair to say that a combination of
14 price, classified price differences in Northern California,
15 plus the transportation adjustments available to producers in
16 California, have essentially the same function of value and
17 producer milk, depending on where it's delivered?

18 A. I definitely think the Transportation Subsidy Program
19 carries out that feature. It carries out the task of directing
20 milk to the Class 1, 2, and 3 uses through that subsidy
21 program. Equal, basically equalizing producers, whether they
22 send milk to those plants, further away, or to a local
23 manufacturing plant. And I know to a smaller extent, but the
24 Southern California differential of approximately, I think
25 Class 1 is about 27 cents a hundredweight difference, Southern

1 California plants must pay above what Northern California Class
2 1 plants pay. That may have a smaller impact. The
3 Transportation Subsidy is by far the larger driver of moving
4 milk where we need to in deficit regions.

5 Q. My question was whether those two combined, function
6 similarly to the producer blend price differential in Federal
7 Orders?

8 A. I think that's a probably a fair statement. It is
9 captured in my comments that that's why we support a uniform
10 blend price, because we feel the Transportation Subsidy Program
11 is a more direct method by which to achieve that goal.

12 Q. Thank you. Thank you, your Honor.

13 CROSS-EXAMINATION

14 BY MS. HANCOCK:

15 Q. Nicole Hancock for the California Producer Handlers
16 Association in Ponderosa Dairy. If we could turn to page 3 of
17 Exhibit 50 in your statement. The last paragraph starts with
18 "in addition to the Proposal Number 1," can you help me
19 understand what you are saying in that paragraph?

20 A. Sure. Under, and we had some extensive discussion
21 about this in previous testimony when there was a witness here
22 from Nevada. But under the current California State Order,
23 transactions that occur across state lines, so milk that is
24 produced outside of California and sold into California for
25 manufacturing purposes, or for any purpose, any of the classes,

1 is not subject to the minimum pricing and pooling regulations
2 in the California State Order, and there's, I'm sure, a long
3 history of that, but it basically has to do with only Congress
4 has the ability to regulate interstate commerce, the state does
5 not. So that's the point that I'm making there, that there are
6 transactions that occur across state lines that a Federal Order
7 is capable of capturing in the regulation, whereas a state
8 order is not.

9 Q. So you are not purporting to provide any type of legal
10 opinion there, you are just recognizing the fact that other
11 Federal Orders have regulated instances where milk has crossed
12 over state lines?

13 A. Correct. They are capable of it, state is not, as far
14 as I understand the law. But I'm not an attorney, you are,
15 correct?

16 Q. I wasn't trying to make sure that it was clear that you
17 are not an attorney, but my point is, you are not saying
18 anything beyond the fact that a Federal Order has the
19 capability of regulating milk across the state lines?

20 A. To the extent I'm saying anything above that, it's that
21 I see an impediment, the milk producer counsel sees that
22 inability to regulate transactions across state lines as a
23 disorderly feature of our State Marketing Order. That's what,
24 I was purporting there. But no, I'm not making any legal
25 claims beyond that.

1 Q. Would you agree that if a Federal Order were to
2 regulate milk that crossed over a state line, that it should do
3 so in a fair and equitable manner?

4 A. Yes.

5 Q. Can you turn to page 4 of your statement? And this is
6 where you discuss your support for California's quota program
7 to be preserved in the instance, in the event that a Federal
8 Order is implemented California; is that correct?

9 A. Yes.

10 Q. Okay. And would you agree that that would be
11 implementation of the entire quota system?

12 A. You know, we were asked to -- well, we decided to take
13 a position on the Proposal Number 1 that was put forth.
14 Proposal Number 1 doesn't -- I think as you heard testimony
15 from previously Dr. Erba, it focuses on the traditional quota.
16 I don't believe it is specific on the historical
17 producer-handler exemption in California, the producer-handler
18 quota. So I would probably echo Dr. Erba's statements that it
19 is not part of the proposal at this point. We didn't take a
20 position, therefore, on that. I mean, I don't believe
21 producer-handler amendment has specific language for us to
22 review yet. At some point later in this hearing, we will have
23 that chance.

24 Q. Okay. So when you say traditional quota, what do you
25 mean by traditional quota?

1 A. In my explanation of traditional quota, I'm talking
2 about the quota that, in California, a dairy producer can
3 access, can purchase, can own, which I do see as a distinction
4 from Option 70, producer-handler quota, which is now restricted
5 to just the four families that hold it. I mean, there were
6 more and now they are down to four. Not casting a judgment on
7 one or the other, that's -- when I say normal or traditional
8 quota, I meant that the quota that is accessible to any
9 California producer.

10 Q. And you would agree, though, that exempt quota is
11 historically been part of the quota system since its inception
12 in 1967?

13 A. Unlike Dr. Erba, he mentioned he graduated in 1983, I
14 was three years old back then, so I can't go back to 1967. My
15 personal understanding of producer-handler exemption is that it
16 is a separate unique section of the pooling plan. Whether the
17 state has historically seen it, I have heard from producers
18 that it was seen initially as part of the quota program, and so
19 I -- I can attest to that only in general. But I know it's a
20 separate section of the pooling plan in California, and
21 therefore, we weren't asked to, it wasn't part of the
22 Cooperatives' proposal at this point.

23 Q. So you haven't had a chance to evaluate that?

24 A. I have had a chance to evaluate the letter that was
25 submitted by your clients seeking some recognition of the

1 producer-handler exemption as part of the quota program, but we
2 haven't had a chance to address language yet because we haven't
3 gotten to that part of this hearing.

4 Q. Okay. And you remain open to evaluating the language
5 that the California Producer Handlers will propose in this
6 hearing?

7 A. Yes.

8 Q. Thank you.

9 CROSS-EXAMINATION

10 BY DR. SCHIEK:

11 Q. Good afternoon, Mr. Vandeneuvel.

12 Bill Schiek with the Dairy Institute of California.

13 A. Good afternoon.

14 Q. I had some questions of clarification to show if I
15 understand, and for the record, and MPC's position on a couple
16 of things.

17 In page 1, on page 1 under the section "Need for a
18 Federal Milk Marketing Order" AND this is Exhibit 50, your
19 statement. Second half of the first paragraph of that section
20 you say, "while USDA's preliminary regulatory impact analysis
21 of proposals to establish a California Federal Milk Marketing
22 Order, is a forward-looking analysis, the figures represented
23 in that report also speak volumes as to the financial impact on
24 California milk producers continuing to operate under the
25 current State Order compared to the proposed Federal Milk

1 Marketing Order." I am assuming you are talking about
2 Proposal 1 or Proposal 2 there.

3 A. Yes.

4 Q. And -- Proposal 1?

5 A. Proposal 1 is what I'm referencing.

6 Q. Okay. And based on that statement of looking at that
7 analysis and saying that "it speaks volumes," do I take it from
8 that that you agree with USDA's analysis under the preliminary
9 economic impact?

10 A. Well, as I stated in some questions this morning as the
11 cross-examiner, I recognize the limitations of any model, but
12 it was the general tone and the general direction trends, I
13 think models are capable of perhaps identifying trends. And,
14 therefore, what is significant in that study is that it was
15 reported -- and I'm not going to name the study because it's
16 one of the longest study names I have ever seen, but in that
17 study it was -- it was reported that the impact on California's
18 producers from Proposal Number 1 would be somewhere in the
19 \$700 million a year range in additional pooled revenues. And
20 whether that number is correct or not correct, that definitely
21 shows a significant shift in money going into the pool of some
22 sort.

23 My questions about the model were primarily in my line
24 of questioning earlier in this hearing, were the next step,
25 taking those dollars and converting them into what impact does

1 that have on production, which I think brings in a whole lot of
2 topics that dairymen, a lot of issues dairymen consider when
3 deciding whether or not to increase production. But that was
4 what the -- where I really questioned the model and our ability
5 to rely on it.

6 Q. So when the model predicts under Proposal 1, that
7 average milk prices will fall in other regions of the country.
8 Do you agree with that analysis?

9 A. It's not a matter of agreeing or disagreeing with the
10 numbers on the page. It's taking it in context. That impact
11 on other regions of the country is not a result of the higher
12 milk prices in California. It is a result of what the model
13 assumes producers will do with the those higher revenues.

14 Q. Would you agree, though, that the model doesn't create
15 that impact out of whole cloth, it is using evidence of
16 historical data to arrive at that?

17 A. I know that I have no doubt that the, that the creators
18 of that model tried very diligently to create a model that uses
19 a historical relationship between increased revenue or
20 decreased revenue and the impact that that has on milk
21 production. What I was -- what I believe, however, with that
22 analysis, is that there are certain non-pricing features and
23 characteristics of the California dairy industry, such as
24 competition for land that dairy has, that permanent tree crops
25 like pistachios and almonds have developed into. They compete

1 for land. You see dairies actually torn down and turned into
2 these permanent tree crops, that as the impacts of regulatory
3 issues that will put a choke-hold on future expansions in the
4 dairy production in California. Those non-price related items
5 cannot be included in the model of this type, and so as long as
6 you recognize those limitations to a model, I have no problems
7 with the model, I just think that there are other things that
8 need to be considered in context.

9 Q. So I guess the question then, I would have for you is,
10 given the actual historical evidence of the impact of price on
11 production, your concern is that the model doesn't accurately
12 reflect what would happen relative to a baseline or relative to
13 current the current marketplace?

14 A. I think both. The baseline assumption, there was a
15 question this morning by Mr. Beshore questioning the difference
16 of the baseline assumption that production would go up six
17 percent in California from 2004 -- 2014 to 2015, whereas we
18 have actually seen a negative. And I think that that, while
19 way too small of a period of time to call a trend, does speak
20 volumes to the fact that this is not the California dairy
21 industry of old. Where after a year like 2014, with as
22 acknowledged earlier, in earlier questions was a very
23 profitable year for dairymen in California and throughout the
24 country, where we actually in the first quarter of the
25 following year, saw year-to-year reductions in milk price.

1 This is a different California than history. And I think the
2 model is somewhat relying on the historical relationship of
3 price impacts and production.

4 Q. Would you say that part of the reason it is different
5 is the unprecedented drought we have experienced in the last
6 few years?

7 A. I think that that plays a role, but I don't believe
8 that that plays a significant role in explaining the
9 year-over-year drops.

10 JUDGE CLIFTON: If I could have you go back. You were
11 talking about the baseline in terms of production --

12 MR. VANDENHEUVEL: Uh-huh.

13 JUDGE CLIFTON: -- that is was expected in the model to go
14 up, it went down.

15 MR. VANDENHEUVEL: Yes.

16 JUDGE CLIFTON: But you just now referred to what happened
17 to price after 2014.

18 MR. VANDENHEUVEL: I meant, if I said price, I meant
19 production. Production in the first quarter of 2015 was down
20 year-over-year production, despite very strong prices in 2014.

21 JUDGE CLIFTON: Thank you.

22 BY DR. SCHIEK:

23 Q. Typically when we see an economic impact of dairy farms
24 under stress, what we see is the climbing cow numbers. And at
25 least according to the USDA's Milk Production Report, the drop

1 in production in California is almost totally due to milk per
2 cow. How -- what's your explanation for that? Do you feel
3 like that's a direct economic result of farm operator's margins
4 or is there something else going on?

5 A. You know, as we go forward in the months and years to
6 come, we'll probably be able to look back with a clearer head
7 and see trends. I do worry, as I mentioned just a few minutes
8 ago, that while it's interesting to show 2015 down
9 year-over-year, and I think it speaks to the baseline issues
10 and impacts on the model. I don't think we can completely
11 answer the questions yet of exactly what's driving, you know,
12 the production. If it is production per cow, I know those
13 number get corrected in future reports, maybe there are less
14 cows. I think it's too soon to tell, but I don't have any
15 economic explanation for why the drops have been.

16 Q. Have you followed what's been going on in the hay
17 markets and hay, alfalfa availability to dairymen in
18 California?

19 A. Very, very generally. I am in no way an expert. I
20 know prices are lower than they have been in the years past.

21 Q. Is there a quality diminish to that?

22 JUDGE CLIFTON: I'm sorry, prices have of what are lower?

23 MR. VANDENHEUVEL: Prices of alfalfa are lower. Alfalfa is
24 a feed that dairies buy, and in 2015, my reports, I don't grow
25 alfalfa nor do I buy it, but the reports that I see have

1 indicated that market prices for alfalfa are lower than they
2 have been in years past.

3 Q. And so my next question is, have you heard from your
4 members that there's a quality dimension to that lower price?

5 A. No. No.

6 Q. So it's -- it's a lower price for supreme alfalfa?

7 A. You know, I'm not sure if it is the price is for
8 various qualities have all gone down by the same ration, but my
9 understanding was just in general, prices have come down.
10 Perhaps there are some qualities that have not come down as
11 much as others, I'm not sure.

12 Q. Do you know if the supreme alfalfa that is quite often
13 purchased by California dairy farmers is available this year as
14 it's been in years past?

15 A. I would not be the right person to provide expert
16 testimony on that.

17 Q. Okay. Thank you.

18 Moving on to page 2. You mentioned, I think in the
19 first paragraph at the end, you are talking about this National
20 Commission on Dairy Policy.

21 A. Yes.

22 Q. And I'm just going to the quote at the end of that
23 paragraph, "Federal law should prohibit California or any other
24 state from using the greater allowance to establish a Grade A
25 price for milk, for manufacturing butter, nonfat dry milk, and

1 cheese." Given that this was from the 1985 Farm Bill, and
2 Secretary Lyng, I'm not sure when he left office, but I'm
3 gathering it was before 2000. And 2000 was the first time
4 there was end product pricing in Federal Order formulas. What,
5 when it says "greater allowance" what, in reference to what?
6 What are we talking about there?

7 A. The California was operating in guilty product pricing
8 at that time and did have make allowances included in the end
9 product pricing formulas. You know, how that was being
10 compared at that time to the manufactured prices, manufactured
11 milk prices in Federal Order system, I'm not totally sure, but
12 the concepts that that commission identified that was
13 disrupting, was having a California system operating
14 independently that discounted the California milk price through
15 higher make allowances, and the impact that had on dairy
16 markets throughout the country.

17 Q. Okay. But it's -- there is a reference to something
18 else operating there using a greater allowance. Is it possible
19 what they are talking about is the allowance used to establish
20 the CCC purchase prices under the support program?

21 A. I know that the CCC purchase prices were, were, in
22 fact, an issue of interest, and that in that particular
23 commission, so it's possible that they were talking about that.

24 Q. So if they were, would you agree that that's not
25 exactly an apples to apples comparison?

1 A. No, no, I wouldn't. The general concept remains very
2 clear that when regardless -- I mean, at that time we had a
3 support price program, and there was concerns about
4 California's participation in the California milk dairy
5 products that were being purchased by that CCC, or support
6 price program, but the idea of operating a state system
7 independently of the federal system, which -- which
8 incentivized additional processing capacity through increased
9 make allowances, was seen as a problem, and a problem that
10 identified, a problem they turned into legislation and approved
11 in a subsequent Farm Bill. And while that language was
12 ultimately repealed in the future Farm Bill --

13 Q. And never implemented.

14 A. -- and never implemented, it does not change the fact
15 that the 18 member dairymen panel, Milk Producers Council and
16 other producer groups, strongly supported that. And my reason
17 for including that in this particular piece of my testimony was
18 to demonstrate this is not an issue that producers have only
19 recently come to think about a Federal Order, but the idea of
20 having a discounted price in California is a long-standing
21 concern by California producers, partly by Milk Producers
22 Council and some of our producer colleagues.

23 Q. Wasn't the position, though, opposed by the
24 Cooperatives? Your position on this issue, opposed by the
25 Cooperatives here in California?

1 A. I can't speak to what the Cooperatives, what their
2 position was or wasn't back then, they may be able to. But
3 regardless of what their position was, this is has been a
4 concern of producers. What you are seeing now in 2015 is that
5 regardless of what history was, regardless what positions each
6 Cooperative or producer group had at that time, we're all in
7 lockstep at this point, saying that we believe this California
8 Federal Milk Marketing Order is the right approach for our
9 industry, for our producers in the state.

10 Q. Okay. Also on page 2 of your statement, you note the
11 Administrative hearings held in the last five years. And on
12 page 3 you say, "to put it bluntly, the efforts by producers"
13 this is the top of the page, first paragraph, midway down, "to
14 put it bluntly, the efforts by producers and their
15 representatives have failed."

16 How did that happen? How did you fail in your efforts?

17 A. Well, as I noted in the previous paragraph, our
18 producer testimony at those hearings that focused on minimum
19 milk pricing formulas, was to bring better alignment between
20 California's regulated minimum prices and the Federal Order
21 minimum prices. And looking at our largest class of
22 utilization, Class 4b, making about 45 percent of the milk
23 produced and sold in California, we saw the largest gap in 2014
24 that we had seen in recent history. I don't know how, going
25 back, if there's a month or a period of time or year that saw

1 larger than that, but at least in recent history that was the
2 largest gap. When you go into these hearings and advocate for
3 better alignment, and you end up with worse alignment than you
4 have had, that's a failure in our books.

5 Q. Doesn't CDFA, though, give a panel report where they
6 review evidence from the hearing and evaluate it in light of
7 the statutory requirements?

8 A. They do. They are required to put together a panel
9 report. That doesn't mean that producers have to agree with
10 what evidence they weighted in that panel report.

11 Q. Would you agree, though, that one of the statutory
12 requirements is fostering the orderly marketing and intelligent
13 production of milk? Have you heard that phrase before from the
14 statute?

15 A. In the statute, that particular item is listed as a
16 general goal of the dairy milk pricing regulations, among other
17 things. There are other provisions that state that in
18 establishing these milk prices or formulas to establish milk
19 prices, that the Secretary shall calculate prices that result
20 in a sound and economically reasonable, I might get that
21 verbiage a little bit off, but economically sound and
22 reasonable relationship with the national value of milk
23 products.

24 We could look to different sections of the Code, I
25 believe that CDFA, to the extent that they weighted that

1 general goal that you just cited of orderly marketing, above
2 the other provisions in the California Food and Agricultural
3 Code, that they erred in that interpretation, and that they
4 gave undue weight to that section, which I don't believe
5 provides near the direction of some other sections that we did
6 point to as producers in those hearings.

7 Q. Your comment about reasonable relationship to the
8 national value of manufactured milk products, you would agree
9 that that is not the same thing as the manufacturing regulated
10 price for Class III or regulated price for Class IV, it doesn't
11 say, it doesn't reference those Federal Order prices, does it?

12 A. It references manufactured milk products which, product
13 is not defined anywhere in the Code as meaning only a wrapped
14 and cut block of cheese, it is the manufactured milk products
15 milk sold for manufacturing purposes. We believe that the
16 Federal Order Class III and Class IV provide a very clear
17 indicator of the national value of milk sold at those plants.
18 But, you know, if there was an alternative, we're happy to
19 consider it. But we presented evidence at those hearings that
20 the Federal Order Class III and Class IV was an appropriate
21 benchmark price for determining what the value, national value
22 of milk turning, being turned into those products was. And we
23 advocated a price relationship with California that was more
24 aligned with those price series.

25 Q. Are there manufactured milk products prices in the

1 current California formulas?

2 A. There may be.

3 Q. 4a and 4b, are there manufactured milk product prices
4 in those formulas?

5 A. You could call them manufactured milk products. There
6 are four end products identified in the California formula as
7 the variable features of those formulas; block cheddar cheese,
8 Grade AA butter, nonfat dry milk, and dry whey, those are end
9 products. They are not at all the only manufactured milk
10 products nor is that the way they are described. They are end
11 products used in an end product pricing formula.

12 Q. But would you agree that they are manufactured milk
13 products?

14 A. And I think that we could probably talk back and forth.
15 They -- they are products made from milk, deemed for
16 manufacturing purposes. But whether that is -- the law is not
17 clear in the California statute, and of course we're not here
18 to debate the California statute, but there's no definition of
19 manufactured milk products in the California statute that says
20 that it's the end product that a manufacturer makes.

21 And there's a -- and it is clear that the intent, it is
22 my opinion, because I'm not an attorney, that the statute is
23 clear that the intent is to have a reasonable relationship
24 between California's milk prices and National values of milk
25 for manufacturing use. Otherwise, the statute wouldn't make

1 much sense comparing milk prices to an end product. So I
2 believe it is, the intent of the statute is quite clear and we
3 made that case, as I noted in that paragraph, we failed. But
4 we continue to move forward.

5 Q. Okay. So one of those times you made that case was at
6 the hearing you referenced on page 2, May 31 through June 1,
7 2012, hearing on Class 4b minimum milk pricing formula; is that
8 right?

9 A. Yes.

10 Q. As a result of that hearing and the decision in that
11 hearing, did some producer groups sue CDFA in state court?

12 A. Yes.

13 Q. What was the result of that suit?

14 A. That suit was a lawsuit that was filed in San Bernadino
15 County Superior Court, I believe. Milk Producers Council was a
16 party to that lawsuit. It was challenging the Secretary's
17 discretion and stating, asking for relief from the judge
18 because our price, Class 4b price resulting from that hearing,
19 was not going to maintain a reasonable relationship with
20 National prices for comparable milk. And after a hearing with
21 the judge, the judge ruled that he was not prepared to overstep
22 or he rejected our Writ or our claim, and stated that he
23 believed the Secretary had widespread or broad discretion to
24 make the decision.

25 Q. So he didn't find your argument compelling enough to

1 overturn the Secretary?

2 A. He did not, that would be correct. And it ended there.
3 It was not appealed. And so it that particular case ended
4 there. There are provisions in the California law that do give
5 the Secretary in California broad discretion in carrying out
6 those provisions. Now, we don't have to agree with her use of
7 that discretion, Secretary Ross or previous Secretaries, but
8 that is in the law. And that's what you are up against in the
9 California system.

10 Q. I'm looking at page 6 of your statement. "Proposal 1
11 establishes quarterly marketing in California," that's the
12 section I guess where it says first Proposal 1 establishes
13 orderly marketing in California?

14 A. Page what?

15 Q. Page 3.

16 A. Page 3. I was on page 6.

17 Q. 3 of 6.

18 A. All right.

19 Q. You make a statement of, "nothing in Proposal 1
20 suggesting that California minimum prices, establishing" -- I'm
21 sorry -- "nothing in Proposal Number 1 suggests establishing
22 California minimum prices above those regulated prices used in
23 the other ten Federal Milk Marketing Orders, but rather, the
24 prices be established equal to those used in the Federal Milk
25 Marketing Orders."

1 A. Yes.

2 Q. So were you here when Mr. Hollon made his first
3 statement, when he read his statement into the record? Were
4 you here?

5 A. I don't believe -- I was not here and I don't believe
6 that I was able to listen into the whole reading of that
7 statement.

8 Q. So he talked about the regulated price differences
9 between California and Federal Milk Marketing Orders. And I
10 would say, I guess I'm saying inherent, I'm asking you if
11 inherent in that kind of comparison, is the assumption that,
12 making that comparison sort of apples to apples type comparison
13 is valid? Do you believe that it is valid?

14 A. Yes.

15 Q. Another witness, Cornell Kasbergen, when he was on the
16 stand, was talking about California pricing, and pricing in
17 Wisconsin. And he, I believe, said, they were like apples and
18 oranges. If he's right, isn't it the case that making a direct
19 comparison doesn't really reveal everything that's going on in
20 terms of orderly marketing?

21 A. I did not hear -- well, I was here for Mr. Kasbergen's
22 testimony. You would have to enlighten me as to the apples to
23 oranges comment, whether he was comparing price levels, because
24 he has dairies in both areas, or whether he was comparing
25 regulation. I suspect that he was comparing price levels for

1 his dairy, but -- but I don't remember that exact line. But I
2 was here so I must have missed the fruit reference.

3 Q. We talk about fruit a lot. Okay.

4 Well, since you weren't here, I won't ask anymore on
5 that, or since you don't remember, I won't ask anymore on that.
6 I don't have anymore questions, thank you.

7 A. Thank you.

8 CROSS-EXAMINATION

9 BY MR. MILTNER:

10 Q. Ryan Miltner with Select Milk Producers.

11 Good afternoon, Mr. Vandenheuvel.

12 A. Good afternoon.

13 Q. You say in your statement that MPC has 120 members
14 approximately throughout California?

15 A. Yes.

16 Q. Geographically, how far north do they extend?

17 A. I believe our furthest north member is a city who
18 actually testified in this hearing, Wheatmen, that's north of
19 Sacramento, and we have members down in San Diego.

20 Q. Nobody up by Humboldt County or that far?

21 A. No.

22 Q. Are you generally familiar with how your members milk
23 is marketed?

24 A. Generally. Without -- without talking too much
25 specifics, and we don't reveal where our members milk is

1 marketed, whether it is marketed through a coop or independent.
2 But I have general awareness, you know, on what coops we have
3 membership into.

4 Q. And I'm purely interested in those general, general
5 aspects of it. And in particular, I was wondering if you could
6 help me understand how their milk travels from the farm?

7 A. By truck.

8 Q. Is that a 50,000-pound truck or can we go larger in
9 California?

10 A. The State of California, I think you got some limits.

11 Q. Okay. In terms of the distance those trucks travel,
12 can you expound on that at all? Do your members milk, does
13 your members milk stay relatively close to the farm or does it
14 travel a fair distance?

15 A. I would generally put it that it's -- it's a range
16 depending on the farm. I know that there are farmers that,
17 dairy farmers that are members of ours, that live, you know, in
18 the Central Valley and bring milk into Southern California,
19 service that market. There are other dairy farmer members in
20 the northern part of the valley that bring milk into the Bay
21 Area. You know, it was longer hauls into Class 1, 2, or 3
22 uses, and then I'm sure there are other plants that have more
23 of a local home, whether that be, could still be a Class 1, 2,
24 or 3 plant, but it also could be a manufacturing plant, but
25 that's about as much as I can say.

1 Q. Would it be, I don't want to say common, but would your
2 members perhaps have an instance where milk produced, say, in
3 the North Sacramento Valley, North Bay Area, could go and have
4 to travel as far south as, you know, Los Angeles to get milk to
5 a plant?

6 A. That seems like a long way to haul milk. I believe
7 that the South valley, I, first of all, a disclaimer, I'm not
8 in the business as a Trade Association General Manager, of
9 facilitating the haul of milk to any location. My expertise is
10 as an observer and as a party in hearings where these
11 regulations are shaped. But -- but California Department of
12 Food and Agriculture does put together an analysis on I believe
13 a semi-annual basis of the milk that is traveling to Class 1,
14 2, and 3 plants in the Bay Area, Los Angeles, and San Diego,
15 and which regions that milk is coming from. So I would
16 reference that particular report, which I think is in April and
17 October, rather than anything that I could say independently.

18 Q. Thank you. That's helpful. I believe it was in
19 response to Mr. English, but I won't, don't hold me to that, he
20 asked you if the prices California dairy farmers received in
21 2014 were the highest ever. And I believe you answered that
22 they were. Is that, my recollection correct?

23 A. Yes.

24 Q. However, during that same period you were still being
25 paid on formulas that paid you less than the federal formulas

1 per return. Is that also correct?

2 A. That is correct and it is an important distinction that
3 I should have clarified at that point, and it goes to the
4 fundamental core of this hearing and these individuals that we
5 have been discussing. The market prices in California in 2014,
6 the milk prices, based on market values of the various dairy
7 commodities, was higher than previous years. It does not mean
8 that we didn't still have a discount in our regulated prices
9 compared to other regions which, in turn, make a year like 2015
10 much more difficult, because you leave revenues that producers
11 believe should have been paid through the pool and then
12 producers pockets going into a year like 2015, and they aren't
13 there. We are an industry that does deal with peaks and
14 valleys. You try to save up in the peaks to make it through
15 the valleys, makes it very difficult when these peaks are
16 arbitrarily reduced by regulatory system, and therefore, puts
17 you in a weaker position going into the next valley.

18 Q. You noted in your testimony that you and Milk Producers
19 Council have been working on the equity, creating more or
20 equitable situation for your producers for awhile. Just my
21 knowledge going on ten years or so, at least, would that sound
22 right to you?

23 A. That my history starts in 2007, but I know I was not
24 the first manager there that fought the good fight.

25 Q. So, since you have been there, you have worked on one

1 or two Farm Bills?

2 A. There was two. 2008, I believe there was one, and
3 2014.

4 Q. So two since you have been there?

5 A. Yes.

6 Q. On the latest Farm Bill in particular, there was a
7 change to focus less on producer prices and more on producer
8 margins. I know you were a part of that. Could you give us a
9 little bit of that for the record and why the focus on margins
10 is more important than focus on price?

11 A. Yeah. A focus on margin brings into the debate the
12 extensive feed costs that we have faced. And we could probably
13 spend a long time in this hearing -- which we don't need to --
14 but on the impact of ethanol and the impact it's had on the
15 ethanol and renewable fuels, and the mandates that the Federal
16 government has instituted, and the impact that's had on corn
17 prices. But historically, we had programs, safety net programs
18 in the Federal government that were driven solely by price.
19 And I want to say 2008, but it might have been before that, for
20 the first time, the Milk Income Loss Contract Program
21 incorporated a feed cost adjuster. And so you, they
22 incorporated -- they being Congress -- incorporated a feed cost
23 adjustment to recognize that a dairy isn't just a milk price,
24 but rather a milk price relative to the cost of producing that
25 milk.

1 And in 2014, the Farm Bill discussions took that a step
2 further and had a specific formula milk price minus feed cost
3 as the driver of the safety net programs.

4 Q. So in 2014, you just said that was an extraordinary
5 year for dairy farmers across the country, correct?

6 A. It was. It was.

7 Q. Now, looking just at the margins, how did the margins
8 in California compare to the rest of the country?

9 A. Without having the data in front of me, I can't speak
10 too much in specifics. But in general, without exception, the
11 California blend prices that are paid to dairy farmers or that
12 drive the ultimate prices that dairy farmers are paid, is lower
13 than the U.S. all milk price which is used in that formula that
14 the USDA uses in that margin protection program. And so that
15 certainly, that certainly means that our margins are not the
16 same in California as they are in the U.S. scenario, the
17 national average so-to-speak. And therefore, we have tighter
18 margins traditionally than that U.S. margin.

19 Q. I think just one more question about your California
20 discount.

21 A. Uh-huh.

22 Q. And you stated in response to a question that you have
23 written about that in your MPC newsletters?

24 A. A couple of times.

25 Q. I think you may have mentioned it in your most recent

1 newsletter. Could you just, based on your analysis of the
2 California discount and recognizing that CDFA recently changed
3 their formula, the whey factor and their formula, your last
4 article, last time you looked at it, what was the effect of
5 CDFA's change on the California discount?

6 A. The effect was zero. It was no difference between the
7 4b price as a result of the Secretary's change versus before
8 that change.

9 Q. I don't have anything else, your Honor.

10 JUDGE CLIFTON: Who else has questions for
11 Mr. Vandeneuvel? Mr. Beshore?

12 CROSS-EXAMINATION

13 BY MR. BESHORE:

14 Q. Just a couple questions, Rob.

15 Does Milk Producers Council have members who are not
16 members of the three proponent Cooperatives?

17 A. Yes.

18 Q. So that, with Milk Producers Council's support, that is
19 additive in terms of the California dairy farm population in
20 total to the support represented by the proponents of the
21 proposal?

22 A. Correct.

23 Q. You probably asked this indirectly, if not directly,
24 but just directly, how long, if you know, has Milk Producers
25 Council supported a Federal Order in California? How long?

1 For how many years?

2 A. You know, in my time here, which is really all I can
3 speak of, when I came into this position in 2007, we were
4 working on an effort at that point to try to answer some of
5 these questions about what California Federal Milk Marketing
6 Order would look like. We drafted a letter to then Federal
7 Milk Marketing Administrator Jim Daugherty of the Arizona and
8 Northwest Orders. That did not result in any action. Tough
9 enough managing an order that's split, there are two Orders
10 that are not next to each other. But I, the interest goes at
11 least to that point. And certainly the idea of having
12 alignment between California and what's going on in the rest of
13 the country is something that MPC has had a long history of.

14 The first producer I mentioned on that commission back
15 in the 80's was George Mertens. The second producer was a guy
16 by the name of Fred Douma who served on the Milk Producers
17 Council Board, so we have been involved going back a lot of
18 years prior to me.

19 Q. You were asked, you made some comments in your
20 statement about the ability of Federal Order to capture and
21 regulate interstate transactions the way the current state
22 system cannot. And I think Mr. English asked you, do you know,
23 you know, the terms of those transactions that are ongoing.
24 But of course you are not involved, so you don't know the terms
25 per se.

1 My question is, do you nevertheless, not know that the
2 minimum, there are not uniform minimum regulated terms involved
3 in those transactions?

4 A. Do I know that there are not regulated? I feel like
5 there's a double negative of some sort.

6 Q. Well, you do know that those transactions do not have
7 minimum regulated terms?

8 A. Correct. Correct.

9 Q. Okay?

10 A. Yes.

11 Q. Whatever the terms are, there is no minimum regulated
12 floor?

13 A. That's right.

14 Q. So just one question about your thoughts on the impact
15 analysis and projections going forward. Knowing, knowing
16 California milk, the dairy situation in California, and your
17 membership, and conditions in the industry, what impact -- what
18 result do you see in terms of production in California if, in
19 general terms, if Proposal 1 were to be adopted?

20 A. In general terms, I would -- I would expect that we
21 could possibly see a slow up in the attrition of producers and
22 milk production here in the State of California. It would make
23 dairy farming appear to be a better investment and use of
24 property than it is now.

25 Right now, the difficulty in competing for acreage with

1 permanent trees is, permanent trees have a more stable and
2 proven revenue and income stream for that property. And, you
3 know, milk is certainly capable of generating enough revenue to
4 make use of property as a dairy farm, a profitable venture, a
5 venture that as dairymen, is worth investing in.

6 I see a lot of barriers to dramatic growth over where
7 we are at today, but I think it could be very helpful in
8 protecting the dairy farmer assets that we have currently in
9 the state.

10 Q. Would it be fair to say that you don't, you know, in
11 your view, with all your knowledge base and your experience,
12 you don't -- you wouldn't consider your six percent growth year
13 after year to be in the future of California milk production?

14 A. I think that is an assumption. An assumption that is
15 based on a history, not what I, where I see this industry going
16 based on my knowledge of our producers and the state conditions
17 that have an impact on future growth. No, I would agree.

18 Q. Thank you very much. No further questions.

19 JUDGE CLIFTON: Did you know how to spell Daugherty?

20 MR. VANDENHEUVEL: D-A-U-G-H-E-R-T-Y.

21 JUDGE CLIFTON: D-A-U-G-H-E-R-T-Y. All right. Good.
22 Well, that's what we'll use. We have already mentioned
23 Mr. Mertens. Now you have added Fred Douma.

24 MR. VANDENHEUVEL: D-O-U-M-A.

25 JUDGE CLIFTON: Thank you. Mr. Vandenheuvel, did you have

1 any ideas so many people would ask so many questions?

2 MR. VANDENHEUVEL: Never know on this crew.

3 JUDGE CLIFTON: Does USDA have additional questions for
4 Mr. Vandenheuvel?

5 CROSS-EXAMINATION

6 BY MR. FRANCIS:

7 Q. Will Francis, USDA. Just a clarification.

8 You mentioned Bay Area in both your written testimony
9 and in response to some questions. We want to make sure we
10 understand what the deficit market area is. I think that's the
11 area surrounding San Francisco? Would you happen to know what
12 counties comprise that region?

13 A. I could get that. There is a publication that
14 California Department of Food and Agriculture identifies, and
15 it is based on counties. They have a list of counties, and --

16 Q. Yeah, I --

17 A. If I get a nod from the coops, it could be the same
18 counties we identified in Area 1 of the Cooperative proposal,
19 but I don't see Mr. Hollon give me the nod. But the
20 Cooperative proposal also identifies two regions, the Southern
21 California and Northern California region. I would expect that
22 they would be strikingly similar if not identical in the
23 counties they identify.

24 Q. I'm sorry, you said Northern California and Southern
25 California?

1 A. So the Los Angeles and San Diego areas would be
2 Southern California, the Bay Area would be, like you said, the
3 region around San Francisco, which is the Northern part of the
4 state. And give me just a second. Transportation zone number
5 3 is listed in the Cooperatives' proposal. I don't know if
6 it's identical to a zone identified in Proposal Number 2. But
7 it is listed as the counties of Alameda, A-L-A-M-E-D-A; Contra
8 Costa, C-O-N-T-R-A, C-O-S-T-A; Marin, M-A-R-I-N; Napa, N-A-P-A;
9 Santa Clara, S-A-N-T-A, C-L-A-R-A; San Francisco, S-A-N,
10 F-R-A-N-C-I-S-C-O; Santa Cruz, S-A-N-T-A C-R-U-Z; San Mateo,
11 S-A-N M-A-T-E-O; Sacramento, S-A-C-R-A-M-E-N-T-O; Solano,
12 S-O-L-A-N-O; and Sonoma, S-O-N-O-M-A.

13 Q. Thank you.

14 JUDGE CLIFTON: Are you content to have your reference to
15 Bay Area include those counties?

16 MR. VANDENHEUVEL: Yes.

17 JUDGE CLIFTON: Good. Now, you mentioned something else,
18 Mr. Vandenneuvel, that you would be willing to get, and I don't
19 know whether we still need you to do that for us. Do you
20 remember what that was?

21 MR. VANDENHEUVEL: Sounds like homework, so, no.

22 JUDGE CLIFTON: Mr. Vetne?

23 MR. VETNE: Your Honor?

24 JUDGE CLIFTON: Yes, Mr. Vetne?

25 MR. VETNE: I think that was our discussion concerning the

1 option of California Cooperatives or producers to include in
2 the pool or not include in the pool, distressed milk that is
3 sent out-of-state or delivered to heifer replacement farms,
4 that kind of transaction, that does not go to a California,
5 current California Milk Pool plant. And I'm content with
6 looking it up and referencing the regulation. I have been
7 there before, I can probably do it again, I was just hoping to
8 safe myself a little homework.

9 JUDGE CLIFTON: I think you are right, you were asking him
10 of his knowledge of the California Regulation. So if he
11 doesn't remember it as he sits here, we can look it up.

12 MR. VETNE: I can. I know how to do that, thank you.

13 JUDGE CLIFTON: That's right.

14 MR. VANDENHEUVEL: And I'm okay with Mr. Vetne looking it
15 up. I will look it up for my own knowledge, if not for this
16 hearing. It really is a different issue. I mean, it's a
17 tangent issue, but my point in the testimony with regard to
18 that issue was that the cost of selling and marketing
19 distressed or surplus milk is a cost borne by producers and
20 their Cooperatives, not a cost borne by proprietary plants that
21 are purchasing their milk, and only purchasing the milk that
22 they need under contract. So it was a statement on who is
23 responsible for paying those costs. Now, the issue of whether
24 it gets reported to the pool is a tangential issue, and I'm
25 happy to look it up and provide data, but it wasn't really the

1 point I was trying to make.

2 JUDGE CLIFTON: I would like you to look it up. You said
3 you would be here for a few days; is that right?

4 MR. VANDENHEUVEL: Today and tomorrow.

5 JUDGE CLIFTON: If you do find it and would like to be
6 recalled, that would be great. It may be a little detail that
7 needs to be addressed in whatever happens in the proposed
8 order. Okay.

9 Are there any other questions for Mr. Vandenheuvel?
10 Thank you so much. I appreciate very much your testimony. You
11 may step down.

12 Should we do a break before we recall Dr. Erba? Is
13 there anyone else who has arrived who wants to testify today?
14 I see no one.

15 All right. Why don't we take a break until 3:40. Be
16 back and ready to go at 3:40 when we will expect Dr. Erba to
17 take the stand.

18 (Whereupon, a break was taken.)

19 JUDGE CLIFTON: We're back on record at 3:40. Slight
20 change of hands, we have an additional witness before we recall
21 Dr. Erba, and that's a gentleman who will only take, as he
22 explained it, two to three minutes. Now, he may not know about
23 cross-examination, how long it can take. Would you please
24 state and spell your name for us?

25 MR. DOORNENBAL: Okay. My name is Rien Doornenbal. The

1 spelling of my first name is R-I-E-N. Doornenbal is spelled,
2 D-O-O-R-N-E-N-B-A-L.

3 JUDGE CLIFTON: Thank you. Now, you have some notes in
4 front of you, but that's not something you want to have
5 photocopied and distributed to all of us; is that correct?

6 MR. DOORNENBAL: That's correct. And I wrote it out
7 longhand, I don't think there's anyone else in the room that
8 could read it.

9 JUDGE CLIFTON: Before you go to your note, would you just
10 tell us a little bit about your connection to milk and your
11 connection to the geography in California to get us oriented?

12 MR. DOORNENBAL: I would be glad to. In fact, my note
13 starts out that way. I'm a dairy producer from Escalon,
14 California, that's due north of here about 120 miles, near the
15 town of Modesto. I plan to testify at a later date in favor of
16 the Cooperatives' proposal which I have come to know as
17 Proposal Number 1.

18 One of the reasons I'm here today is to help prepare
19 for that testimony. If you will allow me to tell a short but
20 humorous story from my past that relates to why we're here. As
21 close to ten years ago, while I was a Board Member at Western
22 United Dairymen, we were at a board meeting in Modesto, and
23 representative Collin Peterson was in town and he paid a short
24 visit to our Board. And we had a nice little chat. And, of
25 course, he's on a strict time schedule, and his entourage was

1 tugging at his shirt sleeve and saying, "Come on, we have got
2 to get going," and they are practically dragging him out of the
3 room. And he shakes his finger at us and he says, "One of
4 these days I'm going to get you into the Federal Milk Marketing
5 Order." And us dairymen in that room that were on the Board of
6 Directors at that time with Western United Dairymen, we were
7 just totally taken aback by that statement. We didn't know
8 what to make of it. And I remember thinking, "Yeah, sure, when
9 pigs fly."

10 In my wildest dreams I couldn't have imagined being
11 part of this process we are witnessing today. Even though we
12 as dairymen knew that the California system was not perfect,
13 back in those days we couldn't imagine thinking about change.

14 The fact that we are here, that we have gotten to this
15 point in the process of moving towards a Federal Milk Marketing
16 Order for California, is a witness to the disgust the producers
17 have for the current system in California. Thank you.

18 JUDGE CLIFTON: That got our attention. You will be back?
19 Do you know when you will be back?

20 MR. DOORNENBAL: I will be back when my testimony is
21 prepared.

22 JUDGE CLIFTON: All right. Would anyone like to ask
23 Mr. Doornenbal questions today about what he's told us so far?
24 They are going to wait. I appreciate very much your coming and
25 sharing that. It was very timely. You may step down.

1 We're now at 3:45. And Dr. Erba, you remain sworn.
2 Would you again state and spell your name?

3 THE WITNESS: Eric Erba, E-R-I-C, E-R-B-A.

4 JUDGE CLIFTON: You have already been cross-examined for
5 hours last Friday, but we didn't finish, we ran out of time and
6 we'll resume now. And I'm sure people have thought of
7 additional questions. Mr. Vetne, you may resume.

8 CONTINUED CROSS-EXAMINATION

9 BY MR. VETNE:

10 Q. John Vetne, Hilmar Cheese Company representative.

11 Dr. Erba, I'm hoping you can spare me my homework. Do
12 you know the answer to the questions that I put to Rob
13 Vandenneuvel concerning distressed milk sold out-of-state or to
14 a heifer replacement farm here, whether it is optional to
15 include it or not include it in the pool, whether advanced
16 notice has to be given?

17 A. I don't know precisely and I think you would be better
18 off to research that than rely on my word. I really don't know
19 it that well.

20 Q. Okay. I'm going to hand you a document entitled "Dairy
21 Situation and Outlook 2010, Authored by Eric M. Erba." I'll
22 ask you if you recognize it, I'll ask it be marked. Mr. Dejong
23 is going to hand out copies according to protocol.

24 JUDGE CLIFTON: Will this be Exhibit 51?

25 MS. FRISIUS: It will be.

1 JUDGE CLIFTON: I've marked mine and I'm going to ask that
2 you mark your exhibit as Exhibit 51, that's 51.

3 (Thereafter, Exhibit Number 51 was marked
4 for identification.)

5 JUDGE CLIFTON: If you want a copy of Exhibit 51 and do not
6 yet have one, will you raise your hand?

7 BY MR. VETNE:

8 Q. Dr. Erba, do you recognize this document?

9 A. Yes, I do.

10 Q. And it's a report that you authored and presented at
11 proceedings in Visalia, California in 2010?

12 A. It was not in Visalia.

13 Q. No?

14 A. I thought it was down south. I'm pretty sure it was
15 down south.

16 Q. Okay. It's a document you authored?

17 A. Yes.

18 Q. And presented to an audience of Western Dairymen
19 perhaps others, correct?

20 A. Yes.

21 Q. Okay. And in the introductory paragraph you refer to
22 "the model in California causing 25 years of extraordinary
23 growth in milk production and processing capacity."

24 Do you see that? The first four or five sentences?

25 A. Are you in the abstract?

1 Q. Pardon?

2 A. The abstract?

3 Q. No, the introduction, sorry.

4 A. I'm sorry. Yes. Yes, I'm there.

5 Q. I'll read it to you.

6 Starting on the fifth line down, sentence starting
7 towards the end of the line:

8 Only recently have the vulnerabilities of this
9 business model been exposed. Milk processing
10 capacity became a limiting factor, cost and feed
11 skyrocketed, and milk prices plummeted.

12 JUDGE CLIFTON: It may not make a difference, Mr. Vetne,
13 but will you read that again, please?

14 MR. VETNE: Okay.

15 Only recently have the vulnerabilities of this
16 business model been exposed -- milk plant
17 processing capacity be a limiting factor, the cost
18 of feed skyrocketed, and milk prices plummeted."

19 MR. VETNE: Do you see that, Dr. Erba?

20 DR. ERBA: Yes.

21 BY MR. VETNE:

22 Q. You are in -- in that sentence, referring the
23 vulnerabilities that you are referring to, that's vulnerability
24 to dairy farmers?

25 A. Yes, it's a vulnerability of the, basically the dairy

1 farming operation and the related aspects of dairy farming,
2 including plant processing capacity that were built over a
3 period of seven years, if not decades.

4 Q. And what -- what is the vulnerability to dairy farmers
5 with respect to plant processing capacity, either adequate or
6 inadequate? How does that affect farm vulnerability or
7 invulnerability?

8 A. The -- on the plant processing capacity side, the
9 ability of plants to accept adequately, and process milk so it
10 has a place to go.

11 Q. So if there's no place for farm milk to go, farmers are
12 vulnerable because they may have to absorb costs, as we
13 discussed a little bit with Rob Vandenheuvel, of transporting
14 milk out-of-state, or dumped, or feed lots, heifer replacement
15 farms in California, among other disposition alternatives,
16 correct?

17 A. I suppose underlying what I said was that a reasonable
18 return to the dairymen, and the options that you went through
19 do not result in reasonable returns. If you had to dump the
20 milk, take it to a calf ranch, take it out-of-state, the
21 returns there would not be what they are inclined to believe
22 they are entitled to.

23 Q. Okay. All right. And on page 5 of the report that you
24 prepared, there is additional specific information on
25 processing plant capacity. Do you see that? I'm sorry, I

1 numbered the pages in my copy, and they weren't numbered as
2 they came off the printer, but I numbered the bottom of my copy
3 and the bottom of the witness' copy so that we could quickly
4 refer to the pages. So it's a chart, figure 5, which appears
5 on the fifth page of this document.

6 Dr. Erba, you prepared an estimate of California plant
7 processing capacity and put in paragraph form, correct?

8 A. Yes.

9 Q. Okay. And when you presented this paper in 2010, those
10 are your best estimates of processing capacity at that time,
11 correct?

12 A. Yes.

13 Q. Okay. Has California plant processing capacity for any
14 of these uses, changed significantly since you prepared this
15 paper in 2010?

16 A. That I couldn't tell you. I have not tried to redo
17 using the same type of data, same type of procedure with
18 current data that I did in this chart.

19 Q. Okay. Are you aware since 2010 of any significant net
20 expansion of either butter powder or cheese processing
21 capacity?

22 A. Not on butter powder. On cheese, I couldn't tell you
23 exactly.

24 Q. Okay. And there are three other categories, fluid
25 milk, which is California class -- or I think one soft dairy,

1 which is California Class 2 and ice cream which is Class 3,
2 would it be correct to say that those three categories are
3 processing capacity do not ordinarily provide a reasonable
4 place for the marketing of excess milk supplies?

5 A. I think that's accurate.

6 Q. Because they have uses based, basically on local or
7 state demand for those products, and simply giving them more
8 milk doesn't mean that more product will be consumed; is that
9 correct?

10 A. I believe that's accurate.

11 Q. And on the following page, which is the sixth page of
12 the publication, top of the page, with the heading California
13 Supply Management. The middle paragraph on that page, towards
14 the bottom of the sentence that says, "it did not take long for
15 a proliferation of milk supply management programs to merge
16 across California."

17 Do you see that sentence?

18 A. Yes.

19 Q. Okay. When I read the word "proliferation" I infer a
20 variety. Can you describe characteristics of variety among
21 various plans of which you are aware?

22 A. Well, I suppose if you asked me at the time I wrote
23 this I could tell you, but as of today I can't tell you very
24 much about what those programs are. I do know that at the time
25 they were all different. They are all their own set of rules,

1 none of them operated exactly the same way, but they all were
2 released or implemented with a very short window of time.

3 Q. Okay. And they were stimulated, correct me if I'm
4 wrong, because in 2007, 2008, there was insufficient capacity
5 during some months to handle California's production, and there
6 was, in fact, milk that was shipped out-of-state in order to
7 find a home, correct?

8 A. Yes, I think in general that is true, although the
9 specifics that we just eluded to, my knowledge of what happened
10 and are accompanied CDI.

11 Q. Your current recollection of the supply management
12 programs emerging after 2007, 2008. Do you have a memory
13 enough to say that at least one thing they had in common was a
14 deep discount in the price paid to dairy farmers for milk
15 produced in excess of a certain volume in the event of a
16 certain occurrence?

17 A. I wouldn't say that, because I don't know that. But
18 even in our own situation, I would not describe it that way.

19 Q. You would not?

20 A. No.

21 Q. Okay. What about the first component payment to dairy
22 farmers of a significant discount?

23 A. That's the part I'm not agreeing with.

24 Q. Oh, okay. What -- you don't agree with the word
25 significant?

1 A. No, I don't.

2 Q. Would discount be accurate, however?

3 A. There would have been a discount, but at least, again,
4 I don't know the other programs, I don't know how they
5 operated, but in our case, it was on a fixed number. It was
6 something that fluctuated with the ability for the Cooperative
7 to find homes for the milk, and sometimes it was a discount,
8 but on a smaller variety, and sometimes got to be quite large,
9 but it was not consistently large discount.

10 Q. Okay. Got it. Is that true for the current supply --
11 well, first of all, there is a supply management program within
12 CDI at the current time?

13 A. Yes, it is operated continuously since it was
14 implemented in 2008.

15 Q. So you have a current recollection of what exists in
16 CDI today?

17 A. Yes.

18 Q. Okay. And that is what you described are discounts,
19 varying amounts in varying circumstances?

20 A. We have only had a charge back to the membership on
21 milk shipped over production base, once in the last four years.
22 One month.

23 Q. One month. That's a description of a current, so the
24 discount -- is there a formula or policy applied that would
25 serve as a visual disincentive for overproduction?

1 A. No. There is a policy that was approved by the Board,
2 Board of Directors, and that is proprietary, and I will not
3 share that today, but there is a policy that it is known to at
4 least the Board of Directors that manage California Dairies.

5 Q. Okay. If you turn to the next page, which is the
6 seventh page of the dairy situation and outlook paper. The
7 third line sentence, "most, if not all, of these programs
8 remain in place, but penalties are not being administered."

9 Do you see that?

10 A. Yes.

11 Q. Okay. You indicated that as a truth in 2010. Has it
12 continued to be a truth through 2015, penalties are not being
13 administered?

14 A. Not sure about anything other than our own program, and
15 as I said, we haven't administered a penalty for overbase
16 shipments of milk, other but one time, one month in the last
17 four years. Not sure about the other programs.

18 Q. And in the following sentence you refer to, well, why
19 don't you read the following sentence out loud, "other
20 factors?"

21 A. "Other factors have surfaced in the last two years that
22 have effectively limited milk production in California, as
23 would any of the supply management programs, namely
24 profitability."

25 Q. As I understand what you are saying there is, that

1 producers cut back on production as producers in the aggregate
2 have less profitability, correct?

3 A. I think that's generally true. And again, I can only
4 speak as an authority on what's happening at California
5 Dairies. The profitability was a major deterrent to
6 overproduction of milk.

7 Q. Okay. Was a newspaper article once that quoted Mark
8 Stephenson as saying, "The solution to low prices is low milk
9 prices." Is that basically the same thing?

10 A. It may be, but you probably should talk to
11 Dr. Stephenson about what he meant there.

12 Q. Okay. I'm going to the eighth page of your report.
13 There's a chart figure down there, just for reference to the
14 page.

15 On the third line there's a term used on the following
16 sentence:

17 Bear in mind that prices for almost all feeds have
18 increased simultaneously. The so-called
19 sympathetic price increases are of evidence across
20 all feed stuffs when the price of one major
21 commodity increases suddenly.

22 I'm not sure I understand sympathetic price increases,
23 maybe sort of like sympathetic labor pains that husband's feel.

24 A. I think you are on the right track.

25 Q. Okay. So would it be correct to say then, that if a

1 necessary and significant feed stuff ingredient increases in
2 price, suppliers of other feed stuffs see an opportunity to
3 price their alternative feeds accordingly?

4 A. There may be some actual reasons to do that, so if you
5 have a significant weather event that affected corn, it might
6 have affected other crops as well. But I think, again, I think
7 you are on the right track.

8 Q. Okay. And then the balance of your presentation before
9 you conclude, you make a comparison of "cost of production
10 relative to milk income for California dairy farms." Your
11 source there for cost of production would be CDFA cost of
12 production data; is that correct?

13 A. I think so, but I'm trying to read through this as you
14 are asking the question. I think that's right.

15 Q. They provide quarterly information to CDFA?

16 A. Yes, yes.

17 Q. And the milk income data would -- what's the source of
18 that, if you remember, in this report?

19 A. I do not remember. Although, I have to think that it
20 also came from the Department since I put them on the same
21 chart, but I don't remember exactly.

22 Q. Okay. Is it true that CDFA's cost of production
23 include like -- includes like most milk cost of production
24 data, a feed component, correct?

25 A. Yes.

1 Q. And then is it true that that feed component uses a
2 derived or imputed value for some things such as the value of
3 alfalfa grown on the farm, giving it the same value as
4 purchased alfalfa?

5 A. There is a way -- there's a method that they use to
6 reconcile the difference between buying it, a feed, and growing
7 it at a producer growing it themselves, but I do not know what
8 that is.

9 Q. Okay. Do you know if it includes innovative
10 alternative feed sources such as have been discussed
11 occasionally here from other agriculture outputs in California,
12 such as almond hulls, or beef pulp, or other agriculture
13 byproducts that might be available from nearby farming
14 operations?

15 A. I don't know. I think so. I think it's when they do
16 the surveys of the individual producers, I believe it's
17 representative of each of those producers and it doesn't follow
18 a specific formula, so-to-speak, but I couldn't tell you
19 exactly if that's true or not. I believe that's correct.

20 Q. Okay. And the CDFA cost of production data includes
21 some imputed costs like owner, owner-family, labor return on
22 investments, correct?

23 A. Yes, I have got some adjustments in there for that.

24 Q. Okay. Thank you.

25 Your Honor, I ask that Exhibit 51 be received?

1 JUDGE CLIFTON: Does anyone have any questions for Dr. Erba
2 about Exhibit 51 before you decide whether you have any
3 objections? No one.

4 Is there any objection to the admission into evidence
5 of Exhibit 51? There is none. Exhibit 51 is admitted into
6 evidence.

7 (Thereafter, Exhibit Number 51 was
8 received into evidence.)

9 MR. VETNE: Next I'm going to ask the witness to identify a
10 letter petition dated June 16, 2014.

11 JUDGE CLIFTON: Ms. Frisius, should we mark this one as
12 Exhibit 52?

13 MS. FRISIUS: This is marked as Exhibit 52.

14 (Thereafter, Exhibit Number 52 was marked
15 for identification.)

16 JUDGE CLIFTON: We have run just shy. Shall we make a
17 couple more copies? Please raise your hand if you want one and
18 didn't get one. All right. You may proceed.

19 BY MR. VETNE:

20 Q. Okay. Dr. Erba, do you recognize this letter?

21 A. I do.

22 Q. It's a letter petition that you authored for California
23 Dairies, Inc., and submitted to CDFA Secretary Ross for a Class
24 4a hearing; is that correct?

25 A. Yes.

1 Q. Rob Vandenheuvel had a list of recent hearings on page
2 2 of his testimony, and I'm not sure I saw a hearing
3 approximate to June of 2014. Did a hearing result from your
4 petition?

5 A. No.

6 Q. Okay. And in this -- you made this request because the
7 cost of converting milk to butter and nonfat dry milk had
8 increased; is that correct?

9 A. The Department conducts manufacturing costs studies
10 every year, publishes results, and what we are, what we are
11 paying attention to, and will be normally pay attention to
12 every year, is the relative difference between the current
13 manufacturing cost allowances that are in the pricing formulas,
14 and what the cost data results say. And if there's a wide
15 enough gap, there would be normal way to bring that to the
16 Board's attention, our Board, CDI's Board, and ask them for
17 direction, and then they would further direct us as to what to
18 do.

19 Q. Okay. So in this case, the Board directed you to
20 petition CDFA for a modification of the manufacturing
21 allowance, make allowance in the formula, correct?

22 A. For the Class 4a formula, yeah.

23 Q. Okay. And I think you and I had a conversation before
24 we ended on Friday, and a reason that that's important is so
25 that all farmers share equally in the burden of disposing of

1 surplus products, and they are not disproportionately borne, in
2 the case of 4a, by CDI producers, more than other producers
3 generally in the pool, correct?

4 A. I think that's generally correct, but I don't know that
5 our board and CDI staff discuss it that way. We discuss it as
6 the Department has a core group that goes out -- they are
7 experts -- they go out and collect information on cost studies.
8 They take the time to do that, they publish the results, and
9 then the results end up sitting on a shelf unless you do
10 something with them. And that was our, the reason for our
11 action is, we want to see the information that was being
12 collected and published was actually being used.

13 Q. Okay. On page 2 of your letter, middle paragraph,
14 where -- the next paragraph there, fourth line down, it is the
15 sentence, I'll read it.

16 Simply, the manufacturing cost allowances should
17 be consistent with actual cost for processing. In
18 the butter commodity price, it should be adjusted
19 by a factor that reflects what California plants
20 actually receive for the products they market.

21 Do you see that?

22 A. Yes.

23 Q. Okay. By a reflection of what California plants
24 actually receive for the products they market, are you there
25 referring to, in this case, the price of butter FOB California

1 origin source?

2 A. Right. So that would be the, as the CDFA staff goes
3 out and audits the plants for their cost, part of the
4 information they pick up is how much were they paid, or in this
5 case, bulk butter that was sold in specific months.

6 Q. Okay. Is there any different economic rationale, other
7 than, look at the price reflecting what California plants
8 actually receive for the products they market, when one is
9 referring to a product other than butter, such as cheese or
10 nonfat dry milk?

11 A. I'm not sure I follow you here.

12 Q. My question, you were specifically here referring to a
13 butter?

14 A. Yes.

15 Q. FOB adjustment?

16 A. Right.

17 Q. That you referred in the plural to plants and products.
18 Would what you say for butter also be true for other products
19 that in setting the price, look at California plants can get
20 for them?

21 A. In the case of powder, I suppose you could do it. But
22 because the pricing system in California already references a
23 California base price, there's probably no reason to do that.

24 Q. For nonfat dry milk, the Western nonfat price is, in
25 effect, a California FOB price, correct?

1 A. I -- well, except for the Dairy Gold, but, yes, they do
2 an internal California assessment of what that price is, and
3 there's probably no reason to adjust it. But from what I have
4 said on butter, you can also make the same argument for cheese,
5 in fact, that's what CDFA does, they do it for both butter and
6 cheese.

7 Q. And not only do they do it, but there's rational
8 economic basis for doing it whether CDFA does it or not,
9 correct?

10 A. I think it is always good to have the information
11 available, yes.

12 Q. Now, if a Federal Marketing Order is adopted and sets a
13 Class 3 price, a reference price, it doesn't bear a reflection
14 of the price that, in the case of Federal Class III, California
15 cheese plants can get for the products they sell in California?

16 A. Just as with our butter producing operations, we report
17 that to USDA, as I'm sure the cheese plants do, so we do become
18 part of that national survey.

19 Q. Actually, I wasn't -- that's part of the survey. Okay.
20 Let me get back to my other question.

21 It's your understanding that when USDA surveys, it
22 surveys a cross-section of plants and transactions across the
23 country in that product, in the case of cheese, cheddar cheese?
24 In the case of powder, powder nonfat dry milk? A cross-section
25 of plant's various transactions at various places in various

1 plants, correct?

2 A. I think so, but I'm not exactly sure how they split
3 that up.

4 Q. Okay. To ascertain whether -- whether those surveys
5 are weighted spatially, geographically to one region or
6 another, one could surmise from dairy products report as
7 produced by NASS, be that good or bad, that relatively
8 speaking, a portion of more cheese is produced in the Midwest
9 in proportion to more NFEM is produced in the West, correct?

10 A. If you said quality, I would say I'd probably agree
11 with you, but I don't know what those exact numbers do look
12 like. But just based on my knowledge about what those plants
13 are, where they operate, I would say what you said is true.
14 But as far as information that would be reported to or reported
15 out of NASS, I don't know how that they would do that. I don't
16 know if they can do that for confidentiality reasons.

17 Q. Okay. If there is a Federal Order in California, and
18 the Federally regulated price for milk used to produce butter
19 and nonfat dry milk is greater than the amount that CDI can
20 recover from the market in California, have you given
21 consideration to contingencies on how that loss will be
22 distributed among your membership or other producers?

23 A. Well, I'm hopeful there aren't any losses. We do other
24 things besides produce butter and powder, and it may be that
25 our product plants suffer somewhat on profitability under a

1 Federal Order in California, but the challenge is still to make
2 -- are two-fold. To provide a service to our members and to
3 try to achieve profits. We have kind of a two-prong approach
4 here.

5 We don't do only butter or powder, we do other products
6 as well. We do cream and condensed, and we provide milk to
7 other entities, and the combination of that would be, we would
8 be -- we would going toward our profitability. So although we
9 may be challenged on one aspect of the business, it will just
10 be a contingent upon, or it will be a challenge for us to try,
11 to the staff of CDI to continue profits at a reasonable level,
12 even if they are a slightly reduced level.

13 Q. Does -- well, I don't mean to be flip in this question,
14 but when I asked about contingency plans, you said were you
15 hopeful. And if you have any, apart from wishful thinking,
16 could you indicate whether you do, the next question might be a
17 little more nosey. But, do you?

18 A. I think you can appreciate, Mr. Vetne, that kind of
19 depends on what the decision is that comes out of this entire
20 process. But CDI, in general, is looking to move away from
21 bulk commodity-type products, like a bulk butter or a nonfat
22 dry milk, into more specialty products. And that will be a
23 transition over a period of years. But that is our focus right
24 now, is to move into other products besides a bulk
25 commodity-type products upon which the prices are usually

1 based.

2 Q. Is it your opinion that a Federal Marketing Order, if
3 adopted, will provide you opportunities that do not now exist
4 under the State Order to transition to other kinds of products
5 like you described?

6 A. I don't think so. These plans have been in place for a
7 couple years now, and they will continue to follow them, no
8 matter what the regulatory environment is, whether it is the
9 State Order or a Federal Order, we'll continue on this path.

10 Q. Okay. Is it your belief that operating losses for
11 butter powder plants will stimulate that search for alternative
12 uses in a way that breaking even has not stimulated up until
13 now?

14 A. Again, I don't think so. Like I said, the plans have
15 been in place for sometime, and I don't think we're going to
16 wait around to see what the result is. We have got the
17 strategy set and we're going to try to move forward as best we
18 can under whatever the regulatory environment is.

19 Q. Okay. Thank you. Your Honor, I'd ask that Exhibit 52
20 be received. No more questions on it?

21 JUDGE CLIFTON: Does anyone have any questions for Dr. Erba
22 to determine whether you object to Exhibit 52 being admitted?
23 No one does. Is there any objection to the admission into
24 evidence of Exhibit 52? There is none. Exhibit 52 is admitted
25 into evidence.

1 (Thereafter, Exhibit Number 52 was
2 received into evidence.)

3 MR. VETNE: Your Honor, I have one more document and then
4 I'll sit down. It's an excerpt from transcript of testimony of
5 Dr. Erba at a hearing before CDFA on Monday, May 20, 2013. The
6 entire, his entire testimony is excerpted, but not the entire
7 transcript. I'll show it to the witness and provide the charge
8 with a copy.

9 JUDGE CLIFTON: Ms. Frisius, will this be Exhibit 53?

10 MS. FRISIUS: It will be.

11 JUDGE CLIFTON: Thank you. This will be Exhibit 53.

12 (Thereafter, Exhibit Number 53 was marked
13 for identification.)

14 JUDGE CLIFTON: All right, thank you.

15 BY MR. VETNE:

16 Q. Everybody has one. Thank you.

17 Dr. Erba, do you recall appearing at a CDFA hearing on
18 May 22, 2013, to discuss class price formulas and, in
19 particular, but not exclusively, 4b whey formula?

20 A. Yes.

21 Q. There was one of the hearings on Mr. Vandenheuvel's
22 list, on page 2 of Mr. Vandenheuvel's testimony.

23 And we see your testimony beginning on page 49 and 50
24 of the transcript of that proceeding.

25 A. Yes.

1 Q. Okay. Do you recall being there?

2 A. Yes.

3 Q. Okay. You were there in particular to advocate for
4 improving the way whey is accounted for in the California Class
5 4b milk price formula, correct?

6 A. Yes, we had a series of hearings on that same issue.

7 Q. Now, if you look at page 51 of the transcript, second
8 full paragraph, it is only two sentences, the second sentence
9 reads:

10 Our proposal will bring equity to the price of
11 milk used in cheese processing and will also
12 provide California Dairy producers the relief they
13 need.

14 I want to direct your attention to the word equity.
15 And tell me in which way the 4b price was, at the time,
16 inequitable and in what way your proposal would make it
17 equitable or more equitable?

18 A. As I said, we have a series of hearings over the same
19 issue, and our intent was to bring that California price, 4)
20 price, in better alignment with the Federal Order price, the
21 Class, Federal Class III price.

22 Q. "By in line with," do you mean a price that would move
23 up and down in concert, or close to concert with the Federal
24 Class III price?

25 A. I think that's an accurate description.

1 Q. At the bottom of page 52, the last full sentence, you
2 state:

3 Instead, we are proposing what we believe
4 represents a solution to the milk pricing inequity
5 that can be justified based on milk prices in
6 surrounding states and market conditions facing
7 the dairy industry.

8 In that part of your testimony, were you referring in
9 part, to the statutory directive governing CDF activities that
10 Mr. Vandenheuvel talked about, statutory directive that the
11 CDFA consider milk prices in other states?

12 A. No. I think throughout, at least -- probably gonna
13 misstate this -- but we have tried not to go back to the
14 California Food and Agriculture Code and underscore repeatedly
15 the Code Sections are there, the guidance that they provide.
16 Our appeal was that we felt the prices were not aligned
17 correctly, and we appealed two things other than the Food and
18 Ag Code to get them back into alignment. That's why when you
19 look, I think, at that testimony, although I'm not totally
20 certain, we don't do an extensive job from citing Food and Ag
21 Code Sections.

22 Q. Okay. Continuing through page 54, the paragraph that
23 begins in full there, you say:

24 Second to when making class by class comparisons
25 of California milk prices with those in other Milk

1 Marketing Orders, only one class of milk stands
2 out in the comparison as not being at all close to
3 its federal counterpart, and that's Class 4b --
4 that's State of California 4b -- while California
5 prices do not have to match milk prices found in
6 other marketing orders, the prices ought to be
7 reasonably close.

8 Do you see that?

9 A. I actually believe if you gave me a line number that
10 would be.

11 Q. Line 6 through 13.

12 A. That's better.

13 Q. If that helps. Page 54, line 6 through 13.

14 A. I'm on the wrong page, that would help.

15 Q. 54, yes okay.

16 A. I'm sorry, did you ask me a question and I'm not
17 answering it?

18 Q. And I read that paragraph, line 6 through 12, and then
19 you proceed to compare butter, milk, fluid, Class 2 and Class 3
20 in the testimony that follows.

21 Do you see that?

22 A. Yes.

23 Q. Good. And then on the top of page 55, after going
24 through that exercise, your testimony was:

25 I suggest that for those price comparison and

1 acceptable level of price difference between
2 California prices and Federal Order prices is
3 demonstrated.

4 Do you see that?

5 A. Yes.

6 Q. And for each of those products other than 4b there was
7 a somewhat lower price in California, correct?

8 A. I believe so, yes. It looks like it, yes.

9 Q. Yes. But there are prices that, using the word I used
10 before, moved, more or less in concert with the Federal Order
11 price, even though they were not at the same level as Federal
12 Order prices, correct?

13 A. Yes, they tended to move reasonably well together.

14 Q. Okay. And that's what you refer to in your testimony
15 there in 2013 as an acceptable level of price differences
16 between California and Federal Order markets?

17 A. Let me -- let me explain this a little bit. We said it
18 was an acceptable level, didn't say we agreed with it.

19 Q. Your testimony now is that by acceptable level, it is
20 something you could live with, but you didn't mean to imply
21 that you wouldn't like more?

22 A. Well, it's again, this is a series of hearings that we
23 went through with CDFA, and it was fairly apparent that CDFA
24 was not going to get to the point of giving California exactly
25 the Federal Order prices for every class. And, again, back to

1 the comment of acceptable levels. We just resided on the fact
2 we were never going to get to the prices that would put us in
3 concert with the Federal levels, so there is going to be a
4 difference, and we accepted that on all but one of the classes.

5 Q. Okay. And that class was 4b?

6 A. The Class 4b, California Class 4b, Federal Class III.

7 Q. Right.

8 A. Difference.

9 Q. Which you address in the following paragraph which I
10 will read. That is page 55 of this transcript, starting with
11 line 15:

12 I will make one final point in support of
13 California's dairy proposal. Recently, the
14 California Dairies receive the results of a study
15 that reviewed the potential impacts of a Federal
16 Milk Marketing Order in California. We, along
17 with Dairy Farmers of America and Land O'Lakes,
18 co-funded a study from Doctors Mark Stephenson and
19 Chuck Nicholson. The study identified a large
20 Class 4b, Class III spread as being problematic
21 and suggested that a manufacturing differential in
22 the Class III price could resolve the problem of
23 higher milk prices, while simultaneously
24 encouraging pool participation by cheese plants.
25 A level of the differential is about 70 cents.

1 In other words, the study suggested that
2 California price for milk used for cheese ought to
3 be 70 cents less than the Federal prices.
4 That 70 cent differential is approximately the
5 same as what is represented in AB 31, and is about
6 the same as the \$1.20 increase in the Class 4b
7 price we are proposing today.

8 That quote ends on the excerpt of the transcript, page
9 56, line 7.

10 At the time you gave this testimony, you were conveying
11 to CDFA at least, that a differential between the California
12 price of milk used to produce cheese, and the Federal price of
13 milk used to produce cheese of 70 cents, would be an acceptable
14 and appropriate level. Correct?

15 A. Yes. We had several proposals. That would have been
16 about the level, again, recognizing that we were not going to
17 get the CDFA Secretary of Agriculture to concede to exactly a
18 Federal Class III price in California, so we were trying to
19 offer something that was a reasonable compromise. An increase
20 from where it was, but not as high as the Federal level Class
21 III price.

22 Q. All right. You continue on to discuss Class 4a. And
23 there had been an increase in the 4a price, as I understand it,
24 of about 25 cents per hundredweight equivalent prior to that?

25 A. It says 30 here.

1 Q. By the same 30 cents, okay.

2 Starting on line 17, page 56 of the transcript, I'll
3 read:

4 Because nearly all butter and powder processing
5 facility is owned by producers and not by
6 proprietary companies, increasing the Class 4a
7 price only functions to redistribute money from
8 producers who have made investments in butter and
9 milk powder processing facilities to those
10 producers who have not. This is entirely counter
11 to the concept of increasing milk prices to
12 provide equitable milk price assistance to all
13 producers. The higher the increase in Class 4a
14 milk price, the less equitable the milk pricing
15 system becomes. From the perspective of a CDI
16 member, this caution appeared to be largely
17 ignored when the Department issued its decision.
18 Basically, CDI members will net only 7 cents more
19 in their milk prices as a result of the December
20 12 milk price hearing.

21 JUDGE CLIFTON: I'm sorry, I really think you ought to read
22 that whole phrase, 7 cents per --

23 MR. VETNE:

24 7 cents per hundredweight more in the milk price
25 as a result of the December 2012 milk price

1 hearing. The reason is, that CDI members will
2 have to give back about 18 cents per hundredweight
3 of the 25 cents per hundredweight in the form of
4 higher prices paid by their Cooperative for milk
5 processed into butter and milk powders. In
6 contrast, a producer who does not belong to a
7 processing Cooperative and has no investment in
8 the processing capacity will receive the full 25
9 cents price increase.

10 JUDGE CLIFTON: 25 cent --

11 MR. VETNE: Per hundredweight price increase.

12 BY MR. VETNE:

13 Q. Let me see if I can translate this, if my understanding
14 is correct.

15 If the Class, California Class 4a price is set at a
16 level you can't recover at a level in the marketplace, you have
17 to account to, CDI has to account to the pool for the whole
18 price increase, correct?

19 A. Yes.

20 Q. But if you, thereafter, are able to sell your butter
21 and nonfat dry milk only at a loss, your producer, your member
22 producers, exclusively share that loss while everybody shares
23 in the higher resulting price, correct?

24 A. I think that's generally correct, yes.

25 Q. Okay. Now, on page 56, lines 17, and 18, 19, you

1 distinguish between processing facilities owned by producers
2 rather than proprietary companies.

3 Is it your opinion that a price setting milk rate,
4 price setting agency, can charge a price more readily that
5 creates a loss for proprietary-owned company than a
6 Cooperative-owned company?

7 A. What that refers to is the -- it's not in here, but the
8 history of CDFA and its decisions when they make these pricing
9 adjustments, particularly temporary ones. And that was, they
10 very rarely charge Class 4a and 4b at the same rate,
11 recognizing that 4a was largely held by producers, butter
12 powder operations largely held by producers. And they
13 recognize that if you charge the, if you increase the 4a and 4b
14 price by the same, you are differentially hurting the producers
15 who own butter powder facilities. And this was just a sort of
16 reminders I guess, to CDFA that they were changing what they
17 had been doing for years, if not decades.

18 Q. Okay. Can you come up with an economist's rationale,
19 if there is one, for covering the margin required by butter
20 powder plants to operate, but not covering the margin required
21 by cheese plants to operate based on the type of ownership?

22 A. I could only do so in the sense of a regulator if the
23 attempt is to increase prices to producers. And in that vain,
24 then, yes, I could differentially charge, or increase the price
25 for 4b differently than 4a, if my outcome goal was to increase

1 prices to producers.

2 Q. Would you agree that if that is your goal, it would
3 indeed be a short-term goal because the capacity would
4 eventually evaporate?

5 A. I think almost in every instance that I could think of,
6 it was always a short-term goal.

7 Q. Okay. Is the outcome you want from this proceeding by
8 USDA a long-term rather than short-term solution for
9 California?

10 A. It is a long-term solution and to require that my
11 company makes some changes along the way as we get there.

12 Q. Thank you.

13 I would like Exhibit 53 be received.

14 JUDGE CLIFTON: Does anyone want to question Dr. Erba on
15 Exhibit 53 before determining whether you have any objection?
16 No one. Is there any objection to the admission into evidence
17 of Exhibit 53? There is none. Exhibit 53 is admitted into
18 evidence.

19 (Thereafter, Exhibit Number 53 was
20 received into evidence.)

21 MR. VETNE: Thank you, your Honor, I'm through.

22 JUDGE CLIFTON: It's 4:44. I have two questions. The
23 first is if, Dr. Erba, will you be here tomorrow?

24 DR. ERBA: It seems like I will have to be.

25 JUDGE CLIFTON: That's what I wanted to hear.

1 Now I would like a show of hands of those of you who
2 have additional questions for Dr. Erba? Lots of us, including
3 I do, Dr. Erba. So we can do a little more tonight, but the
4 rest we'll have to save for tomorrow. So is there someone that
5 would like to make use of about the maximum would be ten
6 minutes now?

7 MR. MILTNER: Your Honor, with some careful planning, I
8 think I can conclude in less than ten minutes.

9 CROSS-EXAMINATION

10 BY MR. MILTNER:

11 Q. Ryan Miltner on behalf of the Select Milk Producers.

12 Dr. Erba, way back on Friday, do you recall generally
13 the questions that Mr. English had asked you?

14 A. I tried to forget them, but, yes.

15 Q. I understand.

16 A. Yes.

17 Q. Do you recall his colloquy with you about the treatment
18 of a handler purchasing, a handler located in California,
19 purchasing milk from a farm located out-of-state?

20 A. Yes.

21 Q. Okay. I would like to examine that a little further, I
22 would like to look at the farm side of that transaction. So in
23 the current, under a current California Order and I guess I'm
24 looking for you to acknowledge whether I'm correct on this, the
25 out-of-state farm selling to a California handler can be paid

1 whatever price the plant chooses to pay; is that correct?

2 A. I believe that's correct.

3 Q. And so that farm, in a rational economic market, the
4 plant is going to want to pay less than it would pay to a farm
5 in-state, correct?

6 A. If everything is equal economically, then, yes.

7 Q. Okay. And the farm is going to want to receive more
8 than what whatever it will receive in its, we'll call its homer
9 market or local market, correct?

10 A. Whatever its next best option would be.

11 Q. Okay. Now, if a California Federal Order is
12 implemented, now that plant must pay the minimum regulated
13 price to that producer, correct?

14 A. Correct.

15 Q. And under the Proposal Number 1, that would apply
16 equally to a Class 1 plant or a plant of any other use,
17 correct?

18 A. Right. So they would be following the prices that have
19 been announced depending on what products they actually
20 produce.

21 Q. And so what we have is with the implementation of a
22 California Order, are we not actually achieving handler equity
23 so that all handlers supplying California are going to be
24 paying the same price for their milk, correct?

25 A. All handler supplying California?

1 Q. I'm sorry. All handlers -- all handlers purchasing
2 milk that are pooled in California?

3 A. I think so. I think if we are on the same page, yes.

4 Q. Okay. So that by implementing the California Federal
5 Order, we achieve one of the goals of regulation, which is to
6 to have handler equity, correct?

7 A. That is the attempt, yes.

8 Q. Okay. Now, on the producer side of that transaction,
9 and I want to focus specifically on what happens under
10 Proposal 1. The out-of-state producer shipping to that plant,
11 the California plant, is that farm able to own California
12 quota?

13 A. Not if that farm is located outside of California.

14 Q. And so under Proposal 1, what would that producer
15 receive?

16 A. That producer would receive I think what we have called
17 the uniform nonquota price.

18 Q. And can you expand on what the uniform nonquota price
19 is?

20 A. So on, I know it is in the proposal somewhere as far as
21 the language goes, we quote the actual Code Section which does
22 this. I believe it's 1051.62, 61 and 62, which discuss the
23 pricing so the, after the pool, the revenue pool from milk
24 sales is collected, formed, and the prices are now, before
25 prices are announced, the Market Administrator would take from

1 that the quota premium, the information from which would come
2 from CDFA, and then after that is done and that is removed, to
3 announce the, or to calculate the uniform price, the nonquota
4 uniform price. I probably didn't explain that too well.

5 Q. Well, I think you did. Let me see if I understood it
6 correctly. That once all the revenue is paid into the pool,
7 quota is paid out, correct?

8 A. It's not paid out, it's taken out. So it's -- yes,
9 taken out is probably a better term.

10 Q. What difference do you see between taken out and paid
11 out, I'm just curious?

12 A. Well, because it's not paid yet. It is just, at this
13 point, it is just calculations.

14 Q. Okay. So once you take the pooling of funds, you take
15 out the quota, the quota value.

16 A. Quota premium.

17 Q. Quota premium?

18 A. Yes.

19 Q. Okay. And the remainder is what is the --

20 A. The remainder is what becomes the nonquota uniform
21 price.

22 Q. Nonquota uniform price. Thank you. In that situation,
23 is there not an economic disincentive to producers outside of
24 California to supply milk to the California market?

25 A. I guess it depends on what that next best option

1 discussed a few minutes ago might be. There may not be any
2 other options, there may be several other options, I do not
3 know.

4 Q. Nevertheless, that farm is never in a position to
5 receive a full uniform price since they are not eligible to own
6 quota, correct?

7 A. That's correct.

8 Q. So while you have handler equity, you don't have
9 producers supplying the same area, being paid the same, and to
10 take it a step further, you, whereas a producer in California
11 can make the election to purchase quota, the out-of-state
12 producer is permanently left in that position, correct?

13 A. Correct. I would just point out that the nonquota
14 holder in California and the nonquota holder outside of
15 California, would be eligible for the same price.

16 Q. They'd both be eligible for the?

17 A. Nonquota uniform.

18 Q. Nonquota uniform price. I realize we just talked over
19 each other, I know, I apologize. But the producer, only the
20 producer in California is eligible to purchase quota?

21 A. Only -- it is dependent on the location of the dairy
22 farm, the person.

23 Q. Correct.

24 A. Correct.

25 Q. And that's a matter of California law, it's not a

1 matter of regulation, correct?

2 A. That's correct. It is in a California statute.

3 Q. Is there anything -- maybe rephrase that a touch. Was
4 there consideration given to dividing the producer settlement
5 fund pro rata into an in-state and out-of-state producer pool?

6 A. I don't think we ever talked about that. Although we
7 did discuss the possibility of changing California statute to
8 allow quota to be available to producers outside the state. It
9 was part of the discussion and we ultimately decided changing
10 California law for this purpose was probably not an avenue we
11 wanted to go down.

12 Q. Would -- and I know there's going to be no answer to
13 that, at least I don't think there will be. Would the
14 Cooperatives entertain a modification to their proposal to
15 account for out-of-state milk and to create a separate
16 out-of-state Producer Settlement Fund?

17 MR. VLAHOS: Objection, your Honor. John Vlahos, your
18 Honor.

19 I don't think it is fair for this witness to be asked
20 on the stand to take a position on behalf of the three
21 cooperatives who are the proponents of Proposal Number 1.

22 MR. MILTNER: Your Honor, if I may, with all due respect to
23 Mr. Vlahos, that's why I prefaced the question with "you may
24 not be able to answer this right now," but I certainly wanted
25 to suggest it. And I don't know that it's an objection to be

1 ruled upon. If he wants to instruct his witness not to answer,
2 that's fine.

3 MR. ENGLISH: Chip English. I would note that at the
4 beginning of the cross-examination of Dr. Erba by the attorney,
5 well, by Ms. Hancock, there was sort of a similar line of
6 questions with respect to a different issue, and the witness
7 there was no objection raised, and the witness answered those
8 questions. I think these are appropriate questions.

9 MR. MILTNER: Thanks, Mr. English, for reminding me of
10 that.

11 JUDGE CLIFTON: And I think Dr. Erba should think about it
12 overnight. It's now, 4:56. See you in the morning. Thank
13 you. Oh wait, we have one more thing.

14 MR. HILL: Brian Hill. I hate to do this, but I am of the
15 belief that Mr. Doornenbal was not sworn in, so I don't know if
16 this is something to be addressed now, because he's coming
17 back.

18 JUDGE CLIFTON: It is because he is still here. Would you
19 come forward to the podium? I so appreciate when people let me
20 know these things, because --

21 MR. HILL: I forgot, too.

22 JUDGE CLIFTON: They are easily remedied. So would you
23 state your full name and spell it again for us, Mr. Doornenbal?

24 MR. DOORNENBAL: My name is Rien Doornenbal. R-I-E-N,
25 D-O-O-R-N-E-N-B-A-L.

1 JUDGE CLIFTON: Thank you. I would like to swear you in
2 now, just in case I forgot to before you testified.

3 Would you raise your right hand, please? Do you
4 solemnly swear or affirm under penalty of perjury, that the
5 evidence you will present will be the truth?

6 MR. DOORNENBAL: I do.

7 JUDGE CLIFTON: And as to the evidence you already
8 presented, because testimony is evidence, was it true?

9 MR. DOORNENBAL: It was.

10 JUDGE CLIFTON: Thank you. You may step down. Thank you
11 very much Mr. Hill. Ms. Frisius?

12 MS. FRISIUS: I believe that --

13 JUDGE CLIFTON: Would you come to a microphone?

14 MS. FRISIUS: I believe Exhibit 50 and 53 have not been
15 accepted into evidence today.

16 JUDGE CLIFTON: I did admit 53, didn't I? 53, now 50, that
17 was Vandeneuvel's testimony, I'm pretty sure I admitted it,
18 but I can admit it twice just in case. Is there any objection
19 to the admission into evidence of the testimony of Rob
20 Vandeneuvel, which is Exhibit 50? There is none. Exhibit 50
21 is admitted into evidence. Thank you, Ms. Frisius. All right.

22 You are welcome tomorrow to come as early as 8:00
23 tomorrow morning, we will not go on record until 9:00. We go
24 off record at 4:59.

25 (Whereupon, the evening recess was taken.)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

COURT REPORTERS CERTIFICATE

STATE OF CALIFORNIA)
) ss.
COUNTY OF FRESNO)

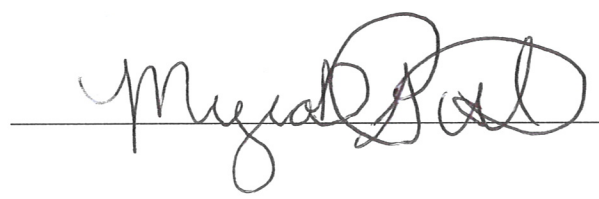
I, MYRA A. PISH , hereby certify:

I am a duly qualified Certified Shorthand Reporter, in the State of California, holder of Certificate Number CSR 11613 issued by the Court Reporters Board of California and which is in full force and effect.

I am not financially interested in this action and am not a relative or employee of any attorney of the parties, or of any of the parties.

I am the reporter that stenographically recorded the testimony in the foregoing proceeding and the foregoing transcript is a true record of the testimony given.

Dated: October 20, 2015



| | | | | |
|---------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | actually (12) 1944:3;1953:15, 15;1957:5;1958:1; 1965:17;1981:7; 1983:18;1985:4; 1991:20;1997:24; 1999:6 | agreement (2) 1961:14;1980:16 | annual (6) 1959:24;1969:5; 1986:23;1987:2,11; 1988:25 | August (3) 1989:7,13; 1990:18 |
| \$ | | Agreements (1) 1945:17 | appeal (1) 1960:25 | authorizing (1) 1980:10 |
| \$1.5 (2) ,1977:12 | add (3) 1964:21;1969:21; 1974:25 | Agricultural (5) 1940:5;1945:21; 1977:9;1980:15,16 | appears (1) 1972:11 | availability (3) 1942:18;1943:10; 1986:4 |
| \$14.50 (1) 1954:12 | addition (5) 1959:8;1960:8; 1962:6;1964:4; 1992:12 | Agriculture (6) 1945:18;1953:21; 1974:9;1980:1; 1982:2,11 | appreciate (3) 1969:19;1970:10; 1983:23 | available (8) 1944:22;1945:2; 1948:16;1979:1,14; 1980:12;1988:24; 1994:1 |
| \$14.72 (1) 1979:4 | additional (5) 1945:15;1949:5; 1969:1;1978:16; 1981:21 | ahead (2) 1943:17;1994:13 | approach (1) 1944:12 | average (6) 1968:12,16; 1977:21;1979:2,6,6 |
| \$18.74 (1) 1979:3 | adequate (1) 1980:23 | Alex (1) 1999:5 | appropriate (1) 1998:19 | avoid (1) 1947:19 |
| \$50,000 (1) 1954:19 | adjective (1) 1997:18 | alfalfa (1) 1978:19 | approval (1) 1980:13 | aware (7) 1960:7,9;1961:12, 20;1969:3;1976:13; 1994:17 |
| \$750,000 (3) 1959:25;1960:3; 1969:5 | adjectives (1) 1997:21 | aligned (1) 1952:11 | approved (1) 1975:12 | away (1) 1967:25 |
| [| adjourned (1) 1946:4 | alignment (1) 1952:16 | approximately (3) 1966:5;1969:6; 1974:1 | awhile (1) 1965:25 |
| [AO] (1) 1945:16 | adjust (1) 1968:17 | allow (4) 1955:6;1958:22; 1980:5;1983:8 | April (1) 1967:1 | |
| A | adjusted (1) 1965:13 | allowed (2) 1958:21;1964:16 | Area (2) 1940:6;1976:11 | B |
| AB (1) 1948:5 | Adjustment (1) 1980:15 | almost (1) 1974:25 | areas (1) 1975:19 | back (20) 1943:2;1945:2; 1948:6,22;1957:14; 1965:21;1981:24; 1983:20,20;1984:25; 1990:5;1993:3; 1994:7,8,13,21; 1996:15,18,18,25 |
| ability (6) 1979:17;1981:11; 1993:24;1994:6,16; 1995:11 | admitted (3) 1970:22,23,24 | alone (1) 1970:18 | Arizona (3) 1940:9;1990:11, 23 | badges (1) 1944:2 |
| able (8) 1944:5,8,9;1946:6, 15;1983:7;1992:21; 1994:20 | adopt (1) 1987:8 | alter (1) 1979:10 | around (2) 1953:19;1997:20 | balance (2) 1962:25;1988:11 |
| above (5) 1963:4;1972:14, 17,18;1987:13 | adopted (3) 1986:23;1990:13; 1991:2 | although (2) 1948:16;1952:7 | Ashley (1) 1941:9 | ballad (1) 1953:16 |
| absolutely (1) 1947:1 | adoption (1) 1988:13 | always (8) 1945:4;1974:10; 1978:4;1982:9,13, 15,15,16 | A-S-H-L-E-Y (1) 1941:9 | ban (1) 1970:5 |
| accommodate (1) 1946:24 | advantage (2) 1951:20;1976:17 | amazingly (1) 1948:11 | aside (2) 1952:19;1997:15 | Bar (2) 1942:2;1984:22 |
| accommodation (1) 1946:25 | advocate (1) 1975:13 | amendment (1) 1980:16 | aspect (1) 1968:25 | bars (1) 1984:21 |
| according (2) 1978:11;1989:12 | A-F-E-E (1) 1942:8 | America (4) 1940:18;1941:1; 1951:21;1976:3 | assignments (1) 1996:6 | based (4) 1958:7;1965:11; 1988:13;1992:22 |
| accordingly (1) 1975:3 | affirm (2) 1950:11;1973:12 | Among (2) 1946:5;1973:4 | associate (1) 1953:25 | basicly (5) 1955:14;1961:18; 1988:11;1992:15; 1993:19 |
| account (1) 1965:6 | afternoon (1) 1946:7 | amount (3) 1951:17;1965:11; 1972:16 | associated (4) 1947:19;1951:13; 1958:24;1972:2 | basis (5) 1956:21;1965:13; 1979:19;1997:6,10 |
| across (11) 1957:11;1969:24; 1970:7;1974:2,16; 1976:23;1978:9; 1979:15;1982:23; 1989:4;1995:1 | ag (1) 1995:12 | an-all-or-nothing (1) 1971:21 | Association (1) 1941:25 | bear (1) 1982:17 |
| Act (3) 1970:1;1980:15, 17 | Again (9) 1945:20;1947:9; 1950:23;1954:6; 1962:12;1969:4; 1970:18;1971:16; 1994:7 | analysis (6) 1989:7,13;1990:9, 18;1991:7,13 | assume (1) 1946:24 | became (1) 1980:2 |
| actual (1) 1997:20 | ago (1) 1953:25 | Analyst (1) 1941:19 | astronomical (1) 1978:17 | |
| | agreed (1) 1947:9 | anecdotaly (1) 1958:10 | attorney (4) 1940:14,16,20; 1942:6 | |
| | | Angeles (2) 1963:19;1971:12 | audience (1) 1944:11 | |
| | | announce (1) 1947:22 | audio (1) 1944:14 | |
| | | | audited (1) 1965:16 | |

| | | | | |
|--------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------|
| Becker (2) 1940:11,11 | 1950:17;1952:4; 1955:25;1956:6; 1964:7;1966:14,14; 1986:18 | broker (3) 1963:19,20; 1964:1 | 1988:1,10,14,19,20; 1989:3,14;1990:1,1, 6;1991:5,14,23; 1992:2,19,20,20; 1993:2,17;1994:6, 18,23;1995:5; 1997:4,6,19;1998:3, 11;1999:1 | 1978:12 |
| become (2) 1952:24;1977:6 | black (1) 1984:7 | Brothers (4) 1942:10;1951:14; 1952:14;1969:2 | California's (3) 1977:9;1978:13; 1979:16 | caused (1) 1993:18 |
| began (2) 1946:23;1982:8 | blame (1) 1978:13 | brought (7) 1948:23;1949:23; 1975:24;1981:10; 1987:19;1988:1; 1994:14 | call (2) 1946:18;1985:9 | CDC (1) 1970:3 |
| begin (1) 1973:23 | Blaufuss (2) 1941:14,14 | burden (1) 1958:18 | called (3) 1950:16;1987:14; 1999:3 | CDFR (8) 1947:8,14,16; 1953:23;1965:20; 1970:3;1978:11; 1979:1 |
| beginning (1) 1980:1 | B-L-A-U-F-U-S-S (1) 1941:14 | business (12) 1944:6;1959:1,20, 23;1968:25;1969:4; 1976:17;1987:15; 1988:17;1995:3,5,12 | calling (1) 1978:4 | CDFR's (1) 1977:16 |
| behalf (5) 1941:7;1942:8,24; 1974:18;1975:8 | blend (2) 1990:10,20 | businesses (2) 1959:2;1972:7 | calls (2) 1982:18;1983:16 | Central (2) 1942:9;1952:12 |
| believes (1) 1975:18 | Board (2) 1942:16;1953:3 | butter (10) 1952:12;1956:5; 1962:7,25;1967:2,8; 1968:9;1969:23; 1970:4,6 | came (1) 1998:20 | CEO (1) 1952:8 |
| belong (2) 1952:16;1953:10 | body (1) 1987:21 | buy (1) 1951:22 | camilkhearing (2) 1944:20,20 | certain (2) 1976:13;1978:14 |
| below (3) 1979:6,6,8 | book (1) 1975:11 | buyer's (1) 1967:10 | Campaign (3) 1942:16;1953:4,7 | certainly (5) 1946:24;1947:3; 1955:14;1960:2,21 |
| beneficial (1) 1988:23 | borderline (1) 1969:9 | buys (1) 1963:20 | can (34) 1944:1,4,7,15; 1949:5,7;1952:15; 1955:25;1956:19; 1957:3;1959:5; 1966:1,18;1968:17; 1977:5;1978:14; 1982:17,18;1984:13, 14,20;1985:3,5,10, 12,12,13;1993:14; 1994:18;1995:18,22; 1997:1;1998:2; 1999:8 | certified (2) 1956:3;1957:5 |
| benefit (10) 1951:18;1975:25; 1981:13;1988:2,7, 14;1989:3;1990:7,8, 16 | boring (1) 1970:17 | C | | |
| Beshore (13) 1940:15,15; 1946:2,2,20,22; 1955:22,23;1959:21; 1983:25;1984:1; 1986:11;1995:21 | both (2) 1949:9;1992:6 | caliber (1) 1948:10 | caption (1) 1945:23 | chain (3) 1951:22;1954:17; 1955:11 |
| B-E-S-H-O-R-E (1) 1940:15 | bottle (3) 1954:24;1958:8, 16 | California (118) 1940:17;1941:3,7, 11,13,25;1942:12, 13,14,16,25; 1944:18;1945:23; 1951:15;1952:9,17, 18,20,21,23;1953:2, 4,6,16,17,23; 1954:11,23;1955:4, 9,13;1956:6,8; 1957:6;1959:7; 1960:22,24;1964:14, 24;1965:6;1969:12; 1970:2,3,9;1974:3,4, 16,17;1975:16,23, 24;1976:2,4,6,13,16, 19,25;1977:5,6,7,8, 14;1978:2,4,11; 1979:4,22,25; 1980:5,10,13,18,19; 1981:2,18;1982:10, 15,16,16,24;1983:2, 6,17,22;1986:3; 1987:17,21,25; | capture (1) 1999:8 | challenge (1) 1978:21 |
| best (5) 1961:11;1969:8; 1989:2;1991:4; 1998:5 | bottom (4) 1985:20;1991:6, 19;1992:4 | card (1) 1944:6 | capita (1) 1995:1 | Chandler (2) 1942:22;1973:17 |
| better (8) 1952:16;1961:8; 1965:25;1986:1; 1988:22;1997:24,25; 1998:7 | brackets (1) 1945:16 | Carman (1) 1949:25 | capital (3) 1950:25;1971:5; 1974:8 | C-H-A-N-D-L-E-R (2) 1942:22;1973:17 |
| best (5) 1961:11;1969:8; 1989:2;1991:4; 1998:5 | brand (7) 1951:21;1954:14, 16;1967:9,11; 1969:14;1971:13 | case (2) 1945:17,23 | catch (1) 1943:1 | change (3) 1947:22;1965:2; 1975:2 |
| better (8) 1952:16;1961:8; 1965:25;1986:1; 1988:22;1997:24,25; 1998:7 | branded (3) 1942:9;1952:13, 13 | catching (1) 1998:15 | cattle (2) 1956:13;1979:23 | changes (3) 1977:3,5;1990:22 |
| beverage (2) 1962:22;1966:5 | break (8) 1948:9;1949:6; 1985:2;1993:23; 1996:5,7,17,23 | category (2) 1952:2;1956:22 | causation (1) | changing (1) 1958:15 |
| beyond (2) 1961:22;1987:13 | breathing (1) 1972:13 | category (2) 1952:2;1956:22 | | charge (3) 1940:2;1944:3; 1982:12 |
| bid (1) 1979:23 | Brian (2) 1940:13;1947:13 | | | chart (7) 1984:4,8,17; 1985:7;1996:9,11; 1999:5 |
| big (1) 1958:11 | B-R-I-A-N (1) 1940:13 | | | check (2) 1985:2,3 |
| Bill (10) 1979:9;1980:2,4,5, 9,10;1982:5;1983:8; 1992:14,25 | Bridgett (1) 1940:21 | | | Cheddar (1) 1957:12 |
| billion (1) 1977:12 | B-R-I-D-G-E-T-T (1) 1940:21 | | | Cheese (19) 1941:19,20,22; 1952:12;1956:5,7; 1957:10,12,15,19; 1961:25;1962:7,25; 1968:3,4,5,5,6; 1978:1 |
| bills (4) 1954:12;1980:4,6, 8 | bring (2) 1948:24;1994:8 | | | chill (1) 1957:9 |
| bipartisan (1) 1980:7 | brings (1) 1988:18 | | | Chip (5) 1941:5;1946:22; 1947:7;1959:16; 1986:17 |
| bit (8) | broadcasting (1) 1944:14 | | | |
| | broken (1) 1995:7 | | | |

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>C-H-I-P (1) 1941:5 circumstance (1) 1946:10 cite (1) 1999:7 citizen (1) 1969:24 clarifying (1) 1959:17 class (22) 1952:1;1957:19; 1958:8,18,22; 1965:20;1970:6; 1977:17,18,18; 1979:16,16;1992:10, 11,12,24,24;1993:4, 16,23;1994:3,3 classes (3) 1958:7,13,15 classification (1) 1965:12 classified (2) 1976:14;1977:11 clause (1) 1990:16 clear (4) 1985:19;1987:1; 1993:11,12 clearly (3) 1981:18;1982:1; 1995:5 Clerk (1) 1945:18 Clerk's (1) 1945:20 CLIFTON (65) 1942:3,18,21; 1943:3,6,10,13,18; 1944:18;1945:7,12; 1946:16;1947:6,11, 21;1948:9;1949:12, 14,17,22;1950:14, 19,22,25;1951:2,4; 1952:3;1953:12; 1955:16,19;1962:12; 1970:11,13,20; 1971:2,5,8,10,14,18; 1972:1,19,22,25; 1973:8,16,19; 1974:21,24;1980:22; 1981:1,7;1983:11; 1986:7,10;1989:18, 21;1995:18;1996:6, 11,14,18;1998:11, 14;1999:8 close (1) 1994:4 closed (1) 1998:4 closures (3) 1976:22;1978:14; 1981:15</p> | <p>clubs (1) 1967:10 coast (2) 1984:2,2 co-counsel (1) 1940:21 Code (2) 1957:10;1987:24 collected (1) 1953:19 Collum (1) 1981:25 color (3) 1984:9,14,25 colored (1) 1984:8 columns (1) 1984:22 combined (1) 1976:21 coming (1) 1947:8 comment (1) 1948:3 Committee (4) 1974:9,12;1982:2, 12 committees (1) 1980:1 commodities (1) 1992:18 Common (1) 1956:13 companies (1) 1972:2 Company (2) 1941:15;1962:1 compare (1) 1989:25 compared (3) 1995:4;1998:3,6 comparison (2) 1992:10;1997:4 compensate (1) 1958:15 compensated (1) 1955:11 competing (1) 1993:19 competitive (1) 1979:22 compilation (1) 1947:17 complete (2) 1944:8;1966:2 completed (2) 1946:13,14 component (1) 1979:12 concerned (1) 1998:20 concerning (1) 1968:18</p> | <p>concludes (1) 1981:20 condition (1) 1946:10 confidential (1) 1960:1 conflict (1) 1993:21 conflicted (1) 1965:23 conflicts (1) 1953:10 confusing (2) 1965:14;1966:1 Congress (3) 1980:3;1981:23; 1983:5 Congressional (1) 1980:8 Congressman (1) 1981:25 connected (1) 1954:14 consider (1) 1991:6 consideration (1) 1990:15 considered (1) 1972:1 consistent (2) 1990:9,17 consumer (1) 1967:5 consumers (4) 1951:22;1954:14; 1958:9;1964:4 consuming (1) 1958:12 contact (2) 1996:8;1999:5 contained (2) 1947:18;1975:14 content (3) 1950:17;1964:19; 1971:25 context (1) 1951:10 Continental (1) 1975:20 continue (2) 1944:9;1946:8 continued (3) 1979:8,10;1982:3 continues (2) 1977:21;1978:18 continuing (1) 1976:9 contribute (1) 1944:10 contributed (1) 1976:22 convention (1) 1988:25</p> | <p>conventional (1) 1953:5 conversation (1) 1946:23 coop (1) 1961:14 Cooperative (3) 1987:9;1990:13; 1994:7 Cooperatives (2) 1940:16;1977:8 copies (12) 1945:2;1948:24, 25;1949:5,6,16,24, 25;1950:1,3;1984:8, 12 copy (7) 1949:22;1950:6; 1973:5;1984:7,13; 1985:23;1998:24 corner (1) 1958:25 correctly (1) 1997:23 correlation (1) 1978:12 cost (11) 1976:17,19; 1977:11;1978:5,18, 20;1979:1,2,6,7,8 costs (1) 1976:21 Council (1) 1943:8 Counsel (2) 1940:12,14 count (1) 1977:22 Counties (1) 1998:13 countries (2) 1998:3,12 country (7) 1974:2;1979:15; 1982:23;1988:21; 1989:4;1995:1; 1997:7 couple (8) 1943:12;1947:21; 1955:24;1968:24; 1971:24;1984:4; 1987:9;1989:23 course (3) 1946:3,13;1983:3 court (5) 1944:7,17,21; 1950:2;1996:24 courts (1) 1972:11 covering (2) 1980:19;1981:2 cow (2) 1965:1,2</p> | <p>cows (5) 1956:2,3;1959:21; 1960:2;1968:13 craft (1) 1980:2 crafting (1) 1982:5 cream (6) 1952:12,13; 1956:5;1962:7; 1964:8;1968:2 creamery (1) 1956:19 create (5) 1951:22;1954:16, 16,16;1994:18 created (1) 1977:19 credited (2) 1958:5;1965:6 crisis (4) 1974:15;1982:8, 21;1983:17 critical (2) 1979:12,15 cross-examination (11) 1945:6,9;1946:4, 15;1959:14;1962:2; 1968:22;1983:14,24; 1986:13;1996:20 cultured (2) 1962:20,22 current (3) 1955:5;1986:4; 1988:22 currently (4) 1955:13;1990:2; 1991:18;1995:2 cycle (3) 1978:7,8;1982:17 cyclical (2) 1982:14;1989:23</p> |
| D | | | | |
| <p>Dairies (15) 1940:17;1941:3; 1957:18;1976:2,23, 25;1977:7;1978:9,9, 10;1979:22; 1981:16;1992:21; 1995:12;1998:4 Dairy (90) 1940:6,10,17; 1941:1,7,11,13,18, 19,24;1942:1,2,9,11, 16;1947:1,1; 1951:13,15,15; 1952:7,13,23; 1953:4,6,16;1956:1, 18;1959:3;1961:13, 15;1967:15;1968:6; 1969:2,9,18;1974:6,</p> | | | | |

| | | | | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 13,15,19;1975:7,24, 25;1976:1,2,9,10,12, 18,21;1977:11,22, 23;1978:3,11,13; 1979:10,10,13; 1980:13;1981:13; 1982:3,6,7,8,13,20, 24;1986:2;1988:1,2, 6,12,14,21;1989:25; 1990:7,8,16;1991:4; 1992:15,16;1993:2, 21;1994:1,4,5,8; 1995:10;1998:2 | delay (1) 1948:17 delegate (1) 1987:21 delegates (2) 1987:12;1991:16 delegation (1) 1980:8 deliver (1) 1957:9 delivered (1) 1978:17 delta (1) 1977:19 demand (2) 1958:19;1978:25 demand-driven (1) 1966:8 Dennis (1) 1940:23 Department (5) 1945:18;1959:18; 1965:22,23;1970:2 depth (1) 1961:17 describe (1) 1997:17 description (2) 1997:18;1998:7 descriptors (1) 1955:1 deserves (1) 1978:13 designate (1) 1980:17 designation (1) 1945:20 detail (2) 1940:6,10 determine (1) 1949:18 determining (1) 1970:21 developed (1) 1947:15 deviation (2) 1975:2,4 DFA (3) 1942:25;1954:9; 1983:2 dialogue (1) 1954:2 difference (5) 1966:16;1977:21; 1979:18;1992:24; 1993:1 differences (13) 1961:21;1977:13; 1991:22,25;1992:2, 9,11,23;1993:8; 1994:10,22,23; 1998:1 different (11) | 1944:19;1952:1; 1955:12;1957:12; 1963:20;1965:10; 1966:2,20;1977:20, 25;1992:18 differently (1) 1952:2 difficult (5) 1977:6;1984:10; 1993:2;1994:2; 1995:13 digesting (1) 1958:10 DIRECT (1) 1955:21 directed (1) 1988:19 direction (1) 1989:2 directly (1) 1993:21 Director (4) 1974:10,12; 1982:6;1995:10 discovery (1) 1955:12 discussion (1) 1953:23 disorderly (10) 1977:15;1991:24; 1994:24,25;1997:11, 12,16,18,25;1998:5 distribute (3) 1949:17;1957:15; 1981:3 distributed (2) 1973:3;1984:12 distributing (1) 1956:14 distribution (4) 1957:7;1967:3,9, 12 distributor (1) 1952:9 distributors (2) 1942:9;1953:18 divergence (2) 1976:15;1979:16 docket (3) 1945:14,16,19 document (3) 1970:16;1973:1; 1985:4 documents (1) 1973:3 dollars (3) 1954:22;1957:22; 1958:2 done (4) 1955:19;1956:17; 1985:3;1993:11 double-spaced (2) 1985:25;1992:4 | down (9) 1944:17;1948:9; 1972:25;1982:14; 1989:16;1990:20,21, 24;1991:15 downsized (1) 1969:13 downward (1) 1978:3 DR (10) 1941:12;1945:5, 10;1946:3,6,7,14,17, 21;1975:1 dramatically (1) 1976:20 drilled (1) 1978:17 drop (2) 1954:20;1976:18 drought (3) 1978:15,24; 1999:3 dry (1) 1963:12 due (3) 1978:24;1979:16; 1988:20 during (9) 1966:18,19; 1974:9;1982:5,11, 20;1983:18;1996:7, 23 dysfunctional (2) 1997:25;1998:5 | EIS (1) 1999:3 either (1) 1987:2 elected (3) 1942:14;1952:19; 1953:1 electronic (1) 1984:13 else (4) 1943:18;1946:17; 1967:8;1973:20 Elvin (1) 1940:25 E-L-V-I-N (1) 1940:25 e-mail (1) 1984:13 e-mailed (2) 1985:10,11 emerge (1) 1982:8 emphasize (1) 1975:21 end (5) 1944:23,24; 1945:5;1974:13; 1981:15 ended (1) 1945:5 England (2) 1974:5;1976:10 ENGLISH (19) 1941:4,5;1946:22, 22;1947:7,7; 1959:15,16;1986:14, 16,17;1990:4; 1996:1,4,8,20,22; 1998:15,17 E-N-G-L-I-S-H (1) 1941:5 enjoy (1) 1945:5 enough (4) 1948:24;1949:24; 1956:17;1964:9 ensuring (1) 1979:14 enter (1) 1980:5 entering (1) 1947:15 entire (1) 1987:20 entirely (1) 1975:12 entirety (1) 1947:20 entities (1) 1960:13 entitled (1) 1999:1 entity (2) |
| | | | E | |
| | | | early (1) 1987:3 easy (2) 1948:12;1966:3 Economic (7) 1941:19;1988:20; 1989:7;1990:9,18; 1991:7,13 economics (1) 1991:11 Economist (3) 1940:5,9;1941:13 effect (1) 1965:7 effectively (1) 1994:18 effectiveness (1) 1979:19 efficiencies (1) 1997:3 efficient (1) 1996:5 efficiently (1) 1995:6 efforts (1) 1976:11 | |

| | | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1956:25;1957:1 equal (2) 1993:16;1994:3 equalled (1) 1977:19 Erba (11) 1941:2,2;1945:5, 10;1946:3,6,7,14,17, 21;1975:1 E-R-B-A (1) 1941:2 Eric (3) 1941:2;1945:5,10 E-R-I-C (1) 1941:2 error (1) 1948:1 ERS-California (1) 1999:3 establish (2) 1976:3;1977:10 established (1) 1981:10 establishment (2) 1975:22;1987:24 estimate (2) 1959:6,9 estimated (1) 1969:6 evaluation (1) 1989:1 even (7) 1944:21;1953:24; 1965:18,24;1966:1; 1983:5;1986:3 everybody (2) 1943:22;1975:7 evidence (7) 1950:12;1970:22, 24;1971:1;1973:13; 1995:15;1997:12 evolved (1) 1977:4 exactly (4) 1966:2;1991:1,9, 11 EXAMINATION (1) 1955:21 example (1) 1964:5 excellent (1) 1953:12 except (1) 1971:23 exception (2) 1990:11,23 excluding (1) 1964:2 excuse (1) 1971:13 Executive (2) 1942:15;1953:3 exempt (8)</p> | <p>1955:5;1961:6,7,8, 9,10,10,15 exemption (10) 1956:11;1960:9, 10,14,19;1961:21; 1971:22;1972:3,9,12 exercise (1) 1993:12 exhibit (14) 1948:24;1949:20; 1952:5;1970:14,21, 23,24,25;1973:2,5,6, 21;1984:6;1991:22 exhibits (2) 1940:2;1945:1 existing (3) 1990:19,21; 1991:15 expand (1) 1981:21 expanded (1) 1975:19 expectations (2) 1975:17;1986:22 experience (1) 1983:12 experiences (2) 1977:25;1981:21 expert (2) 1956:16;1965:17 explain (4) 1951:6;1989:18, 21;1996:12 explore (1) 1997:9 expressly (1) 1987:8 extra (1) 1958:18 extras (1) 1950:7 extremely (2) 1965:14;1966:1</p> | <p>F</p> <p>facilities (1) 1963:8 facility (7) 1948:10;1956:5; 1962:8,24;1963:13, 17;1965:12 fact (8) 1954:2;1958:8; 1977:7;1982:22; 1989:14;1991:1; 1993:15;1997:11 failure (1) 1977:9 fair (2) 1960:21;1968:19 fairness (1) 1960:25</p> | <p>Fall (2) 1966:14,17 fallowed (1) 1978:18 familiar (9) 1956:9,10,16; 1960:12;1961:17,18, 23;1965:9;1968:10 family (4) 1956:18,25; 1967:25;1974:1 far (2) 1968:7;1998:20 farm (23) 1947:2;1959:24; 1966:4,10,16,22; 1968:11;1973:24; 1976:18;1977:22; 1979:9;1980:2,9,10; 1982:5;1983:8; 1988:23;1992:14,25; 1994:5;1998:2,11; 1999:4 farmer (2) 1947:1;1983:17 farmer-owned (1) 1941:20 Farmers (38) 1940:17;1941:1; 1942:13,13,14,15, 24;1952:20,21,24; 1953:2,4,5;1969:19; 1973:20,23;1974:1, 4,5,5,7,19;1975:8, 10;1976:2,12; 1977:12;1979:11; 1982:23;1983:3; 1987:2,12;1988:7,9, 14,15;1991:5;1998:2 farmer's (1) 1967:10 farming (2) 1952:24;1953:1 Farms (3) 1942:2;1978:12; 1997:5 fat (1) 1964:12 favor (1) 1981:12 February (2) 1954:6;1987:3 Federal (55) 1940:6;1951:19; 1952:17;1953:10,22; 1954:8;1955:2,9; 1956:12;1957:10; 1960:7;1961:20; 1972:9;1974:17; 1975:18,23,25; 1976:3,14;1977:2, 13,16,17;1979:9,24; 1980:6,18;1981:13;</p> | <p>1982:25;1983:9; 1986:22;1987:13,15, 17,25;1988:2,14; 1989:14,15,24; 1990:3,6,19,21,21; 1991:15,23;1992:11, 19;1993:15,22; 1994:8,23;1995:2; 1998:6 feed (7) 1944:14;1976:19, 21;1978:5,18,19; 1979:23 feel (3) 1944:10;1948:7; 1955:2 felt (1) 1988:9 few (3) 1954:23;1964:23; 1967:25 field (1) 1988:11 fifteen (1) 1953:19 figure (3) 1965:15;1998:18; 1999:1 file (1) 1945:19 filter (1) 1957:9 final (1) 1991:13 financial (1) 1958:18 find (4) 1944:4;1953:21; 1985:5;1996:4 fine (1) 1962:19 finish (1) 1946:16 finished (1) 1945:9 finishing (3) 1945:6,7,8 firm (2) 1940:20;1941:6 first (20) 1944:24;1947:1,2; 1949:3,10,24; 1950:15,18,18; 1955:16,20;1971:24; 1978:4;1980:10; 1982:15;1983:12; 1984:21;1985:19; 1991:25;1996:2 fishermen (1) 1974:1 fit (5) 1952:16;1969:4; 1972:6;1977:4;</p> | <p>1988:15 five (3) 1950:2;1959:12; 1976:23 fixed (1) 1983:6 flexible (1) 1943:11 flight (1) 1943:1 flow (1) 1970:7 fluid (10) 1957:14,15; 1958:12,17,20; 1959:6;1962:7; 1966:5;1967:22; 1982:25 flush (1) 1966:17 FMMO (2) 1976:14;1977:4 focus (3) 1990:25;1991:25; 1992:10 focused (1) 1993:10 FOIA (1) 1970:1 follow (1) 1966:13 follow-up (1) 1968:24 food (5) 1945:4;1951:22; 1954:17;1955:10; 1999:4 Foods (3) 1941:15,16; 1942:1 foremost (1) 1942:17 form (4) 1958:12;1964:10, 13;1966:5 formula (1) 1977:18 formulating (1) 1952:23 Formulations (1) 1940:2 forth (2) 1945:22;1988:18 fortify (1) 1964:25 fortunate (1) 1983:11 forward (5) 1943:19;1944:9; 1949:12;1976:2; 1987:19 fought (1) 1965:25</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | | | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>found (1) 1970:3</p> <p>founded (1) 1973:25</p> <p>founder (1) 1952:8</p> <p>four (6) 1953:17;1954:2,6,7,13;1958:7</p> <p>fourth (1) 1952:22</p> <p>FRANCIS (2) 1968:23,24</p> <p>free (4) 1948:7,17; 1972:20,21</p> <p>Freedom (1) 1970:1</p> <p>Friday (5) 1945:5;1946:4; 1947:7,24;1948:6</p> <p>frightened (1) 1975:1</p> <p>FRISIUS (6) 1943:22,22,24; 1944:20;1945:8; 1946:3</p> <p>F-R-I-S-I-U-S (1) 1940:1</p> <p>front (1) 1952:25</p> <p>full (1) 1984:16</p> <p>fully (2) 1984:10;1992:21</p> <p>function (1) 1997:20</p> <p>functioning (1) 1997:23</p> <p>further (5) 1961:24;1963:14; 1965:14;1967:12; 1993:5</p> <p>futures (2) 1994:16,19</p> <p>future's (1) 1979:17</p> | <p>1996:25</p> <p>General (6) 1940:12,14; 1966:23;1973:24; 1977:22;1987:20</p> <p>generally (4) 1956:12,16; 1963:25;1966:23</p> <p>gentleman (1) 1943:15</p> <p>gentlemen (1) 1949:9</p> <p>glad (2) 1943:25;1950:22</p> <p>goals (1) 1977:15</p> <p>Goddess (8) 1942:10;1951:14; 1952:14;1959:3; 1967:15;1968:6; 1969:3,9</p> <p>goes (2) 1949:10;1964:8</p> <p>Good (29) 1940:11,13,19,23, 25;1941:2,4,12,14, 16;1942:5,7;1943:6, 22;1948:11;1949:12, 13,14;1950:23; 1955:23;1958:4; 1959:16;1960:24; 1961:9;1962:4,5; 1986:15;1989:24; 1998:21</p> <p>Gotcha (1) 1986:6</p> <p>GOULE (30) 1942:22,22; 1943:5;1946:11; 1973:1,15,17,17,18, 22;1974:23;1975:4; 1980:25;1981:2,9; 1983:13;1984:2; 1986:9,12,15; 1989:19,22;1995:24; 1996:2,10,13,21; 1998:13,16;1999:9</p> <p>G-O-U-L-E (2) 1942:23;1973:18</p> <p>government (1) 1979:9</p> <p>grade (1) 1998:3</p> <p>grain (1) 1978:19</p> <p>graph (3) 1984:5,17,17</p> <p>grassroots (1) 1975:11</p> <p>gray (4) 1984:7,10,12,20</p> <p>Great (2) 1943:18;1952:6</p> | <p>greater (2) 1955:7;1997:5</p> <p>grew (1) 1978:19</p> <p>gross (2) 1959:25;1969:5</p> <p>groups (1) 1953:9</p> <p>growing (1) 1976:9</p> <p>guess (5) 1951:24;1969:8; 1984:2,23;1998:18</p> <p>guided (1) 1975:11</p> | <p>1985:22</p> <p>hearing (12) 1944:8,18,23; 1945:18,20;1946:23; 1947:15;1971:20,23; 1975:15;1982:19; 1988:10</p> <p>hearings (5) 1953:24;1974:14; 1982:7,20;1983:19</p> <p>heat (1) 1966:19</p> <p>hedge (2) 1979:17;1992:22</p> <p>held (4) 1974:15;1982:7, 12;1988:25</p> <p>help (4) 1988:11,23; 1989:3;1994:8</p> <p>helpful (2) 1952:3;1996:12</p> <p>Henry (1) 1940:4</p> <p>H-E-N-R-Y (1) 1940:4</p> <p>herd (1) 1969:10</p> <p>Heritage (3) 1963:19;1971:10, 12</p> <p>hesitate (1) 1943:11</p> <p>higher (5) 1954:15;1955:11; 1966:25;1969:7; 1976:21</p> <p>highlights (1) 1988:17</p> <p>Hill (7) 1940:13,13; 1947:13,13,21; 1974:8;1995:10</p> <p>H-I-L-L (1) 1940:13</p> <p>Hilmar (3) 1941:19,22; 1961:25</p> <p>hinders (1) 1992:20</p> <p>historically (1) 1976:10</p> <p>hit (2) 1982:15,15</p> <p>holds (2) 1975:22;1987:24</p> <p>HOLLON (2) 1940:25,25</p> <p>H-O-L-L-O-N (1) 1941:1</p> <p>home (2) 1948:20;1978:10</p> <p>homogenize (2)</p> | <p>1967:16,20</p> <p>homogenized (2) 1964:3,7</p> <p>honest (1) 1984:18</p> <p>Honor (16) 1941:4;1942:7; 1946:3;1947:7; 1952:6;1954:1; 1973:22;1975:6; 1981:20;1985:3; 1996:1,4,10; 1998:15,20;1999:6</p> <p>hope (2) 1942:8;1972:6</p> <p>hopefully (1) 1970:7</p> <p>hours (1) 1971:24</p> <p>House (7) 1974:9;1980:1,4; 1981:24;1982:2,11; 1983:7</p> <p>huge (1) 1958:17</p> <p>hundredweight (4) 1954:12,15; 1979:3,5</p> |
| H | | | | |
| <p>gallons (9) 1951:24;1952:1; 1956:20;1960:19; 1968:13,14,15,15; 1972:10</p> <p>gate (4) 1976:18;1988:23; 1994:5;1998:12</p> <p>gather (1) 1956:10</p> <p>gathered (1) 1979:12</p> <p>gave (1)</p> | <p>G</p> | <p>HANCOCK (2) 1941:23,23</p> <p>H-A-N-C-O-C-K (1) 1941:23</p> <p>hand (4) 1950:6,10;1973:4, 12</p> <p>handbook (1) 1975:14</p> <p>handed (1) 1974:14</p> <p>handled (1) 1960:23</p> <p>Handlers (1) 1941:25</p> <p>Hang (1) 1985:25</p> <p>Hanson (1) 1940:20</p> <p>H-A-N-S-O-N (1) 1940:21</p> <p>happen (4) 1971:15;1972:6; 1991:1,11</p> <p>happens (1) 1966:3</p> <p>happy (6) 1943:23;1946:11, 24;1947:3;1983:10; 1999:7</p> <p>hard (2) 1954:3,21</p> <p>hardest (1) 1982:16</p> <p>harsh (1) 1978:7</p> <p>Health (1) 1970:2</p> <p>hear (6) 1945:10;1957:23; 1969:18;1971:24; 1975:9;1985:18</p> <p>heard (5) 1944:19;1948:18; 1969:11;1971:19;</p> | <p>I</p> | <p>ice (2) 1952:13;1968:2</p> <p>idea (1) 1995:22</p> <p>identification (2) 1949:21;1973:7</p> <p>identified (1) 1943:19</p> <p>identify (4) 1944:1,13;1985:5, 8</p> <p>identifying (1) 1992:6</p> <p>identity (3) 1958:23;1964:14, 22</p> <p>III (10) 1977:18,18; 1979:16;1992:11,12, 24;1993:4,16,23; 1994:3</p> <p>illness (1) 1970:4</p> <p>imbalance (1) 1958:20</p> <p>impact (10) 1978:15,24; 1988:20;1989:7,13; 1990:9,18;1993:18; 1994:4;1999:4</p> <p>impacted (1) 1990:12</p> |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>impacting (1) 1977:20 impaired (1) 1979:18 imply (1) 1978:12 importance (2) 1975:15;1988:9 important (7) 1969:18;1974:16; 1976:5,7;1977:2; 1979:14;1988:6 inability (1) 1994:16 inaccurate (1) 1995:16 Inc (9) 1940:17,18,18; 1941:3;1942:6,25; 1976:2,3;1983:2 include (4) 1975:19,23; 1983:17;1987:25 included (2) 1970:5;1980:7 income (2) 1978:5;1979:5 incorrect (1) 1944:21 increase (4) 1976:20;1978:18; 1981:14;1988:23 increases (1) 1978:21 increasingly (1) 1979:11 Independence (1) 1948:5 indicated (5) 1946:3;1962:6; 1964:2,18;1965:5 indicates (1) 1991:14 indicating (1) 1979:5 individually (1) 1967:18 industry (1) 1975:7 infer (1) 1962:24 inform (1) 1993:13 information (6) 1960:1;1970:1; 1985:12,13;1996:11; 1998:19 injustice (1) 1961:1 inputs (1) 1957:17 in-state (1) 1967:3</p> | <p>Institute (5) 1941:7,11,13; 1961:13,15 Insurance (4) 1992:17;1993:1,5, 25 intensively (1) 1957:9 interested (2) 1947:16;1955:15 interesting (3) 1957:4;1958:9; 1970:1 intermediate (1) 1964:16 interpret (1) 1984:20 interstate (2) 1956:6;1970:5 intimately (1) 1961:23 into (25) 1945:14;1947:8, 15;1951:7,17; 1952:5;1954:20,23; 1955:7,9;1956:19; 1957:10,22;1963:6, 11;1970:15,22,24; 1971:1;1974:14,21; 1980:9;1988:15; 1990:15;1994:8 introduction (3) 1951:5;1952:3; 1980:3 inverse (1) 1977:15 involved (1) 1954:8 IPA (1) 1969:25 issue (9) 1945:13;1946:24; 1959:3;1976:5; 1992:6,13;1993:4, 24;1994:14 issued (1) 1989:7 issues (2) 1946:25;1947:4</p> | <p>1940:8;1941:21; 1945:8;1961:25 J-O-H-N (1) 1940:8 join (2) 1974:17;1982:25 joined (1) 1982:2 joining (1) 1981:12 JUDGE (66) 1942:3,18,21; 1943:3,6,10,13,18; 1944:5,18;1945:7, 12;1946:16;1947:6, 11,21;1948:9; 1949:12,14,17,22; 1950:14,19,22,25; 1951:2,4;1952:3; 1953:12;1955:16,19; 1962:12;1970:11,13, 20;1971:2,5,8,10,14, 18;1972:1,19,22,25; 1973:8,16,19; 1974:21,24;1980:22; 1981:1,7;1983:11; 1986:7,10;1989:18, 21;1995:18;1996:6, 11,14,18;1998:11, 14;1999:8 June (3) 1953:15;1966:23; 1999:4 June/July (1) 1966:23 justification (1) 1991:3</p> | <p>knew (1) 1985:7 knit (1) 1953:6 knowing (1) 1998:23 knowledge (2) 1959:5;1987:18 known (1) 1976:25 knows (1) 1963:11</p> | <p>1978:6;1985:18,23 leave (4) 1943:3;1970:11, 18,18 led (1) 1979:25 left (5) 1973:8;1978:23; 1982:4;1984:21; 1995:13 legislation (2) 1980:2;1981:9 legislative (1) 1958:24 lend (1) 1983:3 Leprino (1) 1941:16 L-E-P-R-I-N-O (1) 1941:17 less (6) 1959:25;1960:10; 1966:14;1979:22; 1986:3;1998:1 letter (1) 1954:5 letters (3) 1953:14;1961:3; 1971:5 level (1) 1974:20 Liberty (1) 1948:2 limit (2) 1959:7;1961:22 limitation (2) 1972:13,14 limited (3) 1947:14;1957:6; 1967:2 line (3) 1975:24;1988:1; 1991:6 lines (2) 1957:12;1969:24 list (1) 1944:4 listen (1) 1944:15 listening (3) 1947:12;1948:19; 1986:7 litany (1) 1955:1 litigation (1) 1953:24 little (10) 1950:17;1952:4; 1955:25;1956:6; 1959:18;1964:7; 1966:14,14,20; 1986:18 live (1)</p> |
| | | | L | |
| | | | <p>labeled (1) 1963:14 labor (1) 1979:23 lack (1) 1994:16 Land (8) 1940:18,24; 1942:25;1954:9; 1976:3;1978:18; 1979:23;1983:2 language (3) 1961:21;1980:9; 1983:8 large (4) 1951:9;1974:6; 1982:1;1993:21 largely (2) 1961:14;1972:9 largest (1) 1973:24 last (22) 1948:5,6;1952:21; 1954:23;1957:22,24; 1969:21;1973:18; 1974:11;1980:22,25; 1981:16,18;1982:16; 1984:5;1985:20,21; 1987:23;1989:1,6; 1998:18;1999:4 late (1) 1987:3 later (3) 1947:24;1948:3; 1995:15 latest (1) 1979:1 Laurel (2) 1944:16;1948:4 Lauren (1) 1940:11 law (3) 1940:20;1941:6; 1958:21 lead (1) 1946:5 least (5) 1948:18;1955:5;</p> | |
| | | K | | |
| | | <p>Kansas (1) 1987:6 Karen (1) 1953:21 keep (1) 1992:3 keeping (1) 1940:2 KEFER (1) 1962:15 kefir (7) 1962:9,10,14,16, 18,19;1964:2 key (1) 1999:5 KIEFER (1) 1962:15 kind (11) 1947:4,5;1950:16; 1953:15;1957:4; 1958:14,24;1963:8; 1968:1;1969:12; 1986:8</p> | | |
| | J | | | |
| | <p>James (1) 1941:18 J-A-M-E-S (1) 1941:18 January (1) 1984:22 Joaquin (1) 1951:12 jobs (1) 1954:16 John (4)</p> | | | |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1944:14 Livestock (4) 1974:10,13; 1982:6;1995:10 local (1) 1956:19 located (1) 1967:25 locations (1) 1963:21 long (4) 1946:12;1947:3; 1953:16;1999:6 look (11) 1959:2;1971:3; 1982:19;1984:21,25; 1991:8,8,9;1993:14; 1995:1;1996:24 looking (8) 1959:25;1961:6, 10,11;1982:21; 1991:3;1995:19,22 loose (1) 1953:6 loosely (1) 1951:13 Los (2) 1963:19;1971:12 loss (2) 1997:4,5 lost (2) 1972:2,5 lot (7) 1948:9;1953:23, 24;1958:8;1991:9; 1992:17;1996:11 lower (9) 1966:23;1969:7; 1976:16,20;1978:24; 1990:1;1994:5; 1998:2,11 lowest (1) 1966:21 luckily (1) 1989:23</p> | <p>1974:6;1976:9; 1977:23 majority (2) 1950:8;1974:11 makes (6) 1956:5;1968:5,6, 9;1982:25;1997:22 making (4) 1967:22;1979:19; 1993:1;1994:4 managed (1) 1960:23 management (6) 1979:11;1993:6; 1994:6,14,17;1998:2 manner (1) 1980:14 manufacturer (2) 1941:20;1963:4 manufacturers (1) 1976:16 manufacturing (1) 1967:22 many (12) 1944:2;1948:11; 1956:1;1957:12; 1959:6,11;1974:4, 14;1976:13;1995:3, 4,12 March (3) 1967:1;1986:23; 1987:3 margin (7) 1976:22;1992:14, 17,21,25;1993:5,25 margins (1) 1978:5 Mark (5) 1942:7;1949:16, 23;1950:24;1983:16 M-A-R-K (2) 1942:8;1950:24 marked (7) 1948:24;1949:4, 20;1952:5;1973:6; 1984:6;1991:22 market (11) 1958:19;1963:3; 1966:8;1967:8; 1972:20;1979:17; 1991:24;1992:22; 1994:16;1997:18,20 Marketing (32) 1940:5;1945:21; 1974:17;1975:20,23; 1976:4,14;1977:9, 15,18;1980:11,16, 19;1983:1,9; 1987:14,16,18,25; 1989:24;1990:3; 1992:20;1993:16,22; 1994:9,24,25; 1995:3;1997:11,12,</p> | <p>16;1998:6 markets (5) 1956:19;1963:7; 1967:10,10;1977:4 Marvin (4) 1940:15;1946:2; 1955:23;1984:1 M-A-R-V-I-N (1) 1940:15 matter (1) 1954:4 matters (8) 1943:20;1945:15; 1946:1;1947:6,10, 22;1948:14;1949:8 maximum (1) 1975:21 may (19) 1947:12;1948:4,4, 13,15,19;1949:4,12, 19,24;1953:12; 1958:22;1959:18; 1963:20;1969:22; 1972:25;1979:4; 1989:21;1996:20 maybe (6) 1951:9;1952:14; 1957:20;1970:7; 1985:2;1998:5 Mc (1) 1942:8 McAFEE (44) 1942:7,7,20; 1946:11;1949:11,13, 16,16;1950:3,13,15, 21,24;1951:1,3,8; 1952:6;1953:14; 1955:17,18,23; 1962:4,13,14,16; 1970:12,14,14,17, 21;1971:2,4,7,9,12, 17,23;1972:8,20,23, 23,24;1983:15,16 M-c-A-F-E-E (1) 1950:24 mean (3) 1951:11;1993:14; 1995:19 meaning (2) 1986:8;1987:15 means (1) 1972:16 meant (3) 1986:2;1998:13, 16 meet (3) 1964:22,25; 1969:14 meeting (5) 1986:23;1987:2,5, 7,11 Megan (2) 1940:19,20</p> | <p>M-E-G-A-N (1) 1940:20 member (3) 1944:11;1977:24, 24 members (14) 1956:25;1975:9, 12,16,17;1976:6,7, 11;1977:24;1978:2, 4;1979:25;1981:12; 1986:22 membership (1) 1974:2 mentioned (4) 1960:14;1971:10; 1976:5;1987:22 Meredith (2) 1943:22,24 M-E-R-E-D-I-T-H (1) 1940:1 microphone (1) 1944:13 middle (1) 1946:6 Midwest (1) 1940:5 might (7) 1955:15;1960:15, 17;1969:9,9,22; 1991:20 miles (1) 1967:25 Milk (116) 1940:5;1941:20; 1942:6;1943:7; 1944:18;1945:23; 1951:15,16,17,19,22, 23,24;1952:9,17,18; 1953:10,17,22; 1954:8,11,20,20,21, 23,24;1955:2,4,6,9; 1956:5,20;1957:5,6, 14,15,17;1958:7,8, 11,12,16,17;1959:4, 6;1960:11;1962:7, 20,25;1963:3,6,8,9, 12,12,13;1964:2,4,5, 5,10,12,15,17,17,18, 22,22,25;1965:3,3,6, 11,21;1966:10,21, 23;1967:22; 1969:12;1970:5; 1972:18;1974:17; 1975:20,23;1976:3, 14,14,20;1977:3,11, 17;1978:1;1979:3; 1980:11,18;1981:19; 1982:1,14,25; 1983:1,9;1987:13, 15,17,25;1989:17, 22,24;1990:3; 1993:16,20,22; 1994:8;1995:2;</p> | <p>1998:6;1999:1 milking (2) 1956:3;1959:21 million (8) 1954:22;1957:22; 1958:1;1959:7; 1960:8,20;1961:22; 1972:3 Miltner (2) 1942:5,5 M-I-L-T-N-E-R (1) 1942:5 Milton (1) 1999:5 mine's (1) 1985:25 minimum (3) 1977:10,25; 1981:14 Minnesota (4) 1974:4;1976:8; 1977:24;1982:1 minority (1) 1974:11 minute (1) 1949:7 minutes (1) 1996:14 misalignment (1) 1953:9 mispronounced (1) 1975:5 mission (1) 1975:12 modifier (1) 1985:23 moment (3) 1973:3;1993:3; 1997:15 Monday (1) 1943:23 money (2) 1951:17;1969:13 month (9) 1954:19;1956:21; 1966:11;1968:15; 1969:6;1972:3,4,5; 1979:5 monthly (3) 1965:13;1966:7; 1968:12 months (2) 1966:21,24 more (26) 1946:10;1951:25; 1952:4;1955:25; 1958:1;1959:10; 1960:21;1961:7; 1966:14,18;1970:7; 1972:3,5;1974:20; 1977:6,6,12; 1978:18,19,19,24; 1987:19;1988:18;</p> |
| M | | | | |
| <p>ma'am (4) 1949:11;1974:23; 1996:10,13 machine (1) 1948:22 mailbox (1) 1979:4 main (5) 1948:13;1983:19; 1988:8;1993:10,12 maintained (1) 1975:19 maintains (1) 1945:19 major (3)</p> | <p>1958:19;1963:3; 1966:8;1967:8; 1972:20;1979:17; 1991:24;1992:22; 1994:16;1997:18,20 Marketing (32) 1940:5;1945:21; 1974:17;1975:20,23; 1976:4,14;1977:9, 15,18;1980:11,16, 19;1983:1,9; 1987:14,16,18,25; 1989:24;1990:3; 1992:20;1993:16,22; 1994:9,24,25; 1995:3;1997:11,12,</p> | <p>16;1998:6 markets (5) 1956:19;1963:7; 1967:10,10;1977:4 Marvin (4) 1940:15;1946:2; 1955:23;1984:1 M-A-R-V-I-N (1) 1940:15 matter (1) 1954:4 matters (8) 1943:20;1945:15; 1946:1;1947:6,10, 22;1948:14;1949:8 maximum (1) 1975:21 may (19) 1947:12;1948:4,4, 13,15,19;1949:4,12, 19,24;1953:12; 1958:22;1959:18; 1963:20;1969:22; 1972:25;1979:4; 1989:21;1996:20 maybe (6) 1951:9;1952:14; 1957:20;1970:7; 1985:2;1998:5 Mc (1) 1942:8 McAFEE (44) 1942:7,7,20; 1946:11;1949:11,13, 16,16;1950:3,13,15, 21,24;1951:1,3,8; 1952:6;1953:14; 1955:17,18,23; 1962:4,13,14,16; 1970:12,14,14,17, 21;1971:2,4,7,9,12, 17,23;1972:8,20,23, 23,24;1983:15,16 M-c-A-F-E-E (1) 1950:24 mean (3) 1951:11;1993:14; 1995:19 meaning (2) 1986:8;1987:15 means (1) 1972:16 meant (3) 1986:2;1998:13, 16 meet (3) 1964:22,25; 1969:14 meeting (5) 1986:23;1987:2,5, 7,11 Megan (2) 1940:19,20</p> | <p>1998:6;1999:1 milking (2) 1956:3;1959:21 million (8) 1954:22;1957:22; 1958:1;1959:7; 1960:8,20;1961:22; 1972:3 Miltner (2) 1942:5,5 M-I-L-T-N-E-R (1) 1942:5 Milton (1) 1999:5 mine's (1) 1985:25 minimum (3) 1977:10,25; 1981:14 Minnesota (4) 1974:4;1976:8; 1977:24;1982:1 minority (1) 1974:11 minute (1) 1949:7 minutes (1) 1996:14 misalignment (1) 1953:9 mispronounced (1) 1975:5 mission (1) 1975:12 modifier (1) 1985:23 moment (3) 1973:3;1993:3; 1997:15 Monday (1) 1943:23 money (2) 1951:17;1969:13 month (9) 1954:19;1956:21; 1966:11;1968:15; 1969:6;1972:3,4,5; 1979:5 monthly (3) 1965:13;1966:7; 1968:12 months (2) 1966:21,24 more (26) 1946:10;1951:25; 1952:4;1955:25; 1958:1;1959:10; 1960:21;1961:7; 1966:14,18;1970:7; 1972:3,5;1974:20; 1977:6,6,12; 1978:18,19,19,24; 1987:19;1988:18;</p> | |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1993:1;1994:2; 1996:5 Morn (8) 1942:10;1951:14; 1952:14;1959:3; 1967:15;1968:7,9; 1969:2 morning (23) 1940:11,13,19,23, 25;1941:2,4,12,14, 16;1942:5,7; 1943:22;1946:12; 1947:10;1949:13,14; 1955:23;1956:3; 1959:16;1962:4,5; 1986:15 most (6) 1956:6,7;1973:9; 1977:1,16;1982:24 mostly (2) 1952:7;1959:16 move (1) 1948:9 moved (2) 1992:16,18 movement (1) 1969:23 movers (1) 1948:13 moving (1) 1948:7 much (14) 1945:12;1955:8; 1958:1,17;1959:13; 1968:20;1969:17; 1970:10;1972:23,24; 1976:15;1978:23; 1979:22;1986:12 must (1) 1996:2 MYKRANTZ (2) 1940:8,8 M-Y-K-R-A-N-T-Z (1) 1940:8 myself (1) 1946:21</p> | <p>National (23) 1942:13,15,24; 1952:20,23,24,25; 1953:2;1973:20,23; 1974:7,18,20; 1975:8,10,20; 1977:11;1982:22; 1983:3;1987:2,12; 1988:8,15 nationwide (7) 1976:1;1988:3,7, 15;1990:7,8,17 nearly (1) 1979:5 necessarily (1) 1947:2 necessary (1) 1946:12 need (6) 1943:3,12; 1964:21;1978:6; 1985:9;1990:25 needs (2) 1963:5;1983:6 negative (2) 1993:18;1994:4 negatively (2) 1977:20;1990:12 neither (1) 1987:18 net (5) 1958:4;1979:10, 13;1990:23;1994:1 neutral (1) 1947:18 nevertheless (1) 1948:10 New (2) 1974:5;1976:10 newcomers (1) 1953:18 news (1) 1969:22 next (2) 1985:20;1987:23 NFU (5) 1975:9,12,18; 1981:9,10 Nicole (1) 1941:23 nobody (1) 1955:20 none (4) 1949:8;1964:6,9; 1970:24 noon (3) 1943:5;1947:24, 24 normal (4) 1954:17;1966:13; 1978:21;1987:13 Normally (2) 1947:23;1996:14</p> | <p>Northwest (1) 1940:9 noticed (1) 1983:5 notify (1) 1944:5 nuances (1) 1972:8 Number (27) 1940:17,22; 1943:9;1945:14,16, 19;1949:1,5,18,19, 20,22,23;1954:9; 1959:9;1960:2; 1961:4,18;1968:17; 1970:25;1972:11,11; 1973:6;1977:1; 1991:4;1998:1,4 numbered (2) 1945:1,24 numbers (2) 1945:21;1958:2</p> | <p>one (40) 1944:3,17,24; 1948:1;1950:1,2,6; 1951:13;1953:14; 1954:19,20;1956:25, 25;1957:22; 1959:19;1960:15,17; 1961:13;1963:24; 1967:24;1968:5; 1969:9,9,21;1970:3, 23;1972:12,19; 1980:4,5;1982:18; 1983:20;1985:16,18; 1988:8;1991:2; 1992:24;1996:4; 1997:9,10 one-pound (1) 1967:5 ones (5) 1952:15;1959:10; 1966:25;1993:10,12 one-to-one (1) 1979:19 on-farm (5) 1956:4,18;1962:7; 1967:21,24 ongoing (1) 1981:15 only (14) 1947:17,24; 1954:24;1955:9; 1957:19;1961:17; 1965:3;1967:9; 1972:19;1978:11; 1979:20;1982:25; 1988:10;1994:1 open (1) 1992:22 operate (1) 1977:7 operating (2) 1956:25;1979:24 operation (2) 1956:1,18 operations (3) 1972:8;1976:20, 24 opinions (2) 1953:20;1966:2 opportunity (4) 1975:8;1983:9; 1991:17;1996:23 optimally (1) 1961:11 Order (41) 1940:1,6;1945:1; 1947:18;1949:2; 1974:17;1975:18,18, 20,23,25;1976:4; 1977:2,18;1980:6, 11,19,19;1981:2,3,8; 1983:1,9;1986:22; 1987:14,18,21,25;</p> | <p>1988:2,14,17; 1989:24;1990:3,6; 1991:15;1992:11; 1993:16,22;1994:9; 1995:3;1998:6 orders (12) 1940:9;1945:17; 1953:22;1960:7; 1961:20;1976:14; 1987:14,16;1989:14, 15;1990:20,22 Organic (12) 1942:10;1951:14; 1952:7,8,9;1953:5; 1955:25;1956:4,24; 1957:5;1963:6,14 Organics (3) 1963:19;1971:3,4 organization (7) 1953:6;1973:24; 1975:11,16;1976:8; 1977:22;1987:8 organizations (2) 1954:7;1969:2 organized (1) 1974:3 others (7) 1951:9,23; 1952:14;1954:13; 1974:4;1993:13; 1997:9 ourselves (3) 1942:14;1953:25; 1955:10 out (26) 1943:16;1949:10; 1951:10,21;1954:13; 1958:2,25;1960:19; 1965:1,1,15; 1969:19;1971:3; 1974:14;1978:20; 1979:20;1982:17; 1985:22;1987:16; 1989:12,20;1991:10; 1993:24;1995:3,5,12 outlined (2) 1983:1;1998:1 outside (4) 1954:10,16; 1976:7;1991:14 over (12) 1950:7;1953:25; 1954:22;1960:2; 1965:25;1973:8; 1975:17;1976:24; 1978:5;1981:16; 1989:23;1996:25 overbase (4) 1958:5,6;1965:7; 1994:19 overburden (1) 1958:17 own (23)</p> |
| O | | | | |
| <p style="text-align: center;">N</p> <p>name (11) 1941:5;1942:22; 1944:2;1950:23,24; 1959:16;1971:11; 1973:16,17,18; 1983:3 namely (1) 1951:13 NASS (9) 1984:14,16,17; 1985:3,4,5,7,7; 1999:3 NASS-prepared (1) 1984:17</p> | <p>object (2) 1995:21,23 objection (3) 1970:22,23; 1996:2 objections (1) 1972:5 obtain (1) 1995:14 Obviously (1) 1972:17 occasion (2) 1957:20;1963:3 October (1) 1947:14 off (6) 1946:23;1963:6; 1973:2;1975:1; 1983:19;1992:22 off-farm (1) 1967:24 Office (4) 1940:11,14; 1985:9;1996:8 official (1) 1944:22 officially (1) 1952:15 offset (2) 1958:22;1979:18 O'Lakes (6) 1940:18,24; 1942:25;1954:9; 1976:3;1983:2 OLIVER (2) 1940:19,19 once (2) 1950:14;1986:8</p> | | | |

| | | | | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1948:16;1951:16, 16,22;1954:14,18, 24;1955:6;1956:4, 18;1959:4;1960:5,6; 1962:25;1963:5,22; 1965:5;1966:4,10; 1967:9,10;1969:11, 14 owned (2) 1956:24;1967:24 ownership (2) 1956:12,13 owning (1) 1956:18</p> | <p>1961:19;1972:8 parties (1) 1947:16 parts (1) 1997:6 passed (1) 1980:10 passing (1) 1987:14 past (2) 1976:23;1989:23 pasteurize (2) 1967:16,20 pasteurized (3) 1964:3,6,9 pasteurizes (1) 1963:10 Pastures (6) 1942:10;1951:14; 1952:7,8;1956:1,24 pay (6) 1948:12;1951:17, 23;1954:12,19; 1958:4 paying (2) 1978:16,17 payments (2) 1958:4,5 PD (1) 1950:16 penalty (2) 1950:11;1973:13 people (6) 1946:17;1947:12; 1950:9;1970:7,8; 1973:9 per (10) 1951:24;1954:12, 15;1956:21;1964:7; 1968:13;1969:6; 1979:3,4;1995:1 perceived (1) 1997:19 percent (8) 1964:12,12,16; 1966:6,6,18;1979:6; 1993:20 percentage (3) 1966:5;1995:4; 1997:6 perhaps (4) 1946:15;1952:1; 1961:9;1970:6 period (3) 1982:11;1983:18, 21 periods (1) 1971:8 perjury (2) 1950:12;1973:13 permit (1) 1955:4 permitted (2)</p> | <p>1957:11;1969:23 person (1) 1965:17 personal (1) 1981:21 personally (2) 1989:9;1995:6 perspective (3) 1950:8;1951:10; 1959:1 Peterson (1) 1982:1 petition (3) 1969:25;1980:12, 13 phone (2) 1982:18;1983:16 photocopy (1) 1948:22 physically (1) 1967:25 pinch (1) 1976:21 place (2) 1969:13;1991:12 places (1) 1961:13 plain (1) 1954:25 plan (1) 1996:6 plant (1) 1963:10 plants (2) 1960:10;1967:23 played (2) 1978:8,15 playing (1) 1988:11 please (13) 1944:6,10;1945:5; 1950:11,23;1953:21; 1973:4,12,16,19; 1981:1;1996:15; 1999:8 pleasure (1) 1969:21 plural (3) 1992:1,9,11 PMO (1) 1957:10 point (4) 1958:9;1972:9; 1989:12;1998:22 pointed (1) 1989:20 policies (1) 1975:13 Policy (29) 1941:19;1952:24; 1953:1;1974:19; 1975:11,13,17,22; 1982:3,13;1986:19,</p> | <p>22,23;1987:7,8,12, 13,15,24;1988:6,13, 16,18;1990:6,15; 1991:10,12,17,18 political (1) 1953:8 Ponderosa (1) 1941:24 pool (25) 1951:15,17,19,23; 1952:17,18;1953:10, 17;1954:8,11,20,21, 23;1955:2,4,7,9; 1956:20;1957:22; 1958:16;1959:4; 1965:6,11,21; 1969:12 poorly (1) 1986:9 position (4) 1950:17;1953:11; 1973:11;1979:23 possible (4) 1942:20;1943:1; 1946:8;1949:10 possibly (1) 1995:22 Poultry (3) 1974:13;1982:6; 1995:10 pound (4) 1956:20;1959:7; 1960:8;1961:22 pounds (4) 1960:10,20; 1969:6;1972:4 powder (2) 1968:3,4 powdered (1) 1963:12 powders (1) 1941:20 prefer (3) 1972:18;1995:24, 24 preference (1) 1946:7 preliminary (18) 1943:20;1945:13, 15;1946:1;1947:6, 10,22;1948:14; 1949:8;1973:21; 1989:7,13;1990:9, 18,25;1991:7,8,9 prepared (3) 1984:6,18;1985:7 prescriptions (1) 1975:13 presence (2) 1976:8,9 present (7) 1943:21;1947:14; 1950:12;1971:21,23;</p> | <p>1973:13;1984:3 presented (1) 1945:2 presenting (1) 1946:5 presents (1) 1997:12 President (1) 1942:23 pressures (1) 1978:3 prevent (1) 1981:15 prevents (1) 1978:6 previously (1) 1978:19 price (14) 1948:12;1955:12; 1958:5,6;1965:7; 1976:18;1977:17; 1979:4;1988:23; 1989:15,16,17; 1992:15;1994:5 prices (28) 1975:24,25; 1976:15,16,20; 1977:10,25;1978:24; 1979:7,18;1981:14, 19;1982:14;1988:1, 2;1989:22,25,25; 1990:10,10,19,20, 21;1991:14; 1992:15;1998:3,12; 1999:2 pricing (5) 1975:21;1977:18; 1978:3,13;1992:2 primarily (1) 1963:1 prior (1) 1987:10 probably (3) 1984:9;1985:18; 1996:5 problem (5) 1958:10;1977:16; 1983:5;1992:1,5 problems (2) 1959:4;1992:7 procedure (1) 1947:5 procedures (2) 1988:12;1990:7 proceed (2) 1946:20;1953:13 proceeding (2) 1948:15;1986:20 process (14) 1952:18;1954:2, 14;1955:11;1957:3, 4,14;1960:22,24; 1962:6;1964:24;</p> |
| P | | | | |
| <p>Pacific (1) 1940:9 package (4) 1962:6;1964:4,10, 13 packaged (1) 1967:5 packages (1) 1967:5 page (7) 1984:5;1985:16; 1990:5,16;1991:19; 1992:4;1998:25 pages (1) 1945:24 paid (7) 1954:22;1957:22; 1965:7;1975:25; 1979:7;1981:14; 1988:2 panels (1) 1982:9 paragraph (2) 1985:20;1986:19 parameters (1) 1997:20 pardon (1) 1959:17 part (12) 1947:10;1952:24; 1953:3;1954:1; 1956:6,7;1975:17; 1977:2;1978:8; 1981:18;1986:21; 1988:6 participate (1) 1955:10 participating (2) 1944:1;1990:2 participation (1) 1972:15 particular (5) 1947:19;1961:3; 1975:15;1989:16; 1998:9 particulars (2)</p> | | | | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1965:21;1966:3; 1981:10 processed (2) 1957:5;1963:14 processing (6) 1956:4,14;1962:8; 1963:10;1967:23; 1968:1 processor (1) 1971:12 produce (2) 1978:1;1979:3 Producer (15) 1941:25;1942:9, 16;1954:10; 1975:24;1976:9; 1977:1,10,23; 1979:15;1982:24; 1988:1;1990:11,22; 1991:14 producer-distributor (3) 1942:17;1952:10; 1960:8 producer-distributors (6) 1951:12;1952:11; 1953:17;1955:5; 1959:6;1967:14 producer-handler (3) 1956:11;1960:9, 18 producer-handlers (1) 1971:22 Producers (37) 1942:1,6;1943:7; 1945:11;1946:13; 1951:21;1954:13; 1975:22;1976:1,18, 19;1977:20,23; 1978:6,16,22,23; 1979:7,12;1980:14; 1981:13,15;1982:20; 1983:8;1986:2; 1988:3,22;1989:3; 1990:8,17;1993:2, 18;1994:1,4,5,8,18 produces (1) 1993:20 producing (3) 1976:11;1982:1; 1993:21 product (5) 1962:20;1964:25; 1970:6;1992:15; 1994:19 production (17) 1956:13;1958:6; 1966:4,11,21,24; 1968:12;1969:7; 1974:6;1978:20; 1979:1,6,8;1981:19; 1984:21;1988:21; 1999:1 products (24)</p> | <p>1951:16;1952:12, 13;1954:16;1957:3, 7,15,15;1958:19,22; 1962:22;1963:14; 1964:6,9;1967:16, 22;1968:1,10; 1969:11;1977:1; 1978:1,23;1982:24; 1992:16 program (7) 1961:8,9,11; 1992:15,17;1993:5, 25 Programs (3) 1940:7,10; 1942:23 prohibits (1) 1964:15 pronounced (2) 1977:16;1992:1 pronunciation (2) 1980:23;1981:8 proponents (3) 1940:16,22; 1941:7 Proposal (26) 1940:17,22; 1941:8;1942:25; 1943:9;1947:19; 1954:9,9;1956:11; 1959:8;1961:4,13, 14,15,18;1976:1; 1983:1;1987:9,19, 21;1988:10,21; 1989:2;1990:13; 1991:4;1994:7 proposals (4) 1961:17;1988:24; 1991:2,4 proposed (1) 1959:8 Protection (1) 1993:5 proud (1) 1981:9 provide (3) 1944:6,7;1966:9 provided (2) 1963:25;1980:14 providing (1) 1976:16 publication (1) 1985:5 published (3) 1985:4,7;1999:2 pull (1) 1984:24 pulled (1) 1987:16 purchase (2) 1957:17;1976:21 purchases (1) 1976:19</p> | <p>purpose (3) 1947:15;1963:23, 25 purposes (3) 1957:19;1959:23; 1985:6 put (8) 1945:14;1954:1; 1965:10;1976:2; 1985:13;1991:12; 1992:25;1994:10 putting (3) 1950:7;1973:8; 1997:15</p> <p style="text-align: center;">Q</p> <p>qualify (2) 1956:22;1960:14 quarter (1) 1979:2 questionable (2) 1979:20,20 quick (1) 1968:24 quite (1) 1954:3 quota (7) 1958:6;1960:5,6; 1965:5;1980:21; 1981:4,5 quote (1) 1980:11</p> <p style="text-align: center;">R</p> <p>Raise (4) 1950:6,10;1973:4, 12 ranchers (1) 1974:1 rare (1) 1957:20 rarely (3) 1977:19;1993:15, 16 rate (1) 1955:11 rather (1) 1999:6 raw (11) 1957:5;1958:11, 12,19,23;1964:15, 25;1969:23;1970:4, 5,6 Re (1) 1945:23 reach (1) 1951:21 reached (1) 1954:13 read (8) 1947:8;1961:17;</p> | <p>1970:15;1974:21; 1984:10;1985:17,17; 1986:1 reading (1) 1944:21 ready (1) 1996:15 realize (1) 1982:14 really (8) 1954:3,10;1959:9; 1961:16;1963:11; 1970:8,8;1972:20 reap (1) 1951:17 reason (3) 1948:19;1959:24; 1983:19 reasons (1) 1988:8 reblend (2) 1980:20;1981:3 receipts (2) 1980:21;1981:3 receive (1) 1960:10 received (4) 1971:1;1981:19; 1983:16;1999:2 recent (4) 1977:3,8,19; 1978:25 recently (1) 1993:12 recognize (2) 1980:21;1981:3 recognized (1) 1981:5 record (28) 1944:8,10; 1945:14,19;1946:23; 1947:8,15;1948:15, 19;1949:25;1950:1; 1970:15;1971:18; 1973:2;1974:22; 1984:8;1985:6,13; 1987:1;1993:13; 1994:11,25;1995:8, 15;1996:18,19; 1998:24;1999:7 recorded (1) 1944:15 recording (1) 1944:22 redistribute (1) 1980:20 reduce (1) 1994:6 reduced (1) 1964:12 re-enacted (1) 1980:15 refer (1)</p> | <p>1975:10 reference (2) 1954:4;1959:20 referendum (2) 1980:6;1981:12 referred (3) 1971:2;1992:1; 1994:15 referring (3) 1971:25;1992:3, 12 reflected (2) 1956:11;1978:2 reflects (1) 1977:10 reform (1) 1975:21 refreshments (1) 1945:4 regard (2) 1969:25;1970:14 regarding (2) 1947:17;1983:17 region (1) 1977:2 regions (2) 1976:9;1977:23 regulations (2) 1952:23;1977:4 regulatory (4) 1952:17;1955:6; 1958:25;1977:25 reinstated (1) 1980:9 rejoin (3) 1983:9;1987:21; 1988:11 rejoining (1) 1987:17 relates (1) 1977:17 relationship (2) 1993:4,6 relative (2) 1951:8,25 remain (3) 1947:18;1950:20; 1979:8 remaining (1) 1996:25 remind (1) 1969:4 reorganized (1) 1981:5 repeat (1) 1990:14 repeated (1) 1947:11 rephrase (1) 1997:1 reporter (5) 1944:7,17,21; 1950:2;1996:24</p> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

| | | | | |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| reporting (1) 1965:17 | 1945:10;1954:15; 1975:21 | row (1) 1982:8 | second (11) 1954:5;1973:24; 1979:2;1985:16,16, 19;1986:18,21; 1993:1;1995:15; 1996:1 | severe (1) 1979:17 |
| reports (5) 1947:15,18; 1965:15,16;1979:2 | revenue (6) 1959:25;1990:22; 1992:17,21,25; 1993:25 | Ryan (1) 1942:5 | | shakers (1) 1948:13 |
| represent (6) 1941:24;1942:14; 1952:20;1953:1; 1973:25;1988:12 | revenues (1) 1990:11 | S | Secretary (3) 1953:20,21; 1980:17 | shall (4) 1948:3;1980:17, 20;1981:2 |
| representative (5) 1941:21;1942:12; 1947:2;1952:21; 1961:25 | review (1) 1989:6 | Sacramento (1) 1965:22 | Section (2) 1980:14;1987:16 | share (2) 1954:1;1958:3 |
| Representatives (2) 1980:4;1981:24 | reviewed (1) 1989:10 | safety (3) 1979:10,13; 1994:1 | seeing (1) 1944:24 | shared (1) 1950:17 |
| representing (4) 1941:10;1952:22; 1953:11;1969:1 | revise (1) 1995:16 | sale (2) 1964:4,15 | seek (1) 1960:25 | SHEHADEY (4) 1942:1,1,3,4 |
| represents (1) 1982:23 | Richard (1) 1942:1 | sales (1) 1969:5 | Select (1) 1942:6 | S-H-E-H-A-D-E-Y (1) 1942:4 |
| requests (2) 1947:16;1970:2 | right (31) 1942:21;1943:3, 18;1949:7,17; 1950:7,9,10;1951:4; 1954:25;1955:2,3,3; 1957:23;1961:8; 1969:25;1971:5,14, 19;1972:1,15; 1973:9,12;1974:24; 1980:20,24;1981:3; 1984:24;1994:1; 1996:3,14 | same (5) 1951:16;1967:25; 1976:17;1977:5; 1998:25 | self (1) 1954:18 | shipment (1) 1956:7 |
| required (1) 1956:13 | rise (1) 1996:25 | San (1) 1951:12 | sell (5) 1956:19;1963:8, 18;1964:10,12 | showed (1) 1995:15 |
| requirement (2) 1964:25;1972:15 | risk (7) 1954:15;1979:11; 1993:6;1994:6,14, 17;1998:2 | satisfied (1) 1985:14 | Senate (3) 1979:25;1980:5; 1983:7 | shown (1) 1976:15 |
| requirements (1) 1962:25 | Rives (1) 1941:24 | save (1) 1948:3 | send (2) 1963:20;1965:11 | shows (1) 1977:9 |
| requires (1) 1946:21 | R-I-V-E-S (1) 1941:24 | saw (1) 1980:3 | Senior (1) 1942:23 | shuttering (1) 1978:9 |
| re-read (1) 1980:22 | Rob (2) 1941:14;1943:7 | saying (2) 1992:3;1997:4 | sense (1) 1982:25 | shutting (1) 1978:9 |
| research (1) 1956:17 | role (4) 1944:7;1978:8,14, 15 | scale (5) 1958:14;1984:7, 10,13,20 | sent (1) 1985:10 | side (1) 1950:8 |
| respect (9) 1947:4,8;1960:18; 1961:21;1964:17; 1967:14;1986:19; 1994:21;1998:9 | rolled (1) 1980:9 | scenario (1) 1978:21 | sentence (7) 1980:22,25; 1985:20;1986:21; 1987:23;1992:3; 1998:9 | significance (1) 1976:25 |
| respond (1) 1961:16 | room (8) 1943:4;1945:3; 1948:2,5,20;1950:8, 9;1973:10 | SCHAD (2) 1940:23,23 | sent (1) 1985:10 | significant (3) 1976:10;1978:3, 15 |
| responded (1) 1959:20 | roots (1) 1953:8 | S-C-H-A-D (1) 1940:23 | senate (3) 1979:25;1980:5; 1983:7 | silent (1) 1973:3 |
| response (2) 1947:16;1997:10 | Rosa (7) 1942:10;1951:14; 1952:14;1959:3; 1967:15;1968:7; 1969:2 | SCHAEFER (2) 1940:4,4 | send (2) 1963:20;1965:11 | similar (2) 1959:3;1967:17 |
| responses (1) 1998:23 | roughly (3) 1953:4;1956:21; 1960:20 | S-C-H-A-E-F-E-R (1) 1940:4 | Senior (1) 1942:23 | sit (1) 1953:3 |
| rest (6) 1951:20;1961:19; 1968:10;1988:21; 1990:2;1998:6 | Ross (1) 1953:21 | schedule (1) 1947:23 | sense (1) 1982:25 | sitting (2) 1942:15;1969:25 |
| restricted (1) 1970:9 | round (1) 1958:2 | scheduling (1) 1946:2 | sent (1) 1985:10 | six (1) 1983:21 |
| resulted (5) 1976:15;1977:14, 15;1991:24;1994:24 | | scheme (1) 1955:6 | sentence (7) 1980:22,25; 1985:20;1986:21; 1987:23;1992:3; 1998:9 | six-week (1) 1983:21 |
| resume (2) 1946:14;1996:20 | | SCHIEK (2) 1941:12,12 | senate (3) 1979:25;1980:5; 1983:7 | size (1) 1956:1 |
| retail (1) 1967:9 | | S-C-H-I-E-K (1) 1941:12 | sent (1) 1985:10 | skim (10) 1963:6,8,9,13; 1964:5,10,15,17,22; 1965:3 |
| rethink (1) 1991:17 | | se (1) 1964:7 | sent (1) 1985:10 | skip (1) 1994:13 |
| return (3) | | season (1) 1966:11 | sequence (2) 1945:24;1949:3 | sliding (1) 1958:14 |
| | | seasonality (1) 1968:17 | series (1) 1994:13 | slowly (1) 1999:8 |
| | | seated (2) 1973:9,11 | serve (2) 1956:5,7 | slump (1) 1978:25 |
| | | | Service (3) 1945:21;1963:25; 1977:9 | small (14) 1942:9;1948:12; 1951:5,6,9,10,11,25; |
| | | | Services (2) 1970:2;1979:24 | |
| | | | set (8) 1975:17;1983:18; 1984:21;1986:22; 1987:11;1992:15,20, 23 | |
| | | | settling (1) 1979:18 | |
| | | | several (3) 1963:18;1965:16, 19 | |

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>1959:20,23;1963:24; 1968:25;1969:4,8 smaller (2) 1953:18;1969:11 softens (1) 1978:6 sold (5) 1957:11,12; 1963:6,18;1969:10 solemnly (2) 1950:11;1973:12 solids (2) 1964:18,21 somehow (1) 1955:4 someone (5) 1946:16,17,18; 1982:9;1983:11 sometime (1) 1954:4 sometimes (1) 1963:20 somewhat (1) 1984:10 soon (5) 1942:20;1943:1; 1949:9;1970:6; 1985:15 sophisticated (1) 1994:17 Sorry (4) 1981:6;1990:22; 1992:3;1998:13 sort (3) 1956:2,14;1997:3 sounds (1) 1944:18 source (1) 1984:14 sourced (1) 1985:4 sources (1) 1957:18 space (2) 1951:2;1972:13 spares (1) 1965:19 speak (9) 1950:15,18; 1952:15;1954:18; 1961:19;1967:15,18; 1975:8;1994:20 speaks (1) 1953:15 special (2) 1987:14;1988:17 specifically (10) 1954:8;1961:16; 1963:6;1967:18; 1982:7,12,21; 1987:16;1988:19; 1994:20 spell (4)</p> | <p>1942:3;1950:23; 1973:16;1986:7 spelling (1) 1971:14 spent (3) 1965:15;1974:8; 1981:24 Spring (3) 1966:13,17,18 staff (10) 1944:1;1974:10, 12;1975:6,12; 1982:6;1984:18; 1989:10,12;1995:10 staggering (1) 1998:4 stand (2) 1946:4;1950:5 standalone (2) 1980:4,8 standard (4) 1955:10;1958:23; 1964:14,22 standardization (1) 1964:8 standardize (1) 1967:16 standardized (2) 1964:3,7 standards (1) 1965:1 stands (2) 1945:17;1991:18 start (1) 1949:17 started (6) 1965:21;1974:15; 1981:23,23,25; 1983:19 state (26) 1950:23;1953:20; 1957:6,11;1958:21; 1967:12;1969:24; 1971:16;1973:16; 1976:7,22,23; 1977:11;1978:10,10, 20;1979:3;1980:18; 1981:17;1982:1; 1983:21;1985:13; 1990:1;1993:19; 1995:2,5 statement (19) 1947:8,13,20; 1948:23;1949:1,4, 15;1952:5;1974:21; 1975:3;1981:20; 1983:2;1987:20; 1990:5,8,15; 1991:21;1994:22; 1995:16 States (19) 1945:18;1955:3; 1957:13;1970:7;</p> | <p>1973:25;1974:2,3,6; 1975:20;1988:12; 1989:23;1990:2; 1993:20,22;1995:2, 4,13;1998:13,16 State's (2) 1980:7;1981:13 statical (1) 1990:19 stating (1) 1954:6 statistical (1) 1989:14 statistically (1) 1990:10 step (2) 1972:25;1981:14 still (6) 1973:4;1976:10; 1989:2,3;1990:1; 1991:4 stocked (6) 1979:21;1985:23, 24;1986:1,3;1994:15 Stoel (1) 1941:23 S-T-O-E-L (1) 1941:24 stop (2) 1947:25;1969:17 stores (1) 1956:8 strategy (1) 1979:11 Stremicks (3) 1963:19;1971:13, 15 stress (1) 1976:6 strive (1) 1972:13 strong (1) 1976:8 structure (4) 1955:12;1958:15; 1960:12;1978:13 struggle (1) 1954:11 struggling (1) 1954:3 Subcommittee (2) 1974:12;1982:6 subject (4) 1951:15;1956:19; 1972:16,18 submission (1) 1977:8 submitted (2) 1953:14;1987:9 substantial (1) 1978:13 substantially (1) 1979:8</p> | <p>Sue (1) 1941:16 sufficient (2) 1970:15;1985:6 suicides (2) 1983:17,21 summary (1) 1998:8 Summer (2) 1966:19,22 sums (1) 1978:17 support (11) 1943:9;1954:7; 1955:8;1961:3; 1976:1,11;1980:7; 1981:9;1987:17; 1988:10;1992:15 supporting (1) 1987:8 supposedly (1) 1985:25 sure (10) 1945:9;1959:10; 1964:8;1965:24; 1969:22;1973:22; 1974:25;1980:23,25; 1997:2 surplus (1) 1963:4 survival (1) 1979:12 survive (2) 1954:11;1969:12 surviving (1) 1969:11 susceptible (1) 1978:24 swear (5) 1950:10,11,21; 1973:11,12 swore (1) 1950:22 sworn (1) 1950:20 synthetic (1) 1994:19 system (31) 1954:11;1955:9; 1956:12,14;1958:16; 1975:18;1977:2,5,7, 14,14,16,17;1978:6; 1979:24;1980:6; 1981:13;1986:5,22; 1988:22;1991:15,23, 23;1992:20,22,23; 1994:23,24;1995:6, 12;1997:19 systems (1) 1993:19</p> | <p>table (2) 1950:7;1973:9 talk (4) 1986:18;1994:3; 1996:23;1998:21 talked (1) 1985:21 talking (4) 1951:11;1957:20; 1968:14;1997:3 talks (1) 1993:14 tank (2) 1963:22,24 tanks (1) 1964:1 taping (1) 1948:7 TAYLOR (2) 1941:16,16 teach (1) 1996:9 team (1) 1946:5 teasing (1) 1996:3 technical (1) 1959:18 temporary (1) 1963:4 ten (4) 1953:19;1957:24, 25;1981:16 tenure (2) 1974:10;1982:3 term (2) 1951:8,25 terminology (1) 1965:9 terms (7) 1946:2;1952:25; 1953:11;1956:10,12; 1960:25;1968:11 test (4) 1957:8;1964:18, 18;1990:20 testified (2) 1968:18;1969:1 testify (16) 1940:3;1942:8,17, 24;1943:1,8,13,15; 1944:2;1946:12; 1949:9;1950:5,14; 1970:10;1981:11; 1988:9 testifying (2) 1949:2;1952:7 testimonially (1) 1958:10 testimony (26) 1950:4;1951:7; 1955:14;1956:9; 1961:2;1962:24;</p> |
| | | | T | |

| | | | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1969:18;1971:20; 1973:24;1974:13; 1975:10;1981:18; 1984:1,5,6;1986:19; 1988:25;1989:5; 1991:7;1992:4; 1993:14;1995:9,17; 1997:5;1998:8,24 | 24;1946:7;1947:12; 1949:3;1950:22; 1952:15;1953:11,14; 1960:22;1969:18; 1974:18;1976:12; 1978:11;1979:13; 1981:10 | 1971:2 truck (1) 1963:24 truckloads (1) 1957:20 trucks (1) 1963:22 truth (2) 1950:12;1973:14 try (2) 1965:10;1995:19 trying (1) 1996:4 TTT (2) 1963:19;1971:4 turn (3) 1943:20;1982:14; 1998:18 turning (1) 1973:21 two (18) 1943:14;1944:23; 1948:5,18;1949:9; 1950:1;1953:14; 1957:20,23;1960:17; 1965:22;1967:23; 1980:3;1989:1,6; 1993:10,19;1996:6 | 1953:2;1973:20,23; 1974:4,5,8,19; 1975:9,10;1982:23; 1983:3;1987:2,12; 1988:9,15 United (6) 1945:18;1955:3; 1970:7;1973:25; 1975:20;1993:20 unjust (1) 1954:25 unknown (1) 1972:9 unless (1) 1964:15 unpasteurized (1) 1957:7 unstandardized (1) 1957:8 up (11) 1944:12;1948:17; 1950:2;1951:23; 1956:20;1966:18; 1984:25;1989:15; 1992:20,23;1994:14 updated (1) 1999:4 upheld (2) 1972:11,11 Upon (4) 1980:12,12; 1981:21;1988:13 Upper (1) 1940:5 urge (1) 1981:11 USDA (19) 1940:1,6,11; 1943:24;1944:1; 1947:7;1954:6; 1956:4;1959:24; 1968:24;1975:6; 1977:8;1984:15; 1985:10;1990:9; 1991:10,13;1995:11; 1999:5 USDA's (5) 1944:7;1989:6,13; 1990:17;1991:6 use (15) 1948:15,16; 1951:16;1955:6; 1962:25;1963:23,24; 1979:20;1986:4; 1992:11;1994:2,6, 16,18;1998:2 used (9) 1950:2;1951:5,6; 1955:13;1958:12; 1963:22;1964:1; 1978:1;1992:9 uses (5) 1952:25;1959:24; | 1963:10,13;1966:4 using (4) 1969:5;1997:21, 24;1999:3 utilize (2) 1979:17;1992:21 utilizing (1) 1979:11 utmost (1) 1979:14 |
| tests (1) 1990:11 Texas (2) 1974:5;1975:5 thankful (1) 1981:11 Thereafter (3) 1949:20;1970:25; 1973:6 thereby (1) 1976:16 thick (2) 1964:9;1979:13 thinnest (1) 1978:5 THOMPSON (3) 1940:19,19; 1946:21 Though (1) 1974:18 thought (3) 1950:19;1960:25; 1985:18 three (11) 1949:25;1952:21; 1967:14;1969:1; 1971:5;1982:7,7,9; 1983:19;1984:22; 1993:9 threshold (1) 1969:14 throughout (2) 1952:9;1975:10 throw (1) 1958:9 throwing (1) 1958:2 Thursday (2) 1947:9;1948:6 timeframe (1) 1943:10 times (3) 1965:16;1968:13; 1991:9 time-wise (1) 1942:18 <small>tinyurl.com/californiamilkhearing (1)</small> 1944:16 tithing (1) 1955:7 title (1) 1999:3 today (22) 1942:8,17,19,24; 1943:14;1945:10,11, | together (4) 1953:6,20;1971:6; 1994:4 told (1) 1958:9 took (2) 1982:18;1996:23 tool (4) 1979:13,14,20; 1992:25 toolbox (7) 1979:21;1985:21, 22;1986:2,4; 1993:24;1994:15 tools (3) 1994:6,17;1998:1 tool's (1) 1979:19 Top (10) 1942:10;1951:14; 1952:14;1959:2; 1967:15;1968:7,9; 1969:2;1977:1; 1982:24 totaled (1) 1979:3 totalled (1) 1976:24 tough (1) 1954:10 towards (2) 1958:11;1988:19 transcript (4) 1944:22;1945:24; 1948:16;1980:24 transcripts (1) 1982:19 transition (1) 1955:8 transparency (1) 1963:11 transported (2) 1957:11;1969:24 traveling (1) 1984:2 treated (2) 1951:20;1952:2 Tremaine (2) 1941:6,10 tremendous (2) 1951:17,20 trend (1) 1958:11 tried (1) 1950:15 Triple (1) | truck (1) 1963:24 truckloads (1) 1957:20 trucks (1) 1963:22 truth (2) 1950:12;1973:14 try (2) 1965:10;1995:19 trying (1) 1996:4 TTT (2) 1963:19;1971:4 turn (3) 1943:20;1982:14; 1998:18 turning (1) 1973:21 two (18) 1943:14;1944:23; 1948:5,18;1949:9; 1950:1;1953:14; 1957:20,23;1960:17; 1965:22;1967:23; 1980:3;1989:1,6; 1993:10,19;1996:6 Tyler (1) 1948:13 type (1) 1945:17 | 1953:2;1973:20,23; 1974:4,5,8,19; 1975:9,10;1982:23; 1983:3;1987:2,12; 1988:9,15 United (6) 1945:18;1955:3; 1970:7;1973:25; 1975:20;1993:20 unjust (1) 1954:25 unknown (1) 1972:9 unless (1) 1964:15 unpasteurized (1) 1957:7 unstandardized (1) 1957:8 up (11) 1944:12;1948:17; 1950:2;1951:23; 1956:20;1966:18; 1984:25;1989:15; 1992:20,23;1994:14 updated (1) 1999:4 upheld (2) 1972:11,11 Upon (4) 1980:12,12; 1981:21;1988:13 Upper (1) 1940:5 urge (1) 1981:11 USDA (19) 1940:1,6,11; 1943:24;1944:1; 1947:7;1954:6; 1956:4;1959:24; 1968:24;1975:6; 1977:8;1984:15; 1985:10;1990:9; 1991:10,13;1995:11; 1999:5 USDA's (5) 1944:7;1989:6,13; 1990:17;1991:6 use (15) 1948:15,16; 1951:16;1955:6; 1962:25;1963:23,24; 1979:20;1986:4; 1992:11;1994:2,6, 16,18;1998:2 used (9) 1950:2;1951:5,6; 1955:13;1958:12; 1963:22;1964:1; 1978:1;1992:9 uses (5) 1952:25;1959:24; | 1963:10,13;1966:4 using (4) 1969:5;1997:21, 24;1999:3 utilize (2) 1979:17;1992:21 utilizing (1) 1979:11 utmost (1) 1979:14 |
| V | | | | |
| Valley (3) 1942:9;1951:12; 1952:12 valuable (1) 1969:23 value (5) 1965:12;1977:11; 1980:21;1981:4,6 VANDENHEUVEL (5) 1943:7,7,11,16; 1946:12 V-A-N-D-E-N-H-E-U-V-E-L (1) 1943:8 variations (1) 1966:10 varies (1) 1966:7 various (2) 1966:2,4 varying (1) 1961:3 vastly (1) 1977:25 vehicle (1) 1963:23 version (1) 1984:25 versus (1) 1958:12 VETNE (8) 1941:21,21; 1945:8;1961:25,25; 1962:3,15,17 V-E-T-N-E (1) 1941:21 Vice (1) 1942:23 Victor (1) 1941:9 Vlahos (4) 1946:5,8,15,19 volume (2) 1968:11,12 vote (1) 1981:12 voted (1) 1987:20 voting (1) 1981:11 VULIN (2) | | | | |

| | | | | |
|----------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| 1941:9,9 | white (1) 1984:7 | 1943:16;1949:10; 1974:9;1980:1 | 1958:8,18;1959:8; 1961:4,14,18; 1964:12,16;1983:1; 1988:10,24;1989:2; 1990:5,16;1991:4, 19;1992:4 | 1974:15;1982:5,8, 20;1992:14 |
| W | whoever's (1) 1949:3 | Working (8) 1945:9;1974:7,8, 16,19;1981:23,23; 1995:6 | 1966:18;1996:14 | 2009 (2) 1974:15;1982:4 |
| wait (1) 1943:14 | whole (8) 1948:7;1964:5,15, 17,22;1965:3; 1971:11;1975:16 | works (2) 1960:19;1972:17 | 1,435 (1) 1978:11 | 2010 (2) 1976:13;1977:12 |
| wants (3) 1955:20;1966:8; 1983:3 | Wichita (2) 1987:6,7 | worried (1) 1981:7 | 10 (2) 1941:4;1982:8 | 2011 (1) 1980:1 |
| Washington (1) 1987:5 | wide (1) 1980:7 | worse (1) 1978:22 | 10:40 (1) 1996:15 | 2013 (3) 1981:19;1984:22; 1999:2 |
| water (2) 1978:16,17 | wider (1) 1976:15 | Wright (2) 1941:6,10 | 10:55 (1) 1996:16 | 2014 (8) 1953:15;1954:20; 1979:9;1980:2,9; 1983:8;1992:16,25 |
| way (9) 1947:3;1953:21; 1962:12;1965:10; 1974:16;1992:19,19, 23;1996:5 | William (1) 1941:12 | write (1) 1944:16 | 10:59 (1) 1996:19 | 2015 (9) 1975:17;1979:2; 1981:19;1986:21,23; 1989:13;1990:18; 1999:2,4 |
| weaken (1) 1994:2 | willing (1) 1943:14 | written (10) 1948:23;1949:1,4, 14;1961:22;1971:3; 1975:11;1981:20; 1989:1,5 | 11 (2) 1974:8;1981:24 | 2016 (1) 1991:16 |
| weakened (1) 1998:1 | Wisconsin (3) 1974:5;1976:8; 1977:24 | wrong (1) 1965:24 | 11,000 (7) 1951:24,25; 1956:20;1960:19; 1972:10,17,18 | 21,000 (1) 1968:14 |
| weakening (1) 1992:24 | wishes (1) 1970:20 | wrote (1) 1987:17 | 113th (1) 1980:3 | 23rd (1) 1953:15 |
| weakens (1) 1993:24 | within (9) 1961:20;1967:12; 1975:14,19;1978:3; 1979:24;1983:21; 1989:1,6 | Y | 12 (1) 1966:18 | 25 (1) 1979:5 |
| weakly (7) 1985:24;1986:1,3, 7,8,9;1994:15 | without (2) 1955:6;1978:16 | year (9) 1952:22;1954:5; 1957:21;1965:16; 1986:24;1987:2,12; 1988:19;1989:8 | 15 (2) 1966:18;1996:14 | 25th (1) 1999:4 |
| W-E-A-K-L-Y (1) 1986:9 | witness (4) 1944:12;1950:5; 1961:24;1982:17 | year-and-a-half (1) 1953:25 | 150,000 (1) 1960:10 | 3 |
| website (2) 1948:17;1999:6 | witnessed (1) 1977:3 | years (21) 1952:22;1953:19, 19;1954:23;1957:23, 24,25;1964:23; 1965:15;1970:4; 1974:8,9,11; 1976:23;1977:3,19; 1978:23;1981:16,24; 1989:23;1995:9 | 15-0071 (1) 1945:19 | 3 (6) 1958:22;1959:7; 1960:8,20;1961:22; 1972:3 |
| Wednesday (1) 1948:4 | witnesses (2) 1947:1,2 | year's (1) 1966:19 | 1902 (1) 1973:25 | 30 (1) 1940:6 |
| week (6) 1944:25;1947:23; 1948:6;1968:14; 1983:20;1986:8 | wonder (1) 1984:8 | Z | 1937 (1) 1980:17 | 300 (1) 1953:4 |
| weeks (6) 1944:23;1948:18; 1982:7;1987:9; 1989:1,6 | wondered (1) 1951:5 | zero (2) 1990:12,23 | 1996 (1) 1980:10 | 315,000 (1) 1969:6 |
| week's (1) 1944:23 | Wonderful (3) 1943:13;1948:10; 1972:20 | 0 | 2 (8) 1941:8;1958:22; 1961:13;1964:12,16; 1988:24;1998:18; 1999:1 | 33 (1) 1974:3 |
| weight (1) 1958:17 | wondering (2) 1969:3;1984:23 | 09 (2) 1982:8,20 | 2,043 (1) 1978:10 | 4 |
| welcome (10) 1942:21;1944:10, 12;1948:15,21,25; 1950:5;1968:21; 1972:25;1974:25 | word (15) 1951:5,6,11; 1957:4,14;1980:24; 1981:8;1985:18,21; 1990:25;1991:8; 1992:1,9;1997:24; 1998:5 | 1 | 20 (1) 1942:2 | 4 (2) 1970:6;1993:16 |
| wells (1) 1978:16 | words (1) 1975:2 | 1 (23) 1940:17,22; 1942:25;1943:9; 1954:9;1956:11; | 20,000 (1) 1968:14 | 40 (2) 1949:16,23 |
| what's (4) 1942:18;1943:10; 1966:16;1991:11 | work (11) 1940:23;1943:24; 1948:9;1952:25; 1953:5;1972:4; 1979:25;1981:25; 1982:3;1983:7; 1988:18 | | 200,000 (2) 1974:1;1975:9 | 400 (1) 1976:24 |
| whenever (1) 1978:2 | | | 2000 (1) 1981:24 | 48 (10) 1949:19,20,22,23; 1952:5;1970:14,21, 23,24,25 |
| Whereupon (1) 1996:17 | | | 2002 (1) 1965:21 | 49 (6) 1973:2,5,6,21; 1984:6;1991:22 |
| why (2) 1941:20;1978:1 | worked (4) | | 2003 (1) 1981:25 | 4b (12) 1957:19;1977:17, |
| | | | 2005 (2) 1978:10;1982:2 | |
| | | | 2008 (5) | |

| | | | | |
|--------------------------------------------------------|--|--|--|--|
| 18;1979:16;1992:2, 10,12,24;1993:4,17, 23;1994:3 | | | | |
| 5 | | | | |
| 5 (1) 1974:11 | | | | |
| 5.5 (1) 1968:13 | | | | |
| 5:00 (1) 1947:23 | | | | |
| 50 (3) 1970:4;1974:2; 1988:12 | | | | |
| 540 (3) 1956:3;1959:21; 1960:2 | | | | |
| 550 (1) 1968:13 | | | | |
| 7 | | | | |
| 7 (1) 1974:8 | | | | |
| 700 (1) 1956:8 | | | | |
| 7-year (1) 1974:10 | | | | |
| 8 | | | | |
| 80 (2) 1966:6;1993:20 | | | | |
| 80,000 (1) 1968:14 | | | | |
| 83 (1) 1966:6 | | | | |
| 8c (1) 1980:14 | | | | |
| 8th (1) 1947:14 | | | | |
| 9 | | | | |
| 9:00 (1) 1947:23 | | | | |
| 90,000 (1) 1968:15 | | | | |