

UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

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

VOLUME XXXII

TRANSCRIPT OF PROCEEDINGS

November 6, 2015

Myra A. Pish, CSR No. 11613
397095



barkley.com

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

Friday, November 6, 2015

9:00 a.m.

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

TRANSCRIPT OF PROCEEDINGS

VOLUME XXXII

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

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

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

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

14 DEAN FOODS COMPANY: ROB BLAUFUSS

15 HILMAR CHEESE JOHN VETNE
 16 COMPANY: JAMES DeJONG

17 CALIFORNIA PRODUCER Stoel Rives
 18 HANDLERS ASSOCIATION: BY: NICOLE HANCOCK, ESQ
 BAO VU, ESQ.

19 SELECT MILK PRODUCERS: MILTNER LAW FIRM, INC.
 20 BY: KRISTINE REED, ESQ.

21 ---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 32

WITNESSES IN CHRONOLOGICAL ORDER

ROB BLAUFUSS and
MATT WILLIAMS:

DIRECT EXAMINATION BY MR. ENGLISH	6362
CROSS-EXAMINATION BY MR. BESHORE	6392
CROSS-EXAMINATION BY MS. HANCOCK	6397
CROSS-EXAMINATION BY MR. SHEHADEY	6476
CROSS-EXAMINATION BY MR. BESHORE	6477
CROSS-EXAMINATION BY MS. TAYLOR	6479
REDIRECT EXAMINATION BY MR. ENGLISH	6485
RECROSS-EXAMINATION BY MR. BESHORE	6489
RECROSS-EXAMINATION BY MS. HANCOCK	6490

RIEN DOORNENBAL:

DIRECT EXAMINATION BY MR. VLAHOS	6495
CROSS-EXAMINATION BY MR. BESHORE	6537
CROSS-EXAMINATION BY MR. ENGLISH	6540
CROSS-EXAMINATION BY MS. TAYLOR	6541
CROSS-EXAMINATION BY MS. MAY	6545
REDIRECT EXAMINATION BY MR. VLAHOS	6551

GEOFFREY VANDEN HEUVEL:

TESTIMONY GIVEN	6553
CROSS-EXAMINATION BY MR. BESHORE	6558
CROSS-EXAMINATION BY MR. DOORNENBAL	6566
CROSS-EXAMINATION BY MS. TAYLOR	6569

---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 32

INDEX OF EXHIBITS

NO.	DESCRIPTION	I.D.	EVD.
139	TESTIMONY OF ROB BLAUFUSS PART 5	6361	6391
140	EXHIBITS OF ROB BLAUFUSS PART 5	6361	6391
141	TESTIMONY OF MATT WILLIAMS	6361	6391
142	TESTIMONY OF RIEN DOORNENBAL	6494	6537

---o0o---

1 FRIDAY, NOVEMBER 6, 2015 - - MORNING SESSION

2 JUDGE CLIFTON: We're back on record on November 6, 2015.
3 It is a Friday. This is Day 32 of the milk hearing and we are
4 in Clovis, California.

5 My name is Jill Clifton, I'm the United States
6 Administrative Law Judge who is taking in the evidence at this
7 hearing. I would like to take the appearances of my fellow
8 USDA employees, and then the appearances of other participants
9 in the proceeding, starting with the teams for proponents and
10 opponents.

11 MR. HILL: Good morning, my name is Brian Hill, I'm an
12 Attorney with the United States Department of Agriculture's
13 Office of the General Counsel Marketing Regulatory and Food
14 Safety Programs Division.

15 MS. TAYLOR: Good morning, my name is Erin Taylor. I'm a
16 Marketing Specialist with AMS Dairy Program.

17 MS. MAY: Good morning, Laurel May with USDA AMS Dairy
18 Program.

19 MR. CARMAN: Good morning, welcome to the end of another
20 week. Clifford Carman, C-A-R-M-A-N, Assistant to the Deputy
21 Administrator Dairy Programs.

22 MS. BECKER: Good morning, Lauren Becker, I'm an Attorney
23 in the Office of the General Counsel at USDA.

24 MS. FRISIUS: Happy Friday, everybody. This is
25 Meredith Frisius, F-R-I-S-I-U-S, and I'm with USDA AMS Dairy

1 Program.

2 MR. SCHAEFER: Henry Schaefer, H-E-N-R-Y, S-C-H-A-E-F-E-R,
3 Agricultural Economist for the Upper Midwest Milk Marketing
4 Order Federal Order 30, on detail to USDA Dairy Programs.

5 MR. SWENSON: Good morning, Virgil Swenson, V-I-R-G-I-L,
6 S-W-E-N-S-O-N, Assistant Market Administrator with the Central
7 Federal Order in Kansas City on detail with USDA AMS Dairy
8 Program, for the very last day.

9 MR. BESHORE: Good morning, Marvin Beshore, M-A-R-V-I-N,
10 B-E-S-H-O-R-E, Attorney for the Proponents of Proposal
11 Number 1, California Dairies, Dairy Farmers of America, and
12 Land O'Lakes.

13 MR. VLAHOS: John Vlahos, J-O-H-N, V-L-A-H-O-S, with the
14 law firm of Hanson Bridgett in San Francisco, H-A-N-S-O-N,
15 B-R-I-D-G-E-T-T.

16 MR. JABLONSKI: Gary Jablonski, G-A-R-Y, J-A-B-L-O-N-S-K-I,
17 working with the Cooperatives of Proposal Number 1.

18 MR. WEGNER: Good morning, Thomas Wegner, Land O'Lakes,
19 T-H-O-M-A-S, W-E-G-N-E-R.

20 MR. ENGLISH: Good morning, your Honor, for the 32nd time,
21 at least for this hearing. My name is Chip English,
22 E-N-G-L-I-S-H, I'm an Attorney with the law firm of Davis,
23 Wright, Tremaine, with an office in Washington DC, and I'm here
24 on behalf of the Dairy Institute of California, which is the
25 Proponents of Proposal Number 2.

1 MS. VULIN: Good morning, Ashley Vulin, A-S-H-L-E-Y, V --
2 as in Victor -- U-L-I-N, Attorney with Davis, Wright, Tremaine,
3 representing the Dairy Institute of California.

4 MS. KALDOR: Good morning, Rachel Kaldor, R-A-C-H-E-L,
5 K-A-L-D-O-R, Executive Director of Dairy Institute of
6 California.

7 MR. DeJONG: Good morning, James DeJong, D-e, J-O-N-G,
8 Dairy Policy Economic Analyst with Hilmar Cheese Company, dairy
9 farmer-owned manufacturer of cheese, whey, milk powder. And I
10 have some of my colleagues with me, behind me.

11 MR. DeROOY: Art DeRooy, D-e, R-O-O-Y, Controller Milk
12 Accounting, Hilmar Cheese Company.

13 MR. DAHLSTROM: Good morning, Mark Dahlstrom,
14 D-A-H-L-S-T-R-O-M, Dairy Procurement Manager for Hilmar Cheese
15 Company.

16 MR. ZOLIN: Alan Zolin, A-L-A-N, Z-O-L-I-N, Consultant for
17 Hilmar Cheese Company.

18 MR. VETNE: John Vetne, also a representative for Hilmar
19 Cheese.

20 MS. TAYLOR: Good morning, Sue Taylor, from Leprino Foods,
21 L-E-P-R-I-N-O.

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

24 MR. WILLIAMS: Matt Williams, W-I-L-L-I-A-M-S, I'm here
25 with the Dean Foods Company.

1 MS. HANCOCK: Nicole Hancock with Stoel Rives, I represent
2 the California Producer Handlers Association and Ponderosa
3 Dairy. And today through the ABA, the American Bar
4 Association, is Love Your Lawyer Day. So --

5 MR. SHEHADEY: Got to work hard for that one I think for
6 all of us. My name is Richard Shehadey, S-H-E-H-A-D-E-Y, I'm
7 with Producers Dairy Foods and Bar 20 Dairy Farms, and enjoy
8 your double chocolate today.

9 JUDGE CLIFTON: Oh, and thank you. This is from Producers
10 Dairy, I understand.

11 MR. SHEHADEY: Yes, that's our product.

12 JUDGE CLIFTON: I haven't sipped it yet, but I'm so happy
13 to have it. Spell your last name for me again, I didn't quite
14 get it.

15 MR. SHEHADEY: Sure, S-H-E-H-A-D-E-Y.

16 JUDGE CLIFTON: And you pronounce it Shehadey?

17 MR. SHEHADEY: Shehadey.

18 JUDGE CLIFTON: Thank you so much.

19 MR. LAI: Good morning, Victor Lai, L-A-I, with Producers
20 Dairy Foods.

21 MR. VU: Good morning, Bao Vu, B -- as in boy -- A-O, Vu, V
22 -- as in Victor -- U. I'm with the law firm Stoel Rives and we
23 represent the California Producer Handlers Association and
24 Ponderosa Dairy. Thanks.

25 MR. VANDENHEUVEL: Rob Vandenheuvel,

1 V-A-N-D-E-N-H-E-U-V-E-L, here on behalf of Milk Producers
2 Council.

3 MR. VANDEN HEUVEL: Geoffrey Vanden Heuvel G-E-O-F-F-R-E-Y,
4 and then, V-A-N-D-E-N, H-E-U-V-E-L. I'm a dairy farmer in
5 Chino, California. I'm also Vice Chairman of Milk Producers
6 Council.

7 MS. REED: Good morning, Kristine Reed, K-R-I-S-T-I-N-E,
8 R-E-E-D, I'm an attorney with the Miltner Law Firm, and we
9 represent Select Milk Producers. Thanks.

10 JUDGE CLIFTON: And the Cincinnati Bengals one.

11 MS. REED: Yeah, but I'm a Browns fan. I'm disappointed
12 but not exactly surprised.

13 MR. HOLLON: Elvin Hollon, E-L-V-I-N, H-O-L-L-O-N, with
14 Dairy Farmers of America, supporting Proposal Number 1.

15 JUDGE CLIFTON: I am so happy to see you at the podium,
16 Mr. Hollon.

17 MR. HOLLON: So maybe Monday we can discuss the LSU-Alabama
18 game.

19 JUDGE CLIFTON: Is there anyone who -- oh, good, more
20 people.

21 MR. SHEHADEY: Scott Shehadey with Producers Dairy Foods.

22 MR. SHEHADEY: Richie Shehadey with Producers Dairy foods,
23 R-I-C-H-I-E.

24 JUDGE CLIFTON: If you have not yet given your business
25 card to the court reporter and you have one, I would like you

1 to do that at our first break. All right.

2 Is there anyone else who would like to come forward and
3 be identified at this time, particularly if you expect to
4 testify today I would like you to come forward. All right. No
5 one at this time. Let's move on then, to preliminary matters
6 and announcements.

7 MS. MAY: Laurel May with USDA. Good morning and welcome.
8 I have a big crowd here today, that's kind of fun for a Friday.
9 Byway of announcement, just a reminder that tonight we will be
10 packing up here and moving to the Piccadilly Inn at the
11 Airport, which is at the Northwest corner of McKinley and Peach
12 Avenues behind the Shell station, so we'll see you there Monday
13 morning. Otherwise, everything else must go from here tonight.

14 And then we'll be there all week next week. And then
15 the following week, assuming that we are still in session, we
16 will be meeting at the Falls Event Center which is at
17 4105 West Figarden Drive here in Fresno, and that is kind of a
18 westward expansion of Bullard Avenue, so as you go west on
19 Bullard, after you cross Marks it will start covering around to
20 the south, and once you cross Brawley, the Event, the Falls
21 Event Center will be on your left, and there's parking behind
22 the building.

23 Yesterday afternoon we had Mr. Zolin on the stand and I
24 think this morning rather than go back to him we're going to
25 start with Mr. Blaufuss and Mr. Williams, appearing as a panel.

1 And I'm sure Mr. English will give us a lot more detail about
2 that. And that's all I have.

3 JUDGE CLIFTON: Thank you so much. Mr. English?

4 MR. ENGLISH: Good morning, your Honor. Chip English. And
5 had a fair amount of discussion off the record about procedure,
6 so I think at least for most of the people in the room this
7 won't be a surprise, some it will be, as we're going forward.
8 But for the record, we are going to start today, unless there's
9 dairy farmers who I understand will be here at some point, but
10 I don't see them at the moment. We're going to start today
11 with Matt Williams and Rob Blaufuss regarding the
12 producer-handler/producer-distributor exempt quota issue, and
13 that will be called Rob Blaufuss Testimony, Part 5, because
14 that's how it got put together, even though he hasn't yet put
15 his Part 4 testimony in.

16 When they are complete we're going to bring Mr. Zolin
17 back so we don't have loose threads all over the place and
18 we're going to have him finish 9(d).

19 We then will have Mr. Blaufuss, after that break of
20 however length, return with Part 4, which is fortification
21 issues.

22 After that, while it's not yet complete, I am confident
23 on this one, that we will be able to bring Al Zolin on on the
24 corrections/adjustment for 7(c). I do understand that we are
25 likely to have two dairy farmers, I know that's not in

1 anybody's control, but I think Mr. Beshore is indicating one
2 for sure.

3 So let me say what's not going to happen today, and all
4 along I have said that the transportation credits, and by the
5 way, that's Rob Blaufuss, is not going to happen this week, and
6 it is not going to be ready Monday, so I think we should move
7 forward and it will come a little later.

8 What clearly isn't going to happen today is a
9 discussion of the quota. I would expect and intend fully to
10 have that on the stand first thing Monday morning.

11 JUDGE CLIFTON: Now, your voice dropped, I know you said
12 quota.

13 MR. ENGLISH: The quota is the quota section, which is the
14 testimony of Dr. Schiek, is going to go on first thing Monday
15 morning, absent a dairy farmer who would take precedence, but
16 that would be going first.

17 I had some hope that we would have Sue Taylor's Part 3
18 piece done. I think that hope is frankly fading, even though
19 there was a person I know was working all night on the data, at
20 least one person working all night on the data, and I have had
21 some discussion with people off the record, and I understand
22 that, as I view it, as I hear it, the two principle concerns,
23 and the number one concern expressed by your Honor is, are we
24 going to get done by Friday, November 20th? And I understand
25 from everybody in the room, that even if we, and by the way, I

1 once forecast we would be done Tuesday of next week anyway, so
2 what I understand from everybody I've talked to in the room, no
3 one believes that's going to be a problem, and the hope and
4 expectation is that we can be done maybe by the second or third
5 day of that week of the 16th. But I also understand that even
6 if I got everything done today, probably would be a very good
7 chance we would have to go that week because of people's
8 schedules.

9 So we may have a short day today, but that may be a
10 little bit like talking to Janet Leal about when the Feds are
11 going to raise the interest rate, and because a number of
12 people have looked at me and said that's a lot of stuff anyway.
13 But I can say that given the fact that I have not and will not
14 have a chance to review the Class III material, it's just not
15 going today. It's not going to happen. So if we end up with a
16 short day, and I'll let others address whether they might have
17 a witness, then we do. And I had some people who frankly got a
18 big smile on their face when I said that. I think others said
19 they were indifferent.

20 So that's what I have. And we'll do our best to move
21 forward, and I assure you that we really are working diligently
22 on all this. And we really will, without doubt, without doubt,
23 be ready to put quota and Sue Taylor, Part 3, on Monday.

24 JUDGE CLIFTON: And how many witnesses will you have with
25 regard to quota?

1 MR. ENGLISH: Well in a way Mr. Zolin's 9(d) testimony
2 addresses sort of some issues, but the reality is, Dr. Schiek
3 is the quota witness, and there's only one. So there's that
4 one witness, and there's Sue Taylor, Part 3, which I understand
5 is likely to be a relatively, no more than relatively, a short,
6 absolutely, in absolute terms, a short statement. But then
7 there's the data. And that's what's taking us so long is the
8 data. And so those would be the two pieces we would have for
9 Monday.

10 JUDGE CLIFTON: And tell me again what Ms. Taylor's, Part
11 3, is about?

12 MR. ENGLISH: The Part 3 is the impact, she talked on
13 Part 2 of the impacts on Leprino of proposals, and her impacts
14 will be the impacts of Proposal 2 on pricing. So it's the
15 pricing issue. But that's, in other words, before it was about
16 Leprino, this is about class prices, what we would anticipate
17 for regulated prices.

18 So that's my, what I have for today. And you know, I
19 guess, with the rate we have gone on some things, and I can
20 tell you that obviously it's going to depend a little bit on
21 the length of examination on some of these pieces. I could see
22 some examination on the producer-distributor issue, and
23 Mr. Blaufuss' statement on fortification, while it is
24 relatively short as I mentioned yesterday, there are 62 pages
25 of tables, or actually 11 tables, but there are 62 pages, and

1 at least 8 of the tables have two columns with separate sets of
2 numbers and calculations. And he and I are going to walk
3 through that and explain that on additional direct. So that
4 could take awhile anyway.

5 JUDGE CLIFTON: That's very helpful. Thank you. All
6 right. Are there any other preliminary matters? I would read
7 into the record the docket number by which the United States
8 Department of Agriculture Hearing Clerk knows this case, and
9 that is in brackets [AO] docket number 15-0071.

10 I would also like to say that this Clovis Veterans
11 Memorial District has been wonderful to us. And if we indeed
12 finish before the week of Thanksgiving, then this is our last
13 time here. I'm so pleased that Laurel May discovered it. It's
14 a relatively new facility. We have seen how many diverse
15 groups use it. I can't imagine a better community builder in
16 honor of Veterans than this. It's just been great. And the
17 hearing's been great, and isn't it wonderful that we had this
18 opportunity to talk with one another in between sessions
19 because we have plenty of room. I just can't say enough how
20 our physical location has benefitted the hearing process.

21 All right. Let us go onto the evidence. Mr. English,
22 do you have anything to distribute?

23 MR. ENGLISH: Chip English. Yes, your Honor. What we are
24 distributing, your Honor -- Chip English again -- is three
25 documents. In order, the first document would be Testimony of

1 Rob Blaufuss, Part 5, followed by Exhibits of Rob Blaufuss,
2 Part 5, followed by a statement by Matt Williams. So I would
3 ask that they be marked in that order.

4 JUDGE CLIFTON: All right. The first one, the Testimony of
5 Rob Blaufuss, would that be Exhibit 139, Ms. Frisius?

6 MS. FRISIUS: Yes.

7 (Thereafter, Exhibit 139, was
8 marked for identification.)

9 JUDGE CLIFTON: The exhibits of Rob Blaufuss will be
10 Exhibit 140.

11 (Thereafter, Exhibit 140, was
12 marked for identification.)

13 JUDGE CLIFTON: And the exhibit of Matt Williams will be
14 Exhibit 141.

15 (Thereafter, Exhibit 141, was
16 marked for identification.)

17 JUDGE CLIFTON: Mr. Blaufuss and Mr. Williams, you are
18 welcome to come to the witness stand. I'll wait until the
19 documents are distributed until I swear in Mr. Williams.

20 If you do not yet have a copy of these three exhibits
21 and want copies, would you raise your hand? All right.

22 I'll go forward. Mr. Williams, is this your first time
23 to testify in this proceeding?

24 MR. WILLIAMS: Yes.

25 JUDGE CLIFTON: I would like to swear you in in a seated

1 position. If you will raise your right hand, please.

2 Do you solemnly swear or affirm under penalty of
3 perjury that the evidence you will present will be the truth?

4 MR. WILLIAMS: Yes.

5 JUDGE CLIFTON: Please state and spell your name.

6 MR. WILLIAMS: Matt Williams, M-A-T-T, Williams,
7 W-I-L-L-I-A-M-S.

8 JUDGE CLIFTON: Thank you. And Mr. Blaufuss, you remain
9 sworn. Would you state and spell your name, please?

10 MR. BLAUFUSS: Rob Blaufuss, Blaufuss, B-L-A-U-F-U-S-S.

11 JUDGE CLIFTON: Thank you. Mr. English, you may proceed.

12 DIRECT EXAMINATION

13 BY MR. ENGLISH:

14 Q. Thank you, your Honor.

15 Mr. Blaufuss, why don't you go first and read your
16 statement which is marked 139 -- hold one second, there are
17 five end notes on the testimony. And we are not asking that
18 they be put in the transcript, but I want to note them. They
19 are on Exhibit 139 and they will be part of the record, if and
20 when Exhibit 139 is admitted, but we are not asking the court
21 reporter to put them in the transcript.

22 Now, if you could go forward, Mr. Blaufuss.

23 A. Okay.

24 Producer-Handler Regulations

25 As Found in Section 1051.10 of Proposal 2, a

1 producer-handler is defined as a person who operates a dairy
2 farm and a distributing plant from which there is route
3 disposition in the marketing area from which total route
4 disposition and packaged sales of fluid milk products to other
5 plants during the month does not exceed 3 million pounds, and
6 who the Market Administrator has designated a producer-handler
7 after determining that all of the requirements of the section
8 have been met.

9 While there are many similarities between Proposal 2
10 and Proposal 1 with respect to Section 1051.10 regulations,
11 there are also several key differences. Proposal 2 mirrors the
12 producer-handler regulations that currently exist in Federal
13 Orders 124 and 131. The key difference between Proposal 2 and
14 Proposal 1 is the additional ownership requirements those
15 operating in Federal Orders 124 and 131 must abide by to be
16 considered producer-handlers. The increased ownership
17 requirements borne to producer-handlers under Proposal 2, can
18 be found in Section 1051.10(b), Parts 1 and 2. Experience in
19 FMMO's west of the Rockies, with its larger sized dairy farms
20 has demonstrated that the provisions in Order 124 and 131 are
21 needed to assure that an entity doesn't meet the
22 producer-handler definition while manipulating its milk
23 production through use of lease cows or other creative
24 ownership structure arrangements, which undermine the integrity
25 of the purpose behind the limitations on these entities.

1 The fluid milk industry operates in a highly
2 competitive market where business can be won or lost over
3 fractions of a penny of a gallon. It is imperative that milk
4 pricing regulations do not provide an artificial regulatory
5 advantage to one similarly situated regulated handler over
6 another. California state milk pricing regulations do exactly
7 this with respect to exempt producer distributors, also known
8 as producer-handlers in the Federal Order system. California
9 producer-handlers enjoy a significant competitive advantage
10 over fully regulated Class I handlers. Under California milk
11 pricing regulations, producer-handlers effectively avoid paying
12 into the California pool, the difference between the minimum
13 Class I price and the quota price on all exempt quota holdings.

14 Having a different set of rules for fully regulated
15 handlers compared to those who are not, creates disruption in
16 the Class I market. Disruptive conditions arise when some, but
17 not all, Class I handlers are able to avoid paying Class I
18 prices. Class I handlers not subject to full regulations, are
19 able to use artificially low regulated cost structure to offer
20 a lower price to customers than a fully regulated handler
21 could.

22 Unlike producer-handlers in all other Federal Orders,
23 California producer-handlers enjoy a soft cap exemption. A
24 soft cap allows the California producer-handlers to retain the
25 Class I exemption on a set level of quota pounds, while still

1 being allowed to increase their total Class I route
2 disposition, without fear of ever becoming fully regulated.
3 This soft cap provision is the proverbial gift that keeps on
4 giving. The California producer-handlers are able to expand
5 their Class I sales by diluting the dollars they avoid paying
6 into the pool over the totality of their Class I sales. While
7 it erodes their full per gallon competitive price advantage,
8 they are able to -- they are able still -- say it again, they
9 are still able to retain a competitive price advantage over
10 fully regulated Class I processors.

11 All Federal Milk Marketing Orders fully regulate
12 producer-handlers whose mostly Class I route dispositions
13 exceed 3 million pounds. The Federal Order regulations operate
14 under what is termed a hard cap. Any producer-handler over the
15 three million pound threshold, begins fully regulated and does
16 not retain an exemption on any of their Class I sales. They
17 are required to pay into the pool the regulated minimum Class 1
18 price, on all milk they procure.

19 The California producer-handlers exempt quota pounds
20 are held static regardless of their sales volumes. However,
21 unlike current Federal Order regulations, there are no sales
22 volume limits placed on California producer-handlers which
23 would lead them into becoming fully regulated handlers.

24 USDA has ruled on multiple occasions that
25 producer-handler exemptions create disorderly marketing and put

1 fully regulated Class I handlers at a competitive disadvantage.
2 After a 2005 hearing in Federal Orders 124 and 131, USDA found
3 that, "producer-handlers with more than 3 million pounds of
4 route disposition per month in both the Pacific Northwest and
5 the Arizona, Las Vegas marketing areas, are the primary source
6 of disruption to the orderly marketing of milk." USDA went
7 further in that decision when they stated that "this disorder
8 is evidenced by significantly inequitable minimum prices that
9 handlers pay in reduced blend prices that dairy farmers receive
10 under the terms of each area's Marketing Order."

11 In a 2009 Federal Order hearing decision around the
12 producer-handler issue, USDA asserted that "when uniform
13 minimum price conditions exist, the basis for orderly marketing
14 is present. In the absence of uniformity of minimum prices
15 among producers and handlers, the basis for orderly marketing
16 is undermined." USDA concluded its decision by stating that
17 producer, "producer-handlers with total Class I route
18 disposition in excess of 3 million pounds per month enjoy
19 significant competitive sales advantages because they do not
20 pay the Class I price for raw milk." A proposal for a soft cap
21 (regulation of a producer-handler only for route disposition
22 greater than 3 million pounds) made in that proceeding was
23 expressly rejected by USDA.

24 Dean Foods fully supports the Dairy Institute of
25 California's proposal to cap the producer-handler exemption to

1 those with 3 million pounds or less of monthly Class I route
2 dispositions. We are also supportive of the Dairy Institute
3 language which uses the current Federal Order 124 and 131
4 language, which eliminates the potential for producer-handlers
5 to change their ownership structure in an effort to avoid
6 regulation. In order for a Federal Order to work effectively,
7 all handlers must operate under the same set of rules. As
8 stated by USDA in 2009, "producer-handlers with monthly Class I
9 route disposition of 3 million pounds or less, are not a cause
10 of disorderly marketing conditions that warrant correction."
11 In order to ensure an equal playing field, Proposal 3 must be
12 rejected. While the producer-handlers downplay the impacts of
13 exempt quota, the exemption allows them to enjoy a significant
14 competitive advantage over fully regulated route distributing
15 plants. This advantage has clear value. The producer-handlers
16 stated as much in their amended supplemental proposal for a
17 California Milk Marketing Order, when they stated that "between
18 1994 and March 1995, the producer-handlers collectively
19 invested \$9,298,677.84 to acquire quote that would receive the
20 exempt treatment."

21 The regulatory price difference between a fully
22 regulated California Class 1 plant and an Option 70
23 producer-distributor is readily calculable in any given month.
24 Exhibit 140, Table 1, does exactly this.

25 JUDGE CLIFTON: Let us stop there and we'll insert that in

1 the document on the record copies. 140, and if you would begin
2 that paragraph and that sentence again, please.

3 MR. BLAUFUSS: Will do. The regulatory price difference
4 between a fully regulated California Class 1 plant and an
5 Option 70 producer-distributor is readily calculable for any
6 given month. Exhibit 140, Table 1, does exactly this.

7 JUDGE CLIFTON: And let us also write in Table 1. Thank
8 you. And Mr. Blaufuss, you may continue.

9 MR. BLAUFUSS: All right. Column B represents the monthly
10 announced Southern California Class 1 price at 3 and a half
11 percent butterfat; column C represents the monthly announced
12 Northern California Class 1 price at 3 and a half percent
13 butterfat; and Column D represents the monthly announced quota
14 price at 3 and a half percent butterfat.

15 The regulated price advantage producer-handlers in
16 California enjoy is equal to the difference between the
17 announced Class 1 price and the monthly announced quota price.
18 In order to calculate the per hundredweight price advantage, I
19 simply took the Southern California Class 1 price and
20 subtracted the monthly announced quota price. The results of
21 this calculation can be found in Column E. I performed the
22 same calculation for the producer-handler advantage compared to
23 the Northern California Class 1 price, these results can be
24 found in Column F. Finally, I calculated the per gallon
25 regulated cost advantage current California regulations provide

1 exempt producer-handlers for a gallon of whole milk. A gallon
2 of whole milk weighs approximately 8.62 pounds, which would
3 mean a hundredweight of milk would yield approximately 11.6
4 gallons of packaged milk. By dividing the per hundredweight
5 price advantage for both Southern and Northern California by
6 11.6, I was able to ascertain the per gallon regulated price
7 advantage. The monthly regulated price advantage can be found
8 in Column H. As the data shows, from January 2010 through
9 August of 2015, California producer-handlers enjoyed a 16 cent
10 per gallon regulated price advantage over fully regulated
11 Class 1 distributing plants located in Southern California.
12 Over that same period, the regulated price advantage equals 14
13 cents per gallon compared to Northern California Class 1
14 plants. The single largest multi-advantage, which occurred in
15 December of 2014, was 50 cents a gallon and 47 cents per gallon
16 for Southern and Northern California respectively. The lowest
17 price advantage over that same period was negative 11 cents per
18 gallon for Southern California, and negative 13 cents per
19 gallon for Northern California. This monthly low advantage
20 occurred in February of 2011.

21 Proponents of Proposal 3 (based upon questions to date)
22 appear to try to divert attention away from the magnitude of
23 the exempt quota pounds by comparing it to the total pounds of
24 milk in the California pool. This comparison is a red herring.
25 In order to gain a full appreciation of the impact that

1 producer-handlers have, one must compare the exempt quota
2 pounds against the total Class 1 volume in the State of
3 California. In using CDFA Table AC we can do exactly that.
4 For the month of August 2015, producer-handlers exempt Class 1
5 pounds totaled 20,989,392 pounds, while it's total pool Class 1
6 volume was 99,557,362 pounds. Total producer-handler Class 1
7 volumes combined exempt quota and pool pounds equalled
8 120,546,754 pounds. Total Class 1 pounds from out-of-state
9 totalled 29,756,864 pounds. With the exempt quota pounds and
10 out-of-state Class 1 milk included, there was a total of
11 503,016,796 pounds of Class 1 in California. As the data
12 shows, total producer-handler volume in August 2015 represented
13 approximately 24 percent of the total California Class 1
14 volume.

15 Dean has absolutely no problems competing in a
16 competitive environment, so long as all entities are operating
17 on an equal playing field. In recent years, competition has
18 increased, not the plants located outside of California moving
19 milk into the state, but rather exempt producer-distributors
20 located in the State of California, who, because of a favorable
21 regulatory advantage, are able to offer customers a lower
22 price. Increased volatility in Class 1 pricing and declining
23 sales volumes could ultimately lead to an even greater
24 competitive advantage should producer-handlers in the state be
25 allowed to continue to operate as they do today. Under both

1 Proposal 1 and Proposal 2, the four current producer-handlers
2 operating in California would still be able to maintain their
3 producer-handler status should they have less than 3 million
4 pounds of Class 1 route dispositions in a given month that meet
5 the other requirements by not relying on other farm production.
6 I note that from our knowledge, these entities do not actually
7 meet these definitions. California is not an island. What
8 happens in this hearing will have ripple effects on all Federal
9 Orders. USDA would be going against their own precedent set in
10 previous national and regional producer-handler hearings should
11 it decide to continue to allow California producer-handlers to
12 enjoy all of the current regulatory advantages that exist under
13 the California State Order in a potential new Federal Order.

14 BY MR. ENGLISH:

15 Q. So before turning over to Mr. Williams, I had two sort
16 of technical things I think on page 6. Two technical things on
17 page 6, this is Chip English. The first is, and you, in both
18 instances you read it correctly which is different from the
19 prepared text. So on top of page 6, when you said, carrying
20 over from, I'm sorry, top of page 6, carrying over from 5 when
21 you said "Class 1 in California" the word "the" appears at the
22 top of page 6 and should probably be omitted, correct? And you
23 didn't read it.

24 A. Sorry, I'm not seeing where you are pointing me here.

25 Q. Right before the word California on page 6, the very

1 first line of page 6.

2 A. Yes.

3 Q. And you didn't read "the" because "the" didn't really
4 correctly work, and so "the" should be deleted, correct?

5 A. Correct.

6 JUDGE CLIFTON: Thank you, Ms. Frisius.

7 BY MR. ENGLISH:

8 Q. And similarly, four lines down, I'm sorry, five lines
9 down, fourth line of the next paragraph, which you read
10 "distributors located in the State of California" the word "of"
11 does not appear in your testimony as written, but it should
12 properly be included, correct?

13 A. Correct.

14 JUDGE CLIFTON: Thank you, Ms. Frisius, we'll add the word
15 "of". And then I had one that I wanted to draw to your
16 attention, Mr. Blaufuss, this is a small thing, but I want you
17 to go back to page 1. And I want you to read again the first
18 sentence of the last paragraph, which is only a partial
19 paragraph.

20 MR. BLAUFUSS: I knew as I said it you were going to bring
21 it up, because I said it differently, I think.

22 The fluid milk industry operates in a highly
23 competitive market where business can be won or lost over
24 fractions of a penny a gallon.

25 JUDGE CLIFTON: Correct. All right. And the reason I

1 think that tiny thing is important is the first time you read
2 it you said "over fractions of a penny of a gallon" and that
3 word "of" doesn't help us understand it. So, now we have got
4 it as you wrote it.

5 MR. BLAUFUSS: Uh-huh.

6 JUDGE CLIFTON: All right. Mr. English?

7 BY MR. ENGLISH:

8 Q. So at this point, Mr. Williams, if you could read your
9 statement, which is Exhibit 141.

10 A. Okay. My name is Matt Williams and I'm the Senior
11 Vice President for the West Region of Dean Foods Company. I am
12 responsible for the P&L for 16 fluid milk plants and two ice
13 cream plants in the Western United States, including
14 California. I have worked for Dean Foods for 6 years and have
15 20 years of experience in the dairy, consumer packaged goods,
16 and grocery industries. In California, Dean Foods operates
17 three fluid milk plants -- one in Hayward, California, and two
18 in City of Industry, California. Additionally, we operate one
19 ice cream plant in Buena Park, California. One of my
20 responsibilities is to evaluate and approve pricing for private
21 label milk contracts with customers in response to requests for
22 proposals ("RFP's").

23 Today, I am here to provide an example of how the
24 producer-handler regulated milk cost advantage creates an
25 uneven playing field that significantly impacts Dean Foods'

1 ability to compete in the private label Class 1 milk category.
2 Over the last three years, due to the producer-handler
3 regulated milk cost advantage, Dean Foods' California plants
4 have lost significant private label milk volume, requiring us
5 to consolidate plants and lay off 60 employees. In fact, since
6 January 2013, Dean Foods has lost over 20 million gallons of
7 annual private label milk volume to producer-handler dairies in
8 California through RFP processes. There should be no doubt
9 that the reason for these losses is the substantial competitive
10 advantage producer-handlers receive from purchasing their
11 largest input cost at a materially lower price than other
12 processors pay.

13 In late 2012, Dean Foods' dairies in Northern and
14 Southern California, submitted a bid in response to an RFP
15 issued by a national retailer. When the RFP results were
16 announced, we learned that we lost to producer-handler dairies,
17 111 retail stores that purchase an average volume of 160,000
18 gallons per store. In Southern California, a store that is
19 located only 13.8 miles away from our Alta Dena Dairy (which
20 was the then-current DSD supplier), was awarded to a
21 producer-handler dairy that is located 241 miles away from that
22 same store for continued DSD delivery. In Northern California,
23 our Berkeley Farms Dairy was then, the then-current DSD
24 supplier to a store that is 21.1 miles away from the plant.
25 However, that store was awarded to a producer-handler dairy

1 that is located 154 miles away from the store for continued DSD
2 delivery. As discussed below, the only logical explanation for
3 how a processor located over 150 miles further away from a
4 delivery point than a competing processor could be, could bid a
5 competitive DSD price, is because of the producer-handler
6 regulated milk cost advantage.

7 More specifically, the bid criteria outlined in the
8 above-referenced national retailer RFP required two milk price
9 quotes, one for dock pick up and one for DSD delivery. I will
10 focus my testimony on the DSD price quote. The DSD price was
11 to be determined based on the bidder's cost per gallon to
12 deliver product on a dedicated DSD route to the retailer
13 stores, taking into account each store's distance from the
14 producing plant. For the purpose of the DSD price quote, the
15 distance radius ranged from 0 to 25 miles from the producing
16 plant up to 351 to 400 miles from the producing plant in
17 sequential increments. The RFP required bidders to use the
18 following criteria in order to determine the DSD cost per
19 gallon, spread over an average payload of 4,000 gallons per
20 trailer -- truck cost per mile (to include labor and asset
21 costs), four deliveries per week, per store, in a DSD, and a
22 diesel fuel rate based on actual diesel fuel costs for the
23 month of April of 2012. Simply put, the structure of the RFP
24 DSD price criteria contemplated that the retailer's stores that
25 were closest to the producing plant would have a lower

1 delivered milk price than those stores that were further from
2 the producing plant, due to the higher distribution costs that
3 would be incurred by the more distant plant.

4 However, despite the cost advantage built into the RFP
5 to those producing plants that were located closer to the
6 retailer stores, the more distant producing plants were awarded
7 the business. This result cannot credibly be explained by
8 claiming that the producer-handler plants have more efficient
9 plant operations that enable them to overcome the materially
10 higher distribution costs they incur for the business. First,
11 because raw milk represents a substantial majority (over 70
12 percent) of the total costs of processing and packaging a
13 gallon of milk, any cost advantages in those areas of
14 operations that a producer-handler may have, would have a
15 minimal impact on the overall bid price. It would not be
16 nearly sufficient to offset the substantial disadvantage in its
17 distribution costs. Second, based on my industry knowledge and
18 familiarity with Dean Foods processing costs through its more
19 than 60 plant network, I know there is very little variability
20 between operations and costs associated with long production
21 runs of gallon and half gallon private label white milk, which
22 made up a substantial part of the RFP at issue. Therefore, the
23 only reasonable conclusion is that the more distant
24 producer-handler plants were able to bid competitively with
25 their competitors who are closer to the retailer stores because

1 producer-handlers pay substantially less for the raw milk they
2 purchase, and they use that substantial advantage to overcome a
3 materially higher distribution cost.

4 It is no secret that a milk processor's material cost
5 to process and deliver private label Class 1 milk to a retail
6 store include raw milk, processing and packaging, and
7 distribution. It is indisputable that a processor that incurs
8 substantially higher distribution costs than its competitor
9 must achieve a material advantage in either its raw milk
10 procurement or processing and packaging costs in order to
11 compete on price. The RFP as an example only emphasizes this
12 point, because it required four deliveries, per week, per
13 store. Therefore, considering the minimal impact on overall
14 price that can be attributed to the variability between
15 operations and costs associated with processing and packaging
16 gallon and half gallon private label white milk, the only
17 logical explanation for why a processor could offer a
18 competitive sale price to a store that is 241 miles away from
19 its producing plant compared to a competing processor's plant
20 that is only 13.8 miles away from the same store, is that the
21 more distant processor must have a significant advantage on its
22 raw milk cost that is used to offset a significantly higher
23 distribution cost.

24 Thank you for allowing me to testify.

25 JUDGE CLIFTON: Would you re-read the last sentence? I

1 know it is a long sentence and I'm sorry to make you do that,
2 but I would like to you re-read it.

3 MR. WILLIAMS: Therefore, considering the minimal impact on
4 overall price that can be attributed variability between
5 operations and costs associated with processing and packaging
6 gallon and half gallon private label white milk, the only
7 logical explanation for why a processor could offer a
8 competitive sale price to a store that is 241 miles away from
9 its producing plant, compared to a competing processor's plant
10 that is only 13.8 miles away from the same store, is that the
11 more distant processor must have a significant advantage on its
12 raw milk cost that it uses to offset a significantly higher
13 distribution cost.

14 JUDGE CLIFTON: Thank you. Mr. English.

15 MR. ENGLISH: Thank you, your Honor I think you captured
16 that one.

17 BY MR. ENGLISH:

18 Q. Similarly, if you go back to page 3, in the middle of
19 the long paragraph that starts on that page with "however", in
20 the middle of the paragraph you have the sentence that starts
21 "second, based on my industry knowledge and familiarity", in
22 the next line down I think you may have said "processing costs
23 through its more than 60 plant network" if it reads "processing
24 costs throughout its more" would the word "throughout" be the
25 word you prefer to use?

1 A. Throughout.

2 Q. Did you have any others, your Honor? Okay.

3 JUDGE CLIFTON: I should have answered audibly, no. Thank
4 you.

5 MR. ENGLISH: I wasn't going to point that out, your Honor.

6 BY MR. ENGLISH:

7 Q. So when you testify as a panel it's important that, I
8 think, as you identify who is speaking, but I'm going to try,
9 at least in my part, to identify, ask questions sequentially of
10 you so that we will know.

11 So I'm going to start with you, Mr. Williams, and ask a
12 few follow up questions. But first, I want to is ask a little
13 more about you and your experience, since this is the first
14 time you have testified in this proceeding. Where did you
15 start in business?

16 A. I started with the Gallo Wine Company out of college.
17 I worked after the Gallo Wine Company with Pepsi Bottling
18 Group, which is a DSD delivery company for carbonated soft
19 drink beverages. I was with them for nine years, I was with
20 Gallo for four. From there I worked for a division of the
21 Coca Cola Company, Odwalla Juice, which was also a DSD delivery
22 business for the juice business, and was with them for five
23 years. And now with Dean Foods for six.

24 Q. Okay. Could you spell for the record Odwalla?

25 A. O-D-W-A-L-L-A.

1 Q. And you have gotten a little bit ahead of me with this
2 by using DSD, but I think we need to have what that is?

3 A. DSD is an acronym for Direct Store Delivery.

4 Q. As opposed to dock pick up?

5 A. As opposed to dock pick up or warehouse delivered.

6 Q. And what is your position with Dean Foods today?

7 A. I'm the Senior Vice President for the West Region.

8 Q. And as you say, you are responsible for the profit and
9 loss for 16 fluid milk plants and two ice cream plants in the
10 Western United States, correct?

11 A. Correct.

12 Q. Another term that I think might need some explanation,
13 you used the phrase private label milk. What is private label
14 milk?

15 A. Private label milk is milk that is manufactured under a
16 retailer's own label. So as an example, a customer has a label
17 that they want to manufacture and you put their own store name
18 on the label, store brand milk is another way to refer to it
19 as.

20 Q. And that's distinguished from sort of a branded name?

21 A. Branded milk, which is an associated with the dairy.

22 Q. Okay. And over on page 2, the bottom paragraph, when
23 you are discussing the distribution costs, given the fact that
24 the RFP required four deliveries per week, that how does that
25 impact those distribution costs, the requirement for four

1 deliveries per week?

2 A. Well, I think what it was designed to do was to
3 identified very specific, it took the variability out of the
4 way that a processor could cost the bid. Everybody was on a
5 level playing field. It was a requirement to participate in
6 the bid with the customer, and so it was requiring each store
7 to receive four individual DSD deliveries per week to that
8 individual store.

9 Q. So if you had to distribute 230 miles farther, you
10 would have to do that 230 miles, four times in a week?

11 A. Correct.

12 Q. Before I return to Mr. Blaufuss, is there anything you
13 would like to add to your statement?

14 A. No.

15 Q. So Mr. Blaufuss, your testimony is that on the
16 regulated cost advantage, the differences between the Class 1
17 and the quota price, correct?

18 MR. BLAUFUSS: Correct.

19 Q. In the earlier producer-handler decisions, did the
20 Department conclude that in traditional Federal Orders, the
21 advantage was the difference between the Class 1 and the blend?

22 A. That's correct.

23 Q. And so your testimony, in essence, is consistent with
24 that, with the difference being that because of the exempt
25 quota and the way it works, that the difference is actually a

1 little less, in that if you had a traditional federal blend for
2 California without the quota, that difference would actually be
3 larger, correct?

4 A. Correct.

5 Q. Okay. Now, you have indicated that you have looked at
6 the information that CDFA provided, and on page 5, the simple
7 average of, I'm sorry, the total exempt pounds are 20,989,392,
8 correct?

9 A. Correct.

10 Q. So a simple average of the four plants would mean that
11 there exempt quota was something north of \$5,000,000 -- I mean,
12 5,000,000 pounds, correct?

13 A. Correct, for that month.

14 Q. Okay. And as you have indicated, the Secretary was
15 presented in the national hearing with respect to federal
16 regulation of producer-handlers, with what amounted to a soft
17 cap of 3 million pounds, correct?

18 A. Correct.

19 Q. How would that soft cap work, in your understanding?

20 A. So basically, on a soft cap provision, you know, up
21 until 3 million pounds you would have an exemption. Once you
22 go past that, so say for this example you have 5 million pounds
23 of route disposition in a month, you would be exempted on the
24 3 million but have to pay into the pool on the 2.

25 Q. So, and the Secretary rejected that, correct?

1 A. Correct.

2 Q. So in here, if you try to draw a parallel, the soft cap
3 would have to be even higher, correct?

4 A. Correct.

5 Q. And one of the things I think that make it quickly very
6 confusing here is, under the Federal Orders there are
7 requirements of producer-handlers that they basically are all
8 self-contained, correct?

9 A. Correct. I think, our regulations Proposal 2 do allow
10 a certain amount of outside milk, but it is minimal. I believe
11 in our proposal it is 150,000 pounds a month.

12 Q. Which, again, matches up with existing Federal Orders,
13 correct?

14 A. Correct.

15 Q. To your knowledge, do any of the producer-distributors
16 in California qualify, leaving aside this question of exempt
17 quota, and leaving aside the 3 million pound cap, would they
18 qualify for producer-handler treatment under a traditional
19 Federal Order analysis?

20 A. No. Based on what I have been told, the California
21 market with respect to the current producer-distributors,
22 possibly all four, but at very least three, buy a level of milk
23 from outside their own system well above that 350,000 pound
24 threshold.

25 Q. So even if the Cooperative proposal in 1, or your

1 proposal, Dairy Institute's Proposal in 2 is adopted, in order
2 to move to some other level in what is yet to be shown to us
3 for proposal language for Proposal 3, there would have to be a
4 brand new category created, correct --

5 A. Correct.

6 Q. -- in Federal Orders?

7 A. Yeah.

8 Q. Before I turn to the exhibit, you indicated on the top
9 of page 6 from your calculation, that it would appear that from
10 August 2015, approximately 24 percent of the total entire
11 Class 1 volume is represented by the four producer-distributors
12 under Exemption 70, correct?

13 A. Correct.

14 Q. So that would leave 76 percent for all other Class 1
15 processors in California, correct?

16 A. That would be correct.

17 Q. How many processors is that? How many plants?

18 A. So if I look at CDFA Exhibit AC, I believe it was
19 Exhibit 61, AC, there is 35 total Class 1 handlers as of
20 December 2014, and there were four Option 70 handlers at that
21 month as well.

22 Q. So four Option 70 handlers have 24 percent, and 31 have
23 76 percent?

24 A. That's how I interpret that.

25 Q. Okay. So let's turn to Exhibit 140. So I know, I know

1 you discussed it in your testimony, but I think it is another
2 thing people are reading your testimony and not necessarily
3 looking at the exhibit, so I think it would be useful to run
4 through just one example again, and you know, I don't, I'll let
5 you pick which one. I guess I would say pick a January so it's
6 in a rational place, but if you want to pick January 2010,
7 which is page 1 of Table 1, that's fine.

8 A. Yeah, I'll just pick January 2010 to make it easy, that
9 way I'm not, again, being accused of cherry picking a number.
10 So January of 2010, and this is how the math works out. So in
11 Column B is just the announced Southern California Class 1
12 price that gets announced by CDFA. So in January of 2010, that
13 price was \$18.49 a hundredweight. Column C is just the
14 Northern California price, or Nor Cal as I have listed in the
15 title heading, and that's just again, the CDFA announced
16 Class 1 price, so that was \$18.22 per hundredweight. The
17 California quota price for January 2010 was \$15.18 per
18 hundredweight. And as I stated in my testimony, the difference
19 that, the advantage they enjoy is the difference between the
20 announced Class 1 price and that quota price, so making the
21 adjustment for both Nor Cal and So Cal, so first, in Column E
22 is the So Cal advantage, and that was \$3.31 per hundredweight
23 for the month of January 2010.

24 Q. For that you just subtracted Column D from B?

25 A. Yes, B from D.

1 Q. Okay.

2 A. And then for Column F it's --

3 JUDGE CLIFTON: I'm sorry, D from B?

4 MR. BLAUFUSS: B as in boy, from D as in dog.

5 MR. ENGLISH: No, I think it is the other way around,
6 B minus D.

7 MR. BLAUFUSS: That's what I said.

8 MR. ENGLISH: Oh, all right. Now I'm confused.

9 JUDGE CLIFTON: Try it one more time.

10 MR. BLAUFUSS: So Column E is Column B as in boy -- or B as
11 in Blaufuss, whatever you want to say -- minus D as in dog.

12 JUDGE CLIFTON: Good. Thank you.

13 MR. ENGLISH: All right.

14 BY MR. ENGLISH:

15 Q. I apologize if I got confused. So then Column F is the
16 same calculation for Northern California, taking C, as in cat,
17 minus D, as in dog?

18 A. That is correct.

19 Q. Okay. So what is Column G and H, then?

20 A. So G and H was just some simple math that I did, just
21 trying to put it on a per gallon basis, and the easiest to do
22 was just to do on a straight 3 and a half per fat basis, which
23 is what fluid milk is in California for whole. So Column G is
24 just taking Column E, divided by the 11.6, which is the amount
25 of gallons you get in a hundredweight of milk, assuming that

1 you have a weight of 8.62 pounds per gallon. So for January
2 2010, that advantage on a per gallon basis for Southern
3 California for the producer-handlers was 29 cents a gallon.
4 And then moving to Column H, it is the same math just using
5 Northern California prices, and we're looking at a 26 cent per
6 gallon advantage.

7 Q. And part of why you did that is that even though your
8 milk cost is based on hundredweight, when you sell it to
9 customer, you sell it by a price per gallon, correct?

10 A. Correct.

11 Q. Just a couple more questions. I note for a couple
12 months, and I just want to go through it to discuss it. So for
13 instance, for February 2011 you actually have a price inversion
14 or a negative, so could you discuss that briefly and what
15 happens there?

16 A. Yeah, maybe I'll talk big picture and then we'll get to
17 the interworking's of it. But basically, the advantage is
18 greatest when the Class 1 is significantly higher than the
19 quota price. And the quota price is going to be, it basically
20 developed or the way they set it, is a set price above the
21 total overbase for the entire market. So it is based on the
22 total utilization in the California market. Well, there are
23 some months, because dairy prices are announced at many
24 different time periods, so there could be significant price
25 movements in the market that impact different classes of milk

1 much differently from others. So for example, Class 1 milk is
2 announced no later than the 10th of the month prior to which it
3 is effective. So I don't know what the calendar was, I forget
4 when the November price was announced, but the latest it would
5 have been was October 10. Whereas, if I'm looking at a 4a, 4b
6 price, you are using, I believe it is the 26th of the month
7 prior through the 25th of the current month. So there's
8 different time periods that can cause these prices to swing
9 significantly. And so when we have negative inversions like
10 this, what that basically means is the Class 1 price was
11 actually the low price in the pool, I believe that's what that
12 would show, and that's because under a rapid run up in certain
13 commodity prices that caused the blend to rise significantly
14 from the time you announced that Class 1 price.

15 Q. Okay. Nonetheless, the average for any year is
16 certainly going to still be significantly to the positive,
17 correct?

18 A. Correct. You look at the data, and I was kind of
19 looking at this while Matt was talking. So I have January
20 2010, so we've got, call it five years and change, 1, 2, 3, 4,
21 5 and a half years. For Southern California there was only two
22 months in which there was a negative, and for Nor Cal, I
23 believe there would have been three in which it would have been
24 negative.

25 Q. All right. Anything else that you would like to add?

1 A. Well, I know the question will get asked, and maybe
2 I'll preempt it and I'll provide a little detail. So when I
3 looked at the total percent of Class 1 volume, there was one
4 additional piece of information that was not in AC.

5 And a little background. When CDFA entered the data
6 for Exhibit 61, AC, I was highly surprised at the total level,
7 looking at the top line, the total producer-handler Class 1
8 pool utilization. And I figured I was missing something in
9 that total number, so I reached out to CDFA to figure out what
10 I was missing, and they said, yes, that number is correct,
11 that's the total volume. And then I was doing the math, and
12 that number, just adding the exempt pounds to the total pounds
13 here listed, basically I was getting a number that was roughly
14 26 percent of the Class 1 utilization. And I thought that was
15 high, and I asked them, is that reflective? And they provided
16 the number, because the one piece I was missing was the milk
17 from out-of-state. And so the one piece that was missing was
18 the 29,756,864 pounds of out-of-state. So to get an accurate
19 reflection, of taking out-of-state, total milk pooled, exempt
20 pounds, and putting it on a like basis, that's what led me to
21 the 24 percent. Because I didn't want to have an apples to
22 oranges and say they are 26 percent when they are really not.
23 I tried to be as accurate as possible. And that's, that data,
24 that 29 million pounds, is not in their data set, but CDFA did
25 provide it.

1 JUDGE CLIFTON: So tell me again how much milk you
2 attribute to milk from out-of-state?

3 MR. BLAUFUSS: For the month of August it was 29,756,864.

4 JUDGE CLIFTON: Okay. Let me read it back to you,
5 29,756,864.

6 MR. BLAUFUSS: Correct.

7 JUDGE CLIFTON: And that was for the month of August of
8 2015?

9 MR. BLAUFUSS: Correct.

10 MR. ENGLISH: And that's the total out-of-state Class 1
11 pounds, correct?

12 MR. BLAUFUSS: Correct. And that's total of Class 1
13 pounds, that's not pounds potentially that you are bringing in
14 to go into a producer-handler plant, that's all Class 1 pounds.

15 MR. ENGLISH: Okay. Your Honor, I have no further
16 questions. I move admission of Exhibit 139, 140, and 141.

17 JUDGE CLIFTON: Let me start with Exhibit 140.

18 MR. ENGLISH: 140 or 139?

19 JUDGE CLIFTON: 139, thank you. 139. Does anyone wish to
20 question Mr. Blaufuss before determining whether you have any
21 objections? No one. And let me ask now, with regard to 140,
22 does anyone wish to question Mr. Blaufuss before you determine
23 whether you have objections? No. With respect to Exhibit 139,
24 are there any objections to it being admitted into evidence?
25 There are none. Exhibit 139 is admitted into evidence.

1 (Thereafter, Exhibit 139, was
2 received into evidence.)

3 JUDGE CLIFTON: With regard to Exhibit 140, are there any
4 objections to it being admitted into evidence? There are none.
5 Exhibit 140 is admitted into evidence.

6 (Thereafter, Exhibit 140, was
7 received into evidence.)

8 JUDGE CLIFTON: With regard to Exhibit 141, does anyone
9 wish to question Mr. Williams before determining whether you
10 have any objections? No one. Are there any objections to the
11 admission into evidence of Exhibit 141? There are none.
12 Exhibit 141 is admitted into evidence.

13 (Thereafter, Exhibit 141, was
14 received into evidence.)

15 MR. ENGLISH: Your Honor, if I may have a brief word with
16 my client, I just want to make sure I didn't miss something.

17 JUDGE CLIFTON: Certainly.

18 MR. ENGLISH: So far, gentlemen, you have spoken about the
19 impact of this on your operations or other Class 1 handlers,
20 but what is the implication of that for producers that are not
21 producer-distributors in the Order?

22 MR. BLAUFUSS: Yeah, so Dean Foods in the State of
23 California is obviously majority cooperative supplied, so
24 that's where we receive our milk. So lost sales to us, you
25 know, ipso facto, means a loss of sales to our suppliers as

1 well. So that has a direct impact on producers in the State of
2 California. And if you look at just the exempt pounds as well,
3 I'm just talking from the blend perspective, so again, I
4 mentioned some commentary around, you know, USDA decisions
5 around the fact that it lowers the blend price, because you are
6 not contributing those Class 1 dollars to the pool, which
7 typically is the highest value, it also impacts producers.

8 MR. ENGLISH: And now to be fair, that's also true about
9 the Class 1 pounds coming from out-of-state, correct?

10 MR. BLAUFUSS: That's correct.

11 MR. ENGLISH: I think I may have asked you this in a prior
12 piece of testimony, but I may have forgotten. Are you buying
13 any milk from out-of-state?

14 MR. BLAUFUSS: For our California plants, no.

15 MR. ENGLISH: Okay.

16 MR. BLAUFUSS: Not that I'm aware of.

17 MR. ENGLISH: Gentlemen, again, I think, when you are asked
18 questions, depending on how they are asked, if you are jumping
19 around, please make sure you identify who is responding. But
20 it will depend obviously on examination. Thank you. They are
21 available for further examination.

22 JUDGE CLIFTON: Who would like to go first with questions
23 for Mr. Williams and Mr. Blaufuss? Mr. Beshore, thank you.

24 CROSS-EXAMINATION

25 BY MR. BESHORE:

1 Q. I'll be first and I'll be short. I just have one
2 question for each of you, or one area for each of you.
3 Marvin Beshore.

4 So, Mr. Blaufuss, the out-of-state pounds for August
5 was, you know, was something I noted. So what do you
6 understand those pounds to represent? Did you get that
7 information from Mr. Shippelhoute?

8 MR. BLAUFUSS: Yes.

9 Q. Okay. So what do you understand those pounds to
10 represent exactly?

11 A. It was ascribed to me it was the total Class 1 pounds
12 from out-of-state.

13 Q. Okay. So just so I understand. If a hundredweight of
14 milk comes in from out-of-state to a plant in California, and
15 it has 80 percent Class 1 utilization at that plant, let's say,
16 okay? How -- what amount of that hundred pounds that was
17 delivered into that plant would be shown in this, would be
18 included in this 29 million pounds? I'm assuming it would be
19 80 pounds, but is that your understanding also?

20 A. I'm assuming they have the ability of knowing where
21 those pounds are going, so I would assume if they are
22 attributing to a Class 1 that is it is going into a Class 1
23 package, or it is being used in a Class 1 purpose, and they are
24 not going to bring in milk say it is Class 1 and have it be a
25 different class, I don't think.

1 Q. Well, I mean, when the milk comes into the plant it
2 gets commingled with all the other milk that's there and all
3 the other uses at that plant for the month, it has to be, you
4 know, assigned or classified in some way, right? I mean,
5 that's the way --

6 A. Correct.

7 Q. -- that's the way pooling and pricing works?

8 A. Correct.

9 Q. And so there's been testimony that that out-of-state
10 milk gets the "plant blend" or supposedly, supposedly at least
11 gets the "plant blend". You have heard that?

12 A. I have heard that. But we're not, you know, like I
13 said, in our milk supply maps, we are California produced,
14 processed, and sold, and so I don't know exactly how that
15 works. But yes, that's been testified to.

16 Q. Okay. Would your understanding of plant blend mean the
17 plant utilization on a pro rata basis, Class 1, Class 2,
18 Class 3, Class 4, whatever it is?

19 A. Correct.

20 Q. Okay. So I know there is data, I don't know the
21 exhibit, there's data from CDFA, and their exhibit on total
22 volume of out-of-state bulk milk coming into California. You
23 have seen that?

24 A. I believe I have.

25 Q. Okay.

1 A. I didn't -- because a lot of that data they put it in
2 the skim equivalent, so I didn't spend much time looking at
3 what those numbers were, but I believe that was a data set.

4 Q. Okay. Okay. So assuming that data is there, this
5 total Class 1 pounds would be a subset of that data, assuming
6 it is there for August 2015?

7 A. I would believe so. The only caveat would, I don't
8 have the data set that you are referencing in front of me.

9 Q. I don't have it in front of me either.

10 A. So if I remember correctly, they did do some, it was
11 bulk condensed, it was bulk cream, they also did some of that.
12 I don't know if that's the same data set you are talking.

13 Q. I was talking just bulk milk coming in. I don't know
14 if there was bulk cream or condensed coming in, I was talking
15 bulk milk coming in.

16 A. I would imagine, yes, this would be a subset of the
17 bulk milk coming in.

18 Q. Okay. And then I have a question for Mr. Williams.

19 On page 3, of Exhibit 141, in the middle of the full
20 paragraph, at the top, or slightly below the middle. The
21 sentence that begins "second". Do you see that?

22 MR. WILLIAMS: Uh-huh.

23 Q. "Based on my industry knowledge and familiarity with
24 Dean Foods' processing costs throughout its 60 plant network, I
25 know there is very little variability between operations in

1 costs associated with long production runs of gallon and half
2 gallon of private label white milk which made up a substantial
3 part of the RFP at issue."

4 I just want to ask you a couple of questions about that
5 sentence. The 60 plant network, geographically where are those
6 plants?

7 MR. WILLIAMS: The country.

8 Q. The entire country?

9 A. Yes.

10 Q. So you are talking about all of Dean's plants there,
11 Dean Foods plants?

12 A. Correct.

13 Q. Okay. And when you talk about costs associated with,
14 with these production runs, can you just give me a, give me a
15 hit list, checklist of what costs you are talking about there?
16 Are they like, electricity, etcetera?

17 A. Yeah, it's the cost -- it's the cost to actually
18 convert a gallon of milk through the plant, into a bottle. And
19 so that activity, right? If you think about manufacturing
20 gallons of private label white milk, long runs, that activity
21 cost is, there's very little variability in a plant attached to
22 that specific activity. Right?

23 Q. Okay.

24 A. And what I'm trying to point out is that there is,
25 whether or not you are at a plant that has a lot of complexity

1 and has a lot of skews in it and does a lot of different
2 things, or a plant that is less complex and does less things,
3 when you assign cost specific to that activity, which is
4 manufacturing a gallon of private label white milk, which is
5 very long runs, very efficient, that variability between plants
6 in terms of cost, which includes electricity, labor, overhead,
7 that variability is not material enough to create a significant
8 cost advantage.

9 Q. Okay. Thank you. I think I have it. Thank you very
10 much. Appreciate it.

11 JUDGE CLIFTON: Who next has questions for either or both
12 of the panel members? Ms. Hancock?

13 CROSS-EXAMINATION

14 BY MS. HANCOCK:

15 Q. Good morning. Nicole Hancock for the California
16 Producer Handlers Association and Ponderosa Dairy. I forgot
17 one thing hold on one second.

18 Do you guys have a calculator up there?

19 MR. WILLIAMS: No.

20 MS. HANCOCK: Do you have a phone with a calculator on it?

21 MR. WILLIAMS: No.

22 MS. HANCOCK: Well --

23 MR. BLAUFUSS: I listened to rules on Day 1 where we were
24 told not to bring our phones to the stand.

25 MS. HANCOCK: Well, does anyone want to volunteer up a

1 phone or a calculator for the witnesses?

2 MR. ENGLISH: Excuse me, before we go down that road, I'm
3 going to remind everybody that the last time we did this
4 exercise it resulted in a complete disaster. So if we are
5 going to start doing calculations, we may have to take a break
6 and come back, so I want to note that I remain disinclined to
7 have witnesses do calculations on the stand, and I'm not going
8 to -- and one of the problems is phones. And I think most of
9 these people nowadays use computers and Excel spreadsheets, and
10 I think very clearly what happened in the issue with
11 Mr. Beshore and Dr. Schiek, both of whom who know how to do
12 math, was the use a phone calculator. That was truly a
13 disaster.

14 JUDGE CLIFTON: Now, as a person who relies on my phone
15 calculator, I would like to point out that you're correct,
16 Mr. English, in your concern about where the decimal place
17 goes, because that was the issue then, and that can be very
18 tricky. I don't reject the idea of calculations being done by
19 a witness, particularly when we have a whole room full of
20 people who can provide corrections through their questioning,
21 if needed. So I'll hear the question, your objection is noted,
22 Mr. English. I'm likely to allow witnesses on the witness
23 stand to do calculations, so we'll see how difficult this would
24 be.

25 MS. HANCOCK: I will note that the disaster that happened

1 was not my calculation, and this witness has provided
2 calculations, and I guess I just want to verify that they are
3 accurate. So I guess we're stuck in a pickle, if anybody has a
4 calculator that the witnesses could use, I would appreciate it,
5 or a phone. Or perhaps we can take a break and locate one.

6 JUDGE CLIFTON: Why don't you ask your question first, and
7 you know, your question may be, "would you agree with me that",
8 and then you do the math, and if their answer is, "I can't do
9 that from up here", then we'll deal with that.

10 MS. HANCOCK: Okay. Let's do that.

11 BY MS. HANCOCK:

12 Q. Do you have, Mr. Blaufuss, do you have Exhibit 61,
13 Table AC with you?

14 MR. BLAUFUSS: I do. I do.

15 Q. Okay. And let's see, I am, I guess cross-referencing
16 to what I understand is your calculation in Exhibit 139, your
17 prepared testimony. And on, and --

18 JUDGE CLIFTON: And Ms. Hancock, I'm sorry to interrupt,
19 but what other exhibit do we need in front of us?

20 MS. HANCOCK: Exhibit 61, AC.

21 JUDGE CLIFTON: 61, AC, okay. Good.

22 MS. HANCOCK: And this was the CDFA's table that included
23 some information on producer-handlers exempt quota. And I want
24 to make sure I understand how you are factoring your numbers in
25 your testimony.

1 BY MS. HANCOCK:

2 Q. So am I correct when you calculate the 24 percent, tell
3 me in Exhibit 61, AC, what numbers you were using to calculate
4 that?

5 MR. BLAUFUSS: Okay. So we'll start at the top line. So
6 the 99,557,362 pounds is the total pounds, that does not
7 include for producer-handlers, it does not include their exempt
8 quota, but it could include milk from outside the state.

9 Q. If the producer-handlers purchased milk from outside
10 the state it could be factored into that number, is that what
11 you are saying?

12 A. That is correct.

13 Q. And so you use that number as your baseline number, and
14 then what other numbers did you use to calculate your
15 percentage?

16 A. The 20,989,392, which is the exempt pounds for Class 1
17 utilization.

18 Q. So am I correct then, that you took the 20 million
19 number and divided it by the 99 million number?

20 A. That's incorrect.

21 Q. You took the \$99 million number and divided it?

22 A. No, I took the 99 million number, plus the 20 million
23 number, because the 99 does not include their exempt pounds.

24 Q. Okay.

25 A. So call it roughly 120 million.

1 Q. And then you divided it by the 20 million?

2 A. No.

3 Q. What did you do then?

4 A. So -- do you just want me to run through the formula
5 without the details? We can do that.

6 Q. Yeah, that would be great.

7 A. So 120 million pounds roughly, which includes the total
8 pool utilization plus their exempt pounds, that came to 120
9 million pounds. I then -- so that's how much both exempt and
10 non-exempt, that is the producer-handler volume for the month
11 of August, so it's 120 million pounds. So if we look at AC,
12 61, the total pooled Class 1 utilization was roughly
13 452 million pounds. So in order to get the total Class 1
14 pounds, I then had to add the 20 million pounds, which is
15 exempt and not included in that 452, so call it 472. I then
16 added the 29 million pounds roughly, from outside the state of
17 California, which is what gave me the 503 number. So I'm
18 dividing the 120 million by the 503 million, which comes to
19 roughly 24. If I remember correctly in my head, it came to
20 roughly 23.8 percent, if you want to add another decimal.

21 Q. Okay. So your 24 percent calculation is the amount of
22 Class 1 production that the producers have that, in the State
23 of California. Is that essentially what you are calculating?

24 A. It would be their sales volume.

25 Q. Their sales volume. Do you know what the percent --

1 JUDGE CLIFTON: Now, you said the producers, you are
2 talking about the producer-handlers?

3 MS. HANCOCK: I'm sorry, I meant to say the
4 producer-handlers.

5 BY MS. HANCOCK:

6 Q. So it is 24 percent is the sales volumes, which is
7 really the plant sales, right?

8 MR. BLAUFUSS: It would be the four producer-handlers,
9 that's their total sales volume for the month, on a total
10 percentage of the pool.

11 Q. Their plant sales, right?

12 A. Sure.

13 Q. Because your farm doesn't sell finished product, right?

14 A. Correct. It's the four individual producer-handlers
15 and their plants, that's their total sales.

16 Q. I'm not trying to trick you, I just want to make sure
17 I'm clear.

18 A. I'm sure you are not. I was just trying to think
19 through that. I was a little confused. We're good.

20 Q. Okay. So the answer is yes, it's the plant sales?

21 A. Correct.

22 Q. Okay. And what percentage of the Class 1 sales does
23 Dean Foods make up in California?

24 A. I don't know.

25 Q. Do you know how many millions of pounds of Class 1 milk

1 Dean Foods sells in California?

2 A. I do not.

3 Q. Mr. Williams, how about you, do you know?

4 MR. WILLIAMS: I know that the gallons that I could share,
5 but we could obviously do the math that calculated the pounds.
6 I'm happy to share a range in terms of our gallons.

7 Q. Let's do that.

8 MR. WILLIAMS: And I'm going to refer to private label
9 white milk only, Class 1 private label white milk, which is
10 what I think we're here to talk about today. We do between 135
11 and 145 million gallons of private label white milk in the
12 State of California.

13 Q. So 135 to 145 million gallons of private label white
14 milk?

15 A. Yes.

16 Q. And what does that convert to -- you said you could do
17 the math to convert --

18 A. I don't have a calculator in front of me.

19 Q. So if I give you a calculator, could you convert it?

20 JUDGE CLIFTON: Don't do that, just tell us how you would
21 convert it and then we can do that.

22 MR. WILLIAMS: You would take the, you convert, obviously,
23 the gallons per pound to a per hundredweight to get the pounds
24 of the volume. So you take what, again, a finished gallon is,
25 you get 11.6 finished gallons. All right.

1 MR. BLAUFUSS: So basically we have 135 -- you said 135 to
2 140 million, a gallon of milk weighs, in California can range
3 because of the fortification, but let's say whole milk weighs
4 8.62 pounds. So you take the gallons, times the pounds, and
5 that gives you your total pounds. So it would 135 -- let's use
6 whole milk, let's say it is all whole milk, 135 to 140 million
7 gallons, times 8.62, and that gives you the pounds.

8 MS. HANCOCK: Times 8.62?

9 MR. BLAUFUSS: Time 8.62.

10 MS. HANCOCK: 8.62. And that will give me the pounds?

11 JUDGE CLIFTON: Now, let's go back to Mr. Williams. When
12 you said, Mr. Williams, private label white milk, were you,
13 were you, is that all of the Class 1 milk or is that --

14 MR. WILLIAMS: That is not, and I'm not comfortable with
15 sharing our total Class 1, that's private, our total
16 utilization of Class 1 milk. That is not all of our, that is
17 not all of our utilization of Class 1 milk. We have other
18 Class 1 milk that we also manufacture that's not included in
19 that number.

20 JUDGE CLIFTON: All right.

21 BY MS. HANCOCK:

22 Q. Can you tell us what percentage of your total Class 1
23 utilization is this private label white milk?

24 MR. WILLIAMS: It is approximately 50 percent.

25 Q. Okay. So if I double the number --

1 A. No, that's of our total manufactured volume before,
2 that's not -- that's -- that's 50 percent of our total
3 manufactured volume, yes, of Class 1 milk.

4 Q. So help me understand how it --

5 A. So private label white milk represents about 50 percent
6 of our total manufactured volume that we have in our plants,
7 which includes other things besides white milk, it includes
8 obviously, byproducts, it includes juice, drinks. But of our
9 total manufactured volume in our fluid milk plants, milk is 50
10 percent, or private label white milk is 50 percent of that
11 total volume.

12 Q. Okay. So let's try it this way. So when we're looking
13 at Exhibit 61, Table AC, and let's even add in the out-of-state
14 milk, so we're at 503 million pounds of milk for the total
15 Class 1 pool. Do you see that? That was based on
16 Mr. Blaufuss' calculations?

17 MR. BLAUFUSS: For the month of August, yes.

18 Q. For the month of August 2015, right?

19 MR. BLAUFUSS: Correct.

20 Q. So can you tell me what percentage of the total pool
21 Class 1 utilization is Dean Foods?

22 MR. BLAUFUSS: I can't.

23 Q. Is it more than the producer-handlers?

24 MR. BLAUFUSS: I honestly don't know the data. I can't say
25 one way or the other. I truly don't have sales volumes for

1 California, that I see.

2 Q. Mr. Williams?

3 MR. WILLIAMS: No, I don't have the data here in front of
4 me, no.

5 Q. Okay. Even though you don't have the data in front of
6 you, based on your knowledge and your experience in California,
7 do you know if it is more or less than what the
8 producer-handler has of the Class 1 pool?

9 A. I mean, I would, I could assume that it would be more
10 based off of our scope and geographic reach.

11 Q. It's considerably more, isn't it?

12 A. I don't know how you are defining considerably, but it
13 would obviously be -- I'm not exactly sure what their customer
14 base is compared to ours, but I would assume that it is
15 more.

16 Q. Would you characterize it as significantly more?

17 A. I'm not sure how you are defining significantly, so --

18 Q. Well, is it, let's say, if the producer-handlers, the
19 four of them combined represents 24 percent of the Class 1
20 utilization pool for California, would Dean Foods make up 40
21 percent at least, in your view?

22 A. Well, again, there's other processors in the state that
23 I'm not familiar with what their volume is, obviously, the
24 verticals, such as, you know, the Safeway-owned plants, the
25 Ralph's-owned plants, the Kroeger-owned plants, so I'm not sure

1 what their make up of volume is, so I don't know that if we're
2 24 percent and we are more than that, what the other ones are
3 to say if it is significant or not.

4 Q. Okay. And but it is your responsibility to manage the
5 profit and loss statements for Dean Foods for this Western
6 Region?

7 A. Uh-huh.

8 Q. Is that a yes?

9 A. Yes.

10 Q. And does that include California?

11 A. Yes.

12 Q. Okay. So as the person who is responsible for the
13 P&L's, as you sit here today, you are not sure what percentage
14 of the California pool the Class 1 utilization that you
15 comprise?

16 A. Relative to the, to what, I mean, I am -- not of the
17 Class 1 milk that's utilized, no.

18 Q. Okay. Can you tell me, how does Dean Foods compare in
19 the Class 1 markets to other competitors?

20 A. How are you defining competitors?

21 Q. Well, anybody else who sells, that sells your same
22 Class 1 products?

23 A. How do we compare from what perspective?

24 Q. Is Dean Foods the largest Class 1 or fluid milk
25 sales --

1 A. In the country? In the country? No, we're not.

2 Q. In California?

3 A. I don't know what the make up is of the volume of the
4 rest of the market to know if we are the largest or not.

5 Q. Do you consider yourself the leading food and beverage
6 company and the largest processor and direct to store
7 distributor of fluid milk in the country?

8 A. I mean, if -- are you reading a statement from our
9 website?

10 Q. I'm reading a statement that's on every prospectus,
11 every piece of literature, every marketing advertisement that I
12 have seen from Dean Foods.

13 A. Okay.

14 Q. Are you familiar with that statement?

15 A. Yes, I am.

16 Q. Okay. And so you would agree with me that Dean Foods
17 is the leading food and beverage company, and the largest
18 processor, and direct to store distributor of fluid milk and
19 other dairy, and dairy case products in the whole United
20 States?

21 A. I would like to see your statement that you are reading
22 from. I'm not familiar with the exact statement that you are
23 reading and I -- but we are, I mean, we are a significant
24 player in the market and have a large share of the category of
25 the process of milk, of milk in California, as well as rest of

1 the country. But not, we are not -- we don't have the leading
2 share with in the entire country.

3 Q. Okay. Okay. And you're headquartered in Dallas,
4 Texas?

5 A. Yes.

6 Q. And can you tell me what the brands are that you
7 distribute in California?

8 A. In terms of fluid milk or --

9 Q. In terms of fluid milk?

10 A. So we, obviously, sell our own brands and we're
11 regional dairy brands, as well as we manufacture private label
12 milk, if we're referring to milk only, Class 1 milk.

13 Q. And what are the names of those brands?

14 A. Alta Dena with Berkeley Farms as the brands that we
15 sell. Swiss, as well as a recent campaign to add the Dairy
16 Pure label to our Alta Dena and to our Berkeley Farms label.

17 Q. So, kind --

18 A. As well as other control brands that we sell as well.

19 Q. And what do you mean by control brands?

20 A. So secondary labels such as Foremost is another label
21 that we sell.

22 Q. Country Fresh?

23 A. No, not in California.

24 Q. Okay. In other areas outside of California?

25 A. We do sell a label Country Fresh outside of California.

1 Q. Garelick Farms?

2 A. Outside of California, yes.

3 Q. Not in California?

4 A. No.

5 Q. Land O'Lakes?

6 A. Not in California.

7 Q. Okay. And you just license the Land O'Lakes brand name
8 to sell outside of California?

9 A. We do, for certain categories.

10 Q. Lehigh Valley Dairy Farms?

11 A. Yes.

12 Q. In California?

13 A. No.

14 Q. Mayfield?

15 A. Not in California.

16 Q. McArthur?

17 A. Not in California.

18 Q. But yes on all of these to outside of California?

19 JUDGE CLIFTON: On all of these, what do you mean by that?

20 MS. HANCOCK: All of the brands that I have listed that you
21 said are not in California.

22 MR. WILLIAMS: Those are brands that are Dean Foods brands,
23 but not in sold in California.

24 BY MS. HANCOCK:

25 Q. Meadowgold?

1 A. Not in California.

2 Q. But other outside of California?

3 A. Yes.

4 Q. Oak Farms?

5 A. Yes and no. So yes to your first question, we sell it;
6 no, we don't sell it in California.

7 Q. Okay. Pet?

8 A. Yes.

9 Q. In California?

10 A. No.

11 Q. Okay. TG Lee?

12 A. Yes and no. Would you like me to answer them that way
13 as you go through them?

14 Q. Well, yes, in California?

15 A. Yes, we sell them, no, not in California.

16 Q. Tuscan?

17 A. Yes, we have the brand, not in California.

18 Q. Okay. And any other brands that you can think of that
19 I didn't mention?

20 A. Not for the sake of this, no.

21 Q. And Dean Foods sells and distributes processed milk in
22 all of the states in the United States?

23 A. No, we do not.

24 Q. Which, can you tell me what your distribution
25 territories are?

1 A. I can speak on behalf of the West Region. So we have
2 processing in, and we sell to all states except for Oregon,
3 Washington, and we have small business in Arizona.

4 JUDGE CLIFTON: If I could interrupt. One of the labels
5 that you mentioned that Dean uses within California is Dairy
6 Pure? How is that spelled?

7 MR. WILLIAMS: D-A-I-R-Y, P-U-R-E.

8 JUDGE CLIFTON: And it's two different words or all
9 together

10 MR. WILLIAMS: Yes.

11 JUDGE CLIFTON: All right. And then, from you,
12 Ms. Hancock, I would like spellings of the labels that you
13 asked him about that we don't already have in the record.
14 Garelick Farms, how is that spelled?

15 MS. HANCOCK: Garelick Farms, G-A-R-E-L-I-C-K.

16 JUDGE CLIFTON: And Lehigh Valley, how is that spelled?

17 MS. HANCOCK: L-E-H-I-G-H.

18 JUDGE CLIFTON: Is that all one word?

19 MS. HANCOCK: Lehigh is, yes.

20 JUDGE CLIFTON: And no capital H?

21 MS. HANCOCK: Not that I'm looking at, but they would know
22 better than I.

23 JUDGE CLIFTON: Are you looking from a website?

24 MS. HANCOCK: I'm looking from my notes.

25 JUDGE CLIFTON: Oh, okay. Then you may not know how to the

1 spell the things that you have got; is that right?

2 MS. HANCOCK: That's fair.

3 JUDGE CLIFTON: So we should just put them down like we
4 heard them?

5 MS. HANCOCK: Well, they are their brands so I'm sure they
6 can tell us.

7 MR. BLAUFUSS: Which brand are you talking about?

8 JUDGE CLIFTON: All right. Lehigh Valley.

9 MR. BLAUFUSS: L-E-H-I-G-H.

10 JUDGE CLIFTON: All right. And no capital H?

11 MR. BLAUFUSS: No.

12 JUDGE CLIFTON: All right. And what was the next one you
13 said after that, Ms. Hancock?

14 MR. HANCOCK: Mayfield.

15 JUDGE CLIFTON: All right. And how is that spelled,
16 Mr. Williams?

17 MR. WILLIAMS: M-A-Y-F-I-E-L-D.

18 JUDGE CLIFTON: All right. And I believe the next one was
19 McArthur; is that correct?

20 MS. HANCOCK: Yes.

21 MR. WILLIAMS: M-c, A-R-T-H-U-R.

22 JUDGE CLIFTON: All right. Was the next one Meadowgold?

23 MR. WILLIAMS: M-E-A-D-O-W-G-O-L-D.

24 JUDGE CLIFTON: Ms. Hancock, was the next one Oak Farms?

25 MS. HANCOCK: Yes.

1 JUDGE CLIFTON: Is that two different words?

2 MS. HANCOCK: Two words.

3 JUDGE CLIFTON: Okay. And the next one was Pet; is that
4 correct, Ms. Hancock? Is that just P-E-T?

5 MR. WILLIAMS: Yes.

6 JUDGE CLIFTON: All right. And the next one, was that
7 TG Lee?

8 MS. HANCOCK: That's correct.

9 JUDGE CLIFTON: And how is that spelled?

10 MR. WILLIAMS: TG, a new word, L-E-E.

11 JUDGE CLIFTON: All right. And was the next one Tuscan,
12 Ms. Hancock?

13 MS. HANCOCK: Yes.

14 MR. WILLIAMS: T-U-S-C-A-N

15 JUDGE CLIFTON: All right. And what was the next one,
16 Ms. Hancock?

17 MS. HANCOCK: I don't know. I don't have anything after
18 that.

19 JUDGE CLIFTON: Okay, thank you. Thank you both.

20 MR. HILL: Your Honor?

21 JUDGE CLIFTON: Mr. Hill? And you don't have a mic.

22 MR. HILL: This is Brian Hill. We might be need a small
23 break at this point. It's been about an hour and 45 minutes
24 and I would like to have a break for the court reporter and for
25 myself.

1 JUDGE CLIFTON: Good man. Thank you, Mr. Hill. I think
2 this is a good time to take a break. It's nearly 10:50, so
3 please be back and ready to go at 11:05.

4 (Whereupon, a break was taken.)

5 JUDGE CLIFTON: We're back on record at 11:06, now it's
6 11:07. Ms. Hancock, you were right there at the podium, I
7 guess you are getting another document.

8 MS. HANCOCK: Your Honor, I was just grabbing another
9 document for reference.

10 BY MS. HANCOCK:

11 Q. Mr. Williams, I wasn't sure if I was clear on my
12 question to you before, when you gave me the 135 to 145 million
13 pound number, was it an annual number?

14 A. Yeah, the number I gave you was actually a gallon
15 number --

16 Q. Okay.

17 A. -- not a pound.

18 Q. Okay. 145 million gallons, but that's an annualized
19 number, right?

20 A. Yes.

21 Q. Okay.

22 A. Yes.

23 Q. Okay.

24 MR. BLAUFUSS: And I guess just to be clear, the range was
25 135 to 140 million gallons annually.

1 JUDGE CLIFTON: I wrote down 145. Now, I, when
2 Mr. Williams talked he said, I thought, between 135 and 145
3 million gallons of private label white milk. And then
4 Mr. Blaufuss, when you added, you said 135 to 140 million
5 gallons.

6 MR. BLAUFUSS: I misheard. Whatever Matt says is the true
7 number.

8 JUDGE CLIFTON: Okay. Well --

9 MR. BLAUFUSS: I'll stop talking.

10 JUDGE CLIFTON: It is not meant to be precise. It is meant
11 to be a range and I understand that. All right. Go ahead,
12 Ms. Hancock.

13 BY MS. HANCOCK:

14 Q. And Mr. Williams, just since we have that on the
15 record, I just want to be clear the range was 135 to 145
16 million gallons of private label white milk, right?

17 A. Correct.

18 Q. And then, so we have it all in one spot on the record,
19 I can multiply that by 8.62 to get to the hundredweight, so
20 then I would -- is that right?

21 A. Correct.

22 Q. And --

23 MR. BLAUFUSS: No, pounds.

24 MS. HANCOCK: Then I get to the pounds, right? You have to
25 answer audibly.

1 MR. WILLIAMS: Yes, yes.

2 BY MS. HANCOCK:

3 Q. Okay. And then -- and that's what you said was 50
4 percent of the total manufactured volume for Dean Foods in
5 California.

6 A. Correct.

7 Q. Okay. I think this is for Mr. Blaufuss, but either one
8 of you could answer. Is it your position from Dean Foods, that
9 you do not want the quota system to be implemented into a
10 Federal Milk Marketing Order in California?

11 MR. BLAUFUSS: No, we are part of the Dairy Institute of
12 California, we agree with the proposal they put forward. I
13 mean, it was an issue that we definitely struggled to come to a
14 conclusion on, but we are supportive of what we have in
15 Proposal 2.

16 Q. Okay. So and Proposal 2 has a provision or a mechanism
17 for the quota system to be preserved, right?

18 MR. BLAUFUSS: I'm not sure I understand the question.
19 Would you say it differently, please?

20 Q. In Proposal Number 2, the Dairy Institute's proposal,
21 there is a mechanism in there by which the quota system would
22 be preserved; is that right?

23 A. It allows quota, it calls, it allows quota to be in the
24 system, yes. We didn't just say no, there's no quota.

25 Q. Okay. And are you saying there's a difference then,

1 between what you have proposed and the quota system as it
2 exists in California today, is that where your confusion is?

3 A. Honestly, I'm not sure what the question you are
4 asking. I'm getting confused in the question.

5 Q. Well, which part is confusing you?

6 A. What you are asking me.

7 Q. So is it that I'm saying quota system?

8 A. If you could just ask the question again, maybe I would
9 understand it then.

10 Q. So in Proposal Number 2 you have a mechanism by which
11 you would preserve the regular quota that's held by producers,
12 is that a better way to say it?

13 JUDGE CLIFTON: I'm confused. We're talking, so far up
14 until now we have been talking about producer-handler
15 exemption. And now we have gone on to a new topic, quota. So
16 I'm confused by your question.

17 MS. HANCOCK: Okay.

18 JUDGE CLIFTON: I don't see them as equal. If you want to
19 ask Mr. Blaufuss if he considers the producer-handler, the
20 existing California producer-handler exemption to be the same
21 thing as quota, then I would understand your question better.

22 MS. HANCOCK: Maybe I'm not being clear about this. I'm
23 not asking about the exempt quota right now, I'm not talking
24 about that. I'm just talking about the quota system in
25 general.

1 JUDGE CLIFTON: Okay. So we're going to go there now. So
2 go ahead and formulate your question again.

3 BY MS. HANCOCK:

4 Q. Okay. So my question to you Mr. Blaufuss or
5 Mr. Williams, if you know, is under Dairy Institute's Proposal
6 Number 2, is it your understanding that at least a portion of
7 the California State Order quota system would be preserved?

8 MR. BLAUFUSS: It allows for quota in the system.

9 Q. Okay. And does it allow for quota in the system as it
10 operates under the California State Order system?

11 A. No, because we don't allow for the exempt quota.

12 Q. Okay. So putting aside the exempt quota for just a
13 second, what I would consider just the regular quota that
14 operates to allow producers who hold regular quota to receive a
15 premium from the pool, under your Proposal Number 2, is it your
16 understanding that it would operate the same way?

17 A. I honestly do not know the exact mechanisms how the
18 quota would work. I know we'll somebody who will speak
19 directly on the quota issue who will be much better to answer
20 that type of question.

21 Q. Okay. Fair enough. And so it is your understanding,
22 though, that it would be a different, from the California State
23 quota system, with respect to the treatment for exempt quota;
24 is that fair?

25 A. Yes.

1 Q. Okay. Because under Proposal Number 2, your proposal
2 does not preserve any part of the exempt quota treatment?

3 A. I believe that's what Proposal 2 states, yes.

4 Q. Okay. What is your understanding of what would happen
5 with the exempt quota if a Federal Milk Marketing Order were
6 implemented?

7 A. Again, I would direct that to the person who is going
8 to be directly testifying on quota. They will be able to much
9 more succinctly and probably more accurately answer your
10 questions directly tied to quota and treatment under
11 Proposal 2.

12 Q. Thank you, I appreciate that. So let's talk about the
13 Proposal Number 2 as it relates to the producer-handler
14 definition that's been proposed by you all, and that's fair
15 ground to talk about with you?

16 A. Yes.

17 Q. Okay. What is your, and you mention it in your
18 statement, but since we kind of get it on the fly, I just kind
19 of want to kind of chat with it chat over it and see if I am
20 understanding this correctly. But tell me what you understand
21 the difference to be between Proposal Number 1 and
22 Proposal Number 2 for the definition of producer-handler?

23 A. Well, as I stated in my testimony, and I believe I gave
24 the exact sections where you can find the main differences. It
25 basically tightens up some of the ownership criteria to not

1 allow for, for lack of a better term I'll call it ownership
2 gains or changes that can occur to allow to escape the
3 regulation. Other than that, I believe Proposal 1 calls for
4 the same 3 million pounds and still calls for the 150,000 pound
5 out of your own system milk purchasing.

6 Q. So is it fair to say that Proposal Number 2 would be
7 just more restrictive on who would qualify as a
8 producer-handler because of that ownership limitation?

9 A. We directly, I believe directly modeled what we have in
10 our producer-handler section to be exactly what's in Orders 124
11 and 131, which is the areas that directly surround, obviously,
12 the general area of California.

13 Q. That wasn't my question, though. My question is, is it
14 your understanding that Proposal Number 2 would be more
15 restrictive as to who would qualify as a producer-handler than
16 Proposal Number 1 proposed definition of producer-handler?

17 A. We have tighter ownership requirements in how we treat
18 that, how they get regulated. So if that's your definition,
19 then I guess, yes.

20 Q. So tighter regulations. So it would potentially be
21 more limited, it wouldn't be more expensive, right?

22 A. In what term?

23 Q. More people would not qualify under your definition
24 than under Proposal Number 1?

25 A. I don't know if more people would or wouldn't. It

1 depends on how their plant sales, it depends on all the other
2 criteria listed for the definition of a producer-handler.

3 Q. And you understand that none of the four exempt quota
4 holders would qualify under either producer-handler definition?

5 A. It's my understanding of talking to people intimate
6 with the industry, and California specifically, it was
7 indicated to me that the milk purchased from outside the system
8 for at least three of the four would be above that 150,000
9 pound threshold. Potentially all four, but at least three.

10 Q. And your definition would also include a 3 million
11 pound per month threshold as well; is that right?

12 A. Yes, same as Proposal 1 and Proposal 2, I believe, have
13 the same thresholds.

14 Q. So if the producer, that the exempt quota holders that
15 I represent, if they produce more than 3 million pounds per
16 month, they wouldn't qualify under either proposal; is that
17 your understanding?

18 A. If you are above that 3 million pound in route
19 dispositions, then yes -- Class 1 route dispositions.

20 Q. Okay. And this question is for either one of you. Are
21 you familiar with the restrictions in California that a handler
22 or plant is not allowed to sell product for below cost for the
23 manufactured cost of production?

24 MR. WILLIAMS: Yes.

25 Q. And I only wait because the court reporter has to take

1 down your answer, so it has to be audible, so that's why I wait
2 for you to say it out loud. So you are aware of that
3 provision?

4 MR. WILLIAMS: Yes.

5 Q. And what do you understand is how that works?

6 A. Well, there's a -- there's a, in the CDFA document
7 there's a formulation of how it's calculated to properly
8 account for all costs in the operation through everything from
9 conversion cost, to logistics cost, to overhead, to have to
10 demonstrate that you are not selling below cost based off of
11 your cost associated with all of those different components.
12 There is a formula that's available on the website that kind of
13 identifies that, both for retailers as well as for processors.

14 Q. Do you know what happens or what -- what if you suspect
15 that somebody is not complying with that provision, do you know
16 what kind of options you have to try and correct that?

17 A. Yeah, there's a formal process where you can actually
18 submit to the state, either for retailer or a processor is
19 selling below cost, and then there's an investigation that's
20 done.

21 Q. By the -- by the state under the California State Order
22 system?

23 A. Yes.

24 Q. Have you ever reported anybody for potentially
25 violating that provision?

1 A. Not that I can recall, no.

2 Q. Okay. Would you agree with me that -- well, I guess
3 one of you mentioned level playing field in your testimony. Do
4 you remember which one that was?

5 MR. BLAUFUSS: I believe that was me, Rob Blaufuss.

6 Q. And equal playing field I guess, right? I think you
7 have equal playing field and level playing field in your
8 testimony?

9 MR. BLAUFUSS: If you can point me to the pages, I'm not
10 sure exactly off the top of my head if I did or didn't.

11 Q. So in Exhibit 139, your testimony on page 6, I found
12 equal playing field at the first sentence in that paragraph.
13 It says, "Dean has absolutely no problems competing in a
14 competitive environment so long as all entities are operating
15 on an equal playing field."

16 Do you see that?

17 A. I do.

18 Q. And does that mean that, well, you tell me. What do
19 you mean by that, "equal playing field"?

20 A. From a regulated cost structure, so that all entities
21 who are selling Class 1 are paying Class 1 prices in all the
22 pounds that they are taking in and selling.

23 Q. Okay. So if everybody is paying at least Class 1 price
24 for their milk, that would be an equal playing field or a level
25 playing field?

1 A. I would say paying Class 1 into the California pool on
2 all pounds.

3 Q. Does it matter where you pay it to?

4 A. Well, from the statewide blend and how the quota and
5 overbase prices are set, yes, it does matter who is paying it.
6 So if your clients are retaining that exempt quota pounds and
7 all the Class 1, that's dollars on Class 1 that we, Dean Foods,
8 a fully regulated handler, would have to pay into the pool.

9 Q. Okay. As long as you are genuinely paying that Class 1
10 price and not -- not through, you know, not getting it back in
11 another form, but as long as you are actually incurring that
12 cost for that product at the Class 1 price, that would be a
13 level playing field?

14 A. In my testimony I am referencing a regulated minimum
15 Class 1 price that handlers pay into the pool. So when I talk
16 about equal level playing field, it is the dollars that I
17 physically have to put into the pool every month. So if we're
18 a hundred percent Class 1, we're paying all that in the pool,
19 your handler, or your clients have a certain amount of pounds
20 where they don't have to pay in Class 1 dollars into the pool,
21 and that difference, as I referenced in the testimony, they are
22 saving the difference between quota price and the Class 1 price
23 announced in any given month.

24 Q. Okay. And Mr. Williams, do you agree with that? As
25 long as you are paying the Class 1 price, you have a level

1 playing field?

2 MR. WILLIAMS: I agree with Rob's statement, yes.

3 Q. Okay. And do you agree that, well, do you -- I want to
4 talk about regular quota, not the exempt quota, but regular
5 quota for a second. You understand that regular quota offers
6 the producer an opportunity to receive a premium price for its
7 Class 1 products that were, or for the milk that it delivered
8 that was turned into Class 1 product?

9 MR. BLAUFUSS: No, the quota premiums, premium on top of
10 the entire statewide over, or the statewide blend overbase
11 price. So there is a fixed differential attached to the
12 overbase price announced by the State of California, which is
13 what the quota price is. So it's got no direct tie with
14 Class 1 dollars, it's just the total pool dollars.

15 Q. Okay. So based on that definition, you understand that
16 the regular quota holders receive a premium price for the milk
17 that they deliver to the pool that's represented by the quota
18 ownership?

19 MR. BLAUFUSS: Quota holders get paid a higher price than
20 those who do not own quota, so overbase.

21 Q. Okay. And overbase being what the rest of the pool
22 would receive if you are not holding a quota ownership, right?

23 A. Correct. If you don't hold quota on any pounds or
24 you're receiving the overbase price.

25 Q. Do you know how quota --

1 JUDGE CLIFTON: Wait, what did you just say? Would you say
2 it again, Mr. Blaufuss? If you don't hold quota --

3 MR. BLAUFUSS: Quota holders get a premium above the
4 overbase, folks who are getting paid overbase. So if you don't
5 hold -- so if -- let me put it succinctly. The overbase is
6 those, is the price set by those who do not own quota, so the
7 quota price is a premium on top of what the monthly announced
8 overbase price is.

9 JUDGE CLIFTON: Thank you.

10 BY MS. HANCOCK:

11 Q. On page 3 of your testimony you talk about the
12 Federal Order, and make comparisons to the California State
13 Order system. I want to, I want to turn to that now and talk
14 about how the, what your understanding is of how the
15 producer-handler, under the Federal Order system has operated.
16 Is it fair to say that you believe that the producer-handler
17 exempt quota is similar to the producer-handler exemptions that
18 were in the Federal Order system?

19 A. Were or currently in the Federal -- I'm confused by
20 your question.

21 Q. Well, you were drawing comparisons in your testimony,
22 at least that's how I read it, so maybe I'm wrong, but were you
23 saying that the producer-handlers, the USDA's hearing and
24 ultimate determination on producer-handlers in implementing the
25 3 million cap, is, should be applied as the justification for

1 eliminating the exempt quota in the California state system?

2 A. I don't know that I see the direct correlation there.
3 The Federal Order system, as my understanding prior to when all
4 these hearings occurred, there wasn't a set limit on what their
5 pounds were in a given month. And so when we went to the
6 national hearing, they said 3 million pounds was that threshold
7 and that's what they set. So if you are under 3 million pounds
8 in raw dispositions in a given month, you were an exempt
9 producer-handler, a producer-handler who didn't have to pay in
10 on that volume, if you were above 3 million and a fully
11 regulated handler, just like any other Class 1 handler.

12 Q. So are you saying that that justification and
13 explanation should be part of the justification for why exempt
14 quota should not be preserved if a Federal Order is implemented
15 in California?

16 A. We believe in uniformity amongst the different orders,
17 and we do not, or do not want having different Federal Orders
18 that have a different set of rules compared to everybody else.
19 So we are of the belief, and we agreed with, you know, we
20 testified at these different Federal Orders hearings that
21 occurred both in the regional -- maybe not the regional but at
22 least the national -- to get them fully regulated. So we agree
23 the three million pounds we are supportive of the Dairy
24 Institute proposal, and that's, nationally that's that cap. We
25 are fine with the three million cap.

1 Q. So but that is not what I'm asking. What I'm asking
2 is, what is the justification that you are, that you are
3 proposing is the reason why exempt quota should not be
4 preserved? Is it the same justification that was used to
5 implement three million pound cap in the Federal hearings?

6 A. I think as I stated in my testimony, we think the
7 exempt quota is highly disruptive in the Class 1 space. You
8 are 24 percent of the market and are given a set percentage
9 where you don't have to pay Class 1 dollars into the pool.

10 And I think if you look at the Federal Order system as
11 a whole, three million pounds in a given month was the cap set,
12 and I think we view that that is something that would, what
13 California should do as well.

14 If your -- if your clients are under that three million
15 pounds, they can still continue to enjoy producer-handler
16 status that all other producer-handlers in the U.S. and Federal
17 Order system enjoy. And I think that's what I stated in my
18 testimony. So if they are under that three million cap, then
19 they can continue to operate as a producer-handler. If they
20 are not, if they are above three million pounds, then they are
21 going to be a fully regulated Class 1 handler, and that's what
22 our proposal does.

23 Q. Okay. So are you saying that the exempt quota, when
24 you say disruptive and we chatted about this before, I want to
25 make sure I'm clear on this. Are you saying that disruptive is

1 the same thing as disorderly market conditions?

2 A. No. So I believe the first go round, my Part 1,
3 disorderly to me, the definition is ensuring an adequate supply
4 of fluid milk, or milk for fluid purposes. That's number one
5 and main number one. Number two is efficient movements and
6 orderly movements of milk. So by my definition of disorderly,
7 no, that's not disorderly. But I find and what we believe the
8 exempt quota to be highly disruptive in the Class 1 space,
9 because the producer-handlers, as I went through in my volume
10 numbers, they are a significant amount of volume in the State
11 of California.

12 Q. Okay. So I guess -- I guess I'm still not entirely
13 clear. You are not saying that the exempt quota is creating
14 the conditions that were used to cap producer-handler
15 exemptions in the national hearings, you are not saying that
16 the same justifications apply here, are you? And here's what
17 I'm getting at, because in those national hearings, the
18 conclusion was that it did create disorder in the market
19 because of the kind of open-ended opportunities that the
20 exemptions for those producer-handlers had. And so what I'm
21 trying to figure out is, are you saying that that justification
22 that created disorder in the market should be applied to this
23 case here in California?

24 A. So let's be clear of what happened. So we testified at
25 that 2009 hearing, so everything is on the record. The USDA

1 did find to be disorderly, and let's be clear what was going on
2 at the time. So there was no cap on the producer-handlers,
3 they were skirting the regulations and growing in size, and
4 certain areas were undermining the entire classified pricing
5 system, at least that's our view. We might not like it, but in
6 California they are given a regulatory advantage. And so
7 these, in my book, are two different things. We might not like
8 the regulation, but it is there. Whereas, we look at when we
9 said it was disorderly, they were creating major disorder in
10 those areas of which the producer-handlers were increasing in
11 size.

12 So I think you are trying to make the disruptive equal
13 disorderly. And we have testified to disorderly conditions
14 when we testified in those Federal Orders, and in my view,
15 that's the difference in this structure.

16 Q. And I am not, I'm not trying to make you say anything.
17 It's really not a trick. I'm just trying to understand if
18 there's a difference and if there's not. If they are different
19 things, then that's fine for me. I just want to understand
20 that they are different. And it sounds to me like you are
21 saying that the Federal Order was different. You are talking
22 about it in here because your testimony is pertaining to
23 producer, your producer-handler definition. I just want to
24 make sure I'm clear that you are not saying that justification
25 is why the exempt quota should not be preserved in Idaho -- or

1 in California.

2 A. I'm honestly not you sure I understand the question.

3 Q. Are they two different things? Is it apples and
4 oranges, is that what you are saying?

5 A. No, I think what I'm talking about was more, I thought
6 you were going at the disruptive versus disorderly definition.
7 And so that's how I understood and that's how I answered the
8 question.

9 Q. Okay. So you are saying that exempt quota might create
10 disruption, but in the national hearings, the producer-handlers
11 in those instances actually created disorder.

12 A. They were different conditions.

13 Q. Okay. And the exemptions were different; is that
14 right? The conditions are different because the exemptions
15 were different, right?

16 A. I think where you are losing me here is you keep
17 mentioning exemptions. I don't know that I would view the
18 Federal Order as an exemption. It is just there wasn't a cap
19 on the producer-handlers, as I understand it. And whereas in
20 California, it's considered an exemption, so you are exempt on
21 this many pounds, anything above that you are pooled. So I
22 think that's why, you know, when you ask the questions, I'm not
23 trying to be defensive, I am generally trying, I'm confused of
24 the differentiation. And so that's how I differentiate it.

25 Q. Okay. That's fair. So you are just saying it was

1 different in the national hearings on producer-handlers, they
2 weren't dealing with an exemption like we are here. Is that
3 fair? Is that where the disconnect was?

4 A. There's no exempt quota in the Federal Order system,
5 so, yes, they would be different.

6 Q. Okay. And this goes to either one of you. When you
7 are entering into a market to look for opportunities to sell
8 product, and you talked about you were, you have been undercut
9 on bids, can you tell me how that process works?

10 MR. WILLIAMS: Well, I mean, I think that -- I could take
11 it. And I think there's a really good example, which is the
12 bottle of water there, right? So the reality is, is that you
13 have a package that you put it in and you have to cost that
14 package, and you have to blow a bottle, and there's resin that
15 you buy to do that. And you then have to buy a label to put on
16 that package. And then you have to put a cap onto that
17 package. What you put in that product is, in our case, milk.
18 And that's how you arrive at your cost that you then determine
19 is the starting point for your bid. And you then need to,
20 obviously, apply your logistics costs on top of that, you need
21 to obviously apply your cost to get it through your plant onto
22 the dock on top of that, and then you have overhead, and then
23 you obviously have a return that you are trying to generate for
24 your shareholders, for your employees, or for your business, to
25 arrive at the price that you can sell to the marketplace.

1 Q. And you said return for your shareholders. Dean Foods
2 is a publicly-traded company?

3 A. Yes.

4 Q. And you have shareholders that you are ultimately
5 trying to bring a return to?

6 A. Correct.

7 Q. Okay. Okay. So, and you said you are trying to get a
8 return for your shareholders. Is that your margin, your
9 profit?

10 A. Yes, I mean, that is, yeah. That is -- that is -- at
11 the end of the day, yes, profit.

12 Q. Okay. So you take all of your inputs and then you look
13 at what the profit or margin that you are trying to make on
14 each specific -- do you do that on a product-by-product basis?

15 A. You do it on a product-by-product basis as well as on
16 the total customer, correct. Yes.

17 Q. And then ultimately, you are trying to bring back a
18 return and you want to maximize that return as much as you can
19 while still preserving that customer relationship?

20 A. You want to optimize your return, correct, yes.

21 Q. Okay. So tell me how these bid processes work. Do you
22 get notice of an opportunity to bid for a customer?

23 A. You do. And I think that they vary. And I think that
24 that was kind of why I provided the testimony that I did. In
25 the case of the bid that I was referring to, the way that the

1 bid was put together, it was designed to take the variability
2 out of the bid in terms of the, in terms of the companies that
3 chose to bid on the business. There were very specific
4 criteria that were laid out in the bid and it eliminated a lot
5 of the variability. Every single customer looks at how they
6 put bids together differently, but in the case of this bid,
7 there were very specific criteria around costs associated with
8 delivering private label milk to this specific customer that
9 was designed to eliminate variability to create transparency
10 for the customer, based off of the companies that wanted us to
11 quote a price.

12 Q. To quote a price?

13 A. To provide a price.

14 Q. Yeah. So the customer in this case, is a national
15 retailer, announces an opportunity to bid? Is that -- I want
16 to back it all the way up and walk through it a little bit.

17 A. They do. Yeah, so they announce and they send out a
18 template to the parties that they want to have bid on the
19 business. And from there, it is the responsibility of the
20 parties to complete the template and provide that final pricing
21 back to the to the retailer.

22 Q. Is that a transparent process? Do you know who, I
23 mean, is it, like you see the e-mail string, you can see
24 everybody who has an opportunity to bid on it, or do you know
25 who the other competitors are going to be going in?

1 A. No, we do not.

2 Q. So it is a blind bid, you just know it's due by a
3 certain date?

4 A. Correct.

5 Q. Okay. And can you tell me what criteria you were
6 filling in for them? So in this instance, you said they were
7 pretty specific because they wanted to kind of strip out the
8 flexibility, or they wanted to, you know, make it more of a
9 formulaic approach. What's the criteria that they are looking
10 at?

11 A. Raw milk cost is one; conversion cost is another; the
12 resin cost per pound at the current month was one component;
13 your label as well as your cap cost, that was the, you know,
14 the components that they used to arrive at what they called the
15 dock price. And from there they provided very specific
16 criteria around the total DSD price, which I referred to in my
17 testimony, which was frequency of delivery, which was
18 consistent for every single supplier. It was dedicated routes,
19 which was dedicated there to that specific customer. Dedicated
20 frequency, and those were the components that they included to
21 remove the variability from the bid.

22 Q. So when you say "remove variability from the bid", what
23 do you mean by that?

24 A. As an example, when you submit a bid and a customer
25 does not tell you how many deliveries you need to make to the

1 store, you can make, you can put into your bid that we're going
2 to deliver three times, where another supplier might put in the
3 bid, I'm expected to deliver five times. Obviously, if you are
4 delivering to a store three times versus five times, the store
5 that you deliver to three times to is going to have a lower
6 logistics cost associated with that. And the example that I
7 cited in my testimony, that variability was removed from the
8 bid. Also another significant variability that was removed
9 from the bid was the idea of dedicated routing, so you had to
10 route the stores associated with this bid specifically to this
11 customer, so there was no way to spread costs against
12 delivering to that specific customer against other accounts
13 that might be on that specific route. So again, these are just
14 examples of how it was to create a very transparent bid for the
15 retailer and to remove what could be viewed as variability in
16 the eyes of the retailer.

17 Q. Okay. What year was this? Did you tell us in here?

18 A. It is in my testimony, yes.

19 Q. You will to forgive me, because we go through them
20 quickly so I don't get to absorb it as much as I would like to.
21 Can you tell me, do you know what year it was?

22 A. 2012.

23 Q. 2012.

24 A. Late 2012.

25 Q. And then other than the items that you mentioned, can

1 you think of anything else that was on the bid or did you give
2 me the list already?

3 A. I gave you what I can recall, yeah, the majority of the
4 items, or the items that I can recall from reviewing the bid.

5 Q. Okay. And you said this is a transparent process, but
6 that's just from the retailer side, right?

7 A. Correct. Between the retailer and the individual
8 companies that they are asking to bid for the business.

9 Q. Okay. And you can't see, if you can't see who the
10 other --

11 A. No, I cannot.

12 Q. Let me finish just so my record's clear. But if you
13 can't see who the other competitors are, then that means you
14 never see any of their component listings either, or factors
15 that are input in for their bids?

16 A. Correct.

17 Q. Okay. And you don't have any idea how many people or
18 how many plants were actually bidding on those, on this account
19 that you have used in your example?

20 A. No, I do not. However, like I stated, because of the
21 specificity of this bid that was provided, it eliminated the
22 majority, the majority of the variability that a company that
23 was bidding could actually apply to the bid. So there was
24 tremendous specificity in the bid that removed that variability
25 that, that I think is important to my testimony.

1 Q. And as I understand it, the items that were removed
2 that were the variables would be the frequency of the
3 deliveries and the dedicated routes; is that right?

4 A. Frequency of delivery, dedicated routing, dedicated
5 routes, diesel fuel cost -- diesel fuel cost based off of the
6 month of April 2012, as well as the sequential distance and how
7 the bid the business based off of store distance from your
8 producing plant.

9 Q. So you identify that, that distance from your plant for
10 the store, or for the retail account?

11 A. Yes.

12 Q. Okay. And but that would be different for each plant,
13 right, depending on where they are located?

14 A. Correct.

15 Q. So for each person bidding on that national account,
16 where it depends on where their plant is located that would
17 then set whatever those sequential distance from the plant
18 numbers would be?

19 A. Yeah, and as my testimony stated, the way the bid was
20 designed, that clearly a producing plant that was close to an
21 existing store should receive the lowest possible price because
22 of the logistics component. And as I stated in my testimony,
23 when we were, had stores that were less than 15 miles away from
24 our plant and we're getting, and we're servicing that account
25 and we lost that account to a processor that was 240 miles

1 away, there was obviously some component in the way that they
2 built their bid that obviously created an advantage to offset
3 the logistics cost. And what I am referring to is obviously
4 the raw milk cost advantage.

5 Q. For this retail account, how many stores were in
6 California?

7 A. It's more than 500, less than 750, I don't know the
8 exact number of stores.

9 Q. So is it fair to say that with that, that's a fairly
10 large number of stores.

11 A. Correct.

12 Q. Is it fair to say then, that there are stores kind of
13 disbursed throughout the State of California?

14 A. Yes.

15 Q. Okay. They are not all condensed in any one area or
16 region of California, they are just disbursed from the very
17 Northern tip all the way down to the Southern?

18 A. Yes.

19 Q. And when you, when Dean Foods was bidding on that, were
20 they bidding on the entire State of California?

21 A. No, the bid was provided on a store-by-store basis, so
22 you had to bid a price for each individual store.

23 Q. Okay. And that's how you know if you lost a store that
24 was this many miles away from you that was closer than somebody
25 who actually won the bid, that's how you know that something's

1 seemed off, because you are bidding on a store-by-store basis,
2 right?

3 A. Correct.

4 Q. So if you know that you didn't get the bid, and then
5 you see their product in the store, that's what alerts you to
6 the fact that there might be something different in the way
7 that you have bid, and you are trying to figure out then, what
8 it was that allowed them to bid under you?

9 A. Correct.

10 Q. And is price the only criteria that is used by this
11 national account in making that determination?

12 A. Based off of my 20 years of knowledge or industry
13 knowledge and my 6 years in the dairy industry, there are three
14 main reasons why customers would switch supply. Obviously
15 quality being one.

16 In our industry, having a high-quality product is
17 something that is tantamount to the success of a dairy program.
18 Every single one of Dean Foods dairies are SQF certified, which
19 is the highest level of quality certification that you can
20 receive. We had no quality complaints with the customer. The
21 second would be service. Obviously, being a world class
22 service provider is what is expected of every single supplier.
23 With most customers, we had no issue with service, none on
24 record. And the third would be price. Right? So those are
25 the three components and my experience in the industry would

1 drive a retailer to change suppliers, and as it relates to this
2 specific bid, we had no issue in what I would kind of highlight
3 as area one and two, and so we're drawing to the conclusion
4 that the reason why we did, indeed, lose the business was
5 obviously based off of price.

6 Q. What do you mean area and one and two, what's that?

7 A. Example one and two, quality and service that I just
8 pointed out.

9 Q. Oh, okay.

10 A. Yeah.

11 Q. And so you had, you had this account before 2012?

12 A. Yes.

13 Q. And how long had you had the account before your bid in
14 April of 2012?

15 A. We had enjoyed the business since they were, as they
16 were opening stores and entering the market at some level of
17 variation based off of different plants and, you know, when the
18 stores were obviously coming to market. I can't tell you
19 exactly how many years we had each specific store, but we had
20 been the supplier for more than three years in the stores that
21 we lost during, after the bid process.

22 Q. Okay. So enough of a time period that it is fair to
23 say that that national account would have experience with the
24 quality of your product and with the service that you provide?

25 A. Absolutely.

1 Q. Okay. And, okay. So back to the bid. You have -- if
2 we take out the items that you say are the kind of variable,
3 that they fixed for you, that are not variables?

4 A. Right.

5 Q. We have a list left over that are potential variables.

6 A. Correct.

7 Q. And one of those is raw milk cost, conversion cost,
8 resin cost, label and cap cost, and then your DSD price?

9 A. No, the DSD price I think, I mean, well, a component of
10 the DSD price. Your labor costs.

11 Q. Okay. And do you have unions for your employees?

12 A. We do.

13 Q. Okay. And that's a higher cost to operate an employee
14 base with unions?

15 A. It is.

16 Q. So of that, I count five, so there's five variable
17 components in the bid; is that right?

18 A. Maybe if you want to read them to me I can just kind of
19 validate, verify which ones you are referring to.

20 Q. Yeah. So I have raw milk cost?

21 A. Conversion, raw milk, uh-huh.

22 Q. Conversion cost is one?

23 A. Yep.

24 Q. Resin cost is one?

25 A. Uh-huh.

1 Q. Label and cap cost I have combined as one.

2 A. Yes.

3 Q. And DSD price or at least the labor component.

4 A. Yes.

5 Q. Okay. So I have five variables if you combine label
6 and cap?

7 A. You do. Right.

8 Q. So any flexibility that you have as a plant bidding on
9 a final product in any of those five areas would allow you some
10 opportunities to reduce the price that you offer; is that
11 right?

12 A. There's -- yes. But it varied, varying levels of
13 materiality, which I think is very important to point out.
14 When you are talking about resin and labels and caps, the
15 variability that is in a processor's ability to procure those
16 is mils, not pennies, we're talking mils. Conversion, as I
17 provided in my testimony, the conversion cost to actually
18 manufacture a private label gallon of milk, the variability in
19 our own plants is somewhat relatively immaterial in terms of
20 the variability of that, and then you are left with DSD. And
21 just to give you a reference point -- so I would just like to
22 share with you just some quick kind of math that I would like
23 to provide for the group. So we did an analysis with a third
24 party hauler that could actually go and deliver from Tulare
25 down to Southern California today. And they quoted us a rate

1 of \$1,200 to make four deliveries from Tulare down to
2 Southern California, with four stops. That was a \$1,200 cost.
3 A typical truck can handle 3,800 gallons of milk on its truck.
4 So that means that your cost per gallon to deliver that milk is
5 about 31 cents per gallon.

6 Today, if I made that same delivery with a union driver
7 from my plant into Southern California, it's \$600 for that
8 total delivery, for that driver to go out and make those four
9 deliveries for one day. That's 15 cents a gallon. So my point
10 being, is that when you are delivering from this marketplace
11 into Southern California, you are paying two times what you
12 would pay to make that same delivery if that, if the producing
13 plant was in Southern California. And so my point being, is
14 that when you look at the variability that you laid out, the
15 five different areas, raw material cost, conversion, resin,
16 label cap, and then DSD, the reality is, is that there's one
17 area where the variability can still be significant, and that
18 is in raw milk cost.

19 Q. And that's your experience based on Dean Foods; is that
20 right?

21 A. That is, the third-party hauler cost is from receiving
22 a quote from an independent third party hauler. The
23 variability in labor rates between a union driver and a
24 non-union driver is probably 20 percent, not 50 percent, so you
25 kind of factor those all in, and you look at the other markets

1 and you look at other roles within the industry DSD drivers,
2 and you kind of know what a traditional rate is in terms of
3 hours, and you can derive that that is an area that can be of
4 significant advantage from one supplier to the other. So if
5 that makes -- that's what -- that's what I'm saying that's my
6 experience, and yes, it is, but that's my experience
7 understanding the full breadth of really direct store delivery
8 business.

9 Q. Okay. And you are saying that in your experience, you
10 don't believe that there's a lot of flexibility for other
11 plants to have a swing in those prices much further beyond what
12 you are able to get in your accounts?

13 A. What I'm suggesting is that there is variability, but
14 they are not material enough to offset what I am identifying is
15 a logistics gap that is significantly material.

16 Q. And the volumes of product that Dean Foods sells from
17 its plants, or offers to its customers, does that give you an
18 advantage in providing bids to accounts? Meaning, do you, or
19 even in the flexibility in variability of these prices, because
20 of the volumes that you have going through your plants?

21 A. I mean, I think that there's -- there is -- again, it's
22 in terms of, are you talking about our ability because we have
23 a lot of volume in our plants that we're able to --

24 Q. Yeah, is there additional buying power that you have
25 because you can maybe negotiate additional discounts from your

1 inputs if you are --

2 A. Yeah.

3 Q. -- because you have larger volumes?

4 A. There is. I think that when it comes to some of the
5 ones that we're referring to, you know, resin, labels and caps,
6 there is obviously, with every, any aspect of any business,
7 when you buy significant quantities, you get a discount. The
8 reality is that when you add those up to the materiality of
9 bidding a per gallon price for milk, they are not significant
10 to create a significant advantage versus the marketplace.

11 Q. Okay. So you said that you are doing for this national
12 account, a bid for each one of those stores. So does that mean
13 that you are actually submitting somewhere between 500 and 750
14 bids for the State of California?

15 A. Not individual bids. It is one template, right? That
16 has each individual store on the template.

17 Q. Okay. So you are submitting one bid for the entire
18 State of California, and in there you are covering the number
19 of stores, the 500 to 750 stores?

20 A. Yes.

21 Q. And were you also bidding on that account nationally at
22 the same time?

23 A. We were.

24 Q. And how many more stores were you bidding on at the
25 same time?

1 A. More than 1,000 and less than 3,000. I don't know the
2 exact number.

3 Q. And is that submitted all within the same bid or do you
4 do it on a state-by-state basis?

5 A. It is done on an, it's how the retailer would like to
6 have the bid, and it was state-by-state.

7 Q. And can you tell me what the other states were?

8 A. In the, I can refer only to the West, which is the area
9 that I was responsible for, so if I recall, the entire, every
10 state in which this retailer did business in was part of the
11 RFP during that period of time in 2012.

12 Q. And when you say that, is that limited to just the west
13 or is it your understanding that this Dean Foods bid on every
14 state across the United States that this retail --

15 A. Yes, they did. We did.

16 Q. Yes, the entire country?

17 A. Yes.

18 Q. Okay. So this retail account put every start that they
19 had in the whole United States out for bid?

20 A. Correct.

21 Q. Okay. And the 1,000 to 3,000 that you gave me, was
22 that just your territory in the Pacific Northwest, or was that
23 nationwide?

24 A. No, that would be, that's my assumption, that's my
25 estimate of the number of stores nationwide.

1 Q. Okay. And how many stores were in your territory?

2 A. I don't have the exact number. It's -- let's -- it's
3 between 1,000 and 1,500.

4 Q. So at least half of the stores nationwide are located
5 in your territory?

6 A. Probably less than half, but about 30 percent.

7 Q. Remind me again what your territory is?

8 A. Today my territory goes from West Texas to the State of
9 Hawaii, with the exception of Oregon, Washington, and Arizona,
10 where we don't have operations.

11 Q. So did you bid on any of the retail accounts in Oregon,
12 Washington -- was it Oregon, Washington, and --

13 A. Arizona? No, we did not.

14 Q. Okay. And was that the same territory that you had
15 back in 2012?

16 A. I did, but I was in a different capacity.

17 Q. What was your capacity in 2012?

18 A. I was the Vice President of Sales.

19 Q. So literally, this was your job back in 2012, to put
20 this bid together or to work with your team to put the bid
21 together?

22 A. Yes.

23 Q. Okay. And of those 1,000 to 1,500 stores, how many of
24 those stores were you able to secure for the bid?

25 A. Well, I'm here to testify on the impact of the State of

1 California, and that's kind of what I focused my testimony on,
2 which I stated we lost 111 stores as the outcome of that bid in
3 the State of California.

4 Q. Did you lose all of the 111 stores in California to
5 producer-handlers?

6 A. We did.

7 Q. And was it -- and that was -- do you know how many of
8 those four producer-handlers you lost them to?

9 A. We lost them to two.

10 Q. Okay. Do you know which two?

11 A. Producers Dairy and Crystal Foster Farms.

12 Q. Okay. So the two largest of the producer-handlers; is
13 that right?

14 A. I'm not sure of their size but that's who we lost them
15 to.

16 Q. Are you familiar with the producer-handlers operations?

17 A. Not one hundred percent, no. But I know that they are
18 in dairy operations.

19 Q. Beyond knowing that they are in dairy operations, do
20 you have any other information about their business?

21 A. No.

22 Q. And in your testimony, I think on page 1 you say that
23 "Dean Foods has lost over 20 million gallons of annual private
24 label milk volume to producer-handler dairies in California
25 through RFP processes," and I'm reading from page 1 of your

1 testimony. What timeframe are you referring to there?

2 A. I'm referring to two specific bids that took place, one
3 obviously in 2012 that was effective in January of 2013. And
4 then there was one that took place recently this year as well,
5 and we lost some volume, and that also equates out to the
6 20 million gallons that we have lost in total.

7 Q. So it was then two bid processes that make that up that
8 20 million gallons of annual private label milk?

9 A. Uh-huh. Yes.

10 Q. Okay. One in 2012 and then one in 2015?

11 A. Correct.

12 Q. Okay. Any other instances that you can think of?

13 A. There's one other example with one other customer, a
14 food service customer in Las Vegas, but not relevant to the
15 conversation for California.

16 Q. It was a producer-handler?

17 A. Yes.

18 Q. And you lost the bid for a Nevada customer?

19 A. Yes.

20 Q. Okay. And so not relevant because it is not in
21 California?

22 A. Correct.

23 Q. So you lost a 2012 bid and then one in 2015. Of that
24 20 million gallons, how much is from the 2012 bid that you
25 lost?

1 A. The majority is from the 2012 bid.

2 Q. Can you tell me majority, what do you mean, like 90
3 percent?

4 A. 75 percent.

5 Q. So of the 20 million, 75 percent was from the 2012 bid,
6 approximately?

7 A. Correct.

8 Q. So approximately the other 25 percent was from the 2015
9 bid that you lost?

10 A. Yes.

11 Q. On that national account, is it your understanding that
12 Dean Foods lost that national account on a nationwide basis?

13 A. We did not lose the account, we did lose stores in the
14 bid, but we did not lose the account.

15 Q. And you lost a good majority of those stores in that
16 nationwide bid process?

17 A. We did lose stores. It depends on how you are viewing
18 what a good majority is.

19 Q. Did Dean Foods consider it to be significant in terms
20 of its overall nationwide profit and loss that it lost this
21 nationwide account in 2012?

22 A. We did, but we are still one of their top ten suppliers
23 and their largest dairy supplier today.

24 Q. But it was significant enough on a nationwide basis
25 that you lost that account, that it was reported in your

1 financial statements that you share with shareholders, right?

2 A. That is correct.

3 Q. And it was, do you know what the percentage of a hit
4 was to Dean Foods by losing this nationwide account, at least
5 in part?

6 A. It was approximately, it was a reduction to, we were,
7 it was a reduction of about 20 percent of our business.

8 Q. So in losing about 20 percent of your business, and
9 that's on a nationwide basis to this account, correct?

10 A. Correct.

11 Q. And how much of that 20 percent of the business that
12 you lost, was lost in California?

13 A. We were a significant portion of the loss in the
14 overall business.

15 Q. What's a significant portion?

16 A. 20 to 25 percent.

17 Q. Okay. So of the total 20 percent of the nationwide
18 account that was, or the dollars that were lost to Dean Foods,
19 20 percent of that was in California?

20 A. Can you please restate your question?

21 Q. Well, you said 20 -- Dean Foods lost about 20 percent
22 of this account's business; is that right? On a nationwide
23 basis?

24 A. Correct. Of our business with the customer, yes.

25 Q. And then 20 percent of what you lost you attributed to

1 California?

2 A. Yes.

3 Q. Okay. And are you saying that the producer-handlers
4 that displaced Dean Foods in California caused Dean Foods to
5 lose the other 80 percent of the business in the rest of the
6 country?

7 A. No, I'm not saying that.

8 Q. Okay. So that had to have been based on one of the
9 other, one of the three reasons that you gave, either it was
10 the quality, or the service, or the price in those territories?

11 A. No, I don't think that. I think that the bid was taken
12 on a state-by-state basis, and again, my testimony is here to
13 talk about the impact of the, of the bid on my specific
14 business. And again, we lost 20 million gallons in that bid
15 process in the State of California. And I'm, and the factors
16 that were associated with why we lost it, are obviously, like I
17 said, quality, service, and price is what I view in my
18 experience, as three reasons why customers do make the decision
19 to move supply. And in referring to the testimony for the
20 State of California, we did lose, like I said, the 20 million
21 gallons of volume.

22 Q. Okay. I don't think you answered my question, though.
23 And I understand and appreciate that you are here to talk about
24 California.

25 A. Right.

1 Q. But I can't separate the two, because if there's other
2 justifications that go into why you lost the account on a
3 nationwide basis, it does apply to why you lost it in
4 California, and it does apply to my clients' perspectives on
5 whether or not your assumptions of why you lost to them were
6 accurate or not. So I'm just trying to understand, if you are
7 trying to say that because the producer-handlers hold exempt
8 quota in California, and you believe that that's why they were
9 able to undercut you in your bids in California for this
10 national account, right?

11 A. Correct.

12 Q. Okay. Are you saying that because those
13 producer-handlers were able to win the bids in California, that
14 that's what caused you to lose the other 80 percent that you
15 lost to this national account?

16 A. No, I'm not saying that.

17 Q. Okay. So the other 80 percent, you are saying, was for
18 different reasons that you lost those accounts.

19 A. Based off of what we as a company believe are the
20 reasons why you lose business, which is price, quality, or
21 service, I'm not, I don't know exactly what reason why the
22 retailer made the decision to move the business. What I am
23 testifying to is that in the State of California, quality and
24 service were not an issue with this specific customer, and my
25 experience would then lean to the fact that price was the

1 factor in terms of why the business left.

2 Q. Was price the factor for why the other 80 percent left
3 in the other states, other than California?

4 A. I don't know exactly why the, why the customer made the
5 decision. But again, when it comes to private label milk,
6 price is usually the winning equation on why customers make the
7 decision to leave. So I would assume where we lost the
8 business in other parts of the country, the reason the decision
9 was made was based off of price.

10 Q. And Mr. Blaufuss, maybe you can weigh in on this. In
11 those other states where this national account was lost, are
12 there Federal Orders in place?

13 MR. BLAUFUSS: Yes, there are Federal Orders in the U.S.

14 Q. In the other states that this national account exists
15 in which Dean Foods lost that business?

16 MR. BLAUFUSS: Yes, there are states which we do business
17 that fall in the Federal Orders that would have been included
18 in this bid.

19 Q. Okay. And in those Federal Orders is the same
20 producer-handler definition of limiting the cap at three
21 million pounds, does that exist in those areas?

22 A. The cap in the Federal Order system is three million
23 pounds of Class I route dispositions for producer-handlers.

24 Q. And did that cap, was that cap in place at the time
25 that the other 80 percent of the business was lost to this

1 national account?

2 A. The national hearing put that in place in 2009.

3 Q. And this bid took place in April of 2012?

4 A. That's what Matt testified to, so Matt -- and my daily
5 activity is not with sales, it is not with doing these bids, so
6 you are asking me a lot of these questions that honestly I
7 don't deal with this area.

8 Q. Okay. Mr. Williams, so if the cap for, of the other
9 Federal Orders was put in place for producer-handlers in 2010,
10 and this bid was in 2012, you would agree with me then, that
11 those Federal Orders contained the producer-handler cap in
12 those areas; is that right, at the time that you made the bid?

13 MR. WILLIAMS: Yes.

14 Q. Okay. Have you, from Dean Foods, ever won any bids
15 against a producer-handler in California?

16 MR. WILLIAMS: We have.

17 Q. Do you know how many?

18 A. No, not off the top of my head.

19 Q. Do you know if it's more than five?

20 A. It is between, yeah, I mean, it could be more than
21 five. I would have to think through, if you want me to -- I
22 mean, how much time do you want me to take to answer the
23 question?

24 Q. I want you to take as much time as it takes to get the
25 information out.

1 A. Yes, there are more than five.

2 Q. Okay. How many more than five?

3 A. I am getting a little bit older that I can't remember
4 everything. I would say it's more than five and less than
5 seven.

6 Q. And what timeframe are you talking about?

7 A. During my tenure within the company over the last six
8 years.

9 Q. So in the last six years, you believe that you have,
10 Dean Foods has been able to win about seven bids against, or
11 about six, sorry -- it's supposed to be Love Your Lawyer Day --
12 let me say that again. So in the last six years, you believe
13 that you have been able to win about six accounts from
14 producer-handlers?

15 A. About five to six, just between five and seven, about
16 six.

17 Q. And around six accounts. What is the, how many gallons
18 of milk would that represent or gallons of product?

19 A. 15 million gallons.

20 Q. 50?

21 A. 15.

22 Q. 15, 1-5?

23 A. Yes.

24 Q. Okay. And do you still have those accounts today?

25 A. Yes.

1 Q. Okay. And do you know what years those bids were won?
2 I want to protect, I want to protect the confidential side of
3 this, so without naming them, if you went through the six, can
4 you kind of tell me what years they would have been won?

5 A. They have been, obviously from, in the last six years
6 is the ones that I'm obviously testifying on, 2009, 2011, '12
7 and then, '12 -- yeah, '09, '11, and '12. 2009, 2011, and
8 2012.

9 Q. So you are lucky in the odd years and '12.

10 A. Well, except for one year that you are referring to.

11 Q. And so there would have been maybe two in each of those
12 years, is that what you are thinking of?

13 A. Yes, as I can recall.

14 Q. Okay. And are those stores located through, that you
15 won, the bids that you won, are they located throughout the
16 State of California?

17 A. They are.

18 Q. Can you give me the kind of territory? Does it go from
19 North all the way down to the South or is it located in any
20 specific areas?

21 A. Southern California and Northern California.

22 Q. Okay. All six were in those locations?

23 A. Yes.

24 Q. And where are your plants located?

25 A. We have two in the City of Industry and then one in

1 Hayward, California.

2 Q. So I'm not from California, tell me where those are
3 located?

4 A. Hayward is located just south of the Oakland Airport,
5 right just in close proximity to Oakland, California. And then
6 City of industry is located on the 60 Freeway, in between the
7 57 and the 605, it is due East of the Los Angeles by about 30
8 miles, and they are within two miles of one another in the
9 City of Industry.

10 Q. Okay. Thank you. So of the accounts that you won, are
11 any of them more than 200 miles from your plants?

12 A. Not the stores that we bid to service from, no.

13 Q. Okay. Is it fair to say that you don't have any of the
14 cost data for any of the producer-handlers?

15 A. Yes.

16 Q. You don't have any of the plant manufacturing cost
17 data?

18 A. No, I do not.

19 Q. Okay. So -- and I don't want to oversimplify this, but
20 I want to understand because there's something that kind of
21 feels off when I read in your statement you say, you kind of
22 walked through this bid process, and then you say, "this result
23 cannot credibly be explained by claiming that the
24 producer-handler plants have more efficient plant operations
25 that enable them to overcome the materially higher distribution

1 costs they incur for the business." And I guess, you know, you
2 walked through the bid process, and talk about all these
3 factors, and then you say it is only logical to concluded that
4 the reason they were able to get this bid is because they have
5 this price advantage. Is that fair to say?

6 A. Yes.

7 Q. Okay. So is your position really that you believe
8 Dean Foods should be able to win every bid against a
9 producer-handler because you should be able to gauge what these
10 other kind of fixed costs are?

11 A. No. I think that, you know, our point of view is that
12 when 70 percent of the costs to make a gallon of milk are in
13 your raw milk costs, that the reality is that when you look at
14 this example that we have laid out, when you are delivering and
15 adding significant distribution costs from your plant, the only
16 way that you can obviously achieve that is through an advantage
17 that Rob has testified to, which is, you know, the raw milk
18 advantage that they have through the, through the exempt quota.

19 Q. Okay. But it is fair to say you don't really know what
20 factors went into their ability to quote the price; is that
21 right?

22 A. I'm only testifying on my expertise in the industry and
23 my understanding of the industry and the cost inputs relative
24 to the dairy industry, but I do not know their costs.

25 Q. Okay. So you would agree that you are trying to make

1 an educated guess, but you have limited information from which
2 to make that, to draw that conclusion. Is that fair to say?

3 A. I think I have plenty of information to draw my
4 conclusion, based off of, you know, understanding the industry,
5 understanding the materiality of the differences that can come
6 from the other costs associated with, obviously, manufacturing
7 milk, and that's why I feel that I can, I have enough
8 information to draw my conclusion.

9 Q. And you feel confident in that that's the only reason
10 why they could, they could undercut Dean Foods on a bid is
11 because of this exempt quota? You are confident you have
12 enough information to draw that conclusion?

13 A. Again, based off of my knowledge of the industry and
14 knowing that price is a major factor on why customers make the
15 decision to move to different suppliers, that is the conclusion
16 that I'm coming to.

17 Q. Okay. And DFA is one of your suppliers, isn't it?

18 A. Yes.

19 Q. So you are a customer of DFA, Mr. Hollon?

20 A. Correct.

21 Q. Okay. Mr. Blaufuss, I want to talk to you a little bit
22 about the -- I changed gears here. I want to talk to you about
23 when you talked about the kind of soft cap, hard cap in the
24 producer-handlers hearing, the national hearing that -- you
25 attended that?

1 MR. BLAUFUSS: No, I believe I would have been still an
2 undergrad, or no, in 2009 I would have just gotten out of grad
3 school.

4 Q. Okay.

5 MR. BLAUFUSS: So I was not at the hearing, no.

6 Q. Okay. But you have read up on it and that's why you
7 are providing the information that you've provided here today?

8 A. That's correct.

9 Q. And you've talked with people who have, from
10 Dean Foods, who participated in that hearing just so you could
11 get up to speed and talk about it?

12 A. You know, I can honestly say I read, most of what I
13 know I read through the hearing transcripts. What we testified
14 to, obviously I have talked to internal people who have
15 extensive knowledge of the issue, but a lot of it has come
16 through the hearing transcripts.

17 Q. And you have mentioned, you were talking about the soft
18 cap. And am I correct in saying that you are suggesting that
19 the producer handlers are operating like a soft cap was in the
20 Federal Order hearing?

21 A. Yes. So they are granted an exemption on a certain
22 amount of pounds. Well, yes. So they are granted exemption on
23 a set amount of pounds and anything above that becomes pooled.
24 So they are exempt from paying Class 1 on that level of exempt
25 quota, above that, then they have to answer to the pool.

1 Q. Okay. And in the Federal Order hearing, nobody ever
2 had to invest any money, or there was no kind of investment
3 that was made into obtaining that soft cap; is that right?

4 A. Correct. There was no quota system, so there wasn't a
5 quota cost.

6 Q. Okay. And you understand that with exempt quota that
7 there's actually been dollars invested, and business,
8 structural investments made in order to obtain that exempt
9 quota?

10 A. I believe that part of it with the quota system was put
11 in, that they were granted the exempt quota, and I believe
12 through your own proposal, you have stated that yes, you paid
13 additional monies to acquire additional quota.

14 Q. You didn't know that on your own, though, or have
15 information about that?

16 A. Just knowing the quota system generally. I mean, it is
17 not, California quota isn't something I focus in on my
18 day-to-day activities at Dean Foods.

19 Q. Okay. Do you understand that an exempt quota holder,
20 well, in acquiring that quota, that they are actually issued a
21 quota certificate, an ownership certificate that shows that
22 they own a tangible piece of asset?

23 A. Again, I don't know the inner workings of having a
24 certificate and all those details of quota. I mean, I would,
25 again, if you are going to get specific with questions on

1 quota, I would save it for our quota discussion.

2 Q. Okay. And this, the soft cap, though, that you are
3 talking about, that was pertaining to new entries into the
4 market, right? Somebody who was going to be producing, they
5 could be exempt up to a certain amount?

6 A. I honestly don't recall off the top of my head how that
7 was applied. If it was new, if it was current, I just know
8 that it was discussed.

9 Q. Okay. So is it, these are questions that I should,
10 then, defer likewise to the quota witness?

11 A. If it's tied to quota, yes.

12 Q. Okay. So when you say in your testimony "the soft cap
13 provision is the proverbial gift that keeps on giving," and
14 then the next sentence, I'm reading from page 2 of your
15 testimony, "the California producer-handlers are able to expand
16 their Class 1 sales by diluting the dollars they avoid paying
17 into the pool over the totality of their total Class 1 sales."
18 Can you help me understand what you are referring to there?

19 A. So the exempt quota, it's a static number, relatively
20 static number. And so you are saving having to pay the Class 1
21 of the pool, and so the difference on those pounds that you are
22 saving, is the Class 1 minus the quota price. So that if you
23 only had volume or sales to match your exempt quota, that's the
24 full advantage. So if you go up a gallon above that ten
25 gallons, or ten million above that, it dilutes out the value of

1 that exempt quota advantage. And that's what I mean by the
2 sale. So if they didn't go out and increase their sales above
3 what their exempt quota sales would be, they're diluting out
4 the total value of that over the totality of their gallon
5 sales.

6 Q. So how is it a gift that keeps on giving?

7 A. Because they can spread those dollars out however they
8 best see fit.

9 Q. So --

10 A. They have a pool of dollars to work with that they are
11 not paying into the pool, and how they choose to allocate those
12 amongst they're going to a customer, is how they choose to do
13 that.

14 Q. Okay. So am I correct that you are saying that this
15 would then allow them to reduce their cost on the plant side so
16 that they would have a greater margin window that they could
17 use to negotiate their bid prices; is that fair?

18 A. Could you repeat the question, please?

19 Q. Well, you are saying that there's this price advantage,
20 and I'm trying to figure out what your understanding is of how
21 it works. Are you saying that the plant side of their business
22 uses that cost advantage, or this exempt quota advantage to
23 reduce their cost, their input cost into their manufactured
24 cost of goods?

25 A. As I understand it, Dean Foods, and maybe I'll just

1 keep it more proud and if I don't answer your question, I'm
2 sure you will let me know. Dean Foods pays Class 1 prices on
3 all of our Class 1 pounds. The exempt quota holders pay a
4 Class 1 price on the volume they hold above their exempt quota
5 pounds. So let's say they have 100 pounds of Class 1 sales and
6 let's say 20 of it is exempt. So they are paying the Class 1
7 price on 80 pounds of it, and only basically having the quota
8 price on the remaining 20.

9 Q. Okay. So the net effect of that is that the total cost
10 of goods for that plant would be less than somebody who was
11 paying Class 1 price for all of the milk that they acquired; is
12 that right?

13 A. Yes, it's an advantage.

14 Q. Okay. So that's what I'm just trying to understand.
15 So you are saying that the manufactured cost of goods, so which
16 would include the price of the raw milk, right?

17 A. Yes.

18 Q. That the manufactured cost of goods would be less for a
19 producer-handler than it would be for somebody who did not have
20 an exempt quota allocation?

21 A. That is my belief.

22 Q. Okay. And it is that lower manufactured cost of goods
23 that gives them the opportunity to go out and bid on contracts
24 and secure them with that advantage?

25 A. Having a lower cost of milk price is definitely helpful

1 when you are going to a customer.

2 Q. Okay. But that's what you are saying is the disruption
3 in the market?

4 A. I believe that cost advantage is disruptive to the
5 market. As a term in the Federal Order structure, is similarly
6 situated handlers having the same regulated cost structures.
7 So you are not creating an advantage to one handler over the
8 other. In this case, as I have testified to, and Matt has put
9 in his testimony as well, we believe that there is a difference
10 in the regulated cost structure between we as a fully regulated
11 Class 1 handler and the exempt producer-handlers.

12 Q. Okay. So, and when Dean Foods bids on a customer
13 account, do you always build in a margin so some level of
14 profitability when you are bidding on an account?

15 MR. WILLIAMS: Yes.

16 Q. And do you have a target margin that you are shooting
17 for for all of your accounts?

18 MR. WILLIAMS: We have -- we have a target that we, it's
19 not specific to each individual, it's specific to each
20 individual account.

21 Q. Okay. So it is not specific to product lines, it is
22 specific to accounts, right?

23 A. It's a combination of both.

24 Q. Okay. Can you share with me the range? Do you want to
25 share a range of the margin that you are talking about?

1 A. No, I do not. No, that's confidential information.

2 Q. Okay. So --

3 JUDGE CLIFTON: Let me interject. I think a lunch break
4 would be a good idea. So Mr. Williams, were you planning to --

5 MR. WILLIAMS: I have Producers chocolate milk, I'm good --
6 double chocolate.

7 JUDGE CLIFTON: I found it good as well. If we break for
8 lunch, but you are required to be back on the witness stand
9 after lunch, would that work out with your schedule,
10 Mr. Williams?

11 MR. WILLIAMS: Sure.

12 JUDGE CLIFTON: Okay. Why don't we break now, so remember
13 where you are, and please be back and ready to go at 1:40.
14 1:40.

15 (Whereupon, a lunch break was taken.)

16 ---o0o---

17

18

19

20

21

22

23

24

25

1 FRIDAY, NOVEMBER 6, 2015 - - AFTERNOON SESSION

2 JUDGE CLIFTON: We are back on record at 1:46. As I have
3 said before, thank you for waiting for me.

4 I would like to invite the panel to return to the
5 witness stand, and I would like to invite Ms. Hancock to resume
6 cross-examination.

7 BY MS HANCOCK:

8 Q. Nicole Hancock.

9 So I think where we left off, I had asked a question
10 about, I think it was with Mr. Williams, and I was asking about
11 whether you -- I guess just to kind of back up a smidge, just
12 so it is all in context. We are talking about how you bid on
13 your customer, or how you submit your bids and how you
14 calculate those numbers. Is that where you believe we left
15 off?

16 MR. WILLIAMS: Yes.

17 Q. Okay. And we talked about all the factors that we
18 talked about earlier, and I think the last topic that we were
19 talking about was margins that you -- you, when you build in
20 that bid, you are also building in some type of a margin in
21 there as well; is that fair?

22 A. Correct.

23 Q. Okay. So you would agree then, that margin is another
24 kind of variable that can be used in making a bid or setting a
25 bid amount for a customer?

1 A. Yes.

2 Q. And if you were a plant who operated on a business plan
3 that was projected out based on larger margins, that would be a
4 factor in the amounts that are bid out to customers, right?

5 A. Correct.

6 Q. And then in your negotiating power, it kind of gives
7 you some flexibility, you can pull back on your own margins,
8 make them as thin as you want, depending on what your
9 motivation is for getting that customer?

10 A. That's correct.

11 Q. And, so Dean Foods, how is it that you set your
12 margins? Do you have a team of people that have come up with
13 kind of a range or do you have authority to do that on your
14 own?

15 A. I have an expectation on operating income that I need
16 to deliver for my area of responsibility, my area of
17 responsibility annually.

18 Q. Okay. So you just get to operate within the parameters
19 that will ultimately let you achieve your goals?

20 A. Correct.

21 Q. Okay. And so do you move that mark on your margin,
22 your percentage that you have set on your bids that you are
23 putting out? Do you move that quite a bit depending on who you
24 are bidding at the time?

25 A. There is different levels of variability in terms of

1 the margin that we generate on various customers, if that
2 answers your question.

3 Q. I think so. Can you tell me how far that market moves,
4 kind of the range of movement? You don't have to tell me what
5 your margins are on your bids, but can you tell me how far that
6 mark moves depending on who the customers are?

7 A. It seems, I feel like we're getting into a little bit
8 of confidential territory in terms of how we bid business and
9 our motivations for doing so.

10 Q. Okay. So you are not comfortable sharing that
11 information?

12 A. No.

13 Q. Okay. And is it fair to say then that you don't have
14 that information about your competitors either?

15 A. No, I do not.

16 Q. Okay. And that would be -- that would be an area that
17 is not kind of fixed, that's an area that would be a variable
18 as we described it, in talking about the criteria used in
19 determining what prices you set for your bids?

20 A. That is an area that could be considered variability.
21 But again, based off of my industry expertise and 20 years of
22 business, it seems like the businesses are in the business of
23 making money. So that is why I would ascertain that that's
24 probably not as much of a variable as maybe you are drawing it
25 to be.

1 Q. Okay. But it is kind of the nature of the business
2 that sometimes you win bids and sometimes you lose bids; is
3 that right?

4 A. Yes.

5 Q. One of the factors that, I don't know where it fits
6 into the five that we talked about, as kind of your
7 administrative and overhead expense, where do you put that in
8 the five that we talked about?

9 A. That would be probably in the one that we did not cover
10 in terms of what are one of the components to costing.

11 Q. So it would be kind of another sixth additional --

12 A. Yes.

13 Q. I just want to finish my question. It would be kind of
14 a sixth additional factor that would be considered in setting
15 your pricing; is that fair?

16 A. Yes.

17 Q. And that would also play heavily into what kind of
18 margins you could anticipate from a bid price, right?

19 A. Correct.

20 Q. And if you have a considerable of overhead, it would
21 add to the amount of costs that are factored into your
22 manufacture cost of goods?

23 A. It would. But again, I think it goes back to what you
24 said is, you allocate cost obviously differently to win bids,
25 and with private label milk business being so critical to a

1 manufacturing plant's ability to be successful, you are
2 absorbing those costs across different bids in different ways.

3 Q. The answer is yes, though, that's a factor in --

4 A. That --

5 Q. -- in what the manufactured cost of goods would be?

6 A. Yes.

7 Q. Okay. And then do you offer, as from Dean Foods, do
8 you offer any kind of rebates to your customers?

9 A. Again, that's confidential information relative to
10 customers that I would not like to share and testify to at this
11 time.

12 Q. Okay. If, hypothetically speaking, you did offer a
13 rebate, would that be a cost of the goods sold that you would
14 factor in?

15 A. Again, if in the -- in the industry, as an industry of
16 practice, again, offering a rebate would be part of your
17 pricing, right? To cover all of the costs that we just laid
18 out, so it's not an incremental cost above and beyond the ones
19 that we just talked about.

20 Q. Okay. So if you were determining your manufactured
21 cost of goods, it wouldn't be calculated into that number, but
22 it would be determined, it would be a factor that you use to
23 determine what your levels of margins are. Is that fair?

24 A. Yes.

25 Q. Okay. And so rebates. Do you offer any kind of

1 marketing allowances to any of your customers?

2 A. Again, you are asking -- I'm not -- it's confidential
3 information on what type of rebates and if we offer rebates and
4 marketing allowances to our customers. I'm here to obviously
5 testify on how we quote RFP pricing relative to a bid.

6 Q. Okay. And then what about, what about any kind of
7 growth incentives? Do you offer any kind of volume sales
8 growth incentives to any of your customers?

9 A. Again, I view that as confidential information and am
10 not comfortable with sharing that with you, to answer your
11 question.

12 Q. Okay. Would you agree to me, though, that it would be
13 really important information to have when you are considering
14 whether or not Dean Foods had a price advantage or was at a
15 disadvantage in pricing its product bids to customers against,
16 say, local California plants?

17 A. Well, I wouldn't say that I think that all of those, if
18 you do choose to offer any type of price off to a customer, it
19 all is going to be absorbed in your ability to, in terms of
20 what your total cost is to obviously generate a profit based of
21 the components that we laid out. And so it's a factor that
22 would be considered. However, it's all based off of your input
23 costs, the ones that we have kind of talked about in terms of
24 your ability to offer that.

25 Q. Okay. Is there any, well, I guess, let me say this

1 differently. Do you offer nationwide accounts any type of
2 additional incentives because you have the ability to service
3 them nationally?

4 A. Again, I view that as confidential information in terms
5 of our relationships with our customers in terms of how we
6 price them, and would prefer not to answer the question.

7 Q. Okay. Thank you. That's all I have.

8 JUDGE CLIFTON: Who next has questions for either of these
9 panel members, either Mr. Williams or Mr. Blaufuss?

10 CROSS-EXAMINATION

11 BY MR. SHEHADEY:

12 Q. My name is Richard Shehadey. I introduced myself
13 earlier when we opened this morning. I just had one question.

14 JUDGE CLIFTON: And just so the record is clear, and what
15 entity are you affiliated with?

16 MR. SHEHADEY: I'm with the Producers Dairy Foods and
17 Bar 20 Dairy Farms and a member of the California Producer
18 Handler Association.

19 BY MR. SHEHADEY:

20 Q. There was a statement made this morning that of the
21 accounts that were bid and acquired, that none of them were
22 over 200 miles, and I have a question about that statement,
23 because there's milk bottled in Hayward, Berkeley Farms milk in
24 Bakersfield. And Bakersfield is 110 miles South of Fresno.
25 And according to my Google or Apple Map a few minutes ago, from

1 the Berkeley Farms plant in Hayward to an account in
2 Bakersfield is 271 miles. And my question would be, do you
3 have business in Bakersfield that is served out of your plant
4 in Hayward?

5 MR. WILLIAMS: We do. It is a significantly small portion
6 of the business that we have in our total plant operations in
7 Hayward, California. And quite honestly, we have other plans
8 to move it to another plant, which would be a closer plant,
9 because, in order to offset the logistics cost. However, as a
10 dairy that has a third party that we negotiate with, which is
11 our union, we need to obviously get sign off and buy off with
12 our union contract to allow to us do that. But that is indeed
13 the case. But it is not nearly as significant as the 20
14 million gallons that are being delivered into the market that
15 we lost, that account for the volume that's into the other
16 market today.

17 MR. SHEHADEY: And you would agree that it is 271 miles
18 based on my Apple?

19 MR. WILLIAMS: I will agree with that.

20 MR. SHEHADEY: Okay. Thank you.

21 JUDGE CLIFTON: Who next, Mr. Beshore?

22 CROSS-EXAMINATION

23 BY MR. BESHORE:

24 Q. Just one quick follow up question for Mr. Blaufuss on
25 the data set that we were, I was asking about earlier.

1 Do you have Exhibit 61, which is the CDFA information
2 CDFA, Z, which titled Classification of Bulk Milk Skim and
3 Cream Received by California Pool Plant?

4 MR BLAUFUSS: Yes.

5 Q. Okay. And this runs through July 2015. My question
6 is, is the, to the best of your knowledge, is the August
7 Class 1 utilization in your testimony that I asked you about
8 before, the August number for this same data set?

9 A. Looking at the data set and just looking from a year
10 back, so you are looking at roughly 27 million pounds, it would
11 seem to be generally reflective that's where that number would
12 be coming from.

13 Q. So you think it is the August number for the same set
14 of data?

15 A. I believe it would be.

16 Q. Okay. Thank you very much. That's all.

17 JUDGE CLIFTON: Who next has questions for Mr. Williams or
18 Mr. Blaufuss? I have just a couple then, I'll see if anyone
19 else does. Mr. Williams, you referred to a mil. What portion
20 of a penny is a mil?

21 MR. WILLIAMS: A tenth.

22 JUDGE CLIFTON: A tenth? Okay. Thanks. And when you gave
23 the example to show the difference between hauling costs of 31
24 cents a gallon and 15 cents a gallon, I didn't quite catch what
25 I was comparing. So when you talked about the 31 cents a

1 gallon you were talking about from Tulare to Southern
2 California; is is that correct?

3 MR. WILLIAMS: That is correct.

4 JUDGE CLIFTON: And the 15 cents a gallon was from what
5 place to what place?

6 MR. WILLIAMS: That was from our Alta Dena plant in
7 Southern California to four retail outlets located within a
8 50-mile radius of our plant, and so that cost is kind of what
9 that would cost us to pay for the labor, the truck, to actually
10 make those four deliveries based off of 3,800 gallons on a
11 truck, which is what a typical truck can handle in terms of
12 total gallons on the truck.

13 JUDGE CLIFTON: Thank you. Who next has questions?
14 Ms. Taylor?

15 CROSS-EXAMINATION

16 BY MS. TAYLOR:

17 Q. Good afternoon, Erin Taylor. Mr. Williams, I'm with
18 USDA, I don't believe I have introduced myself to you yet. So
19 welcome.

20 A. Nice to meet you.

21 Q. I first want to go back what's on just happened to the
22 questions Mr. Beshore asked you, Mr. Blaufuss.

23 I did not quite catch what you two were talking about,
24 but I think you two knew what you were talking about because
25 perhaps you talked about it before you got on the stand, that

1 might be wrong, I don't know. But you talked about, it was
2 CDFA, the Exhibit 61, Table Z, August 2015 is what I think what
3 you were referring to. And you said, whatever number, and I
4 don't have that exhibit in front of me, but that number in that
5 exhibit is in your testimony, probably found on page 5. Were
6 you talking about the 503 -- what number were you talking about
7 can be found in both places?

8 MR. BLAUFUSS: So I was talking about the 29,756,864
9 pounds.

10 Q. The out-of-state milk?

11 A. Correct, the out-of-state milk found towards the bottom
12 of page 5.

13 Q. Okay. Thank you. Okay. I want to just quickly ask a
14 few questions. We have kind of gone down many tangents with
15 your cross, and kind of bring it back to big picture stuff and
16 make sure that the Department understands big picture what your
17 proposal is and why you are supporting it.

18 And as I read your testimony, Dean Foods, a take away
19 that Dean's Food opinion is that producer-handlers operating
20 currently in California under the California State Order system
21 have a regulated cost advantage over fully regulated fluid
22 plants; is that correct?

23 A. Yes.

24 Q. And you equate that difference to be the difference
25 between Class 1, the Class 1 price, and the quota price of the

1 respective months for the amount of exempt quota that that
2 producer-handler has?

3 A. For each pound of, I guess hundredweight of exempt
4 quota, yes, that would be the difference. The So Cal or
5 Nor Cal Class 1 price minus the monthly announced quota price.

6 Q. Okay. And when I took your numbers for, out of your
7 chart for example, and I -- let's see where I was, somewhere,
8 where you had, let's see, 20 million pounds of exempt quota,
9 roughly, and 99 million pounds of pooled Class 1. So you add
10 those two together, it is a total of 120 million pounds roughly
11 of producer-handlers Class 1. And so the exempt quota on that
12 accounts for, if you will indulge me, around 17 percent is what
13 I came up with, is out of all of the producers Class,
14 producer-handlers Class 1 utilization, 17 percent of it is, has
15 exempt quota. I took the 20 million, divided by the total of
16 120 million, that's what I came up with.

17 The numbers, I guess what I'm trying to say is, I don't
18 need the confirmation on the numbers, but whatever the percent
19 of exempt quota that they have that pricing advantage of, and
20 you listed that in your exhibit tables, they take that
21 advantage and they can spread it on the rest of their volume.
22 So while they might have an advantage of say, 14 cents a gallon
23 on their exempt quota, they can take that 14 cents, and this is
24 what you talked about diluting it across the rest, they dilute
25 it across the rest of their gallons sold to be able to have

1 that cost advantage.

2 A. They allocate it how they best see fit.

3 Q. Okay. And it's the opinion of Dean that USDA should
4 continue its adopting California the same policy on
5 producer-handlers as we have in the other ten Federal Orders,
6 and you would -- is that correct?

7 A. We would adopt what's in 124 and 131, which is a little
8 bit different because of the ownership restrictions.

9 Q. Okay. But the three million hard cap is more what I
10 was getting at in that question.

11 A. Yes, that's correct. So it has a three million hard
12 cap and the 150,000 pounds a month in milk outside their own
13 system.

14 Q. And if the producer-handler didn't meet that cap, then
15 they would be a fully regulated distributing plant if they met
16 those qualification standards.

17 A. Could you ask that question again, please?

18 Q. If the producer-handler exceeded that 3 million pound
19 cap, they would then be a fully regulated distributing plant on
20 the California Order, as you have it proposed?

21 A. Correct. It is a hard cap, so if they go to three
22 million and one pound, then it is above the cap, they are fully
23 regulated.

24 Q. We have talked a lot about the four larger
25 producer-handlers that are part of the California Producer

1 Handler Association, but I do want to talk about the other
2 producer-handlers in California, and I think they are
3 Option 60, I think I have got that correct, the smaller ones?

4 A. I believe it is 66.

5 Q. 66, okay. Do you know if any of those would fall below
6 the, most of those would fall below the three million cap?

7 A. I believe in order to be an Option 66 you have to be a
8 pretty small volume, which I have to believe is well below the
9 three million. Though, I can't say that with all certainty, I
10 don't have the Option 66 language, but I have a feeling they
11 pretty, they are definitely a lot smaller.

12 Q. Okay. And if they met below the three million cap, but
13 say they purchased more than 150,000 pounds of milk outside of
14 their own farm production, then they would not the meet the
15 producer-handler definition either; is that correct?

16 A. Those are two criterias, so you have the three million
17 and 150, and I think if you check one of those boxes, that
18 would make you non-exempt.

19 Q. Okay. On the numbers that you put, I just want to make
20 sure, on page 5 of your testimony where you put in numbers and
21 the 29 million pounds were out-of-state milk?

22 A. Uh-huh.

23 Q. I want to make sure that's not somehow double counted
24 in the producer-handler numbers because they can purchase
25 out-of-state milk?

1 A. Yes. And that's a good question. In the information I
2 was told is the 99 million pound number could include
3 out-of-state milk, but not necessarily that it does. So there
4 is the potential there could be some extra numbers there, but
5 if anything else, my number would be probably the most
6 conservative. I'm guessing if you maybe take a few pounds out
7 of here, there actually would raise that percentage from 24 to
8 a number higher than 24.

9 Q. Okay.

10 A. But I would view my 24 as the most conservative number.

11 Q. Okay. Okay. Thank you for that.

12 Mr. Williams, I just had a quick question for you, and
13 I first wanted to thank you for offering to share some actual
14 cost data into the record. We don't often get that from
15 companies for obvious reasons, so it is appreciated by the
16 Department when we can look at actual numbers instead of just
17 theoretical things.

18 My question for you is, and I think it was covered
19 mostly, but just to be clear is, what I take away from your
20 testimony is that since raw milk costs account for roughly 70
21 percent of your total cost, that the variability that you can
22 use to adjust the other 30 percent is really minuscule or
23 di minimus, it would not make up for the regulated cost
24 advantage that the producer-handlers have as you see it; is
25 that correct?

1 MR. WILLIAMS: That's my position, yes.

2 Q. Okay. And that would equate to the, for example, the
3 difference in transportation cost, which you went into where
4 Tulare to Southern Cal movement would cost about 31 cents a
5 gallon while your local plant would, for the same deliveries,
6 would cost about 15 cents per gallon?

7 A. Correct. Correct.

8 Q. That's it. Thank you very much.

9 JUDGE CLIFTON: Is there any other cross-examination before
10 I invite redirect? I see none. Is any redirect?

11 REDIRECT EXAMINATION

12 BY MR. ENGLISH:

13 Q. Yes, your Honor, Chip English, thank you.

14 Let me start with a couple of things and let me see if
15 I can further try to clear it up. Ms. Taylor, I apologize that
16 it got done so quickly, but the CDFA Exhibit 61, Table Z
17 actually ends at July 2014 -- and 2015, I'm sorry, July of
18 2015. And so I believe, Mr. Blaufuss, if you would agree with
19 me, the question Mr. Beshore was saying is the other Table AC
20 you are referring to had August 2015 data, and you were missing
21 that piece of data that isn't on Table Z, correct?

22 MR. BLAUFUSS: That's correct.

23 Q. And Mr. Beshore was saying, was asking you whether
24 based upon your conversations with Mr. Shippelhoute, whether
25 you would conclude that the August 2015 number you were getting

1 would be similar to the class, actually was the number for the
2 Class 1 for August 2015 when the rest of the table ended in
3 July 2015. Was that your understanding of the question?

4 A. Correct. So if I look at the data, it seems to really
5 fit that that would be the number for August 2015 just based on
6 last year's number.

7 Q. And then in response to the issue that Ms. Taylor asked
8 you about, about sort of dilution effect, I think your answer
9 was it could be spread as they see fit, correct?

10 A. I believe that's what I said.

11 Q. So one option is to spread it over all the volume of
12 the milk, correct?

13 A. Correct.

14 Q. But another option would be to take the advantage and
15 apply it to one bid at a time, correct?

16 A. Correct.

17 Q. Now, even I got a little confused, and I wasn't sure
18 between the questions and answers whether I didn't hear the
19 question right or if I didn't hear, so I just want to go to
20 three areas first. And I thought I heard the question as
21 being, and this has to do about Dean Foods and it is relative
22 size, I thought I heard the question as being are they the
23 largest throughout the United States. And if that were the
24 question, then I, what would your answer have been? If the
25 question was are you the largest throughout the United States?

1 MR. WILLIAMS: Yes, we are the largest throughout the
2 United States.

3 Q. Okay. Yeah, Rob do you want to take it?

4 MR. BLAUFUSS: So throughout would imply every single
5 region, so there's certain regions where we don't have volume,
6 we'll pick out the Pacific Northwest, so we're not the largest
7 there. As a whole, in the US as a whole, yes, we are largest
8 fluid milk processor, but we're not the largest in every single
9 region of the country.

10 Q. And when you referenced, I'm going to this convenience
11 store customer, nationwide convenience store customer, and you
12 were you asked a number of questions by Ms. Hancock that said
13 that the lost sales outside of California were 80 percent.
14 Would that be an accurate reflection of what your testimony
15 was?

16 MR. WILLIAMS: No, I think that the testimony is that we
17 lost about 20 percent of our business in totality, and
18 California was 20 percent of the 20 percent that we lost in
19 total, but we still did retain business with the customer in
20 California.

21 Q. Is it a fact that you retain business that, does the
22 customer remain a significant customer of Dean's today?

23 A. The customer is, yes, they are still a significant
24 customer of Dean Foods today, and we still service the customer
25 today in the US, and additionally, we still service the

1 customer today in California.

2 Q. So when you lost the 111 stores, was there anything
3 about the stores you maintained that adds to your discussion
4 about your conclusions?

5 A. Yeah, I think that there was a boundary in terms of
6 distance from the plant that acquired the store, which was,
7 like I said, that 241 miles. Stores below that, we did not
8 lose. So we still retained stores within our geographic area.
9 And so my point being that if quality, service, or price, were
10 some of the factors, there was only, there's only so far that a
11 dairy could reach with an advantaged cost on milk to offset the
12 logistics cost that allowed them to reach a boundary from their
13 plant. Everything below that we retained. And so that would
14 argue that it wasn't quality or service that was the issue with
15 why we lost the business. Right? It was another factor. And
16 what we're pointing to is the one that we have been
17 highlighting, which is the raw milk advantage. The raw milk
18 advantage only can get you so far when you start to have to
19 burden your cost with logistics, right, and mileage from your
20 producing plant. And that is my, that's what I wanted to
21 clarify.

22 JUDGE CLIFTON: When you say, Mr. Williams, below that, are
23 you talking about south of that?

24 MR. WILLIAMS: Yes, so I think that my point being, is that
25 240 miles south, that's where the plant or the plant that

1 picked up and acquired the business could do that in a way that
2 achieved their own cost benefit and be able to obviously
3 deliver their own margins, whatever those may be. Anything
4 below that is --

5 JUDGE CLIFTON: Further.

6 MR. WILLIAMS: Further. You couldn't make it, it was
7 further. And that further distance could not support the
8 logistics cost, which then, obviously, led to the fact we
9 believe that it was price that allowed them to get that chunk
10 of business, and service and quality was okay because we
11 retained a very large piece of business with the customer
12 today.

13 MR. ENGLISH: Thank you, your Honor, for helping, and
14 that's all I have.

15 JUDGE CLIFTON: Are there any follow up questions for
16 either Mr. Williams -- yes, Mr. Beshore.

17 RE-CROSS-EXAMINATION

18 BY MR. BESHORE:

19 Q. I have one burning detail question that probably will
20 never have another person available to answer it, and it's been
21 referenced in the record here somewhere I think.

22 I have always heard, this is for Mr. Williams, so I
23 have always heard, we have heard discussion that refrigerated
24 trucks delivering packaged fluid milk products carry 40,000
25 pounds of products, I mean, that's been the, that's just, I

1 have heard it any number of times. 8.6 times 3,800 gallons is
2 32,000 or some pounds. Can you tell me the difference between
3 those pay loads?

4 MR. WILLIAMS: I will have to defer to the fact -- I'm not
5 again, I am the P&L owner, not the person -- I'm the P&L
6 owner -- again, we cube out our trucks, Dean Foods, at 3,800
7 gallons per load. And so that is the number that we use, and I
8 referred that to my logistics expert to give me what he cubes
9 out today.

10 MR. BESHORE: Okay. Thank you.

11 JUDGE CLIFTON: I love his animation. Anything,
12 Ms. Hancock?

13 RE-CROSS-EXAMINATION

14 BY MS. HANCOCK:

15 Q. I wanted to follow up on the price advantage discussion
16 that you just had. Mr. Williams, can you tell me, when you are
17 bidding on a contract, how long are those bids good for? How
18 long are those customer contracts are you locking in?

19 MR. WILLIAMS: It depends on the customer.

20 Q. So in the case of the national account, how long on the
21 account, or how long of a contract are you locking in in that
22 instance?

23 A. Again, it varies on the customer. It could be from a
24 year to three years.

25 Q. Okay. So for the national account that we were talking

1 about where you lost 111 stores, do you know what the term was
2 for those contracts?

3 A. I do.

4 Q. And what was that?

5 A. The original term was anywhere from a two to a four
6 year bid. It varied depending on the region and that was
7 determined by the customer.

8 Q. Okay. And with this customer, once they locked in this
9 bid, did -- did the plant have the ability to kind of
10 incrementally increase the price on their own?

11 A. Are you referring to the plant that retained the
12 business? There was, I would say they could move the price
13 based off of the commodity input costs that were agreed upon in
14 the bid, and they moved, you know, based off of what was agreed
15 upon in terms of the agreed upon commodity moves that they were
16 willing to accept on a monthly basis or annual basis.

17 Q. Okay. So whoever it was, whether it was you that did
18 win some bids in some instances in California with this
19 national account, and then the producer-handlers won some bids
20 as well, whatever price they were locked in at, there were
21 movements but it was set, right? There was a formula that was
22 determined on how those prices would move; is that correct?

23 A. That is correct. And so what you are starting margin,
24 or the dollars that you have to pay for your logistics costs,
25 and your overhead, and your SG&A, and your profit, those were

1 established at the start of the bid. There was no opportunity
2 to enhance those margins once you bid, when you bid the price
3 at the original RFP.

4 Q. And are those contracts still continuing through today
5 that you bid on in 2012?

6 A. In some instances yes and in some instances no.

7 Q. So some of the accounts that you have, that you lost
8 back in 2012, have you gotten any of those back?

9 A. The account that I referred to, the national retailer
10 that I testified on?

11 Q. Correct.

12 A. Yes. So we have retained business from the 2012 bid,
13 but we have also lost additional business from what we, what we
14 had at the start of the 2012 bid, and that was business that we
15 lost at the bid that just took place here in 2015.

16 Q. Okay. So the second instance that you said that you
17 lost customer to producer-handlers, it was for the same exact
18 account, national account?

19 A. It was for the same exact national account.

20 Q. Okay. So for the amounts that were locked in, that
21 means since there was no movement once it was locked in, you
22 couldn't adjust your margins at all, whatever price advantage
23 was used to lock in those prices was used up with locking in
24 those accounts then; is that right?

25 A. That is.

1 Q. Okay. So and since it was locked and there was no way
2 to get out of those contracts because you couldn't kind of
3 increase your margins, there was no way to use that price
4 advantage for any other contracts; is that right?

5 A. That would be correct.

6 Q. Okay. Thank you.

7 JUDGE CLIFTON: Are there any further questions for
8 Mr. Williams or Mr. Blaufuss on this topic? There are none.
9 Mr. Williams, my special thanks to you for staying over. I
10 know you have a very busy agenda and I appreciate very much
11 your coming back. Thank you.

12 And Mr. Blaufuss, as always, I appreciate the work that
13 you do in order to bring the data to us, and we will see you
14 again.

15 MR. BLAUFUSS: That you will.

16 MR. ENGLISH: Chip English. I, too, thank you both. And
17 Mr. Williams especially, I know that you have other things to
18 do, even as Mr. Blaufuss does, but he's here for awhile. So as
19 we excuse them, your Honor, my understanding is that we have, I
20 believe two dairy farmers.

21 And first I want to thank the dairy farmers who are
22 coming on for waiting long enough to permit this testimony to
23 be finished, because they would have had the right to come on,
24 as other dairy farmers, but in discussions with them, they
25 allowed this to continue, so I want to publicly thank them for

1 doing that so Mr. Williams will be back here.

2 MR. VLAHOS: Your Honor, I believe at this time we will be
3 having only one dairy farmer to testify at this point. We
4 would like to call for the opportunity to testify at this
5 proceeding, Mr. Rien Doornenbahl. Mr. Doornenbahl has prepared
6 some written testimony, your Honor, so we would like to have
7 that distributed before we start.

8 JUDGE CLIFTON: Yes, please.

9 MR. VLAHOS: Your Honor, may that be marked next in order?
10 I think it is 142, if I'm not mistaken.

11 JUDGE CLIFTON: Ms. Frisius, do you believe the next number
12 is 142?

13 MS. FRISIUS: Yes, 142.

14 JUDGE CLIFTON: All right. Thank you.

15 (Thereafter, Exhibit 142, was
16 marked for identification.)

17 MR. VLAHOS: Your Honor, Mr. Doornenbal prepared, I
18 believe, 35 copies. I hope that's enough.

19 JUDGE CLIFTON: Very good. And do you need to make anymore
20 or do we have sufficient? Thank you.

21 Mr. Doornenbal, you have testified in this proceeding
22 already; is that correct?

23 MR. DOORNENBAL: That's correct.

24 JUDGE CLIFTON: You remain sworn. Would you again state
25 and slowly spell your name?

1 MR. DOORNENBAL: My name is Rien Doornenbal, that's spelled
2 R-I-E-N, last name, D-O-O-R-N-E-N-B-A-L.

3 JUDGE CLIFTON: Thank you. And we have marked your
4 statement as Exhibit 142. Mr. Vlahos, you may proceed.

5 MR. VLAHOS: Thank you, your Honor.

6 DIRECT EXAMINATION

7 BY MR. VLAHOS:

8 Q. Mr. Doornenbal, you are a California dairy farmer?

9 A. Yes, I am.

10 Q. And you have testified here before; is that correct?

11 A. I did briefly.

12 Q. Yes. You have come today to make a statement byway of
13 testimony in support of Proposal Number 1 of the California
14 Dairy Co-ops; is that correct?

15 A. That is correct.

16 Q. Some of your background is covered in your written
17 testimony. Let me just ask you a couple of questions. One
18 thing that isn't mentioned in your written testimony is whether
19 you are a holder or owner of quota. Are you?

20 A. Yes, we are.

21 Q. And what percentage of your total production is covered
22 by quota?

23 A. Somewhere in the neighborhood of 40 to 45 percent.

24 Q. And did you get that by issuance by the State or did
25 you purchase it?

1 A. I think my father was issued a few pounds, maybe 25
2 pounds of, in those days they called it fat, but the rest was
3 purchased.

4 Q. Okay. Thank you. And through whom do you market your
5 milk?

6 A. We are members of the CDI, as well as, or which would
7 be California Dairies, Incorporated, as well as DFA or
8 Dairy Farmers of America.

9 Q. Thank you. You may proceed with your written testimony
10 now.

11 A. Thank you.

12 The title of my testimony is, Why Now?

13 My name is Rien Doornenbal. My wife Lieske and I own
14 and operate a 1600 cow dairy farm near the town of Escalon,
15 about 120 miles north of here.

16 Our son Pete, with his wife Laura and children, operate
17 their own dairy farm near Caldwell, Idaho. Our son John, with
18 his wife Maryann and children, operate their own farm, their
19 own dairy farm near Middleton, Idaho. Our daughter Tienieke and
20 her family live near Tacoma, Washington. Her husband Hans grew
21 up on his family's dairy farm, and currently sells John Deere
22 farm equipment. Our son Luke, his wife Brittany and family,
23 live near us and farm almonds. Brittany comes from a
24 California dairy family and has a Dairy Science degree from
25 Cal Poly.

1 Even though our children are not directly involved in
2 the Escalon operation, our businesses are connected to each
3 other in many ways and the welfare of our California operation
4 effects the next two generations just as much as it effects
5 Lieske and myself.

6 My wife and I, our four children, and each of their
7 spouses, support Proposal Number 1 for a Federal Milk Marketing
8 Order for California, and I'm sure each one of our 13 grand
9 kids would lend their support as well.

10 This attempts by the producer segment of the dairy to
11 move towards a Federal Milk Marketing Order for California is
12 certainly a, certainly an historic event. The final outcome
13 will determine not only if our family continues to milk cows in
14 California, but will be a determining factor for many others as
15 well. Much testimony has been given as to the that fact that
16 milk production is down in California because many producers
17 have been forced out of business. Without some substantial
18 improvement in the price relative to producers in other parts
19 of the country, not only will we continue to see producers
20 forced out, but we are starting to notice another trend.

21 In many discussions with my peers as I prepared for
22 this testimony, the common word I heard is "tired". "I'm just
23 getting tired of putting a tremendous amount of effort and
24 capital into my dairy business and getting very little or
25 nothing in return."

1 Without Proposal Number 1 for a Federal Milk Marketing
2 Order for California, many of us have no confidence that
3 milking cows in California will be a worthwhile endeavor in the
4 future. Without a proper Federal Milk Marketing Order for
5 California, you will see many more producers who decide to take
6 their assets and do something else.

7 So why is this the right time for the California dairy
8 industry to move to a Federal Milk Marketing Order? More
9 specifically, a Federal Milk Marketing Order for California as
10 proposed by the three co-ops, CDI, DFA, and LOL, and supported
11 by all three industry trade groups, California Dairy Campaign,
12 Milk Producers Council, and Western United Dairymen? The short
13 answer to my question can be found in a recent Wall Street
14 Journal article titled "Big Milk Goes Sour."

15 JUDGE CLIFTON: Go ahead and read that title again, please.

16 MR. DOORNENBAL: "Big Milk Market Goes Sour." I would like
17 to draw your attention to one paragraph in that article:
18 "California Dairy farmers have lost their competitive
19 advantage," says Jerry Dryer, editor of the newsletter, Dairy
20 and Food Market Analyst, Inc. "There is clearly a resurgence
21 in the Upper Midwest" and other traditional dairying areas.

22 I want to repeat because this is very important,
23 "CALIFORNIA DAIRY FARMERS HAVE LOST THEIR COMPETITIVE
24 ADVANTAGE."

25 I also want to emphasize that we are NOT looking for a

1 competitive advantage over any other producer areas, all we
2 want is to adopt a Federal Milk Marketing Order for California
3 so we can operate under the Federal Milk Marketing Order
4 minimum prices, instead of the California State Order, or CSO,
5 minimum prices.

6 Some of my testimony will be about our own family dairy
7 operation, how we went from 120 cows in the early '70's to 1600
8 cows today. I will share that story because it is a typical
9 story of growth and expansion of the production side of the
10 dairy industry in California. More importantly, I would like
11 to "paint a picture", if you will, of the social and economic
12 conditions that existed during what I call the "golden age" of
13 dairying in California, how those conditions have changed, and
14 hopefully bring more clarity to the question, to the answer to
15 the more clarity to the answer to the question, "why now"? You
16 probably have heard a lot of testimony, and will hear more
17 about how the drought, regulations, reduced forage sources, and
18 the competition for higher value crops have affected the
19 California producers. While I agree with that, all these --

20 JUDGE CLIFTON: Now, let me just make sure that that last
21 phrase is clear. Have affected?

22 MR. DOORNENBAL: The California dairy producers.

23 JUDGE CLIFTON: Okay. Thanks.

24 MR. DOORNENBAL: While I agree with that, and all these
25 factors have affected our operation, my testimony will take a

1 slightly different direction. My father was born in Holland,
2 the second son of a small farmer. Tradition determined that my
3 father's older brother would take over the family dairy farm.
4 My father's dream from the time that he was a, from the time he
5 was a very young boy is -- I'm -- excuse me for -- I'll start
6 over. My father's dream from the time he was very young was to
7 eventually have his own dairy farm. Even as a grade school
8 boy, dad knew intuitively that leaving Holland was his destiny.

9 My parents met during the German occupation of Holland
10 during World War II. Very shortly after the war, on July 4,
11 1947, they stepped off a train in Ripon, California. My
12 parents, Herman and Clazina, were barely in their mid-20's.
13 Like so many immigrants, what they lacked in cash, was made up
14 by courage.

15 My father worked as a milker for a dairy farmer in the
16 Ripon area, while my mother cleaned house for others. A few
17 years later, with the money they had saved and a small loan
18 from one of my mother's uncles, they were able to purchase
19 30 cows and rent a small dairy farm near Ripon. A year and a
20 half later they purchased their first property near the
21 neighboring town of Escalon. We still dairy there. And that
22 first property is still affectionately called "the home place".
23 Dad thought, "If only I can get this herd up to 60 cows."

24 Our family story is somewhat typical of literally
25 hundreds of Dutch and Portuguese immigrant families that came

1 to California in the late '40's, '50's, and '60's. While these
2 families were not the only social and cultural group that grew
3 dairy production in California, they were nevertheless, a huge
4 contributing factor. It is these two groups of people that
5 make up a large part of my institutional memory of the growth
6 of the California dairy industry.

7 I will attempt to show how these families and others
8 hungry to succeed, were willing to work, take risks, and were
9 able to expand production because of the opportunities that
10 opened up to them.

11 Lieske and I were married in 1974 and started a
12 partnership with my parents in 1975. I have had "boots on the
13 ground" since just before milk production in this state started
14 to take off. I have witnessed an experienced much success on
15 the production side of the dairy business in California. More
16 recently, I have witnessed and experienced that our industry
17 has been brought down to its knees in humility.

18 To understand some of the history, let's look at milk
19 production for California versus Wisconsin, starting in 1945, a
20 70-year period. I chose Wisconsin merely as a representative
21 state for Midwest milk production. (Please see Exhibit A.)

22 BY MR. VLAHOS:

23 Q. Mr. Doornenbal, stop for one moment. While you
24 mentioned Exhibit A, I would like to ask you just a couple of
25 questions about that so it is clear on the record. Could you

1 tell us what Exhibit A demonstrates?

2 A. Exhibit A demonstrates the milk production for
3 California for a 70-year period, as well as the milk production
4 for a 70-year period for the state of Wisconsin. And then I
5 break it down into, mostly into ten-year periods, although the
6 first period is a 26-year period. But I show what happened in
7 ten-year periods to the milk production increase in California
8 versus the milk production increase or decrease in Wisconsin.

9 Q. And from where did you get the information from which
10 you made these exhibits or these charts?

11 A. I received the information from Annie AcMoody, who is
12 the Economist for Western United Dairymen, and I am a member of
13 Western United Dairymen. And I might add, I'm also a member of
14 California Dairy Campaign, and as well as Milk Producers
15 Council.

16 Q. Thank you. You may resume your testimony.

17 JUDGE CLIFTON: Before we leave Exhibit A, can you tell me,
18 when I see, for example, on the top line for 1945, and I see
19 California 5.7, what is that? 5.7 what?

20 MR. DOORNENBAL: Billion pounds of milk. And the next part
21 of my testimony -- the next part of my testimony will bring a
22 lot of clarity to to this exhibit.

23 BY MR. VLAHOS:

24 Q. Thank you, your Honor, for making that clarification.

25 You may continue with your prepared testimony.

1 A. Thank you.

2 Q. You were on page 3 at the beginning of the second
3 paragraph.

4 A. Thank you.

5 Let's break it down into production from 1945 through
6 1970, a 26-year period. California production was up 3.8
7 billion pounds, probably mostly due to Class 1 sales, as the
8 population exploded post-World War II. Wisconsin production
9 was up 3.5 billion pounds, statistically no difference.

10 I believe it would be instructive to know that by 1970,
11 Class 1 usage in California was at about 75 percent, and that
12 percentage had not changed dramatically, since regulated
13 pricing started in California in 1935, even before the Federal
14 Milk Marketing Order for the rest of the country came into
15 existence.

16 From 1971 through 1980, California was up 4.1 billion
17 pounds, Wisconsin up 3.9 billion pounds. Still statistically
18 no difference.

19 JUDGE CLIFTON: And the Wisconsin number, just to be
20 precise because you are carrying this out a couple of decimal
21 places, for Wisconsin what was it up?

22 MR. DOORNENBAL: 3.9 billion pounds.

23 JUDGE CLIFTON: All right. It's not 3.98, it is just that
24 B stands for billion.

25 MR. VLAHOS: Your Honor, I noticed that myself, and all of

1 these figures the B looks a little bit like an 8, but it is
2 supposed to be a B.

3 JUDGE CLIFTON: Okay. Thank you.

4 MR. DOORNENBAL: Okay. From 1971 through 1980, California
5 up 4.1 billion pounds; Wisconsin up 3.9 billion pounds. Still
6 statistically no difference.

7 For 35 years following World War II, California milk
8 production was up 7.9 billion pounds and Wisconsin, 7.4 billion
9 pounds. I think we would agree that California and Wisconsin
10 to be up and virtually the same amount in a 35-year period is
11 very, is a very interesting statistic, especially if we study
12 what happened the next 30 years.

13 From 1981 to 1990, California increased production by
14 7.3 billion pounds, and Wisconsin by 1.9 billion pounds.

15 From 1991 to 2000, California increased production by
16 11.3 billion pounds, and Wisconsin actually lost production by
17 1 billion pounds.

18 From 2001 to 2010, the trend actually starts to change
19 slightly, California is up 8.2 billion pounds, a little less
20 than the previous decade, and Wisconsin is up 2.8 billion
21 pounds, ending that state's decline.

22 Let's look at the next four-year period of 2011 to
23 2014. Wisconsin and California increased production by roughly
24 the same amount, although Wisconsin by a greater percentage.

25 How do we explain the 20-year period of 1981 to 2000,

1 California production came up by 18.6 billion pounds?
2 Wisconsin didn't even increase by a billion pounds. In fact,
3 Wisconsin's production during the second decade of that period
4 lost a billion pounds.

5 California production from 1981 to 2000 increased by
6 18.6 billion pounds, an astounding number if we consider that
7 this increase alone was more than double the yearly production
8 of 1970.

9 How did this happen? First of all, by the early 1970's
10 the California dairymen started to feel the effects of the
11 Gonsalves Milk Pooling act. By the early '70's the rank and
12 file dairymen came to understand and feel the stability of the
13 Milk Pooling Act -- came to understand and feel the stability
14 that the Milk Pooling Act brought to the industry. Every
15 dairyman knew where they stood as to their share of Class 1
16 usage and became confident that the new system was working.
17 There was no longer the vulnerability brought on by the Class 1
18 bottlers that gave them the power to grant and take away
19 contracts to produce milk for that market.

20 Once the producers realized the pool quota that was
21 granted to them as a result of the Gonsalves Milk Pooling
22 Act -- I'm going to start over, sorry. Once the producers
23 realized the pool quota that was granted to them as a result of
24 the Gonsalves Milk Pooling Act was really theirs, and they no
25 longer feared or were preoccupied with their relationship with

1 the fluid bottlers, they had the peace of mind to focus on the
2 production of milk. George Mertens testified on September 22,
3 that the Gonsalves Milk Pooling Act gave us back our dignity.
4 I should say quote, "gave us back our dignity" unquote. The
5 Pooling Act still does not fully explain why milk production
6 took off in the late '70's. Really, how did we increase from
7 less than 10 billion pounds in 1970, to greater than 40 billion
8 pounds in 2010? I believe the driving factor was not with
9 cheap land, cheap feed, irrigation, or cheap water. In fact,
10 the key factor needed to produce forage is water and it has
11 always come at some cost in California.

12 Water for growing crops has, and continues to be, free
13 for the Midwest dairymen, because no entity, persons,
14 bureaucrat, or government, can control the rain that falls out
15 of the sky. We will come to realize this this distinction more
16 in the future, because there is no doubt that the water we need
17 in California to grow the roughages for our cows, will come
18 under increased government and bureaucratic control.

19 So what happened? What is the rest of the story? It
20 is very simply one thing; the California dairymen were way
21 ahead of the rest of the country in developing the skill, the
22 expertise, and physical facilities, to handle large numbers of
23 dairy cows. Quite simply, our advantage was that our overhead
24 cost on a per unit of production was far lower than the more
25 traditional dairy producing areas such as the Upper Midwest.

1 This expertise was developed not because we were more
2 intelligent or forward thinking than our peers in the Midwest,
3 we discovered the "California advantage" unintentionally and
4 accidentally.

5 Let's take a look at what the model of milk production
6 looked like prior to World War II across much of the United
7 States. Most of the milk was produced on farms, not even
8 called dairy farms, because milk was only one of the
9 commodities produced. Most of these farms contained other farm
10 animals, such as chickens and hogs. Virtually all the feed for
11 the animals was grown on the farm. Often only cream was sold
12 for cash and the skim milk fed to the hogs. Most of these
13 farms were small family operations. The number of cows milked
14 was pretty much dependent on how many family members were
15 willing to participate in the milking. Remember, it was done
16 by hand.

17 After World War II, many of the farms across the United
18 States started to concentrate on fewer commodities and many
19 chose to no longer milk cows, and others chose to specialize in
20 producing milk. However, the basic model for producing milk
21 did not change for many years. Most dairy farms all across the
22 Midwest remained relatively small operations producing the bulk
23 of their own feed. Cows were housed, milked, and fed in the
24 quintessential red or white, all-American big barn during most
25 of the year. These dairy farms were very labor-intensive and

1 the facilities were very expensive to build.

2 In California, our first experience with larger herds
3 started in Southern California with the increased demand for
4 fluid milk as the population grew rapidly. Dairy farms in that
5 part of the state have had a long history of being larger than
6 other parts of the country, going all the way back to the
7 1920's. These dairies, as they became known, as opposed to
8 dairy farms, were some of the first to specialize in the large
9 scale production of milk.

10 Post-World War II, most dairies in the Southern part of
11 California were sized --

12 JUDGE CLIFTON: Is that post-World War II?

13 MR. DOORNENBAL: I'm sorry. Thank you.

14 Prior to World War II, most dairies in the southern
15 part of the state were sized in multiples of 30 cows because 30
16 cows was the accepted number of cows one employee could
17 hand-milk, two times per day. An example of a typical dairy
18 which served the LA market would milk 60 cows, be owned by one
19 individual employing two men known as milkers. Cows were
20 housed in fed in open lots called corrals, and milked in
21 buildings that were built for the single purpose of milking
22 even though they were called barns. To this day, the modern
23 milking parlor in California is still referred to as "the milk
24 barn".

25 After World War II, with the invention of the milking

1 machine, the typical dairy doubled in size and doubled again
2 with the implementation of the pipeline milking system. Many
3 of these dairies were financed by the fluid milk processors
4 because of the challenge to meet the demand of the population
5 explosion. As housing replaced dairies in the traditional
6 dairy areas near the coast, many dairies moved inland to the
7 other side of LA, to the Chino Valley area. These moves
8 allowed the dairymen to build even larger and more modern
9 dairies, all the while increasing the ability to manage -- all
10 the while, increasing their ability to manage larger herds of
11 cows efficiently. By the early '70's, very little farmland
12 remained in Southern California, making it necessary to import
13 roughages from the Imperial Valley, as well as the Central
14 Valley.

15 This combination of events led to a very specialized
16 dairy production model in Southern California. It was a place
17 where many Dutch, Portuguese, and Basque immigrants got their
18 start working as cow milkers. Many learned the business side
19 of dairying from their employers. Many of which either
20 willingly -- many of which either willingly or unknowingly
21 mentored these young immigrants. Hundreds of young families
22 saved money and started small dairies in the Central Valley,
23 Washington State, and Idaho. At the same time, many sons of
24 the Southern California dairymen started in the Central Valley,
25 and other states including New Mexico and Texas. Most of these

1 families that left Southern California to start dairies in
2 other places, took with them the basic know-how to manage
3 larger herds. And even though they may have started small,
4 many expanded a aggressively and rapidly.

5 Even though the dairy expansion in the Central Valley
6 started in the '70's, it really took off in the '80's. The
7 weather allowed us to still house cows in open lots, and the
8 milking took place in ever increasing labor efficient milking
9 parlors, often operated up to 24 hours per day. These type of
10 facilities were much more economical to build on a per cow
11 basis compared to what was common in the Midwest at the time.
12 The regulatory and permitting process to be able to construct
13 new or expanding facilities was easy, simple, and inexpensive.
14 The requirements to meet building and environmental codes were
15 reasonable and affordable.

16 Roughage in the Central Valley was cheaper than in
17 Southern California because it was either grown by the dairymen
18 or purchased nearby, eliminating expensive transportation
19 costs. Feeding of silage became an almost universal practice
20 in the Central Valley. Corn and forage crop silages are very
21 economical feeds and fit extremely well into the dairy cow
22 diet. (Due to the fact that silages, by their very nature,
23 have a low dry matter content, moving them long distances does
24 not make economic sense.)

25 When I was growing up and during my, our earlier years

1 of business, the main grain we fed was barley, shipped to
2 California from the Northwest by rail, usually by a few
3 carloads at a time, to the feed mills. These feed mills
4 steamrolled the barley to make it digestible for the cows. In
5 the 1980's, we started feeding some rolled corn, usually
6 blended with some barley. As time went on, economics
7 determined that we would totally eliminate barley. Feed mills
8 started expanded their storage and rolling capacity, and
9 started receiving corn from the Midwest shipped to California
10 on dedicated trains a mile long, hauling 110 cars each, that's
11 11,000 tons per trip. Keep in mind that during much this time
12 fuel prices were lower and the cost to transport the grain to
13 the Valley was cheap. At the same time, the raw product cost
14 of corn was very inexpensive. It was, by and largely produced
15 by farmers subsidized by the U.S. government to do so. Over
16 time, we figured out that we could make milk cheaper in the
17 Central Valley than anywhere else in the country. The
18 California dairymen had discovered the "California advantage".

19 Before we go on, we need to look back to the dairy
20 provisions of the 1977 Farm Bill and how that impacted milk
21 production in California relative to the rest of the country.
22 I personally believe that the impacts of that misguided policy,
23 though welcome at the time, ended up being a thorn in our side,
24 and we still feel some of the pain today. The 1977 Farm Bill
25 set the support price of milk at 80 percent of parity, with

1 semi-annual adjustments. The support price went from \$8.26 in
2 1977, to its peak of \$13.26 in 1981.

3 The high milk prices we received as a result of these
4 unwarranted high support prices were a huge windfall for
5 dairymen all across the country. I remember thinking after one
6 of those, after one of -- should be of -- the announcements
7 that the support price had gone up again, thinking this can't
8 end well.

9 During that time, my father and I were coming back from
10 our accountant in Modesto. And as we approached the Mercedes
11 dealership I half seriously suggested we both go in and buy a
12 new car. Dad said, "maybe we should do that, but let's sleep
13 on it for a night." The Mercedes was forgotten, but we were
14 soon pouring cement for more corrals and going to the cow
15 dealer buying heifers that were soon to freshen and make milk.
16 We did the same thing as most other dairymen in the state did,
17 we increased production.

18 One particularly astute California dairyman that I
19 know, responded to the 1977 Farm Bill by selling his pool quota
20 and using the proceeds to expand from 1,000 cows to 3,000 cows
21 in a very short amount of time.

22 So let's look at the milk production increase comparing
23 California to Wisconsin for a 10-year period following the
24 passage of the 1977 Farm Bill. California went up 12 billion
25 pounds, went from 12 billion pounds to 18 billion pounds, a 50

1 percent increase, while Wisconsin went from 21 billion pounds
2 to 24 billion pounds, an 18 percent increase. Why the
3 difference? We both had windfall profits. The reason was
4 simple, our model of dairying in California at that time was
5 relatively inexpensive and very easy to expand, while the
6 Wisconsin model was not. Once again, "the California
7 advantage".

8 California dairying grew in spite of lower than average
9 milk prices. The only way we could compete was to continue to
10 reduce costs, which were mostly done through the economies of
11 scale. To put it another way, the technology needed to be
12 efficient was expensive, and it required larger and larger
13 dairies to be able to spread out the per unit cost.

14 I have heard that some USDA representatives here would
15 like to hear testimony from some producers with less than
16 \$750,000 gross income. That would be a dairy of about 175
17 cows, and they virtually don't exist anymore. The California
18 advantage did not work well for the smallest dairies.

19 Many of the dairymen that built larger -- many were the
20 dairymen that built larger than original planned facilities.
21 As they embarked on the planning process, they often decided to
22 build the largest dairy possible with the access to financing
23 often times being the limiting factor. They discovered that to
24 a degree, the larger they built, the lower it cost on a per cow
25 basis. If one were to run the numbers, it is no wonder that so

1 many 3,000 cow and larger dairies have been built.

2 From the time that Lieske and I went into business in
3 1975, until 2009, I don't believe we ever had a time that we
4 felt our dairy was at risk financially. In fact, during that
5 whole period, I remember very few dairymen that were forced out
6 of business by their banks. The most successful were the ones
7 with a reasonable amount of management ability and willing to
8 leverage themselves financially in order to continue to grow.
9 The smaller dairies such as ours of 120 cows in 1975, either
10 grew or went out of business. Those smaller dairies that went
11 out before 2009, generally did not go bankrupt. Mostly, they
12 voluntarily went out and used their assets in other ways.

13 So what was the cumulative effect?

- 14 1. The learned ability to manage large herds.
- 15 2. Opportunity to build cost-effective facilities.
- 16 3. Reasonably priced roughage and cheap grain.
- 17 4. Windfall profits as a result of the 1977 Farm Bill.
- 18 5. A large group of immigrant families and second
19 generation dairymen with a passion for the dairy business.

20 This led to the explosion of milk production in
21 California, which then led to the need to build more processing
22 capacity. The opportunities to grow, sell milk, and still make
23 a profit, led to a culture in the dairy industry to incentivize
24 the processors to build plants. It is a well-accepted fact in
25 the industry that high make allowance, that the high make

1 allowances in California were used to incentivize for growth in
2 the cheese industry. In my opinion, the FOB adjuster was part
3 of that scenario. This was not an organized movement, but more
4 of an evolution. Neither was it a perfect marriage, but it did
5 involve the producers, the co-ops, the processors, and the
6 California Department of Food and Agriculture at different
7 times and in different ways. I will even add to the list, the
8 California Milk Advisory Board in which I served on the state
9 level. The California Milk Advisory Board started to promote
10 cheese heavily in the 1980's, because after all, "we are
11 becoming major cheese producing state." As producers, we're
12 not always -- as producers, we were not always happy with those
13 arrangements, but utilized the "California advantage" we had to
14 put up with the California discount.

15 Let's take a tour of what the modern dairy looks like,
16 as compared to 35 years ago. The main thing -- the main thing
17 we would notice is in the area of housing. As in most areas of
18 life, we keep evolving. Very few of the open lots are left.
19 Today, most dairy cows in California are housed in huge steel
20 barns called free-stall barns, protecting them from the sun and
21 providing a clean, dry, comfortable place year-round in which
22 to eat and lay down. Inside you will find a soaking system on
23 timers to periodically wet the cows, and huge fans to move air
24 across the cows to evaporate the water to aid in cooling on any
25 hot day. This type of housing is not a luxury, it is an

1 economic necessity to take care of our cows the best way we
2 know how, to allow them to produce all the milk they are able
3 to within their genetic potential.

4 Let's not forget that the regulatory climate has
5 changed drastically. My description of the process (on page 5,
6 second paragraph down) is not even recognizable today. I would
7 challenge anyone here to tell us of any new facilities built in
8 the state since 2009.

9 Next we get on a plane -- next let's get on a plane and
10 travel to Wisconsin, "America's dairy land", and tour modern
11 dairies in that state. As we travel about the countryside, we
12 would start to see evidence of construction going on for new
13 and expanding facilities. The first thing you would notice is
14 the absence of the quintessential red or white, all-American
15 big barn. Gone are the silos for storing silage for feed. We
16 would soon notice that the typical modern California dairy and
17 the up-to-date Wisconsin dairy, don't look very different.
18 Both have milking parlors for the single purpose of harvesting
19 milk with the same technology on the inside. Both utilize
20 free-stall barns for housing, and both utilize silage piles on
21 large slabs on cement outside. Size-wise, many of the
22 Wisconsin dairies would be similar to California.

23 Let's go into the office as the California dairymen and
24 the Wisconsin dairymen converse. You will soon discover, as
25 opposed to a generation or two ago, that these people are from

1 the same world. They will talk about employee management, cow
2 comfort, and the use of custom operators to do much of the farm
3 work and harvesting the resulting crops. After awhile you will
4 hear the words Dairy Comp 305. Dairy Comp 305 is a cow
5 management computer program developed in California to help
6 manage large herds. It is now used all over the world and is
7 certainly the most prevalent dairy cow management software in
8 the United States. Soon these two dairymen will discuss the
9 use of cameras to verify milking protocols, that milking
10 protocols are being followed, and to help keep watch of the
11 maternity cows. They will discuss the use of nutrition
12 consultants to formulate proper diets for the cows, and they
13 may compare protocols or standard operating procedures for a
14 host of tasks on a modern dairy, regardless if that would be
15 California, Wisconsin, Texas, South Dakota, New York or Idaho.

16 What has happened in the last 35 years in the dairy
17 industry in the United States, is the almost complete
18 homogenization of dairy management practices, technology, and
19 facility design. California is no longer the low cost
20 producer, but our current pricing system completely ignores
21 that fact. At one time we were way ahead of the rest of the
22 country for efficiency, but now we are barely on par. Our
23 "California advantage" has evaporated.

24 California passed Wisconsin in milk production in 1993.
25 This was not taken lightly by not only the dairymen of that

1 state, but by everyone from the Governor of the Wisconsin
2 Department of Agriculture Trade and Consumer Protection and all
3 the way down to many ordinary citizens. I attended a meeting
4 some 20 years ago, and one of the speakers was associated with
5 the Wisconsin dairy industry. This man was visibly upset that
6 we had overtaken them as the number one milk producing state.
7 He predicted that some someday times would get really bad, and
8 the Wisconsin dairymen would once again regain their number one
9 spot. His theory was that the frugality of the Wisconsin
10 dairyman would save the day, and all of us in California would
11 go broke. The speaker was half right.

12 Today, the Wisconsin dairy business is thriving and the
13 California, and California is struggling, but he was dead wrong
14 about how it would happen.

15 I would like to quote Dr. Danny Klinefelder, Professor
16 and Extension Specialist, Texas A&M University Department of
17 Agricultural Economics:

18 "The only truly sustainable competitive advantage,
19 is the ability to learn and adapt faster than your
20 competition. Therefore, the most successful
21 businesses are learning organizations. This
22 involves recognizing that someone, somewhere, has
23 a better way of doing things, and everyone in the
24 business needs to be driven to find it, learn it,
25 adapt it, and continually improve on it."

1 At some point in the last 20 years, the Midwest dairy
2 producers have decided to learn and adapt. They recognize that
3 someone, somewhere, has a better way of doing things, and they
4 are driven to find it, to adapt it, and continually improve on
5 it. Another way of stating this is the dairy producers in
6 California have been beat at our own game by the dairy
7 producers in the rest of the country. California dairymen are
8 very good at learning and adapting, but as long as we are in
9 the CSO, many of us question if the effort to do so is
10 worthwhile.

11 BY MR. VLAHOS:

12 Q. Excuse me, Mr. Doornenbal, by CSO you meant the
13 California State Order?

14 A. I do.

15 Q. Thank you. You can proceed.

16 A. Thank you. I sometimes feel that we, as producers,
17 have reached a Faustian Bargain with the rest of the
18 stakeholders in the California dairy industry. The German
19 legend has it that Professor Faust traded his soul for
20 unlimited knowledge. I feel like we producers at times traded
21 a low milk price for plant capacity in order to be able to
22 produce an unlimited amount of milk even if the price is far
23 short of what producers in the rest of the country were getting
24 for milk, for were getting for milk to produce the same
25 product. (See second paragraph, previous page.) Like

1 Professor Faust, once the bargain was set in place, and as
2 conditions changed, we producers realized too late that we had
3 become powerless to adjust the terms of the "bargain". In
4 fact, even as more change has become needed, we have felt the
5 tentacles of the "bargain" dig deeper into our skin to the
6 point of drawing blood.

7 Now, some of you might think that I am being
8 overdramatic with my description of our current situation.
9 Let's unpack this a little bit, if you will.

10 Are there any dairymen in the room?

11 JUDGE CLIFTON: Please raise your hand if you consider
12 yourself a dairyman.

13 MR. DOORNENBAL: What does -- what does -- what does the,
14 what do the numbers 2-0-0-9 mean to either one of you?

15 JUDGE CLIFTON: Now, if they want to respond, I would like
16 them to come to the podium and speak into the microphone so
17 that I can hear your responses. And I would invite you to do
18 that at this time. If you have a response to his question,
19 what do the numbers 2-0-0-9 mean o you?

20 MR. VANDEN HEUVEL: Geoffrey Vanden Heuvel, dairyman,
21 Chino, California. 2009 was a disaster, that's what it means
22 to me.

23 MR. DOORNENBAL: Thank you.

24 JUDGE CLIFTON: Next?

25 MR. SHEHADEY: 2009 was not only a disaster --

1 JUDGE CLIFTON: Please identify yourself again.

2 MR. SHEHADEY: Richard Shehadey, Producers Dairy and Bar 20
3 Dairy Farms, so I'll talk about the Bar 20 Dairy Farms because
4 that's half my life.

5 Yeah, it was a disaster for the dairymen. It went on
6 for two and a half, three years, I mean, we just rocked along
7 down on the bottom. And many dairymen were upside down, I know
8 we were during that period of time. We're talking about a
9 thousand dollars plus a cow that you would lose and you have to
10 feed them. And in the dairy business you can't cut back. You
11 don't have salesmen so you can't cut back on salesmen. You
12 can't not feed the cows. And if you sell the cows, you have no
13 income. So it's a lose-lose situation for a dairyman.

14 You are really stuck in a hole. And when you don't
15 control the price, you don't control the feed, you can be
16 upside down and in disaster pretty quick.

17 MR. DOORNENBAL: Mr. Shehadey, you mentioned the dollar
18 amount of a thousand dollars a cow. For what period of time
19 was that, that, does that represent a thousand dollars a cow
20 loss?

21 MR. SHEHADEY: It was a good six to nine months.

22 MR. DOORNENBAL: Would you say -- I'm wondering if you
23 meant that was a year, what was lost during a year.

24 MR. SHEHADEY: Yeah, it would carry on. It didn't go from
25 a thousand to zero, I mean, it was a thousand, to eight

1 hundred, nine hundred, or twelve hundred, depending on the
2 month, and the relationship between the price and the cost, but
3 it was totally upside down for the dairymen. It was for us.

4 JUDGE CLIFTON: I need a little further explanation of
5 that, loss of a thousand dollars per cow. Do you mean that
6 your dairy operation went in the hole a thousand dollars for
7 every cow in your herd?

8 MR. SHEHADEY: Yes, that's correct. And we milk 7500 cows,
9 so simple math we could figure that out.

10 JUDGE CLIFTON: Thank you. Was there anyone else who put
11 his hand up as a dairyman who would respond? You may proceed.

12 BY MR. VLAHOS:

13 Q. Thank you, Mr. Vanden Heuvel and Mr. Shehadey, and now
14 you indeed my proceed, as the Judge said.

15 A. I could ask that of any dairyman, feed supplier, dairy
16 supply vendor, or dairy equipment dealer anywhere in the United
17 States and I would get exactly the same answer.

18 The memory of calling the bank every month to draw a
19 hundred thousand dollars or more on our lines of credit just to
20 pay the monthly bills, will be etched in my memory forever.
21 The low dairy commodity prices of 2009 affected every dairyman
22 in the United States in virtually the same way. The industry
23 as a whole throughout the United States took losses running
24 into a negative of three or four dollars per hundred pounds of
25 milk. Losses of one thousand dollars per cow were not uncommon

1 throughout the industry all across the United States.

2 According to our CPA-prepared accrual-based
3 financial's, Lieske and I, that's my wife and I, lost
4 \$1,324,127 producing milk in California during 2009. I believe
5 that negative number is somewhat in the range of normal for a
6 dairy of our size. Unbeknownst to the California dairymen, the
7 worst was still yet to come.

8 Please allow me to describe what these words
9 "California discount" mean. It is simply the spread or
10 difference between CSO Class 4b and the Federal Milk Marketing
11 Order Class III price.

12 Q. Could you read that again? I think you left out a
13 word. Start again, "please allow me".

14 A. If the California discount is simply the spread or
15 difference between the California State Order Class 4b price
16 and the Federal Milk Marketing Order Class III price.

17 Q. Proceed.

18 A. Nothing more, nothing less.

19 Since the CSO Class 4b price is always less than the
20 FMMO Class III price (please see Exhibit B) to refer to that
21 difference as the "California discount" is appropriate. For
22 the purposes of this testimony is much more clear and concise
23 to address the disparity as the California discount as opposed
24 to continually referring to the long list of acronyms and
25 calculations the phrase replaces.

1 As dairy commodity prices started to recover in 2010,
2 let's examine what happened to the California discount.
3 (Please see Exhibit B). I think there are two numbers that are
4 glaring. They are the California discount and the impact that
5 has had, that has had on producer income since 2010. Let's use
6 our dairy again as a good example of how these numbers affect
7 dairy families throughout the state.

8 From January 2010 through July 2015, our dairy produced
9 2,543,273 hundredweights of milk.

10 Q. Could you read that number again, please?

11 A. 2,500,000 --

12 Q. 543?

13 A. 543,273 hundredweights of milk -- thank you.

14 The impact of the California discount was 79 cents for
15 that five year and seven month period. The impact of the
16 California discount of 79 cents for that five year and seven
17 month period was \$2,009,185 for our dairy.

18 I'm going to use Cornell Kasbergen's comments on
19 Page 961 of these hearing transcripts: "In an industry where
20 we must compete for animals and feed with dairies around the
21 country, this discount puts us at a huge disadvantage. In
22 fact, it puts the entire California dairy industry at risk and
23 is why we are here today."

24 The California discount of \$2,009,185 could have gone a
25 long way to backfill the 2009 disaster and also give us some

1 badly needed working capital.

2 Let's look at the numbers another way and the scenario
3 gets even uglier. The California discount impacted the
4 California dairymen on an average of 23 cents per hundredweight
5 for the period of 2005 through 2009, a five-year period. For
6 the period of 2010 through July of 2015, a five year and seven
7 month period, the impact of the California discount was 79
8 cents per hundredweight. The amount of the increase of the
9 impact of the California discount for the later time period was
10 56 cents. The increase alone was twice as much as the previous
11 five-year period impact of 23 cents.

12 If we use the 56 cents and multiply that by the
13 2,543,273 hundredweights which we produced, we arrive at an
14 amount of \$1,424,232. This is shocking. The increase of the
15 California discount that occurred from 2010 through 2015 would
16 have more than backfilled our loss of \$1,324,127 that we
17 experienced in 2009, the worst year in dairying for the
18 country's dairymen since the Great Depression. We have lost
19 the California advantage, but the California discount
20 continues.

21 We dairy --

22 JUDGE CLIFTON: I want to interrupt because I want you to
23 go back to the paragraph just before that, and I want you to
24 read a sentence again, because you talked about a period from
25 2010 to 2015, and you really meant through July of 2015.

1 MR. DOORNENBAL: That is correct.

2 JUDGE CLIFTON: So just read that sentence again that
3 starts "the increase of the California discount".

4 MR. DOORNENBAL: Thank you. The increase of the California
5 discount that occurred from 2010 through July -- I'm sorry, let
6 me start over again.

7 The increase of the California discount that occurred
8 from 2010 through July of 2015 would have more than backfilled
9 our loss of \$1,324,127 that we experienced in 2009, the worst
10 year in dairying for the country's dairymen since the Great
11 Depression.

12 We have lost the California advantage, but the
13 California discount continues. We dairymen of this state have
14 learned much about our California State Order (CSO) in recent
15 years, and I'm going to quote one of my dairymen friends who
16 started before pooling: "Who would have thought that we would
17 be working towards a Federal Milk Marketing Order? It used to
18 be if we had a problem, we could call a hearing in Sacramento
19 and fix it." Not that we dairymen were always a hundred
20 percent happy with the outcome, but we seemed to always reach
21 some reasonable compromise. That is no longer the case.

22 (Please read Rob Vandenheuvel's testimony given on October 5.)

23 We have learned some new terms during this hearing.
24 First, the "California discount", then the "California
25 advantage", which no longer exists, now we will learn one more

1 term called, the "California flaw". Please don't think I'm
2 joking or trying to be cute.

3 The California flaw is the flaw that we producers have
4 discovered with our CSO pricing system. We have found that
5 ultimately the class prices and the formulas that determine
6 those prices, are the final decision of one person. That
7 person is the Secretary of the California Department of Food
8 and Agriculture, and I'm not referring to any one person, only
9 the position. The Secretary has the power to set class prices
10 where he or she wishes to set them, regardless of what any of
11 the other stakeholders in the industry have to say about that.
12 Only the Governor could change it. This is not an entirely
13 comforting reality for the processors, either.

14 We have discussed much about the "California discount",
15 what if some day the Secretary woke up, had an epiphany, and
16 decided to help the dairy producers out and call a hearing and
17 in spite of whatever the hearing panel might recommend, come
18 out with a change to the formula for the CSO Class 4b that
19 would result in a price in excess to the Federal Milk Marketing
20 Order Class III? There is nothing that the California -- there
21 is nothing in the California Food and Agriculture Code that
22 would prevent this from happening. We would call that the
23 "California premium".

24 So in reality, we have a system whereby both the
25 processors and the producers are vulnerable to the wishes and

1 whims of the Secretary of the California Department of Food and
2 Agriculture.

3 This is not a system -- this is a system that not only
4 frustrates us producers, but makes our bankers very leery of
5 any funding for our dairies. No one in the industry can
6 predict prices. Now we have learned that we cannot even
7 predict the relationship of the CSO class prices to the Federal
8 Milk Marketing Order class prices. The problem adds more risk
9 to the ones that we as producers -- should be already --
10 already have to manage. Our bankers know it and don't like it.
11 Our banker told me this about our dairy loans, that's four our
12 our dairy.

13 Our bankers know it and don't like it. Our banker told
14 me this about our dairy loans, "Unofficially, you are on a
15 five-year plan. If you can't pay for it in five years, forget
16 it." In the next breath he's ready to loan us all we might ask
17 for to develop an orchard and they don't even produce until
18 year three. Like so many dairy families, we are waiting to see
19 what the outcome of the Federal Milk Marketing Order process
20 will be.

21 I will share with you a little of our family plan for
22 the Escalon dairy. If we get a Federal Milk Marketing Order
23 plan that works for California dairymen, I'm sure our banker
24 will take us off the five-year plan. Lord willing, we will
25 then start to upgrade our older facilities and recommit

1 ourselves to dairying in California.

2 Absent of that, we will develop a plan to gracefully
3 exit the California dairy business. Fortunately a few years
4 ago we started diversifying, and have many options as to how to
5 direct our modest assets. We do not even meet -- it does not
6 even mean we would sell the cows. Loading them up on trucks
7 and moving them to another state is a pretty simple process.
8 It would not be our first choice to no longer milk cows in
9 California. Although our facilities are older, they could
10 certainly continue to be viable with some remodeling. We have
11 an excellent group of employees, we have a good herd of cows,
12 and I have been recently, I have been really excited recently
13 as we start to see the results of Genomic testing.

14 We have good land, and a good water area, and enough
15 acres to grow our own silage. We are a business that is
16 willing to learn and adapt.

17 My parents "jumped across the pond" when things didn't
18 look promising for their goals and dreams. They came to love
19 this country, just like Lieske, myself, and our children do.
20 We believe in this country and the opportunities that exist,
21 now, and in the future, despite the talk of some naysayers. If
22 dairying is something we no longer do in Escalon, I'm sure
23 other opportunities exist, and I believe we won't even have to
24 "jump across the pond" to find them.

25 MR. HILL: Your Honor, this is Brian Hill. At this point,

1 it's about 3:30, and we have been going for about an hour and
2 45 minutes, and she as a very tough job. Can we get a break at
3 this moment?

4 JUDGE CLIFTON: I think so for two reasons. One is, this
5 is extremely intense, very valuable information, and delivered
6 with great impact. And I think we all need a little break
7 before we ask you questions. So let's call this break, it will
8 be about, oh, why don't we take about 18 minutes. Please be
9 back and ready to go at 3:45. Thank you.

10 (Whereupon, a break was taken.)

11 JUDGE CLIFTON: We're back on record at 3:46.

12 Mr. Doornenbal, I would invite you back to the witness
13 stand, please. Before I invite additional questions, I want to
14 coordinate with Ms. Frisius to make a couple of insertions that
15 the witness made as he read through Exhibit 142. It is very
16 small, and anyone reading it would probably know where to do
17 these changes in your own head, but I would like to just do
18 them for the record copy.

19 So Mr. Doornenbal, if you will look with me to make
20 sure I'm doing the right thing. On page 2, in the middle,
21 there's a paragraph that begins "my father was born in Holland"
22 and on the second line of that paragraph, the sentence that
23 begins "my father's dream" and the way you read that,
24 Mr. Doornenbal, was, "my father's dream from the time he was
25 very young" which means I would strike the "a", is that what

1 you want us to do?

2 MR. DOORNENBAL: Yes.

3 JUDGE CLIFTON: All right. Then on page 3, I don't, even
4 though you read it a little different from the way it's written
5 in the second paragraph, I don't think we need to change
6 anything there.

7 The very last line you read, "in fact, the key factor"
8 and here is the last line "needed to produce forage is water
9 and has always come at some cost." So we would strike the word
10 "to" and insert the word "at". Would that be satisfactory,
11 Mr. Doornenbal?

12 MR. DOORNENBAL: Yes, I'm reading it.

13 MR. VLAHOS: She is asking, Mr. Doornenbal, if that's okay
14 with you.

15 MR. DOORNENBAL: I'm reading it myself. I'm sorry, I'm not
16 following exactly where you mean.

17 JUDGE CLIFTON: Would you read for me, Mr. Doornenbal, the
18 sentence in the last paragraph, it's a partial paragraph on
19 page 3, that starts "in fact".

20 MR. DOORNENBAL: In fact, the key factor needed to produce
21 forge is water and has always come" there, I see it. It says
22 "to" but it should be "at", "has always come at some cost in
23 California."

24 JUDGE CLIFTON: Good. Thank you. And then I would like us
25 to go to page 5, again at the bottom of the page, the last full

1 paragraph. The second sentence, if you would read that for us,
2 Mr. Doornenbal, the way you want it. "I remember thinking".

3 MR. DOORNENBAL: I remember thinking after one of the
4 announcements that the support price had gone up again, "this
5 can't end well".

6 JUDGE CLIFTON: Good. So we would strike the word "to" and
7 insert the word "of" before the words "the announcements".

8 MR. DOORNENBAL: Correct.

9 JUDGE CLIFTON: And then on page 6. I would like you to
10 go, Mr. Doornenbal, to the third full paragraph, so that
11 paragraph begins with "California dairying" and the third
12 sentence you start it "to put it another way" and in order to
13 accomplish that we would strike "on the other" and just write
14 in "another". "To put it another way, the technology needed to
15 be efficient is expensive."

16 MR. DOORNENBAL: That's -- yes, that would be the correct
17 way.

18 JUDGE CLIFTON: Okay. So we'll strike "on the other" and
19 insert "another". Then, down two paragraphs from that, the
20 paragraph starts with, "many were the dairymen that built
21 larger than originally planned facilities" and when we go to
22 the very last sentence of that paragraph, how would you read
23 that, Mr. Doornenbal?

24 MR. DOORNENBAL: Okay. If one were to run the numbers, it
25 is no wonder that so many 3,000 cow and larger dairies have

1 been built.

2 JUDGE CLIFTON: All right. We'll insert the word "been".
3 And then this is very small, but what I suggest is in the very
4 last paragraph, which is a partial paragraph, three places
5 there you read the word "led" and I'm just going to suggest
6 that that be spelled "-L-E-D-" rather than "L-E-A-D" so we'll
7 just strike the "A" in that word three times. "So this led to
8 the explosion of milk production in California, which then led
9 to the need to build more processing capacity." And in the
10 next sentence, "the opportunities to grow, sell milk cheap, and
11 still make a profit, led".

12 MR. DOORNENBAL: I would agree with that.

13 MR. VLAHOS: Your Honor, if I may, unless my hearing was
14 bad, I think he, when he read it, he may have left out the word
15 "cheap", but now that you have gone through it again, I think
16 that's taken care of.

17 JUDGE CLIFTON: Oh, okay. So would you read that sentence
18 again, Mr. Doornenbal, the second sentence in that part
19 paragraph. Would you read "the opportunities to grow" from the
20 beginning?

21 MR. DOORNENBAL: The opportunities to grow, sell milk
22 cheap, and still make a profit, led to a culture in the dairy
23 industry to incentivize the processors to build plants.

24 JUDGE CLIFTON: Very good. And then that paragraph
25 continues onto page 7, and in that paragraph, the next to the

1 last sentence, you left out the word "late" when you read it.
2 So I would like you to read it again to include everything you
3 have written there. It begins "the California Milk Advisory
4 Board."

5 MR. DOORNENBAL: I'm sorry, we're going to have, we're
6 going to have to start over with you telling me where we are
7 at. Are we on page 7?

8 JUDGE CLIFTON: We are on page 7, the fourth line down.

9 MR. DOORNENBAL: Okay. The California Milk Advisory Board,
10 is that where you would like me to read?

11 JUDGE CLIFTON: Yes, and the sentence is fine as written,
12 but because you didn't read it exactly as written, I would like
13 you to read it again.

14 MR. DOORNENBAL: The California Milk Advisory Board started
15 to promote cheese heavily in the late '80's because, after all,
16 we are becoming a major cheese producing state.

17 That last statement is actually in quotations. So
18 maybe I should read it this way: The California Milk Advisory
19 Board started to promote cheese heavily in the '80's because
20 "after all, we are becoming a major cheese producing state."

21 JUDGE CLIFTON: And do you prefer the phrase late 1980's or
22 just 1980's?

23 MR. DOORNENBAL: The late '80's.

24 JUDGE CLIFTON: The late '80's. Okay. Good. Now, down
25 further on that page we're going to go to the third paragraph

1 from the bottom, so let's go into the office, and then I would
2 insert the word "to", just after "office". Do you see where I
3 am? That's how you read it. "Let's go into the office to
4 listen."

5 MR. DOORNENBAL: Yes, that would work well. Thank you.

6 JUDGE CLIFTON: All right. So we insert the word "to"
7 there. And then that same paragraph you inserted a word after
8 the word "verify". So I would like you to read the sentence
9 that begins three lines up from the last of that paragraph,
10 starts "soon these two dairymen will discuss."

11 MR. DOORNENBAL: I'm not finding it so quickly. Are we on
12 the third from the bottom paragraph still?

13 JUDGE CLIFTON: Yes. Third line up from the bottom of that
14 paragraph.

15 MR. DOORNENBAL: Soon these two dairymen will discuss the
16 use of cameras to verify milking protocols that, it should be
17 that, there should be a that in there. That milking protocols
18 are being followed and to help keep watch of maternity cows.

19 JUDGE CLIFTON: All right. So we'll insert the word "that"
20 in between "verify" and "milking". All right.

21 Now, the next page, on the third paragraph down, that
22 paragraph starts "at some point in the last 20 years."

23 MR. DOORNENBAL: I see it.

24 JUDGE CLIFTON: And I would like you to read the second
25 sentence of that paragraph.

1 MR. DOORNENBAL: They recognize that someone, somewhere has
2 a better way of doing things, they are driven to find it, adapt
3 it, and continually improve on it.

4 JUDGE CLIFTON: Okay. All right. So we just want that
5 word "find", "they are driven find it." Do you see where we
6 are, Ms. Frisius?

7 MS. FRISIUS: No, which page?

8 MR. DOORNENBAL: Yes, that should be a "D" instead of an
9 "E".

10 JUDGE CLIFTON: Okay. We are on page 8 and we're on the
11 third paragraph from the top, the second line. "They are
12 driven to find it" F-I-N-D. Okay. Good. Now, I'm turning
13 the page, I'm turning the page, now I'm on page 10. And you
14 inserted a word when you read it and I would like for us to do
15 it IN your testimony. We're in the fourth paragraph on
16 Page 10, which starts, "this problem adds one more risk to the
17 ones we as producers" and you inserted the word "already have
18 to manage."

19 MR. DOORNENBAL: That would be correct.

20 JUDGE CLIFTON: All right. Do you see where that is,
21 Ms. Frisius?

22 MS. FRISIUS: Yes.

23 JUDGE CLIFTON: Okay. All right. So I think that, then,
24 captures the meaning that you read us. And Mr. Vlahos, I would
25 now ask you to ask any additional questions you have of

1 Mr. Doornenbal.

2 MR. VLAHOS: Mr. Doornenbal, you have completed your
3 testimony; is that correct?

4 MR. DOORNENBAL: Yes, I have.

5 MR. VLAHOS: With that, your Honor, I would move for the
6 admission into evidence of Exhibit number 142.

7 JUDGE CLIFTON: Is there anyone who wishes to question
8 Mr. Doornenbal before determining whether you object? No one.
9 Are there any objections to the admission into evidence of
10 Exhibit 142? There are none. Exhibit 142 is admitted into
11 evidence.

12 MR. VLAHOS: Thank you, your Honor. Now Mr. Doornenbal is
13 available for further examination.

14 (Thereafter, Exhibit 142, was
15 received into evidence.)

16 JUDGE CLIFTON: Thank you, Mr. Beshore.

17 BY MR. BESHORE:

18 Q. Marvin Beshore.

19 Thank you so much for your testimony, Mr. Doornenbal.
20 I think three quick questions. On page 9 you talked about, the
21 middle of, just below the middle of the page, you talk about
22 the California discount and it is, and talk about values per
23 hundredweight for different periods and its impact upon your
24 dairy. And I think you reference there Exhibit B to
25 Exhibit 142. Is that where you have shown the numbers for the

1 California discount?

2 A. Yes.

3 Q. Okay. And just to be clear, the numbers that you were
4 quoting per hundredweight on page 9, are the blended amounts of
5 the, that hit your paycheck?

6 A. Correct.

7 Q. Okay. And they are not the actual amount per
8 hundredweight that the 4b price is discounted, but it is your
9 mailbox price discount basically?

10 A. Exactly.

11 Q. Okay.

12 A. It is the impact recognizing that the percentage of the
13 milk in 4b ranged, well, in two of those periods was 44
14 percent, one period was 45 percent.

15 Q. Right. Okay. Thank you. Now, on page 10, you
16 reference as you're talking about considering the future
17 options for your dairy, you say you have an excellent group of
18 employees. How many employees are just dedicated to the dairy
19 operation?

20 A. Just to the dairy would be 15.

21 Q. 15. Okay. Is that -- okay. 15 employees, 1600 cows,
22 is that roughly, a typical ratio in California on a California
23 dairy?

24 A. I think so. And I might be, I might be off, I might be
25 off a couple, I would have to sit down and tally it up, but

1 it's at least 15.

2 Q. Okay. Very good. One other quick question. You talk
3 about, you know, you have an excellent herd, a good herd of
4 cows and the excitement relating to the results of genomic
5 testing. And I don't think any of the dairymen who have
6 testified yet have explained, you know, described what genomic
7 testing is and how that's such a successful venture in your
8 business. If you could just explain that, or talk about it a
9 little.

10 A. Well, I'll start off with, I was afraid this might come
11 up, and I was worried how I would answer it.

12 Q. Well, I didn't mean to put you on the spot.

13 A. I'll start off with the process. So when we have a
14 calf that is born, we can take a little tiny piece out of its
15 ear, it would be a little piece of about an eighth of an inch
16 in diameter, you would just punch a little piece out of the
17 ear. That goes to the lab. And then the lab will do genomic
18 sequencing, and will give us a prediction, it is not a hundred
19 percent accurate, but it is somewhere in the neighborhood of 70
20 percent accurate. It will give us a prediction as to how that
21 animal, how the traits of that animal will compare to the
22 average Holstein in the United States on those varying traits.
23 And it will use, often times it will use a numerical way of
24 describing it, so if the animal is better, let's say in
25 fertility, then that would be expressed in a positive number.

1 And if she is, if her genomic tests show that she is probably
2 less fertile than the average Holstein cow in the United
3 States, it would show as a negative number.

4 Q. Okay and you can use that information then in managing
5 your herd?

6 A. Yes.

7 Q. Okay. Thank you. Thank you very much. That's all I
8 have.

9 JUDGE CLIFTON: That was very well explained. Who else has
10 questions for Mr. Doornenbal? Mr. English.

11 CROSS-EXAMINATION

12 BY MR. ENGLISH:

13 Q. Good afternoon, Chip English, good afternoon, sir.

14 So on the bottom of page 4, I just want to explore a
15 little bit about your discussion as housing replaced dairies
16 and the dairy is moving. You said, "these moves allowed the
17 dairymen to build even larger, more modern dairies." Do you
18 mean by that that the dairies naturally sold very valuable real
19 estate near the coast, and then were able to buy, using that
20 money that they got for the sale of their real estate, they
21 were able to invest it in larger operations in the Chino area
22 that at least then was relatively less expensive land?

23 A. So please remember that even though I feel I have a
24 good understanding of how milk production in California grew, I
25 was only in the dairy area west of Los Angeles one time in my

1 life. Those dairies there were not on the coast, but they were
2 in the neighborhood of Bellflower, Artesia, and I have no
3 knowledge of the financial arrangements that transpired so that
4 dairies left that area and moved to the Chino Valley.

5 Q. Well, what did you mean then about these moves allowed
6 the dairymen to build even larger, more modern dairies?

7 A. Because if they, for, well, we'll just use my dairy for
8 example. If I were to sell, let's say, to someone that wanted
9 to plant almonds, I would not build an identical dairy to what
10 I have, I would build a modern dairy, and a modern dairy, in
11 order to be viable, would be 3,000 cows instead of 1600 cows.
12 So it is quite possible that, well, in my case, I know I would
13 borrow the money to build larger. But it would be, in my case,
14 it would be larger and it would be more modern. So I'm
15 assuming they did the same thing.

16 Q. Okay. Thank you, sir, that's all I have.

17 JUDGE CLIFTON: Who next has questions for Mr. Doornenbal?

18 CROSS-EXAMINATION

19 BY MS. TAYLOR:

20 Q. Good afternoon. I want to thank you for coming here to
21 testify today. My name is Erin Taylor. I'm with the USDA, and
22 I was not here for your first statement, but thank you for
23 coming back to give us your second statement. Just a few
24 questions. You talk about the California advantage, and that's
25 why you attribute California milk production being able to

1 expand so much historically. And just so the record's clear,
2 the California advantage you attribute to being able to have a
3 low per unit cost to produce milk; is that right?

4 A. Only as it pertains to costs other than feed.

5 Q. Okay.

6 A. And I called that overhead cost.

7 Q. Okay. But it doesn't include feed cost?

8 A. No, it does not.

9 Q. Okay. And on page 6 of your testimony, you talk about
10 the lack of small dairies in California that would meet our
11 small business definition of \$715,000 -- \$750,000, excuse me.
12 And you said that "the California advantage did not work well
13 for the smallest dairies." Can you just elaborate a little bit
14 more on that statement on why it didn't work well?

15 A. I think I tried to explain a little bit of that in the
16 next paragraph. If you give me a moment, I'll try to find it
17 and expand on it.

18 Q. Sure.

19 A. If we look at the paragraph above that, do you see
20 where it says "California dairying?"

21 Q. Uh-huh.

22 A. "California dairying grew in spite of lower than
23 average milk prices. The only way we could compete was to
24 continue to reduce costs, which was mostly done through the
25 economies of scale." And so that is why the smaller dairies

1 were not, the California advantage did not work well for them,
2 because they were not able to buy the technology and the
3 equipment necessary to be efficient, and because the cost, they
4 didn't have enough units or enough cows to spread the cost
5 over.

6 Q. Okay. So if you didn't get big, you really couldn't
7 take advantage of the California advantage?

8 A. That's correct.

9 Q. Is that another way to put that?

10 A. In my opinion, that's correct.

11 Q. And on the very bottom of the page you talk about the
12 FOB adjuster. Could you explain for the record what that is in
13 the California price formulas?

14 A. You know, I'll have to -- I'll have to use the same
15 excuse that my friend George Mertens used, that I'm not a
16 pricing guru. But I know that it was -- it was a cost that
17 affected the dairymen, and I know that it was a cost or a
18 number or a factor that was often discussed in hearings, and of
19 course, the dairymen and the processors had different opinions
20 on whether or not there should be an FOB adjuster or -- or
21 whether or not there shouldn't be. So I'm, you know, I don't
22 know the details, too much more detail, but I know that it was,
23 it seems to me that it was a factor, where at times dairymen
24 compromised on that issue.

25 Q. Okay. Page 9 you talk about, a little bit less than

1 halfway down the page, says "from January 2010 through July of
2 2015" you give how much milk your dairy produced and said "the
3 impact of the California discount of 79 cents for that five to
4 seven-year period was 2 million plus dollars."

5 A. Right.

6 Q. So another way is, in your opinion, if Federal Order
7 prices had been as nationally accepted in the other ten Federal
8 Orders had been applicable in California, then that time period
9 you would have received 2 million more dollars for your milk
10 than you actually did.

11 A. That is correct.

12 Q. Okay. And my final question is, I know you are sitting
13 here in support of the prices as proposed in Proposal 1, so can
14 you explain why you think those Federal, well, those prices as
15 proposed would be more appropriate method for paying California
16 producers over the California state prices, or, for example, or
17 also as the prices as proposed in Proposal 2?

18 A. I am not familiar with what is proposed in
19 Proposal Number 2.

20 Q. That's fair so we'll stick to what's in Proposal 1.

21 A. The main way to answer your question, I would say, is
22 that there is very little, if any, subjectivity given when it
23 comes to, when it involves very little subjectivity when it
24 comes to determining how the price is arrived or the formula
25 that determines the price in the Federal Milk Marketing Order

1 system. And as I have testified here that in California,
2 ultimately the Secretary is the one that makes the final
3 decision as to what the formula will be, that, in effect, gives
4 us the final price or the minimum price.

5 Q. And that's as opposed to the federal system where,
6 while the Secretary may make a recommendation, the producers
7 ultimately vote on whether to accept that or not?

8 A. That's correct.

9 Q. Okay. I think that's it. Thank you very much for
10 coming today.

11 A. You're welcome.

12 CROSS-EXAMINATION

13 BY MS. MAY:

14 Q. Hi there, Laurel May, also from USDA. I have a couple
15 of questions for you also. You talked about, and I actually
16 can't find this now, but I remember you saying something about
17 part of the advantage that California dairymen enjoyed earlier,
18 you know, in your career or in the state's dairy history, was
19 due to the rapid population explosion in California after World
20 War II, so that there was an opportunity to sell milk, I guess?
21 Is that --

22 A. That is correct. There was, and once again, I had
23 coffee with a good friend of mine who spent, who dairies up in
24 in area now, but spent a good part of his career dairying in
25 Southern California, and he's the one that, that told me that

1 there was such a demand for milk at times, we're going back to
2 the '50's, that there was such a demand for milk at times, that
3 in order to get producers or to find producers that would
4 produce the milk, sometimes the processors would actually
5 finance those producers. And I cannot -- I cannot say exactly
6 what those years were exactly, what that period of time was,
7 but it goes along ways back.

8 Q. So then I wonder if the regional nature of marketing at
9 that time was also maybe why you really couldn't compare what
10 was going on in Wisconsin to what was going on in California,
11 with people servicing more local markets maybe than they do
12 now?

13 A. No, I think, I think the point that was I was trying to
14 bring across is that because of the temperate climate that we
15 have had in California, the housing that was necessary as
16 compared to the Midwest, was pretty minimal in California, as
17 opposed to the Midwest.

18 Q. Housing for the cows?

19 A. For the cows.

20 Q. Uh-huh. Okay. Then let me ask you about your
21 statement on page 7. You talked about "the regulatory climate
22 has changed drastically," and I think you are eluding to maybe
23 different building codes or other, what are some of the
24 challenges that you face now if you are trying to build a new
25 dairy?

1 A. Back in the '80's and '90's it was relatively simple to
2 get a permit and construct a dairy. Today, there are just
3 many, many hoops that have to be jumped through that didn't
4 exist in those days. And probably one of the, one really good
5 example is that in those days, in the '80's and '90's, when
6 they, when the dairymen or the contractors would construct a
7 lagoon for holding water, waste water, they did that without a
8 tremendous amount of oversight. They were able to construct
9 lagoons that were functionable, they constructed them well, but
10 today if you wanted to do the same thing, you would have to put
11 in two full liners of plastic lining the whole bottom of the
12 lagoon, which adds a tremendous amount of expense to
13 constructing a dairy. And then also, what I have noticed also
14 over the years, is that now we haven't -- we haven't built
15 anything substantial since 2009, but even whenever we have done
16 something minor in recent years, and I noticed this trend just
17 continued to go in the direction of, the codes continued to
18 require heavier construction, higher wind loads. For example,
19 the footings and the posts that were required on a free stall
20 barn, going back in the '80's and the '90's, the footings that
21 the posts went into were much smaller, didn't require near as
22 much cement, the posts were a smaller diameter. And today, if
23 someone builds that same free stall barn to do basically the,
24 to hold the same load, all of the components in that barn are
25 much, much heavier. And I didn't come here to testify to this,

1 but it seems a little -- it seems a little odd that I have
2 never seen a free stall barn that was built in the '80's that
3 has blown down, and yet the code has changed drastically. So
4 that's another example that I can think of.

5 Another one is, if you build a remodel a, we call them
6 milking barns, milking parlor, you have are required to have a
7 bathroom. Today that has to be handicap accessible, which I
8 don't disagree with, but the number of wheelchair-bound people
9 that come to visit is very few and far between.

10 Q. Okay. So you are right, we probably aren't here to
11 talk about dairy construction, but it is interesting. Are
12 dairymen required to retrofit the existing dairies to meet
13 code?

14 A. As a general rule, no.

15 Q. So it is just new construction or renovations that you
16 do voluntarily?

17 A. Correct.

18 Q. Okay. I think that's enough from me. Thanks.

19 MR. DOORNENBAL: Well, you answered, or you asked some
20 interesting questions and so maybe I can add a little bit more
21 to the discussion.

22 So I think it's pretty well understood that back in the
23 day, so-to-speak, our cows were housed out in the open, and in
24 the Midwest they were in the quintessential red or white barn.
25 The Midwest has completely changed and they are now, as I

1 explained, they are housing their milking parlors and ours, you
2 see very little difference. And so they have been able to,
3 what, they are -- they brought their cost of construction on a
4 per head basis, they have brought that way down. We, our cost
5 of construction actually has come up for factors, and I'm not
6 even going to blame it on the codes or on regulatory or the
7 regulatory climate. The cost of constructing a new dairy farm
8 in California on a per cow basis, comes close to being the same
9 as in Wisconsin, because our standards have risen so much. We
10 no longer are efficient with cows in open corrals. We have to
11 give them virtually the same building that they use in
12 Wisconsin, because we don't want our cows in the mud. We don't
13 want our cows in the sun when it gets to be over 75 degrees.
14 We want -- we want them to stay cool, even though sometimes
15 outside it gets to be over a hundred degrees and so we provide
16 ways to cool them. And if we don't -- if we don't provide
17 those kind of facilities, then with the genetic potential that
18 our cows have today, we will, they will not be able to produce
19 the amount of milk as, for example, our neighbor who has those
20 kind of facilities. And it basically boils down to economics.
21 It pays to provide those kind of facilities for the cows. And
22 all of the technology that goes into those buildings has
23 drastically changed over the years. And I'll just give you one
24 last example. Even the pitch of the roof is very particular,
25 because if the roof is at a certain pitch, and it's steep

1 enough, and if the, the end walls are high enough, and if you
2 leave a certain gap down the middle, that barn will breeze and
3 it will pull in air from the outside and move it over the top
4 of those cows and escape through the gap that is in the top.
5 And that size of that gap is correlated to the size of the rest
6 of the roof, so it gets all very, it gets very technical, but
7 it is necessary today.

8 BY MS. MAY:

9 Q. So then your testimony would be that basically
10 California dairies have to have the same kind of inputs and
11 investment that Wisconsin dairies do, and the big difference
12 being feed prices and what you get for raw milk?

13 A. That is correct. Now, I will -- I will qualify this a
14 little bit. They do have to deal with cold. So in California
15 we're going to see the same barn, it's going to look the same,
16 except in California the ends are open and the sides are open.
17 If you go to Wisconsin, the ends are built in such a way so
18 that there are there are doors, and big doors, and so they can
19 open or close those big doors. And in the sides where we are
20 completely open, they will have a curtain made out of canvas
21 that they can raise or lower depending on the temperature. But
22 actually, you know, those are two relatively inexpensive
23 additions to their construction that we don't need to have.

24 Q. Thank you.

25 JUDGE CLIFTON: Who next who next has questions for

1 Mr. Doornenbal? Mr. Vlahos.

2 REDIRECT EXAMINATION

3 BY MR. VLAHOS:

4 Q. John Vlahos. One quick question. Do you have any
5 estimate of how much time you spent preparing this testimony?

6 A. A hundred hours.

7 Q. Thank you.

8 JUDGE CLIFTON: Are there any other questions for
9 Mr. Doornenbal? Did that lead to a question?

10 JUDGE CLIFTON: All right. Last chance. None.

11 Mr. Doornenbal, I thank you so much. You know, when
12 you were here before you promised that you would be back with a
13 more comprehensive statement. I had no clue that it would be
14 this comprehensive. This is an extremely valuable document. I
15 thank you.

16 MR. DOORNENBAL: Thank you. And I thank all of you for
17 allowing me to testify. And, your Honor, I proofread this, my
18 wife did some proofreading, the girl that works in the office
19 helped. I did, I came up with the text, the information, and
20 most of the words, but they put it together in the office and
21 did a lot of the proofreading, and then I proofread it. And I
22 am amazed after all that effort of proofreading, that there
23 were still mistakes. But I'm even more amazed that you caught
24 all of them.

25 JUDGE CLIFTON: Thank you. We have another producer who

1 would like to testify today and I would like to take his
2 testimony next. Thank you. It's been a long day. I'm glad
3 you are still here. Would you -- let's see, I haven't sworn
4 you in before, let me do that now. I'll do that in a seated
5 position. Would you raise your right hand, please.

6 Do you solemnly swear or affirm under penalty of
7 perjury that the evidence you will present will be the truth?

8 MR. VANDEN HEUVEL: I do.

9 JUDGE CLIFTON: Thank you. Please again state and spell
10 your name.

11 MR. VANDEN HEUVEL: My name is Geoffrey Vandenneuvel.
12 First word is G-E-O-F-F-R-E-Y, last name is V -- as in Victor
13 -- A-N-D-E-N, H-E-U-V-E-L.

14 JUDGE CLIFTON: Now, you have the capital H, and are you
15 related to the other Vandenneuvel that's in the room?

16 MR. VANDEN HEUVEL: He's my son.

17 JUDGE CLIFTON: All right. Does that mean he has a capital
18 H?

19 MR. VANDEN HEUVEL: He does not.

20 JUDGE CLIFTON: Okay.

21 MR. VANDEN HEUVEL: But we're running out of time, your
22 Honor, so if you don't mind, we'll skip that story and take it
23 off record.

24 JUDGE CLIFTON: All right. Very fine. You may proceed
25 with your statement.

1 MR. VANDEN HEUVEL: Well, it's an honor to be here and I
2 want to thank everyone for -- and your Honor, for allowing
3 dairy farmers to kind of skip in line. It's -- I have been
4 listening to a lot of this on the Internet, and it is
5 fascinating. If I start in the morning, I shoot the whole day.
6 So I appreciate USDA's making this available online.

7 I have been in the dairy business since August 1 of
8 1979. And so let me get the most important thing out. I am, I
9 milk about 780 cows in Chino, California, which is about 40
10 miles East of Los Angeles. I sell my milk to Alta Dena Dairy,
11 and I have a contract with Alta Dena dairy to sell my milk.
12 That contract is managed by milk Dairy Marketing Service, I
13 think it is Milk Marketing Services now, which is Dairy Farmers
14 of America-owned marketing, but I do have a contract, so I
15 would be an independent shipper, I'm not a member of DFA.

16 I have been active in dairy politics in California
17 almost, from the early 1980's. I testified in practically all
18 the California hearings, probably from about '84 on, until my
19 son Rob took over as manager of Milk Producers Council, and
20 took over those duties. And so I have testified at many, many,
21 many hearings in California and also had an opportunity to
22 participate in USDA's hearing in Alexander, Virginia in 2000,
23 where the current formula, end product pricing formulas were
24 developed. So I have got a lot of experience in working with
25 these formulas.

1 And I took up Rien's testimony. First of all, my
2 compliments to Rien Doornenbal. Absolutely fabulous job of
3 laying out the history. And so what I would like to do is just
4 kind of fill in a few little gaps, because Rien's got a
5 similar -- I started in '79, he started in '75. There is a
6 pretty significant economic difference between starting in '75
7 or '79. I don't know what Rien's case is, but I got a friend
8 of mine that started in 1978, one year before I did, he paid
9 \$700 a cow for his herd, his first herd. I paid \$1400 a cow a
10 year later, which tells you what happened, what was happening
11 in California. And Rien's gone into a pretty good history of
12 that.

13 But when you look at the tremendous growth that
14 occurred in California in the 1980's, it really was a direct
15 response to the increase in the support price from \$8.26 a
16 hundredweight in 1977, to \$13.26 just four years later. That
17 was an enormous amount of cash that got pumped into the dairy
18 sector. And in California, that amount of increase in price
19 made it profitable to produce milk for manufacturing.

20 Up until that time, we had not really been much of a
21 manufacturing state. We pretty much took care of our fluid
22 market, and there wasn't a big incentive to produce
23 manufacturing milk, but suddenly it became profitable to do
24 that. But there was no market demand. There wasn't the market
25 that was running this price up, it was the government that was

1 running the price up. And consequently, you know, we wanted to
2 produce milk because the government was -- was facilitating a
3 higher price but there wasn't really any buyer out there to
4 take all this milk. So where did it go? And the answer is, it
5 went into government warehouses.

6 And how did we get it there? California used the fact
7 that we had a State Order to discount California milk to
8 incentivize the construction of plant capacity to take
9 advantage of this higher price even though there was no real
10 true market for this, other than the government. I went and
11 researched this back in the day, and I went and looked at all
12 the Commodity Credit Corporation Purchases from California
13 sources between 1981 and 1989. And when you total it together,
14 we sold \$3.2 billion of surplus dairy products to the Commodity
15 Credit Corporation with California Sources between '81 and '89.

16 California, what we were doing was being noticed by the
17 rest of the country. And the Feds already, the fed, and the
18 national political leaders, President Regan was elected in
19 1980, the assassination attempt took place on him in the
20 Spring, I believe, of '81. And one of the first acts he did
21 when he recovered in the hospital, was to sign the bill to
22 freeze the support price increases, and the national policy
23 began to try to ratchet this back. And we had diversion
24 program, and then a whole herd buy out. But one of the things
25 was, is here you had California using its State Order to

1 incentivize and facilitate the increase in production of milk,
2 and because the support program was committed to buy anything
3 offered to it at the support price, they were obligated to buy
4 it, and California could create a margin for its plants which
5 made it profitable for the plants to make this product even
6 though it really, there wasn't a market value.

7 The producers could do it because the price was high,
8 and as Rien explained, once we got the ball rolling and figured
9 out how to milk more cows and take advantage of the California
10 advantage. Then all we needed was a home for that milk. And a
11 home to a dairyman is somebody who picks it up. Where that
12 product ends up at the end of the day isn't particularly
13 relevant.

14 But Congress then, in 1985, and Rob mentioned this in
15 the testimony or earlier in this hearing, the National
16 Commission on Dairy Policy looked at this and said, states
17 shouldn't be allowed to have policies that run contrary to
18 national policy. And the national policy was to try to shrink
19 milk production, and here California was facilitating it.

20 Rien, and the reason I took his testimony up, is that
21 on page 7 of his testimony there's a sentence, "as producers we
22 were not always happy with those arrangements, but to utilize
23 the California advantage we had to put up with the California
24 discount." Well, you could put me down one of those producers
25 who was very unhappy about this for 30 years. That's why I got

1 involved in dairy politics, was I did not think this was
2 appropriate policy, and I fought against it. I started a my
3 own trade association with a bunch of other people that felt
4 like I did in the early 1980's, and eventually got involved in,
5 in mainline producer trade association and milk producers, and
6 things have evolved. But it's most of the time when we would
7 have these hearings, it would be the producers like me, more
8 independent producers, against the processors and the
9 cooperatives.

10 The cooperatives were very much in favor of these
11 discounts. And it was interesting, I actually felt real sorry
12 for Tom Wegner and Eric Erba and a lesser extent Elvin earlier
13 in this hearing, where Chip would read their testimony from
14 past hearings, but they were the enemy. I mean, they weren't
15 the enemy, we are all friends here, but they were opponents.
16 The producers were divided and it was very frustrating.

17 So in the interest of time let's just roll forward to
18 today. I mean, this is unprecedented. You got the
19 cooperatives, the trade associations, the California producers,
20 who historically have not agreed amongst each other, all in
21 favor of Proposal 1. And I am in favor of Proposal 1.

22 Why? Well, Rien's question, why? The cooperatives
23 have finally figured out that their dairymen are more at risk
24 than their plants. I mean, I think there was a belief, and
25 unfortunately, I think CDFA officials may have believed this,

1 too, and I think the processors still do, that California dairy
2 farmers will produce more milk no matter what we pay them.
3 We're finding out that isn't true. We have reached our limit.
4 The California advantage is gone and our competitors have
5 figured out, as Rien I think very, very aptly described, we're
6 no longer the most efficient kid on the block. We can't afford
7 it anymore. So we really are kind of here at a fork in the
8 road. The producers have banded together to support
9 Proposal 1. It's not perfect, but it's a pretty good proposal,
10 and so I would just put myself down as on record in favor of
11 Proposal 1.

12 Be happy if anybody wants to start exploring all the
13 details, I could go on for a long, long time about it. But
14 it's Friday afternoon and I don't know if anybody wants to do
15 that. But I thank you for the opportunity to testify.

16 JUDGE CLIFTON: Who will begin with questions for
17 Mr. Vanden Heuvel? Mr. Beshore, thank you.

18 CROSS-EXAMINATION

19 BY MR. BESHORE:

20 Q. Good afternoon, Geoff. Not to be repetitive, and I
21 hope it's not, but in your 30-plus years of heavy involvement
22 in, you call it California dairy politics I guess, have all of
23 the stakeholders in the producers side ever been on the same
24 page as they are in this hearing?

25 A. I don't believe so. I don't believe we have ever

1 witnessed the kind of universal support for a proposal. And
2 let me elaborate just a bit because, and this is new in the
3 last really year. Because I, you know, Californians are proud
4 of being Californians. And I think, there, the rest of the
5 country when I travel, and actually I'm a Midwest kid myself, I
6 moved out here from when I was 15 from Michigan, so I feel like
7 a Californian, but I still get to the Midwest. And I realize
8 the rest the country, how they view California. There is a
9 pride in California, you know, we think we do things better and
10 there's a lot of that, and we were proud of having a California
11 system. And to see guys that have always been proud of a
12 California system, say, "we're done, we got to go to a Federal
13 Order", reflects a paradigm shift in the thinking of California
14 producers that I think is unprecedented, and I don't think the
15 processing community in California appreciates this. I think,
16 and you know that's the sad thing, from my perspective we could
17 have solved this in this state and there just wasn't a
18 willingness. So, you know, we are where we are.

19 Q. Do you think the unanimity says something about the
20 fundamental economics and their depth in the present situation?

21 A. Well, I think, I mean, you know, I got interviewed
22 actually by a Vietnamese, we got a big Vietnamese community in
23 Southern California from South Vietnam, and I don't know how
24 they got my name, but they, they have a Vietnamese television
25 station in 2009. Came out and they did an interview on my

1 dairy, and that's the only reason I remember. They actually
2 put Vietnamese subtitles under the interview, I got interviewed
3 in English.

4 But I was -- I was, at that time I was milking 1400
5 cows. I mean, I got my own story about how I survived '09, and
6 it was bloody and difficult. Very thankful to be here. I was
7 losing \$150,000 a month. It was hundred dollars a cow a month.
8 I mean, that is, you get your milk check, and you got, you got
9 bills that are, that were \$150,000 gap, \$5,000 a day. I mean,
10 it blows my mind to even think of it sitting here. And it was
11 universal. I mean, the amount that we -- we burned through
12 20 years of accumulated equity in this industry. It is
13 absolutely unbelievable to me. But that's what happened.

14 So, you know, we, then, and I think Rien brought this
15 out so incredibly in his testimony, that was bad, but that was
16 universal. Okay? Everybody in America, all the dairy farmers
17 were losing like that. But why we have got to be an a level
18 playing field is what happened after that. That was our time
19 to recover. And actually, you know, I think the testimony of
20 Rien, I mean, the amount of money that we were short exceeded
21 the amount of money we lost in '09. And that's what we needed
22 to recover. And actually, if you want to know what's happening
23 today on the ground, there's a dairy a week going out right
24 now. Because what happened was '14 was really good, I mean, we
25 made money. But I'm pretty sure if you didn't sell something

1 to fix your balance sheet, all that '14 did was it paid back
2 trade debt and maybe brought your debt down to the bank. But
3 now we're back into a negative, where current income doesn't
4 cover current expenses and hasn't for some time. And guys who
5 haven't cured their balance sheets and created some liquidity
6 are caught in a vice, because now everybody's on notice, right?

7 Up until 2009, Rien said it very well. Guys went out
8 of business, those were basically either bad family situations
9 or decisions of choice. I got friends that are bankers, they
10 called dairy loans evergreen loans. They never got paid back,
11 they always grew, and they were always good. I mean, some of
12 these big banks had never lost a dime in the dairy industry,
13 that's why we had such good rates. That all changed in '09.
14 So they -- they spent, the banks have spent the last five years
15 cleaning up all this mess. And I mean, it's a mess. But they
16 cleaned it up.

17 And now they, if a guy now doesn't have the money to
18 pay the bills, you know, cows eat everyday, so if that, if you
19 are on, if you are paying your bills in 30 days and suddenly
20 you can't pay that whole bill in 30 days, immediately you are,
21 the trade knows there is something going on. Go to the bank,
22 try to borrow it -- they know. And right now they can sell you
23 out and get -- so the pressure is starting to come back onto
24 the producers. And what are you seeing? You are seeing a
25 dairy a week going out.

1 And the other thing is, you know, I read a book, the
2 Horton Reports, a friend that used to work for USDA does a hay
3 newsletter. This morning, this weekend report came out, he
4 talks about the auction, 65 percent of the cows got sold to
5 out-of-state buyers. Of the heifers that came through Overland
6 Stockyard, 80 percent of 'em got sold to out-of-state buyers.
7 We are not competitive to buy the cattle that are here in
8 California, much less go back East and try to find cattle. And
9 that's why we cannot keep giving this kind of discount away and
10 be competitive. But, you know, it's a big industry, there's a
11 lot of momentum behind it, but we're killing it,

12 Q. Thank you.

13 JUDGE CLIFTON: Mr. Vanden Heuvel, when you said they can
14 sell you out, are you talking about the bank feeling insecure?

15 MR. VANDENHEUVEL: The bank is -- the bank, you can't hide
16 from them because, you know, they know, they know that current
17 income doesn't cover current expenses. But expenses have to be
18 paid for. So where are you going to get the money to pay the
19 bill? You either don't pay the bill, and the trade, you know,
20 the grain company carries you or the hay company carries you,
21 or you go to the bank and borrow the money and then pay for the
22 bill. So both entities, the trade creditors and the banks,
23 once you are in that position, then they have to make a
24 decision about you. And right now, if you've basically been
25 paying your bills, they don't want to go with you. They don't

1 want to give you, they don't want you to go from 30 to 60 days,
2 or 90 days, they have been down that road. The banks don't
3 want to advance you, I mean, there's a limit. And I think they
4 pretty well figured out who they think is going to make it and
5 who they think won't. And they are putting pressure on people.
6 And people are responding to that. And you know what? This is
7 extremely tiring. It is extremely tiring. So guys are saying,
8 hey, we're done.

9 JUDGE CLIFTON: Mr. Vanden Heuvel, do you have some fear
10 that processors will not survive if they pay to California
11 producers as producers have paid in other Federal Milk
12 Marketing Orders?

13 MR. VANDENHEUVEL: You know, I would like to think if I was
14 them I wouldn't say what they say, but I find that quite
15 disingenuous. I really do. I mean, look, they are basically
16 all competing against each other. We have price movements in a
17 normal year of 20, 30, 40 cents a pound of cheese, \$2 to \$4.
18 They pass all those along to their customers. When the price
19 of cheese at the CME goes up ten cents in a month, they pass
20 that along to their customer. So when the Federal Order comes
21 in here and there's a price change, they are going to blame it
22 on USDA, and they are going to blame it on all the dairy
23 farmers and whoever else they want, just like they do in the
24 grocery stores when it goes up. There's going to be a one-time
25 adjustment, and they are going to have to move their price up,

1 because it happens to everybody, and then we're going to move
2 on.

3 So, you know, this whole thing about the whey, look,
4 when you, when USDA no longer could use an M-W price series,
5 which was actually going out and figuring out how much people
6 were just paying for milk and they had to go to an end product
7 pricing, you had to pick some end product. So what do they do?
8 They pick cheddar cheese. That was the logical one to pick.
9 Well, big plants, making big cheddar cheese, have a whey
10 stream. So you have to look at the complete unit. That plant
11 makes cheddar cheese, it's a commodity cheese, and it is got a
12 whey stream. So they put values on that particular unit, and
13 that's what prices milk for everybody making cheese.

14 Now, the guys who are not, the guys, everybody's got to
15 find their way in that system, and they all have. They have
16 all found their way or they wouldn't be in business. And they,
17 will there have to be adjustments made? Absolutely. We'll all
18 have to make adjustments. I live in Southern California, I got
19 a unique set of circumstances, and quota, and all the rest. I
20 could sit there and complain about one thing or another, but
21 the fact of the matter is, the system is the system. You pick
22 the system, if they are consistent rules, people adjust.

23 And the one thing that I think it really critical, and
24 I guess this is the one thing that Sue Taylor and I agree on,
25 is there ought to be one regulated minimum price, I heard her

1 say that yesterday. And I agree, we don't agree on the level
2 of that price, but you know what? If Sue and I could solve
3 this problem by ourself, go out there, I think we could.
4 Because we're philosophically not that far apart. I had a
5 great time working with Sue and a number of her colleagues. We
6 got to know each other, we worked hard at trying to come up
7 with something. Weren't successful, but we gave it a try.

8 But there ought to be, USDA should not be picking
9 winners and losers. We need a National Price Surface for
10 manufacturing milk, certain regions will do better than others
11 because they have certain advantages, but USDA is the referee.

12 Why is the government involved in regulation? Look,
13 the fundamentals of dairy farming is, a dairy farmer produces
14 milk 365 days a year, it is perishable, you cannot hold it. He
15 has to sell it. And when you have a normal business
16 relationship, you have a willing buyer and a willing seller,
17 either one of them doesn't have to do the deal. And when, and
18 they get together to do the deal, and supply demand dictates
19 what the price is between a willing buyer and a willing seller.
20 In the dairy industry, a dairy farmer has a fresh product, he
21 has to sell it, and a buyer does not have to buy it, and
22 doesn't have to buy it from him. So there needs to be a
23 referee, and that's why the government is involved, they are
24 the referee. The referee has to be fair. And one uniform
25 regulated price nationwide for manufacturing is the structure

1 that the US dairy industry ought to have. I think USDA has
2 been strong on that, I think they are absolutely correct on
3 that. Does it need to be adjusted from time to time? Probably
4 yes. Is that what this hearing is about? No. This hearing is
5 about whether California ends up joining that system. And it
6 is high time and I'm really, really happy to be this far.
7 Unfortunately, we're probably still many, many months to come
8 before this relief is a reality in California.

9 JUDGE CLIFTON: Mr. English, I'm not going to ask for any
10 preview for Monday, I'll assume that it is left overs from
11 today, and whatever else happens, which gives us only five more
12 minutes for questions for Mr. Vanden Heuvel.

13 Who would like to go next? Yes, sir, Mr. Doornenbal?
14 And once you get to the podium, state your name again.

15 MR. DOORNENBAL: Rien Doornenbal.

16 CROSS-EXAMINATION

17 BY MR. DOORNENBAL:

18 Q. Geoff, you talked quite a bit about producers being
19 forced out of the business, and you're from an entirely
20 different part of the state than I am, so what you see everyday
21 and experience everyday is what's going on in the Chino Valley.
22 What I see everyday and experience is what goes on in Escalon
23 and Oakdale. So I made a comment in my testimony that, also
24 that many were forced out of business, but I made the comment
25 that we are starting to notice another trend. And then I

1 really didn't talk about that trend, but predicted that that
2 trend would continue if we did not have a federal, proper
3 Federal Milk Marketing Order for California, you will see many
4 more producers who decide to take their assets that they have
5 left and do something else.

6 Now, in my area I'm noticing that trend. We have, we
7 have several of my neighbors that have been forced out of
8 business this year. And you are right, 2014 was a fantastic
9 year, but their banks just didn't want to go with them any
10 longer. But I'm noticing quite a few producers who aren't
11 being forced out of business at all, and just deciding that
12 they are going to take the assets they have left and do
13 something else. Are you noticing any of that or are you aware
14 of any of that going on?

15 A. Yeah, Chino Valley is a unique place and it is going on
16 the extent to which, I mean these are anecdotes, the bottom
17 line is California is dropping in production and we're losing
18 dairy farmers. I still don't understand why USDA's cow numbers
19 don't show this drop, because we got lots of anecdotal evidence
20 that there's a reduction in cow numbers, and that hasn't shown
21 up in USDA's data yet, I think it probably will at some point,
22 but Chino is a unique place. I read the same things you read,
23 and I get those notices of all the herds going out, so I don't
24 really know how to respond to you.

25 I think there's a great, you know, I mean, everybody is

1 trying to figure out where they are, and when do you move, and
2 what do you do, and all that. I think there's just a lot of
3 uncertainty in the California dairy. There's uncertainty about
4 a directions. And that is different than what you had in
5 Wisconsin as you talked. I talked to a Wisconsin guys, they
6 are, they are so optimistic, that's the amazing thing is
7 there's hope and excitement for the future in the Midwest now,
8 and gloom and doom in California. And that's not typical for
9 us, because we tend to be more optimistic people. But more
10 than that I can't say.

11 Q. Thank you. And, your Honor, would you allow me to
12 answer the same question that you asked of Mr. Vanden Heuvel
13 concerning whether or not he feared the processors, and I'll
14 ask, I would like to have you ask the question so I have it
15 correct.

16 JUDGE CLIFTON: I would like to. Is there any way you can
17 return? How many miles are you from here?

18 MR. DOORNENBAL: I would -- I would be willing to return.
19 I'm 120 miles. But I, first of all, I appreciate the
20 thoroughness of this effort, of what's going on here. And I'm
21 honored to be part of it, and I would be -- I would be willing
22 to come back.

23 JUDGE CLIFTON: All right. I think that's going to be
24 necessary, because I only have one more minute, and I want to
25 make sure that Mr. Vanden Heuvel has that minute.

1 MR. DOORNENBAL: Thank you.

2 JUDGE CLIFTON: You're welcome. Ms. Taylor?

3 MS. TAYLOR: Well, since we only have one minute, I would
4 like the ability to utilize that one minute, if I may, since I
5 will not be back here next week.

6 CROSS-EXAMINATION

7 BY MS. TAYLOR:

8 Q. First, Mr. Vanden Heuvel, my name is Erin Taylor. I'm
9 with the USDA. And I --

10 A. I recognize the voice.

11 Q. Thank you very much for coming here this afternoon and
12 sharing your views as a dairy producer in California. On
13 behalf of the Department we do want to thank you for taking
14 time to come out here. In the essence of time, I'll only ask a
15 couple questions.

16 The first, and I don't think you addressed this, do you
17 own quota?

18 A. I do. Not very much, I'm about 20 percent.

19 Q. About 20 percent. Okay. And you talked about the
20 reason California production increased so much in the '80's is
21 because of the support price? One of the reasons?

22 A. That was a huge, that was a huge reason. There wasn't
23 a big drop in the cost of production, what was different was
24 the price of milk went up.

25 Q. Went up, okay. And then you said, as a result of

1 California -- my notes say, I interpreted what you said, the
2 California State Order discounted the milk price to incentivize
3 the building of plants?

4 A. Correct.

5 Q. And at that time, would you, is it of your opinion that
6 this discount then, didn't return a value to you that you think
7 was appropriate to what the market value of what your milk was,
8 or the products that were sold in the market?

9 A. Well, I was aware that there wasn't -- I mean, at the
10 one hand we were, the government's ending up buying all this
11 product, I mean, and massive amounts of product. So you got
12 this big milk surplus out there. And it's like having, if you
13 think about it in a car, you got one foot on the gas pedal, one
14 foot on the brake. And the Feds were trying to apply the brake
15 and California was applying the gas pedal. And they could get
16 away with it because they had a State Order, okay? If you
17 remember the M-W was tracking the support price and then the
18 M-W fell below the support price. USDA did not raise the
19 federal make allowance in the support program and bring it up,
20 because they were trying to send a message to the dairy
21 industry, we got too much milk, you need to throttle back. And
22 at that very same time, California, because it had a State
23 Order, had the ability to discount even further underneath
24 that, and give its plants a margin. And frankly, the plants,
25 once they had their margin, they had every incentive in the

1 world to just add plant capacity.

2 Q. Okay. Thank you for that answer. And my final
3 question is, you talked about when USDA chose commodity cheddar
4 to use in its price formulas. In your opinion, the Department
5 recognized that as a byproduct of that was the whey stream, and
6 then they placed some value on the whey stream. So I will ask
7 you a similar question to I asked, what I asked Mr. Doornenbal.

8 Can you just quickly explain why you then think Federal
9 Order prices, or the prices as contained in Proposal 1 are more
10 appropriate method for paying California producers now?

11 A. Look, and this is where I agree with Sue, there needs
12 to be one price, okay? And we all have the opportunity we have
13 today is to go into the Federal system at the same price.

14 Is the Federal price appropriate? That's not the
15 question at this hearing. Okay? Is the Federal price
16 appropriate? You give me the same price as somebody else then
17 it is on me. But we can no longer live with the state using
18 its police power, the State of California using its police
19 power to discount California regulated prices relative to the
20 Federal. It's inappropriate, it's always been inappropriate in
21 my opinion, and now the whole producer sector has come to that
22 point of view.

23 Q. Okay. Thank you very much.

24 JUDGE CLIFTON: If anybody has a compelling, burning
25 question, I'll allow it, but it's 5:03. All right.

1 Mr. Vanden Heuvel, you are a remarkable witness and I
2 wish you would come back again to talk about some of the topics
3 that we're going to talk about next week.

4 MR. VANDEN HEUVEL: Well, I think Sue's going back on the
5 stand, she usually gets my blood boiling, so maybe she can
6 provoke me to come back.

7 JUDGE CLIFTON: That would be helpful. That would be quite
8 helpful. For now, you may step down.

9 MR. VANDEN HEUVEL: Thank you, your Honor.

10 JUDGE CLIFTON: All right. I'll see you all Monday at the
11 Piccadilly Inn at the Airport. We'll go on record at 9:00. We
12 now go off record at 5:04.

13 (Whereupon, the evening recess was taken.)

14
15
16
17
18
19
20
21
22
23
24
25

---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

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: December 23, 2015
 FRESNO, CALIFORNIA



MYRA A. PISH, CSR
Certificate No. 11613

	6363:15	6513:22	acres (1) 6529:15	6360:3;6363:14; 6389:4;6446:24,25; 6464:13,13;6473:11, 14;6476:2;6492:13; 6530:13;6536:25
\$	ability (17) 6374:1;6393:20; 6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accessible (1) 6548:7	acronym (1) 6380:3	Additionally (2) 6373:18;6487:25
\$1,200 (2) 6445:1,2	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accidentally (1) 6507:4	acronyms (1) 6523:24	additions (1) 6550:23
\$1,324,127 (3) 6523:4;6525:16; 6526:9	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accomplish (1) 6532:13	across (13) 6448:14;6474:2; 6481:24,25;6507:6, 17,21;6512:5; 6515:24;6523:1; 6529:17,24;6546:14	address (2) 6358:16;6523:23
\$1,424,232 (1) 6525:14	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	according (2) 6476:25;6523:2	act (7) 6505:11,13,14,22, 24;6506:3,5	addresses (1) 6359:2
\$13.26 (2) 6512:2;6554:16	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	account (44) 6375:13;6423:8; 6438:18;6439:10,15, 24,25;6440:5; 6441:11;6442:11,13, 23;6447:12,21; 6448:18;6452:11,12, 13,14,21,25;6453:4, 9,18;6455:2,10,15; 6456:11,14;6457:1; 6468:13,14,20; 6477:1,15;6484:20; 6490:20,21,25; 6491:19;6492:9,18, 18,19	active (1) 6553:16	adds (4) 6488:3;6528:8; 6536:16;6547:12
\$1400 (1) 6554:9	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accountant (1) 6512:10	activities (1) 6464:18	adequate (1) 6430:3
\$15.18 (1) 6385:17	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	Accounting (1) 6352:12	activity (5) 6396:19,20,22; 6397:3;6457:5	adjust (4) 6484:22;6492:22; 6520:3;6564:22
\$150,000 (2) 6560:7,9	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accounts (16) 6437:12;6446:12, 18;6449:11; 6455:18;6458:13,17, 24;6460:10;6468:17, 22;6476:1,21; 6481:12;6492:7,24	acts (1) 6555:20	adjusted (1) 6566:3
\$18.22 (1) 6385:16	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	account's (1) 6453:22	actual (4) 6375:22;6484:13, 16;6538:7	adjuster (3) 6515:2;6543:12, 20
\$18.49 (1) 6385:13	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accrual-based (1) 6523:2	actually (38) 6359:25;6371:6; 6381:25;6382:2; 6387:13;6388:11; 6396:17;6415:14; 6423:17;6425:11; 6432:11;6438:18,23; 6440:25;6444:17,24; 6447:13;6464:7,20; 6479:9;6484:7; 6485:17;6486:1; 6504:16,18;6534:17; 6544:10;6545:15; 6546:4;6549:5; 6550:22;6557:11; 6559:5,22;6560:1, 19,22;6564:5	adjustment (2) 6385:21;6563:25
\$2 (1) 6563:17	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accumulated (1) 6560:12	ad (6) 6518:19,25; 6519:2,4;6529:16; 6536:2	adjustments (3) 6512:1;6564:17, 18
\$2,009,185 (2) 6524:17,24	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accurate (7) 6389:18,23; 6399:3;6455:6; 6487:14;6539:19,20	administrative (1) 6473:7	administrative (1) 6473:7
\$3.2 (1) 6555:14	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	accused (1) 6385:9	Administrator (2) 6351:6;6363:6	admission (4) 6390:16;6391:11; 6537:6,9
\$3.31 (1) 6385:22	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	achievement (1) 6377:9;6461:16; 6471:19	admission (4) 6390:16;6391:11; 6537:6,9	admitted (7) 6362:20;6390:24, 25;6391:4,5,12; 6537:10
\$4 (1) 6563:17	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	achieve (3) 6377:9;6461:16; 6471:19	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$5,000 (1) 6560:9	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	achieved (1) 6489:2	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$5,000,000 (1) 6382:11	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	AcMoody (1) 6502:11	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$600 (1) 6445:7	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	acquire (2) 6367:19;6464:13	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$700 (1) 6554:9	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	acquired (4) 6467:11;6476:21; 6488:6;6489:1	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$715,000 (1) 6542:11	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23	acquiring (1) 6464:20	admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$750,000 (2) 6513:16;6542:11	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23		admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$8.26 (2) 6512:1;6554:15	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23		admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$9,298,677.84 (1) 6367:19	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23		admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
\$99 (1) 6400:21	6444:15;6446:22; 6461:20;6474:1; 6475:19,24;6476:2; 6491:9;6509:9,10; 6514:7,14;6518:19; 6569:4;6570:23		admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
[admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
[AO] (1) 6360:9			admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
A			admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
A&M (1) 6518:16			admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
ABA (1) 6353:3			admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9
abide (1)			admission (4) 6390:16;6391:11; 6537:6,9	admission (4) 6390:16;6391:11; 6537:6,9

6,17;6397:8;6431:6; 6440:2,4;6446:4,18; 6447:10;6461:5,16, 18;6465:24;6466:1, 19,22,22;6467:13, 24;6468:4,7; 6475:14;6480:21; 6481:19,21,22; 6482:1;6484:24; 6486:14;6488:17,18; 6490:15;6492:22; 6493:4;6498:19,24; 6499:1;6506:23; 6507:3;6511:18; 6513:7,18;6515:13; 6517:23;6518:18; 6525:19;6526:12,25; 6541:24;6542:2,12; 6543:1,7,7;6545:17; 6555:9;6556:9,10, 23;6558:4 advantaged (1) 6488:11 advantages (4) 6366:19;6371:12; 6376:13;6565:11 advertisement (1) 6408:11 Advisory (6) 6515:8,9;6534:3,9, 14,18 affect (1) 6524:6 affected (5) 6499:18,21,25; 6522:21;6543:17 affectionately (1) 6500:22 affiliated (1) 6476:15 affirm (2) 6362:2;6552:6 afford (1) 6558:6 affordable (1) 6510:15 afraid (1) 6539:10 afternoon (9) 6355:23;6470:1; 6479:17;6540:13,13; 6541:20;6558:14,20; 6569:11 again (66) 6353:13;6359:10; 6360:24;6365:8; 6368:2;6372:17; 6383:12;6385:4,9, 15;6390:1;6392:3, 17;6403:24; 6406:22;6418:8; 6419:2;6420:7; 6427:2;6437:13; 6446:21;6449:7; 6454:12,14;6456:5; 6458:12;6462:13; 6464:23,25;6472:21; 6473:23;6474:9,15, 16;6475:2,9;6476:4; 6482:17;6490:5,6, 23;6493:14; 6494:24;6498:15; 6509:1;6512:7; 6513:6;6518:8; 6521:1;6523:12,13; 6524:6,10;6525:24; 6526:2,6;6531:25; 6532:4;6533:15,18; 6534:2,13;6545:22; 6552:9;6566:14; 6572:2 against (11) 6370:2;6371:9; 6437:11,12;6457:15; 6458:10;6461:8; 6475:15;6557:2,8; 6563:16 age (1) 6499:12 agenda (1) 6493:10 aggressively (1) 6510:4 ago (5) 6476:25;6515:16; 6516:25;6518:4; 6529:4 agree (23) 6399:7;6408:16; 6417:12;6424:2; 6425:24;6426:2,3; 6428:22;6457:10; 6461:25;6470:23; 6475:12;6477:17,19; 6485:18;6499:19,24; 6504:9;6533:12; 6564:24;6565:1,1; 6571:11 agreed (5) 6428:19;6491:13, 14,15;6557:20 Agricultural (2) 6351:3;6518:17 Agriculture (6) 6360:8;6515:6; 6518:2;6527:8,21; 6528:2 ahead (6) 6380:1;6416:11; 6419:2;6498:15; 6506:21;6517:21 aid (1) 6515:24 air (2) 6515:23;6550:3 Airport (3) 6355:11;6460:4; 6572:11 AI (1) 6356:23 Alan (1) 6352:16 A-L-A-N (1) 6352:16 alerts (1) 6441:5 Alexander (1) 6553:22 all-American (2) 6507:24;6516:14 allocate (3) 6466:11;6473:24; 6482:2 allocation (1) 6467:20 allow (16) 6371:11;6383:9; 6398:22;6419:9,11, 14;6421:1,2;6444:9; 6466:15;6477:12; 6516:2;6523:8,13; 6568:11;6571:25 allowance (2) 6514:25;6570:19 allowances (3) 6475:1,4;6515:1 allowed (12) 6365:1;6370:25; 6422:22;6441:8; 6488:12;6489:9; 6493:25;6509:8; 6510:7;6540:16; 6541:5;6556:17 allowing (3) 6377:24;6551:17; 6553:2 allows (5) 6364:24;6367:13; 6417:23,23;6419:8 almonds (2) 6496:23;6541:9 almost (3) 6510:19;6517:17; 6553:17 alone (2) 6505:7;6525:10 along (5) 6357:4;6521:6; 6546:7;6563:18,20 Alta (6) 6374:19;6409:14, 16;6479:6;6553:10, 11 although (3) 6502:5;6504:24; 6529:9 always (18) 6468:13;6489:22, 23;6493:12; 6506:11;6515:12,12; 6523:19;6526:19,20; 6531:9,21,22; 6556:22;6559:11; 6561:11,11;6571:20 amazed (2) 6551:22,23 amazing (1) 6568:6 amended (1) 6367:16 America (4) 6351:11;6354:14; 6496:8;6560:16 American (1) 6353:3 America-owned (1) 6553:14 America's (1) 6516:10 among (1) 6366:15 amongst (3) 6428:16;6466:12; 6557:20 amount (31) 6356:5;6383:10; 6386:24;6393:16; 6401:21;6425:19; 6430:10;6463:22,23; 6465:5;6470:25; 6473:21;6481:1; 6497:23;6504:10,24; 6512:21;6514:7; 6519:22;6521:18; 6525:8,14;6538:7; 6547:8,12;6549:19; 6554:17,18;6560:11, 20,21 amounted (1) 6382:16 amounts (4) 6471:4;6492:20; 6538:4;6570:11 AMS (1) 6351:7 analysis (2) 6383:19;6444:23 Analyst (2) 6352:8;6498:20 A-N-D-E-N (1) 6552:13 anecdotal (1) 6567:19 anecdotes (1) 6567:16 Angeles (3) 6460:7;6540:25; 6553:10 animal (3) 6539:21,21,24 animals (3) 6507:10,11; 6524:20 animation (1) 6490:11 Annie (1) 6502:11 announce (1) 6435:17 announced (19) 6368:10,11,13,17, 17,20;6374:16; 6385:11,12,15,20; 6387:23;6388:2,4, 14;6425:23; 6426:12;6427:7; 6481:5 announcement (1) 6355:9 announcements (4) 6355:6;6512:6; 6532:4,7 announces (1) 6435:15 annual (5) 6374:7;6415:13; 6450:23;6451:8; 6491:16 annualized (1) 6415:18 annually (2) 6415:25;6471:17 answered (4) 6379:3;6432:7; 6454:22;6548:19 anticipate (2) 6359:16;6473:18 anymore (3) 6494:19;6513:17; 6558:7 A-O (1) 6353:21 apart (1) 6565:4 apologize (2) 6386:15;6485:15 appear (3) 6369:22;6372:11; 6384:9 appearing (1) 6355:25 appears (1) 6371:21 Apple (2) 6476:25;6477:18 apples (2) 6389:21;6432:3 applicable (1) 6544:8 applied (3) 6427:25;6430:22; 6465:7 apply (8) 6430:16;6433:20, 21;6438:23;6455:3,

4;6486:15;6570:14 applying (1) 6570:15 Appreciate (8) 6397:10;6399:4; 6420:12;6454:23; 6493:10,12;6553:6; 6568:19 appreciated (1) 6484:15 appreciates (1) 6559:15 appreciation (1) 6369:25 approach (1) 6436:9 approached (1) 6512:10 appropriate (7) 6523:21;6544:15; 6557:2;6570:7; 6571:10,14,16 approve (1) 6373:20 approximately (8) 6369:2,3;6370:13; 6384:10;6404:24; 6452:6,8;6453:6 April (4) 6375:23;6439:6; 6442:14;6457:3 apty (1) 6558:5 area (25) 6363:3;6393:2; 6421:12;6440:15; 6442:3,6;6445:17; 6446:3;6448:8; 6457:7;6471:16,16; 6472:16,17,20; 6488:8;6500:16; 6509:7;6515:17; 6529:14;6540:21,25; 6541:4;6545:24; 6567:6 areas (17) 6366:5;6376:13; 6409:24;6421:11; 6431:4,10;6444:9; 6445:15;6456:21; 6457:12;6459:20; 6486:20;6498:21; 6499:1;6506:25; 6509:6;6515:17 area's (1) 6366:10 argue (1) 6488:14 arise (1) 6364:16 Arizona (4) 6366:5;6412:3; 6449:9,13	around (11) 6355:19;6366:11; 6386:5;6392:4,5,19; 6435:7;6436:16; 6458:17;6481:12; 6524:20 arrangements (4) 6363:24;6515:13; 6541:3;6556:22 arrive (4) 6433:18,25; 6436:14;6525:13 arrived (1) 6544:24 Art (1) 6352:11 Artesia (1) 6541:2 A-R-T-H-U-R (1) 6413:21 article (2) 6498:14,17 artificial (1) 6364:4 artificially (1) 6364:19 ascertain (2) 6369:6;6472:23 ascribed (1) 6393:11 Ashley (1) 6352:1 A-S-H-L-E-Y (1) 6352:1 aside (3) 6383:16,17; 6419:12 aspect (1) 6447:6 assassination (1) 6555:19 asserted (1) 6366:12 asset (2) 6375:20;6464:22 assets (5) 6498:6;6514:12; 6529:5;6567:4,12 assign (1) 6397:3 assigned (1) 6394:4 Assistant (1) 6351:6 associated (13) 6376:20;6377:15; 6378:5;6380:21; 6396:1,13;6423:11; 6435:7;6437:6,10; 6454:16;6462:6; 6518:4 Association (8) 6353:2,4,23;	6397:16;6476:18; 6483:1;6557:3,5 associations (1) 6557:19 assume (5) 6393:21;6406:9, 14;6456:7;6566:10 assuming (7) 6355:15;6386:25; 6393:18,20;6395:4, 5;6541:15 assumption (1) 6448:24 assumptions (1) 6455:5 assure (2) 6358:21;6363:21 astounding (1) 6505:6 astute (1) 6512:18 attached (2) 6396:21;6426:11 attempt (2) 6501:7;6555:19 attempts (1) 6497:10 attended (2) 6462:25;6518:3 attention (3) 6369:22;6372:16; 6498:17 Attorney (4) 6351:10,22; 6352:2;6354:8 attribute (3) 6390:2;6541:25; 6542:2 attributed (3) 6377:14;6378:4; 6453:25 attributing (1) 6393:22 auction (1) 6562:4 audible (1) 6423:1 audibly (2) 6379:3;6416:25 August (20) 6369:9;6370:4,12; 6384:10;6390:3,7; 6393:4;6395:6; 6401:11;6405:17,18; 6478:6,8,13;6480:2; 6485:20,25;6486:2, 5;6553:7 authority (1) 6471:13 available (5) 6392:21;6423:12; 6489:20;6537:13; 6553:6	Avenue (1) 6355:18 Avenues (1) 6355:12 average (10) 6374:17;6375:19; 6382:7,10;6388:15; 6513:8;6525:4; 6539:22;6540:2; 6542:23 avoid (5) 6364:11,17; 6365:5;6367:5; 6465:16 awarded (3) 6374:20,25; 6376:6 aware (4) 6392:16;6423:2; 6567:13;6570:9 away (18) 6369:22;6374:19, 21,24;6375:1,3; 6377:18,20;6378:8, 10;6439:23;6440:1, 24;6480:18; 6484:19;6505:18; 6562:9;6570:16 awhile (3) 6360:4;6493:18; 6517:3	6389:5;6495:16 bad (4) 6518:7;6533:14; 6560:15;6561:8 badly (1) 6525:1 Bakersfield (4) 6476:24,24; 6477:2,3 balance (2) 6561:1,5 ball (1) 6556:8 banded (1) 6558:8 bank (7) 6522:18;6561:2, 21;6562:14,15,15,21 banker (3) 6528:11,13,23 bankers (4) 6528:4,10,13; 6561:9 bankrupt (1) 6514:11 banks (6) 6514:6;6561:12, 14;6562:22;6563:2; 6567:9 Bao (1) 6353:21 Bar (5) 6353:3,7;6476:17; 6521:2,3 barely (2) 6500:12;6517:22 Bargain (4) 6519:17;6520:1,3, 5 barley (4) 6511:1,4,6,7 barn (10) 6507:24;6508:24; 6516:15;6547:20,23, 24;6548:2,24; 6550:2,15 barns (5) 6508:22;6515:20, 20;6516:20;6548:6 base (2) 6406:14;6443:14 based (36) 6369:21;6375:11, 22;6376:17; 6378:21;6383:20; 6387:8,21;6395:23; 6405:15;6406:6,10; 6423:10;6426:15; 6435:10;6439:5,7; 6441:12;6442:5,17; 6445:19;6454:8; 6455:19;6456:9; 6462:4,13;6471:3;
		B		
		back (60) 6355:24;6356:17; 6372:17;6378:18; 6390:4;6398:6; 6404:11;6415:3,5; 6425:10;6434:17; 6435:16,21;6443:1; 6449:15,19;6469:8, 13;6470:2,11; 6471:7;6473:23; 6478:10;6479:21; 6480:15;6492:8,8; 6493:11;6494:1; 6506:3,4;6508:6; 6511:19;6512:9; 6521:10,11;6525:23; 6530:9,11,12; 6541:23;6546:1,7; 6547:1,20;6548:22; 6551:12;6555:11,23; 6561:1,3,10,23; 6562:8;6568:22; 6569:5;6570:21; 6572:2,4,6 backfill (1) 6524:25 backfilled (2) 6525:16;6526:8 background (2)		

6472:21;6475:20,22; 6477:18;6479:10; 6485:24;6486:5; 6491:13,14 baseline (1) 6400:13 basic (2) 6507:20;6510:2 basically (16) 6382:20;6383:7; 6387:17,19;6388:10; 6389:13;6404:1; 6420:25;6467:7; 6538:9;6547:23; 6549:20;6550:9; 6561:8;6562:24; 6563:15 basis (24) 6366:13,15; 6386:21,22;6387:2; 6389:20;6394:17; 6434:14,15;6440:21; 6441:1;6448:4; 6452:12,24;6453:9, 23;6454:12;6455:3; 6491:16,16;6510:11; 6513:25;6549:4,8 Basque (1) 6509:17 bathroom (1) 6548:7 beat (1) 6519:6 became (4) 6505:16;6508:7; 6510:19;6554:23 become (2) 6520:3,4 becomes (1) 6463:23 becoming (5) 6365:2,23; 6515:11;6534:16,20 began (1) 6555:23 begin (2) 6368:1;6558:16 beginning (2) 6503:2;6533:20 begins (7) 6365:15;6395:21; 6530:21,23;6532:11; 6534:3;6535:9 behalf (4) 6351:24;6354:1; 6412:1;6569:13 behind (5) 6352:10;6355:12, 21;6363:25;6562:11 belief (3) 6428:19;6467:21; 6557:24 believes (1)	6358:3 Bellflower (1) 6541:2 below (15) 6375:2;6395:20; 6422:22;6423:10,19; 6483:5,6,8,12; 6488:7,13,22; 6489:4;6537:21; 6570:18 benefit (1) 6489:2 benefitted (1) 6360:20 Bengals (1) 6354:10 Berkeley (5) 6374:23;6409:14, 16;6476:23;6477:1 BESHORE (20) 6351:9,9;6357:1; 6392:23,25;6393:3; 6398:11;6477:21,23; 6479:22;6485:19,23; 6489:16,18;6490:10; 6537:16,17,18; 6558:17,19 B-E-S-H-O-R-E (1) 6351:10 besides (1) 6405:7 best (5) 6358:20;6466:8; 6478:6;6482:2; 6516:1 better (12) 6360:15;6412:22; 6418:12,21;6419:19; 6421:1;6518:23; 6519:3;6536:2; 6539:24;6559:9; 6565:10 beverage (2) 6408:5,17 beverages (1) 6379:19 beyond (3) 6446:11;6450:19; 6474:18 bid (104) 6374:14;6375:4,7; 6376:15,24;6381:4, 6;6433:19;6434:21, 22,25;6435:1,2,3,4,6, 15,18,24;6436:2,21, 22,24;6437:1,3,8,9, 10,14;6438:1,4,8,21, 23,24;6439:7,19; 6440:2,21,22,25; 6441:4,7,8;6442:2, 13,21;6443:1,17; 6447:12,17;6448:3, 6,13,19;6449:11,20,	20,24;6450:2; 6451:7,18,23,24; 6452:1,5,9,14,16; 6454:11,13,14; 6456:18;6457:3,10, 12;6460:12,22; 6461:2,4,8;6462:10; 6466:17;6467:23; 6470:12,20,24,25; 6471:4;6472:8; 6473:18;6475:5; 6476:21;6486:15; 6491:6,9,14;6492:1, 2,2,5,12,14,15 bidder's (1) 6375:11 bidding (13) 6438:18,23; 6439:15;6440:19,20; 6441:1;6444:8; 6447:9,21,24; 6468:14;6471:24; 6490:17 bids (27) 6433:9;6435:6; 6438:15;6446:18; 6447:14,15;6451:2; 6455:9,13;6457:5, 14;6458:10;6459:1, 15;6468:12; 6470:13;6471:22; 6472:5,19;6473:2,2, 24;6474:2;6475:15; 6490:17;6491:18,19 big (21) 6355:8;6358:18; 6387:16;6480:15,16; 6498:14,16;6507:24; 6516:15;6543:6; 6550:11,18,19; 6554:22;6559:22; 6561:12;6562:10; 6564:9,9;6569:23; 6570:12 Bill (10) 6511:20,24; 6512:19,24;6514:17; 6555:21;6561:20; 6562:19,19,22 Billion (29) 6502:20;6503:7,9, 16,17,22,24;6504:5, 5,8,8,14,14,16,17,19, 20;6505:1,2,4,6; 6506:7,7;6512:24, 25,25;6513:1,2; 6555:14 bills (5) 6522:20;6560:9; 6561:18,19;6562:25 bit (19)	6358:10;6359:20; 6380:1;6435:16; 6458:3;6462:21; 6471:23;6472:7; 6482:8;6504:1; 6520:9;6540:15; 6542:13,15;6543:25; 6548:20;6550:14; 6559:2;6566:18 blame (3) 6549:6;6563:21, 22 BLAUFUSS (95) 6352:22,22; 6355:25;6356:11,13, 19;6357:5;6361:1,1, 5,9,17;6362:8,10,10, 10,15,22;6368:3,8,9; 6372:16,20;6373:5; 6381:12,15,18; 6386:4,7,10,11; 6390:3,6,9,12,20,22; 6391:22;6392:10,14, 16,23;6393:4,8; 6397:23;6399:12,14; 6400:5;6402:8; 6404:1,9;6405:17, 19,22,24;6413:7,9, 11;6415:24;6416:4, 6,9,23;6417:7,11,18; 6418:19;6419:4,8; 6424:5,5,9;6426:9, 19;6427:2,3; 6456:10,13,16; 6462:21;6463:1,5; 6476:9;6477:24; 6478:4,18;6479:22; 6480:8;6485:18,22; 6487:4;6493:8,12, 15,18 Blaufuss' (2) 6359:23;6405:16 B-L-A-U-F-U-S-S (2) 6352:22;6362:10 blend (11) 6366:9;6381:21; 6382:1;6388:13; 6392:3,5;6394:10, 11,16;6425:4; 6426:10 blended (2) 6511:6;6538:4 blind (1) 6436:2 block (1) 6558:6 blood (2) 6520:6;6572:5 bloody (1) 6560:6 blow (1) 6433:14 blown (1)	6548:3 blows (1) 6560:10 Board (6) 6515:8,9;6534:4,9, 14,19 boiling (1) 6572:5 boils (1) 6549:20 book (2) 6431:7;6562:1 boots (1) 6501:12 born (3) 6500:1;6530:21; 6539:14 borne (1) 6363:17 borrow (3) 6541:13;6561:22; 6562:21 both (21) 6366:4;6369:5; 6370:25;6371:17; 6385:21;6397:11; 6398:11;6401:9; 6414:19;6423:13; 6428:21;6468:23; 6480:7;6493:16; 6512:11;6513:3; 6516:18,19,20; 6527:24;6562:22 bottle (3) 6396:18;6433:12, 14 bottled (1) 6476:23 bottlers (2) 6505:18;6506:1 Bottling (1) 6379:17 bottom (11) 6380:22;6480:11; 6521:7;6531:25; 6535:1,12,13; 6540:14;6543:11; 6547:11;6567:16 boundary (2) 6488:5,12 boxes (1) 6483:17 boy (5) 6353:21;6386:4, 10;6500:5,8 brackets (1) 6360:9 brake (2) 6570:14,14 brand (5) 6380:18;6384:4; 6410:7;6411:17; 6413:7
---	---	---	--	--

<p>branded (2) 6380:20,21</p> <p>brands (12) 6409:6,10,11,13, 14,18,19;6410:20, 22,22;6411:18; 6413:5</p> <p>Brawley (1) 6355:20</p> <p>breadth (1) 6446:7</p> <p>break (18) 6355:1;6356:19; 6398:5;6399:5; 6414:23,24;6415:2, 4;6469:3,7,12,15; 6502:5;6503:5; 6530:2,6,7,10</p> <p>breath (1) 6528:16</p> <p>breeze (1) 6550:2</p> <p>Brian (2) 6414:22;6529:25</p> <p>Bridgett (1) 6351:14</p> <p>B-R-I-D-G-E-T-T (1) 6351:15</p> <p>brief (1) 6391:15</p> <p>briefly (2) 6387:14;6495:11</p> <p>bring (13) 6356:16,23; 6372:20;6393:24; 6397:24;6434:5,17; 6480:15;6493:13; 6499:14;6502:21; 6546:14;6570:19</p> <p>bringing (1) 6390:13</p> <p>Brittany (2) 6496:22,23</p> <p>broke (1) 6518:11</p> <p>brother (1) 6500:3</p> <p>brought (7) 6501:17;6505:14, 17;6549:3,4; 6560:14;6561:2</p> <p>Browns (1) 6354:11</p> <p>Buena (1) 6373:19</p> <p>build (18) 6468:13;6470:19; 6508:1;6509:8; 6510:10;6513:22; 6514:15,21,24; 6533:9,23;6540:17; 6541:6,9,10,13; 6546:24;6548:5</p>	<p>builder (1) 6360:15</p> <p>building (6) 6355:22;6470:20; 6510:14;6546:23; 6549:11;6570:3</p> <p>buildings (2) 6508:21;6549:22</p> <p>builds (1) 6547:23</p> <p>built (13) 6376:4;6440:2; 6508:21;6513:19,20, 24;6514:1;6516:7; 6532:20;6533:1; 6547:14;6548:2; 6550:17</p> <p>bulk (9) 6394:22;6395:11, 11,13,14,15,17; 6478:2;6507:22</p> <p>Bullard (2) 6355:18,19</p> <p>bunch (1) 6557:3</p> <p>burden (1) 6488:19</p> <p>bureaucrat (1) 6506:14</p> <p>bureaucratic (1) 6506:18</p> <p>burned (1) 6560:11</p> <p>burning (2) 6489:19;6571:24</p> <p>business (81) 6354:24;6364:2; 6372:23;6376:7,10; 6379:15,22,22; 6412:3;6433:24; 6435:3,19;6438:8; 6439:7;6442:4,15; 6446:8;6447:6; 6448:10;6450:20; 6453:7,8,11,14,22, 24;6454:5,14; 6455:20,22;6456:1, 8,15,16,25;6461:1; 6464:7;6466:21; 6471:2;6472:8,22, 22;6473:1,25; 6477:3,6;6487:17, 19,21;6488:15; 6489:1,10,11; 6491:12;6492:12,13, 14;6497:17,24; 6501:15;6509:18; 6511:1;6514:2,6,10, 19;6518:12,24; 6521:10;6529:3,15; 6539:8;6542:11; 6553:7;6561:8; 6564:16;6565:15;</p>	<p>6566:19,24;6567:8, 11</p> <p>businesses (3) 6472:22;6497:2; 6518:21</p> <p>busy (1) 6493:10</p> <p>butterfat (3) 6368:11,13,14</p> <p>buy (14) 6383:22;6433:15, 15;6447:7;6477:11; 6512:11;6540:19; 6543:2;6555:24; 6556:2,3;6562:7; 6565:21,22</p> <p>buyer (4) 6555:3;6565:16, 19,21</p> <p>buyers (2) 6562:5,6</p> <p>buying (4) 6392:12;6446:24; 6512:15;6570:10</p> <p>byproduct (1) 6571:5</p> <p>byproducts (1) 6405:8</p> <p>Byway (2) 6355:9;6495:12</p>	<p>calf (1) 6539:14</p> <p>California (409) 6351:11,24; 6352:3,6;6353:2,23; 6354:5;6364:6,8,10, 12,23,24;6365:4,19, 22;6367:17,22; 6368:4,10,12,16,19, 23,25;6369:5,9,11, 13,16,18,19,24; 6370:3,11,13,18,20; 6371:2,7,11,13,21, 25;6372:10;6373:14, 16,17,18,19;6374:3, 8,14,18,22;6382:2; 6383:16,20;6384:15; 6385:11,14,17; 6386:16,23;6387:3, 5,22;6388:21; 6391:23;6392:2,14; 6393:14;6394:13,22; 6397:15;6401:17,23; 6402:23;6403:1,12; 6404:2;6406:1,6,20; 6407:10,14;6408:2, 25;6409:7,23,24,25; 6410:2,3,6,8,12,15, 17,18,21,23;6411:1, 2,6,9,14,15,17; 6412:5;6417:5,10, 12;6418:2,20; 6419:7,10,22; 6421:12;6422:6,21; 6423:21;6425:1; 6426:12;6427:12; 6428:1,15;6429:13; 6430:11,23;6431:6; 6432:1,20;6440:6, 13,16,20;6444:25; 6445:2,7,11,13; 6447:14,18;6450:1, 3,4,24;6451:15,21; 6453:12,19;6454:1, 4,15,20,24;6455:4,8, 9,13,23;6456:3; 6457:15;6459:16,21, 21;6460:1,2,5; 6464:17;6465:15; 6475:16;6476:17; 6477:7;6478:3; 6479:2,7;6480:20, 20;6482:4,20,25; 6483:2;6487:13,18, 20;6488:1;6491:18; 6495:8,13;6496:7, 24;6497:3,8,11,14, 16;6498:2,3,5,7,9,11, 18,23;6499:2,4,10, 13,19,22;6500:11; 6501:1,3,6,15,19; 6502:3,7,14,19; 6503:6,11,13,16;</p>	<p>6504:4,7,9,13,15,19, 23;6505:1,5,10; 6506:11,17,20; 6507:3;6508:2,3,11, 23;6509:12,16,24; 6510:1,17;6511:2,9, 18,18,21;6512:18, 23,24;6513:4,6,8,17; 6514:21;6515:1,6,8, 9,13,14,19;6516:16, 22,23;6517:5,15,19, 23,24;6518:10,13, 13;6519:6,7,13,18; 6520:21;6523:4,6,9, 14,15,21,23;6524:2, 4,14,16,22,24; 6525:3,4,7,9,15,19, 19;6526:3,4,7,12,13, 14,24,24;6527:1,3,7, 14,20,21,23;6528:1, 23;6529:1,3,9; 6531:23;6532:11; 6533:8;6534:3,9,14, 18;6537:22;6538:1, 22,22;6540:24; 6541:24,25;6542:2, 10,12,20,22;6543:1, 7,13;6544:3,8,15,16; 6545:1,17,19,25; 6546:10,15,16; 6549:8;6550:10,14, 16;6553:9,16,18,21; 6554:11,14,18; 6555:6,7,12,15,16, 25;6556:4,9,19,23, 23;6557:19;6558:1, 4,22;6559:8,9,10,12, 13,15,23;6562:8; 6563:10;6564:18; 6566:5,8;6567:3,17; 6568:3,8;6569:12, 20;6570:1,2,15,22; 6571:10,18,19</p> <p>Californian (1) 6559:7</p> <p>Californians (2) 6559:3,4</p> <p>California's (1) 6366:25</p> <p>call (12) 6388:20;6400:25; 6401:15;6421:1; 6494:4;6499:12; 6526:18;6527:16,22; 6530:7;6548:5; 6558:22</p> <p>called (11) 6356:13;6436:14; 6496:2;6500:22; 6507:8;6508:20,22; 6515:20;6527:1; 6542:6;6561:10</p> <p>calling (1)</p>
		<p>C</p>		
		<p>Cal (9) 6385:14,21,21,22; 6388:22;6481:4,5; 6485:4;6496:25</p> <p>calculable (2) 6367:23;6368:5</p> <p>calculate (5) 6368:18;6400:2,3, 14;6470:14</p> <p>calculated (4) 6368:24;6403:5; 6423:7;6474:21</p> <p>calculating (1) 6401:23</p> <p>calculation (7) 6368:21,22; 6384:9;6386:16; 6399:1,16;6401:21</p> <p>calculations (8) 6360:2;6398:5,7, 18,23;6399:2; 6405:16;6523:25</p> <p>calculator (8) 6397:18,20; 6398:1,12,15; 6399:4;6403:18,19</p> <p>Caldwell (1) 6496:17</p> <p>calendar (1) 6388:3</p>		

6522:18 calls (3) 6417:23;6421:3,4 came (14) 6401:8,19; 6481:13,16;6500:25; 6503:14;6505:1,12, 13;6529:18; 6551:19;6559:25; 6562:3,5 cameras (2) 6517:9;6535:16 campaign (3) 6409:15;6498:11; 6502:14 can (110) 6354:17;6358:4, 13;6359:19; 6363:17;6364:2; 6368:21,23;6369:7; 6370:3;6372:23; 6377:14;6378:4; 6388:8;6396:14; 6398:17,20;6399:5; 6401:5;6403:21; 6404:2,22;6405:20; 6407:18;6409:6; 6411:18,24;6412:1; 6413:6;6416:19; 6420:24;6421:2; 6423:17;6424:1,9; 6429:15,19;6433:9, 25;6434:18; 6435:23;6436:5; 6437:1,1,21,25; 6438:3,4;6441:19; 6443:18;6445:3,17; 6446:3,3,25;6448:7, 8;6451:12;6452:2; 6453:20;6456:10; 6459:3,13,18; 6461:16;6462:5,7; 6463:12;6465:18; 6466:7;6468:24; 6470:24;6471:7; 6472:3,5;6479:11; 6480:7;6481:21,23; 6483:24;6484:16,21; 6485:15;6488:18; 6490:2,16;6498:13; 6499:3;6500:23; 6502:17;6506:14; 6519:15;6520:17; 6521:15;6528:5; 6530:2;6539:14; 6540:4;6542:13; 6544:13;6548:4,20; 6550:18,21;6561:22; 6562:13;6568:16; 6571:8,17;6572:5 canvas (1) 6550:20 cap (47)	6364:23,24; 6365:3,14;6366:20, 25;6382:17,19,20; 6383:2,17;6427:25; 6428:24,25;6429:5, 11,18;6430:14; 6431:2;6432:18; 6433:16;6436:13; 6443:8;6444:1,6; 6445:16;6456:20,22, 24,24;6457:8,11; 6462:23,23;6463:18, 19;6464:3;6465:2, 12;6482:9,12,14,19, 21,22;6483:6,12 capacity (8) 6449:16,17; 6511:8;6514:22; 6519:21;6533:9; 6555:8;6571:1 capital (6) 6412:20;6413:10; 6497:24;6525:1; 6552:14,17 caps (2) 6444:14;6447:5 captured (1) 6378:15 captures (1) 6536:24 car (2) 6512:12;6570:13 carbonated (1) 6379:18 card (1) 6354:25 care (3) 6516:1;6533:16; 6554:21 career (2) 6545:18,24 carloads (1) 6511:3 carries (2) 6562:20,20 carry (2) 6489:24;6521:24 carrying (3) 6371:19,20; 6503:20 cars (1) 6511:10 case (14) 6360:8;6408:19; 6430:23;6433:17; 6434:25;6435:6,14; 6468:8;6477:13; 6490:20;6526:21; 6541:12,13;6554:7 cash (3) 6500:13;6507:12; 6554:17 cat (1)	6386:16 catch (2) 6478:24;6479:23 categories (1) 6410:9 category (3) 6374:1;6384:4; 6408:24 cattle (2) 6562:7,8 caught (2) 6551:23;6561:6 cause (2) 6367:9;6388:8 caused (3) 6388:13;6454:4; 6455:14 caveat (1) 6395:7 CDFA (15) 6370:3;6382:6; 6384:18;6385:12,15; 6389:5,9,24; 6394:21;6423:6; 6478:1,2;6480:2; 6485:16;6557:25 CDFA's (1) 6399:22 CDI (2) 6496:6;6498:10 cement (3) 6512:14;6516:21; 6547:22 cent (2) 6369:9;6387:5 Center (2) 6355:16,21 Central (8) 6351:6;6509:13, 22,24;6510:5,16,20; 6511:17 cents (26) 6369:13,15,15,17, 18;6387:3;6445:5,9; 6478:24,24,25; 6479:4;6481:22,23; 6485:4,6;6524:14, 16;6525:4,8,10,11, 12;6544:3;6563:17, 19 certain (13) 6383:10;6388:12; 6410:9;6425:19; 6431:4;6436:3; 6463:21;6465:5; 6487:5;6549:25; 6550:2;6565:10,11 certainly (6) 6388:16;6391:17; 6497:12,12;6517:7; 6529:10 certainty (1) 6483:9	certificate (3) 6464:21,21,24 certification (1) 6441:19 certified (1) 6441:18 Chairman (1) 6354:5 challenge (2) 6509:4;6516:7 challenges (1) 6546:24 chance (3) 6358:7,14; 6551:10 change (10) 6367:5;6388:20; 6442:1;6504:18; 6507:21;6520:4; 6527:12,18;6531:5; 6563:21 changed (10) 6462:22;6499:13; 6503:12;6516:5; 6520:2;6546:22; 6548:3,25;6549:23; 6561:13 changes (2) 6421:2;6530:17 characterize (1) 6406:16 chart (1) 6481:7 charts (1) 6502:10 chat (2) 6420:19,19 chatted (1) 6429:24 cheap (8) 6506:9,9,9; 6511:13;6514:16; 6533:10,15,22 cheaper (2) 6510:16;6511:16 check (2) 6483:17;6560:8 checklist (1) 6396:15 cheddar (4) 6564:8,9,11; 6571:3 Cheese (20) 6352:8,9,12,14,17, 19;6515:2,10,11; 6534:15,16,19,20; 6563:17,19;6564:8, 9,11,11,13 cherry (1) 6385:9 chickens (1) 6507:10 children (5)	6496:16,18; 6497:1,6;6529:19 Chino (9) 6354:5;6509:7; 6520:21;6540:21; 6541:4;6553:9; 6566:21;6567:15,22 Chip (9) 6351:21;6356:4; 6360:23,24;6371:17; 6485:13;6493:16; 6540:13;6557:13 chocolate (3) 6353:8;6469:5,6 choice (2) 6529:8;6561:9 choose (3) 6466:11,12; 6475:18 chose (5) 6435:3;6501:20; 6507:19,19;6571:3 chunk (1) 6489:9 Cincinnati (1) 6354:10 circumstances (1) 6564:19 cited (1) 6437:7 citizens (1) 6518:3 City (5) 6351:7;6373:18; 6459:25;6460:6,9 claiming (2) 6376:8;6460:23 clarification (1) 6502:24 clarify (1) 6488:21 clarity (3) 6499:14,15; 6502:22 Class (162) 6358:14;6359:16; 6364:10,13,16,17,17, 18,25;6365:1,5,6,10, 12,16,17;6366:1,17, 20;6367:1,8,22; 6368:4,10,12,17,19, 23;6369:11,13; 6370:2,4,5,6,8,10,11, 13,22;6371:4,21; 6374:1;6377:5; 6381:16,21;6384:11, 14,19;6385:11,16, 20;6387:18;6388:1, 10,14;6389:3,7,14; 6390:10,12,14; 6391:19;6392:6,9; 6393:11,15,22,22,23, 24,25;6394:17,17,
--	--	---	--	--

<p>18,18;6395:5; 6400:16;6401:12,13, 22;6402:22,25; 6403:9;6404:13,15, 16,17,18,22;6405:3, 15,21;6406:8,19; 6407:14,17,19,22, 24;6409:12; 6422:19;6424:21,21, 23;6425:1,7,7,9,12, 15,18,20,22,25; 6426:7,8,14; 6428:11;6429:7,9, 21;6430:8;6441:21; 6456:23;6463:24; 6465:16,17,20,22; 6467:2,3,4,5,6,11; 6468:11;6478:7; 6480:25,25;6481:5, 9,11,13,14;6486:1,2; 6503:7,11;6505:15, 17;6523:10,11,15, 16,19,20;6527:5,9, 18,20;6528:7,8</p> <p>classes (1) 6387:25</p> <p>Classification (1) 6478:2</p> <p>classified (2) 6394:4;6431:4</p> <p>Clazina (1) 6500:12</p> <p>clean (1) 6515:21</p> <p>cleaned (2) 6500:16;6561:16</p> <p>cleaning (1) 6561:15</p> <p>clear (20) 6367:15;6402:17; 6415:11,24;6416:15; 6418:22;6429:25; 6430:13,24;6431:1, 24;6438:12; 6476:14;6484:19; 6485:15;6499:21; 6501:25;6523:22; 6538:3;6542:1</p> <p>clearly (4) 6357:8;6398:10; 6439:20;6498:20</p> <p>Clerk (1) 6360:8</p> <p>client (1) 6391:16</p> <p>clients (3) 6425:6,19; 6429:14</p> <p>clients' (1) 6455:4</p> <p>CLIFTON (171) 6353:9,12,16,18; 6354:10,15,19,24;</p>	<p>6356:3;6357:11; 6358:24;6359:10; 6360:5;6361:4,9,13, 17,25;6362:5,8,11; 6367:25;6368:7; 6372:6,14,25; 6373:6;6377:25; 6378:14;6379:3; 6386:3,9,12;6390:1, 4,7,17,19;6391:3,8, 17;6392:22; 6397:11;6398:14; 6399:6,18,21; 6402:1;6403:20; 6404:11,20;6410:19; 6412:4,8,11,16,18, 20,23,25;6413:3,8, 10,12,15,18,22,24; 6414:1,3,6,9,11,15, 19,21;6415:1,5; 6416:1,8,10; 6418:13,18;6419:1; 6427:1,9;6469:3,7, 12;6470:2;6476:8, 14;6477:21;6478:17, 22;6479:4,13; 6485:9;6488:22; 6489:5,15;6490:11; 6493:7;6494:8,11, 14,19,24;6495:3; 6498:15;6499:20,23; 6502:17;6503:19,23; 6504:3;6508:12; 6520:11,15,24; 6521:1;6522:4,10; 6525:22;6526:2; 6530:4,11;6531:3, 17,24;6532:6,9,18; 6533:2,17,24; 6534:8,11,21,24; 6535:6,13,19,24; 6536:4,10,20,23; 6537:7,16;6540:9; 6541:17;6550:25; 6551:8,10,25; 6552:9,14,17,20,24; 6558:16;6562:13; 6563:9;6566:9; 6568:16,23;6569:2; 6571:24;6572:7,10</p> <p>climate (4) 6516:4;6546:14, 21;6549:7</p> <p>close (4) 6439:20;6460:5; 6549:8;6550:19</p> <p>closer (4) 6376:5,25; 6440:24;6477:8</p> <p>closest (1) 6375:25</p> <p>Clovis (1) 6360:10</p>	<p>clue (1) 6551:13</p> <p>CME (1) 6563:19</p> <p>coast (3) 6509:6;6540:19; 6541:1</p> <p>Coca (1) 6379:21</p> <p>Code (3) 6527:21;6548:3, 13</p> <p>codes (4) 6510:14;6546:23; 6547:17;6549:6</p> <p>coffee (1) 6545:23</p> <p>Cola (1) 6379:21</p> <p>cold (1) 6550:14</p> <p>colleagues (2) 6352:10;6565:5</p> <p>collectively (1) 6367:18</p> <p>college (1) 6379:16</p> <p>Column (18) 6368:9,11,13,21, 24;6369:8;6385:11, 13,21,24;6386:2,10, 10,15,19,23,24; 6387:4</p> <p>columns (1) 6360:1</p> <p>combination (2) 6468:23;6509:15</p> <p>combine (1) 6444:5</p> <p>combined (3) 6370:7;6406:19; 6444:1</p> <p>comfort (1) 6517:2</p> <p>comfortable (4) 6404:14;6472:10; 6475:10;6515:21</p> <p>comforting (1) 6527:13</p> <p>coming (16) 6392:9;6394:22; 6395:13,14,15,17; 6442:18;6462:16; 6478:12;6493:11,22; 6512:9;6541:20,23; 6545:10;6569:11</p> <p>comment (2) 6566:23,24</p> <p>commentary (1) 6392:4</p> <p>comments (1) 6524:18</p> <p>commingled (1)</p>	<p>6394:2</p> <p>Commission (1) 6556:16</p> <p>committed (1) 6556:2</p> <p>commodities (2) 6507:9,18</p> <p>commodity (9) 6388:13;6491:13, 15;6522:21;6524:1; 6555:12,14;6564:11; 6571:3</p> <p>common (2) 6497:22;6510:11</p> <p>community (3) 6360:15;6559:15, 22</p> <p>Comp (2) 6517:4,4</p> <p>companies (4) 6435:2,10;6438:8; 6484:15</p> <p>Company (19) 6352:8,12,15,17, 23,25;6373:11; 6379:16,17,18,21; 6408:6,17;6434:2; 6438:22;6455:19; 6458:7;6562:20,20</p> <p>compare (6) 6370:1;6407:18, 23;6517:13; 6539:21;6546:9</p> <p>compared (10) 6364:15;6368:22; 6369:13;6377:19; 6378:9;6406:14; 6428:18;6510:11; 6515:16;6546:16</p> <p>comparing (3) 6369:23;6478:25; 6512:22</p> <p>comparison (1) 6369:24</p> <p>comparisons (2) 6427:12,21</p> <p>compelling (1) 6571:24</p> <p>compete (5) 6374:1;6377:11; 6513:9;6524:20; 6542:23</p> <p>competing (6) 6370:15;6375:4; 6377:19;6378:9; 6424:13;6563:16</p> <p>competition (3) 6370:17;6499:18; 6518:20</p> <p>competitive (21) 6364:2,9;6365:7, 9;6366:1,19; 6367:14;6370:16,24;</p>	<p>6372:23;6374:9; 6375:5;6377:18; 6378:8;6424:14; 6498:18,23;6499:1; 6518:18;6562:7,10</p> <p>competitively (1) 6376:24</p> <p>competitor (1) 6377:8</p> <p>competitors (7) 6376:25;6407:19, 20;6435:25; 6438:13;6472:14; 6558:4</p> <p>complain (1) 6564:20</p> <p>complaints (1) 6441:20</p> <p>complete (6) 6356:16,22; 6398:4;6435:20; 6517:17;6564:10</p> <p>completed (1) 6537:2</p> <p>completely (3) 6517:20;6548:25; 6550:20</p> <p>complex (1) 6397:2</p> <p>complexity (1) 6396:25</p> <p>compliments (1) 6554:2</p> <p>complying (1) 6423:15</p> <p>component (6) 6436:12;6438:14; 6439:22;6440:1; 6443:9;6444:3</p> <p>components (8) 6423:11;6436:14, 20;6441:25; 6443:17;6473:10; 6475:21;6547:24</p> <p>comprehensive (2) 6551:13,14</p> <p>comprise (1) 6407:15</p> <p>compromise (1) 6526:21</p> <p>compromised (1) 6543:24</p> <p>computer (1) 6517:5</p> <p>computers (1) 6398:9</p> <p>concentrate (1) 6507:18</p> <p>concern (2) 6357:23;6398:16</p> <p>concerning (1) 6568:13</p> <p>concerns (1)</p>
---	---	---	---	---

6357:22 concise (1) 6523:22 conclude (2) 6381:20;6485:25 concluded (2) 6366:16;6461:3 conclusion (9) 6376:23;6417:14; 6430:18;6442:3; 6462:2,4,8,12,15 conclusions (1) 6488:4 condensed (3) 6395:11,14; 6440:15 conditions (11) 6364:16;6366:13; 6367:10;6430:1,14; 6431:13;6432:12,14; 6499:12,13;6520:2 confidence (1) 6498:2 confident (4) 6356:22;6462:9, 11;6505:16 confidential (7) 6459:2;6469:1; 6472:8;6474:9; 6475:2,9;6476:4 confirmation (1) 6481:18 confused (9) 6386:8,15; 6402:19;6418:4,13, 16;6427:19; 6432:23;6486:17 confusing (2) 6383:6;6418:5 confusion (1) 6418:2 Congress (1) 6556:14 connected (1) 6497:2 consequently (1) 6555:1 conservative (2) 6484:6,10 consider (5) 6408:5;6419:13; 6452:19;6505:6; 6520:11 considerable (1) 6473:20 considerably (2) 6406:11,12 considered (5) 6363:16;6432:20; 6472:20;6473:14; 6475:22 considering (4) 6377:13;6378:3;	6475:13;6538:16 considers (1) 6418:19 consistent (3) 6381:23;6436:18; 6564:22 consolidate (1) 6374:5 construct (4) 6510:12;6547:2,6, 8 constructed (1) 6547:9 constructing (2) 6547:13;6549:7 construction (8) 6516:12;6547:18; 6548:11,15;6549:3, 5;6550:23;6555:8 Consultant (1) 6352:16 consultants (1) 6517:12 consumer (2) 6373:15;6518:2 contained (3) 6457:11;6507:9; 6571:9 contemplated (1) 6375:24 content (1) 6510:23 context (1) 6470:12 continually (4) 6518:25;6519:4; 6523:24;6536:3 continue (14) 6368:8;6370:25; 6371:11;6429:15,19; 6482:4;6493:25; 6497:19;6502:25; 6513:9;6514:8; 6529:10;6542:24; 6567:2 continued (4) 6374:22;6375:1; 6547:17,17 continues (5) 6497:13;6506:12; 6525:20;6526:13; 6533:25 continuing (1) 6492:4 contract (6) 6477:12;6490:17, 21;6553:11,12,14 contractors (1) 6547:6 contracts (8) 6373:21;6467:23; 6490:18;6491:2; 6492:4;6493:2,4;	6505:19 contrary (1) 6556:17 contributing (2) 6392:6;6501:4 control (7) 6357:1;6409:18, 19;6506:14,18; 6521:15,15 Controller (1) 6352:11 convenience (2) 6487:10,11 conversation (1) 6451:15 conversations (1) 6485:24 converse (1) 6516:24 conversion (8) 6423:9;6436:11; 6443:7,21,22; 6444:16,17;6445:15 convert (6) 6396:18;6403:16, 17,19,21,22 cool (2) 6549:14,16 cooling (1) 6515:24 Cooperative (2) 6383:25;6391:23 Cooperatives (5) 6351:17;6557:9, 10,19,22 Co-ops (3) 6495:14;6498:10; 6515:5 coordinate (1) 6530:14 copies (3) 6361:21;6368:1; 6494:18 copy (2) 6361:20;6530:18 Corn (4) 6510:20;6511:5,9, 14 Cornell (1) 6524:18 corner (1) 6355:11 Corporation (2) 6555:12,15 corrals (3) 6508:20;6512:14; 6549:10 correction (1) 6367:10 corrections (1) 6398:20 corrections/adjustment (1) 6356:24	correctly (5) 6371:18;6372:4; 6395:10;6401:19; 6420:20 correlated (1) 6550:5 correlation (1) 6428:2 cost (123) 6364:19;6368:25; 6373:24;6374:3,11; 6375:6,11,18,20; 6376:4,13;6377:3,4, 22,23;6378:12,13; 6381:4,16;6387:8; 6396:17,17,21; 6397:3,6,8;6422:22, 23;6423:9,9,10,11, 19;6424:20; 6425:12;6433:13,18, 21;6436:11,11,12, 13;6437:6;6439:5,5; 6440:3,4;6443:7,7,8, 8,13,20,22,24; 6444:1,17;6445:2,4, 15,18,21;6460:14, 16;6461:23;6464:5; 6466:15,22,23,23, 24;6467:9,15,18,22, 25;6468:4,6,10; 6473:22,24;6474:5, 13,18,21;6475:20; 6477:9;6479:8,9; 6480:21;6482:1; 6484:14,21,23; 6485:3,4,6;6488:11, 12,19;6489:2,8; 6506:11,24;6511:12, 13;6513:13,24; 6517:19;6522:2; 6531:9,22;6542:3,6, 7;6543:3,4,16,17; 6549:3,4,7;6569:23 cost-effective (1) 6514:15 costing (1) 6473:10 costs (44) 6375:21,22; 6376:2,10,12,17,18, 20;6377:8,10,15; 6378:5,22,24; 6380:23,25;6395:24; 6396:1,13,15; 6423:8;6433:20; 6435:7;6437:11; 6443:10;6461:1,10, 12,13,15,24;6462:6; 6473:21;6474:2,17; 6475:23;6478:23; 6484:20;6491:13,24; 6510:19;6513:10; 6542:4,24	Council (5) 6354:2,6;6498:12; 6502:15;6553:19 count (1) 6443:16 counted (1) 6483:23 country (29) 6396:7,8;6408:1,1, 7;6409:1,2,22,25; 6448:16;6454:6; 6456:8;6487:9; 6497:19;6503:14; 6506:21;6508:6; 6511:17,21;6512:5; 6517:22;6519:7,23; 6524:21;6529:19,20; 6555:17;6559:5,8 country's (2) 6525:18;6526:10 counterside (1) 6516:11 couple (12) 6387:11,11; 6396:4;6478:18; 6485:14;6495:17; 6501:24;6503:20; 6530:14;6538:25; 6545:14;6569:15 courage (1) 6500:14 course (1) 6543:19 court (4) 6354:25;6362:20; 6414:24;6422:25 cover (4) 6473:9;6474:17; 6561:4;6562:17 covered (3) 6484:18;6495:16, 21 covering (2) 6355:19;6447:18 cow (24) 6496:14;6509:18; 6510:10,21;6512:14; 6513:24;6514:1; 6517:1,4,7;6521:9, 18,19;6522:5,7,25; 6532:25;6540:2; 6549:8;6554:9,9; 6560:7;6567:18,20 cows (56) 6363:23;6497:13; 6498:3;6499:7,8; 6500:19,23;6506:17, 23;6507:13,19,23; 6508:15,16,16,18, 19;6509:11;6510:7; 6511:4;6512:20,20; 6513:17;6514:9; 6515:19,23,24;
---	--	---	---	--

6516:1;6517:11,12; 6521:12,12;6522:8; 6529:6,8,11; 6535:18;6538:21; 6539:4;6541:11,11; 6543:4;6546:18,19; 6548:23;6549:10,12, 13,18,21;6550:4; 6553:9;6556:9; 6560:5;6561:18; 6562:4 CPA-prepared (1) 6523:2 cream (7) 6373:13,19; 6380:9;6395:11,14; 6478:3;6507:11 create (8) 6365:25;6397:7; 6430:18;6432:9; 6435:9;6437:14; 6447:10;6556:4 created (5) 6384:4;6430:22; 6432:11;6440:2; 6561:5 creates (2) 6364:15;6373:24 creating (3) 6430:13;6431:9; 6468:7 creative (1) 6363:23 credibly (2) 6376:7;6460:23 credit (3) 6522:19;6555:12, 15 creditors (1) 6562:22 credits (1) 6357:4 criteria (12) 6375:7,18,24; 6420:25;6422:2; 6435:4,7;6436:5,9, 16;6441:10;6472:18 crierias (1) 6483:16 critical (2) 6473:25;6564:23 crop (1) 6510:20 crops (3) 6499:18;6506:12; 6517:3 cross (3) 6355:19,20; 6480:15 CROSS-EXAMINATION (13) 6392:24;6397:13; 6470:6;6476:10; 6477:22;6479:15;	6485:9;6540:11; 6541:18;6545:12; 6558:18;6566:16; 6569:6 cross-referencing (1) 6399:15 crowd (1) 6355:8 Crystal (1) 6450:11 CSO (9) 6499:4;6519:9,12; 6523:10,19;6526:14; 6527:4,18;6528:7 cube (1) 6490:6 cubes (1) 6490:8 cultural (1) 6501:2 culture (2) 6514:23;6533:22 cumulative (1) 6514:13 cured (1) 6561:5 current (16) 6365:21;6367:3; 6368:25;6371:1,12; 6383:21;6388:7; 6436:12;6465:7; 6517:20;6520:8; 6553:23;6561:3,4; 6562:16,17 currently (4) 6363:12;6427:19; 6480:20;6496:21 curtain (1) 6550:20 custom (1) 6517:2 customer (47) 6380:16;6381:6; 6387:9;6406:13; 6434:16,19,22; 6435:5,8,10,14; 6436:19,24;6437:11, 12;6441:20;6451:13, 14,18;6453:24; 6455:24;6456:4; 6462:19;6466:12; 6468:1,12;6470:13, 25;6471:9;6475:18; 6487:11,11,19,22,22, 23,24,24;6488:1; 6489:11;6490:18,19, 23;6491:7,8; 6492:17;6563:20 customers (20) 6364:20;6370:21; 6373:21;6441:14,23; 6446:17;6454:18; 6456:6;6462:14;	6471:4;6472:1,6; 6474:8,10;6475:1,4, 8,15;6476:5;6563:18 cut (2) 6521:10,11 cute (1) 6527:2 D dad (3) 6500:8,23; 6512:12 DAHLSTROM (2) 6352:13,13 D-A-H-L-S-T-R-O-M (1) 6352:14 daily (1) 6457:4 Dairies (39) 6351:11;6374:7, 13,16;6441:18; 6450:24;6496:7; 6508:7,10,14; 6509:3,5,6,9,22; 6510:1;6513:13,18; 6514:1,9,10; 6516:11,22;6524:20; 6528:5;6532:25; 6540:15,17,18; 6541:1,4,6;6542:10, 13,25;6545:23; 6548:12;6550:10,11 Dairy (195) 6351:4,7,11,24; 6352:3,5,8,8,14; 6353:3,7,7,10,20,24; 6354:4,14,21,22; 6356:9,25;6357:15; 6363:1,19;6366:9, 24;6367:2;6373:15; 6374:19,21,23,25; 6380:21;6384:1; 6387:23;6397:16; 6408:19,19;6409:11, 15;6410:10;6412:5; 6417:11,20;6419:5; 6428:23;6441:13,17; 6450:11,18,19; 6452:23;6461:24; 6476:16,17;6477:10; 6488:11;6493:20,21, 24;6494:3;6495:8, 14;6496:8,14,17,19, 21,24,24;6497:10, 24;6498:7,11,18,19, 23;6499:6,10,22; 6500:3,7,15,19,21; 6501:3,6,15; 6502:14;6506:23,25; 6507:8,21,25; 6508:4,8,17;6509:1, 6,16;6510:5,21;	6511:19;6513:16,22; 6514:4,23;6515:15, 19;6516:10,16,17; 6517:4,4,7,14,16,18; 6518:5,12;6519:1,5, 6,18;6521:2,3,3,10; 6522:6,15,16,21; 6523:6;6524:1,6,7,8, 17,22;6525:21; 6527:16;6528:11,12, 14,18,22;6529:3; 6533:22;6537:24; 6538:17,18,20,23; 6540:16,25;6541:7, 9,10,10;6544:2; 6545:18;6546:25; 6547:2,13;6548:11; 6549:7;6553:3,7,10, 11,12,13,16; 6554:17;6555:14; 6556:16;6557:1; 6558:1,22;6560:1, 16,23;6561:10,12, 25;6563:22;6565:13, 13,20,20;6566:1; 6567:18;6568:3; 6569:12;6570:20 D-A-I-R-Y (1) 6412:7 dairying (13) 6498:21;6499:13; 6509:19;6513:4,8; 6525:17;6526:10; 6529:1,22;6532:11; 6542:20,22;6545:24 dairyman (10) 6505:15;6512:18; 6518:10;6520:12,20; 6521:13;6522:11,15, 21;6556:11 Dairymen (48) 6498:12;6502:12, 13;6505:10,12; 6506:13,20;6509:8, 24;6510:17; 6511:18;6512:5,16; 6513:19,20;6514:5, 19;6516:23,24; 6517:8,25;6518:8; 6519:7;6520:10; 6521:5,7;6522:3; 6523:6;6525:4,18; 6526:10,13,15,19; 6528:23;6532:20; 6535:10,15;6539:5; 6540:17;6541:6; 6543:17,19,23; 6545:17;6547:6; 6548:12;6557:23 Dakota (1) 6517:15 Dallas (1) 6409:3	Danny (1) 6518:15 data (33) 6357:19,20; 6359:7,8;6369:8; 6370:11;6388:18; 6389:5,23,24; 6394:20,21;6395:1, 3,4,5,8,12;6405:24; 6406:3,5;6460:14, 17;6477:25;6478:8, 9,14;6484:14; 6485:20,21;6486:4; 6493:13;6567:21 date (2) 6369:21;6436:3 daughter (1) 6496:19 Davis (2) 6351:22;6352:2 day (21) 6351:8;6353:4; 6358:5,9,16; 6397:23;6434:11; 6445:9;6458:11; 6508:17,22;6510:9; 6515:25;6518:10; 6527:15;6548:23; 6552:2;6553:5; 6555:11;6556:12; 6560:9 days (8) 6496:2;6547:4,5; 6561:19,20;6563:1, 2;6565:14 day-to-day (1) 6464:18 DC (1) 6351:23 D-e (2) 6352:7,11 dead (1) 6518:13 deal (5) 6399:9;6457:7; 6550:14;6565:17,18 dealer (2) 6512:15;6522:16 dealership (1) 6512:11 dealing (1) 6433:2 Dean (65) 6352:23,25; 6366:24;6370:15; 6373:11,14,16,25; 6374:3,6,13; 6376:18;6379:23; 6380:6;6391:22; 6395:24;6396:11; 6402:23;6403:1; 6405:21;6406:20; 6407:5,18,24;
--	--	--	--	---

6408:12,16;6410:22; 6411:21;6412:5; 6417:4,8;6424:13; 6425:7;6434:1; 6440:19;6441:18; 6445:19;6446:16; 6448:13;6450:23; 6452:12,19;6453:4, 18,21;6454:4,4; 6456:15;6457:14; 6458:10;6461:8; 6462:10;6463:10; 6464:18;6466:25; 6467:2;6468:12; 6471:11;6474:7; 6475:14;6480:18; 6482:3;6486:21; 6487:24;6490:6 Dean's (3) 6396:10;6480:19; 6487:22 debt (2) 6561:2,2 decade (2) 6504:20;6505:3 December (2) 6369:15;6384:20 decide (3) 6371:11;6498:5; 6567:4 decided (3) 6513:21;6519:2; 6527:16 deciding (1) 6567:11 decimal (3) 6398:16;6401:20; 6503:20 decision (12) 6366:7,11,16; 6454:18;6455:22; 6456:5,7,8;6462:15; 6527:6;6545:3; 6562:24 decisions (3) 6381:19;6392:4; 6561:9 decline (1) 6504:21 declining (1) 6370:22 decrease (1) 6502:8 dedicated (10) 6375:12;6436:18, 19,19;6437:9; 6439:3,4,4;6511:10; 6538:18 deeper (1) 6520:5 Deere (1) 6496:21 defensive (1)	6432:23 defer (2) 6465:10;6490:4 defined (1) 6363:1 defining (3) 6406:12,17; 6407:20 definitely (3) 6417:13;6467:25; 6483:11 definition (17) 6363:22;6420:14, 22;6421:16,18,23; 6422:2,4,10; 6426:15;6430:3,6; 6431:23;6432:6; 6456:20;6483:15; 6542:11 definitions (1) 6371:7 degree (2) 6496:24;6513:24 degrees (2) 6549:13,15 DeJONG (2) 6352:7,7 deleted (1) 6372:4 deliver (10) 6375:12;6377:5; 6426:17;6437:2,3,5; 6444:24;6445:4; 6471:16;6489:3 delivered (6) 6376:1;6380:5; 6393:17;6426:7; 6477:14;6530:5 deliveries (11) 6375:21;6377:12; 6380:24;6381:1,7; 6436:25;6439:3; 6445:1,9;6479:10; 6485:5 delivering (6) 6435:8;6437:4,12; 6445:10;6461:14; 6489:24 delivery (13) 6374:22;6375:2,4, 9;6379:18,21; 6380:3;6436:17; 6439:4;6445:6,8,12; 6446:7 demand (6) 6508:3;6509:4; 6546:1,2;6554:24; 6565:18 demonstrate (1) 6423:10 demonstrated (1) 6363:20 demonstrates (2)	6502:1,2 Dena (6) 6374:19;6409:14, 16;6479:6;6553:10, 11 Department (11) 6360:8;6381:20; 6480:16;6484:16; 6515:6;6518:2,16; 6527:7;6528:1; 6569:13;6571:4 depend (2) 6359:20;6392:20 dependent (1) 6507:14 depending (8) 6392:18;6439:13; 6471:8,23;6472:6; 6491:6;6522:1; 6550:21 depends (5) 6422:1,1;6439:16; 6452:17;6490:19 Depression (2) 6525:18;6526:11 depth (1) 6559:20 derive (1) 6446:3 DeRooy (2) 6352:11,11 describe (1) 6523:8 described (3) 6472:18;6539:6; 6558:5 describing (1) 6539:24 description (2) 6516:5;6520:8 design (1) 6517:19 designated (1) 6363:6 designed (4) 6381:2;6435:1,9; 6439:20 despite (2) 6376:4;6529:21 destiny (1) 6500:8 detail (6) 6351:4,7;6356:1; 6389:2;6489:19; 6543:22 details (4) 6401:5;6464:24; 6543:22;6558:13 determination (2) 6427:24;6441:11 determine (6) 6375:18;6390:22; 6433:18;6474:23;	6497:13;6527:5 determined (6) 6375:11;6474:22; 6491:7,22;6500:2; 6511:7 determines (1) 6544:25 determining (8) 6363:7;6390:20; 6391:9;6472:19; 6474:20;6497:14; 6537:8;6544:24 develop (2) 6528:17;6529:2 developed (4) 6387:20;6507:1; 6517:5;6553:24 developing (1) 6506:21 DFA (5) 6462:17,19; 6496:7;6498:10; 6553:15 di (1) 6484:23 diameter (2) 6539:16;6547:22 diary (1) 6514:19 dictates (1) 6565:18 diesel (4) 6375:22,22; 6439:5,5 diet (1) 6510:22 diets (1) 6517:12 difference (35) 6363:13;6364:12; 6367:21;6368:3,16; 6381:21,24,25; 6382:2;6385:18,19; 6417:25;6420:21; 6425:21,22;6431:15, 18;6465:21;6468:9; 6478:23;6480:24,24; 6481:4;6485:3; 6490:2;6503:9,18; 6504:6;6513:3; 6523:10,15,21; 6549:2;6550:11; 6554:6 differences (4) 6363:11;6381:16; 6420:24;6462:5 different (48) 6364:14;6371:18; 6387:24,25;6388:8; 6393:25;6397:1; 6412:8;6414:1; 6419:22;6423:11; 6428:16,17,18,20;	6431:7,18,20,21; 6432:3,12,13,14,15; 6433:1,5;6439:12; 6441:6;6442:17; 6445:15;6449:16; 6455:18;6462:15; 6471:25;6474:2,2; 6482:8;6500:1; 6515:6,7;6516:17; 6531:4;6537:23; 6543:19;6546:23; 6566:20;6568:4; 6569:23 differential (1) 6426:11 differentiate (1) 6432:24 differentiation (1) 6432:24 differently (6) 6372:21;6388:1; 6417:19;6435:6; 6473:24;6476:1 difficult (2) 6398:23;6560:6 dig (1) 6520:5 digestible (1) 6511:4 dignity (2) 6506:3,4 diligently (1) 6358:21 dilute (1) 6481:24 dilutes (1) 6465:25 diluting (4) 6365:5;6465:16; 6466:3;6481:24 dilution (1) 6486:8 dime (1) 6561:12 direct (13) 6360:3;6362:12; 6380:3;6392:1; 6408:6,18;6420:7; 6426:13;6428:2; 6446:7;6495:6; 6529:5;6554:14 direction (2) 6500:1;6547:17 directions (1) 6568:4 directly (7) 6419:19;6420:8, 10;6421:9,9,11; 6497:1 Director (1) 6352:5 disadvantage (4) 6366:1;6376:16;
--	---	---	---	---

6475:15;6524:21 disagree (1) 6548:8 disappointed (1) 6354:11 disaster (8) 6398:4,13,25; 6520:21,25;6521:5, 16;6524:25 disbursed (2) 6440:13,16 disconnect (1) 6433:3 discount (33) 6447:7;6515:14; 6523:9,14,21,23; 6524:2,4,14,16,21, 24;6525:3,7,9,15,19; 6526:3,5,7,13,24; 6527:14;6537:22; 6538:1,9;6544:3; 6555:7;6556:24; 6562:9;6570:6,23; 6571:19 discounted (2) 6538:8;6570:2 discounts (2) 6446:25;6557:11 discover (1) 6516:24 discovered (5) 6360:13;6507:3; 6511:18;6513:23; 6527:4 discuss (7) 6354:17;6387:12, 14;6517:8,11; 6535:10,15 discussed (5) 6375:2;6385:1; 6465:8;6527:14; 6543:18 discussing (1) 6380:23 discussion (9) 6356:5;6357:9,21; 6465:1;6488:3; 6489:23;6490:15; 6540:15;6548:21 discussions (2) 6493:24;6497:21 disinclined (1) 6398:6 disingenuous (1) 6563:15 disorder (5) 6366:7;6430:18, 22;6431:9;6432:11 disorderly (11) 6365:25;6367:10; 6430:1,3,6,7;6431:1, 9,13,13;6432:6 disparity (1)	6523:23 displaced (1) 6454:4 disposition (8) 6363:3,4;6365:2; 6366:4,18,21; 6367:9;6382:23 dispositions (7) 6365:12;6367:2; 6371:4;6422:19,19; 6428:8;6456:23 disruption (4) 6364:15;6366:6; 6432:10;6468:2 Disruptive (8) 6364:16;6429:7, 24,25;6430:8; 6431:12;6432:6; 6468:4 distance (8) 6375:13,15; 6439:6,7,9,17; 6488:6;6489:7 distances (1) 6510:23 distant (5) 6376:3,6,23; 6377:21;6378:11 distinction (1) 6506:15 distinguished (1) 6380:20 distribute (3) 6360:22;6381:9; 6409:7 distributed (2) 6361:19;6494:7 distributes (1) 6411:21 distributing (6) 6360:24;6363:2; 6367:14;6369:11; 6482:15,19 distribution (13) 6376:2,10,17; 6377:3,7,8,23; 6378:13;6380:23,25; 6411:24;6460:25; 6461:15 distributor (2) 6408:7,18 distributors (2) 6364:7;6372:10 District (1) 6360:11 diverse (1) 6360:14 diversifying (1) 6529:4 diversion (1) 6555:23 divert (1) 6369:22	divided (6) 6386:24;6400:19, 21;6401:1;6481:15; 6557:16 dividing (2) 6369:4;6401:18 division (1) 6379:20 dock (5) 6375:9;6380:4,5; 6433:22;6436:15 docket (2) 6360:7,9 document (6) 6360:25;6368:1; 6415:7,9;6423:6; 6551:14 documents (2) 6360:25;6361:19 dog (3) 6386:4,11,17 dollar (1) 6521:17 dollars (25) 6365:5;6392:6; 6425:7,16,20; 6426:14,14;6429:9; 6453:18;6464:7; 6465:16;6466:7,10; 6491:24;6521:9,18, 19;6522:5,6,19,24, 25;6544:4,9;6560:7 done (15) 6357:18,24; 6358:1,4,6;6398:18; 6423:20;6448:5; 6485:16;6507:15; 6513:10;6542:24; 6547:15;6559:12; 6563:8 doom (1) 6568:8 Doornenbahl (2) 6494:5,5 Doornenbal (74) 6494:17,21,23; 6495:1,1,8;6496:13; 6498:16;6499:22,24; 6501:23;6502:20; 6503:22;6504:4; 6508:13;6519:12; 6520:13,23;6521:17, 22;6526:1,4; 6530:12,19,24; 6531:2,11,12,13,15, 17,20;6532:2,3,8,10, 16,23,24;6533:12, 18,21;6534:5,9,14, 23;6535:5,11,15,23; 6536:1,8,19;6537:1, 2,4,8,12,19;6540:10; 6541:17;6548:19; 6551:1,9,11,16;	6554:2;6566:13,15, 15,17;6568:18; 6569:1;6571:7 D-O-O-R-N-E-N-B-A-L (1) 6495:2 doors (3) 6550:18,18,19 double (5) 6353:8;6404:25; 6469:6;6483:23; 6505:7 doubled (2) 6509:1,1 doubt (4) 6358:22,22; 6374:8;6506:16 down (38) 6372:8,9;6378:22; 6398:2;6413:3; 6416:1;6423:1; 6440:17;6444:25; 6445:1;6459:19; 6480:14;6497:16; 6501:17;6502:5; 6503:5;6515:22; 6516:6;6518:3; 6521:7,7,16;6522:3; 6532:19;6534:8,24; 6535:21;6538:25; 6544:1;6548:3; 6549:4,20;6550:2; 6556:24;6558:10; 6561:2;6563:2; 6572:8 downplay (1) 6367:12 Dr (4) 6357:14;6359:2; 6398:11;6518:15 dramatically (1) 6503:12 drastically (4) 6516:5;6546:22; 6548:3;6549:23 draw (8) 6372:15;6383:2; 6462:2,3,8,12; 6498:17;6522:18 drawing (4) 6427:21;6442:3; 6472:24;6520:6 dream (4) 6500:4,6;6530:23, 24 dreams (1) 6529:18 drink (1) 6379:19 drinks (1) 6405:8 Drive (2) 6355:17;6442:1 driven (5)	6518:24;6519:4; 6536:2,5,12 driver (4) 6445:6,8,23,24 drivers (1) 6446:1 driving (1) 6506:8 drop (2) 6567:19;6569:23 dropped (1) 6357:11 dropping (1) 6567:17 drought (1) 6499:17 dry (2) 6510:23;6515:21 Dryer (1) 6498:19 DSD (26) 6374:20,22,23; 6375:1,5,9,10,10,12, 14,18,21,24; 6379:18,21;6380:2, 3;6381:7;6436:16; 6443:8,9,10;6444:3, 20;6445:16;6446:1 due (7) 6374:2;6376:2; 6436:2;6460:7; 6503:7;6510:22; 6545:19 during (17) 6363:5;6442:21; 6448:11;6458:7; 6499:12;6500:9,10; 6505:3;6507:24; 6510:25;6511:11; 6512:9;6514:4; 6521:8,23;6523:4; 6526:23 Dutch (2) 6500:25;6509:17 duties (1) 6553:20
E				
			ear (2) 6539:15,17 earlier (8) 6381:19;6470:18; 6476:13;6477:25; 6510:25;6545:17; 6556:15;6557:12 early (6) 6499:7;6505:9,11; 6509:11;6553:17; 6557:4 easiest (1) 6386:21 East (3)	

6460:7;6553:10; 6562:8 easy (3) 6385:8;6510:13; 6513:5 eat (2) 6515:22;6561:18 Economic (5) 6352:8;6499:11; 6510:24;6516:1; 6554:6 economical (2) 6510:10,21 economics (4) 6511:6;6518:17; 6549:20;6559:20 economies (2) 6513:10;6542:25 Economist (2) 6351:3;6502:12 editor (1) 6498:19 educated (1) 6462:1 effect (4) 6467:9;6486:8; 6514:13;6545:3 effective (2) 6388:3;6451:3 effectively (2) 6364:11;6367:6 effects (4) 6371:8;6497:4,4; 6505:10 efficiency (1) 6517:22 efficient (10) 6376:8;6397:5; 6430:5;6460:24; 6510:8;6513:12; 6532:15;6543:3; 6549:10;6558:6 efficiently (1) 6509:11 effort (5) 6367:5;6497:23; 6519:9;6551:22; 6568:20 eight (1) 6521:25 eighth (1) 6539:15 either (25) 6377:9;6395:9; 6397:11;6417:7; 6422:4,16,20; 6423:18;6433:6; 6438:14;6454:9; 6472:14;6476:8,9; 6483:15;6489:16; 6509:19,20;6510:17; 6514:9;6520:14; 6527:13;6561:8;	6562:19;6565:17 elaborate (2) 6542:13;6559:2 elected (1) 6555:18 electricity (2) 6396:16;6397:6 eliminate (2) 6435:9;6511:7 eliminated (2) 6435:4;6438:21 eliminates (1) 6367:4 eliminating (2) 6428:1;6510:18 else (17) 6355:2,13; 6388:25;6407:21; 6428:18;6438:1; 6478:19;6484:5; 6498:6;6511:17; 6522:10;6540:9; 6563:23;6566:11; 6567:5,13;6571:16 eluding (1) 6546:22 Elvin (2) 6354:13;6557:12 E-L-V-I-N (1) 6354:13 em (1) 6562:6 e-mail (1) 6435:23 embarked (1) 6513:21 emphasize (1) 6498:25 emphasizes (1) 6377:11 employee (3) 6443:13;6508:16; 6517:1 employees (7) 6374:5;6433:24; 6443:11;6529:11; 6538:18,18,21 employers (1) 6509:19 employing (1) 6508:19 enable (2) 6376:9;6460:25 end (10) 6358:15;6362:17; 6434:11;6512:8; 6532:5;6550:1; 6553:23;6556:12; 6564:6,7 endeavor (1) 6498:3 ended (2) 6486:2;6511:23	ending (2) 6504:21;6570:10 ends (5) 6485:17;6550:16, 17;6556:12;6566:5 enemy (2) 6557:14,15 ENGLISH (51) 6351:20,21; 6356:1,3,4,4; 6357:13;6359:1,12; 6360:21,23,23,24; 6362:11,13;6371:14, 17;6372:7;6373:6,7; 6378:14,15,17; 6379:5,6;6386:5,8, 13,14;6390:10,15, 18;6391:15,18; 6392:8,11,15,17; 6398:2,16,22; 6485:12,13;6489:13; 6493:16,16;6540:10, 12,13;6560:3;6566:9 E-N-G-L-I-S-H (1) 6351:22 enhance (1) 6492:2 enjoy (10) 6353:7;6364:9,23; 6366:18;6367:13; 6368:16;6371:12; 6385:19;6429:15,17 enjoyed (3) 6369:9;6442:15; 6545:17 enormous (1) 6554:17 enough (16) 6360:19;6397:7; 6419:21;6442:22; 6446:14;6452:24; 6462:7,12;6493:22; 6494:18;6529:14; 6543:4,4;6548:18; 6550:1,1 ensure (1) 6367:11 ensuring (1) 6430:3 entered (1) 6389:5 entering (2) 6433:7;6442:16 entire (11) 6384:10;6387:21; 6396:8;6409:2; 6426:10;6431:4; 6440:20;6447:17; 6448:9,16;6524:22 entirely (3) 6430:12;6527:12; 6566:19 entities (6)	6363:25;6370:16; 6371:6;6424:14,20; 6562:22 entity (3) 6363:21;6476:15; 6506:13 entries (1) 6465:3 environment (2) 6370:16;6424:14 environmental (1) 6510:14 epiphany (1) 6527:15 equal (12) 6367:11;6368:16; 6370:17;6418:18; 6424:6,7,12,15,19, 24;6425:16;6431:12 equalled (1) 6370:7 equals (1) 6369:12 equate (2) 6480:24;6485:2 equates (1) 6451:5 equation (1) 6456:6 equipment (3) 6496:22;6522:16; 6543:3 equity (1) 6560:12 equivalent (1) 6395:2 Erba (1) 6557:12 Eric (1) 6557:12 Erin (3) 6479:17;6541:21; 6569:8 erodes (1) 6365:7 Escalon (6) 6496:14;6497:2; 6500:21;6528:22; 6529:22;6566:22 escape (2) 6421:2;6550:4 especially (2) 6493:17;6504:11 essence (2) 6381:23;6569:14 essentially (1) 6401:23 established (1) 6492:1 estate (2) 6540:19,20 estimate (2) 6448:25;6551:5	etcetera (1) 6396:16 etched (1) 6522:20 evaluate (1) 6373:20 evaporate (1) 6515:24 evaporated (1) 6517:23 even (45) 6356:14;6357:18, 25;6358:5;6370:23; 6383:3,25;6387:7; 6405:13;6406:5; 6446:19;6486:17; 6493:18;6497:1; 6500:7;6503:13; 6505:2;6507:7; 6508:22;6509:8; 6510:3,5;6515:7; 6516:6;6519:22; 6520:4;6525:3; 6528:6,17;6529:5,6, 23;6531:3;6540:17, 23;6541:6;6547:15; 6549:6,14,24; 6551:23;6555:9; 6556:5;6560:10; 6570:23 evening (1) 6572:13 Event (4) 6355:16,20,21; 6497:12 events (1) 6509:15 eventually (2) 6500:7;6557:4 evergreen (1) 6561:10 everybody (11) 6357:25;6358:2; 6381:4;6398:3; 6424:23;6428:18; 6435:24;6560:16; 6564:1,13;6567:25 everybody's (2) 6561:6;6564:14 everyday (4) 6561:18;6566:20, 21,22 everyone (3) 6518:1,23;6553:2 evidence (18) 6360:21;6362:3; 6390:24,25;6391:2, 4,5,7,11,12,14; 6516:12;6537:6,9, 11,15;6552:7; 6567:19 evidenced (1) 6366:8
---	--	---	--	--

<p>evolution (1) 6515:4</p> <p>evolved (1) 6557:6</p> <p>evolving (1) 6515:18</p> <p>exact (8) 6408:22;6419:17; 6420:24;6440:8; 6448:2;6449:2; 6492:1,14,19</p> <p>exactly (19) 6354:12;6364:6; 6367:24;6368:6; 6370:3;6393:10; 6394:14;6406:13; 6421:10;6424:10; 6442:19;6455:21; 6456:4;6522:17; 6531:16;6534:12; 6538:10;6546:5,6</p> <p>examination (9) 6359:21,22; 6362:12;6392:20,21; 6485:11;6495:6; 6537:13;6551:2</p> <p>examine (1) 6524:2</p> <p>example (26) 6373:23;6377:11; 6380:16;6382:22; 6385:4;6388:1; 6433:11;6436:24; 6437:6;6438:19; 6442:7;6451:13; 6461:14;6478:23; 6481:7;6485:2; 6502:18;6508:17; 6524:6;6541:8; 6544:16;6547:5,18; 6548:4;6549:19,24</p> <p>examples (1) 6437:14</p> <p>exceed (2) 6363:5;6365:13</p> <p>exceeded (2) 6482:18;6560:20</p> <p>Excel (1) 6398:9</p> <p>excellent (3) 6529:11;6538:17; 6539:3</p> <p>except (3) 6412:2;6459:10; 6550:16</p> <p>exception (1) 6449:9</p> <p>excess (2) 6366:18;6527:19</p> <p>excited (1) 6529:12</p> <p>excitement (2) 6539:4;6568:7</p>	<p>Excuse (6) 6398:2;6493:19; 6500:5;6519:12; 6542:11;6543:15</p> <p>Executive (1) 6352:5</p> <p>exempt (77) 6356:12;6364:7, 13;6365:19;6367:13, 20;6369:1,2,3; 6370:1,4,7,9,19; 6381:24;6382:7,11; 6383:16;6389:12,19; 6392:2;6399:23; 6400:7,16,23; 6401:8,9,15; 6418:23;6419:11,12, 23;6420:2,5;6422:3, 14;6425:6;6426:4; 6427:17;6428:1,8, 13;6429:3,7,23; 6430:8,13;6431:25; 6432:9,20;6433:4; 6455:7;6461:18; 6462:11;6463:24,24; 6464:6,8,11,19; 6465:5,19,23; 6466:1,3,22;6467:3, 4,6,20;6468:11; 6481:1,3,8,11,15,19, 23</p> <p>exempted (1) 6382:23</p> <p>exemption (14) 6364:23,25; 6365:16;6366:25; 6367:13;6382:21; 6384:12;6418:15,20; 6432:18,20;6433:2; 6463:21,22</p> <p>exemptions (7) 6365:25;6427:17; 6430:15,20;6432:13, 14,17</p> <p>exercise (1) 6398:4</p> <p>Exhibit (63) 6361:5,7,10,11,13, 14,15;6362:19,20; 6367:24;6368:6; 6373:9;6384:8,18, 19,25;6385:3; 6389:6;6390:16,17, 23,25;6391:1,3,5,6,8, 11,12,13;6394:21, 21;6395:19;6399:12, 16,19,20;6400:3; 6405:13;6424:11; 6478:1;6480:2,4,5; 6481:20;6485:16; 6494:15;6495:4; 6501:21,24;6502:1, 2,17,22;6523:20;</p>	<p>6524:3;6530:15; 6537:6,10,10,14,24, 25</p> <p>Exhibits (4) 6361:1,9,20; 6502:10</p> <p>exist (8) 6363:12;6366:13; 6371:12;6456:21; 6513:17;6529:20,23; 6547:4</p> <p>existed (1) 6499:12</p> <p>existence (1) 6503:15</p> <p>existing (4) 6383:12;6418:20; 6439:21;6548:12</p> <p>exists (3) 6418:2;6456:14; 6526:25</p> <p>exit (1) 6529:3</p> <p>expand (7) 6365:4;6465:15; 6501:9;6512:20; 6513:5;6542:1,17</p> <p>expanded (2) 6510:4;6511:8</p> <p>expanding (2) 6510:13;6516:13</p> <p>expansion (3) 6355:18;6499:9; 6510:5</p> <p>expect (2) 6355:3;6357:9</p> <p>expectation (2) 6358:4;6471:15</p> <p>expected (2) 6437:3;6441:22</p> <p>expense (2) 6473:7;6547:12</p> <p>expenses (3) 6561:4;6562:17, 17</p> <p>expensive (6) 6421:21;6508:1; 6510:18;6513:12; 6532:15;6540:22</p> <p>Experience (16) 6363:18;6373:15; 6379:13;6406:6; 6441:25;6442:23; 6445:19;6446:6,6,9; 6454:18;6455:25; 6508:2;6553:24; 6566:21,22</p> <p>experienced (4) 6501:14,16; 6525:17;6526:9</p> <p>expert (1) 6490:8</p> <p>expertise (4)</p>	<p>6461:22;6472:21; 6506:22;6507:1</p> <p>explain (8) 6360:3;6504:25; 6506:5;6539:8; 6542:15;6543:12; 6544:14;6571:8</p> <p>explained (6) 6376:7;6460:23; 6539:6;6540:9; 6549:1;6556:8</p> <p>explanation (6) 6375:2;6377:17; 6378:7;6380:12; 6428:13;6522:4</p> <p>exploded (1) 6503:8</p> <p>explore (1) 6540:14</p> <p>exploring (1) 6558:12</p> <p>explosion (4) 6509:5;6514:20; 6533:8;6545:19</p> <p>expressed (2) 6357:23;6539:25</p> <p>expressly (1) 6366:23</p> <p>Extension (1) 6518:16</p> <p>extensive (1) 6463:15</p> <p>extent (2) 6557:12;6567:16</p> <p>extra (1) 6484:4</p> <p>extremely (5) 6510:21;6530:5; 6551:14;6563:7,7</p> <p>eyes (1) 6437:16</p>	<p>6380:23;6392:5; 6441:6;6455:25; 6487:21;6489:8; 6490:4;6497:15; 6505:2;6506:9; 6510:22;6514:4,24; 6517:21;6520:4; 6524:22;6531:7,19, 20;6555:6;6564:21</p> <p>facto (1) 6391:25</p> <p>factor (20) 6445:25;6456:1,2; 6462:14;6471:4; 6473:14;6474:3,14, 22;6475:21; 6488:15;6497:14; 6501:4;6506:8,10; 6513:23;6531:7,20; 6543:18,23</p> <p>factored (2) 6400:10;6473:21</p> <p>factoring (1) 6399:24</p> <p>factors (9) 6438:14;6454:15; 6461:3,20;6470:17; 6473:5;6488:10; 6499:25;6549:5</p> <p>fading (1) 6357:18</p> <p>fair (24) 6356:5;6392:8; 6413:2;6419:21,24; 6420:14;6421:6; 6427:16;6432:25; 6433:3;6440:9,12; 6442:22;6460:13; 6461:5,19;6462:2; 6466:17;6470:21; 6472:13;6473:15; 6474:23;6544:20; 6565:24</p> <p>fairly (1) 6440:9</p> <p>fall (3) 6456:17;6483:5,6</p> <p>Falls (3) 6355:16,20; 6506:14</p> <p>familiar (6) 6406:23;6408:14, 22;6422:21; 6450:16;6544:18</p> <p>familiarity (3) 6376:18;6378:21; 6395:23</p> <p>families (8) 6500:25;6501:2,7; 6509:21;6510:1; 6514:18;6524:7; 6528:18</p> <p>family (11)</p>
F				
			<p>fabulous (1) 6554:2</p> <p>face (2) 6358:18;6546:24</p> <p>facilitate (1) 6556:1</p> <p>facilitating (2) 6555:2;6556:19</p> <p>facilities (14) 6506:22;6508:1; 6510:10,13;6513:20; 6514:15;6516:7,13; 6528:25;6529:9; 6532:21;6549:17,20, 21</p> <p>facility (2) 6360:14;6517:19</p> <p>fact (23) 6358:13;6374:5;</p>	

6496:20,22,24; 6497:13;6499:6; 6500:3,24;6507:13, 14;6528:21;6561:8	father (5) 6496:1;6500:1,15; 6512:9;6530:21	6510:19;6511:5	6571:2	fits (1) 6473:5
family's (1) 6496:21	father's (5) 6500:3,4,6; 6530:23,24	feeds (1) 6510:21	Finally (2) 6368:24;6557:23	five (27) 6362:17;6372:8; 6379:22;6388:20; 6437:3,4;6443:16, 16;6444:5,9; 6445:15;6457:19,21; 6458:1,2,4,15,15; 6473:6,8;6524:15, 16;6525:6;6528:15; 6544:3;6561:14; 6566:11
fan (1) 6354:11	Faust (2) 6519:19;6520:1	feel (11) 6462:7,9;6472:7; 6505:10,12,13; 6511:24;6519:16,20; 6540:23;6559:6	finance (1) 6546:5	financed (1) 6509:3
fans (1) 6515:23	Faustian (1) 6519:17	feeling (2) 6483:10;6562:14	financial (2) 6453:1;6541:3	financially (2) 6514:4,8
fantastic (1) 6567:8	favor (4) 6557:10,21,21; 6558:10	feels (1) 6460:21	financial's (1) 6523:3	financing (1) 6513:22
far (11) 6391:18;6418:13; 6472:3,5;6488:10, 18;6506:24; 6519:22;6548:9; 6565:4;6566:6	favorable (1) 6370:20	fell (1) 6570:18	find (17) 6420:24;6430:7; 6431:1;6515:22; 6518:24;6519:4; 6529:24;6536:2,5,5, 12;6542:16; 6545:16;6546:3; 6562:8;6563:14; 6564:15	five-year (4) 6525:5,11; 6528:15,24
farm (23) 6363:2;6371:5; 6402:13;6483:14; 6496:14,17,18,19,21, 22,23;6500:3,7,19; 6507:9,11;6511:20, 24;6512:19,24; 6514:17;6517:2; 6549:7	feared (2) 6505:25;6568:13	fertile (1) 6540:2	finding (2) 6535:11;6558:3	fix (2) 6526:19;6561:1
farmer (8) 6354:4;6357:15; 6494:3;6495:8; 6500:2,15;6565:13, 20	February (2) 6369:20;6387:13	fertility (1) 6539:25	F-I-N-D (1) 6536:12	fixed (4) 6426:11;6443:3; 6461:10;6472:17
farmer-owned (1) 6352:9	fed (5) 6507:12,23; 6508:20;6511:1; 6555:17	few (14) 6379:12;6476:25; 6480:14;6484:6; 6496:1;6500:16; 6511:2;6514:5; 6515:18;6529:3; 6541:23;6548:9; 6554:4;6567:10	fine (5) 6385:7;6428:25; 6431:19;6534:11; 6552:24	flaw (3) 6527:1,3,3
Farmers (18) 6351:11;6354:14; 6356:9,25;6366:9; 6493:20,21,24; 6496:8;6498:18,23; 6511:15;6553:3,13; 6558:2;6560:16; 6563:23;6567:18	Federal (82) 6351:4,7;6363:12, 15;6364:8,22; 6365:11,13,21; 6366:2,11;6367:3,6; 6371:8,13;6381:20; 6382:1,15;6383:6, 12,19;6384:6; 6417:10;6420:5; 6427:12,15,18,19; 6428:3,14,17,20; 6429:5,10,16; 6431:14,21;6432:18; 6433:4;6456:12,13, 17,19,22;6457:9,11; 6463:20;6464:1; 6468:5;6482:5; 6497:7,11;6498:1,4, 8,9;6499:2,3; 6503:13;6523:10,16; 6526:17;6527:19; 6528:7,19,22; 6544:6,7,14,25; 6545:5;6559:12; 6563:11,20;6567:2, 3;6570:19;6571:8, 13,14,15,20	field (16) 6367:11;6370:17; 6373:25;6381:5; 6424:3,6,7,7,12,15, 19,24,25;6425:16; 6426:1;6560:18	finished (4) 6402:13;6403:24, 25;6493:23	fluid (22) 6363:4;6364:1; 6372:22;6373:12,17; 6380:9;6386:23; 6405:9;6407:24; 6408:7,18;6409:8,9; 6430:4,4;6480:21; 6487:8;6489:24; 6506:1;6508:4; 6509:3;6554:21
farmer-owned (1) 6352:9	Figarden (1) 6355:17	fewer (1) 6507:18	finish (4) 6356:18;6360:12; 6438:12;6473:13	fly (1) 6420:18
Farmers (18) 6351:11;6354:14; 6356:9,25;6366:9; 6493:20,21,24; 6496:8;6498:18,23; 6511:15;6553:3,13; 6558:2;6560:16; 6563:23;6567:18	figure (6) 6389:9;6430:21; 6441:7;6466:20; 6522:9;6568:1	field (16) 6367:11;6370:17; 6373:25;6381:5; 6424:3,6,7,7,12,15, 19,24,25;6425:16; 6426:1;6560:18	firm (4) 6351:14,22; 6353:22;6354:8	FMMO (1) 6523:20
farming (1) 6565:13	figures (1) 6504:1	Figarden (1) 6355:17	first (43) 6355:1;6357:10, 14,16;6360:25; 6361:4,22;6362:15; 6371:17;6372:1,17; 6373:1;6376:10; 6379:12,13;6385:21; 6392:22;6393:1; 6399:6;6411:5; 6424:12;6430:2; 6479:21;6484:13; 6486:20;6493:21; 6500:20,22;6502:6; 6505:9;6508:2,8; 6516:13;6526:24; 6529:8;6541:22; 6552:12;6554:1,9; 6555:20;6568:19; 6569:8,16	FMMO's (1) 6363:19
farmland (1) 6509:11	figuring (1) 6564:5	figure (6) 6389:9;6430:21; 6441:7;6466:20; 6522:9;6568:1	fit (5) 6466:8;6482:2; 6486:5,9;6510:21	FOB (3) 6515:2;6543:12, 20
Farms (26) 6353:7;6363:19; 6374:23;6409:14,16; 6410:1,10;6411:4; 6412:14,15;6413:24; 6450:11;6476:17,23; 6477:1;6507:7,8,9, 13,17,21,25;6508:4, 8;6521:3,3	figured (6) 6389:8;6511:16; 6556:8;6557:23; 6558:5;6563:4	figures (1) 6504:1	focus (3) 6375:10;6464:17; 6506:1	focused (1) 6450:1
farther (1) 6381:9	figuring (1) 6564:5	figures (1) 6504:1	focus (3) 6375:10;6464:17; 6506:1	folks (1) 6427:4
fascinating (1) 6553:5	file (1) 6505:12	figuring (1) 6564:5	follow (4) 6379:12;6477:24; 6489:15;6490:15	followed (4) 6361:1,2;6517:10; 6535:18
faster (1) 6518:19	filed (1) 6425:13	file (1) 6505:12	followed (4) 6361:1,2;6517:10; 6535:18	following (5) 6355:15;6375:18; 6504:7;6512:23; 6531:16
fat (2) 6386:22;6496:2	fill (1) 6554:4	filed (1) 6425:13	food (9)	
	filling (1) 6436:6	fill (1) 6554:4		
	final (8) 6435:20;6444:9; 6497:12;6527:6; 6544:12;6545:2,4;	final (8) 6435:20;6444:9; 6497:12;6527:6; 6544:12;6545:2,4;		
	Feeding (2)			

6408:5,17; 6451:14;6480:19; 6498:20;6515:6; 6527:7,21;6528:1	fork (1) 6558:7	Francisco (1) 6351:14	6428:10,22;6429:21; 6468:10;6480:21; 6482:15,19,22; 6506:5	6479:10,12;6481:25; 6490:1,7
Foods (63) 6352:20,23,25; 6353:7,20;6354:21, 22;6366:24;6373:11, 14,16;6374:6; 6376:18;6379:23; 6380:6;6391:22; 6396:11;6402:23; 6403:1;6405:21; 6406:20;6407:5,18, 24;6408:12,16; 6410:22;6411:21; 6417:4,8;6425:7; 6434:1;6440:19; 6441:18;6445:19; 6446:16;6448:13; 6450:23;6452:12,19; 6453:4,18,21; 6454:4,4;6456:15; 6457:14;6458:10; 6461:8;6462:10; 6463:10;6464:18; 6466:25;6467:2; 6468:12;6471:11; 6474:7;6475:14; 6476:16;6480:18; 6486:21;6487:24; 6490:6	form (1) 6425:11	frankly (3) 6357:18;6358:17; 6570:24	fun (1) 6355:8	game (2) 6354:18;6519:6
Foods' (4) 6373:25;6374:3, 13;6395:24	formal (1) 6423:17	free (4) 6506:12;6547:19, 23;6548:2	fundamental (1) 6547:9	gap (5) 6446:15;6550:2,4, 5;6560:9
foot (2) 6570:13,14	formula (7) 6401:4;6423:12; 6491:21;6527:18; 6544:24;6545:3; 6553:23	free-stall (2) 6515:20;6516:20	fundamentals (1) 6559:20	gaps (1) 6554:4
footings (2) 6547:19,20	formulaic (1) 6436:9	Freeway (1) 6460:6	funding (1) 6528:5	Garelick (3) 6410:1;6412:14, 15
forage (4) 6499:17;6506:10; 6510:20;6531:8	formulas (5) 6527:5;6543:13; 6553:23,25;6571:4	freeze (1) 6555:22	further (16) 6366:7;6375:3; 6376:1;6390:15; 6392:21;6446:11; 6485:15;6489:5,6,7, 7;6493:7;6522:4; 6534:25;6537:13; 6570:23	G-A-R-E-L-I-C-K (1) 6412:15
forced (7) 6497:17,20; 6514:5;6566:19,24; 6567:7,11	formulate (2) 6419:2;6517:12	frequency (4) 6436:17,20; 6439:2,4	future (5) 6498:4;6506:16; 6529:21;6538:16; 6568:7	Gary (1) 6351:16
forecast (1) 6358:1	formulation (1) 6423:7	Fresh (3) 6409:22,25; 6565:20	G	G-A-R-Y (1) 6351:16
Foremost (1) 6409:20	fortification (3) 6356:20;6359:23; 6404:3	freshen (1) 6512:15	gain (1) 6369:25	gas (2) 6570:13,15
forever (1) 6522:20	Fortunately (1) 6529:3	Fresno (2) 6355:17;6476:24	gains (1) 6421:2	gauge (1) 6461:9
forge (1) 6531:21	forward (10) 6355:2,4;6356:7; 6357:7;6358:21; 6361:22;6362:22; 6417:12;6507:2; 6557:17	Friday (4) 6355:8;6357:24; 6470:1;6558:14	Gallo (3) 6379:16,17,20	gave (12) 6401:17;6415:12, 14;6420:23;6438:3; 6448:21;6454:9; 6478:22;6505:18; 6506:3,4;6565:7
forget (3) 6388:3;6516:4; 6528:15	Found (14) 6362:25;6363:18; 6366:2;6368:21,24; 6369:7;6424:11; 6469:7;6480:5,7,11; 6498:13;6527:4; 6564:16	friend (4) 6543:15;6545:23; 6554:7;6562:2	gallon (51) 6364:3;6365:7; 6368:24;6369:1,1,6, 10,13,15,15,18,19; 6372:24;6373:2; 6375:11,19;6376:13, 21,21;6377:16,16; 6378:6,6;6386:21; 6387:1,2,3,6,9; 6396:1,2,18;6397:4; 6403:24;6404:2; 6415:14;6444:18; 6445:4,5,9;6447:9; 6461:12;6465:24; 6466:4;6478:24,24; 6479:1,4;6481:22; 6485:5,6	gears (1) 6462:22
forgive (1) 6437:19	four (32) 6371:1;6372:8; 6375:21;6377:12; 6379:20;6380:24,25; 6381:7,10;6382:10; 6383:22;6384:11,20, 22;6402:8,14; 6406:19;6422:3,8,9; 6445:1,2,8;6450:8; 6479:7,10;6482:24; 6491:5;6497:6; 6522:24;6528:11; 6554:16	frugality (1) 6518:9	generally (4) 6432:23;6464:16; 6478:11;6514:11	general (3) 6418:25;6421:12; 6548:14
forgot (1) 6397:16	fourth (3) 6372:9;6534:8; 6536:15	frustrates (1) 6528:4	generate (3) 6433:23;6472:1; 6475:20	generation (2) 6514:19;6516:25
forgotten (2) 6392:12;6512:13	four-year (1) 6504:22	frustrating (1) 6557:16	generations (1) 6497:4	genetic (2) 6516:3;6549:17
	fractions (3) 6364:3;6372:24; 6373:2	fuel (5) 6375:22,22; 6439:5,5;6511:12	gentlemen (2) 6391:18;6392:17	Genomic (5) 6529:13;6539:4,6, 17;6540:1
		full (10) 6364:18;6365:7; 6369:25;6395:19; 6398:19;6446:7; 6465:24;6531:25; 6532:10;6547:11	genuinely (1) 6425:9	Geoff (2) 6558:20;6566:18
		fully (25) 6357:9;6364:10, 14,20;6365:2,10,11, 15,23;6366:1,24; 6367:14,21;6368:4; 6369:10;6425:8;	gallons (36) 6369:4;6374:6,18; 6375:19;6386:25; 6396:20;6403:4,6, 11,13,23,25;6404:4, 7;6415:18,25; 6416:3,5,16;6445:3; 6450:23;6451:6,8, 24;6454:14,21; 6458:17,18,19; 6465:25;6477:14;	GEOFFREY (3) 6354:3;6520:20; 6552:11
			G-E-O-F-F-R-E-Y (2) 6354:3;6552:12	geographic (2) 6406:10;6488:8
			geographically (1) 6396:5	

<p>George (2) 6506:2;6543:15</p> <p>German (2) 6500:9;6519:18</p> <p>gets (10) 6385:12;6394:2, 10,11;6525:3; 6549:13,15;6550:6, 6;6572:5</p> <p>gift (3) 6365:3;6465:13; 6466:6</p> <p>girl (1) 6551:18</p> <p>given (15) 6354:24;6358:13; 6367:23;6368:6; 6371:4;6380:23; 6425:23;6428:5,8; 6429:8,11;6431:6; 6497:15;6526:22; 6544:22</p> <p>gives (6) 6404:5,7;6467:23; 6471:6;6545:3; 6566:11</p> <p>giving (4) 6365:4;6465:13; 6466:6;6562:9</p> <p>glad (1) 6552:2</p> <p>glaring (1) 6524:4</p> <p>gloom (1) 6568:8</p> <p>goals (2) 6471:19;6529:18</p> <p>goes (12) 6398:17;6433:6; 6449:8;6473:23; 6498:14,16;6539:17; 6546:7;6549:22; 6563:19,24;6566:22</p> <p>golden (1) 6499:12</p> <p>Gonsalves (4) 6505:11,21,24; 6506:3</p> <p>Good (59) 6351:5,9,18,20; 6352:1,4,7,13,20,22; 6353:19,21;6354:7, 19;6355:7;6356:4; 6358:6;6386:12; 6397:15;6399:21; 6402:19;6415:1,2; 6433:11;6452:15,18; 6469:4,5,7;6479:17; 6484:1;6490:17; 6494:19;6519:8; 6521:21;6524:6; 6529:11,14,14; 6531:24;6532:6;</p>	<p>6533:24;6534:24; 6536:12;6539:2,3; 6540:13,13,24; 6541:20;6545:23,24; 6547:4;6554:11; 6558:9,20;6560:24; 6561:11,13</p> <p>goods (10) 6373:15;6466:24; 6467:10,15,18,22; 6473:22;6474:5,13, 21</p> <p>Google (1) 6476:25</p> <p>government (9) 6506:14,18; 6511:15;6554:25; 6555:2,5,10; 6565:12,23</p> <p>government's (1) 6570:10</p> <p>Governor (2) 6518:1;6527:12</p> <p>grabbing (1) 6415:8</p> <p>gracefully (1) 6529:2</p> <p>grad (1) 6463:2</p> <p>grade (1) 6500:7</p> <p>grain (4) 6511:1,12; 6514:16;6562:20</p> <p>grand (1) 6497:8</p> <p>grant (1) 6505:18</p> <p>granted (5) 6463:21,22; 6464:11;6505:21,23</p> <p>great (8) 6360:16,17; 6401:6;6525:18; 6526:10;6530:6; 6565:5;6567:25</p> <p>greater (5) 6366:22;6370:23; 6466:16;6504:24; 6506:7</p> <p>greatest (1) 6387:18</p> <p>grew (8) 6496:20;6501:2; 6508:4;6513:8; 6514:10;6540:24; 6542:22;6561:11</p> <p>grocery (2) 6373:16;6563:24</p> <p>gross (1) 6513:16</p> <p>ground (3) 6420:15;6501:13;</p>	<p>6560:23</p> <p>Group (6) 6379:18;6444:23; 6501:2;6514:18; 6529:11;6538:17</p> <p>groups (3) 6360:15;6498:11; 6501:4</p> <p>grow (7) 6506:17;6514:8, 22;6529:15;6533:10, 19,21</p> <p>growing (3) 6431:3;6506:12; 6510:25</p> <p>grown (2) 6507:11;6510:17</p> <p>growth (6) 6475:7,8;6499:9; 6501:5;6515:1; 6554:13</p> <p>guess (21) 6359:19;6385:5; 6399:2,3,15;6415:7, 24;6421:19;6424:2, 6;6430:12,12; 6461:1;6462:1; 6470:11;6475:25; 6481:3,17;6545:20; 6558:22;6564:24</p> <p>guessing (1) 6484:6</p> <p>guru (1) 6543:16</p> <p>guy (1) 6561:17</p> <p>guys (8) 6397:18;6559:11; 6561:4,7;6563:7; 6564:14,14;6568:5</p>	<p>12,13,16,17;6415:6, 8,10;6416:12,13,24; 6417:2;6418:17,22; 6419:3;6427:10; 6470:5,7,8;6487:12; 6490:12,14</p> <p>hand (7) 6361:21;6362:1; 6507:16;6520:11; 6522:11;6552:5; 6570:10</p> <p>handicap (1) 6548:7</p> <p>handle (3) 6445:3;6479:11; 6506:22</p> <p>handler (12) 6364:5,20; 6422:21;6425:8,19; 6428:11,11;6429:21; 6468:7,11;6476:18; 6483:1</p> <p>Handlers (19) 6353:2,23; 6364:10,15,17,18; 6365:23;6366:1,9, 15;6367:7;6384:19, 20,22;6391:19; 6397:16;6425:15; 6463:19;6468:6</p> <p>hand-milk (1) 6508:17</p> <p>Hans (1) 6496:20</p> <p>Hanson (1) 6351:14</p> <p>H-A-N-S-O-N (1) 6351:14</p> <p>happen (7) 6357:3,5,8; 6358:15;6420:4; 6505:9;6518:14</p> <p>happened (13) 6398:10,25; 6430:24;6479:21; 6502:6;6504:12; 6506:19;6517:16; 6524:2;6554:10; 6560:13,18,24</p> <p>happening (3) 6527:22;6554:10; 6560:22</p> <p>happens (5) 6371:8;6387:15; 6423:14;6564:1; 6566:11</p> <p>happy (8) 6353:12;6354:15; 6403:6;6515:12; 6526:20;6556:22; 6558:12;6566:6</p> <p>hard (7) 6353:5;6365:14;</p>	<p>6462:23;6482:9,11, 21;6565:6</p> <p>harvesting (2) 6516:18;6517:3</p> <p>hauler (3) 6444:24;6445:21, 22</p> <p>hauling (2) 6478:23;6511:10</p> <p>Hawaii (1) 6449:9</p> <p>hay (2) 6562:2,20</p> <p>Hayward (7) 6373:17;6460:1,4; 6476:23;6477:1,4,7</p> <p>head (6) 6401:19;6424:10; 6457:18;6465:6; 6530:17;6549:4</p> <p>heading (1) 6385:15</p> <p>headquartered (1) 6409:3</p> <p>hear (8) 6357:22;6398:21; 6486:18,19;6499:16; 6513:15;6517:4; 6520:17</p> <p>heard (13) 6394:11,12; 6413:4;6486:20,22; 6489:22,23,23; 6490:1;6497:22; 6499:16;6513:14; 6564:25</p> <p>hearing (32) 6351:21;6360:8, 20;6366:2,11; 6371:8;6382:15; 6427:23;6428:6; 6430:25;6457:2; 6462:24,24;6463:5, 10,13,16,20;6464:1; 6524:19;6526:18,23; 6527:16,17;6533:13; 6553:22;6556:15; 6557:13;6558:24; 6566:4,4;6571:15</p> <p>hearings (13) 6371:10;6428:4, 20;6429:5;6430:15, 17;6432:10;6433:1; 6543:18;6553:18,21; 6557:7,14</p> <p>hearing's (1) 6360:17</p> <p>heavier (2) 6547:18,25</p> <p>heavily (4) 6473:17;6515:10; 6534:15,19</p> <p>heavy (1)</p>
H				
<p>half (16) 6368:10,12,14; 6376:21;6377:16; 6378:6;6386:22; 6388:21;6396:1; 6449:4,6;6500:20; 6512:11;6518:11; 6521:4,6</p> <p>halfway (1) 6544:1</p> <p>HANCOCK (59) 6353:1,1;6397:12, 14,15,20,22,25; 6398:25;6399:10,11, 18,20,22;6400:1; 6402:3,5;6404:8,10, 21;6410:20,24; 6412:12,15,17,19,21, 24;6413:2,5,13,14, 20,24,25;6414:2,4,8,</p>				

6558:21 heifers (2) 6512:15;6562:5 held (2) 6365:20;6418:11 help (7) 6373:3;6405:4; 6465:18;6517:5,10; 6527:16;6535:18 helped (1) 6551:19 helpful (4) 6360:5;6467:25; 6572:7,8 helping (1) 6489:13 Henry (1) 6351:2 H-E-N-R-Y (1) 6351:2 herd (9) 6500:23;6522:7; 6529:11;6539:3,3; 6540:5;6554:9,9; 6555:24 herds (6) 6508:2;6509:10; 6510:3;6514:14; 6517:6;6567:23 here's (1) 6430:16 Herman (1) 6500:12 herring (1) 6369:24 Heuvel (21) 6354:3,3;6520:20, 20;6522:13;6552:8, 11,16,19,21;6553:1; 6558:17;6562:13; 6563:9;6566:12; 6568:12,25;6569:8; 6572:1,4,9 H-E-U-V-E-L (2) 6354:4;6552:13 hey (1) 6563:8 Hi (1) 6545:14 hide (1) 6562:15 high (8) 6389:15;6512:3,4; 6514:25,25;6550:1; 6556:7;6566:6 higher (16) 6376:2,10;6377:3, 8,22;6378:12; 6383:3;6387:18; 6426:19;6443:13; 6460:25;6484:8; 6499:18;6547:18; 6555:3,9	highest (2) 6392:7;6441:19 highlight (1) 6442:2 highlighting (1) 6488:17 highly (5) 6364:1;6372:22; 6389:6;6429:7; 6430:8 high-quality (1) 6441:16 HILL (7) 6414:20,21,22,22; 6415:1;6529:25,25 Hilmar (5) 6352:8,12,14,17, 18 historic (1) 6497:12 historically (2) 6542:1;6557:20 history (5) 6501:18;6508:5; 6545:18;6554:3,11 hit (3) 6396:15;6453:3; 6538:5 hogs (2) 6507:10,12 hold (10) 6362:16;6397:17; 6419:14;6426:23; 6427:2,5;6455:7; 6467:4;6547:24; 6565:14 holder (2) 6464:19;6495:19 holders (6) 6422:4,14; 6426:16,19;6427:3; 6467:3 holding (2) 6426:22;6547:7 holdings (1) 6364:13 hole (2) 6521:14;6522:6 Holland (4) 6500:1,8,9; 6530:21 Hollon (5) 6354:13,13,16,17; 6462:19 H-O-L-L-O-N (1) 6354:13 Holstein (2) 6539:22;6540:2 home (3) 6500:22;6556:10, 11 homogenization (1) 6517:18	honestly (8) 6405:24;6418:3; 6419:17;6432:2; 6457:6;6463:12; 6465:6;6477:7 Honor (34) 6351:20;6356:4; 6357:23;6360:16,23, 24;6362:14; 6378:15;6379:2,5; 6390:15;6391:15; 6414:20;6415:8; 6485:13;6489:13; 6493:19;6494:2,6,9, 17;6495:5;6502:24; 6503:25;6529:25; 6533:13;6537:5,12; 6551:17;6552:22; 6553:1,2;6568:11; 6572:9 honored (1) 6568:21 hoops (1) 6547:3 hope (6) 6357:17,18; 6358:3;6494:18; 6558:21;6568:7 hopefully (1) 6499:14 Horton (1) 6562:2 hospital (1) 6555:21 host (1) 6517:14 hot (1) 6515:25 hour (2) 6414:23;6530:1 hours (3) 6446:3;6510:9; 6551:6 house (2) 6500:16;6510:7 housed (4) 6507:23;6508:20; 6515:19;6548:23 housing (8) 6509:5;6515:17, 25;6516:20; 6540:15;6546:15,18; 6549:1 huge (7) 6501:3;6512:4; 6515:19,23;6524:21; 6569:22,22 humility (1) 6501:17 hundred (13) 6393:16;6425:18; 6450:17;6522:1,1,1, 19,24;6526:19;	6539:18;6549:15; 6551:6;6560:7 hundreds (2) 6500:25;6509:21 hundredweight (19) 6368:18;6369:3,4; 6385:13,16,18,22; 6386:25;6387:8; 6393:13;6403:23; 6416:19;6481:3; 6525:4,8;6537:23; 6538:4,8;6554:16 hundredweights (3) 6524:9,13; 6525:13 hungry (1) 6501:8 husband (1) 6496:20 hypothetically (1) 6474:12	immigrant (2) 6500:25;6514:18 immigrants (3) 6500:13;6509:17, 21 impact (21) 6359:12;6369:25; 6376:15;6377:13; 6378:3;6380:25; 6387:25;6391:19; 6392:1;6449:25; 6454:13;6524:4,14, 15;6525:7,9,11; 6530:6;6537:23; 6538:12;6544:3 impacted (2) 6511:20;6525:3 impacts (7) 6359:13,13,14; 6367:12;6373:25; 6392:7;6511:22 imperative (1) 6364:3 Imperial (1) 6509:13 implement (1) 6429:5 implementation (1) 6509:2 implemented (3) 6417:9;6420:6; 6428:14 implementing (1) 6427:24 implication (1) 6391:20 imply (1) 6487:4 import (1) 6509:12 important (7) 6373:1;6379:7; 6438:25;6444:13; 6475:13;6498:22; 6553:8 importantly (1) 6499:10 improve (3) 6518:25;6519:4; 6536:3 improvement (1) 6497:18 inappropriate (2) 6571:20,20 Inc (1) 6498:20 incentive (2) 6554:22;6570:25 incentives (3) 6475:7,8;6476:2 incentivize (6) 6514:23;6515:1; 6533:23;6555:8;
I				
ice (3) 6373:12,19; 6380:9 Idaho (5) 6431:25;6496:17, 19;6509:23;6517:15 idea (4) 6398:18;6437:9; 6438:17;6469:4 identical (1) 6541:9 identification (4) 6361:8,12,16; 6494:16 identified (2) 6355:3;6381:3 identifies (1) 6423:13 identify (5) 6379:8,9;6392:19; 6439:9;6521:1 identifying (1) 6446:14 ignores (1) 6517:20 II (10) 6500:10;6503:8; 6504:7;6507:6,17; 6508:10,12,14,25; 6545:20 III (5) 6358:14;6523:11, 16,20;6527:20 imagine (2) 6360:15;6395:16 immaterial (1) 6444:19 immediately (1) 6561:20				

6556:1;6570:2 inch (1) 6539:15 include (12) 6375:20;6377:6; 6400:7,7,8,23; 6407:10;6422:10; 6467:16;6484:2; 6534:2;6542:7 included (8) 6370:10;6372:12; 6393:18;6399:22; 6401:15;6404:18; 6436:20;6456:17 includes (5) 6397:6;6401:7; 6405:7,7,8 including (2) 6373:13;6509:25 income (6) 6471:15;6513:16; 6521:13;6524:5; 6561:3;6562:17 Incorporated (1) 6496:7 incorrect (1) 6400:20 increase (21) 6365:1;6466:2; 6491:10;6493:3; 6502:7,8;6505:2,7; 6506:6;6512:22; 6513:1,2;6525:8,10, 14;6526:3,4,7; 6554:15,18;6556:1 increased (11) 6363:16;6370:18, 22;6504:13,15,23; 6505:5;6506:18; 6508:3;6512:17; 6569:20 increases (1) 6555:22 increasing (4) 6431:10;6509:9, 10;6510:8 incredibly (1) 6560:15 incremental (1) 6474:18 incrementally (1) 6491:10 increments (1) 6375:17 incur (2) 6376:10;6461:1 incurred (1) 6376:3 incurring (1) 6425:11 incurs (1) 6377:7 indeed (4)	6360:11;6442:4; 6477:12;6522:14 independent (3) 6445:22;6553:15; 6557:8 indicated (4) 6382:5,14;6384:8; 6422:7 indicating (1) 6357:1 indifferent (1) 6358:19 indisputable (1) 6377:7 individual (10) 6381:7,8;6402:14; 6438:7;6440:22; 6447:15,16;6468:19, 20;6508:19 indulge (1) 6481:12 industries (1) 6373:16 industry (48) 6364:1;6372:22; 6373:18;6376:17; 6378:21;6395:23; 6422:6;6441:12,13, 16,25;6446:1; 6459:25;6460:6,9; 6461:22,23,24; 6462:4,13;6472:21; 6474:15,15;6498:8, 11;6499:10;6501:6, 16;6505:14;6514:23, 25;6515:2;6517:17; 6518:5;6519:18; 6522:22;6523:1; 6524:19,22;6527:11; 6528:5;6533:23; 6560:12;6561:12; 6562:10;6565:20; 6566:1;6570:21 inequitable (1) 6366:8 inexpensive (4) 6510:13;6511:14; 6513:5;6550:22 information (27) 6382:6;6389:4; 6393:7;6399:23; 6450:20;6457:25; 6462:1,3,8,12; 6463:7;6464:15; 6469:1;6472:11,14; 6474:9;6475:3,9,13; 6476:4;6478:1; 6484:1;6502:9,11; 6530:5;6540:4; 6551:19 inland (1) 6509:6 Inn (2)	6355:10;6572:11 inner (1) 6464:23 input (5) 6374:11;6438:15; 6466:23;6475:22; 6491:13 inputs (4) 6434:12;6447:1; 6461:23;6550:10 insecure (1) 6562:14 insert (8) 6367:25;6531:10; 6532:7,19;6533:2; 6535:2,6,19 inserted (3) 6535:7;6536:14, 17 insertions (1) 6530:14 Inside (2) 6515:22;6516:19 instance (4) 6387:13;6436:6; 6490:22;6492:16 instances (6) 6371:18;6432:11; 6451:12;6491:18; 6492:6,6 instead (4) 6484:16;6499:4; 6536:8;6541:11 Institute (7) 6351:24;6352:3,5; 6366:24;6367:2; 6417:11;6428:24 Institute's (3) 6384:1;6417:20; 6419:5 institutional (1) 6501:5 instructive (1) 6503:10 integrity (1) 6363:24 intelligent (1) 6507:2 intend (1) 6357:9 intense (1) 6530:5 interest (2) 6358:11;6557:17 interesting (4) 6504:11;6548:11, 20;6557:11 interject (1) 6469:3 internal (1) 6463:14 Internet (1) 6553:4	interpret (1) 6384:24 interpreted (1) 6570:1 interrupt (3) 6399:18;6412:4; 6525:22 interview (2) 6559:25;6560:2 interviewed (2) 6559:21;6560:2 interworking's (1) 6387:17 intimate (1) 6422:5 into (77) 6360:7;6364:12; 6365:6,17,23; 6370:19;6375:13; 6376:4;6382:24; 6390:14,24,25; 6391:2,4,5,7,11,12, 14;6393:17,22; 6394:1,22;6396:18; 6400:10;6417:9; 6425:1,8,15,17,20; 6426:8;6429:9; 6433:7;6437:1; 6445:7,11;6455:2; 6461:20;6464:3; 6465:3,17;6466:11, 23;6472:7;6473:6, 17,21;6474:21; 6477:14,15;6484:14; 6485:3;6497:24; 6502:5,5;6503:5,14; 6510:21;6514:2; 6516:23;6520:5,16; 6522:24;6535:1,3; 6537:6,9,10,15; 6547:21;6549:22; 6554:11,17;6555:5; 6561:3;6571:13 introduced (2) 6476:12;6479:18 intuitively (1) 6500:8 invention (1) 6508:25 inversion (1) 6387:13 inversions (1) 6388:9 invest (2) 6464:2;6540:21 invested (2) 6367:19;6464:7 investigation (1) 6423:19 investment (2) 6464:2;6550:11 investments (1) 6464:8	invite (6) 6470:4,5;6485:10; 6520:17;6530:12,13 involve (1) 6515:5 involved (5) 6497:1;6557:1,4; 6565:12,23 involvement (1) 6558:21 involves (2) 6518:22;6544:23 ipso (1) 6391:25 irrigation (1) 6506:9 island (1) 6371:7 issuance (1) 6495:24 issue (17) 6356:12;6359:15, 22;6366:12; 6376:22;6396:3; 6398:10,17;6417:13; 6419:19;6441:23; 6442:2;6455:24; 6463:15;6486:7; 6488:14;6543:24 issued (3) 6374:15;6464:20; 6496:1 issues (2) 6356:21;6359:2 items (5) 6437:25;6438:4,4; 6439:1;6443:2
J				
Jablonski (2) 6351:16,16 J-A-B-L-O-N-S-K-I (1) 6351:16 James (1) 6352:7 Janet (1) 6358:10 January (14) 6369:8;6374:6; 6385:5,6,8,10,12,17, 23;6387:1;6388:19; 6451:3;6524:8; 6544:1 Jerry (1) 6498:19 job (3) 6449:19;6530:2; 6554:2 John (5) 6351:13;6352:18; 6496:17,21;6551:4 J-O-H-N (1)				

6351:13 joining (1) 6566:5 joking (1) 6527:2 J-O-N-G (1) 6352:7 Journal (1) 6498:14 JUDGE (172) 6353:9,12,16,18; 6354:10,15,19,24; 6356:3;6357:11; 6358:24;6359:10; 6360:5;6361:4,9,13, 17,25;6362:5,8,11; 6367:25;6368:7; 6372:6,14,25; 6373:6;6377:25; 6378:14;6379:3; 6386:3,9,12;6390:1, 4,7,17,19;6391:3,8, 17;6392:22; 6397:11;6398:14; 6399:6,18,21; 6402:1;6403:20; 6404:11,20;6410:19; 6412:4,8,11,16,18, 20,23,25;6413:3,8, 10,12,15,18,22,24; 6414:1,3,6,9,11,15, 19,21;6415:1,5; 6416:1,8,10; 6418:13,18;6419:1; 6427:1,9;6469:3,7, 12;6470:2;6476:8, 14;6477:21;6478:17, 22;6479:4,13; 6485:9;6488:22; 6489:5,15;6490:11; 6493:7;6494:8,11, 14,19,24;6495:3; 6498:15;6499:20,23; 6502:17;6503:19,23; 6504:3;6508:12; 6520:11,15,24; 6521:1;6522:4,10, 14;6525:22;6526:2; 6530:4,11;6531:3, 17,24;6532:6,9,18; 6533:2,17,24; 6534:8,11,21,24; 6535:6,13,19,24; 6536:4,10,20,23; 6537:7,16;6540:9; 6541:17;6550:25; 6551:8,10,25; 6552:9,14,17,20,24; 6558:16;6562:13; 6563:9;6566:9; 6568:16,23;6569:2; 6571:24;6572:7,10 Juice (3)	6379:21,22; 6405:8 July (11) 6478:5;6485:17, 17;6486:3;6500:10; 6524:8;6525:6,25; 6526:5,8;6544:1 jump (1) 6529:24 jumped (2) 6529:17;6547:3 jumping (1) 6392:18 justification (7) 6427:25;6428:12, 13;6429:2,4; 6430:21;6431:24 justifications (2) 6430:16;6455:2 K KALDOR (2) 6352:4,4 K-A-L-D-O-R (1) 6352:5 Kansas (1) 6351:7 Kasbergen's (1) 6524:18 keep (7) 6432:16;6467:1; 6511:11;6515:18; 6517:10;6535:18; 6562:9 keeps (3) 6365:3;6465:13; 6466:6 key (5) 6363:11,13; 6506:10;6531:7,20 kid (2) 6558:6;6559:5 kids (1) 6497:9 killing (1) 6562:11 kind (57) 6355:8,17; 6388:18;6409:17; 6420:18,18,19; 6423:12,16;6430:19; 6434:24;6436:7; 6440:12;6442:2; 6443:2,18;6444:22; 6445:25;6446:2; 6450:1;6459:4,18; 6460:20,21;6461:10; 6462:23;6464:2; 6470:11,24;6471:6, 13;6472:4,17; 6473:1,6,11,13,17; 6474:8,25;6475:6,7,	23;6479:8;6480:14, 15;6491:9;6493:2; 6549:17,20,21; 6550:10;6553:3; 6554:4;6558:7; 6559:1;6562:9 Klinefelter (1) 6518:15 knees (1) 6501:17 knew (4) 6372:20;6479:24; 6500:8;6505:15 know-how (1) 6510:2 knowing (4) 6393:20;6450:19; 6462:14;6464:16 knowledge (13) 6371:6;6376:17; 6378:21;6383:15; 6395:23;6406:6; 6441:12,13;6462:13; 6463:15;6478:6; 6519:20;6541:3 known (3) 6364:7;6508:7,19 knows (2) 6360:8;6561:21 Kristine (1) 6354:7 K-R-I-S-T-I-N-E (1) 6354:7 Kroeger-owned (1) 6406:25 L LA (2) 6508:18;6509:7 lab (2) 6539:17,17 label (44) 6373:21;6374:1,4, 7;6376:21;6377:5, 16;6378:6;6380:13, 13,15,16,16,18; 6396:2,20;6397:4; 6403:8,9,11,13; 6404:12,23;6405:5, 10;6409:11,16,16, 20,25;6416:3,16; 6433:15;6435:8; 6436:13;6443:8; 6444:1,5,18; 6445:16;6450:24; 6451:8;6456:5; 6473:25 labels (5) 6409:20;6412:4, 12;6444:14;6447:5 labor (7) 6375:20;6397:6;	6443:10;6444:3; 6445:23;6479:9; 6510:8 labor-intensive (1) 6507:25 lack (2) 6421:1;6542:10 lacked (1) 6500:13 lagoon (2) 6547:7,12 lagoons (1) 6547:9 LAI (2) 6353:19,19 L-A-I (1) 6353:19 laid (5) 6435:4;6445:14; 6461:14;6474:17; 6475:21 Land (8) 6351:12,18; 6410:5,7;6506:9; 6516:10;6529:14; 6540:22 language (4) 6367:3,4;6384:3; 6483:10 large (10) 6408:24;6440:10; 6489:11;6501:5; 6506:22;6508:8; 6514:14,18;6516:21; 6517:6 largely (1) 6511:14 larger (23) 6363:19;6382:3; 6447:3;6471:3; 6482:24;6508:2,5; 6509:8,10;6510:3; 6513:12,12,19,20, 24;6514:1;6532:21, 25;6540:17,21; 6541:6,13,14 largest (15) 6369:14;6374:11; 6407:24;6408:4,6, 17;6450:12; 6452:23;6486:23,25; 6487:1,6,7,8; 6513:22 Las (2) 6366:5;6451:14 last (32) 6351:8;6353:13; 6360:12;6372:18; 6374:2;6377:25; 6398:3;6458:7,9,12; 6459:5;6470:18; 6486:6;6495:2; 6499:20;6517:16;	6519:1;6531:7,8,18, 25;6532:22;6533:4; 6534:1,17;6535:9, 22;6549:24; 6551:10;6552:12; 6559:3;6561:14 late (10) 6374:13;6437:24; 6501:1;6506:6; 6520:2;6534:1,15, 21,23,24 later (7) 6357:7;6388:2; 6500:17,20;6525:9; 6554:10,16 latest (1) 6388:4 Laura (1) 6496:16 Laurel (3) 6355:7;6360:13; 6545:14 law (4) 6351:14,22; 6353:22;6354:8 Lawyer (2) 6353:4;6458:11 lay (2) 6374:5;6515:22 laying (1) 6554:3 lead (3) 6365:23;6370:23; 6551:9 L-E-A-D (1) 6533:6 leaders (1) 6555:18 leading (3) 6408:5,17;6409:1 Leal (1) 6358:10 lean (1) 6455:25 learn (5) 6518:19,24; 6519:2;6526:25; 6529:16 learned (6) 6374:16;6509:18; 6514:14;6526:14,23; 6528:6 learning (2) 6518:21;6519:8 lease (1) 6363:23 least (20) 6351:21;6356:6; 6357:20;6360:1; 6379:9;6383:22; 6394:10;6406:21; 6419:6;6422:8,9; 6424:23;6427:22;
---	--	--	--	--

6428:22;6431:5; 6444:3;6449:4; 6453:4;6539:1; 6540:22 leave (4) 6384:14;6456:7; 6502:17;6550:2 leaving (3) 6383:16,17; 6500:8 led (11) 6389:20;6489:8; 6509:15;6514:20,21, 23;6533:5,7,8,11,22	lesser (1) 6557:12 level (18) 6364:25;6381:5; 6383:22;6384:2; 6389:6;6424:3,7,24; 6425:13,16,25; 6441:19;6442:16; 6463:24;6468:13; 6515:9;6560:17; 6565:1 levels (3) 6444:12;6471:25; 6474:23 leverage (1) 6514:8 license (1) 6410:7 Lieske (6) 6496:13;6497:5; 6501:11;6514:2; 6523:3;6529:19 life (3) 6515:18;6521:4; 6541:1 lightly (1) 6517:25 likely (3) 6356:25;6359:5; 6398:22 likewise (1) 6465:10 limit (3) 6428:4;6558:3; 6563:3 limitation (1) 6421:8 limitations (1) 6363:25 limited (3) 6421:21;6448:12; 6462:1 limiting (2) 6456:20;6513:23 limits (1) 6365:22 line (14) 6372:1,9;6378:22; 6389:7;6400:5; 6502:18;6530:22; 6531:7,8;6534:8; 6535:13;6536:11; 6553:3;6567:17 liners (1) 6547:11 lines (5) 6372:8,8;6468:21; 6522:19;6535:9 lining (1) 6547:11 liquidity (1) 6561:5 list (5)	6396:15;6438:2; 6443:5;6515:7; 6523:24 listed (5) 6385:14;6389:13; 6410:20;6422:2; 6481:20 listen (1) 6535:4 listened (1) 6397:23 listening (1) 6553:4 listings (1) 6438:14 literally (2) 6449:19;6500:24 literature (1) 6408:11 little (43) 6357:7;6358:10; 6359:20;6376:19; 6379:12;6380:1; 6382:1;6389:2,5; 6395:25;6396:21; 6402:19;6435:16; 6458:3;6462:21; 6472:7;6482:7; 6486:17;6497:24; 6504:1,19;6509:11; 6520:9;6522:4; 6528:21;6530:6; 6531:4;6539:9,14, 15,16;6540:15; 6542:13,15;6543:25; 6544:22,23;6548:1, 1,20;6549:2; 6550:14;6554:4 live (4) 6496:20,23; 6564:18;6571:17 load (2) 6490:7;6547:24 Loading (1) 6529:6 loads (2) 6490:3;6547:18 loan (2) 6500:17;6528:16 loans (4) 6528:11,14; 6561:10,10 local (3) 6475:16;6485:5; 6546:11 locate (1) 6399:5 located (20) 6369:11;6370:18, 20;6372:10;6374:19, 21;6375:1,3;6376:5; 6439:13,16;6449:4; 6459:14,15,19,24;	6460:3,4,6;6479:7 location (1) 6360:20 locations (1) 6459:22 lock (1) 6492:23 locked (5) 6491:8,20; 6492:20,21;6493:1 locking (3) 6490:18,21; 6492:23 logical (5) 6375:2;6377:17; 6378:7;6461:3; 6564:8 logistics (12) 6423:9;6433:20; 6437:6;6439:22; 6440:3;6446:15; 6477:9;6488:12,19; 6489:8;6490:8; 6491:24 LOL (1) 6498:10 long (27) 6359:7;6370:16; 6376:20;6378:1,19; 6396:1,20;6397:5; 6424:14;6425:9,11, 25;6442:13;6490:17, 18,20,21;6493:22; 6508:5;6510:23; 6511:10;6519:8; 6523:24;6524:25; 6552:2;6558:13,13 longer (13) 6505:17,25; 6507:19;6517:19; 6526:21,25;6529:8; 6564:4;6567:10; 6571:17 look (31) 6384:18;6388:18; 6392:2;6401:11; 6429:10;6431:8; 6433:7;6434:12; 6445:14,25;6446:1; 6461:13;6484:16; 6486:4;6501:18; 6504:22;6507:5; 6511:19;6512:22; 6516:17;6525:2; 6529:18;6530:19; 6542:19;6550:15; 6554:13;6563:15; 6564:3,10;6565:12; 6571:11 looked (6) 6358:12;6382:5; 6389:3;6507:6;	6555:11;6556:16 looking (15) 6385:3;6387:5; 6388:5,19;6389:7; 6395:2;6405:12; 6412:21,23,24; 6436:9;6478:9,9,10; 6498:25 looks (3) 6435:5;6504:1; 6515:15 loose (1) 6356:17 Lord (1) 6528:24 Los (3) 6460:7;6540:25; 6553:10 lose (13) 6442:4;6450:4; 6452:13,13,14,17; 6454:5,20;6455:14, 20;6473:2;6488:8; 6521:9 lose-lose (1) 6521:13 losers (1) 6565:9 losing (6) 6432:16;6453:4,8; 6560:7,17;6567:17 loss (9) 6380:9;6391:25; 6407:5;6452:20; 6453:13;6521:20; 6522:5;6525:16; 6526:9 losses (3) 6374:9;6522:23, 25 lost (61) 6364:2;6372:23; 6374:4,6,16; 6391:24;6439:25; 6440:23;6442:21; 6450:2,8,9,14,23; 6451:5,6,18,23,25; 6452:9,12,15,20,25; 6453:12,12,18,21, 25;6454:14,16; 6455:2,3,5,15,18; 6456:7,11,15,25; 6477:15;6487:13,17, 18;6488:2,15; 6491:1;6492:7,13, 15,17;6498:18,23; 6504:16;6505:4; 6521:23;6523:3; 6525:18;6526:12; 6560:21;6561:12 lot (21) 6356:1;6358:12; 6395:1;6396:25;
-				
-L-E-D- (1) 6533:6				
L				
Lee (2) 6411:11;6414:7 L-E-E (1) 6414:10 leery (1) 6528:4 left (16) 6355:21;6443:5; 6444:20;6456:1,2; 6470:9,14;6510:1; 6515:18;6523:12; 6533:14;6534:1; 6541:4;6566:10; 6567:5,12 legend (1) 6519:19 Lehigh (4) 6410:10;6412:16, 19;6413:8 L-E-H-I-G-H (2) 6412:17;6413:9 lend (1) 6497:9 length (2) 6356:20;6359:21 Leprino (3) 6352:20;6359:13, 16 L-E-P-R-I-N-O (1) 6352:21 less (24) 6367:1,9;6371:3; 6377:1;6382:1; 6397:2,2;6406:7; 6439:23;6440:7; 6448:1;6449:6; 6458:4;6467:10,18; 6504:19;6506:7; 6513:15;6523:18,19; 6540:2,22;6543:25; 6562:8				

6397:1,1;6435:4; 6446:10,23;6457:6; 6463:15;6482:24; 6483:11;6499:16; 6502:22;6551:21; 6553:4,24;6559:10; 6562:11;6568:2 lots (4) 6508:20;6510:7; 6515:18;6567:19 loud (1) 6423:2 Love (4) 6353:4;6458:11; 6490:11;6529:18 low (8) 6364:19;6369:19; 6388:11;6510:23; 6517:19;6519:21; 6522:21;6542:3 lower (13) 6364:20;6370:21; 6374:11;6375:25; 6437:5;6467:22,25; 6506:24;6511:12; 6513:8,24;6542:22; 6550:21 lowers (1) 6392:5 lowest (2) 6369:16;6439:21 LSU-Alabama (1) 6354:17 lucky (1) 6459:9 Luke (1) 6496:22 lunch (4) 6469:3,8,9,15 luxury (1) 6515:25	majority (9) 6376:11;6391:23; 6438:3,22,22; 6452:1,2,15,18 makes (4) 6446:5;6528:4; 6545:2;6564:11 making (9) 6385:20;6441:11; 6470:24;6472:23; 6502:24;6509:12; 6553:6;6564:9,13 man (2) 6415:1;6518:5 manage (8) 6407:4;6509:9,10; 6510:2;6514:14; 6517:6;6528:10; 6536:18 managed (1) 6553:12 management (5) 6514:7;6517:1,5,7, 18 Manager (2) 6352:14;6553:19 managing (1) 6540:4 manipulating (1) 6363:22 manufacture (5) 6380:17;6404:18; 6409:11;6444:18; 6473:22 manufactured (13) 6380:15;6405:1,3, 6,9;6417:4;6422:23; 6466:23;6467:15,18, 22;6474:5,20 manufacturer (1) 6352:9 manufacturing (10) 6396:19;6397:4; 6460:16;6462:6; 6474:1;6554:19,21, 23;6565:10,25 many (63) 6358:24;6360:14; 6363:9;6384:17,17; 6387:23;6402:25; 6432:21;6436:25; 6438:17,18;6440:5, 24;6442:19; 6447:24;6449:1,23; 6450:7;6457:17; 6458:2,17;6480:14; 6497:3,14,16,21; 6498:2,5;6500:13; 6507:14,17,18,21; 6509:2,6,17,18,19, 20,23;6510:4; 6513:19,19;6514:1; 6516:21;6518:3;	6519:9;6521:7; 6528:18;6529:4; 6532:20,25;6538:18; 6547:3,3;6553:20, 20,21;6566:7,7,24; 6567:3;6568:17 Map (1) 6476:25 maps (1) 6394:13 March (1) 6367:18 margin (14) 6434:8,13; 6466:16;6468:13,16, 25;6470:20,23; 6471:21;6472:1; 6491:23;6556:4; 6570:24,25 margins (11) 6470:19;6471:3,7, 12;6472:5;6473:18; 6474:23;6489:3; 6492:2,22;6493:3 Mark (3) 6352:13;6471:21; 6472:6 marked (8) 6361:3,8,12,16; 6362:16;6494:9,16; 6495:3 Market (36) 6351:6;6363:6; 6364:2,16;6372:23; 6383:21;6387:21,22, 25;6408:4,24; 6429:8;6430:1,18, 22;6433:7;6442:16, 18;6465:4;6468:3,5; 6472:3;6477:14,16; 6496:4;6498:16,20; 6505:19;6508:18; 6554:22,24,24; 6555:10;6556:6; 6570:7,8 Marketing (39) 6351:3;6363:3; 6365:11,25;6366:5, 6,10,13,15;6367:10, 17;6408:11; 6417:10;6420:5; 6475:1,4;6497:7,11; 6498:1,4,8,9;6499:2, 3;6503:14;6523:10, 16;6526:17; 6527:19;6528:8,19, 22;6544:25;6546:8; 6553:12,13,14; 6563:12;6567:3 marketplace (3) 6433:25;6445:10; 6447:10 markets (3)	6407:19;6445:25; 6546:11 Marks (1) 6355:19 marriage (1) 6515:4 married (1) 6501:11 Marvin (3) 6351:9;6393:3; 6537:18 M-A-R-V-I-N (1) 6351:9 Maryann (1) 6496:18 massive (1) 6570:11 match (1) 6465:23 matches (1) 6383:12 material (7) 6358:14;6377:4,9; 6397:7;6445:15; 6446:14,15 materiality (3) 6444:13;6447:8; 6462:5 materially (4) 6374:11;6376:9; 6377:3;6460:25 maternity (2) 6517:11;6535:18 math (10) 6385:10;6386:20; 6387:4;6389:11; 6398:12;6399:8; 6403:5,17;6444:22; 6522:9 Matt (11) 6352:24;6356:11; 6361:2,13;6362:6; 6373:10;6388:19; 6416:6;6457:4,4; 6468:8 M-A-T-T (1) 6362:6 matter (5) 6425:3,5;6510:23; 6558:2;6564:21 matters (2) 6355:5;6360:6 maximize (1) 6434:18 May (34) 6355:7,7;6358:9, 9;6360:13;6362:11; 6368:8;6376:14; 6378:22;6391:15; 6392:11,12;6398:5; 6399:7;6412:25; 6489:3;6494:9; 6495:4;6496:9;	6502:16,25;6510:3; 6517:13;6522:11; 6533:13,14;6545:6, 13,14;6550:8; 6552:24;6557:25; 6569:4;6572:8 maybe (24) 6354:17;6358:4; 6387:16;6389:1; 6418:8,22;6427:22; 6428:21;6443:18; 6446:25;6456:10; 6459:11;6466:25; 6472:24;6484:6; 6496:1;6512:12; 6534:18;6546:9,11, 22;6548:20;6561:2; 6572:5 Mayfield (2) 6410:14;6413:14 M-A-Y-F-I-E-L-D (1) 6413:17 M-c (1) 6413:21 McArthur (2) 6410:16;6413:19 McKinley (1) 6355:11 Meadowgold (2) 6410:25;6413:22 M-E-A-D-O-W-G-O-L-D (1) 6413:23 mean (60) 6369:3;6382:10, 11;6394:1,4,16; 6406:9;6407:16; 6408:8,23;6409:19; 6410:19;6417:13; 6424:18,19;6433:10; 6434:10;6435:23; 6436:23;6442:6; 6443:9;6446:21; 6447:12;6452:2; 6457:20,22;6464:16, 24;6466:1;6489:25; 6520:14,19;6521:6, 25;6522:5;6523:9; 6529:6;6531:16; 6539:12;6540:18; 6541:5;6552:17; 6557:14,18,24; 6559:21;6560:5,8,9, 11,20,24;6561:11, 15;6563:3,15; 6567:16,25;6570:9, 11 Meaning (2) 6446:18;6536:24 means (7) 6388:10;6391:25; 6438:13;6445:4; 6492:21;6520:21; 6530:25
M				
machine (1) 6509:1 magnitude (1) 6369:22 mailbox (1) 6538:9 main (7) 6420:24;6430:5; 6441:14;6511:1; 6515:16,16;6544:21 mainline (1) 6557:5 maintain (1) 6371:2 maintained (1) 6488:3 major (5) 6431:9;6462:14; 6515:11;6534:16,20				

<p>meant (6) 6402:3;6416:10, 10;6519:12; 6521:23;6525:25</p> <p>mechanism (3) 6417:16,21; 6418:10</p> <p>mechanisms (1) 6419:17</p> <p>meet (11) 6363:21;6371:4,7; 6479:20;6482:14; 6483:14;6509:4; 6510:14;6529:5; 6542:10;6548:12</p> <p>meeting (2) 6355:16;6518:3</p> <p>member (4) 6476:17;6502:12, 13;6553:15</p> <p>members (4) 6397:12;6476:9; 6496:6;6507:14</p> <p>Memorial (1) 6360:11</p> <p>memory (3) 6501:5;6522:18, 20</p> <p>men (1) 6508:19</p> <p>mention (2) 6411:19;6420:17</p> <p>mentioned (10) 6359:24;6392:4; 6412:5;6424:3; 6437:25;6463:17; 6495:18;6501:24; 6521:17;6556:14</p> <p>mentioning (1) 6432:17</p> <p>mentored (1) 6509:21</p> <p>Mercedes (2) 6512:10,13</p> <p>merely (1) 6501:20</p> <p>Mertens (2) 6506:2;6543:15</p> <p>mess (2) 6561:15,15</p> <p>message (1) 6570:20</p> <p>met (4) 6363:8;6482:15; 6483:12;6500:9</p> <p>method (2) 6544:15;6571:10</p> <p>Mexico (1) 6509:25</p> <p>mic (1) 6414:21</p> <p>Michigan (1) 6559:6</p>	<p>microphone (1) 6520:16</p> <p>mid-20's (1) 6500:12</p> <p>middle (8) 6378:18,20; 6395:19,20;6530:20; 6537:21,21;6550:2</p> <p>Middleton (1) 6496:19</p> <p>Midwest (17) 6351:3;6498:21; 6501:21;6506:13,25; 6507:2,22;6510:11; 6511:9;6519:1; 6546:16,17;6548:24, 25;6559:5,7;6568:7</p> <p>might (19) 6358:16;6380:12; 6414:22;6431:5,7; 6432:9;6437:2,13; 6441:6;6480:1; 6481:22;6502:13; 6520:7;6527:17; 6528:16;6538:24,24, 24;6539:10</p> <p>mil (2) 6478:19,20</p> <p>mile (2) 6375:20;6511:10</p> <p>mileage (1) 6488:19</p> <p>miles (29) 6374:19,21,24; 6375:1,3,15,16; 6377:18,20;6378:8, 10;6381:9,10; 6439:23,25;6440:24; 6460:8,8,11; 6476:22,24;6477:2, 17;6488:7,25; 6496:15;6553:10; 6568:17,19</p> <p>Milk (301) 6351:3;6352:9,11; 6354:1,5,9;6363:4, 22;6364:1,3,6,10; 6365:11,18;6366:6, 20;6367:17;6369:1, 2,3,4,24;6370:10,19; 6372:22;6373:12,17, 21,24;6374:1,3,4,7; 6375:6,8;6376:1,11, 13,21;6377:1,4,5,6,9, 16,22;6378:6,12; 6380:9,13,14,15,15, 18,21;6383:10,22; 6386:23,25;6387:8, 25;6388:1;6389:16, 19;6390:1,2; 6391:24;6392:13; 6393:14,24;6394:1, 2,10,13,22;6395:13,</p>	<p>15,17;6396:2,18,20; 6397:4;6400:8,9; 6402:25;6403:9,9, 11,14;6404:2,3,6,6, 12,13,16,17,18,23; 6405:3,5,7,9,9,10,14, 14;6407:17,24; 6408:7,18,25,25; 6409:8,9,12,12,12; 6411:21;6416:3,16; 6417:10;6420:5; 6421:5;6422:7; 6424:24;6426:7,16; 6430:4,4,6;6433:17; 6435:8;6436:11; 6440:4;6443:7,20, 21;6444:18;6445:3, 4,18;6447:9; 6450:24;6451:8; 6456:5;6458:18; 6461:12,13,17; 6462:7;6467:11,16, 25;6469:5;6473:25; 6476:23,23;6478:2; 6480:10,11;6482:12; 6483:13,21,25; 6484:3,20;6486:12; 6487:8;6488:11,17, 17;6489:24;6496:5; 6497:7,11,13,16; 6498:1,4,8,9,12,14, 16;6499:2,3; 6501:13,18,21; 6502:2,3,7,8,14,20; 6503:14;6504:7; 6505:11,13,14,19,21, 24;6506:2,3,5; 6507:5,7,8,12,19,20, 20;6508:4,9,18,23; 6509:3;6511:16,20, 25;6512:3,15,22; 6513:9;6514:20,22; 6515:8,9;6516:2,19; 6517:24;6518:6; 6519:21,22,24,24; 6522:8,25;6523:4, 10,16;6524:9,13; 6526:17;6527:19; 6528:8,19,22; 6529:8;6533:8,10, 21;6534:3,9,14,18; 6538:13;6540:24; 6541:25;6542:3,23; 6544:2,9,25; 6545:20;6546:1,2,4; 6549:19;6550:12; 6553:9,10,11,12,13, 19;6554:19,23; 6555:2,4,7;6556:1,9, 10,19;6557:5; 6558:2;6560:8; 6563:11;6564:6,13; 6565:10,14;6567:3;</p>	<p>6569:24;6570:2,7, 12,21</p> <p>milked (3) 6507:13,23; 6508:20</p> <p>milker (1) 6500:15</p> <p>milkers (2) 6508:19;6509:18</p> <p>milking (18) 6498:3;6507:15; 6508:21,23,25; 6509:2;6510:8,8; 6516:18;6517:9,9; 6535:16,17,20; 6548:6,6;6549:1; 6560:4</p> <p>million (88) 6363:5;6365:13, 15;6366:3,18,22; 6367:1,9;6371:3; 6374:6;6382:17,21, 22,24;6383:17; 6389:24;6393:18; 6400:18,19,21,22,22, 25;6401:1,7,9,11,13, 14,16,18,18; 6403:11,13;6404:2, 6;6405:14;6415:12, 18,25;6416:3,4,16; 6421:4;6422:10,15, 18;6427:25;6428:6, 7,10,23,25;6429:5, 11,14,18,20; 6450:23;6451:6,8, 24;6452:5;6454:14, 20;6456:21,22; 6458:19;6465:25; 6477:14;6478:10; 6481:8,9,10,15,16; 6482:9,11,18,22; 6483:6,9,12,16,21; 6484:2;6544:4,9</p> <p>millions (1) 6402:25</p> <p>mills (3) 6511:3,3,7</p> <p>mils (2) 6444:16,16</p> <p>Miltner (1) 6354:8</p> <p>mind (4) 6506:1;6511:11; 6552:22;6560:10</p> <p>mine (2) 6545:23;6554:8</p> <p>minimal (5) 6376:15;6377:13; 6378:3;6383:10; 6546:16</p> <p>minimum (10) 6364:12;6365:17; 6366:8,13,14;</p>	<p>6425:14;6499:4,5; 6545:4;6564:25</p> <p>minimus (1) 6484:23</p> <p>minor (1) 6547:16</p> <p>minus (5) 6386:6,11,17; 6465:22;6481:5</p> <p>minuscule (1) 6484:22</p> <p>minute (4) 6568:24,25; 6569:3,4</p> <p>minutes (5) 6414:23;6476:25; 6530:2,8;6566:12</p> <p>mirrors (1) 6363:11</p> <p>misguided (1) 6511:22</p> <p>misheard (1) 6416:6</p> <p>miss (1) 6391:16</p> <p>missing (5) 6389:8,10,16,17; 6485:20</p> <p>mistaken (1) 6494:10</p> <p>mistakes (1) 6551:23</p> <p>model (5) 6507:5,20; 6509:16;6513:4,6</p> <p>modeled (1) 6421:9</p> <p>modern (11) 6508:22;6509:8; 6515:15;6516:10,16; 6517:14;6540:17; 6541:6,10,10,14</p> <p>modest (1) 6529:5</p> <p>Modesto (1) 6512:10</p> <p>moment (4) 6356:10;6501:23; 6530:3;6542:16</p> <p>momentum (1) 6562:11</p> <p>Monday (9) 6354:17;6355:12; 6357:6,10,14; 6358:23;6359:9; 6566:10;6572:10</p> <p>money (12) 6464:2;6472:23; 6500:17;6509:22; 6540:20;6541:13; 6560:20,21,25; 6561:17;6562:18,21</p> <p>monies (1)</p>
--	---	--	--	--

<p>6464:13 month (41) 6363:5;6366:4,18; 6367:23;6368:6; 6370:4;6371:4; 6375:23;6382:13,23; 6383:11;6384:21; 6385:23;6388:2,6,7; 6390:3,7;6394:3; 6401:10;6402:9; 6405:17,18;6422:11, 16;6425:17,23; 6428:5,8;6429:11; 6436:12;6439:6; 6482:12;6522:2,18; 6524:15,17;6525:7; 6560:7,7;6563:19 monthly (13) 6367:1,8;6368:9, 11,13,17,20;6369:7, 19;6427:7;6481:5; 6491:16;6522:20 months (6) 6387:12,23; 6388:22;6481:1; 6521:21;6566:7 more (96) 6354:19;6356:1; 6359:5;6366:3; 6375:7;6376:3,6,8, 18,23;6377:21; 6378:11,23,24; 6379:13;6386:9; 6387:11;6405:23; 6406:7,9,11,15,16; 6407:2;6420:9,9; 6421:7,14,21,21,23, 25;6422:15;6432:5; 6436:8;6440:7; 6442:20;6447:24; 6448:1;6457:19,20; 6458:1,2,4;6460:11, 24;6467:1;6482:9; 6483:13;6498:5,8; 6499:10,14,15,16; 6501:15;6505:7; 6506:15,24;6507:1; 6509:8;6510:10; 6512:14;6514:21; 6515:3;6520:4; 6522:19;6523:18,22; 6525:16;6526:8,25; 6528:8;6533:9; 6536:16;6540:17; 6541:6,14;6542:14; 6543:22;6544:9,15; 6546:11;6548:20; 6551:13,23;6556:9; 6557:7,23;6558:2; 6566:11;6567:4; 6568:9,9,24;6571:9 morning (24) 6351:5,9,18,20;</p>	<p>6352:1,4,7,13,20,22; 6353:19,21;6354:7; 6355:7,13,24; 6356:4;6357:10,15; 6397:15;6476:13,20; 6553:5;6562:3 most (25) 6356:6;6398:8; 6441:23;6463:12; 6483:6;6484:5,10; 6507:7,9,12,21,24; 6508:10,14;6509:25; 6512:16;6514:6; 6515:17,19;6517:7; 6518:20;6551:20; 6553:8;6557:6; 6558:6 mostly (7) 6365:12;6484:19; 6502:5;6503:7; 6513:10;6514:11; 6542:24 mother (1) 6500:16 mother's (1) 6500:18 motivation (1) 6471:9 motivations (1) 6472:9 move (21) 6355:5;6357:6; 6358:20;6384:2; 6390:16;6454:19; 6455:22;6462:15; 6471:21,23;6477:8; 6491:12,22;6497:11; 6498:8;6515:23; 6537:5;6550:3; 6563:25;6564:1; 6568:1 moved (4) 6491:14;6509:6; 6541:4;6559:6 movement (4) 6472:4;6485:4; 6492:21;6515:3 movements (5) 6387:25;6430:5,6; 6491:21;6563:16 moves (6) 6472:3,6;6491:15; 6509:7;6540:16; 6541:5 moving (6) 6355:10;6370:18; 6387:4;6510:23; 6529:7;6540:16 much (56) 6353:18;6356:3; 6367:16;6388:1; 6390:1;6395:2; 6397:10;6401:9;</p>	<p>6419:19;6420:8; 6434:18;6437:20; 6446:11;6451:24; 6453:11;6457:22,24; 6472:24;6478:16; 6485:8;6493:10; 6497:4,15;6501:14; 6507:6,14;6510:10; 6511:11;6517:2; 6523:22;6525:10; 6526:14;6527:14; 6537:19;6540:7; 6542:1;6543:22; 6544:2;6545:9; 6547:21,22,25,25; 6549:9;6551:5,11; 6554:20,21;6557:10; 6562:8;6564:5; 6569:11,18,20; 6570:21;6571:23 mud (1) 6549:12 multi-advantage (1) 6369:14 multiple (1) 6365:24 multiples (1) 6508:15 multiply (2) 6416:19;6525:12 must (9) 6355:13;6363:15; 6367:7,11;6370:1; 6377:9,21;6378:11; 6524:20 M-W (3) 6564:4;6570:17, 18 myself (9) 6414:25;6476:12; 6479:18;6497:5; 6503:25;6529:19; 6531:15;6558:10; 6559:5</p>	<p>6375:8;6382:15; 6428:6,22;6430:15, 17;6432:10;6433:1; 6435:14;6439:15; 6441:11;6442:23; 6447:11;6452:11,12; 6455:10,15;6456:11, 14;6457:1,2; 6462:24;6490:20,25; 6491:19;6492:9,18, 19;6555:18,22; 6556:15,18,18; 6565:9 nationally (4) 6428:24;6447:21; 6476:3;6544:7 nationwide (16) 6448:23,25; 6449:4;6452:12,16, 20,21,24;6453:4,9, 17,22;6455:3; 6476:1;6487:11; 6565:25 naturally (1) 6540:18 nature (3) 6473:1;6510:22; 6546:8 naysayers (1) 6529:21 near (10) 6496:14,17,19,20, 23;6500:19,20; 6509:6;6540:19; 6547:21 nearby (1) 6510:18 nearly (3) 6376:16;6415:2; 6477:13 necessarily (2) 6385:2;6484:3 necessary (5) 6509:12;6543:3; 6546:15;6550:7; 6568:24 necessity (1) 6516:1 need (22) 6380:2,12; 6399:19;6414:22; 6433:19,20;6436:25; 6471:15;6477:11; 6481:18;6494:19; 6506:16;6511:19; 6514:21;6522:4; 6530:6;6531:5; 6533:9;6550:23; 6565:9;6566:3; 6570:21 needed (11) 6363:21;6398:21; 6506:10;6513:11;</p>	<p>6520:4;6525:1; 6531:8,20;6532:14; 6556:10;6560:21 needs (3) 6518:24;6565:22; 6571:11 negative (10) 6369:17,18; 6387:14;6388:9,22, 24;6522:24;6523:5; 6540:3;6561:3 negotiate (3) 6446:25;6466:17; 6477:10 negotiating (1) 6471:6 neighbor (1) 6549:19 neighborhood (3) 6495:23;6539:19; 6541:2 neighboring (1) 6500:21 neighbors (1) 6567:7 Neither (1) 6515:4 net (1) 6467:9 network (4) 6376:19;6378:23; 6395:24;6396:5 Nevada (1) 6451:18 nevertheless (1) 6501:3 new (19) 6360:14;6371:13; 6384:4;6414:10; 6418:15;6465:3,7; 6505:16;6509:25; 6510:13;6512:12; 6516:7,12;6517:15; 6526:23;6546:24; 6548:15;6549:7; 6559:2 newsletter (2) 6498:19;6562:3 next (40) 6355:14;6358:1; 6372:9;6378:22; 6397:11;6413:12,18, 22,24;6414:3,6,11, 15;6465:14;6476:8; 6477:21;6478:17; 6479:13;6494:9,11; 6497:4;6502:20,21; 6504:12,22;6516:9, 9;6520:24;6528:16; 6533:10,25;6535:21; 6541:17;6542:16; 6550:25,25;6552:2; 6566:13;6569:5;</p>
N				
		<p>name (21) 6351:21;6353:6, 13;6362:5,9; 6373:10;6380:17,20; 6410:7;6476:12; 6494:25;6495:1,2; 6496:13;6541:21; 6552:10,11,12; 6559:24;6566:14; 6569:8 names (1) 6409:13 naming (1) 6459:3 national (36) 6371:10;6374:15;</p>		

<p>6572:3 Nice (1) 6479:20 Nicole (3) 6353:1;6397:15; 6470:8 night (3) 6357:19,20; 6512:13 nine (3) 6379:19;6521:21; 6522:1 nobody (1) 6464:1 none (10) 6390:25;6391:4, 11;6422:3;6441:23; 6476:21;6485:10; 6493:8;6537:10; 6551:10 Nonetheless (1) 6388:15 non-exempt (2) 6401:10;6483:18 non-union (1) 6445:24 Nor (4) 6385:14,21; 6388:22;6481:5 normal (3) 6523:5;6563:17; 6565:15 north (3) 6382:11;6459:19; 6496:15 Northern (13) 6368:12,23; 6369:5,13,16,19; 6374:13,22;6385:14; 6386:16;6387:5; 6440:17;6459:21 Northwest (5) 6355:11;6366:4; 6448:22;6487:6; 6511:2 note (5) 6362:18;6371:6; 6387:11;6398:6,25 noted (2) 6393:5;6398:21 notes (3) 6362:17;6412:24; 6570:1 notice (7) 6434:22;6497:20; 6515:17;6516:13,16; 6561:6;6566:25 noticed (4) 6503:25;6547:13, 16;6555:16 notices (1) 6567:23 noticing (3)</p>	<p>6567:6,10,13 November (3) 6357:24;6388:4; 6470:1 nowadays (1) 6398:9 Number (91) 6351:11,17,25; 6354:14;6357:23; 6358:11;6360:7,9; 6385:9;6389:9,10, 12,13,16;6400:10, 13,13,19,19,21,22, 23;6401:17;6404:19, 25;6415:13,13,14, 15,19;6416:7; 6417:20;6418:10; 6419:6,15;6420:1, 13,21,22;6421:6,14, 16,24;6430:4,5,5; 6440:8,10;6447:18; 6448:2,25;6449:2; 6465:19,20;6474:21; 6478:8,11,13; 6480:3,4,6;6484:2,5, 8,10;6485:25; 6486:1,5,6;6487:12; 6490:1,7;6494:11; 6495:13;6497:7; 6498:1;6503:19; 6505:6;6507:13; 6508:16;6518:6,8; 6523:5;6524:10; 6537:6;6539:25; 6540:3;6543:18; 6544:19;6548:8; 6565:5 numbers (28) 6360:2;6395:3; 6399:24;6400:3,14; 6430:10;6439:18; 6470:14;6481:6,17, 18;6483:19,20,24; 6484:4,16;6506:22; 6513:25;6520:14,19; 6524:3,6;6525:2; 6532:24;6537:25; 6538:3;6567:18,20 numerical (1) 6539:23 nutrition (1) 6517:11</p>	<p>object (1) 6537:8 objection (1) 6398:21 objections (7) 6390:21,23,24; 6391:4,10,10;6537:9 obligated (1) 6556:3 obtain (1) 6464:8 obtaining (1) 6464:3 obvious (1) 6484:15 obviously (35) 6359:20;6391:23; 6392:20;6403:5,22; 6405:8;6406:13,23; 6409:10;6421:11; 6433:20,21,23; 6437:3;6440:1,2,3; 6441:14,21;6442:5, 18;6447:6;6451:3; 6454:16;6459:5,6; 6461:16;6462:6; 6463:14;6473:24; 6475:4,20;6477:11; 6489:2,8 occasions (1) 6365:24 occupation (1) 6500:9 occur (1) 6421:2 occurred (8) 6369:14,20; 6428:4,21;6525:15; 6526:5,7;6554:14 October (2) 6388:5;6526:22 odd (2) 6459:9;6548:1 Odwalla (2) 6379:21,24 O-D-W-A-L-L-A (1) 6379:25 off (41) 6356:5;6357:21; 6374:5;6406:10; 6423:10;6424:10; 6435:10;6439:5,7; 6441:1,12;6442:5, 17;6455:19;6456:9; 6457:18;6460:21; 6462:4,13;6465:6; 6470:9,15;6472:21; 6475:18,22;6477:11, 11;6479:10;6491:13, 14;6500:11; 6501:14;6506:6; 6510:6;6528:24; 6538:24,25;6539:10,</p>	<p>13;6552:23;6572:12 offer (14) 6364:19;6370:21; 6377:17;6378:7; 6444:10;6474:7,8, 12,25;6475:3,7,18, 24;6476:1 offered (1) 6556:3 offering (2) 6474:16;6484:13 offers (2) 6426:5;6446:17 office (7) 6351:23;6516:23; 6535:1,2,3;6551:18, 20 officials (1) 6557:25 offset (7) 6376:16;6377:22; 6378:12;6440:2; 6446:14;6477:9; 6488:11 often (7) 6484:14;6507:11; 6510:9;6513:21,23; 6539:23;6543:18 O'Lakes (4) 6351:12,18; 6410:5,7 older (4) 6458:3;6500:3; 6528:25;6529:9 omitted (1) 6371:22 once (16) 6355:20;6358:1; 6382:21;6491:8; 6492:2,21;6505:20, 22;6513:6;6518:8; 6520:1;6545:22; 6556:8;6562:23; 6566:14;6570:25 one (161) 6353:5;6354:10, 25;6355:5;6356:23; 6357:1,20,23; 6358:3;6359:3,4; 6360:18;6361:4; 6362:16;6364:5; 6370:1;6372:15; 6373:17,18,19; 6375:9,9;6378:16; 6383:5;6385:4,5; 6386:9;6389:3,16, 17;6390:21; 6391:10;6393:1,2; 6397:17,17;6398:8; 6399:5;6405:25; 6412:4,18;6413:12, 18,22,24;6414:3,6, 11,15;6416:18;</p>	<p>6417:7;6422:20; 6424:3,4;6430:4,5; 6433:6;6436:11,12; 6440:15;6441:15,18; 6442:3,6,7;6443:7, 22,24;6444:1; 6445:9,16;6446:4; 6447:12,15,17; 6450:17;6451:2,4, 10,10,13,13,23; 6452:22;6454:8,9; 6459:10,25;6460:8; 6462:17;6468:7; 6473:5,9,10; 6476:13;6477:24; 6482:22;6483:17; 6486:11,15;6488:16; 6489:19;6494:3; 6495:17;6497:8; 6498:17;6500:18; 6501:23;6506:20; 6507:8;6508:16,18; 6512:5,6,18; 6513:25;6517:21; 6518:4,6,8;6520:14; 6522:25;6526:15,25; 6527:6,8;6528:5; 6530:4;6532:3,24; 6536:16;6537:8; 6538:14;6539:2; 6540:25;6545:2,25; 6547:4,4;6548:5; 6549:23;6551:4; 6554:8;6555:20,24; 6556:24;6564:8,20, 23,24,25;6565:17, 24;6568:24;6569:3, 4,21;6570:10,13,13; 6571:12 ones (10) 6407:2;6443:19; 6447:5;6459:6; 6474:18;6475:23; 6483:3;6514:6; 6528:9;6536:17 one-time (1) 6563:24 online (1) 6553:6 only (49) 6359:3;6366:21; 6372:18;6374:19; 6375:2;6376:23; 6377:11,16,20; 6378:6,10;6388:21; 6395:7;6403:9; 6409:12;6422:25; 6441:10;6448:8; 6461:3,15,22; 6462:9;6465:23; 6467:7;6488:10,10, 18;6494:3;6497:13, 19;6500:23;6501:2;</p>
	O			
	<p>o0o- (2) 6469:16;6572:15 Oak (2) 6411:4;6413:24 Oakdale (1) 6566:23 Oakland (2) 6460:4,5</p>			

<p>6507:8,11;6513:9; 6517:25;6518:18; 6520:25;6527:8,12; 6528:3;6540:25; 6542:4,23;6560:1; 6566:11;6568:24; 6569:3,14</p> <p>onto (5) 6360:21;6433:16, 21;6533:25;6561:23</p> <p>open (9) 6508:20;6510:7; 6515:18;6548:23; 6549:10;6550:16,16, 19,20</p> <p>opened (2) 6476:13;6501:10</p> <p>open-ended (1) 6430:19</p> <p>opening (1) 6442:16</p> <p>operate (12) 6365:13;6367:7; 6370:25;6373:18; 6419:16;6429:19; 6443:13;6471:18; 6496:14,16,18; 6499:3</p> <p>operated (3) 6427:15;6471:2; 6510:9</p> <p>operates (6) 6363:1;6364:1; 6372:22;6373:16; 6419:10,14</p> <p>operating (8) 6363:15;6370:16; 6371:2;6424:14; 6463:19;6471:15; 6480:19;6517:13</p> <p>operation (7) 6423:8;6497:2,3; 6499:7,25;6522:6; 6538:19</p> <p>operations (16) 6376:9,14,20; 6377:15;6378:5; 6391:19;6395:25; 6449:10;6450:16,18, 19;6460:24;6477:6; 6507:13,22;6540:21</p> <p>operators (1) 6517:2</p> <p>opinion (8) 6480:19;6482:3; 6515:2;6543:10; 6544:6;6570:5; 6571:4,21</p> <p>opinions (1) 6543:19</p> <p>opponents (1) 6557:15</p> <p>opportunities (10)</p>	<p>6430:19;6433:7; 6444:10;6501:9; 6514:22;6529:20,23; 6533:10,19,21</p> <p>opportunity (13) 6360:18;6426:6; 6434:22;6435:15,24; 6467:23;6492:1; 6494:4;6514:15; 6545:20;6553:21; 6558:15;6571:12</p> <p>opposed (7) 6380:4,5;6508:7; 6516:25;6523:23; 6545:5;6546:17</p> <p>optimistic (2) 6568:6,9</p> <p>optimize (1) 6434:20</p> <p>Option (9) 6367:22;6368:5; 6384:20,22;6483:3, 7,10;6486:11,14</p> <p>options (3) 6423:16;6529:4; 6538:17</p> <p>oranges (2) 6389:22;6432:4</p> <p>orchard (1) 6528:17</p> <p>Order (89) 6351:4,4,7; 6360:25;6361:3; 6363:20;6364:8; 6365:13,21;6366:10, 11;6367:3,6,6,11,17; 6368:18;6369:25; 6371:13,13;6375:18; 6377:10;6383:19; 6384:1;6391:21; 6401:13;6417:10; 6419:7,10;6420:5; 6423:21;6427:12,13, 15,18;6428:3,14; 6429:10,17;6431:21; 6432:18;6433:4; 6456:22;6463:20; 6464:1,8;6468:5; 6477:9;6480:20; 6482:20;6483:7; 6493:13;6494:9; 6497:8,11;6498:2,4, 8,9;6499:2,3,4; 6503:14;6514:8; 6519:13,21;6523:11, 15,16;6526:14,17; 6527:20;6528:8,19, 22;6532:12; 6541:11;6544:6,25; 6546:3;6555:7,25; 6559:13;6563:20; 6567:3;6570:2,16, 23;6571:9</p>	<p>orderly (4) 6366:6,13,15; 6430:6</p> <p>Orders (24) 6363:13,15; 6364:22;6365:11; 6366:2;6371:9; 6381:20;6383:6,12; 6384:6;6421:10; 6428:16,17,20; 6431:14;6456:12,13, 17,19;6457:9,11; 6482:5;6544:8; 6563:12</p> <p>ordinary (1) 6518:3</p> <p>Oregon (4) 6412:2;6449:9,11, 12</p> <p>organizations (1) 6518:21</p> <p>organized (1) 6515:3</p> <p>original (3) 6491:5;6492:3; 6513:20</p> <p>originally (1) 6532:21</p> <p>others (9) 6358:16,18; 6379:2;6388:1; 6497:14;6500:16; 6501:7;6507:19; 6565:10</p> <p>Otherwise (1) 6355:13</p> <p>ought (3) 6564:25;6565:8; 6566:1</p> <p>ours (3) 6406:14;6514:9; 6549:1</p> <p>ourself (1) 6565:3</p> <p>ourselves (1) 6529:1</p> <p>out (96) 6379:5,16;6381:3; 6385:10;6389:9,9; 6396:24;6398:15; 6421:5;6423:2; 6430:21;6435:2,4, 17;6436:7;6441:7; 6442:8;6443:2; 6444:13;6445:8,14; 6448:19;6451:5; 6457:25;6461:14; 6463:2;6465:25; 6466:2,3,7,20; 6467:23;6469:9; 6471:3,4,23; 6474:18;6475:21; 6477:3;6481:6,13;</p>	<p>6484:6;6487:6; 6490:6,9;6493:2; 6497:17,20;6503:20; 6506:14;6511:16; 6513:13;6514:5,10, 11,12;6522:9; 6523:12;6527:16,18; 6533:14;6534:1; 6539:14,16;6548:23; 6550:20;6552:21; 6553:8;6554:3; 6555:3,24;6556:9; 6557:23;6558:3,5; 6559:6,25;6560:15, 23;6561:7,23,25; 6562:3,14;6563:4; 6564:5,5;6565:3; 6566:19,24;6567:7, 11,23;6568:1; 6569:14;6570:12</p> <p>outcome (4) 6450:2;6497:12; 6526:20;6528:19</p> <p>outlets (1) 6479:7</p> <p>outlined (1) 6375:7</p> <p>out-of-state (22) 6370:8,10; 6389:17,18,19; 6390:2,10;6392:9, 13;6393:4,12,14; 6394:9,22;6405:13; 6480:10,11;6483:21, 25;6484:3;6562:5,6</p> <p>outside (19) 6370:18;6383:10, 23;6400:8,9; 6401:16;6409:24,25; 6410:2,8,18;6411:2; 6422:7;6482:12; 6483:13;6487:13; 6516:21;6549:15; 6550:3</p> <p>over (51) 6356:17;6364:2,5, 10;6365:6,9,14; 6367:14;6369:10,12, 17;6371:15,20,20; 6372:23;6373:2; 6374:2,6;6375:3,19; 6376:11;6380:22; 6420:19;6426:10; 6443:5;6450:23; 6458:7;6465:17; 6466:4;6468:7; 6476:22;6480:21; 6486:11;6493:9; 6499:1;6500:3,6; 6505:22;6511:15; 6517:6;6526:6; 6534:6;6543:5; 6544:16;6547:14;</p>	<p>6549:13,15,23; 6550:3;6553:19,20</p> <p>overall (5) 6376:15;6377:13; 6378:4;6452:20; 6453:14</p> <p>overbase (11) 6387:21;6425:5; 6426:10,12,20,21, 24;6427:4,4,5,8</p> <p>overcome (3) 6376:9;6377:2; 6460:25</p> <p>overdramatic (1) 6520:8</p> <p>overhead (8) 6397:6;6423:9; 6433:22;6473:7,20; 6491:25;6506:23; 6542:6</p> <p>Overland (1) 6562:5</p> <p>overs (1) 6566:10</p> <p>oversight (1) 6547:8</p> <p>oversimplify (1) 6460:19</p> <p>overtaken (1) 6518:6</p> <p>own (32) 6371:9;6380:16, 17;6383:23; 6409:10;6421:5; 6426:20;6427:6; 6444:19;6464:12,14, 22;6471:7,14; 6482:12;6483:14; 6489:2,3;6491:10; 6496:13,17,18,19; 6499:6;6500:7; 6507:23;6519:6; 6529:15;6530:17; 6557:3;6560:5; 6569:17</p> <p>owned (1) 6508:18</p> <p>owner (3) 6490:5,6;6495:19</p> <p>ownership (12) 6363:14,16,24; 6367:5;6420:25; 6421:1,8,17; 6426:18,22;6464:21; 6482:8</p>
P				
<p>P&L (3) 6373:12;6490:5,5</p> <p>P&L's (1) 6407:13</p> <p>Pacific (3)</p>				

6366:4;6448:22; 6487:6 package (5) 6393:23;6433:13, 14,16,17 packaged (4) 6363:4;6369:4; 6373:15;6489:24 packaging (5) 6376:12;6377:6, 10,15;6378:5 packing (1) 6355:10 page (56) 6371:16,17,19,20, 22,25;6372:1,17; 6378:18,19;6380:22; 6382:6;6384:9; 6385:7;6395:19; 6424:11;6427:11; 6450:22,25;6465:14; 6480:5,12;6483:20; 6503:2;6516:5; 6519:25;6524:19; 6530:20;6531:3,19, 25,25;6532:9; 6533:25;6534:7,8, 25;6535:21;6536:7, 10,13,13,13,16; 6537:20,21;6538:4, 15;6540:14;6542:9; 6543:11,25;6544:1; 6546:21;6556:21; 6558:24 pages (3) 6359:24,25; 6424:9 paid (9) 6426:19;6427:4; 6464:12;6554:8,9; 6561:1,10;6562:18; 6563:11 pain (1) 6511:24 paint (1) 6499:11 panel (6) 6355:25;6379:7; 6397:12;6470:4; 6476:9;6527:17 par (1) 6517:22 paradigm (1) 6559:13 paragraph (41) 6368:2;6372:9,18, 19;6378:19,20; 6380:22;6395:20; 6424:12;6498:17; 6503:3;6516:6; 6519:25;6525:23; 6530:21,22;6531:5, 18,18;6532:1,10,11,	20,22;6533:4,4,19, 24,25;6534:25; 6535:7,9,12,14,21, 22,25;6536:11,15; 6542:16,19 paragraphs (1) 6532:19 parallel (1) 6383:2 parameters (1) 6471:18 parents (4) 6500:9,12; 6501:12;6529:17 parity (1) 6511:25 Park (1) 6373:19 parking (1) 6355:21 parlor (2) 6508:23;6548:6 parlors (3) 6510:9;6516:18; 6549:1 Part (38) 6356:13,15,20; 6357:17;6358:23; 6359:4,10,12,13; 6361:1,2;6362:19; 6376:22;6379:9; 6387:7;6396:3; 6417:11;6418:5; 6420:2;6428:13; 6430:2;6448:10; 6453:5;6464:10; 6474:16;6482:25; 6501:5;6502:20,21; 6508:5,10,15; 6515:2;6533:18; 6545:17,24;6566:20; 6568:21 partial (3) 6372:18;6531:18; 6533:4 participate (3) 6381:5;6507:15; 6553:22 participated (1) 6463:10 particular (2) 6549:24;6564:12 particularly (4) 6355:3;6398:19; 6512:18;6556:12 parties (2) 6435:18,20 partnership (1) 6501:12 Parts (4) 6363:18;6456:8; 6497:18;6508:6 party (3)	6444:24;6445:22; 6477:10 pass (2) 6563:18,19 passage (1) 6512:24 passed (1) 6517:24 passion (1) 6514:19 past (2) 6382:22;6557:14 pay (27) 6365:17;6366:9, 20;6374:12;6377:1; 6382:24;6425:3,8, 15,20;6428:9; 6429:9;6445:12; 6465:20;6467:3; 6479:9;6490:3; 6491:24;6522:20; 6528:15;6558:2; 6561:18,20;6562:18, 19,21;6563:10 paycheck (1) 6538:5 paying (21) 6364:11,17; 6365:5;6424:21,23; 6425:1,5,9,18,25; 6445:11;6463:24; 6465:16;6466:11; 6467:6,11;6544:15; 6561:19;6562:25; 6564:6;6571:10 payload (1) 6375:19 pays (2) 6467:2;6549:21 peace (1) 6506:1 Peach (1) 6355:11 peak (1) 6512:2 pedal (2) 6570:13,15 peers (2) 6497:21;6507:2 penalty (2) 6362:2;6552:6 pennies (1) 6444:16 penny (4) 6364:3;6372:24; 6373:2;6478:20 people (25) 6354:20;6356:6; 6357:21;6358:12,17; 6385:2;6398:9,20; 6421:23,25;6422:5; 6438:17;6463:9,14; 6471:12;6501:4;	6516:25;6546:11; 6548:8;6557:3; 6563:5,6;6564:5,22; 6568:9 people's (1) 6358:7 Pepsi (1) 6379:17 per (61) 6365:7;6366:4,18; 6368:18,24;6369:4, 6,10,13,15,17,18; 6374:18;6375:11,18, 19,20,21,21; 6377:12,12;6380:24; 6381:1,7;6385:16, 17,22;6386:21,22; 6387:1,2,5,9; 6403:23,23;6422:11, 15;6436:12;6445:4, 5;6447:9;6485:6; 6490:7;6506:24; 6508:17;6510:9,10; 6511:11;6513:13,24; 6522:5,24,25; 6525:4,8;6537:22; 6538:4,7;6542:3; 6549:4,8 percent (75) 6368:11,12,14; 6370:13;6376:12; 6384:10,14,22,23; 6389:3,14,21,22; 6393:15;6400:2; 6401:20,21,25; 6402:6;6404:24; 6405:2,5,10,10; 6406:19,21;6407:2; 6417:4;6425:18; 6429:8;6445:24,24; 6449:6;6450:17; 6452:3,4,5,8;6453:7, 8,11,16,17,19,21,25; 6454:5;6455:14,17; 6456:2,25;6461:12; 6481:12,14,18; 6484:21,22;6487:13, 17,18,18;6495:23; 6503:11;6511:25; 6513:1,2;6526:20; 6538:14,14;6539:19, 20;6562:4,6; 6569:18,19 percentage (14) 6400:15;6402:10, 22;6404:22; 6405:20;6407:13; 6429:8;6453:3; 6471:22;6484:7; 6495:21;6503:12; 6504:24;6538:12 perfect (2) 6515:4;6558:9	performed (1) 6368:21 perhaps (2) 6399:5;6479:25 period (31) 6369:12,17; 6442:22;6448:11; 6501:20;6502:3,4,6, 6;6503:6;6504:10, 22,25;6505:3; 6512:23;6514:5; 6521:8,18;6524:15, 17;6525:5,5,6,7,9,11, 24;6538:14;6544:4, 8;6546:6 periodically (1) 6515:23 periods (6) 6387:24;6388:8; 6502:5,7;6537:23; 6538:13 perishable (1) 6565:14 perjury (2) 6362:3;6552:7 permit (2) 6493:22;6547:2 permitting (1) 6510:12 person (12) 6357:19,20; 6363:1;6398:14; 6407:12;6420:7; 6439:15;6489:20; 6490:5;6527:6,7,8 personally (1) 6511:22 persons (1) 6506:13 perspective (3) 6392:3;6407:23; 6559:16 perspectives (1) 6455:4 pertaining (2) 6431:22;6465:3 pertains (1) 6542:4 Pet (2) 6411:7;6414:3 P-E-T (1) 6414:4 Pete (1) 6496:16 philosophically (1) 6565:4 phone (5) 6397:20;6398:1, 12,14;6399:5 phones (2) 6397:24;6398:8 phrase (4) 6380:13;6499:21;
---	---	---	---	--

<p>6523:25;6534:21 physical (2) 6360:20;6506:22 physically (1) 6425:17 Piccadilly (2) 6355:10;6572:11 pick (12) 6375:9;6380:4,5; 6385:5,5,6,8;6487:6; 6564:7,8,8,21 picked (8) 6489:1 picking (2) 6385:9;6565:8 pickle (1) 6399:3 picks (1) 6556:11 picture (4) 6387:16;6480:15, 16;6499:11 piece (12) 6357:18;6389:4, 16,17;6392:12; 6408:11;6464:22; 6485:21;6489:11; 6539:14,15,16 pieces (2) 6359:8,21 piles (1) 6516:20 pipeline (1) 6509:2 pitch (2) 6549:24,25 place (21) 6356:17;6385:6; 6398:16;6451:2,4; 6456:12,24;6457:2, 3,9;6479:5,5; 6492:15;6500:22; 6509:16;6510:8; 6515:21;6520:1; 6555:19;6567:15,22 placed (2) 6365:22;6571:6 places (4) 6480:7;6503:21; 6510:2;6533:4 plan (6) 6471:2;6528:15, 21,23,24;6529:2 plane (2) 6516:9,9 planned (2) 6513:20;6532:21 planning (2) 6469:4;6513:21 plans (1) 6477:7 plant (80) 6363:2;6367:22;</p>	<p>6368:4;6373:19; 6374:24;6375:14,16, 16,25;6376:2,3,9,19; 6377:19,19;6378:9, 9,23;6390:14; 6393:14,15,17; 6394:1,3,10,11,16, 17;6395:24;6396:5, 18,21,25;6397:2; 6402:7,11,20; 6422:1,22;6433:21; 6439:8,9,12,16,17, 20,24;6444:8; 6445:7,13;6460:16, 24;6461:15;6466:15, 21;6467:10;6471:2; 6477:1,3,6,8,8; 6478:3;6479:6,8; 6482:15,19;6485:5; 6488:6,13,20,25,25; 6491:9,11;6519:21; 6541:9;6555:8; 6564:10;6571:1 plants (50) 6363:5;6367:15; 6369:11,14;6370:18; 6373:12,13,17; 6374:3,5;6376:5,6,8, 24;6380:9,9; 6382:10;6384:17; 6392:14;6396:6,10, 11;6397:5;6402:15; 6405:6,9;6406:24, 25,25;6438:18; 6442:17;6444:19; 6446:11,17,20,23; 6459:24;6460:11,24; 6475:16;6480:22; 6514:24;6533:23; 6556:4,5;6557:24; 6564:9;6570:3,24,24 plant's (1) 6474:1 plastic (1) 6547:11 play (1) 6473:17 player (1) 6408:24 playing (17) 6367:11;6370:17; 6373:25;6381:5; 6424:3,6,7,7,12,15, 19,24,25;6425:13, 16;6426:1;6560:18 please (28) 6362:1,5,9; 6368:2;6392:19; 6415:3;6417:19; 6453:20;6466:18; 6469:13;6482:17; 6494:8;6498:15; 6501:21;6520:11;</p>	<p>6521:1;6523:8,13, 20;6524:3,10; 6526:22;6527:1; 6530:8,13;6540:23; 6552:5,9 pleased (1) 6360:13 plenty (2) 6360:19;6462:3 plus (4) 6400:22;6401:8; 6521:9;6544:4 podium (4) 6354:15;6415:6; 6520:16;6566:14 point (25) 6356:9;6373:8; 6375:4;6377:12; 6379:5;6396:24; 6398:15;6414:23; 6424:9;6433:19; 6444:13,21;6445:9, 13;6461:11;6488:9, 24;6494:3;6519:1; 6520:6;6529:25; 6535:22;6546:13; 6567:21;6571:22 pointed (1) 6442:8 pointing (2) 6371:24;6488:16 police (2) 6571:18,18 policies (1) 6556:17 Policy (8) 6352:8;6482:4; 6511:22;6555:22; 6556:16,18,18; 6557:2 political (1) 6555:18 politics (3) 6553:16;6557:1; 6558:22 Poly (1) 6496:25 pond (2) 6529:17,24 Ponderosa (3) 6353:2,24; 6397:16 pool (37) 6364:12;6365:6, 17;6369:24;6370:5, 7;6382:24;6388:11; 6389:8;6392:6; 6401:8;6402:10; 6405:15,20;6406:8, 20;6407:14; 6419:15;6425:1,8, 15,17,18,20; 6426:14,17,21;</p>	<p>6429:9;6463:25; 6465:17,21;6466:10, 11;6478:3;6505:20, 23;6512:19 pooled (5) 6389:19;6401:12; 6432:21;6463:23; 6481:9 pooling (9) 6394:7;6505:11, 13,14,21,24;6506:3, 5;6526:16 population (4) 6503:8;6508:4; 6509:4;6545:19 portion (5) 6419:6;6453:13, 15;6477:5;6478:19 Portuguese (2) 6500:25;6509:17 position (8) 6362:1;6380:6; 6417:8;6461:7; 6485:1;6527:9; 6552:5;6562:23 positive (2) 6388:16;6539:25 possible (4) 6389:23;6439:21; 6513:22;6541:12 possibly (1) 6383:22 posts (3) 6547:19,21,22 post-World (3) 6503:8;6508:10, 12 potential (6) 6367:4;6371:13; 6443:5;6484:4; 6516:3;6549:17 potentially (4) 6390:13;6421:20; 6422:9;6423:24 pound (17) 6365:15;6383:17, 23;6403:23;6415:13, 17;6421:4;6422:9, 11,18;6429:5; 6436:12;6481:3; 6482:18,22;6484:2; 6563:17 pounds (138) 6363:5;6364:25; 6365:13,19;6366:3, 18,22;6367:1,9; 6369:2,23,23; 6370:2,5,5,6,7,8,8,9, 9,11;6371:4;6382:7, 12,17,21,22; 6383:11;6387:1; 6389:12,12,18,20, 24;6390:11,13,13,</p>	<p>14;6392:2,9;6393:4, 6,9,11,16,18,19,21; 6395:5;6400:6,6,16, 23;6401:7,8,9,11,13, 14,14,16;6402:25; 6403:5,23;6404:4,4, 5,7,10;6405:14; 6416:23,24;6421:4; 6422:15;6424:22; 6425:2,6,19; 6426:23;6428:5,6,7, 23;6429:11,15,20; 6432:21;6456:21,23; 6463:22,23;6465:21; 6467:3,5,5,7; 6478:10;6480:9; 6481:8,9,10; 6482:12;6483:13,21; 6484:6;6489:25; 6490:2;6496:1,2; 6502:20;6503:7,9, 17,17,22;6504:5,5,8, 9,14,14,16,17,19,21; 6505:1,2,4,6;6506:7, 8;6512:25,25,25; 6513:1,2;6522:24 pouring (1) 6512:14 powder (1) 6352:9 power (6) 6446:24;6471:6; 6505:18;6527:9; 6571:18,19 powerless (1) 6520:3 practically (1) 6553:17 practice (2) 6474:16;6510:19 practices (1) 6517:18 precedence (1) 6357:15 precedent (1) 6371:9 precise (2) 6416:10;6503:20 predict (2) 6528:6,7 predicted (2) 6518:7;6567:1 prediction (2) 6539:18,20 preempt (1) 6389:2 prefer (3) 6378:25;6476:6; 6534:21 preliminary (2) 6355:5;6360:6 premium (7) 6419:15;6426:6,9,</p>
---	--	---	--	--

<p>16;6427:3,7;6527:23 premiums (1) 6426:9 preoccupied (1) 6505:25 prepared (6) 6371:19;6399:17; 6494:5,17;6497:21; 6502:25 preparing (1) 6551:5 present (4) 6362:3;6366:14; 6552:7;6559:20 presented (1) 6382:15 preserve (2) 6418:11;6420:2 preserved (6) 6417:17,22; 6419:7;6428:14; 6429:4;6431:25 preserving (1) 6434:19 President (4) 6373:11;6380:7; 6449:18;6555:18 pressure (2) 6561:23;6563:5 pretty (14) 6436:7;6483:8,11; 6507:14;6521:16; 6529:7;6546:16; 6548:22;6554:6,11, 21;6558:9;6560:25; 6563:4 prevalent (1) 6517:7 prevent (1) 6527:22 preview (1) 6566:10 previous (4) 6371:10;6504:20; 6519:25;6525:10 price (182) 6364:13,13,20; 6365:7,9,18; 6366:13,20;6367:21; 6368:3,10,12,14,15, 17,17,18,19,20,23; 6369:5,6,7,10,12,17; 6370:22;6374:11; 6375:5,8,10,10,14, 24;6376:1,15; 6377:11,14,18; 6378:4,8;6381:17; 6385:12,13,14,16,17, 20,20;6387:9,13,19, 19,20,24;6388:4,6, 10,11,14;6392:5; 6424:23;6425:10,12, 15,22,22,25;6426:6,</p>	<p>11,12,13,16,19,24; 6427:6,7,8;6433:25; 6435:11,12,13; 6436:15,16;6439:21; 6440:22;6441:10,24; 6442:5;6443:8,9,10; 6444:3,10;6447:9; 6454:10,17;6455:20, 25;6456:2,6,9; 6461:5,20;6462:14; 6465:22;6466:19; 6467:4,7,8,11,16,25; 6473:18;6475:14,18; 6476:6;6480:25,25; 6481:5,5;6488:9; 6489:9;6490:15; 6491:10,12,20; 6492:2,22;6493:3; 6497:18;6511:25; 6512:1,7;6519:21, 22;6521:15;6522:2; 6523:11,15,16,19, 20;6527:19;6532:4; 6538:8,9;6543:13; 6544:24,25;6545:4, 4;6554:15,18,25; 6555:1,3,9,22; 6556:3,7;6563:16, 18,21,25;6564:4,25; 6565:2,9,19,25; 6569:21,24;6570:2, 17,18;6571:4,12,13, 14,15,16 priced (1) 6514:16 prices (44) 6359:16,17; 6364:18;6366:8,9, 14;6387:5,23; 6388:8,13;6424:21; 6425:5;6446:11,19; 6466:17;6467:2; 6472:19;6491:22; 6492:23;6499:4,5; 6511:12;6512:3,4; 6513:9;6522:21; 6524:1;6527:5,6,9; 6528:6,7,8;6542:23; 6544:7,13,14,16,17; 6550:12;6564:13; 6571:9,9,19 pricing (21) 6359:14,15; 6364:4,6,11; 6370:22;6373:20; 6394:7;6431:4; 6435:20;6473:15; 6474:17;6475:5,15; 6481:19;6503:13; 6517:20;6527:4; 6543:16;6553:23; 6564:7 pride (1)</p>	<p>6559:9 primary (1) 6366:5 principle (1) 6357:22 prior (6) 6388:2,7;6392:11; 6428:3;6507:6; 6508:14 private (32) 6373:20;6374:1,4, 7;6376:21;6377:5, 16;6378:6;6380:13, 13,15;6396:2,20; 6397:4;6403:8,9,11, 13;6404:12,15,23; 6405:5,10;6409:11; 6416:3,16;6435:8; 6444:18;6450:23; 6451:8;6456:5; 6473:25 pro (1) 6394:17 probably (20) 6358:6;6371:22; 6420:9;6445:24; 6449:6;6472:24; 6473:9;6480:5; 6484:5;6489:19; 6499:16;6503:7; 6530:16;6540:1; 6547:4;6548:10; 6553:18;6566:3,7; 6567:21 problem (5) 6358:3;6526:18; 6528:8;6536:16; 6565:3 problems (3) 6370:15;6398:8; 6424:13 procedure (1) 6356:5 procedures (1) 6517:13 proceed (8) 6362:11;6495:4; 6496:9;6519:15; 6522:11,14;6523:17; 6552:24 proceeding (5) 6361:23;6366:22; 6379:14;6494:5,21 proceeds (1) 6512:20 process (18) 6360:20;6377:5; 6408:25;6423:17; 6433:9;6435:22; 6438:5;6442:21; 6452:16;6454:15; 6460:22;6461:2; 6510:12;6513:21;</p>	<p>6516:5;6528:19; 6529:7;6539:13 processed (2) 6394:14;6411:21 processes (4) 6374:8;6434:21; 6450:25;6451:7 processing (13) 6376:12,18; 6377:6,10,15; 6378:5,22,23; 6395:24;6412:2; 6514:21;6533:9; 6559:15 processor (13) 6375:3,4;6377:7, 17,21;6378:7,11; 6381:4;6408:6,18; 6423:18;6439:25; 6487:8 processors (18) 6365:10;6374:12; 6384:15,17;6406:22; 6423:13;6509:3; 6514:24;6515:5; 6527:13,25;6533:23; 6543:19;6546:4; 6557:8;6558:1; 6563:10;6568:13 processor's (4) 6377:4,19;6378:9; 6444:15 procure (2) 6365:18;6444:15 Procurement (2) 6352:14;6377:10 produce (16) 6422:15;6505:19; 6506:10;6516:2; 6519:22,24;6528:17; 6531:8,20;6542:3; 6546:4;6549:18; 6554:19,22;6555:2; 6558:2 produced (7) 6394:13;6507:7,9; 6511:14;6524:8; 6525:13;6544:2 Producer (19) 6353:2,23;6364:7; 6366:17;6397:16; 6422:14;6426:6; 6431:23;6463:19; 6476:17;6482:25; 6497:10;6499:1; 6517:20;6524:5; 6551:25;6557:5; 6569:12;6571:21 producer-distributor (3) 6359:22;6367:23; 6368:5 producer-distributors (5) 6370:19;6383:15,</p>	<p>21;6384:11;6391:21 Producer-Handler (64) 6362:24;6363:1,6, 12,22;6365:14,25; 6366:12,21,25; 6368:22;6370:6,12; 6371:3,10;6373:24; 6374:2,7,16,21,25; 6375:5;6376:8,14, 24;6381:19; 6383:18;6389:7; 6390:14;6401:10; 6406:8;6418:14,19, 20;6420:13,22; 6421:8,10,15,16; 6422:2,4;6427:15, 16,17;6428:9,9; 6429:15,19;6430:14; 6431:23;6450:24; 6451:16;6456:20; 6457:11,15;6460:24; 6461:9;6467:19; 6481:2;6482:14,18; 6483:15,24 <small>producer-handler/producer-distributor (1)</small> 6356:12 producer-handlers (74) 6363:16,17; 6364:8,9,11,22,23, 24;6365:4,12,19,22; 6366:3,17;6367:4,8, 12,15,18;6368:15; 6369:1,9;6370:1,4, 24;6371:1,11; 6374:10;6377:1; 6382:16;6383:7; 6387:3;6399:23; 6400:7,9;6402:2,4,8, 14;6405:23; 6406:18;6427:23,24; 6429:16;6430:9,20; 6431:2,10;6432:10, 19;6433:1;6450:5,8, 12,16;6454:3; 6455:7,13;6456:23; 6457:9;6458:14; 6460:14;6462:24; 6465:15;6468:11; 6480:19;6481:11,14; 6482:5,25;6483:2; 6484:24;6491:19; 6492:17 Producers (72) 6353:7,9,19; 6354:1,5,9,21,22; 6366:15;6391:20; 6392:1,7;6401:22; 6402:1;6418:11; 6419:14;6450:11; 6469:5;6476:16; 6481:13;6497:16,18, 19;6498:5,12; 6499:19,22;6502:14;</p>
---	--	---	---	---

6505:20,22;6513:15; 6515:5,11,12; 6519:2,5,7,16,20,23; 6520:2;6521:2; 6527:3,16,25; 6528:4,9;6536:17; 6544:16;6545:6; 6546:3,3,5;6553:19; 6556:7,21,24; 6557:5,7,8,16,19; 6558:8,23;6559:14; 6561:24;6563:11,11; 6566:18;6567:4,10; 6571:10 produces (1) 6565:13 producing (23) 6375:14,15,16,25; 6376:2,5,6;6377:19; 6378:9;6439:8,20; 6445:12;6465:4; 6488:20;6506:25; 6507:20,20,22; 6515:11;6518:6; 6523:4;6534:16,20 product (26) 6353:11;6375:12; 6402:13;6422:22; 6425:12;6426:8; 6433:8,17;6441:5, 16;6442:24;6444:9; 6446:16;6458:18; 6468:21;6475:15; 6511:13;6519:25; 6553:23;6556:5,12; 6564:6,7;6565:20; 6570:11,11 product-by-product (2) 6434:14,15 production (52) 6363:23;6371:5; 6376:20;6396:1,14; 6401:22;6422:23; 6483:14;6495:21; 6497:16;6499:9; 6501:3,9,13,15,19, 21;6502:2,3,7,8; 6503:5,6,8;6504:8, 13,15,16,23;6505:1, 3,5,7;6506:2,5,24; 6507:5;6508:9; 6509:16;6511:21; 6512:17,22;6514:20; 6517:24;6533:8; 6540:24;6541:25; 6556:1,19;6567:17; 6569:20,23 products (8) 6363:4;6407:22; 6408:19;6426:7; 6489:24,25;6555:14; 6570:8 Professor (3)	6518:15;6519:19; 6520:1 profit (11) 6380:8;6407:5; 6434:9,11,13; 6452:20;6475:20; 6491:25;6514:23; 6533:11,22 profitability (1) 6468:14 profitable (3) 6554:19,23; 6556:5 profits (2) 6513:3;6514:17 Program (7) 6351:1,8;6441:17; 6517:5;6555:24; 6556:2;6570:19 Programs (1) 6351:4 projected (1) 6471:3 promised (1) 6551:12 promising (1) 6529:18 promote (3) 6515:9;6534:15, 19 pronounce (1) 6353:16 proofread (2) 6551:17,21 proofreading (3) 6551:18,21,22 proper (3) 6498:4;6517:12; 6567:2 properly (2) 6372:12;6423:7 property (2) 6500:20,22 Proponents (3) 6351:10,25; 6369:21 Proposal (67) 6351:10,17,25; 6354:14;6359:14; 6362:25;6363:9,10, 11,13,14,17; 6366:20,25;6367:11, 16;6369:21;6371:1, 1;6383:9,11,25; 6384:1,1,3,3; 6417:12,15,16,20, 20;6418:10;6419:5, 15;6420:1,1,3,11,13, 21,22;6421:3,6,14, 16,24;6422:12,12, 16;6428:24; 6429:22;6464:12; 6480:17;6495:13;	6497:7;6498:1; 6544:13,17,19,20; 6557:21,21;6558:9, 9,11;6559:1;6571:9 proposals (2) 6359:13;6373:22 proposed (9) 6418:1;6420:14; 6421:16;6482:20; 6498:10;6544:13,15, 17,18 proposing (1) 6429:3 prospectus (1) 6408:10 protect (2) 6459:2,2 protecting (1) 6515:20 Protection (1) 6518:2 protocols (5) 6517:9,10,13; 6535:16,17 proud (4) 6467:1;6559:3,10, 11 proverbial (2) 6365:3;6465:13 provide (13) 6364:4;6368:25; 6373:23;6389:2,25; 6398:20;6435:13,20; 6442:24;6444:23; 6549:15,16,21 provided (9) 6382:6;6389:15; 6399:1;6434:24; 6436:15;6438:21; 6440:21;6444:17; 6463:7 provider (1) 6441:22 providing (3) 6446:18;6463:7; 6515:21 provision (7) 6365:3;6382:20; 6417:16;6423:3,15, 25;6465:13 provisions (2) 6363:20;6511:20 provoke (1) 6572:6 proximity (1) 6460:5 publicly (1) 6493:25 publicly-traded (1) 6434:2 pull (2) 6471:7;6550:3 pumped (1)	6554:17 punch (1) 6539:16 purchase (5) 6374:17;6377:2; 6483:24;6495:25; 6500:18 purchased (6) 6400:9;6422:7; 6483:13;6496:3; 6500:20;6510:18 Purchases (1) 6555:12 purchasing (2) 6374:10;6421:5 Pure (2) 6409:16;6412:6 P-U-R-E (1) 6412:7 purpose (5) 6363:25;6375:14; 6393:23;6508:21; 6516:18 purposes (2) 6430:4;6523:22 put (46) 6356:14,14; 6358:23;6362:18,21; 6365:25;6375:23; 6380:17;6386:21; 6395:1;6413:3; 6417:12;6425:17; 6427:5;6433:13,15, 16,17;6435:1,6; 6437:1,2;6448:18; 6449:19,20;6457:2, 9;6464:10;6468:8; 6473:7;6483:19,20; 6513:11;6515:14; 6522:10;6532:12,14; 6539:12;6543:9; 6547:10;6551:20; 6556:23,24;6558:10; 6560:2;6564:12 puts (2) 6524:21,22 putting (5) 6389:20;6419:12; 6471:23;6497:23; 6563:5	6488:9,14;6489:10 quantities (1) 6447:7 quick (7) 6444:22;6477:24; 6484:12;6521:16; 6537:20;6539:2; 6551:4 quickly (6) 6383:5;6437:20; 6480:13;6485:16; 6535:11;6571:8 quintessential (3) 6507:24;6516:14; 6548:24 quite (11) 6353:13;6471:23; 6477:7;6478:24; 6479:23;6506:23; 6541:12;6563:14; 6566:18;6567:10; 6572:7 quota (139) 6356:12;6357:9, 12,13,13;6358:23, 25;6359:3;6364:13, 13,25;6365:19; 6367:13;6368:13,17, 20;6369:23;6370:1, 7,9;6381:17,25; 6382:2,11;6383:17; 6385:17,20;6387:19, 19;6399:23;6400:8; 6417:9,17,21,23,23, 24;6418:1,7,11,15, 21,23,24;6419:7,8,9, 11,12,13,14,18,19, 23,23;6420:2,5,8,10; 6422:3,14;6425:4,6, 22;6426:4,4,5,5,9,13, 16,17,19,20,22,23, 25;6427:2,3,6,7,17; 6428:1,14;6429:3,7, 23;6430:8,13; 6431:25;6432:9; 6433:4;6455:8; 6461:18;6462:11; 6463:25;6464:4,5,6, 9,10,11,13,16,17,19, 20,21,24;6465:1,1, 10,11,19,22,23; 6466:1,3,22;6467:3, 4,7,20;6480:25; 6481:1,4,5,8,11,15, 19,23;6495:19,22; 6505:20,23;6512:19; 6564:19;6569:17 quotations (1) 6534:17 quote (11) 6367:19;6375:10, 14;6435:11,12; 6445:22;6461:20;
Q				
qualification (1) 6482:16 qualify (8) 6383:16,18; 6421:7,15,23; 6422:4,16;6550:13 quality (12) 6441:15,19,20; 6442:7,24;6454:10, 17;6455:20,23;				

<p>6475:5;6506:4; 6518:15;6526:15 quoted (1) 6444:25 quotes (1) 6375:9 quoting (1) 6538:4</p>	<p>6443:7,20,21; 6445:15,18;6461:13, 17;6467:16; 6484:20;6488:17,17; 6511:13;6550:12 reach (4) 6406:10;6488:11, 12;6526:20 reached (3) 6389:9;6519:17; 6558:3 read (49) 6360:6;6362:15; 6371:18,23;6372:3, 9,17;6373:1,8; 6390:4;6427:22; 6443:18;6460:21; 6463:6,12,13; 6480:18;6498:15; 6523:12;6524:10; 6525:24;6526:2,22; 6530:15,23;6531:4, 7,17;6532:1,22; 6533:5,14,17,19; 6534:1,2,10,12,13, 18;6535:3,8,24; 6536:14,24;6557:13; 6562:1;6567:22,22 readily (2) 6367:23;6368:5 reading (10) 6385:2;6408:8,10, 21,23;6450:25; 6465:14;6530:16; 6531:12,15 reads (1) 6378:23 ready (6) 6357:6;6358:23; 6415:3;6469:13; 6528:16;6530:9 real (4) 6540:18,20; 6555:9;6557:11 reality (8) 6359:2;6433:12; 6445:16;6447:8; 6461:13;6527:13,24; 6566:8 realize (2) 6506:15;6559:7 realized (3) 6505:20,23; 6520:2 really (36) 6358:21,22; 6372:3;6389:22; 6402:7;6431:17; 6433:11;6446:7; 6461:7,19;6475:13; 6484:22;6486:4; 6505:24;6506:6; 6510:6;6518:7;</p>	<p>6521:14;6525:25; 6529:12;6543:6; 6546:9;6547:4; 6554:14,20;6555:3; 6556:6;6558:7; 6559:3;6560:24; 6563:15;6564:23; 6566:6,6;6567:1,24 reason (13) 6372:25;6374:9; 6429:3;6442:4; 6455:21;6456:8; 6461:4;6462:9; 6513:3;6556:20; 6560:1;6569:20,22 reasonable (4) 6376:23;6510:15; 6514:7;6526:21 Reasonably (1) 6514:16 reasons (8) 6441:14;6454:9, 18;6455:18,20; 6484:15;6530:4; 6569:21 rebate (2) 6474:13,16 rebates (4) 6474:8,25;6475:3, 3 recall (6) 6424:1;6438:3,4; 6448:9;6459:13; 6465:6 receive (11) 6366:9;6367:19; 6374:10;6381:7; 6391:24;6419:14; 6426:6,16,22; 6439:21;6441:20 received (8) 6391:2,7,14; 6478:3;6502:11; 6512:3;6537:15; 6544:9 receiving (3) 6426:24;6445:21; 6511:9 recent (5) 6370:17;6409:15; 6498:13;6526:14; 6547:16 recently (4) 6451:4;6501:16; 6529:12,12 recess (1) 6572:13 recognizable (1) 6516:6 recognize (3) 6519:2;6536:1; 6569:10 recognized (1)</p>	<p>6571:5 recognizing (2) 6518:22;6538:12 recommend (1) 6527:17 recommendation (1) 6545:6 recommit (1) 6528:25 record (25) 6356:5,8;6357:21; 6360:7;6362:19; 6368:1;6379:24; 6412:13;6415:5; 6416:15,18;6430:25; 6441:24;6470:2; 6476:14;6484:14; 6489:21;6501:25; 6530:11,18;6543:12; 6552:23;6558:10; 6572:11,12 record's (2) 6438:12;6542:1 recover (3) 6524:1;6560:19, 22 recovered (1) 6555:21 RE-CROSS-EXAMINATION (2) 6489:17;6490:13 red (4) 6369:24;6507:24; 6516:14;6548:24 redirect (4) 6485:10,10,11; 6551:2 reduce (5) 6444:10;6466:15, 23;6513:10;6542:24 reduced (2) 6366:9;6499:17 reduction (3) 6453:6,7;6567:20 Reed (3) 6354:7,7,11 R-E-E-D (1) 6354:8 refer (4) 6380:18;6403:8; 6448:8;6523:20 referee (4) 6565:11,23,24,24 reference (4) 6415:9;6444:21; 6537:24;6538:16 referenced (3) 6425:21;6487:10; 6489:21 referencing (2) 6395:8;6425:14 referred (5) 6436:16;6478:19; 6490:8;6492:9;</p>	<p>6508:23 referring (15) 6409:12;6434:25; 6440:3;6443:19; 6447:5;6451:1,2; 6454:19;6459:10; 6465:18;6480:3; 6485:20;6491:11; 6523:24;6527:8 reflection (2) 6389:19;6487:14 reflective (2) 6389:15;6478:11 reflects (1) 6559:13 refrigerated (1) 6489:23 regain (1) 6518:8 Regan (1) 6555:18 regard (4) 6358:25;6390:21; 6391:3,8 regarding (1) 6356:11 regardless (3) 6365:20;6517:14; 6527:10 Region (8) 6373:11;6380:7; 6407:6;6412:1; 6440:16;6487:5,9; 6491:6 regional (5) 6371:10;6409:11; 6428:21,21;6546:8 regions (2) 6487:5;6565:10 regular (7) 6418:11;6419:13, 14;6426:4,4,5,16 regulate (1) 6365:11 regulated (46) 6359:17;6364:5, 10,14,19,20;6365:2, 10,15,17,23;6366:1; 6367:14,22;6368:4, 15,25;6369:6,7,10, 10,12;6373:24; 6374:3;6375:6; 6381:16;6421:18; 6424:20;6425:8,14; 6428:11,22;6429:21; 6468:6,10,10; 6480:21,21;6482:15, 19,23;6484:23; 6503:12;6564:25; 6565:25;6571:19 regulation (6) 6366:21;6367:6; 6382:16;6421:3;</p>
--	--	---	---	---

<p>6431:8;6565:12 Regulations (14) 6362:24;6363:10, 12;6364:4,6,11,18; 6365:13,21;6368:25; 6383:9;6421:20; 6431:3;6499:17 regulatory (11) 6364:4;6367:21; 6368:3;6370:21; 6371:12;6431:6; 6510:12;6516:4; 6546:21;6549:6,7 reject (1) 6398:18 rejected (3) 6366:23;6367:12; 6382:25 related (1) 6552:15 relates (2) 6420:13;6442:1 relating (1) 6539:4 relationship (5) 6434:19;6505:25; 6522:2;6528:7; 6565:16 relationships (1) 6476:5 Relative (8) 6407:16;6461:23; 6474:9;6475:5; 6486:21;6497:18; 6511:21;6571:19 relatively (11) 6359:5,5,24; 6360:14;6444:19; 6465:19;6507:22; 6513:5;6540:22; 6547:1;6550:22 relevant (3) 6451:14,20; 6556:13 relief (1) 6566:8 relies (1) 6398:14 relying (1) 6371:5 remain (4) 6362:8;6398:6; 6487:22;6494:24 remained (2) 6507:22;6509:12 remaining (1) 6467:8 remarkable (1) 6572:1 remember (14) 6395:10;6401:19; 6424:4;6458:3; 6469:12;6507:15;</p>	<p>6512:5;6514:5; 6532:2,3;6540:23; 6545:16;6560:1; 6570:17 remind (2) 6398:3;6449:7 reminder (1) 6355:9 remodel (1) 6548:5 remodeling (1) 6529:10 remove (3) 6436:21,22; 6437:15 removed (4) 6437:7,8;6438:24; 6439:1 renovations (1) 6548:15 rent (1) 6500:19 repeat (2) 6466:18;6498:22 repetitive (1) 6558:20 replaced (2) 6509:5;6540:15 replaces (1) 6523:25 report (1) 6562:3 reported (2) 6423:24;6452:25 reporter (4) 6354:25;6362:21; 6414:24;6422:25 Reports (1) 6562:2 represent (8) 6353:1,23;6354:9; 6393:6,10;6422:15; 6458:18;6521:19 representative (2) 6352:18;6501:20 representatives (1) 6513:14 represented (3) 6370:12;6384:11; 6426:17 representing (1) 6352:3 represents (6) 6368:9,11,13; 6376:11;6405:5; 6406:19 requests (1) 6373:21 require (2) 6547:18,21 required (10) 6365:17;6375:8, 17;6377:12;</p>	<p>6380:24;6469:8; 6513:12;6547:19; 6548:6,12 requirement (2) 6380:25;6381:5 requirements (7) 6363:7,14,17; 6371:5;6383:7; 6421:17;6510:14 requiring (2) 6374:4;6381:6 re-read (2) 6377:25;6378:2 researched (1) 6555:11 resin (7) 6433:14;6436:12; 6443:8,24;6444:14; 6445:15;6447:5 respect (6) 6363:10;6364:7; 6382:15;6383:21; 6390:23;6419:23 respective (1) 6481:1 respectively (1) 6369:16 respond (3) 6520:15;6522:11; 6567:24 responded (1) 6512:19 responding (2) 6392:19;6563:6 response (5) 6373:21;6374:14; 6486:7;6520:18; 6554:15 responses (1) 6520:17 responsibilities (1) 6373:20 responsibility (4) 6407:4;6435:19; 6471:16,17 responsible (4) 6373:12;6380:8; 6407:12;6448:9 rest (22) 6408:4,25; 6426:21;6454:5; 6481:21,24,25; 6486:2;6496:2; 6503:14;6506:19,21; 6511:21;6517:21; 6519:7,17,23; 6550:5;6555:17; 6559:4,8;6564:19 restate (1) 6453:20 restrictions (2) 6422:21;6482:8 restrictive (2)</p>	<p>6421:7,15 result (8) 6376:7;6460:22; 6505:21,23;6512:3; 6514:17;6527:19; 6569:25 resulted (1) 6398:4 resulting (1) 6517:3 results (5) 6368:20,23; 6374:15;6529:13; 6539:4 resume (2) 6470:5;6502:16 resurgence (1) 6498:20 retail (8) 6374:17;6377:5; 6439:10;6440:5; 6448:14,18;6449:11; 6479:7 retailer (17) 6374:15;6375:8, 12;6376:6,25; 6423:18;6435:15,21; 6437:15,16;6438:6, 7;6442:1;6448:5,10; 6455:22;6492:9 retailers (1) 6423:13 retailer's (2) 6375:24;6380:16 retain (5) 6364:24;6365:9, 16;6487:19,21 retained (5) 6488:8,13; 6489:11;6491:11; 6492:12 retaining (1) 6425:6 retrofit (1) 6548:12 return (14) 6356:20;6381:12; 6433:23;6434:1,5,8, 18,18,20;6470:4; 6497:25;6568:17,18; 6570:6 review (1) 6358:14 reviewing (1) 6438:4 RFP (15) 6374:8,14,15; 6375:8,17,23; 6376:4,22;6377:11; 6380:24;6396:3; 6448:11;6450:25; 6475:5;6492:3 RFP's (1)</p>	<p>6373:22 Richard (3) 6353:6;6476:12; 6521:2 Richie (1) 6354:22 R-I-C-H-I-E (1) 6354:23 Rien (11) 6494:5;6495:1; 6496:13;6554:2; 6556:8,20;6558:5; 6560:14,20;6561:7; 6566:15 R-I-E-N (1) 6495:2 Rien's (5) 6554:1,4,7,11; 6557:22 right (114) 6355:1,4;6360:6, 21;6361:4,21; 6362:1;6368:9; 6371:25;6372:25; 6373:6;6386:8,13; 6388:25;6394:4; 6396:19,22;6402:7, 11,13;6403:25; 6404:20;6405:18; 6412:11;6413:1,8, 10,12,15,18,22; 6414:6,11,15; 6415:6,19;6416:11, 16,20,24;6417:17, 22;6418:23; 6421:21;6422:11; 6424:6;6426:22; 6432:14,15;6433:12; 6438:6;6439:3,13; 6441:2,24;6443:4, 17;6444:7,11; 6445:20;6447:15; 6450:13;6453:1,22; 6454:25;6455:10; 6457:12;6460:5; 6461:21;6464:3; 6465:4;6467:12,16; 6468:22;6471:4; 6473:3,18;6474:17; 6486:19;6488:15,19; 6491:21;6492:24; 6493:4,23;6494:14; 6498:7;6503:23; 6518:11;6530:20; 6531:3;6533:2; 6535:6,19,20; 6536:4,20,23; 6538:15;6542:3; 6544:5;6548:10; 6551:10;6552:5,17, 24;6560:23;6561:6, 22;6562:24;6567:8; 6568:23;6571:25;</p>
--	---	--	---	---

<p>6572:10 Ripon (3) 6500:11,16,19 ripple (1) 6371:8 rise (1) 6388:13 risen (1) 6549:9 risk (5) 6514:4;6524:22; 6528:8;6536:16; 6557:23 risks (1) 6501:8 Rives (2) 6353:1,22 road (3) 6398:2;6558:8; 6563:2 Rob (16) 6352:22;6353:25; 6356:11,13;6357:5; 6361:1,1,5,9; 6362:10;6424:5; 6461:17;6487:3; 6526:22;6553:19; 6556:14 Rob's (1) 6426:2 rocked (1) 6521:6 Rockies (1) 6363:19 roles (1) 6446:1 roll (1) 6557:17 rolled (1) 6511:5 rolling (2) 6511:8;6556:8 roof (3) 6549:24,25; 6550:6 room (7) 6356:6;6357:25; 6358:2;6360:19; 6398:19;6520:10; 6552:15 R-O-O-Y (1) 6352:11 Roughage (2) 6510:16;6514:16 roughages (2) 6506:17;6509:13 roughly (13) 6389:13;6400:25; 6401:7,12,16,19,20; 6478:10;6481:9,10; 6484:20;6504:23; 6538:22 round (1)</p>	<p>6430:2 route (18) 6363:2,3;6365:1, 12;6366:4,17,21; 6367:1,9,14;6371:4; 6375:12;6382:23; 6422:18,19;6437:10, 13;6456:23 routes (3) 6436:18;6439:3,5 routing (2) 6437:9;6439:4 rule (1) 6548:14 ruled (1) 6365:24 rules (5) 6364:14;6367:7; 6397:23;6428:18; 6564:22 run (6) 6385:3;6388:12; 6401:4;6513:25; 6532:24;6556:17 running (4) 6522:23;6552:21; 6554:25;6555:1 runs (6) 6376:21;6396:1, 14,20;6397:5;6478:5</p>	<p>6395:12;6407:21; 6418:20;6419:16; 6421:4;6422:12,13; 6429:4;6430:1,16; 6445:6,12;6447:22, 25;6448:3;6449:14; 6456:19;6468:6; 6478:8,13;6482:4; 6485:5;6492:17,19; 6504:10,24;6509:23; 6511:13;6512:16; 6516:19;6517:1; 6519:24;6522:17,22; 6535:7;6541:15; 6543:14;6547:10,23, 24;6549:8,11; 6550:10,15,15; 6558:23;6567:22; 6568:12;6570:22; 6571:13,16 San (1) 6351:14 satisfactory (1) 6531:10 save (2) 6465:1;6518:10 saved (2) 6500:17;6509:22 saving (3) 6425:22;6465:20, 22 saying (32) 6400:11;6417:25; 6418:7;6427:23; 6428:12;6429:23,25; 6430:13,15,21; 6431:21,24;6432:4, 9,25;6446:5,9; 6454:3,7;6455:12, 16,17;6463:18; 6466:14,19,21; 6467:15;6468:2; 6485:19,23;6545:16; 6563:7 scale (3) 6508:9;6513:11; 6542:25 scenario (2) 6515:3;6525:2 Schaefer (2) 6351:2,2 S-C-H-A-E-F-E-R (1) 6351:2 schedule (1) 6469:9 schedules (1) 6358:8 Schiek (3) 6357:14;6359:2; 6398:11 school (2) 6463:3;6500:7 Science (1)</p>	<p>6496:24 scope (1) 6406:10 Scott (1) 6354:21 seated (2) 6361:25;6552:4 second (23) 6358:4;6362:16; 6376:17;6378:21; 6395:21;6397:17; 6419:13;6426:5; 6441:21;6492:16; 6500:2;6503:2; 6505:3;6514:18; 6516:6;6519:25; 6530:22;6531:5; 6532:1;6533:18; 6535:24;6536:11; 6541:23 secondary (1) 6409:20 secret (1) 6377:4 Secretary (8) 6382:14,25; 6527:7,9,15;6528:1; 6545:2,6 section (6) 6357:13;6362:25; 6363:7,10,18; 6421:10 sections (1) 6420:24 sector (2) 6554:18;6571:21 secure (2) 6449:24;6467:24 seeing (3) 6371:24;6561:24, 24 seem (1) 6478:11 seemed (2) 6441:1;6526:20 seems (6) 6472:7,22;6486:4; 6543:23;6548:1,1 segment (1) 6497:10 Select (1) 6354:9 self-contained (1) 6383:8 sell (30) 6387:8,9;6402:13; 6409:10,15,18,21, 25;6410:8;6411:5,6, 15;6412:2;6422:22; 6433:7,25;6514:22; 6521:12;6529:6; 6533:10,21;6541:8; 6545:20;6553:10,11;</p>	<p>6560:25;6561:22; 6562:14;6565:15,21 seller (2) 6565:16,19 selling (5) 6423:10,19; 6424:21,22;6512:19 sells (6) 6403:1;6407:21, 21;6411:21; 6446:16;6496:21 semi-annual (1) 6512:1 send (2) 6435:17;6570:20 Senior (2) 6373:10;6380:7 sense (1) 6510:24 sentence (24) 6368:2;6372:18; 6377:25;6378:1,20; 6395:21;6396:5; 6424:12;6465:14; 6525:24;6526:2; 6530:22;6531:18; 6532:1,12,22; 6533:10,17,18; 6534:1,11;6535:8, 25;6556:21 separate (2) 6360:1;6455:1 September (1) 6506:2 sequencing (1) 6539:18 sequential (3) 6375:17;6439:6, 17 sequentially (1) 6379:9 series (1) 6564:4 seriously (1) 6512:11 served (3) 6477:3;6508:18; 6515:8 service (18) 6441:21,22,23; 6442:7,24;6451:14; 6454:10,17;6455:21, 24;6460:12;6476:2; 6487:24,25;6488:9, 14;6489:10;6553:12 Services (1) 6553:13 servicing (2) 6439:24;6546:11 session (2) 6355:15;6470:1 sessions (1) 6360:18</p>
	S			
	<p>Sacramento (1) 6526:18 sad (1) 6559:16 Safeway-owned (1) 6406:24 sake (1) 6411:20 sale (4) 6377:18;6378:8; 6466:2;6540:20 sales (34) 6363:4;6365:5,6, 16,20,21;6366:19; 6370:23;6391:24,25; 6401:24,25;6402:6, 7,9,11,15,20,22; 6405:25;6407:25; 6422:1;6449:18; 6457:5;6465:16,17, 23;6466:2,3,5; 6467:5;6475:7; 6487:13;6503:7 salesmen (2) 6521:11,11 same (60) 6367:7;6368:22; 6369:12,17;6374:22; 6377:20;6378:10; 6386:16;6387:4;</p>			

<p>set (32) 6364:14,25; 6367:7;6371:9; 6387:20,20;6389:24; 6395:3,8,12;6425:5; 6427:6;6428:4,7,18; 6429:8,11;6439:17; 6463:23;6471:11,22; 6472:19;6477:25; 6478:8,9,13; 6491:21;6511:25; 6520:1;6527:9,10; 6564:19</p> <p>sets (1) 6360:1</p> <p>setting (2) 6470:24;6473:14</p> <p>seven (6) 6458:5,10,15; 6524:15,16;6525:6</p> <p>seven-year (1) 6544:4</p> <p>several (2) 6363:11;6567:7</p> <p>SG&A (1) 6491:25</p> <p>share (13) 6403:4,6;6408:24; 6409:2;6444:22; 6453:1;6468:24,25; 6474:10;6484:13; 6499:8;6505:15; 6528:21</p> <p>shareholders (5) 6433:24;6434:1,4, 8;6453:1</p> <p>sharing (4) 6404:15;6472:10; 6475:10;6569:12</p> <p>sheet (1) 6561:1</p> <p>sheets (1) 6561:5</p> <p>SHEHADEY (25) 6353:5,6,11,15,16, 17,17;6354:21,21, 22,22;6476:11,12, 16,19;6477:17,20; 6520:25;6521:2,2, 17,21,24;6522:8,13</p> <p>S-H-E-H-A-D-E-Y (2) 6353:6,15</p> <p>Shell (1) 6355:12</p> <p>shift (1) 6559:13</p> <p>shipped (2) 6511:1,9</p> <p>Shippelhoute (2) 6393:7;6485:24</p> <p>shipper (1) 6553:15</p> <p>shocking (1)</p>	<p>6525:14</p> <p>shoot (1) 6553:5</p> <p>shooting (1) 6468:16</p> <p>short (10) 6358:9,16;6359:5, 6,24;6393:1; 6498:12;6512:21; 6519:23;6560:20</p> <p>shortly (1) 6500:10</p> <p>show (7) 6388:12;6478:23; 6501:7;6502:6; 6540:1,3;6567:19</p> <p>shown (4) 6384:2;6393:17; 6537:25;6567:20</p> <p>shows (3) 6369:8;6370:12; 6464:21</p> <p>shrink (1) 6556:18</p> <p>side (10) 6438:6;6459:2; 6466:15,21;6499:9; 6501:15;6509:7,18; 6511:23;6558:23</p> <p>sides (2) 6550:16,19</p> <p>sign (2) 6477:11;6555:21</p> <p>significant (26) 6364:9;6366:19; 6367:13;6374:4; 6377:21;6378:11; 6387:24;6397:7; 6407:3;6408:23; 6430:10;6437:8; 6445:17;6446:4; 6447:7,9,10; 6452:19,24;6453:13, 15;6461:15; 6477:13;6487:22,23; 6554:6</p> <p>significantly (12) 6366:8;6373:25; 6377:22;6378:12; 6387:18;6388:9,13, 16;6406:16,17; 6446:15;6477:5</p> <p>silage (4) 6510:19;6516:15, 20;6529:15</p> <p>silages (2) 6510:20,22</p> <p>silos (1) 6516:15</p> <p>similar (5) 6427:17;6486:1; 6516:22;6554:5; 6571:7</p>	<p>similarities (1) 6363:9</p> <p>similarly (4) 6364:5;6372:8; 6378:18;6468:5</p> <p>simple (8) 6382:6,10; 6386:20;6510:13; 6513:4;6522:9; 6529:7;6547:1</p> <p>simply (6) 6368:19;6375:23; 6506:20,23;6523:9, 14</p> <p>single (9) 6369:14;6435:5; 6436:18;6441:18,22; 6487:4,8;6508:21; 6516:18</p> <p>sipped (1) 6353:12</p> <p>sit (3) 6407:13;6538:25; 6564:20</p> <p>sitting (2) 6544:12;6560:10</p> <p>situated (2) 6364:5;6468:6</p> <p>situation (3) 6520:8;6521:13; 6559:20</p> <p>situations (1) 6561:8</p> <p>six (13) 6379:23;6458:7,9, 11,12,13,15,16,17; 6459:3,5,22;6521:21</p> <p>sixth (2) 6473:11,14</p> <p>size (8) 6431:3,11; 6450:14;6486:22; 6509:1;6523:6; 6550:5,5</p> <p>sized (3) 6363:19;6508:11, 15</p> <p>Size-wise (1) 6516:21</p> <p>skews (1) 6397:1</p> <p>skill (1) 6506:21</p> <p>skim (3) 6395:2;6478:2; 6507:12</p> <p>skin (1) 6520:5</p> <p>skip (2) 6552:22;6553:3</p> <p>skirting (1) 6431:3</p> <p>sky (1)</p>	<p>6506:15</p> <p>slabs (1) 6516:21</p> <p>sleep (1) 6512:12</p> <p>slightly (3) 6395:20;6500:1; 6504:19</p> <p>slowly (1) 6494:25</p> <p>small (16) 6372:16;6412:3; 6414:22;6477:5; 6483:8;6500:2,17, 19;6507:13,22; 6509:22;6510:3; 6530:16;6533:3; 6542:10,11</p> <p>smaller (7) 6483:3,11;6514:9, 10;6542:25;6547:21, 22</p> <p>smallest (2) 6513:18;6542:13</p> <p>smidge (1) 6470:11</p> <p>smile (1) 6358:18</p> <p>soaking (1) 6515:22</p> <p>social (2) 6499:11;6501:2</p> <p>soft (15) 6364:23,24; 6365:3;6366:20; 6379:18;6382:16,19, 20;6383:2;6462:23; 6463:17,19;6464:3; 6465:2,12</p> <p>software (1) 6517:7</p> <p>sold (10) 6394:14;6410:23; 6474:13;6481:25; 6507:11;6540:18; 6555:14;6562:4,6; 6570:8</p> <p>solemnly (2) 6362:2;6552:6</p> <p>solve (1) 6565:2</p> <p>solved (1) 6559:17</p> <p>somebody (8) 6419:18;6423:15; 6440:24;6465:4; 6467:10,19;6556:11; 6571:16</p> <p>someday (1) 6518:7</p> <p>somehow (1) 6483:23</p> <p>someone (5)</p>	<p>6518:22;6519:3; 6536:1;6541:8; 6547:23</p> <p>something's (1) 6440:25</p> <p>sometimes (5) 6473:2,2;6519:16; 6546:4;6549:14</p> <p>somewhat (3) 6444:19;6500:24; 6523:5</p> <p>somewhere (8) 6447:13;6481:7; 6489:21;6495:23; 6518:22;6519:3; 6536:1;6539:19</p> <p>son (6) 6496:16,17,22; 6500:2;6552:16; 6553:19</p> <p>sons (1) 6509:23</p> <p>soon (7) 6512:14,15; 6516:16,24;6517:8; 6535:10,15</p> <p>sorry (16) 6371:20,24; 6372:8;6378:1; 6382:7;6386:3; 6399:18;6402:3; 6458:11;6485:17; 6505:22;6508:13; 6526:5;6531:15; 6534:5;6557:11</p> <p>sort (4) 6359:2;6371:15; 6380:20;6486:8</p> <p>so-to-speak (1) 6548:23</p> <p>soul (1) 6519:19</p> <p>sounds (1) 6431:20</p> <p>Sour (2) 6498:14,16</p> <p>source (1) 6366:5</p> <p>sources (3) 6499:17;6555:13, 15</p> <p>south (8) 6355:20;6459:19; 6460:4;6476:24; 6488:23,25;6517:15; 6559:23</p> <p>Southern (32) 6368:10,19; 6369:5,11,16,18; 6374:14,18;6385:11; 6387:2;6388:21; 6440:17;6444:25; 6445:2,7,11,13;</p>
--	---	--	--	---

6459:21;6479:1,7; 6485:4;6508:3,10, 14;6509:12,16,24; 6510:1,17;6545:25; 6559:23;6564:18	spouses (1) 6497:7	6378:19,20; 6504:18;6526:3; 6531:19;6532:20; 6535:10,22;6536:16	6517:8,17;6522:17, 22,23;6523:1; 6539:22;6540:3; 6556:16	6367:25;6416:9; 6501:23
space (2) 6429:7;6430:8	spread (10) 6375:19;6437:11; 6466:7;6481:21; 6486:9,11;6513:13; 6523:9,14;6543:4	state (78) 6362:5,9;6364:6; 6370:2,19,20,24; 6371:13;6372:10; 6391:22;6392:1; 6400:8,10;6401:16, 22;6403:12; 6406:22;6419:7,10, 22;6423:18,21,21; 6426:12;6427:12; 6428:1;6430:10; 6440:13,20;6447:14, 18;6448:10,14; 6449:8,25;6450:3; 6454:15,20;6455:23; 6459:16;6480:20; 6494:24;6495:24; 6499:4;6501:13,21; 6502:4;6508:5,15; 6509:23;6512:16; 6515:8,11;6516:8, 11;6518:1,6; 6519:13;6523:15; 6524:7;6526:13,14; 6529:7;6534:16,20; 6544:16;6552:9; 6554:21;6555:7,25; 6559:17;6566:14,20; 6570:2,16,22; 6571:17,18	state's (2) 6504:21;6545:18	stops (1) 6445:2
speak (3) 6412:1;6419:18; 6520:16	spreadsheets (1) 6398:9	statistically (3) 6503:9,17;6504:6	statistic (1) 6504:11	storage (1) 6511:8
speaker (1) 6518:11	Spring (1) 6555:20	status (2) 6371:3;6429:16	staying (1) 6493:9	store (35) 6374:18,18,22,24, 25;6375:1,21; 6377:6,13,18,20; 6378:8,10;6380:3, 17,18;6381:6,8; 6408:6,18;6437:1,4, 4;6439:7,10,21; 6440:22,23;6441:5; 6442:19;6446:7; 6447:16;6487:11,11; 6488:6
speakers (1) 6518:4	SQF (1) 6441:18	stay (1) 6549:14	steamrolled (1) 6511:4	store-by-store (2) 6440:21;6441:1
speaking (2) 6379:8;6474:12	stability (2) 6505:12,13	staying (1) 6493:9	steel (1) 6515:19	stores (37) 6374:17;6375:13, 24;6376:1,6,25; 6437:10;6439:23; 6440:5,8,10,12; 6442:16,18,20; 6447:12,19,19,24; 6448:25;6449:1,4, 23,24;6450:2,4; 6452:13,15,17; 6459:14;6460:12; 6488:2,3,7,8;6491:1; 6563:24
special (1) 6493:9	stakeholders (3) 6519:18;6527:11; 6558:23	steep (1) 6549:25	step (1) 6572:8	store's (1) 6375:13
Specialist (1) 6518:16	stall (3) 6547:19,23; 6548:2	stepped (1) 6500:11	stick (1) 6544:20	storing (1) 6516:15
specialize (2) 6507:19;6508:8	stand (11) 6355:23;6357:10; 6361:18;6397:24; 6398:7,23;6469:8; 6470:5;6479:25; 6530:13;6572:5	stated (13) 6366:7;6367:8,16, 17;6385:18; 6420:23;6429:6,17; 6438:20;6439:19,22; 6450:2;6464:12	still (39) 6355:15;6364:25; 6365:8,9;6371:2; 6388:16;6421:4; 6429:15;6430:12; 6434:19;6445:17; 6452:22;6458:24; 6463:1;6487:19,23, 24,25;6488:8; 6492:4;6500:21,22; 6503:17;6504:5; 6506:5;6508:23; 6510:7;6511:24; 6514:22;6523:7; 6533:11,22;6535:12; 6551:23;6552:3; 6558:1;6559:7; 6566:7;6567:18	story (6) 6499:8,9;6500:24; 6506:19;6552:22; 6560:5
specialized (1) 6509:15	standard (1) 6517:13	statement (25) 6359:6,23;6361:2; 6362:16;6373:9; 6381:13;6408:8,10, 14,21,22;6420:18; 6426:2;6460:21; 6476:20,22;6495:4, 12;6534:17;6541:22, 23;6542:14; 6546:21;6551:13; 6552:25	Stockyard (1) 6562:6	straight (1) 6386:22
specific (23) 6381:3;6396:22; 6397:3;6434:14; 6435:3,7,8;6436:7, 15,19;6437:12,13; 6442:2,19;6451:2; 6454:13;6455:24; 6459:20;6464:25; 6468:19,19,21,22	standards (2) 6482:16;6549:9	statements (2) 6407:5;6453:1	Stoel (2) 6353:1,22	stream (4) 6564:10,12; 6571:5,6
specifically (4) 6375:7;6422:6; 6437:10;6498:9	stands (1) 6503:24	States (30) 6360:7;6373:13; 6380:10;6408:20; 6411:22,22;6412:2; 6420:3;6448:7,14, 19;6456:3,11,14,16; 6486:23,25;6487:2; 6507:7,18;6509:25;	stood (1) 6505:15	Street (1) 6498:13
specificity (2) 6438:21,24	started (24) 6379:16;6501:11, 13;6503:13; 6505:10;6507:18; 6508:3;6509:22,24; 6510:3,6;6511:5,8,9; 6515:9;6524:1; 6526:16;6529:4; 6534:14,19;6554:5, 5,8;6557:2	start (30) 6355:19,25; 6356:8,10;6379:11, 15;6390:17;6398:5; 6400:5;6448:18; 6485:14;6488:18; 6492:1,14;6494:7; 6500:5;6505:22; 6509:18;6510:1; 6516:12;6523:13; 6526:6;6528:25; 6529:13;6532:12; 6534:6;6539:10,13; 6553:5;6558:12	stop (3)	strike (6) 6530:25;6531:9; 6532:6,13,18;6533:7
speed (1) 6463:11	starting (7) 6433:19;6491:23; 6497:20;6501:19; 6554:6;6561:23; 6566:25	starts (9)		string (1) 6435:23
Spell (7) 6353:13;6362:5,9; 6379:24;6413:1; 6494:25;6552:9				strip (1) 6436:7
spelled (7) 6412:6,14,16; 6413:15;6414:9; 6495:1;6533:6				strong (1) 6566:2
spellings (1) 6412:12				structural (1) 6464:8
spend (1) 6395:2				structure (9) 6363:24;6364:19; 6367:5;6375:23; 6424:20;6431:15;
spent (5) 6545:23,24; 6551:5;6561:14,14				
spite (3) 6513:8;6527:17; 6542:22				
spoken (1) 6391:18				
spot (3) 6416:18;6518:9; 6539:12				

6468:5,10;6565:25 structures (1) 6468:6 struggled (1) 6417:13 struggling (1) 6518:13 stuck (2) 6399:3;6521:14 study (1) 6504:11 stuff (2) 6358:12;6480:15 subject (1) 6364:18 subjectivity (2) 6544:22,23 submit (3) 6423:18;6436:24; 6470:13 submitted (2) 6374:14;6448:3 submitting (2) 6447:13,17 subset (2) 6395:5,16 subsidized (1) 6511:15 substantial (8) 6374:9;6376:11, 16,22;6377:2; 6396:2;6497:17; 6547:15 substantially (2) 6377:1,8 subtitles (1) 6560:2 subtracted (2) 6368:20;6385:24 succeed (1) 6501:8 success (2) 6441:17;6501:14 successful (5) 6474:1;6514:6; 6518:20;6539:7; 6565:7 succinctly (2) 6420:9;6427:5 suddenly (2) 6554:23;6561:19 Sue (8) 6352:20;6357:17; 6358:23;6359:4; 6564:24;6565:2,5; 6571:11 Sue's (1) 6572:4 sufficient (2) 6376:16;6494:20 suggest (2) 6533:3,5 suggested (1)	6512:11 suggesting (2) 6446:13;6463:18 sun (2) 6515:20;6549:13 supplemental (1) 6367:16 supplied (1) 6391:23 supplier (9) 6374:20,24; 6436:18;6437:2; 6441:22;6442:20; 6446:4;6452:23; 6522:15 suppliers (5) 6391:25;6442:1; 6452:22;6462:15,17 supply (6) 6394:13;6430:3; 6441:14;6454:19; 6522:16;6565:18 support (20) 6489:7;6495:13; 6497:7,9;6511:25; 6512:1,4,7;6532:4; 6544:13;6554:15; 6555:22;6556:2,3; 6558:8;6559:1; 6569:21;6570:17,18, 19 supported (1) 6498:10 supporting (2) 6354:14;6480:17 supportive (3) 6367:2;6417:14; 6428:23 supports (1) 6366:24 supposed (2) 6458:11;6504:2 supposedly (2) 6394:10,10 Sure (36) 6353:15;6356:1; 6357:2;6391:16; 6392:19;6399:24; 6402:12,16,18; 6406:13,17,25; 6407:13;6413:5; 6415:11;6417:18; 6418:3;6424:10; 6429:25;6431:24; 6432:2;6450:14; 6467:2;6469:11; 6480:16;6483:20,23; 6486:17;6497:8; 6499:20;6528:23; 6529:22;6530:20; 6542:18;6560:25; 6568:25 Surface (1)	6565:9 surplus (2) 6555:14;6570:12 surprise (1) 6356:7 surprised (2) 6354:12;6389:6 surround (1) 6421:11 survive (1) 6563:10 survived (1) 6560:5 suspect (1) 6423:14 sustainable (1) 6518:18 swear (4) 6361:19,25; 6362:2;6552:6 Swenson (2) 6351:5,5 S-W-E-N-S-O-N (1) 6351:6 swing (2) 6388:8;6446:11 Swiss (1) 6409:15 switch (1) 6441:14 sworn (3) 6362:9;6494:24; 6552:3 system (50) 6364:8;6383:23; 6417:9,17,21,24; 6418:1,7,24;6419:7, 8,9,10,23;6421:5; 6422:7;6423:22; 6427:13,15,18; 6428:1,3;6429:10, 17;6431:5;6433:4; 6456:22;6464:4,10, 16;6480:20; 6482:13;6505:16; 6509:2;6515:22; 6517:20;6527:4,24; 6528:3,3;6545:1,5; 6559:11,12;6564:15, 21,21,22;6566:5; 6571:13	Tacoma (1) 6496:20 talk (32) 6360:18;6387:16; 6396:13;6403:10; 6420:12,15;6425:15; 6426:4;6427:11,13; 6454:13,23;6461:2; 6462:21,22;6463:11; 6483:1;6517:1; 6521:3;6529:21; 6537:21,22;6539:2, 8;6541:24;6542:9; 6543:11,25;6548:11; 6567:1;6572:2,3 talked (27) 6358:2;6359:12; 6416:2;6433:8; 6462:23;6463:9,14; 6470:17,18;6473:6, 8;6474:19;6475:23; 6478:25;6479:25; 6480:1;6481:24; 6482:24;6525:24; 6537:20;6545:15; 6546:21;6566:18; 6568:5,5;6569:19; 6571:3 talking (39) 6358:10;6388:19; 6392:3;6395:12,13, 14;6396:10,15; 6402:2;6413:7; 6416:9;6418:13,14, 23,24;6422:5; 6431:21;6432:5; 6444:14,16;6446:22; 6458:6;6463:17; 6465:3;6468:25; 6470:12,19;6472:18; 6479:1,23,24; 6480:6,6,8;6488:23; 6490:25;6521:8; 6538:16;6562:14 talks (1) 6562:4 tally (1) 6538:25 tangents (1) 6480:14 tangible (1) 6464:22 tantamount (1) 6441:17 target (2) 6468:16,18 tasks (1) 6517:14 Taylor (16) 6352:20,20; 6358:23;6359:4; 6479:14,16,17; 6485:15;6486:7;	6541:19,21;6564:24; 6569:2,3,7,8 Taylor's (2) 6357:17;6359:10 team (2) 6449:20;6471:12 technical (3) 6371:16,16; 6550:6 technology (6) 6513:11;6516:19; 6517:18;6532:14; 6543:2;6549:22 television (1) 6559:24 telling (1) 6534:6 tells (1) 6554:10 temperate (1) 6546:14 temperature (1) 6550:21 template (4) 6435:18,20; 6447:15,16 ten (6) 6452:22;6465:24, 25;6482:5;6544:7; 6563:19 tend (1) 6568:9 tentacles (1) 6520:5 tenth (2) 6478:21,22 tenure (1) 6458:7 ten-year (2) 6502:5,7 term (7) 6380:12;6421:1, 22;6468:5;6491:1,5; 6527:1 termed (1) 6365:14 terms (25) 6359:6;6366:10; 6397:6;6403:6; 6409:8,9;6435:2,2; 6444:19;6446:2,22; 6452:19;6456:1; 6471:25;6472:8; 6473:10;6475:19,23; 6476:4,5;6479:11; 6488:5;6491:15; 6520:3;6526:23 territories (2) 6411:25;6454:10 territory (8) 6448:22;6449:1,5, 7,8,14;6459:18; 6472:8
		T		
		Table (13) 6367:24;6368:6,7; 6370:3;6385:7; 6399:13,22;6405:13; 6480:2;6485:16,19, 21;6486:2 tables (4) 6359:25,25; 6360:1;6481:20		

<p>testified (18) 6379:14;6394:15; 6428:20;6430:24; 6431:13,14;6457:4; 6461:17;6463:13; 6468:8;6492:10; 6494:21;6495:10; 6506:2;6539:6; 6545:1;6553:17,20</p> <p>testify (14) 6355:4;6361:23; 6377:24;6379:7; 6449:25;6474:10; 6475:5;6494:3,4; 6541:21;6547:25; 6551:17;6552:1; 6558:15</p> <p>testifying (4) 6420:8;6455:23; 6459:6;6461:22</p> <p>Testimony (86) 6356:13,15; 6357:14;6359:1; 6360:25;6361:4; 6362:17;6372:11; 6375:10;6381:15,23; 6385:1,2,18; 6392:12;6394:9; 6399:17,25;6420:23; 6424:3,8,11; 6425:14,21;6427:11, 21;6429:6,18; 6431:22;6434:24; 6436:17;6437:7,18; 6438:25;6439:19,22; 6444:17;6450:1,22; 6451:1;6454:12,19; 6465:12,15;6468:9; 6478:7;6480:5,18; 6483:20;6484:20; 6487:14,16;6493:22; 6494:6;6495:13,17, 18;6496:9,12; 6497:15,22;6499:6, 16,25;6502:16,21, 21,25;6513:15; 6523:22;6526:22; 6536:15;6537:3,19; 6542:9;6550:9; 6551:5;6552:2; 6554:1;6556:15,20, 21;6557:13;6560:15, 19;6566:23</p> <p>testing (3) 6529:13;6539:5,7</p> <p>tests (1) 6540:1</p> <p>Texas (5) 6409:4;6449:8; 6509:25;6517:15; 6518:16</p> <p>TG (3) 6411:11;6414:7,</p>	<p>10</p> <p>thankful (1) 6560:6</p> <p>Thanks (6) 6353:24;6354:9; 6478:22;6493:9; 6499:23;6548:18</p> <p>Thanksgiving (1) 6360:12</p> <p>theirs (1) 6505:24</p> <p>then-current (2) 6374:20,23</p> <p>theoretical (1) 6484:17</p> <p>theory (1) 6518:9</p> <p>Thereafter (8) 6361:7,11,15; 6391:1,6,13; 6494:15;6537:14</p> <p>Therefore (4) 6376:22;6377:13; 6378:3;6518:20</p> <p>thin (1) 6471:8</p> <p>thinking (7) 6459:12;6507:2; 6512:5,7;6532:2,3; 6559:13</p> <p>third (12) 6358:4;6441:24; 6444:23;6445:22; 6477:10;6532:10,11; 6534:25;6535:12,13, 21;6536:11</p> <p>third-party (1) 6445:21</p> <p>Thomas (1) 6351:18</p> <p>T-H-O-M-A-S (1) 6351:19</p> <p>thorn (1) 6511:23</p> <p>thoroughness (1) 6568:20</p> <p>though (22) 6356:14;6357:18; 6387:7;6406:5; 6419:22;6421:13; 6454:22;6464:14; 6465:2;6474:3; 6475:12;6483:9; 6497:1;6508:22; 6510:3,5;6511:23; 6531:4;6540:23; 6549:14;6555:9; 6556:6</p> <p>thought (7) 6389:14;6416:2; 6432:5;6486:20,22; 6500:23;6526:16</p> <p>thousand (9)</p>	<p>6521:9,18,19,25, 25;6522:5,6,19,25</p> <p>threads (1) 6356:17</p> <p>three (44) 6360:24;6361:20; 6365:15;6373:17; 6374:2;6383:22; 6388:23;6422:8,9; 6428:23,25;6429:5, 11,14,18,20;6437:2, 4,5;6441:13,25; 6442:20;6454:9,18; 6456:20,22;6482:9, 11,21;6483:6,9,12, 16;6486:20; 6490:24;6498:10,11; 6521:6;6522:24; 6528:18;6533:4,7; 6535:9;6537:20</p> <p>threshold (5) 6365:15;6383:24; 6422:9,11;6428:6</p> <p>thresholds (1) 6422:13</p> <p>thriving (1) 6518:12</p> <p>throttle (1) 6570:21</p> <p>throughout (13) 6378:24,24; 6379:1;6395:24; 6440:13;6459:15; 6486:23,25;6487:1, 4;6522:23;6523:1; 6524:7</p> <p>tie (1) 6426:13</p> <p>tied (2) 6420:10;6465:11</p> <p>Tieneke (1) 6496:19</p> <p>tightens (1) 6420:25</p> <p>tighter (2) 6421:17,20</p> <p>timeframe (2) 6451:1;6458:6</p> <p>timers (1) 6515:23</p> <p>times (22) 6381:10;6404:4,7, 8;6437:2,3,4,4,5; 6445:11;6490:1,1; 6508:17;6513:23; 6515:7;6518:7; 6519:20;6533:7; 6539:23;6543:23; 6546:1,2</p> <p>tiny (2) 6373:1;6539:14</p> <p>tip (1) 6440:17</p>	<p>tired (2) 6497:22,23</p> <p>tiring (2) 6563:7,7</p> <p>title (3) 6385:15;6496:12; 6498:15</p> <p>titled (2) 6478:2;6498:14</p> <p>today (52) 6353:3,8;6355:4, 8;6356:8,10;6357:3, 8;6358:6,9,15; 6359:18;6370:25; 6373:23;6380:6; 6403:10;6407:13; 6418:2;6444:25; 6445:6;6449:8; 6452:23;6458:24; 6463:7;6477:16; 6487:22,24,25; 6488:1;6489:12; 6490:9;6492:4; 6495:12;6499:8; 6511:24;6515:19; 6516:6;6518:12; 6524:23;6541:21; 6545:10;6547:2,10, 22;6548:7;6549:18; 6550:7;6552:1; 6557:18;6560:23; 6566:11;6571:13</p> <p>together (11) 6356:14;6412:9; 6435:1,6;6449:20, 21;6481:10; 6551:20;6555:13; 6558:8;6565:18</p> <p>told (6) 6383:20;6397:24; 6484:2;6528:11,13; 6545:25</p> <p>Tom (1) 6557:12</p> <p>tonight (2) 6355:9,13</p> <p>tons (1) 6511:11</p> <p>took (22) 6368:19;6381:3; 6400:18,21,22; 6451:2,4;6457:3; 6481:6,15;6492:15; 6506:6;6510:2,6,8; 6522:23;6553:19,20; 6554:1,21;6555:19; 6556:20</p> <p>top (19) 6371:19,20,22; 6384:8;6389:7; 6395:20;6400:5; 6424:10;6426:9; 6427:7;6433:20,22;</p>	<p>6452:22;6457:18; 6465:6;6502:18; 6536:11;6550:3,4</p> <p>topic (3) 6418:15;6470:18; 6493:8</p> <p>topics (1) 6572:2</p> <p>total (66) 6363:3;6365:1; 6366:17;6369:23; 6370:2,5,6,8,10,12, 13;6376:12;6382:7; 6384:10,19;6387:21, 22;6389:3,6,7,9,11, 12,19;6390:10,12; 6393:11;6394:21; 6395:5;6400:6; 6401:7,12,13; 6402:9,9,15;6404:5, 15,15,22;6405:1,2,6, 9,11,14,20;6417:4; 6426:14;6434:16; 6436:16;6445:8; 6451:6;6453:17; 6465:17;6466:4; 6467:9;6475:20; 6477:6;6479:12; 6481:10,15;6484:21; 6487:19;6495:21; 6555:13</p> <p>totaled (1) 6370:5</p> <p>totality (4) 6365:6;6465:17; 6466:4;6487:17</p> <p>totalled (1) 6370:9</p> <p>totally (2) 6511:7;6522:3</p> <p>tough (1) 6530:2</p> <p>tour (2) 6515:15;6516:10</p> <p>towards (3) 6480:11;6497:11; 6526:17</p> <p>town (2) 6496:14;6500:21</p> <p>tracking (1) 6570:17</p> <p>trade (9) 6498:11;6518:2; 6557:3,5,19;6561:2, 21;6562:19,22</p> <p>traded (2) 6519:19,20</p> <p>Tradition (1) 6500:2</p> <p>traditional (7) 6381:20;6382:1; 6383:18;6446:2; 6498:21;6506:25;</p>
--	---	--	---	--

6509:5 trailer (1) 6375:20 train (1) 6500:11 trains (1) 6511:10 traits (2) 6539:21,22 transcript (2) 6362:18,21 transcripts (3) 6463:13,16; 6524:19 transparency (1) 6435:9 transparent (3) 6435:22;6437:14; 6438:5 transpired (1) 6541:3 transport (1) 6511:12 transportation (3) 6357:4;6485:3; 6510:18 travel (3) 6516:10,11; 6559:5 treat (1) 6421:17 treatment (5) 6367:20;6383:18; 6419:23;6420:2,10 Tremaine (2) 6351:23;6352:2 tremendous (5) 6438:24;6497:23; 6547:8,12;6554:13 trend (7) 6497:20;6504:18; 6547:16;6566:25; 6567:1,2,6 trick (2) 6402:16;6431:17 tricky (1) 6398:18 tried (2) 6389:23;6542:15 trip (1) 6511:11 truck (7) 6375:20;6445:3,3; 6479:9,11,11,12 trucks (3) 6489:24;6490:6; 6529:6 true (4) 6392:8;6416:6; 6555:10;6558:3 truly (3) 6398:12;6405:25; 6518:18	truth (2) 6362:3;6552:7 try (13) 6369:22;6379:8; 6383:2;6386:9; 6405:12;6423:16; 6485:15;6542:16; 6555:23;6556:18; 6561:22;6562:8; 6565:7 trying (29) 6386:21;6396:24; 6402:16,18;6430:21; 6431:12,16,17; 6432:23,23;6433:23; 6434:5,7,13,17; 6441:7;6455:6,7; 6461:25;6466:20; 6467:14;6481:17; 6527:2;6546:13,24; 6565:6;6568:1; 6570:14,20 Tuesday (1) 6358:1 Tulare (4) 6444:24;6445:1; 6479:1;6485:4 turn (3) 6384:8,25; 6427:13 turned (1) 6426:8 turning (3) 6371:15;6536:12, 13 Tuscan (2) 6411:16;6414:11 T-U-S-C-A-N (1) 6414:14 twelve (1) 6522:1 twice (1) 6525:10 two (51) 6356:25;6357:22; 6359:8;6360:1; 6371:15,16;6373:12, 17;6375:8;6380:9; 6388:21;6412:8; 6414:1,2;6430:5; 6431:7;6432:3; 6442:3,6,7;6445:11; 6450:9,10,12; 6451:2,7;6455:1; 6459:11,25;6460:8; 6479:23,24;6481:10; 6483:16;6491:5; 6493:20;6497:4; 6501:4;6508:17,19; 6516:25;6517:8; 6521:6;6524:3; 6530:4;6532:19; 6535:10,15;6538:13;	6547:11;6550:22 type (7) 6419:20;6470:20; 6475:3,18;6476:1; 6510:9;6515:25 typical (9) 6445:3;6479:11; 6499:8;6500:24; 6508:17;6509:1; 6516:16;6538:22; 6568:8 typically (1) 6392:7 U uglier (1) 6525:3 U-L-I-N (1) 6352:2 ultimate (1) 6427:24 ultimately (7) 6370:23;6434:4, 17;6471:19;6527:5; 6545:2,7 unanimity (1) 6559:19 Unbeknownst (1) 6523:6 unbelievable (1) 6560:13 uncertainty (2) 6568:3,3 uncles (1) 6500:18 uncommon (1) 6522:25 under (33) 6362:2;6363:17; 6364:10;6365:14; 6366:10;6367:7; 6370:25;6371:12; 6380:15;6383:6,18; 6384:12;6388:12; 6419:5,10,15; 6420:1,10;6421:23, 24;6422:4,16; 6423:21;6427:15; 6428:7;6429:14,18; 6441:8;6480:20; 6499:3;6506:18; 6552:6;6560:2 undercut (3) 6433:8;6455:9; 6462:10 undergrad (1) 6463:2 undermine (1) 6363:24 undermined (1) 6366:16 undermining (1)	6431:4 underneath (1) 6570:23 understands (1) 6480:16 understood (2) 6432:7;6548:22 uneven (1) 6373:25 unfortunately (2) 6557:25;6566:7 unhappy (1) 6556:25 uniform (2) 6366:12;6565:24 uniformity (2) 6366:14;6428:16 unintentionally (1) 6507:3 union (4) 6445:6,23; 6477:11,12 unions (2) 6443:11,14 unique (3) 6564:19;6567:15, 22 unit (5) 6506:24;6513:13; 6542:3;6564:10,12 United (23) 6360:7;6373:13; 6380:10;6408:19; 6411:22;6448:14,19; 6486:23,25;6487:2; 6498:12;6502:12,13; 6507:6,17;6517:8, 17;6522:16,22,23; 6523:1;6539:22; 6540:2 units (1) 6543:4 universal (4) 6510:19;6559:1; 6560:11,16 University (1) 6518:16 unknowingly (1) 6509:20 unless (2) 6356:8;6533:13 Unlike (2) 6364:22;6365:21 unlimited (2) 6519:20,22 Unofficially (1) 6528:14 unpack (1) 6520:9 unprecedented (2) 6557:18;6559:14 unquote (1) 6506:4	unwarranted (1) 6512:4 up (95) 6355:10;6358:15; 6372:21;6375:9,16; 6376:22;6379:12; 6380:4,5;6382:20; 6383:12;6388:12; 6396:2;6397:18,25; 6399:9;6402:7; 6406:20;6407:1; 6408:3;6418:13; 6420:25;6435:16; 6447:8;6451:7; 6463:6,11;6465:5, 24;6470:11; 6471:12;6477:24; 6481:13,16;6484:23; 6485:15;6489:1,15; 6490:15;6492:23; 6496:21;6500:13,23; 6501:5,10;6503:6,9, 16,17,21;6504:5,5,8, 10,19,20;6505:1; 6510:9,25;6511:23; 6512:7,24;6515:14; 6522:11;6527:15; 6529:6;6532:4; 6535:9,13;6538:25; 6539:11;6545:23; 6549:5;6551:19; 6554:1,20,25; 6555:1;6556:11,12, 20,23;6561:7,15,16; 6563:19,24,25; 6565:6;6566:5; 6567:21;6569:24,25; 6570:10,19 upgrade (1) 6528:25 upon (6) 6369:21;6485:24; 6491:13,15,15; 6537:23 Upper (3) 6351:3;6498:21; 6506:25 upset (1) 6518:5 upside (3) 6521:7,16;6522:3 up-to-date (1) 6516:17 usage (2) 6503:11;6505:16 USDA (27) 6351:4,7;6355:7; 6365:24;6366:2,6, 12,16,23;6367:8; 6371:9;6392:4; 6430:25;6479:18; 6482:3;6513:14; 6541:21;6545:14;
--	--	---	---	---

6562:2;6563:22; 6564:4;6565:8,11; 6566:1;6569:9; 6570:18;6571:3 USDA's (5) 6427:23;6553:6, 22;6567:18,21 use (32) 6360:15;6363:23; 6364:19;6375:17; 6377:2;6378:25; 6398:9,12;6399:4; 6400:13,14;6404:5; 6466:17;6474:22; 6484:22;6490:7; 6493:3;6517:2,9,11; 6524:5,18;6525:12; 6535:16;6539:23,23; 6540:4;6541:7; 6543:14;6549:11; 6564:4;6571:4 used (19) 6377:22;6380:13; 6393:23;6429:4; 6430:14;6436:14; 6438:19;6441:10; 6470:24;6472:18; 6492:23,23;6514:12; 6515:1;6517:6; 6526:17;6543:15; 6555:6;6562:2 useful (1) 6385:3 uses (5) 6367:3;6378:12; 6394:3;6412:5; 6466:22 using (10) 6370:3;6380:2; 6387:4;6388:6; 6400:3;6512:20; 6540:19;6555:25; 6571:17,18 usually (4) 6456:6;6511:2,5; 6572:5 utilization (16) 6387:22;6389:8, 14;6393:15; 6394:17;6400:17; 6401:8,12;6404:16, 17,23;6405:21; 6406:20;6407:14; 6478:7;6481:14 utilize (4) 6516:19,20; 6556:22;6569:4 utilized (2) 6407:17;6515:13 V	6443:19 Valley (16) 6410:10;6412:16; 6413:8;6509:7,13, 14,22,24;6510:5,16, 20;6511:13,17; 6541:4;6566:21; 6567:15 valuable (3) 6530:5;6540:18; 6551:14 value (9) 6367:15;6392:7; 6465:25;6466:4; 6499:18;6556:6; 6570:6,7;6571:6 values (2) 6537:22;6564:12 Vanden (21) 6354:3,3;6520:20, 20;6522:13;6552:8, 11,16,19,21;6553:1; 6558:17;6562:13; 6563:9;6566:12; 6568:12,25;6569:8; 6572:1,4,9 V-A-N-D-E-N (1) 6354:4 Vandenheuvel (6) 6353:25,25; 6552:11,15;6562:15; 6563:13 V-A-N-D-E-N-H-E-U-V-E-L (1) 6354:1 Vandenheuvel's (1) 6526:22 variability (29) 6376:19;6377:14; 6378:4;6381:3; 6395:25;6396:21; 6397:5,7;6435:1,5,9; 6436:21,22;6437:7, 8,15;6438:22,24; 6444:15,18,20; 6445:14,17,23; 6446:13,19;6471:25; 6472:20;6484:21 variable (5) 6443:2,16; 6470:24;6472:17,24 variables (4) 6439:2;6443:3,5; 6444:5 variation (1) 6442:17 varied (2) 6444:12;6491:6 varies (1) 6490:23 various (1) 6472:1 vary (1) 6434:23	varying (2) 6444:12;6539:22 Vegas (2) 6366:5;6451:14 vendor (1) 6522:16 venture (1) 6539:7 verify (6) 6399:2;6443:19; 6517:9;6535:8,16,20 versus (5) 6432:6;6437:4; 6447:10;6501:19; 6502:8 verticals (1) 6406:24 Veterans (2) 6360:10,16 Vetne (2) 6352:18,18 viable (2) 6529:10;6541:11 Vice (5) 6354:5;6373:11; 6380:7;6449:18; 6561:6 Victor (4) 6352:2;6353:19, 22;6552:12 Vietnam (1) 6559:23 Vietnamese (4) 6559:22,22,24; 6560:2 view (13) 6357:22;6406:21; 6429:12;6431:5,14; 6432:17;6454:17; 6461:11;6475:9; 6476:4;6484:10; 6559:8;6571:22 viewed (1) 6437:15 viewing (1) 6452:17 views (1) 6569:12 violating (1) 6423:25 Virgil (1) 6351:5 V-I-R-G-I-L (1) 6351:5 Virginia (1) 6553:22 virtually (5) 6504:10;6507:10; 6513:17;6522:22; 6549:11 visibly (1) 6518:5 visit (1)	6548:9 VLAHOS (22) 6351:13,13; 6494:2,9,17;6495:4, 5,7;6501:22; 6502:23;6503:25; 6519:11;6522:12; 6531:13;6533:13; 6536:24;6537:2,5, 12;6551:1,3,4 V-L-A-H-O-S (1) 6351:13 voice (2) 6357:11;6569:10 volatility (1) 6370:22 volume (41) 6365:22;6370:2,6, 12,14;6374:4,7,17; 6384:11;6389:3,11; 6394:22;6401:10,24, 25;6402:9;6403:24; 6405:1,3,6,9,11; 6406:23;6407:1; 6408:3;6417:4; 6428:10;6430:9,10; 6446:23;6450:24; 6451:5;6454:21; 6465:23;6467:4; 6475:7;6477:15; 6481:21;6483:8; 6486:11;6487:5 volumes (8) 6365:20;6370:7, 23;6402:6;6405:25; 6446:16,20;6447:3 voluntarily (2) 6514:12;6548:16 volunteer (1) 6397:25 vote (1) 6545:7 Vu (3) 6353:21,21,21 Vulin (2) 6352:1,1 vulnerability (1) 6505:17 vulnerable (1) 6527:25 W wait (4) 6361:18;6422:25; 6423:1;6427:1 waiting (3) 6470:3;6493:22; 6528:18 walk (2) 6360:2;6435:16 walked (2) 6460:22;6461:2	Wall (1) 6498:13 walls (1) 6550:1 wants (2) 6558:12,14 war (11) 6500:10,10; 6503:8;6504:7; 6507:6,17;6508:10, 12,14,25;6545:20 warehouse (1) 6380:5 warehouses (1) 6555:5 warrant (1) 6367:10 Washington (7) 6351:23;6412:3; 6449:9,12,12; 6496:20;6509:23 waste (1) 6547:7 watch (2) 6517:10;6535:18 water (11) 6433:12;6506:9, 10,12,16;6515:24; 6529:14;6531:8,21; 6547:7,7 way (60) 6357:5,25;6359:1; 6380:18;6381:4,25; 6385:9;6386:5; 6387:20;6394:4,5,7; 6405:12,25;6411:12; 6418:12;6419:16; 6434:25;6435:16; 6437:11;6439:19; 6440:1,17;6441:6; 6459:19;6461:16; 6489:1;6493:1,3; 6506:20;6508:6; 6513:9,11;6516:1; 6517:21;6518:3,23; 6519:3,5;6522:22; 6524:25;6525:2; 6530:23;6531:4; 6532:2,12,14,17; 6534:18;6536:2; 6539:23;6542:23; 6543:9;6544:6,21; 6549:4;6550:17; 6564:15,16;6568:16 ways (6) 6474:2;6497:3; 6514:12;6515:7; 6546:7;6549:16 weather (1) 6510:7 website (3) 6408:9;6412:23; 6423:12
---	--	---	---	---

<p>week (18) 6355:14,14,15; 6357:5;6358:1,5,7; 6360:12;6375:21; 6377:12;6380:24; 6381:1,7,10; 6560:23;6561:25; 6569:5;6572:3</p> <p>weekend (1) 6562:3</p> <p>Wegner (3) 6351:18,18; 6557:12</p> <p>W-E-G-N-E-R (1) 6351:19</p> <p>weigh (1) 6456:10</p> <p>weighs (3) 6369:2;6404:2,3</p> <p>weight (1) 6387:1</p> <p>welcome (6) 6355:7;6361:18; 6479:19;6511:23; 6545:11;6569:2</p> <p>welfare (1) 6497:3</p> <p>well-accepted (1) 6514:24</p> <p>weren't (3) 6433:2;6557:14; 6565:7</p> <p>West (10) 6355:17,18; 6363:19;6373:11; 6380:7;6412:1; 6448:8,12;6449:8; 6540:25</p> <p>Western (6) 6373:13;6380:10; 6407:5;6498:12; 6502:12,13</p> <p>westward (1) 6355:18</p> <p>wet (1) 6515:23</p> <p>what's (12) 6357:3;6359:7; 6421:10;6436:9; 6442:6;6453:15; 6479:21;6482:7; 6544:20;6560:22; 6566:21;6568:20</p> <p>wheelchair-bound (1) 6548:8</p> <p>whenever (1) 6547:15</p> <p>Whereas (3) 6388:5;6431:8; 6432:19</p> <p>whereby (1) 6527:24</p> <p>Whereupon (4)</p>	<p>6415:4;6469:15; 6530:10;6572:13</p> <p>whey (6) 6352:9;6564:3,9, 12;6571:5,6</p> <p>whims (1) 6528:1</p> <p>white (20) 6376:21;6377:16; 6378:6;6396:2,20; 6397:4;6403:9,9,11, 13;6404:12,23; 6405:5,7,10;6416:3, 16;6507:24; 6516:14;6548:24</p> <p>whole (20) 6369:1.2;6386:23; 6398:19;6404:3,6,6; 6408:19;6429:11; 6448:19;6487:7,7; 6514:5;6522:23; 6547:11;6553:5; 6555:24;6561:20; 6564:3;6571:21</p> <p>whose (1) 6365:12</p> <p>wife (7) 6496:13,16,18,22; 6497:6;6523:3; 6551:18</p> <p>Williams (92) 6352:24,24; 6355:25;6356:11; 6361:2,13,17,19,22, 24;6362:4,6,6,6; 6371:15;6373:8,10; 6378:3;6379:11; 6391:9;6392:23; 6395:18,22;6396:7; 6397:19,21;6403:3, 4,8,22;6404:11,12, 14,24;6406:2,3; 6410:22;6412:7,10; 6413:16,17,21,23; 6414:5,10,14; 6415:11;6416:2,14; 6417:1;6419:5; 6422:24;6423:4; 6425:24;6426:2; 6433:10;6457:8,13, 16;6468:15,18; 6469:4,5,10,11; 6470:10,16;6476:9; 6477:5,19;6478:17, 19,21;6479:3,6,17; 6484:12;6485:1; 6487:1,16;6488:22, 24;6489:6,16,22; 6490:4,16,19; 6493:8,9,17;6494:1</p> <p>W-I-L-L-I-A-M-S (2) 6352:24;6362:7</p> <p>willing (12)</p>	<p>6491:16;6501:8; 6507:15;6514:7; 6528:24;6529:16; 6565:16,16,19,19; 6568:18,21</p> <p>willingly (2) 6509:20,20</p> <p>willingness (1) 6559:18</p> <p>win (7) 6455:13;6458:10, 13;6461:8;6473:2, 24;6491:18</p> <p>wind (1) 6547:18</p> <p>windfall (3) 6512:4;6513:3; 6514:17</p> <p>window (1) 6466:16</p> <p>Wine (2) 6379:16,17</p> <p>winner (1) 6565:9</p> <p>winning (1) 6456:6</p> <p>Wisconsin (38) 6501:19,20; 6502:4,8;6503:8,17, 19,21;6504:5,8,9,14, 16,20,23,24;6505:2; 6512:23;6513:1,6; 6516:10,17,22,24; 6517:15,24;6518:1, 5,8,9,12;6546:10; 6549:9,12;6550:11, 17;6568:5,5</p> <p>Wisconsin's (1) 6505:3</p> <p>wish (4) 6390:19,22; 6391:9;6572:2</p> <p>wishes (3) 6527:10,25; 6537:7</p> <p>within (9) 6412:5;6446:1; 6448:3;6458:7; 6460:8;6471:18; 6479:7;6488:8; 6516:3</p> <p>without (10) 6358:22,22; 6365:2;6382:2; 6401:5;6459:3; 6497:17;6498:1,4; 6547:7</p> <p>witness (13) 6358:17;6359:3,4; 6361:18;6398:19,22; 6399:1;6465:10; 6469:8;6470:5; 6530:12,15;6572:1</p>	<p>witnessed (3) 6501:14,16; 6559:1</p> <p>witnesses (5) 6358:24;6398:1,7, 22;6399:4</p> <p>woke (1) 6527:15</p> <p>won (10) 6364:2;6372:23; 6440:25;6457:14; 6459:1,4,15,15; 6460:10;6491:19</p> <p>wonder (3) 6513:25;6532:25; 6546:8</p> <p>wonderful (2) 6360:11,17</p> <p>wondering (1) 6521:22</p> <p>word (30) 6371:21,25; 6372:10,14;6373:3; 6378:24,25;6391:15; 6412:18;6414:10; 6497:22;6523:13; 6531:9,10;6532:6,7; 6533:2,5,7,14; 6534:1;6535:2,6,7,8, 19;6536:5,14,17; 6552:12</p> <p>words (8) 6359:15;6412:8; 6414:1,2;6517:4; 6523:8;6532:7; 6551:20</p> <p>work (18) 6353:5;6367:6; 6372:4;6382:19; 6419:18;6434:21; 6449:20;6466:10; 6469:9;6493:12; 6501:8;6513:18; 6517:3;6535:5; 6542:12,14;6543:1; 6562:2</p> <p>worked (5) 6373:14;6379:17, 20;6500:15;6565:6</p> <p>working (10) 6351:17;6357:19, 20;6358:21; 6505:16;6509:18; 6525:1;6526:17; 6553:24;6565:5</p> <p>workings (1) 6464:23</p> <p>works (9) 6381:25;6385:10; 6394:7,15;6423:5; 6433:9;6466:21; 6528:23;6551:18</p> <p>world (11)</p>	<p>6441:21;6500:10; 6504:7;6507:6,17; 6508:14,25;6517:1, 6;6545:19;6571:1</p> <p>worried (1) 6539:11</p> <p>worst (3) 6523:7;6525:17; 6526:9</p> <p>worthwhile (2) 6498:3;6519:10</p> <p>Wright (2) 6351:23;6352:2</p> <p>write (2) 6368:7;6532:13</p> <p>written (9) 6372:11;6494:6; 6495:16,18;6496:9; 6531:4;6534:3,11,12</p> <p>wrong (3) 6427:22;6480:1; 6518:13</p> <p>wrote (2) 6373:4;6416:1</p>
Y				
			<p>year (25) 6388:15;6437:17, 21;6451:4;6459:10; 6478:9;6490:24; 6491:6;6500:19; 6507:25;6521:23,23; 6524:15,16;6525:6, 17;6526:10; 6528:18;6554:8,10; 6559:3;6563:17; 6565:14;6567:8,9</p> <p>yearly (1) 6505:7</p> <p>year-round (1) 6515:21</p> <p>years (45) 6370:17;6373:14, 15;6374:2;6379:19, 23;6388:20,21; 6441:12,13;6442:19, 20;6458:8,9,12; 6459:1,4,5,9,12; 6472:21;6490:24; 6500:17;6504:7,12; 6507:21;6510:25; 6515:16;6517:16; 6518:4;6519:1; 6521:6;6526:15; 6528:15;6529:3; 6535:22;6546:6; 6547:14,16;6549:23; 6554:16;6556:25; 6558:21;6560:12; 6561:14</p> <p>year's (1) 6486:6</p>	

<p>Yep (1) 6443:23</p> <p>Yesterday (3) 6355:23;6359:24; 6565:1</p> <p>yield (1) 6369:3</p> <p>York (1) 6517:15</p> <p>young (5) 6500:5,6;6509:21, 21;6530:25</p>	<p>21,23;6425:1,7,7,9, 12,15,18,20,22,25; 6426:7,8,14; 6428:11;6429:7,9, 21;6430:2,8; 6450:22,25;6463:24; 6465:16,17,20,22; 6467:2,3,4,5,6,11; 6468:11;6478:7; 6480:25,25;6481:5, 9,11,14;6486:2; 6495:13;6497:7; 6498:1;6503:7,11; 6504:17;6505:15,17; 6514:14;6544:13,20; 6553:7;6557:21,21; 6558:9,11;6571:9</p>	<p>6488:2;6491:1</p> <p>12 (6) 6459:6,7,7,9; 6512:24,25</p> <p>120 (11) 6400:25;6401:7,8, 11,18;6481:10,16; 6496:15;6499:7; 6514:9;6568:19</p> <p>120,546,754 (1) 6370:8</p> <p>124 (7) 6363:13,15,20; 6366:2;6367:3; 6421:10;6482:7</p> <p>13 (2) 6369:18;6497:8</p> <p>13.8 (3) 6374:19;6377:20; 6378:10</p> <p>131 (7) 6363:13,15,20; 6366:2;6367:3; 6421:11;6482:7</p> <p>135 (11) 6403:10,13; 6404:1,1,5,6; 6415:12,25;6416:2, 4,15</p> <p>139 (14) 6361:5,7;6362:16, 19,20;6390:16,18, 19,19,23,25;6391:1; 6399:16;6424:11</p> <p>14 (5) 6369:12;6481:22, 23;6560:24;6561:1</p> <p>140 (17) 6361:10,11; 6367:24;6368:1,6; 6384:25;6390:16,17, 18,21;6391:3,5,6; 6404:2,6;6415:25; 6416:4</p> <p>1400 (1) 6560:4</p> <p>141 (9) 6361:14,15; 6373:9;6390:16; 6391:8,11,12,13; 6395:19</p> <p>142 (11) 6494:10,12,13,15; 6495:4;6530:15; 6537:6,10,10,14,25</p> <p>145 (7) 6403:11,13; 6415:12,18;6416:1, 2,15</p> <p>15 (13) 6439:23;6445:9; 6458:19,21,22; 6478:24;6479:4;</p>	<p>6485:6;6538:20,21, 21;6539:1;6559:6</p> <p>1-5 (1) 6458:22</p> <p>150 (2) 6375:3;6483:17</p> <p>150,000 (5) 6383:11;6421:4; 6422:8;6482:12; 6483:13</p> <p>15-0071 (1) 6360:9</p> <p>154 (1) 6375:1</p> <p>16 (3) 6369:9;6373:12; 6380:9</p> <p>160,000 (1) 6374:17</p> <p>1600 (4) 6496:14;6499:7; 6538:21;6541:11</p> <p>16th (1) 6358:5</p> <p>17 (2) 6481:12,14</p> <p>175 (1) 6513:16</p> <p>18 (3) 6512:25;6513:2; 6530:8</p> <p>18.6 (2) 6505:1,6</p> <p>1920's (1) 6508:7</p> <p>1935 (1) 6503:13</p> <p>1945 (3) 6501:19;6502:18; 6503:5</p> <p>1947 (1) 6500:11</p> <p>1970 (4) 6503:6,10;6505:8; 6506:7</p> <p>1970's (1) 6505:9</p> <p>1971 (2) 6503:16;6504:4</p> <p>1974 (1) 6501:11</p> <p>1975 (3) 6501:12;6514:3,9</p> <p>1977 (7) 6511:20,24; 6512:2,19,24; 6514:17;6554:16</p> <p>1978 (1) 6554:8</p> <p>1979 (1) 6553:8</p> <p>1980 (3) 6503:16;6504:4;</p>	<p>6555:19</p> <p>1980's (7) 6511:5;6515:10; 6534:21,22;6553:17; 6554:14;6557:4</p> <p>1981 (5) 6504:13,25; 6505:5;6512:2; 6555:13</p> <p>1985 (1) 6556:14</p> <p>1989 (1) 6555:13</p> <p>1990 (1) 6504:13</p> <p>1991 (1) 6504:15</p> <p>1993 (1) 6517:24</p> <p>1994 (1) 6367:18</p> <p>1995 (1) 6367:18</p>	
Z					
<p>zero (1) 6521:25</p> <p>Zolin (5) 6352:16,16; 6355:23;6356:16,23</p> <p>Z-O-L-I-N (1) 6352:16</p> <p>Zolin's (1) 6359:1</p>	<p>1,000 (5) 6448:1,21;6449:3, 23;6512:20</p> <p>1,500 (2) 6449:3,23</p> <p>1.9 (1) 6504:14</p> <p>1:40 (2) 6469:13,14</p> <p>1:46 (1) 6470:2</p> <p>10 (5) 6388:5;6506:7; 6536:13,16;6538:15</p> <p>10:50 (1) 6415:2</p> <p>100 (1) 6467:5</p> <p>1051.10 (2) 6362:25;6363:10</p> <p>1051.10b (1) 6363:18</p> <p>10th (1) 6388:2</p> <p>10-year (1) 6512:23</p> <p>11 (3) 6359:25;6369:17; 6459:7</p> <p>11,000 (1) 6511:11</p> <p>11.3 (1) 6504:16</p> <p>11.6 (4) 6369:3,6;6386:24; 6403:25</p> <p>11:05 (1) 6415:3</p> <p>11:06 (1) 6415:5</p> <p>11:07 (1) 6415:6</p> <p>110 (2) 6476:24;6511:10</p> <p>111 (5) 6374:17;6450:2,4;</p>				
0					
<p>0 (1) 6375:15</p> <p>09 (4) 6459:7;6560:5,21; 6561:13</p>					
1					
<p>1 (159) 6351:11,17; 6354:14;6363:10,14, 18;6365:17;6367:22, 24;6368:4,6,7,10,12, 17,19,23;6369:11, 13;6370:2,4,5,6,8,10, 11,13,22;6371:1,4, 21;6372:17;6374:1; 6377:5;6381:16,21; 6383:25;6384:11,14, 19;6385:7,7,11,16, 20;6387:18;6388:1, 10,14,20;6389:3,7, 14;6390:10,12,14; 6391:19;6392:6,9; 6393:11,15,22,22,23, 24;6394:17;6395:5; 6397:23;6400:16; 6401:12,13,22; 6402:22,25;6403:9; 6404:13,15,16,17,18, 22;6405:3,15,21; 6406:8,19;6407:14, 17,19,22,24; 6409:12;6420:21; 6421:3,16,24; 6422:12,19;6424:21,</p>					
				2	
				<p>2 (37) 6351:25;6359:13, 14;6362:25;6363:9, 11,13,17,18;6371:1; 6380:22;6382:24; 6383:9;6384:1; 6388:20;6394:17; 6417:15,16,20; 6418:10;6419:6,15; 6420:1,3,11,13,22; 6421:6,14;6422:12; 6465:14;6514:15; 6530:20;6544:4,9, 17,19</p> <p>2,500,000 (1) 6524:11</p> <p>2,543,273 (2) 6524:9;6525:13</p> <p>2.8 (1) 6504:20</p> <p>20 (44) 6353:7;6373:15; 6374:6;6400:18,22; 6401:1,14;6441:12; 6445:24;6450:23; 6451:6,8,8,24;6452:5; 6453:7,8,11,16,17, 19,21,21,25; 6454:14,20;6467:6, 8;6472:21;6476:17; 6477:13;6481:8,15; 6487:17,18,18; 6518:4;6519:1; 6521:2,3;6535:22; 6560:12;6563:17; 6569:18,19</p> <p>20,989,392 (3)</p>	

6370:5;6382:7; 6400:16 200 (2) 6460:11;6476:22 2000 (4) 6504:15,25; 6505:5;6553:22 2001 (1) 6504:18 2005 (2) 6366:2;6525:5 2009 (21) 6366:11;6367:8; 6430:25;6457:2; 6459:6,7;6463:2; 6514:3,11;6516:8; 6520:21,25;6522:21; 6523:4;6524:25; 6525:5,17;6526:9; 6547:15;6559:25; 6561:7 2-0-0-9 (2) 6520:14,19 2010 (21) 6369:8;6385:6,8, 10,12,17,23;6387:2; 6388:20;6457:9; 6504:18;6506:8; 6524:1,5,8;6525:6, 15,25;6526:5,8; 6544:1 2011 (5) 6369:20;6387:13; 6459:6,7;6504:22 2012 (26) 6374:13;6375:23; 6437:22,23,24; 6439:6;6442:11,14; 6448:11;6449:15,17, 19;6451:3,10,23,24; 6452:1,5,21;6457:3, 10;6459:8;6492:5,8, 12,14 2013 (2) 6374:6;6451:3 2014 (5) 6369:15;6384:20; 6485:17;6504:23; 6567:8 2015 (28) 6369:9;6370:4,12; 6384:10;6390:8; 6395:6;6405:18; 6451:10,23;6452:8; 6470:1;6478:5; 6480:2;6485:17,18, 20,25;6486:2,3,5; 6492:15;6524:8; 6525:6,15,25,25; 6526:8;6544:2 20th (1) 6357:24 20-year (1)	6504:25 21 (1) 6513:1 21.1 (1) 6374:24 22 (1) 6506:2 23 (2) 6525:4,11 23.8 (1) 6401:20 230 (2) 6381:9,10 24 (16) 6370:13;6384:10, 22;6389:21;6400:2; 6401:19,21;6402:6; 6406:19;6407:2; 6429:8;6484:7,8,10; 6510:9;6513:2 240 (2) 6439:25;6488:25 241 (4) 6374:21;6377:18; 6378:8;6488:7 25 (4) 6375:15;6452:8; 6453:16;6496:1 25th (1) 6388:7 26 (3) 6387:5;6389:14, 22 26th (1) 6388:6 26-year (2) 6502:6;6503:6 27 (1) 6478:10 271 (2) 6477:2,17 29 (5) 6387:3;6389:24; 6393:18;6401:16; 6483:21 29,756,864 (5) 6370:9;6389:18; 6390:3,5;6480:8	6421:4;6422:10,15, 18;6427:11,25; 6428:6,7,10; 6482:18;6503:2; 6514:16;6531:3,19 3,000 (6) 6448:1,21; 6512:20;6514:1; 6532:25;6541:11 3,800 (4) 6445:3;6479:10; 6490:1,6 3.5 (1) 6503:9 3.8 (1) 6503:6 3.9 (3) 6503:17,22; 6504:5 3.98 (1) 6503:23 3:30 (1) 6530:1 3:45 (1) 6530:9 3:46 (1) 6530:11 30 (13) 6351:4;6449:6; 6460:7;6484:22; 6500:19;6504:12; 6508:15,15;6556:25; 6561:19,20;6563:1, 17 305 (2) 6517:4,4 30-plus (1) 6558:21 31 (5) 6384:22;6445:5; 6478:23,25;6485:4 32,000 (1) 6490:2 32nd (1) 6351:20 35 (5) 6384:19;6494:18; 6504:7;6515:16; 6517:16 350,000 (1) 6383:23 351 (1) 6375:16 35-year (1) 6504:10 365 (1) 6565:14	6500:10;6514:17; 6540:14 4,000 (1) 6375:19 4.1 (2) 6503:16;6504:5 40 (5) 6406:20;6495:23; 6506:7;6553:9; 6563:17 40,000 (1) 6489:24 400 (1) 6375:16 40's (1) 6501:1 4105 (1) 6355:17 44 (1) 6538:13 45 (4) 6414:23;6495:23; 6530:2;6538:14 452 (2) 6401:13,15 47 (1) 6369:15 472 (1) 6401:15 4a (1) 6388:5 4b (7) 6388:5;6523:10, 15,19;6527:18; 6538:8,13	6405:14;6480:6 503,016,796 (1) 6370:11 50-mile (1) 6479:8 50's (2) 6501:1;6546:2 543 (1) 6524:12 543,273 (1) 6524:13 56 (2) 6525:10,12 57 (1) 6460:7
				6
				6 (14) 6371:16,17,19,20, 22,25;6372:1; 6373:14;6384:9; 6424:11;6441:13; 6470:1;6532:9; 6542:9 60 (10) 6374:5;6376:19; 6378:23;6395:24; 6396:5;6460:6; 6483:3;6500:23; 6508:18;6563:1 605 (1) 6460:7 60's (1) 6501:1 61 (11) 6384:19;6389:6; 6399:12,20,21; 6400:3;6401:12; 6405:13;6478:1; 6480:2;6485:16 62 (2) 6359:24,25 65 (1) 6562:4 66 (4) 6483:4,5,7,10
				7
				7 (5) 6533:25;6534:7,8; 6546:21;6556:21 7.3 (1) 6504:14 7.4 (1) 6504:8 7.9 (1) 6504:8 70 (9) 6367:22;6368:5; 6376:11;6384:12,20, 22;6461:12;

6484:20;6539:19 70's (5) 6499:7;6505:11; 6506:6;6509:11; 6510:6 70-year (3) 6501:20;6502:3,4 75 (6) 6452:4,5;6503:11; 6549:13;6554:5,6 750 (3) 6440:7;6447:13, 19 7500 (1) 6522:8 76 (2) 6384:14,23 780 (1) 6553:9 79 (6) 6524:14,16; 6525:7;6544:3; 6554:5,7 7c (1) 6356:24	90 (2) 6452:2;6563:2 90's (3) 6547:1,5,20 961 (1) 6524:19 99 (5) 6400:19,22,23; 6481:9;6484:2 99,557,362 (2) 6370:6;6400:6 9d (2) 6356:18;6359:1			
8				
8 (3) 6360:1;6504:1; 6536:10 8.2 (1) 6504:19 8.6 (1) 6490:1 8.62 (8) 6369:2;6387:1; 6404:4,7,8,9,10; 6416:19 80 (11) 6393:15,19; 6454:5;6455:14,17; 6456:2,25;6467:7; 6487:13;6511:25; 6562:6 80's (10) 6510:6;6534:15, 19,23,24;6547:1,5, 20;6548:2;6569:20 81 (2) 6555:15,20 84 (1) 6553:18 89 (1) 6555:15				
9				
9 (3) 6537:20;6538:4; 6543:25 9:00 (1) 6572:11				