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BEFORE THE UNITED STATES DEPARTMENT OF AGRICULTURE

11-3-11

IN THE MATTER OF:) Docket No. AO-388-A15;
MILK IN THE APPALACHIAN AND) AO-366-A44; DA-03-11
SOUTHEAST MARKETING AREAS)

STATEMENT OF INTEREST

SUBMITTED BY:

**Georgia Milk Producers, Inc.
Watkinsville, Georgia**

Georgia Milk Producers, Inc. feels that it is imperative that the issue of Southeast dairy producers' minority status be addressed

When federal orders were implemented in Georgia, Georgia had its own Georgia Federal Order. There were a number of cooperatives operating in Georgia, most made up of all Georgia producers. Thus, federal order issues affecting Georgia Producers were addressed correctly for the best interests of Georgia producers.

As cooperatives merged due to the laws of economics and federal orders merged due to economics and the political arena, Georgia producers were then part of larger groups, both in cooperatives as well as federal orders. At this stage, however, their interests were common to other producers in both the cooperatives and the federal orders, because all were contained within the Southeast. Their cooperatives could speak for their interests in federal order issues and hearings.

With the advent of Congressional mandated federal order number reduction and the parallel continual merging of cooperatives, Georgia and other Southeast producers now find themselves in a minority position on the Board of Directors for the two major cooperatives representing milk in the Southeast (Federal Orders 5 and 7). The issue then becomes: who speaks for a region that comprises a minority on the cooperative boards who determine what issues will be addressed at federal order hearings? Obviously, if the Southeast region needs a position taken that the majority of the cooperative boards (who live outside the Southeast) feel would be to their disadvantage, it doesn't take a leap of faith to know what will happen: the minority interest will be squelched.

I submit as evidence of this type of action that, although it is outside the federal order arena, presents a classical illustration of the insidious subjugation of our minority interests. Attached to this brief is my letter dated March 16, 2004, as a member of the Board of Directors for Maryland and Virginia Milk Producers Cooperative, to our Chairman of the Board, Mr. Steve Graybeal. It should be noted that Maryland Virginia Milk Producers Cooperative Board of Directors is composed of approximately 1/3 of its Directors residing in the Southeast. These same Southeast Directors for 5 years have requested their Cooperative's help in getting the previous-to-1995 Farm Bill Base Excess Plan to be reauthorized in Orders 5 and 7. We have thus far seen no action

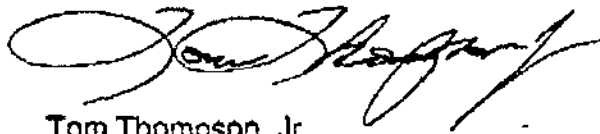
from our cooperative in attempting to get this done.

When Georgia Milk Producers, Inc. asks our Federal Milk Market Administrator how we address issues affecting the ability of the Southeast milk producer to survive, we are told: "get your cooperative to bring these issues before me or a federal order hearing and we will address them." But, as you can see, the practicality of that happening is fairly remote.

We have seen our country protect minority interests in many other areas. We appeal to you for that same protection in federal order milk marketing issues.

Inaction by USDA will ultimately lead to the decimation of milk production and milk producers in the Southeast, the most deficit milk production area in the US.

Sincerely,



Tom Thompson, Jr
President
Georgia Milk Producers, Inc.
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Attachment.

Letter to Maryland and Virginia Milk Producers' Board of Directors, dated 3/16/2004

Georgia Milk Producers, Inc. is a non-profit, producer funded organization located in Watkinsville, Georgia. Georgia's dairy producers vote, by referendum, every three years to maintain it's operation. Producers pay a 1-cent per hundredweight assessment enabling Georgia Milk to operate programs of communication, promotion and education. Georgia Milk's main objective is to educate dairymen and governing officials on all issues, such as legislation, environmental regulations, animal health and milk pricing/Federal Orders, affecting Georgia's dairy industry.

March 16, 2004

Board of Directors
Steve Graybeal, Chairman
Maryland & Virginia Milk Producers
Reston, VA

At the Southern Dairy Conference in Atlanta on February 9-10, Maryland & Virginia was represented by four directors: Jeff Bender, Henry Cabaniss, Steve Graybeal, and myself. To be more correct: four Md-Va directors were in attendance. I do not recall any board action making any board member an "official designee".

On the morning of February 10 while Henry and I were eating breakfast, Steve sat down with us and said "since Joe Wright is stepping down as S E Dairy Farmer President with SMI withdrawing from the organization, 'we' have decided that I should be the new President of S E Dairy Farmer. I have checked with Dwayne & Branson and neither of them want to be President. We have also decided that Bill Smith should be Vice-president. What do the two of you think about that?" (I also believe Steve indicated that "they" had mentioned Jim Baird as Treasurer.) Both Henry and I told Steve we didn't think that the Southeast Dairy Farmer organization, a political lobbying organization, should be headed up by people who don't live in the SE. That would be like one of us heading up a NF political lobbying organization in Pennsylvania. After Jeff heard of the plans, he expressed the same concerns to Steve that Henry and I had expressed. All three of us advised Steve not to proceed as he planned. Our pleadings were ignored.

Perhaps a little background is in order. In 1994, when Congressman Steve Gunderson (Wisconsin) was Chairman of the House Dairy Committee and writing the "Chairman's Mark" for The 1995 Farm Bill, he let the country know that we were going to either have National Class I pooling, or no federal orders. "The choice is yours." Or as it was later termed: "do you want to die by hanging or by firing squad?"

A handful of dairymen in middle Georgia met, discussed the attack by Gunderson, and began discussing what could be

done. Georgia Milk Producers became the forum and organization that helped educate other dairymen in other states as well as elected officials on the potentially disastrous effects of the Gunderson dairy title bill. This led to meetings with Jim Barr, President of NMPF ("you can't roll a chairman on his own bill"), and ultimately with Congressman Gerald Solomon (NY), Chair of the powerful House Rules Committee as well as Speaker New Gingrich (GA), who later told a crowd of almost 1,000 in Augusta: "Charlie Norwood (GA) brought a handful of GA dairymen to meet with me and they explained how the impact of the Gunderson proposal on dairy pricing affected Georgia dairymen differently than Wisconsin dairymen. And we defeated the Gunderson proposal." As Congressman Gerald Solomon told me on Capitol Hill a few months before his death: "Tommy, did you know that in the history of Congress a Chairman has only been defeated on his Markup ONE time...and WE did it!"

I mention all of this to explain the background of the S E Dairy Farmer lobbying organization. Those of us in the SE, realizing that we could not long-term expect to monitor the activities of Congress without a structured organization, formed the SE Dairy Farmer. Georgia Milk Producers, Florida Dairy Farmers, and Carolina-Virginia were among the founding members. Charlie Garrison was hired to represent us. Maryland & Virginia became a member subsequent to our merger.

It is my belief, and I suspect my feeling is shared by others, that this decision on Steve's part to be President of S E Dairy Farmer potentially undermines the mutual respect that different regions of our co op must have for each other's jurisdiction. I'm afraid the implications go far beyond the S E Dairy Farmer organization.

It makes me feel like a member of another congregation just came into my church and took it over.



Tom Thompson