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April 6, 2006

Hearing Clerk  
9200-Room 1031  
United States Department of Agriculture  
1400 Independence Avenue, SW  
Washington, DC 20250-9200

I am writing on behalf of Wells' Dairy, Inc., in response to the United States Department of Agriculture's invitation to "comment" on the "Recommended Decision" with respect to "Proposed Amendments to Tentative Marketing Agreement and Order" for the Central Marketing Area, (Federal Order 32) dated February 15, 2006.

Wells' Dairy, Inc. is an Iowa based dairy company with headquarters in LeMars, Iowa. We employ over 3,000 people and serve all 48 states in the United States. We buy approximately one billion pounds of Grade A milk locally and have our own supply of independent producers based in Kansas, Nebraska, Iowa, and South Dakota. We also support buying from local cooperatives such as Central Equity Milk Producers, Land 'O Lakes, and Associated Milk Producers Incorporated (AMPI). We strongly oppose the use of the order of amendment process means of eliminating competition within our industry. We are supportive of the Federal Market Order System, which will enhance the producer pay price and provide an adequate supply of fresh Grade A milk for our needs.

We find the Touch Base requirements to be particularly disturbing. Due to the existence of exclusive supply contracts with Dairy Farmers of America (DFA) and other relationships that the DFA has in the Federal Order 32 distribution plans in our geographic area, it is presenting an unfair advantage for DFA and their affiliated partners. The smaller independent producers and the smaller cooperatives will be at an unfair market advantage if all of the provisions are passed as written. We have a hard time understanding why these changes are needed.

With this statement the Department should acknowledge there are no guarantees that the Touch Base provision will effectively keep our milk supply from beyond the traditional 32 milk shed. In fact, the proposed serves only to ensure the producers located close to the areas of competitive consumption will be shut out of the very market in which they live, support and pay taxes, unless they are affiliated with a predominant handler such as DFA.

Please take into consideration our objections to the Touch Base provisions by the recommended decisions by the USDA dairy programs which would further reduce the ability of the local producer to supply our market. Thank you for allowing our comments to go on public record.

Respectfully submitted,

Bruce Matson  
Dairy Procurement Manager  
WELLS' DAIRY, INC.

**WELLS' DAIRY, INC.**

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