

**BEFORE THE UNITED STATES DEPARTMENT
OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE**

In the Matter of :
Milk In The Northeast : **Docket Nos.:**
Marketing Area : **AO-14-A70 et al;**
 : **DA-02-01**
 :

**Edward Gallagher
Vice President
Dairylea Cooperative, Inc.**

**on behalf of the
Association of Dairy Cooperatives
in the Northeast**

**Exhibits
Proposal 7**

**September 10, 2002
Alexandria, Virginia**

Exhibits

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- 2) Mega Milk Regions
- 3) Federal Milk Marketing Order Areas, January 1, 2000
- 4) Federal Order No. 1 Class I Receipts per Day, by Month, Jan 2000-Dec 2001
- 5) Federal Order No. 1 Class III and IV Receipts per Day, by Month, Jan 2000-Dec 2001
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- 2) Producer Receipts Pooled as Class I under Federal Orders, 2001
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- 4) Milk, Skim and Cream Used to Producer Fluid Cream Products Under Federal Orders, 2001
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- 7) Number of Pool Handlers, Supply Plants and Distributing Plants Under Federal Milk Orders, by Order, December 2001
- 8) Selected Class I and Manufacturing Plant Operators with Own Producer Milk Supplies and Operating Procurement Activities Within the Northeast Order's Milkshed, September 2002

Figure 1. Milk Concentration by Leading Dairy Region, 2001

<u>Region</u>	<u>Land Mass Sq. miles</u>	<u>Milk Production Mil. Lbs</u>	<u>Production Concentration Lbs/Sq mile</u>
CA	155,973	33,251	213,184
WI/MN	133,931	31,011	231,545
NY/PA/VT	101,344	25,294	249,586

* **Northeast has significant production**

* **Its high concentration means**

- **the region is highly suited to growing the milk supply**

Figure 2

Mega-Milk Regions

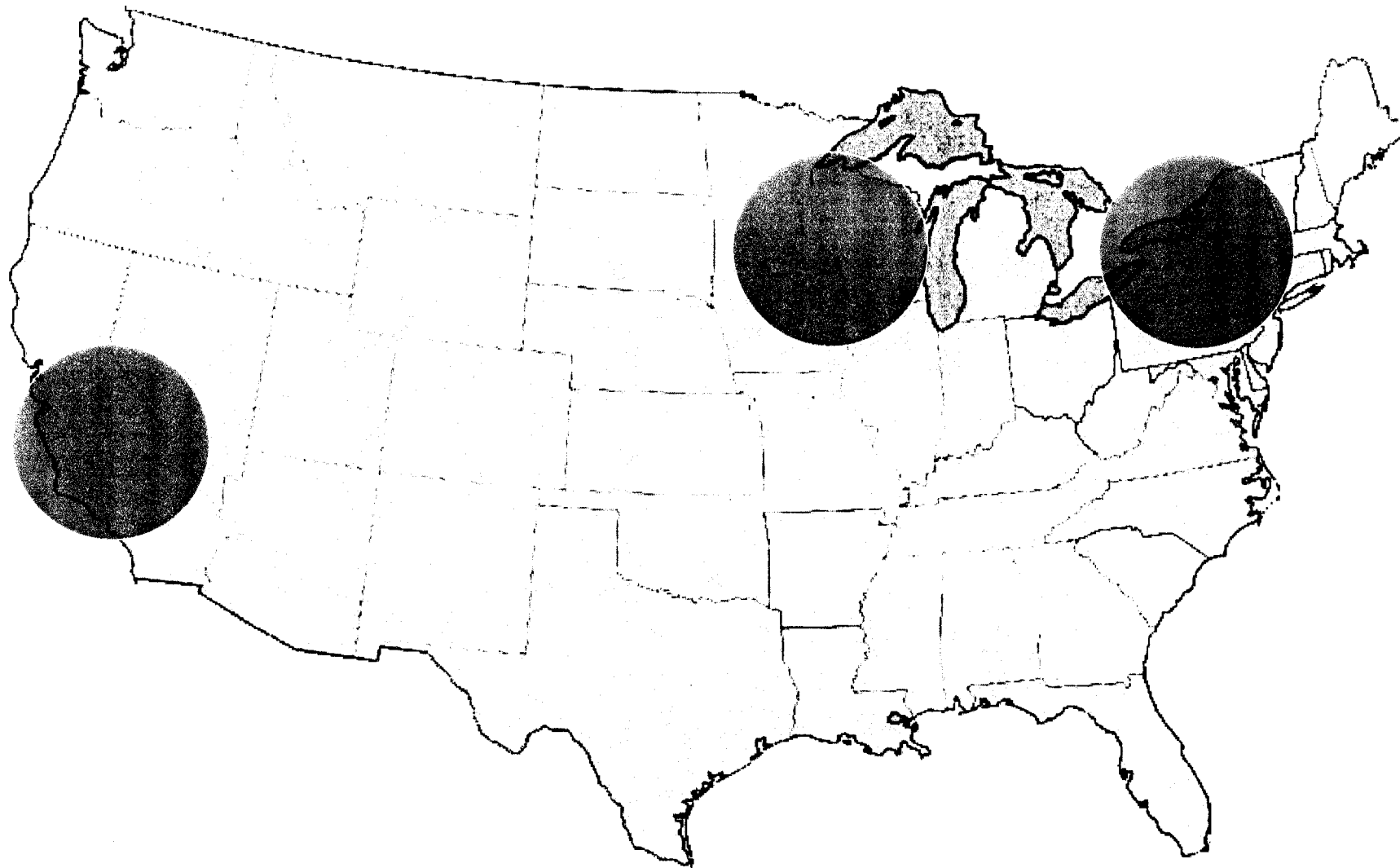
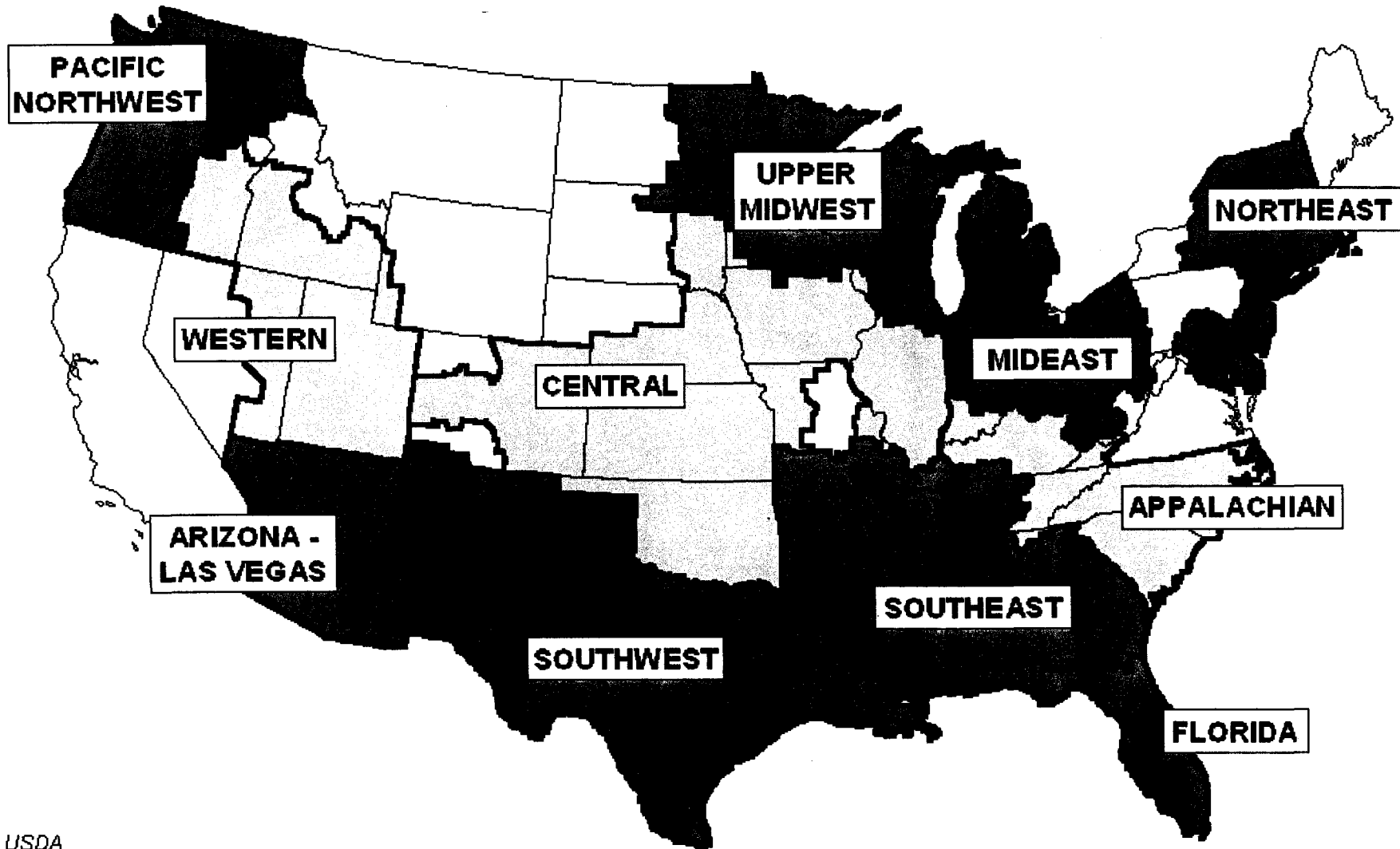


Figure 3

FEDERAL MILK MARKETING ORDER AREAS

January 1, 2000



USDA
Agricultural Marketing Service
Dairy Programs

DIFFERENCES IN SHADING MERELY SERVE TO DIFFERENTIATE BETWEEN MARKETING AREAS

Marketing Order(s)	Market Administrator

Figure 4. Federal Order No. 1 Class I Receipts per Day, by Month, Jan 2000-Dec 2001

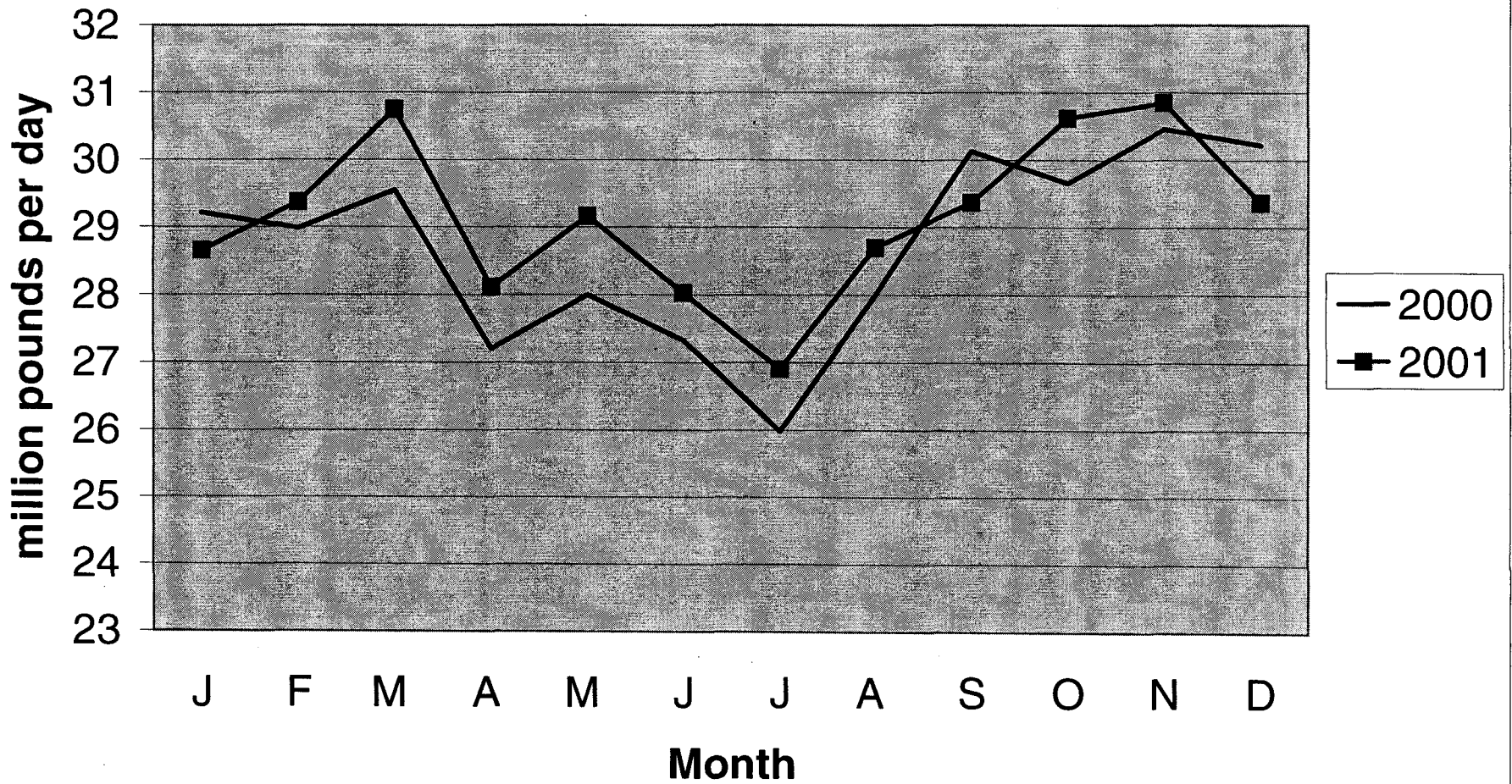


Figure 5. Federal Order No. 1, Class III and IV Receipts per Day, by Month, Jan 2000-Dec 2001

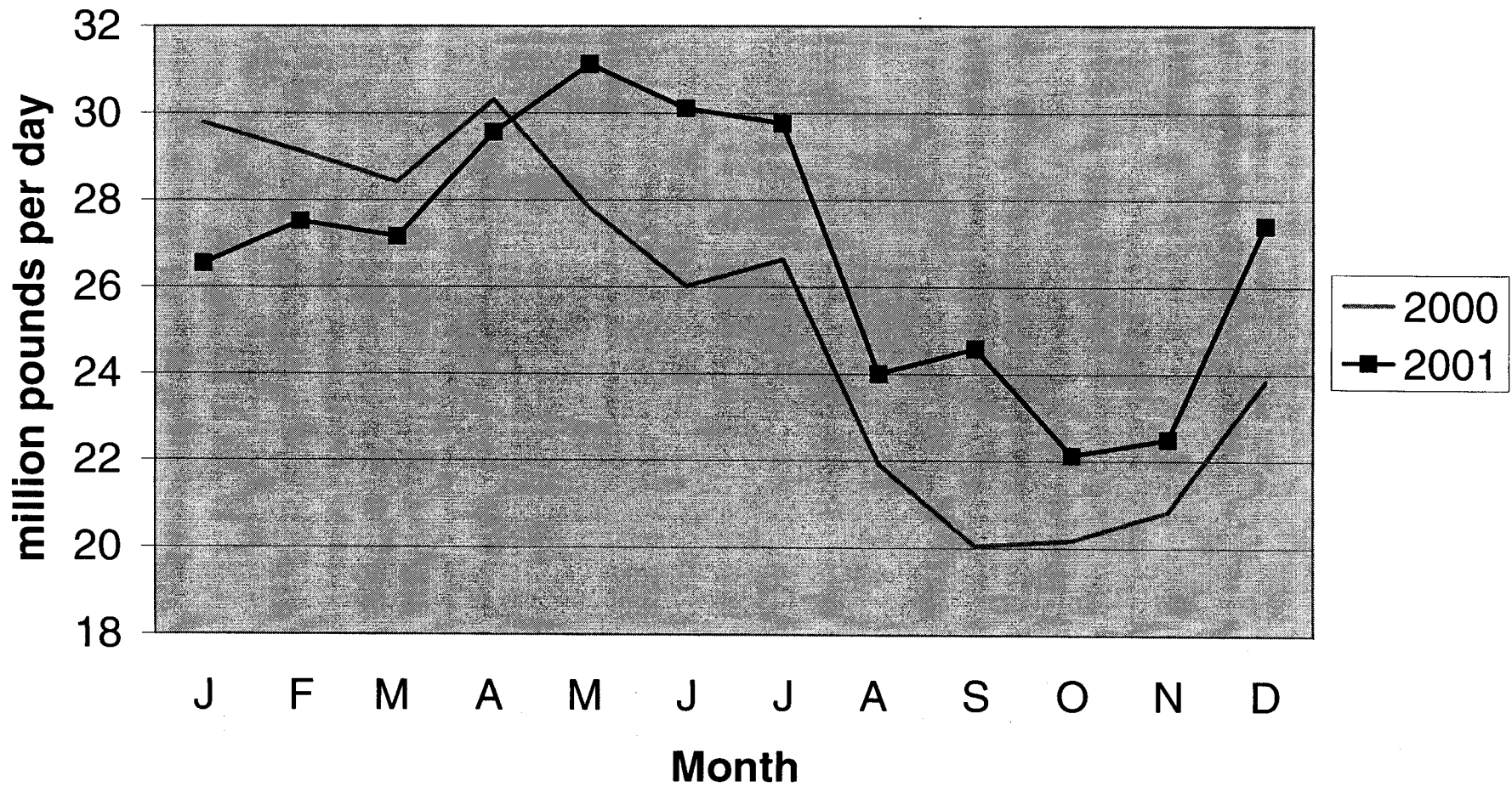


Figure 6. Federal Order 1 Class I and Class III&IV Receipts per day, by Month, 2001

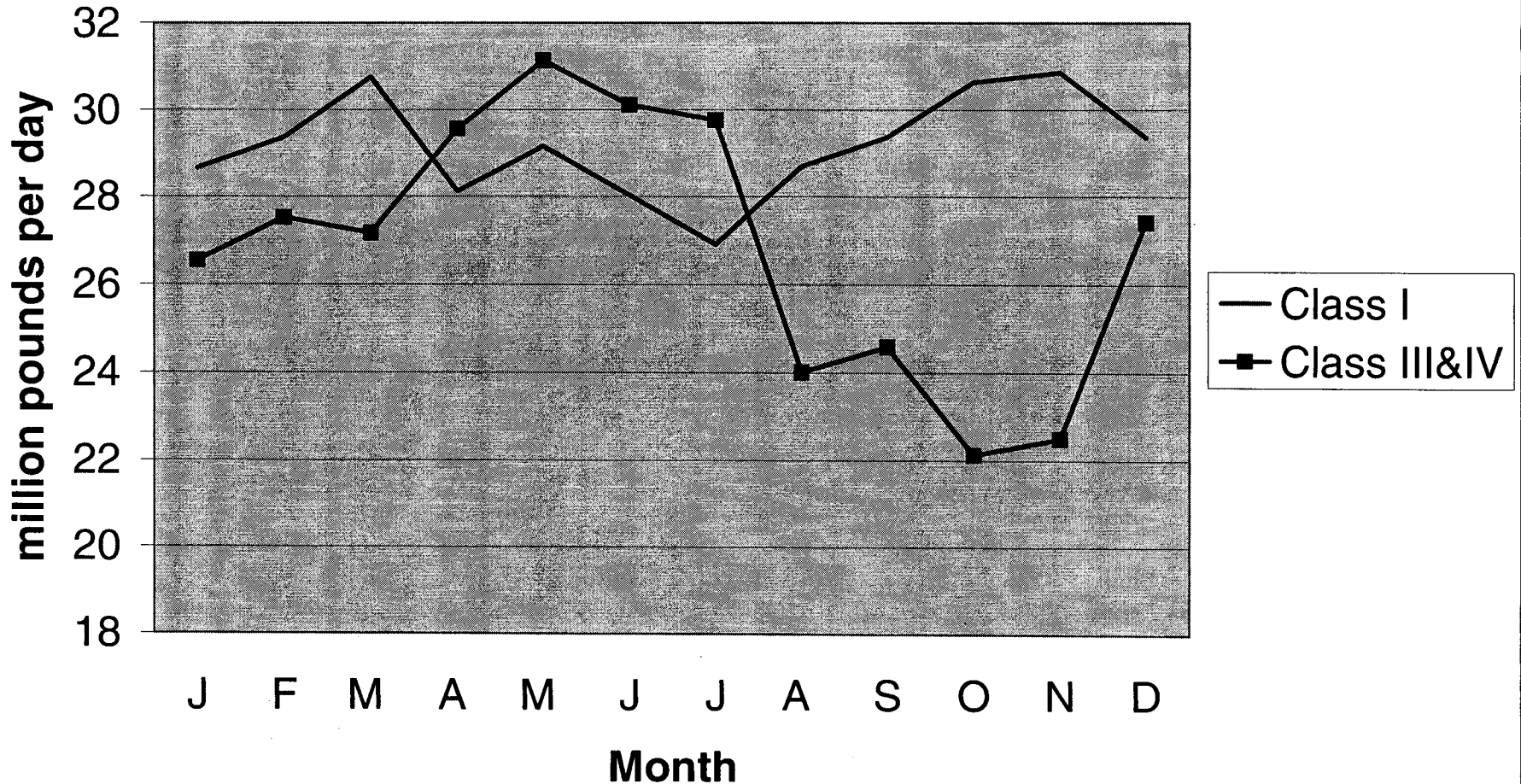


Table 1. Population Within Federal Order Marketing Areas, 2001

<u>Marketing Order</u>	<u>In-area Population</u>	
	<u>Thousand People</u>	<u>Percentage</u>
Northeast	51,596	22.3%
Mid-East	31,482	13.6%
Southeast	28,779	12.4%
Southwest	23,234	10.0%
Central	22,556	9.7%
Upper Midwest	19,612	8.5%
Appalachin	18,675	8.1%
Florida	15,757	6.8%
Pacific Northwest	9,581	4.1%
Arizona-Las Vegas	6,757	2.9%
Western	3,457	1.5%
Total All Orders	231,486	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 2. Producer Receipts Pooled as Class I under Federal Orders, 2001

<u>Rank</u>	<u>Federal Order</u>	<u>Pounds</u> (1,000,000)	<u>Percent</u>
1	Northeast	10,642	23.2%
2	Mid-East	6,633	14.5%
3	Central	4,881	10.6%
4	Southeast	4,805	10.5%
5	Appalachian	4,352	9.5%
6	Southwest	4,029	8.8%
7	Upper Midwest	3,969	8.6%
8	Florida	2,492	5.4%
9	Pacific Northwest	2,098	4.6%
10	Western	1,033	2.3%
11	Arizona-Las Vegas	953	2.1%
	Total	45,887	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 3. Producer Receipts Pooled as Class II under Federal Orders, 2001

<u>Rank</u>	<u>Federal Order</u>	<u>Pounds</u> (1,000,000)	<u>Percent</u>
1	Northeast	4,102	34.7%
2	Mid-East	2,005	17.0%
3	Central	1,130	9.6%
4	Appalachian	980	8.3%
5	Southeast	891	7.5%
6	Southwest	779	6.6%
7	Upper Midwest	661	5.6%
8	Western	466	3.9%
9	Pacific Northwest	464	3.9%
10	Florida	183	1.5%
11	Arizona-Las Vegas	146	1.2%
	Total	11,807	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 4. Milk, Skim and Cream Used to Produce Fluid Cream Products Under Federal Orders, 2001

<u>Rank</u>	<u>Federal Order</u>	<u>Pounds</u> (1,000,000)	<u>Percent</u>
1	Northeast	776	49.4%
2	Upper Midwest	192	12.2%
3	Central	112	7.1%
4	Southwest	91	5.8%
5	Mid-East	84	5.3%
6	Pacific Northwest	84	5.3%
7	Appalachian	80	5.1%
8	Florida	65	4.1%
9	Southeast	45	2.9%
10	Arizona-Las Vegas	27	1.7%
11	Western	17	1.1%
	Total	1,571	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 5. Producer Receipts Pooled as Class III under Federal Orders, 2001

<u>Rank</u>	<u>Federal Order</u>	<u>Pounds</u> (1,000,000)	<u>Percent</u>
1	Upper Midwest	15,180	28.7%
2	Central	11,040	20.9%
3	Mid-East	7,850	14.9%
4	Northeast	7,680	14.5%
5	Southwest	3,212	6.1%
6	Pacific Northwest	2,446	4.6%
7	Western	2,429	4.6%
8	Arizona-Las Vegas	1,167	2.2%
9	Southeast	1,149	2.2%
10	Appalachian	632	1.2%
11	Florida	39	0.1%
	Total	52,824	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 6. Producer Receipts Pooled as Class IV under Federal Orders, 2001

<u>Rank</u>	<u>Federal Order</u>	<u>Pounds</u> (1,000,000)	<u>Percent</u>
1	Northeast	2,133	22.7%
2	Pacific Northwest	2,081	22.1%
3	Central	785	8.3%
4	Western	749	8.0%
5	Mid-East	741	7.9%
6	Appalachian	709	7.5%
7	Arizona-Las Vegas	690	7.3%
8	Southeast	624	6.6%
9	Southwest	583	6.2%
10	Upper Midwest	251	2.7%
11	Florida	57	0.6%
	Total	9,403	100.0%

Data Source: Federal Order Market Statistics, 2001 Annual Summary

Table 7

Table 4--Number of Pool Handlers, Supply Plants, and Distributing Plants Under Federal Milk Orders, by Order, December 2001

Federal Milk Order Marketing Area	Order Number	Pool Handlers 1/	Supply Plants 2/	Distributing Plants 3/
Northeast	001	62	12	62
Appalachian	005	41	3	26
Southeast	007	42	5	31
Florida	006	16	0	14
Mideast	033	41	12	49
Upper Midwest	030	59	59	26
Central	032	31	20	32
Southwest	126	21	6	23
Arizona-Las Vegas	131	5	1	3
Western	135	14	0	11
Pacific Northwest	124	18	2	18
All Markets Combined		350	120	295

1/ See page 6 for definition of the term "handler". Includes proprietary bulk tank handlers per section 1135.11.

2/ Plants primarily engaged in producing manufactured dairy products. Includes cooperative manufacturing plants per section XXXX.7(d).

3/ Plants primarily engaged in processing or packaging fluid milk products.

Table 8. Selected Class I and Manufacturing Plant Operators with Own Producer Milk Supplies and Operating Procurement Activities Within the Northeast Order's Milkshed, September 2002

<u>Operator Type/Name</u>	<u>Plant Location</u>	<u>State</u>
Class I Plant Operators		
Boice Brothers Dairy	Kingston	NY
Byrne Dairy	Syracuse	NY
Clover Farms Dairy	Reading	PA
Cloverland/Green Spring Dairy	Baltimore	MD
Dean Foods	11 locations throughout the Northeast**	
Elmhurst Dairy	Jamaica	NY
Galliker Dairy*	Johnstown	PA
Giant Food Dairy	Landover	MD
Guers Dairy*	Pottsville	PA
Harrisburg Dairies	Harrisburg	PA
Hermany Farms	Bronx	NY
HP Hood	Barre	VT
Hypoint Dairy Farms	Wilmington	DE
Lewes Dairy	Lewes	DE
Marcus Dairy	Danbury	CT
National Dairy Holdings	8 locations throughout the Northeast***	
Oak Tree Dairy	East Northport	NY
Oakhurst Dairy	Portland	ME
Parmalat Dairies	2 locations in metro NY area	
Readington Farms	Whitehouse	NJ
Rosenbergers Dairies	Hatfield	PA
Rutter Brothers Dairy	York	PA
Stewarts Processing	Greenfield	NY
Thomas Dairy	Rutland	VT
Wengerts	Lebanon	PA
Worcester Creameries	Roxbury	NY
Z&R Corp (Mohawk Dairy)	Amsterdam	NY
Manufacturing Plant Operators		
Dietrichs Milk Products	Reading	PA
Fleur De Lait	New Holland	PA
Friendship Dairies	Friendship	NY
Pollio	Campbell	NY
Queensboro Farms	Canastota	NY

* Partially regulated plant.

** Includes Garelick, Cumberland, West Lynn, Tuscan and Lehigh among others.

*** Includes Crowley, Kemps, Ready Foods and Weeks Dairy.