



May 8, 2023

Mr. Bruce Summers  
Administrator  
Agricultural Marketing Service  
U.S. Department of Agriculture  
1400 Independence Avenue, S.W.  
Washington, D.C. 20250

Dear Administrator Summers:

I am responding to your April 28, 2023 letter, concerning the March 30, 2023, request of the International Dairy Foods Association (IDFA), as supplemented by letter dated April 3, 2023, that the U.S. Department of Agriculture (USDA) hold a hearing to amend the 11 Federal Milk Marketing Orders (FMMO). The IDFA proposal seeks the amendment of the manufacturing (make) allowances contained in the Class III and IV price formulas, using the most recently available industry cost data.

IDFA's petition cited cost study numbers calculated by the Dairy Institute of California, as well as a cost study currently being updated, but not yet completed, by Dr. Mark Stephenson. In your April 28, 2023 letter, you indicated that USDA needs additional information regarding the specific make allowance values that IDFA is requesting that the Secretary consider for adoption.

IDFA is writing to confirm that it will comply fully with your request. Dr. Stephenson is nearing the completion of his updated cost study, which will provide IDFA with the data sets necessary for IDFA to provide the requested "specific make allowance values" that IDFA is asking the Secretary to consider for adoption. Barring any currently unforeseeable developments, IDFA will provide USDA with the requested information this month.

As indicated in our April 3, 2023 letter, USDA historically has issued a public notice inviting others to submit proposals as well, and nothing in IDFA's proposal suggests a different approach be adopted here. We understand USDA will evaluate whether any proposals submitted meet its stated criteria for a hearing proposal, and if so, how best to organize the proceedings.

Please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Michael L. Brown". The signature is written in a cursive style.

Mike Brown  
Chief Economist  
International Dairy Foods Association

cc: Dana H. Coale, Deputy Administrator, Dairy Programs, AMS/USDA  
Erin Taylor, Director, Order Formulation and Enforcement Division, USDA/AMS/Dairy