UNITED STATES DEPARTMENT OF AGRICULTURE

BEFORE THE SECRETARY OF AGRICULTURE

_____

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

VOLUME XI

TRANSCRIPT OF PROCEEDINGS

October 6, 2015

Shelly A. Davis, CSR No. 8947
397074

1   UNITED STATES DEPARTMENT OF AGRICULTURE

2   BEFORE THE SECRETARY OF AGRICULTURE

3   _____

4   In re:)   [AO]
)   Docket No. 15-0071
5   )
        Milk in California   )
6   _____)

7

8   BEFORE U.S. ADMINISTRATIVE LAW JUDGE
                      JILL S. CLIFTON
9

10   Tuesday, October 6, 2015
                       9:00 a.m.
11

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

14

15

16   TRANSCRIPT OF PROCEEDINGS

17   VOLUME 11

18

19

20

21

22

23

24 Reported by:
    Shelly A. Davis, CSR, RPR
25 Certificate No. 8947

2157

BARKLEY
Court Reporters

2158

BARKLEY
Court Reporters

```
 1                        EXHIBITS

 2      NUMBER          DESCRIPTION                  ID.   REC'D

 3      Exhibit 54    Testimony of Lon Hatamiya      2231  2306
                      The Economic Importance of
 4                    of the California Dairy
                      Quota Program, An Invaluable
 5                    Assert to the Dairy Farmer
                      and the State
 6
        Exhibit 55    Illustration of Dairy          2279  2306
 7                    Institute's Proposed Quota
                      Program
 8

 9      Exhibit 56    Specious in Seattle - Forbes   2347

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25


                              2159
```

```
 1              TUESDAY, OCTOBER 6, 2015, 9:00 A.M.

 2                    CLOVIS, CALIFORNIA

 3

 4                    P R O C E E D I N G S

 5

 6           JUDGE CLIFTON:  We're back on record.  It is

 7   October 6, 2015.  It's a Tuesday.  It's 9:00 in the

 8   morning.  And this is Day 11 of the Milk Hearing.  My

 9   name is Jill Clifton.  I'm the United States

10   Administrative Law Judge who's assigned to take evidence

11   at this hearing.

12           There are two kinds of evidence, testimony and

13   exhibits, and we've had a lot of each.  Some witnesses

14   have been on the witness stand for multiple days,

15   including the witness whose testimony is expected to

16   resume first thing this morning.

17           I would like to take appearances of those who

18   are participating beginning first, please, with other

19   employees of the United States Department of

20   Agriculture.

21           MR. FRANCIS:  Good morning, everyone.  Welcome

22   back.  William Francis.  F-R-A-N-C-I-S.  United States

23   Department of Agriculture, Agricultural Marketing

24   Service.

25           MR. CARMAN:  Good morning.  Clifford Carman.
```

BARKLEY
Court Reporters

1   C-A-R-M-A-N. Dairy Programs, Assistant to the Deputy

2   Administrator, USDA.

3   MS. FRISIUS: Good morning. Meredith Frisius.

4   M-E-R-E-D-I-T-H. F-R-I-S-I-U-S. And I'm a Agricultural

5   Marketing -- Dairy -- totally can't remember the title

6   right now. Anyway, I work for USDA.

7   MS. MAY: Laurel May. L-A-U-R-E-L. M-A-Y.

8   With USDA/AMS Dairy Program. I'm a Marketing Specialist

9   Rule Writer.

10   MR. MYKRANTZ: John Mykrantz. J-O-H-N.

11   M-Y-K-R-A-N-T-Z. Economist with the Pacific Northwest

12   and Arizona Orders on detail with Dairy Program.

13   MR. SCHAEFER: Henry Schaefer. H-E-N-R-Y.

14   S-C-H-A-E-F-E-R. Agricultural Economist for the Upper

15   Midwest Milk Marketing Area, Federal Order 30, on detail

16   for AMS.

17   MS. BECKER: Lauren Becker. L-A-U-R-E-N.

18   B-E-C-K-E-R. USDA Office of General Counsel.

19   MR. HILL: Brian Hill. B-R-I-A-N. H-I-L-L.

20   With the Office of General Counsel.

21   JUDGE CLIFTON: And now I'd like teams who

22   represent a proposal or oppose a proposal to assemble

23   one -- one team at a time and identify themselves.

24   MR. BESHORE: Marvin Beshore. M-A-R-V-I-N.

25   B-E-S-H-O-R-E. Representing the proponents of Proposal

BARKLEY
Court Reporters

1   1, California Dairies, Dairy Farmers of America, and

2   Land O'Lakes.

3   MR. VLAHOS: John Vlahos, Hanson Bridgett.

4   That's J-O-H-N. V-L-A-H-O-S. Hanson, H-A-N-S-O-N.

5   Bridgett, B-R-I-D-G-E-T-T. Also representing the co-op

6   proponents of Proposal Number 1.

7   MS. OLIVER THOMPSON: Good morning. My name

8   is Megan Oliver Thompson. Megan is M-E-G-A-N. Also an

9   attorney with Hanson Bridgett and co-counsel for the

10   proponents of Proposal Number 1.

11   MR. SCHAD: Good morning. Dennis Schad.

12   S-C-H-A-D. I work for Land O'Lakes.

13   DR. ERBA: Good morning. Eric Erba. E-R-I-C.

14   E-R-B-A. I work for California Dairies, Inc.

15   MR. ENGLISH: Good morning, Your Honor. Chip

16   English. C-H-I-P. E-N-G-L-I-S-H. With the law firm of

17   Davis Wright Tremaine in Washington, DC, representing

18   proponents of Proposal Number 2, the Dairy Institute of

19   California.

20   MR. VULIN: Ashley Vulin. A-S-H-L-E-Y. V, as

21   in Victor, U-L-I-N. Working for Davis Wright Tremaine,

22   also co-counsel for the Dairy Institute of California.

23   MR. SCHIEK: Good morning. William Schiek.

24   S-C-H-I-E-K. Economist with the Dairy Institute.

25   MS. KALDOR: Rachel Kaldor. R-A-C-H-E-L.

BARKLEY
Court Reporters

```
 1   K-A-L-D-O-R.  Executive Director, Dairy Institute.

 2            MR. BLAUFUSS:  Good morning.  Rob Blaufuss.

 3   Blaufuss, B-L-A-U-F-U-S-S.  From Dean Foods Company.

 4            MR. DEJONG:  James Dejong.  J-A-M-E-S.

 5   D-E-J-O-N-G.  I am with Hilmar Cheese Company, a

 6   manufacturer of whey, milk powders, and cheese.

 7            MS. TAYLOR:  Good morning.  Sue Taylor with

 8   Leprino Foods.  L-E-P-R-I-N-O.

 9            MR. VETNE:  Good morning.  John Vetne,

10   V-E-T-N-E, representative for Hilmar Cheese.

11            MR. HANCOCK:  Nicole Hancock, H-A-N-C-O-C-K,

12   with Stoel Rives.  S-T-O-E-L.  R-I-V-E-S.  Representing

13   the California Producer Handlers Association and

14   Ponderosa Dairy.

15            MR. LAI:  Victor Lai, last name spelled L-A-I,

16   with Producers Dairy Foods, a member of California

17   Producer Handlers Association.

18            JUDGE CLIFTON:  I'd like now for other

19   participants to identify themselves even if they're not

20   part of a team that put together a proposal.

21            MS. REED:  Good morning.  Kristine Reed.

22   K-R-I-S-T-I-N-E.  R-E-E-D.  With the Miltner Law Firm,

23   M-I-L-T-E-R, representing Select Milk Producers.

24            MR. MILTNER:  Good morning.  Ryan Miltner with

25   Miltner Law Firm representing Select Milk Producers.


                              2163
```

1   JUDGE CLIFTON: Is there anyone who has not

2   yet identified themself who would like to testify this

3   morning? There is no one at this time.

4   I'd like now to address preliminary matters.

5   One is the docket number. The docket number has in

6   brackets capital A capital O. That stands for

7   Agreements and Orders. That's a designation given to

8   this kind of case by the hearing clerk of the United

9   States Department of Agriculture where the docket number

10 in the hearing clerk's office is 15 hyphen 0071.

11   With regard to the schedule this week, we are

12 not meeting all day on Friday, rather we will go off

13 record Friday no later than 12:00 noon.

14   I'd like now to take other preliminary matters

15 beginning with any that the United States Department of

16 Agriculture would like to announce.

17   MS. MAY: I feel like everybody should just

18 sort of sing along with me while I do this.

19   Welcome to our hearing. So glad you're all

20 here. As you know, we are here to take testimony and

21 receive evidence on the subject of a proposal to

22 establish a market order for milk here in California.

23   If you would like to testify in the hearing,

24 you can let us, and specifically Meredith know, and she

25 will notify the judge.

BARKLEY
Court Reporters

1   If anybody in the audience would like to ask

2   questions, they certainly may. You can do so by

3   approaching the microphone and the judge will

4   acknowledge you.

5   We are broadcasting this hearing session via

6   live audio feed that you can access at

7   tinyurl.com/camilkhearing.

8   The court reporter is recording the official

9   transcripts, which will be available approximately two

10   weeks after the end of each hearing week on our AMS

11   website.

12   Exhibits that are entered into the proceeding

13   are numbered in order of presentation. Copies of those

14   are available, again, on our website after the court

15   reporter scans and enters them. And there are some

16   spare copies over here on the side of the room if you'd

17   like to pick them up.

18   We do have refreshments for you in the back of

19   the room, which we hope you will enjoy.

20   And as for the order of the day, we ended

21   yesterday with the cross-examination of Dr. Erba, and

22   today because it seems like he's doing so well at it and

23   enjoys it so much, we're going to let him come back and

24   do some more.

25   That's all we have.

1   JUDGE CLIFTON: Thank you. Dr. Erba, you may

2   approach the witness stand. I'll see if there are any

3   other preliminary matters.

4   I do have a couple of additional. One is

5   anyone is welcome to record this proceeding, whether

6   you're listening from a remote place on the audio feed

7   or whether you're here in the room. That, of course, is

8   not the official record. The official record is being

9   created by the court reporter.

10   What we do after all of the evidence is in, we

11   invite any corrections to the transcript. I receive

12   those in particular from the personnel not only of USDA

13   but also the proponents, but anyone is welcome to

14   propose a correction. I then review those proposed

15   corrections and decide which ones to accept and whether

16   I have any of my own. The transcript plus the proposed

17   corrections then constitute the official record of the

18   oral proceeding. The other part of the evidence that I

19   certify would be the exhibits.

20   We do have a copy machine in the back of the

21   room if anyone needs to make additional copies. We did

22   very well yesterday with having copies available for the

23   participants here in the room without having to rely on

24   that copy machine, but feel free to use it if you'd like

25   to supplement the copies that you brought of any of

2166

BARKLEY
Court Reporters

1 the -- of the exhibits.

 2   What other preliminaries matters are there?

 3   I think, Mr. Hill, you may want to read into

 4 the record the statement with regard to the California

 5 Department of Food and Agriculture.

 6   MR. HILL: One second, Your Honor.

 7   MS. MAY: While we're waiting for Mr. Hill --

 8 Laurel May -- as far as the copier goes, we're kind of

 9 lower on copier paper, so we'll run out today and get

10 some more, but just subtle warning don't necessarily

11 think that there's paper back there.

12   JUDGE CLIFTON: Okay.

13   MS. MAY: I think we're kind of low.

14   JUDGE CLIFTON: You have -- you have some.

15   MS. MAY: We have a little, I think, but we're

16 running out.

17   JUDGE CLIFTON: All right. Thank you.

18   MR. HILL: Okay. One second.

19   MS. MAY: Oh, yeah, one more thing. Meredith

20 reminded me that it's -- it probably would help us save

21 paper would make double-sided copies of their exhibits,

22 just to kind of save on paper. Which you -- it's a

23 choice that you can make on the copier, you can go from

24 one to two sided. Come and get us if you need help with

25 that.

1   MR. HILL: Brian Hill. I will again read the

2   statement from CDFA.

3   "CDFA will be present on October 8th for the

4   limited purpose of entering reports into the hearing

5   record developed in response to requests from interested

6   parties. CDFA will only answer questions regarding the

7   compilation of the data contained in these reports in

8   order to remain neutral and avoid being associated with

9   a particular proposal."

10   JUDGE CLIFTON: Thank you, Mr. Hill.

11   Are there any other preliminary matters?

12   There are none.

13   Dr. Erba, you remain sworn. Would you again

14   state and spell your name?

15   THE WITNESS: Eric Erba. E-R-I-C. E-R-B-A.

16   JUDGE CLIFTON: Thank you.

17   Mr. Miltner, would you like to resume your

18   cross-examination of Dr. Erba?

19   MR. MILTNER: Thank you, Your Honor.

20   CROSS-EXAMINATION

21   BY MR. MILTNER:

22   Q.   Good morning, Dr. Erba.

23   A.   Good morning.

24   JUDGE CLIFTON: State and spell your name.

25   MR. MILTNER: I'm -- I'm sorry. Ryan Miltner,

1 M-i-l-t-n-e-r, for Select Milk Producers.

2 BY MR. MILTNER:

3   Q.   Dr. Erba, we left off yesterday and I had

4 asked if the cooperatives would be amenable to amending

5 their proposal to set up a separate producer-settlement

6 fund for out-of-state producers, and I think we left it

7 that perhaps you were going to confer or discuss among

8 the proponents of Proposal Number 1. Have you had a

9 chance to do that?

10   A.   Not exactly.

11   Q.   Okay.

12   A.   My -- my -- my response to your original

13 question was I can't give you an answer because we have

14 not talked about it, and the -- the folks that I would

15 talk about weren't here at the meeting -- at the hearing

16 at the time you asked the question, so we still have not

17 talked about it.

18   Q.   Okay. That was -- as I promised, I was going

19 to finish up in ten minutes yesterday, and we carried

20 over a minute or so. I -- I don't have any further

21 questions. Thank you very much, Dr. Erba.

22   A.   You're welcome.

23   JUDGE CLIFTON: Thank you, Mr. Miltner.

24   Who next would like to ask Dr. Erba additional

25 questions? I know there were about six of you yesterday

2169

1	who indicated that you would.
2	So this will be some redirect at this time?
3	MR. VLAHOS: That's correct, Your Honor.
4	REDIRECT EXAMINATION
5	BY MR. VLAHOS:
6	Q. John Vlahos on behalf of the Co-op proponents
7	of Proposal Number 1. Just a couple of questions or so,
8	Dr. Erba.
9	Last Friday on cross-examination by
10	Mr. English, he referred you to certain testimony before
11	CDFA, I believe it was on June 3rd, 19 -- I think
12	perhaps 2009, I'm not quite sure. The -- it was in
13	Exhibit 53. He referred you to a statement that you
14	made, and I'm going to read it to you, I'm going to
15	quote it.
16	JUDGE CLIFTON: You're talking about Exhibit
17	53?
18	MR. VLAHOS: I am.
19	JUDGE CLIFTON: I'd like to hand it to the
20	witness, and if you'll tell us all what page you're
21	looking at.
22	MR. VLAHOS: I'm looking -- actually, Your
23	Honor, it's only preliminary, I'm going to read an exact
24	quote and ask a question about it, so --
25	JUDGE CLIFTON: I --

```
 1   BY MR. VLAHOS:

 2        Q.   It's on page 110, lines 22 to 111 at line 7.

 3        A.   I'm sorry, what page did you say?

 4        Q.   110.

 5        A.   This one only goes up to 68.  This must not be

 6   the right one.

 7             JUDGE CLIFTON:  Yeah, Exhibit --

 8             MR. VLAHOS:  Oh, no, excuse me, I misspoke the

 9   exhibit number.  I meant 45.  I'm very sorry.  I jumped

10   ahead in my notes.

11             JUDGE CLIFTON:  Now, Mr. Vlahos, Exhibit 45

12   says June 3rd, 2015, on its --

13             MR. VLAHOS:  '15, correct.

14             JUDGE CLIFTON:  -- top.

15             MR. VLAHOS:  I misspoke my notes, Your Honor.

16             JUDGE CLIFTON:  All right, then.

17             Do you have one in front of you --

18             THE WITNESS:  I do.

19             JUDGE CLIFTON:  -- Dr. Erba?  All right.

20   So --

21             THE WITNESS:  It actually says 110 on it.

22             JUDGE CLIFTON:  All right.

23   BY MR. VLAHOS:

24        Q.   Dr. Erba, the quote that I'm talking about,

25   it's where it says, "An acceptable level of price
```

2171

1 difference exists for most of the classes of milk when

2 comparing California milk prices to Federal order

3 prices." And I believe you made a similar --

4   JUDGE CLIFTON: Mr. Vlahos, you didn't quote

5 that exactly as written. Would you do that again?

6   MR. VLAHOS: I thought I had it written down,

7 perhaps I didn't.

8   JUDGE CLIFTON: Well, would you have Dr. Erba

9 read it into the record?

10 BY MR. VLAHOS:

11   Q.   Yeah. Why don't you read it?

12   A.   I can do that.

13   Q.   You do very well with that.

14   A.   "An acceptable level of price difference

15 exists for most the classes of milk when comparing

16 California milk prices to Federal order milk prices."

17   Q.   That's -- that's better than I did.

18   All right. Also, in answer to a question with

19 Mr. Vetne, you made a similar statement. In answer to

20 Mr. Vetne, you also said that I -- when you said

21 acceptable level, it didn't mean that CDI agreed with

22 those prices. Would you elaborated on that, please?

23   A.   Right. So I addressed this at least to some

24 extent under cross-examination of Mr. Vetne, and the

25 explanation is that it was obviously at this point, this

2172

1 was a 2015, 2015 hearing, we'd been through several

2 hearings with CDFA at this point, and it was obvious

3 they were not going to get to the price level that we

4 wanted to be at as a -- a proponent in those hearings.

5 And so we -- we found that there was an acceptable

6 level, not that we necessarily agreed with those levels,

7 but acceptable level on price difference with the

8 exception of the one class, and that is Class 4b,

9 California 4b, compared to Federal Class III.

10   Q.   You said that you didn't agree with it, and is

11 that correct, that because we are now reviewing the

12 whole situation, you're -- the proposal is asking to

13 raise all those prices?

14   A.   That's correct.

15   Q.   Also in various cross-examination questions by

16 Mr. English and Mr. Vetne, there were various exhibits

17 produced that show the positions that CDI may have taken

18 in the past may not be the same as the positions taken

19 currently in these proceedings, and I believe in the

20 cross-examination you started to explain why there were

21 differences in the co-op's positions. Could you

22 elaborate on that?

23   A.   Sure, I'd be happy to. The simple and I think

24 valid explanation is that conditions change over time

25 and positions and objectives of companies changed over

2173

1   time, and that's certainly true for -- for California

2   Dairies, the company that I work for.

3   I guess I'd like to point out that California

4   Dairies didn't take this hearing lightly at all. We

5   have at least as much invested in manufacturing

6   facilities in California as any other party involved in

7   this hearing. The members of California Dairies have

8   reviewed this proposal in depth, reviewed the process in

9   depth, and have concluded that they -- they want to be

10 part of the national system of Federal order prices.

11 They want to be on the same level playing field as their

12 counterparts outside the state.

13   And we understood fully when we entered into

14 this that the decision given by USDA at the conclusion

15 of these hearings may work to the disadvantage of CDI's

16 plants, and we'd be challenged to maintain our level of

17 profitability, and we accepted that any way, that the

18 numbers, and we still have go forward with this.

19   Just like with many other companies out there,

20 we've got profit maximizing goals, but we're a

21 cooperative and we also have an additional goal, at

22 least one additional goal, and that is the goal of

23 service to members. And sometimes the goal of providing

24 service to members and the profitability goal are at

25 odds with each other.

2174

1   So depending on the conditions, we may have a

2   situation where CDI wears its processor hat and tries to

3   maximize profits out of its plants, and other times it

4   may wear its producer hat and try to maximize the

5   benefits to its member.

6   And, again, those goals may be at odds with

7   each other. So, I guess what I'm saying, Mr. Vlahos, is

8   that the statements that were made during those CDFA

9   hearings over the last couple years, they were

10 appropriate for the time. They -- they represented

11 CDI's views for the times. They represented the

12 regulatory environment for the times. And I don't think

13 there's anything unusual or improper or maybe even

14 surprising about changing from those positions as the

15 company goals and objectives change.

16   Q.   Thank you very much, Dr. Erba. That's all I

17 had.

18   JUDGE CLIFTON: Who next has questions for

19 Dr. Erba?

20   I'll -- I'll ask some questions. I hope my

21 attempt at asking these will be followed up by

22 additional questions from those of you who understand

23 milk marketing a lot better than I do.

24   Dr. Erba, I'd like you to turn to Exhibit 1.

25 Someone may need to get him a copy from the side table.

2175

BARKLEY
Court Reporters

```
 1   It's the Federal Register notice of the proposals?

 2              MR. FRANCIS:  I think they're gone.  I'll give

 3   him mine.

 4              JUDGE CLIFTON:  Oh, thank you, Mr. Francis.

 5              THE WITNESS:  Sure.

 6              JUDGE CLIFTON:  I'd like you to turn to page

 7   47214.

 8              THE WITNESS:  Okay.

 9              JUDGE CLIFTON:  This section of the proposal

10   beginning at the very -- in the very first section has

11   what heading?

12              THE WITNESS:  Are you -- are you ask -- asking

13   me?

14              JUDGE CLIFTON:  Yes.

15              THE WITNESS:  I'm not sure what you're talking

16   about.

17              JUDGE CLIFTON:  All right.  So you're --

18   you're on 47214?

19              THE WITNESS:  Yes.

20              JUDGE CLIFTON:  What's the first word you see

21   on that page under the heading.

22              THE WITNESS:  "Handlers."

23              JUDGE CLIFTON:  "Handlers."  All right.  And

24   read for me that first section, please?

25              THE WITNESS:  Section 1051 dot 27, is that the
```

```
 1   one you're talking about?

 2              JUDGE CLIFTON:  Yes.

 3              THE WITNESS:  Okay.  "Handler responsibility

 4   for records and facilities."

 5              JUDGE CLIFTON:  All right.  And what reference

 6   is under that heading?

 7              THE WITNESS:  "Section 1000.27."

 8              JUDGE CLIFTON:  All right.  And it says "see."

 9              THE WITNESS:  Oh, yes, "see.  See Section

10   1000.27."

11              JUDGE CLIFTON:  All right.  And then go to the

12   next -- go -- skip a section.  Well, no, go ahead and

13   read it.  Go ahead and read the next section for me.

14              THE WITNESS:  "Section 1051.28.  Termination

15   of obligations," and then it says, "See section

16   1000.28."

17              JUDGE CLIFTON:  All right.  And then the next

18   section.

19              THE WITNESS:  The next section says -- the

20   heading is "Reports," and then it says, "Section

21   1051.30, Reports of receipts and utilization."

22              JUDGE CLIFTON:  All right.  And I don't want

23   you to read that whole section because it's very

24   lengthy, but I would like you to read the opening

25   paragraph of it, please.
```

BARKLEY
Court Reporters

1   THE WITNESS: "Each handler shall report

2   monthly so that the Market Administrator's office

3   receives the report on or before the sixth day after the

4   end of the month in the detail and on the prescribed

5   forms as follows."

6   JUDGE CLIFTON: All right. Now, I'd like to

7   go to your testimony, please, so this is Exhibit 42.

8   And I'd like now for you to go to page 24 of Exhibit 42,

9   and I just want you to refresh your recollection of what

10 you've got on that page.

11   THE WITNESS: Okay.

12   JUDGE CLIFTON: And then turn to the following

13 page, page 25, and on page 25, I want you to read for me

14 at the bottom of the page what it is that the California

15 Department of Food and Agriculture provides to the

16 Market Administrator. So beginning with the last

17 paragraph, and read it slowly, please, beginning with

18 "As a practical matter."

19   THE WITNESS: "As a practical matter of

20 providing the Market Administrator," it says MA, "Market

21 Administrator with the information specified in Section

22 1051.61 and 1051.62, CDFA would have to determine,

23 obtain, and/or verify each month the active California

24 dairy producers, the amounts of quota owned by each

25 producer after reviewing and applying quota transactions

2178

1 that occurred as of the 15th day of the month, of the

2 prior month, location of each producer," paren, "to

3 verify applicable RQA," close paren, "number of days of

4 eligible production, individual quota payment after

5 taking into consideration applicable RQA's and eligible

6 milk production for the month."

7 JUDGE CLIFTON: All right. Now, I think from

8 your testimony before we discussed the fact that this

9 9th day was a change from the published proposal in the

10 Federal Register; is that true?

11 THE WITNESS: That is correct.

12 JUDGE CLIFTON: So do the handlers also report

13 on the 9th day following the end of the month?

14 THE WITNESS: Yes, that's when they submit the

15 reports to both CDFA and USDA.

16 JUDGE CLIFTON: All right. And so until the

17 Market Administrator receives the information from the

18 California Department of Food and Agriculture, it cannot

19 yet act on what the handlers have reported; is that

20 correct?

21 THE WITNESS: They would be working

22 simultaneously, so the Market Administrator and the CDFA

23 would receive the same reports from pool handlers, and

24 they're doing their own tasks independently or in

25 parallel for a couple of days before the next step

2179

1 occurs.

2   JUDGE CLIFTON: Okay. But the Market

3 Administrator, until he knows what comes out of the pool

4 for quota, he can do no calculations; is that -- is that

5 true?

6   THE WITNESS: Well, they can aggregate the

7 pool utilization and determine each handlers'

8 obligation, which they could do without that

9 announcement. But before they announce the prices,

10 which is covered in 1051.62, which includes the quota

11 announcement, they can't do that until CDFA gets back to

12 them.

13   JUDGE CLIFTON: Okay. When does the Market

14 Administrator initiated under -- under this timetable,

15 when does the Market Administrator initiate the sending

16 of money to producers?

17   THE WITNESS: Well, there's -- I'm not quite

18 sure that's exactly the way it happens, but they -- I've

19 got a table here that might be helpful if I can maybe

20 read that.

21   JUDGE CLIFTON: Would you, please?

22   THE WITNESS: Yes. Please let me just start

23 from the beginning.

24   JUDGE CLIFTON: Okay.

25   THE WITNESS: So I'll read basically the

1 entity involves -- involved, the task to be completed,

2 and then the date by which they should complete that

3 task.

4   JUDGE CLIFTON: Okay, good. And which exhibit

5 are you in?

6   THE WITNESS: It's my own notes.

7   JUDGE CLIFTON: Oh, okay. This table might be

8 a really valuable visual for people who are trying to

9 get their heads around all of this responsibility that

10 the Market Administrator has. But go ahead and read it,

11 we'll try to grasp it.

12   THE WITNESS: Okay. So the -- the -- the

13 entity, the first one I'm going to talk about is the

14 pool handler, and their responsibility is to report

15 milk, fat, protein, other solids to the Market

16 Administrator and to CDFA, and that would occur the 9th

17 day following the end of the prior month.

18   After receiving the reports from the pool

19 handlers, CDFA would analyze the quota holdings by

20 producer and by handler, aggregate by handler, and then

21 by the 14th day following the end of the prior month,

22 CDFA would report to the Market Administrator the

23 payment due to each producer with quota, again,

24 aggregated by handler.

25   Now, looking at the Market Administrator,

2181

1 after they receive the pool handler reports, they would

2 aggregate for pool utilization and determine each

3 handlers' obligation.

4   And then by the -- or before the 14th day

5 following the end of the month, the Market Administrator

6 would announce the producer prices by component plus the

7 five quota prices, those would be the quota prices

8 adjusted for the RQA's, and the non-quota uniform price.

9   After the prices are announced by the Market

10 Administrator, they would -- the Market Administrator

11 would send the statements to the handlers, and then

12 after the handlers have received their statements by the

13 16th day following the end of the prior month, the pool

14 handler would either pay into the producer-settlement

15 fund if they have a debit, or by the 17th -- 17th day

16 following the end of the prior month, the

17 producer-settlement fund would pay out to handlers which

18 are due a credit.

19   JUDGE CLIFTON: I'm sorry, by what date was

20 that?

21   THE WITNESS: 17th day.

22   JUDGE CLIFTON: So if the pool handler pays

23 in, he does it by the 17th day. If he's receiving

24 money, that happens by the what day?

25   THE WITNESS: If they pay in, it's by the 16th

2182

```
 1  day.
 2              JUDGE CLIFTON:  Oh.
 3              THE WITNESS:  And they receive money out by
 4  the 17th day.  If you pay in, you pay the day before.
 5  Anybody who receives money is paid out of the
 6  producer-settlement fund.
 7              JUDGE CLIFTON:  All right.
 8              THE WITNESS:  Then by also the -- by the 17th
 9  day following the end of the prior month, a pool handler
10  would pay cooperatives.
11              JUDGE CLIFTON:  I'm sorry, say it again.
12              THE WITNESS:  By the 17th following the end of
13  the prior month, a pool handler would pay cooperatives,
14  or if they're -- if they're individual producers, the
15  pool handler would pay the individual producers by the
16  18th day following the end of the prior month.
17              JUDGE CLIFTON:  Now, who is the pool handler?
18              THE WITNESS:  The pool handler is the one
19  that's filing the reports initially, the one that's --
20  has received the milk from the producer.
21              JUDGE CLIFTON:  Okay.  So it's the same as a
22  handler?
23              THE WITNESS:  Yes.
24              JUDGE CLIFTON:  All right.
25              THE WITNESS:  I'm using them interchangeably.
```

2183

1   JUDGE CLIFTON: So it's not the administrator

2   of the fund?

3   THE WITNESS: Right.

4   JUDGE CLIFTON: Okay.

5   THE WITNESS: That's why I wanted to walk you

6   through this because that's not the way the money flows.

7   JUDGE CLIFTON: Okay, good. I mean, yes, I

8   had no idea. Thank you.

9   So do you have more on your chart?

10   THE WITNESS: That's the end of my chart.

11   JUDGE CLIFTON: Now, we know that the Market

12   Administrator audits in many Federal orders. Who

13   conducts handler audits under this scheme of things?

14   THE WITNESS: It continues to be the Market

15   Administrator.

16   JUDGE CLIFTON: Does the California Department

17   of Food and Agriculture also conduct audits of handlers?

18   THE WITNESS: We had not envisioned them

19   conducting the audit, although they may play a secondary

20   role or an advisory role to the Market Administrator.

21   JUDGE CLIFTON: All right. I'm going to stop

22   there because this is over my head, and I would like

23   anybody who knows about these kind of things, and

24   practical considerations, I'm particularly concerned

25   about the practical considerations for the Market

1 Administrator, if you all would ask further questions of

2 this witness.

3   CROSS-EXAMINATION

4 BY MR. FRANCIS:

5   Q.   Will Francis, USDA.

6   Thank you, Dr. Erba.

7   In your testimony, Exhibit 42, on the last

8 page, page 27, you have a reference in the very last

9 sentence to the 16th day after the end of the month.

10 Would you like to correct that? I think in your

11 response to questions from Judge Clifton, you said the

12 17th.

13   A.   I think that's correct.

14   JUDGE CLIFTON: You got something on the 17th

15 and you've got something on the 18th, right? You've

16 got -- you've got co-ops by the 17th day and individuals

17 by the 18th day?

18   THE WITNESS: Right. Individual producers.

19 BY MR. FRANCIS:

20   Q.   Will Francis, USDA.

21   So payments from the producer-settlement fund,

22 so that is payment by the Market Administrator to the

23 handler -- maybe I misunderstood your response

24 earlier -- did -- did you say that those payments would

25 be by the 17th?

2185

1   A.   That's what I have in my chart.

2   Q.   The pay in was on the 16th?

3   A.   Right.

4   Q.   And the pay out would be on the 17th?

5   A.   Right.

6   Q.   Okay. So am I correct that that last sentence

7 should read the 17th?

8   A.   I think so.

9   JUDGE CLIFTON: Unless you want to use the

10 16th and what you say is payments from the handler are

11 made into the settlement fund by the 16th.

12   THE WITNESS: I think that's already covered.

13   JUDGE CLIFTON: You've already done that?

14 Okay.

15   THE WITNESS: Yeah. I'm pretty sure that

16 should be the 17th. My counsel is nodding

17 affirmatively, so it should be the 17th.

18   MR. FRANCIS: Okay.

19   JUDGE CLIFTON: Okay. But the 17th is only

20 for co-ops?

21   THE WITNESS: Right.

22   JUDGE CLIFTON: And then there needs to be

23 another sentence for individuals that says the 18th?

24   THE WITNESS: Well, there could be. It's

25 contained in the actual language, I didn't actually say

```
 1   that in my testimony, but it's -- it is in the language

 2   already.

 3             JUDGE CLIFTON:  Okay.  All right.

 4             MR. FRANCIS:  Is that clear?  Maybe we need to

 5   clarify it.

 6   BY MR. FRANCIS:

 7        Q.   So -- so the Market Administrator receives

 8   funds from the handlers based on their pool obligations

 9   if they owe money to the pool?

10        A.   Right.

11        Q.   And that will be done by the 16th day of the

12   month.  Then the Market Administrator for any handler

13   who has a credit on their billing statement is owed

14   money, and so those monies paid by the Market

15   Administrator to the handler are on the 17th, so the

16   handlers received money from the Market Administrator on

17   the 17th if they're due money out of the pool.  And then

18   I believe it was your testimony that on that same day,

19   those handlers that owe money to a cooperative must pay

20   their obligation to the cooperative?

21        A.   Right.

22        Q.   Good so far?

23        A.   Yes.

24        Q.   If those handlers are paying individual

25   producers, they have until the next day on the 18th?  I
```

2187

BARKLEY
Court Reporters

```
 1  need to see a --

 2       A.   Yes.

 3       Q.   -- yes or no.   Okay.

 4       A.   Yes.

 5       Q.   Good so far?

 6       A.   Yes.

 7            MR. FRANCIS:   So hopefully that clarifies.

 8            JUDGE CLIFTON:   It certainly does for me.

 9            MR. FRANCIS:   Okay.

10  BY MR. FRANCIS:

11       Q.   A followup question:   Have you made provisions

12  for holidays or weekends and how does that impact the

13  timing of the schedules?

14       A.   We do not address that specifically, and we

15  would not ask for anything different than what occurs in

16  other orders.

17       Q.   So we could -- we could have some liberty to

18  adjust as we do in other current Federal Milk Marketing

19  Orders --

20       A.   Yes.

21       Q.   -- to accommodate that?

22       A.   We would agree with that and redo that.

23            JUDGE CLIFTON:   Would you take a minute,

24  Mr. Francis, and confer with your Market Administrator

25  people who are here and see if there are any other
```

2188

```
 1  questions about this schedule or the dual administration

 2  of this program, which is unique?

 3             MR. FRANCIS:  Yeah.

 4  BY MR. FRANCIS:

 5      Q.   Let me just give you a preview of some of the

 6  questions we're -- we're going to be asking.  We're

 7  interested in nailing down this payment schedule and the

 8  timing issues so that we clearly understand.  We're also

 9  interested to know if you've had any discussions with

10  CDFA about cooperation and joint administration,

11  particularly about the exchange of information during

12  pool time, but also about the auditing question.

13      A.   Okay.

14      Q.   In addition, we're going to be looking to help

15  clarify some of the justification for the quota program

16  and the Regional Quota Adjusters.  And we may have

17  additional questions, but if we can take a short break,

18  and we'll confer and make sure we got the pool timing,

19  the dates correct, and we've satisfied all of our

20  questions for now, that would be great.

21             JUDGE CLIFTON:  Very good.  Yeah, I'd -- the

22  devil is always in the details, and -- and, Dr. Erba,

23  I'm so grateful that you are here to help us with this.

24             THE WITNESS:  I too am grateful that I'm here.

25             JUDGE CLIFTON:  That's a good man.  Let's take
```

BARKLEY
Court Reporters

```
 1   a 15-minute break.  Let's come back ready to go at

 2   10:00.

 3              (Whereupon a break was taken.)

 4              JUDGE CLIFTON:  We're back on record at 10:01.

 5              Mr. Francis, you may resume your questions of

 6   Dr. Erba.

 7   BY MR. FRANCIS:

 8        Q.   Will Francis, USDA.  Thank you.

 9              I'm going to hand the witness a copy of

10   Exhibit 1 and also our part 1000 Code of Federal

11   Regulations, and it might help us.

12              Okay.  Thank you, Dr. Erba.  Maybe we can

13   start with the question I asked earlier about

14   contingencies for Federal holidays and weekends, and in

15   your submission, it was in Exhibit 1 for the Notice of

16   Hearing on page -- oops -- 47218 in the middle column,

17   "Subpart D-Miscellaneous Provisions."  And it says,

18   "Section 1051.90.  Dates.  See Section 1000.90."

19              From the Code of Regulations book that I

20   handed you, could you just read Section 1000.90?

21        A.   Sure.  Heading is "Section 1000.90.  Dates.

22   If a date required for a payment contained in the

23   Federal milk order falls on a Saturday, Sunday, or

24   national holiday, such payment will be due on the next

25   day that the Market Administrator's office is opened for
```

2190

1 public business."

2   Q.   And would that be sufficient to accommodate

3 weekends, holidays, Federal holidays like we do in the

4 other Federal marketing orders for what you're

5 proposing?

6   A.   I believe so, yes.

7   Q.   Thank you.

8   Okay. Now, I want to turn to the -- the

9 payment date sections, and we thought maybe the easiest

10 thing to do would go -- stick with Exhibit 1, the Notice

11 of Hearing, and look at the specific order language,

12 because there have been changes to your written

13 testimony, but I think for us it's easier for us to look

14 at the orders, the specific order language. And so we'd

15 like to start on page 47214.

16   A.   Okay.

17   Q.   And that first column labeled "Reports," in

18 that first paragraph makes a reference to "receives a

19 report on or before the 6th day after the end of the

20 month." Would you like to suggest a different date?

21   A.   Yes. We have that -- changed that in my

22 testimony to be the 9th day, not the 6th, 9th day.

23   Q.   Okay. Continuing on, the middle column,

24 "1051.31. Producer delivery and payroll reports." In

25 Section (a), "On or behalf the 6th day after the end of

1   the month," would you offer an alternative date for the

2   6th?

3   A.   That would also be the 9th, 9th day of the --

4   after the end of the each month.

5   Q.   Okay.

6   A.   9th day.

7   Q.   Okay. That same column down below on B, and

8   this is referencing, I believe, "on or before the" --

9   or, I'm sorry, "on or before the 20th day after the end

10   of the month." Would you care to offer an alternative

11   date for that?

12   A.   I think that's one we decided we could live

13   with as the 20th and we do not change that one.

14   Q.   Okay. Just to point out, so the -- the -- the

15   Market Administrator will calculate the pool, and I

16   think later on we're going to address a change to, I

17   think we said the 14th?

18   A.   Yes.

19   Q.   And so between the 14th and the 20th, would

20   that be sufficient time for handlers to provide

21   information, and so it's your testimony that handlers

22   could live with that?

23   A.   Yes. Yes.

24   Q.   There's no need to change that date?

25   A.   We did not change the 20th.

                        2192

1   Q.   Okay. All right. So on that same page, on

2   the third column under "Transportation credits," do you

3   see that, "1051.55"?

4   A.   Yes.

5   Q.   "On or" -- it reads "on or before the 13th day

6   except as provided in 1000.90." Would that date need to

7   be changed?

8   A.   I'm looking at my counsel who is not looking

9   at me.

10   Q.   Yeah. And just -- just to let you know, we --

11 we were a little uncertain about that one, too, so if

12 you need to get back to us on that --

13   A.   Probably have to get back to you on that.

14 That's not what we had discussed explicitly.

15   Q.   That's fine.

16   A.   Okay.

17   Q.   And so the next one goes a couple more pages

18 to 47216 in the Notice of Hearing, Exhibit 1.

19   A.   Okay.

20   Q.   The last column, so third column on that page,

21 "1051.62. Announcement of producer prices," so "on or

22 before the 11th day," and I believe you've suggested

23 changing that to the 14th?

24   A.   That's correct.

25   Q.   Okay. That same column down below, "1051.71.

2193

1   Payments to the producer-settlement fund. Handlers'

2   payments to the producer-settlement fund. It reads,

3   "Receipt of the funds by the Market Administrator no

4   later than the 13th day after the end of the month."

5   Would you suggest a changed dated for that?

6   A.   Right, we had changed that to the 16th day.

7   Q.   Okay. The next page, 47217, on the first

8   column under "Section 1051.72. Payments from the

9   producer-settlement fund." It reads, "no later than the

10 14th day after the end of the month." Would you propose

11 a change for that one?

12   A.   Yes, we amended that to the 17th day.

13   Q.   Okay. Good.

14   That same column down in the next section,

15 "1051.73. Payments to producers and to cooperative

16 associations." So under "(a)(2)," which is listed --

17 which is identified as "Final payment," do you see that

18 one?

19   A.   Yes.

20   Q.   Okay. "For milk received during the month,

21 payment" -- I'm reading it now. "For milk received

22 during the month, payments shall be made so that it is

23 received by each producer no later than the 15th day

24 after the end of the month." Would you propose a change

25 to that?

2194

1   A.   Yes. We would change that to the 18th.

2   Q.   18th. Okay.

3   And just to be consistent, on the next column

4 under paragraph (c), it says, "Payment for milk received

5 from cooperative association pool plants or from

6 cooperatives as handlers pursuant to Section 1000.9(c),"

7 do you see that section?

8   A.   Yes.

9   Q.   The next sentence reads, "On or before the day

10 prior to the date specified in paragraphs (a)(1) and

11 (a)(2)," so I believe that automatically would calculate

12 that the cooperatives would receive the date -- their --

13 their money one day prior, so we've changed the date in

14 number (2) to the 18th so that would suggest that

15 cooperatives would be paid on the 17th?

16   A.   Yes. And that's the amount we made --

17   Q.   Okay.

18   A.   -- as well.

19   Q.   Good.

20   JUDGE CLIFTON: Mr. -- Mr. Francis, there --

21 Mr. Francis, there is a date -- maybe it doesn't change

22 at all.

23   MR. FRANCIS: The partial payment?

24   JUDGE CLIFTON: Yes. Does that stay so far as

25 you know just like it is?

                        2195

1   MR. FRANCIS: I'll -- I'll ask the witness if

2   he agrees with us, but we didn't see it -- we didn't see

3   that there would be a need to change the partial

4   payment.

5   THE WITNESS: No, neither did we.

6   JUDGE CLIFTON: Okay. Good. Thanks.

7   MR. FRANCIS: Thanks for pointing that out. I

8   believe that's all we have to cover on clarifying the

9   payment dates.

10   BY MR. FRANCIS:

11   Q.   Yeah. So just if we could clarify on that

12   "Transportation, 1051.55," it's -- it's currently

13   reading "on or before the 13th day," if there's a need

14   to change that.

15   A.   Right.

16   Q.   If you can get back to us on that.

17   Can we move onto a different topic?

18   A.   Absolutely.

19   Q.   Okay. So --

20   MR. SCHIEK: Your Honor.

21   JUDGE CLIFTON: Dr. Schiek.

22   MR. SCHIEK: Just while we're on this, could

23   I --

24   JUDGE CLIFTON: Could you go to a mic? I know

25   it will just take a second, but then everyone can hear

                         2196

BARKLEY
Court Reporters

1 you.

2   MR. SCHIEK: Bill Schiek with the Dairy

3 Institute.

4   Just while we're on that, you've talked about

5 partial payment, and maybe I'm not reading maybe mine

6 incorrectly, but what happens in February when there's

7 no 30th day of the month. It's not really a holiday,

8 either. For partial payment, 1851.73(a)(1). Is that

9 something that needs to be addressed? I just bring it

10 up.

11   MR. FRANCIS: I believe it's interpreted as

12 the last -- again, this is Will Francis, USDA.

13   I believe it's interpreted as the last day of

14 the month, so whether it's 29 days or 28 days. Is that

15 sufficient?

16   JUDGE CLIFTON: Not without a cite. Do you

17 know where that's found?

18   MR. FRANCIS: We'll get back to you on that.

19   JUDGE CLIFTON: Okay. Great.

20   MR. FRANCIS: Okay. Any other?

21 BY MR. FRANCIS:

22   Q.   Okay. Now we're ready to move on.

23   So we're -- we're very interested in any

24 conversations or -- or technical coordination issues

25 that you've had with CDFA. So CDFA currently operates

                        2197

1 the quota program, and they receive information as

2 you've pointed out, and that is important information to

3 transmit between a potential Federal order and the state

4 operation, the quota program, and we're interested in

5 understanding a little more if there's been any

6 discussions about that. And also we -- we don't

7 understand how the current quota program works in terms

8 of auditing. So if you can elaborate a little bit on

9 that, that would help us.

10   A.   Okay. We in -- in putting together the

11 proposal we submitted, we met with, that is the

12 cooperatives met with CDFA staff a number of times to

13 run through at the very least our schedules, and they

14 didn't seem to have any issue with the schedules as far

15 as the dates go.

16   We discussed with them several times about the

17 possibility of an MOU and why it was needed, and we

18 didn't get any indication that that would be a problem,

19 although -- although they didn't offer us anything in

20 writing, they just said that they would remain

21 cooperative, and that was their position in every

22 meeting we've had with them, that they would remain

23 cooperative in trying to see this Federal order through

24 if it were proposed and approved ultimately by the

25 producers.

1   So that doesn't give you a lot of maybe the

2   details you're looking for, but we've had -- never had

3   any indication this would be something that would be a

4   problem, and they would be at least open to discussions

5   about the MOU and the information exchange necessary to

6   continue administering the quota program.

7   Q.   So based on your knowledge, there -- there

8   would not be any statutory -- state statutory

9   limitations or rules that would need to be modified or

10 changed or somehow be in conflict should a Federal order

11 be established with the language as proposed in Exhibit

12 1 with the modifications that we did to the payment

13 dates?

14   A.   I -- when I gave my testimony, which I'm not

15 sure you were here for, there was a -- a -- out of the

16 Food and Agriculture Code, there's a section that says

17 if -- actually it goes into great detail about if a

18 Federal order were to supplant a state order, what would

19 happen to the duplicative functions, and they

20 essentially become inactive, I'm just paraphrasing, but

21 that is -- was contained in my -- my testimony. That is

22 a code section you can actually go and look up.

23   Again, in our discussions with CDFA, the

24 message we got was that's exactly how they interpret

25 the -- this is with their attorneys, they interpret that

2199

```
 1  code section, and that there may be some loose ends to

 2  tie up, but they did not see this as being anything

 3  other than just a step in the process.  They did not

 4  raise any flags about this being a major concern.  There

 5  would probably have to be some transitionary period to

 6  move one system out and the other system in, again, like

 7  I said, tie up some loose ends, but we never got any

 8  indication that would be a -- a major hurdle for them.

 9          MR. VLAHOS:  Your Honor, John Vlahos.

10          To assist Mr. Francis, Mr. Francis, on the

11  Exhibit 42, the code section that Dr. Erba is referring

12  to is quoted there, Section 62726 of the California Food

13  and Agricultural Code.

14          JUDGE CLIFTON:  And on what page are you?

15          MR. VLAHOS:  It begins on page 22 and carries

16  over to page 23.

17          JUDGE CLIFTON:  Thank you.

18          MR. FRANCIS:  Thank you, Mr. Vlahos.

19  BY MR. FRANCIS:

20      Q.   Continuing on the quota theme, we -- we would

21  like you to elaborate a little more on the justification

22  for continuing the equivalent $1.70 quota level based on

23  today's marketing conditions in California, and maybe

24  while you're at it, the associated Regional Quota

25  Adjusters.
```

BARKLEY
Court Reporters

1   A.   Sure. The -- the $1.70 differential, again,

2 as I covered in my testimony, that's actually held in

3 California state law and cannot be changed the way a

4 public hearing or regulatory process, it has to be done

5 through a change in state law. So that would -- that

6 has to be upheld by the Department of Food and

7 Agriculture, but as I discussed in my testimony, the

8 quota program is not something that we -- would be in

9 conflict or duplicative of what happens in the

10 California Federal order, at least as we've proposed it.

11 The RQA's are held in -- in regulation. They're part of

12 the pool plant, they're not part of state -- state law.

13   Food and Agricultural Code has a $1.70

14 differential, and it could possibly be changed in a

15 public hearing process, but that would remain under the

16 auspices of Department of Food and Agriculture, and if

17 those changes were to be made in the RQA's, that would

18 happen through a public hearing process that they would

19 administer just as they could today.

20   JUDGE CLIFTON: What again, Dr. Erba, are the

21 two things that you just mentioned that would be within

22 the purview of CDFA? The 70 cents, but tell me again

23 what that is and what did you say just before that?

24   THE WITNESS: The $1.70, the $1.70

25 differential between the quota price and the overbase

2201

1 price as it stands today is actually held in state law,

2 not in regulation. The RQA's are held in the regulation

3 and may be subject to a public hearing process where

4 they could be changed, but the $1.70 differential, which

5 actually $.195 a pound of solids nonfat per day, that is

6 held in state law and not subject to a public hearing

7 process.

8   JUDGE CLIFTON: And please remind me what an

9 "RQA" is.

10   THE WITNESS: Regional Quota Adjuster. It is

11 an adjustment to the quota price depending on the

12 location of the dairy farm, and that is currently done

13 by county.

14   JUDGE CLIFTON: Thank you very much.

15 BY MR. FRANCIS:

16   Q.   Okay. We want to just move onto a couple of

17 other topics. On page 13 of your testimony, Exhibit 42,

18 at the top, first full sentence, "There are four option

19 exempt PD's," and I'm assuming you're referring to -- I

20 think you said earlier -- you used the term "option

21 exempt" to refer to the Section 70 Option -- Option 70

22 exempt producer-handlers. We just want to be sure that

23 that pounds per day reference, 57914, is that pounds of

24 nonfat solids?

25   A.   Yes.

1   Q.   Okay. And following up a little on that, you

        2   reference that this equates to about five percent of the

        3   Class I milk processed in the state. Is it correct to

        4   conclude that the Option 70 exempt milk sales makes up

        5   five percent of the Class I milk produced in California

        6   or is it five percent of the total Class I of the four

        7   producer dealers?

        8   A.   Well, I'm going to put it into maybe simpler

        9   terms. It's -- the 57,914 pounds of solids nonfat per

       10   day is about 20 million pounds of milk, and that's what

       11   I was trying to get at.

       12   Q.   Okay. I think you've covered our questions.

       13   That's all we have for now.

       14   JUDGE CLIFTON: Thank you, Mr. Francis.

       15   Who else has additional questions for

       16   Dr. Erba?

       17   CROSS-EXAMINATION

       18   BY MR. ENGLISH:

       19   Q.   Chip English. And may I first thank Your

       20   Honor and USDA for at least refocusing me on what I now

       21   call trees having spent a whole lot of time on the

       22   forest of policy, and I think this is very, very

       23   important.

       24   So -- so, Dr. Erba, let me ask you some --

       25   some questions about the overall relationships here and

                              2203

1 USDA and CDFA, and I want to go back to some of the

2 payment issues that were discussed. And if you still

3 have Exhibit 1 in front of you, page 47214, I'd like to

4 go back to the first paragraph that Judge Clifton

5 referred you to under 1051.30. And as in all other

6 Federal orders, the requirements of a handler to report

7 are that the handler report so that the Market

8 Administrator's office receives the report on or before

9 the 9th day. But you've also referenced the necessity

10 for the California Department of Food and Agriculture to

11 receive information. Do you envision that the

12 information would be sent to the Market Administrator

13 Office, and then pursuant to a Memorandum of

14 Understanding, paren, MOU, end paren, that the Market

15 Administrator would share that report or those portions

16 of the reports necessary for CDFA to do the quota

17 calculations?

18   A.   Well, in the discussions that we've had, we

19 suggested that the reports be -- the identical reports

20 would be received at both agencies, not through one then

21 the other, but I don't see any reason why that couldn't

22 work.

23   Q.   But if -- if it's the former, and I think in

24 this instance we're going to have similar issues so I

25 want to talk about this because I think that this is the

2204

BARKLEY
Court Reporters

1 kind of thing where we'd want to get this clear. If

 2 it's former, then in essence you would need language in

 3 that first paragraph. And you've defined the CDFA

 4 earlier in your language in Section 17, which is back on

 5 47213, right?

 6   A.   Yes.

 7   Q.   So if -- if it's going to be that the Market

 8 Administrator and CDFA receive the reports from the

 9 handler directly rather than having to have the Market

10 Administrator send it to CDFA, you could add that the

11 requirement be made each handler shall report monthly so

12 that the Market Administrator's Office and the CDFA

13 receive the report, correct?

14   A.   I think so, yes.

15   Q.   Okay. Now, turning the issue around, it's one

16 thing for a Federal regulation to require private

17 parties to report to the Federal government and/or state

18 government, but without asking your legal opinion about

19 it, it may be a little more difficult to in a Federal

20 order require a state agency to do something in return.

21 And so I want to -- I want to now get at the -- the next

22 issue, which is that on page 47216 in Section 62, which

23 is the third column, you've got the language that you've

24 changed from the 11th or the 14th, that on or before the

25 14th day after the end of each month the Market

2205

```
 1    Administrator shall announce the following, which

 2    includes, of course, the quota premium, correct?

 3         A.   Yes.

 4         Q.   So that section necessarily relies on CDFA

 5    getting the information to the Market Administrator,

 6    correct?

 7         A.   Yes.

 8         Q.   And -- and in your testimony, or in the

 9    discussions with Judge Clifton, I think you said that

10    that would be conceivably also on or before the 14th,

11    correct?

12         A.   Yes.

13         Q.   Now, again, now that probably will have to be

14    the subject of the memorandum of understanding, correct?

15         A.   That's how we envisioned it as well.

16         Q.   Would it be conceivably better if that

17    information were received by the MA on the 13th or the

18    sooner rather than on the identical day and if they're

19    drafting the MOU?

20         A.   I think so, but that's -- as I said, I think

21    that could be worked out in the MOU.  Our -- our

22    discussion with CDFA indicated that as long as they

23    received the reports and the information, they can turn

24    that around, the information that we specify here,

25    relatively quickly, so I don't think it would be
```

2206

BARKLEY
Court Reporters

1 difficult to do -- to do the 13th or the 14th. But,

2 again, something to be covered in the MOU.

3   Q.   Now, we have in other Federal orders -- in the

4 existing Federal orders, we have provisions

5 contingencies. For instance, if a price series is not

6 available, there's an equivalent price provision within

7 the Federal orders, correct?

8   A.   Yes.

9   Q.   What if -- what do we do with this order or is

10 the order effectively contingent on California

11 Department Food and Agriculture entering into an MOU?

12   A.   I would suggest, again, in the vehicle, the

13 MOU to specify those contingencies, and just as is done

14 in California now for various things, CDFA -- or USDA,

15 the Market Administrator would use the most current

16 information that they have. If the information we're

17 expecting doesn't arrive, use the most current

18 information they have, and then true it up later in some

19 kind of a corrective procedure. But, again, something

20 to be covered in the MOU.

21   Q.   And, again, I thank the USDA for asking some

22 clarifying questions and Judge Clifton as well, so I --

23 I was a little confused about some things.

24   So the RQA's, in your testimony you're

25 talking -- you discussed not changing them, correct?

1   A.   At the time of transfer from state to Federal,

2   correct.

3   Q.   Okay. But there won't be any Federal order

4   language with respect to the RQA's, correct?

5   A.   Correct.

6   Q.   Because they're completely contained in the

7   California state order, correct?

8   A.   Right.

9   Q.   So let's assume for a moment that a Federal

10   order is proposed, a Federal order is adopted, and part

11   of that Federal order is based upon the idea that these

12   RQA's, which you testified have at least some measure of

13   moving milk, correct?

14   A.   Yes.

15   Q.   What happens if California on its own then

16   changes those RQA's?

17   A.   I don't see that being a problem because,

18   again, in the section you just talked about, Section

19   1051.62, Responsibility of the CDFA is to report back to

20   USDA the quota premium for nonfat solids, which would

21   include, as I talked about the five prices, which is the

22   RQA adjusted prices. So if they were to change at all,

23   there would be the five prices. If they were changed to

24   different numbers, there would still be the report due

25   to -- from CDFA to USDA with those updated or current

2208

1   prices. I don't see that being a major issues. I think

2   it could still be contained on the CDFA side, and as a

3   results of those changes or hearings or whatever

4   happens, those would be reported through to USDA.

5   Q.   I guess what I'm ultimately asking, Doctor, is

6   if the Department in putting together an order --

7   however, let me change the question.

8   If USDA will ultimately have no say over the

9   existence of, level of, application of RQA's, how can

10 the Department in constructing an order with respect to

11 any questions about moving milk to the Class I market

12 rely on those RQA's?

13   A.   As I discussed in my testimony, the RQA's

14 don't necessarily move the milk, the transportation

15 allowances actually do that, at least in the current

16 California system. And the Market Administrator would

17 not -- we've discussed the process and how RQA's came

18 about and some of that history, but all they are going

19 to be looking at, the market -- from the Market

20 Administrator point of view is CDFA is going to report

21 the prices that apply for the quota depending on the

22 location of dairy farms, and so whether you call them

23 RQA or you call them something else, the number or the

24 process wouldn't change at all. They each have to get

25 five different numbers, at least the way it is today,

```
 1   five different numbers on RQA adjusted quota premium.

 2   We don't rely today on RQA's moving milk.

 3        Q.   Okay.  Getting sort of maybe to the bottom

 4   line in all of this, what authority would USDA have to

 5   make CDFA fulfill any responsibilities?

 6             JUDGE CLIFTON:  Who what authority would?

 7   BY MR. ENGLISH:

 8        Q.   Would USDA have to make CDFA fulfill any

 9   responsibilities with respect to the order, Federal

10   order?

11        A.   Other than the -- what may be contained in the

12   MOU and how that's constructed, I would say that CDFA is

13   also under obligation through state law to perform

14   certain functions, and we're not changing that part,

15   that they're still under some mandate to perform

16   functions, particularly the court administration as

17   contained in state law and not necessarily in a USDA or

18   Federal law aspects.

19        Q.   Well, you're not seeking to change it now, but

20   as -- the RQA's could change separately and apart from

21   the USDA having any role in that, correct?

22        A.   I believe so.

23        Q.   Thank you.

24        A.   That is correct.

25        Q.   Thank you.
```

2210

```
 1           JUDGE CLIFTON:  Mr. Vetne, I -- Mr. Vetne, I

 2  see your hand, but let me -- let me ask:  Mr. Francis,

 3  you asked a question about audit responsibility, and the

 4  witness responded to you, but we didn't actually pin

 5  down audit responsibility.  Let us do that, but,

 6  Mr. Vetne, would you like to go before or after that?

 7           MR. VETNE:  After.

 8           JUDGE CLIFTON:  After.

 9           So, Dr. Erba, would you go back to what

10  provisions there are before us with regard to audit

11  responsibility or whether it will be entirely spelled

12  out within this memorandum of understanding or some

13  other method?

14           THE WITNESS:  As -- as we have proposed it,

15  the audit responsibility remains entirely with the

16  Market Administrator, and although there may be an

17  aspect of the MOU that speaks to CDFA's claiming a

18  secondary role or an informational role in that, that

19  would have to be addressed in that MOU.  But the

20  objective would be that the Market Administrator

21  continues to perform the audits, and they may from time

22  to time need information from CDFA to perform those

23  audits to the best of their ability.

24           JUDGE CLIFTON:  Good.

25           Mr. English.
```

2211

BARKLEY
Court Reporters

RECROSS-EXAMINATION

2   BY MR. ENGLISH:

3   Q.   Sorry, I have one. And this is more, I think,

4   for future interpretation, I think it's largely

5   consistent with what the Department does. But it's my

6   understanding that with respect to California, there

7   have been some issues with respect to one or more

8   handlers writing checks to CDFA for which the funds are

9   literally unavailable on the day that all the money has

10   to work; is that correct?

11   A.   Yes.

12   Q.   Okay. So when "you" and "we" use the phrase

13   that the payment shall be made in a manner that provides

14   receipt of the funds by the Market Administrator, we

15   mean either by electronic transfer or otherwise, the

16   money really is physically there, correct?

17   A.   Yes.

18   Q.   So you can't write a check on the day on a

19   North Dakota bank and deliver it, which might take five

20   days to clear, correct?

21   A.   I would hope not.

22   Q.   Okay.

23   A.   That would be a problem.

24   ///

25   ///

2212

RECROSS-EXAMINATION

BY MR. FRANCIS:

        Q.   Will Francis, USDA.

              Just to follow up on the audit responsibility

questions. So there are routine regular handler audits

that typical Federal Milk Marketing Orders perform

relating to verification of payments, producer payroll,

handler utilizations, things like that. Can you

elaborate on what you would envision for any auditing of

quota, either producer ownership or information that is

reported to a handler? Who do you envision would

perform that function of auditing quota, if there is

any?

        A.   So -- sure. We still envision that the --

that CDFA would take care of the responsibility of

making sure that they verify which producers own quota

and any quota transfers just as they do today. The

responsibility for -- on the audit side would be on the

payment said, did the -- did the handler, for example,

pay a producer his full entitlement, including the

payment for -- payment for quota held, and so that

information would come from CDFA.

              And I think what we envisioned is that the

Market Administrator would audit, too, the information

received from CDFA. So CDFA doesn't actually perform

                        2213

1   the audit, but they're obviously providing information

2   that may -- may be very vital to the audit.

3   JUDGE CLIFTON: Mr. Vetne.

4   RECROSS-EXAMINATION

5   BY MR. VETNE:

6   Q.   John Vetne, representative for Hilmar Cheese.

7   In response to a few questions by Mr. Vlahos,

8   he had directed you to testimony that you presented

9   before CDFA where you looked at California classified

10   price relationships with Federal order price

11   relationships and opined at the time that they were

12   acceptable levels except for 4b. I think your testimony

13   in response was that -- my inference of your testimony,

14   that's my question, was that when you were speaking to

15   CDFA, you had a view of what's acceptable that has since

16   changed and what's acceptable in past CDFA hearings is

17   no longer deemed acceptable by CDI or the three

18   cooperative proponents. Is my understanding of the

19   distinction correct?

20   A.   I believe that's accurate.

21   Q.   Now, in -- in all these questions on payments

22   by inverse, to the fund, from the fund, to cooperatives

23   and to producers, a couple of the payments happen on the

24   same day. I think the 17th members received money from

25   the fund and must pay to producers so --

2214

BARKLEY
Court Reporters

1   A.   To cooperatives.

          2   Q.   To cooperatives. So if money is owed to

          3   cooperatives and the handler relies on receipt of money

          4   from the fund to pay cooperatives, that would have to be

          5   simultaneous, electronic and simultaneous on the same

          6   day?

          7   A.   It says by the 17th day, so it could happen on

          8   the 16th and 17th conceivably, doesn't have to be the

          9   exact same day.

         10   Q.   The fish or cut bait date, the deadline is the

         11   17th, exactly --

         12   A.   That's correct.

         13   Q.   -- the same day?

         14   A.   That's correct.

         15   Q.   Do you see any problem with that given that

         16   there are electronic means to do both transactions on

         17   the same day, although the sequence would be first you

         18   receive the money and then send it?

         19   A.   No, we didn't -- we didn't see any issues with

         20   that.

         21   Q.   And with respect to those -- those payments by

         22   handlers to producers, which happens on -- on the 18th,

         23   in the Federal order system cooperatives are handlers,

         24   9(c) handlers, correct?

         25   A.   Yes.

                              2215

1   Q.   Okay. And with respect to that category of

2   handler, however, you do not anticipate that USDA will

3   follow the money to producers, correct?

4   A.   I don't think so, but I'm not exactly sure.

5   Q.   There's -- there's -- to your understanding,

6   is there any administrative function by which USDA will

7   judge, assess, or require a payment by a cooperative

8   handler to producers?

9   A.   Not to my understanding.

10   Q.   Okay. And is that the way it is currently

11   with CDFA also?

12   A.   That's -- yes, that's the way it is today.

13   Q.   So for, let's see, the three cooperatives,

14   according to Mr. Hollon, represent over 75 percent of

15   producers or milk, I'm not sure which in the market.

16   A.   I believe it's supposed to be milk.

17   Q.   Okay. Are there other cooperative

18   associations operating within California that are not

19   proponents?

20   A.   That are not proponents?

21   Q.   Yes.

22   A.   Oh, boy. That one I couldn't tell you. There

23   are other cooperative associations, but I don't know

24   that I've heard that they're supportive or not

25   supportive.

2216

1   Q.   Throughout -- so there are other cooperatives

2 associations in -- in California?

3   A.   There's at least one that I'm thinking of, but

4 I don't know if they are supportive or not.

5   Q.   Okay. And there was the one listed in boards

6 for a while called Security Milk Producers; are they no

7 longer around?

8   A.   Security Milk Producers was acquired by my

9 company, California Dairies, a few years back.

10   Q.   All right. So for over 75 percent of the

11 milk, no one follows the money to producers, correct?

12   A.   I wouldn't say nobody.

13   Q.   I'm sorry. No -- no government --

14   A.   The facility does.

15   Q.   No government agency currently follows or if a

16 Federal order is adopted will follow the money to

17 producers?

18   A.   I -- yes, I believe that's an accurate

19 statement, that -- that function doesn't extend beyond

20 monitoring the co-ops themselves.

21   Q.   Okay. And its that circumstance that the

22 agency doesn't follow money to producers that allows the

23 co-ops to accommodate what you call challenging

24 marketing if the milk for certain classes for which you

25 have to account requires you to operate at a loss, for

2217

1 example, making butter powder?

2   A.   Yes, with a qualification. There may be -- we

3 may be challenged to be profitable in some of those

4 operations that we maintain, but that doesn't mean we

5 would necessarily be operating a loss as an entire

6 entity. We have other enterprises, other functions that

7 may -- may very well have showed profits that at least

8 outweigh the pay losses we may have done if we did not

9 expect to operate at a loss -- at a loss for the entire

10 cooperative.

11   Q.   The quota prices fixed by statute you

12 testified, but the Regional Quota Adjusters are -- is

13 established by state rule-making. Is there, to your

14 understanding, any requirement in the statute that the

15 $1.70 or 19.5 cents per pound solids nonfat apply in any

16 particular county? We've talked about counties in the

17 south where there currently is no adjustment. Is -- is

18 that fixed forever or can that be changed

19 administratively?

20   A.   A $.195 is in state law, so that could only be

21 changed by a change or amendment to state law.

22   Q.   Yes.

23   A.   The -- whatever it applies by county is --

24 well, you already said that it's adjusted by the

25 Regional Quota Adjusters, which is not held in state

2218

BARKLEY
Court Reporters

1 law, it's -- it would be part of the -- subject -- it's

2 part of the pooling plant, it would be subject to the

3 public hearing and potentially changed through that

4 process.

5   Q.   So is it your understanding that CDFA may by

6 rule expand or contract the area at which the full $1.70

7 or $.195 applies?

8   A.   It -- it could do that, it would be subject,

9 again, to not only the public hearing process, but in

10 this case because it's a substantive change to the

11 pooling plant, it would have to go through a producer

12 referendum before it was implemented.

13   Q.   Okay. Is it your understanding that there

14 were -- would exist side by side with a Federal Milk

15 Marketing Order, which classifies prices and pools, a

16 state pooling plan that would continue to operate

17 simultaneously?

18   A.   That is a -- a good question. There are parts

19 of the pooling plan that would be duplicative, so it

20 would be -- if you're going to maintain something like

21 RQA's, how do you do that, there's got to be some body

22 that would do that. I'm not quite sure how that plays

23 out, but at least the idea is that if there was going to

24 be a change in the Regional Quota Adjusters, that would

25 have to be somehow approved by a vote of the producers

2219

BARKLEY
Court Reporters

1 as it is today.

2   Q.   All right.   We spoke earlier, I don't know if

3 it was yesterday or Friday, about the -- the concept

4 underlying the adjustment, Regional Quota Adjustment,

5 being a reflection of the fact that by location milk

6 has -- has value, greater value as opposed to demand

7 consumer markets, lower value where production is high

8 and there's surplus. Do you recall that?

9   A.   Yes, it's -- yes.

10   Q.   Okay.

11   A.   Yes.

12   Q.   Assume with me for a moment that -- that USDA

13 determines that a price relationship for producer milk

14 in Tulare compared to Los Angeles as currently exists or

15 as even proposed in Proposal 1 is such that the value

16 spread between Tulare and Los Angeles should be greater,

17 so it does something to reflect that in blend prices

18 payable to producers. Now, in that eventuality, if USDA

19 believes the market should have a lower blend price in

20 Tulare to reflect location value compared to Los

21 Angeles, could not CDFA come in and amend its Regional

22 Quota Adjusters so that the price in Tulare is -- is

23 higher thereby negating whatever USDA has done?

24   A.   I suppose it could do to some extent, but

25 you've got one instance talking about -- essentially you

2220

BARKLEY
Court Reporters

1 talked about the blend price change, or perhaps it's a

2 class price change, which would apply to all milk, and

3 the RQA's would apply to quota, which is not anywhere

4 close to all the milk that's produced in the state. So

5 I guess to some degree there possibly could be that, but

6 they're operating at two different levels of influence,

7 one being much smaller than the other one.

8   Q.   Okay. And -- and quota is concentrated in the

9 Central Valley as opposed to the South, correct?

10   A.   It's -- in the Central Valley, but that's

11 where most of the milk is produced --

12   Q.   Yes.

13   A.   -- as well.

14   Q.   Okay. Thank you very much.

15   JUDGE CLIFTON: Dr. Erba, several participants

16 have questioned you on the money in and the money out

17 both on the 17th, and you've repeatedly said your team

18 doesn't see a problem with that. I see a problem with

19 that. In order to be timely on paying in, you can pay

20 up to the last minute of the 17th. How can a handler

21 possibly make payments out on that same day?

22   THE WITNESS: Well, again, the -- our language

23 is by the 17th, and I believe that's consistent with --

24 basically our entire program that we've got for the

25 reports and the payments are -- are consistent with the

2221

BARKLEY
Court Reporters

```
 1   other Federal orders, although they may not be

 2   identical, but they're consistent.  And we've got

 3   basically a nine-day spread between when the reports are

 4   due and when this money starts to move around, and

 5   that's consistent with other Federal orders, so we

 6   haven't deviated, we're not asking for anything

 7   different than what the other Federal are doing -- other

 8   Federal orders are doing in general.  The dates may not

 9   line up exactly, but we're consistent.

10            JUDGE CLIFTON:  I thought that normally

11   payments go out the day following the deadline for

12   payments in.  And that's a rocket docket, to -- to get

13   the money out the day after you get it in is enormously

14   fast.  What -- I just ask that you meet with your team

15   and -- and revisit this issue after our next break, I

16   just -- why would you want to put that pressure on the

17   handlers?

18            THE WITNESS:  I'd be happy to meet with the

19   team to discuss that.

20            JUDGE CLIFTON:  Okay.  Thank you.

21            All right.  Other questions for Dr. Erba?

22            Dr. Schiek.

23                  CROSS-EXAMINATION

24   BY MR. SCHIEK:

25      Q.   Bill Schiek.
```

1   Dr. Erba, just -- I was just wondering as I

2   look at this, am I correct with my assumption that if a

3   Federal order were in place in California, the

4   California Department of Food and Agriculture milk

5   pooling branch, dairy marketing branch would no longer

6   be operating a producer-settlement fund; is that

7   correct?

8   A.   I believe that's correct.

9   Q.   Have you given any thought -- maybe you

10   mentioned it and I missed it -- on how CDFA's activities

11   with regard to quota under the MOU would be funded?

12   A.   We have discussed that, and I couldn't tell

13   you exactly what we concluded, but there would be the

14   responsibility -- I mean basically the CDFA would be

15   paid, their staff would be paid by the pool for that

16   administrative function.

17   Q.   So the money would come from the MA in some

18   form, is that what --

19   A.   Yes.

20   Q.   -- you're thinking?

21   A.   Although I don't remember the exact details of

22   how we thought that might work, but that was the idea.

23   Q.   Okay. Well, and it was just a clarification

24   question, it's something that kind of popped into my

25   mind as we were having these discussions, so I was just

2223

BARKLEY
Court Reporters

1 curious if you guys had given that some thought.

2   But it kind of brings on another question is

3 we're -- we're talking about a lot of movement of

4 information back and forth, responsibilities of CDFA,

5 responsibilities of the Market Administrator. Did you

6 ever consider or why -- why -- why not just have the

7 whole book, all the records, everything transferred to

8 the MA and just let the MA run the quota program under

9 your proposal?

10   A.   Very earlier on we said we would not -- we

11 would attempt not to do that just from -- we thought we

12 were making the process simpler, but now I have to

13 wonder a little bit.

14   Q.   So --

15   A.   To not have quota be under the auspices of the

16 MA, to leave quota under the auspices of CDFA where it

17 resides and has -- CDFA has responsibility under state

18 law to administer that program. So we did talk about it

19 very early on but decided this would be the better way

20 to go.

21   Q.   For efficiency reasons? You mentioned you

22 thought you were making it simpler by doing it that way;

23 is that right?

24   A.   Because we didn't necessarily want to talk

25 about moving the quota program from a state function to

2224

1 a Federal function, that was the way we had set up

2 was -- the way it is now with the state function was

3 the -- the preference.

4   Q. Okay. Thank you very much.

5   JUDGE CLIFTON: Dr. Erba, are you having

6 seconds thoughts about that?

7   THE WITNESS: Me personally?

8   JUDGE CLIFTON: Yes.

9   THE WITNESS: No.

10   JUDGE CLIFTON: Okay. All right. Thank you.

11   Who else has questions for Dr. Erba?

12   REDIRECT EXAMINATION

13 BY MR. VLAHOS:

14   Q. John -- John Vlahos.

15   Dr. Erba, the judge has raised questions about

16 the problems of simultaneous payment, money in, money

17 out. In formulating the program as proposed by the

18 proponents, did you track on those issues what is done

19 in other Federal orders?

20   A. Well, the -- the original dates were set up,

21 not the ones we amended, but the original dates

22 contained in -- in this case, 72 and 70 -- I shouldn't

23 say -- sorry -- Sections 1051.72, 1051.73, those

24 actually speak to a simultaneous -- simultaneous

25 functions as -- as the judge has questioned. I believe

2225

BARKLEY
Court Reporters

```
 1   those are, again, consistent with what's done in other

 2   Federal orders.  I -- again, we didn't request anything

 3   out of the ordinary for the dates.

 4        Q.   Are you aware of what is provided in, example,

 5   Sections 1030.72, 1030.73, concerning payments from the

 6   producer-settlement fund, payments to producers and to

 7   cooperative associations?

 8        A.   1030?

 9        Q.   Yeah, 1030, speaking of another Federal order.

10             MR. CARMAN:  Page 125.

11             JUDGE CLIFTON:  Page 125 of the book you have,

12   Dr. Erba.

13             THE WITNESS:  Mr. Vlahos, could you repeat

14   what you were saying --

15   BY MR. VLAHOS:

16        Q.   Yes.

17        A.   -- since I have the appropriate reference

18   numbers.

19        Q.   Yes.  The numbers I was referring to were

20   1030.72 and 1030.73.  In particular, if you look at

21   1030.73 -- get my subdivisions right here -- (b), which

22   is on the next page, page 126 --

23        A.   Yes.

24        Q.   -- under the heading it says, "Payments for

25   milk received from cooperative association members," it
```

2226

1 seems to me it has very similar, if not identical

 2 language. It says, "On or before the date -- the day

 3 prior to the date specified in paragraphs (a)(1) and

 4 (a)(2) of this section except as provided in Section

 5 1090. Each member shall pay to a cooperative

 6 association," and so on. Isn't that the same language

 7 that's in the cooperative proposal?

 8   A.   That appears to be very close to the same if

 9 not identical.

10   Q.   And perhaps the USDA representatives can point

11 out if there are any -- really any differences in the

12 way that the cooperative's proposal sets forth those

13 payment in and payment out dates as opposed to those as

14 set forth in the cooperative's proposal.

15   Thank you, Doctor.

16   JUDGE CLIFTON: Who else has questions of

17 Mr. -- of Dr. Erba? All right. There are none now.

18   Dr. Erba --

19   Ah, Mr. Francis, thank you.

20   RECROSS-EXAMINATION

21 BY MR. FRANCIS:

22   Q.   Will Francis, USDA.

23   I just wanted to get back to you on the

24 partial payment date being the 30th, and thank you,

25 Dr. Schiek, for pointing this out to us. So the

2227

1 language in your proposal, if you go to Exhibit 1 on

2 page 47217, the first column, under Section 1051.73

3 under (a)(1), "Partial payment," it reads, "Payment

4 shall be made so that it is received by each producer on

5 or before the 30th day of the month." I did check each

6 of our current marketing areas and we do not have dates

7 that reference the 30th. The latest date we have is the

8 27th, and so we don't face the issue of a month not

9 having 30 days. But I believe you could read that

10 language on or before the 30th day of the month, if a

11 30th day or a 29th day does not exist, would it be

12 logical to make the payment on the last day, the 28th?

13   A.   If it's a question to me, I'd say yes.

14   Q.   Or perhaps you'd want to suggest some

15 alternative language to -- to clarify that.

16   A.   Okay.

17   JUDGE CLIFTON: I'd -- I'd invite some Market

18 Administrator testimony, if you would, just to address

19 whether my concern about money in and money out on the

20 same day has any practical validity to it.

21   MR. HILL: Brian Hill. Brian Hill.

22   I think we'd like to have some time to look at

23 that and prepare our statement of some sort, some

24 testimony of some sort if we're going to do that.

25   JUDGE CLIFTON: All right. That sounds great.

2228

1   RECROSS-EXAMINATION

2 BY MR. SCHIEK:

3   Q.   Dr. Erba, Dr. Schiek again, just another

4 question. For clarification, when you were talking

5 about -- this is on page 22 of your statement, Exhibit

6 42.

7   A.   Yes, go ahead.

8   Q.   You reference Section 62726 of the Food and

9 Agriculture Code and -- and you cite the language in the

10 code. Isn't that language also in section 61893

11 earlier? Does it appear twice in the Food and Ag code?

12 Do you have a recollection of that?

13   A.   I don't.

14   Q.   Okay. Thank you.

15   JUDGE CLIFTON: Dr. Schiek, would you make a

16 representation you believe it does?

17   MR. SCHIEK: I believe it does, similar

18 language. And the issue is dairy pricing under dairy --

19 the dairy marketing branch is in one section of the

20 code, milk pooling appears later because they didn't

21 come in at the same time, and there's a -- there's a

22 section like this in both places.

23   JUDGE CLIFTON: Thank you.

24   All right. Are there any other questions of

25 Dr. Erba at this time?

                        2229

1   All right. Subject to being recalled,

2   Dr. Erba, you may step down. The recalling would just

3   be about those loose ends with transportation being one

4   of them. All right. Thank you.

5   THE WITNESS: Thank you.

6   JUDGE CLIFTON: Oh, did you want to add

7   anything for clarification?

8   THE WITNESS: No, thank you.

9   JUDGE CLIFTON: Who will be the next witness?

10   MR. VLAHOS: We're going to shift chairs here,

11   Your Honor.

12   MR. BESHORE: Ms. Thompson will -- will

13   present the next witness for Proponents, Your Honor.

14   MS. OLIVER THOMPSON: Good morning. Megan

15   Oliver Thompson.

16   Your Honor, our next witness is Mr. Lon

17   Hatamiya. L-O-N. H-A-T-A-M-I-Y-A.

18   JUDGE CLIFTON: I'll answer you in in a seated

19   position. Would you raise your right hand, please?

20   Do you solemnly swear or affirm under penalty

21   of perjury that the evidence you will present will be

22   the truth?

23   THE WITNESS: I do.

24   JUDGE CLIFTON: Please state and spell your

25   name.

2230

1   THE WITNESS: My first name is Lon, L-O-N.

2   Last name is Hatamiya, H-A-T-A-M-I-Y-A.

3   JUDGE CLIFTON: Thank you.

4   And I see a document being distributed. Let's

5   see, would this number be 54?

6   MS. FRISIUS: It will be.

7   JUDGE CLIFTON: All right. We'll mark this as

8   Exhibit 54. That's 54.

9   (Whereupon Exhibit 54 was marked for

10   identification.)

11   THE WITNESS: Thank you.

12   JUDGE CLIFTON: Please raise your hand if you

13 do not yet have a copy of Exhibit 54. Everyone has one.

14 Good. There are some left over. That's good.

15   All right. Ms. Oliver Thompson, you may

16 begin.

17   MS. OLIVER THOMPSON: Thank you.

18   DIRECT EXAMINATION

19 BY MS. OLIVER THOMPSON:

20   Q.   Good morning, Mr. Hatamiya.

21   A.   Good morning.

22   Q.   Would you tell us what is your current

23 occupation?

24   A.   I am the president and CEO of The Hatamiya

25 Group, which is an economics and strategic advisory

2231

1 consulting firm in Davis, California.

      2   Q.   And what is your -- the primary business that

      3 you do there?

      4   A.   Again, the economic analysis and strategic

      5 business advisory services for my clients.

      6   Q.   Okay. And how long have you been doing that?

      7   A.   I've been engaged in this for about the last

      8 11 years.

      9   Q.   Now, will you be providing a description of

     10 your relevant background, experience, and education as

     11 part of your testimony here today?

     12   A.   Yes, I will.

     13   Q.   Okay. And have you also provided with your

     14 written testimony a copy -- copy of your current CV?

     15   A.   Yes, my extensive CV is attached.

     16   Q.   Okay. Terrific.

     17   Now, are you testifying today regarding your

     18 analysis of the economic value of the quota program in

     19 the California dairy industry?

     20   A.   I am.

     21   Q.   And did you prepare written testimony for this

     22 hearing on this topic?

     23   A.   I did.

     24   Q.   Okay. And is that contained in what has been

     25 marked as Exhibit 54?

                          2232

1   A.   I believe it has.

     2   Q.   Okay.

     3   A.   It is.

     4   Q.   With that, would you please go ahead and

     5   proceed with reading your written testimony.

     6   A.   I most certainly will. And, first of all, let

     7   me thank Dr. Erba for warming the seat for me for the

     8   last three days.

     9   MR. ENGLISH: Your Honor.

    10   JUDGE CLIFTON: Mr. English.

    11   MR. ENGLISH: I'm not sure if this witness is

    12   being offered as an expert, and I think maybe under the

    13   circumstances, it's better to go ahead and let him give

    14   all the testimony, and then if we have voir dire about

    15   it afterwards, but I wanted to reserve that right and

    16   not waive it by following this particular procedure.

    17   But I -- I don't have an objection to doing it this way,

    18   but I want to make sure that we for our side have not

    19   waived our right to any voir dire, and if necessary

    20   object with respect to any purported expert analysis.

    21   JUDGE CLIFTON: Thank you, Mr. English.

    22   Ms. Oliver Thompson, you may proceed.

    23   MS. OLIVER THOMPSON: Okay. Thank you.

    24   BY MS. OLIVER THOMPSON:

    25   Q.   Mr. Hatamiya, please go ahead with your --

                                   2233

```
 1  with your prepared statement.

 2              STATEMENT OF LON HATAMIYA, MBA, JD

 3      A.   If -- if I may, I'll proceed with my written

 4  testimony.  It's entitled "The Economic Importance of

 5  the California Dairy Quota Program," with a subtitle, An

 6  Invaluable Asset to the Dairy Farmer and the state.

 7              Again, my name is Lon Hatamiya.  I'm the

 8  President and CEO of The Hatamiya Group, an economics

 9  and strategic advisory consulting firm located in Davis,

10  California.  I was retained by the California Dairies,

11  Incorporated, the Dairy Farmers of America,

12  Incorporated, and Land O'Lakes, Incorporated, paren, in

13  quote, "Cooperatives," end quote and end paren, to

14  provide an independent and objective economic analysis

15  of the dairy industry to the State of California and to

16  examine the economic value of California's dairy quota

17  program.

18              JUDGE CLIFTON:  Let me stop.  This is

19  wonderful.  You're an excellent presenter.  I just want

20  to check the pace.  Okay.  We're okay.  Don't go any

21  faster than that.

22              THE WITNESS:  Absolutely.

23              JUDGE CLIFTON:  All right.

24              THE WITNESS:  Thank you, Your Honor.

25              First section, Roman Numeral I, Introduction,
```

1 Overview of the California Economy, the California

2 Agricultural Economy, and the Dairy Industry's Important

3 Contribution to the Economy.

4   The dairy industry in California is an

5 important and vital component to the economy -- economy

6 of the State of California. At the end of 2014,

7 California's economy had grown to over $2.3 trillion in

8 Gross Domestic Product, paren, GDP, end paren. And I

9 have it footnoted 1, and this is from the -- the website

10 http -- and I think on the written copy, it may be

11 difficult to see because it's in -- in yellow, but it's

12 from the Bureau of Economic Analysis dot gov, and I

13 downloaded that on September 7th, 2015, but it shows

14 the -- the various economies of the states of the United

15 States.

16   If California were a country, it would have

17 the eighth largest economy in the world -- and, again,

18 the second footnote, that comes from World Development

19 Indicators from the World Bank, April 14th, 2015 --

20 slightly behind Brazil and strongly ahead of Italy,

21 India, Russia, and Canada. Moreover, the agricultural

22 industry is a major component of the California economy

23 providing over $56.2 billion in economic output in 2014.

24 Again, footnoted number 3, and that's from the ERS USDA

25 website which I downloaded in September of this year.

BARKLEY
Court Reporters

1 That's from their state fact sheets for every state in

2 the country.

3   This multi-billion dollar industry is arguably

4 the backbone of California's globally-aligned economy,

5 with a long-established international network of

6 producers, consumers, and service providers.

7   More specifically, dairy products are the

8 number one agricultural commodity in California with

9 over $9.3 billion in farm receipts in 2014, making up

10 17.3% percent of all California farm receipts -- and,

11 again, that's from the same source, from ERS, footnoted

12 4. The state of California is also the largest dairy

13 producing state in the country with over 20% of national

14 production. In addition, California is the leading

15 exporter of dairy products with nearly $1.3 billion in

16 2013. By any measure, the dairy industry is an

17 important contributor to the overall and agricultural

18 economy of the State of California.

19   Through my extensive professional experience

20 and expertise, I believe I bring a unique perspective to

21 this analysis. From 1993 to 1997, I proudly served as

22 Administrator of the Agricultural Marketing Service of

23 the United States Department of Agriculture, paren,

24 USDA, close paren, where I oversaw over 50 federal

25 programs, including the Federal Milk Marketing Order,

```
 1   paren, FMMO, close paren, system.  I also served as

 2   Administrator of the Foreign Agricultural Service at

 3   USDA from 1997 to 1999, and then I returned to my native

 4   California to serve as Secretary of the Technology,

 5   Trade and Commerce Agency from 1999 to 2003, where I

 6   oversaw the promotion of statewide economic develop, job

 7   creation, and business retention.

 8              Prior to my service at USDA, I practiced law

 9   and I worked with my three-generation family farm in

10   Yuba and Butte counties, which is the northern part of

11   the state, Your Honor.  Since 2003, I have been a

12   consulting economists analyzing local, regional, state,

13   national, and international economic impacts, trends,

14   and economic development opportunities on various

15   industries including agriculture, energy, high

16   technology, real estate, retail, professional sports,

17   transportation, tourism, and higher education.  I have

18   also extensive expertise in determining economic

19   valuations of various industries from agriculture to

20   biotechnology, and alternative energy to medical device

21   companies, utilizing appropriate valuation

22   methodologies.  I have testified over a hundred times

23   before the World Trade Organization, the United States

24   Congress, the California State Legislature, and federal,

25   state, and local courts, boards, and commissions on a
```

2237

1 wide variety of relevant issues.

2   I will add to the -- for the record, this is

3 my first time testifying before this type of hearing.

4   In addition, as an academic, I previously

5 served as Executive-in-Residence and Adjunct Professor

6 at the US Davis Graduate School of Management, and was

7 also selects a Senior Fellow as the UCLA Luskin School

8 of Public Affairs. I also currently serve as a

9 part-time lecturer at the International Masters in Law

10 program at the UC Davis School of Law, and as a Senior

11 Fellow at the University of Denver International Career

12 Advancement Program. I received my bachelor's in

13 economics from Harvard University; my Master's of

14 Business Administration from the Anderson Graduate

15 School of Management at UCLA; and my juris doctorate

16 from the UCLA School of Law. Please also find attached

17 my full CV for your reference, which is attached to the

18 back of my testimony.

19   Throughout my professional career, I have

20 acquired and maintained an international, national,

21 regional, as well as a statewide and local perspective

22 with regard to agriculture and its pertinent economic

23 impact upon all communities. For this analysis, I have

24 relied upon that experience to determine the economic

25 importance of the dairy industry to California, and most

BARKLEY
Court Reporters

1   specifically, the unique economic value of dairy quota.

2   My second section under Roman Numeral II,

3   "Overview of the California Dairy Quota Program." I

4   know Dr. Erba touched upon this, but I'm going to go

5   briefly summarize my understanding of that program.

6   The state of California has operated the

7   Dairy -- a Dairy Quota Program since adopting a Milk

8   Pooling Plan in 1969. The Gonzalves Milk Pooling Act,

9   California Food and Agricultural Code Section 62700,

10   either et seq., authorizes the Secretary of the

11   California Department of Food and Agriculture, parens,

12   CDFA, close paren, to operate a statewide pooling system

13   under specified guidelines. These statutes provide for

14   the formulation and adoption of Milk Pooling Plans for

15   Market Milk, paren, Pool Plan, close paren. Under the

16   California Pooling Plan for Market Milk, the producer is

17   paid based upon his or her allocated quota, base, and

18   overbase at prices that reflect the pool-wide usage of

19   all classes. The monthly quota and base amounts are

20   computed for each producer to the extent these amounts

21   are produced. The maximum monthly quota amount is

22   determined by the current quota allocation, and the

23   maximum monthly base is determined by the difference

24   between production base and quota. Any production that

25   exceeds these two figures constitutes overbase

2239

BARKLEY
Court Reporters

1 production. And I have a footnote number 5, this is

2 from the California Dairy Industry, A Historical Review

3 from the California Department of Food and Agriculture,

4 July 2008.

5   Revenue from processors is distributed to

6 dairy farmers via quota, base, and overbase prices.

7 Since the CDFA Milk Pooling Branch's inception in 1969

8 until 1993, the quota price was primarily impacted by

9 Class 1, 2, and 3 farm prices -- those are Arabic 1, 2,

10 3 -- while the overbase price was primarily impacted by

11 the Class 4a and 4b farm prices -- again, Arabic 4.

12 This was changed by statute enacted in 1993 and made

13 permanent in 1994. Beginning in January 1994, a fixed

14 differential was established so that the quota price is

15 always $1.70 per hundredweight greater than the base and

16 overbase prices. Historically from 1969 through 1993,

17 the difference between the announced quota and overbase

18 farm prices range from $1.06 to $2.26 per hundredweight

19 on an annual average basis. Currently, revenue above

20 that needed to maintain the $1.70 differential is shared

21 equally among quota, base, and overbase production. The

22 announced quota price is adjusted based on farm location

23 by Regional Quota Adjusters, paren, RQA's, close paren.

24 Prices paid to individual producer depends upon his or

25 her farm location and blend of quota, base, and overbase

2240

BARKLEY
Court Reporters

```
 1   holdings.  For computational purposes, the whole $1.70

 2   is assigned to the solids-not-fat, paren, SNF, close

 3   paren, price.  Thus, the announced quota SNF -- SNM --

 4   SNF price is set at $.195 per pound above the base and

 5   overbase SNF prices.  Because of RQA's, the actual quota

 6   SNF price received by individual farmers may be adjusted

 7   downward by up to $.27 per hundredweight based on farm

 8   location.  The fat prices for quota, base, and overbase

 9   are identical.

10          And I, again, footnote number 6, it comes from

11   that same California Dairy Industry, Historical Review

12   from CDFA July 2008.

13          Periodically, CDFA has issued additional quota

14   to producers from an original allocation but none since

15   1991.  CDFA has issued about 2,215,978 pounds of quota

16   SNF on a daily basis, paren, about 66.2 million pounds

17   of SNF monthly, close paren.  CDFA also considers milk

18   pool quota as a tradeable asset that is transferred

19   between California Grade A dairy producers.  Transfers

20   occur monthly.  It must be processed by the CDFA Milk

21   Pooling Branch as highlighted below.

22          And I will note this is a Table 1, which is

23   entitled "CDFA Milk Pooling Branch, Summary of

24   Transfers," and this is from 2015 through the first nine

25   months of this -- of this year so far.  The sales are
```

2241

BARKLEY
Court Reporters

1 based on quota solids-not-fat.

2   DIRECT EXAMINATION

3 BY MS. OLIVER THOMPSON:

4   Q.   Now, Mr. Hatamiya, this is the first of a

5 number of tables in your written testimony. Is this --

6 did you prepare this table?

7   A.   Yes, I prepared this table directly from

8 information provided to me from CDFA.

9   Q.   And can you just walk us through it and

10 explain what -- what's depicted here?

11   A.   You know, I believe it's the similar table

12 that Dr. Erba shared in his exhibits, although he went

13 back historically.

14   I just took from 2015, the first column

15 obviously are the nine months that have occurred so far.

16   The number of sellers in the second column.

17   The number of buyers.

18   The number of sales at a hundred percent.

19   The average sales price, and this is critical

20 to this -- to this table, as I'll mention in just a

21 moment -- the average sales price without cows.

22   The next column is the average sales price

23 with cows.

24   And then the total production base fat

25 transferred among these transactions.

2242

1   The quota fat -- quota fat transferred is the

2   following column.

3   And the next to last column is a total

4   production base SNF transferred.

5   And the last column is total quota SNF

6   transferred.

7   Q.   And if you would go ahead and proceed with

8   your written testimony.

9   A.   As I mentioned before, this table becomes

10   relevant as -- as I go on.

11   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

12   A.   Based upon the current average price of $525

13   per pound, as noted from Table 1 of quota SNF, and,

14   again, paren, as noted in the table as I stated before,

15   close paren, multiplied by the 2,215,978 pounds of quota

16   SNF issued by CDFA, results in the total aggregate quota

17   value owned by California dairy producers of nearly

18   $1.164 billion. This is a significant economic asset

19   with enormous value to both dairy producers and

20   communities across California.

21   Let me move to section Roman Numeral III,

22   "Examination and Quantification of the Economic Value of

23   Quota."

24   As I described above, the state of California

25   maintains a premium in payment on the milk produced and

2243

```
 1   covered by quota which plays an important and vital role

 2   in the California dairy industry.  Quota payments are an

 3   integral part of revenues to many California dairy

 4   farmers.  In fact, paramount to any consideration of a

 5   California Federal Milk Marketing Order, paren, FMMO

 6   close paren, was the a assurance that the quota program

 7   would not in any way be diminished or affected.

 8           MR. ENGLISH:  Your Honor.  Chip English.

 9           Before he reads the next sentence, it is our

10   view that it is interpretation of the statute designed

11   to be a legal interpretation, which is impermissible,

12   and we object to the statement being in the record at

13   all, and I have extensive legal argument to address it

14   if necessary.  I object to the statement.

15           JUDGE CLIFTON:  I note your objection.  I'm

16   not going to keep it from becoming part of the evidence

17   in this hearing.  So if --

18           MR. ENGLISH:  Your Honor, may I be heard?

19           JUDGE CLIFTON:  Yes.  Do you want to do it now

20   or do you want to do it at the end of the reading of

21   this document?  You may -- you may choose.

22           MR. ENGLISH:  I'm not going to interrupt the

23   flow.  I reserve the right, you know, as long as it's

24   understood that -- that by sitting down we're not --

25   we're not waiving that.  I think there's one or two
```

BARKLEY
Court Reporters

```
 1   other times in the statement I'll raise, and then I will

 2   seat, and we can discuss it afterwards so that the

 3   testimony can continue, but with the understanding,

 4   express understanding that we reserve our right to have

 5   it stricken, that it should never have been put in the

 6   record.

 7              JUDGE CLIFTON:  All right.

 8              MR. ENGLISH:  If you want me to argue it now,

 9   I can.

10              JUDGE CLIFTON:  No, I don't want your argument

11   now, and your objection is noted.

12              MS. OLIVER THOMPSON:  Thank you, Your Honor.

13   Obviously, we -- we disagree with the objection, and as

14   with Dr. Erba's testimony, we believe it should come in,

15   but we can deal with it at a later time.

16              Mr. Hatamiya, please proceed with your

17   testimony.

18      A.   Thank you.  Continuing, Congress recognized

19   this and in the 2014 Farm Bill language dealing with the

20   promulgation of a -- of a FMMO in California directed

21   that the marketing order provisions allow for the

22   continuation of the quota program in California.  The

23   2014 Farm Bill, paren, section 1410, paren, small (d)

24   close paren, close paren, references the 1996 Farm Bill,

25   paren, section 143, paren, (2), close paren, close
```

2245

1 paren, and I quote: "Upon the petition and approval of

 2 California dairy producers in the manner provided in

 3 section 8c of the Agricultural Adjustment Act, paren, 7

 4 U.S.C. 608, small c, close paren, reenacted with

 5 amendments by the Agricultural Marketing Agreement Act

 6 of 1937, the Secretary shall designation the State of

 7 California as a separate Federal milk marketing order.

 8 The order covering California shall have the right to

 9 reblend and distribute receipts to recognize quota

10 value," end quote. And I emphasize added by underlying

11 "recognized quota value."

12   Let me move on to Subsection A, In order to

13 best "Recognize Quota Value," the full economic value

14 must be determined and maintained.

15   Quote, "economic value," end quote, is defined

16 in several ways, but is commonly recognized as the value

17 of an asset calculated according to its ability to

18 produce in -- to produce income in the future. Value is

19 linked to price through the mechan -- through the

20 mechanism of exchange. When one observes an exchange,

21 two important value functions are revealed: Those of

22 the buyer and seller. Just as the buyer reveals what he

23 or she is willing to pay for a certain amount of a good,

24 so too does the seller reveal what it costs him to give

25 up that good. This definition describes California's

2246

1   dairy quota most appropriately as it is marketable and

2   tran -- as it is a marketable and transferable asset

3   that can be bought, sold, and results in an assured

4   source of cash flow for the owner of that quota.

5   As a resort -- result, in order to best

6   determine the economic value of dairy quota, we must

7   examine the common practices in which quota is utilized,

8   traded, and accounted for in the marketplace. To best

9   achieve this I served -- surveyed a range of California

10   accounting firms that specialize in dairies -- and

11   again, I footnote number 7, these included Adair &

12   Evans; Genske, Mulder and Company LLP; M. Green and

13   Company LLP; and Moss Adams LLP; a range of financial

14   institutions that are major dairy lenders -- footnote 8,

15   this includes Citizens Business Bank, Farm Credit West,

16   Five Star Bank, Rabobank, and Wells Fargo; and a range

17   of dairy farmers of varying sizes and operations from

18   across the state -- and footnote 9, including

19   cooperative member dairies of California Dairies,

20   Incorporated, Dairy Farmers of America, Incorporated --

21   Incorporated, and Land O'Lakes, Incorporated.

22   And just to enumerate, it was about 15

23   dairymen that I spoke to.

24   Further, "Subsection 1. Characterization of

25   Dairy Quota Holdings by Accounting Firms that service

2247

BARKLEY
Court Reporters

1 dairies across California."

2   A. Quota value is universally accounted at

3 the cost the dairy paid for it and booked at its

4 historical value. Therefore, all accounting firms carry

5 quota value on their dairy clients' balance sheets as a

6 "Cost Basis."

7   B. Quota value is recognized as an investment

8 and transferable intangible asset.

9   C. CPA's characterize quota value under

10 current assets, intangible assets, and/or long-term

11 assets.

12   D. Most importantly, should the California

13 Dairy Quoting -- Quota Program be eliminated, massive

14 write-offs of losses would be taken. For example,

15 several CPA's noted that many of their clients

16 write-offs would be in the millions of dollars for

17 individual dairies.

18   Let me move to "Subsection 2.

19 Characterization of Dairy Quota Holdings by Lending

20 Financial Institutions in California."

21   A. In making lending decisions and reviewing

22 debt-to-asset and other relevant ratios, all financial

23 institutions place a value on quota ownership and

24 consider it an asset, which is unencumbered and

25 marketable.

2248

1   1. Each bank, quote, "and even within each

2   bank," close quote, utilizes different formulas

3   characterizing, quote, "quota ownership value," end

4   quote.

5   2. For Uniform Commercial Code, paren, UCC,

6   close paren, reporting requirements, financial

7   institutions refer to quota ownership as either a

8   tangible or intangible asset, placing great emphasis on

9   the following:

10   Small i, among the list. Liquidity quota

11   ownership pro -- that it provides;

12   Ii. Steady source of assured cash flow and

13   revenues slash income;

14   iii. Quota ownership as a controllable asset;

15   iv. The value of quota on dairies -- on a

16   dairy's balance sheet affects a bank's perceived risk.

17   The level of quota ownership either lessens or increases

18   the dairy's borrowing leverage, for example, the more

19   quota ownership, the better the leverage;

20   v. When considered a tangible asset, quota

21   ownership is also treated as a form of collateral with

22   an abundance of caution and reported as chattel, paren,

23   any article of tangible property other than land,

24   buildings, and other things annexed to land, close

25   paren, under the UCC, paren, not all banks take this

2249

1 approach, close paren;

2   And vi. Other banks do not consider quota

3 ownership as collateral, but it is considered something

4 very close, and I -- paren, and I quote, "the next

5 best -- best -- best thing," close quote, close paren.

6   I'll now move on to "b" under "Section 2."

7 Excuse me.

8   Financial institutions do not lend just on

9 quota ownership value, but recognize the value of

10 regular cash flows as a factor in lending decisions and

11 deeming quota ownership as, I quote, "always a benefit,

12 useful asset tool, if deployed correctly on a

13 case-by-case basis," close quote.

14   C. Moreover, the financial institutions noted

15 that should the California Dairy Quota Program be

16 eliminated or eroded, a major financial asset would be

17 destroyed leaving dairies one less invaluable tool,

18 paren, an assured source of revenue, close paren, to

19 obtain necessary financing.

20   Let me move to "Subsection 3.

21 Characterization of Dairy Quota Holdings by Dairy

22 Farmers in California."

23   A. Dairy farmers of all sizes across

24 California consider quota ownership an invaluable liquid

25 asset that is essential to their monthly cash flow and

1 to meet the increasing cost of operations.

2   B. During difficult and challenging economic

3 periods, quota ownership and the assured source of cash

4 flow have helped dairy farmers meet the increasing

5 pressures of the higher cost of production, for example,

6 feed, label, engine, water. This is especially

7 relevant, but not exclusive, to smaller dairies with

8 quota ownership.

9   C. All dairy farmers that own quota have

10 bought and sold quota over the years and consider it a

11 solid financial investment because, unlike other assets,

12 quote, "it does not require maintenance or a

13 veterinarian over time," close quote. Its

14 transferability, marketability, and long-term assured

15 value has been a hallmark of the dairy quota's

16 existence.

17   D. Buying additional dairy quota is

18 considered a better return on investment from many dairy

19 farmers who are being priced out of the increasingly

20 exorbitant land prices across the state.

21   E. For many California dairy farmers, quota

22 ownership has allowed them to continue in the dairy

23 business, retain their family's dairy, quote, "culture,"

24 close quote, and survive in an increasingly competitive

25 global marketplace.

1   F.   Lastly, should the careful -- California

2   Dairy Quota be -- Quota Program be limited, diminished,

3   or challenged from its current status, many dairy

4   farmers would suffer irreparable damages with massive

5   write-offs of their significant quota investment.

6   Let me move now to "Section B. Make-up of

7   Quota Ownership Across the State."

8   Quota ownership has changed over time. As

9   quota has been bought, sold and traded over the years,

10   and with the increasing milk production, the percentage

11   of California dairy owning quota -- dairies owning quota

12   has shifted.

13   And I've provided a Table Number 2: "Percent

14   of California Dairy Farms by Quota Ownership." Again,

15   it's footnoted 10. This is data provided by the

16   California Department of Food and Agriculture, Dairy

17   Marketing Branch.

18   Q.   This is another table that you prepared using

19   that information provided by CDFA?

20   A.   That's correct. Again, in quotes under Table

21   2, it's the percent of quota relevant to milk

22   production. I believe this is the same table that

23   Dr. Erba provided last week during his testimony.

24   Q.   And if you could just describe briefly what

25   those tables depict.

2252

1   A.   Again, this table depicts a percentage

 2   ownership of quota in the far left column, 1 to 20%, 21

 3   to 40%, and on down. The last -- last two rows show the

 4   number of dairies. And then the number of dairies of

 5   quota. And then it goes across in five-year increments

 6   from 1995 to 2015.

 7   Q.   Okay.

 8   JUDGE CLIFTON: If -- if I might inquire, you

 9   have at the top, before we get to the figures, in

10   parentheses a phrase. Would you read that into the

11   record?

12   THE WITNESS: Yes, I'm sorry, I -- Your Honor.

13   It's paren, "quota" -- a "percent of quota relative to

14   milk production."

15   JUDGE CLIFTON: So when I look at the table,

16   how do I find milk production?

17   THE WITNESS: I don't have that included here,

18   so the 17%, for example, are the -- the percentage milk

19   production of the dairies that don't have any quota.

20   JUDGE CLIFTON: I see.

21   THE WITNESS: In that first column. So it

22   just goes across. Maybe 2015 is probably better. If

23   you go across to 2015, 42% of dairies don't own any

24   quota, 20% of dairy own 1 to 20%. 13% have 21 to 40%

25   and on down. And then, again, the total percent of

                              2253

BARKLEY
Court Reporters

1 ownership, 58% of dairies now have quota in California.

2 And so that number is a little over 832 or 800 dairies

3 in the state.

4   JUDGE CLIFTON: So this table shows us dairy

5 by dairy but does not show us the amount of milk

6 produced by quota holders; is that correct?

7   THE WITNESS: That's correct.

8   JUDGE CLIFTON: Thank you.

9   MS. OLIVER THOMPSON: Okay. If you would

10 proceed with your written testimony following the table.

11   THE WITNESS: Currently 58% of all California

12 dairies own some percentage of quota, paren,

13 approximately 832 dairies, close paren.

14   For purposes of my foregoing data analysis, I

15 also reviewed the current, paren, as of January 2015,

16 close paren, geographical distribution of quota

17 ownership across California as noted in Table 3 below.

18 I was also able to approximately calculate the

19 percentage of the county's -- of a county's milk

20 production covered by quota by utilizing the geographic

21 distribution of quota ownership and the CDFA reported

22 monthly milk production dated.

23   And, again, if I can note in footnote how I

24 calculated these number. The percentage -- and that's

25 footnote 11 the percentage of a county's milk production

BARKLEY
Court Reporters

1 covered by quota was approximately calculated by

2 multiplying the daily quota holdings, paren, quota SNF

3 by county -- close quote, by county by the days in the

4 month, 31 for January 2015, to get a monthly total. I

5 then divided the monthly quota SNF county total by the

6 total pounds of SNF produced in the county for the month

7 to determine the overall percentage of quota.

8   And -- and this calculation was based upon not

9 only my calculations but as a suggestion by CDFA, and so

10 I doublechecked with them to ensure that I'm doing it

11 correctly, and they -- they assured me that this is the

12 correct approximate calculation of quota per county.

13   DIRECT EXAMINATION

14 BY MS. OLIVER THOMPSON:

15   Q.   And are these the calculations that are

16 depicted in the next table, Table 3?

17   A.   Table 3, yes. The Dairy Quota by County as of

18 January 2015.

19   And, again, footnoted 12. 12 says the most

20 recent available data provided by the California

21 Department of Food and Agriculture, Dairy Marketing

22 branch. This is what they were able to provide on a

23 county basis.

24   Again, I believe Dr. Erba provided this in a

25 different sort of form. I have re-categorized these by

2255

1   the largest percentage holding counties down to the

2   smallest.

3   So if I can walk through this really quickly

4   with you.

5   Q.   Please do. Please do.

6   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

7   A.   The -- the first column again is the "County."

8   The second column is the "Quota SNF," the

9   total pounds.

10   And the last is the "Percent of Total Quota

11   Allocated."

12   So, for example, out of the total allocated in

13   the State of California, Tulare County had a little over

14   18.8%. San Diego County, you go down to the bottom, had

15   about .34%.

16   JUDGE CLIFTON: Now, when you go down to the

17   bottom, I see San Bernardino. Is San Diego County

18   represented by San Bernardino? Oh, do I have to turn

19   the page?

20   THE WITNESS: Yeah, I think it goes to the

21   next page.

22   JUDGE CLIFTON: Ah, okay. Thank you. I have

23   to turn the page.

24   MS. OLIVER THOMPSON: For everyone following

25   along on the actual exhibit, this table spans over two

1 pages, page 12 and 13.

2   THE WITNESS: Let me explain a couple of other

3 things, Your Honor, if I could. As you notice, there

4 are a couple of counties that are combined:

5 Merced-Monterey, Kern-Los Angeles-Santa Barbara. I

6 believe CDFA does that for proprietary reasons. There

7 are a small number of quota owners in some of these

8 small counties or -- in terms of the number of dairies,

9 so if you -- if you separated them out by separate

10 counties, you could identify who the quota holders were,

11 so in order to -- to insure the proprietary nature of

12 that information, they combined several of the counties,

13 and -- and that's what I've done here as well. I've

14 just reflected totally what they provided to me.

15   JUDGE CLIFTON: So am I to understand that it

16 is not a matter of public record published by CDFA who

17 holds the quota in any given month?

18   THE WITNESS: That's correct. Because, again,

19 it's proprietary information that's, you know, just to

20 the quota owners themselves. They do provide, again,

21 the pounds of -- of SNF that's issued every month, but

22 that's done in a generic -- a general fashion.

23   MS. OLIVER THOMPSON: Thank you, Dr. --

24 Mr. Hatamiya, for your explanation of that table. You

25 can proceed with your testimony.

2257

1   THE WITNESS: As we go to the next page, San

2   Luis Obispo County is the smallest county with .03% of

3   quota, so it ranges in a large amount. These numbers

4   will become more important as I move to my following

5   tables, so I just do this as -- as an example of the

6   quota distribution throughout the state.

7   Let me move on with my -- with my testimony.

8   The top ten quota holding counties slash areas

9   make up over 90% of all quota ownership. I think that

10   reflects, again, what Dr. Erba mentioned the other day.

11   The largest quota ownership by volume is in

12   Tulare, then Merced-Monterey, Stanislaus, and Kern-Los

13   Angeles-Santa Barbara Counties. However, the highest

14   concentration of milk production covered by quota is in

15   many smaller producing counties, such as San Diego with

16   74%, Marin with 63%, Riverside with over 62%, and Sonoma

17   with 61%.

18   And I was able to calculate, if I can take a

19   moment to tell you those cancellations. Just totaling

20   the total amount of quota looking at the total amount of

21   SNF produced in that county, I could determine how much

22   was covered by quota. So even though there was some

23   counties that had as a percentage wise as smaller

24   percent for the state, a large percentage of their

25   production in their county was covered by quota. If

BARKLEY
Court Reporters

```
 1   that's clear.

 2           And let me move on.  This compares with Tulare

 3   County that has -- although they own 18 point almost

 4   9 percent of all quota, only 14.8% of their milk is

 5   covered by quota.  Stanislaus County, 30.1%.  San

 6   Joaquin County at nearly 27%.  And Kings County just

 7   over 13%.  So that just gives you a real good geographic

 8   of where quota is in the State of California.

 9           Let me move to sub point -- "Subsection C,"

10   the "Economic Value of Quota to the Dairy Farmer and

11   Dairy Industry."  With the current, paren, qSNF as of

12   January 2015, close paren, distribution of dairy quota

13   across California, I have calculated the total economic

14   value of quota by county/area and the entire state as

15   follows:

16           So this is my "Table 4," the "Total Dairy

17   Quota Value by County and State for 2015."

18                      DIRECT EXAMINATION

19   BY MS. OLIVER THOMPSON:

20       Q.   Okay.  And, again, if you would just walk us

21   through this table.

22       A.   Yes, if -- again, these are calculated as I

23   calculated the overall quota, the 1.164 billion, the

24   total amount of quota issued, I broke that down by

25   county.  So in paren under the table it purports
```

2259

1   "calculated at the current average market price of $525

2   a pound," close paren. So, again, keeping it in terms

3   of the same categories in terms of the size of counties.

4   I just added a fourth column dealing with current total

5   quota value, and that's totaling the -- multiplying the

6   quota NS -- SNF times the 525 reaches the 218, for

7   example, $985,531 worth of quota value in Tulare County.

8   And it's on down as you go down through all the rest of

9   the counties, down to a low of $292,792.50 in San Luis

10   Obispo County.

11   And as you see in the bottom, I have the whole

12   total, and it totals out to the 1.163, 164 billion.

13   Q.   Okay. Thank you for that. Please go ahead.

14   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

15   A.   As I noted before, at the current average

16   market price of $525 per pound, and I emphasize, total

17   economic value of quota owned is approximately 1.164

18   billion. By any measure, this is a substantial

19   financial investment made by California dairy farmers.

20   More specifically, dairy farmers from all corners of the

21   state have an enormous investment and an invaluable

22   asset at stake from nearly $220 million in Tulare

23   County, $178 million in Merced and Monterey Counties,

24   and over 162 million in Stanislaus County, to over

25    $36 million in Mendocino and Sonoma Counties, 11.1

2260

1 million in Marine County, and nearly 4 million in San

2 Diego County.

3   JUDGE CLIFTON: And each of those that you've

4 just read us are in terms of dollars?

5   THE WITNESS: In -- yes, I'm sorry, in terms

6 of dollars, that's correct. And, again, those are

7 itemized in Table 4 in column -- the last column, column

8 four.

9   Additionally, utilizing statewide Quota

10 Premiums -- Premiums less Regional Quota Adjusters,

11 paren, RQA, close paren, per month as provided by the

12 California Department of Food and Agriculture for 2014,

13 paren, most recent calendar year available, close paren,

14 I have further calculated the annual total -- total

15 quota payments per county slash area as follows:

16   In Table 5 is the Total Quota Payments per

17 California County in 2014.

18   DIRECT EXAMINATION

19 BY MS. OLIVER THOMPSON:

20   Q.   And this depicts the calculations of the

21 annual total quota payments per county/area that you

22 were just discussing?

23   A.   That is correct. As you can see from the

24 first column, again, it's itemized in terms of the size

25 of quota.

2261

1   The second column is the quota premium; these

2   are the numbers that were provided to me by CDFA.

3   Then as you see as we've been discussing, and

4   I think Dr. Erba was questioned the last two days on

5   RQA's. The RQA's are listed for all of the counties

6   here, ranging from $.03 to -- this is, again, by -- by

7   hundredweight, so it's broken down.

8   The total RQA, I totaled up, and then subtract

9   that from the quota premium.

10   And then the last column, you get the total

11   quota payment per county for the entire year of 2014.

12   Q.   And the total quota payment you came to in

13   your calculations was?

14   A. $139,329,759.23. And, again, that was the

15   number provided to me from CDFA, and I just went

16   backwards and determined what each of the payments were

17   for each of the counties. They don't break it down on a

18   county basis, they give you the overall total, so I had

19   to break it out by county, and I did it based upon the

20   percentages that I had broken out before.

21   Q.   Okay. Very good. Thank you. Please proceed

22   with your testimony.

23   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

24   A.   The total annual quota payments, or more

25   appropriately, the total annual return on quota

2262

BARKLEY
Court Reporters

1 investment to dairy farmers across California for 2014

2 was over $139.3 million. These total annual returns on

3 quota investments are significant across the state and

4 from county to county, and are important in determining

5 the total economic impact upon the state and local

6 communities that dairy production and quota ownership

7 exists across California.

8   Let me now move to "Section IV," Roman Numeral

9 IV of my testimony: "Examination of the Economic Impact

10 of Changing the California Dairy Quota Program."

11   A. Economic Impact that Quota has upon the

12 State, Region, County, and Dairy Community.

13   To better determine the total economic impact

14 of the Dairy Quota Program upon the state of California

15 and the various dairy producing counties across the

16 state, I have utilized generally recognized economic

17 impact analysis model. Economic Impact Analysis refers

18 to any number of processes that trace how changes in

19 spending, such as industry or government spending,

20 business closures, new industrial or infrastructural

21 developments, and/or natural disasters move through an

22 economy. An impact study measures the cumulative

23 effects on that spending on a defined geographic region.

24   Economic Impact Analysis can also provide

25 information about the effects of policy and employment

1 changes such as reports on job creation estimates

2 related to the American Recovery and Reinvestment Act of

3 2009, for example, to the effects of local business'

4 opening or closing, the impacts of job exportation to

5 other countries, or the tax revenue associated to

6 certain policy decisions made by local, state, or

7 federal governments. Typically, whenever the phrase

8 the, quote, "estimated impact on the economy slash

9 community is that X jobs are created," close quote, is

10 used, these are the results of an economic impact

11 analysis report.

12 Identifying and quantification of direct,

13 indirect, and induced economic contributions of the

14 dairy quota payments was accomplished by analyzing the

15 most recently available Dairy Quota Premium less

16 Regional Quota Adjusters, paren, from calendar year

17 2014, footnote 13.

18 Again, it's monthly totals from January 2009

19 from July 2015 were provided by the California

20 Department of Food and Agriculture, Dairy Marketing

21 Branch. However, for purposes of this analysis, I

22 relied upon data from calendar year 2014, being the most

23 recent period available.

24 Let me continue there, I -- let me start on

25 that -- that paragraph again because it continues.

1   Identification and, again, quantification of

2   direct, indirect, and induced economic contributions of

3   dairy quota payments was accomplished by analyzing the

4   most recently available Dairy -- Dairy Quota Premium

5   less Regional Quota Adjusters, again, paren, from

6   calendar year 2014, close paren, and applying that data

7   to the appropriate economic input-output model. The

8   model utilized in this study is called Impact Analysis

9   for Planning, paren, IMPLAN, close paren.

10   IMPLAN is spelled I-M-P-L-A-N. That's all in

11   capital letters. Economic input-output models like

12   IMPLAN are the primary tool to measure the total

13   economic impact of a policy or event, in this case the

14   annual payment of a dairy quota. The theory behind

15   economic impact analysis is that the total economic

16   impact of an existing entity within a geographic region

17   is not merely limited to the number of employees that

18   the entity hires or lays off, the payroll associated

19   with these employees, or the operational or capital

20   expenditures it annually makes. The total economic

21   impact also includes additional multiplicative impacts.

22   Additional impacts occur as the entity foregoes spending

23   money on goods and services as the wages of their

24   employees find their way through the local and regional

25   economy or conversely as an entity fails to spend and

1 the impact that this lack of spending has upon the

2 economy.

3   Input-output accounting describes commodity

4 flows from producers to intermediate and final

5 consumers. Excuse me. The total industry purchases of

6 commodities, services, employment compensation, value

7 added, and imports are equal to the value of the

8 commodities produced. Purchases for the final use,

9 paren, final demand, close paren, drive the IMPLAN

10 model. Industries produced goods and services for the

11 final demand and purchased goods and services from other

12 producers. These other producers in turn purchase goods

13 and services. This buying of goods and services, paren,

14 indirect purchases, close paren, continues until

15 leakages from the region, paren, imports and value

16 added, close paren, stop the cycle. Moreover, any

17 direct expenditure associated with an entity will have

18 ripple effects through the economy. In other words,

19 each dollar of direct expenditure generates more than

20 one dollar in the economy, thus the resulting multiplier

21 effect.

22   For purposes of this analysis, direct --

23 direct impacts on the -- are the direct result of dairy

24 expenditures as a result of dairy quota payments. Their

25 indirect payments are generated from expenditures of the

2266

BARKLEY
Court Reporters

1   person who benefit from the direct impacts, paren,

2   suppliers, contractors, service providers to the

3   dairies, et cetera -- et cetera, close paren. The

4   induced impacts are the result of increased household

5   income and related spending which is driven by the

6   direct and indirect impacts. From these inputs, the

7   IMPLAN model was used to calculate direct, indirect, and

8   induced changes to employment, gross domestic product,

9   paren, output, close paren, and state and local tax

10 revenues. I measured all of these impacts based upon

11 their economic gains to the various dairy-producing

12 counties and regions of California. Additionally, I

13 have analyzed economic -- economic impacts of the

14 California Quota Dairy Program upon the entire state of

15 California. The following Table 6 summarizes my

16 findings.

17   DIRECT EXAMINATION

18 BY MS. OLIVER THOMPSON:

19   Q.   Okay. So now we're into this Table 6, which

20 for those with the exhibit starts on page 18 and spills

21 over onto page 19. And is this a table that you

22 prepared, Mr. Hatamiya?

23   A.   Yes, it is. It's a table I prepared utilizing

24 the IMPLAN calculator model.

25   Q.   Okay. If you could just walk us through this.

2267

1   A.   I would be pleased to do that.

2   Again, Table 6 is entitled, "Economic Impact

3   of Annual Return on Dairy Quota Investments for

4   California and the Various Counties, the year 2014."

5   Again --

6   JUDGE CLIFTON: Let me stop you.

7   THE WITNESS: Yes, Your Honor.

8   JUDGE CLIFTON: This is an important part of

9   your testimony. I want all of us to at least stand and

10   take a little stretch break.

11   THE WITNESS: Please.

12   JUDGE CLIFTON: It's -- it's now 12:03. We

13   can take a longer break than five minutes if anybody

14   needs it. I'm thinking about five minutes would work.

15   Okay? Let's just take about five minutes. Please, be

16   back and ready to go at 12:09.

17   (Whereupon a break was taken.)

18   JUDGE CLIFTON: We are back on record now.

19   It's 12:09.

20   Mr. Hatamiya, you may resume. Would you start

21   over again at the bottom of page 18, just talking about

22   what the table title is?

23   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

24   THE WITNESS: Yes. As I started, Table 6 is

25   entitled "Economic Impact of Annual Return on Dairy

2268

```
 1   Quota Investments for California in the Various

 2   Counties, 2014."

 3                   DIRECT EXAMINATION

 4   BY MS. OLIVER THOMPSON:

 5        Q.   Okay.  And, Mr. Hatamiya, I think before we

 6   took a break, you were going to also walk us through

 7   this Table 6.

 8        A.   Yes.  And I apologize for the small nature of

 9   these numbers.  I wanted to make sure that they were all

10   put into one table, so I'm going to take my glasses off

11   so I can actually read them.

12             Again, the first column is the region, and

13   that includes the state of California and all the

14   various counties, again, ranked by the size of their

15   quota ownership.

16             Second column -- column is the Annual Return

17   on Quota Investment.  That comes from Table 5.

18             Third column is output, gross domestic

19   product.

20             And, again, 14, that comes from the IMPLAN

21   model, and if I can read in my footnote for 14, Output

22   represents the value of industry production.  In IMPLAN

23   these are annual production estimates for the year of

24   the data set and are in producer prices.  For

25   manufacturers this would be sales plus slash minus
```

2269

BARKLEY
Court Reporters

1 change in inventory. For service sectors, production

2 equals sales. For retail and wholesale trade, output

3 equals gross margin and not gross sales. More

4 generally, Output is also considered in real terms, I

5 think most people know it as Gross Domestic Product.

6   The fourth -- fourth column here is

7 employment, another number generated by the IMPLAN

8 calculations.

9   The fifth column is state and local taxes,

10 again generated by the IMPLAN model.

11   The sixth column federal taxes, generated by

12 the IMPLAN model.

13   And then the last two are the -- the various

14 multipliers, output GDP multiplier and employment

15 multiplier.

16   And if you go down each one of the lists, you

17 see, again, the total annual investment. Let's take the

18 first line, California. The 139,358,870 quota

19 investment for 2014 resulted in $278,901,240 of

20 additional state output. And, you know, I'll get to

21 that in the rest of my -- my testimony. But hopefully

22 this is self-explanatory from there.

23   Q.   Right. So the first row shows the numbers for

24 California as a whole, and then the following rows,

25 it's -- it's separated by county?

1   A.   That's correct.

2   Q.   Okay. And --

3   A.   And they're not additive, by the way. The

4   state entitles every -- there's not dairy production in

5   every county, so, again, I just handled the ones that

6   there are dairy production, but California -- there's an

7   impact upon California generally, and so that's why

8   there are more numbers of employment of -- of greater

9   output.

10   Q.   Okay. Thank you.

11   I believe as you go on in your testimony, you

12   provide more explanation regarding this table --

13   A.   Yes.

14   Q.   -- and your findings?

15   A.   Yes, if I could continue.

16   Q.   Please do.

17   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

18   A.   The Total Annual Return on Quota Investment to

19   dairy farmers across California for 2014 of $139,358,870

20   has a dramatic impact upon the state's economy. The

21   cumulative effect of that expenditure alone results in

22    $278,901,240 to the state's Gross Domestic Product. So

23   essentially there's a multiplier in effect here.

24   Moreover, just dairy quota payments alone, and let me

25   emphasize that, just dairy quota payments alone result

                        2271

BARKLEY
Court Reporters

```
 1    in the creation of 1,269 jobs with over 11 million added

 2    to local and state coffers, and over $16.7 million paid

 3    to the federal government.

 4              MS. OLIVER THOMPSON:  And those millions are

 5    dollars?

 6              THE WITNESS:  Yes, I'm sorry I didn't say

 7    that.  For the counties, that's exactly -- $11 million.

 8              MS. OLIVER THOMPSON:  Thank you.

 9              THE WITNESS:  Simply put, for every dollar of

10    return on quota investment in California, another 2

11    dollar -- $2 is added to the total GDP, paren,

12    multiplier of 1.98, close paren.  In addition, for every

13    job created by quota investment return, another 2.5 jobs

14    are created across the state.  Dairy quota payments also

15    add significantly -- significantly to the state, local,

16    and federal tax base.

17              The economic impact of total annual quota

18    payments is no less significant to individual counties

19    in regions across California.  For example, the dairy

20    quota owners in Tulare County, paren, approximately 42

21    dairies, close paren, in 15, footnote 15, I derived --

22    this number was derived from previous calculation of

23    total milk production covered by quota, 14.8%, and the

24    number of total dairies in -- in Tulare County, 281, as

25    reported by CDFA in California Dairy Statistics Annual,
```

2272

BARKLEY
Court Reporters

1   2014 Annual Data. So that's how I came up with that

2   number.

3   Particular -- let me start that sentence

4   again.

5   For example, the dairy quota owners in Tulare

6   County, paren, approximately 42 dairies, close paren,

7   add solely from their annual quota payments, and, again,

8   I emphasize solely from their annual quota payments,

9   nothing else, over $34 million to the counties GDP, 149

10   additional jobs, and over 1.1 million to local and state

11   tax revenues, and nearly $2 million -- I'm sorry --

12   $1.1 million to total -- to local and state tax

13   revenues, and nearly $2 million to the federal

14   government. A smaller producing county with a higher

15   percentage of quota ownership, and this example is

16   Marin, paren, with 63% quota ownership equaling

17   approximately 16 dairies, close paren, adds over

18   1.8 million to the counties GDP, ten additional jobs,

19   over 64,000 to the local and state governments, and

20   11 -- $112,800 to the federal government. By every

21   measure, California's Dairy Quota Program has a positive

22   impact upon the state and local economies.

23   "Subsection B. Impact of Changing the

24   California Quota Program via the Federal Regulatory

25   Process and the Conversion to a Federal Milk Marketing

BARKLEY
Court Reporters

```
 1   Order," paren, "FMMO," close paren.

 2            Based upon my economic valuation and economic

 3   impact analysis to the California Dairy Quota Program as

 4   I have just presented, I submit the following

 5   observations on the potential impact of changing the

 6   Quota Program.

 7            MR. ENGLISH:  Your Honor, I'd object to the

 8   inclusion of the clause, as you're going to have a

 9   second part, but the -- what's following here with

10   respect to a legal conclusion, and I reserve my rights.

11            JUDGE CLIFTON:  Thank you, Mr. English.  Your

12   objection is noted.

13            And, Mr. Hatamiya, you may resume.  Please

14   start again --

15            THE WITNESS:  With that paragraph?

16            JUDGE CLIFTON:  Yes, please.

17            THE WITNESS:  Yes, Your Honor.

18            Again, based upon my economic valuation and

19   economic impact analysis of the California Dairy Quota

20   Program as I have just presented, I submit the following

21   observations on the potential impact of changing the

22   quota program.

23            1.  To the extent that the FMMO maintains the

24   current -- current quota system and it recognizes its

25   full value as directed by Congressional language, dairy
```

1 quota ownership continues to have the same significant

2 and positive role in the California dairy farm economy.

3   2. Any tinkering with the quota terms will

4 create regulatory uncertainty which will diminish the

5 economic value of quota, thereby eroding the invaluable

6 financial investments that dairy farmers across the

7 state have previously made.

8   And 3. To the extent that any regulatory

9 action would threaten the value of quota or directly

10 diminish its value, it would be materially disruptive to

11 the individual quota owners and to the producer side of

12 the industry more broadly. Writing off over $1.16

13 billion in quota value would be disastrous not -- for

14 not only the individual dairy farmer, but also to the

15 state and local economies.

16   Now I'll move to, again, Roman Numeral V,

17 "Section V. Comparative Analysis of Quota between the

18 FMMO Proposals."

19   Once again, based upon my economic valuation

20 and economic impact analysis of the California Dairy

21 Quota Program as well as my review and analysis of the

22 Agricultural Marketing Service's Preliminary Economic

23 Impact Analysis, I submit the following comparative

24 observations between FMMO Proposals:

25   A. The Dairy Institute's Proposal does not

BARKLEY
Court Reporters

1 recognize the economic value of quota, but quickly

2 diminishes the economic and financial value to the dairy

3 farmer, wreaking substantial economic losses and

4 financial harm.

5 　　　　To determine that the Dairy Institute's FMMO

6 proposal does not recognize the economic value of quota,

7 I need not go further than AMS' Preliminary Economic

8 Impact Analysis, which clearly states -- and, again, I

9 footnote 16, quote, "Preliminary Regulatory Impact

10 Analysis Proposals to establish a California FMMO,"

11 close quote, page 21, United States Department of

12 Agriculture, Agricultural Marketing Service, Dairy

13 Division, August 2015.

14 　　　　And again -- again, clearly states --

15 　　　　MS. OLIVER THOMPSON: We're leading into a big

16 quote --

17 　　　　THE WITNESS: Into a big quote.

18 　　　　MS. OLIVER THOMPSON: -- so if you could

19 indicate when you've reached the end of --

20 　　　　THE WITNESS: Yes.

21 　　　　MS. OLIVER THOMPSON: -- that quote.

22 　　　　THE WITNESS: Beginning quote, "Under the

23 Institutes' proposal, the CDFA administered quota

24 program would continue to exist, although participation

25 would be optional.

BARKLEY
Court Reporters

1   "In order to determine the potential impact of

2   optional quota program participation under the

3   Institute's proposal, the volume of milk that would

4   potentially not participate in the California quota

5   program, and the point at which the decision would be

6   made to participate had to be determined. To do so,

7   this analysis relies on current CDFA quota ownership

8   data, California FMMO blend prices forecasted starting

9   in 2017, the California quota price and the California

10   overbase price. The analysis assumes that quota holders

11   will compare their weighted quota blend price against

12   the California FMMO blend price and will choose to

13   receive whichever is higher.

14   "Since the California FMMO blend price would

15   be higher than the weighted quota blend price, if a

16   producer only owns small amounts of quota, they would

17   most likely choose not to participate in the quota pool.

18   Under the" -- and I put in parens, "Dairy Institute's,"

19   close parens, "proposal, the decision would be

20   irrevocable. As more quota holders currently exit, the

21   value of the quota pool decreases lending to larger

22   quota holders choosing the California FMMO blend price

23   over their weighted quota blend price.

24   "The analysis observed that after the 1st

25   decision point," paren, "which would be considered one

2277

BARKLEY
Court Reporters

month," close paren, "quota holders -- holders with less

than or equal to 25% of their production under quota

will choose the California FMMO blend. After the 2nd

decision point, quota holders with less than or equal to

85 percent of their production under quota will choose

the California FMMO blend. After the 3rd decision

point, the analysis predicts that all California

producers would choose the California FMMO blend price

over the weighted quota blend price," end quote.

     Again, I'm quoting directly from AMS' impact

study.

               DIRECT EXAMINATION

BY MS. OLIVER THOMPSON:

    Q.   Thank you.

     Now, in addition to reviewing that Preliminary

Impact Analysis regarding the Dairy Institute's proposed

quota program, did you also perform some analysis of the

proposed proposal?

    A.   Yes, I did. I tried to -- I couldn't

duplicate completely AMS' analysis because I didn't have

access to forecasted prices, but I did set up an example

and went through it and came up with essentially the

same results that AMS came up with.

    Q.   Okay.

     MS. OLIVER THOMPSON: So I'd like to mark

2278

BARKLEY
Court Reporters

```
 1   another exhibit, Your Honor.

 2             JUDGE CLIFTON:  Yes.

 3             MR. HILL:  I believe we are at Exhibit 55.

 4             MS. FRISIUS:  That's correct.

 5             JUDGE CLIFTON:  Yes.  We'll mark this Exhibit

 6   as Exhibit 55, F -- excuse me, 55.

 7             (Whereupon Exhibit 55 was marked for

 8             identification.)

 9             JUDGE CLIFTON:  And for the court reporter and

10   the judge.

11             MS. OLIVER THOMPSON:  Oh, Your Honor, I handed

12   you one.

13             JUDGE CLIFTON:  I've already got one.

14             Does the court reporter have one?

15             We've already got ours, thank you.

16             MS. OLIVER THOMPSON:  May I proceed?

17             JUDGE CLIFTON:  If you -- if you do not yet

18   have a copy of Exhibit 55, would you raise your hand?

19             Everyone has one, and there are extras.

20             Continue.

21             MS. OLIVER THOMPSON:  Thank you.

22   BY MS. OLIVER THOMPSON:

23       Q.   Now, Mr. Hatamiya, you have in front of you

24   what's been marked as Exhibit 55, and is this the

25   analysis of the Dairy Institute's proposed quota program
```

2279

1 that you were just discussing?

2   A.   Yeah, yes, it is. I prepared this attached

3 flow chart trying to match completely my understanding

4 of what their proposal outlines in terms of the quota

5 program.

6   Q.   Okay. And -- and in doing that, you've kind

7 of plugged in some hypothetical numbers in order to --

8 to show how it would work?

9   A.   I did. In order to simplify this, if I would

10 walk -- maybe walk us through this so you can follow,

11 and -- and I -- again, I think it reflects what AMS came

12 up with their own analysis.

13   In month one, let's just say, for example,

14 there's $100 in the overall blend pool, just for

15 simplification matters, and there's dairy farmers each

16 with a hundredweight of production at $10 per

17 hundredweight.

18   And reflecting what's the reality, about

19 40 percent of farms don't own quota and 60 percent that

20 do, I have four farmers with no quota; one farmer with

21 100% quota; one farmer with 90% quota; one farmer with

22 85% quota; one farmer with 75; one with 50; and one with

23 25. Again, it could have been any numbers, but it was

24 just a spread that I chose. So there's six farmers with

25 quota, four with none.

1   So then you go down to the next -- next step

2   in the flow chart. Four farmers with no quota obviously

3   will opt out and will receive $40 out of the pool

4   immediately. So there's $60 remaining in that $100,

5   which now the quota pool. And assuming that the $1.70 a

6   hundredweight quota premium that exists by law, the

7   first farmer with a hundred percent gets $1.70.

8   And you add that to 90%, the farmer with 90%

9   gets $1.53. $1.53 is 90 percent of $1.70.

10   Farmer with are 85% gets $1.45. Again, 85% of

11    $1.70 is $1.45 and so on.

12   And if you go through all six farmers, they

13   receive a total of $7.24. So you -- you subtract that

14   from the $60 that's left in the quota pool, and you get

15   a total of 52.76, $52.76. Divide that by the six number

16   of dairy farmers with quota, and it's 8.79 per

17   hundredweight that's left.

18   So in order to get what price the farmer would

19   get during this first decision period, I just added

20   their quota premium plus that 8.79. The farmer with

21   100% gets 10.49. The farmer with 90% gets 10.32. The

22   farmer with 85% gets 10.24. The farmer with 75% gets

23    $10.07. And then the farmers 50 and 25 get less that

24   the $10, they get 9.64 and 9.22.

25   So then you head into the second month, and as

1 you see, the four farmers who opted out will remain

2 opted out. The two farmers that drop below that $10

3 price, the 50% and 25% decide to opt out as well. So

4 now you have six farmers in that blend pool, so they

5 receive $60 off the top. So there's $40 remaining in

6 the quota pool in the second month.

7   Again, the farmer with -- we go through the

8 same calculation, farmer with a 100% gets $1.70, farmer

9 with 90 gets $1.53, on down. And that totals 5.96.

10 Those are the farmers down through 75 percent.

11          $40, the total in the quota pool, minus the

12 5.96 equals 34.04. Divide that by four gets you a price

13 of $8.51.

14   You add that to the -- the quota premium. The

15 farmer with 100% gets 10.21. The farmer with 90% gets

16 10.04, and the two farmers, 85 and 75, get less than

17 ten, they get 9.96 and 9.79.

18   So we move to the third month. The six

19 farmers who already opted out who joined by the two

20 farmers that dropped under $10, so now you have eight

21 farmers in the blend pool that receive 80. And this

22 goes on again, there's 20 remaining in the quota pool,

23 and with 100% gets $1.70, the dollar gets $1.53. As it

24 turns out, the only one that benefits from joining that

25 opting in is the farmer with 100%, and the 90% loses --

BARKLEY
Court Reporters

1 falls under 10.

2   So by the fourth month, again, as the AMS, and

3 I think it's the third decision point as AMS has noted

4 it, all farmers will opt out because you can do no

5 better than $10, so that's my month four.

6   So hopefully you can follow the -- the

7 progression that I've outlined. I tried to make it as

8 simple as possible so you could follow through with what

9 was happening to quota and how people decide to opt out

10 and opt in.

11   Q.   Okay. Thank you.

12   And so the bottom line of your illustration

13 here is that by -- by the fourth month, it would -- it

14 would appear that all quota owners would have opted out

15 of the program?

16   A.   At least by the fourth month. It could be

17 sooner. Some of the smaller quota owners in the first

18 month may decide to opt out if -- you know, they -- they

19 do the calculations, they know how the market works, so

20 they may opt out. And I think AMS' analysis reflected

21 that, too, the smaller percentage owners would

22 potentially opt out immediately. So this is the -- at

23 the -- at the outside would be four months, it could be

24 even shorter.

25   Q.   Okay. Thank you. I think we left off in your

BARKLEY
Court Reporters

1 testimony on the paragraph just above Subsection B.

2   STATEMENT OF LON HATAMIYA, MBA, JD (CONT.)

3   A.   Let me continue that, it's ending my analysis.

4   Again, repeating, as the AMS analysis

5 undoubtedly predicts, the Dairy Institute's proposal

6 would quickly diminish, then complete destroy the quota

7 program and its long-held value. Within the short

8 period of time, dairy farmers with quota ownership would

9 experience massive write-offs not only on their balance

10 sheets, but would sustain disastrous losses to their

11 invaluable investment. The devaluation and ultimate

12 elimination of their liquid asset would have negative

13 impacts upon lending decisions, their access to capital,

14 and their ability to purchase inputs for production,

15 such as feed, labor, energy, and water. As I stated

16 before, writing off over $1.16 billion in quota value

17 would be disastrous not only for the individual dairy

18 farmer, but also to the state and local economies. This

19 is not a recognition of the value of quota, but simply a

20 repudiation of any value.

21   Let me turn to "Section B. The Cooperative's

22 Proposal fully honors the authorizing Congressional

23 legislation to," quote, "recognize quota value," end

24 quote.

25   In stark contrast, the proposal submitted by

1 the California Dairies, Incorporated, Dairy Farmers of

2 America, and Land O'Lakes, fully recognizes the history

3 of quota, the financial investment made -- made by dairy

4 producers in quota --

5   MR. ENGLISH: Your Honor, I object to any

6 language following the comma that he's about to read for

7 the same reason, that it is a legal conclusion,

8 impermissible, and should not be in the record, and

9 again, I preserve my rights to argue and allow the

10 statement to continue.

11   JUDGE CLIFTON: Thank you, Mr. English. Your

12 objection is noted.

13   Pick up where you left off, please,

14 Mr. Hatamiya.

15   THE WITNESS: Thank you, Your Honor.

16   And the federal directive to preserve

17 California quota's program. Therefore, the Cooperatives

18 propose that the quota program be left intact without

19 significant modifications and continue to be

20 administered by the California Department of Food and

21 Agriculture through a memorandum of understanding with

22 the United States Department of Agriculture.

23   The Cooperative's FMMO proposal recognizes

24 that the significant value that California dairy farmers

25 have invested in their quota ownership over the years.

2285

BARKLEY
Court Reporters

1   Over 800 dairy farmers from across the state own over

 2   $1.16 billion in quota value that benefits their

 3   operations and contributes to overall state and local

 4   economies.

 5   MR. ENGLISH: Your Honor. Again, I object to

 6   the following sentence and the first word of the

 7   following sentence after that full, which tends to

 8   interpret the statute and is impressible legal

 9   conclusion, and I move to strike and reserve my rights

10   to discuss it after the statement.

11   JUDGE CLIFTON: Thank you, Mr. English. Your

12   objection is noted.

13   Mr. Hatamiya, you may resume.

14   THE WITNESS: Thank you, Your Honor.

15   Moreover, the Coops' FMMO proposal fully

16   honors the authorizing Congressional legislation by

17   maintaining the status quo in the California Dairy Quota

18   Program. Full quota value can only be recognized with

19   this approach.

20   Roman Numeral IV in the conclusion.

21   The dairy industry is an important and vital

22   contributor to the agricultural and overall economy of

23   the great state of California. As my economic analysis

24   of the California Dairy Quota Program Has shown, quota

25   ownership is an invaluable, liquid asset that is a

1	long-term financial investment in the viability of the
2	California dairy industry. Not only has quota ownership
3	allowed dairy farmers to continue in the dairy business
4	and survive in an increasingly competitive global
5	marketplace, but annual return on quota ownership
6	investment has also related in positive economic impacts
7	and contributions to the state and local economies due
8	to the increases to the GDP, job creation, and tax
9	revenue generation.
10	And that concludes my statement.
11	MS. OLIVER THOMPSON: Thank you, Mr. Hatamiya.
12	Your Honor, we tender Mr. Hatamiya as an
13	expert witness in economic analysis and valuation, both
14	general and in agriculture. As demonstrated in his
15	testimony and in his supporting CV attached to his
16	written statement, he's well qualified to testify as an
17	expert in this area. He has extensive relevant
18	experience in both economics and agriculture, including
19	both through his educational background with the BA in
20	economics and an MBA, and his professional experience,
21	including both his public service with the USDA, as an
22	Administrator of AMS, and the Administrator of Foreign
23	Agricultural Service, plus his service with the State of
24	California as the Secretary of Technology, Trade, and
25	Commerce Agency, plus his professional experience in the

2287

```
 1   private sector as a consulting economist in many areas

 2   as described more fully in his testimony and his CV.

 3   I'm happy to speak more on that as necessary, but for

 4   now we tender him as an expert.

 5              JUDGE CLIFTON:  Let me read back to you what I

 6   think you asked that he be found to be expert in.

 7   Economic analysis and evaluation, both in agriculture

 8   and generally.

 9              MS. OLIVER THOMPSON:  That's right, although I

10   said valuation not evaluation.

11              JUDGE CLIFTON:  Thank you.

12              MS. OLIVER THOMPSON:  Yes.

13              JUDGE CLIFTON:  Economic analysis and

14   valuation, both in agriculture and generally.

15              MS. OLIVER THOMPSON:  That's correct,

16   Your Honor.

17              JUDGE CLIFTON:  Is there anyone who would like

18   to question Dr. Hatamiya before determining whether you

19   object to his being qualified as an expert as stated.

20              Mr. Vetne, you may go first.

21              MR. VETNE:  Actually, Your Honor, I raised my

22   hand not to respond to the invitation you just

23   presented, but a more fundamental and practical

24   logistical problem that I find, and here it is:  The --

25   the last two exhibits have pretty colors and -- and
```

2288

BARKLEY
Court Reporters

```
 1   highlights which will not reproduce in most copying

 2   machines and will be found to be less useless when --

 3   when USDA eventually copies and posts, or when the media

 4   copies and posts.  So my question is to Mr. Hatamiya, as

 5   well as counsel for the proponents, Cooperatives, can we

 6   get these two exhibits in pure black and white format,

 7   number one?  And number two, frosting on the cake would

 8   be can we get a PDF version in black and white?  Thank

 9   you.

10            JUDGE CLIFTON:  Let's -- let's deal with that

11   issue first because that's miniscule compared with the

12   other issue.

13            I'd just like to note that it's a pleasure to

14   see the color.  I think PDF's, I don't know, they can be

15   in color.  The only part that I have trouble with is on

16   page two, the yellow doesn't show up well enough to

17   read, but I think that could be easily remedied just by,

18   I don't know exactly how, but -- so any response to what

19   Mr. Vetne said?

20            MS. OLIVER THOMPSON:  Well, Your Honor, like

21   you, we also thought the colors were very nice and --

22   and assisted in the -- in the presentation, but I don't

23   think we have a problem with reproducing it in black and

24   white.  Or perhaps we could change the color of those

25   lighter links so that they can be copied more readily
```

2289

```
 1   into black and white and not be lost.

 2             MR. VETNE:  I'm sorry to approach when you're

 3   on the podium.

 4             Especially the first page, Your Honor.  Any

 5   place where there are -- there's white typewriting with

 6   a pastel background will not reproduce, such as page 15,

 7   the counties, and the common headings.  I don't think

 8   that will produce on most copiers, and when you go

 9   around to reproducing it and then postering it, it will

10   be invisible, and I don't think this testimony, this --

11   this exhibit ought to be presented to the public in

12   invisible ink.

13             MS. OLIVER THOMPSON:  Well, we're certainly

14   not trying to hide anything.

15             MR. VETNE:  Wait a minute --

16             MS. OLIVER THOMPSON:  Well, you're right.

17             MR. VETNE:  -- Chip has another point of view.

18             THE WITNESS:  Mr. English may have a different

19   point of view.

20             MS. OLIVER THOMPSON:  I'm sure he does.

21             THE WITNESS:  Can I address that issue?

22             Your Honor, it's very simple to convert this

23   to a black and white document, all of this document, I

24   can easily do that, and we can easily --

25             MS. OLIVER THOMPSON:  We can -- we can work on
```

BARKLEY
Court Reporters

1 providing a copy -- a version that can be copied more

2 readily, that's fine.

3   JUDGE CLIFTON: All right.

4   Let me persist in calling Exhibit 54 and the

5 other one Exhibit 55, and ask that the black and whites

6 be provided to us as Exhibit 54A and Exhibit 55A. Those

7 will be the black and white versions.

8   MS. OLIVER THOMPSON: Yes, Your Honor.

9   JUDGE CLIFTON: All right.

10   Thank you, Mr. Vetne.

11   That part was so readily solved, and I

12 appreciate very much your cooperation in doing that.

13   Now, with regard to whether anyone would like

14 to question Mr. Hatamiya before determining whether to

15 object to my considering him as an expert in economic

16 analysis and valuation, both in agriculture and

17 generally.

18   MS. OLIVER THOMPSON: Your Honor, I -- just

19 before we go forward, I don't know how long Mr. English

20 has in terms of questions, but it is 12:40, so I don't

21 know if --

22   MR. ENGLISH: I have -- I have -- for the

23 convenience of you and the witness, I'll do what you

24 want. And the judge, however you want to proceed.

25   MS. OLIVER THOMPSON: It really comes down to

```
 1   how many questions you have.

 2              MR. ENGLISH:  I think it might be, an example,

 3   we're having lunch, questions could be few after I

 4   consult with my people, but they might not be.

 5              MR. VETNE:  They also might be longer.

 6              MS. OLIVER THOMPSON:  That's the first time

 7   you've said that.

 8              I'd be happy with taking a lunch break now, if

 9   that works for everyone else.

10              JUDGE CLIFTON:  Great.  All right.  It's

11   12:42.  Please be back and ready to go at 2:00 p.m.

12              (Whereupon a lunch break was taken.)

13              JUDGE CLIFTON:  We're back on record at 2:05.

14              Let's see, we're about to have Mr. English

15   question the witness.

16              MR. ENGLISH:  Voir dire.

17              JUDGE CLIFTON:  You may do so.

18              MR. ENGLISH:  Chip English.  And to be clear,

19   Your Honor, this is voir dire, not questions on the

20   substance.

21                    VOIR DIRE EXAMINATION

22   BY MR. ENGLISH:

23      Q.   Good afternoon, Mr. Hatamiya.

24      A.   Good afternoon, Mr. English.

25      Q.   So going to -- I'm going to spend most of my
```

2292

```
 1   time on your curriculum vitae, which is attached to --

 2   is a part of Exhibit 54, so if you could go to that

 3   please, and let's start on page one.

 4            And partly for clarity of the record and

 5   otherwise, I do want to go over the professional history

 6   for which there are no dates, so I want to start, you

 7   were attorney at Orrick, Herrington, but before that you

 8   were a Marketing Analyst for Sony and a Purchasing

 9   Manager at Proctor and Gamble Company, and you also went

10   to law school.  So I guess what I want to start is were

11   you a Marketing Analyst at Sony and a Purchasing Manager

12   at Procter and Gamble prior to going to law school?

13       A.   That -- that's correct.

14            JUDGE CLIFTON:  And for the transcript, all

15   these names are on page 1 of the curriculum vitae, which

16   is attached at the end of Exhibit 54.

17            MR. ENGLISH:  Thank you, Your Honor.

18            THE WITNESS:  And, Mr. English, further

19   clarification, I was in the joint JD/MBA program at

20   UCLA, so I was getting my master's in business

21   administration as well as my law degree.

22   BY MR. ENGLISH:

23       Q.   I see that now.  I -- I get that.  Thank you,

24   that helps.

25            So let's -- let's go back, then, to the
```

2293

```
 1   education, and you got your BA in economics at Harvard

 2   University.  For a Bachelor of Arts, did you specialize

 3   in any particular subject of economics?

 4        A.   No, it was general economics, some

 5   developmental economics.  I think I took the only

 6   agricultural economics class that they had at Harvard at

 7   the time.

 8        Q.   They had an aggie-con program?

 9        A.   They did have an aggie-con class.

10        Q.   I hesitate to ask who taught it.

11             MR. SCHIEK:  Ray Goldberg?

12             THE WITNESS:  That's right, Ray Goldberg.  You

13   got it.

14   BY MR. ENGLISH:

15        Q.   See, I always learn something at a dairy

16   hearing.  I didn't know that Harvard had an ag program.

17             You didn't -- you didn't attend the University

18   of Virginia, the other University of Virginia?

19        A.   There's another university in Virginia?

20        Q.   Right answer.

21             For your Bachelor of Arts in Economics, did

22   you take any classes in valuation?

23        A.   In valuation?  I took accounting classes.  I

24   took macro economics and micro economic classes that all

25   related to valuation.
```

2294

1   Q.   In the joint MBA/JD program, did you take

2   economic classes?

3   A.   Yes, I did.

4   Q.   Do you remember which ones?

5   A.   Again, those were all related to financial

6   economics, micro economics, macro economics with some

7   consideration of valuation, again, on many different

8   areas. Also, finance classes that related to valuation

9   as well.

10   Q.   Did you say they offer a program in ag -- ag

11   economics?

12   A.   They did not, unfortunately.

13   Q.   Since obtaining your joint MBA and JD degree,

14   have you taken any other classes in economics?

15   A.   No, I have not.

16   Q.   Since your joint MBA and JD degree, have you

17   taken any other classes in valuation?

18   A.   I've -- I believe I've taken some courses in

19   valuation over that time as I have been consulting for

20   the last 11 years, I -- and I can't recall off the top

21   of my head, I think they were related to university

22   level areas.

23   Q.   What do you mean "university level areas"?

24   A.   You know, again, I can't remember exactly, but

25   they were related seminars on valuation.

                         2295

1   And to clarify, most of my valuation

2   experience has not only come from my academic experience

3   but from my professional experience. I'm glad to expand

4   upon that if you like.

5   Q.   We'll get there.

6   So after your joint MBA/JD, you were an

7   attorney for was it four years at Orrick, Herrington?

8   A.   No, I was only at Orrick, Herrington for a

9   couple years --

10   Q.   Couple of years.

11   A.   -- before I went back to my family farming

12   business.

13   Q.   And at some point in time, perhaps for

14   administrative convenience or maybe even avoid the

15   wonderful part of continuing legal education, did you

16   allow your bar membership to become inactive?

17   A.   That's correct.

18   Q.   Back in 1993?

19   A.   I think that's about right.

20   Q.   Okay.

21   A.   And you hit it right on the head, it's the

22   continuing education I didn't want to continue with.

23   Q.   Many of us, we enjoy that opportunity.

24   A.   I would imagine you would, Mr. English.

25   Q.   So you were -- you were at Orrick for a couple

1 years, and then yes, as you indicated in your testimony,

2 you went back to assist with the family farm?

3   A.   That's correct.

4   Q.   Did you during that time also found -- was

5 that also when BHP Associates with founded?

6   A.   Yes, that was corresponding to my -- BHP was

7 a -- also kind of an economics firm, consulting -- more

8 of a management consulting firm in Sacramento, but that

9 overlapped with my activity with my family farm.

10   Q.   So, yeah, on page two of your CV, you call BHP

11 an international management consulting firm.

12   A.   That's correct.

13   Q.   But you're saying it also did economics?

14   A.   Yeah, we did a little economics. My partners

15 are both economists as well.

16   Q.   So it was your patterns who did the economics?

17   A.   I was also engaged with economics as well.

18   Q.   And then you were appointed and confirmed in

19 the position of Administrator by Agricultural Marketing

20 Service; is that correct?

21   A.   That's correct, in 1993 I believe it was.

22   Q.   And you were in that position from 1993 until?

23   A.   The end of 1997. I think, I believe that I'm

24 the longest-serving AMS administrator in the last 40

25 years.

1   Q.   There's nothing I can say.

2   And then you moved over, so to speak, to a

3   similar position at the Foreign Ag Service?

4   A.   That's correct, where I spent about almost two

5   years.

6   Q.   When you say almost two years, is it sort of

7   then you left in 1999?

8   A.   I -- I came back to California, I was

9   appointed by Governor Gray Davis to become the Secretary

10   of the Technology, Trade and Commerce Agency of

11   California.

12   Q.   And for those of us from the Northeast, what

13   exactly is the Technology, Trade and Commerce agency.

14   A.   Well, it's similar to the Department of

15   Commerce on the federal side, so it deals with -- you're

16   working with directly with businesses across the state,

17   job creation, job development opportunities, and it

18   encompassed all sectors of -- of the economy, including

19   agriculture, but also high technology, biotechnology,

20   entertainment, tourism.

21   Q.   Not directly agriculture, but would it

22   indirectly touch agriculture?

23   A.   Absolutely indirectly touch agriculture. With

24   agriculture being, obviously, one of the largest sectors

25   in California as well as one of the largest exporting

2298

```
 1   sectors, it touched upon California, so I worked very

 2   closely with my colleague at CDFA.

 3        Q.   And so how long were you secretary of the

 4   California Technology, Trade and Commerce Agency?

 5        A.   I was there from 1999 until 2003.

 6        Q.   Was it directly after that that you became

 7   director of LECG?

 8        A.   LECG, that's right, the Law and Economics

 9   Consulting Group.

10        Q.   And how long were you at LECG?

11        A.   I think I was at LECG for two and a half,

12   three years, I can't remember the exact dates.

13        Q.   And what role did you have at LECG?

14        A.   I -- I was a director, which was a senior

15   manager at LECG, and dealing with economic analysis,

16   valuation, assisting clients as an expert witness.

17        Q.   Did you appear as an expert witness?

18        A.   I did.

19        Q.   In approximately how many matters?

20        A.   For LECG, I don't know, it was a handful of

21   matters during the two and a half years I was there.

22        Q.   What were the topics, if you can recall?

23        A.   The topics I -- I appeared in court were on

24   professional sports.  I represented the -- the Los

25   Angeles of Anaheim in their naming rights case with the
```

BARKLEY
Court Reporters

1 City of Anaheim.

2   Q.   Anything else you can recall from those two

3 and a half years?

4   A.   I did a couple of others that I can't really

5 mention because they never went to court, so they're --

6 they're --

7   Q.   Confidential?

8   A.   They're confidential, that's correct.

9   Q.   They --

10   A.   They were -- they were agriculture, a couple

11 were agriculture related, that's correct.

12   Q.   Did they involve dairy?

13   A.   They did not involve dairy. One was a cotton

14 industry issue, and I can't remember the other at this

15 time.

16   Q.   And then you went to Navigant Consulting?

17   A.   That's correct, I moved over to Navigant.

18   Q.   In what? Mid '06 or mid '05 or was it --

19   A.   It was approximately that date, I'm sorry, I

20 don't have those in front of me.

21   Q.   That's fine, I don't think we have to have

22 them.

23   A.   I was there, again, for two and a half -- I

24 was there from I think it was 2008 to the beginning of

25 2011. So mid 2008 to 2000 -- the beginning of 2011.

2300

BARKLEY
Court Reporters

```
 1        Q.    All right.  I -- I may have misunderstood or

 2   miswrote things down.  I thought you said that you

 3   left -- left the position as Secretary of California

 4   Technology, Trade and Commerce --

 5        A.    2003.

 6        Q.    2003.  And then I thought you said two and a

 7   years at LECG --

 8        A.    Yes.

 9        Q.    -- which would put --

10        A.    I was there from 2003 to 2006.

11        Q.    And then you said you -- did you start at

12   Navigant at 2008 or did you -- I'm just --

13        A.    No, it was a clear transition, so I -- no, I

14   don't have those dates in front me.

15        Q.    Okay.

16        A.    I wish I could remember exactly.  I didn't

17   bring that CV that has all the dates on it, so I

18   apologize.  But it was a clear transition.

19        Q.    Okay.

20        A.    There were no gaps in my career at that point.

21        Q.    So when did you start Hatamiya Group?

22        A.    That was at the beginning of 2011.

23        Q.    So as you testified at the beginning of this,

24   this is the first type of proceeding of this -- of this

25   kind that you've appeared at?
```

2301

A.   That's correct.

         Q.   Now --

         A.   I don't think there have been many of those

hearings over our lifetime, have there, Chip?

         Q.   More -- more than some of us would like to

say, but --

         A.   Yeah, I'm just thinking back, promulgation

hearings --

         Q.   Oh, promulgations hearings, yes, I think

you're -- you're absolutely correct, that -- that I

think there may be one person, maybe two people here in

this room who have attended a promulgation hearing

before, and I'm not one of them.

         A.   And neither am I.

         Q.   But would you also say that you've never

appeared at -- at -- at any dairy hearings before?

         A.   No, I have not.

         Q.   Now, as the Administrator of AMS, you -- you

did testify before Congress on at least a couple of

occasions with respect to farm programs and dairy,

correct?

         A.   Many times, that's correct, during my tenure

both at AMS and at FAS, at least twice a year if not

more.

         Q.   Okay. Now, I couldn't find all those

                            2302

1 transcripts, but at least in a couple of those, you

2 would appear, with among others, Keith Collins, and

3 perhaps Kent Clayton, correct?

4   A.   That's correct.

5   Q.   And would it be fair to say is that when the

6 issues got technical about dairy, you referred those

7 questions to -- to Keith Clayton -- Keith Collins?

8   A.   Not necessarily.

9   Q.   Okay.

10   A.   I think that out of my predecessors and my

11 successors, I probably had more economics background to

12 deal with a lot of the dairy issues, you would probably

13 have to ask the folks at AMS how well I understood

14 those, but I certainly was prepared to answer those as a

15 trained economist. Certainly it's helpful to have

16 Dr. Collins and Dr. Clayton along with me, but I think

17 as the transcripts probably note, I answered most of the

18 questions that were posed to AMS at that time.

19   Q.   Have you otherwise testified about dairy in

20 any way other than as an Administrator of AMS?

21   A.   Not that I can recall.

22   Q.   And to be fair, you said also when you were in

23 FAS?

24   A.   That's correct.

25   Q.   Let me turn for a few minutes to your

2303

1   "Selected Publications, Reports, and Studies," and I

2   realize it's selected, but are any of your publications,

3   reports, and studies, have they been peer reviewed?

4   A.   I believe they have. I know for the -- for --

5   for example, the first five or six of these that I list

6   on page three have been peer reviewed.

7   Q.   Can you say who reviewed them?

8   A.   They were other economists, the Contra Costa

9   Food System Analysis, there were other agricultural

10   economists that -- that took a look in our -- at my

11   work. The SACOG Regional Agricultural Infrastructure

12   Project, that's ongoing; there are ag economists

13   throughout the state that I think have looked at that as

14   well. And I know for a fact that the work that I've

15   done for Wal-Mart has been scrutinized publicly many

16   times over.

17   Q.   Since you've mentioned it, what work did you

18   do for Wal-Mart?

19   A.   I've done a number of different studies for

20   them looking at the comparative impacts of the presence

21   of their stores in various communities throughout

22   California, looking at a -- the -- the taxable retail

23   sales, retail business permits. I've done probably

24   three or four of those studies. I've also done some

25   economic impact studies and utilizing the IMPLAN model

2304

BARKLEY
Court Reporters

1 to determine what the impacts on GDP as well as -- as

2 well as employments, and the contributions to local,

3 state, and federal tax revenues.

4   MR. ENGLISH: Just give me one minute,

5 Your Honor. I don't know whether anybody has any

6 questions. I do not object, Your Honor.

7   MR. VLAHOS: I couldn't get the last part.

8   MR. ENGLISH: I do not object.

9   JUDGE CLIFTON: Does anyone object to my

10 accepting Mr. Hatamiya as an expert in economic analysis

11 and valuation, both in agriculture and generally? There

12 is no one.

13   I accept Mr. Hatamiya as an expert in economic

14 analysis and valuation, both in agriculture and

15 generally.

16   MS. OLIVER THOMPSON: Your Honor, I'd like to

17 at this time move for admission of the Exhibits, 54 and

18 55, I believe, Mr. Hatamiya's testimony and the

19 additional flow chart.

20   JUDGE CLIFTON: I'll -- I'll do them one at a

21 time.

22   Does anyone wish to question the witness about

23 Exhibit 54 before determining whether you have any

24 objection? There is no one.

25   Does anyone object to the admission into

2305

```
 1   evidence of Exhibit 54?  There is no one.

 2            Exhibit 54 is admitted into evidence.

 3            (Whereupon Exhibit 54 was admitted

 4            into evidence.)

 5            JUDGE CLIFTON:  Does anyone wish to question

 6   Mr. Hatamiya about Exhibit 55 before determining whether

 7   you have an objection?  There is no one.

 8            Is there any objection to the admission into

 9   evidence of Exhibit 55?  There is none.

10            Exhibit 55 is admitted into evidence.

11            (Whereupon Exhibit 55 was admitted

12            into evidence.)

13            MS. OLIVER THOMPSON:  Thank you, Your Honor.

14            MR. ENGLISH:  Your Honor, Chip English.  And I

15   would like now to address the issue that I reserved

16   during testimony so as to permit the testimony to be

17   given without interrupting for argument on a number of

18   occasions I objected.

19            So, Your Honor, first I would note that

20   Mr. Hatamiya was qualified as an economist, in economics

21   and valuation in agriculture and generally, and more

22   appropriate -- more appropriately, he was not qualified

23   nor would it have been appropriate to call him as an

24   expert in law.

25            JUDGE CLIFTON:  You mean because he let his
```

BARKLEY
Court Reporters

1 bar membership lapse?

2   MR. ENGLISH: No, no, because nobody -- I -- I

3 can't get on the stand and do that either, Your Honor.

4   JUDGE CLIFTON: As an expert in law?

5   MR. ENGLISH: Your Honor, the well settled law

6 is -- the well settled law is that expert testimony may

7 be admitted where it will help the trier of fact to

8 understand the evidence or determine a fact in issue.

9 And that's from the Federal Rule of Evidence 702.

10 However, when a purported expert or any witness attempts

11 to go beyond that and undertakes to tell the trier of

12 fact what the law is or what the result they must reach

13 in the law, that does not aid the trier of fact in

14 making that determination, and it rather attempts to

15 substitute an expert's judgment for the trier of fact's

16 judgment, which in this case ultimately -- well, at

17 least initially will be the agency and ultimately may be

18 yet another trier of fact.

19   JUDGE CLIFTON: Well, let -- let me stop you

20 there and ask this: Is it not helpful to the ultimately

21 trier of fact to have different people opine as to what

22 the law does or does not require?

23   MR. ENGLISH: No, Your Honor. Actually, the

24 clear law is, and I can cite cases, is that testimony on

25 legal issues is "not only superfluous but mischievous,"

1   and that quotes from the United States versus Brodie,

2   858 F.2nd 492, pin cite 497, Ninth Circuit, 1988. The

3   case was overruled on other grounds. US versus Morales,

4   108 F.3d 1031, Ninth Circuit, 1997.

5   The -- the underlying issue, Your Honor, is

6   that it is the judge's job, we actually have it in the

7   courtroom, whether it's a courtroom or whether it's

8   USDA, we already come equipped with that legal expert,

9   and it's called the judge or it's called USDA, or it's

10 ultimately called court if this case -- if this matter

11 is reviewed in a court. And it is that person's

12 province alone to make those legal determinations.

13   So going back to my very first citation,

14 Your Honor, about when an expert undertakes to describe

15 a legal issue, that cite I had was US versus Duncan, 42

16 F.3d 97, pin cite 101, Second Circuit, 1994. And also

17 in accorded, United States versus Scholl, S-C-H-O-L-L,

18 166 F.3d 964, pin cite 973, Ninth Circuit, 1999. And in

19 that case, it was determined that experts may not

20 testify about the law because the judge's special legal

21 knowledge is presumed to be sufficient.

22   In this case, I'm going to go to some very

23 specific issues as it has to deal with statutes and

24 legislative history. And the Ninth Circuit, which we

25 are in a jurisdiction where the Ninth Circuit presides,

1   Your Honor, the Ninth Circuit has said that an expert

2   may not analyze case law or legislative history in order

3   to make legal arguments about the meaning of a statute.

4   And that is G.F., Capital G period F period, Company

5   versus Pan Ocean Shipping Company, 23rd F.3d 149, pin

6   cite 1507, footnote 6, the Ninth Circuit, 1994. And

7   that's particular important because what the Ninth

8   Circuit did was it struck from the record affidavits

9   that interpreted legislative history because the

10   interpretation of legislative history is uniquely a

11   question for the court.

12   But what we can go beyond that, Your Honor,

13   and indeed, cases from the DC Circuit and Ninth Circuit

14   go to exactly what is happening here. Tracking the

15   language of the applicable statute, particularly if the

16   terms have specialized legal meaning, is one indication

17   that an expert's opinions are improper legal testimony,

18   Burkhart, B-U-R-K-H-A-R-T, versus Washington Metro Area

19   Transit Authority, 112 F.3d 1207, pin cite 1212, D.C.

20   Circuit, 1997.

21   And please also see Maffei, I'm not sure if

22   that's correct, M-A-F-F-E-I, versus Northern Insurance

23   Company of New York, 12 F.3d 892, pin cite 898 and 899,

24   Ninth Circuit, 1993. An expert declaration stating

25   under the law that vapor could constitute a hostile fire

2309

```
 1   was properly excluded as a legal conclusion.

 2             Furthermore, the word "lottery" under

 3   California law was to be determined, and in the case of

 4   Crow Tribe of Indians versus Racicot, R-A-C-I-C-O-T, 87

 5   F.3d 1039, 1045, the Ninth Circuit, 1996, held that

 6   expert testimony may not be used to determine what is

 7   defined as the term "lottery" in the statute in a

 8   contract between two native American tribes.

 9             And there's good reason why legal conclusions

10   are left to judges or the ultimate trier of fact and why

11   expert testimony on legal issues is in fact dangerous.

12   Because it can be wrong.  That's Nationwide

13   Transportation Finance, 523 F.3d at 1059, striking the

14   expert's testimony and noting a similar problem when the

15   expert's legal conclusions not only invaded the province

16   of the judge but constituted erroneous statements of

17   law.

18             Also see Torres versus County of Oakland,

19   758 F.2nd 147, Sixth Circuit, 1985, over the one problem

20   with expert -- expert testimony on legal issues occurs

21   when an expert conveys erroneous legal standards or

22   interpretations.

23             Your Honor, the Ninth Circuit strictly

24   enforces the prohibition on expert testimony.  It is

25   well known in these administrative proceedings that the
```

BARKLEY
Court Reporters

1   laws of evidence are somewhat relaxed, especially when

2   it comes to hearsay, which is why I think very early in

3   this proceedings, Your Honor, you said something could

4   go to the weight that is given, but that's not the rule

5   here, not the rule with 702, where the issue is whether

6   it can come in at all. And in all these cases, these

7   uniform cases, the testimony has to be excluded. It

8   cannot be included at all.

9   The Ninth Circuit strictly enforces that rule.

10   Aguilar, A-G-U-I-L-A-R, versus International

11   Longshoremen's Union Local #10, 966 F.2nd 443, pin cite

12   447, Ninth Circuit, 1992, striking expert testimony.

13   Going through the statute definition and dealing with

14   the reasonableness and foreseeability of the employees'

15   reliance -- reliance being a specific term within the

16   law -- on the employer's promises.

17   And I would note that this is generally

18   accepted, if you look at 31(a) Amper 2nd, Expert Opinion

19   Testimony, Section 119, "It is well settled principles

20   that experts may not interpret or apply relevant law to

21   a case."

22   So what's happening here, Your Honor? What's

23   happening here is we have a statute, and it's quoted,

24   and I don't object when the statute is quoted, that is

25   what the statute says. And the critical sentence, I can

2311

1 exclude the rest of it, but the critical sentence is,

2 "The order covering California shall have the right to

3 reblend and distribute order receipts to recognize quota

4 value." And, yes, Mr. Beshore and Mr. Vlahos and I'm

5 Ms. Thompson are going to say we're going to have a big

6 fight about what that means, but that fight is among the

7 lawyers in non-evidentiary setting.

8   When I used the discussion, it was in my

9 opening statement, which isn't evidence, nor should it

10 be evidence. And the Department is ultimately the one

11 that determines that.

12   The problem we have here, Your Honor, is in

13 multiple occasions, starting on page 7 of Exhibit 54, I

14 guess it starts over on page 6, there's the phrase,

15 "Congress recognized this and in 2014 Farm Bill language

16 dealing with the promulgation of a FMMO in California

17 directed that the marketing order provisions allow for

18 the continuation of the quota program in California."

19 That's this witness' interpretation of what a statutory

20 means.

21   Now, there is a lot of order on statutory

22 construction, and within statutory construction,

23 ultimately -- first of all, we know there are some

24 justices who say, no, the legislative history, we never

25 go beyond looking at the statute, and nothing is

2312

```
 1   relevant at all.  But beyond that, at a bare minimum,

 2   legislative history is generally looked at from the

 3   legislature, and the legislature speaks, and if there's

 4   legislative history, it is legislative history from,

 5   say, committee reports or other statements of Congress.

 6              The very reason, however, it's called

 7   legislative history is what legislature is doing it, and

 8   so when courts look beyond the plain meaning of the

 9   statute, they go to legislative history.

10              A witness who's not part of the legislature --

11   and I'll get to somebody who's a part of legislature --

12   can't give legislative history, can't testify about what

13   a statute means because a statute means what a court

14   says it means and not what any witness says it means.

15              So there's a whole section on post enactment

16   subsequent legislative history, and right now I'm

17   recording to congressional -- I'm referring to the

18   Congressional Research Service Report for Congress,

19   which is a well-known material called Statutory

20   Interpretation, General Principles and Recent Trends.

21   And I thought there was a more recent updated one, but

22   the one I found down here in Fresno was updated

23   August 31st, 2008.  And there's a whole section on post

24   enactment of subsequent legislative history.  And within

25   that discussion, the Supreme Court has held that the
```

BARKLEY
Court Reporters

```
 1   statements of future committees or individual members of

 2   Congress of what a statutory means is irrelevant.

 3           If -- if a statement of an individual member

 4   of Congress who's a legislature cannot be admitted for

 5   evidence for the purpose of interpreting a statute,

 6   we're way down past that here.  And it's -- this is

 7   not -- this is not about Mr. Hatamiya, this is about

 8   anybody else, and we've already had some who have tried

 9   to testify about what the statute means or says.  It's

10   just simply not permissible.

11           So the witness on page 7 has effectively

12   paraphrased in his words what the statute means.  We

13   object.  That is inadmissible under the case law that I

14   have cited.

15           We go further.  On page 20, the statement is

16   on the bottom of page 20, "To the extent that the FMMO

17   maintains the current quota system and recognizes its

18   full value as directed by Congressional language."  That

19   statement is a direct effort to interpret the statute.

20   And, again, if what a member of Congress says

21   post-passage of legislation is not admissible, and if

22   you look at all these cases in the Ninth Circuit and the

23   D.C. circuit and the Sixth, this statement is not

24   admissible.  It is an attempt to explain to the trier of

25   fact this witness' interpretation.  And Your Honor may
```

BARKLEY
Court Reporters

```
 1   think it's help, but that was not what the courts have

 2   said.  The courts have said it's mischievous, it's

 3   wrong, it must be excluded.

 4            We go to page 23, and now there's two more

 5   statements.  And by the way, I know they all use

 6   different words, so, you know, they don't all say the

 7   same thing; they're all effectively I think the same

 8   meaning.  But the first one is, and I objected for

 9   cause, and the federal directive to preserve California

10   quota program, you can look in vain for the word

11   "preserve" or the word "program" in the statutory.

12   Therefore there is an interpretation, which is improper

13   and should be stricken.

14            And finally -- maybe not finally -- yes,

15   finally, there is the statement at the bottom of page

16   23, "Moreover, the Coops' FMMO proposal fully honors the

17   authorizing Congressional legislation by maintaining the

18   status quo in the California Dairy Quota Program."

19   Again, find the word "maintain," which is not in the

20   statute.

21            Your Honor, I understand the desire to have as

22   much information in the record as possible, but there

23   are limits under Rule 702, under the case law holdings

24   which don't simply say, oh, it can be ignored, what they

25   say is those statements must be stricken.  Recognizing
```

2315

BARKLEY
Court Reporters

```
 1   that even if this were an attempt by a Congressman to

 2   interpret a statute after the fact, that it would be

 3   invalid.

 4             For all those reason, I renew my motion to

 5   strike those statements.

 6             JUDGE CLIFTON:  Thank you, Mr. English.

 7   You've made your point very clearly, and I appreciate

 8   it.

 9             I'll allow other people to speak if they'd

10   like to.  Going into it, though, I want all of you to

11   know I will not strike and I will not prevent witnesses

12   from offering their opinions about what they understand

13   the law to require or to allow, whether those witnesses

14   are experts or lay.

15             What we have here is akin to a town hall

16   meeting.  I believe Mr. English's cautions are very

17   helpful.  It means when the Agricultural Marketing

18   Service weighs all the presentations, at their peril

19   they would swallow whole an idea based on the fact that

20   it came from a witness and tells them how to interpret

21   the law.

22             So I use your objection, Mr. English, not to

23   exclude anything, not to strike anything, but as

24   caution.

25             Now, I'll be happy to hear from anybody else
```

1 about this issue if you would like to be heard.

 2   MR. ENGLISH: Let me just note my exception,

 3 Your Honor.

 4   JUDGE CLIFTON: Exception noted.

 5   MR. BESHORE: Marvin Be -- Marvin Beshore.

 6   I just want to make two -- two quick notes,

 7 and in support of the testimony and, of course,

 8 Your Honor's ruling.

 9   First of all, we've -- there's been a lot of

10 testimony already in this hearing about what people

11 understand this or that law or either, you know, federal

12 law, such as the one Mr. Hatamiya has testified about,

13 or state statute, which Mr. English and/or his team

14 asked a number of questions just today of Dr. Erba about

15 what this or that California statute meant or how it

16 applied or whatever. So that -- testimony of that sort

17 is part of the hearing process, and properly so, and --

18 and I think Your Honor has -- has noted that in the

19 ruling.

20   The other thing I would say is that there's

21 nothing in the Rules of Practice that say the Federal

22 Rules of Evidence apply in this proceeding, and I --

23 they do not. And I just looked at it to be triple sure.

24 I didn't hear any of these cases coming out of the --

25 the rules for this proceeding either. So the rules say,

2317

```
 1   to paraphrase, that, you know, the presiding judge may

 2   exclude it to the extent possible, something to that

 3   effect, practical, I think, irrelevant, immaterial, or

 4   unduly repetitious testimony.  I'm not quite literally

 5   quoting it, but not too far off.

 6           And -- but, you know, I think Your Honor has

 7   followed and applied the rules with an even hand, and

 8   let's go forward.

 9           JUDGE CLIFTON:  Thank you, Mr. Beshore.

10           Mr. Vetne.

11           MR. VETNE:  I think Your Honor's inclinations

12   are correct, but I -- I do have a concern.  Rule 702 in

13   the Federal Rules of Evidence relates to use of expert

14   testimony in court, not -- not in administrative

15   proceeding, and the -- the only function that serves in

16   courts is to allow a witness to express opinions based

17   on facts and research, but to express an opinion that a

18   lay person might not otherwise express.  It does not

19   require that that -- that testimony is weighed any more

20   heavily than other testimony, it's simply the opinion,

21   it's treated like a fact like any facts of any other

22   witness.

23           I think Your Honor has correctly stated the

24   practice in administrative proceedings is that we will

25   allow people to express their opinions based on what
```

2318

```
 1   they see, whether they are expert or not.  I question
 2   the usefulness in this proceeding of qualifying anybody
 3   as an expert.  We can know what their qualifications
 4   are, they can give their curriculum vitae, but to ask
 5   for a person to be qualified as an expert and then to
 6   rule on that seems to suggest to USDA that they should
 7   weigh that more heavily.  I think that is not the case
 8   in administrative proceedings or in federal court
 9   proceedings.
10           What the -- the Rules of Practice say, the
11   concluding para -- sentence of that is to exclude
12   evidence of the type which a reasonable and prudent
13   person might not rely.  And the reasonable and prudent
14   is the standard in administrative proceedings.
15           That's it.  Thank you.
16           JUDGE CLIFTON:  All right.  Thank you.  I'll
17   continue to determine whether people are experts if I'm
18   asked to do so.  The reason is that ordinary fact
19   witnesses are generally expected to give testimony about
20   those things with which they have personal familiarity
21   or an ordinary person could estimate.  Experts are
22   allowed to go further, and based on theory, construct a
23   model, for example.
24           Now, I've accepted some expert testimony from
25   AMS without necessarily identifying who the experts were
```

2319

```
 1    who put it together, but that whole model is something

 2    that is provided as, quote, "expert testimony."  So

 3    clearly it has its place here, whether or not I

 4    acknowledge the authors as experts.

 5            And as -- of course I'm relying on all of you

 6    to help me because you all have so much more familiarity

 7    with the intricacies of dairy marketing, so I pretty

 8    much consider you all experts, whether I acknowledge

 9    that or not on the record.

10            All right.  Now, we turn to cross-examination

11    of Mr. Hatamiya.  Who would like to go first?

12            MR. SCHIEK:  I guess it's me.

13                    DIRECT EXAMINATION

14    BY MR. SCHIEK:

15       Q.   Good afternoon, Mr. Hatamiya.  Bill Schiek

16    with the Dairy Institute of California.

17            I just want to start out, you've given us a

18    lot of testimony today regarding the value of quota as

19    an asset, and I was wondering if you were here, if you

20    were present during Dr. Erba's testimony when he first

21    entered his written statement or entered his statement

22    in the record?

23       A.   I believe I was, if that was last -- last

24    week, either Thursday or Friday, I was here for his --

25       Q.   Okay.
```

BARKLEY
Court Reporters

1   A.   -- initial testimony, that's correct.

2   Q.   If I could, Your Honor, give the witness a

3   copy of Exhibit 42, which is Dr. Erba's statement. And

4   I just have a -- page 19 of Dr. Erba's statement,

5   there's a graph entitled "Average Selling Price for

6   Quota 1969 to 2015," and is that the graph I've marked

7   on the page right?

8   A.   That's correct, Dr. Schiek.

9   Q.   Okay. So would you agree that -- that at

10   least through that time period, there's been a lot of

11   variability in that selling price for quota. It's been

12   as high as, I don't know, I can't read the number, but

13   maybe 550 at the top end, back in the late '90's it was

14   as low as 300.

15   A.   That's correct. There's been variability but

16   with an upward trend.

17   Q.   Right. From your perspective, what are some

18   of the factors you considered that affect how that

19   selling price moves through time?

20   A.   Dr. Schiek, that's a good question. I mean, I

21   think there are many different economic factors that

22   certainly impact the selling price of quota. It could

23   be the current economic conditions; the production of

24   milk at that given time; the legislative content --

25   intent and debate that may be going on about quota

2321

BARKLEY
Court Reporters

1 during some of these periods of time, about the

2 consideration of a move to a Federal Milk Marketing

3 Order. There are many different considerations that

4 would impact, up or down, that price of quota.

5   Q.   Okay. Thank you.

6   If I could para -- paraphrase, or just kind of

7 zero in with you a little on a couple of things that you

8 said. So you talk about sort of economic conditions:

9 Would one of those be dairy farm profits, for example,

10 the idea that if it's been a -- recently a very good

11 year for dairymen, they've gotten more essentially

12 disposable income or money at their disposal to invest

13 in an asset like quota, kind of a money supply argument,

14 would that be one reason?

15   A.   I believe it would be.

16   Q.   You mentioned things that are going on

17 legislatively, so that kind of gets to the expectations

18 about the sustainability or continuability of the

19 program, and you're saying that would be something that

20 would affect it, correct?

21   A.   That's correct.

22   Q.   Correct.

23   So would one of the things affecting those

24 expectations be maybe this proceeding? Like you

25 mentioned the Federal order hearing, so this hearing

1 might have an impact on going forward whether there is

2 an expectation that the system, quota system is

3 sustainable?

4   A.   That is also correct.

5   Q.   Okay. Would another factor be -- I guess I

6 would call this the buy cows or buy quota decision, that

7 is if there are -- we've had some testimony about base

8 plants in place, cooperatives, we've had maybe some

9 testimony referring to limits on processing plant

10 capacity, so if -- if those make buying cows a less

11 attractive use for money, would buying -- would that

12 tend to drive more quota purchases?

13   A.   There's certainly a possibility, as well as I

14 think the increasing cost of land in California --

15   Q.   You mentioned that.

16   A.   -- would also have a -- an impact as well.

17   Q.   Okay. Very good.

18   Do you know an answer to this: Did all

19 producers have to purchase the quota that they hold?

20   A.   No. At the beginning, they were allocated

21 quota, but over the years, I believe, if not all, a vast

22 majority of quota has been bought and sold, so there's

23 very little quota that was initially allocated. And I

24 base that upon discussion was folks in the dairy

25 industry. I talked to the -- to the largest dairy quota

2323

1 broker in California, and he shared with me that over --

2 in his opinion, over 90 percent of quota has been bought

3 and sold over the last 20 years, 30 years.

4   Q.   Okay. So then it would be your contention

5 that maybe only about 10 percent of the quota is in the

6 hands of the original holders or --

7   A.   If that.

8   Q.   -- or families of the original holders?

9   A.   Probably less than that. And I will say that

10 CDFA doesn't provide that information, either, so it's

11 anecdotal in providing discussions with dairymen across

12 the state that have brought me to that conclusion.

13   Q.   Okay. Thank you. That's helpful.

14   Do you know or could you calculate or tell me

15 how you might calculate in terms of how much revenue or

16 money income, extra income a quota holder receives for a

17 pound of quota, a pound of SNF quota, how much that

18 might be worth in a year in terms of dollars?

19   A.   I think it depends upon the amount of quota

20 that they actually have, so --

21   Q.   Let's -- let's just talk about one pound --

22   A.   One --

23   Q.   -- one pound of S -- of quota.

24   A.   A year from now, your -- your guess is

25 probably as good as mine.

2324

BARKLEY
Court Reporters

1   Q.   What if --

2   A.   I mean, we're talking 525 today, there's an

3 upward trend, but many different factors are going to

4 affect what that cost will be.

5   Q.   Okay. I think I didn't phrase the question

6 appropriate. I'm talking about the stream of income,

7 not the asset selling price, but the actual quota

8 differential or quota premium they receive. Over the

9 course of the year, do you know how much money that

10 would amount to, one pound of quota?

11   A.   That's a good question. I would have to

12 factor that out. I think it's been pretty stead --

13 pretty steady over the last number of years. I think I

14 can certainly factor that out, but I don't have that --

15   Q.   Okay.

16   A.   -- in front of me. If I had a calculator, I

17 could give it to you.

18   Q.   Yeah. So let me just say if -- if premium on

19 quota for a pound of SNF is a 19 and half?

20   A. $.195, that's correct.

21   Q.   And a unit of quota is a pound per day, that

22 would be $.195 times --

23   A.   30.

24   Q.   -- 365.

25   A.   Well --

1   Q.   30 for a month, but --

        2   A.   Right, 356 for a year.

        3   Q.   356 for a year?

        4   A.   That's correct.

        5   Q.   Okay. When you were looking at quota value,

        6   did you do -- did you undertake any kind of net present

        7   value analysis of this stream of income that they

        8   received --

        9   A.   No, I did not.

       10   Q.   -- as holding quota?

       11   A.   I did not. Because, again, what I was looking

       12   at was a point in time, and I was looking at just 2014,

       13   what that stream of income was for that given year. And

       14   as my subsequent analysis has shown, that's what I was

       15   looking at, for the economic impact just of that year.

       16   Q.   I -- I'm asking that because you -- you've

       17   made a statement on page 7 of your testimony, Exhibit

       18   54, and you say, "Economic value is defined in several

       19   ways, but is commonly recognized as the value of an

       20   asset calculated according to its ability to produce

       21   income in the future," so -- so what that -- as I

       22   understand that, that the basic underlying factor that's

       23   generating value is that stream of income. I mean, if

       24   there wasn't a stream of income, what would the asset

       25   price be, probably zero? Right? You -- you agree with

                                    2326

1 that?

2   A.   That's probably correct, right.

3   Q.   Okay. So it's the stream of income that's the

4 source of value?

5   A.   That's correct.

6   Q.   Okay.

7   A.   And let me just add, and I think this is where

8 you're going, there are many different ways to do

9 valuations. Net present value is one, fair market value

10 currently is another, and a third is what somebody is

11 willing to pay currently for an asset is a third. I use

12 all forms of those, and in this case, I used just the

13 fair market value.

14   Q.   Okay. Thank you.

15   Would you agree, maybe I -- this may be -- I

16 don't know, I'm going to say it. Would you agree that

17 this idea of the net present value might be a way people

18 might judge whether the actual selling price is over

19 valued, under valued at a point in time if they looked

20 at the discounted net present value?

21   A.   That's -- that's -- that's a difficult

22 question to answer because there's so many different

23 factors as we've already discussed, Dr. Schiek, about

24 what drives the price of quota, and so it would be

25 difficult just to rely purely upon the net present value

1 calculation. We have to take a look at all these other

2 factors and what drives it to 525 today. I don't think

3 it tells the full story, and I think the price that's

4 reflected today is a better measure of that.

5   Q.   Okay. Thank you.

6   I want to turn now to Exhibit 55, and just

7 some questions for clarification. So at the top of the

8 first page of Exhibit 55, you give an example of $100 in

9 a pool with ten dairy farmers each with a hundredweight

10 at $10 per hundredweight. How would you characterize

11 that $10 of hundredweight? Is that -- kind of what

12 price is that? Is that the quota price?

13   A.   No, that's -- I -- I would characterize it as,

14 I think Dr. Erba called it the non quota premium price

15 or the blend price.

16   Q.   Okay. So is it a blend price or is it a non

17 quota price? In other words, if --

18   A.   It's the blend price.

19   Q.   It's the blend price.

20   A.   It's the blend price, that's right, it's

21 what's available for total.

22   Q.   Okay. So the next question I have is in the

23 second step, or the first -- I guess I would call it the

24 first green bubble, I don't know if that's the --

25 that's -- I guess that's still month one technically,

2328

BARKLEY
Court Reporters

1 right?

2   A.   That's correct.

3   Q.   Okay. Why do the farmers with lower

4 percentages of quota receive monies or receive a net

5 price that's under $10? How does that happen?

6   A.   Well, it just presumes that they opted into

7 the quota not knowing what the full blend pool would be.

8   Q.   Okay.

9   A.   As I mentioned, I think, in my comments as

10 well, dairy farmers are quite -- quite sophisticated,

11 they understand, you know, what the market bears, and

12 many in the lower quota, and I think AMS's analysis

13 shows this, many of those that are lesser percentages of

14 quota may decide to opt out early on. I use this just

15 as an example if all quota owners decided to opt in the

16 first month, this is what the results would be.

17   Q.   Okay. And I think I understand that. But my

18 question is more specific in terms of mechanically

19 what's going on in this green, I guess I would call this

20 a quota pool, you identified it as a quota pool?

21   A.   That's correct.

22   Q.   What is going on there that -- that causes a

23 farmer with 25% quota to end up with a price of 9.22

24 rather than the $10 that a blend price would be?

25   A.   Well, I think I walked through that before.

2329

1   I'll be glad to walk you through that again.

2   A farmer with 25% quota gets $.43 as his quota

3   premium, because it's 25% of the $1.70, so you total up

4   all of the quota premium, you deduct that from the total

5   quota pool of $60, and you get 52.76. You divide that

6   by the six number of farmers that are in the quota, you

7   get 8.79. So if it's 8.79 plus the $.43 equals 9.22.

8   Q.   So just based on that mechanics, and assume

9   for a minute that instead of four farmers opting out,

10   these farmers with no quota stayed in the quota pool,

11   would they receive $10 a hundredweight or would they

12   receive something less?

13   A.   I don't know why they have would have an

14   incentive to take -- to opt into the quota pool.

15   Q.   Okay. Let's -- let's assume that they just

16   super -- that they -- that they did, that they were

17   forced to or for whatever reason they were obligated to,

18   would they receive $10 or would they receive something

19   else?

20   A.   I don't know, I'd have to -- I'd have do that

21   calculation, I don't know --

22   Q.   Okay.

23   A.   -- without -- off the top my head, I can't

24   answer that question.

25   Q.   Okay. Let me maybe ask it a different way.

1   So $10 is a straight blend price?

2   A.   That's correct.

3   Q.   And these farmers have no quota and they're in

4   a pool with farmers who have quota?

5   A.   That's correct.

6   Q.   They would probably receiver something less

7   than $10; would that be accurate? Because $10 is a

8   blend, that's -- that's simply a weighted average price,

9   or in this case an average price?

10   A.   Again, I get back to my -- the premise, why

11 would they decide to opt in if it's less than $10?

12   Q.   All right.

13   A.   It's not a logical choice.

14   Q.   I --

15   A.   And that's the point that I was making with

16 this analysis, that this is the choice you give them in

17 your proposal, and it is what it is.

18   Q.   Okay. Under Proposal 1, producers do not have

19 the option to opt in or out now, so if I'm an overbase

20 shipper, overbase producer, no -- no quota, non-quota

21 producer, I guess the point I'm asking is would they

22 receive the market wide blend or something lower than

23 the market wide blend?

24   A.   You know, I don't know the answer to that

25 question without doing the calculation. I -- I don't

2331

1 know.

2   Q.   Are you aware that CDFA in some of their

3 statistical publications on a monthly basis, they list

4 the quota price, the overbase price, and a blend price?

5 Have you -- have you ever seen any of that analysis?

6   A.   I believe I have, but I did not use that in

7 this calculation.

8   Q.   If I told you that in all those cases the

9 blend price is higher than the quota price or the

10 overbase price, just a mathematical thing, you're --

11 you're taking some money out and giving it to a few, and

12 those who don't have that privilege end up with less

13 money to be divided, would you accept that? Does that

14 sound like your understanding of how the quota system

15 works in California today?

16   A.   I think I would accept that, yes.

17   Q.   Okay. So you would, agree, then even in your

18 analysis, if everybody was in the pool, in the quota

19 pool, and I'm not talking about Dairy's proposal

20 specifically, I'm talking about just in general, that

21 producers with no quota --

22   JUDGE CLIFTON: Let me have you start again.

23   MR. SCHIEK: Okay.

24   JUDGE CLIFTON: So are they all in the quota

25 pool or are they all in the pool?

2332

```
 1   BY MR. SCHIEK:

 2       Q.   Okay.  So as in the case of the Proposal 1

 3   where there is no option to be outside the quota pool,

 4   basically every producer is in the quota pool, would you

 5   agree that producers with no quota would receive under

 6   that system a lower average price than under a system

 7   where federal order blend is calculated?

 8       A.   Lower price -- please, if you could repeat

 9   that question, I was trying to do some figures in my

10   head.

11       Q.   Okay.  I guess I'm asking if your analysis

12   suggests, and if this would be the case in Proposal 1 as

13   well, that producers with no quota receive a lower price

14   than they would receive if they were under a blend

15   pricing system?

16       A.   You know, I'm not certain I -- I -- I have

17   enough information I can answer that question.  I

18   probably could figure that out for you, but off the top

19   of my head I -- I can't answer that for you.

20       Q.   But you would -- you would accept that under

21   the California system as it's currently constructed, the

22   overbase price is lower than a market wide blend price?

23       A.   If that's exactly what it says, and I don't

24   recall that from the analysis, the data.

25       Q.   Okay.  So I'm, again, staying with this
```

2333

BARKLEY
Court Reporters

```
 1   exhibit, you're analyzing a producer's decision on

 2   whether they stay in the quota pool or go into this red

 3   box, which is what I would call it, non-quota pool, is

 4   that appropriate way --

 5        A.   Or an opt-out pool --

 6        Q.   Or a blend pool --

 7        A.   -- price.

 8        Q.   -- or --

 9        A.   A blend pool, that's correct.

10        Q.   Blend pool.

11             So in this analysis, the decision of whether

12   producers stay in the quota pool or in the non-quota

13   pool, the analysis you present here is based on the

14   producer's evaluation of the price that they would

15   receive, correct?

16        A.   That's correct.

17        Q.   Okay.  So as I look at that, I'm a little

18   confused given the importance you've attached to the

19   whole asset value, and I'm talking about the balance

20   sheet value of quota and banks lending out and the need

21   to avoid massive write-offs, why would producers not

22   consider the cost of abandoning that balance sheet value

23   in their decision to stay in or leave the pool?  Why is

24   strictly the current income?

25        A.   Because I think it's the -- it's the return
```

1 that they're receiving, and they're going to try to

2 get -- dairy farmers are just like anybody else in the

3 economy, they're trying to maximize, obviously, their

4 return, and in this case, they're not given an

5 opposition to receive that full value of their quota.

6   Q.   Okay. So it sounds like you're saying that

7 a -- in your analysis and in your view, that producers

8 really view that decision, and in the sense view the

9 value of holding quota or not holding quota, based on

10 the income stream?

11   A.   That's one of the major factors, correct.

12   Q.   They're not -- they're not really looking at

13 their asset value in making their decision?

14   A.   No, they're also looking -- I said it's one of

15 the factors. They're also looking at their asset value.

16 That asset value as I've related also relates to their

17 operational costs, their ability to pay for their

18 operational costs, their leverage with their lending and

19 capital investments.

20   Q.   But you didn't include any specific asset

21 value, looking at the asset value or weighting of that

22 asset value in this example --

23   A.   No, I did not.

24   Q.   -- in Exhibit 55?

25   A.   No, I did not. Again, as I mentioned to you

2335

earlier, this is just a simplified approach that I took

using an example of what potentially could occur.

Q.   Okay. Returning to your testimony on Exhibit

54, or statement. I think I'm looking at Table 2. Let

me find it. Table 2 is the percent of California dairy

farms by Quota -- Quota Ownership. I'm just wondering

if you did any calculation here for each of the years or

for any of the years, really, regarding the number of

dairymen or percentage of dairymen who would be better

off in terms of the price they receive under a blend

price versus a quota, non-quota pool? Did you look at

that at all?

A.   No, I did not.

Q.   Okay. What about on a -- on a basis of

production, in terms of how much production would

receive a higher price --

A.   No, I did not.

Q.   -- of blend versus --

A.   This table was -- was -- was purely for the

breakdown of quota versus non-quota ownership.

Q.   Okay. On Table 6, which I think is page 19 of

your testimony. Actually it starts on 18, but the

numbers are all on 19.

A.   And I apologize, I attribute this to different

Word documents from -- I have 2016 on my computer and I

2336

BARKLEY
Court Reporters

```
 1   think we were working off of an older version, so things

 2   got shifted.

 3        Q.   That's not a problem as far as I'm concerned.

 4   The numbers are there.

 5        A.   Yeah, I'm sorry, that makes it harder to read

 6   it, though.

 7        Q.   So page 19, so -- I think you list the total

 8   quota premium pay out under the category investment, is

 9   that right, the 139,358,870, $135,358,870?

10        A.   Dr. Schiek, that's correct, that's the --

11        Q.   Okay.

12        A.   -- total quota premium paid in 2014.

13        Q.   Okay.  And is that -- maybe I'm wrong here.  I

14   thought that was the same number, it's close, to the one

15   on page 16 where you have the total by county, maybe

16   there's some rounding or something?

17        A.   Yeah, there's some rounding, rounding errors

18   that -- that didn't completely coincide.  The number

19   that I'm using here is the number that CDFA gave me --

20        Q.   Okay.

21        A.   -- so --

22        Q.   Okay.

23        A.   And then I tried to break it down as close as

24   I could, but with percentages it just wasn't exactly the

25   same.
```

1   Q.   Okay. So conceptually, though, that's what

2   that is, that's --

3   A.   That's exactly --

4   Q.   -- the total premium --

5   A.   It's the total premium paid during 2014.

6   Q.   And -- and so you calculate, as I understand

7   it, using the IMPLAN model an economic impact which

8   would -- I guess in terms of following these numbers

9   across, I'm not -- I'm not sure I understand, but

10 let's -- let's -- let's go through that, if you would.

11   So -- so just looking at the top line in

12 California as a whole, you then have a -- a GDP number.

13 Is -- am I right in interpreting that as the -- the 139

14 million investment equates out to an impact of 270,

15 almost 279 million in -- in GDP?

16   A.   That is the impact to the state, that's

17 correct.

18   Q.   Okay. And the multiplier is 1. --

19   A.   1.98.

20   Q.   1.98. What's the 2.44 that's listed?

21   A.   That's the employment multiplier, so that's

22 the -- the number of jobs that the annual quota premium

23 would create to the total, so the number of jobs in the

24 dairy industry plus the 1269.

25   Q.   Okay. And so the third column, again, looking

2338

```
 1   at total California impact of 1269, what is that?

 2        A.   That's a total employment created by that

 3   investment.

 4        Q.   Okay.  And the column next to it, 11,087,718

 5   is what?

 6        A.   State and local taxes to local and state

 7   government.

 8        Q.   Okay.  Next to that is the 16 million 729,

 9   what -- what does that represent?

10        A.   Federal tax.

11        Q.   Federal tax.

12        A.   As the header describes.

13        Q.   I'm sorry?

14        A.   As the --

15        Q.   Oh.

16        A.   -- header describes.  I'm sorry.

17        Q.   I'm sorry.

18        A.   And that's why I apologize --

19        Q.   Okay.

20        A.   -- it's on the table in front.

21        Q.   Okay.  I -- I apologize, I should have seen

22   that.

23        A.   This is the table that's important to keep it

24   consistent, so I apologize.

25        Q.   Okay.  So, you know, going back to the
```

2339

1   previous table, Table 5 where you have the impacts.

2   First, I -- I think I remember from your -- when you

3   were discussing the history of quota, but maybe it was

4   Dr. Erba, so you can correct me if I'm wrong, but did

5   you say that no new quota had been issued since 1991?

6   A.   That's correct.

7   Q.   You said that?

8   A.   I said it as well as I think Dr. Erba said it

9   as well, too.

10   Q.   So when we look at this impact, you've got the

11   benefit by county of -- of what's essentially -- oh, I'm

12   sorry. Where am I looking here? Table 5, I meant, of

13   page 15.

14   So you've got the quota premium and you've got

15   the total quota payment.

16   A.   The quota premium less the RQA.

17   Q.   RQA.

18   A.   Equals the total quota payment for 2013 --

19   '14.

20   Q.   For those counties?

21   A.   For those counties during that year, that's

22   correct.

23   Q.   So that would be the benefit of quota premium

24   essentially on each of those counties?

25   A.   Well, I'm not sure if you call it a benefit,

                              2340

```
 1   it's the --

 2       Q.   It's the paid money.

 3       A.   It's the paid money into those counties --

 4       Q.   Okay.

 5       A.   -- based upon their quota ownership, that's

 6   correct.

 7       Q.   Okay.  So that's the total payments for

 8   California county, but I mean, is this -- is this really

 9   new money since there's been no new quota issued since

10   1991?

11       A.   What do you mean by "new money"?

12       Q.   Well, what I'm saying is somebody has been

13   getting this quota premium all along?

14       A.   That's correct.

15       Q.   Okay.  Isn't it also --

16       A.   That's the return on investment that they make

17   each year.

18       Q.   Okay.

19       A.   So this is the return that they receive each

20   year.

21       Q.   But it -- it -- it assumes that there's this

22   system that generates this premium, this quota system

23   that generates the premium?

24       A.   That's correct.

25       Q.   Okay.  Isn't it also true that without that
```

2341

1 premium, there would be a lot of other producers who

2 would get more money than they do under the current

3 system?

4   A.   Yeah, there's always a converse to that --

5   Q.   Okay.

6   A.   -- that's correct.

7   Q.   So -- so this doesn't include any of the lost

8 revenue by producers, lost revenue that producers who

9 have either no quota or low quota holdings by county?

10   A.   I'm not certain your characterization of "loss

11 quota" is a fair --

12   Q.   Lost --

13   A.   -- definition.

14   Q.   -- revenue.

15   A.   Lost revenue? It's revenue that they didn't

16 gain because they didn't have quota, so I'm not sure

17 that it's lost revenue, it's just the revenue that they

18 received.

19   Q.   I guess I don't understand the distinction

20 between not looking at loss of revenue that some

21 producers experienced when we're looking at revenue

22 gained that other producers experienced.

23   Would you agree, though, that in aggregate, if

24 I were to sum up all the pounds of milk and all the

25 quota and compare it to the prices that those folks

2342

BARKLEY
Court Reporters

1   would receive -- she's laughing. We've got our fly

2   problem again.

3   A.   You've got your fly back again it looks like.

4   MR. BESHORE: Trying to tell you something.

5   BY MR. SCHIEK:

6   Q.   Relative to a blend price in aggregate, if you

7   summed up all of the monies received by producers who

8   hold quota versus all of the revenue lost relative to a

9   blend price system by producers who don't own quota, the

10   pounds of quota that aren't -- the pounds of milk

11   production that aren't covered by quota, wouldn't those

12   equate to zero, the pluses and the minuses? Because

13   we're starting from a pool that has a set amount of

14   money; is that correct?

15   A.   That's correct.

16   Q.   Okay. So --

17   A.   But if you can clarify, I'm not certain what

18   you mean by the pluses and minuses equate to zero.

19   Q.   So in order to pay --

20   A.   I think I know where you're getting, you're

21   talking about in aggregate?

22   Q.   Yeah.

23   A.   In terms of the total pool of available funds;

24   is that what you're asking?

25   Q.   Yeah, what I'm -- I'm making -- would you

                              2343

1 agree that the revenue generated in the system, the

2 total revenue generated in the system, regardless of

3 quota and overbase, the pool has a revenue, and that

4 doesn't change by the existence of quota, the total

5 revenue of the pool?

6   A.   That's correct. That is correct.

7   Q.   So if you're going to pay a premium to quota

8 holders, isn't it also true that relative to some kind

9 of equal sharing, producers without quota get paid less

10 than they would?

11   A.   That is also true.

12   Q.   Okay.

13   A.   But they didn't put the investment. I mean, I

14 think we need to take it a step further. The value that

15 I'm calculating is based upon the investment made by

16 those quota holders, and there is a value to that that I

17 have obviously analyzed and have laid -- laid forth. So

18 it doesn't come without cost, that cost of 1.164 billion

19 is the value of that total quota, that has been

20 invested, it may not be that total amount because of the

21 fluctuating numbers that we had talked about in your

22 earlier question, but there is an investment, that

23 capital investment that these quota holders have made

24 over that period of time. So they do have that, and

25 that's a distinction here.

BARKLEY
Court Reporters

1   So, yes, in aggregate, it's a zero sum as

2   you're talking about, but quota holders benefit because

3   they have that investment.

4   Q.   I don't disagree, but what I'm pointing out is

5   that there are producers who get paid less money by the

6   existence of the quota program than those -- than they

7   would otherwise get under a blend price system that is

8   typically in most Federal orders?

9   A.   I don't think I would disagree with that,

10   that's -- that's correct.

11   Q.   So when you look at your economic impact, I

12   mean, it would be fair to say, would it not, that if you

13   included the lost revenue that the non-quota holders

14   receive, it would change the numbers in terms of the

15   total -- total economic value of the quota system?

16   A.   No. Because, again, it's the point in time,

17   it's the impact that that quota itself has provided, and

18   so, you know, and it's a yearly -- it's, again, it's a

19   point in time, it's 2014. We took -- I took a look at

20   what that impact of those quota payments were for that

21   given year, and it's the benefits that they provide. I

22   didn't look at the other side of it, but again, I was --

23   I was asked to look at the value and look at the

24   benefits that that value brought.

25   Q.   So -- so you're saying that in your view, we

2345

BARKLEY
Court Reporters

1 can simply ignore the lost revenue to non-quota holders?

2   A.   No, that's not what I'm saying. What I'm

3 saying is we should highlight the value that quota

4 holders provide to the -- to the economy. That's the

5 distinction I think that I'm trying to draw from.

6   Q.   So you used the -- the term zero sum gain

7 earlier in this discussion. What does that refer to,

8 when you say "zero sum gain"?

9   A.   I'm not certain exactly why I mentioned it,

10 but you agreed to it, so I mentioned it.

11   Q.   Okay. Would you agree that that typically is

12 used in the case of a situation where the gains to one

13 party are fully offset by the losses to another party?

14   A.   That's generally the characterization, that's

15 right.

16   Q.   I just -- I need to ask this: Has your -- has

17 any of your prior work on impact analysis ever been

18 criticized for failure to recognize the zero sum gain?

19   A.   Not that I can recall.

20   Q.   Was there some work you did for the City of

21 Seattle regarding the Super Sonics 2008 where that

22 criticism was made?

23   A.   Not that I recall. As I recall, the City of

24 Seattle benefited from my analysis by about a hundred

25 million dollars if we look at the outcome of that case.

2346

1   JUDGE CLIFTON: Will we be marking this

2   Exhibit as five six, 56?

3   MS. FRISIUS: Yes.

4   JUDGE CLIFTON: I'm marking my copy as Exhibit

5   56.

6   (Whereupon Exhibit 56 was marked for

7   identification.)

8   BY MR. SCHIEK:

9   Q.   Okay. Mr. Hatamiya, have you ever seen this

10   article from Forbes Magazine?

11   A.   I have.

12   Q.   You have, okay.

13   I was wondering if you would look on the

14   second page, and starting on the second full paragraph

15   where it says, "To get to 1200 or 1300 jobs," would you

16   read the next three paragraphs?

17   A.   The next three paragraphs?

18   Q.   Yes.

19   A.   Starting at, "To get" -- okay. "To get to

20   1200 or 1300 jobs, Hatamiya, who declined to comment for

21   this article," and I'll -- I'll debate that in a

22   minute -- "has to count every person who sold a bottle

23   of water to a Sonics fan during a game or a beer to a

24   fan after a game, and even then you're just talking

25   about a few hours a week, hardly the difference between

2347

1   an existing or nonexisting job. There can be no doubt

2   that if the Sonics leave, bars and restaurants around

3   KeyArena will suffer on the 41 nights the Sonics would

4   have played in their neighborhood, but it's hard to see

5   how the city stands to lose 188 million as Hatamiya

6   complains.

7   "The existence of the Sonics does not change

8   disposable family income in Seattle. The residents of

9   the city and the surrounding suburbs will still have

10   money to spend. They might spend it on groceries or a

11   Seattle Mariners game, on a new suit or a new -- a few

12   more movies a year. Seattle residents will spend the

13   same amount of money with or without the Sonics; it'll

14   just be in different parts of town.

15   "The theory of disposable income as a zero sum

16   gain with regards to sports has been empirically, again

17   and again, in peer-reviewed economics studies, most

18   notably by Andrew Zimbalist, an economist at Smith

19   College, and Roger Noll, an economist at Stanford."

20   Q. Okay. So getting back to the notion of --

21   that there are losses to producers who don't have quota,

22   lost income, first, relative to a blend system, isn't it

23   the case that while there can be quota holders who have

24   more income to spend, there are also dairy farmers with

25   less income to spend than they might otherwise have?

BARKLEY
Court Reporters

1   A.   That's a possibility, that's correct.

2   Q.   So aren't -- we are talking about a zero sum

3   gain?

4   A.   In some instances, possibly, but, again,

5   without doing the analysis, I couldn't answer that. The

6   correlation, though, to this argument I'm questioning,

7   how does this apply -- how does Sonics apply to cows?

8   And if you like me to go on, this is a --

9   this -- this article was never given a chance to respond

10 to, he never called me, for one thing. And, two, he's a

11 known anti-sports economist, or not even an economist,

12 he's I think a -- a -- a writer for Forbes Magazine,

13 so -- and I would also say Professor Zimbalist was the

14 opposing economist in this, and, you know, we prevailed.

15   So, you know, again, it's a matter of opinion,

16 and so I -- I don't know why you brought this forward.

17 This doesn't prove one point over another.

18   Q.   What I'm wanting to demonstrate, though, is

19 that it's not necessarily adequate to only look at the

20 impacts, in a situation where there are winners and

21 losers, to only look at the impacts of the winners;

22 would you agree?

23   A.   In this instance, no, I would not agree. In

24 this instance, I was looking primarily focused at the

25 benefit of quota holders. And that's exactly what I

2349

1 produced, that's what my testimony, that's what the

2 exhibit lays out, so I don't necessarily --

3   Q.   Okay.

4   A.   -- agree with that. I haven't done the

5 numbers on the other side, so I don't know the answer to

6 that question.

7   Q.   So you were -- you were -- were you asked to

8 demonstrate the benefits to quota holders?

9   A.   I was asked to benefit -- to demonstrate the

10 value of quota and to determine what that is.

11   Q.   Okay. I don't have any further questions.

12 Thank you.

13   JUDGE CLIFTON: Mr. Hatamiya, did you want to

14 make any further remarks about Exhibit 56?

15   THE WITNESS: No. I just will say it's

16 specious article, so --

17   JUDGE CLIFTON: All right. So I would

18 imagine --

19   THE WITNESS: I wouldn't give it any more

20 credibility than the paper it's written on, so --

21   JUDGE CLIFTON: I would imagine that Seattle's

22 gain would be Oklahoma City's loss.

23   THE WITNESS: It depends upon what you think

24 about the basketball team, but it -- but it -- but the

25 outcome of that case, I helped Seattle return a hundred

2350

1 million dollars when they would have only had

2 $20 million, so the results speaks for themselves.

3   JUDGE CLIFTON: Thank you.

4   Mr. Vetne, you may come forward.

5   MR. VETNE: Thank you, Your Honor. I'm John

6 Vetne, representative for Hilmar Cheese Company, a

7 California dairy farmer owned cheese, whey and products

8 processing facility.

9   CROSS-EXAMINATION

10 BY MR. VETNE:

11   Q.   I'm not sure I quite followed the question and

12 answer between you and Bill Schiek, so maybe I can put

13 it in terms that I can understand.

14   Quota and overbase revenues, which you

15 analyzed, are the product of classified prices charged

16 to handlers times the pounds of milk used by those

17 handlers in each class, correct?

18   A.   I believe that's true, that's correct.

19   Q.   That is correct. So you start out with a unit

20 of money generated by sales of milk of dairy farms,

21 correct?

22   A.   That's correct.

23   Q.   Okay. Now, let's take it to the next step.

24 All of that money generated by the sale of milk at

25 classified prices times the volume of milk is then

2351

1 transferred to dairy farmers one way or another,

2 correct?

3   A.   I believe so, that's correct.

4   Q.   Okay. So each month, those total proceeds

5 contribute to the California gross domestic product,

6 correct?

7   A.   That's correct, the total, that's right.

8   Q.   The total does?

9   A.   That's correct.

10   Q.   And if you take that total and give an even

11 share per hundredweight to all California dairy farmers,

12 the same total amount of money is spent in California,

13 the same gross domestic product flows from processors to

14 farmers to local economies, correct?

15   A.   That's correct.

16   Q.   Okay. And if you take that money and divvy it

17 up in different proportions than evenly to everybody,

18 the net result is the same total amount of money flows

19 from processors to farmers to local economies, correct?

20   A.   Not correct.

21   Q.   Not correct?

22   A.   Because it would be different -- if you're

23 divvying it up differently into different counties, the

24 impacts would be different in the different counties,

25 depending upon what the distribution is.

2352

BARKLEY
Court Reporters

1   Q.   I didn't get there yet, Mr. Hatamiya.

2   A.   Well --

3   Q.   I asked you the question about the total

4 California economy.

5   A.   The total you're correct.

6   Q.   The total. So --

7   A.   That's correct.

8   Q.   -- whether it's divvied up quota, overbase,

9 blend, or whatever, the gross domestic product

10 contribution from the sale of milk to California, it

11 makes no difference whether there's quota or not, but it

12 does make a difference within specific counties?

13   A.   That's correct.

14   Q.   That's correct.

15   And so look at that difference in -- in

16 specific counties. You have -- in order to get the

17 county level gross domestic product or addition in

18 value, you have essentially assumed for each county that

19 if you didn't have quota, all of the revenue in that

20 county would be overbase and therefore quota is an

21 expression of additional revenue in that county?

22   A.   No, that's an incorrect characterization.

23   Q.   That is incorrect.

24   A.   That's incorrect.

25   Q.   Why is that incorrect?

2353

BARKLEY
Court Reporters

1   A.   It's incorrect because what I did, and -- and

2 I'll point this out again very specifically, what I took

3 a look at was a point in time in 2014, what did the

4 quota payments provide to the specific counties? I'm

5 not taking a look at anything else beyond that. And so

6 that was just the impacts of those quota payments, the

7 quota payment investments. So that's exactly what it

8 was, no more, no less.

9   Q.   Okay. But I -- tell me where my thinking is

10 wrong. If I'm thinking in terms of job creation, my

11 mind turns to, oh, we got new money, let's create some

12 jobs, and thinking in terms of spending, oh, there's

13 more money flowing in from some source, it's going to

14 local drugstores and farm supply. So -- so why is your

15 analysis not an analysis of the kind of thing you would

16 do with new money?

17   A.   Well, because, again, it's -- it's the

18 constant ability for quota owners to receive those

19 payments, and if you take a look at probably

20 historically just with the shift of quota ownership as

21 we've seen, but if you take a look at what it currently

22 is, that value is going to those counties specifically,

23 and so those benefits -- if you take quota away, the

24 benefits of that quota payment into that county could go

25 away. Let me -- let me -- let me focus specifically --

1   Q.   Let me --

2   A.   Please, Mr. Vetne, please.

3   Q.   Could go away. Let's say it does go away,

4 let's just say it goes away because those farmers are

5 receiving a market wide, state wide blend price.

6   A.   Well, that's presuming that they're still in

7 business after the quota goes away and they write off

8 the losses that are on their books. Let's not forget

9 that quota, again, is an investment, a capital

10 investment that provides a steady stream of income, but

11 in addition to that, it provides the ability for them to

12 leverage that for lending capabilities, for operational

13 benefits to run their dairies.

14   And I've had many dairy farmers that own

15 significant amounts of quota who I've talked to, they

16 said -- who have told me that if quota goes away, they

17 go out of business. And so in those dairies in high

18 quota owning countries, that could have a huge impact

19 upon that specific country.

20   Now, collectively in aggregate, does that

21 impact the state? Maybe not. But to that county, it

22 certainly does.

23   Q.   Okay. I -- we may talking apples and oranges,

24 or as Gilbert and Sullivan once said, "Things are seldom

25 as they seem, skim milk masquerades as cream."

2355

1   A.   You lost me there.

2   Q.   Okay. Apples and oranges. I just had to get

3 Gilbert and Sullivan.

4   Okay. So in the aggregate, there is no added

5 GDP, and then you said, yeah, but it has an effect in

6 counties, and I think you said that in -- in some

7 counties, it does add more than a blend price would add?

8   A.   It would add more than a blend price? I don't

9 know if I said that.

10   Q.   Okay. It affects counties differently?

11   A.   It affects counties differently because of the

12 percentage of quota of their production as its owned.

13 We can go back to there are a number of counties, San

14 Diego, for example, even though it's a small dairy

15 producing county has over 75% of their milk is covered

16 by quota. I think Marin County was over 60%. So some

17 of these counties could have a very highly negative

18 impact if quota went away.

19   Q.   Exactly.

20   A.   Now, collectively, I would agree with you.

21 Maybe collectively the aggregate GDP doesn't change, but

22 in some of the counties it does, but in this state,

23 having been the Secretary of Commerce in the State of

24 California, this is where we have our major problems, in

25 our local, especially rural communities. And I think

2356

1 that that's part of the point I was trying to drive home

2 is that quota has a very important value to some of

3 these communities.

4 Q. Okay. In order to identify those counties or

5 communities where quota has a net positive impact on the

6 economy that would not exist if it were simply a blend

7 price, would it be fair to say that you would look to

8 see whether producers in that county owned quota in

9 greater proportion to the statewide average of producers

10 to production?

11 A. That's correct.

12 Q. Okay.

13 A. That would be one way of looking at it,

14 absolutely.

15 Q. Okay. And -- and -- and then, you can take

16 that one step further and say here is a contribution to

17 the economy of that state, say San Diego, that county?

18 A. County, right.

19 Q. San Diego that would go away if everybody got

20 a blend price instead of quota and overbase?

21 A. Well, again, you're presuming that all they do

22 is accept the blend price and they stay in business. It

23 gets away from the point that I was making of the value

24 of the quota investment, and that's -- that -- that

25 cannot be ignored through this whole progress, and

2357

```
 1    that's why I made the argument up front and I had the

 2    economic impact at the end.  So I just want to drive

 3    that point home, it's the investment component of quota

 4    that's important to many dairy farmers across the state.

 5         Q.   Okay.  My question asked about contributions

 6    to the local economy, which is the point you make, the

 7    table on page 18 and 19, and your answer instead of

 8    contributions to the local economy shifted to investment

 9    value, and I'll get to that, but let's get to my

10    question.

11              If you want to measure the contribution --

12         A.   Sorry, I'm not waving you away, I've got a fly

13    flying around, sorry.

14         Q.   Okay.  I won't take it personally.

15              JUDGE CLIFTON:  Let's -- let's take just a

16    five-minute stretch break.  It's 3:40.  Please be ready

17    to go again at 3:45.  And I'm hoping that the great

18    hunter, Dr. Schiek --

19              THE WITNESS:  Dr. Schiek.

20              JUDGE CLIFTON:  -- would help me with this

21    fly.

22              All right.  Be back at 3:45.

23              (Whereupon a break was taken.)

24              JUDGE CLIFTON:  We're back on record at 3:48.

25              Mr. Vetne, you may resume.
```

2358

BY MR. VETNE:

Q.   Okay. Is there anything in Exhibit 54, the analysis, your prepared analysis, that will help a decision-maker to identify those communities, those counties, one relative to another, that get a net benefit from the existence of quota versus no quota plan?

A.   I made reference to that just in the -- I think, let me turn to that page. It's a section that I speak about, the counties that have larger percentages of quota ownership. I can't recall exactly where that is. I think it's after -- it's after Table -- after Table 3, and I'm not certain if it's on your page 11 or 12. It's actually later than that. It's on page 13, middle of the page. Again, I just made reference to it, I didn't highlight it any further than to go on to take a look at the economic impacts per county.

Q.   Okay. But so far we're in agreement that some counties have a -- a net benefit from the existence of quota and some counties have not a net benefit?

A.   No, I think all counties that have quota have -- have a net benefit.

Q.   Okay.

A.   So your -- I'm not certain on your characterization, but if you have quota, you have a

2359

1 benefit.

2   Q.   Okay. All counties where there is one quota

3 holder, and that's the extra stream produced -- income

4 stream produced by those quota holders?

5   A.   That's correct. And, Mr. Vetne, I'm glad

6 you -- you characterized that way, because it is -- it's

7 an extra income stream. It's an asset investment, and

8 that extra stream of income allows that dairy quota

9 owner to not only -- he could have better leverage

10 because of that income stream for -- for bank lending if

11 it allows him to pay his supplier of feed, it allows him

12 to pay his veterinarian, it allows him to do a lot of

13 things with that money that he gets by that added income

14 stream.

15   Q.   I understand. And I'm -- I'm still sort of

16 referring to page 18 and 19 of your statement, which

17 asserts gross domestic problem -- product benefit per

18 county, not asset value and income stream to the farmer,

19 county benefit, and I expect that response to a lot of

20 my questions, but try to listen carefully to the subject

21 of my questions, and I'll get to the asset value at some

22 point.

23   Other than identifying some counties, you have

24 nothing in your paper that would help provide an

25 objective and quantitative analysis of those counties to

2360

```
 1   their local gross domestic product product, positive or
 2   neglect, by the existence of quota in those counties?
 3        A.   No.  I disagree with that characterization.  I
 4   believe Table 6 outlines that very specifically as to
 5   the impacts of quota ownership.
 6        Q.   As to the impact of quota ownership versus
 7   there being no quota in that county at all?  Is that
 8   right?  Basically the comparison --
 9        A.   There is no comparison.  It's the statement of
10   economic impact of annual return on dairy quota
11   investment in California and the various counties in
12   2014.  So there's not versus anything, it's a statement
13   of what occurs with quota payments in those counties.
14        Q.   If nobody in those counties owned quota, there
15   would be zero --
16        A.   That's correct.
17        Q.   -- zero economic impact?
18        A.   That's correct.  But all of those counties do
19   own some quota.
20        Q.   All own some?
21        A.   That's correct.
22        Q.   So the comparison is here's -- here's what
23   happened because there's quota in this county versus no
24   quota in this county?
25        A.   There's no comparison.
```

2361

BARKLEY
Court Reporters

1   Q.   There is no comparison.

        2   A.   Again, there's no comparison. It's a

        3   statement of this is what happens with quota.

        4   Q.   So quota is not added revenue over overbase?

        5   A.   Added revenue?

        6   Q.   Over overbase?

        7   A.   I guess you could characterize it as that --

        8   Q.   Okay. So --

        9   A.   Yes.

       10   Q.   -- overbase would be the zero starting point,

       11   and you're analyzing in -- in that table on page 18 and

       12   19 the revenue added by quota?

       13   A.   The revenue provided by quota, that's

       14   corrected. And, again, I don't characterize it the way

       15   you did. It's provided by that quota investment. Let

       16   me go back to the -- the title of that table, Mr. Vetne,

       17   it's very clear what it states.

       18   Q.   Exhibit 55. Exhibit 55 simply illustrates

       19   over time, fairly short period of time the -- the

       20   revenue change to farmers with and without quota,

       21   correct?

       22   A.   That's one way of characterizing it, that's

       23   correct.

       24   Q.   Okay.

       25   A.   It's the decision process, it's a flow chart

                                 2362

```
 1   of decision making of just one example of a mix of a

 2   blend price and where it would get you.

 3       Q.   Okay.  Would you agree with -- with me that in

 4   most counties other than those where there's a

 5   disproportionately large percentage of production

 6   represented by quota, that in most counties the gross

 7   domestic product would increase if everybody received a

 8   milk blend price?

 9       A.   That's a possibility.

10       Q.   Isn't it -- isn't it an absolute certainty?

11       A.   Nothing is an absolute certainty when it comes

12   to economics.

13       Q.   If -- if the prices everybody gets paid on

14   average for a unit of milk is greater as it would be in

15   Exhibit 55, a blend price, except for a few counties,

16   wouldn't the gross domestics product of those countries

17   improve over that which you have represented on page 18

18   and 19?

19       A.   There's certainly a possibility, that's

20   certainly right.

21       Q.   Well, why is it just a possibility?

22       A.   Because --

23       Q.   Tell me why it's not.

24       A.   Because, Mr. Vetne, in economics there are

25   many different factors that -- that -- that ultimately
```

2363

1 impact a final outcome. And if you're asking me to

2 forecast what's happening, I would not be sitting here

3 today because I'd be a billionaire living on -- on -- on

4 the coast if I knew how to do that. So there are a lot

5 of different factors, so I can't with precisely say it's

6 going to be larger because there are going to be

7 negative impacts. What happens to those farms that have

8 a large percentage of quota ownership --

9   Q.   Yes.

10   A.   -- let's say in Tulare County.

11   Q.   Yes.

12   A.   They may go out of business.

13   Q.   Yes, they may. And where do their cows go?

14   A.   I don't know where the cows go.

15   Q.   Where do the cows go mostly now when farms go

16 out of business? They go to other farmers, correct?

17   A.   That's one -- one aspect, certainly.

18   Q.   Do you know? Do you know what -- what happens

19 to farmers in California?

20   MS. OLIVER THOMPSON: Your Honor, I'm just

21 going to object to Mr. Vetne's manner of questioning at

22 this point. I think he's getting a little argumentative

23 with the witness. There's a lot of interrupting. And I

24 I'm sure the court reporter would also appreciate it if

25 everyone would slow it down.

1   JUDGE CLIFTON: Thank you.

2   MR. VETNE: I agree.

3   JUDGE CLIFTON: Yeah.

4   THE WITNESS: Thank you. Thank you.

5   JUDGE CLIFTON: I -- I do think your

6   hypothetical did not have enough variables, but I'm not

7   asking you to supply them. I'd like you to ask a whole

8   different question.

9   THE WITNESS: Thank you, Your Honor.

10   MR. VETNE: And, Your Honor, I apologize.

11 BY MR. VETNE:

12   Q.   I always instruct people don't -- there's only

13 one instruction, pause between the question and answer.

14 Think of nothing else, just pause. And I forgot my own

15 instruction. I'm sorry.

16   In your Exhibit 54, you use the word

17 "investment" several times, and you appear to equate,

18 make synonymous the terms "investment" and "value." Am

19 I reading that incorrectly?

20   A.   They're not equated to -- together. It's

21 certainly a part of -- the value of quota is its

22 investment, that's for certain.

23   Q.   Well, for example, bottom of page 14, you're

24 using current quota value per SNF pound, underscored,

25 the total value of quota owned it 1.164 billion. And

2365

1 then you conclude, underscored, again, "By any measure,

2 this is a substantial financial investment." Am I wrong

3 in attributing to you an effort to make synonymous the

4 words "value" and "investment"?

5   A.   No, I think in this instance that is correct.

6   Q.   Okay. But you would agree with me that the

7 current quota price for most quota out there is not the

8 value paid for it?

9   A.   Please restated that again. I'm not --

10   Q.   You would --

11   A.   -- sure I would agree with that statement.

12   Q.   Well --

13   A.   Because people have paid $525.

14   Q.   That's why I said most. Most --

15   A.   I don't know -- that's not calculated, so I

16 can't make that judgment at this point.

17   Q.   You would agree to me that there is

18 substantial quota out there that is owned for which the

19 holders paid less than $525 per pound?

20   A.   That's a possibility. I don't know the answer

21 to that.

22   Q.   You don't know that?

23   A.   I didn't calculate that, no, I did not.

24   Q.   Did you look at CDFA data to determine

25 historical prices?

2366

1   A.   I looked at the historical prices, but it

2   doesn't track completely because of the proprietary

3   nature of that quota ownership, so it's -- it's

4   virtually impossible to determine what folks pay for it

5   over time, because much of that quota may have been sold

6   again, bought again, sold again, so it's impossible to

7   determine what that value is.

8   Q.   So you don't know what the investment was?

9   A.   That's correct.

10   Q.   Okay. You do agree that at least some of it

11 out there, maybe a small percentage, there was zero

12 investment because it was given originally?

13   A.   That's correct. If anything is out there that

14 was initially allocated back in 1969, it had zero value

15 at that time. I'm sorry, zero cost, it shouldn't say

16 zero value. It has value because it provides a steady

17 stream of income.

18   Q.   Zero -- the investment, that was my question.

19   A.   That's right. The investment was zero.

20   Q.   I didn't use word "value" at the beginning, I

21 used "investment" at zero.

22   A.   Yes, you did.

23   Q.   Okay.

24   JUDGE CLIFTON: I think something -- that

25 there was a cost. There was a compromise. People did

1 agree to a blend price instead of the higher price they

2 were getting for their Class I milk, so I'm not sure you

3 can say there was no cost to the beginning of quota.

4   MR. VETNE: The word was "investment."

5 BY MR. VETNE:

6   Q.   The -- the quota, which I believe had value

7 from its inception, was provided to some producers

8 without having to pay for it, and that was a result of

9 comprise in the process of legislation. Would you agree

10 with that?

11   A.   Yes, I would agree with that.

12   Q.   The purchase the quota entire -- entitles the

13 owner thereof to a steady stream of income of 19.5 cents

14 per SNM -- F pound held, correct?

15   A.   Yes.

16   Q.   In that respect, it's much like an annuity,

17 you pay a certain amount for a certain stream of income;

18 is that correct?

19   A.   Similar to annuity, it's a little different

20 than that, but you do get a steady stream of income,

21 that's correct.

22   Q.   It's a little bit different in -- in the risks

23 and conditions of payments, correct?

24   A.   That's correct.

25   Q.   One of the conditions for that payment of a

BARKLEY
Court Reporters

1 steady stream of income is that you operate a dairy farm

2 and produce milk containing SNF at least equal to the

3 volume of quota you own?

4   A.   That's correct.

5   Q.   And if you don't do so for a period of time,

6 you lose your quota?

7   A.   That's correct.

8   Q.   And the risk factor would -- would -- would be

9 considered in any investment is some of the things you

10 talked about before, golly, is there going to be a quota

11 program in the future if a Federal order comes in,

12 that's -- that's a risk analysis, that makes it

13 different from a straight annuity?

14   A.   I would agree, yes.

15   Q.   Given that quota provides a predictable and

16 steady stream of income, and you noted that the value of

17 quota has gone up in recent years, would it not be

18 rational to conclude or at least look to see whether the

19 value of quota is directly related or inversely related

20 to interest rates?

21   A.   That would be one factor, yes.

22   Q.   Would it not be true that the cost of an

23 annuity for a steady stream of income is higher when

24 interest rates are lower?

25   A.   I believe that's true.

2369

1   Q.   Okay.   And you referred to quota as being

2 sometimes treated as a tangible and sometimes intangible

3 asset by financial institutions.

4   A.   That's correct.

5   Q.   All right.   An annuity falls into which

6 category, tangible or intangible?

7   A.   I don't know, that's a good question.

8 Probably a tangible asset.

9   Q.   By the way, do you know whether the income

10 stream from quota is treated the same way annuity income

11 is?

12   A.   I don't know that.

13   Q.   You don't know that.

14   I meant for tax purposes, if -- if --

15   A.   That's a question for the CPA.   That was not

16 one I raised with them.

17   Q.   Okay.   But you did testify as to the local,

18 state, and federal tax revenue impacts of quota

19 ownership, you should have some knowledge of how it's

20 taxed.

21   A.   Aside from the -- those are resulting

22 expenditures, Mr. Vetne, that's not about quota

23 ownership itself.   That's what -- that's the dollar

24 that's spent paying for the feed, paying for the water,

25 paying for the energy, and that's what -- the way it

2370

1   works through the economy.

2   Q.   Okay. So none of -- none of your analysis,

3   then, includes the extra for the producer in work

4   herself, the -- the income reported as a result of

5   quota --

6   A.   No.

7   Q.   -- and the expenditure from quota as taxed to

8   that quota holder?

9   A.   Yes, it does include that.

10   Q.   It does include that?

11   A.   It does include that.

12   Q.   But you don't know how it's taxed?

13   A.   I don't know exactly how it's taxed, no, I do

14   not.

15   Q.   Do you know when quota is used to leverage or

16   encourage a bank loan and maybe offer it as collateral

17   how a bank might look to that collateral to satisfy its

18   loan if there's a problem with the loan?

19   A.   As I think I mentioned in my testimony, each

20   financial institute has a different aspect, even within

21   financial institutions they take a look at quota

22   ownership differently, so it varies from bank to bank,

23   so I would imagine you'd have to ask a specific bank

24   allow they look at that.

25   Q.   I'm not asking how they looked at when they

2371

1   loan money, I'm asking how they look at when they have

2   to collect an overdue account. The -- the bank can't

3   take the quota and hold it because they're not a farmer,

4   correct?

5   A.   That's correct. That's correct.

6   Q.   So do you know whether they would have, like,

7   power of attorney to be able to sell that to another

8   farmer?

9   A.   One of the things that the banks did mention

10   to me, that quota ownership is traceable, and so that

11   they -- they can follow it, they know if a farmer

12   decides to sell it, that it's a traceable asset, so in

13   that sense, they're able to follow it. And it's not

14   exact -- some -- some consider it collateral, in that

15   case, they'll be able to be repaid, and others don't

16   consider it collateral, but they say it's next to

17   collateral, it's close, so they can follow that -- that

18   income stream. So, again, it varies from -- from -- I

19   don't want to speak on behalf of the banks, that's why I

20   gave a wide range of how they -- they handle it.

21   Q.   Okay. Would you agree with me that if

22   California did not have a quota/overbase system but

23   instead had simply a market wide blend price as happens

24   in month four or five of your Exhibit 55, that a lot of

25   the dairy farmers that borrow from financial

1 institutions would have a better stream of income to

2 present to their bank because their -- their market wide

3 blend price would be higher than their overbase price or

4 a low combination of quota and overbase?

5   A.   That -- that may be the case in the short

6 term, but in the long term, let's keep in mind they lose

7 that capital asset. That asset is a stream of income

8 that's assured today. That's not -- what you're talking

9 about is not assured tomorrow. So that long-term

10 investment of -- of quota is assured in perpetuity if it

11 continues, and so that is that what they rely upon and

12 that, again, is the capital investment that's so

13 important to the borrowing leverage, so important to

14 their operational costs. I hate to keep repeating these

15 factors, but these are very important that not only

16 dairy farmers have shared with me, but financial

17 institutions have also shared with me.

18   Q.   It's a stream of income that overlays a blend

19 price or a market price for milk which goes up and down

20 and the quota portion goes up and down with it, correct?

21   A.   Quota portion moves up and down with it?

22 Isn't it -- it's usually constant.

23   Q.   No, the quota portion is constant --

24   A.   Right.

25   Q.   -- it moves and up down with variable

2373

1 marketplaces. There are times when -- when the market

2 wide blend, and therefore the overbase price is -- is

3 low, and there are times when cheese prices go up way

4 high, and everybody's price goes way high like it did in

5 2014. The -- the quota portions moves in and down with

6 underlying overbase price or market price?

7   A.   I would agree, that's true.

8   Q.   Okay. And it's the total income stream that

9 banks look to?

10   A.   That's one factor, but again, a major factor

11 is the steady stream that's provided by quota. And

12 that -- if that's gone, that's one factor that's -- that

13 is a factor that the quota owner will not have, and so

14 that has a major impact.

15   Q.   If a bank could look at Exhibit 55 and see

16 based on your analysis that this producer who owns 25%

17 quota is going to have an improved price in the future,

18 whatever that up and down movement of the market is, in

19 perpetuity that blend will be better than it would have

20 been with quota, isn't a bank going to look at that as a

21 better income stream?

22   A.   I can't answer you what --

23   Q.   You don't know.

24   A.   -- the bank is going to look at.

25   Q.   Again, I forgot to pause.

2374

1   Mr. Hatamiya, you -- you prepared your -- your

2   paper, which is marked as Exhibit 54, at the request of

3   the proponents, the three cooperatives, correct?

4   A.   That's correct.

5   Q.   When were you retained to do this work?

6   A.   I believe it was in August of this year.

7   Q.   And what is the remuneration you are being

8   paid for preparing this report and preparing the

9   exhibits?

10   A.   I am being paid by an hourly rate of $350 an

11   hour.

12   Q.   Okay. And how many hours have you put in so

13   far?

14   A.   I'm not certain exactly.

15   Q.   How much have you been paid so far?

16   A.   I've been paid a little over $10,000.

17   Q.   Do you have an estimate of what you will be

18   paid before the --

19   A.   I do not have an estimate.

20   Q.   Did representatives of the -- any

21   representative or representatives of the -- the

22   individual or representative of the three proponent

23   cooperatives make any suggestions in any draft

24   portion -- draft version of Exhibit 54?

25   A.   Any suggestions?

2375

1   Q.   Suggestions for additions?

2   A.   No.

3   Q.   I may be almost done here.

4   Oh, Exhibit 55 is your intention to provide an

5   illustration using simple numbers of the decision points

6   and how they get there in USDA's preliminary economic

7   analysis, correct?

8   A.   That is correct.

9   Q.   And your analysis includes a pool with ten

10   individual dairy farmers making individual decisions on

11   whether to remain in the quota pool, correct?

12   A.   That is correct.

13   Q.   Now, with respect to, say, eight of those ten

14   dairy farmers, we'll further assume that they -- they

15   represent a membership and cooperative associations of

16   dairy farmers who own quota. Are you aware that

17   cooperatives in their relations with dairy farmers may

18   decide to pay those farmers on the basis of quota

19   ownership, non-quota ownership, or any method they

20   choose?

21   A.   Am I aware? No, I'm not aware of that.

22   Q.   You're not aware of that?

23   A.   No.

24   Q.   Okay. So you're not aware of whether

25   cooperative associations may have an influence, great or

2376

1 small, in the decision purported to be exemplified in

2 Exhibit 55 of departure from quota?

3   A.   Can you restate that question?

4   Q.   The question is you're not aware of

5 cooperatives having any influence, great or small, in

6 those decision points?

7   A.   No, I am not aware.

8   Q.   And you're not aware of how money flows from

9 the pool through cooperatives to their dairy farmer

10 members?

11   A.   No, I am not.

12   Q.   Okay. Go with me once more to Exhibit --

13 Table 6, which is on my pages 18 and 19 of my version of

14 Exhibit 54. Now, the second column, which is labeled

15 "investment," see that?

16   A.   Yes.

17   Q.   Okay.

18   A.   Uh-huh.

19   Q.   That investment represents roughly the current

20 value of quota times the -- the amount of quota at 19.5

21 cents per pound?

22   A.   Mr. Vetne, I'm -- I apologize again, it goes

23 across. That column should say "Annual Return on Quota

24 Investment," just not "investment." If you go back to

25 page 18, that's the full title.

2377

1   Q.   Oh, "Annual Return on Quota Investment," I

          2   see.

          3   A.   That's correct.

          4   Q.   Okay. So that's not the investment, the

          5   investment is not on here?

          6   A.   That's right, it's not on here.

          7   Q.   It's not on here. The investment is $.195,

          8   and the first column with numbers is $.195 times the

          9   amount of quota SNF in each county?

         10   A.   That's correct, on an annual basis.

         11   Q.   Okay. So let's say the legislature in its

         12   wisdom were to decide that $.195 isn't enough, let's

         13   double it to $.39, you would agree that if the

         14   legislature so did, the -- the -- the numbers in the

         15   investment column would go up?

         16   A.   That's correct.

         17   Q.   And gross --

         18   MR. VLAHOS: Excuse me. Excuse me. The

         19   investment column?

         20   JUDGE CLIFTON: Actually the "Annual Return on

         21   Quota Investment."

         22   MR. VETNE: "Annual Return on Quota

         23   Investment," that's correct.

         24   THE WITNESS: That's what I thought

         25   Mr. Vetne --

                                   2378

BY MR. VETNE:

Q.   Yeah.

A.   -- was referring to. Yeah, I was. Yeah.

Q.   The first column with numbers.

And correspondingly, the overbase payments would have to go down because you have a finite pool of revenue, correct?

A.   That's correct, too.

Q.   Okay. And by -- by your approach, the -- the gross domestic product represented by quota, then, would -- the counties would benefit from that, wouldn't they, by their analysis?

A.   Would they benefit from that?

Q.   Yeah. Because there's more quota revenue.

A.   Directly just to the quota, yes, they would benefit just from quota payments.

Q.   Okay. But there would be -- there would be -- if you look at the total pictures, sometimes counties would -- would lose, because the overbase price would be so much lower?

A.   That's -- that's a possibility. I mean, again, we have to look at it in aggregate as well.

Q.   Or -- or CDFA, without asking the legislature, could double the amount, the volume of quota, and still fix statutorily at 19.5 cents per pound, same -- same

2379

1 thing would happen, the investment or money would

2 double, overbase would go down, but you would still show

3 a benefit?

4   A.   I'm not certain that that's that simple. I

5 believe CDFA would increase the amount of quota, they

6 haven't since 1991 for, I think, obvious reasons. So I

7 think your hypothetically is not realistic.

8   Q.   It's how the numbers would work, whether

9 realistic or not, correct?

10   A.   Well, I guess if you're asking

11 unrealistically, yeah, I guess that's correct, yeah.

12   Q.   Other than the documents that you mentioned in

13 footnotes and resources, CDFA, did you decide what to

14 look for in CDFA on your own or -- or were some

15 suggested to you? Did you talk to CDFA people or to

16 proponents?

17   A.   No, these are all direct questions I had for

18 CDFA, and I went back and forth with them on what

19 available data there was. I had an idea in mind what I

20 wanted to -- to analyze, and they were very helpful in

21 providing that data.

22   Q.   Okay. Can you refer to something that lets us

23 know what the Cooperatives exactly asked you to do?

24   A.   What did they ask me to do?

25   Q.   Yes, specifically. Is there -- is there

BARKLEY
Court Reporters

1   here -- here is your charge, here's what we request you

        2   to do?

        3   A.   My charge, I think I stated upfront, is to

        4   provide an independent analysis of the economic

        5   importance of the dairy industry in California, I laid

        6   this out in my testimony, as well as the value of quota.

        7   Those are -- that was my charge, and how I got there was

        8   my approach.

        9   Q.   On page 7 to 8, sentence beginning at the

       10   bottom of page seven, "To best achieve this I surveyed a

       11   range of California accounting firms, financial

       12   institutions, and dairy farmers." Did you engage --

       13   JUDGE CLIFTON: Now, if you're going to call

       14   our attention to the statement at the bottom of page 7,

       15   please don't leave out words.

       16   MR. VETNE: Okay.

       17   JUDGE CLIFTON: Either have him look at it and

       18   then ask him a question or --

       19   BY MR. VETNE:

       20   Q.   Okay. "To achieve this I surveyed a range of

       21   California accounting firms that specialize in dairies;

       22   a range of financial institutions that are major dairy

       23   lenders; and a range of dairy farmers of varying sizes

       24   and operations from across the state." And I gave

       25   verbal emphasis to the three things that I presented in

                                    2381

```
 1   my shortened version of the question.

 2           Did you engage in any kind of statistical

 3   survey as we -- do you understand the process of

 4   surveying to get a statistical representative sampling?

 5       A.   I -- I did.  I mean, I do.  But in this case,

 6   you know, I took the information of CPA firms that would

 7   return my calls.  And the banks, I talked to I believe

 8   most of the major dairy lenders.  It just so happens I

 9   know many of the senior vice-presidents of those banks.

10       Q.   Okay.  So you talked to the people that would

11   talk to you?

12       A.   That's correct.

13       Q.   Okay.  And you said about 20 farmers?

14       A.   Yeah, about 20 farmers.

15       Q.   How did you choose those?

16       A.   I had some -- a list suggested by all the

17   dairy cooperatives as well as dairymen that I know from

18   longstanding relationships.

19       Q.   Were the farmers you talked to members of

20   cooperatives?

21       A.   That's what I just said.

22       Q.   Okay.  I mean, was that it?  Were they all

23   members of cooperatives?

24       A.   I'm not certain all of them were, but most --

25   I would say the majority were.
```

2382

BARKLEY
Court Reporters

1   Q.   You don't know if any were nonmembers?

2   A.   No, I don't.

3   Q.   Oh, yeah. On page 10 under subparagraph c,

4 you have some characterizations of quota holdings. You

5 said quota does not require maintenance or veterinarian

6 over time. I think we already discussed the condition

7 of -- of that. To -- to maintain quota and receive the

8 income stream, you must milk cows and solid nonfat from

9 those cows must be marketed so that they're included in

10 the pool, correct?

11   A.   That's correct.

12   Q.   So to that extent, you need both maintenance

13 and vets to keep that asset alive?

14   A.   That is correct. I -- I use that as you see

15 in quotes because that was a quote from one of my good

16 friends who's a dairy farmer.

17   Q.   Okay. That's what the dairy farmer told you?

18   A.   He told me that.

19   Q.   Okay.

20   A.   That's exactly right.

21   Q.   And you would agree with me that maybe there

22 are a few conditions involving vets and maintenance

23 involved?

24   A.   There are many more conditions in that, that's

25 true.

2383

1   Q.   Among others?

2   A.   Among others.

3   Q.   That's all I have. Thank you.

4   JUDGE CLIFTON: Thank you, Mr. Vetne.

5   Before we decide what's next, I'd like to

6   inquire, it's 4:25. I know we have to leave this room

7   because tomorrow we'll be in a different room. Do we

8   have a timetable as to when I should stop to enable that

9   to happen?

10   MR. FRANCIS: Will Francis from USDA. I don't

11   think we have a hard deadline today to get out of this

12   room, so I think we have some flexibility. It's just

13   tomorrow 9:00 o'clock we're in the other room, so we

14   have some flexibility today.

15   JUDGE CLIFTON: All right. Very good.

16   Then let me ask is there any more

17   cross-examination of Mr. Hatamiya? Yes, there will be.

18   Yeah, a couple of you. Okay.

19   So before we go there, is there anything else

20   that's also on the table that anyone wants to do today

21   to, for example, mop up some things that were left open,

22   and then -- and then also let me ask one more question.

23   Are we hoping to finish Mr. Hatamiya's testimony today?

24   MR. BESHORE: Yes.

25   JUDGE CLIFTON: We're hoping to do that also.

2384

```
 1   All right, then.

 2             Mr. Vlahos, if you would take the microphone.

 3             MR. VLAHOS:  Yes, Your Honor.  John Vlahos.

 4             There have been questions raised during Mr. --

 5   Mr. Erba's testimony about certain time limits contained

 6   in Sections 1051.55 and 1051.73, and through Dr. Erba,

 7   or I could make representations to the proceedings

 8   myself, there is some agreement that those time limits,

 9   the questions that were raised can be handled and

10   modified.

11             JUDGE CLIFTON:  Okay.  Good.  Great.  Some

12   agreement, I love that part.

13             MR. VLAHOS:  Yeah.

14             JUDGE CLIFTON:  All right.  Good.

15             And then about the transportation issue, did

16   you also work on that?

17             MR. VLAHOS:  Yes.  John Vlahos.

18             That's one of the sections I was referring to.

19             JUDGE CLIFTON:  Oh, okay.  Good.  So then

20   we'll address that tomorrow.  Do you want to?

21             MR. VLAHOS:  Unfortunately Dr. Erba will not

22   be here tomorrow, so I would like to do that today if we

23   could.

24             MR. BESHORE:  You can't do both.  You're not

25   going to get both.  You're not going to get both.  It's
```

2385

```
 1   4:30.

 2               JUDGE CLIFTON:  Well, if I -- if I

 3   interrupt --

 4               MR. VLAHOS:  It takes two minutes.

 5               JUDGE CLIFTON:  If I interrupt Dr. Hatamiya so

 6   that I can just deal with those leftover issues with

 7   Dr. Erba, I mean -- yes, Dr. Erba, that would be a good

 8   thing because I may not finish with Mr. Hatamiya today

 9   even if I try very hard.  So I think -- I think what I'd

10   like to do right now is interrupt Mr. Hatamiya, have

11   Dr. Erba come back to the stand -- or does he need to be

12   on the stand for you to tell us what the agreement is?

13               MR. VLAHOS:  I don't really think so.  If it's

14   all right, we can just make the representation what he

15   would be willing to do.

16               JUDGE CLIFTON:  All right.  Dr. Erba, will you

17   listen to Mr. Vlahos' representations so you can alert

18   me if you want to add anything.

19               DR. ERBA:  Very carefully.

20               JUDGE CLIFTON:  Very fine.

21               And, Mr. Vlahos, you may proceed.

22               MR. VLAHOS:  Yes, all right, Your Honor.

23               The first question arose as to Section 1051.55

24   sub (a) and sub sub (1).  A question was raised when the

25   words there appear, "On or before the 13th day" with --
```

BARKLEY
Court Reporters

1 can we make that change to add three days, make it "on

2 and before the 16th day," and the answer to that is yes.

3   The second question relates to Section

4 1051.73, Payments to producers and to cooperative

5 associations, and there we're talking about subsection

6 (a) and subsection (1), which is dealing with partial

7 payment. And the language there talked about receiving

8 by each producer on or before the 30th day of the month,

9 and it was pointed out that February does not have 30

10 days, so to handle that, we have -- we suggest and are

11 willing to live with, "On or before the 30th day of the

12 month or the end of the month, whichever is sorter."

13 That covers February. And that -- that is something we

14 would agree to.

15   JUDGE CLIFTON: Is "shorter" the right word or

16 "earlier"?

17   MR. VLAHOS: Earlier is better.

18   JUDGE CLIFTON: Okay. All right. Good.

19   Does that deal with the transportation?

20   MR. VLAHOS: No, we did that with 1051.55.

21   JUDGE CLIFTON: With the 16th day? Okay. You

22 dealt with that.

23   MR. VLAHOS: Yes. Yes.

24   JUDGE CLIFTON: All right. And do you have

25 any agreement on my concern about the poor handler

```
 1   having to send money out on the same day it comes in?

 2              MR. VLAHOS:  All we can say is we handle it in

 3   the same way that's already done in the same existing

 4   orders.  If it's a problem here, then it's a problem

 5   everywhere, I think.

 6              JUDGE CLIFTON:  Mr. Francis.

 7              MR. FRANCIS:  Will Francis, USDA.

 8              We have a witness that will introduce a table

 9   that explains that, and we can do that at any time.

10              JUDGE CLIFTON:  Oh, great.  Excellent.

11              MR. VLAHOS:  Great.

12              JUDGE CLIFTON:  All right.  Good.

13              Thank you very much, Mr. Vlahos.

14              MR. VLAHOS:  Thank you, Your Honor.

15              JUDGE CLIFTON:  All right.  That's very

16   helpful.

17              Dr. Erba, since you may not be here tomorrow,

18   do you want to add anything at this point about what

19   Mr. Vlahos gave us?

20              DR. ERBA:  Eric Erba.  Eric.  Eric Erba.

21   There we go.  Eric Erba, California Dairies.

22              Mr. Vlahos represented those, the two points

23   that I was going to speak to perfectly.

24              JUDGE CLIFTON:  Thank you.  All right.  I

25   appreciate that.
```

1   Let's return, then, to cross-examination of

 2   Mr. Hatamiya. Who would like to go next?

 3   MR. ENGLISH: Thank you. Chip English. And

 4   I'm hoping to keep this to two subjects, and I'm

 5   certainly not trying to keep Mr. Hatamiya here past 4:55

 6   when I think we normally quit.

 7   CROSS-EXAMINATION

 8   BY MR. ENGLISH:

 9   Q.   So I think you've been lucky or unlucky enough

10   to have attended several days of this proceeding,

11   correct?

12   A.   That is correct. Lucky, lucky enough.

13   Q.   And during that time, I think you heard some

14   of my examination of Dr. Erba on Friday; is that

15   correct?

16   A.   I believe so, yes.

17   Q.   And are you aware that in Co-op Proposal 1

18   that, as opposed to how the system works today, under

19   their proposal for a Federal order, milk from out of

20   state that is pooled under this order would receive this

21   non-quota blend price?

22   A.   To the extent of Dr. Erba' testimony on, I

23   believe it was Friday, yes, I'm aware of his testimony,

24   that's correct.

25   Q.   All right. And to the extent that those

BARKLEY
Court Reporters

1 producers today receive a price that is higher than

2 that, assume that that's the case, has your analysis

3 taken into consideration the economic impacts on, say,

4 the economies of Arizona or Nevada resulting from that

5 change?

6   MS. OLIVER THOMPSON: Your Honor, just to

7 interject and raise an objection. This issue of the

8 impact of -- to out-of-state producers is not -- it's

9 beyond the scope of what Mr. Hatamiya's statement and

10 testimony was today. I think he can answer probably

11 this question, but I just want to say, you know, going

12 beyond that would be inappropriate.

13   MR. ENGLISH: I wasn't -- I wasn't going to go

14 beyond that.

15   MS. OLIVER THOMPSON: Sure? Because I don't

16 know what his answer is.

17   JUDGE CLIFTON: Wait a minute now. I don't

18 want you talking and walking away from the microphone,

19 it's too hard to capture. What did you say?

20   MS. OLIVER THOMPSON: I just -- I believe I

21 know what his answer will be. And if examination is not

22 going to go beyond that, then I think we're good.

23   JUDGE CLIFTON: All right.

24   MR. ENGLISH: Stay here just in case, but I

25 don't think it's going to be.

2390

```
 1  BY MR. ENGLISH:

 2       Q.   So assuming the answer is what we think it is.

 3       A.   Mr. English, in answer to your question, no, I

 4  did not.

 5       Q.   Okay.  Thank you.

 6            And as promised, I am going to change

 7  subjects.

 8            So I'm going to try to -- I'm going to try one

 9  last time to get an issue that both Dr. Schiek and

10  Mr. Vetne tried to get at, and I'm trying to just do it

11  a slightly different way.  And this is the underlying

12  question of looking at Table 6, which starts on page 18

13  and goes over to 19, and I'm going to try to fold it up

14  here so that I can get the headings correct.  And -- but

15  I also want to compare it to your statement on pages 12

16  and 13 in Table 3.

17            And let me start with I think in response to a

18  question from Mr. Vetne, and I may -- it may have been

19  Dr. Schiek at the end -- that you did agree that as to

20  California, ignore the county data just for a moment,

21  I'm not saying it's not important, that as to

22  California, you would agree that the number of -- for

23  annual return on quota of 139,358,870 would match the

24  revenue stream less than a blend price available on

25  overbase, correct?
```

2391

```
 1         A.   Correct.

 2         Q.   Okay.  But then you indicated that

 3   nonetheless, there would be county-to-county impacts

 4   within that that wouldn't necessarily match up either to

 5   zero, correct?

 6         A.   That is also correct.

 7         Q.   But you would agree that since mathematically

 8   they all have to add up -- I take it that subject to

 9   some rounding and -- and I assume all the counties are

10   included, that all the county data from Tulare -- I'm

11   now looking at Table 6 on pages 18 and 19 -- that the

12   county data below the 139,358,870 all add up to

13   139,358,870 subject to rounding errors?

14         A.   That is correct.

15         Q.   Okay.

16              JUDGE CLIFTON:  I don't remember your

17   testimony that way.  It -- isn't there also some quota

18   that's not in the counties that you have in this table?

19              THE WITNESS:  No, this is inclusive,

20   Your Honor, of all quota.

21              JUDGE CLIFTON:  Okay.  All right.

22              MR. ENGLISH:  And I think, Your Honor, you are

23   thinking about the top ten counties.

24   BY MR. ENGLISH:

25         Q.   But just to be clear, Mr. Hatamiya, this
```

2392

BARKLEY
Court Reporters

1 actually does include all the counties because some of

         2 them have been combined, but otherwise all the counties

         3 are included, correct?

         4   A.   That -- that is correct, Mr. English.

         5   JUDGE CLIFTON: All right.

         6   THE WITNESS: That's right.

         7   JUDGE CLIFTON: Good. Thank you.

         8   MR. ENGLISH: Thank you, Your Honor.

         9 BY MR. ENGLISH:

        10   Q.   All right. So let me just look at Tulare for

        11 a moment, and -- and I'm actually -- I'm going to ask --

        12 I'm not going to ask you to run the math, I'm not going

        13 to hand you to calculator and ask you to do it, I'm just

        14 going to sort of run through the theory of what one

        15 would do if I was interested in looking at, for the

        16 County of Tulare, what the difference between a state

        17 blend and overbase would be relative to your annual

        18 return on quota. Okay? All right. You're nodding yes.

        19   A.   Yes. Yes.

        20   Q.   Okay. Thank you.

        21   So looking at page 12 for a moment for the

        22 month of January 2015, you show 417,068.87 pounds of

        23 quota SNF, correct?

        24   A.   That's correct.

        25   Q.   Okay. And on page 13, you've got these

                                      2393

```
 1  percentages for San Diego, Marin, Riverside, Sonoma,

 2  which are well above 50%, and then you've got some

 3  counties below 50, and that's Tulare.  Was this 14.8%

 4  for Tulare also for January of 2015?

 5       A.   No.  That was for -- yeah, I guess it was for

 6  20 -- 2015, that's correct.

 7       Q.   Okay.

 8       A.   It was, yes.

 9       Q.   So it -- it's apples to apples?

10       A.   It's apples to apples, that's correct.

11       Q.   Or skim milk to skim milk or cream to cream?

12       A.   Cream to cream, that's right.

13       Q.   So if you were to divide the line on page 12

14  for Tulare Quote SNF for 400 -- divide 417,068.67 by

15  14.8% on page 13 --

16       A.   Yes.

17       Q.   -- you could calculate the total pounds of

18  SNF, correct?

19       A.   That's correct.

20       Q.   And then if you do the total pounds SNF, you

21  could subtract from that the 417,068.87 to come up with

22  the overbase pounds?

23       A.   I believe that's correct, yes.

24       Q.   And then if you knew the blend price, the

25  state wide blend price for the month of January, you
```

2394

BARKLEY
Court Reporters

1   could take that difference between the blend price and

2   the overbase price, and multiply that by the overbase

3   pounds that you calculated to find the number I was

4   trying to get, correct?

5   A.   That's correct.

6   You are a mathematician as well, Mr. English.

7   Q.   Not an economist. Accounting.

8   All right. And that's all I have. Thank you.

9   CROSS-EXAMINATION

10   BY MS. HANCOCK:

11   Q.   Nicole Hancock for the California Producer

12   Handlers Association and Ponderosa Dairy.

13   Mr. Hatamiya, in your analysis in Exhibit 54,

14   your state -- prepared statement, it says that you

15   conducted an independent and objective economic analysis

16   of the dairy industry to the state of California and to

17   examine the economic value of California's dairy quota

18   program. That's what you've done here in this report?

19   A.   Yes, that's correct.

20   Q.   And did you evaluate any of the exempt quota?

21   A.   I did not.

22   Q.   Okay. So when you report on the volumes of

23   quota that are contained in your report, it wouldn't

24   include any of the exempt quota in those calculations?

25   A.   That -- that is correct unless some of those

                          2395

1   producers also had quota that was included among the

2   number provided to me by CDFA.

3   Q.   Okay. So if they were holding regular quota,

4   it would have been included, but the exempt quota was

5   not included?

6   A.   That's correct.

7   Q.   Okay. Would you agree with me that many of

8   the conclusions in your report would also apply to

9   exempt quota?

10   A.   Yes. Without knowing the full volume of

11 exempt quota, I would agree that depending upon where

12 that's held in the state that -- that -- that certainly

13 could be true.

14   Q.   Okay. Are you familiar with how exempt quota

15 works under the California state order system?

16   A.   No, not familiar.

17   Q.   Okay. You were here for Dr. Erba' testimony

18 on Friday?

19   A.   I was.

20   Q.   Did you hear my cross-examination of him?

21   A.   I -- I did.

22   Q.   Okay. And in that examination, I asked him

23 some questions about how regular quota -- how he

24 considered regular quota to be valuable under the

25 California state order system. Did you hear that

2396

BARKLEY
Court Reporters

1 discussion?

2   A.   I believe I did.

3   Q.   And if I'm understanding your testimony

4 correctly, I think that it's consistent with what

5 Dr. Erba said, that there is for regular quota a value

6 that is attributed to the premium -- premium pricing

7 that's received if you hold regular quota, that's one of

8 the -- the values; is that right?

9   A.   That's correct.

10   Q.   And another one of the values would be the --

11 the transferability valuation, the 525 is where it's

12 priced at today?

13   A.   That's also correct, right.

14   Q.   And then for exempt quota, he said that there

15 was actually an additional layer of economic value

16 because it's -- it's quota that was not subjected to the

17 pool. Did you hear that?

18   A.   I do recall that, yes.

19   Q.   Okay. If -- if there were -- if there was

20 exempt quota that would not be subjected to the pool,

21 would you agree that that would still hold an additional

22 layer of value as Dr. Erba testified?

23   A.   I believe so, yes.

24   Q.   And on page 6 of your report, on Exhibit 54,

25 the very last complete sentence says, "In fact,

BARKLEY
Court Reporters

1 paramount to any consideration of a California Federal

2 Milk Marketing Order, FMMO, was the assurance that the

3 quota program would not in any way be diminished or

4 affected." Do you see that?

5   A.   I do.

6   Q.   Do you understand that the exempt quota is

7 part of that quota program?

8   A.   I don't have a full understanding of that, no.

9   Q.   Okay. And that's why you haven't included it

10 in --

11   A.   That --

12   Q.   -- this?

13   A.   That's correct.

14   Q.   I'm going to turn to page 10 of Exhibit 54,

15 your statement. And you're talking about some

16 "Characterizations of Dairy Quota Holdings by Dairy

17 Farmers in California" under Section 3. And just so I

18 can -- in sum you're, talking about that quota owners in

19 California consider their quota to be an invaluable

20 asset because it gives them the ability to met their

21 cash flow and increasing -- meet cash flow requirements

22 and increasing costs of operation and some additional

23 pressures such as feed, labor, energy, water. Do you

24 see that?

25   A.   Yes.

1   Q.   Would you agree with me that if -- if -- if a

2 producer was not allowed to participate in the quota

3 system but was forced to receive only the blend price

4 for shipping milk into California, that they would

5 suffer a disproportionate effect on being able to

6 satisfied those increase pressures that you mentioned

7 here on page 10?

8   A.   I'm not -- you know, again, it's a

9 hypothetical, I'm not certain about the cost, so if it's

10 a disproportionate share, I'm not certain. They

11 certainly would have, you know, would have to deal with

12 that added cost, but a disproportionate share, I'm not

13 sure I can characterize it that way.

14   Q.   Okay. That's -- that's fair. I wasn't trying

15 to give you a loaded term in there.

16   A.   No, right. I just don't have the numbers in

17 front of me to make that determination.

18   Q.   That's fair. Let me say it a little bit

19 differently.

20   Are you -- is it fair to say that what you're

21 saying in subsection 3a and b is that the ability to

22 participate in the quota program gives the producers an

23 opportunity to help offset some of the increasing

24 challenges that they face under the current market

25 conditions, such as increasing feed, labor, energy,

2399

BARKLEY
Court Reporters

1   water costs, cash flow needs, and costs, overall costs

2   of operations?

3   A.   Yes.

4   Q.   Okay.

5   JUDGE CLIFTON: Mr. Hatamiya -- Hatamiya, will

6   you please define for me "ability" as used in that

7   statement.

8   THE WITNESS: Ms. Hancock's --

9   JUDGE CLIFTON: "Ability to participate." Are

10   you talking about participation or are you talking about

11   an ability to participate? And if you're talking about

12   ability, how do you define it?

13   THE WITNESS: That's a very good question,

14   Your Honor. I would define it as quota ownership or the

15   potential to own quota. Because, again, as you look at

16   my characterization, this is based upon quota ownership

17   and investment in that quota.

18   BY MS. HANCOCK:

19   Q.   Thank you for that clarification.

20   And just to be clear, so when you -- when I

21   say ability to participate, I'm -- you're also talking

22   about non-quota holders that have the opportunity to

23   purchase or acquire quote -- quota, correct?

24   A.   That's correct, yes.

25   Q.   So even if they're not a quota holder today,

2400

1 just having the ability to purchase that quota is what

2 gives them an advantage to address some of the increased

3 pressures in -- in the market today?

4   A.   If in fact they can buy the quota at some

5 future date, that's right.

6   Q.   And then the corollary to that would be true

7 as well, that if they could not purchase that additional

8 quota but if the quota system remained in place, they

9 wouldn't have that opportunity to meet some of those

10 rising needs?

11   A.   That's correct. To some extent, again, based

12 upon the different factors we just talked about before,

13 I don't have it all in front of me, but absolutely that

14 would be part of that outcome.

15   Q.   I want to turn to page 13 of Exhibit 54, your

16 statement. And I'm under subsect -- subsection C now,

17 the "Economic Value of Quota to the Dairy Farmer and the

18 Dairy Industry." And in there you stated, "I have

19 calculated the total economic value of quota by county

20 and area and the entire state as follows," and then you

21 go on to have your Table IV chart. Do you see where I'm

22 at?

23   A.   Yes.

24   Q.   Okay. Would you agree with me that there

25 are -- there are values of quota that you cannot

2401

BARKLEY
Court Reporters

1 quantify?

2   A.   Values of quota that you can't quantify. I

3 would potentially agree to that, that's right, in terms

4 of the value -- can you -- can you quantify the value

5 that quota brings to a farmer in its leverage with

6 lending institutions? Can you quantify that value in

7 its ability to -- to pay for inputs later on? That's a

8 very good question. No, you don't quantify it

9 completely there, that's right.

10   Q.   So in addition to the values that you've

11 calculated, you would agree that there are additional

12 values that you cannot add into your chart here?

13   A.   That's right, they may not be intangible

14 values, that's exactly right.

15   Q.   And then on page 14, I've moved over now,

16 you -- you have a concluding sentence that says, "By any

17 measure, this is a substantial financial investment made

18 by California dairy farmers," and there was some

19 discussion about what investment was actually made.

20 Would you agree with me that when quota was initially

21 assigned to -- to producers, that it was assigned based

22 on their historical production of Class I milk or

23 their -- let me say that differently -- it was assigned

24 based on their historical sales of -- of Class I milk?

25   A.   I believe that's correct.

2402

1   Q.   Okay. So would you agree that there -- I

2   thought you said something.

3   Would you agree that there was an investment

4   in their businesses back in the, let's say the 1960 to

5   1967 time period in which those producers had to create

6   markets for their Class I milk, create relationships,

7   create quality programs that allowed them to put in

8   place their historical numbers that was then used to

9   assign that quota?

10   A.   I believe that's also true.

11   Q.   And then the same would be true if exempt

12 quota was assigned based on their historical production

13 and sales of Class I milk, that that would be an

14 investment in their quota program that was recognized by

15 the assignment of their quota numbers?

16   A.   I would also presume that would be true, yes.

17   Q.   Would you agree, then, if there were

18 restrictions for the exempt quota holders on the fact

19 that they could not transfer the exempt quota without it

20 being converted into regular quota, that that would be

21 an additional cost on them as -- as -- or an additional

22 investment that was required on those exempt holders in

23 order to preserve that exemption?

24   A.   I believe that's a good characterization, yes.

25   Q.   Okay. If you can turn to page 20 of your

2403

1 report, Exhibit 54, and I'm under subsection B where

2 you're talking about if a Federal Milk Marketing Order

3 were put in place in -- in California, it's in your

4 concluding comments that you submit your following

5 observations on the potential impact of this changing

6 the quota program. Under subsection 1 there, you state,

7 "To the extent that the Federal" -- or let me say that

8 different. "To the extent that the FMMO maintains the

9 current quota system and recognizes its full value as

10 directed by Congressional language, dairy quota

11 ownership continues to have the same significant and

12 positive role in the California dairy farm economy." Do

13 you see that?

14   A.   Yes.

15   MR. ENGLISH: Objection. Just to be keep the

16 record clear, same objection.

17   JUDGE CLIFTON: Yes. The objection is noted,

18 Mr. English. Thank you.

19   MR. ENGLISH: Thank you.

20 BY MS. HANCOCK:

21   Q.   Would you agree with me that exempt quota

22 having an investment characteristic and a value

23 characteristic above and beyond that of regular quota,

24 that your conclusion that you draw here would equally

25 apply to the exempt quota as well?

2404

1   A.   I believe that's -- would be true, yes.

2   Q.   And if we turn to page 21, subsection 2 there

3   at the top of the page, "Any tinkering with the quota

4   terms" -- I think that's a first time I've ever said

5   that into a record before, by the way -- "Any tinkering

6   with the quota terms will create regulatory uncertainty

7   which will diminish the economic value of quota, thereby

8   eroding the invaluable financial investments that dairy

9   farmers across the state have previously made." Do you

10   see that?

11   A.   Yes, I do.

12   Q.   Would you agree with me that with the

13   investment and the value for exempt quota, that this

14   conclusion would equally apply to any tinkering with the

15   exempt quota as well?

16   A.   I believe it would.

17   Q.   Okay. And then the same for number 3 there

18   where you talk about threatening the value of quota or

19   directly -- directly diminishing its value would

20   materially be disruptive to the individual quota holders

21   and the producer side of the industry more broadly,

22   would you agree that that conclusion would equally apply

23   to exempt quota holders as well?

24   A.   Yes, I believe that's true.

25   Q.   Okay. So if turn it page 23 of your report,

2405

1   Exhibit 54, under section B there, "The Cooperative's

     2   Proposal fully honors authorizing Congressional

     3   legislation to recognize quota value."

     4   MR. ENGLISH: I have to get up and make --

     5   repeat my objection, Your Honor, so it's not waived.

     6   JUDGE CLIFTON: Thank you, Mr. English.

     7   He could have a standing objection, but I

     8   actually think it's more useful if he interjects at the

     9   point in the record where the objectionable language is

    10   found, so I appreciate it.

    11   MR. ENGLISH: And I appreciate the offer

    12   standing, but I think given the nature of my significant

    13   concerns about this being anywhere in the statement, I'm

    14   going to make it every single time.

    15   JUDGE CLIFTON: But to the extent he may have

    16   missed one --

    17   MR. ENGLISH: It stands.

    18   JUDGE CLIFTON: He's entitled to a standing

    19   objection.

    20   MR. ENGLISH: I'm standing.

    21   MR. HANCOCK: I would like the same concession

    22   made if I've missed an objection somewhere along the

    23   way.

    24   BY MS. HANCOCK:

    25   Q.   So with Mr. English's objection, I'm under

                         2406

1 subsection B there on page 23 of Exhibit 54.

2   A.   Yes.

3   Q.   Would you agree with me, then, in the -- the

4 same justifications that are used to conclude that the

5 Cooperative's proposal that the quota program be left

6 enact without significant modifications and continue to

7 be administered by the CDFA through a memorandum of

8 understanding, the same conclusion would, then, apply to

9 the exempt quota as well?

10   A.   I believe that would be so.

11   Q.   Okay. And then under the last paragraph you

12 mention maintaining the status quo in the California

13 dairy quota program. Same question, that that would,

14 again, apply to the preserving of the status quo of the

15 exempt quota program as well?

16   A.   That --

17   MR. ENGLISH: And, again, maintaining that

18 quote in middle in the phrase that we object as being

19 included, Your Honor, so we object.

20   JUDGE CLIFTON: Thank you. Your objection is

21 noted.

22   THE WITNESS: That would be yes.

23 BY MS. HANCOCK:

24   Q.   Okay. And then lastly on the last page, 24,

25 of your report, Exhibit 54, your final conclusions and

                      2407

1   recommendations with respect to "quota ownership as an

2   invaluable, liquid asset that is a long-term financial

3   investment in the viability of the California dairy

4   industry," would you agree with me that that would

5   equally apply to the exempt quota treatment as well?

6   A.   Yes.

7   Q.   Thank you. I have no further questions.

8   JUDGE CLIFTON: Thank you, Mr. Hancock.

9   Because it is one minute to 5:00, I'm hoping

10   there's no more cross-examination. Am I correct?

11   There's no more cross-examination.

12   Ah, Mr. Francis.

13   CROSS-EXAMINATION

14   BY MR. FRANCIS:

15   Q.   Will -- Will Francis, USDA.

16   Hopefully this will be quick, but I want to

17   clarify Exhibit 55.

18   A.   Yes, sir.

19   Q.   And Dr. Schiek tried to walk through an

20   example, and I think the math is going to be pretty

21   simple, so I -- I want to followup on that, and

22   hopefully it won't take long.

23   So your example shows four farmers that are

24   opting out of the quota pool, but he wanted to know

25   what's the impact if those four farmers despite it may

                            2408

1 not be rational economically remain in the pool. So if

2 you take that $40 and put it back into the quota pool --

3   A.   Yes.

4   Q.   -- the green box?

5   A.   Yes.

6   Q.   You keep $100. And the quota payments don't

7 change, I believe?

8   A.   I believe they stay all the time, that's

9 correct, the folks with quota.

10   Q.   So you end up with $100 minus $7.24, or you

11 can just add the $40 to the 52.76?

12   A.   That's what I was trying to do quickly, and I

13 wasn't able to get --

14   Q.   And you get $92.76, and because made it easy

15 for us, you've got ten participants --

16   A.   Ten divided by ten.

17   Q.   -- in the pool.

18   A.   Right.

19   Q.   So the resulting per hundredweight price would

20 be nine dollars 27.6 cents?

21   A.   That's correct.

22   Q.   Okay. And then we can follow through the

23 math?

24   A.   Right.

25   Q.   Okay. That's all I have. Thank you.

2409

1   JUDGE CLIFTON: No wonder he gets paid the big

2   bucks. Thank you, Mr. Francis. That's helpful.

3   THE WITNESS: I thought she was talking to

4   you.

5   JUDGE CLIFTON: No, I met Mr. Francis.

6   All right. Ms. Oliver Thompson, do you have

7   any redirect?

8   MS. OLIVER THOMPSON: No, I do not.

9   JUDGE CLIFTON: He did all right by himself,

10   didn't he, Mr. Hatamiya.

11   Mr. Hatamiya, I thank you so much. You've

12   practical -- practically been roasted in this witness

13   seat, and this is the first time I've had the

14   opportunity to meet you, and it's been a pleasure.

15   THE WITNESS: Your Honor, thank you very much.

16   It's been my pleasure as well. Thank you.

17   JUDGE CLIFTON: You may step down.

18   All right. I will see you all in the

19   Independence Room.

20   MS. MAY: Yes.

21   JUDGE CLIFTON: Independence Room tomorrow

22   morning. You can come as early as 8:00. We'll go on

23   record at 9:00. We now go off record.

24   (Whereupon the proceedings recessed

25   at 5:01 p.m.)

BARKLEY
Court Reporters

State of California)
) ss.
County of Fresno   )

        I, SHELLY A. DAVIS, a Certified Shorthand

Reporter of the State of California, do hereby certify

that the within transcript contains a full, true, and

accurate record of the proceedings had in the matter and

on the date as stated on the first page hereof, and that

the said proceedings were taken in shorthand by myself,

a Certified Shorthand Reporter, and under my direction

transcribed into the foregoing typewritten transcript.

        IN WITNESS WHEREOF, I have subscribed my name

on _October 19___, 2015.

                        _Shelly A Davis_____

                        SHELLY A. DAVIS, C.S.R. 8947, RPR

2411

# #

#10 (1)
2311:11

$

$03 (1)
2262:6
$1.06 (1)
2240:18
$1.1 (1)
2273:12
$1.16 (3)
2275:12;2284:16;
2286:2
$1.164 (1)
2243:18
$1.3 (1)
2236:15
$1.45 (2)
2281:10,11
$1.53 (4)
2281:9,9;2282:9,
23
$1.70 (18)
2200:22;2201:1,
13,24,24;2202:4;
2218:15;2219:6;
2240:15,20;2241:1;
2281:5,7,9,11;
2282:8,23;2330:3
$10 (15)
2280:16;2281:24;
2282:2,20;2283:5;
2328:10,11;2329:5,
24;2330:11,18;
2331:1,7,7,11
$10,000 (1)
2375:16
$10.07 (1)
2281:23
$100 (5)
2280:14;2281:4;
2328:8;2409:6,10
$11 (1)
2272:7
$112,800 (1)
2273:20
$135,358,870 (1)
2337:9
$139,329,759.23 (1)
2262:14
$139,358,870 (1)
2271:19
$139.3 (1)
2263:2
$16.7 (1)
2272:2
$178 (1)
2260:23
$195 (9)

2202:5;2218:20;
2219:7;2241:4;
2325:20,22;2378:7,
8,12
$2 (3)
2272:11;2273:11,
13
$2.26 (1)
2240:18
$2.3 (1)
2235:7
$20 (1)
2351:2
$220 (1)
2260:22
$27 (1)
2241:7
$278,901,240 (2)
2270:19;2271:22
$292,792.50 (1)
2260:9
$34 (1)
2273:9
$350 (1)
2375:10
$36 (1)
2260:25
$39 (1)
2378:13
$40 (5)
2281:3;2282:5,11;
2409:2,11
$43 (2)
2330:2,7
$52.76 (1)
2281:15
$525 (5)
2243:12;2260:1,
16;2366:13,19
$56.2 (1)
2235:23
$60 (4)
2281:4,14;2282:5;
2330:5
$7.24 (2)
2281:13;2409:10
$8.51 (1)
2282:13
$9.3 (1)
2236:9
$92.76 (1)
2409:14
$985,531 (1)
2260:7

/

/// (2)
2212:24,25

A

a1 (3)

2195:10;2227:3;
2228:3
a2 (3)
2194:16;2195:11;
2227:4
abandoning (1)
2334:22
ability (16)
2211:23;2246:17;
2284:14;2326:20;
2335:17;2354:18;
2355:11;2398:20;
2399:21;2400:6,9,
11,12,21;2401:1;
2402:7
able (8)
2254:18;2255:22;
2258:18;2372:7,13,
15;2399:5;2409:13
above (6)
2240:19;2241:4;
2243:24;2284:1;
2394:2;2404:23
absolute (2)
2363:10,11
Absolutely (6)
2196:18;2234:22;
2298:23;2302:10;
2357:14;2401:13
abundance (1)
2249:22
academic (2)
2238:4;2296:2
accept (6)
2166:15;2305:13;
2332:13,16;2333:20;
2357:22
acceptable (9)
2171:25;2172:14,
21;2173:5,7;
2214:12,15,16,17
accepted (3)
2174:17;2311:18;
2319:24
accepting (1)
2305:10
access (3)
2165:6;2278:21;
2284:13
accommodate (3)
2188:21;2191:2;
2217:23
accomplished (2)
2264:14;2265:3
accorded (1)
2308:17
according (3)
2216:14;2246:17;
2326:20
account (2)
2217:25;2372:2
accounted (2)
2247:8;2248:2

accounting (8)
2247:10,25;
2248:4;2266:3;
2294:23;2381:11,21;
2395:7
accurate (3)
2214:20;2217:18;
2331:7
achieve (3)
2247:9;2381:10,
20
acknowledge (3)
2165:4;2320:4,8
acquire (1)
2400:23
acquired (2)
2217:8;2238:20
across (27)
2243:20;2247:18;
2248:1;2250:23;
2251:20;2252:7;
2253:5,22,23;
2254:17;2259:13;
2263:1,3,7,15;
2271:19;2272:14,19;
2275:6;2286:1;
2298:16;2324:11;
2338:9;2358:4;
2377:23;2381:24;
2405:9
act (5)
2179:19;2239:8;
2246:3,5;2264:2
action (1)
2275:9
active (1)
2178:23
activities (1)
2223:10
activity (1)
2297:9
actual (5)
2186:25;2241:5;
2256:25;2325:7;
2327:18
actually (25)
2170:22;2171:21;
2186:25;2199:17,22;
2201:2;2202:1,5;
2209:15;2211:4;
2213:25;2225:24;
2269:11;2288:21;
2307:23;2308:6;
2324:20;2336:22;
2359:14;2378:20;
2393:1,11;2397:15;
2402:19;2406:8
Adair (1)
2247:11
Adams (1)
2247:13
add (18)
2205:10;2230:6;

2238:2;2272:15;
2273:7;2281:8;
2282:14;2327:7;
2356:7,7,8;2386:18;
2387:1;2388:18;
2392:8,12;2402:12;
2409:11
added (13)
2246:10;2260:4;
2266:7,16;2272:1,
11;2281:19;2356:4;
2360:13;2362:4,5,
12;2399:12
addition (8)
2189:14;2236:14;
2238:4;2272:12;
2278:15;2353:17;
2355:11;2402:10
additional (24)
2166:4,21;
2169:24;2174:21,22;
2175:22;2189:17;
2203:15;2241:13;
2251:17;2265:21,22;
2270:20;2273:10,18;
2305:19;2353:21;
2397:15,21;2398:22;
2401:7;2402:11;
2403:21,21
Additionally (2)
2261:9;2267:12
additions (1)
2376:1
additive (1)
2271:3
address (9)
2164:4;2188:14;
2192:16;2228:18;
2244:13;2290:21;
2306:15;2385:20;
2401:2
addressed (3)
2172:23;2197:9;
2211:19
adds (1)
2273:17
adequate (1)
2349:19
Adjunct (1)
2238:5
adjust (1)
2188:18
adjusted (6)
2182:8;2208:22;
2210:1;2218:24;
2240:22;2241:6
Adjuster (1)
2202:10
Adjusters (10)
2189:16;2200:25;
2218:12,25;2219:24;
2220:22;2240:23;
2261:10;2264:16;

2265:5
adjustment (5)
    2202:11;2218:17;
    2220:4,4;2246:3
administer (2)
    2201:19;2224:18
administered (3)
    2276:23;2285:20;
    2407:7
administering (1)
    2199:6
administration (5)
    2189:1,10;
    2210:16;2238:14;
    2293:21
Administrative (9)
    2160:10;2216:6;
    2223:16;2296:14;
    2310:25;2318:14,24;
    2319:8,14
administratively (1)
    2218:19
Administrator (52)
    2161:2;2178:16,
    20,21;2179:17,22;
    2180:3,14,15;
    2181:10,16,22,25;
    2182:5,10,10;
    2184:1,12,15,20;
    2185:1,22;2187:7,
    12,15,16;2188:24;
    2192:15;2194:3;
    2204:12,15;2205:8,
    10;2206:1,5;
    2207:15;2209:16,20;
    2211:16,20;2212:14;
    2213:24;2224:5;
    2228:18;2236:22;
    2237:2;2287:22,22;
    2297:19,24;2302:18;
    2303:20
Administrator's (4)
    2178:2;2190:25;
    2204:8;2205:12
admissible (2)
    2314:21,24
admission (3)
    2305:17,25;
    2306:8
admitted (6)
    2306:2,3,10,11;
    2307:7;2314:4
adopted (2)
    2208:10;2217:16
adopting (1)
    2239:7
adoption (1)
    2239:14
Advancement (1)
    2238:12
advantage (1)
    2401:2
advisory (4)

2184:20;2231:25;
    2232:5;2234:9
Affairs (1)
    2238:8
affect (3)
    2321:18;2322:20;
    2325:4
affected (2)
    2244:7;2398:4
affecting (1)
    2322:23
affects (3)
    2249:16;2356:10,
    11
affidavits (1)
    2309:8
affirm (1)
    2230:20
affirmatively (1)
    2186:17
afternoon (3)
    2292:23,24;
    2320:15
afterwards (2)
    2233:15;2245:2
Ag (6)
    2229:11;2294:16;
    2295:10,10;2298:3;
    2304:12
again (129)
    2165:14;2168:1,
    13;2172:5;2175:6;
    2181:23;2183:11;
    2197:12;2199:23;
    2200:6;2201:1,20,
    22;2206:13;2207:2,
    12,19,21;2208:18;
    2219:9;2221:22;
    2226:1,2;2229:3;
    2232:4;2234:7;
    2235:17,24;2236:11;
    2240:11;2241:10;
    2243:14;2247:11;
    2252:14,20;2253:1,
    25;2254:23;2255:19,
    24;2256:7;2257:18,
    20;2258:10;2259:20,
    22;2260:2;2261:6,
    24;2262:6,14;
    2264:18,25;2265:1,
    5;2268:2,5,21;
    2269:12,14,20;
    2270:10,17;2271:5;
    2273:4,7;2274:14,
    18;2275:16,19;
    2276:8,14,14;
    2278:10;2280:11,23;
    2281:10;2282:7,22;
    2283:2;2284:4;
    2285:9;2286:5;
    2295:5,7,24;
    2300:23;2314:20;
    2315:19;2326:11;

2330:1;2331:10;
    2332:22;2333:25;
    2335:25;2338:25;
    2343:2,3;2345:16,
    18,22;2348:16,17;
    2349:4,15;2354:2,
    17;2355:9;2357:21;
    2358:17;2359:15;
    2362:2,14;2366:1,9;
    2367:6,6,6;2372:18;
    2373:12;2374:10,25;
    2377:22;2379:22;
    2399:8;2400:15;
    2401:11;2407:14,17
against (1)
    2277:11
agencies (1)
    2204:20
agency (9)
    2205:20;2217:15,
    22;2237:5;2287:25;
    2298:10,13;2299:4;
    2307:17
aggie-con (2)
    2294:8,9
aggregate (12)
    2180:6;2181:20;
    2182:2;2243:16;
    2342:23;2343:6,21;
    2345:1;2355:20;
    2356:4,21;2379:22
aggregated (1)
    2181:24
agree (49)
    2173:10;2188:22;
    2321:9;2326:25;
    2327:15,16;2332:17;
    2333:5;2342:23;
    2344:1;2346:11;
    2349:22,23;2350:4;
    2356:20;2363:3;
    2365:2;2366:6,11,
    17;2367:10;2368:1,
    9,11;2369:14;
    2372:21;2374:7;
    2378:13;2383:21;
    2387:14;2391:19,22;
    2392:7;2396:7,11;
    2397:21;2399:1;
    2401:24;2402:3,11,
    20;2403:1,3,17;
    2404:21;2405:12,22;
    2407:3;2408:4
agreed (3)
    2172:21;2173:6;
    2346:10
Agreement (6)
    2246:5;2359:18;
    2385:8,12;2386:12;
    2387:25
Agreements (1)
    2164:7
agrees (1)

2196:2
Agricultural (23)
    2160:23;2161:4,
    14;2200:13;
    2201:13;2235:2,21;
    2236:8,17,22;
    2237:2;2239:9;
    2246:3,5;2275:22;
    2276:12;2286:22;
    2287:23;2294:6;
    2297:19;2304:9,11;
    2316:17
Agriculture (43)
    2160:20,23;
    2164:9,16;2167:5;
    2178:15;2179:18;
    2184:17;2199:16;
    2201:7,16;2204:10;
    2207:11;2223:4;
    2229:9;2236:23;
    2237:15,19;2238:22;
    2239:11;2240:3;
    2252:16;2255:21;
    2261:12;2264:20;
    2276:12;2285:21,22;
    2287:14,18;2288:7,
    14;2291:16;2298:19,
    21,22,23,24;
    2300:10,11;2305:11,
    14;2306:21
Aguilar (1)
    2311:10
A-G-U-I-L-A-R (1)
    2311:10
Ah (3)
    2227:19;2256:22;
    2408:12
ahead (11)
    2171:10;2177:12,
    13;2181:10;2229:7;
    2233:4,13,25;
    2235:20;2243:7;
    2260:13
aid (1)
    2307:13
akin (1)
    2316:15
alert (1)
    2386:17
alive (1)
    2383:13
allocated (6)
    2239:17;2256:11,
    12;2323:20,23;
    2367:14
allocation (2)
    2239:22;2241:14
allow (9)
    2245:21;2285:9;
    2296:16;2312:17;
    2316:9,13;2318:16,
    25;2371:24
allowances (1)

2209:15
allowed (5)
    2251:22;2287:3;
    2319:22;2399:2;
    2403:7
allows (5)
    2217:22;2360:8,
    11,11,12
almost (5)
    2259:3;2298:4,6;
    2338:15;2376:3
alone (4)
    2271:21,24,25;
    2308:12
along (5)
    2164:18;2256:25;
    2303:16;2341:13;
    2406:22
alternative (4)
    2192:1,10;
    2228:15;2237:20
although (11)
    2184:19;2198:19,
    19;2211:16;
    2215:17;2222:1;
    2223:21;2242:12;
    2259:3;2276:24;
    2288:9
always (6)
    2189:22;2240:15;
    2250:11;2294:15;
    2342:4;2365:12
amenable (1)
    2169:4
amend (1)
    2220:21
amended (2)
    2194:12;2225:21
amending (1)
    2169:4
amendment (1)
    2218:21
amendments (1)
    2246:5
America (4)
    2162:1;2234:11;
    2247:20;2285:2
American (2)
    2264:2;2310:8
among (9)
    2169:7;2240:21;
    2242:25;2249:10;
    2303:2;2312:6;
    2384:1,2;2396:1
amount (20)
    2195:16;2239:21;
    2246:23;2254:5;
    2258:3,20,20;
    2259:24;2324:19;
    2325:10;2343:13;
    2344:20;2348:13;
    2352:12,18;2368:17;
    2377:20;2378:9;

2379:24;2380:5
amounts (5)
2178:24;2239:19,
20;2277:16;2355:15
Amper (1)
2311:18
AMS (15)
2161:16;2165:10;
2278:23;2280:11;
2283:2,3;2284:4;
2287:22;2297:24;
2302:18,23;2303:13,
18,20;2319:25
AMS' (4)
2276:7;2278:10,
20;2283:20
AMS's (1)
2329:12
Anaheim (2)
2299:25;2300:1
analysis (74)
2232:4,18;
2233:20;2234:14;
2235:12;2236:21;
2238:23;2254:14;
2263:17,17,24;
2264:11,21;2265:8,
15;2266:22;2274:3,
19;2275:17,20,21,
23;2276:8,10;
2277:7,10,24;
2278:7,16,17,20;
2279:25;2280:12;
2283:20;2284:3,4;
2286:23;2287:13;
2288:7,13;2291:16;
2299:15;2304:9;
2305:10,14;2326:7,
14;2329:12;
2331:16;2332:5,18;
2333:11,24;2334:11,
13;2335:7;2346:17,
24;2349:5;2354:15,
15;2359:3,3;
2360:25;2369:12;
2371:2;2374:16;
2376:7,9;2379:12;
2381:4;2390:2;
2395:13,15
Analyst (2)
2293:8,11
analyze (3)
2181:19;2309:2;
2380:20
analyzed (3)
2267:13;2344:17;
2351:15
analyzing (5)
2237:12;2264:14;
2265:3;2334:1;
2362:11
and/or (5)
2178:23;2205:17;

2248:10;2263:21;
2317:13
Anderson (1)
2238:14
Andrew (1)
2348:18
anecdotal (1)
2324:11
Angeles (4)
2220:14,16,21;
2299:25
Angeles-Santa (2)
2257:5;2258:13
annexed (1)
2249:24
announce (4)
2164:16;2180:9;
2182:6;2206:1
announced (4)
2182:9;2240:17,
22;2241:3
announcement (3)
2180:9,11;
2193:21
annual (28)
2240:19;2261:14,
21;2262:24,25;
2263:2;2265:14;
2268:3,25;2269:16,
23;2270:17;
2271:18;2272:17,25;
2273:1,7,8;2287:5;
2338:22;2361:10;
2377:23;2378:1,10,
20,22;2391:23;
2393:17
annually (1)
2265:20
annuity (6)
2368:16,19;
2369:13,23;2370:5,
10
answered (1)
2303:17
anticipate (1)
2216:2
anti-sports (1)
2349:11
apart (1)
2210:20
apologize (8)
2269:8;2301:18;
2336:24;2339:18,21,
24;2365:10;2377:22
appear (6)
2229:11;2283:14;
2299:17;2303:2;
2365:17;2386:25
appearances (1)
2160:17
appeared (3)
2299:23;2301:25;
2302:16

appears (2)
2227:8;2229:20
apples (6)
2355:23;2356:2;
2394:9,9,10,10
applicable (3)
2179:3,5;2309:15
application (1)
2209:9
applied (2)
2317:16;2318:7
applies (2)
2218:23;2219:7
apply (15)
2209:21;2218:15;
2221:2,3;2311:20;
2317:22;2349:7,7;
2396:8;2404:25;
2405:14,22;2407:8,
14;2408:5
applying (2)
2178:25;2265:6
appointed (2)
2297:18;2298:9
appreciate (6)
2291:12;2316:7;
2364:24;2388:25;
2406:10,11
approach (7)
2166:2;2250:1;
2286:19;2290:2;
2336:1;2379:9;
2381:8
approaching (1)
2165:3
appropriate (8)
2175:10;2226:17;
2237:21;2265:7;
2306:22,23;2325:6;
2334:4
appropriately (3)
2247:1;2262:25;
2306:22
approval (1)
2246:1
approved (2)
2198:24;2219:25
approximate (1)
2255:12
approximately (10)
2165:9;2254:13,
18;2255:1;2260:17;
2272:20;2273:6,17;
2299:19;2300:19
April (1)
2235:19
Arabic (2)
2240:9,11
Area (6)
2161:15;2219:6;
2261:15;2287:17;
2309:18;2401:20
areas (6)

2228:6;2258:8;
2288:1;2295:8,22,23
arguably (1)
2236:3
argue (2)
2245:8;2285:9
argument (6)
2244:13;2245:10;
2306:17;2322:13;
2349:6;2358:1
argumentative (1)
2364:22
arguments (1)
2309:3
Arizona (2)
2161:12;2390:4
arose (1)
2386:23
around (8)
2181:9;2205:15;
2206:24;2217:7;
2222:4;2290:9;
2348:2;2358:13
arrive (1)
2207:17
article (5)
2249:23;2347:10,
21;2349:9;2350:16
Arts (2)
2294:2,21
Ashley (1)
2162:20
A-S-H-L-E-Y (1)
2162:20
Aside (1)
2370:21
aspect (3)
2211:17;2364:17;
2371:20
aspects (1)
2210:18
assemble (1)
2161:22
asserts (1)
2360:17
assess (1)
2216:7
Asset (40)
2234:6;2241:18;
2243:18;2246:17;
2247:2;2248:8,24;
2249:8,14,20;
2250:12,16,25;
2260:22;2284:12;
2286:25;2320:19;
2322:13;2325:7;
2326:20,24;2327:11;
2334:19;2335:13,15,
16,20,21,22;2360:7,
18,21;2370:3,8;
2372:12;2373:7,7;
2383:13;2398:20;
2408:2

assets (4)
2248:10,10,11;
2251:11
assign (1)
2403:9
assigned (6)
2160:10;2241:2;
2402:21,21,23;
2403:12
assignment (1)
2403:15
assist (2)
2200:10;2297:2
Assistant (1)
2161:1
assisted (1)
2289:22
assisting (1)
2299:16
associated (5)
2168:8;2200:24;
2264:5;2265:18;
2266:17
Associates (1)
2297:5
Association (6)
2163:13,17;
2195:5;2226:25;
2227:6;2395:12
associations (8)
2194:16;2216:18,
23;2217:2;2226:7;
2376:15,25;2387:5
assume (7)
2208:9;2220:12;
2330:8,15;2376:14;
2390:2;2392:9
assumed (1)
2353:18
assumes (2)
2277:10;2341:21
assuming (3)
2202:19;2281:5;
2391:2
assumption (1)
2223:2
assurance (2)
2244:6;2398:2
assured (9)
2247:3;2249:12;
2250:18;2251:3,14;
2255:11;2373:8,9,10
attached (8)
2232:15;2238:16,
17;2280:2;2287:15;
2293:1,16;2334:18
attempt (4)
2175:21;2224:11;
2314:24;2316:1
attempts (2)
2307:10,14
attend (1)
2294:17

attended (2)
2302:12;2389:10
attention (1)
2381:14
attorney (4)
2162:9;2293:7;
2296:7;2372:7
attorneys (1)
2199:25
attractive (1)
2323:11
attribute (1)
2336:24
attributed (1)
2397:6
attributing (1)
2366:3
audience (1)
2165:1
audio (2)
2165:6;2166:6
audit (10)
2184:19;2211:3,5,
10,15;2213:4,18,24;
2214:1,2
auditing (4)
2189:12;2198:8;
2213:9,12
audits (6)
2184:12,13,17;
2211:21,23;2213:5
August (3)
2276:13;2313:23;
2375:6
auspices (3)
2201:16;2224:15,
16
authority (3)
2210:4,6;2309:19
authorizes (1)
2239:10
authorizing (4)
2284:22;2286:16;
2315:17;2406:2
authors (1)
2320:4
automatically (1)
2195:11
available (13)
2165:9,14;
2166:22;2207:6;
2255:20;2261:13;
2264:15,23;2265:4;
2328:21;2343:23;
2380:19;2391:24
average (13)
2240:19;2242:19,
21,22;2243:12;
2260:1,15;2321:5;
2331:8,9;2333:6;
2357:9;2363:14
avoid (3)
2168:8;2296:14;

2334:21
aware (12)
2226:4;2332:2;
2376:16,21,21,22,
24;2377:4,7,8;
2389:17,23
away (12)
2354:23,25;
2355:3,3,4,7,16;
2356:18;2357:19,23;
2358:12;2390:18

B

BA (2)
2287:19;2294:1
Bachelor (2)
2294:2,21
bachelor's (1)
2238:12
back (50)
2160:6,22;
2165:18,23;2166:20;
2167:11;2180:11;
2190:1,4;2193:12,
13;2196:16;
2197:18;2204:1,4;
2205:4;2208:19;
2211:9;2217:9;
2224:4;2227:23;
2238:18;2242:13;
2268:16,18;2288:5;
2292:11,13;2293:25;
2296:11,18;2297:2;
2298:8;2302:7;
2308:13;2321:13;
2331:10;2339:25;
2343:3;2348:20;
2356:13;2358:22,24;
2362:16;2367:14;
2377:24;2380:18;
2386:11;2403:4;
2409:2
backbone (1)
2236:4
background (4)
2232:10;2287:19;
2290:6;2303:11
backwards (1)
2262:16
bait (1)
2215:10
balance (5)
2248:5;2249:16;
2284:9;2334:19,22
bank (17)
2212:19;2235:19;
2247:15,16;2249:1,
2;2360:10;2371:16,
17,22,22,23;2372:2;
2373:2;2374:15,20,
24
banks (8)

2249:25;2250:2;
2334:20;2372:9,19;
2374:9;2382:7,9
bank's (1)
2249:16
bar (2)
2296:16;2307:1
Barbara (2)
2257:5;2258:13
bare (1)
2313:1
bars (1)
2348:2
base (15)
2239:17,19,23,24;
2240:6,15,21,25;
2241:4,8;2242:24;
2243:4;2272:16;
2323:7,24
based (30)
2187:8;2199:7;
2200:22;2208:11;
2239:17;2240:22;
2241:7;2242:1;
2243:12;2255:8;
2262:19;2267:10;
2274:2,18;2275:19;
2316:19;2318:16,25;
2319:22;2330:8;
2334:13;2335:9;
2341:5;2344:15;
2374:16;2400:16;
2401:11;2402:21,24;
2403:12
basic (1)
2326:22
basically (6)
2180:25;2221:24;
2222:3;2223:14;
2333:4;2361:8
basis (10)
2240:19;2241:16;
2248:6;2250:13;
2255:23;2262:18;
2332:3;2336:14;
2376:18;2378:10
basketball (1)
2350:24
bears (1)
2329:11
became (1)
2299:6
Becker (2)
2161:17,17
B-E-C-K-E-R (1)
2161:18
become (4)
2199:20;2258:4;
2296:16;2298:9
becomes (1)
2243:9
becoming (1)
2244:16

beer (1)
2347:23
begin (1)
2231:16
beginning (16)
2160:18;2164:15;
2176:10;2178:16,17;
2180:23;2240:13;
2276:22;2300:24,25;
2301:22,23;2323:20;
2367:20;2368:3;
2381:9
begins (1)
2200:15
behalf (3)
2170:6;2191:25;
2372:19
behind (2)
2235:20;2265:14
believes (1)
2220:19
below (7)
2192:7;2193:25;
2241:21;2254:17;
2282:2;2392:12;
2394:3
benefit (19)
2250:11;2267:1;
2340:11,23,25;
2345:2;2349:25;
2350:9;2359:6,19,
20,22;2360:1,17,19;
2379:11,13,16;
2380:3
benefited (1)
2346:24
benefits (9)
2175:5;2282:24;
2286:2;2345:21,24;
2350:8;2354:23,24;
2355:13
Bernardino (2)
2256:17,18
Beshore (10)
2161:24,24;
2230:12;2312:4;
2317:5,5;2318:9;
2343:4;2384:24;
2385:24
B-E-S-H-O-R-E (1)
2161:25
best (8)
2211:23;2246:13;
2247:5,8;2250:5,5,5;
2381:10
better (17)
2172:17;2175:23;
2206:16;2224:19;
2233:13;2249:19;
2251:18;2253:22;
2263:13;2283:5;
2328:4;2336:9;
2360:9;2373:1;

2374:19,21;2387:17
beyond (12)
2217:19;2307:11;
2309:12;2312:25;
2313:1,8;2354:5;
2390:9,12,14,22;
2404:23
BHP (3)
2297:5,6,10
big (4)
2276:15,17;
2312:5;2410:1
Bill (8)
2197:2;2222:25;
2245:19,23,24;
2312:15;2320:15;
2351:12
billing (1)
2187:13
billion (12)
2235:23;2236:9,
15;2243:18;
2259:23;2260:12,18;
2275:13;2284:16;
2286:2;2344:18;
2365:25
billionaire (1)
2364:3
biotechnology (2)
2237:20;2298:19
bit (4)
2198:8;2224:13;
2368:22;2399:18
black (7)
2289:6,8,23;
2290:1,23;2291:5,7
Blaufuss (3)
2163:2,2,3
B-L-A-U-F-U-S-S (1)
2163:3
blend (66)
2220:17,19;
2221:1;2240:25;
2277:8,11,12,14,15,
22,23;2278:3,6,8,9;
2280:14;2282:4,21;
2328:15,16,18,19,
20;2329:7,24;
2331:1,8,22,23;
2332:4,9;2333:7,14,
22;2334:6,9,10;
2336:10,18;2343:6,
9;2345:7;2348:22;
2353:9;2355:5;
2356:7,8;2357:6,20,
22;2363:2,8,15;
2368:1;2372:23;
2373:3,18;2374:2,
19;2389:21;
2391:24;2393:17;
2394:24,25;2395:1;
2399:3
boards (2)

2217:5;2237:25
body (1)
  2219:21
book (3)
  2190:19;2224:7;
  2226:11
booked (1)
  2248:3
books (1)
  2355:8
borrow (1)
  2372:25
borrowing (2)
  2249:18;2373:13
both (22)
  2179:15;2204:20;
  2215:16;2221:17;
  2229:22;2243:19;
  2287:13,18,19,21;
  2288:7,14;2291:16;
  2297:15;2302:23;
  2305:11,14;2383:12;
  2385:24,25,25;
  2391:9
bottle (1)
  2347:22
bottom (12)
  2178:14;2210:3;
  2256:14,17;2260:11;
  2268:21;2283:12;
  2314:16;2315:15;
  2365:23;2381:10,14
bought (6)
  2247:3;2251:10;
  2252:9;2323:22;
  2324:2;2367:6
box (2)
  2334:3;2409:4
boy (1)
  2216:22
brackets (1)
  2164:6
branch (8)
  2223:5,5;2229:19;
  2241:21,23;2252:17;
  2255:22;2264:21
Branch's (1)
  2240:7
Brazil (1)
  2235:20
break (15)
  2189:17;2190:1,3;
  2222:15;2262:17,19;
  2268:10,13,17;
  2269:6;2292:8,12;
  2337:23;2358:16,23
breakdown (1)
  2336:20
Brian (4)
  2161:19;2168:1;
  2228:21,21
B-R-I-A-N (1)
  2161:19

Bridgett (3)
  2162:3,5,9
B-R-I-D-G-E-T-T (1)
  2162:5
briefly (2)
  2239:5;2252:24
bring (3)
  2197:9;2236:20;
  2301:17
brings (2)
  2224:2;2402:5
broadcasting (1)
  2165:5
broadly (2)
  2275:12;2405:21
Brodie (1)
  2308:1
broke (1)
  2259:24
broken (2)
  2262:7,20
broker (1)
  2324:1
brought (4)
  2166:25;2324:12;
  2345:24;2349:16
bubble (1)
  2328:24
bucks (1)
  2410:2
buildings (1)
  2249:24
Bureau (1)
  2235:12
Burkhart (1)
  2309:18
B-U-R-K-H-A-R-T (1)
  2309:18
business (17)
  2191:1;2232:2,5;
  2237:7;2238:14;
  2247:15;2251:23;
  2263:20;2287:3;
  2293:20;2296:12;
  2304:23;2355:7,17;
  2357:22;2364:12,16
business' (1)
  2264:3
businesses (2)
  2298:16;2403:4
Butte (1)
  2237:10
butter (1)
  2218:1
buy (3)
  2323:6,6;2401:4
buyer (2)
  2246:22,22
buyers (1)
  2242:17
Buying (4)
  2251:17;2266:13;
  2323:10,11

C

cake (1)
  2289:7
calculate (10)
  2192:15;2195:11;
  2254:18;2258:18;
  2267:7;2324:14,15;
  2338:6;2366:23;
  2394:17
calculated (14)
  2246:17;2254:24;
  2255:1;2259:13,22,
  23;2260:1;2261:14;
  2326:20;2333:7;
  2366:15;2395:3;
  2401:19;2402:11
calculating (1)
  2344:15
calculation (9)
  2255:8,12;
  2272:22;2282:8;
  2328:1;2330:21;
  2331:25;2332:7;
  2336:7
calculations (9)
  2180:4;2204:17;
  2255:9,15;2261:20;
  2262:13;2270:8;
  2283:19;2395:24
calculator (3)
  2267:24;2325:16;
  2393:13
calendar (4)
  2261:13;2264:16,
  22;2265:6
CALIFORNIA (198)
  2160:2;2162:1,14,
  19,22;2163:13,16;
  2164:22;2167:4;
  2172:2,16;2173:9;
  2174:1,3,6,7;
  2178:14,23;2179:18;
  2184:16;2200:12,23;
  2201:3,10;2203:5;
  2204:10;2207:10,14;
  2208:7,15;2209:16;
  2212:6;2214:9;
  2216:18;2217:2,9;
  2223:3,4;2232:1,19;
  2234:5,10,10,15;
  2235:1,1,4,6,16,22;
  2236:8,10,12,14,18;
  2237:4,24;2238:25;
  2239:3,6,9,11,16;
  2240:2,3;2241:11,
  19;2243:17,20,24;
  2244:2,3,5;2245:20,
  22;2246:2,7,8;
  2247:9,19;2248:1,
  12,20;2250:15,22,
  24;2251:21;2252:1,

11,14,16;2254:1,11,
17;2255:20;
2256:13;2259:8,13;
2260:19;2261:12,17;
2263:1,7,10,14;
2264:19;2267:12,14,
15;2268:4;2269:1,
13;2270:18,24;
2271:6,7,19;
2272:10,19,25;
2273:24;2274:3,19;
2275:2,20;2276:10;
2277:4,8,9,9,12,14,
22;2278:3,6,7,8;
2285:1,17,20,24;
2286:17,23,24;
2287:2,24;2298:8,
11,25;2299:1,4;
2301:3;2304:22;
2310:3;2312:2,16,
18;2315:9,18;
2317:15;2320:16;
2323:14;2324:1;
2332:15;2333:21;
2336:5;2338:12;
2339:1;2341:8;
2351:7;2352:5,11,
12;2353:4,10;
2356:24;2361:11;
2364:19;2372:22;
2381:5,11,21;
2388:21;2391:20,22;
2395:11,16;2396:15,
25;2398:1,17,19;
2399:4;2402:18;
2404:3,12;2407:12;
2408:3
California's (6)
  2234:16;2235:7;
  2236:4;2246:25;
  2273:21;2395:17
call (12)
  2203:21;2209:22,
  23;2217:23;
  2297:10;2306:23;
  2323:6;2328:23;
  2329:19;2334:3;
  2340:25;2381:13
called (9)
  2217:6;2265:8;
  2308:9,9,10;2313:6,
  19;2328:14;2349:10
calling (1)
  2291:4
calls (1)
  2382:7
came (8)
  2209:17;2262:12;
  2273:1;2278:22,23;
  2280:11;2298:8;
  2316:20
can (102)
  2164:24;2165:2,6;

2167:23,23;2172:12;
2180:4,6,19;
2189:17;2190:12;
2196:16,17,25;
2198:8;2199:22;
2206:23;2209:9;
2213:8;2218:18;
2221:19,20;2227:10;
2242:9;2245:2,3,9,
15;2247:3;2254:23;
2256:3;2257:25;
2258:18;2261:23;
2263:24;2268:13;
2269:11,21;2280:10;
2283:4,6;2286:18;
2289:5,8,14,25;
2290:21,24,24,25,
25;2291:1;2298:1;
2299:22;2300:2;
2303:21;2304:7;
2307:24;2309:12;
2310:12;2311:6,25;
2315:10,24;2319:3,
4;2325:14;2333:17;
2340:4;2343:17;
2346:1,19;2348:1,
23;2351:12,13;
2356:13;2357:15;
2368:3;2372:11,17;
2377:3;2380:22;
2385:9;2386:6,14,
17;2387:1;2388:2,9;
2390:10;2391:14;
2398:18;2399:13;
2401:4;2402:4,4,6;
2403:25;2409:11,22;
2410:22
Canada (1)
  2235:21
cancellations (1)
  2258:19
capabilities (1)
  2355:12
capacity (1)
  2323:10
capital (11)
  2164:6,6;2265:11,
  19;2284:13;2309:4;
  2335:19;2344:23;
  2355:9;2373:7,12
capture (1)
  2390:19
care (2)
  2192:10;2213:15
Career (3)
  2238:11,19;
  2301:20
careful (1)
  2252:1
carefully (2)
  2360:20;2386:19
Carman (3)
  2160:25,25;

2226:10
C-A-R-M-A-N (1)
2161:1
carried (1)
2169:19
carries (1)
2200:15
carry (1)
2248:4
case (30)
2164:8;2219:10;
2225:22;2265:13;
2299:25;2307:16;
2308:3,10,19,22;
2309:2;2310:3;
2311:21;2314:13;
2315:23;2319:7;
2327:12;2331:9;
2333:2,12;2335:4;
2346:12,25;2348:23;
2350:25;2372:15;
2373:5;2382:5;
2390:2,24
case-by-case (1)
2250:13
cases (7)
2307:24;2309:13;
2311:6,7;2314:22;
2317:24;2332:8
cash (8)
2247:4;2249:12;
2250:10,25;2251:3;
2398:21,21;2400:1
categories (1)
2260:3
category (3)
2216:1;2337:8;
2370:6
cause (1)
2315:9
causes (1)
2329:22
caution (2)
2249:22;2316:24
cautions (1)
2316:16
CDFA (84)
2168:2,3,6;
2170:11;2173:2;
2175:8;2178:22;
2179:15,22;2180:11;
2181:16,19,22;
2189:10;2197:25,25;
2198:12;2199:23;
2201:22;2204:1,16;
2205:3,8,10,12;
2206:4,22;2207:14;
2208:19,25;2209:2,
20;2210:5,8,12;
2211:22;2212:8;
2213:15,22,25,25;
2214:9,15,16;
2216:11;2219:5;

2220:21;2223:14;
2224:4,16,17;
2239:12;2240:7;
2241:12,13,15,17,20,
23;2242:8;2243:16;
2252:19;2254:21;
2255:9;2257:6,16;
2262:2,15;2272:25;
2276:23;2277:7;
2299:2;2324:10;
2332:2;2337:19;
2366:24;2379:23;
2380:5,13,14,15,18;
2396:2;2407:7
CDFA's (2)
2211:17;2223:10
CDI (4)
2172:21;2173:17;
2175:2;2214:17
CDI's (2)
2174:15;2175:11
Central (2)
2221:9,10
cents (6)
2201:22;2218:15;
2368:13;2377:21;
2379:25;2409:20
CEO (2)
2231:24;2234:8
certain (20)
2170:10;2210:14;
2217:24;2246:23;
2264:6;2333:16;
2342:10;2343:17;
2346:9;2359:13,24;
2365:22;2368:17,17;
2375:14;2380:4;
2382:24;2385:5;
2399:9,10
certainly (18)
2165:2;2174:1;
2188:8;2233:6;
2290:13;2303:14,15;
2321:22;2323:13;
2325:14;2355:22;
2363:19,20;2364:17;
2365:21;2389:5;
2396:12;2399:11
certainty (2)
2363:10,11
certify (1)
2166:19
cetera (2)
2267:3,3
chairs (1)
2230:10
challenged (3)
2174:16;2218:3;
2252:3
challenges (1)
2399:24
challenging (2)
2217:23;2251:2

chance (2)
2169:9;2349:9
change (35)
2173:24;2175:15;
2179:9;2192:13,16,
24,25;2194:11,24;
2195:1,21;2196:3,
14;2201:5;2208:22;
2209:7,24;2210:19,
20;2218:21;2219:10,
24;2221:1,2;2270:1;
2289:24;2344:4;
2345:14;2348:7;
2356:21;2362:20;
2387:1;2390:5;
2391:6;2409:7
changed (18)
2173:25;2191:21;
2193:7;2194:5,6;
2195:13;2199:10;
2201:3,14;2202:4;
2205:24;2208:23;
2214:16;2218:18,21;
2219:3;2240:12;
2252:8
changes (7)
2191:12;2201:17;
2208:16;2209:3;
2263:18;2264:1;
2267:8
changing (9)
2175:14;2193:23;
2207:25;2210:14;
2263:10;2273:23;
2274:5,21;2404:5
characteristic (2)
2404:22,23
Characterization (10)
2247:24;2248:19;
2250:21;2342:10;
2346:14;2353:22;
2359:25;2361:3;
2400:16;2403:24
characterizations (2)
2383:4;2398:16
characterize (6)
2248:9;2328:10,
13;2362:7,14;
2399:13
characterized (1)
2360:6
characterizing (2)
2249:3;2362:22
charge (3)
2381:1,3,7
charged (1)
2351:15
chart (9)
2184:9,10;2186:1;
2280:3;2281:2;
2305:19;2362:25;
2401:21;2402:12
chattel (1)

2249:22
check (3)
2212:18;2228:5;
2234:20
checks (1)
2212:8
Cheese (7)
2163:5,6,10;
2214:6;2351:6,7;
2374:3
Chip (8)
2162:15;2203:19;
2244:8;2290:17;
2292:18;2302:4;
2306:14;2389:3
C-H-I-P (1)
2162:16
choice (3)
2167:23;2331:13,
16
choose (8)
2244:21;2277:12,
17;2278:3,5,8;
2376:20;2382:15
choosing (1)
2277:22
chose (1)
2280:24
Circuit (20)
2308:2,4,16,18,24,
25;2309:1,6,8,13,13,
20,24;2310:5,19,23;
2311:9,12;2314:22,
23
circumstance (1)
2217:21
circumstances (1)
2233:13
citation (1)
2308:13
cite (11)
2197:16;2229:9;
2307:24;2308:2,15,
16,18;2309:6,19,23;
2311:11
cited (1)
2314:14
Citizens (1)
2247:15
City (5)
2300:1;2346:20,
23;2348:5,9
City's (1)
2350:22
claiming (1)
2211:17
clarification (6)
2223:23;2229:4;
2230:7;2293:19;
2328:7;2400:19
clarifies (1)
2188:7
clarify (7)

2187:5;2189:15;
2196:11;2228:15;
2296:1;2343:17;
2408:17
clarifying (2)
2196:8;2207:22
clarity (1)
2293:4
class (18)
2173:8,8,9;2203:3,
5,6;2209:11;2221:2;
2240:9,11;2294:6,9;
2351:17;2368:2;
2402:22,24;2403:6,
13
classes (11)
2172:1,15;
2217:24;2239:19;
2294:22,23,24;
2295:2,8,14,17
classified (3)
2214:9;2351:15,
25
classifies (1)
2219:15
clause (1)
2274:8
Clayton (3)
2303:3,7,16
clear (12)
2187:4;2205:1;
2212:20;2259:1;
2292:18;2301:13,18;
2307:24;2362:17;
2392:25;2400:20;
2404:16
clearly (5)
2189:8;2276:8,14;
2316:7;2320:3
clerk (1)
2164:8
clerk's (1)
2164:10
clients (3)
2232:5;2248:15;
2299:16
clients' (1)
2248:5
Clifford (1)
2160:25
CLIFTON (222)
2160:6,9;2161:21;
2163:18;2164:1;
2166:1;2167:12,14,
17;2168:10,16,24;
2169:23;2170:16,19,
25;2171:7,11,14,16,
19,22;2172:4,8;
2175:18;2176:4,6,9,
14,17,20,23;2177:2,
5,8,11,17,22;2178:6,
12;2179:7,12,16;
2180:2,13,21,24;

2181:4,7;2182:19,
22;2183:2,7,11,17,
21,24;2184:1,4,7,11,
16,21;2185:11,14;
2186:9,13,19,22;
2187:3;2188:8,23;
2189:21,25;2190:4;
2195:20,24;2196:6,
21,24;2197:16,19;
2200:14,17;2201:20;
2202:8,14;2203:14;
2204:4;2206:9;
2207:22;2210:6;
2211:1,8,24;2214:3;
2221:15;2222:10,20;
2225:5,8,10;
2226:11;2227:16;
2228:17,25;2229:15,
23;2230:6,9,18,24;
2231:3,7,12;
2233:10,21;2234:18,
23;2244:15,19;
2245:7,10;2253:8,
15,20;2254:4,8;
2256:16,22;2257:15;
2261:3;2268:6,8,12,
18;2274:11,16;
2279:2,5,9,13,17;
2285:11;2286:11;
2288:5,11,13,17;
2289:10;2291:3,9;
2292:10,13,17;
2293:14;2305:9,20;
2306:5,25;2307:4,
19;2316:6;2317:4;
2318:9;2319:16;
2332:22,24;2347:1,
4;2350:13,17,21;
2351:3;2358:15,20,
24;2365:1,3,5;
2367:24;2378:20;
2381:13,17;2384:4,
15,25;2385:11,14,
19;2386:2,5,16,20;
2387:15,18,21,24;
2388:6,10,12,15,24;
2390:17,23;2392:16,
21;2393:5,7;2400:5,
9;2404:17;2406:6,
15,18;2407:20;
2408:8;2410:1,5,9,
17,21
close (54)
2179:3;2221:4;
2227:8;2236:24;
2237:1;2239:12,15;
2240:23;2241:2,17;
2243:15;2244:6;
2245:24,24,25,25;
2246:4;2249:2,6,24;
2250:1,4,5,5,13,18;
2251:13,24;2254:13,
16;2255:3;2259:12;

2260:2;2261:11,13;
2264:9;2265:6,9;
2266:9,14,16;
2267:3,9;2272:12,
21;2273:6,17;
2274:1;2276:11;
2277:19;2278:1;
2337:14,23;2372:17
closely (1)
2299:2
closing (1)
2264:4
closures (1)
2263:20
CLOVIS (1)
2160:2
coast (1)
2364:4
co-counsel (2)
2162:9,22
Code (14)
2190:10,19;
2199:16,22;2200:1,
11,13;2201:13;
2229:9,10,11,20;
2239:9;2249:5
coffers (1)
2272:2
coincide (1)
2337:18
collateral (7)
2249:21;2250:3;
2371:16,17;2372:14,
16,17
colleague (1)
2299:2
collect (1)
2372:2
collectively (3)
2355:20;2356:20,
21
College (1)
2348:19
Collins (3)
2303:2,7,16
color (3)
2289:14,15,24
colors (2)
2288:25;2289:21
column (45)
2190:16;2191:17,
23;2192:7;2193:2,
20,20,25;2194:8,14;
2195:3;2205:23;
2228:2;2242:14,16,
22;2243:2,3,5;
2253:2,21;2256:7,8;
2260:4;2261:7,7,7,
24;2262:1,10;
2269:12,16,16,18;
2270:6,9,11;
2338:25;2339:4;
2377:14,23;2378:8,

15,19;2379:4
combination (1)
2373:4
combined (3)
2257:4,12;2393:2
coming (1)
2317:24
comma (1)
2285:6
comment (1)
2347:20
comments (2)
2329:9;2404:4
Commerce (8)
2237:5;2287:25;
2298:10,13,15;
2299:4;2301:4;
2356:23
Commercial (1)
2249:5
commissions (1)
2237:25
committee (1)
2313:5
committees (1)
2314:1
commodities (2)
2266:6,8
commodity (2)
2236:8;2266:3
common (2)
2247:7;2290:7
commonly (2)
2246:16;2326:19
communities (8)
2238:23;2243:20;
2263:6;2304:21;
2356:25;2357:3,5;
2359:4
Community (2)
2263:12;2264:9
companies (3)
2173:25;2174:19;
2237:21
Company (12)
2163:3,5;2174:2;
2175:15;2217:9;
2247:12,13;2293:9;
2309:4,5,23;2351:6
Comparative (3)
2275:17,23;
2304:20
compare (3)
2277:11;2342:25;
2391:15
compared (4)
2173:9;2220:14,
20;2289:11
compares (1)
2259:2
comparing (2)
2172:2,15
comparison (6)

2361:8,9,22,25;
2362:1,2
compensation (1)
2266:6
competitive (2)
2251:24;2287:4
compilation (1)
2168:7
complains (1)
2348:6
complete (3)
2181:2;2284:6;
2397:25
completed (1)
2181:1
completely (6)
2208:6;2278:20;
2280:3;2337:18;
2367:2;2402:9
component (4)
2182:6;2235:5,22;
2358:3
comprise (1)
2368:9
compromise (1)
2367:25
computational (1)
2241:1
computed (1)
2239:20
computer (1)
2336:25
conceivably (3)
2206:10,16;
2215:8
concentrated (1)
2221:8
concentration (1)
2258:14
concept (1)
2220:3
conceptually (1)
2338:1
concern (4)
2200:4;2228:19;
2318:12;2387:25
concerned (2)
2184:24;2337:3
concerning (1)
2226:5
concerns (1)
2406:13
concession (1)
2406:21
conclude (4)
2203:4;2366:1;
2369:18;2407:4
concluded (2)
2174:9;2223:13
concludes (1)
2287:10
concluding (3)
2319:11;2402:16;

2404:4
conclusion (11)
2174:14;2274:10;
2285:7;2286:9,20;
2310:1;2324:12;
2404:24;2405:14,22;
2407:8
conclusions (4)
2310:9,15;2396:8;
2407:25
condition (1)
2383:6
conditions (10)
2173:24;2175:1;
2200:23;2321:23;
2322:8;2368:23,25;
2383:22,24;2399:25
conduct (1)
2184:17
conducted (1)
2395:15
conducting (1)
2184:19
conducts (1)
2184:13
confer (3)
2169:7;2188:24;
2189:18
Confidential (2)
2300:7,8
confirmed (1)
2297:18
conflict (2)
2199:10;2201:9
confused (2)
2207:23;2334:18
Congress (9)
2237:24;2245:18;
2302:19;2312:15;
2313:5,18;2314:2,4,
20
Congressional (9)
2274:25;2284:22;
2286:16;2313:17,18;
2314:18;2315:17;
2404:10;2406:2
Congressman (1)
2316:1
consider (10)
2224:6;2248:24;
2250:2,24;2251:10;
2320:8;2334:22;
2372:14,16;2398:19
consideration (6)
2179:5;2244:4;
2295:7;2322:2;
2390:3;2398:1
considerations (3)
2184:24,25;
2322:3
considered (8)
2249:20;2250:3;
2251:18;2270:4;

2277:25;2321:18;
2369:9;2396:24
considering (1)
2291:15
considers (1)
2241:17
consistent (10)
2195:3;2212:5;
2221:23,25;2222:2,
5,9;2226:1;2339:24;
2397:4
constant (3)
2354:18;2373:22,
23
constitute (2)
2166:17;2309:25
constituted (1)
2310:16
constitutes (1)
2239:25
construct (1)
2319:22
constructed (2)
2210:12;2333:21
constructing (1)
2209:10
construction (2)
2312:22,22
consult (1)
2292:4
consulting (10)
2232:1;2234:9;
2237:12;2288:1;
2295:19;2297:7,8,
11;2299:9;2300:16
consumer (1)
2220:7
consumers (2)
2236:6;2266:5
CONT (7)
2243:11;2256:6;
2260:14;2262:23;
2268:23;2271:17;
2284:2
contained (12)
2168:7;2186:25;
2190:22;2199:21;
2208:6;2209:2;
2210:11,17;2225:22;
2232:24;2385:5;
2395:23
containing (1)
2369:2
content (1)
2321:24
contention (1)
2324:4
contingencies (3)
2190:14;2207:5,
13
contingent (1)
2207:10
continuability (1)

2322:18
continuation (2)
2245:22;2312:18
continue (15)
2199:6;2219:16;
2245:3;2251:22;
2264:24;2271:15;
2276:24;2279:20;
2284:3;2285:10,19;
2287:3;2296:22;
2319:17;2407:6
continues (7)
2184:14;2211:21;
2264:25;2266:14;
2275:1;2373:11;
2404:11
Continuing (6)
2191:23;2200:20,
22;2245:18;2296:15,
22
Contra (1)
2304:8
contract (2)
2219:6;2310:8
contractors (1)
2267:2
contrast (1)
2284:25
contribute (1)
2352:5
contributes (1)
2286:3
Contribution (4)
2235:3;2353:10;
2357:16;2358:11
contributions (6)
2264:13;2265:2;
2287:7;2305:2;
2358:5,8
contributor (2)
2236:17;2286:22
controllable (1)
2249:14
convenience (2)
2291:23;2296:14
conversations (1)
2197:24
converse (1)
2342:4
conversely (1)
2265:25
Conversion (1)
2273:25
convert (1)
2290:22
converted (1)
2403:20
conveys (1)
2310:21
co-op (3)
2162:5;2170:6;
2389:17
cooperation (2)

2189:10;2291:12
cooperative (20)
2174:21;2187:19,
20;2194:15;2195:5;
2198:21,23;2214:18;
2216:7,17,23;
2218:10;2226:7,25;
2227:5,7;2247:19;
2376:15,25;2387:4
cooperatives (28)
2169:4;2183:10,
13;2195:6,12,15;
2198:12;2214:22;
2215:1,2,3,4,23;
2216:13;2217:1;
2234:13;2285:17;
2289:5;2323:8;
2375:3,23;2376:17;
2377:5,9;2380:23;
2382:17,20,23
cooperative's (6)
2227:12,14;
2284:21;2285:23;
2406:1;2407:5
Coops' (2)
2286:15;2315:16
co-ops (4)
2185:16;2186:20;
2217:20,23
co-op's (1)
2173:21
coordination (1)
2197:24
copied (2)
2289:25;2291:1
copier (3)
2167:8,9,23
copiers (1)
2290:8
Copies (8)
2165:13,16;
2166:21,22,25;
2167:21;2289:3,4
copy (12)
2166:20,24;
2175:25;2190:9;
2231:13;2232:14,14;
2235:10;2279:18;
2291:1;2321:3;
2347:4
copying (1)
2289:1
corners (1)
2260:20
corollary (1)
2401:6
corrected (1)
2362:14
correction (1)
2166:14
corrections (3)
2166:11,15,17
corrective (1)

2207:19
correctly (4)
2250:12;2255:11;
2318:23;2397:4
correlation (1)
2349:6
corresponding (1)
2297:6
correspondingly (1)
2379:5
cost (16)
2248:3,6;2251:1,
5;2323:14;2325:4;
2334:22;2344:18,18;
2367:15,25;2368:3;
2369:22;2399:9,12;
2403:21
Costa (1)
2304:8
costs (8)
2246:24;2335:17,
18;2373:14;
2398:22;2400:1,1,1
cotton (1)
2300:13
Counsel (5)
2161:18,20;
2186:16;2193:8;
2289:5
count (1)
2347:22
counterparts (1)
2174:12
counties (69)
2218:16;2237:10;
2256:1;2257:4,8,10,
12;2258:8,13,15,23;
2260:3,9,23,25;
2262:5,17;2263:15;
2267:12;2268:4;
2269:2,14;2272:7,
18;2273:9,18;
2290:7;2340:20,21,
24;2341:3;2352:23,
24;2353:12,16;
2354:4,22;2356:6,7,
10,11,13,17,22;
2357:4;2359:5,10,
19,20,21;2360:2,23,
25;2361:2,11,13,14,
18;2363:4,6,15;
2379:11,18;2392:9,
18,23;2393:1,2;
2394:3
countries (3)
2264:5;2355:18;
2363:16
country (4)
2235:16;2236:2,
13;2355:19
county (73)
2202:13;2218:16,
23;2255:3,3,5,6,12,

17,23;2256:7,13,14,
17;2258:2,2,21,25;
2259:3,5,6,6,17,25;
2260:7,10,23,24;
2261:1,2,15,17;
2262:11,18,19;
2263:4,4,12;
2270:25;2271:5;
2272:20,24;2273:6,
14;2310:18;
2337:15;2340:11;
2341:8;2342:9;
2353:17,18,20,21;
2354:24;2355:21;
2356:15,16;2357:8,
17,18,19;2359:17;
2360:18,19;2361:7,
23,24;2364:10;
2378:9;2391:20;
2392:10,12;2393:16;
2401:19
county/area (2)
2259:14;2261:21
county's (3)
2254:19,19,25
county-to-county (1)
2392:3
couple (18)
2166:4;2170:7;
2175:9;2179:25;
2193:17;2202:16;
2214:23;2257:2,4;
2296:9,10,25;
2300:4,10;2302:19;
2303:1;2322:7;
2384:18
course (5)
2166:7;2206:2;
2317:7;2320:5;
2325:9
courses (1)
2295:18
court (16)
2165:8,14;2166:9;
2210:16;2279:9,14;
2299:23;2300:5;
2308:10,11;2309:11;
2313:13,25;2318:14;
2319:8;2364:24
courtroom (2)
2308:7,7
courts (5)
2237:25;2313:8;
2315:1,2;2318:16
cover (1)
2196:8
covered (16)
2180:10;2186:12;
2201:2;2203:12;
2207:2,20;2244:1;
2254:20;2255:1;
2258:14,22,25;
2259:5;2272:23;

2343:11;2356:15
covering (2)
  2246:8;2312:2
covers (1)
  2387:13
cows (10)
  2242:21,23;
  2323:6,10;2349:7;
  2364:13,14,15;
  2383:8,9
CPA (2)
  2370:15;2382:6
CPA's (2)
  2248:9,15
cream (5)
  2355:25;2394:11,
  11,12,12
create (7)
  2275:4;2338:23;
  2354:11;2403:5,6,7;
  2405:6
created (5)
  2166:9;2264:9;
  2272:13,14;2339:2
creation (6)
  2237:7;2264:1;
  2272:1;2287:8;
  2298:17;2354:10
credibility (1)
  2350:20
credit (3)
  2182:18;2187:13;
  2247:15
credits (1)
  2193:2
critical (3)
  2242:19;2311:25;
  2312:1
criticism (1)
  2346:22
criticized (1)
  2346:18
cross-examination (20)
  2165:21;2168:18,
  20;2170:9;2172:24;
  2173:15,20;2185:3;
  2203:17;2222:23;
  2320:10;2351:9;
  2384:17;2389:1,7;
  2395:9;2396:20;
  2408:10,11,13
Crow (1)
  2310:4
culture (1)
  2251:23
cumulative (2)
  2263:22;2271:21
curious (1)
  2224:1
current (30)
  2188:18;2198:7;
  2207:15,17;2208:25;
  2209:15;2228:6;

2231:22;2232:14;
2239:22;2243:12;
2248:10;2252:3;
2254:15;2259:11;
2260:1,4,15;
2274:24,24;2277:7;
2314:17;2321:23;
2334:24;2342:2;
2365:24;2366:7;
2377:19;2399:24;
2404:9
currently (16)
  2173:19;2196:12;
  2197:25;2202:12;
  2216:10;2217:15;
  2218:17;2220:14;
  2238:8;2240:19;
  2254:11;2277:20;
  2327:10,11;2333:21;
  2354:21
curriculum (3)
  2293:1,15;2319:4
cut (1)
  2215:10
CV (7)
  2232:14,15;
  2238:17;2287:15;
  2288:2;2297:10;
  2301:17
cycle (1)
  2266:16

D

daily (2)
  2241:16;2255:2
Dairies (35)
  2162:1,14;2174:2,
  4,7;2217:9;2234:10;
  2247:10,19,19;
  2248:1,17;2249:15;
  2250:17;2251:7;
  2252:11;2253:4,4,
  19,23;2254:1,2,12,
  13;2257:8;2267:3;
  2272:21,24;2273:6,
  17;2285:1;2355:13,
  17;2381:21;2388:21
Dairy (198)
  2161:1,5,8,12;
  2162:1,18,22,24;
  2163:1,14,16;
  2178:24;2197:2;
  2202:12;2209:22;
  2223:5;2229:18,18,
  19;2232:19;2234:5,
  6,11,15,16;2235:2,4;
  2236:7,12,15,16;
  2238:25;2239:1,3,7,
  7;2240:2,6;2241:11,
  19;2243:17,19;
  2244:2,3;2246:2;
  2247:1,6,14,17,20,

25;2248:3,5,13,19;
2250:15,21,21,23;
2251:4,9,15,17,18,
21,22,23;2252:2,3,
11,14,16;2253:24;
2254:4,5;2255:17,
21;2259:10,11,12,
16;2260:19,20;
2263:1,6,10,12,14,
15;2264:14,15,20;
2265:3,4,4,14;
2266:23,24;2267:14;
2268:3,25;2271:4,6,
19,24,25;2272:14,
19,25;2273:5,21;
2274:3,19,25;
2275:2,6,14,20,25;
2276:2,5,12;
2277:18;2278:16;
2279:25;2280:15;
2281:16;2284:5,8,
17;2285:1,3,24;
2286:1,17,21,24;
2287:2,3,3;2294:15;
2300:12,13;2302:16,
20;2303:6,12,19;
2315:18;2320:7,16;
2322:9;2323:24,25;
2328:9;2329:10;
2335:2;2336:5;
2338:24;2348:24;
2351:7,20;2352:1,
11;2355:14;
2356:14;2358:4;
2360:8;2361:10;
2369:1;2372:25;
2373:16;2376:10,14,
16,17;2377:9;
2381:5,12,22,23;
2382:8,17;2383:16,
17;2395:12,16,17;
2398:16,16;2401:17,
18;2402:18;2404:10,
12;2405:8;2407:13;
2408:3
dairymen (6)
  2247:23;2322:11;
  2324:11;2336:9,9;
  2382:17
dairy-producing (1)
  2267:11
dairy's (3)
  2249:16,18;
  2332:19
Dakota (1)
  2212:19
damages (1)
  2252:4
dangerous (1)
  2310:11
data (16)
  2168:7;2252:15;
  2254:14;2255:20;

2264:22;2265:6;
2269:24;2273:1;
2277:8;2333:24;
2366:24;2380:19,21;
2391:20;2392:10,12
date (20)
  2181:2;2182:19;
  2190:22;2191:9,20;
  2192:1,11,24;
  2193:6;2195:10,12,
  13,21;2215:10;
  2227:2,3,24;2228:7;
  2300:19;2401:5
dated (2)
  2194:5;2254:22
dates (16)
  2189:19;2190:18,
  21;2196:9;2198:15;
  2199:13;2222:8;
  2225:20,21;2226:3;
  2227:13;2228:6;
  2293:6;2299:12;
  2301:14,17
Davis (7)
  2162:17,21;
  2232:1;2234:9;
  2238:6,10;2298:9
Day (78)
  2160:8;2164:12;
  2165:20;2178:3;
  2179:1,9,13;
  2181:17,21;2182:4,
  13,15,21,23,24;
  2183:1,4,4,9,16;
  2185:9,16,17;
  2187:11,18,25;
  2190:25;2191:19,22,
  22,25;2192:3,6,9;
  2193:5,22;2194:4,6,
  10,12,23;2195:9,13;
  2196:13;2197:7,13;
  2202:5,23;2203:10;
  2204:9;2205:25;
  2206:18;2212:9,18;
  2214:24;2215:6,7,9,
  13,17;2221:21;
  2222:11,13;2227:2;
  2228:5,10,11,11,12,
  20;2258:10;
  2325:21;2386:25;
  2387:2,8,11,21;
  2388:1
days (13)
  2160:14;2179:3,
  25;2197:14,14;
  2212:20;2228:9;
  2233:8;2255:3;
  2262:4;2387:1,10;
  2389:10
DC (4)
  2162:17;2309:13,
  19;2314:23
deadline (3)

2215:10;2222:11;
2384:11
deal (7)
  2245:15;2289:10;
  2303:12;2308:23;
  2386:6;2387:19;
  2399:11
dealers (1)
  2203:7
dealing (6)
  2245:19;2260:4;
  2299:15;2311:13;
  2312:16;2387:6
deals (1)
  2298:15
dealt (1)
  2387:22
Dean (1)
  2163:3
debate (2)
  2321:25;2347:21
debit (1)
  2182:15
debt-to-asset (1)
  2248:22
decide (10)
  2166:15;2282:3;
  2283:9,18;2329:14;
  2331:11;2376:18;
  2378:12;2380:13;
  2384:5
decided (3)
  2192:12;2224:19;
  2329:15
decides (1)
  2372:12
decision (19)
  2174:14;2277:5,
  19,25;2278:4,6;
  2281:19;2283:3;
  2323:6;2334:1,11,
  23;2335:8,13;
  2362:25;2363:1;
  2376:5;2377:1,6
decision-maker (1)
  2359:4
decisions (5)
  2248:21;2250:10;
  2264:6;2284:13;
  2376:10
declaration (1)
  2309:24
declined (1)
  2347:20
decreases (1)
  2277:21
deduct (1)
  2330:4
deemed (1)
  2214:17
deeming (1)
  2250:11
define (3)

2400:6,12,14
defined (5)
2205:3;2246:15;
2263:23;2310:7;
2326:18
definition (3)
2246:25;2311:13;
2342:13
degree (4)
2221:5;2293:21;
2295:13,16
Dejong (2)
2163:4,4
D-E-J-O-N-G (1)
2163:5
deliver (1)
2212:19
delivery (1)
2191:24
demand (3)
2220:6;2266:9,11
demonstrate (3)
2349:18;2350:8,9
demonstrated (1)
2287:14
Dennis (1)
2162:11
Denver (1)
2238:11
Department (28)
2160:19,23;
2164:9,15;2167:5;
2178:15;2179:18;
2184:16;2201:6,16;
2204:10;2207:11;
2209:6,10;2212:5;
2223:4;2236:23;
2239:11;2240:3;
2252:16;2255:21;
2261:12;2264:20;
2276:11;2285:20,22;
2298:14;2312:10
departure (1)
2377:2
depending (5)
2175:1;2202:11;
2209:21;2352:25;
2396:11
depends (3)
2240:24;2324:19;
2350:23
depict (1)
2252:25
depicted (2)
2242:10;2255:16
depicts (2)
2253:1;2261:20
deployed (1)
2250:12
depth (2)
2174:8,9
Deputy (1)
2161:1

derived (2)
2272:21,22
describe (2)
2252:24;2308:14
described (2)
2243:24;2288:2
describes (4)
2246:25;2266:3;
2339:12,16
description (1)
2232:9
designation (2)
2164:7;2246:6
designed (1)
2244:10
desire (1)
2315:21
despite (1)
2408:25
destroy (1)
2284:6
destroyed (1)
2250:17
detail (4)
2161:12,15;
2178:4;2199:17
details (3)
2189:22;2199:2;
2223:21
determination (2)
2307:14;2399:17
determinations (1)
2308:12
determine (18)
2178:22;2180:7;
2182:2;2238:24;
2247:6;2255:7;
2258:21;2263:13;
2276:5;2277:1;
2305:1;2307:8;
2310:6;2319:17;
2350:10;2366:24;
2367:4,7
determined (7)
2239:22,23;
2246:14;2262:16;
2277:6;2308:19;
2310:3
determines (2)
2220:13;2312:11
determining (6)
2237:18;2263:4;
2288:18;2291:14;
2305:23;2306:6
devaluation (1)
2284:11
develop (1)
2237:6
developed (1)
2168:5
Development (3)
2235:18;2237:14;
2298:17

developmental (1)
2294:5
developments (1)
2263:21
deviated (1)
2222:6
device (1)
2237:20
devil (1)
2189:22
Diego (8)
2256:14,17;
2258:15;2261:2;
2356:14;2357:17,19;
2394:1
difference (11)
2172:1,14;2173:7;
2239:23;2240:17;
2347:25;2353:11,12,
15;2393:16;2395:1
differences (2)
2173:21;2227:11
different (39)
2188:15;2191:20;
2196:17;2208:24;
2209:25;2210:1;
2221:6;2222:7;
2249:2;2255:25;
2290:18;2295:7;
2304:19;2307:21;
2315:6;2321:21;
2322:3;2325:3;
2327:8,22;2330:25;
2336:24;2348:14;
2352:17,22,23,24,
24;2363:25;2364:5;
2365:8;2368:19,22;
2369:13;2371:20;
2384:7;2391:11;
2401:12;2404:8
differential (7)
2201:1,14,25;
2202:4;2240:14,20;
2325:8
differently (6)
2352:23;2356:10,
11;2371:22;
2399:19;2402:23
difficult (6)
2205:19;2207:1;
2235:11;2251:2;
2327:21,25
diminish (4)
2275:4,10;2284:6;
2405:7
diminished (3)
2244:7;2252:2;
2398:3
diminishes (1)
2276:2
diminishing (1)
2405:19
dire (5)

2233:14,19;
2292:16,19,21
DIRECT (21)
2231:18;2242:2;
2255:13;2259:18;
2261:18;2264:12;
2265:2;2266:17,19,
22,23,23;2267:1,6,7,
17;2269:3;2278:12;
2314:19;2320:13;
2380:17
directed (6)
2214:8;2245:20;
2274:25;2312:17;
2314:18;2404:10
directive (2)
2285:16;2315:9
directly (11)
2205:9;2242:7;
2275:9;2278:10;
2298:16,21;2299:6;
2369:19;2379:15;
2405:19,19
Director (3)
2163:1;2299:7,14
disadvantage (1)
2174:15
disagree (4)
2245:13;2345:4,9;
2361:3
disasters (1)
2263:21
disastrous (3)
2275:13;2284:10,
17
discounted (1)
2327:20
discuss (4)
2169:7;2222:19;
2245:2;2286:10
discussed (11)
2179:8;2193:14;
2198:16;2201:7;
2204:2;2207:25;
2209:13,17;2223:12;
2327:23;2383:6
discussing (4)
2261:22;2262:3;
2280:1;2340:3
discussion (7)
2206:22;2312:8;
2313:25;2323:24;
2346:7;2397:1;
2402:19
discussions (8)
2189:9;2198:6;
2199:4,23;2204:18;
2206:9;2223:25;
2324:11
disposable (3)
2322:12;2348:8,
15
disposal (1)

2322:12
disproportionate (3)
2399:5,10,12
disproportionately (1)
2363:5
disruptive (2)
2275:10;2405:20
distinction (4)
2214:19;2342:19;
2344:25;2346:5
distribute (2)
2246:9;2312:3
distributed (2)
2231:4;2240:5
distribution (5)
2254:16,21;
2258:6;2259:12;
2352:25
Divide (5)
2281:15;2282:12;
2330:5;2394:13,14
divided (3)
2255:5;2332:13;
2409:16
Division (1)
2276:13
divvied (1)
2353:8
divvy (1)
2352:16
divvying (1)
2352:23
D-Miscellaneous (1)
2190:17
docket (4)
2164:5,5,9;
2222:12
Doctor (2)
2209:5;2227:15
doctorate (1)
2238:15
document (4)
2231:4;2244:21;
2290:23,23
documents (2)
2336:25;2380:12
dollar (7)
2236:3;2266:19,
20;2272:9,11;
2282:23;2370:23
dollars (8)
2248:16;2261:4,6;
2272:5;2324:18;
2346:25;2351:1;
2409:20
Domestic (13)
2235:8;2267:8;
2269:18;2270:5;
2271:22;2352:5,13;
2353:9,17;2360:17;
2361:1;2363:7;
2379:10
domestics (1)

2363:16
done (19)
  2186:13;2187:11;
  2201:4;2202:12;
  2207:13;2218:8;
  2220:23;2225:18;
  2226:1;2257:13,22;
  2304:15,19,23,24;
  2350:4;2376:3;
  2388:3;2395:18
dot (2)
  2176:25;2235:12
double (3)
  2378:13;2379:24;
  2380:2
doublechecked (1)
  2255:10
double-sided (1)
  2167:21
doubt (1)
  2348:1
down (39)
  2172:6;2189:7;
  2192:7;2193:25;
  2194:14;2211:5;
  2230:2;2244:24;
  2253:3,25;2256:1,
  14,16;2259:24;
  2260:8,8,9;2262:7,
  17;2270:16;2281:1;
  2282:9,10;2291:25;
  2301:2;2313:22;
  2314:6;2322:4;
  2337:23;2364:25;
  2373:19,20,21,25;
  2374:5,18;2379:6;
  2380:2;2410:17
downloaded (2)
  2235:13,25
downward (1)
  2241:7
DR (85)
  2162:13;2165:21;
  2166:1;2168:13,18,
  22;2169:3,21,24;
  2170:8;2171:19,24;
  2172:8;2175:16,19,
  24;2185:6;2189:22;
  2190:6,12;2196:21;
  2200:11;2201:20;
  2203:16,24;2211:9;
  2221:15;2222:21,22;
  2223:1;2225:5,11,
  15;2226:12;2227:17,
  18,25;2229:3,3,15,
  25;2230:2;2233:7;
  2239:4;2242:12;
  2245:14;2252:23;
  2255:24;2257:23;
  2258:10;2262:4;
  2288:18;2303:16,16;
  2317:14;2320:20;
  2321:3,4,8,20;

2327:23;2328:14;
2337:10;2340:4,8;
2358:18,19;2385:6,
21;2386:5,7,7,11,16,
19;2388:17,20;
2389:14,22;2391:9,
19;2396:17;2397:5,
22;2408:19
draft (2)
  2375:23,24
drafting (1)
  2206:19
dramatic (1)
  2271:20
draw (2)
  2346:5;2404:24
drive (4)
  2266:9;2323:12;
  2357:1;2358:2
driven (1)
  2267:5
drives (2)
  2327:24;2328:2
drop (1)
  2282:2
dropped (1)
  2282:20
drugstores (1)
  2354:14
dual (1)
  2189:1
due (7)
  2181:23;2182:18;
  2187:17;2190:24;
  2208:24;2222:4;
  2287:7
Duncan (1)
  2308:15
duplicate (1)
  2278:20
duplicative (3)
  2199:19;2201:9;
  2219:19
during (18)
  2175:8;2189:11;
  2194:20,22;2251:2;
  2252:23;2281:19;
  2297:4;2299:21;
  2302:22;2306:16;
  2320:20;2322:1;
  2338:5;2340:21;
  2347:23;2385:4;
  2389:13

E

earlier (12)
  2185:24;2190:13;
  2202:20;2205:4;
  2220:2;2224:10;
  2229:11;2336:1;
  2344:22;2346:7;
  2387:16,17

early (4)
  2224:19;2311:2;
  2329:14;2410:22
easier (1)
  2191:13
easiest (1)
  2191:9
easily (3)
  2289:17;2290:24,
  24
easy (1)
  2409:14
economic (91)
  2232:4,18;2234:4,
  14,16;2235:12,23;
  2237:6,13,14,18;
  2238:22,24;2239:1;
  2243:18,22;2246:13,
  15;2247:6;2251:2;
  2259:10,13;2260:17;
  2263:5,9,11,13,16,
  17,24;2264:10,13;
  2265:2,7,11,13,15,
  15,20;2267:11,13,
  13;2268:2,25;
  2272:17;2274:2,2,
  18,19;2275:5,19,20,
  22;2276:1,2,3,6,7;
  2286:23;2287:6,13;
  2288:7,13;2291:15;
  2294:24;2295:2;
  2299:15;2304:25;
  2305:10,13;2321:21,
  23;2322:8;2326:15,
  18;2338:7;2345:11,
  15;2358:2;2359:17;
  2361:10,17;2376:6;
  2381:4;2390:3;
  2395:15,17;2397:15;
  2401:17,19;2405:7
economically (1)
  2409:1
economics (28)
  2231:25;2234:8;
  2238:13;2287:18,20;
  2294:1,3,4,5,6,21,24;
  2295:6,6,6,11,14;
  2297:7,13,14,16,17;
  2299:8;2303:11;
  2306:20;2348:17;
  2363:12,24
economies (9)
  2235:14;2273:22;
  2275:15;2284:18;
  2286:4;2287:7;
  2352:14,19;2390:4
Economist (12)
  2161:11,14;
  2162:24;2288:1;
  2303:15;2306:20;
  2348:18,19;2349:11,
  11,14;2395:7
economists (5)

2237:12;2297:15;
2304:8,10,12
Economy (29)
  2235:1,2,3,5,5,7,
  17,22;2236:4,18;
  2263:22;2264:8;
  2265:25;2266:2,18,
  20;2271:20;2275:2;
  2286:22;2298:18;
  2335:3;2346:4;
  2353:4;2357:6,17;
  2358:6,8;2371:1;
  2404:12
education (5)
  2232:10;2237:17;
  2294:1;2296:15,22
educational (1)
  2287:19
effect (6)
  2266:21;2271:21,
  23;2318:3;2356:5;
  2399:5
effectively (3)
  2207:10;2314:11;
  2315:7
effects (4)
  2263:23,25;
  2264:3;2266:18
efficiency (1)
  2224:21
effort (2)
  2314:19;2366:3
eight (2)
  2282:20;2376:13
eighth (1)
  2235:17
either (15)
  2182:14;2197:8;
  2212:15;2213:10;
  2239:10;2249:7,17;
  2307:3;2317:11,25;
  2320:24;2324:10;
  2342:9;2381:17;
  2392:4
elaborate (4)
  2173:22;2198:8;
  2200:21;2213:9
elaborated (1)
  2172:22
electronic (3)
  2212:15;2215:5,
  16
eligible (2)
  2179:4,5
eliminated (2)
  2248:13;2250:16
elimination (1)
  2284:12
else (14)
  2203:15;2209:23;
  2225:11;2227:16;
  2273:9;2292:9;
  2300:2;2314:8;

2316:25;2330:19;
2335:2;2354:5;
2365:14;2384:19
emphasis (2)
  2249:8;2381:25
emphasize (4)
  2246:10;2260:16;
  2271:25;2273:8
empirically (1)
  2348:16
employees (4)
  2160:19;2265:17,
  19,24
employees' (1)
  2311:14
employer's (1)
  2311:16
employment (8)
  2263:25;2266:6;
  2267:8;2270:7,14;
  2271:8;2338:21;
  2339:2
employments (1)
  2305:2
enable (1)
  2384:8
enact (1)
  2407:6
enacted (1)
  2240:12
enactment (2)
  2313:15,24
encompassed (1)
  2298:18
encourage (1)
  2371:16
end (42)
  2165:10;2178:4;
  2179:13;2181:17,21;
  2182:5,13,16;
  2183:9,12,16;
  2184:10;2185:9;
  2191:19,25;2192:4,
  9;2194:4,10,24;
  2204:14;2205:25;
  2234:13,13;2235:6,
  8;2244:20;2246:10,
  15;2249:3;2276:19;
  2278:9;2284:23;
  2293:16;2297:23;
  2321:13;2329:23;
  2332:12;2358:2;
  2387:12;2391:19;
  2409:10
ended (1)
  2165:20
ending (1)
  2284:3
ends (3)
  2200:1,7;2230:3
energy (6)
  2237:15,20;
  2284:15;2370:25;

2398:23;2399:25
enforces (2)
　2310:24;2311:9
engage (2)
　2381:12;2382:2
engaged (2)
　2232:7;2297:17
engine (1)
　2251:6
ENGLISH (72)
　2162:15,16;
　2170:10;2173:16;
　2203:18,19;2210:7;
　2211:25;2212:2;
　2233:9,10,11,21;
　2244:8,8,18,22;
　2245:8;2274:7,11;
　2285:5,11;2286:5,
　11;2290:18;2291:19,
　22;2292:2,14,16,18,
　18,22,24;2293:17,
　18,22;2294:14;
　2296:24;2305:4,8;
　2306:14,14;2307:2,
　5,23;2316:6,22;
　2317:2,13;2389:3,3,
　8;2390:13,24;
　2391:1,3;2392:22,
　24;2393:4,8,9;
　2395:6;2404:15,18,
　19;2406:4,6,11,17,
　20;2407:17
E-N-G-L-I-S-H (1)
　2162:16
English's (2)
　2316:16;2406:25
enjoy (2)
　2165:19;2296:23
enjoys (1)
　2165:23
enormous (2)
　2243:19;2260:21
enormously (1)
　2222:13
enough (6)
　2289:16;2333:17;
　2365:6;2378:12;
　2389:9,12
ensure (1)
　2255:10
entered (4)
　2165:12;2174:13;
　2320:21,21
entering (2)
　2168:4;2207:11
enterprises (1)
　2218:6
enters (1)
　2165:15
entertainment (1)
　2298:20
entire (8)
　2218:5,9;2221:24;

2259:14;2262:11;
2267:14;2368:12;
2401:20
entirely (2)
　2211:11,15
entitled (6)
　2234:4;2241:23;
　2268:2,25;2321:5;
　2406:18
entitlement (1)
　2213:20
entitles (2)
　2271:4;2368:12
entity (8)
　2181:1,13;2218:6;
　2265:16,18,22,25;
　2266:17
enumerate (1)
　2247:22
environment (1)
　2175:12
envision (4)
　2204:11;2213:9,
　11,14
envisioned (3)
　2184:18;2206:15;
　2213:23
equal (5)
　2266:7;2278:2,4;
　2344:9;2369:2
equaling (1)
　2273:16
equally (5)
　2240:21;2404:24;
　2405:14,22;2408:5
equals (5)
　2270:2,3;2282:12;
　2330:7;2340:18
equate (3)
　2343:12,18;
　2365:17
equated (1)
　2365:20
equates (2)
　2203:2;2338:14
equipped (1)
　2308:8
equivalent (2)
　2200:22;2207:6
ERBA (65)
　2162:13,13;
　2165:21;2166:1;
　2168:13,15,18,22;
　2169:3,21,24;
　2170:8;2171:19,24;
　2172:8;2175:16,19,
　24;2185:6;2189:22;
　2190:6,12;2200:11;
　2201:20;2203:16,24;
　2211:9;2221:15;
　2222:21;2223:1;
　2225:5,11,15;
　2226:12;2227:17,18;

2229:3,25;2230:2;
2233:7;2239:4;
2242:12;2252:23;
2255:24;2258:10;
2262:4;2317:14;
2328:14;2340:4,8;
2385:6,21;2386:7,7,
11,16,19;2388:17,
20,20,20,21;
2389:14;2397:5,22
Erba' (2)
　2389:22;2396:17
E-R-B-A (2)
　2162:14;2168:15
Erba's (5)
　2245:14;2320:20;
　2321:3,4;2385:5
Eric (6)
　2162:13;2168:15;
　2388:20,20,20,21
E-R-I-C (2)
　2162:13;2168:15
eroded (1)
　2250:16
eroding (2)
　2275:5;2405:8
erroneous (2)
　2310:16,21
errors (2)
　2337:17;2392:13
ERS (2)
　2235:24;2236:11
especially (4)
　2251:6;2290:4;
　2311:1;2356:25
essence (1)
　2205:2
essential (1)
　2250:25
essentially (8)
　2199:20;2220:25;
　2271:23;2278:22;
　2322:11;2340:11,24;
　2353:18
establish (2)
　2164:22;2276:10
established (3)
　2199:11;2218:13;
　2240:14
estate (1)
　2237:16
estimate (3)
　2319:21;2375:17,
　19
estimated (1)
　2264:8
estimates (2)
　2264:1;2269:23
et (3)
　2239:10;2267:3,3
evaluate (1)
　2395:20
evaluation (3)

2288:7,10;
2334:14
Evans (1)
　2247:12
even (17)
　2163:19;2175:13;
　2220:15;2249:1;
　2258:22;2283:24;
　2296:14;2316:1;
　2318:7;2332:17;
　2347:24;2349:11;
　2352:10;2356:14;
　2371:20;2386:9;
　2400:25
evenly (1)
　2352:17
event (1)
　2265:13
eventuality (1)
　2220:18
eventually (1)
　2289:3
everybody (6)
　2164:17;2332:18;
　2352:17;2357:19;
　2363:7,13
everybody's (1)
　2374:4
everyone (7)
　2160:21;2196:25;
　2231:13;2256:24;
　2279:19;2292:9;
　2364:25
everywhere (1)
　2388:5
evidence (22)
　2160:10,12;
　2164:21;2166:10,18;
　2230:21;2244:16;
　2306:1,2,4,9,10,12;
　2307:8,9;2311:1;
　2312:9,10;2314:5;
　2317:22;2318:13;
　2319:12
exact (5)
　2170:23;2215:9;
　2223:21;2299:12;
　2372:14
exactly (27)
　2169:10;2172:5;
　2180:18;2199:24;
　2215:11;2216:4;
　2222:9;2223:13;
　2272:7;2289:18;
　2295:24;2298:13;
　2301:16;2309:14;
　2333:23;2337:24;
　2338:3;2346:9;
　2349:25;2354:7;
　2356:19;2359:11;
　2371:13;2375:14;
　2380:23;2383:20;
　2402:14

EXAMINATION (17)
　2170:4;2225:12;
　2231:18;2242:2;
　2243:22;2255:13;
　2259:18;2261:18;
　2263:9;2267:17;
　2269:3;2278:12;
　2292:21;2320:13;
　2389:14;2390:21;
　2396:22
examine (3)
　2234:16;2247:7;
　2395:17
example (30)
　2213:19;2218:1;
　2226:4;2248:14;
　2249:18;2251:5;
　2253:18;2256:12;
　2258:5;2260:7;
　2264:3;2272:19;
　2273:5,15;2278:21;
　2280:13;2292:2;
　2304:5;2319:23;
　2322:9;2328:8;
　2329:15;2335:22;
　2336:2;2356:14;
　2363:1;2365:23;
　2384:21;2408:20,23
exceeds (1)
　2239:25
excellent (2)
　2234:19;2388:10
except (4)
　2193:6;2214:12;
　2227:4;2363:15
exception (3)
　2173:8;2317:2,4
exchange (4)
　2189:11;2199:5;
　2246:20,20
exclude (4)
　2312:1;2316:23;
　2318:2;2319:11
excluded (3)
　2310:1;2311:7;
　2315:3
exclusive (1)
　2251:7
excuse (6)
　2171:8;2250:7;
　2266:5;2279:6;
　2378:18,18
Executive (1)
　2163:1
Executive-in-Residence (1)
　2238:5
exemplified (1)
　2377:1
exempt (25)
　2202:19,21,22;
　2203:4;2395:20,24;
　2396:4,9,11,14;
　2397:14,20;2398:6;

2403:11,18,19,22;
2404:21,25;2405:13,
15,23;2407:9,15;
2408:5
exemption (1)
2403:23
Exhibit (83)
2170:13,16;
2171:7,9,11;
2175:24;2178:7,8;
2181:4;2185:7;
2190:10,15;2191:10;
2193:18;2199:11;
2200:11;2202:17;
2204:3;2228:1;
2229:5;2231:8,9,13;
2232:25;2256:25;
2267:20;2279:1,3,5,
6,7,18,24;2290:11;
2291:4,5,6,6;2293:2,
16;2305:23;2306:1,
2,3,6,9,10,11;
2312:13;2321:3;
2326:17;2328:6,8;
2334:1;2335:24;
2336:3;2347:2,4,6;
2350:2,14;2359:2;
2362:18,18;2363:15;
2365:16;2372:24;
2374:15;2375:2,24;
2376:4;2377:2,12,
14;2395:13;
2397:24;2398:14;
2401:15;2404:1;
2406:1;2407:1,25;
2408:17
exhibits (11)
2160:13;2165:12;
2166:19;2167:1,21;
2173:16;2242:12;
2288:25;2289:6;
2305:17;2375:9
exist (4)
2219:14;2228:11;
2276:24;2357:6
existence (8)
2209:9;2251:16;
2344:4;2345:6;
2348:7;2359:6,19;
2361:2
existing (4)
2207:4;2265:16;
2348:1;2388:3
exists (5)
2172:1,15;
2220:14;2263:7;
2281:6
exit (1)
2277:20
exorbitant (1)
2251:20
expand (2)
2219:6;2296:3

expect (2)
2218:9;2360:19
expectation (1)
2323:2
expectations (2)
2322:17,24
expected (2)
2160:15;2319:19
expecting (1)
2207:17
expenditure (4)
2266:17,19;
2271:21;2371:7
expenditures (4)
2265:20;2266:24,
25;2370:22
experience (10)
2232:10;2236:19;
2238:24;2284:9;
2287:18,20,25;
2296:2,2,3
experienced (2)
2342:21,22
expert (34)
2233:12,20;
2287:13,17;2288:4,
6,19;2291:15;
2299:16,17;2305:10,
13;2306:24;2307:4,
6,10;2308:8,14;
2309:1,24;2310:6,
11,20,20,21,24;
2311:12,18;2318:13;
2319:1,3,5,24;
2320:2
expertise (2)
2236:20;2237:18
experts (8)
2308:19;2311:20;
2316:14;2319:17,21,
25;2320:4,8
expert's (4)
2307:15;2309:17;
2310:14,15
explain (4)
2173:20;2242:10;
2257:2;2314:24
explains (1)
2388:9
explanation (4)
2172:25;2173:24;
2257:24;2271:12
explicitly (1)
2193:14
exportation (1)
2264:4
exporter (1)
2236:15
exporting (1)
2298:25
express (5)
2245:4;2318:16,
17,18,25

expression (1)
2353:21
extend (1)
2217:19
extensive (5)
2232:15;2236:19;
2237:18;2244:13;
2287:17
extent (14)
2172:24;2220:24;
2239:20;2274:23;
2275:8;2314:16;
2318:2;2383:12;
2389:22,25;2401:11;
2404:7,8;2406:15
extra (5)
2324:16;2360:3,7,
8;2371:3
extras (1)
2279:19

F

F2nd (3)
2308:2;2310:19;
2311:11
F3d (8)
2308:4,16,18;
2309:5,19,23;
2310:5,13
face (2)
2228:8;2399:24
facilities (2)
2174:6;2177:4
facility (2)
2217:14;2351:8
fact (21)
2179:8;2220:5;
2236:1;2244:4;
2304:14;2307:7,8,
12,13,18,21;
2310:10,11;2314:25;
2316:2,19;2318:21;
2319:18;2397:25;
2401:4;2403:18
factor (11)
2250:10;2323:5;
2325:12,14;2326:22;
2369:8,21;2374:10,
10,12,13
factors (11)
2321:18,21;
2325:3;2327:23;
2328:2;2335:11,15;
2363:25;2364:5;
2373:15;2401:12
facts (2)
2318:17,21
fact's (1)
2307:15
fails (1)
2265:25
failure (1)

2346:18
fair (10)
2303:5,22;2327:9,
13;2342:11;
2345:12;2357:7;
2399:14,18,20
fairly (1)
2362:19
falls (3)
2190:23;2283:1;
2370:5
familiar (2)
2396:14,16
familiarity (2)
2319:20;2320:6
families (1)
2324:8
family (5)
2237:9;2296:11;
2297:2,9;2348:8
family's (1)
2251:23
fan (2)
2347:23,24
far (13)
2167:8;2187:22;
2188:5;2195:24;
2198:14;2241:25;
2242:15;2253:2;
2318:5;2337:3;
2359:18;2375:13,15
Fargo (1)
2247:16
farm (23)
2202:12;2236:9,
10;2237:9;2240:9,
11,18,22,25;2241:7;
2245:19,23,24;
2247:15;2275:2;
2297:2,9;2302:20;
2312:15;2322:9;
2354:14;2369:1;
2404:12
Farmer (35)
2234:6;2259:10;
2275:14;2276:3;
2280:20,21,21,22;
2281:7,8,10,18,20,
21,22,22;2282:7,8,8,
15,15,25;2284:18;
2329:23;2330:2;
2351:7;2360:18;
2372:3,8,11;2377:9;
2383:16,17;2401:17;
2402:5
Farmers (77)
2162:1;2234:11;
2240:6;2241:6;
2244:4;2247:17,20;
2250:22,23;2251:4,
9,19,21;2252:4;
2260:19,20;2263:1;
2271:19;2275:6;

2280:15,20,24;
2281:2,12,16,23;
2282:1,2,4,10,16,19,
20,21;2283:4;
2284:8;2285:1,24;
2286:1;2287:3;
2328:9;2329:3,10;
2330:6,9,10;2331:3,
4;2335:2;2348:24;
2352:1,11,14,19;
2355:4,14;2358:4;
2362:20;2364:16,19;
2372:25;2373:16;
2376:10,14,16,17,
18;2381:12,23;
2382:13,14,19;
2398:17;2402:18;
2405:9;2408:23,25
farming (1)
2296:11
farms (7)
2209:22;2252:14;
2280:19;2336:6;
2351:20;2364:7,15
FAS (2)
2302:23;2303:23
fashion (1)
2257:22
fast (1)
2222:14
faster (1)
2234:21
fat (5)
2181:15;2241:8;
2242:24;2243:1,1
February (3)
2197:6;2387:9,13
Federal (81)
2161:15;2172:2,
16;2173:9;2174:10;
2176:1;2179:10;
2184:12;2188:18;
2190:10,14,23;
2191:3,4;2198:3,23;
2199:10,18;2201:10;
2204:6;2205:16,17,
19;2207:3,4,7;
2208:1,3,9,10,11;
2210:9,18;2213:6;
2214:10;2215:23;
2217:16;2219:14;
2222:1,5,7,8;2223:3;
2225:1,19;2226:2,9;
2236:24,25;2237:24;
2244:5;2246:7;
2264:7;2270:11;
2272:3,16;2273:13,
20,24,25;2285:16;
2298:15;2305:3;
2307:9;2315:9;
2317:11,21;2318:13;
2319:8;2322:2,25;
2333:7;2339:10,11;

2345:8;2369:11;
2370:18;2389:19;
2398:1;2404:2,7
feed (8)
2165:6;2166:6;
2251:6;2284:15;
2360:11;2370:24;
2398:23;2399:25
feel (2)
2164:17;2166:24
Fellow (2)
2238:7,11
few (9)
2214:7;2217:9;
2292:3;2303:25;
2332:11;2347:25;
2348:11;2363:15;
2383:22
field (1)
2174:11
fifth (1)
2270:9
fight (2)
2312:6,6
figure (1)
2333:18
figures (3)
2239:25;2253:9;
2333:9
filing (1)
2183:19
Final (7)
2194:17;2266:4,8,
9,11;2364:1;2407:25
finally (3)
2315:14,14,15
finance (2)
2295:8;2310:13
financial (26)
2247:13;2248:20,
22;2249:6;2250:8,
14,16;2251:11;
2260:19;2275:6;
2276:2,4;2285:3;
2287:1;2295:5;
2366:2;2370:3;
2371:20,21;2372:25;
2373:16;2381:11,22;
2402:17;2405:8;
2408:2
financing (1)
2250:19
find (8)
2238:16;2253:16;
2265:24;2288:24;
2302:25;2315:19;
2336:5;2395:3
findings (2)
2267:16;2271:14
fine (4)
2193:15;2291:2;
2300:21;2386:20
finish (3)

2169:19;2384:23;
2386:8
finite (1)
2379:6
fire (1)
2309:25
firm (8)
2162:16;2163:22,
25;2232:1;2234:9;
2297:7,8,11
firms (6)
2247:10,25;
2248:4;2381:11,21;
2382:6
first (56)
2160:16,18;
2176:10,20,24;
2181:13;2191:17,18;
2194:7;2202:18;
2203:19;2204:4;
2205:3;2215:17;
2228:2;2231:1;
2233:6;2234:25;
2238:3;2241:24;
2242:4,14;2253:21;
2256:7;2261:24;
2269:12;2270:18,23;
2281:7,19;2283:17;
2286:6;2288:20;
2289:11;2290:4;
2292:6;2301:24;
2304:5;2306:19;
2308:13;2312:23;
2315:8;2317:9;
2320:11,20;2328:8,
23,24;2329:16;
2340:2;2348:22;
2378:8;2379:4;
2386:23;2405:4;
2410:13
fish (1)
2215:10
five (16)
2182:7;2203:2,5,
6;2208:21,23;
2209:25;2210:1;
2212:19;2247:16;
2268:13,14,15;
2304:5;2347:2;
2372:24
five-minute (1)
2358:16
five-year (1)
2253:5
fix (1)
2379:25
fixed (3)
2218:11,18;
2240:13
flags (1)
2200:4
flexibility (2)
2384:12,14

flow (12)
2244:23;2247:4;
2249:12;2250:25;
2251:4;2280:3;
2281:2;2305:19;
2362:25;2398:21,21;
2400:1
flowing (1)
2354:13
flows (6)
2184:6;2250:10;
2266:4;2352:13,18;
2377:8
fluctuating (1)
2344:21
fly (4)
2343:1,3;2358:12,
21
flying (1)
2358:13
FMMO (23)
2237:1;2244:5;
2245:20;2274:1,23;
2275:18,24;2276:5,
10;2277:8,12,14,22;
2278:3,6,8;2285:23;
2286:15;2312:16;
2314:16;2315:16;
2398:2;2404:8
focus (1)
2354:25
focused (1)
2349:24
fold (1)
2391:13
folks (6)
2169:14;2303:13;
2323:24;2342:25;
2367:4;2409:9
follow (11)
2213:4;2216:3;
2217:16,22;2280:10;
2283:6,8;2372:11,
13,17;2409:22
followed (3)
2175:21;2318:7;
2351:11
following (30)
2178:12;2179:13;
2181:17,21;2182:5,
13,16;2183:9,12,16;
2203:1;2206:1;
2222:11;2233:16;
2243:2;2249:9;
2254:10;2256:24;
2258:4;2267:15;
2270:24;2274:4,9,
20;2275:23;2285:6;
2286:6,7;2338:8;
2404:4
follows (6)
2178:5;2217:11,
15;2259:15;

2261:15;2401:20
followup (2)
2188:11;2408:21
Food (23)
2167:5;2178:15;
2179:18;2184:17;
2199:16;2200:12;
2201:6,13,16;
2204:10;2207:11;
2223:4;2229:8,11;
2239:9,11;2240:3;
2252:16;2255:21;
2261:12;2264:20;
2285:20;2304:9
Foods (3)
2163:3,8,16
footnote (13)
2235:18;2240:1;
2241:10;2247:11,14,
18;2254:23,25;
2264:17;2269:21;
2272:21;2276:9;
2309:6
footnoted (5)
2235:9,24;
2236:11;2252:15;
2255:19
footnotes (1)
2380:13
Forbes (2)
2347:10;2349:12
forced (2)
2330:17;2399:3
forecast (1)
2364:2
forecasted (2)
2277:8;2278:21
foregoes (1)
2265:22
foregoing (1)
2254:14
Foreign (3)
2237:2;2287:22;
2298:3
foreseeability (1)
2311:14
forest (1)
2203:22
forever (1)
2218:18
forget (1)
2355:8
forgot (2)
2365:14;2374:25
form (3)
2223:18;2249:21;
2255:25
format (1)
2289:6
former (2)
2204:23;2205:2
forms (2)
2178:5;2327:12

formulas (1)
2249:2
formulating (1)
2225:17
formulation (1)
2239:14
forth (5)
2224:4;2227:12,
14;2344:17;2380:18
forward (6)
2174:18;2291:19;
2318:8;2323:1;
2349:16;2351:4
found (7)
2173:5;2197:17;
2288:6;2289:2;
2297:4;2313:22;
2406:10
founded (1)
2297:5
four (16)
2202:18;2203:6;
2261:8;2280:20,25;
2281:2;2282:1,12;
2283:5,23;2296:7;
2304:24;2330:9;
2372:24;2408:23,25
fourth (6)
2260:4;2270:6,6;
2283:2,13,16
FRANCIS (53)
2160:21,22;
2176:2,4;2185:4,5,
19,20;2186:18;
2187:4,6;2188:7,9,
10,24;2189:3,4;
2190:5,7,8;2195:20,
21,23;2196:1,7,10;
2197:11,12,18,20,
21;2200:10,10,18,
19;2202:15;
2203:14;2211:2;
2213:2,3;2227:19,
21,22;2384:10,10;
2388:6,7,7;2408:12,
14,15;2410:2,5
F-R-A-N-C-I-S (1)
2160:22
free (1)
2166:24
Fresno (1)
2313:22
Friday (8)
2164:12,13;
2170:9;2220:3;
2320:24;2389:14,23;
2396:18
friends (1)
2383:16
FRISIUS (5)
2161:3,3;2231:6;
2279:4;2347:3
F-R-I-S-I-U-S (1)

2161:4
front (10)
2171:17;2204:3;
2279:23;2300:20;
2301:14;2325:16;
2339:20;2358:1;
2399:17;2401:13
frosting (1)
2289:7
fulfill (2)
2210:5,8
full (17)
2202:18;2213:20;
2219:6;2238:17;
2246:13;2274:25;
2286:7,18;2314:18;
2328:3;2329:7;
2335:5;2347:14;
2377:25;2396:10;
2398:8;2404:9
fully (8)
2174:13;2284:22;
2285:2;2286:15;
2288:2;2315:16;
2346:13;2406:2
function (8)
2213:12;2216:6;
2217:19;2223:16;
2224:25;2225:1,2;
2318:15
functions (6)
2199:19;2210:14,
16;2218:6;2225:25;
2246:21
fund (16)
2169:6;2182:15,
17;2183:6;2184:2;
2185:21;2186:11;
2194:1,2,9;2214:22,
22,25;2215:4;
2223:6;2226:6
fundamental (1)
2288:23
funded (1)
2223:11
funds (5)
2187:8;2194:3;
2212:8,14;2343:23
further (15)
2169:20;2185:1;
2247:24;2261:14;
2276:7;2293:18;
2314:15;2319:22;
2344:14;2350:11,14;
2357:16;2359:16;
2376:14;2408:7
Furthermore (1)
2310:2
future (7)
2212:4;2246:18;
2314:1;2326:21;
2369:11;2374:17;
2401:5

G

gain (7)
2342:16;2346:6,8,
18;2348:16;2349:3;
2350:22
gained (1)
2342:22
gains (2)
2267:11;2346:12
Gamble (2)
2293:9,12
game (3)
2347:23,24;
2348:11
gaps (1)
2301:20
gave (5)
2199:14;2337:19;
2372:20;2381:24;
2388:19
GDP (11)
2235:8;2270:14;
2272:11;2273:9,18;
2287:8;2305:1;
2338:12,15;2356:5,
21
General (8)
2161:18,20;
2222:8;2257:22;
2287:14;2294:4;
2313:20;2332:20
generally (13)
2263:16;2270:4;
2271:7;2288:8,14;
2291:17;2305:11,15;
2306:21;2311:17;
2313:2;2319:19;
2346:14
generated (8)
2266:25;2270:7,
10,11;2344:1,2;
2351:20,24
generates (3)
2266:19;2341:22,
23
generating (1)
2326:23
generation (1)
2287:9
generic (1)
2257:22
Genske (1)
2247:12
geographic (4)
2254:20;2259:7;
2263:23;2265:16
geographical (1)
2254:16
gets (21)
2180:11;2281:7,9,
10,21,21,22,22;

2282:8,9,12,15,15,
23,23;2322:17;
2330:2;2357:23;
2360:13;2363:13;
2410:1
GF (1)
2309:4
Gilbert (2)
2355:24;2356:3
given (18)
2164:7;2174:14;
2215:15;2223:9;
2224:1;2257:17;
2306:17;2311:4;
2320:17;2321:24;
2326:13;2334:18;
2335:4;2345:21;
2349:9;2367:12;
2369:15;2406:12
gives (4)
2259:7;2398:20;
2399:22;2401:2
giving (1)
2332:11
glad (4)
2164:19;2296:3;
2330:1;2360:5
glasses (1)
2269:10
global (2)
2251:25;2287:4
globally-aligned (1)
2236:4
goal (5)
2174:21,22,22,23,
24
goals (3)
2174:20;2175:6,
15
goes (16)
2167:8;2171:5;
2193:17;2199:17;
2253:5,22;2256:20;
2282:22;2355:4,7,
16;2373:19,20;
2374:4;2377:22;
2391:13
Goldberg (2)
2294:11,12
golly (1)
2369:10
Gonzalves (1)
2239:8
Good (58)
2160:21,25;
2161:3;2162:7,11,
13,15,23;2163:2,7,9,
21,24;2168:22,23;
2181:4;2184:7;
2187:22;2188:5;
2189:21,25;2194:13;
2195:19;2196:6;
2211:24;2219:18;

2230:14;2231:14,14,
20,21;2246:23,25;
2259:7;2262:21;
2292:23,24;2310:9;
2320:15;2321:20;
2322:10;2323:17;
2324:25;2325:11;
2370:7;2383:15;
2384:15;2385:11,14,
19;2386:7;2387:18;
2388:12;2390:22;
2393:7;2400:13;
2402:8;2403:24
goods (5)
2265:23;2266:10,
11,12,13
gov (1)
2235:12
government (9)
2205:17,18;
2217:13,15;2263:19;
2272:3;2273:14,20;
2339:7
governments (2)
2264:7;2273:19
Governor (1)
2298:9
Grade (1)
2241:19
Graduate (2)
2238:6,14
graph (2)
2321:5,6
grasp (1)
2181:11
grateful (2)
2189:23,24
Gray (1)
2298:9
great (13)
2189:20;2197:19;
2199:17;2228:25;
2249:8;2286:23;
2292:10;2358:17;
2376:25;2377:5;
2385:11;2388:10,11
greater (6)
2220:6,16;
2240:15;2271:8;
2357:9;2363:14
Green (4)
2247:12;2328:24;
2329:19;2409:4
groceries (1)
2348:10
Gross (17)
2235:8;2267:8;
2269:18;2270:3,3,5;
2271:22;2352:5,13;
2353:9,17;2360:17;
2361:1;2363:6,16;
2378:17;2379:10
grounds (1)

2308:3
Group (4)
2231:25;2234:8;
2299:9;2301:21
grown (1)
2235:7
guess (20)
2174:3;2175:7;
2209:5;2221:5;
2293:10;2312:14;
2320:12;2323:5;
2324:24;2328:23,25;
2329:19;2331:21;
2333:11;2338:8;
2342:19;2362:7;
2380:10,11;2394:5
guidelines (1)
2239:13
guys (1)
2224:1

H

half (5)
2299:11,21;
2300:3,23;2325:19
hall (1)
2316:15
hallmark (1)
2251:15
HANCOCK (10)
2163:11,11;
2395:10,11;2400:18;
2404:20;2406:21,24;
2407:23;2408:8
H-A-N-C-O-C-K (1)
2163:11
Hancock's (1)
2400:8
hand (9)
2170:19;2190:9;
2211:2;2230:19;
2231:12;2279:18;
2288:22;2318:7;
2393:13
handed (2)
2190:20;2279:11
handful (1)
2299:20
handle (3)
2372:20;2387:10;
2388:2
handled (2)
2271:5;2385:9
Handler (33)
2177:3;2178:1;
2181:14,20,20,24;
2182:1,14,22;
2183:9,13,15,17,18,
22;2184:13;
2185:23;2186:10;
2187:12,15;2204:6,
7;2205:9,11;2213:5,

8,11,19;2215:3;
2216:2,8;2221:20;
2387:25
Handlers (27)
2163:13,17;
2176:22,23;2179:12,
19,23;2181:19;
2182:11,12,17;
2184:17;2187:8,16,
19,24;2192:20,21;
2195:6;2212:8;
2215:22,23,24;
2222:17;2351:16,17;
2395:12
handlers' (3)
2180:7;2182:3;
2194:1
hands (1)
2324:6
Hanson (3)
2162:3,4,9
H-A-N-S-O-N (1)
2162:4
happen (7)
2199:19;2201:18;
2214:23;2215:7;
2329:5;2380:1;
2384:9
happened (1)
2361:23
happening (5)
2283:9;2309:14;
2311:22,23;2364:2
happens (12)
2180:18;2182:24;
2197:6;2201:9;
2208:15;2209:4;
2215:22;2362:3;
2364:7,18;2372:23;
2382:8
happy (5)
2173:23;2222:18;
2288:3;2292:8;
2316:25
hard (4)
2348:4;2384:11;
2386:9;2390:19
harder (1)
2337:5
hardly (1)
2347:25
harm (1)
2276:4
Harvard (4)
2238:13;2294:1,6,
16
hat (2)
2175:2,4
Hatamiya (58)
2230:17;2231:2,
20,24;2233:25;
2234:2,7,8;2242:4;
2243:11;2245:16;

2256:6;2257:24;
2260:14;2262:23;
2267:22;2268:20,23;
2269:5;2271:17;
2274:13;2279:23;
2284:2;2285:14;
2286:13;2287:11,12;
2288:18;2289:4;
2291:14;2292:23;
2301:21;2305:10,13;
2306:6,20;2314:7;
2317:12;2320:11,15;
2347:9,20;2348:5;
2350:13;2353:1;
2375:1;2384:17;
2386:5,8,10;2389:2,
5;2392:25;2395:13;
2400:5,5;2410:10,11
H-A-T-A-M-I-Y-A (2)
2230:17;2231:2
Hatamiya's (3)
2305:18;2384:23;
2390:9
hate (1)
2373:14
head (7)
2184:22;2281:25;
2295:21;2296:21;
2330:23;2333:10,19
header (2)
2339:12,16
heading (6)
2176:11,21;
2177:6,20;2190:21;
2226:24
headings (2)
2290:7;2391:14
heads (1)
2181:9
hear (6)
2196:25;2316:25;
2317:24;2396:20,25;
2397:17
heard (4)
2216:24;2244:18;
2317:1;2389:13
Hearing (32)
2160:8,11;2164:8,
10,19,23;2165:5,10;
2168:4;2169:15;
2173:1;2174:4,7;
2190:16;2191:11;
2193:18;2201:4,15,
18;2202:3,6;2219:3,
9;2232:22;2238:3;
2244:17;2294:16;
2302:12;2317:10,17;
2322:25,25
hearings (10)
2173:2,4;2174:15;
2175:9;2209:3;
2214:16;2302:4,8,9,
16

hearsay (1)
2311:2
heavily (2)
2318:20;2319:7
held (11)
2201:2,11;2202:1,
2,6;2213:21;
2218:25;2310:5;
2313:25;2368:14;
2396:12
help (13)
2167:20,24;
2189:14,23;2190:11;
2198:9;2307:7;
2315:1;2320:6;
2358:20;2359:3;
2360:24;2399:23
helped (2)
2251:4;2350:25
helpful (8)
2180:19;2303:15;
2307:20;2316:17;
2324:13;2380:20;
2388:16;2410:2
helps (1)
2293:24
Henry (1)
2161:13
H-E-N-R-Y (1)
2161:13
here's (3)
2361:22,22;
2381:1
Herrington (3)
2293:7;2296:7,8
herself (1)
2371:4
hesitate (1)
2294:10
hide (1)
2290:14
high (7)
2220:7;2237:15;
2298:19;2321:12;
2355:17;2374:4,4
higher (12)
2220:23;2237:17;
2251:5;2273:14;
2277:13,15;2332:9;
2336:16;2368:1;
2369:23;2373:3;
2390:1
highest (1)
2258:13
highlight (2)
2346:3;2359:16
highlighted (1)
2241:21
highlights (1)
2289:1
highly (1)
2356:17
Hill (13)

2161:19,19;
2167:3,6,7,18;
2168:1,1,10;
2228:21,21,21;
2279:3
H-I-L-L (1)
2161:19
Hilmar (4)
2163:5,10;2214:6;
2351:6
himself (1)
2410:9
hires (1)
2265:18
Historical (9)
2240:2;2241:11;
2248:4;2366:25;
2367:1;2402:22,24;
2403:8,12
Historically (3)
2240:16;2242:13;
2354:20
history (17)
2209:18;2285:2;
2293:5;2308:24;
2309:2,9,10;
2312:24;2313:2,4,4,
7,9,12,16,24;2340:3
hit (1)
2296:21
hold (5)
2323:19;2343:8;
2372:3;2397:7,21
holder (4)
2324:16;2360:3;
2371:8;2400:25
holders (27)
2254:6;2257:10;
2277:10,20,22;
2278:1,1,4;2324:6,8;
2344:8,16,23;
2345:2,13;2346:1,4;
2348:23;2349:25;
2350:8;2360:4;
2366:19;2400:22;
2403:18,22;2405:20,
23
holding (6)
2256:1;2258:8;
2326:10;2335:9,9;
2396:3
holdings (10)
2181:19;2241:1;
2247:25;2248:19;
2250:21;2255:2;
2315:23;2342:9;
2383:4;2398:16
holds (1)
2257:17
holiday (2)
2190:24;2197:7
holidays (4)
2188:12;2190:14;

2191:3,3
Hollon (1)
2216:14
home (2)
2357:1;2358:3
Honor (78)
2162:15;2167:6;
2168:19;2170:3,23;
2171:15;2196:20;
2200:9;2203:20;
2230:11,13,16;
2233:9;2234:24;
2237:11;2244:8,18;
2245:12;2253:12;
2257:3;2268:7;
2274:7,17;2279:1,
11;2285:5,15;
2286:5,14;2287:12;
2288:16,21;2289:20;
2290:4,22;2291:8,
18;2292:19;
2293:17;2305:5,6,
16;2306:13,14,19;
2307:3,5,23;2308:5,
14;2309:1,12;
2310:23;2311:3,22;
2312:12;2314:25;
2315:21;2317:3,18;
2318:6,23;2321:2;
2351:5;2364:20;
2365:9,10;2385:3;
2386:22;2388:14;
2390:6;2392:20,22;
2393:8;2400:14;
2406:5;2407:19;
2410:15
honors (4)
2284:22;2286:16;
2315:16;2406:2
Honor's (2)
2317:8;2318:11
hope (3)
2165:19;2175:20;
2212:21
hopefully (5)
2188:7;2270:21;
2283:6;2408:16,22
hoping (5)
2358:17;2384:23,
25;2389:4;2408:9
hostile (1)
2309:25
hour (1)
2375:11
hourly (1)
2375:10
hours (2)
2347:25;2375:12
household (1)
2267:4
http (1)
2235:10
huge (1)

2355:18
hundred (5)
　2237:22;2242:18;
　2281:7;2346:24;
　2350:25
hundredweight (14)
　2240:15,18;
　2241:7;2262:7;
　2280:16,17;2281:6,
　17;2328:9,10,11;
　2330:11;2352:11;
　2409:19
hunter (1)
　2358:18
hurdle (1)
　2200:8
hyphen (1)
　2164:10
hypothetical (3)
　2280:7;2365:6;
　2399:9
hypothetically (1)
　2380:7

I

idea (8)
　2184:8;2208:11;
　2219:23;2223:22;
　2316:19;2322:10;
　2327:17;2380:19
identical (6)
　2204:19;2206:18;
　2222:2;2227:1,9;
　2241:9
identification (4)
　2231:10;2265:1;
　2279:8;2347:7
identified (3)
　2164:2;2194:17;
　2329:20
identify (5)
　2161:23;2163:19;
　2257:10;2357:4;
　2359:4
Identifying (3)
　2264:12;2319:25;
　2360:23
ignore (2)
　2346:1;2391:20
ignored (2)
　2315:24;2357:25
II (2)
　2239:2;2249:12
III (3)
　2173:9;2243:21;
　2249:14
illustrates (1)
　2362:18
illustration (2)
　2283:12;2376:5
imagine (4)
　2296:24;2350:18,

21;2371:23
immaterial (1)
　2318:3
immediately (2)
　2281:4;2283:22
impact (64)
　2188:12;2238:23;
　2263:5,9,11,13,17,
　17,22,24;2264:8,10;
　2265:8,13,15,16,21;
　2266:1;2268:2,25;
　2271:7,20;2272:17;
　2273:22,23;2274:3,
　5,19,21;2275:20,23;
　2276:8,9;2277:1;
　2278:10,16;2304:25;
　2321:22;2322:4;
　2323:1,16;2326:15;
　2338:7,14,16;
　2339:1;2340:10;
　2345:11,17,20;
　2346:17;2355:18,21;
　2356:18;2357:5;
　2358:2;2361:6,10,
　17;2364:1;2374:14;
　2390:8;2404:5;
　2408:25
impacted (2)
　2240:8,10
impacts (25)
　2237:13;2264:4;
　2265:21,22;2266:23;
　2267:1,4,6,10,13;
　2284:13;2287:6;
　2304:20;2305:1;
　2340:1;2349:20,21;
　2352:24;2354:6;
　2359:17;2361:5;
　2364:7;2370:18;
　2390:3;2392:3
impermissible (2)
　2244:11;2285:8
IMPLAN (13)
　2265:9,10,12;
　2266:9;2267:7,24;
　2269:20,22;2270:7,
　10,12;2304:25;
　2338:7
I-M-P-L-A-N (1)
　2265:10
implemented (1)
　2219:12
Importance (4)
　2234:4;2238:25;
　2334:18;2381:5
important (19)
　2198:2;2203:23;
　2235:2,5;2236:17;
　2244:1;2246:21;
　2258:4;2263:4;
　2268:8;2286:21;
　2309:7;2339:23;
　2357:2;2358:4;

2373:13,13,15;
　2391:21
importantly (1)
　2248:12
imports (2)
　2266:7,15
impossible (2)
　2367:4,6
impressible (1)
　2286:8
improper (3)
　2175:13;2309:17;
　2315:12
improve (1)
　2363:17
improved (1)
　2374:17
inactive (2)
　2199:20;2296:16
inadmissible (1)
　2314:13
inappropriate (1)
　2390:12
Inc (1)
　2162:14
incentive (1)
　2330:14
inception (2)
　2240:7;2368:7
inclinations (1)
　2318:11
include (8)
　2208:21;2335:20;
　2342:7;2371:9,10,
　11;2393:1;2395:24
included (12)
　2247:11;2253:17;
　2311:8;2345:13;
　2383:9;2392:10;
　2393:3;2396:1,4,5;
　2398:9;2407:19
includes (7)
　2180:10;2206:2;
　2247:15;2265:21;
　2269:13;2371:3;
　2376:9
including (8)
　2160:15;2213:20;
　2236:25;2237:15;
　2247:18;2287:18,21;
　2298:18
inclusion (1)
　2274:8
inclusive (1)
　2392:19
income (44)
　2246:18;2249:13;
　2267:5;2322:12;
　2324:16,16;2325:6;
　2326:7,13,21,23,24;
　2327:3;2334:24;
　2335:10;2348:8,15,
　22,24,25;2355:10;

2360:3,7,8,10,13,18;
　2367:17;2368:13,17,
　20;2369:1,16,23;
　2370:9,10;2371:4;
　2372:18;2373:1,7,
　18;2374:8,21;2383:8
Incorporated (8)
　2234:11,12,12;
　2247:20,20,21,21;
　2285:1
incorrect (5)
　2353:22,23,24,25;
　2354:1
incorrectly (2)
　2197:6;2365:19
increase (3)
　2363:7;2380:5;
　2399:6
increased (2)
　2267:4;2401:2
increases (2)
　2249:17;2287:8
increasing (8)
　2251:1,4;2252:10;
　2323:14;2398:21,22;
　2399:23,25
increasingly (3)
　2251:19,24;
　2287:4
increments (1)
　2253:5
indeed (1)
　2309:13
Independence (2)
　2410:19,21
independent (3)
　2234:14;2381:4;
　2395:15
independently (1)
　2179:24
India (1)
　2235:21
Indians (1)
　2310:4
indicate (1)
　2276:19
indicated (4)
　2170:1;2206:22;
　2297:1;2392:2
indication (4)
　2198:18;2199:3;
　2200:8;2309:16
Indicators (1)
　2235:19
indirect (6)
　2264:13;2265:2;
　2266:14,25;2267:6,7
indirectly (2)
　2298:22,23
individual (18)
　2179:4;2183:14,
　15;2185:18;
　2187:24;2240:24;

2241:6;2248:17;
　2272:18;2275:11,14;
　2284:17;2314:1,3;
　2375:22;2376:10,10;
　2405:20
individuals (2)
　2185:16;2186:23
induced (4)
　2264:13;2265:2;
　2267:4,8
industrial (1)
　2263:20
industries (3)
　2237:15,19;
　2266:10
industry (25)
　2232:19;2234:15;
　2235:4,22;2236:3,
　16;2238:25;2240:2;
　2241:11;2244:2;
　2259:11;2263:19;
　2266:5;2269:22;
　2275:12;2286:21;
　2287:2;2300:14;
　2323:25;2338:24;
　2381:5;2395:16;
　2401:18;2405:21;
　2408:4
Industry's (1)
　2235:2
inference (1)
　2214:13
influence (3)
　2221:6;2376:25;
　2377:5
information (31)
　2178:21;2179:17;
　2189:11;2192:21;
　2198:1,2;2199:5;
　2204:11,12;2206:5,
　17,23,24;2207:16,
　16,18;2211:22;
　2213:10,22,24;
　2214:1;2224:4;
　2242:8;2252:19;
　2257:12,19;2263:25;
　2315:22;2324:10;
　2333:17;2382:6
informational (1)
　2211:18
infrastructural (1)
　2263:20
Infrastructure (1)
　2304:11
initial (1)
　2321:1
initially (5)
　2183:19;2307:17;
　2323:23;2367:14;
　2402:20
initiate (1)
　2180:15
initiated (1)

2180:14
ink (1)
    2290:12
input-output (3)
    2265:7,11;2266:3
inputs (3)
    2267:6;2284:14;
    2402:7
inquire (2)
    2253:8;2384:6
instance (6)
    2204:24;2207:5;
    2220:25;2349:23,24;
    2366:5
instances (1)
    2349:4
instead (5)
    2330:9;2357:20;
    2358:7;2368:1;
    2372:23
Institute (7)
    2162:18,22,24;
    2163:1;2197:3;
    2320:16;2371:20
Institutes' (1)
    2276:23
Institute's (7)
    2275:25;2276:5;
    2277:3,18;2278:16;
    2279:25;2284:5
institutions (13)
    2247:14;2248:20,
    23;2249:7;2250:8,
    14;2370:3;2371:21;
    2373:1,17;2381:12,
    22;2402:6
instruct (1)
    2365:12
instruction (2)
    2365:13,15
Insurance (1)
    2309:22
insure (1)
    2257:11
intact (1)
    2285:18
intangible (6)
    2248:8,10;2249:8;
    2370:2,6;2402:13
integral (1)
    2244:3
intent (1)
    2321:25
intention (1)
    2376:4
interchangeably (1)
    2183:25
interest (2)
    2369:20,24
interested (6)
    2168:5;2189:7,9;
    2197:23;2198:4;
    2393:15

interject (1)
    2390:7
interjects (1)
    2406:8
intermediate (1)
    2266:4
international (7)
    2236:5;2237:13;
    2238:9,11,20;
    2297:11;2311:10
interpret (7)
    2199:24,25;
    2286:8;2311:20;
    2314:19;2316:2,20
interpretation (8)
    2212:4;2244:10,
    11;2309:10;
    2312:19;2313:20;
    2314:25;2315:12
interpretations (1)
    2310:22
interpreted (3)
    2197:11,13;
    2309:9
interpreting (2)
    2314:5;2338:13
interrupt (4)
    2244:22;2386:3,5,
    10
interrupting (2)
    2306:17;2364:23
into (39)
    2165:12;2167:3;
    2168:4;2172:9;
    2174:13;2179:5;
    2182:14;2186:11;
    2199:17;2203:8;
    2207:11;2223:24;
    2253:10;2267:19;
    2269:10;2276:15,17;
    2281:25;2290:1;
    2305:25;2306:2,4,8,
    10,12;2316:10;
    2329:6;2330:14;
    2334:2;2341:3;
    2352:23;2354:24;
    2370:5;2390:3;
    2399:4;2402:12;
    2403:20;2405:5;
    2409:2
intricacies (1)
    2320:7
introduce (1)
    2388:8
Introduction (1)
    2234:25
invaded (1)
    2310:15
invalid (1)
    2316:3
Invaluable (10)
    2234:6;2250:17,
    24;2260:21;2275:5;

2284:11;2286:25;
2398:19;2405:8;
2408:2
inventory (1)
    2270:1
inverse (1)
    2214:22
inversely (1)
    2369:19
invest (1)
    2322:12
invested (3)
    2174:5;2285:25;
    2344:20
investment (70)
    2248:7;2251:11,
    18;2252:5;2260:19,
    21;2263:1;2269:17;
    2270:17,19;2271:18;
    2272:10,13;2284:11;
    2285:3;2287:1,6;
    2337:8;2338:14;
    2339:3;2341:16;
    2344:13,15,22,23;
    2345:3;2355:9,10;
    2357:24;2358:3,8;
    2360:7;2361:11;
    2362:15;2365:17,18,
    22;2366:2,4;2367:8,
    12,18,19,21;2368:4;
    2369:9;2373:10,12;
    2377:15,19,24,24;
    2378:1,4,5,7,15,19,
    21,23;2380:1;
    2400:17;2402:17,19;
    2403:3,14,22;
    2404:22;2405:13;
    2408:3
investments (7)
    2263:3;2268:3;
    2269:1;2275:6;
    2335:19;2354:7;
    2405:8
invisible (2)
    2290:10,12
invitation (1)
    2288:22
invite (2)
    2166:11;2228:17
involve (2)
    2300:12,13
involved (3)
    2174:6;2181:1;
    2383:23
involves (1)
    2181:1
involving (1)
    2383:22
irrelevant (2)
    2314:2;2318:3
irreparable (1)
    2252:4
irrevocable (1)

2277:20
issue (19)
    2198:14;2205:15,
    22;2222:15;2228:8;
    2229:18;2289:11,12;
    2290:21;2300:14;
    2306:15;2307:8;
    2308:5,15;2311:5;
    2317:1;2385:15;
    2390:7;2391:9
issued (7)
    2241:13,15;
    2243:16;2257:21;
    2259:24;2340:5;
    2341:9
issues (16)
    2189:8;2197:24;
    2204:2,24;2209:1;
    2212:7;2215:19;
    2225:18;2238:1;
    2303:6,12;2307:25;
    2308:23;2310:11,20;
    2386:6
Italy (1)
    2235:20
itemized (2)
    2261:7,24
iv (5)
    2249:15;2263:8,9;
    2286:20;2401:21

J

James (1)
    2163:4
J-A-M-E-S (1)
    2163:4
January (9)
    2240:13;2254:15;
    2255:4,18;2259:12;
    2264:18;2393:22;
    2394:4,25
JD (10)
    2234:2;2243:11;
    2256:6;2260:14;
    2262:23;2268:23;
    2271:17;2284:2;
    2295:13,16
JD/MBA (1)
    2293:19
Jill (1)
    2160:9
Joaquin (1)
    2259:6
job (10)
    2237:6;2264:1,4;
    2272:13;2287:8;
    2298:17,17;2308:6;
    2348:1;2354:10
jobs (10)
    2264:9;2272:1,13;
    2273:10,18;2338:22,
    23;2347:15,20;

2354:12
John (11)
    2161:10;2162:3;
    2163:9;2170:6;
    2200:9;2214:6;
    2225:14,14;2351:5;
    2385:3,17
J-O-H-N (2)
    2161:10;2162:4
joined (1)
    2282:19
joining (1)
    2282:24
joint (6)
    2189:10;2293:19;
    2295:1,13,16;2296:6
JUDGE (233)
    2160:6,10;
    2161:21;2163:18;
    2164:1,25;2165:3;
    2166:1;2167:12,14,
    17;2168:10,16,24;
    2169:23;2170:16,19,
    25;2171:7,11,14,16,
    19,22;2172:4,8;
    2175:18;2176:4,6,9,
    14,17,20,23;2177:2,
    5,8,11,17,22;2178:6,
    12;2179:7,12,16;
    2180:2,13,21,24;
    2181:4,7;2182:19,
    22;2183:2,7,11,17,
    21,24;2184:1,4,7,11,
    16,21;2185:11,14;
    2186:9,13,19,22;
    2187:3;2188:8,23;
    2189:21,25;2190:4;
    2195:20,24;2196:6,
    21,24;2197:16,19;
    2200:14,17;2201:20;
    2202:8,14;2203:14;
    2204:4;2206:9;
    2207:22;2210:6;
    2211:1,8,24;2214:3;
    2216:7;2221:15;
    2222:10,20;2225:5,
    8,10,15,25;2226:11;
    2227:16;2228:17,25;
    2229:15,23;2230:6,
    9,18,24;2231:3,7,12;
    2233:10,21;2234:18,
    23;2244:15,19;
    2245:7,10;2253:8,
    15,20;2254:4,8;
    2256:16,22;2257:15;
    2261:3;2268:6,8,12,
    18;2274:11,16;
    2279:2,5,9,10,13,17;
    2285:11;2286:11;
    2288:5,11,13,17;
    2289:10;2291:3,9,
    24;2292:10,13,17;
    2293:14;2305:9,20;

2306:5,25;2307:4,
19;2308:9;2310:16;
2316:6;2317:4;
2318:1,9;2319:16;
2327:18;2332:22,24;
2347:1,4;2350:13,
17,21;2351:3;
2358:15,20,24;
2365:1,3,5;2367:24;
2378:20;2381:13,17;
2384:4,15,25;
2385:11,14,19;
2386:2,5,16,20;
2387:15,18,21,24;
2388:6,10,12,15,24;
2390:17,23;2392:16,
21;2393:5,7;2400:5,
9;2404:17;2406:6,
15,18;2407:20;
2408:8;2410:1,5,9,
17,21
judges (1)
2310:10
judge's (2)
2308:6,20
judgment (3)
2307:15,16;
2366:16
July (3)
2240:4;2241:12;
2264:19
jumped (1)
2171:9
June (2)
2170:11;2171:12
juris (1)
2238:15
jurisdiction (1)
2308:25
justices (1)
2312:24
justification (2)
2189:15;2200:21
justifications (1)
2407:4

K

KALDOR (2)
2162:25,25
K-A-L-D-O-R (1)
2163:1
keep (9)
2244:16;2339:23;
2373:6,14;2383:13;
2389:4,5;2404:15;
2409:6
keeping (1)
2260:2
Keith (3)
2303:2,7,7
Kent (1)
2303:3

Kern-Los (2)
2257:5;2258:12
KeyArena (1)
2348:3
kind (20)
2164:8;2167:8,13,
22;2184:23;2205:1;
2207:19;2223:24;
2224:2;2280:6;
2297:7;2301:25;
2322:6,13,17;
2326:6;2328:11;
2344:8;2354:15;
2382:2
kinds (1)
2160:12
Kings (1)
2259:6
knew (2)
2364:4;2394:24
knowing (2)
2329:7;2396:10
knowledge (3)
2199:7;2308:21;
2370:19
known (2)
2310:25;2349:11
knows (2)
2180:3;2184:23
Kristine (1)
2163:21
K-R-I-S-T-I-N-E (1)
2163:22

L

label (1)
2251:6
labeled (2)
2191:17;2377:14
labor (3)
2284:15;2398:23;
2399:25
lack (1)
2266:1
LAI (2)
2163:15,15
L-A-I (1)
2163:15
laid (3)
2344:17,17;
2381:5
Land (9)
2162:2,12;
2234:12;2247:21;
2249:23,24;2251:20;
2285:2;2323:14
language (27)
2186:25;2187:1;
2191:11,14;2199:11;
2205:2,4,23;2208:4;
2221:22;2227:2,6;
2228:1,10,15;

2229:9,10,18;
2245:19;2274:25;
2285:6;2309:15;
2312:15;2314:18;
2387:7;2404:10;
2406:9
lapse (1)
2307:1
large (4)
2258:3,24;2363:5;
2364:8
largely (1)
2212:4
larger (3)
2277:21;2359:10;
2364:6
largest (7)
2235:17;2236:12;
2256:1;2258:11;
2298:24,25;2323:25
last (37)
2163:15;2170:9;
2175:9;2178:16;
2185:7,8;2186:6;
2193:20;2197:12,13;
2221:20;2228:12;
2231:2;2232:7;
2233:8;2243:3,5;
2252:23;2253:3,3;
2256:10;2261:7;
2262:4,10;2270:13;
2288:25;2295:20;
2297:24;2305:7;
2320:23,23;2324:3;
2325:13;2391:9;
2397:25;2407:11,24
Lastly (2)
2252:1;2407:24
late (1)
2321:13
later (10)
2164:13;2192:16;
2194:4,9,23;
2207:18;2229:20;
2245:15;2359:14;
2402:7
latest (1)
2228:7
laughing (1)
2343:1
Laurel (2)
2161:7;2167:8
L-A-U-R-E-L (1)
2161:7
Lauren (1)
2161:17
L-A-U-R-E-N (1)
2161:17
Law (46)
2160:10;2162:16;
2163:22,25;2201:3,
5,12;2202:1,6;
2210:13,17,18;

2218:20,21;2219:1;
2224:18;2237:8;
2238:9,10,16;
2281:6;2293:10,12,
21;2299:8;2306:24;
2307:4,5,6,12,13,22,
24;2308:20;2309:2,
25;2310:3,17;
2311:16,20;2314:13;
2315:23;2316:13,21;
2317:11,12
laws (1)
2311:1
lawyers (1)
2312:7
lay (2)
2316:14;2318:18
layer (2)
2397:15,22
lays (2)
2265:18;2350:2
leading (2)
2236:14;2276:15
leakages (1)
2266:15
learn (1)
2294:15
least (23)
2172:23;2174:5,
22;2198:13;2199:4;
2201:10;2203:20;
2208:12;2209:15,25;
2217:3;2218:7;
2219:23;2268:9;
2283:16;2302:19,23;
2303:1;2307:17;
2321:10;2367:10;
2369:2,18
leave (5)
2224:16;2334:23;
2348:2;2381:15;
2384:6
leaving (1)
2250:17
LECG (8)
2299:7,8,10,11,13,
15,20;2301:7
lecturer (1)
2238:9
left (15)
2169:3,6;2231:14;
2253:2;2281:14,17;
2283:25;2285:13,18;
2298:7;2301:3,3;
2310:10;2384:21;
2407:5
leftover (1)
2386:6
legal (21)
2205:18;2244:11,
13;2274:10;2285:7;
2286:8;2296:15;
2307:25;2308:8,12,

15,20;2309:3,16,17;
2310:1,9,11,15,20,21
legislation (6)
2284:23;2286:16;
2314:21;2315:17;
2368:9;2406:3
legislative (14)
2308:24;2309:2,9,
10;2312:24;2313:2,
4,4,7,9,12,16,24;
2321:24
legislatively (1)
2322:17
Legislature (10)
2237:24;2313:3,3,
7,10,11;2314:4;
2378:11,14;2379:23
lend (1)
2250:8
lenders (3)
2247:14;2381:23;
2382:8
Lending (10)
2248:19,21;
2250:10;2277:21;
2284:13;2334:20;
2335:18;2355:12;
2360:10;2402:6
lengthy (1)
2177:24
Leprino (1)
2163:8
L-E-P-R-I-N-O (1)
2163:8
less (23)
2250:17;2261:10;
2264:15;2265:5;
2272:18;2278:1,4;
2281:23;2282:16;
2289:2;2323:10;
2324:9;2330:12;
2331:6,11;2332:12;
2340:16;2344:9;
2345:5;2348:25;
2354:8;2366:19;
2391:24
lessens (1)
2249:17
lesser (1)
2329:13
lets (1)
2380:22
letters (1)
2265:11
level (14)
2171:25;2172:14,
21;2173:3,6,7;
2174:11,16;2200:22;
2209:9;2249:17;
2295:22,23;2353:17
levels (3)
2173:6;2214:12;
2221:6

leverage **(8)**
  2249:18,19;
  2335:18;2355:12;
  2360:9;2371:15;
  2373:13;2402:5
liberty **(1)**
  2188:17
lifetime **(1)**
  2302:4
lighter **(1)**
  2289:25
lightly **(1)**
  2174:4
likely **(1)**
  2277:17
limitations **(1)**
  2199:9
limited **(3)**
  2168:4;2252:2;
  2265:17
limits **(4)**
  2315:23;2323:9;
  2385:5,8
line **(7)**
  2171:2;2210:4;
  2222:9;2270:18;
  2283:12;2338:11;
  2394:13
lines **(1)**
  2171:2
linked **(1)**
  2246:19
links **(1)**
  2289:25
liquid **(4)**
  2250:24;2284:12;
  2286:25;2408:2
Liquidity **(1)**
  2249:10
list **(5)**
  2249:10;2304:5;
  2332:3;2337:7;
  2382:16
listed **(4)**
  2194:16;2217:5;
  2262:5;2338:20
listen **(2)**
  2360:20;2386:17
listening **(1)**
  2166:6
lists **(1)**
  2270:16
literally **(2)**
  2212:9;2318:4
little **(21)**
  2167:15;2193:11;
  2198:5,8;2200:21;
  2203:1;2205:19;
  2207:23;2224:13;
  2254:2;2256:13;
  2268:10;2297:14;
  2322:7;2323:23;
  2334:17;2364:22;

  2368:19,22;2375:16;
  2399:18
live **(4)**
  2165:6;2192:12,
  22;2387:11
living **(1)**
  2364:3
LLP **(3)**
  2247:12,13,13
loaded **(1)**
  2399:15
loan **(4)**
  2371:16,18,18;
  2372:1
local **(31)**
  2237:12,25;
  2238:21;2263:5;
  2264:3,6;2265:24;
  2267:9;2270:9;
  2272:2,15;2273:10,
  12,19,22;2275:15;
  2284:18;2286:3;
  2287:7;2305:2;
  2311:11;2339:6,6;
  2352:14,19;2354:14;
  2356:25;2358:6,8;
  2361:1;2370:17
located **(1)**
  2234:9
location **(8)**
  2179:2;2202:12;
  2209:22;2220:5,20;
  2240:22,25;2241:8
logical **(2)**
  2228:12;2331:13
logistical **(1)**
  2288:24
Lon **(11)**
  2230:16;2231:1;
  2234:2,7;2243:11;
  2256:6;2260:14;
  2262:23;2268:23;
  2271:17;2284:2
L-O-N **(2)**
  2230:17;2231:1
long **(8)**
  2206:22;2232:6;
  2244:23;2291:19;
  2299:3,10;2373:6;
  2408:22
longer **(5)**
  2214:17;2217:7;
  2223:5;2268:13;
  2292:5
long-established **(1)**
  2236:5
longest-serving **(1)**
  2297:24
long-held **(1)**
  2284:7
Longshoremen's **(1)**
  2311:11
longstanding **(1)**

  2382:18
long-term **(5)**
  2248:10;2251:14;
  2287:1;2373:9;
  2408:2
look **(48)**
  2191:11,13;
  2199:22;2223:2;
  2226:20;2228:22;
  2253:15;2304:10;
  2311:18;2313:8;
  2314:22;2315:10;
  2328:1;2334:17;
  2336:11;2340:10;
  2345:11,19,22,23,
  23;2346:25;
  2347:13;2349:19,21;
  2353:15;2354:3,5,
  19,21;2357:7;
  2359:17;2366:24;
  2369:18;2371:17,21,
  24;2372:1;2374:9,
  15,20,24;2379:18,
  22;2380:14;
  2381:17;2393:10;
  2400:15
looked **(7)**
  2214:9;2304:13;
  2313:2;2317:23;
  2327:19;2367:1;
  2371:25
looking **(32)**
  2170:21,22;
  2181:25;2189:14;
  2193:8,8;2199:2;
  2209:19;2258:20;
  2304:20,22;2312:25;
  2326:5,11,12,15;
  2335:12,14,15,21;
  2336:4;2338:11,25;
  2340:12;2342:20,21;
  2349:24;2357:13;
  2391:12;2392:11;
  2393:15,21
looks **(1)**
  2343:3
loose **(3)**
  2200:1,7;2230:3
Los **(4)**
  2220:14,16,20;
  2299:24
lose **(4)**
  2348:5;2369:6;
  2373:6;2379:19
losers **(1)**
  2349:21
loses **(1)**
  2282:25
loss **(7)**
  2217:25;2218:5,9,
  9;2342:10,20;
  2350:22
losses **(7)**

  2218:8;2248:14;
  2276:3;2284:10;
  2346:13;2348:21;
  2355:8
lost **(11)**
  2290:1;2342:7,8,
  12,15,17;2343:8;
  2345:13;2346:1;
  2348:22;2356:1
lot **(16)**
  2160:13;2175:23;
  2199:1;2203:21;
  2224:3;2303:12;
  2312:21;2317:9;
  2320:18;2321:10;
  2342:1;2360:12,19;
  2364:4,23;2372:24
lottery **(2)**
  2310:2,7
love **(1)**
  2385:12
low **(6)**
  2167:13;2260:9;
  2321:14;2342:9;
  2373:4;2374:3
lower **(12)**
  2167:9;2220:7,19;
  2329:3,12;2331:22;
  2333:6,8,13,22;
  2369:24;2379:20
lucky **(3)**
  2389:9,12,12
Luis **(2)**
  2258:2;2260:9
lunch **(3)**
  2292:3,8,12
Luskin **(1)**
  2238:7

M

MA **(6)**
  2178:20;2206:17;
  2223:17;2224:8,8,16
machine **(2)**
  2166:20,24
machines **(1)**
  2289:2
macro **(2)**
  2294:24;2295:6
Maffei **(1)**
  2309:21
M-A-F-F-E-I **(1)**
  2309:22
Magazine **(2)**
  2347:10;2349:12
maintain **(6)**
  2174:16;2218:4;
  2219:20;2240:20;
  2315:19;2383:7
maintained **(2)**
  2238:20;2246:14
maintaining **(4)**

  2286:17;2315:17;
  2407:12,17
maintains **(4)**
  2243:25;2274:23;
  2314:17;2404:8
maintenance **(4)**
  2251:12;2383:5,
  12,22
major **(12)**
  2200:4,8;2209:1;
  2235:22;2247:14;
  2250:16;2335:11;
  2356:24;2374:10,14;
  2381:22;2382:8
majority **(2)**
  2323:22;2382:25
makes **(6)**
  2191:18;2203:4;
  2265:20;2337:5;
  2353:11;2369:12
Make-up **(1)**
  2252:6
making **(13)**
  2213:16;2218:1;
  2224:12,22;2236:9;
  2248:21;2307:14;
  2331:15;2335:13;
  2343:25;2357:23;
  2363:1;2376:10
man **(1)**
  2189:25
Management **(4)**
  2238:6,15;2297:8,
  11
Manager **(3)**
  2293:9,11;
  2299:15
mandate **(1)**
  2210:15
manner **(3)**
  2212:13;2246:2;
  2364:21
manufacturer **(1)**
  2163:6
manufacturers **(1)**
  2269:25
manufacturing **(1)**
  2174:5
many **(30)**
  2174:19;2184:12;
  2244:3;2248:15;
  2251:18,21;2252:3;
  2258:15;2288:1;
  2292:1;2295:7;
  2296:23;2299:19;
  2302:3,22;2304:15;
  2321:21;2322:3;
  2325:3;2327:8,22;
  2329:12,13;2355:14;
  2358:4;2363:25;
  2375:12;2382:9;
  2383:24;2396:7
margin **(1)**

2270:3
Marin (4)
  2258:16;2273:16;
  2356:16;2394:1
Marine (1)
  2261:1
Mariners (1)
  2348:11
mark (3)
  2231:7;2278:25;
  2279:5
marked (7)
  2231:9;2232:25;
  2279:7,24;2321:6;
  2347:6;2375:2
market (71)
  2164:22;2178:2,
  16,20,20;2179:17,
  22;2180:2,13,15;
  2181:10,15,22,25;
  2182:5,9,10;
  2184:11,14,20,25;
  2185:22;2187:7,12,
  14,16;2188:24;
  2190:25;2192:15;
  2194:3;2204:7,12,
  14;2205:7,9,12,25;
  2206:5;2207:15;
  2209:11,16,19,19;
  2211:16,20;2212:14;
  2213:24;2216:15;
  2220:19;2224:5;
  2228:17;2239:15,16;
  2260:1,16;2283:19;
  2327:9,13;2329:11;
  2331:22,23;2333:22;
  2355:5;2372:23;
  2373:2,19;2374:1,6,
  18;2399:24;2401:3
marketability (1)
  2251:14
marketable (3)
  2247:1,2;2248:25
marketed (1)
  2383:9
Marketing (35)
  2160:23;2161:5,8,
  15;2175:23;
  2188:18;2191:4;
  2200:23;2213:6;
  2217:24;2219:15;
  2223:5;2228:6;
  2229:19;2236:22,25;
  2244:5;2245:21;
  2246:5,7;2252:17;
  2255:21;2264:20;
  2273:25;2275:22;
  2276:12;2293:8,11;
  2297:19;2312:17;
  2316:17;2320:7;
  2322:2;2398:2;
  2404:2
marketplace (3)

2247:8;2251:25;
  2287:5
marketplaces (1)
  2374:1
markets (2)
  2220:7;2403:6
marking (2)
  2347:1,4
Marvin (3)
  2161:24;2317:5,5
M-A-R-V-I-N (1)
  2161:24
masquerades (1)
  2355:25
massive (4)
  2248:13;2252:4;
  2284:9;2334:21
Masters (1)
  2238:9
Master's (2)
  2238:13;2293:20
match (3)
  2280:3;2391:23;
  2392:4
material (1)
  2313:19
materially (2)
  2275:10;2405:20
math (3)
  2393:12;2408:20;
  2409:23
mathematical (1)
  2332:10
mathematically (1)
  2392:7
mathematician (1)
  2395:6
matter (5)
  2178:18,19;
  2257:16;2308:10;
  2349:15
matters (8)
  2164:4,14;2166:3;
  2167:2;2168:11;
  2280:15;2299:19,21
maximize (3)
  2175:3,4;2335:3
maximizing (1)
  2174:20
maximum (2)
  2239:21,23
MAY (90)
  2161:7,7;2164:17;
  2165:2;2166:1;
  2167:3,7,8,13,15,19;
  2173:17,18;2174:15;
  2175:1,4,6,25;
  2184:19;2189:16;
  2190:5;2200:1;
  2202:3;2203:19;
  2205:19;2210:11;
  2211:16,21;2214:2,
  2;2218:2,3,7,7,8;

2219:5;2222:1,8;
  2230:2;2231:15;
  2233:22;2234:3;
  2235:10;2241:6;
  2244:18,21,21;
  2268:20;2274:13;
  2279:16;2283:18,20;
  2286:13;2288:20;
  2290:18;2292:17;
  2301:1;2302:11;
  2307:6,17;2308:19;
  2309:2;2310:6;
  2311:20;2314:25;
  2318:1;2321:25;
  2327:15;2329:14;
  2344:20;2351:4;
  2355:23;2358:25;
  2364:12,13;2367:5;
  2373:5;2376:3,17,
  25;2386:8,21;
  2388:17;2391:18,18;
  2402:13;2406:15;
  2408:25;2410:17,20
M-A-Y (1)
  2161:7
maybe (35)
  2175:13;2180:19;
  2185:23;2187:4;
  2190:12;2191:9;
  2195:21;2197:5,5;
  2199:1;2200:23;
  2203:8;2210:3;
  2223:9;2233:12;
  2253:22;2280:10;
  2296:14;2302:11;
  2315:14;2321:13;
  2322:24;2323:8;
  2324:5;2327:15;
  2330:25;2337:13,15;
  2340:3;2351:12;
  2355:21;2356:21;
  2367:11;2371:16;
  2383:21
MBA (11)
  2234:2;2243:11;
  2256:6;2260:14;
  2262:23;2268:23;
  2271:17;2284:2;
  2287:20;2295:13,16
MBA/JD (2)
  2295:1;2296:6
mean (19)
  2172:21;2184:7;
  2212:15;2218:4;
  2223:14;2295:23;
  2306:25;2321:20;
  2325:2;2326:23;
  2341:8,11;2343:18;
  2344:13;2345:12;
  2379:21;2382:5,22;
  2386:7
meaning (4)
  2309:3,16;2313:8;

2315:8
means (11)
  2215:16;2312:6,
  20;2313:13,13,14,
  14;2314:2,9,12;
  2316:17
meant (4)
  2171:9;2317:15;
  2340:12;2370:14
measure (9)
  2208:12;2236:16;
  2260:18;2265:12;
  2273:21;2328:4;
  2358:11;2366:1;
  2402:17
measured (1)
  2267:10
measures (1)
  2263:22
mechan (1)
  2246:19
mechanically (1)
  2329:18
mechanics (1)
  2330:8
mechanism (1)
  2246:20
media (1)
  2289:3
medical (1)
  2237:20
meet (7)
  2222:14,18;
  2251:1,4;2398:21;
  2401:9;2410:14
meeting (4)
  2164:12;2169:15;
  2198:22;2316:16
Megan (3)
  2162:8,8;2230:14
M-E-G-A-N (1)
  2162:8
member (6)
  2163:16;2175:5;
  2227:5;2247:19;
  2314:3,20
members (9)
  2174:7,23,24;
  2214:24;2226:25;
  2314:1;2377:10;
  2382:19,23
membership (3)
  2296:16;2307:1;
  2376:15
Memorandum (5)
  2204:13;2206:14;
  2211:12;2285:21;
  2407:7
Mendocino (1)
  2260:25
mention (4)
  2242:20;2300:5;
  2372:9;2407:12

mentioned (16)
  2201:21;2223:10;
  2224:21;2243:9;
  2258:10;2304:17;
  2322:16,25;2323:15;
  2329:9;2335:25;
  2346:9,10;2371:19;
  2380:12;2399:6
Merced (1)
  2260:23
Merced-Monterey (2)
  2257:5;2258:12
Meredith (3)
  2161:3;2164:24;
  2167:19
M-E-R-E-D-I-T-H (1)
  2161:4
merely (1)
  2265:17
message (1)
  2199:24
met (4)
  2198:11,12;
  2398:20;2410:5
method (2)
  2211:13;2376:19
methodologies (1)
  2237:22
Metro (1)
  2309:18
mic (1)
  2196:24
micro (2)
  2294:24;2295:6
microphone (3)
  2165:3;2385:2;
  2390:18
Mid (3)
  2300:18,18,25
middle (4)
  2190:16;2191:23;
  2359:15;2407:18
Midwest (1)
  2161:15
might (19)
  2180:19;2181:7;
  2190:11;2212:19;
  2223:22;2253:8;
  2292:2,4,5;2318:18;
  2319:13;2323:1;
  2324:15,18;2327:17,
  18;2348:10,25;
  2371:17
Milk (99)
  2160:8;2161:15;
  2163:6,23,25;
  2164:22;2169:1;
  2172:1,2,15,16,16;
  2175:23;2179:6;
  2181:15;2183:20;
  2188:18;2190:23;
  2194:20,21;2195:4;
  2203:3,4,5,10;

2208:13;2209:11,14;
2210:2;2213:6;
2216:15,16;2217:6,
8,11,24;2219:14;
2220:5,13;2221:2,4,
11;2223:4;2226:25;
2229:20;2236:25;
2239:7,8,14,15,16;
2240:7;2241:17,20,
23;2243:25;2244:5;
2246:7;2252:10,21;
2253:14,16,18;
2254:5,19,22,25;
2258:14;2259:4;
2272:23;2273:25;
2277:3;2321:24;
2322:2;2342:24;
2343:10;2351:16,20,
24,25;2353:10;
2355:25;2356:15;
2363:8,14;2368:2;
2369:2;2373:19;
2383:8;2389:19;
2394:11,11;2398:2;
2399:4;2402:22,24;
2403:6,13;2404:2
million (25)
2203:10;2241:16;
2260:22,23,24,25;
2261:1,1;2263:2;
2272:1,2,7;2273:9,
10,11,12,13,18;
2338:14,15;2339:8;
2346:25;2348:5;
2351:1,2
millions (2)
2248:16;2272:4
M-I-L-T-E-R (1)
2163:23
Miltner (11)
2163:22,24,24,25;
2168:17,19,21,25,
25;2169:2,23
M-i-l-t-n-e-r (1)
2169:1
mind (4)
2223:25;2354:11;
2373:6;2380:19
mine (3)
2176:3;2197:5;
2324:25
minimum (1)
2313:1
miniscule (1)
2289:11
minus (3)
2269:25;2282:11;
2409:10
minuses (2)
2343:12,18
minute (9)
2169:20;2188:23;
2221:20;2290:15;

2305:4;2330:9;
2347:22;2390:17;
2408:9
minutes (6)
2169:19;2268:13,
14,15;2303:25;
2386:4
mischievous (2)
2307:25;2315:2
missed (3)
2223:10;2406:16,
22
misspoke (2)
2171:8,15
misunderstood (2)
2185:23;2301:1
miswrote (1)
2301:2
mix (1)
2363:1
model (13)
2263:17;2265:7,8;
2266:10;2267:7,24;
2269:21;2270:10,12;
2304:25;2319:23;
2320:1;2338:7
models (1)
2265:11
modifications (3)
2199:12;2285:19;
2407:6
modified (2)
2199:9;2385:10
moment (7)
2208:9;2220:12;
2242:21;2258:19;
2391:20;2393:11,21
money (60)
2180:16;2182:24;
2183:3,5;2184:6;
2187:9,14,16,17,19;
2195:13;2212:9,16;
2214:24;2215:2,3,
18;2216:3;2217:11,
16,22;2221:16,16;
2222:4,13;2223:17;
2225:16,16;2228:19,
19;2265:23;2322:12,
13;2323:11;
2324:16;2325:9;
2332:11,13;2341:2,
3,9,11;2342:2;
2343:14;2345:5;
2348:10,13;2351:20,
24;2352:12,16,18;
2354:11,13,16;
2360:13;2372:1;
2377:8;2380:1;
2388:1
monies (3)
2187:14;2329:4;
2343:7
monitoring (1)

2217:20
Monterey (1)
2260:23
month (56)
2178:4,23;2179:1,
2,6,13;2181:17,21;
2182:5,13,16;
2183:9,13,16;
2185:9;2187:12;
2191:20;2192:1,4,
10;2194:4,10,20,22,
24;2197:7,14;
2205:25;2228:5,8,
10;2255:4,6;
2257:17,21;2261:11;
2278:1;2280:13;
2281:25;2282:6,18;
2283:2,5,13,16,18;
2326:1;2328:25;
2329:16;2352:4;
2372:24;2387:8,12,
12;2393:22;2394:25
monthly (13)
2178:2;2205:11;
2239:19,21,23;
2241:17,20;2250:25;
2254:22;2255:4,5;
2264:18;2332:3
months (3)
2241:25;2242:15;
2283:23
mop (1)
2384:21
Morales (1)
2308:3
more (58)
2165:24;2167:10,
19;2184:9;2193:17;
2198:5;2200:21;
2205:19;2212:3,7;
2236:7;2249:18;
2258:4;2260:20;
2262:24;2266:19;
2270:3;2271:8,12;
2275:12;2277:20;
2288:2,3,23;
2289:25;2291:1;
2297:7;2302:5,5,24;
2303:11;2306:21,22;
2313:21;2315:4;
2318:19;2319:7;
2320:6;2322:11;
2323:12;2329:18;
2342:2;2348:12,24;
2350:19;2354:8,13;
2356:7,8;2377:12;
2379:14;2383:24;
2384:16,22;2405:21;
2406:8;2408:10,11
Moreover (6)
2235:21;2250:14;
2266:16;2271:24;
2286:15;2315:16

morning (22)
2160:8,16,21,25;
2161:3;2162:7,11,
13,15,23;2163:2,7,9,
21,24;2164:3;
2168:22,23;2230:14;
2231:20,21;2410:22
Moss (1)
2247:13
most (30)
2172:1,15;
2207:15,17;2221:11;
2233:6;2238:25;
2247:1;2248:12;
2255:19;2261:13;
2264:15,22;2265:4;
2270:5;2277:17;
2289:1;2290:8;
2292:25;2296:1;
2303:17;2345:8;
2348:17;2363:4,6;
2366:7,14,14;
2382:8,24
mostly (1)
2364:15
motion (1)
2316:4
MOU (13)
2198:17;2199:5;
2204:14;2206:19,21;
2207:2,11,13,20;
2210:12;2211:17,19;
2223:11
move (23)
2196:17;2197:22;
2200:6;2202:16;
2209:14;2222:4;
2243:21;2246:12;
2248:18;2250:6,20;
2252:6;2258:4,7;
2259:2,9;2263:8,21;
2275:16;2282:18;
2286:9;2305:17;
2322:2
moved (3)
2298:2;2300:17;
2402:15
movement (2)
2224:3;2374:18
moves (4)
2321:19;2373:21,
25;2374:5
movies (1)
2348:12
moving (4)
2208:13;2209:11;
2210:2;2224:25
much (24)
2165:23;2169:21;
2174:5;2175:16;
2202:14;2221:7,14;
2225:4;2258:21;
2291:12;2315:22;

2320:6,8;2324:15,
17;2325:9;2336:15;
2367:5;2368:16;
2375:15;2379:20;
2388:13;2410:11,15
Mulder (1)
2247:12
multi-billion (1)
2236:3
multiple (2)
2160:14;2312:13
multiplicative (1)
2265:21
multiplied (1)
2243:15
multiplier (7)
2266:20;2270:14,
15;2271:23;
2272:12;2338:18,21
multipliers (1)
2270:14
multiply (1)
2395:2
multiplying (2)
2255:2;2260:5
must (11)
2171:5;2187:19;
2214:25;2241:20;
2246:14;2247:6;
2307:12;2315:3,25;
2383:8,9
MYKRANTZ (2)
2161:10,10
M-Y-K-R-A-N-T-Z (1)
2161:11
myself (1)
2385:8

N

nailing (1)
2189:7
name (9)
2160:9;2162:7;
2163:15;2168:14,24;
2230:25;2231:1,2;
2234:7
names (1)
2293:15
naming (1)
2299:25
national (5)
2174:10;2190:24;
2236:13;2237:13;
2238:20
Nationwide (1)
2310:12
native (2)
2237:3;2310:8
natural (1)
2263:21
nature (4)
2257:11;2269:8;

2367:3;2406:12
Navigant (3)
2300:16,17;
2301:12
nearly (7)
2236:15;2243:17;
2259:6;2260:22;
2261:1;2273:11,13
necessarily (12)
2167:10;2173:6;
2206:4;2209:14;
2210:17;2218:5;
2224:24;2303:8;
2319:25;2349:19;
2350:2;2392:4
necessary (6)
2199:5;2204:16;
2233:19;2244:14;
2250:19;2288:3
necessity (1)
2204:9
need (18)
2167:24;2175:25;
2187:4;2188:1;
2192:24;2193:6,12;
2196:3,13;2199:9;
2205:2;2211:22;
2276:7;2334:20;
2344:14;2346:16;
2383:12;2386:11
needed (2)
2198:17;2240:20
needs (6)
2166:21;2186:22;
2197:9;2268:14;
2400:1;2401:10
negating (1)
2220:23
negative (3)
2284:12;2356:17;
2364:7
neglect (1)
2361:2
neighborhood (1)
2348:4
neither (2)
2196:5;2302:14
net (12)
2326:6;2327:9,17,
20,25;2329:4;
2352:18;2357:5;
2359:5,19,20,22
network (1)
2236:5
neutral (1)
2168:8
Nevada (1)
2390:4
new (10)
2263:20;2309:23;
2340:5;2341:9,9,11;
2348:11,11;2354:11,
16

next (38)
2169:24;2175:18;
2177:12,13,17,19;
2179:25;2187:25;
2190:24;2193:17;
2194:7,14;2195:3,9;
2205:21;2222:15;
2226:22;2230:9,13,
16;2242:22;2243:3;
2244:9;2250:4;
2255:16;2256:21;
2258:1;2281:1,1;
2328:22;2339:4,8;
2347:16,17;2351:23;
2372:16;2384:5;
2389:2
nice (1)
2289:21
Nicole (2)
2163:11;2395:11
nights (1)
2348:3
nine (3)
2241:24;2242:15;
2409:20
nine-day (1)
2222:3
Ninth (15)
2308:2,4,18,24,25;
2309:1,6,7,13,24;
2310:5,23;2311:9,
12;2314:22
nobody (3)
2217:12;2307:2;
2361:14
nodding (2)
2186:16;2393:18
Noll (1)
2348:19
non (2)
2328:14,16
none (7)
2168:12;2227:17;
2241:14;2280:25;
2306:9;2371:2,2
nonetheless (1)
2392:3
non-evidentiary (1)
2312:7
nonexisting (1)
2348:1
nonfat (6)
2202:5,24;2203:9;
2208:20;2218:15;
2383:8
nonmembers (1)
2383:1
non-quota (11)
2182:8;2331:20;
2334:3,12;2336:11,
20;2345:13;2346:1;
2376:19;2389:21;
2400:22

noon (1)
2164:13
nor (2)
2306:23;2312:9
normally (2)
2222:10;2389:6
North (1)
2212:19
Northeast (1)
2298:12
northern (2)
2237:10;2309:22
Northwest (1)
2161:11
notably (1)
2348:18
note (8)
2241:22;2244:15;
2254:23;2289:13;
2303:17;2306:19;
2311:17;2317:2
noted (16)
2243:13,14;
2245:11;2248:15;
2250:14;2254:17;
2260:15;2274:12;
2283:3;2285:12;
2286:12;2317:4,18;
2369:16;2404:17;
2407:21
notes (4)
2171:10,15;
2181:6;2317:6
notice (5)
2176:1;2190:15;
2191:10;2193:18;
2257:3
notify (1)
2164:25
noting (1)
2310:14
notion (1)
2348:20
NS (1)
2260:6
Number (58)
2162:6,10,18;
2164:5,5,9;2169:8;
2170:7;2171:9;
2179:3;2195:14;
2198:12;2209:23;
2231:5;2235:24;
2236:8;2240:1;
2241:10;2242:5,16,
17,18;2247:11;
2252:13;2253:4,4;
2254:2,24;2257:7,8;
2262:15;2263:18;
2265:17;2270:7;
2272:22,24;2273:2;
2281:15;2289:7,7;
2304:19;2306:17;
2317:14;2321:12;

2325:13;2330:6;
2336:8;2337:14,18,
19;2338:12,22,23;
2356:13;2391:22;
2395:3;2396:2;
2405:17
numbered (1)
2165:13
numbers (27)
2174:18;2208:24;
2209:25;2210:1;
2226:18,19;2258:3;
2262:2;2269:9;
2270:23;2271:8;
2280:7,23;2336:23;
2337:4;2338:8;
2344:21;2345:14;
2350:5;2376:5;
2378:8,14;2379:4;
2380:8;2399:16;
2403:8,15
Numeral (6)
2234:25;2239:2;
2243:21;2263:8;
2275:16;2286:20

O

Oakland (1)
2310:18
Obispo (2)
2258:2;2260:10
object (17)
2233:20;2244:12,
14;2274:7;2285:5;
2286:5;2288:19;
2291:15;2305:6,8,9,
25;2311:24;
2314:13;2364:21;
2407:18,19
objected (2)
2306:18;2315:8
objection (21)
2233:17;2244:15;
2245:11,13;2274:12;
2285:12;2286:12;
2305:24;2306:7,8;
2316:22;2390:7;
2404:15,16,17;
2406:5,7,19,22,25;
2407:20
objectionable (1)
2406:9
objective (4)
2211:20;2234:14;
2360:25;2395:15
objectives (2)
2173:25;2175:15
obligated (1)
2330:17
obligation (4)
2180:8;2182:3;
2187:20;2210:13

obligations (2)
2177:15;2187:8
observations (4)
2274:5,21;
2275:24;2404:5
observed (1)
2277:24
observes (1)
2246:20
obtain (2)
2178:23;2250:19
obtaining (1)
2295:13
obvious (2)
2173:2;2380:6
obviously (8)
2172:25;2214:1;
2242:15;2245:13;
2281:2;2298:24;
2335:3;2344:17
occasions (3)
2302:20;2306:18;
2312:13
occupation (1)
2231:23
occur (4)
2181:16;2241:20;
2265:22;2336:2
occurred (2)
2179:1;2242:15
occurs (4)
2180:1;2188:15;
2310:20;2361:13
Ocean (1)
2309:5
o'clock (1)
2384:13
OCTOBER (3)
2160:1,7;2168:3
odds (2)
2174:25;2175:6
off (17)
2164:12;2169:3;
2265:18;2269:10;
2275:12;2282:5;
2283:25;2284:16;
2285:13;2295:20;
2318:5;2330:23;
2333:18;2336:10;
2337:1;2355:7;
2410:23
offer (6)
2192:1,10;
2198:19;2295:10;
2371:16;2406:11
offered (1)
2233:12
offering (1)
2316:12
Office (8)
2161:18,20;
2164:10;2178:2;
2190:25;2204:8,13;

2205:12
official (4)
2165:8;2166:8,8,
17
offset (2)
2346:13;2399:23
Oklahoma (1)
2350:22
O'Lakes (5)
2162:2,12;
2234:12;2247:21;
2285:2
older (1)
2337:1
OLIVER (52)
2162:7,8;2230:14,
15;2231:15,17,19;
2233:22,23,24;
2242:3;2245:12;
2254:9;2255:14;
2256:24;2257:23;
2259:19;2261:19;
2267:18;2269:4;
2272:4,8;2276:15,
18,21;2278:13,25;
2279:11,16,21,22;
2287:11;2288:9,12,
15;2289:20;2290:13,
16,20,25;2291:8,18,
25;2292:6;2305:16;
2306:13;2364:20;
2390:6,15,20;
2410:6,8
Once (3)
2275:19;2355:24;
2377:12
one (121)
2161:23,23;
2164:3,5;2166:4;
2167:6,18,19,24;
2171:5,6,17;2173:8;
2174:22;2177:1;
2181:13;2183:18,19;
2192:12,13;2193:11,
17;2194:11,18;
2195:13;2200:6;
2204:20;2205:15;
2212:3,7;2216:22;
2217:3,5,11;
2220:25;2221:7,7;
2229:19;2230:3;
2231:13;2236:8;
2244:25;2246:20;
2250:17;2266:20;
2269:10;2270:16;
2277:25;2279:12,13,
14,19;2280:13,20,
21,21,22,22,22;
2282:24;2289:7;
2291:5;2293:3;
2298:24,25;2300:13;
2302:11,13;2305:4,
12,20,24;2306:1,7;

2309:16;2310:19;
2312:10;2313:21,22;
2315:8;2317:12;
2322:9,14,23;
2324:21,22,23;
2325:10;2327:9;
2328:25;2335:11,14;
2337:14;2346:12;
2349:10,17;2352:1;
2357:13,16;2359:5;
2360:2;2362:22;
2363:1;2364:17,17;
2365:13;2368:25;
2369:21;2370:16;
2372:9;2374:10,12;
2383:15;2384:22;
2385:18;2391:8;
2393:14;2397:7,10;
2406:16;2408:9
ones (4)
2166:15;2225:21;
2271:5;2295:4
ongoing (1)
2304:12
only (31)
2166:12;2168:6;
2170:23;2171:5;
2186:19;2218:20;
2219:9;2255:9;
2259:4;2275:14;
2277:16;2282:24;
2284:9,17;2286:18;
2287:2;2289:15;
2294:5;2296:2,8;
2307:25;2310:15;
2318:15;2324:5;
2349:19,21;2351:1;
2360:9;2365:12;
2373:15;2399:3
onto (3)
2196:17;2202:16;
2267:21
oops (1)
2190:16
open (2)
2199:4;2384:21
opened (1)
2190:25
opening (3)
2177:24;2264:4;
2312:9
operate (5)
2217:25;2218:9;
2219:16;2239:12;
2369:1
operated (1)
2239:6
operates (1)
2197:25
operating (4)
2216:18;2218:5;
2221:6;2223:6
operation (2)

2198:4;2398:22
operational (5)
2265:19;2335:17,
18;2355:12;2373:14
operations (6)
2218:4;2247:17;
2251:1;2286:3;
2381:24;2400:2
opine (1)
2307:21
opined (1)
2214:11
opinion (6)
2205:18;2311:18;
2318:17,20;2324:2;
2349:15
opinions (4)
2309:17;2316:12;
2318:16,25
opportunities (2)
2237:14;2298:17
opportunity (5)
2296:23;2399:23;
2400:22;2401:9;
2410:14
oppose (1)
2161:22
opposed (4)
2220:6;2221:9;
2227:13;2389:18
opposing (1)
2349:14
opposition (1)
2335:5
opt (13)
2281:3;2282:3;
2283:4,9,10,18,20,
22;2329:14,15;
2330:14;2331:11,19
opted (5)
2282:1,2,19;
2283:14;2329:6
opting (3)
2282:25;2330:9;
2408:24
option (7)
2202:18,20,21,21;
2203:4;2331:19;
2333:3
optional (2)
2276:25;2277:2
opt-out (1)
2334:5
oral (1)
2166:18
oranges (2)
2355:23;2356:2
Order (68)
2161:15;2164:22;
2165:13,20;2168:8;
2172:2,16;2174:10;
2190:23;2191:11,14;
2198:3,23;2199:10,

18,18;2201:10;
2205:20;2207:9,10;
2208:3,7,10,10,11;
2209:6,10;2210:9,
10;2214:10;
2215:23;2217:16;
2219:15;2221:19;
2223:3;2226:9;
2236:25;2244:5;
2245:21;2246:7,8,
12;2247:5;2257:11;
2274:1;2277:1;
2280:7,9;2281:18;
2309:2;2312:2,3,17,
21;2322:3,25;
2333:7;2343:19;
2353:16;2357:4;
2369:11;2389:19,20;
2396:15,25;2398:2;
2403:23;2404:2
Orders (19)
2161:12;2164:7;
2184:12;2188:16,19;
2191:4,14;2204:6;
2207:3,4,7;2213:6;
2222:1,5,8;2225:19;
2226:2;2345:8;
2388:4
ordinary (3)
2226:3;2319:18,
21
Organization (1)
2237:23
original (6)
2169:12;2225:20,
21;2241:14;2324:6,8
originally (1)
2367:12
Orrick (4)
2293:7;2296:7,8,
25
others (5)
2300:4;2303:2;
2372:15;2384:1,2
otherwise (7)
2212:15;2293:5;
2303:19;2318:18;
2345:7;2348:25;
2393:2
ought (1)
2290:11
ours (1)
2279:15
out (79)
2167:9,16;2174:3,
19;2175:3;2180:3;
2182:17;2183:3,5;
2186:4;2187:17;
2192:14;2196:7;
2198:2;2199:15;
2200:6;2206:21;
2211:12;2219:23;
2221:16,21;2222:11,

13;2225:17;2226:3;
2227:11,13,25;
2228:19;2251:19;
2256:12;2257:9;
2260:12;2262:19,20;
2281:3,3;2282:1,2,3,
19,24;2283:4,9,14,
18,20,22;2303:10;
2317:24;2320:17;
2325:12,14;2329:14;
2330:9;2331:19;
2332:11;2333:18;
2334:20;2337:8;
2338:14;2345:4;
2350:2;2351:19;
2354:2;2355:17;
2364:12,16;2366:7,
18;2367:11,13;
2381:6,15;2384:11;
2387:9;2388:1;
2389:19;2408:24
outcome (4)
2346:25;2350:25;
2364:1;2401:14
outlined (1)
2283:7
outlines (2)
2280:4;2361:4
out-of-state (2)
2169:6;2390:8
output (9)
2235:23;2267:9;
2269:18,21;2270:2,
4,14,20;2271:9
outside (3)
2174:12;2283:23;
2333:3
outweigh (1)
2218:8
over (73)
2165:16;2169:20;
2173:24,25;2175:9;
2184:22;2200:16;
2209:8;2216:14;
2217:10;2231:14;
2235:7,23;2236:9,
13,24;2237:22;
2251:10,13;2252:8,
9;2254:2;2256:13,
25;2258:9,16;
2259:7;2260:24,24;
2263:2;2267:21;
2268:21;2272:1,2;
2273:9,10,17,19;
2275:12;2277:23;
2278:9;2284:16;
2285:25;2286:1,1;
2293:5;2295:19;
2298:2;2300:17;
2302:4;2304:16;
2310:19;2312:14;
2323:21;2324:1,2,3;
2325:8,13;2327:18;

2344:24;2349:17;
2356:15,16;2362:4,
6,19;2363:17;
2367:5;2375:16;
2383:6;2391:13;
2402:15
overall (9)
2203:25;2236:17;
2255:7;2259:23;
2262:18;2280:14;
2286:3,22;2400:1
overbase (37)
2201:25;2239:18,
25;2240:6,10,16,17,
21,25;2241:5,8;
2277:10;2331:19,20;
2332:4,10;2333:22;
2344:3;2351:14;
2353:8,20;2357:20;
2362:4,6,10;2373:3,
4;2374:2,6;2379:5,
19;2380:2;2391:25;
2393:17;2394:22;
2395:2,2
overdue (1)
2372:2
overlapped (1)
2297:9
overlays (1)
2373:18
overruled (1)
2308:3
oversaw (2)
2236:24;2237:6
Overview (2)
2235:1;2239:3
owe (2)
2187:9,19
owed (2)
2187:13;2215:2
own (22)
2166:16;2179:24;
2181:6;2208:15;
2213:16;2251:9;
2253:23,24;2254:12;
2259:3;2280:12,19;
2286:1;2343:9;
2355:14;2361:19,20;
2365:14;2369:3;
2376:16;2380:14;
2400:15
owned (9)
2178:24;2243:17;
2260:17;2351:7;
2356:12;2357:8;
2361:14;2365:25;
2366:18
owner (4)
2247:4;2360:9;
2368:13;2374:13
owners (11)
2257:7,20;
2272:20;2273:5;

2275:11;2283:14,17,
21;2329:15;
2354:18;2398:18
ownership (55)
2213:10;2248:23;
2249:3,7,11,14,17,
19,21;2250:3,9,11,
24;2251:3,8,22;
2252:7,8,14;2253:2;
2254:1,17,21;
2258:9,11;2263:6;
2269:15;2273:15,16;
2275:1;2277:7;
2284:8;2285:25;
2286:25;2287:2,5;
2336:6,20;2341:5;
2354:20;2359:11;
2361:5,6;2364:8;
2367:3;2370:19,23;
2371:22;2372:10;
2376:19,19;2400:14,
16;2404:11;2408:1
owning (3)
2252:11,11;
2355:18
owns (2)
2277:16;2374:16

P

pace (1)
2234:20
Pacific (1)
2161:11
page (92)
2170:20;2171:2,3;
2176:6,21;2178:8,
10,13,13,13,14;
2185:8,8;2190:16;
2191:15;2193:1,20;
2194:7;2200:14,15,
16;2202:17;2204:3;
2205:22;2226:10,11,
22,22;2228:2;
2229:5;2256:19,21,
23;2257:1;2258:1;
2267:20,21;2268:21;
2276:11;2289:16;
2290:4,6;2293:3,15;
2297:10;2304:6;
2312:13,14;2314:11,
15,16;2315:4,15;
2321:4,7;2326:17;
2328:8;2336:21;
2337:7,15;2340:13;
2347:14;2358:7;
2359:9,13,14,15;
2360:16;2362:11;
2363:17;2365:23;
2377:25;2381:9,10,
14;2383:3;2391:12;
2393:21,25;2394:13,
15;2397:24;

2398:14;2399:7;
2401:15;2402:15;
2403:25;2405:2,3,
25;2407:1,24
pages (5)
2193:17;2257:1;
2377:13;2391:15;
2392:11
paid (25)
2183:5;2187:14;
2195:15;2223:15,15;
2239:17;2240:24;
2248:3;2272:2;
2337:12;2338:5;
2341:2,3;2344:9;
2345:5;2363:13;
2366:8,13,19;
2375:8,10,15,16,18;
2410:1
Pan (1)
2309:5
paper (7)
2167:9,11,21,22;
2350:20;2360:24;
2375:2
para (2)
2319:11;2322:6
paragraph (11)
2177:25;2178:17;
2191:18;2195:4;
2204:4;2205:3;
2264:25;2274:15;
2284:1;2347:14;
2407:11
paragraphs (4)
2195:10;2227:3;
2347:16,17
parallel (1)
2179:25
paramount (2)
2244:4;2398:1
paraphrase (2)
2318:1;2322:6
paraphrased (1)
2314:12
paraphrasing (1)
2199:20
paren (86)
2179:2,3;2204:14,
14;2234:12,13;
2235:8,8;2236:23,
24;2237:1,1;
2239:12,15,15;
2240:23,23;2241:2,
3,16,17;2243:14,15;
2244:5,6;2245:23,
23,24,24,25,25,25;
2246:1,3,4;2249:5,6,
22,25,25;2250:1,4,5,
18,18;2253:13;
2254:12,13,15,16;
2255:2;2259:11,12,
25;2260:2;2261:11,

11,13,13;2264:16;
2265:5,6,9,9;2266:9,
9,13,14,15,16;
2267:1,3,9,9;
2272:11,12,20,21;
2273:6,6,16,17;
2274:1,1;2277:25;
2278:1
parens (3)
2239:11;2277:18,
19
parentheses (1)
2253:10
part (29)
2163:20;2166:18;
2174:10;2190:10;
2201:11,12;2208:10;
2210:14;2219:1,2;
2232:11;2237:10;
2244:3,16;2268:8;
2274:9;2289:15;
2291:11;2293:2;
2296:15;2305:7;
2313:10,11;2317:17;
2357:1;2365:21;
2385:12;2398:7;
2401:14
partial (7)
2195:23;2196:3;
2197:5,8;2227:24;
2228:3;2387:6
participants (4)
2163:19;2166:23;
2221:15;2409:15
participate (8)
2277:4,6,17;
2399:2,22;2400:9,
11,21
participating (1)
2160:18
participation (3)
2276:24;2277:2;
2400:10
particular (8)
2166:12;2168:9;
2218:16;2226:20;
2233:16;2273:3;
2294:3;2309:7
particularly (4)
2184:24;2189:11;
2210:16;2309:15
parties (2)
2168:6;2205:17
partly (1)
2293:4
partners (1)
2297:14
parts (2)
2219:18;2348:14
part-time (1)
2238:9
party (3)
2174:6;2346:13,

13
past (4)
2173:18;2214:16;
2314:6;2389:5
pastel (1)
2290:6
patterns (1)
2297:16
pause (3)
2365:13,14;
2374:25
pay (30)
2182:14,17,25;
2183:4,4,10,13,15;
2186:2,4;2187:19;
2213:20;2214:25;
2215:4;2218:8;
2221:19;2227:5;
2246:23;2327:11;
2335:17;2337:8;
2343:19;2344:7;
2360:11,12;2367:4;
2368:8,17;2376:18;
2402:7
payable (1)
2220:18
paying (5)
2187:24;2221:19;
2370:24,24,25
payment (39)
2179:4;2181:23;
2185:22;2189:7;
2190:22,24;2191:9;
2194:17,21;2195:4,
23;2196:4,9;2197:5,
8;2199:12;2204:2;
2212:13;2213:19,21,
21;2216:7;2225:16;
2227:13,13,24;
2228:3,3,12;
2243:25;2262:11,12;
2265:14;2340:15,18;
2354:7,24;2368:25;
2387:7
payments (46)
2185:21,24;
2186:10;2194:1,2,8,
15,22;2213:7;
2214:21,23;2215:21;
2221:21,25;2222:11,
12;2226:5,6,24;
2244:2;2261:15,16,
21;2262:16,24;
2264:14;2265:3;
2266:24,25;2271:24,
25;2272:14,18;
2273:7,8;2341:7;
2345:20;2354:4,6,
19;2361:13;
2368:23;2379:5,16;
2387:4;2409:6
payroll (3)
2191:24;2213:7;

2265:18
pays (1)
2182:22
PDF (1)
2289:8
PDF's (1)
2289:14
PD's (1)
2202:19
peer (2)
2304:3,6
peer-reviewed (1)
2348:17
penalty (1)
2230:20
people (17)
2181:8;2188:25;
2270:5;2283:9;
2292:4;2302:11;
2307:21;2316:9;
2317:10;2318:25;
2319:17;2327:17;
2365:12;2366:13;
2367:25;2380:15;
2382:10
per (29)
2202:5,23;2203:9;
2218:15;2240:15,18;
2241:4,7;2243:13;
2255:12;2260:16;
2261:11,15,16,21;
2262:11;2280:16;
2281:16;2325:21;
2328:10;2352:11;
2359:17;2360:17;
2365:24;2366:19;
2368:14;2377:21;
2379:25;2409:19
perceived (1)
2249:16
percent (23)
2203:2,5,6;
2216:14;2217:10;
2236:10;2242:18;
2252:13,21;2253:13,
25;2256:10;
2258:24;2259:4;
2278:5;2280:19,19;
2281:7,9;2282:10;
2324:2,5;2336:5
percentage (18)
2252:10;2253:1,
18;2254:12,19,24,
25;2255:7;2256:1;
2258:23,24;2273:15;
2283:21;2336:9;
2356:12;2363:5;
2364:8;2367:11
percentages (6)
2262:20;2329:4,
13;2337:24;
2359:10;2394:1
perfectly (1)

2388:23
perform (8)
2210:13,15;
2211:21,22;2213:6,
12,25;2278:17
perhaps (9)
2169:7;2170:12;
2172:7;2221:1;
2227:10;2228:14;
2289:24;2296:13;
2303:3
peril (1)
2316:18
period (11)
2200:5;2264:23;
2281:19;2284:8;
2309:4,4;2321:10;
2344:24;2362:19;
2369:5;2403:5
Periodically (1)
2241:13
periods (2)
2251:3;2322:1
perjury (1)
2230:21
permanent (1)
2240:13
permissible (1)
2314:10
permit (1)
2306:16
permits (1)
2304:23
perpetuity (2)
2373:10;2374:19
persist (1)
2291:4
person (7)
2267:1;2302:11;
2318:18;2319:5,13,
21;2347:22
personal (1)
2319:20
personally (2)
2225:7;2358:14
personnel (1)
2166:12
person's (1)
2308:11
perspective (3)
2236:20;2238:21;
2321:17
pertinent (1)
2238:22
petition (1)
2246:1
phrase (6)
2212:12;2253:10;
2264:7;2312:14;
2325:5;2407:18
physically (1)
2212:16
pick (2)

2165:17;2285:13
pictures (1)
2379:18
pin (8)
2211:4;2308:2,16,
18;2309:5,19,23;
2311:11
place (9)
2166:6;2223:3;
2248:23;2290:5;
2320:3;2323:8;
2401:8;2403:8;
2404:3
places (1)
2229:22
placing (1)
2249:8
plain (1)
2313:8
plan (6)
2219:16,19;
2239:8,15,16;2359:7
Planning (1)
2265:9
Plans (1)
2239:14
plant (4)
2201:12;2219:2,
11;2323:9
plants (4)
2174:16;2175:3;
2195:5;2323:8
play (1)
2184:19
played (1)
2348:4
playing (1)
2174:11
plays (2)
2219:22;2244:1
please (36)
2160:18;2172:22;
2176:24;2177:25;
2178:7,17;2180:21,
22;2202:8;2230:19,
24;2231:12;2233:4,
25;2238:16;
2245:16;2256:5,5;
2260:13;2262:21;
2268:11,15;2271:16;
2274:13,16;2285:13;
2292:11;2293:3;
2309:21;2333:8;
2355:2,2;2358:16;
2366:9;2381:15;
2400:6
pleased (1)
2268:1
pleasure (3)
2289:13;2410:14,
16
plugged (1)
2280:7

plus (8)
2166:16;2182:6;
2269:25;2281:20;
2287:23,25;2330:7;
2338:24
pluses (2)
2343:12,18
pm (2)
2292:11;2410:25
podium (1)
2290:3
point (37)
2172:25;2173:2;
2174:3;2192:14;
2209:20;2227:10;
2259:3,9;2277:5,25;
2278:4,7;2283:3;
2290:17,19;2296:13;
2301:20;2316:7;
2326:12;2327:19;
2331:15,21;2345:16,
19;2349:17;2354:2,
3;2357:1,23;2358:3,
6;2360:22;2362:10;
2364:22;2366:16;
2388:18;2406:9
pointed (2)
2198:2;2387:9
pointing (3)
2196:7;2227:25;
2345:4
points (3)
2376:5;2377:6;
2388:22
policy (4)
2203:22;2263:25;
2264:6;2265:13
Ponderosa (2)
2163:14;2395:12
pool (75)
2179:23;2180:3,7;
2181:14,18;2182:1,
2,13,22;2183:9,13,
15,17,18;2187:8,9,
17;2189:12,18;
2192:15;2195:5;
2201:12;2223:15;
2239:15;2241:18;
2277:17,21;2280:14;
2281:3,5,14;2282:4,
6,11,21,22;2328:9;
2329:7,20,20;
2330:5,10,14;
2331:4;2332:18,19,
25,25;2333:3,4;
2334:2,3,5,6,9,10,12,
13,23;2336:11;
2343:13,23;2344:3,
5;2376:9,11;2377:9;
2379:6;2383:10;
2397:17,20;2408:24;
2409:1,2,17
pooled (1)

2389:20
pooling (14)
2219:2,11,16,19;
2223:5;2229:20;
2239:8,8,12,14,16;
2240:7;2241:21,23
pools (1)
2219:15
pool-wide (1)
2239:18
poor (1)
2387:25
popped (1)
2223:24
portion (4)
2373:20,21,23;
2375:24
portions (2)
2204:15;2374:5
posed (1)
2303:18
position (6)
2198:21;2230:19;
2297:19,22;2298:3;
2301:3
positions (5)
2173:17,18,21,25;
2175:14
positive (6)
2273:21;2275:2;
2287:6;2357:5;
2361:1;2404:12
possibility (8)
2198:17;2323:13;
2349:1;2363:9,19,
21;2366:20;2379:21
possible (3)
2283:8;2315:22;
2318:2
possibly (4)
2201:14;2221:5,
21;2349:4
post (2)
2313:15,23
postering (1)
2290:9
post-passage (1)
2314:21
posts (2)
2289:3,4
potential (6)
2198:3;2274:5,21;
2277:1;2400:15;
2404:5
potentially (5)
2219:3;2277:4;
2283:22;2336:2;
2402:3
pound (18)
2202:5;2218:15;
2241:4;2243:13;
2260:2,16;2324:17,
17,21,23;2325:10,

19,21;2365:24;
2366:19;2368:14;
2377:21;2379:25
pounds (19)
2202:23,23;
2203:9,10;2241:15,
16;2243:15;2255:6;
2256:9;2257:21;
2342:24;2343:10,10;
2351:16;2393:22;
2394:17,20,22;
2395:3
powder (1)
2218:1
powders (1)
2163:6
power (1)
2372:7
practical (8)
2178:18,19;
2184:24,25;2228:20;
2288:23;2318:3;
2410:12
practically (1)
2410:12
Practice (3)
2317:21;2318:24;
2319:10
practiced (1)
2237:8
practices (1)
2247:7
precisely (1)
2364:5
predecessors (1)
2303:10
predictable (1)
2369:15
predicts (2)
2278:7;2284:5
preference (1)
2225:3
preliminaries (1)
2167:2
preliminary (10)
2164:4,14;2166:3;
2168:11;2170:23;
2275:22;2276:7,9;
2278:15;2376:6
premise (1)
2331:10
premium (31)
2206:2;2208:20;
2210:1;2243:25;
2262:1,9;2264:15;
2265:4;2281:6,20;
2282:14;2325:8,18;
2328:14;2330:3,4;
2337:8,12;2338:4,5,
22;2340:14,16,23;
2341:13,22,23;
2342:1;2344:7;
2397:6,6

Premiums (2)
2261:10,10
prepare (3)
2228:23;2232:21;
2242:6
prepared (10)
2234:1;2242:7;
2252:18;2267:22,23;
2280:2;2303:14;
2359:3;2375:1;
2395:14
preparing (2)
2375:8,8
prescribed (1)
2178:4
presence (1)
2304:20
present (11)
2168:3;2230:13,
21;2320:20;2326:6;
2327:9,17,20,25;
2334:13;2373:2
presentation (2)
2165:13;2289:22
presentations (1)
2316:18
presented (6)
2214:8;2274:4,20;
2288:23;2290:11;
2381:25
presenter (1)
2234:19
presides (1)
2308:25
presiding (1)
2318:1
pressure (1)
2222:16
pressures (4)
2251:5;2398:23;
2399:6;2401:3
presume (1)
2403:16
presumed (1)
2308:21
presumes (1)
2329:6
presuming (2)
2355:6;2357:21
pretty (6)
2186:15;2288:25;
2320:7;2325:12,13;
2408:20
prevailed (1)
2349:14
prevent (1)

2316:11
preview (1)
2189:5
previous (2)
2272:22;2340:1
previously (3)
2238:4;2275:7;
2405:9
price (120)
2171:25;2172:14;
2173:3,7;2182:8;
2201:25;2202:1,11;
2207:5,6;2214:10,
10;2220:13,19,22;
2221:1,2;2240:8,10,
14,22;2241:3,4,6;
2242:19,21,22;
2243:12;2246:19;
2260:1,16;2277:9,
10,11,12,14,15,22,
23;2278:8,9;
2281:18;2282:3,12;
2321:5,11,19,22;
2322:4;2325:7;
2326:25;2327:18,24;
2328:3,12,12,14,15,
16,17,18,19,20;
2329:5,23,24;
2331:1,8,9;2332:4,4,
4,9,9,10;2333:6,8,13,
22,22;2334:7,14;
2336:10,11,16;
2343:6,9;2345:7;
2355:5;2356:7,8;
2357:7,20,22;
2363:2,8,15;2366:7;
2368:1,1;2372:23;
2373:3,3,19,19;
2374:2,4,6,6,17;
2379:19;2389:21;
2390:1;2391:24;
2394:24,25;2395:1,
2;2399:3;2409:19
priced (2)
2251:19;2397:12
prices (41)
2172:2,3,16,16,22;
2173:13;2174:10;
2180:9;2182:6,7,7,9;
2193:21;2208:21,22,
23;2209:1,21;
2218:11;2219:15;
2220:17;2239:18;
2240:6,9,11,16,18,
24;2241:5,8;
2251:20;2269:24;
2277:8;2278:21;
2342:25;2351:15,25;
2363:13;2366:25;
2367:1;2374:3
pricing (3)
2229:18;2333:15;
2397:6

primarily (3)
2240:8,10;
2349:24
primary (2)
2232:2;2265:12
principles (2)
2311:19;2313:20
prior (14)
2179:2;2181:17,
21;2182:13,16;
2183:9,13,16;
2195:10,13;2227:3;
2237:8;2293:12;
2346:17
private (2)
2205:16;2288:1
privilege (1)
2332:12
pro (1)
2249:11
probably (18)
2167:20;2193:13;
2200:5;2206:13;
2253:22;2303:11,12,
17;2304:23;2324:9,
25;2326:25;2327:2;
2331:6;2333:18;
2354:19;2370:8;
2390:10
problem (18)
2198:18;2199:4;
2208:17;2212:23;
2215:15;2221:18,18;
2288:24;2289:23;
2310:14,19;2312:12;
2337:3;2343:2;
2360:17;2371:18;
2388:4,4
problems (2)
2225:16;2356:24
procedure (2)
2207:19;2233:16
proceed (11)
2233:5,22;2234:3;
2243:7;2245:16;
2254:10;2257:25;
2262:21;2279:16;
2291:24;2386:21
proceeding (10)
2165:12;2166:5,
18;2301:24;2317:22,
25;2318:15;2319:2;
2322:24;2389:10
proceedings (9)
2173:19;2310:25;
2311:3;2318:24;
2319:8,9,14;2385:7;
2410:24
proceeds (1)
2352:4
process (17)
2174:8;2200:3;
2201:4,15,18;

2202:3,7;2209:17,
24;2219:4,9;
2224:12;2273:25;
2317:17;2362:25;
2368:9;2382:3
processed (2)
2203:3;2241:20
processes (1)
2263:18
processing (2)
2323:9;2351:8
processor (1)
2175:2
processors (3)
2240:5;2352:13,
19
Procter (1)
2293:12
Proctor (1)
2293:9
produce (5)
2246:18,18;
2290:8;2326:20;
2369:2
produced (14)
2173:17;2203:5;
2221:4,11;2239:21;
2243:25;2254:6;
2255:6;2258:21;
2266:8,10;2350:1;
2360:3,4
Producer (34)
2163:13,17;
2175:4;2178:25;
2179:2;2181:20,23;
2182:6;2183:20;
2191:24;2193:21;
2194:23;2203:7;
2213:7,10,20;
2219:11;2220:13;
2228:4;2239:16,20;
2240:24;2269:24;
2275:11;2277:16;
2331:20,21;2333:4;
2371:3;2374:16;
2387:8;2395:11;
2399:2;2405:21
producer-handlers (1)
2202:22
Producers (67)
2163:16,23,25;
2169:1,6;2178:24;
2180:16;2183:14,15;
2185:18;2187:25;
2194:15;2198:25;
2213:16;2214:23,25;
2215:22;2216:3,8,
15;2217:6,8,11,17,
22;2219:25;
2220:18;2226:6;
2236:6;2241:14,19;
2243:17,19;2246:2;
2266:4,12,12;

2278:8;2285:4;
2323:19;2331:18;
2332:21;2333:5,13;
2334:12,21;2335:7;
2342:1,8,8,21,22;
2343:7,9;2344:9;
2345:5;2348:21;
2357:8,9;2368:7;
2387:4;2390:1,8;
2396:1;2399:22;
2402:21;2403:5
producer's (2)
2334:1,14
producer-settlement (10)
2169:5;2182:14,
17;2183:6;2185:21;
2194:1,2,9;2223:6;
2226:6
producing (5)
2236:13;2258:15;
2263:15;2273:14;
2356:15
Product (16)
2235:8;2267:8;
2269:19;2270:5;
2271:22;2351:15;
2352:5,13;2353:9,
17;2360:17;2361:1,
1;2363:7,16;2379:10
production (41)
2179:4,6;2220:7;
2236:14;2239:24,24;
2240:1,21;2242:24;
2243:4;2251:5;
2252:10,22;2253:14,
16,19;2254:20,22,
25;2258:14,25;
2263:6;2269:22,23;
2270:1;2271:4,6;
2272:23;2278:2,5;
2280:16;2284:14;
2321:23;2336:15,15;
2343:11;2356:12;
2357:10;2363:5;
2402:22;2403:12
products (3)
2236:7,15;2351:7
professional (8)
2236:19;2237:16;
2238:19;2287:20,25;
2293:5;2296:3;
2299:24
Professor (2)
2238:5;2349:13
profit (1)
2174:20
profitability (2)
2174:17,24
profitable (1)
2218:3
profits (3)
2175:3;2218:7;
2322:9

Program (70)
2161:8,12;2189:2,
15;2198:1,4,7;
2199:6;2201:8;
2221:24;2224:8,18,
25;2225:17;
2232:18;2234:5,17;
2238:10,12;2239:3,
5,7;2244:6;2245:22;
2248:13;2250:15;
2252:2;2263:10,14;
2267:14;2273:21,24;
2274:3,6,20,22;
2275:21;2276:24;
2277:2,5;2278:17;
2279:25;2280:5;
2283:15;2284:7;
2285:17,18;2286:18,
24;2293:19;2294:8,
16;2295:1,10;
2312:18;2315:10,11,
18;2322:19;2345:6;
2369:11;2395:18;
2398:3,7;2399:22;
2403:14;2404:6;
2407:5,13,15
Programs (4)
2161:1;2236:25;
2302:20;2403:7
progress (1)
2357:25
progression (1)
2283:7
prohibition (1)
2310:24
Project (1)
2304:12
promised (2)
2169:18;2391:6
promises (1)
2311:16
promotion (1)
2237:6
promulgation (4)
2245:20;2302:7,
12;2312:16
promulgations (1)
2302:9
properly (2)
2310:1;2317:17
property (1)
2249:23
proponent (2)
2173:4;2375:22
proponents (15)
2161:25;2162:6,
10,18;2166:13;
2169:8;2170:6;
2214:18;2216:19,20;
2225:18;2230:13;
2289:5;2375:3;
2380:16
proportion (1)

2357:9
proportions (1)
2352:17
proposal (45)
2161:22,22,25;
2162:6,10,18;
2163:20;2164:21;
2168:9;2169:5,8;
2170:7;2173:12;
2174:8;2176:9;
2179:9;2198:11;
2220:15;2224:9;
2227:7,12,14;
2228:1;2275:25;
2276:6,23;2277:3,
19;2278:18;2280:4;
2284:5,22,25;
2285:23;2286:15;
2315:16;2331:17,18;
2332:19;2333:2,12;
2389:17,19;2406:2;
2407:5
proposals (4)
2176:1;2275:18,
24;2276:10
propose (4)
2166:14;2194:10,
24;2285:18
proposed (12)
2166:14,16;
2198:24;2199:11;
2201:10;2208:10;
2211:14;2220:15;
2225:17;2278:16,18;
2279:25
proposing (1)
2191:5
proprietary (4)
2257:6,11,19;
2367:2
protein (1)
2181:15
proudly (1)
2236:21
prove (1)
2349:17
provide (14)
2192:20;2234:14;
2239:13;2255:22;
2257:20;2263:24;
2271:12;2324:10;
2345:21;2346:4;
2354:4;2360:24;
2376:4;2381:4
provided (25)
2193:6;2226:4;
2227:4;2232:13;
2242:8;2246:2;
2252:13,15,19,23;
2255:20,24;2257:14;
2261:11;2262:2,15;
2264:19;2291:6;
2320:2;2345:17;

2362:13,15;2368:7;
2374:11;2396:2
providers (2)
2236:6;2267:2
provides (7)
2178:15;2212:13;
2249:11;2355:10,11;
2367:16;2369:15
providing (8)
2174:23;2178:20;
2214:1;2232:9;
2235:23;2291:1;
2324:11;2380:21
province (2)
2308:12;2310:15
provision (1)
2207:6
provisions (6)
2188:11;2190:17;
2207:4;2211:10;
2245:21;2312:17
prudent (2)
2319:12,13
public (12)
2191:1;2201:4,15,
18;2202:3,6;2219:3,
9;2238:8;2257:16;
2287:21;2290:11
Publications (3)
2304:1,2;2332:3
publicly (1)
2304:15
published (2)
2179:9;2257:16
purchase (7)
2266:12;2284:14;
2323:19;2368:12;
2400:23;2401:1,7
purchased (1)
2266:11
purchases (4)
2266:5,8,14;
2323:12
Purchasing (2)
2293:8,11
pure (1)
2289:6
purely (2)
2327:25;2336:19
purported (3)
2233:20;2307:10;
2377:1
purports (1)
2259:25
purpose (2)
2168:4;2314:5
purposes (5)
2241:1;2254:14;
2264:21;2266:22;
2370:14
pursuant (2)
2195:6;2204:13
purview (1)

2201:22
put (15)
2163:20;2203:8;
2222:16;2245:5;
2269:10;2272:9;
2277:18;2301:9;
2320:1;2344:13;
2351:12;2375:12;
2403:7;2404:3;
2409:2
putting (2)
2198:10;2209:6

Q

qSNF (1)
2259:11
qualification (1)
2218:2
qualifications (1)
2319:3
qualified (5)
2287:16;2288:19;
2306:20,22;2319:5
qualifying (1)
2319:2
quality (1)
2403:7
Quantification (3)
2243:22;2264:12;
2265:1
quantify (5)
2402:1,2,4,6,8
quantitative (1)
2360:25
quick (2)
2317:6;2408:16
quickly (5)
2206:25;2256:3;
2276:1;2284:6;
2409:12
quit (1)
2389:6
quite (7)
2170:12;2180:17;
2219:22;2318:4;
2329:10,10;2351:11
quo (4)
2286:17;2315:18;
2407:12,14
quota (601)
2178:24,25;
2179:4;2180:4,10;
2181:19,23;2182:7,
7;2189:15,16;
2198:1,4,7;2199:6;
2200:20,22,24;
2201:8,25;2202:10,
11;2204:16;2206:2;
2208:20;2209:21;
2210:1;2213:10,12,
16,17,21;2218:11,
12,25;2219:24;

2220:4,22;2221:3,8;
2223:11;2224:8,15,
16,25;2232:18;
2234:5,16;2239:1,3,
7,17,19,21,22,24;
2240:6,8,14,17,21,
22,23,25;2241:3,5,8,
13,15,18;2242:1;
2243:1,1,5,13,15,16,
23;2244:1,2,6;
2245:22;2246:9,11,
13;2247:1,4,6,7,25;
2248:2,5,7,9,13,19,
23;2249:3,7,10,14,
15,17,19,20;2250:2,
9,11,15,21,24;
2251:3,8,9,10,17,21;
2252:2,2,5,7,8,9,11,
11,14,21;2253:2,5,
13,13,19,24;2254:1,
6,12,16,20,21;
2255:1,2,2,5,7,12,17;
2256:8,10;2257:7,
10,17,20;2258:3,6,8,
9,11,14,20,22,25;
2259:4,5,8,10,12,14,
17,23,24;2260:5,6,7,
17;2261:9,10,15,16,
21,25;2262:1,9,11,
12,24,25;2263:3,6,
10,11,14;2264:14,
15,16;2265:3,4,5,14;
2266:24;2267:14;
2268:3;2269:1,15,
17;2270:18;2271:18,
24,25;2272:10,13,
14,17,20,23;2273:5,
7,8,15,16,21,24;
2274:3,6,19,22,24;
2275:1,3,5,9,11,13,
17,21;2276:1,6,23;
2277:2,4,7,9,10,11,
15,16,17,20,21,22,
23;2278:1,2,4,5,9,
17;2279:25;2280:4,
19,20,21,21,22,25;
2281:2,5,6,14,16,20;
2282:6,11,14,22;
2283:9,14,17;
2284:6,8,16,19,23;
2285:3,4,18,25;
2286:2,17,18,24,24;
2287:2,5;2312:3,18;
2314:17;2315:10,18;
2320:18;2321:6,11,
22,25;2322:4,13;
2323:2,6,12,19,21,
22,23,25;2324:2,5,
16,17,17,19,23;
2325:7,8,10,19,21;
2326:5,10;2327:24;
2328:12,14,17;
2329:4,7,12,14,15,

20,20,23;2330:2,2,4,
5,6,10,10,14;2331:3,
4,20;2332:4,9,14,18,
21,24;2333:3,4,5,13;
2334:2,12,20;
2335:5,9,9;2336:6,6,
11,20;2337:8,12;
2338:22;2340:3,5,
14,15,16,18,23;
2341:5,9,13,22;
2342:9,9,11,16,25;
2343:8,9,10,11;
2344:3,4,7,9,16,19,
23;2345:2,6,15,17,
20;2346:3;2348:21,
23;2349:25;2350:8,
10;2351:14;2353:8,
11,19,20;2354:4,6,7,
18,20,23,24;2355:7,
9,15,16,18;2356:12,
16,18;2357:2,5,8,20,
24;2358:3;2359:6,6,
11,20,21,25;2360:2,
4,8;2361:2,5,6,7,10,
13,14,19,23,24;
2362:3,4,12,13,15,
20;2363:6;2364:8;
2365:21,24,25;
2366:7,7,18;2367:3,
5;2368:3,6,12;
2369:3,6,10,15,17,
19;2370:1,10,18,22;
2371:5,7,8,15,21;
2372:3,10;2373:4,
10,20,21,23;2374:5,
11,13,17,20;
2376:11,16,18;
2377:2,20,20,23;
2378:1,9,21,22;
2379:10,14,15,16,
24;2380:5;2381:6;
2383:4,5,7;2391:23;
2392:17,20;2393:18,
23;2395:17,20,23,
24;2396:1,3,4,9,11,
14,23,24;2397:5,7,
14,16,20;2398:3,6,7,
16,18,19;2399:2,22;
2400:14,15,16,17,23,
25;2401:1,4,8,8,17,
19,25;2402:2,5,20;
2403:9,12,14,15,18,
19,20;2404:6,9,10,
21,23,25;2405:3,6,7,
13,15,18,20,23;
2406:3;2407:5,9,13,
15;2408:1,5,24;
2409:2,6,9
quota/overbase (1)
2372:22
quota's (2)
2251:15;2285:17
quote (39)

2170:15,24;
2171:24;2172:4;
2234:13,13;2246:1,
10,15,15;2249:1,2,3,
4;2250:4,5,11,13;
2251:12,13,23,24;
2255:3;2264:8,9;
2276:9,11,16,17,21,
22;2278:9;2284:23,
24;2320:2;2383:15;
2394:14;2400:23;
2407:18
quoted (3)
2200:12;2311:23,
24
quotes (3)
2252:20;2308:1;
2383:15
Quoting (3)
2248:13;2278:10;
2318:5

R

Rabobank (1)
2247:16
Rachel (1)
2162:25
R-A-C-H-E-L (1)
2162:25
Racicot (1)
2310:4
R-A-C-I-C-O-T (1)
2310:4
raise (7)
2173:13;2200:4;
2230:19;2231:12;
2245:1;2279:18;
2390:7
raised (6)
2225:15;2288:21;
2370:16;2385:4,9;
2386:24
range (9)
2240:18;2247:9,
13,16;2372:20;
2381:11,20,22,23
ranges (1)
2258:3
ranging (1)
2262:6
ranked (1)
2269:14
rate (1)
2375:10
rates (2)
2369:20,24
rather (5)
2164:12;2205:9;
2206:18;2307:14;
2329:24
rational (2)
2369:18;2409:1

ratios (1)
2248:22
Ray (2)
2294:11,12
reach (1)
2307:12
reached (1)
2276:19
reaches (1)
2260:6
read (29)
2167:3;2168:1;
2170:14,23;2172:9,
11;2176:24;2177:13,
13,23,24;2178:13,
17;2180:20,25;
2181:10;2186:7;
2190:20;2228:9;
2253:10;2261:4;
2269:11,21;2285:6;
2288:5;2289:17;
2321:12;2337:5;
2347:16
readily (3)
2289:25;2291:2,
11
reading (6)
2194:21;2196:13;
2197:5;2233:5;
2244:20;2365:19
reads (6)
2193:5;2194:2,9;
2195:9;2228:3;
2244:9
ready (5)
2190:1;2197:22;
2268:16;2292:11;
2358:16
real (3)
2237:16;2259:7;
2270:4
realistic (2)
2380:7,9
reality (1)
2280:18
realize (1)
2304:2
really (12)
2181:8;2197:7;
2212:16;2227:11;
2256:3;2291:25;
2300:4;2335:8,12;
2336:8;2341:8;
2386:13
reason (8)
2204:21;2285:7;
2310:9;2313:6;
2316:4;2319:18;
2322:14;2330:17
reasonable (2)
2319:12,13
reasonableness (1)
2311:14

reasons (3)
2224:21;2257:6;
2380:6
reblend (2)
2246:9;2312:3
recall (11)
2220:8;2295:20;
2299:22;2300:2;
2303:21;2333:24;
2346:19,23,23;
2359:11;2397:18
recalled (1)
2230:1
recalling (1)
2230:2
re-categorized (1)
2255:25
Receipt (3)
2194:3;2212:14;
2215:3
receipts (5)
2177:21;2236:9,
10;2246:9;2312:3
receive (39)
2164:21;2166:11;
2179:23;2182:1;
2183:3;2195:12;
2198:1;2204:11;
2205:8,13;2215:18;
2277:13;2281:3,13;
2282:5,21;2325:8;
2329:4,4;2330:11,
12,18,18;2331:22;
2333:5,13,14;
2334:15;2335:5;
2336:10,16;2341:19;
2343:1;2345:14;
2354:18;2383:7;
2389:20;2390:1;
2399:3
received (21)
2182:12;2183:20;
2187:16;2194:20,21,
23;2195:4;2204:20;
2206:17,23;2213:25;
2214:24;2226:25;
2228:4;2238:12;
2241:6;2326:8;
2342:18;2343:7;
2363:7;2397:7
receiver (1)
2331:6
receives (7)
2178:3;2179:17;
2183:5;2187:7;
2191:18;2204:8;
2324:16
receiving (5)
2181:18;2182:23;
2335:1;2355:5;
2387:7
recent (6)
2255:20;2261:13;

2264:23;2313:20,21;
2369:17
recently (3)
2264:15;2265:4;
2322:10
recessed (1)
2410:24
recognition (1)
2284:19
recognize (9)
2246:9,13;2250:9;
2276:1,6;2284:23;
2312:3;2346:18;
2406:3
recognized (9)
2245:18;2246:11,
16;2248:7;2263:16;
2286:18;2312:15;
2326:19;2403:14
recognizes (5)
2274:24;2285:2,
23;2314:17;2404:9
Recognizing (1)
2315:25
recollection (2)
2178:9;2229:12
recommendations (1)
2408:1
record (29)
2160:6;2164:13;
2166:5,8,8,17;
2167:4;2168:5;
2172:9;2190:4;
2238:2;2244:12;
2245:6;2253:11;
2257:16;2268:18;
2285:8;2292:13;
2293:4;2309:8;
2315:22;2320:9,22;
2358:24;2404:16;
2405:5;2406:9;
2410:23,23
recording (2)
2165:8;2313:17
records (2)
2177:4;2224:7
Recovery (1)
2264:2
RECROSS-EXAMINATION (5)
2212:1;2213:1;
2214:4;2227:20;
2229:1
red (1)
2334:2
redirect (4)
2170:2,4;2225:12;
2410:7
redo (1)
2188:22
REED (2)
2163:21,21
R-E-E-D (1)
2163:22

reenacted (1)
2246:4
refer (4)
2202:21;2249:7;
2346:7;2380:22
reference (11)
2177:5;2185:8;
2191:18;2202:23;
2203:2;2226:17;
2228:7;2229:8;
2238:17;2359:8,15
referenced (1)
2204:9
references (1)
2245:24
referencing (1)
2192:8
referendum (1)
2219:12
referred (5)
2170:10,13;
2204:5;2303:6;
2370:1
referring (8)
2200:11;2202:19;
2226:19;2313:17;
2323:9;2360:16;
2379:3;2385:18
refers (1)
2263:17
reflect (3)
2220:17,20;
2239:18
reflected (3)
2257:14;2283:20;
2328:4
reflecting (1)
2280:18
reflection (1)
2220:5
reflects (2)
2258:10;2280:11
refocusing (1)
2203:20
refresh (1)
2178:9
refreshments (1)
2165:18
regard (6)
2164:11;2167:4;
2211:10;2223:11;
2238:22;2291:13
regarding (7)
2168:6;2232:17;
2271:12;2278:16;
2320:18;2336:8;
2346:21
regardless (1)
2344:2
regards (1)
2348:16
Region (5)
2263:12,23;

2265:16;2266:15;
2269:12
Regional (16)
2189:16;2200:24;
2202:10;2218:12,25;
2219:24;2220:4,21;
2237:12;2238:21;
2240:23;2261:10;
2264:16;2265:5,24;
2304:11
regions (2)
2267:12;2272:19
Register (2)
2176:1;2179:10
regular (9)
2213:5;2250:10;
2396:3,23,24;
2397:5,7;2403:20;
2404:23
regulation (4)
2201:11;2202:2,2;
2205:16
Regulations (2)
2190:11,19
regulatory (7)
2175:12;2201:4;
2273:24;2275:4,8;
2276:9;2405:6
Reinvestment (1)
2264:2
related (12)
2264:2;2267:5;
2287:6;2294:25;
2295:5,8,21,25;
2300:11;2335:16;
2369:19,19
relates (3)
2318:13;2335:16;
2387:3
relating (1)
2213:7
relations (1)
2376:17
relationship (1)
2220:13
relationships (5)
2203:25;2214:10,
11;2382:18;2403:6
relative (7)
2253:13;2343:6,8;
2344:8;2348:22;
2359:5;2393:17
relatively (1)
2206:25
relaxed (1)
2311:1
relevant (9)
2232:10;2238:1;
2243:10;2248:22;
2251:7;2252:21;
2287:17;2311:20;
2313:1
reliance (2)

2311:15,15
relied (2)
2238:24;2264:22
relies (3)
2206:4;2215:3;
2277:7
rely (6)
2166:23;2209:12;
2210:2;2319:13;
2327:25;2373:11
relying (1)
2320:5
remain (8)
2168:8,13;
2198:20,22;2201:15;
2282:1;2376:11;
2409:1
remained (1)
2401:8
remaining (3)
2281:4;2282:5,22
remains (1)
2211:15
remarks (1)
2350:14
remedied (1)
2289:17
remember (9)
2161:5;2223:21;
2295:4,24;2299:12;
2300:14;2301:16;
2340:2;2392:16
remind (1)
2202:8
reminded (1)
2167:20
remote (1)
2166:6
remuneration (1)
2375:7
renew (1)
2316:4
repaid (1)
2372:15
repeat (3)
2226:13;2333:8;
2406:5
repeatedly (1)
2221:17
repeating (2)
2284:4;2373:14
repetitious (1)
2318:4
report (27)
2178:1,3;2179:12;
2181:14,22;2191:19;
2204:6,7,8,15;
2205:11,13,17;
2208:19,24;2209:20;
2264:11;2313:18;
2375:8;2395:18,22,
23;2396:8;2397:24;
2404:1;2405:25;

2407:25
reported (7)
2179:19;2209:4;
2213:11;2249:22;
2254:21;2272:25;
2371:4
reporter (6)
2165:8,15;2166:9;
2279:9,14;2364:24
reporting (1)
2249:6
reports (22)
2168:4,7;2177:20,
21;2179:15,23;
2181:18;2182:1;
2183:19;2191:17,24;
2204:16,19,19;
2205:8;2206:23;
2221:25;2222:3;
2264:1;2304:1,3;
2313:5
represent (4)
2161:22;2216:14;
2339:9;2376:15
representation (2)
2229:16;2386:14
representations (2)
2385:7;2386:17
representative (6)
2163:10;2214:6;
2351:6;2375:21,22;
2382:4
representatives (3)
2227:10;2375:20,
21
represented (8)
2175:10,11;
2256:18;2299:24;
2363:6,17;2379:10;
2388:22
Representing (6)
2161:25;2162:5,
17;2163:12,23,25
represents (2)
2269:22;2377:19
reproduce (2)
2289:1;2290:6
reproducing (2)
2289:23;2290:9
repudiation (1)
2284:20
request (3)
2226:2;2375:2;
2381:1
requests (1)
2168:5
require (8)
2205:16,20;
2216:7;2251:12;
2307:22;2316:13;
2318:19;2383:5
required (2)
2190:22;2403:22

Barkley Court Reporters

requirement (2)
2205:11;2218:14
requirements (3)
2204:6;2249:6;
2398:21
requires (1)
2217:25
Research (2)
2313:18;2318:17
reserve (5)
2233:15;2244:23;
2245:4;2274:10;
2286:9
reserved (1)
2306:15
residents (2)
2348:8,12
resides (1)
2224:17
resort (1)
2247:5
resources (1)
2380:13
respect (13)
2208:4;2209:10;
2210:9;2212:6,7;
2215:21;2216:1;
2233:20;2274:10;
2302:20;2368:16;
2376:13;2408:1
respond (2)
2288:22;2349:9
responded (1)
2211:4
response (9)
2168:5;2169:12;
2185:11,23;2214:7,
13;2289:18;
2360:19;2391:17
responsibilities (4)
2210:5,9;2224:4,5
responsibility (13)
2177:3;2181:9,14;
2208:19;2211:3,5,
11,15;2213:4,15,18;
2223:14;2224:17
rest (3)
2260:8;2270:21;
2312:1
restate (1)
2377:3
restated (1)
2366:9
restaurants (1)
2348:2
restrictions (1)
2403:18
result (9)
2247:5;2266:23,
24;2267:4;2271:25;
2307:12;2352:18;
2368:8;2371:4
resulted (1)

2270:19
resulting (4)
2266:20;2370:21;
2390:4;2409:19
results (8)
2209:3;2243:16;
2247:3;2264:10;
2271:21;2278:23;
2329:16;2351:2
resume (7)
2160:16;2168:17;
2190:5;2268:20;
2274:13;2286:13;
2358:25
retail (4)
2237:16;2270:2;
2304:22,23
retain (1)
2251:23
retained (2)
2234:10;2375:5
retention (1)
2237:7
return (24)
2205:20;2251:18;
2262:25;2268:3,25;
2269:16;2271:18;
2272:10,13;2287:5;
2334:25;2335:4;
2341:16,19;2350:25;
2361:10;2377:23;
2378:1,20,22;
2382:7;2389:1;
2391:23;2393:18
returned (1)
2237:3
Returning (1)
2336:3
returns (1)
2263:2
reveal (1)
2246:24
revealed (1)
2246:21
reveals (1)
2246:22
Revenue (33)
2240:5,19;
2250:18;2264:5;
2287:9;2324:15;
2342:8,8,14,15,15,
17,17,20,21;2343:8;
2344:1,2,3,5;
2345:13;2346:1;
2353:19,21;2362:4,
5,12,13,20;2370:18;
2379:7,14;2391:24
revenues (7)
2244:3;2249:13;
2267:10;2273:11,13;
2305:3;2351:14
review (4)
2166:14;2240:2;

2241:11;2275:21
reviewed (7)
2174:8,8;2254:15;
2304:3,6,7;2308:11
reviewing (4)
2173:11;2178:25;
2248:21;2278:15
revisit (1)
2222:15
right (129)
2161:6;2167:17;
2171:6,16,19,22;
2172:18,23;2176:17,
23;2177:5,8,11,17,
22;2178:6;2179:7,
16;2183:7,24;
2184:3,21;2185:15,
18;2186:3,5,21;
2187:3,10,21;
2193:1;2194:6;
2196:15;2205:5;
2208:8;2217:10;
2220:2;2222:21;
2224:23;2225:10;
2226:21;2227:17;
2228:25;2229:24;
2230:1,4,19;2231:7,
15;2233:15,19;
2234:23;2244:23;
2245:4,7;2246:8;
2270:23;2288:9;
2290:16;2291:3,9;
2292:10;2294:12,20;
2296:19,21;2299:8;
2301:1;2312:2;
2313:16;2319:16;
2320:10;2321:7,17;
2326:2,25;2327:2;
2328:20;2329:1;
2331:12;2337:9;
2338:13;2346:15;
2350:17;2352:7;
2357:18;2358:22;
2361:8;2363:20;
2367:19;2370:5;
2373:24;2378:6;
2383:20;2384:15;
2385:1,14;2386:10,
14,16,22;2387:15,
18,24;2388:12,15,
24;2389:25;
2390:23;2392:21;
2393:5,6,10,18;
2394:12;2395:8;
2397:8,13;2399:16;
2401:5;2402:3,9,13,
14;2409:18,24;
2410:6,9,18
rights (4)
2274:10;2285:9;
2286:9;2299:25
ripple (1)
2266:18

rising (1)
2401:10
risk (3)
2249:16;2369:8,
12
risks (1)
2368:22
Riverside (2)
2258:16;2394:1
Rives (1)
2163:12
R-I-V-E-S (1)
2163:12
roasted (1)
2410:12
Rob (1)
2163:2
rocket (1)
2222:12
Roger (1)
2348:19
role (9)
2184:20,20;
2210:21;2211:18,18;
2244:1;2275:2;
2299:13;2404:12
Roman (6)
2234:25;2239:2;
2243:21;2263:8;
2275:16;2286:20
room (12)
2165:16,19;
2166:7,21,23;
2302:12;2384:6,7,
12,13;2410:19,21
roughly (1)
2377:19
rounding (5)
2337:16,17,17;
2392:9,13
routine (1)
2213:5
row (1)
2270:23
rows (2)
2253:3;2270:24
RQA (9)
2179:3;2202:9;
2208:22;2209:23;
2210:1;2261:11;
2262:8;2340:16,17
RQA's (21)
2179:5;2182:8;
2201:11,17;2202:2;
2207:24;2208:4,12,
16;2209:9,12,13,17;
2210:2,20;2219:21;
2221:3;2240:23;
2241:5;2262:5,5
Rule (9)
2161:9;2219:6;
2307:9;2311:4,5,9;
2315:23;2318:12;

2319:6
rule-making (1)
2218:13
rules (8)
2199:9;2317:21,
22,25,25;2318:7,13;
2319:10
ruling (2)
2317:8,19
run (6)
2167:9;2198:13;
2224:8;2355:13;
2393:12,14
running (1)
2167:16
rural (1)
2356:25
Russia (1)
2235:21
Ryan (2)
2163:24;2168:25

S

SACOG (1)
2304:11
Sacramento (1)
2297:8
sale (2)
2351:24;2353:10
sales (13)
2203:4;2241:25;
2242:18,19,21,22;
2269:25;2270:2,3;
2304:23;2351:20;
2402:24;2403:13
same (49)
2173:18;2174:11;
2179:23;2183:21;
2187:18;2192:7;
2193:1,25;2194:14;
2214:24;2215:5,9,
13,17;2221:21;
2227:6,8;2228:20;
2229:21;2236:11;
2241:11;2252:22;
2260:3;2275:1;
2278:23;2282:8;
2285:7;2315:7,7;
2337:14,25;2348:13;
2352:12,13,18;
2370:10;2379:25,25;
2388:1,3,3;2403:11;
2404:11,16;2405:17;
2406:21;2407:4,8,13
sampling (1)
2382:4
San (13)
2256:14,17,17,18;
2258:1,15;2259:5;
2260:9;2261:1;
2356:13;2357:17,19;
2394:1

satisfied (2)
2189:19;2399:6
satisfy (1)
2371:17
Saturday (1)
2190:23
save (2)
2167:20,22
saying (11)
2175:7;2226:14;
2297:13;2322:19;
2335:6;2341:12;
2345:25;2346:2,3;
2391:21;2399:21
scans (1)
2165:15
SCHAD (2)
2162:11,11
S-C-H-A-D (1)
2162:12
SCHAEFER (2)
2161:13,13
S-C-H-A-E-F-E-R (1)
2161:14
schedule (3)
2164:11;2189:1,7
schedules (3)
2188:13;2198:13,
14
scheme (1)
2184:13
SCHIEK (33)
2162:23,23;
2196:20,21,22;
2197:2,2;2222:22,
24,25;2227:25;
2229:2,3,15,17;
2294:11;2320:12,14,
15;2321:8,20;
2327:23;2332:23;
2333:1;2337:10;
2343:5;2347:8;
2351:12;2358:18,19;
2391:9,19;2408:19
S-C-H-I-E-K (1)
2162:24
Scholl (1)
2308:17
S-C-H-O-L-L (1)
2308:17
School (7)
2238:6,7,10,15,16;
2293:10,12
scope (1)
2390:9
scrutinized (1)
2304:15
seat (3)
2233:7;2245:2;
2410:13
seated (1)
2230:18
Seattle (6)

2346:21,24;
2348:8,11,12;
2350:25
Seattle's (1)
2350:21
second (18)
2167:6,18;
2196:25;2235:18;
2239:2;2242:16;
2256:8;2262:1;
2269:16;2274:9;
2281:25;2282:6;
2308:16;2328:23;
2347:14,14;2377:14;
2387:3
secondary (2)
2184:19;2211:18
seconds (1)
2225:6
Secretary (8)
2237:4;2239:10;
2246:6;2287:24;
2298:9;2299:3;
2301:3;2356:23
section (62)
2176:9,10,24,25;
2177:7,9,12,13,14,
15,18,19,20,23;
2178:21;2190:18,18,
20,21;2191:25;
2194:8,14;2195:6,7;
2199:16,22;2200:1,
11,12;2202:21;
2205:4,22;2206:4;
2208:18,18;2227:4,
4;2228:2;2229:8,10,
19,22;2234:25;
2239:2,9;2243:21;
2245:23,25;2246:3;
2250:6;2252:6;
2263:8;2275:17;
2284:21;2311:19;
2313:15,23;2359:9;
2386:23;2387:3;
2398:17;2406:1
sections (5)
2191:9;2225:23;
2226:5;2385:6,18
sector (1)
2288:1
sectors (4)
2270:1;2298:18,
24;2299:1
Security (2)
2217:6,8
seeking (1)
2210:19
seem (2)
2198:14;2355:25
seems (3)
2165:22;2227:1;
2319:6
seldom (1)

2355:24
Select (3)
2163:23,25;
2169:1
Selected (2)
2304:1,2
selects (1)
2238:7
self-explanatory (1)
2270:22
sell (2)
2372:7,12
seller (2)
2246:22,24
sellers (1)
2242:16
Selling (6)
2321:5,11,19,22;
2325:7;2327:18
seminars (1)
2295:25
send (4)
2182:11;2205:10;
2215:18;2388:1
sending (1)
2180:15
Senior (4)
2238:7,10;
2299:14;2382:9
sense (2)
2335:8;2372:13
sent (1)
2204:12
sentence (15)
2185:9;2186:6,23;
2195:9;2202:18;
2244:9;2273:3;
2286:6,7;2311:25;
2312:1;2319:11;
2381:9;2397:25;
2402:16
separate (3)
2169:5;2246:7;
2257:9
separated (2)
2257:9;2270:25
separately (1)
2210:20
September (2)
2235:13,25
seq (1)
2239:10
sequence (1)
2215:17
series (1)
2207:5
serve (2)
2237:4;2238:8
served (4)
2236:21;2237:1;
2238:5;2247:9
serves (1)
2318:15

Service (18)
2160:24;2174:23,
24;2236:6,22;
2237:2,8;2247:25;
2267:2;2270:1;
2276:12;2287:21,23,
23;2297:20;2298:3;
2313:18;2316:18
services (7)
2232:5;2265:23;
2266:6,10,11,13,13
Service's (1)
2275:22
session (1)
2165:5
set (8)
2169:5;2225:1,20;
2227:14;2241:4;
2269:24;2278:21;
2343:13
sets (1)
2227:12
setting (1)
2312:7
settled (3)
2307:5,6;2311:19
settlement (1)
2186:11
seven (1)
2381:10
several (9)
2173:1;2198:16;
2221:15;2246:16;
2248:15;2257:12;
2326:18;2365:17;
2389:10
shall (10)
2178:1;2194:22;
2205:11;2206:1;
2212:13;2227:5;
2228:4;2246:6,8;
2312:2
share (4)
2204:15;2352:11;
2399:10,12
shared (5)
2240:20;2242:12;
2324:1;2373:16,17
sharing (1)
2344:9
sheet (3)
2249:16;2334:20,
22
sheets (3)
2236:1;2248:5;
2284:10
shift (2)
2230:10;2354:20
shifted (3)
2252:12;2337:2;
2358:8
shipper (1)
2331:20

Shipping (2)
2309:5;2399:4
short (4)
2189:17;2284:7;
2362:19;2373:5
shortened (1)
2382:1
shorter (2)
2283:24;2387:15
show (7)
2173:17;2253:3;
2254:5;2280:8;
2289:16;2380:2;
2393:22
showed (1)
2218:7
shown (2)
2286:24;2326:14
shows (5)
2235:13;2254:4;
2270:23;2329:13;
2408:23
side (12)
2165:16;2175:25;
2209:2;2213:18;
2219:14,14;2233:18;
2275:11;2298:15;
2345:22;2350:5;
2405:21
sided (1)
2167:24
significant (11)
2243:18;2252:5;
2263:3;2272:18;
2275:1;2285:19,24;
2355:15;2404:11;
2406:12;2407:6
significantly (2)
2272:15,15
similar (10)
2172:3,19;
2204:24;2227:1;
2229:17;2242:11;
2298:3,14;2310:14;
2368:19
simple (6)
2173:23;2283:8;
2290:22;2376:5;
2380:4;2408:21
simpler (3)
2203:8;2224:12,
22
simplification (1)
2280:15
simplified (1)
2336:1
simplify (1)
2280:9
Simply (10)
2272:9;2284:19;
2314:10;2315:24;
2318:20;2331:8;
2346:1;2357:6;

2362:18;2372:23
simultaneous (5)
    2215:5,5;2225:16,
    24,24
simultaneously (2)
    2179:22;2219:17
sing (1)
    2164:18
single (1)
    2406:14
sitting (2)
    2244:24;2364:2
situation (4)
    2173:12;2175:2;
    2346:12;2349:20
six (9)
    2169:25;2280:24;
    2281:12,15;2282:4,
    18;2304:5;2330:6;
    2347:2
sixth (4)
    2178:3;2270:11;
    2310:19;2314:23
size (3)
    2260:3;2261:24;
    2269:14
sizes (3)
    2247:17;2250:23;
    2381:23
skim (3)
    2355:25;2394:11,
    11
skip (1)
    2177:12
slash (5)
    2249:13;2258:8;
    2261:15;2264:8;
    2269:25
slightly (2)
    2235:20;2391:11
slow (1)
    2364:25
slowly (1)
    2178:17
small (11)
    2245:23;2246:4;
    2249:10;2257:7,8;
    2269:8;2277:16;
    2356:14;2367:11;
    2377:1,5
smaller (7)
    2221:7;2251:7;
    2258:15,23;2273:14;
    2283:17,21
smallest (2)
    2256:2;2258:2
Smith (1)
    2348:18
SNF (27)
    2241:2,3,4,5,6,16,
    17;2243:4,5,13,16;
    2255:2,5,6;2256:8;
    2257:21;2258:21;

2260:6;2324:17;
2325:19;2365:24;
2369:2;2378:9;
2393:23;2394:14,18,
20
SNM (2)
    2241:3;2368:14
sold (8)
    2247:3;2251:10;
    2252:9;2323:22;
    2324:3;2347:22;
    2367:5,6
solely (2)
    2273:7,8
solemnly (1)
    2230:20
solid (2)
    2251:11;2383:8
solids (6)
    2181:15;2202:5,
    24;2203:9;2208:20;
    2218:15
solids-not-fat (2)
    2241:2;2242:1
solved (1)
    2291:11
somebody (3)
    2313:11;2327:10;
    2341:12
somehow (2)
    2199:10;2219:25
Someone (1)
    2175:25
sometimes (4)
    2174:23;2370:2,2;
    2379:18
somewhat (1)
    2311:1
somewhere (1)
    2406:22
Sonics (7)
    2346:21;2347:23;
    2348:2,3,7,13;
    2349:7
Sonoma (3)
    2258:16;2260:25;
    2394:1
Sony (2)
    2293:8,11
sooner (2)
    2206:18;2283:17
sophisticated (1)
    2329:10
sorry (24)
    2168:25;2171:3,9;
    2182:19;2183:11;
    2192:9;2212:3;
    2217:13;2225:23;
    2253:12;2261:5;
    2272:6;2273:11;
    2290:2;2300:19;
    2337:5;2339:13,16,
    17;2340:12;2358:12,

13;2365:15;2367:15
sort (10)
    2164:18;2210:3;
    2228:23,24;2255:25;
    2298:6;2317:16;
    2322:8;2360:15;
    2393:14
sorter (1)
    2387:12
sound (1)
    2332:14
sounds (2)
    2228:25;2335:6
source (7)
    2236:11;2247:4;
    2249:12;2250:18;
    2251:3;2327:4;
    2354:13
south (2)
    2218:17;2221:9
spans (1)
    2256:25
spare (1)
    2165:16
speak (7)
    2225:24;2288:3;
    2298:2;2316:9;
    2359:10;2372:19;
    2388:23
speaking (2)
    2214:14;2226:9
speaks (3)
    2211:17;2313:3;
    2351:2
special (1)
    2308:20
Specialist (1)
    2161:8
specialize (3)
    2247:10;2294:2;
    2381:21
specialized (1)
    2309:16
specific (11)
    2191:11,14;
    2308:23;2311:15;
    2329:18;2335:20;
    2353:12,16;2354:4;
    2355:19;2371:23
specifically (11)
    2164:24;2188:14;
    2236:7;2239:1;
    2260:20;2332:20;
    2354:2,22,25;
    2361:4;2380:25
specified (4)
    2178:21;2195:10;
    2227:3;2239:13
specify (2)
    2206:24;2207:13
specious (1)
    2350:16
spell (3)

2168:14,24;
2230:24
spelled (3)
    2163:15;2211:11;
    2265:10
spend (7)
    2265:25;2292:25;
    2348:10,10,12,24,25
spending (7)
    2263:19,19,23;
    2265:22;2266:1;
    2267:5;2354:12
spent (4)
    2203:21;2298:4;
    2352:12;2370:24
spills (1)
    2267:20
spoke (2)
    2220:2;2247:23
sports (3)
    2237:16;2299:24;
    2348:16
spread (3)
    2220:16;2222:3;
    2280:24
staff (2)
    2198:12;2223:15
stake (1)
    2260:22
stand (6)
    2160:14;2166:2;
    2268:9;2307:3;
    2386:11,12
standard (1)
    2319:14
standards (1)
    2310:21
standing (4)
    2406:7,12,18,20
stands (4)
    2164:6;2202:1;
    2348:5;2406:17
Stanford (1)
    2348:19
Stanislaus (3)
    2258:12;2259:5;
    2260:24
Star (1)
    2247:16
stark (1)
    2284:25
start (16)
    2180:22;2190:13;
    2191:15;2264:24;
    2268:20;2273:3;
    2274:14;2293:3,6,
    10;2301:11,21;
    2320:17;2332:22;
    2351:19;2391:17
started (2)
    2173:20;2268:24
starting (6)
    2277:8;2312:13;

2343:13;2347:14,19;
2362:10
starts (5)
    2222:4;2267:20;
    2312:14;2336:22;
    2391:12
state (109)
    2168:14,24;
    2174:12;2198:3;
    2199:8,18;2201:3,5,
    12,12;2202:1,6;
    2203:3;2205:17,20;
    2208:1,7;2210:13,
    17;2218:13,20,21,
    25;2219:16;2221:4;
    2224:17,25;2225:2;
    2230:24;2234:6,15;
    2235:6;2236:1,1,12,
    13,18;2237:11,12,
    24,25;2239:6;
    2243:24;2246:6;
    2247:18;2251:20;
    2252:7;2254:3;
    2256:13;2258:6,24;
    2259:8,14,17;
    2260:21;2263:3,5,
    12,14,16;2264:6;
    2267:9,14;2269:13;
    2270:9,20;2271:4;
    2272:2,14,15;
    2273:10,12,19,22;
    2275:7,15;2284:18;
    2286:1,3,23;2287:7,
    23;2298:16;
    2304:13;2305:3;
    2317:13;2324:12;
    2338:16;2339:6,6;
    2355:5,21;2356:22,
    23;2357:17;2358:4;
    2370:18;2381:24;
    2389:20;2393:16;
    2394:25;2395:14,16;
    2396:12,15,25;
    2401:20;2404:6;
    2405:9
stated (6)
    2243:14;2284:15;
    2288:19;2318:23;
    2381:3;2401:18
statement (49)
    2167:4;2168:2;
    2170:13;2172:19;
    2187:13;2217:19;
    2228:23;2229:5;
    2234:1,2;2243:11;
    2244:12,14;2245:1;
    2256:6;2260:14;
    2262:23;2268:23;
    2271:17;2284:2;
    2285:10;2286:10;
    2287:10,16;2312:9;
    2314:3,15,19,23;
    2315:15;2320:21,21;

2321:3,4;2326:17;
2336:4;2360:16;
2361:9,12;2362:3;
2366:11;2381:14;
2390:9;2391:15;
2395:14;2398:15;
2400:7;2401:16;
2406:13
statements (9)
2175:8;2182:11,
12;2310:16;2313:5;
2314:1;2315:5,25;
2316:5
States (16)
2160:9,19,22;
2164:9,15;2235:14,
15;2236:23;
2237:23;2276:8,11,
14;2285:22;2308:1,
17;2362:17
state's (2)
2271:20,22
statewide (5)
2237:6;2238:21;
2239:12;2261:9;
2357:9
stating (1)
2309:24
statistical (3)
2332:3;2382:2,4
Statistics (1)
2272:25
status (5)
2252:3;2286:17;
2315:18;2407:12,14
statute (24)
2218:11,14;
2240:12;2244:10;
2286:8;2309:3,15;
2310:7;2311:13,23,
24,25;2312:25;
2313:9,13,13;
2314:5,9,12,19;
2315:20;2316:2;
2317:13,15
statutes (2)
2239:13;2308:23
statutorily (1)
2379:25
statutory (8)
2199:8,8;2312:19,
21,22;2313:19;
2314:2;2315:11
stay (7)
2195:24;2334:2,
12,23;2357:22;
2390:24;2409:8
stayed (1)
2330:10
staying (1)
2333:25
stead (1)
2325:12

Steady (10)
2249:12;2325:13;
2355:10;2367:16;
2368:13,20;2369:1,
16,23;2374:11
step (9)
2179:25;2200:3;
2230:2;2281:1;
2328:23;2344:14;
2351:23;2357:16;
2410:17
stick (1)
2191:10
still (14)
2169:16;2174:18;
2204:2;2208:24;
2209:2;2210:15;
2213:14;2328:25;
2348:9;2355:6;
2360:15;2379:24;
2380:2;2397:21
Stoel (1)
2163:12
S-T-O-E-L (1)
2163:12
stop (6)
2184:21;2234:18;
2266:16;2268:6;
2307:19;2384:8
stores (1)
2304:21
story (1)
2328:3
straight (2)
2331:1;2369:13
strategic (3)
2231:25;2232:4;
2234:9
stream (32)
2325:6;2326:7,13,
23,24;2327:3;
2335:10;2355:10;
2360:3,4,7,8,10,14,
18;2367:17;2368:13,
17,20;2369:1,16,23;
2370:10;2372:18;
2373:1,7,18;2374:8,
11,21;2383:8;
2391:24
stretch (2)
2268:10;2358:16
stricken (3)
2245:5;2315:13,
25
strictly (3)
2310:23;2311:9;
2334:24
strike (4)
2286:9;2316:5,11,
23
striking (2)
2310:13;2311:12
strongly (1)

2235:20
struck (1)
2309:8
Studies (6)
2304:1,3,19,24,25;
2348:17
study (3)
2263:22;2265:8;
2278:11
sub (4)
2259:9;2386:24,
24,24
subdivisions (1)
2226:21
subject (12)
2164:21;2202:3,6;
2206:14;2219:1,2,8;
2230:1;2294:3;
2360:20;2392:8,13
subjected (2)
2397:16,20
subjects (2)
2389:4;2391:7
submission (1)
2190:15
submit (5)
2179:14;2274:4,
20;2275:23;2404:4
submitted (2)
2198:11;2284:25
subparagraph (1)
2383:3
Subpart (1)
2190:17
subsect (1)
2401:16
Subsection (15)
2246:12;2247:24;
2248:18;2250:20;
2259:9;2273:23;
2284:1;2387:5,6;
2399:21;2401:16;
2404:1,6;2405:2;
2407:1
subsequent (3)
2313:16,24;
2326:14
substance (1)
2292:20
substantial (5)
2260:18;2276:3;
2366:2,18;2402:17
substantive (1)
2219:10
substitute (1)
2307:15
subtitle (1)
2234:5
subtle (1)
2167:10
subtract (3)
2262:8;2281:13;
2394:21

suburbs (1)
2348:9
successors (1)
2303:11
Sue (1)
2163:7
suffer (3)
2252:4;2348:3;
2399:5
sufficient (4)
2191:2;2192:20;
2197:15;2308:21
suggest (7)
2191:20;2194:5;
2195:14;2207:12;
2228:14;2319:6;
2387:10
suggested (4)
2193:22;2204:19;
2380:15;2382:16
suggestion (1)
2255:9
suggestions (3)
2375:23,25;
2376:1
suggests (1)
2333:12
suit (1)
2348:11
Sullivan (2)
2355:24;2356:3
sum (8)
2342:24;2345:1;
2346:6,8,18;
2348:15;2349:2;
2398:18
summarize (1)
2239:5
summarizes (1)
2267:15
Summary (1)
2241:23
summed (1)
2343:7
Sunday (1)
2190:23
super (2)
2330:16;2346:21
superfluous (1)
2307:25
supplant (1)
2199:18
supplement (1)
2166:25
supplier (1)
2360:11
suppliers (1)
2267:2
supply (3)
2322:13;2354:14;
2365:7
support (1)
2317:7

supporting (1)
2287:15
supportive (3)
2216:24,25;
2217:4
suppose (1)
2220:24
supposed (1)
2216:16
Supreme (1)
2313:25
sure (31)
2170:12;2173:23;
2176:5,15;2180:18;
2186:15;2189:18;
2190:21;2199:15;
2201:1;2202:22;
2213:14,16;2216:4,
15;2219:22;2233:11,
18;2269:9;2290:20;
2309:21;2317:23;
2338:9;2340:25;
2342:16;2351:11;
2364:24;2366:11;
2368:2;2390:15;
2399:13
surplus (1)
2220:8
surprising (1)
2175:14
surrounding (1)
2348:9
survey (1)
2382:3
surveyed (3)
2247:9;2381:10,
20
surveying (1)
2382:4
survive (2)
2251:24;2287:4
sustain (1)
2284:10
sustainability (1)
2322:18
sustainable (1)
2323:3
swallow (1)
2316:19
swear (1)
2230:20
sworn (1)
2168:13
synonymous (2)
2365:18;2366:3
system (33)
2174:10;2200:6,6;
2209:16;2215:23;
2237:1;2239:12;
2274:24;2304:9;
2314:17;2323:2,2;
2332:14;2333:6,6,
15,21;2341:22,22;

2342:3;2343:9;
2344:1,2;2345:7,15;
2348:22;2372:22;
2389:18;2396:15,25;
2399:3;2401:8;
2404:9

T

table (64)
2175:25;2180:19;
2181:7;2241:22;
2242:6,7,11,20;
2243:9,13,14;
2252:13,18,20,22;
2253:1,15;2254:4,
10,17;2255:16,16,
17;2256:25;
2257:24;2259:16,21,
25;2261:7,16;
2267:15,19,21,23;
2268:2,22,24;
2269:7,10,17;
2271:12;2336:4,5,
19,21;2339:20,23;
2340:1,1,12;2358:7;
2359:12,13;2361:4;
2362:11,16;2377:13;
2384:20;2388:8;
2391:12,16;2392:11,
18;2401:21
tables (3)
2242:5;2252:25;
2258:5
talk (10)
2169:15;2181:13;
2204:25;2224:18,24;
2322:8;2324:21;
2380:15;2382:11;
2405:18
talked (16)
2169:14,17;
2197:4;2208:18,21;
2218:16;2221:1;
2323:25;2344:21;
2355:15;2369:10;
2382:7,10,19;
2387:7;2401:12
talking (30)
2170:16;2171:24;
2176:15;2177:1;
2207:25;2220:25;
2224:3;2229:4;
2268:21;2325:2,6;
2332:19,20;2334:19;
2343:21;2345:2;
2347:24;2349:2;
2355:23;2373:8;
2387:5;2390:18;
2398:15,18;2400:10,
10,11,21;2404:2;
2410:3
tangible (6)

2249:8,20,23;
2370:2,6,8
task (2)
2181:1,3
tasks (1)
2179:24
taught (1)
2294:10
tax (11)
2264:5;2267:9;
2272:16;2273:11,12;
2287:8;2305:3;
2339:10,11;2370:14,
18
taxable (1)
2304:22
taxed (4)
2370:20;2371:7,
12,13
taxes (3)
2270:9,11;2339:6
TAYLOR (2)
2163:7,7
team (7)
2161:23;2163:20;
2221:17;2222:14,19;
2317:13;2350:24
teams (1)
2161:21
technical (2)
2197:24;2303:6
technically (1)
2328:25
Technology (8)
2237:4,16;
2287:24;2298:10,13,
19;2299:4;2301:4
tells (2)
2316:20;2328:3
ten (11)
2169:19;2258:8;
2273:18;2282:17;
2328:9;2376:9,13;
2392:23;2409:15,16,
16
tend (1)
2323:12
tender (2)
2287:12;2288:4
tends (1)
2286:7
tenure (1)
2302:22
term (7)
2202:20;2310:7;
2311:15;2346:6;
2373:6,6;2399:15
Termination (1)
2177:14
terms (28)
2198:7;2203:9;
2257:8;2260:2,3;
2261:4,5,24;2270:4;

2275:3;2280:4;
2291:20;2309:16;
2324:15,18;2329:18;
2336:10,15;2338:8;
2343:23;2345:14;
2351:13;2354:10,12;
2365:18;2402:3;
2405:4,6
Terrific (1)
2232:16
testified (7)
2208:12;2218:12;
2237:22;2301:23;
2303:19;2317:12;
2397:22
testify (8)
2164:2,23;
2287:16;2302:19;
2308:20;2313:12;
2314:9;2370:17
testifying (2)
2232:17;2238:3
testimony (94)
2160:12,15;
2164:20;2170:10;
2178:7;2179:8;
2185:7;2187:1,18;
2191:13,22;2192:21;
2199:14,21;2201:2,
7;2202:17;2206:8;
2207:24;2209:13;
2214:8,12,13;
2228:18,24;2232:11,
14,21;2233:5,14;
2234:4;2238:18;
2242:5;2243:8;
2245:3,14,17;
2252:23;2254:10;
2257:25;2258:7;
2262:22;2263:9;
2268:9;2270:21;
2271:11;2284:1;
2287:15;2288:2;
2290:10;2297:1;
2305:18;2306:16,16;
2307:6,24;2309:17;
2310:6,11,14,20,24;
2311:7,12,19;
2317:7,10,16;
2318:4,14,19,20;
2319:19,24;2320:2,
18,20;2321:1;
2323:7,9;2326:17;
2336:3,22;2350:1;
2371:19;2381:6;
2384:23;2385:5;
2389:22,23;2390:10;
2392:17;2396:17;
2397:3
Thanks (2)
2196:6,7
theme (1)
2200:20

theory (4)
2265:14;2319:22;
2348:15;2393:14
thereby (3)
2220:23;2275:5;
2405:7
Therefore (5)
2248:4;2285:17;
2315:12;2353:20;
2374:2
thereof (1)
2368:13
thinking (8)
2217:3;2223:20;
2268:14;2302:7;
2354:9,10,12;
2392:23
third (9)
2193:2,20;
2205:23;2269:18;
2282:18;2283:3;
2327:10,11;2338:25
THOMPSON (54)
2162:7,8;2230:12,
14,15;2231:15,17,
19;2233:22,23,24;
2242:3;2245:12;
2254:9;2255:14;
2256:24;2257:23;
2259:19;2261:19;
2267:18;2269:4;
2272:4,8;2276:15,
18,21;2278:13,25;
2279:11,16,21,22;
2287:11;2288:9,12,
15;2289:20;2290:13,
16,20,25;2291:8,18,
25;2292:6;2305:16;
2306:13;2312:5;
2364:20;2390:6,15,
20;2410:6,8
though (8)
2258:22;2316:10;
2337:6;2338:1;
2342:23;2349:6,18;
2356:14
thought (16)
2172:6;2191:9;
2222:10;2223:9,22;
2224:1,11,22;
2289:21;2301:2,6;
2313:21;2337:14;
2378:24;2403:2;
2410:3
thoughts (1)
2225:6
threaten (1)
2275:9
threatening (1)
2405:18
three (12)
2214:17;2216:13;
2233:8;2299:12;

2304:6,24;2347:16,
17;2375:3,22;
2381:25;2387:1
three-generation (1)
2237:9
Throughout (5)
2217:1;2238:19;
2258:6;2304:13,21
Thursday (1)
2320:24
Thus (2)
2241:3;2266:20
tie (2)
2200:2,7
timely (1)
2221:19
times (18)
2175:3,11,12;
2198:12,16;2237:22;
2245:1;2260:6;
2302:22;2304:16;
2325:22;2351:16,25;
2365:17;2374:1,3;
2377:20;2378:8
timetable (2)
2180:14;2384:8
timing (3)
2188:13;2189:8,
18
tinkering (4)
2275:3;2405:3,5,
14
tinyurlcom/camilkhearing (1)
2165:7
title (4)
2161:5;2268:22;
2362:16;2377:25
today (31)
2165:22;2167:9;
2201:19;2202:1;
2209:25;2210:2;
2213:17;2216:12;
2220:1;2232:11,17;
2317:14;2320:18;
2325:2;2328:2,4;
2332:15;2364:3;
2373:8;2384:11,14,
20,23;2385:22;
2386:8;2389:18;
2390:1,10;2397:12;
2400:25;2401:3
today's (1)
2200:23
together (5)
2163:20;2198:10;
2209:6;2320:1;
2365:20
told (4)
2332:8;2355:16;
2383:17,18
tomorrow (7)
2373:9;2384:7,13;
2385:20,22;2388:17;

2410:21
took (11)
2242:14;2269:6;
2294:5,23,24;
2304:10;2336:1;
2345:19,19;2354:2;
2382:6
tool (3)
2250:12,17;
2265:12
top (13)
2171:14;2202:18;
2253:9;2258:8;
2282:5;2295:20;
2321:13;2328:7;
2330:23;2333:18;
2338:11;2392:23;
2405:3
topic (2)
2196:17;2232:22
topics (3)
2202:17;2299:22,
23
Torres (1)
2310:18
total (83)
2203:6;2242:24;
2243:3,5,16;
2253:25;2255:4,5,6;
2256:9,10,12;
2258:20,20;2259:13,
16,24;2260:4,12,16;
2261:14,14,16,21;
2262:8,10,12,18,24,
25;2263:2,5,13;
2265:12,15,20;
2266:5;2270:17;
2271:18;2272:11,17,
23,24;2273:12;
2281:13,15;2282:11;
2328:21;2330:3,4;
2337:7,12,15;
2338:4,5,23;2339:1,
2;2340:15,18;
2341:7;2343:23;
2344:2,4,19,20;
2345:15,15;2352:4,
7,8,10,12,18;2353:3,
5,6;2365:25;2374:8;
2379:18;2394:17,20;
2401:19
totaled (1)
2262:8
totaling (2)
2258:19;2260:5
totally (2)
2161:5;2257:14
totals (3)
2260:12;2264:18;
2282:9
touch (2)
2298:22,23
touched (2)

2239:4;2299:1
tourism (2)
2237:17;2298:20
town (2)
2316:15;2348:14
trace (1)
2263:18
traceable (2)
2372:10,12
track (2)
2225:18;2367:2
Tracking (1)
2309:14
Trade (8)
2237:5,23;2270:2;
2287:24;2298:10,13;
2299:4;2301:4
tradeable (1)
2241:18
traded (2)
2247:8;2252:9
trained (1)
2303:15
tran (1)
2247:2
transactions (3)
2178:25;2215:16;
2242:25
transcript (3)
2166:11,16;
2293:14
transcripts (3)
2165:9;2303:1,17
transfer (3)
2208:1;2212:15;
2403:19
transferability (2)
2251:14;2397:11
transferable (2)
2247:2;2248:8
transferred (7)
2224:7;2241:18;
2242:25;2243:1,4,6;
2352:1
transfers (3)
2213:17;2241:19,
24
Transit (1)
2309:19
transition (2)
2301:13,18
transitionary (1)
2200:5
transmit (1)
2198:3
Transportation (8)
2193:2;2196:12;
2209:14;2230:3;
2237:17;2310:13;
2385:15;2387:19
treated (4)
2249:21;2318:21;
2370:2,10

treatment (1)
2408:5
trees (1)
2203:21
Tremaine (2)
2162:17,21
trend (2)
2321:16;2325:3
trends (2)
2237:13;2313:20
Tribe (1)
2310:4
tribes (1)
2310:8
tried (6)
2278:19;2283:7;
2314:8;2337:23;
2391:10;2408:19
trier (8)
2307:7,11,13,15,
18,21;2310:10;
2314:24
tries (1)
2175:2
trillion (1)
2235:7
triple (1)
2317:23
trouble (1)
2289:15
true (19)
2174:1;2179:10;
2180:5;2207:18;
2341:25;2344:8,11;
2351:18;2369:22,25;
2374:7;2383:25;
2396:13;2401:6;
2403:10,11,16;
2405:1,24
truth (1)
2230:22
try (8)
2175:4;2181:11;
2335:1;2360:20;
2386:9;2391:8,8,13
trying (15)
2181:8;2198:23;
2203:11;2280:3;
2290:14;2333:9;
2335:3;2343:4;
2346:5;2357:1;
2389:5;2391:10;
2395:4;2399:14;
2409:12
TUESDAY (2)
2160:1,7
Tulare (19)
2220:14,16,20,22;
2256:13;2258:12;
2259:2;2260:7,22;
2272:20,24;2273:5;
2364:10;2392:10;
2393:10,16;2394:3,

4,14
turn (18)
2175:24;2176:6;
2178:12;2191:8;
2206:23;2256:18,23;
2266:12;2284:21;
2303:25;2320:10;
2328:6;2359:9;
2398:14;2401:15;
2403:25;2405:2,25
turning (1)
2205:15
turns (2)
2282:24;2354:11
twice (2)
2229:11;2302:23
two (36)
2160:12;2165:9;
2167:24;2201:21;
2221:6;2239:25;
2244:25;2246:21;
2253:3;2256:25;
2262:4;2270:13;
2282:2,16,19;
2288:25;2289:6,7,
16;2297:10;2298:4,
6;2299:11,21;
2300:2,23;2301:6;
2302:11;2310:8;
2315:4;2317:6,6;
2349:10;2386:4;
2388:22;2389:4
type (3)
2238:3;2301:24;
2319:12
typewriting (1)
2290:5
typical (1)
2213:6
Typically (3)
2264:7;2345:8;
2346:11

U

UC (1)
2238:10
UCC (2)
2249:5,25
UCLA (4)
2238:7,15,16;
2293:20
U-L-I-N (1)
2162:21
ultimate (2)
2284:11;2310:10
ultimately (10)
2198:24;2209:5,8;
2307:16,17,20;
2308:10;2312:10,23;
2363:25
unavailable (1)
2212:9

uncertain (1)
2193:11
uncertainty (2)
2275:4;2405:6
under (69)
2172:24;2176:21;
2177:6;2180:14,14;
2184:13;2193:2;
2194:8,16;2195:4;
2201:15;2204:5;
2210:13,15;2223:11;
2224:8,15,16,17;
2226:24;2228:2,3;
2229:18;2230:20;
2233:12;2239:2,13,
15;2248:9;2249:25;
2250:6;2252:20;
2259:25;2276:22;
2277:2,18;2278:2,5;
2282:20;2283:1;
2309:25;2310:2;
2314:13;2315:23,23;
2327:19;2329:5;
2331:18;2333:5,6,
14,20;2336:10;
2337:8;2342:2;
2345:7;2383:3;
2389:18,20;2396:15,
24;2398:17;
2399:24;2401:16;
2404:1,6;2406:1,25;
2407:11
underlying (6)
2220:4;2246:10;
2308:5;2326:22;
2374:6;2391:11
underscored (2)
2365:24;2366:1
understood (3)
2174:13;2244:24;
2303:13
undertake (1)
2326:6
undertakes (2)
2307:11;2308:14
undoubtedly (1)
2284:5
unduly (1)
2318:4
unencumbered (1)
2248:24
unfortunately (2)
2295:12;2385:21
uniform (3)
2182:8;2249:5;
2311:7
Union (1)
2311:11
unique (3)
2189:2;2236:20;
2239:1
uniquely (1)
2309:10

unit (3)
2325:21;2351:19;
2363:14
United (12)
2160:9,19,22;
2164:8,15;2235:14;
2236:23;2237:23;
2276:11;2285:22;
2308:1,17
universally (1)
2248:2
University (8)
2238:11,13;
2294:2,17,18,19;
2295:21,23
Unless (2)
2186:9;2395:25
unlike (1)
2251:11
unlucky (1)
2389:9
unrealistically (1)
2380:11
unusual (1)
2175:13
up (55)
2165:17;2169:5,
19;2171:5;2175:21;
2197:10;2199:22;
2200:2,7;2203:1,4;
2207:18;2213:4;
2221:20;2222:9;
2225:1,20;2236:9;
2241:7;2246:25;
2258:9;2262:8;
2273:1;2278:21,22,
23;2280:12;
2285:13;2289:16;
2322:4;2329:23;
2330:3;2332:12;
2342:24;2343:7;
2352:17,23;2353:8;
2358:1;2369:17;
2373:19,20,21,25;
2374:3,18;2378:15;
2384:21;2391:13;
2392:4,8,12;
2394:21;2406:4;
2409:10
updated (3)
2208:25;2313:21,
22
upfront (1)
2381:3
upheld (1)
2201:6
upon (38)
2208:11;2238:23,
24;2239:4,17;
2240:24;2243:12;
2246:1;2255:8;
2262:19;2263:5,11,
14;2264:22;2266:1;

2267:10,14;2271:7,
20;2273:22;2274:2,
18;2275:19;
2284:13;2296:4;
2299:1;2323:24;
2324:19;2327:25;
2341:5;2344:15;
2350:23;2352:25;
2355:19;2373:11;
2396:11;2400:16;
2401:12
Upper (1)
2161:14
upward (2)
2321:16;2325:3
usage (1)
2239:18
USC (1)
2246:4
USDA (42)
2161:2,6,18;
2166:12;2174:14;
2179:15;2185:5,20;
2190:8;2197:12;
2203:20;2204:1;
2207:14,21;2208:20,
25;2209:4,8;2210:4,
8,17,21;2213:3;
2216:2,6;2220:12,
18,23;2227:10,22;
2235:24;2236:24;
2237:3,8;2287:21;
2289:3;2308:8,9;
2319:6;2384:10;
2388:7;2408:15
USDA/AMS (1)
2161:8
USDA's (1)
2376:6
use (16)
2166:24;2186:9;
2207:15,17;2212:12;
2266:8;2315:5;
2316:22;2318:13;
2323:11;2327:11;
2329:14;2332:6;
2365:16;2367:20;
2383:14
used (14)
2202:20;2264:10;
2267:7;2310:6;
2312:8;2327:12;
2346:6,12;2351:16;
2367:21;2371:15;
2400:6;2403:8;
2407:4
useful (2)
2250:12;2406:8
usefulness (1)
2319:2
useless (1)
2289:2
using (7)

2183:25;2252:18;
2336:2;2337:19;
2338:7;2365:24;
2376:5
usually (1)
2373:22
utilization (3)
2177:21;2180:7;
2182:2
utilizations (1)
2213:8
utilized (3)
2247:7;2263:16;
2265:8
utilizes (1)
2249:2
utilizing (5)
2237:21;2254:20;
2261:9;2267:23;
2304:25

V

vain (1)
2315:10
valid (1)
2173:24
validity (1)
2228:20
Valley (2)
2221:9,10
valuable (2)
2181:8;2396:24
valuation (22)
2237:21;2274:2,
18;2275:19;
2287:13;2288:10,14;
2291:16;2294:22,23,
25;2295:7,8,17,19,
25;2296:1;2299:16;
2305:11,14;2306:21;
2397:11
valuations (2)
2237:19;2327:9
value (131)
2220:6,6,7,15,20;
2232:18;2234:16;
2239:1;2243:17,19,
22;2246:10,11,13,
13,15,16,18,21;
2247:6;2248:2,4,5,7,
9,23;2249:3,15;
2250:9,9;2251:15;
2259:10,14,17;
2260:5,7,17;2266:6,
7,15;2269:22;
2274:25;2275:5,9,
10,13;2276:1,2,6;
2277:21;2284:7,16,
19,20,23;2285:24;
2286:2,18;2312:4;
2314:18;2320:18;
2326:5,7,18,19,23;

2327:4,9,9,13,17,20,
25;2334:19,20,22;
2335:5,9,13,15,16,
21,21,22;2344:14,
16,19;2345:15,23,
24;2346:3;2350:10;
2353:18;2354:22;
2357:2,23;2358:9;
2360:18,21;2365:18,
21,24,25;2366:4,8;
2367:7,14,16,16,20;
2368:6;2369:16,19;
2377:20;2381:6;
2395:17;2397:5,15,
22;2401:17,19;
2402:4,4,6;2404:9,
22;2405:7,13,18,19;
2406:3
valued (2)
2327:19,19
values (7)
2397:8,10;
2401:25;2402:2,10,
12,14
vapor (1)
2309:25
variability (2)
2321:11,15
variable (1)
2373:25
variables (1)
2365:6
varies (2)
2371:22;2372:18
variety (1)
2238:1
various (14)
2173:15,16;
2207:14;2235:14;
2237:14,19;2263:15;
2267:11;2268:4;
2269:1,14;2270:13;
2304:21;2361:11
varying (2)
2247:17;2381:23
vast (1)
2323:21
vehicle (1)
2207:12
verbal (1)
2381:25
verification (1)
2213:7
verify (3)
2178:23;2179:3;
2213:16
version (6)
2289:8;2291:1;
2337:1;2375:24;
2377:13;2382:1
versions (1)
2291:7
versus (18)

2308:1,3,15,17;
2309:5,18,22;
2310:4,18;2311:10;
2336:11,18,20;
2343:8;2359:6;
2361:6,12,23
veterinarian (3)
2251:13;2360:12;
2383:5
VETNE (48)
2163:9,9;2172:19,
20,24;2173:16;
2211:1,1,6,7;2214:3,
5,6;2288:20,21;
2289:19;2290:2,15,
17;2291:10;2292:5;
2318:10,11;2351:4,
5,6,10;2355:2;
2358:25;2359:1;
2360:5;2362:16;
2363:24;2365:2,10,
11;2368:4,5;
2370:22;2377:22;
2378:22,25;2379:1;
2381:16,19;2384:4;
2391:10,18
V-E-T-N-E (1)
2163:10
Vetne's (1)
2364:21
vets (2)
2383:13,22
vi (1)
2250:2
via (3)
2165:5;2240:6;
2273:24
viability (2)
2287:1;2408:3
vice-presidents (1)
2382:9
Victor (2)
2162:21;2163:15
view (9)
2209:20;2214:15;
2244:10;2290:17,19;
2335:7,8,8;2345:25
views (1)
2175:11
Virginia (3)
2294:18,18,19
virtually (1)
2367:4
visual (1)
2181:8
vitae (3)
2293:1,15;2319:4
vital (4)
2214:2;2235:5;
2244:1;2286:21
VLAHOS (50)
2162:3,3;2170:3,5,
6,18,22;2171:1,8,11,

13,15,23;2172:4,6,
10;2175:7;2200:9,9,
15,18;2214:7;
2225:13,14;2226:13,
15;2230:10;2305:7;
2312:4;2378:18;
2385:2,3,3,13,17,17,
21;2386:4,13,21,22;
2387:17,20,23;
2388:2,11,13,14,19,
22
Vlahos' (1)
2386:17
V-L-A-H-O-S (1)
2162:4
voir (5)
2233:14,19;
2292:16,19,21
volume (6)
2258:11;2277:3;
2351:25;2369:3;
2379:24;2396:10
volumes (1)
2395:22
vote (1)
2219:25
VULIN (2)
2162:20,20

W

wages (1)
2265:23
Wait (2)
2290:15;2390:17
waiting (1)
2167:7
waive (1)
2233:16
waived (2)
2233:19;2406:5
waiving (1)
2244:25
walk (10)
2184:5;2242:9;
2256:3;2259:20;
2267:25;2269:6;
2280:10,10;2330:1;
2408:19
walked (1)
2329:25
walking (1)
2390:18
Wal-Mart (2)
2304:15,18
wants (1)
2384:20
warming (1)
2233:7
warning (1)
2167:10
Washington (2)
2162:17;2309:18

water (6)
2251:6;2284:15;
2347:23;2370:24;
2398:23;2400:1
waving (1)
2358:12
way (39)
2174:17;2180:18;
2184:6;2201:3;
2209:25;2216:10,12;
2224:19,22;2225:1,
2;2227:12;2233:17;
2244:7;2265:24;
2271:3;2303:20;
2314:6;2315:5;
2327:17;2330:25;
2334:4;2352:1;
2357:13;2360:6;
2362:14,22;2370:9,
10,25;2374:3,4;
2388:3;2391:11;
2392:17;2398:3;
2399:13;2405:5;
2406:23
ways (3)
2246:16;2326:19;
2327:8
wear (1)
2175:4
wears (1)
2175:2
website (4)
2165:11,14;
2235:9,25
week (5)
2164:11;2165:10;
2252:23;2320:24;
2347:25
weekends (3)
2188:12;2190:14;
2191:3
weeks (1)
2165:10
weigh (1)
2319:7
weighed (1)
2318:19
weighs (1)
2316:18
weight (1)
2311:4
weighted (5)
2277:11,15,23;
2278:9;2331:8
weighting (1)
2335:21
Welcome (5)
2160:21;2164:19;
2166:5,13;2169:22
well-known (1)
2313:19
Wells (1)
2247:16

weren't (1)
2169:15
West (1)
2247:15
What's (17)
2176:20;2214:15,
16;2226:1;2242:10;
2274:9;2279:24;
2280:18;2311:22,22;
2328:21;2329:19;
2338:20;2340:11;
2364:2;2384:5;
2408:25
whenever (1)
2264:7
Whereupon (10)
2190:3;2231:9;
2268:17;2279:7;
2292:12;2306:3,11;
2347:6;2358:23;
2410:24
whey (2)
2163:6;2351:7
whichever (2)
2277:13;2387:12
white (7)
2289:6,8,24;
2290:1,5,23;2291:7
whites (1)
2291:5
whole (15)
2173:12;2177:23;
2203:21;2224:7;
2241:1;2260:11;
2270:24;2313:15,23;
2316:19;2320:1;
2334:19;2338:12;
2357:25;2365:7
wholesale (1)
2270:2
who's (5)
2160:10;2313:10,
11;2314:4;2383:16
whose (1)
2160:15
wide (11)
2238:1;2331:22,
23;2333:22;2355:5,
5;2372:20,23;
2373:2;2374:2;
2394:25
William (2)
2160:22;2162:23
willing (4)
2246:23;2327:11;
2386:15;2387:11
winners (2)
2349:20,21
wisdom (1)
2378:12
wise (1)
2258:23
wish (3)

2301:16;2305:22;
2306:5
within (13)
2201:21;2207:6;
2211:12;2216:18;
2249:1;2265:16;
2284:7;2311:15;
2312:22;2313:24;
2353:12;2371:20;
2392:4
without (21)
2166:23;2180:8;
2197:16;2205:18;
2242:21;2285:18;
2306:17;2319:25;
2330:23;2331:25;
2341:25;2344:9,18;
2348:13;2349:5;
2362:20;2368:8;
2379:23;2396:10;
2403:19;2407:6
witness (131)
2160:14,15;
2166:2;2168:15;
2170:20;2171:18,21;
2176:5,8,12,15,19,
22,25;2177:3,7,9,14,
19;2178:1,11,19;
2179:11,14,21;
2180:6,17,22,25;
2181:6,12;2182:21,
25;2183:3,8,12,18,
23,25;2184:3,5,10,
14,18;2185:2,18;
2186:12,15,21,24;
2189:24;2190:9;
2196:1,5;2201:24;
2202:10;2211:4,14;
2221:22;2222:18;
2225:7,9;2226:13;
2230:5,8,9,13,16,23;
2231:1,11;2233:11;
2234:22,24;2253:12,
17,21;2254:7,11;
2256:20;2257:2,18;
2258:1;2261:5;
2268:7,11,24;
2272:6,9;2274:15,
17;2276:17,20,22;
2285:15;2286:14;
2287:13;2290:18,21;
2291:23;2292:15;
2293:18;2294:12;
2299:16,17;2305:22;
2307:10;2313:10,14;
2314:11;2316:20;
2318:16,22;2321:2;
2350:15,19,23;
2358:19;2364:23;
2365:4,9;2378:24;
2388:8;2392:19;
2393:6;2400:8,13;
2407:22;2410:3,12,

15
witness' (2)
2312:19;2314:25
witnesses (4)
2160:13;2316:11,
13;2319:19
wonder (2)
2224:13;2410:1
wonderful (2)
2234:19;2296:15
wondering (4)
2223:1;2320:19;
2336:6;2347:13
word (11)
2176:20;2286:6;
2310:2;2315:10,11,
19;2336:25;
2365:16;2367:20;
2368:4;2387:15
words (7)
2266:18;2314:12;
2315:6;2328:17;
2366:4;2381:15;
2386:25
work (20)
2161:6;2162:12,
14;2174:2,15;
2204:22;2212:10;
2223:22;2268:14;
2280:8;2290:25;
2304:11,14,17;
2346:17,20;2371:3;
2375:5;2380:8;
2385:16
worked (3)
2206:21;2237:9;
2299:1
Working (4)
2162:21;2179:21;
2298:16;2337:1
works (7)
2198:7;2283:19;
2292:9;2332:15;
2371:1;2389:18;
2396:15
world (4)
2235:17,18,19;
2237:23
worth (2)
2260:7;2324:18
wreaking (1)
2276:3
Wright (2)
2162:17,21
write (2)
2212:18;2355:7
write-offs (5)
2248:14,16;
2252:5;2284:9;
2334:21
Writer (2)
2161:9;2349:12
writing (4)

2198:20;2212:8;
2275:12;2284:16
written (14)
2172:5,6;2191:12;
2232:14,21;2233:5;
2234:3;2235:10;
2242:5;2243:8;
2254:10;2287:16;
2320:21;2350:20
wrong (6)
2310:12;2315:3;
2337:13;2340:4;
2354:10;2366:2

Y

year (24)
2235:25;2241:25;
2261:13;2262:11;
2264:16,22;2265:6;
2268:4;2269:23;
2302:23;2322:11;
2324:18,24;2325:9;
2326:2,3,13,15;
2340:21;2341:17,20;
2345:21;2348:12;
2375:6
yearly (1)
2345:18
years (25)
2175:9;2217:9;
2232:8;2251:10;
2252:9;2285:25;
2295:20;2296:7,9,
10;2297:1,25;
2298:5,6;2299:12,
21;2300:3;2301:7;
2323:21;2324:3,3;
2325:13;2336:7,8;
2369:17
yellow (2)
2235:11;2289:16
yesterday (6)
2165:21;2166:22;
2169:3,19,25;2220:3
York (1)
2309:23
Yuba (1)
2237:10

Z

zero (21)
2322:7;2326:25;
2343:12,18;2345:1;
2346:6,8,18;
2348:15;2349:2;
2361:15,17;2362:10;
2367:11,14,15,16,18,
19,21;2392:5
Zimbalist (2)
2348:18;2349:13

0

0071 (1)
2164:10
03% (1)
2258:2
05 (1)
2300:18
06 (1)
2300:18

1

1 (33)
2162:1,6,10;
2169:8;2170:7;
2175:24;2190:10,15;
2191:10;2193:18;
2199:12;2204:3;
2220:15;2228:1;
2235:9;2240:9,9;
2241:22;2243:13;
2247:24;2249:1;
2253:2,24;2274:23;
2293:15;2331:18;
2333:2,12;2338:18;
2386:24;2387:6;
2389:17;2404:6
1,269 (1)
2272:1
1.1 (1)
2273:10
1.163 (1)
2260:12
1.164 (4)
2259:23;2260:17;
2344:18;2365:25
1.8 (1)
2273:18
1.98 (3)
2272:12;2338:19,
20
10 (6)
2252:15;2283:1;
2324:5;2383:3;
2398:14;2399:7
10.04 (1)
2282:16
10.21 (1)
2282:15
10.24 (1)
2281:22
10.32 (1)
2281:21
10.49 (1)
2281:21
10:00 (1)
2190:2
10:01 (1)
2190:4
100% (6)
2280:21;2281:21;

2282:8,15,23,25
1000 (1)
2190:10
1000.27 (2)
2177:7,10
1000.28 (1)
2177:16
1000.90 (4)
2190:18,20,21;
2193:6
1000.9c (1)
2195:6
101 (1)
2308:16
1030 (2)
2226:8,9
1030.72 (2)
2226:5,20
1030.73 (3)
2226:5,20,21
1031 (1)
2308:4
1039 (1)
2310:5
1045 (1)
2310:5
1051 (1)
2176:25
1051.28 (1)
2177:14
1051.30 (2)
2177:21;2204:5
1051.31 (1)
2191:24
1051.55 (5)
2193:3;2196:12;
2385:6;2386:23;
2387:20
1051.61 (1)
2178:22
1051.62 (4)
2178:22;2180:10;
2193:21;2208:19
1051.71 (1)
2193:25
1051.72 (2)
2194:8;2225:23
1051.73 (5)
2194:15;2225:23;
2228:2;2385:6;
2387:4
1051.90 (1)
2190:18
1059 (1)
2310:13
108 (1)
2308:4
1090 (1)
2227:5
11 (7)
2160:8;2232:8;
2254:25;2272:1;
2273:20;2295:20;

2359:13
11,087,718 (1)
2339:4
11.1 (1)
2260:25
110 (3)
2171:2,4,21
111 (1)
2171:2
112 (1)
2309:19
119 (1)
2311:19
11th (2)
2193:22;2205:24
12 (8)
2255:19,19;
2257:1;2309:23;
2359:14;2391:15;
2393:21;2394:13
12:00 (1)
2164:13
12:03 (1)
2268:12
12:09 (2)
2268:16,19
12:40 (1)
2291:20
12:42 (1)
2292:11
1200 (2)
2347:15,20
1207 (1)
2309:19
1212 (1)
2309:19
125 (2)
2226:10,11
126 (1)
2226:22
1269 (2)
2338:24;2339:1
13 (8)
2202:17;2257:1;
2264:17;2359:14;
2391:16;2393:25;
2394:15;2401:15
13% (2)
2253:24;2259:7
1300 (2)
2347:15,20
139 (1)
2338:13
139,358,870 (5)
2270:18;2337:9;
2391:23;2392:12,13
13th (6)
2193:5;2194:4;
2196:13;2206:17;
2207:1;2386:25
14 (5)
2269:20,21;
2340:19;2365:23;

2402:15
14.8% (4)
2259:4;2272:23;
2394:3,15
1410 (1)
2245:23
143 (1)
2245:25
147 (1)
2310:19
149 (2)
2273:9;2309:5
14th (11)
2181:21;2182:4;
2192:17,19;2193:23;
2194:10;2205:24,25;
2206:10;2207:1;
2235:19
15 (7)
2164:10;2171:13;
2247:22;2272:21,21;
2290:6;2340:13
1507 (1)
2309:6
15-minute (1)
2190:1
15th (2)
2179:1;2194:23
16 (4)
2273:17;2276:9;
2337:15;2339:8
162 (1)
2260:24
164 (1)
2260:12
166 (1)
2308:18
16th (11)
2182:13,25;
2185:9;2186:2,10,
11;2187:11;2194:6;
2215:8;2387:2,21
17 (1)
2205:4
17% (1)
2253:18
17.3% (1)
2236:10
17th (27)
2182:15,15,21,23;
2183:4,8,12;
2185:12,14,16,25;
2186:4,7,16,17,19;
2187:15,17;2194:12;
2195:15;2214:24;
2215:7,8,11;
2221:17,20,23
18 (12)
2259:3;2267:20;
2268:21;2336:22;
2358:7;2360:16;
2362:11;2363:17;
2377:13,25;2391:12;

2392:11
18.8% (1)
2256:14
1851.73a1 (1)
2197:8
188 (1)
2348:5
18th (9)
2183:16;2185:15,
17;2186:23;
2187:25;2195:1,2,
14;2215:22
19 (14)
2170:11;2267:21;
2321:4;2325:19;
2336:21,23;2337:7;
2358:7;2360:16;
2362:12;2363:18;
2377:13;2391:13;
2392:11
19.5 (4)
2218:15;2368:13;
2377:20;2379:25
1937 (1)
2246:6
1960 (1)
2403:4
1967 (1)
2403:5
1969 (5)
2239:8;2240:7,16;
2321:6;2367:14
1985 (1)
2310:19
1988 (1)
2308:2
1991 (4)
2241:15;2340:5;
2341:10;2380:6
1992 (1)
2311:12
1993 (8)
2236:21;2240:8,
12,16;2296:18;
2297:21,22;2309:24
1994 (4)
2240:13,13;
2308:16;2309:6
1995 (1)
2253:6
1996 (2)
2245:24;2310:5
1997 (5)
2236:21;2237:3;
2297:23;2308:4;
2309:20
1999 (5)
2237:3,5;2298:7;
2299:5;2308:18
1st (1)
2277:24

2

2 (15)
2162:18;2195:14;
2240:9,9;2245:25;
2248:18;2249:5;
2250:6;2252:13,21;
2272:10;2275:3;
2336:4,5;2405:2
2,215,978 (2)
2241:15;2243:15
2.44 (1)
2338:20
2.5 (1)
2272:13
2:00 (1)
2292:11
2:05 (1)
2292:13
20 (9)
2203:10;2282:22;
2314:15,16;2324:3;
2382:13,14;2394:6;
2403:25
20% (4)
2236:13;2253:2,
24,24
2000 (1)
2300:25
2003 (6)
2237:5,11;2299:5;
2301:5,6,10
2006 (1)
2301:10
2008 (7)
2240:4;2241:12;
2300:24,25;2301:12;
2313:23;2346:21
2009 (3)
2170:12;2264:3,
18
2011 (3)
2300:25,25;
2301:22
2013 (2)
2236:16;2340:18
2014 (25)
2235:6,23;2236:9;
2245:19,23;2261:12,
17;2262:11;2263:1;
2264:17,22;2265:6;
2268:4;2269:2;
2270:19;2271:19;
2273:1;2312:15;
2326:12;2337:12;
2338:5;2345:19;
2354:3;2361:12;
2374:5
2015 (23)
2160:1,7;2171:12;
2173:1,1;2235:13,
19;2241:24;

2242:14;2253:6,22,
23;2254:15;2255:4,
18;2259:12,17;
2264:19;2276:13;
2321:6;2393:22;
2394:4,6
2016 (1)
2336:25
2017 (1)
2277:9
20th (4)
2192:9,13,19,25
21 (4)
2253:2,24;
2276:11;2405:2
218 (1)
2260:6
22 (3)
2171:2;2200:15;
2229:5
23 (5)
2200:16;2315:4,
16;2405:25;2407:1
23rd (1)
2309:5
24 (2)
2178:8;2407:24
25 (4)
2178:13,13;
2280:23;2281:23
25% (6)
2278:2;2282:3;
2329:23;2330:2,3;
2374:16
27 (2)
2176:25;2185:8
27% (1)
2259:6
27.6 (1)
2409:20
270 (1)
2338:14
279 (1)
2338:15
27th (1)
2228:8
28 (1)
2197:14
281 (1)
2272:24
28th (1)
2228:12
29 (1)
2197:14
29th (1)
2228:11
2nd (2)
2278:3;2311:18

3

3 (12)
2235:24;2240:9,

10;2250:20;
2254:17;2255:16,17;
2275:8;2359:13;
2391:16;2398:17;
2405:17
3:40 (1)
2358:16
3:45 (2)
2358:17,22
3:48 (1)
2358:24
30 (6)
2161:15;2228:9;
2324:3;2325:23;
2326:1;2387:9
30.1% (1)
2259:5
300 (1)
2321:14
30th (8)
2197:7;2227:24;
2228:5,7,10,11;
2387:8,11
31 (1)
2255:4
31a (1)
2311:18
31st (1)
2313:23
34% (1)
2256:15
34.04 (1)
2282:12
356 (2)
2326:2,3
365 (1)
2325:24
3a (1)
2399:21
3rd (3)
2170:11;2171:12;
2278:6

4

4 (5)
2236:12;2240:11;
2259:16;2261:1,7
4:25 (1)
2384:6
4:30 (1)
2386:1
4:55 (1)
2389:5
40 (2)
2280:19;2297:24
40% (2)
2253:3,24
400 (1)
2394:14
41 (1)
2348:3
417,068.67 (1)

2394:14
417,068.87 (2)
2393:22;2394:21
42 (10)
2178:7,8;2185:7;
2200:11;2202:17;
2229:6;2272:20;
2273:6;2308:15;
2321:3
42% (1)
2253:23
443 (1)
2311:11
447 (1)
2311:12
45 (2)
2171:9,11
47213 (1)
2205:5
47214 (4)
2176:7,18;
2191:15;2204:3
47216 (2)
2193:18;2205:22
47217 (2)
2194:7;2228:2
47218 (1)
2190:16
492 (1)
2308:2
497 (1)
2308:2
4a (1)
2240:11
4b (4)
2173:8,9;2214:12;
2240:11

5

5 (5)
2240:1;2261:16;
2269:17;2340:1,12
5.96 (2)
2282:9,12
5:00 (1)
2408:9
5:01 (1)
2410:25
50 (4)
2236:24;2280:22;
2281:23;2394:3
50% (2)
2282:3;2394:2
52.76 (3)
2281:15;2330:5;
2409:11
523 (1)
2310:13
525 (4)
2260:6;2325:2;
2328:2;2397:11
53 (2)

2170:13,17
54 (30)
2231:5,8,8,9,13;
2232:25;2291:4;
2293:2,16;2305:17,
23;2306:1,2,3;
2312:13;2326:18;
2336:4;2359:2;
2365:16;2375:2,24;
2377:14;2395:13;
2397:24;2398:14;
2401:15;2404:1;
2406:1;2407:1,25
54A (1)
2291:6
55 (23)
2279:3,6,6,7,18,
24;2291:5;2305:18;
2306:6,9,10,11;
2328:6,8;2335:24;
2362:18,18;2363:15;
2372:24;2374:15;
2376:4;2377:2;
2408:17
550 (1)
2321:13
55A (1)
2291:6
56 (4)
2347:2,5,6;
2350:14
57,914 (1)
2203:9
57914 (1)
2202:23
58% (2)
2254:1,11

6

---

6 (16)
2160:1,7;2241:10;
2267:15,19;2268:2,
24;2269:7;2309:6;
2312:14;2336:21;
2361:4;2377:13;
2391:12;2392:11;
2397:24
60 (1)
2280:19
60% (1)
2356:16
608 (1)
2246:4
61% (1)
2258:17
61893 (1)
2229:10
62 (1)
2205:22
62% (1)
2258:16
62700 (1)

2239:9
62726 (2)
2200:12;2229:8
63% (2)
2258:16;2273:16
64,000 (1)
2273:19
66.2 (1)
2241:16
68 (1)
2171:5
6th (4)
2191:19,22,25;
2192:2

7

---

7 (8)
2171:2;2246:3;
2247:11;2312:13;
2314:11;2326:17;
2381:9,14
70 (5)
2201:22;2202:21,
21;2203:4;2225:22
702 (4)
2307:9;2311:5;
2315:23;2318:12
72 (1)
2225:22
729 (1)
2339:8
74% (1)
2258:16
75 (5)
2216:14;2217:10;
2280:22;2282:10,16
75% (2)
2281:22;2356:15
758 (1)
2310:19
7th (1)
2235:13

8

---

8 (2)
2247:14;2381:9
8.79 (4)
2281:16,20;
2330:7,7
8:00 (1)
2410:22
80 (1)
2282:21
800 (2)
2254:2;2286:1
832 (2)
2254:2,13
85 (2)
2278:5;2282:16
85% (4)
2280:22;2281:10,

10,22
858 (1)
2308:2
87 (1)
2310:4
892 (1)
2309:23
898 (1)
2309:23
899 (1)
2309:23
8c (1)
2246:3
8th (1)
2168:3

9

---

9 (2)
2247:18;2259:4
9.22 (3)
2281:24;2329:23;
2330:7
9.64 (1)
2281:24
9.79 (1)
2282:17
9.96 (1)
2282:17
9:00 (4)
2160:1,7;2384:13;
2410:23
90 (3)
2281:9;2282:9;
2324:2
90% (7)
2258:9;2280:21;
2281:8,8,21;
2282:15,25
90's (1)
2321:13
964 (1)
2308:18
966 (1)
2311:11
97 (1)
2308:16
973 (1)
2308:18
9c (1)
2215:24
9th (9)
2179:9,13;
2181:16;2191:22,22;
2192:3,3,6;2204:9