

Testimony of Dean Foods Company Milk Marketing Order Hearing

Docket No. AO-388-A16, AO-356-A38 and AO-366-A45; DA-04-07 Atlanta, Georgia October 7, 2004

Here represent the state of the

Dean Foods owns and operates distributing plants regulated by Federal Milk Marketing Order #5, #6, and #7.

I am appearing today to provide supportive testimony on proposal #1.

We know firsthand the extreme chaos that has resulted from hurricanes Charlie, Frances, Ivan, and Jeanne. Beyond our experiences, our raw milk suppliers have shared with us their experiences dealing with the hurricanes. We believe proposal #1 to be a reasonable solution to the problems created by the hurricanes described by our suppliers.

We acknowledge the proposal calls for a temporary increase in the Class I differentials, something we would normally oppose. This will increase our cost of milk and it is our current belief that we will not be eligible for any reimbursement provided for within the proposal. With this expected outcome, our position of support only comes after careful consideration of the specific details, including the unique situation, level of increase, and dispersal process. We believe proposal number one seems to be a reasonable solution.

We understand the rareness of this request to the Secretary. We believe the Secretary has a very clear grasp of the exceptional situation this region finds itself in with the only similar situation dating back to the 1800's. This is clear by her decision to hold this hearing on such quick notice. We believe the Secretary and her staff should continue to keep this priority status and handle this according to emergency status (7 CFR 900.12(d)). Any delay could only serve as confusion to the marketplace.

I would like to thank the Secretary for expediting the process and urge her to continue to do such using emergency procedures in adopting the reasonable proposal number 1.

Thank you.