

My name is Mark Stoker, spelled S T O K E R. I'm the manager and owner of Stoker Wholesale, Inc. of Burley, ID. Our operation is a third generation family business. We have been involved in the dairy business since the 1940's. Our operation began even before there was a Federal Order in South Central Idaho. When the Southwest Idaho-Eastern Oregon Order went into effect in 1981, we initially was termed a producer-handler. We produced, processed, and marketed the milk production of our own dairy herd. Later, we sold our dairy animals and began a pool distributing plant in what is now called the Western Order. Today we market approximately 1 million pounds of fluid milk products a month. We only package that milk in gallons and half gallons. We distribute mainly to convenience stores because of the desire of the larger processors to keep us out of the grocery store chains.

Since October of 1994, we have had an arrangement to receive our milk supply from Jerome Cheese, a propriety bulk tank handler in the Western Order. This arrangement has worked well for both of us. Jerome Cheese provides us with local, consistent, high quality, and competitive priced milk supply. Jerome Cheese also provides a convenient and competitive outlet for my surplus cream.

I am not an expert on complex Federal orders or complicated market-wide pooling. However, I do understand that proposals 5, 8, 11, and 12, will jeopardize my ability to remain competitive with large processors with whom I compete. I compete for a very small portion of the total market of fluid milk products. But I strongly feel that I am providing local consumers with a local high quality and competitive price alternate product. I feel that providing consumers with alternative choices of dairy products is in the public interest.

Having to pay Class I price is not my main concern. I feel that by paying Class I price, I would have to change the way I market my product by being more aggressive in going after a bigger share of the market in order to stay in business. My concern

is that if a dominant cooperative gets all the market power, the Class I price will not be the only charge. I have had that experience soon after leaving producer-handler status when I started purchasing my milk from a co-op. Although I started paying just Class I price, it soon began to include surcharges, premiums, and added delivery charges. I suppose that all the added cost were decided by that cooperative. Having to pay all those added charges would be devastating to me and to all small entities that are trying to compete. I feel that once a cooperative gets a strong hold in the market place, they will be able to dominant from then on. It can eventually result in far too much monopolistic market power. This does not serve the producers, processors, or consumers in the long run and I feel it is contrary to the public interest.

I have appreciated the opportunity I now enjoy of being to work with Jon Davis at Jerome Cheese. Our arrangement has worked well for both parties. I feel it would be a mistake to take away propriety bulk tank-handler status from Jerome Cheese. My purchases from them have allowed their Grade A producers to participate in the Class I market. I feel we should not be prohibited from continuing our win-win relationship.