EXHIBIT FORTY

Northeast Dairy Foods Association, Inc.

Full Service Trade Association Representing Dairy Processors, Manufacturers and Distributors Since 1928

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To: USDA/AMS/Dairy Programs
1400 Independence Ave., SW
Washington, DC 20250-0225

From: Gary Latta, Director of Industry Relations

Date: May 7, 2009

Subject: Comments at Public Hearing to Discuss Proposed Amendments to the Producer-Handler and Exempt Plant Provisions in All Federal Milk Marketing Orders

I am here today to make comments regarding this Public Hearing to Discuss Proposed Amendments to the Producer-Handler and Exempt Plant Provisions in all Federal Milk Marketing Orders on behalf of the Northeast Dairy Foods Association, Inc. The Northeast Dairy Foods Association, Inc. is a full service member trade association representing dairy processors, manufacturers and distributors doing business in the eight northeast states and in some cases all of the Federal Orders. We have been in existence since 1928 and are headquartered in Syracuse, New York. We have 112 members that include very small Mom and Pop businesses to large national companies. I would like to provide you with the following comments that have been approved by our board of directors.

Our association supports the USDA Federal Milk Market Order (FMMO) system. The Federal Milk Market Orders provide the dairy industry from producer to consumer a program that helps to ensure a viable milk supply at uniform prices for producers with opportunities for processors, manufacturers and distributors to deliver finished dairy goods to retail outlets. It also helps to provide consumers with a stabile variety and availability of quality dairy products at market driven competitive prices.

Whenever there are proposed changes to the FMMO system our association is concerned they could lead to competitive advantages or disadvantages for both dairy producers and for companies in our association. The proposed changes to the Producer-Handler and Exempt Plant Provisions have opened a Pandora's Box.

We do not support changes to the FMMO program when they allow either through intended or unintended regulation the ability of any company to have a disproportionate advantage in either milk procurement or marketplace costs.

We support the growth of any new individual or corporation that enters the dairy industry processing, manufacturing or distribution business. Competition is important for the vitality of any industry and is especially essential for the dairy industry.

The current provision that allows an individual producer-handler to be exempt from the pooling provisions of federal orders is outdated. It has become outdated because of improved dairy technologies and efficiencies that were not present when the provision was originally created. It is our association's position that all processors of milk, cheese, ice cream or any other dairy product who sell into a federal order should participate in the producer payment pool. We do not believe there should be any raw milk payment exemptions or advantages given to any business that competes in the open marketplace. This includes any milk producer who may own a processing or manufacturing plant or those who do operate a plant that do not own their own herds. Although, given the tradition, history, original intent and politics of the current exempt sales regulations we would agree and concede some compromise could be warranted. We would support the current limit of 150,000 pounds of milk that is sold by any type of plant in any Federal Order area to be exempt from pooling. It is our opinion the 150,000 lbs limit should not be exceeded and this is especially true for the Northeast Order 1 for the following reasons.

The Northeast Order by far has the largest number of producer-handlers and exempt plants in the nation. For March 2009 there were 13 producer-handlers in the Northeast order and 39 exempt plants. In all Federal Orders there were 37 producer-handlers and 110 exempt plants. This means the Northeast Order has 35% of the producer-handlers and 33% of the entire exempt plants alone.

If you look at the attached map and location index of the Northeast Marketing Area Pool Handler Locations, Feb. 2009, you will notice I've highlighted the widely-dispersed locations of producer-handlers in pink and exempt plants in blue. These companies are located all throughout the Northeast Order 1 and are successfully competing in the marketplace with traditional handlers. They have the opportunity to sell to both large and small customers and in large and small population centers unlike other Orders where their territory is much larger with much less population.

I would like to provide you with some basic statistics that will support our position.

- Producer-Handler sales volume in the eight orders reported by USDA shows an increase from 2002 of 298.6 million pounds up to a 2008 figure of 475.0 mil. lbs pounds. This is an increase of 176.4 million pounds, nearly 60% in just six years.

- Exempt distributor's sales volume has increased from 74.2 million pounds up to 89.0 million pounds over the same period. An increase of 14.8 million pounds and up nearly 20%.

- During this same time of 2002 to 2008, fully regulated pool distributors have seen sales go from 37,466.8 million pounds down to 36,098.4 million pounds. This is a decrease in sales volume of 1,368.4 million pounds, or down nearly 3.7%.

- Total in-area sales were 41,015.0 for the eight orders in 2002. These total in-area sales dropped to 40,701.4 mil lbs in 2008. This is a decrease of 313.6 million pounds, or 0.76%.

- It is clear from this USDA data that while regulated handlers are seeing their sales volume decline, both producer-handlers and exempt distributors are seeing their sales increase. *Please see the attached chart 1.*

Now I would like to provide you with some statistics from the Northeast Order.

- P-H sales have been rising dramatically in the Northeast Order. Since the year 2000, sales of P-H's have gone from 63.5 million pounds up to 131.1 million pounds. This is an increase of 67.6 million pounds. This is more than doubling in 8 years. A 106.5% increase. *See chart 2.*
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- There is no doubt that sales by Producer-Handlers in all Federal Orders has been increasing. Although the number of P-H's has been dropping, the size and sheer sales volume per each P-H has grown dramatically! *See chart 3.*

- The sales of product for exempt plants in the Northeast Order has risen from 2000 from 30.7 million pounds to over 38 million pounds representing 43.5% of the total exempt plant milk sold in the U.S. in 2008. *See chart 4.*

Both producer-handlers and exempt plants have an economic advantage in costs of raw milk procurement. This advantage provides them with a significant head start when competing in the marketplace. Producer-handlers have other advantages such as the ability to balance supplies more easily; they can adjust pricing and promotion with their accounts to increase or decrease sales more quickly. This is oftentimes at the expense of pool participating plants <u>and their producers</u>.

Additionally the buy local, go Green, sustainability movements and similar initiatives are all encouraging consumers to look for locally produced and processed neighborhood supplies of milk and dairy products. These in many cases government sponsored programs allow local producer-handlers and exempt plant companies the ability to have higher wholesale profit margins because of increased local demand for their products.

Another advantage that producer-handlers and exempt plants can secure more quickly and easily, which allows for higher profit margins is the ability to manage the high peaks and low valleys of the FO milk pricing system. As USDA FO prices fluctuate rapidly and dramatically, producer-handlers and exempt plants can maintain a more modest price structure with their customers. They can also adjust their prices more easily because they are vertically integrated as both the producer, processor and distributor.

In its December 14, 2005, recommended decision for the Arizona and Pacific Northwest Markets, USDA stated that, "Review of the intent of the producer-handler provision and the marketing conditions arising from this provision in these orders could warrant finding that the original producer-handler exemption is no longer valid or should be limited to 150,000 pounds per month Class I route disposition limit. We encourage USDA to stand by this statement when making their decision on the proposal at hand.

We strongly encourage USDA to carefully consider the uniqueness of the Northeast Order 1 in its decision to change the producer-handler and exempt plant sales limit requirements. Proximity to easy markets encourages production and sales allowing any company with any scintilla of economic advantage to capture and increase market share at the expense of their competition.

More importantly we are concerned about the viability of the Federal Order system in the northeast should USDA decide to increase the hard cap for sales beyond 150,000 pounds per month to the original proposed limit of 450,000 pounds per month as suggested by the International Dairy Foods Association (IDFA) and the National Milk Producer's Federation (NMPF). Even more drastic would be the decision to allow a hard cap of 3,000,000 pounds per month proposed later by NMPF. Should either of these limits be approved, there is the potential for 42 million pounds more milk to be sold in the marketplace. Assuming most of this was in Class I sales, there is another factor to consider.

Dairy producers who are paid out of a FO pool share equally in the sales value of Class I products. Producer-handlers and exempt plants do not pay the Class I fluid value for the milk they use into the pool. If producer-handlers and some exempt plants are allowed to dramatically increase their sales with new higher caps, this diminishes the pool money allocated to producers being paid out of the pool. It is our association's position and opinion this Class I sales value erosion would be devastating to the dairy producers who fairly participate in the federal order system. It would put pressure on the FO system to adequately achieve its original goals. It would also significantly increase pressure on competing processors and distributors who pay into the pool.

We would encourage USDA to allow government managed and colleges who run dairy farms and a plant serving their own needs to be excluded from any hard cap sales limit.

The difference between Class I and the uniform price provides producer-handlers and exempt plants a huge advantage when competing for wholesale business. The differences as documented by NMPF's Table 1 chart in their original proposal can be as much as $0.15 cents per gallon, depending on the order.

We encourage USDA to use caution in deciding a recommendation for any changes to the producer-handler provisions and exempt plant sales limit status. We continue to urge USDA to move towards any changes and recommendations that apply fairly to all concerned. We discourage any decisions that lead to disorderly marketing.

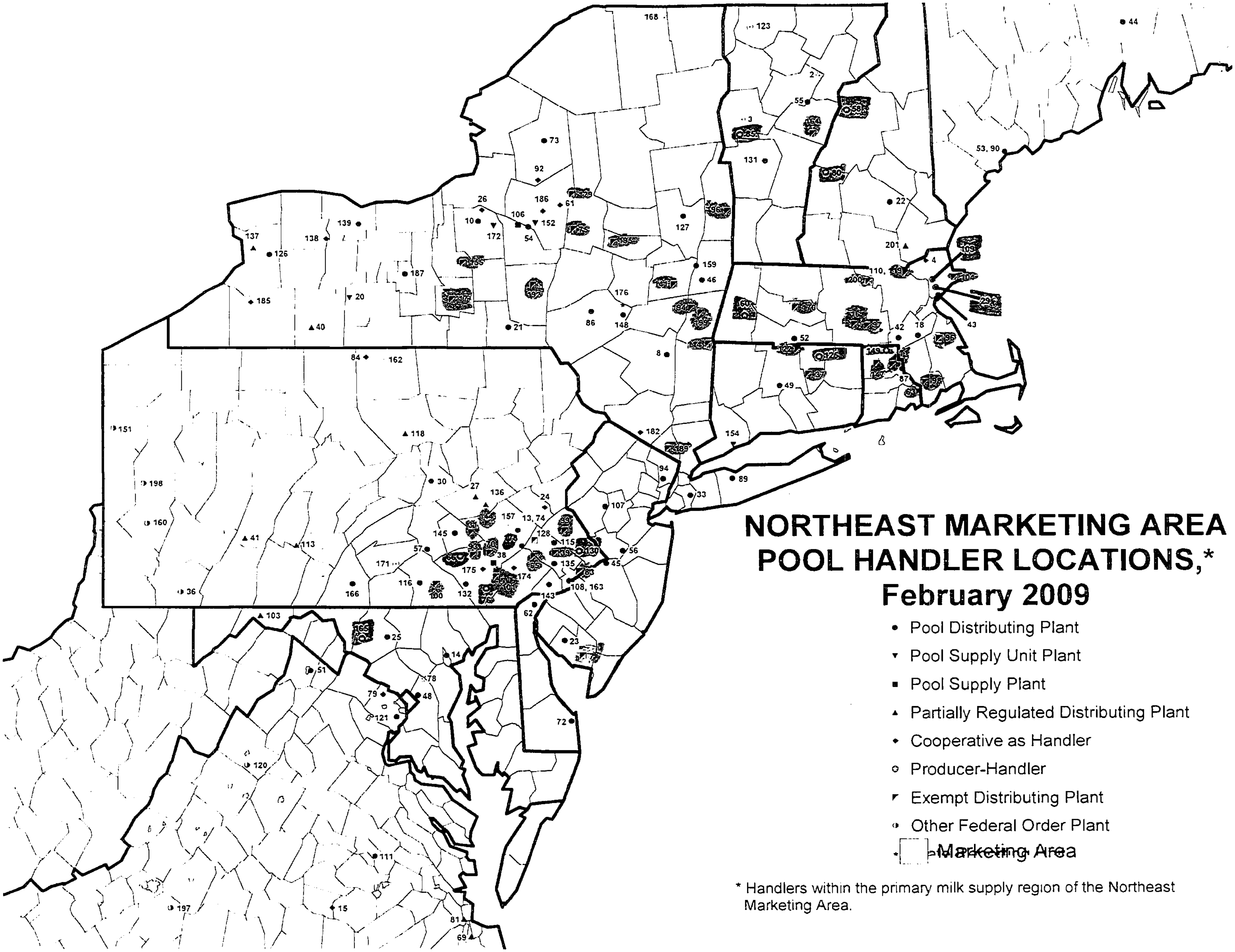
We also encourage USDA to consider allowing the Northeast Order 1 to set a different hard cap on sales of milk by producer-handlers and other smaller exempt plants types in an Order. The Northeast Order has significant differences in geographic size, population and in consideration that we have more widely-dispersed producer-handlers and exempt plants that can quickly influence the marketplace should a significant proposed limit be changed.

Thank you very much for allowing me to provide this testimony today.

Sincerely,

Gary H. Latta

Gary Latta
Director of Industry Relations



NORTHEAST MARKETING AREA POOL HANDLER LOCATIONS,* February 2009

- • Pool Distributing Plant
- ▾ Pool Supply Unit Plant
- ▪ Pool Supply Plant
- ▴ Partially Regulated Distributing Plant
- ◆ Cooperative as Handler
- ○ Producer-Handler
- ◤ Exempt Distributing Plant
- ◑ Other Federal Order Plant
- Marketing Area

* Handlers within the primary milk supply region of the Northeast Marketing Area.

Northeast Marketing Area Pool Handler Locations Index, February 2009

Map Plant No.	Qualified Status*	Plant Name	Plant/Cooperative Location	State	Differential	Adjustment Base Differential
87	PD	A. B. MUNROE DAIRY, INC.	EAST PROVIDENCE	RI	$3.25	$0.00
2	PSS	AGRI-MARK, INC.	CABOT	VT	$2.60	($0.65)
3	PSS	AGRI-MARK, INC.	MIDDLEBURY	VT	$2.60	($0.65)
4	9C	AGRI-MARK, INC.	METHEUN	MA		
168	PSS	AGRI-MARK, INC.	CHATEAUGAY	NY	$2.30	($0.95)
73	PD	AHAVA OF CALIFORNIA LLC DBA NORTH COUNTRY MANUFACTURING	LOWVILLE	NY	$2.30	($0.95)
7	ED	BAYSIDE STATE PRISON	LEESBURG	NJ	$3.05	($0.20)
8	PD	BOICE BROTHERS DAIRY, INC.	KINGSTON	NY	$2.80	($0.45)
186	9C	BOONVILLE FARMS COOPERATIVE, INC.	ROME	NY		
10	PD	BYRNE DAIRY INC.	SYRACUSE	NY	$2.50	($0.75)
187	**PD**	**CASP LLC**	PENN YAN	NY	$2.30	($0.95)
101	ED	CHARLES FARMS, INC. DBA PINE VIEW DAIRY	LANCASTER	PA	$2.90	($0.35)
11	ED	CHRISTIANSEN DAIRY COMPANY	N. PROVIDENCE	RI	$3.25	$0.00
13	PD	CLOVER FARMS DAIRY COMPANY	READING	PA	$2.80	($0.45)
14	PD	CLOVERLAND Farms Dairy	BALTIMORE	MD	$3.00	($0.25)
15	9C	COOPERATIVE MILK PRODUCERS ASSOCIATION	BLACKSTONE	VA		
16	ED	COOPERS HILLTOP FARM	ROCHDALE	MA	$3.10	($0.15)
17	ED	CORNELL UNIVERSITY DEPT. OF FOOD SCIENCE	ITHACA	NY	$2.50	($0.75)
18	PD	CRESCENT RIDGE DAIRY, INC.	SHARON	MA	$3.25	$0.00
20	PU	CROWLEY FOODS DIVISION OF HP HOOD LLC	ARKPORT	NY	$2.30	($0.95)
21	PD	CROWLEY FOODS DIVISION OF HP HOOD LLC	BINGHAMTON	NY	$2.70	($0.55)
108	PD	CROWLEY FOODS DIVISION OF HP HOOD LLC	PHILADELPHIA	PA	$3.05	($0.20)
23	PD	CUMBERLAND DAIRY, INC.	BRIDGETON	NJ	$3.05	($0.20)
24	9C	CUMBERLAND VALLEY MILK PRODUCERS	ALLENTOWN	PA		
25	PD	DAIRY MAID DAIRY, INC.	FREDERICK	MD	$2.90	($0.35)
162	PSS	DAIRY MARKETING SERVICES, LLC	MIDDLEBURY CENTER	PA	$2.50	($0.75)
26	9C	DAIRY MARKETING SERVICES, LLC	SYRACUSE	NY		
157	PSS	DAIRY MARKETING SERVICES, LLC	READING	PA	$2.80	($0.45)
27	PR	DAN-ED CORPORATION, T/A GUERS DAIRY	POTTSVILLE	PA	$2.80	($0.45)
151	OF	DEAN FOODS COMPANY	SHARPSVILLE	PA	$2.10	($1.15)
182	9C	DOWN STATE MILK PRODUCERS COOPERATIVE INC.	WARWICK	NY		
29	PH	DUNAJSKI DAIRY, INC.	PEABODY	MA	$3.25	$0.00
30	PD	DUTCH VALLEY FOOD COMPANY, INC.	SUNBURY	PA	$2.70	($0.55)
31	ED	DUTCHWAY FARM MARKET, INC.	MYERSTOWN	PA	$2.80	($0.45)
33	PD	ELMHURST DAIRY, INC.	JAMAICA	NY	$3.15	($0.10)
97	ED	ELMHURST DAIRY FARMS LLC	MILLBURY	MA	$3.10	($0.15)
192	ED	EVANS FARMHOUSE CREAMERY	NORWICH	NY	$2.50	($0.75)
94	PD	FARMLAND DAIRIES LLC	WALLINGTON	NJ	$3.15	($0.10)
37	ED	FISH FAMILY FARM INC.	BOLTON	CT	$3.15	($0.10)
38	PS	FLEUR DE LAIT FOODS LTD.	NEW HOLLAND	PA	$2.90	($0.35)
39	ED	FREDDY HILL FARMS	LANSDALE	PA	$3.05	($0.20)
163	PD	FRESH MADE, INC.	PHILADELPHIA	PA	$3.05	($0.20)
40	PR	FRIENDSHIP DAIRIES, INC.	FRIENDSHIP	NY	$2.30	($0.95)
41	PR	GALLIKER DAIRY COMPANY	JOHNSTOWN	PA	$2.30	($0.95)
42	PD	GARELICK FARMS, INC.	FRANKLIN	MA	$3.25	$0.00
43	PD	GARELICK FARMS, INC.	LYNN	MA	$3.25	$0.00
44	PD	GARELICK FARMS, INC.	BANGOR	ME	$2.80	($0.45)
45	PD	GARELICK FARMS, INC.	FLORENCE	NJ	$3.05	($0.20)
46	PD	GARELICK FARMS, INC.	EAST GREENBUSH	NY	$2.70	($0.55)
178	PD	GOOD WEST	DOUGLASSVILLE	PA	$2.80	($0.45)
49	PD	GUIDA-SEIBERT DAIRY CO.	NEW BRITAIN	CT	$3.15	($0.10)

*PD = Pool Distributing Plant, PS = Pool Supply Plant, PR = Partially Regulated Distributing Plant, 9C = Cooperative as Handler, PH = Producer-Handler, ED = Exempt Distributing P
OF = Other Federal Order Plant, SRU = State Reporting Unit, PSS = Pool Supply System Plant, PU = Pool Supply Unit Plant.
Monthly changes in bold.

Northeast Marketing Area Pool Handler Locations Index, February 2009 *(Continued)*

Map Plant No.	Qualified Status*	Plant Name	Plant/Cooperative Location	State	Differential	Adjustment Base Differential
194	[redacted]	[redacted]	STUYVESANT FALLS	NY	$2.70	($0.55)
51	PD	HP HOOD LLC	WINCHESTER	VA	$2.80	($0.45)
52	PD	HP HOOD LLC	AGAWAM	MA	$3.00	($0.25)
53	PD	HP HOOD LLC	PORTLAND	ME	$3.00	($0.25)
54	PD	HP HOOD LLC	ONEIDA	NY	$2.50	($0.75)
152	PU	HP HOOD LLC	VERNON	NY	$2.50	($0.75)
55	PD	HP HOOD LLC	BARRE	VT	$2.60	($0.65)
22	PD	HP HOOD LLC	CONCORD	NH	$3.00	($0.25)
56	PD	HALO FARM, INC.	TRENTON	NJ	$3.10	($0.15)
57	PD	HARRISBURG DAIRIES INC	HARRISBURG	PA	$2.80	($0.45)
[redacted]	[redacted]	[redacted]	N. HAVERHILL	NH	$2.60	($0.65)
199	[redacted]	[redacted]	GHENT	NY	$2.70	($0.55)
[redacted]	[redacted]	[redacted]	LEE	MA	$2.80	($0.45)
61	9C	H. P. FARMERS COOPERATIVE, INC.	HOLLAND PATENT	NY		
197	OF	HOMESTEAD CREAMERY	WIRTZ	VA	$2.80	($0.45)
62	PD	HY-POINT DAIRY FARMS, INC.	WILMINGTON	DE	$3.05	($0.20)
63	[redacted]	[redacted]	TIVERTON	RI	$3.25	$0.00
154	PU	KOHLER MIX SPECIALTIES, LLC	NEWINGTON	CT	$3.15	($0.10)
65	[redacted]	[redacted]	SPRING CITY	PA	$3.05	($0.20)
[redacted]	[redacted]	[redacted]	MANHEIM	PA	$2.90	($0.35)
175	9C	LANCASTER ORGANIC FARMERS CO-OP	BIRD IN HAND	PA		
174	9C	LANCO–PENNLAND QUALITY MILK PRODUCERS	HONEY BROOK	PA		
171	PSS	LAND O'LAKES, INC.	CARLISLE	PA	$2.80	($0.45)
69	PR	LAND-O-SUN DAIRIES, LLC	PORTSMOUTH	VA	$3.20	($0.05)
70	[redacted]	[redacted]	NEW HOLLAND	PA	$2.90	($0.35)
72	PD	LEWES DAIRY, INC.	LEWES	DE	$3.05	($0.20)
74	PD	LONGACRE'S MODERN DAIRY, INC.	BARTO	PA	$2.80	($0.45)
75	[redacted]	[redacted]	FRANKFORT	NY	$2.50	($0.75)
[redacted]	[redacted]	[redacted]	QUARRYVILLE	PA	$2.90	($0.35)
170	[redacted]	[redacted]	HADLEY	MA	$3.00	($0.25)
198	OF	MARBURGER FARM DAIRY, INC.	EVANS CITY	PA	$2.10	($1.15)
155	[redacted]	[redacted]	MORAVIA	NY	$2.30	($0.95)
48	PD	MARVA MAID	LANDOVER	MD	$3.00	($0.25)
81	PR	MARVA MAID DAIRY	NEWPORT NEWS	VA	$3.20	($0.05)
78	PSS	MARYLAND AND VIRGINIA MILK PRODUCERS COOPERATIVE, INC.	LAUREL	MD	$3.00	($0.25)
79	9C	MARYLAND AND VIRGINIA MILK PRODUCERS COOPERATIVE, INC.	RESTON	VA		
196	[redacted]	[redacted]	SALEM	NY	$2.60	($0.65)
[redacted]	[redacted]	[redacted]	PLAINFIELD	NH	$2.80	($0.45)
83	[redacted]	[redacted]	LANSDALE	PA	$3.05	($0.20)
84	9C	MIDDLEBURY COOPERATIVE MILK PRODUCERS ASSOCIATION	LITTLE MARSH	PA		
159	PD	MIDLAND FARMS, INC.	MENANDS	NY	$2.70	($0.55)
[redacted]	[redacted]	[redacted]	WEYBRIDGE	VT	$2.60	($0.65)
86	PD	MORNINGSTAR FOODS INC.	FRASER	NY	$2.70	($0.55)
120	OF	MORNINGSTAR FOODS INC.	MT. CRAWFORD	VA	$2.80	($0.45)
89	PD	OAK TREE FARM DAIRY, INC.	EAST NORTHPORT	NY	$3.15	($0.10)
90	PD	OAKHURST DAIRY	PORTLAND	ME	$3.00	($0.25)
92	9C	ONEIDA-LEWIS MILK PRODUCERS COOPERATIVE, INC.	WEST LEYDEN	NY		
93	[redacted]	[redacted]	LITITZ	PA	$2.90	($0.35)
131	PD	ORIN THOMAS AND SONS INCORPORATED DBA THOMAS DAIRY	RUTLAND	VT	$2.60	($0.65)
96	[redacted]	[redacted]	WHITMAN	MA	$3.25	$0.00

*PD = Pool Distributing Plant, PS = Pool Supply Plant, PR = Partially Regulated Distributing Plant, 9C = Cooperative as Handler, PH = Producer-Handler, ED = Exempt Distributing P
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Monthly changes in bold.

Northeast Marketing Area Pool Handler Locations Index, February 2009 *(Continued)*

Map Plant No.	Qualified Status*	Plant Name	Plant/Cooperative Location	State	Differential	Adjustment Base Differential
98	[redacted]	[redacted]	FALL RIVER	MA	$3.25	$0.00
99	[redacted]	[redacted]	PERKASIE	PA	$3.05	($0.20)
100	[redacted]	[redacted]	YORK	PA	$2.90	($0.35)
111	PD	PET DAIRY-RICHMOND	RICHMOND	VA	$3.10	($0.15)
103	PR	POTOMAC FARMS DAIRY	CUMBERLAND	MD	$2.60	($0.65)
104	[redacted]	[redacted]	SALEM	MA	$3.25	$0.00
106	PS	QUEENSBORO FARM PRODUCTS, INC.	CANASTOTA	NY	$2.50	($0.75)
107	PD	READINGTON FARMS, INC.	WHITEHOUSE	NJ	$3.10	($0.15)
109	[redacted]	[redacted]	MIDDLETON	MA	$3.25	$0.00
113	PR	RITCHEY'S DAIRY, INC.	MARTINSBURG	PA	$2.30	($0.95)
114	[redacted]	[redacted]	ANCRAMDALE	NY	$2.70	($0.55)
115	PD	ROSENBERGER'S DAIRIES, LLC	HATFIELD	PA	$3.05	($0.20)
189	[redacted]	[redacted]	SPRING VALLEY	NY	$3.15	($0.10)
116	PD	RUTTER BROS. DAIRY, INC.	YORK	PA	$2.90	($0.35)
147	[redacted]	[redacted]	JOHNSTON	RI	$3.25	$0.00
195	[redacted]	[redacted]	FORT PLAIN	NY	$2.70	($0.55)
118	PR	SCHNEIDER-VALLEY FARMS, INC.	WILLIAMSPORT	PA	$2.50	($0.75)
160	OF	SCHNEIDER'S DAIRY, INC.	PITTSBURGH	PA	$2.10	($1.15)
119	[redacted]	[redacted]	DRACUT	MA	$3.25	$0.00
121	PD	SHENANDOAH'S PRIDE, LLC	SPRINGFIELD	VA	$3.00	($0.25)
122	[redacted]	[redacted]	ENFIELD	CT	$3.15	($0.10)
165	[redacted]	[redacted]	MIDDLETOWN	MD	$2.90	($0.35)
123	PSS	ST. ALBANS COOPERATIVE CREAMERY, INC.	ST. ALBANS	VT	$2.40	($0.85)
185	9C	STEAMBURG MILK PRODUCERS COOPERATIVE, INC.	OTTO	NY		
126	PD	STEUBEN FOODS, INCORPORATED	ELMA	NY	$2.20	($1.05)
127	PD	STEWART'S PROCESSING CORP.	GREENFIELD CENTER	NY	$2.70	($0.55)
200	[redacted]	[redacted]	LUNENBERG	MA	$3.10	($0.15)
201	PR	STONYFIELD FARM INC	LONDONDERRY	NH	$3.00	($0.25)
164	[redacted]	[redacted]	STRAFFORD	VT	$2.60	($0.65)
128	[redacted]	[redacted]	GILBERTSVILLE	PA	$3.05	($0.20)
145	PD	SWISS PREMIUM DAIRY	LEBANON	PA	$2.80	($0.45)
129	[redacted]	[redacted]	REMSEN	NY	$2.50	($0.75)
130	[redacted]	[redacted]	IVYLAND	PA	$3.05	($0.20)
166	PD	TRICKLING SPRINGS CREAMERY LLC	CHAMBERSBURG	PA	$2.80	($0.45)
132	PD	TURKEY HILL DAIRY	CONESTOGA	PA	$2.90	($0.35)
135	PD	TUSCAN/LEHIGH DAIRIES, INC.	LANSDALE	PA	$3.05	($0.20)
136	PR	TUSCAN/LEHIGH DAIRIES, INC.	SCHUYLKILL HAVEN	PA	$2.80	($0.45)
172	PU	ULTRA DAIRY, LLC	EAST SYRACUSE	NY	$2.50	($0.75)
36	OF	UNITED DAIRY, INC.	UNIONTOWN	PA	$2.30	($0.95)
137	PR	UPSTATE FARMS COOPERATIVE, INC.	BUFFALO	NY	$2.20	($1.05)
138	9C	UPSTATE FARMS COOPERATIVE, INC.	LE ROY	NY		
139	PD	UPSTATE FARMS COOPERATIVE, INC.	ROCHESTER	NY	$2.30	($0.95)
141	[redacted]	[redacted]	CLARKSVILLE	NY	$2.70	($0.55)
143	PD	WAWA DAIRY FARMS	WAWA	PA	$3.05	($0.20)
144	[redacted]	[redacted]	BERNVILLE	PA	$2.80	($0.45)
125	[redacted]	[redacted]	STORRS	CT	$3.15	($0.10)
148	PD	WORCESTER CREAMERIES CORP.	ROXBURY	NY	$2.70	($0.55)
176	SRU	WORCESTER CREAMERIES HORIZON MICHIGAN	ROXBURY	NY	$2.70	($0.55)
149	[redacted]	[redacted]	NORTH SMITHFIELD	RI	$3.25	$0.00
193	[redacted]	[redacted]	NEW HOLLAND	PA	$2.90	($0.35)

*PD = Pool Distributing Plant, PS = Pool Supply Plant, PR = Partially Regulated Distributing Plant, 9C = Cooperative as Handler, PH = Producer-Handler, ED = Exempt Distributing P
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Monthly changes in bold.

Annual Route Sales by Handler Type - Eight Orders*

Year	Other Fed Orders#	Partially Regulated	Producer Handler	Exempt Distributors	Sub-total of Non Fully Regulated Handlers	Fully Regulated Pool Distributors	Total In-Area Sales
				million pounds			
2008	3,556.1	482.9	475.0	89.0	[redacted]	36,098.4	[redacted]
2007	3,518.4	436.6	424.0	88.1	[redacted]	36,338.1	[redacted]
2006	3,440.6	474.5	369.2	84.8	[redacted]	36,461.9	[redacted]
2002	2,805.4	370.0	298.6	74.2	[redacted]	37,466.8	[redacted]
Percentage of Sales:							
				percent			
2008	8.7	1.2	1.2	0.2	[redacted]	88.7	[redacted]
2007	8.6	1.1	1.0	0.2	[redacted]	89.1	[redacted]
2006	8.4	1.2	0.9	0.2	[redacted]	89.3	[redacted]
2002	6.8	0.9	0.7	0.2	[redacted]	91.3	[redacted]
Change in Sales:							
2008-2007	1.1	10.6	12.0	1.0	3.0	-0.7	-0.3
2008-2002	26.8	30.5	59.1	19.9	29.7	-3.7	-0.8
2007-2002	25.4	18.0	42.0	18.7	25.9	-3.0	-0.5

*Represents combined Federal Order data for the Northeast (No. 1), Applachian (No. 5), Florida (No. 6), Southeast (No. 7), Mideast (No. 33), Upper Midwest (No. 30), Central (No. 32), Southwest (No. 126)

CHART 1

Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Producer-Handler, by Order, 2000 - 2008 1/

Order Name	Order Number	2000	2001	2002	2003	2004	2005	2006	2007	2008
						(million pounds)				
Northeast	1	63.5	67.7	69.1	63.6	73.5	66.5	88.9	114.2	131.1
Appalachian	5	3.3	2/	2/	2/	2/	2/	6.8	7.0	5.4
Florida	6	0.0	0.0	0.0	0.0	0.0	2/	2/	2/	2/
Southeast	7	0.0	0.0	0.0	0.0	0.0	2/	2/	2/	2/
Upper Midwest	30	2/	2.0	2.1	2.0	2.1	3.9	6.5	12.9	18.6
Central	32	106.1	119.2	110.6	105.1	106.5	133.7	126.0	137.8	176.8
Mideast	33	24.2	2/	2/	22.0	2/	2/	2/	67.7	53.5
Pacific Northwest 3/	124	227.3	228.4	219.2	211.1	191.2	217.4	126.1	84.4	79.7
Southwest	126	84.3	94.7	83.8	71.9	62.6	89.2	129.2	143.8	147.8
Arizona-Las Vegas 3/4/	131	2/	2/	2/	2/	2/	2/	2/	2/	2/
Western 5/	135	21.2	21.5	21.5	19.6	4.6				
All Markets Combined		660.1	695.8	708.4	689.3	658.8	744.5	614.0	610.2	654.3

1/ Includes sales in each area by producer-handlers. Sales routes of some handlers may extend outside defined marketing areas; therefore, some in-area sales may be partially estimated.
2/ Data are restricted; pertains to the operation of fewer than three handlers. Data are included in "All Markets Combined" figure.
3/ Effective April 1, 2006, the producer-handler definition provisions of these orders were amended to eliminate the exemption from the pooling and pricing provisions of the orders for producer-handlers with in-area route disposition in excess of 3 million pounds per month.
4/ Effective May 1, 2006, the marketing area for this order was contracted with the removal of Clark County, Nevada. The name of the order was changed from Arizona-Las Vegas to Arizona.
5/ Effective April 1, 2004, the order regulating this marketing area was terminated. Data for 2004 are for January through March.

CHART 2

Information on Producer-Handlers Operating in Federal Milk Order Marketing Areas, Selected Time Periods

Time period	Orders reporting producer-handlers	Percentage of orders reporting producer-handlers 1/	Number of producer handlers	Sales by producer-handlers 2/	Percentage of sales by producer-handlers 3/	Average sales per producer-handler for the time period
	Number	Percent	Number	1,000 pounds	Percent	Pounds
Oct., 1959	38	51.4	348	12,057	1.2	34,645
Oct., 1964	38	50.7	387	24,197	1.7	62,525
Oct., 1969	42	63.6	421	42,554	2.1	100,654
Oct., 1974	40	66.7	333	40,956	1.7	122,990
Oct., 1980	26	55.3	287	41,917	1.6	146,052
Oct., 1987	22	51.2	175	34,951	1.3	199,719
Oct., 1992	19	47.5	137	51,268	1.9	374,219
Dec., 2001 4/	9	81.8	79	55,300	1.7	700,000
Dec., 2008 4/	10	100.0	40	56,883	1.5	1,422,080

1/ Information for the New York-New Jersey order was not available for the Oct., 1959 through Oct., 1974 time periods.

2/ Route sales of packaged fluid milk products in the marketing areas of the reporting orders.

3/ Proportion of total route sales of packaged fluid milk products in the marketing areas of the reporting orders from all sources.

4/ The data for this time period may be affected by the new category of nonpool plant -- exempt plant (volume status)-- that was instituted under Federal milk orders in January 2000. See "Producer-Handlers -- Description".

CHART 3

Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Exempt Handlers, by Order, 2000 - 2008 1/

Order Name	Order Number	2000	2001	2002	2003	2004	2005	2006	2007	2008
						(million pounds)				
Northeast	1	30.7	39.2	40.2	37.5	39.5	36.1	34.0	35.5	38.8
Appalachian	5	2/	2/	2/	4.0	4.5	4.0	2/	2/	2/
Florida	6	2/	2/	2/	2/	2/	2/	2/	2/	2/
Southeast	7	2/	2/	2/	2/	3.1	3.5	3.4	5.3	4.9
Upper Midwest	30	1.4	1.5	1.7	3.1	4.6	5.5	5.2	5.5	7.0
Central	32	6.9	5.7	6.3	6.7	7.1	8.0	9.1	11.4	9.9
Mideast	33	6.7	16.2	16.1	15.1	14.1	16.9	26.3	25.7	25.6
Pacific Northwest	124	2/	2/	2/	2/	2/	2/	2/	2/	2/
Southwest	126	2/	2/	0.0	0.0	0.0	0.0	0.0	0.0	2/
Arizona-Las Vegas 3/	131	2/	2/	2/	2/	2/	2/	2/	2/	0.0
Western 4/	135	2/	2/	2/	2/	2/				
All Markets Combined		51.9	72.6	74.9	73.5	77.0	75.3	82.9	88.4	91.1

1/ Includes sales in each area by exempt handlers. Sales routes of some handlers may extend outside defined marketing areas; therefore, some in-area sales may be partially estimated.
2/ Data are restricted; pertains to the operation of fewer than three handlers. Data are included in "All Markets Combined" figure.
3/ Effective May 1, 2006, the marketing area for this order was contracted with the removal of Clark County, Nevada. The name of the order was changed from Arizona-Las Vegas to Arizona.
4/ Effective April 1, 2004, the order regulating this marketing area was terminated. Data for 2004 are for January through March.

CHART 4

NMPF: Table 1
Selected Annual Price and Pool Statistics for Federal Milk Order Marketing Areas, 2007

															Pkg'd disp., pool plants	
FMMA	Base point	FO	Prod Milk (mil. lbs.)	Cl I PM (mil. lbs.)	Cl I %	Cl II %	Cl III %	Cl IV %	Uniform price	Class I price	Diff. $/cwt.	Diff. $/gal.	Pool Loss of All Cl. I	Dist. plants	Million lbs. per year, all plants	Million lbs. per mo. per plant
Northeast	(Boston)	1	23,040	10,496	46	21	24	9	19.92	21.39	1.47	0.127	-1.23	59	10,521.2	14.9
Appalachian	(Charlotte)	5	5,865	4,120	70	17	5	8	20.36	21.19	0.83	0.072	-1.96	21	4,123.0	16.4
Southeast	(Atlanta)	7	7,521	4,772	63	12	20	5	20.09	21.20	1.11	0.096	-1.93	28	4,799.3	14.3
Florida	(Tampa)	6	3,207	2,604	81	9	5	5	21.29	22.01	0.72	0.062	-3.11	12	2,667.0	18.5
Mideast	(Cleveland)	33	16,268	6,571	40	18	35	7	18.75	20.12	1.37	0.118	-0.93	39	6,451.4	13.8
Upper Midwest	(Chicago)	30	26,490	4,508	17	5	76	2	18.41	19.94	1.53	0.132	-0.31	22	4,412.8	16.7
Central	(Kansas City)	32	11,193	4,345	39	17	32	12	18.67	20.12	1.45	0.125	-0.92	31	4,335.3	11.7
Southwest	(Dallas)	126	9,990	4,161	41	12	35	12	19.35	21.09	1.74	0.150	-1.24	20	4,178.5	17.4
Arizona-Las Vegas	(Phoenix)	131	3,799	1392.5	37	9	28	26	18.95	20.47	1.52	0.131	-0.88	5	1,393.9	23.2
Pacific Northwest	(Seattle)	124	7,036	2,256	32	7	30	31	18.62	20.04	1.42	0.122	-0.67	17	2,219.9	10.9
All Market Average or Total			**114,408**	**45,226**	**40**	**13**	**38**	**9**	**19.19**	**20.81**	**1.32**	**0.113**	**-1.06**	**254**	**45,102.3**	**14.8**

Source: Dairy Market Statistics, Annual Summary, 2007

Source: FMMOS, Ann'l Summ., 2007