EXHIBIT EIGHTY-ONE

USDA Milk Order Hearing on Producer-Handler and Exempt Plants
Cincinnati, Ohio, May 4 - __, 2009.

My name is Gerald Gilbert. I am here to provide some information about Country Morning Farms, a producer-handler business located in Othello, Washington.

Our family moved to Washington in 1958 where we farmed mostly row crops. In 1980 my self, my brothers and a brother in law were all getting out of college and wanted to come back to the farm. This caused a need to expand. At that time there was a dairy for sale and also a small processing plant for sale in our area. My brother in law had a love for, and a background in dairy. My brother wanted to run the processing plant so we bought both of them and started in this business.

When we bought the dairy we had the option to only buy the dairy and sell our milk to a local processing plant, but there was an opportunity to add value to the milk through the processing plant. We were willing to make the investment in time, sweat, and capital to do so.

In 2003 our processing plant caught fire and was destroyed. With some insurance money, a loan from a bank (which was no small task) we converted all of our employees to construction workers and rebuilt. We did have a construction company build the main frame of the building. This enabled us to keep our employees employed. During this time we found a home for our milk in Montana. If we would have taken it to a local dairy they would required a long term contract or would have only paid us a low class price for the milk. We built our new plant with some expansion capabilities. Shortly after we rebuilt we were limited by three-million pound cap on producer-handler monthly volume. Needless to say, our debt load is high.

Country Morning Farms is a very small business operation. We have a total of 38 employees – 11 at our plant, 20 at our dairy, 5 on our farm, and 2 family members. Approximately 27 of these employees and their families live in the small town of Warden, Washington—population about 1750, a fair sized percentage for a little town.

We are unique in the state of Washington in that we are the only plant in the State that takes their product straight from the farm to the consumer bottle without it being mixed and blended with milk from any other farms.

We supply smaller customers or markets, with pricing and service, to which large plants do not aggressively market milk. We are not able to break into large grocery accounts because we are limited to the three million pounds per month. This factor alone keeps us from even trying to enter this market. Our packaged fluid milk market area extends from Seattle to Spokane. We distribute our milk only to distributors who in turn distribute to their customers. We sell only gallon jugs of milk to these distributors. The distributors buy other milk products from other plants. We have two distributors in the Seattle area and one in the Spokane area. At one time we had about eight distributors; but these, too, are a vanishing breed. Most of our distributors' customers are small stores, convenience stores, espresso stands, and some pharmaceutical stores. Our competition in these stores is other independent distributors who get their milk from larger plant operations that do not find it economical to distribute to these small stores.

The major plants in our area are Darigold and Safeway. One smaller plant, Edalene Dairy, probably bottles about 600,000 gallons per month. Darigold, Safeway, and Edalene are our major competitors in supplying dairy products to independent distributors.

We are located in the middle of the State. One of our distributors is 100 miles away, and the other is around 200 miles away. This makes our distribution costs somewhat higher. Processing costs are high for our plant due to our small size. Our cash costs of processing and delivery is approximately $5.11/cwt, with an additional cost of $.1.10/cwt for debt service. This doesn't account for our additional balancing costs. I do not know the operational costs of other plants. I do know that the large plants in our market all have their own blow-molding equipment to make their jugs. We ship our jugs in from a little over 200 miles away. The cost difference is approximately six to eight cents per jug. The other factor is volume. Their massive volumes compared to ours make a huge difference in cost per unit.

We balance our own milk production. In 2008 we bottled 88% of our farm's milk production. Our excess is shipped to a Darigold powder plant about 250 miles away. Darigold used to pay us class IV pricing, but in January 2008 they changed a component pricing formula which dropped the price that we receive for our excess milk. All of our cream is shipped 180 miles away to a Darigold butter plant. At this time there are no other outlets for our excess milk and our cream. The price we were paid for our excess milk in March 2009 was $7.95/cwt. Our transportation cost to get that price was $1.95/cwt.

With our debt load and high cost of production, if we were to loose our producer/handler status neither the dairy nor the plant would survive. According to my estimates, we would have to pay between $50,000 and $60,000 into the pool each month. Of course, if we were not in business, the vendors who supply us would also loose revenue, and the people who work for us would loose their jobs.

In our market, the producer-handler issue was debated and settled with USDA's decision three years ago. It does not need to be, and should not be, changed again.

If the government nevertheless wants to shut down the opportunity for others to enter milk processing business as producer-handlers, it should not at the same time destroy those that have invested time, sweat and capital in the system along with it.

I will do my best to answer your questions.