

Statement of Chester Stoll

My name is Chester Stoll of C/B Stoll Dairy Farm. My address is 6212 Coal Bank Rd., Marshallville, OH 44645. Marshallville is located in eastern Wayne County, approximately 20 miles east of Wooster. I operate a family dairy and cash crop farm operation. My wife Barbara and I have two sons, Ralph and David working with us in our family operation. Ralph is married and has two sons, whom we hope will be interested in continuing our farm operation some time in the future. We milk around 180 cows and farm approximately 800 acres. We have two full-time and two part-time employees. My father and grandfather milked cows on our farm in the 1930s and I took over in 1973. I hope to pass the farm off to my sons and grandsons.

I market my milk through National Farmers Organization. I am presently on the national board of directors and the national dairy committee. I'm on the Ohio NFO state board and Ohio vice-president.

I'm not here to today as an expert in federal orders. I am not here to answer technical questions on federal orders. Please refer any technical questions to our attorney.

I believe the Federal Milk Marketing Order was designed to create a system that allows all producers in a given area to equally share in the returns from all classes of milk. When the system operates correctly, producers that supply a bottling plant and a manufacturing plant both share in the returns from the market. This creates stability in the country, and dairy farmers are not always out shopping for the BEST markets for their milk. Also, the fact that paper milk (milk that is not delivered to a processor) can draw money out of the hands of the producers that supply a market is not right. I do not share any of my other income from my farm operation with someone else from a different state, except for the milk I produce.

The order as it now exists is not working. The order needs to be modified to correct the problem with pooling, depooling and pool riding. In the month of April 2004, we shipped 260,750 pounds of milk and received a -3.78 PPD. Using -3.78PPD I lost \$9,894.15. Using the calculated number from the Federal Order, \$1.66, I lost \$4,305.05 from pooling and depooling. In May 2004, we shipped 257,458 pounds and received a -1.59PPD. Using -1.59PP I lost \$4,093.58. Using the Federal Order of \$0.74, I lost \$1,905.18. Depooling does not cause negative PPDs, but it does increase the severity.

It is my understanding that there is quite a lot of far away milk pooled on the federal order 33 market. But very little of it is actually delivered into the market. I thought we had fixed this problem back in 2001. My cooperative supplies milk to the fluid market. It is not reasonable that federal order 33 farmers should bear the cost when milk from Wisconsin and other states share in our pool, but deliver very little milk.

These issues are costing my farm a lot of money, please consider dealing with these issues in a very timely manner to stop these loses. I would appreciate if the secretary would act upon my concerns stated above with the up most urgency.

