EXHIBIT NO. 20
Metropolitan

RED WILLOW DAIRY
C/o Jim Huffman (owner)
P.O. Box 405
McCook, NE 69001

Submitted 12/7/04 as testimonial for the Milk Market Administrators Hearing.

My name is Jim Huffman. I have been married for 24 years and am the father of 3. I graduated from Cal Poly San Luis Obispo in 1983 with a degree in Agricultural Business Management. I worked as a salesman/nutritionist for a larger feed mill in central California for 7 years. During that time I also started a small dairy, milking 65 cows. I milked in the morning, then went to work all day while my wife fed the cows and calves. Then I milked the second shift after coming home in the evening while my wife fed the cows and calves and the kids. We come from a humble beginning. Through the years we moved several times building and selling dairies. First we were in central Texas, then southwest Nebraska. We have been in the dairy business over 20 years. We now milk 1,500 cows and farm 300 acres. We're proud of the fact that we can employ 14 people and three families.

The reason for me being here today is to voice my disappointment in the way Order 32 is being used from 2000 to the first 10 months of 2004. We have lost an average $1.36/cwt on our PPD. The number of handlers has remained the same, but the volume of milk pooled has diminished from a high in 2002 of 1.5 billion pounds to a low of 948 million pounds, or 40% less.* This number

represents an extreme swing in pounds of milk pooled from one month to the next, representing abuse that has cost me and the other dairymen hundreds of thousands of dollars every year. I do not think the Federal Orders were designed to allow handlers to manipulate the market in such a way that it hurts the very producer that keeps them supplied.

Since 2000 total U.S. production has risen 1%. I highly doubt that Federal Order 32 has seen a reduction in production of 40% or a demand shift of 40% that warrants a change of this magnitude. Pure and simple, the producers within Order 32 are being used by the handlers, and the market administrators are allowing it to continue. Order 32 looks more like ___________than a hitching post for the rest of the country. I'm sure this was not the intention of our Milk Market Administrators, at least I hope not.**

When we made budgets and proposals to our lender, one of the most asked questions that comes up is, "Can we protect our price and lock in some stability?" The average PPD for the first six months of 2004 was -$1.23/cwt. If we look to the CME for Class III contracts for the first 6 months of 2005 we have an average price of $13.38/cwt. If you add the negative $1.23 PPD, you should anticipate locking in a gross pay price of $12.15, not a lot of risk management built into this scenario considering it's a dollar below breakeven, and this is a

Class III price that many dairy economists are touting as a better than average price. (Dairy Today @ Elite Producers)

In closing, I appreciate your time and effort. I'm not an expert in milk markets or how they work, but I do understand when the price I receive for my milk is below the cost of production because of a negative PPD. We can blame whomever we want for the negative numbers, but until the rules are changed, I will most likely continue to struggle with negative PPD's, lost income and wonder why no one cares enough to make a change.

Sincerely,

Jim Huffman

***USDA Dept. of Statistics**

****Milk Market Administrator's office, Lenexa, Kansas**

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December 2, 2004

To Whom It May Concern:

This letter is a statement of fact/opinion in regards to our producers located within Federal Order 32.

The dairy growth in central milk marketing area, Federal Order No. 32, was encouraged by a willingness from the handlers to maintain a steady participation within the order allowing for predictable prices giving dairymen and lending institutions the ability to invest wisely knowing how the markets would react. In much of 2001 - 2003, the dairy industry had experienced financial devastation with 35 year-old historic low prices, increasing capital expenses and gener inflation. The profitability and future of the dairy business in Order 32 is in jeopardy.

With the advent of de-pooling Order 32, our dairymen have l million of dollars that they could ill-afford to lose, after such devastating low prices in 2001 - 200 well below the cost of production), most dairymen had resided in the fact they were going broke and in many cases did. Bankruptcy was many dairymen's only alternative, and we saw a record numb r of bankruptcies filed in 2003. At the same time, handlers and processors were reporting record profits and there was talk of new cheese plants being built within this very order. The spring of 2004 showed signs of price relief, the market had been low for so long production was tight and the prices surged upward giving dairymen a glimmer of hope only to be crushed by outside interest pooling in this market that had previously no interest in being there. So, as the price moved up, the producer price differential (PPD) dropped on class III milk to near zero and then it went negative $4.02 per hundredweight of milk! It seems as though handlers can manipulate the market however they please. And with th help o the federal milk market orders are able to do so at great expense to our dairymen.

This practice of pooling and de-pooling whenever it suits the h ndler is unfair and should be stopped. Otherwise milk should be allowed to travel unrestricted anywh e at any time of the year and abandon the idea of federal orders all together. The idea of federal ord s was to establish a steady and manageable supply of milk, not to use order 32 to be taken ad ntage of the rest of the country. In the summer months, April through September 2004, when milk p es had finally reached prices above the cost of production, Order 32 producers who shipped through airy Farmers of America (DFA) experienced a negative PPD on average of -1.14/cwt. To put this into perspective, a typical new producer (1,500 cows with average production 65 lbs.) would gure to lose $33,345 monthly or a whopping $200,000 each over the summer months. No one can afford this kind of loss and in short order there won't be any producers in Order 32 to abuse. If de-pooling/pooling is left unchecked, it sends a message loud and clear, not just to dairymen but equally as important to the lending institutions, that have stood by hard and fast waiting for a better day.

Sincerely,

Wayne T. Cunningham

Wayne T. Cunningham, C.P.A.
PARTNER
GENSKE, MULDER & CO., LLP
Certified Public Accountants

WTC/ss

Duane F. Ferguson CPA
Accounting and Consulting

November 29, 2004

Federal Order #32 Hearing
To be held December 6, 2004

Gentlemen,

I am writing to discuss the effects on dairy farms in this order of the PPD used in adjusting the milk price they received.

After experiencing the lowest milk prices in thirty years, relief appeared on the horizon last fall. The milk supply was in line with demand and higher prices were on the way. This was short lived due to the negative PPD resulting from the increased prices. Farmers saw their checks reduced starting in October 2003 and this has continued into this year.

The negative adjustments wreak havoc on budgeting and cash flow. How do you budget your cash flow when you can be hit with a negative adjustment totaling over 15% of your calculated gross income? This would be devastating to any operation. And after two lean years for dairy farmers, to have such large adjustments in the spring caused hardship to those farmers trying to recover.

A better plan would be one that averages these adjustments to all producers and creates stability to the farmer.

Respectfully submitted,

Duane Ferguson

Duane F Ferguson, CPA.

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