

BEFORE THE UNITED STATES DEPARTMENT OF AGRICULTURE

In the Matter of:) **DOCKET NO. AO-368-A32;**
MILK IN THE PACIFIC NORTHWEST) **AO-271-A37; DA-03-04**
AND ARIZONA - LAS VEGAS)
MARKETING AREAS)

**INDIVIDUAL AND SUPPLEMENTAL
COMMENTS ON RECOMMENDED DECISION
SUBMITTED BY :**

**EDALEEN DAIRY, LLC
Lynden, WA**

June 13, 2005

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I. Introduction

Edaleen Dairy, LLC is a producer-handler located in Lynden, Washington that has occupied a unique position in the Lynden community for generations. Three representatives of Edaleen testified before the Department in this proceeding and numerous other family members attended the eleven days of hearings or otherwise participated in this process. Edaleen is one of four identified producer handlers in the Pacific Northwest marketing order that would become subject to the pooling and pricing provisions of the order because it has route disposition of more than 3 million pounds per month.

Edaleen's customers expect and enjoy the ability to purchase milk that comes from a single source that can be readily identified. Through its on-farm, retail operation and through other retail outlets and independent distributors, purchasers of Edaleen milk can expect to and do receive the freshest milk of a consistently high quality. Ed and Aileen Brandsma, hence "Ed-Aleen" Dairy, began their producer-handler operation in 1975 with 80 cows. Over the thirty years that they have been in business, the dairy has grown and now provides jobs to their son and two sons-in-law. The hard and honest work of the Brandsmas has built a dairy business recognized in the Lynden and Bellingham area as an asset to the community and as a favorite source for milk and ice cream.

Ed and Aileen's son, Duane Brandsma, is the President of the dairy and is responsible for the processing plant. His brother-in-law, Rob Heerspink, married to Cheryl Brandsma, is responsible for the cattle. Duane's other brother-in-law, Mitch Moorlag, who is married to Karen Brandsma, manages the retail store. Edaleen is a family operation from bottom to top.

The location of the dairy in Lynden, Washington, which is approximately ½ mile from the Canadian border, has allowed Edaleen to provide fresh and wholesome milk to both Americans and

Canadians, many of whom make the trip across the border to buy Edaleen milk.

II. Statement of Impact

If implemented, the proposed rule issued by USDA in the April 13, 2005 Federal Register, will have severe economic consequences for Edaleen Dairy and the people and businesses directly affected by the success of the dairy. Its employees, suppliers, vendors, and the consuming public, will be adversely affected. USDA's Recommended Decision will negatively impact this business and the consequences of USDA's actions cannot be ignored. Among those consequences are the following:

- Edaleen Dairy employs 70 full-time workers. If Edaleen is unable to survive under the parameters of the Recommended Decision as is expected, some or all of those 70 people will lose their jobs.
- Edaleen Dairy pays its employees a living wage and offers retirement and full medical benefit packages to its employees and their families. Stable jobs that provide a living wage are difficult to replace in today's economy. Even if jobs can be temporarily spared, Edaleen will be forced to reduce or eliminate the benefits which it has proudly provided to its employees in the past.
- Edaleen supplies milk to six independent distributors who employ a collective 100 full-time employees.
- Edaleen supports hundreds of local charities each year, including homeless shelters, youth sports, FFA, libraries, church groups, and higher education.

Edaleen currently produces about six million pounds of milk per month only from its own cows. The proposed rule will limit Edaleen to 60% of its current levels. The amount of Edaleen's

pool obligation would likely exceed \$125,000 per month if the production level remains the same. This results in the equivalent of a surcharge of well over one million dollars each year. Alternatively, Edaleen might reduce its herd size by one-third which, will result in negative financial consequences to other businesses in the community which provide products and services to Edaleen, and might cause Edaleen to not distribute through all of its current distributors.

In order to maintain their current volume, Edaleen would need to increase the cost of milk to consumers assuming that the market could bear that increase. This increased cost would translate to lost customers, and the business could fail. Consumers of Edaleen milk have also expressed a strong negative reaction to this action by USDA as expressed in part by the over 5,000 signatures on petitions which have been gathered by Edaleen in the short time since the decision and as further evidenced by the tens of thousands of additional comments and petition signatures received from individuals, many of them consumers of Edaleen and the other two producer-handler participants from the Pacific Northwest.

In today's world, when consumers are so often apathetic, this kind of grassroots reaction is nearly unprecedented. The overwhelming response reflects the loyalty of Edaleen's customers, the fears of consumers worried about increased milk prices and loss of competition in the dairy industry, and their concern that they will lose a choice in purchasing milk that can be controlled from the farm to the shelf. Just a few of the more than 11,000 e-mail comments sent to USDA on this issue are included below. Those selected reflect the loyalty of Edaleen's customers and the desire of consumers that USDA abandon its misguided plan. (The typographical and spelling errors are from customer comments; these excerpts have not been edited or corrected.):

- Edaleen's is the dairy we visit to support local business and enjoy an occasional soft

serve ice cream. I do not believe Edaleen's poses a threat to larger dairies nor takes away a large/significant percent of their market share. Something is wrong when a small local business is singled out by larger competition and the government sides with the big competitors. If money is a problem for the larger competitors, I would suggest a review of how they spend their money - from milk prices to worker's pay to supply costs. That would probably get more money than the money from Edaleen's and other small independent dairies. Please do not penalize Edaleen's for being a successful and lean local dairy.

- After reading the Federal Register on this proposal (in which Edaleen Dairy is misspelled - its NOT Edalene), I find it appalling that the USDA would even consider such a measure. The number of producer-handlers and their share of the market in this region show a declining trend! Furthermore, the share of the market that they do have and their limited distribution capabilities are so minuscule that there is no way they could be in direct competition with a large corporation like Kroger!
- My family goes through four gallons a week in milk. We go to EdAleens dairy on a weekly basis because this is the most affordable milk for us to buy, not to mention it is of the best quality of milk.
- Our local "producer-handler" has been a terrific citizen business, sponsoring many agricultural activities and events. Edaleen Dairy is part of the fabric of Lynden and greater Whatcom County. Everyone has fond memories of getting ice cream on a return trip from Canada. Milk is always fresh and affordable even at local

convenience stores in the area. They sponsor local sports and school activities. They provide products (often at discounts or no cost) to non-profit fundraiser and non-profit charitable or religious events and camps. They provide good employment opportunity to many employees. This is America where people's hard work and creativity are rewarded. They pay lots of property and income taxes. They give back to the community in so many ways. This is a mistake. Another reward to Big Business interests and another step toward honoring Corporations over individuals.

- We are customers of Edaleen Dairy not so much for the price, although it is very fair, but because we love the quality of their dairy products. A drive to the farm is a pleasure, and a consumer can see at a glance that this is a very well run operation. It is assuring to know our milk comes from one source, and that farm is completely accountable for what they produce and we consume. Other farms around the county do not seem to have the dedication to quality of Edaleen Dairy. Please do not restrict consumer choice. Whatcom County is not a big city market, and the opportunity to buy farm producer/processor milk is one of the things that make it special here.
- I have worked for Medosweet farms for two years. My company distributes primarily Edaleen and Smith bros. farms products. Your decision here affects my company, as well as my job with a company that I hope to retire from. I don't want to lose my job because the government wants more money and wants to take away free enterprise.
- My family is trying to make a living in this world where the price of everything keeps rising. I have three young children and milk is very important in their diet. the only way I can continue to provide this in their diet is to buy milk from edaleen's dairy,

every thing else is much too expensive.

III. The Recommended Decision ignores the record evidence and the law.

Edaleen Dairy has participated in the filing of joint exceptions and comments in opposition to the Recommended Decision with two other producer handlers in the Pacific Northwest – Mallorie’s Dairy of Silverton, Oregon and Smith Brothers Farms of Kent, Washington and a producer-handler from the Arizona-Las Vegas Marketing Area, Sarah Farms. As such, Edaleen incorporates and relies on the statements of fact and legal arguments raised in that joint submission as if they were fully rewritten herein.

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CERTIFICATE OF SERVICE

The foregoing Supplemental Comments were served upon the following parties on June 13, 2005, by electronic mail, FedEx Overnight Service, and /or first-class United States Mail service as indicated.

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