

My name is Earl Stitzlein. My address is 8777 T R 461, Loudonville, Ohio 44842. I farm in Northwestern Holmes County, which is located in North Central Ohio, about 20 miles Southwest of this location.

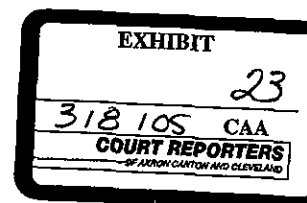
My son and I operate an 80 cow dairy and farm 450 acres. We consider ourselves a family farm as we do the majority of work ourselves with some seasonal and part time help.

I am President of the Independent Milk Producers Association Board which markets our milk through Dairy Marketing Services. I am also on the Mid East American Dairy Association and Dairy Council board of trustees, Town and Country Coop, and Land O'Lakes Ag Region 4 Leadership Council.

I believe the Federal Market Order provides a fair method of distributing the value of milk back to the farms in our Federal Order 33. I also understand that the producer price differential may be a negative when Class III values are higher than Class I in certain instances. But "depooling" when there is a negative Producer Payroll Difference and repooling when it is a positive number lowers our farmers pay price each way.

Last year in Federal Order 33, according to the data provided by the Mideast Market Administrator's office, depooling reduced the producer price difference by \$1.66 in April, \$0.74 in May, and \$0.29 in December. The April \$1.66 was almost 10% of my base price, that was over \$2,500 of income that I didn't receive.

I understand that our manufacturing plants in FO 33 at times need to bring in outside milk to meet their needs, and they should be able to pool the milk brought in, but not all their milk should be able to be pooled, from what I understand is "paper pooling". An example is Wisconsin, which isn't in our FO, is usually 2nd or 3rd in our FO 33 pool, according to our Market Administrator letter, except for the months of April, May, and December when I assume those handlers in Wisconsin "depoled".



I don't have the expertise to know the language of the Federal Order Rules, but I would support the proposals of DFA and the Ohio Dairy Producers to limit the current "paper pooling" and "depooling" that has taken place in the past and probably in the future when the price is to their advantage. I would also encourage the Federal Market Administrator to expedite this as soon as possible as it is my understanding that the other FO 30 and 32 have already done this process and we may bear the brunt of "paper pooling" until our rules are amended.

Thank you for the opportunity to address the concerns of my fellow dairy producers.

Earl M. Stitzlein