## Task Force to Revitalize the Vermont Dairy Industry

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## Questions for Ben and Jerry's

- 1. What is the combined capacity and output of Ben and Jerry's two Vermont plants, in raw milk equivalent.
  - We would prefer the actual figures, as Cabot and Commonwealth provided. In addition
    to allowing us to calculate Vermont's total manufactured dairy products plant capacity,
    the two figures provide verified information as to whether the base VT manufacturing
    firms currently have room for growth or if they might need and benefit from State
    assistance for expansion.
  - The Agency of Agriculture, Food and Markets reported to the Task Force with named firms in various categories. As you are aware, your firm is reported in the 500 10,000 pounds per day category of milk receipts, which equates to 180,000 3.65 million pounds per year. Our plan is to report the State's combined total of manufacturing and processing capacity, without attributed amounts to any firm.
  - Even were someone to go back through and employ Cabot and Commonwealth's additional testimony, there would be no way for someone to determine your figures from the currently available info. We are similarly asking Booth, DFA/St. Albans, and Vermont Creamery for their info, and won't show their actual numbers, either.
- 2. If you are still unable to provide the actual figures under question 1, please provide a useable range of plant capacity, or one that is a closer approximation than the data provided by the Agency. For example, is the combined capacity of Ben and Jerry's two plants 150 200 million pounds per year, 150 250 million pounds per year, 200 300 million pounds per year? Perhaps reference to ranges of other similar industry-wide plants and their size will provide a base point for the range.
- 3. What is the industry generic standard range for how many pounds of premium ice cream can be produced from 100 pounds of raw milk equivalent?
  - Again, this information will be used to calculate the VT industry's total product output in raw milk equivalent. We have the needed info for the industry's other base products of fluid, cheese and yogurt. If you do not wish this info to be included in the report, it would be well hidden in this overall calculation of combined product output. With this in mind, please do the best you can to provide us with a calculation we can use.
- 4. Why do you not buy whole milk, like Commonwealth?
- 5. What, arrangement, if any, do you have with DFA for the skim remainder?
- 6. What thoughts do you have for how the State could help with use of the skim remainder?
- 7. Has Ben and Jerry's given any thought to establishing an OATKA style plant?

- 8. Again only generically speaking, how is the pricing for cream products purchased by a non-pool plant negotiated with a cooperative supplier?
  - You are paying DFA/St. Albans for the cream product, plus handling separation, transport, etc., correct?
  - Is there an annual contract by product pounds, with reference to the Class price and a mover, plus a handling charge? The more info you can provide, the better.
- 9. Please verify that you are also, in effect, making premium payments to the 50 individual farms through the Caring Dairy program, which is only part of the St Albans membership.
  - How does payment under the Caring Dairy program work?
  - Do you pay the farms participating in the Caring Dairy program directly? Or do you pay DFA/St. Albans and they make the payments to the farmers.
  - Is it fair to say that the Caring Dairy payments are what used to be known as farm quality premiums, which are otherwise now very rare in the dairy industry?
  - What is the range of premium payments paid, per cwt?
- 10. What further thoughts do you have as to the value that the "Vermont" brand adds to your product?
  - Have you done any research into the question assessment of grass or water?
  - What can the state do to assist in research and quantifying this value?