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**Nevada State Dairy Commission Public Meeting**

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THE STATE OF NEVADA  
DEPARTMENT OF BUSINESS AND INDUSTRY  
BEFORE THE NEVADA STATE DAIRY COMMISSION

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TRANSCRIPT OF PROCEEDINGS  
PUBLIC MEETING  
VIDEO/AUDIO CONFERENCE

9:00 A.M., WEDNESDAY, NOVEMBER 14, 2012

NEVADA STATE DAIRY COMMISSION

KIETZKE PLAZA

4600 KIETZKE LANE, A-107

RENO, NEVADA

APPEARANCES:

COMMISSIONERS PRESENT:

CHRISTOPHER COOK, Chairman

JOHN COLLIER, Commissioner

TROY CROWTHER, Commissioner

TOM ORZECH, OPERATIONS MANGER

REPORTED BY:

SUZANNE KUES ROWE, CCR, RPR

Nevada CCR #127

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1 acknowledged by the chairman and to identify themselves for the  
2 record.

3 CHAIRMAN COOK: Okay. Would you proceed to the first  
4 agenda item, please?

5 MR. ORZECH: First agenda item is public meeting or  
6 public comments and discussion.

7 CHAIRMAN COOK: Anybody from the public have anything  
8 to say at this point?

9 Okay. Seeing none, we'll proceed to the second agenda  
10 item, please?

11 MR. ORZECH: Item number two for possible action is a  
12 license application. It's license application for Processing  
13 Distributor License for Darigold, Incorporated, Post Office Box  
14 34377 Seattle, Washington, 98124, John Kenley, Assistant General  
15 Counsel.

16 The applicant seeks a license to distribute fluid milk,  
17 fluid cream, yogurt, cottage cheese and butter in the Northern  
18 Nevada Marketing Area. Fluid labels will be Darigold, Great  
19 Value, Cream of Weber and Kirkland Signature.

20 The applicant's prices and costs have been reviewed by  
21 members of the Dairy Commission staff, and are in compliance with  
22 this agency's laws and regulations. The applicant will be  
23 responsible for the assessments.

24 CHAIRMAN COOK: Okay. Is there anybody representing  
25 this applicant present?

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1 MR. ORZECH: (Shakes head negatively.)

2 CHAIRMAN COOK: Doesn't appear to be. Anything the  
3 staff would like to add to this? I'm assuming since it's  
4 Kirkland that they are bottling for Costco.

5 MR. ORZECH: Not at this time they're not.

6 CHAIRMAN COOK: But, they are hopeful in the future?

7 MR. ORZECH: I have no idea of their intention.

8 CHAIRMAN COOK: Is Darigold a label out of the  
9 Washington area?

10 MR. ORZECH: Darigold is a label that's in the Pacific  
11 Northwest, and some of their products do come in here by other  
12 carriers.

13 CHAIRMAN COOK: Okay. This is a rather long way for  
14 them to be shipping product. You just know they are applying for  
15 a license. Do they have any relationships already?

16 MR. ORZECH: Not that I know of.

17 CHAIRMAN COOK: Hmm.

18 MS. PUGH: Their relationships currently are what was  
19 with the Salt Lake City market and Boise. They come down just  
20 right into that Elko area, I think.

21 CHAIRMAN COOK: Okay. All right. Let me ask the  
22 Commissioners if they have questions, and then you can come  
23 forward and offer some things.

24 Troy, do you have any comments or questions?

25 COMMISSIONER CROWTHER: No, I don't.

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1           CHAIRMAN COOK: John?

2           COMMISSIONER COLLIER: I have none.

3           CHAIRMAN COOK: Okay. Is there any comments or  
4 questions from the staff? Comments or questions from the public?

5           MR. WRECK: Yes, sir.

6           CHAIRMAN COOK: Gary, please have a seat and identify  
7 yourself.

8           MR. WRECK: Gary Wreck with Model Dairy.

9           My thoughts on this is these labels that they're asking  
10 a license to represent in the State of Nevada, if indeed they do  
11 get those particular accounts, I mean when you think Great Value,  
12 you think Wal-Mart, and some of these others.

13           And for the Northern Nevada market, if that were to  
14 happen, that would be a huge hit on the Nevada dairymen. That's  
15 about 30 percent of our volume.

16           So, I just, it just seems strange that for something  
17 this large, that they wouldn't even be here to represent  
18 themselves to talk about it.

19           But, it would be of major concern for the Northern  
20 Nevada dairymen, I believe. That was my only comment.

21           CHAIRMAN COOK: Okay. Well, thank you, Gary. Yeah.  
22 That's an interesting observation that they're not here to  
23 represent themselves, and I guess that's one of the things I find  
24 a little troubling too, quite frankly, that if they are applying  
25 for a license, and they are obviously shooting for the Wal-Mart

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1 and the Costco business in the future, then you would think they  
2 would want to have somebody down to explain what their actions  
3 are.

4 I wonder, would it be possible to table this until the  
5 next meeting and hopefully contact them and ask them to have  
6 somebody here?

7 MR. ORZECH: As you know, when we changed that rule,  
8 you do have the authorization to require them to attend, so that  
9 would be, again, up to the commission.

10 CHAIRMAN COOK: Yeah. I would like to know what their  
11 intentions are, quite frankly, and since they're not, obviously  
12 not taking any Nevada milk and it's not being bottled locally,  
13 the impact that they could have on our area is significant.

14 So, I think we need to have somebody here representing  
15 this company so we can find out what their intentions are. So,  
16 would you concur, Troy?

17 COMMISSIONER CROWTHER: I concur. I would like to  
18 additionally see what, I mean it was indicated that there could  
19 be a significant impact. I'd like to get that quantified a  
20 little bit, just to see what, I think you mentioned 30 percent,  
21 is that what the amount was?

22 CHAIRMAN COOK: Gary, why don't you come back up here.

23 MR. WRECK: Yes, sir. Approximately. Approximately 30  
24 percent of the volume, retail volume through our facility is  
25 Great Value milk, which is specifically Wal-Mart. Of course

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1 Kirkland.

2 COMMISSIONER CROWTHER: Is that 30 percent right now  
3 coming from Nevada producers?

4 MR. WRECK: Yes, it is. A hundred percent of the milk  
5 that we pack here at Model Dairy is Nevada milk.

6 COMMISSIONER CROWTHER: Yeah, I'd like to know if  
7 there's any way to check those numbers and see if that indeed is.

8 CHAIRMAN COOK: Are you still, is Model still bottling  
9 for Kirkland?

10 MR. WRECK: No, we're not.

11 CHAIRMAN COOK: So, you're just doing the Great Value?

12 MR. WRECK: My understanding is that milk is still  
13 coming out of what used to be Country Classic and is now Darigold  
14 out of Great Falls, or Bozeman, Montana.

15 CHAIRMAN COOK: The Kirkland?

16 MR. WRECK: The Kirkland. That may have changed, but  
17 that's where it was coming from, when Darigold purchased that  
18 plant in Bozeman, they were doing the Kirkland label.

19 CHAIRMAN COOK: Okay. So, they already have a foot  
20 hold here.

21 MR. WRECK: They do.

22 COMMISSIONER CROWTHER: I think another reason to table  
23 this is because we don't have our legal counsel with us, and I  
24 would be interested to see what an impact like this has regarding  
25 the statute for us to protect the viability of Nevada producers



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1 and processors.

2 CHAIRMAN COOK: We now have legal counsel with us.

3 COMMISSIONER CROWTHER: Okay. Right on queue.

4 MR. GOEDERT: Boy, that scares me.

5 CHAIRMAN COOK: Well, if you will take a moment and  
6 read agenda item number two.

7 We have just been informed that the impact of this on  
8 the local dairymen could impact as much as 30 percent of the milk  
9 production coming out of Fallon because of the Darigold people.

10 They're not currently marketing in this area, other  
11 than some individual products, but they are apparently laying the  
12 ground work for making a move into Northern Nevada.

13 COMMISSIONER COLLIER: Could I ask a question of our  
14 guest?

15 CHAIRMAN COOK: Certainly.

16 COMMISSIONER COLLIER: How did you determine 30 percent  
17 of the market share would go to these guys?

18 MR. WRECK: If they were successful in getting the  
19 Great Value slash Wal-Mart private label business.

20 COMMISSIONER COLLIER: Accounts.

21 MR. WRECK: Approximately. That would also be, Sam's  
22 Club, is approximately 30 percent of the volume, retail volume  
23 that we do.

24 Now, I can get you exact numbers.

25 COMMISSIONER COLLIER: Is that both Southern and

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1 Northern Nevada?

2 MR. WRECK: No. Just Northern Nevada.

3 CHAIRMAN COOK: No, they are just applying for the  
4 north.

5 COMMISSIONER COLLIER: I see. Where is that line  
6 drawn, is it drawn in Tonopah?

7 MR. WRECK: That's as far as we go, Tonopah. Scolari's  
8 in Tonopah is as far as we go.

9 CHAIRMAN COOK: So, anyhow, Warren's here, Troy, if you  
10 want to.

11 COMMISSIONER CROWTHER: So, the question is, if indeed,  
12 one thing that I have asked is that we determine the real impact.  
13 Is it 30 percent, a potential 30 percent? Is that the upper end  
14 or, you know, how accurate is that?

15 And the other thing is, if indeed it is 30 percent,  
16 does that fall within the guidelines that we have to protect the  
17 viability of the milk industry in Nevada in order to not approve  
18 something like that?

19 Do we have a responsibility not to approve it if indeed  
20 it would impact the Nevada producers and processors that  
21 significantly?

22 MR. GOEDERT: Are they going to be selling below their  
23 cost? Or above their cost?

24 COMMISSIONER CROWTHER: Well, according to this, their  
25 prices and costs have already been reviewed by staff and they

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1 fall within the guidelines.

2 MR. GOEDERT: So, they are basically making sales that  
3 are above -- excuse me. That are below their cost?

4 MS. PUGH: No.

5 COMMISSIONER CROWTHER: No, according to the agenda  
6 item, their sales are in line with the statute. They qualify.  
7 They're not selling below cost.

8 MR. ORZECH: Yeah. And the question is, what Troy is  
9 wondering, it's not the cost, is they're looking to obtain a  
10 license here. The labels that they have asked for are labels  
11 that are the labels for Wal-Mart and Costco. They currently do  
12 not have the Wal-Mart business.

13 And so what Gary was saying, from what it appears on  
14 this though, we don't have them here to answer what they're  
15 looking to do is to come into the market here. They're coming  
16 in, they're looking for that label.

17 And should they get that label, they're going to then  
18 pull 30 percent of the production away from Model right away.

19 And so the question that Troy, I believe, was looking  
20 for, was does that, if they're going to pull, if they're looking  
21 to pull 30 percent of the market, is that enough for us to say,  
22 no, we're not going to give you the license.

23 Am I right, Troy, is that what you're looking, is that  
24 a --

25 COMMISSIONER CROWTHER: That's correct. Did that have

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1 a significant enough impact on the, at least the Northern Nevada  
2 milk, you know, the viability of not only the processor but the  
3 producers, since they all, apparently, since that's where Model  
4 gets all their milk, does it have enough of an impact that we  
5 should at least spend a little more time examining it to see if  
6 it should not be approved.

7 CHAIRMAN COOK: Warren, maybe you can not answer that  
8 right now. I don't want to put you on the spot without having  
9 examined the statutes.

10 We've already talked about tabling it, but that's  
11 something that I'd like to, for our next meeting, have a better  
12 understanding of.

13 MR. GOEDERT: It was a little bit different than what I  
14 thought I was going to be walking into today, but.

15 CHAIRMAN COOK: Sorry to blindside you like that.

16 MR. GOEDERT: Oh, that's okay. That's what I get paid  
17 for.

18 I'd like to have at least until our next meeting to  
19 look at it. It almost feels like someone's trying to corner the  
20 market, to the exclusion of others. And that doesn't make sense  
21 to me.

22 I mean if our other producers and milk people could  
23 compete with putting their products on the shelf too, in  
24 competition with them, that would be different.

25 But, what it sounds to me like they're doing is taking

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1 this market and closing it off to everybody else because of  
2 Costco, and I can't remember who else is in this.

3 CHAIRMAN COOK: Wal-Mart.

4 MR. GOEDERT: Wal-Mart.

5 CHAIRMAN COOK: The Great Value label.

6 MR. GOEDERT: They say we'll take your milk for this,  
7 and we're not going to let anybody else into our store.

8 That doesn't seem quite right to me.

9 CHAIRMAN COOK: We have two comments.

10 Gary, go ahead.

11 MR. WRECK: Just a quick thought on this. And you may  
12 have already looked at it, but if they are going to be shipping  
13 milk five, 600 miles into this area, the cost of freight is  
14 extreme. And my question is, has that been brought into their  
15 cost structure as far as the legal portion of it?

16 It just seems like you're talking 40 to 47 cents a  
17 gallon freight to ship milk that far. That's extreme and that's  
18 going to be very spendy for them to do that. And should that be  
19 part of their cost structure or not?

20 MR. ORZECH: Mr. Chairman, I think I, you know, as we  
21 mentioned, when we changed that regulation, and it does state, as  
22 it states NAC 584.6161, which is a distributor's license  
23 consideration at a public meeting appearance by applicants, since  
24 there are so many questions.

25 The second sentence states, "An applicant is not

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1 required to appear at the meeting unless requested by the  
2 executive director, or a member of the commission, but may appear  
3 to provide additional information relevant to the application."

4           So, my recommendation would be that the item be held  
5 and that a request put in for them to appear at the next meeting  
6 and discuss their application.

7           CHAIRMAN COOK: Yeah. I would think for the benefit of  
8 John, since he doesn't have the institutional memory and  
9 knowledge that some of the rest of us have, about this particular  
10 plant up in Montana, that it would be a good idea to prepare some  
11 background information and prepare a list of questions, and  
12 require somebody from Darigold to be here at the next meeting.

13           Because there are some concerns here. There are some  
14 very serious concerns, if it's going to impact our dairymen and  
15 our local processors to that extent, then I want some answers.

16           And I would, I would make the motion that we table  
17 this, if it requires a motion. If it doesn't, then let's just  
18 decide to table it and not act on it.

19           MS. PUGH: I'd like to add a comment.

20           CHAIRMAN COOK: And, Diana, you had something?

21           MS. PUGH: Diana Pugh, I'm the auditor with the Dairy  
22 Commission. I have worked very closely with John Kenley on  
23 getting this application, and we have actually been working on it  
24 since February.

25           It is a -- it's not really a housekeeping issue. They

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1 currently have a license with Cream of Weber.

2 Darigold purchased Cream of Weber many, a couple of  
3 years ago, actually, and they are dropping the Cream of Weber  
4 name and instead going to carry the Darigold name.

5 Cream of Weber has a processing plant in Salt Lake  
6 City. They have recently closed that plant, and instead they  
7 will be processing the same products that they already processed  
8 and shipped into our state through Salt Lake City, they will be  
9 instead shipping it from Boise.

10 So, they already had the Great Value line, because they  
11 serviced the Wal-Mart in Elko.

12 So, their line right now, and I can't speak for what  
13 their future plans are. I'm just simply letting you know that it  
14 was an issue of moving from Cream Land the name Cream Land to the  
15 name Darigold.

16 And had they not been required to get a whole new  
17 license with the Secretary of State and all of that, they would  
18 have probably continued with their Cream Land license.

19 Because it's just Darigold and the products are going  
20 to be out of Boise. So, I don't know if that answers any  
21 questions, but I'm sure you have more.

22 CHAIRMAN COOK: Is it your opinion then that this does  
23 not represent them laying the groundwork to make an assault on  
24 the Reno Northwestern Nevada market?

25 MS. PUGH: I can't speak to that. I can only tell you

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1 that they were merely trying to change their processing plant  
2 location, and their name.

3 So, I can't speak to what their future plans are or  
4 what they have.

5 CHAIRMAN COOK: But, they were required to do this to  
6 satisfy that relationship in Elko?

7 MS. PUGH: Correct. Yes.

8 CHAIRMAN COOK: Okay.

9 MS. PUGH: Well, they were already servicing Elko under  
10 the Cream of Weber, I'm sorry. Under the Cream of Weber label.

11 CHAIRMAN COOK: But, this is a relicensing, because  
12 they changed the name of the operation?

13 MS. PUGH: Correct. Correct.

14 CHAIRMAN COOK: Okay.

15 MS. PUGH: Because they are dropping Cream of Weber and  
16 carrying only the Dairygold name.

17 CHAIRMAN COOK: Even though it says here that the fluid  
18 labels will be Cream of Weber?

19 MS. PUGH: Well, they don't intend to drop the Cream of  
20 Weber brand, but the Cream of Weber dba.

21 CHAIRMAN COOK: Okay.

22 COMMISSIONER CROWTHER: Let me clarify something if I  
23 may.

24 If they were selling to Elko in the past, you remember  
25 about, I don't know. Five or so years ago, Elko was actually a



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1 different marketing area, if I'm not mistaken. We had Southern  
2 Nevada, Northern Nevada and then we had that section up in  
3 Northeastern Nevada, was the original license for that area, and  
4 not all of Northern Nevada?

5 CHAIRMAN COOK: Well, I think all of those licenses  
6 just morphed into when we got rid of the eastern marketing area,  
7 it morphed into Northern Nevada, right?

8 MR. ORZECH: Yes. That's correct.

9 COMMISSIONER COLLIER: So, they're already here. They,  
10 in essence, have a license to already market in this area.

11 MR. ORZECH: They, actually, are not. Darigold is not  
12 licensed under the State of Nevada under the Dairy Commission.  
13 Darigold doesn't have a Dairy Commission license.

14 COMMISSIONER COLLIER: All they are doing is changing a  
15 corporate name here?

16 MR. ORZECH: They bought a company. So, now what  
17 happens is, if they still want to bring it in the same way, and  
18 use that, because our license is not transferable, I guess.

19 So, when they sold the company, they've got to go and  
20 get a new license. But exactly what the entire package is, I  
21 have no idea.

22 COMMISSIONER COLLIER: Are they, are the current  
23 producers that are providing milk to the current retailers here  
24 in Northern Nevada, do they have contracts already with these  
25 companies? Already set up?

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1           MR. ORZECH: I'm not comfortable answering these  
2 questions for Darigold. I really believe that the company should  
3 be brought in here. I don't believe that the commission staff  
4 should be answering the questions regarding how this company runs  
5 or any of that.

6           I believe that that's laid out in the regs. If those  
7 type of questions need to be answered, I think they should come  
8 in.

9           COMMISSIONER COLLIER: Well, Mr. Chairman, I would  
10 propose that we move on your motion, and I would second your  
11 motion that we table this and we require representatives from  
12 Darigold to come and explain what their purpose of this license  
13 is.

14          CHAIRMAN COOK: Okay. Did we determine if it needs a  
15 motion, or is it something that we can just do?

16          MR. GOEDERT: I think just table it over to the next  
17 meeting.

18          CHAIRMAN COOK: All right. Well, are you comfortable  
19 with that, Troy?

20          COMMISSIONER CROWTHER: I am.

21          CHAIRMAN COOK: Okay.

22          COMMISSIONER CROWTHER: I would however, still, I would  
23 like, especially given the most recent dialog, I would like to  
24 see, you know, if they're already in the state, is there really  
25 going to be an additional 30 percent impact on the processors and

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1 producers.

2           If we're just changing names and not changing product,  
3 that's the amount of product that's coming in.

4           CHAIRMAN COOK: Well, I think that's going to be  
5 determined by whether they want to push into Western Nevada. You  
6 know, if they've been in Eastern Nevada under the Cream of Weber  
7 name, then that, you know, they just took over that relationship.

8           But, if they want to push into the west, that's where,  
9 where the impact starts to come from, and that's where we start  
10 to see the drop offs in volumes that Gary's referring to.

11           MR. WRECK: We can supply you with the actual numbers.  
12 That's not a problem.

13           CHAIRMAN COOK: And, you know --

14           COMMISSIONER CROWTHER: Okay.

15           CHAIRMAN COOK: You don't go back far enough, and I'm  
16 not even sure you do, Tom, but there was an issue in one of the  
17 Vegas meetings when I first got on the commission about that  
18 plant in Montana.

19           MR. ORZECH: There was. I was here.

20           CHAIRMAN COOK: Supplying the Costco's in Southern  
21 Nevada, and there was some serious questions about how they could  
22 afford to ship milk, and we thought that there might have been  
23 some issues with buying Class II milk out of Idaho, bringing it  
24 across state lines. You know, rebottling and processing it as  
25 Class I milk. And then they run a very, very efficient freight

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1 operation.

2 MR. ORZECH: It was aluminium, those aluminium  
3 trailers. They back haul. They are very aggressive about  
4 driving those transportation costs down.

5 So, that was owned by that co-op up there.

6 MR. ORZECH: Country Classics.

7 CHAIRMAN COOK: Country Classics, yeah. Well, let's  
8 table this and see if we can get somebody from Darigold to show  
9 up at the next meeting.

10 MR. ORZECH: Okay.

11 CHAIRMAN COOK: Thank you, Gary. Press on to number  
12 three, please.

13 MR. ORZECH: Agenda item number three is for possible  
14 action License Amendment Application, Processing/Distributor  
15 Peddler Distributor License.

16 Again, this an amendment and it's Meadow Gold Dairy,  
17 6350 East Centennial Parkway, Las Vegas, Nevada. 89115 Steve  
18 Weiland, General Sales Manager.

19 The applicant seeks a license amendment to distribute  
20 the Sprouts and Sun Harvest Dairy labels of fluid milk in the  
21 Southern Nevada Marketing Area.

22 The applicant's prices and costs have been reviewed by  
23 members of the Dairy Commission staff, and are in compliance with  
24 this agency's laws and regulations.

25 The applicant will be responsible for the assessments.

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1           CHAIRMAN COOK: Thank you. Good morning, Steve.

2           MR. WEILAND: Good morning, guys.

3           CHAIRMAN COOK: Would you spell your name? Okay.

4 Never mind. We've got it.

5           Is everything correct in this application as it's been  
6 read?

7           MR. WEILAND: Yes, it is.

8           CHAIRMAN COOK: Any changes that need to be made or  
9 additions?

10           MR. WEILAND: No. We'd just like to say that the first  
11 part of this is, there were a couple of Sunflower stores here in  
12 Las Vegas, and they've sold out to a chain called Sprouts, and  
13 you know, to start out with, they sell a lot of organic milk, so  
14 we will be bringing in the Sprouts label which we will be buying  
15 from Model Dairy to serve organic up here, and then there's a  
16 half gallon line they carry in all their stores in California  
17 called Sun Harvest, they're going to bring that in.

18           The only other thing on here is that we have also put a  
19 bid in to run the Sprouts regular fresh milk in the gallons, and  
20 the half gallon label. We're working on, some more hard work on  
21 getting that. So, that's sort of what we're looking to do.

22           CHAIRMAN COOK: So, at the moment though you are not  
23 bottling it for them; you are just distributing it?

24           THE DEFENDANT: No. At this point they're still, at  
25 this point they're still buying milk from Meadow Gold with their

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1 house label on it, but they want to have their, all of their  
2 stores in California have their own label.

3 They are more of a specialty type market, and they just  
4 want to have their label on the milk.

5 CHAIRMAN COOK: Okay. All right. I have no further  
6 questions. Troy, John, any questions?

7 COMMISSIONER CROWTHER: No.

8 COMMISSIONER COLLIER: No.

9 CHAIRMAN COOK: Okay. No further questions.  
10 Anybody on the staff, comments or questions?

11 Members of the audience? Comments or questions?  
12 Seeing none, I will entertain a motion.

13 COMMISSIONER CROWTHER: Okay. I'll make a motion to  
14 approve the Processing Distributor/Peddler Distributor License  
15 Amendment application by the Meadow Gold Dairy, Las Vegas,  
16 Nevada. To distribute Sprouts and Sun Harvest labels of fluid  
17 milk in the Southern Nevada Marketing Area.

18 COMMISSIONER COLLIER: Mr. Chairman, I'll second that  
19 motion.

20 CHAIRMAN COOK: Okay. We have a motion and a second  
21 and no dissenting votes. The motion carries and the license is  
22 granted. Thank you, Steve.

23 MR. WEILAND: Thanks, guys.

24 MR. ORZECH: Agenda item number four for possible  
25 action is approval of the minutes for the October 17th, 2012

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1 Dairy Commission meeting.

2 The changes were page 16 line 7, change "shoulda" to  
3 "should have."

4 Page 18 line six, remove "he".

5 Page 19 line 19, change "of" to "a", the letter a.

6 Page 36 line two, change "hey," spelled H E Y, to "hay"  
7 H A Y.

8 Page 43 line seven, change probability to probably.

9 Page 49 line 25, change "proally" to "probably". And  
10 those are the only corrections.

11 CHAIRMAN COOK: Okay. Any other corrections anybody  
12 noticed?

13 COMMISSIONER COLLIER: Do we need a motion?

14 CHAIRMAN COOK: We need a motion.

15 COMMISSIONER COLLIER: Mr. Chairman, I move that we  
16 change these line items on our last meeting from October the 17th  
17 to what is indicated in our minutes here.

18 CHAIRMAN COOK: And approve the minutes?

19 MR. ORZECH: And approve the minutes.

20 COMMISSIONER CROWTHER: Second.

21 CHAIRMAN COOK: Okay. A motion and a second to approve  
22 the minutes as submitted, with the corrections noted. And there  
23 being no dissenting votes, the motion carries. The minutes are  
24 approved.

25 MR. ORZECH: Agenda time number five is the staff

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1 report, and it's very short. Our balance carry forward for the  
2 end of October was 436,088.77, which is an increase of 20,507.99  
3 from the end of September.

4 And the new price report is printed and has been handed  
5 out.

6 And that's all I have, Mr. Chairman.

7 CHAIRMAN COOK: Are the margins still running pretty  
8 tight for the producers?

9 MR. ORZECH: It is. In fact, there was a report that I  
10 saw this morning on corn production, which really shows the  
11 margin is still tight. Even though these prices are increased  
12 from over the summer, still very tight.

13 CHAIRMAN COOK: Okay. The next agenda item?

14 MR. ORZECH: Agenda item number six is the legal report  
15 presented by Warren Goedert, Esquire, legal counsel for the Dairy  
16 Commission.

17 MR. GOEDERT: As some of you may know, I have been sort  
18 of out of commission for the last two to three months, with some  
19 medical problems, so I don't have a whole lot to add.

20 It appears to me that I've got some work cut out for  
21 me, however, and I'll try to give you a better answer to things  
22 at the next meeting that we have.

23 CHAIRMAN COOK: Well, welcome back. We hope you're on  
24 the mend.

25 MR. GOEDERT: Well, I glow in the dark.



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1 COMMISSIONER COLLIER: At least your wife can find you.

2 MR. GOEDERT: She knows where I am and she never comes  
3 near me.

4 COMMISSIONER COLLIER: She'll use you as a glow stick  
5 on her next ride.

6 CHAIRMAN COOK: Okay. Next item, please.

7 MR. ORZECH: Agenda time number seven, is consideration  
8 of any other matters related to the dairy industry.

9 CHAIRMAN COOK: Anybody have anything they want to  
10 throw on the table?

11 Commissioners? Staff? Members of the public?

12 MR. ORZECH: Moving on, agenda time number eight is  
13 public comments and discussion.

14 CHAIRMAN COOK: Okay. Public? Comments? Boy this is  
15 going to go down as one of the shorter ones this year.

16 Okay. If there's no other business to be brought  
17 before the commission at this meeting, we will adjourn the  
18 November 14th 2012 meeting of the Nevada State Dairy Commission.

19 (Whereupon proceedings concluded at 9:32 a.m.)

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BOARD SIGNATURE PAGE

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CHRISTOPHER COOK, CHAIRMAN

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JOHN COLLIER, MEMBER

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TROY CROWTHER, MEMBER

