

AMERICAN DAIRY PRODUCTS INSTITUTE

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John R. Mengel
Chief Economist
U.S. Department of Agriculture, Agricultural Marketing Service
Dairy Programs
Office of the Chief Economist
STOP 0229 – Room 2753
1400 Independence Avenue, Southwest
Washington, D.C. 20250-0229

Re: Dairy Product Mandatory Reporting

Docket Nos. AMS-DA-10-0089; DA-11-01 76 Fed. Reg. 34004 (June 10, 2011)

Dear Mr. Mengel:

The American Dairy Products Institute (ADPI) is pleased to submit its comments on the referenced proposed rule implementing the Mandatory Price Reporting Act of 2010. ADPI is the trade association of the leading manufacturers and processors of processed dairy ingredients, including whey and modified whey products, nonfat dry milk, lactose, and other nutritious ingredients derived from milk. Many of our members are subject to the Dairy Product Mandatory Reporting Program and, as such, have a keen interest in any regulations that impact the administration of, and compliance with, the requirements of the Program.

ADPI is a strong supporter of the Program, because it provides widespread access to verified market statistics that are of vital importance to those in the processed dairy products business. Accordingly, ADPI fully supports the goals of the Mandatory Price Reporting Act to charge the Secretary with the development of an electronic reporting system for manufacturers of specified dairy products to report relevant market information that is gathered under the Program. Clearly, only through an electronic reporting scheme will it be possible to collect, compile, and publish the data within the narrow timeframe imposed by the 2010 law.

Furthermore, ADPI fully supports the transfer of the applicable data collection responsibilities from the National Agricultural Statistics Service to the Agricultural Marketing Service. AMS already collects and distributes a broad spectrum of agricultural statistics under a range of USDA programs, and transfer of the data collection responsibilities is a more efficient use of AMS's established expertise and resources.

ADPI's only concern about the proposed regulations relates to the imposition of a Tuesday noon deadline for reporting all covered sales data for the previous week. While the proposed regulations provide some flexibility for adjustment of the due date when Federal holidays fall on a Monday, Tuesday, or Wednesday of a particular week, there are other situations that may arise from time to time at a particular facility that would make compliance with an absolute deadline burdensome, if not impossible. For example, we understand that members often don't receive the sales and pricing information for the previous week until Tuesday afternoon, making a noon deadline impossible to meet. ADPI urges the Agency to broaden the flexibility provided under the proposed regulations beyond the occurrence of a Federal holiday to encompass other situations outside the control of the reporting facility operator.

ADPI is grateful for the opportunity to participate in this proceeding, and stands ready to assist the Agency in the implementation process, as well as to answer any requests for additional information.

Respectfully submitted,

Daniel P. Muga

Daniel P. Meyer Technical Director