

AREA 2

COST REPLACEMENT HEARING DEALER EXHIBITS

MAY 1, 2019

PMMB AREA 2

MAY 1, 2019 COST REPLACEMENT HEARING

INDEX OF EXHIBITS

**Clover Farms Dairy Co., Dean Dairy Holdings LLC dba Swiss Premium Dairy,
Milk Industry Management Corp. T/A Balford Farms, Monroe County Milk Producers Coop Assoc.
dba Pocono Mountain Dairies, Turkey Hill LP dba Turkey Hill Dairy,
Tuscan/Lehigh Dairies, Inc (Schuylkill Haven), Valley Farms Dairy LLC, Wawa Beverage Company**

Exhibit D12 Area 2 Wholesale Prices Compared to Other PMMB Areas

Exhibit D13 Analysis of Delivery Sizes

CONFIDENTIAL – ATTORNEY EYES ONLY

Exhibit D14 Cross Section 2017 Compared to Cross Section 2012

Exhibit D15 Comparison of Delivery Costs

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AREA 2 WHOLESLE PRICES COMPARED TO OTHER PMMB AREAS
2% REDUCED FAT GALLON

Clover Farms Dairy Co., Dean Dairy Holdings LLC dba Swiss Premium Dairy,
Milk Industry Management Corp. T/A Balford Farms, Monroe County Milk Producers Coop Assoc. dba
Pocono Mountain Dairies, Turkey Hill LP dba Turkey Hill Dairy,
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Month	2% Reduced Fat Gallon Wholesale Price						Area 2 Compared to Average to Other Areas		Area 2 Compared to Lowest to Other Areas			
	Area 1	Area 3	Area 4	Area 5	Area 6	Average	Area 2	Area 2 Compared to Average	Area 1, 3, 4, 5 & 6 Highest	Lowest	Area 2 Compared to Lowest	Other Areas
April 2019	3.3706	3.1216	3.1524	3.2164	3.3389	3.2400	2.9606	(0.2794)	3.3706	3.1216	(0.1610)	
April 2018	3.2045	2.9590	2.9861	3.0526	3.1801	3.0765	2.7828	(0.2937)	3.2045	2.9590	(0.1762)	
April 2017	3.4833	3.1926	3.1985	3.2053	3.3895	3.2938	3.0560	(0.2378)	3.4833	3.1926	(0.1366)	
April 2016	3.2798	2.9459	2.9993	2.9583	3.1348	3.0636	2.7941	(0.2695)	3.2798	2.9459	(0.1518)	
April 2015	3.5671	3.1780	3.2144	3.1854	3.3681	3.3026	3.0427	(0.2599)	3.5671	3.1780	(0.1353)	
April 2014	4.0623	3.8712	3.8554	3.9216	4.0091	3.9439	3.8308	(0.1131)	4.0623	3.8554	(0.0246)	
April 2013	3.5967	3.3906	3.4107	3.4291	3.5180	3.4690	3.3554	(0.1136)	3.5967	3.3906	(0.0352)	
April 2012	3.5219	3.2987	3.2951	3.3281	3.3923	3.3672	3.2277	(0.1395)	3.5219	3.2951	(0.0674)	
April 2011	3.7211	3.4496	3.4827	3.4717	3.5334	3.5317	3.4518	(0.0799)	3.7211	3.4496	0.0022	
April 2010	3.2650	2.9882	3.1290	3.0366	3.0830	3.1004	2.9955	(0.1049)	3.2650	2.9882	0.0073	
April 2009	2.9194	2.6764	2.6649	2.7381	2.7480	2.7494	2.6785	(0.0709)	2.9194	2.6649	0.0136	

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ANALYSIS OF DELIVERY SIZES

Clover Farms Dairy Co., Dean Dairy Holdings LLC dba Swiss Premium Dairy,
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 Pocono Mountain Dairies, Turkey Hill LP dba Turkey Hill Dairy,
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	2017 Sales Pounds	Large Format and Tractor Trailer	Small Format	Delivery Cost Per Point
PMMB Area 3 2017	187,252,115 100%	114,081,106 61%	73,171,009 39%	\$ 0.1226
PMMB Area 4 2017	273,884,784 100%	189,679,890 69%	84,204,894 31%	\$ 0.1037
PMMB Area 2 2017	137,880,712 100%	88,847,922 64%	49,032,790 36%	\$ 0.1213
PMMB Area 2 2016	114,490,434 100%	89,200,772 78%	25,289,662 22%	\$ 0.0804

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CROSS SECTION 2017 COMPARED TO CROSS SECTION 2012

Clover Farms Dairy Co., Dean Dairy Holdings LLC dba Swiss Premium Dairy,
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	<u>2017</u>		<u>2012</u>		<u>Change</u>	<u>Percent</u>
<u>Cross-Section Dealers</u>						
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Subtotal	116,424,782	63.2%	140,090,104	67.2%	(23,665,322)	-16.9%
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Cross-Section Total	147,097,980	79.8%	140,090,104	67.2%	7,007,876	5.0%
Other Dealers	37,244,668	20.2%	68,376,772	32.8%	(31,132,104)	-45.5%
Total Area 2 Controlled Sales	184,342,648	100.0%	208,466,876	100.0%	(24,124,228)	-11.6%

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COMAPRISON OF DELIVERY COSTS

Clover Farms Dairy Co., Dean Dairy Holdings LLC dba Swiss Premium Dairy,
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	2017			2016			Increase (Decrease)
	Delivery Costs	Delivery Points	Cost per Point	Delivery Costs	Delivery Points	Cost per Point	
Cross-Section Dealers							
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
2016 Cross-Section	\$5,212,728	62,643,710	\$ 0.0832	\$5,172,203	64,314,042	\$ 0.0804	\$ 0.0028
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Less: Points Purchased from Other Dealers in Cross-Section							
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
Cross-Section Total	\$9,403,729	77,552,454	\$ 0.1213	\$5,172,203	64,314,042	\$ 0.0804	\$ 0.0409