United States Department of Agriculture

Farm and Foreign Agricultural Services

Farm Service Agency

October 22, 2001

Commodity Credit Corporation

Kansas City Commodity Office P.O. Box 419205 Kansas City, Missouri 64141-6205



NOTICE TO THE DAIRY INDUSTRY

SUBJECT:Request for Companies to Field Test the Use of CCC-Owned<br/>Nonfat Dry Milk (NDM) for the Manufacture of Casein or Caseinate

The Commodity Credit Corporation (CCC) requests companies to participate in a field test for converting up to three truckloads (approximately 120,000 pounds total) of NDM per company into edible dry casein or edible dry caseinate. The NDM will be sold "in store" for \$0.10 per pound and the age dates of NDM to be used in this field test will be between 18 and 30 months old.

By agreeing to participate in the field test, CCC will require participants to:

- Pay for transportation costs of NDM from storage facilities.
- Pay for all other costs, such as research and development, production, sales, and distribution of the casein or caseinate.
- Provide written progress reports and a final written report to the Kansas City Commodity Office (KCCO) sharing the manufacturing results, quality analysis by product age, market analysis, and customer comments.

The information provided by participating manufacturers will be held confidential.

CCC will evaluate all field test results. If the conversion of NDM to casein/caseinate provides sufficient benefits, CCC will issue an announcement and invitation to sell NDM on a competitive basis for use in the manufacture of edible dry casein or caseinate.

Requests should provide information regarding the following:

- (1) Name of the company.
- (2) Processing plant location.
- (3) Contact person.

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- (4) Telephone number.
- (5) Timeframes the field test will be conducted.
- (6) Expected end use for the casein/caseinate.

All interested parties should forward a written request no later than 30 days from the issuance of this notice to:

Kansas City Commodity Office Dairy and Domestic Operations Division Stop 8718 P.O. Box 419205 Kansas City, MO 64141-6205

If you have questions, please contact Marlyn Ziegler at 816-926-6620.

/s/ George Aldaya

George Aldaya Director