



HP Hood Inc. • 90 Everett Avenue / Suite 200 • Chelsea, MA 02150-2301 • (617) 887-3000

Mike Suever Remarks
NE Dairy Compact Hearing
Maine -- July 9, 2001

Thank you, I am pleased to be here today with all of you. I am Mike Suever and I am the Vice President of Milk Procurement and Processing at HP Hood. As many of you know – Hood is New England's largest independent dairy manufacturer and has been a common household name for more than 150 years. In fact, Hood has been an important part of the dairy industry here in Maine for more than 80 years.

Today, Hood owns and operates seven dairy manufacturing plants throughout New England, upstate New York and Virginia and employs more than 1300 people.

Hood's Portland, Maine plant is the predominant manufacturer and supplier of Hood brand and private label fluid milk, cream, eggnog, and fruit drinks to retailers, distributors, schools and home delivery customers in Maine and New Hampshire and serves as the distribution point for many other Hood fluid, frozen and cultured and long shelf-life dairy products.

The plant processes about 23 million gallons of milk per year supplied to us by our dairy co-operative, AgriMark. More than 80% of the raw milk received in our Portland plant is from Maine farmers.

Hood has remained competitive in this industry because we work together with our milk suppliers and our customers to ensure the future success of the fluid milk category.

While Hood has experienced great success as an independent dairy, it has truly been a challenging time for our industry – given some of the latest circumstances.

Today's dairy industry leaders across the country are fewer yet – larger – as are suppliers and retail customers – survival in this business, like all manufacturing industries, depends heavily on supply, price and innovation.

For years...the dairy industry has done a remarkable job of taking a “daily harvested agricultural product” subject to ever-changing weather, feed and demand variability and bringing it to retail.

It has done such a good job of dealing with these variables -- that consumers have grown to expect fresh, wholesome milk to be available almost anywhere they shop and at a competitive price.

However, the industry must strike a balance between the needs of each segment of the industry to help ensure the continued availability of this wholesome product. Therefore, it is critical that we preserve competition among our producer/supplier organizations.

At Hood, we continue to compete successfully and remain committed to strengthening this industry. Our commitment is evident through our many new product developments, marketing, consumer outreach and education programs -- all of which emphasize the importance of making dairy products a part of consumers' everyday lifestyles.

We have made several capital improvements in our plants and recently opened a new state-of-the-art UHT manufacturing facility in Winchester, Virginia thanks to the investment and the commitment of Hood's family ownership.

We pride ourselves on our commitment to our suppliers, customers, consumers and their communities -- and our ability to collectively bring wholesome, innovative dairy products to market. And, we will continue to support their efforts to help create the strongest course of action for the future success of the fluid milk category.

But we can't do this alone.

Dairy industry leaders must work together and maintain fair competition -- from producer farm to retail shelf - and ensure our ability to provide milk to the market.

Thank you very much