

Page Dairy Is Sued For \$700,000

Government Claims Figure Represents Debt To Milk Co-Op

The Federal Government is suing Page Dairy Co., of Toledo, to compel payment of more than \$700,000 it claims Page owes for milk purchased in 1970 and 1974.

The sum represents unpaid bills to Milk, Inc., a farmer's cooperative based in Cleveland, and to the federal milk marketing program in northwestern Ohio, according to the lawsuit filed in U.S. District Court.

Henry Page, Jr., president of the dairy company, said today that \$374,000 owed in 1974 represents only a three-week delay in payments for milk. About \$330,000 owed the cooperative for 1970 purchases is part of a larger debt Page has been paying off on an installment basis, Mr. Page said.

Federal regulations for the dairy industry establish uniform prices to the dairy farmer for raw milk and establish rates to be paid by processors for milk processed for drinking and manufactured into dairy products, such as cheese and butter.

Marketing regulations provide for the processor to account to the federal administrator for the quantity of raw milk used and whether it was used for drinking and milk products. The processor then pays the administrator and the administrator pays the producer.

W. M. Costello, Ohio market administrator, said the Page account is the "worst" in his marketing area.

Mr. Page said it is not unusual for payments to be late.

Page Dairy has reached an agreement with Milk, Inc., for payment of the 1970 debt and has lowered the debt from \$500,000 to the \$330,000 figure.

The debt dates back to 1970 because federal regulations changed then, and Ohio processors began paying the federal administrator instead of making direct payments to the cooperatives, Mr. Costello said.

The lawsuit asks for an order for Page to pay off the debt. The case has been assigned to Judge Nicholas Walinski.

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