

**IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
GREENEVILLE DIVISION**

**IN RE: SOUTHEASTERN MILK)
ANTITRUST LITIGATION)
)
)
(THIS DOCUMENT RELATES TO)
all cases to which plaintiffs')
CONSOLIDATED AMENDED)
COMPLAINT RELATES, including¹)
Case Nos. 07-cv-208, 07-cv-248, 07-cv-)
272, 08-cv-12, 08-cv-14, and 08-CV-53.))
)
)
)
)**

**MDL NO: 1899
Case No. 2:08-MD-1000
DEFENDANT GARY HANMAN'S
ANSWER TO PLAINTIFFS'
CONSOLIDATED AMENDED
COMPLAINT
Judge J. Ronnie Greer
Magistrate Judge Dennis H. Inman**

Defendant Gary Hanman (Hanman) makes the following responses to the Consolidated First Amended Complaint ("Complaint").

HANMAN'S RESPONSE TO ALLEGATIONS ABOUT "NATURE OF THE CASE"

1. Hanman admits that the Complaint purports to assert an antitrust claim against him. Hanman denies any other allegation made by paragraph 1.
2. Hanman denies every allegation made by paragraph 2.
3. Hanman denies every allegation made by paragraph 3, including its subparagraphs.
4. Hanman denies every allegation made by paragraph 4.
5. Hanman denies every allegation made by paragraph 5.
6. Hanman denies every allegation made by paragraph 6.

¹ Contrary to the Court's Practice and Procedure Order (Doc. 3), the caption of the Consolidated First Amended Complaint does not identify whether it relates to "ALL CASES" or fewer than all cases consolidated in this proceeding. *Id.* at 3, ¶3. Consequently, Hanman designates this Answer as one intended to apply to all cases governed by the Consolidated First Amended Complaint.

7. Hanman admits that DFA acquired interests in Grade A milk bottling plants after 1998. Hanman denies every other allegation made by paragraph 7.

8. Hanman denies every allegation made by paragraph 8.

9. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 9, so he denies those allegations. Hanman denies every other allegation made by paragraph 9.

10. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 10, so he denies those allegations. Hanman denies every other allegation made by paragraph 10.

11. Hanman admits that plaintiffs purport to bring this action as a class action on behalf of the putative class described in paragraph 11. Hanman denies the claims asserted by the Complaint and any other allegation made by paragraph 11. Hanman further denies that class certification is appropriate.

12. Hanman admits that plaintiffs purport to seek the relief set forth in paragraph 12. Hanman denies that any relief is warranted and any other allegation made by paragraph 12.

13. Paragraph 13 asserts legal conclusions and no response is required to such allegations. To the extent a response is required, Hanman denies the claims asserted by the Complaint any other allegation made by paragraph 13.

14. To the extent that paragraph 14 makes a legal statement about others, Hanman lacks knowledge or information sufficient to admit or deny the allegations. Therefore, he denies such allegations. To the extent that paragraph 14 makes allegations about Hanman, it asserts a legal conclusion to which no response is required.

15. Paragraph 15 asserts legal conclusions about others and no response is required. To the extent a response is required, Hanman lacks knowledge or information sufficient to admit or deny the allegations. Therefore, he denies such allegations.

16. To the extent that paragraph 16 makes allegations against Hanman, he admits that he attended one meeting in Tennessee and that he has communicated via telephone with persons located in Tennessee. Hanman denies every other allegation made by paragraph 16 against him. To the extent that paragraph 16 makes a legal statement about others, no response is required.

17. Paragraph 17 asserts a legal conclusion about venue to which no response is required.

18. Hanman retired from DFA in 2005 and, as a result, he lacks knowledge or information sufficient to admit or deny allegations about the current activities of these entities. Therefore, he denies every such allegation made by paragraph 18. Hanman admits that in the past, DFA marketed fluid Grade A milk in many parts of the United States and that DFA received payments in connection with those sales. Hanman denies that he receives any payments from the sale of fluid Grade A milk across state lines. Hanman lacks knowledge or information sufficient to admit or deny the allegations made about the current activities of other defendants. Therefore, he denies every such allegation made by paragraph 18. The last sentence of paragraph 18 asserts a legal conclusion to which no response is required. To the extent a response is required to that sentence, Hanman denies it and any other allegation made by paragraph 18.

HANMAN'S RESPONSE TO "PARTIES"

Hanman's Response to "Plaintiffs"

19. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 19, so he denies those allegations.

20. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 20, so he denies those allegations.

21. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 21, so he denies those allegations.

22. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 22, so he denies those allegations.

23. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 23, so he denies those allegations.

24. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 24, so he denies those allegations.

25. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 25, so he denies those allegations.

26. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 26, so he denies those allegations.

27. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 27, so he denies those allegations.

28. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 28, so he denies those allegations.

29. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 29, so he denies those allegations.

30. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 30, so he denies those allegations.

31. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 31, so he denies those allegations.

32. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 32, so he denies those allegations.

33. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 33, so he denies those allegations.

Hanman's Response to "Defendants"

34. Hanman retired from DFA in 2005 and therefore, he lacks knowledge about Dean's current activities. Hanman admits that in the past Dean owned interests in fluid Grade A milk processing plants in the southeastern United States. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 34, so he denies those allegations.

35. Hanman retired from DFA in 2005 and therefore, he lacks knowledge or information sufficient to admit or deny the allegations about NDH's current status, so he denies those allegations. Hanman admits that in the past NDH owned interests in fluid Grade A milk processing plants in the southeastern United States. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 35, so he denies those allegations.

36. Hanman admits that in the past DFA was organized as a non-profit corporation pursuant to the laws of the state of Kansas and that its principal place of business was located at 10220 North Ambassador Drive, Kansas City, Missouri 64153. Hanman further admits that in the past DFA's Southeast Council was located at 10411 Cogdill Road, Knoxville,

Tennessee 37932. Hanman retired from DFA in 2005 and therefore, he lacks knowledge or information sufficient to admit or deny the allegations about DFA's current status. Therefore, he denies the other allegations made by the first sentence of paragraph 36. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the second, third, fourth and fifth sentences of paragraph 36, so he denies those allegations. Hanman denies every allegation made by the last sentence of paragraph 36 and any other allegation made by that paragraph.

37. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 37, so he denies those allegations.

38. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 38, so he denies those allegations.

39. Hanman retired from DFA in 2005 and therefore, he lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 39 about Mid-Am's current status. Therefore, he denies those allegations. Hanman admits that in the past Mid-Am was a limited liability corporation, that it was a subsidiary partially owned by DFA, and that it engaged in financing activities in connection with DFA's purchase of interests or investment in dairy plants. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 39, so he denies them.

40. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first two sentences of paragraph 40, so he denies those allegations. Hanman denies every allegation made by the last sentence of paragraph 40 and any other allegation made by that paragraph.

41. Hanman admits the allegations made by the first sentence of paragraph 41 and that he served on the management committee of Dairy Management LLC. Hanman lacks knowledge or information sufficient to admit or deny any other allegations made by the second sentence of paragraph 41, so he denies those allegations. Hanman denies every other allegation made by paragraph 41.

42. Hanman admits that Jerry Bos served as the DFA's Chief Financial Officer from its formation until his retirement from DFA in 2005 and that Mr. Bos served on the management committee of Dairy Management LLC. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the second sentence of paragraph 42, so he denies those allegations. Hanman denies every other allegation made by paragraph 42.

Hanman's Response to "Co-conspirators"

43. Hanman denies every allegation made by paragraph 43.

44. Paragraph 44 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies the claims asserted by the Complaint and therefore he denies every other allegation made by paragraph 44.

45. Hanman denies every allegation made by paragraph 45.

HANMAN'S RESPONSE TO "OVERVIEW OF THE RELEVANT MARKETS"

46. Hanman admits that milk is perishable. Hanman also admits that most dairy cows produce milk every day but lacks information sufficient to admit or deny the other allegations made by the second sentence of paragraph 46, so he denies every other allegation made by that sentence. Hanman further admits, as a general principle, that many dairy farmers milk their cows twice each day and that refrigerated bulk tanks are among the places where Grade A milk is stored. Hanman admits that some Grade A milk bottling plants process, for

human consumption, some of the Grade A milk they receive by placing it in cartons or bottles. The last sentence of paragraph 46 asserts a legal conclusion to which no response is required.

47. Paragraph 47 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies the allegations made by the first and second sentences of paragraph 47 to the extent they are inconsistent with the referenced regulations. Hanman denies every other allegation made by paragraph 47.

48. Paragraph 48 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies the allegations made by paragraph 48 to the extent they are inconsistent with the referenced regulations. Hanman denies any other allegation made by paragraph 48.

49. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 49, so he denies those allegations.

50. Paragraph 50 asserts legal conclusions to which no response is required. To the extent that a response is required, Hanman denies the allegations made by paragraph 50 to the extent that they differ from the regulations described by that paragraph. Hanman lacks knowledge or information sufficient to admit or deny any other allegations made by paragraph 50, so he denies any such allegations.

51. Hanman admits the allegations made by the first sentence of paragraph 51. The other allegations made by paragraph 51 are argument and no response is required to such argument. To the extent that a response is required, Hanman denies the other allegations made by paragraph 51.

52. Hanman admits that seasonal and other variations exist in Grade A milk production and demand. Hanman also admits that Class I utilization can vary from order to

order and that dairy farmers have not distributed themselves evenly throughout the United States. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 52, so he denies them.

53. Hanman denies every allegation made by paragraph 53.

54. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 54, so he denies those allegations. Hanman admits that dairy farmers and cooperatives are free to negotiate prices for milk that exceed the FMMO minimum blend prices, and that some refer to the price above the minimum blend price as the "over order premium." Hanman denies every other allegation made by paragraph 54.

55. Hanman admits that some people use the term "mailbox price" to describe the net price they receive after deduction of certain costs. Hanman denies every other allegation made by paragraph 55.

56. The first sentence of paragraph 56 asserts a legal conclusion to which no response is required. To the extent a response is required to that sentence, Hanman denies it and every other allegation made by paragraph 56.

57. The first sentence of paragraph 57 asserts a legal conclusion to which no response is required. To the extent a response is required to that sentence, Hanman denies it and every other allegation made by paragraph 57.

58. The first sentence of paragraph 58 asserts a legal conclusion to which no response is required. To the extent a response is required to that sentence, Hanman denies it and every other allegation made by paragraph 58.

59. The first sentence of paragraph 59 asserts a legal conclusion to which no response is required. To the extent a response is required to that sentence, Hanman denies it and every other allegation made by paragraph 59.

60. Hanman denies every allegation made by paragraph 60.

HANMAN'S RESPONSE TO "DAIRY FARMERS AND MILK BOTTLERS"

61. Hanman admits that some dairy cooperatives are associations owned by their members who agree to market their dairy products cooperatively. Hanman further admits that while he was employed by DFA, DFA marketed its members' milk and participated in milk marketing agencies. Hanman denies every other allegation made by paragraph 61.

62. Hanman admits the allegations made by the first sentence of paragraph 62. Hanman further admits that some dairy farmers do not join cooperatives and that some people refer to such dairy farmers as "independent dairy farmers." Hanman lacks knowledge or information to admit or deny the other allegations made by paragraph 62, so he denies them.

63. Hanman admits that DFA was the largest dairy cooperative in the country when he retired in 2005. Hanman retired from DFA in 2005 and therefore he lacks knowledge or information sufficient to admit or deny the other allegations about the current activities of DFA made by paragraph 63. Therefore, he denies every other allegation made by paragraph 63.

64. Hanman denies every allegation made by paragraph 64.

65. Hanman admits that there are dairy cooperatives other than DFA and that in the past some of them have marketed milk in the southeastern United States. Hanman lacks knowledge or information sufficient to address the current activities of such dairy cooperatives. Hanman denies every other allegation made by paragraph 65.

66. Hanman admits that fluid Grade A milk is essential to fluid Grade A milk operations. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 66, so he denies them.

67. Hanman denies every allegation made by paragraph 67.

**HANMAN'S RESPONSE TO "DEFENDANTS' DOMINANCE AND PREDATORY
CONDUCT"**

Hanman's Response to "Overview"

68. Hanman denies every allegation made by paragraph 68.

69. Hanman denies every allegation made by paragraph 69.

70. Hanman denies every allegation made by paragraph 70.

Hanman's Response to "Consolidation in the Industry"

71. Hanman admits that DFA was the largest cooperative in the United States at the end of 2000. Hanman denies every other allegation made by the first sentence of paragraph 71. Hanman denies every allegation made by the second sentence of paragraph 71. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the third sentence of paragraph 71, so he denies every allegation made by it. Hanman denies every allegation made by the last sentence of paragraph 71 about DFA's acquisitions during his tenure with DFA. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by the last sentence of paragraph 71 and any other allegation made by that paragraph, so he denies them.

72. Hanman admits that the announcement alleged by the first sentence of paragraph 72 was issued sometime in or around 2001. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the second sentence of paragraph 72, so he denies those allegations. To the extent that the third and fourth sentences of paragraph 72 make

allegations about DFA, Hanman denies those allegations. To the extent paragraph 72 makes allegations about others, Hanman lacks knowledge or information sufficient to admit or deny those allegations, so he denies them. Hanman denies any other allegation made by paragraph 72.

73. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 73, so he denies them. Hanman admits that during his employment with DFA, DFA owned at least a 50% interest in NDH. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 73, so he denies them.

74. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 74, so he denies those allegations.

75. Hanman denies every allegation made by paragraph 75.

76. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 76, so he denies them. Hanman denies every other allegation made by paragraph 76.

77. Hanman denies every allegation made by paragraph 77.

78. Hanman denies every allegation made by paragraph 78.

**Hanman's Response to "Defendants'
Full-Supply Agreements, Foreclosure, and Price Fixing"**

79. Hanman denies every allegation made by paragraph 79.

80. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 80, so he denies those allegations.

81. Hanman denies every allegation made by paragraph 81.

82. Hanman denies every allegation made by paragraph 82.

83. Hanman denies every allegation made by paragraph 83.

84. Hanman denies every allegation made by paragraph 84.

85. Hanman denies every allegation made by paragraph 85.

86. Hanman denies the allegations made by the first sentence of paragraph 86.

Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 86, so he denies those allegations.

87. Hanman denies every allegation made by paragraph 87.

88. Hanman denies every allegation made by paragraph 88.

89. Hanman denies every allegation made by paragraph 89.

90. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 90, so he denies those allegations.

91. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 91, so he denies those allegations.

92. Hanman denies every allegation made by paragraph 92, including its subparagraphs.

93. Hanman denies every allegation made by paragraph 93.

94. Hanman denies every allegation made by paragraph 94.

95. Hanman denies every allegation made by paragraph 95.

96. Hanman denies every allegation made by paragraph 96.

97. Hanman denies every allegation made by paragraph 97.

98. Hanman denies every allegation made by paragraph 98.

99. Hanman lacks knowledge or information sufficient to form a belief about the meaning intended for the allegations made by paragraph 99, so he denies those allegations.

HANMAN'S RESPONSE TO "DFA'S RELATIONSHIP WITH ITS MEMBER DAIRY FARMERS AND TRANSFORMATION INTO A PROCESSOR"

100. Hanman admits the allegations made by the first sentence of paragraph 100. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the second sentence of paragraph 100, so he denies them. Hanman admits that during his employment with DFA, a Membership and Marketing Agreement, among other things, governed the relationship between DFA and some of its members. Hanman admits that some Member Agreements incorporated the by-laws of DFA. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 100, so he denies those allegations.

101. Hanman denies every allegation made by paragraph 101.

102. Hanman admits that DFA acquired interests in some Grade A milk bottlers and that he currently believes that those bottlers included Southern Belle, HP Hood, Turner Holdings, Wilcox Farms, and Melody Farms. Hanman further admits that while he was employed by DFA, DFA acquired interests in companies (or other entities) that manufactured cheese and he currently believes that such companies included DairiConcepts and Dietrich Milk Products. Hanman also admits that DFA acquired an ownership interest in Dairy.com and that during his employment with DFA, DFA acquired certain assets in Borden, a cheese manufacturer. Hanman denies that "DFA's management" acquired any interest in the companies (or other entities) described in paragraph 102 and further denies every other allegation made by the first sentence of paragraph 102. Hanman lacks knowledge or information sufficient to form a belief about the other allegations made by paragraph 102, so he denies every other allegation made by paragraph 102.

103. Hanman admits that Suiza and DFA entered into a joint venture to form the Suiza Dairy Group in or around January 2000, that DFA contributed its share of Southern Foods Group to that joint venture, and that DFA obtained an ownership interest of approximately 33% in the Suiza Dairy Group. Hanman further admits that Pete Schenkel became a member of Dean's Board of Directors and became Vice Chairman of Dean's Board in January 2006, and that Allen Meyer served as Chief Executive Officer of NDH. The other allegations in paragraph 103 are plaintiffs' characterization of agreements memorialized in writing and those written agreements speak for themselves. Therefore, Hanman denies paragraph 103's characterization of those agreements to the extent they differ from the written agreements themselves. Hanman denies every other allegation made by paragraph 103.

104. Hanman denies every allegation made by paragraph 104.

105. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 105, so he denies them.

106. Hanman denies every allegation made by paragraph 106, including its subparagraphs.

107. Hanman admits that SMA was formed to market Grade A milk sold by its members in the southeastern United States. Hanman further admits that at times during his tenure with DFA, Mr. McCloskey held a position or positions with Continental Dairy. Hanman retired from DFA in 2005 and, as a result, he lacks knowledge or information sufficient to form a belief about Mr. Bryant's current affiliation. Therefore, he denies every other allegation contained within the parenthetical included in paragraph 107. Hanman denies every other allegation made by paragraph 107.

108. Hanman denies every allegation made by paragraph 108, including its subparagraphs.

109. Hanman denies every allegation made by paragraph 109.

110. Hanman denies every allegation made by paragraph 110.

111. Hanman denies every allegation made by paragraph 111.

112. Hanman denies every allegation made by paragraph 112.

Hanman's Response to "Concealment and Tolling"

113. Hanman denies every allegation made by paragraph 113.

114. Hanman denies every allegation made by paragraph 114.

HANMAN'S RESPONSE TO "CLASS ACTION ALLEGATIONS"

115. Hanman admits that plaintiffs purport to bring this action as a class action on behalf of the putative class identified in the Complaint. Hanman denies that class certification is appropriate and any other allegation made by paragraph 115.

116. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by the first sentence of paragraph 116, so he denies its allegations. Hanman also lacks knowledge or information sufficient to admit or deny the allegations made by the second sentence of paragraph 116, so he denies those allegations. The last sentence of paragraph 116 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, that class certification is appropriate, and any other allegation made by the last sentence of paragraph 116.

117. Hanman denies every allegation made by paragraph 117, including its subparagraphs.

118. Paragraph 118 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 118.

119. Paragraph 119 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 119.

120. Paragraph 120 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 120.

121. Paragraph 121 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 121.

**HANMAN'S RESPONSE TO "COUNT ONE
SHERMAN ACT SECTION 2 VIOLATION
Conspiracy to Monopolize and Monopsonize"**

122. Hanman incorporates his responses to paragraphs 1 through 99, as set forth in this Answer, as his response to paragraph 122.

123. Hanman denies every allegation made by paragraph 123.

124. Hanman denies every allegation made by paragraph 124.

125. Hanman denies every allegation made by paragraph 125.

126. Hanman denies every allegation made by paragraph 126.

127. Hanman denies every allegation made by paragraph 127.

128. Hanman denies every allegation made by paragraph 128.

129. Paragraph 129 asserts legal conclusions to which no response is required.

To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 129.

130. Hanman admits that plaintiffs purport to seek injunctive relief. Hanman denies any other allegation made by paragraph 130.

**HANMAN'S RESPONSE TO "COUNT TWO
SHERMAN ACT SECTION 2 VIOLATION
Attempt to Monopolize and Monopsonize"**

131. Hanman incorporates his responses to paragraphs 1 through 99 as his response to paragraph 131.

132. Hanman denies the allegations made by the first three sentences of paragraph 132. Hanman lacks knowledge or information sufficient to admit or deny the other allegations made by paragraph 132, so he denies every other allegation made by paragraph 132.

133. Hanman denies every allegation made by paragraph 133.

134. Hanman denies every allegation made by paragraph 134.

135. Hanman denies every allegation made by paragraph 135.

136. Hanman denies every allegation made by paragraph 136.

137. Hanman denies every allegation made by paragraph 137.

138. Hanman denies every allegation made by paragraph 138.

139. Hanman denies every allegation made by paragraph 139.

140. Hanman denies every allegation made by paragraph 140.

141. Hanman admits that plaintiffs seek to recover money damages in this action. Hanman denies every other allegation made by paragraph 141.

142. Hanman admits that plaintiffs purport to seek injunctive relief. Hanman denies any other allegation made by paragraph 142.

**HANMAN'S RESPONSE TO "COUNT THREE
SHERMAN ACT SECTION 2 VIOLATION
Unlawful Monopolization"**

143. Hanman incorporates his responses to paragraphs 1 through 99 of this Answer as his response to paragraph 143.

144. Hanman denies every allegation made by paragraph 144.

145. Hanman denies every allegation made by paragraph 145.

146. Hanman denies every allegation made by paragraph 146.

147. Hanman denies every allegation made by paragraph 147.

148. Hanman admits that plaintiffs purport to recover money damages in this action. Hanman denies every other allegation made by paragraph 148.

149. Hanman admits that plaintiffs purport to seek injunctive relief. Hanman denies any other allegation made by paragraph 149.

**HANMAN'S RESPONSE TO "COUNT FOUR
SHERMAN ACT SECTION 2 VIOLATION
Unlawful Monopsony"**

150. Hanman incorporates his responses to paragraphs 1 through 99 as his response to paragraph 150.

151. Hanman denies every allegation made by paragraph 151.

152. Hanman denies every allegation made by paragraph 152.

153. Hanman denies every allegation made by paragraph 153.

154. Hanman denies every allegation made by paragraph 154.

155. Hanman denies every allegation made by paragraph 155.

156. Hanman denies every allegation made by paragraph 156.

157. Hanman denies every allegation made by paragraph 157.

158. Hanman admits that plaintiffs seek to recover money damages in this action. Hanman denies any other allegation made by paragraph 158.

159. Hanman admits that plaintiffs purport to seek injunctive relief. Hanman denies any other allegation made by paragraph 159.

**HANMAN'S RESPONSE TO "COUNT FIVE
SHERMAN ACT SECTION 1 VIOLATION
Unlawful Conspiracy Among Defendants to Foreclose Competition and Fix Prices"**

160. Hanman incorporates his responses to paragraphs 1 through 99 of this Answer as his response to paragraph 160.

161. Hanman denies every allegation made by paragraph 161.

162. Paragraph 162 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 162.

163. Hanman denies every allegation made by paragraph 163.

164. Hanman denies every allegation made by paragraph 164.

165. Hanman denies every allegation made by paragraph 165.

166. Hanman denies every allegation made by paragraph 166

167. Hanman denies every allegation made by paragraph 167.

168. Hanman denies every allegation made by paragraph 168.

169. Hanman admits that plaintiffs seek to recover money damages in this action. Hanman denies any other allegation made by paragraph 169.

170. Hanman admits that plaintiffs purport to seek injunctive relief. Hanman denies any other allegation made by paragraph 170.

**HANMAN'S RESPONSE TO "COUNT SIX
AGAINST DFA Breach of Contract"**

171. Hanman incorporates his responses to paragraphs 1 through 112 of this Answer as his response to paragraph 171.

172. Hanman retired from DFA in 2005 and thus lacks knowledge or information sufficient to admit or deny allegations about DFA's current practices, as made by paragraph 172. As a result, he denies every allegation made by paragraph 172.

173. Hanman retired from DFA in 2005 and thus lacks knowledge or information sufficient to admit or deny allegations about DFA's current practices, as made by paragraph 173. As a result, he denies every allegation made by paragraph 173.

174. Hanman retired from DFA in 2005 and thus lacks knowledge or information sufficient to admit or deny allegations about DFA's current practices, as made by paragraph 174. As a result, he denies every allegation made by paragraph 174.

175. Hanman retired from DFA in 2005 and thus lacks knowledge or information sufficient to admit or deny allegations about DFA's current practices, as made by paragraph 175. As a result, he denies every allegation made by paragraph 175.

176. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 176, so he denies those allegations.

177. Hanman lacks knowledge or information sufficient to admit or deny the allegations made by paragraph 177, so he denies those allegations.

178. Paragraph 178 asserts legal conclusions to which no response is required. To the extent a response is required, Hanman denies plaintiffs' claims, denies that class certification is appropriate, and denies any other allegation made by paragraph 178.

179. Hanman denies every allegation made by the Complaint not explicitly admitted by this Answer.

Affirmative Defenses

Hanman asserts each of the following defenses to all claims asserted against Hanman. By specifying these defenses, Hanman does not agree or concede that they impose on him the burden of proving any fact, issue, or element of the Complaint's causes of action that otherwise rests with plaintiffs.

FIRST DEFENSE

180. Plaintiffs' Complaint fails to state a claim upon which relief may be granted.

SECOND DEFENSE

181. Plaintiffs have suffered no injury or damages as a result of the conduct alleged in this action.

THIRD DEFENSE

182. Plaintiffs' claims are barred in whole or in part by the doctrine of laches and/or the statute of limitations.

FOURTH DEFENSE

183. Plaintiffs' claims are barred by the immunities and exemptions conferred by the Capper-Volstead Act, 7 U.S.C. §§ 291-292.

FIFTH DEFENSE

184. Plaintiffs' claims are barred by the immunities and exemptions conferred by the filed-rate doctrine.

SIXTH DEFENSE

185. Plaintiffs' claims are barred by the doctrine of unclean hands and/or *in pari delicto*.

SEVENTH DEFENSE

186. Plaintiffs' claims are barred in whole or in part by the doctrines of waiver and estoppel.

EIGHTH DEFENSE

187. Plaintiffs lack standing, including antitrust standing, to bring some or all claims.

NINTH DEFENSE

188. Plaintiffs have not suffered an antitrust injury.

TENTH DEFENSE

189. Plaintiffs' injuries and/or damages were not caused by any of the acts alleged to have been performed by Hanman.

ELEVENTH DEFENSE

190. Any loss was caused by superseding and/or intervening cause(s) and/or the conduct of third parties for whom Hanman is not responsible.

TWELFTH DEFENSE

191. Plaintiffs have failed to mitigate any alleged losses.

THIRTEENTH DEFENSE

192. Plaintiffs fail to plead adequately, and cannot prove the existence of an antitrust conspiracy. To the extent, however, plaintiffs prove the existence of any conspiracy, Hanman's retirement from DFA constituted his withdrawal from any such conspiracy.

FOURTEENTH DEFENSE

193. The Complaint fails to allege that defendant Hanman participated in any inherently wrongful conduct and, therefore, fails to state a claim for individual liability under the antitrust laws.

FIFTEENTH DEFENSE

194. The Complaint fails to give defendant Hanman fair notice of the wrongdoing alleged against him.

SIXTEENTH DEFENSE

195. This action may not be maintained as a class action.

SEVENTEENTH DEFENSE

196. Plaintiffs' claims and those of the putative classes are barred because any alleged injury and any allegations are speculative and cannot be proven on a class wide-basis.

EIGHTEENTH DEFENSE

197. Hanman adopts by reference all other applicable defenses asserted by all other parties.

NINETEENTH DEFENSE

198. Hanman reserves the right to assert any and all other defenses that become available during the course of discovery or trial, including affirmative defenses.

HANMAN'S RESPONSE TO JURY TRIAL DEMAND

Hanman denies that any of plaintiffs' claims should survive summary judgment. To the extent that any do, Hanman demands a trial by jury on any such claim.

HANMAN'S RESPONSE TO "PRAYER FOR RELIEF"

WHEREFORE, defendant Gary Hanman prays that plaintiffs take nothing by their Complaint, that the Court enter judgment in his favor, award him costs and fees incurred in the defense of this action, and order such other relief as the Court deems just and proper.

Dated: July 21, 2008

Respectfully submitted,

PECTOL & MILES

By: /s/Richard Pectol

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Attorneys for Defendant Gary Hanman

CERTIFICATE OF SERVICE

I certify that on the 21st day of July, 2008, a true and correct copy of the foregoing Defendant Hanman's Answer to the Consolidated Amended Complaint was served by operation of the electronic filing system of the U.S. District Court for the Eastern District of Tennessee upon all counsel who have consented to receive notice of filings in the matters styled In re Southeast Milk Antitrust Litigation, MDL No. 1899.

I further certify that on the 21st day of July, 2008, a true and correct copy Consolidated Amended Complaint was served by United States Postal Service upon:

John C. Whitfield
Whitfield & Cox, P.S.C.
29 East Center Street
Madisonville, KY 42431
Counsel for Farrar Plaintiffs

/s/ Daniel D. Crabtree
Attorney for Defendant Gary Hanman