EXHIBIT 5
DATE 2-14-05
HB 521

Grow Montana

Building Montana's Food and Agricultural Economy

Providing a Preference for Montana-Grown or Manufactured Food in State Procurement
HB 521
Sponsored by Rep Kevin Furey

The **Montana Food Preference Act** will encourage state agencies to purchase food produced or manufactured in Montana when comparable in price and quality, and provide a preference for food produced or manufactured in Montana.

Problem
While Montana's food producers and manufacturers produce high quality food, current state procurement law requires state food service operations to accept the lowest bid. Many top-notch producers of Montana's value-added and whole food products do not have the volume to compete on price with the national food service distributors for state food contracts.

Opportunity
Institutions serve over half of the food consumed in Montana, and thus present tremendous market opportunities for Montana farmers, ranchers and food processors. While state public institutions represent only a portion of Montana's institutional food services, the value of their food purchases is large. For example, the UM-Missoula campus alone purchases $2.5 million worth of food each year.

In just the first 18 months of its Farm to College Program, the Missoula campus spent over $250,000 on value-added and fresh food products from Montana producers and processors, including breads, beef, cooking oil, fresh vegetables and fruit. The University Dining Services aims to increase the amount of Montana-produced food in the future that it serves to its students.

Benefits
Economic: Increased competitiveness for Montana food service contracts will provide substantial market and income opportunities for Montana producers and manufacturers of fresh and processed food. Institutional markets, especially for value-added food products, will foster the development and growth of food manufacturing businesses and jobs across the state.

Import-substitution: In-state markets place a bigger share of the consumers' food dollar in the pockets of Montana's farmers, ranchers, agricultural businesses and their employees. These

Letter to legislature:

First of all we would like to apologize for not being able to take the time to present our support in person. We at Bausch Potato Inc., have a full crew on Mondays who depend on making their living supporting their families and we can not be responsible to have them not be working on Mondays. Bausch Potato Inc. is a family owned farm since 1947, located ten miles south of Whitehall. We take great pride in raising each generation of our children in this great agricultural atmosphere and teaching them the way of providing the state with our value-added fresh potato products. We process our potatoes into a fresh packed product of a varity of ways and sizes such as hashbrowns(coarse or fine shred), diced, sliced, wholepeeled and fresh fries. We have been value-added since 1979, and have been struggling with competing with larger, low quality out-of-state companies. We have a great reputation for personal customer service, quality products, guaranteed freshness and prompt weekly and biweekly deliveries. We fully support this House Bill No. 521 and the oppurtunity for small businesses like ourselves to be able to at least present Montana food institutions with high-quality, wholesome, fresh and nutritious value-added products grown in this area. What better way to feed the people of Montana, but by serving them Montana grown food, instead of food shipped in from other states, days and even weeks old with the loss of freshness and nutritional value to them. We need to feed the people foods that can benefit them and let it be known to them, that we care about the quality of food that they consume. We strongly ask that you pass this Bill to benefit the hard working growers and consumers of Montana.

From the owners and employees of Bausch Potato, Inc.

Montana State Legislature

February 12, 2005

Dear Legislators:

My husband, Gary, and I both grew up in Montana, in Butte and Bigfork, respectively. After Gary received his Electrical Engineering degree from MSU, we moved to the Midwest. We enjoyed our time there, but knew that when I finished school, we were headed west. The day after I received my Chemical Engineering degree from Cleveland State, we got into our Ryder truck and headed for California. We would have loved to have been heading for Big Sky country, but what in the world would a couple of engineers do here?

We spent seven years in Napa, California. A beautiful place. We had great jobs. But in 2001 our first child was born. He definitely changed our perspective and our world. We started looking for ways to get back to Montana so we could raise Benjamin where we grew up. We wanted him to grow up with his family near, and we wanted him exposed to the values that we believe are a part of growing up in Montana: a sense of community, a good work ethic, a commitment to helping those around you when they are in need. We just didn't find those same values in any of the places we had lived. After 9/11, going home became an imperative.

Gary's family has owned a cherry orchard on Flathead Lake since 1976. His dad's failing health and untimely death in March of 2002, left his mother alone to care for 10 acres and some 350 trees. We decided that we would come home and take stewardship of the orchard, and see if we couldn't make a go of it. Gary grew up on the orchard and I spent a lot of time on my family's cattle ranch in Divide. I also had become a winemaker since moving to Napa and had been involved in growing wine grapes. We felt we definitely had the background and, more importantly, the incentive to become farmers. In November of 2002 we bought his mother's orchard. By the following October, we were selling fresh fruit and vegetables, along with Cherry Jam, Cherry BBQ Sauce, Dried Cherries, and Apple Butter under "The Orchard at Flathead Lake" label. We are transitioning the orchard to organic production. We started getting familiar with groups like AERO who support the "BUY FRESH, BUY LOCAL" campaign. We have sold fruit to U of M in Missoula… their "farm to market" program is making great strides and they are very committed to buying what they can from local producers. We have talked to many restaurateurs, bakeries, and markets who are also trying to do what they can to support local producers. Montana has such a wonderful variety of crops produced here, and such a wonderful variety of people producing those crops. Although a diverse bunch, one thread is common to us all… our desire to live and make a living in Big Sky country. And as our businesses flourish, the benefits to the local and state economy are obvious. Please support our efforts by helping state agencies support local farmers. Once mandated, these entities will see what a quality source of food their own backyard is, and wonder why they ever looked elsewhere.

Sincerely,

Heidi A. Johnson
The Orchard at Flathead Lake, LLP
Bigfork, MT