

FLORIDA Fluid Milk Report

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Market Administrator

Florida Marketing Area
Federal Order No. 6



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USDA Assistance Available

USDA has two main emergency assistance programs through which dairy farmers may be eligible to receive funding to recover from recent natural disasters - the Emergency Conservation Program (ECP) and the Emergency Loan Program. Both programs are administered by local and state Farm Service Agency (FSA) offices.

USDA is providing more than \$20 million in Emergency Conservation Program funds to help producers repair damage to their lands. ECP participants will receive cost-share assistance of up to 75 percent of the cost to implement approved emergency conservation practices such as debris removal and restoration of fences and conservation structures. The ECP is administered at the county level under the guidance of USDA Farm Service Agency state offices. The following states will receive in excess of \$20 million in ECP funding: Alabama (\$855,000), Louisiana (\$12,452,000), Mississippi (\$7,102,000), and Tennessee (\$25,000).

A total of \$152 million in FSA's Emergency Loan Program is available to eligible producers who have suffered at least a 30 percent reduction in crop production or have sustained physical losses to buildings, chattel or livestock. Farmers have eight months from the date of a presidential or secretarial disaster declaration to apply for low-interest agency loans.

Contact information for local FSA offices can be found by clicking on the 'Your Local Office' link at www.fsa.usda.gov. Producers should contact state FSA offices if local FSA offices are closed due to hurricane considerations. The following telephone numbers are for state FSA offices: Alabama: (334) 279-3500, Louisiana: (318) 473-7721, Arkansas: (501) 301-3000, Mississippi: (601) 965-4300, Florida: (352) 338-3400, and Tennessee: (615) 277-2600. Additional details may be found at www.fmmatlanta.com by clicking on the 'USDA Hurricane Disaster Resources' link.

Blend Price Lower in September

The uniform blend price in Hillsborough County, FL, was \$17.47 per hundredweight for milk at 3.5 percent butterfat for the month of September. This represents a decrease of \$0.40 from the previous month and is \$0.22 lower when compared with September 2004. Class I utilization was 88.67 percent in September, an increase of 1.04 percent compared to the previous month and 0.19 percent lower than September 2004.

National Dairy Situation

USDA estimates that the total U.S. production of milk in August was 14.83 billion pounds, an increase of 4.3 percent from August 2004 and a decrease of 0.9 percent when compared with July 2005. Total cheese output (excluding cottage cheese) was 748 million pounds, 4.0 percent above August 2004 and 1.4 percent above July 2005. Butter production was 91.4 million pounds in July, 1.2 percent above August 2004 but 4.1 percent below July 2005. Nonfat dry milk production was 87.6 million pounds in August, 22.9 percent less than August 2004 and a decrease of 27.0 percent when compared with July 2005.

The milk-feed price ratio, the number of pounds of 16% mixed dairy feed equal in value to one pound of whole milk, was 3.36 in September, up from 3.22 in September 2004 and notably higher than August 2005.

USDA Announcements

USDA has announced amendments to both the Mideast and Upper Midwest Orders. The Mideast Order was amended, on an interim basis, by a vote of dairy farmers to prohibit 'double-dipping' of milk in more than one marketwide equalization pool, lower diversion limits and increase supply plant performance standards. The Upper Midwest Order will conduct a vote to determine if dairy farmers approve of changes that would increase supply plant performance standards, limit diversions to nonpool plants, and restrict transportation credits to the first 400 miles of milk movements.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - SEPTEMBER 2005

Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	52.27%	4,303,554	\$1.7872	\$ 7,691,311.72
Class I Differential at Location				174,776.26
Class II Butterfat	39.17%	3,225,118	\$1.8942	6,109,018.52
Class III Butterfat	0.78%	64,506	\$1.8872	121,735.72
Class IV Butterfat	7.78%	640,154	\$1.8872	1,208,098.63
Total Butterfat	100.00%	8,233,332		\$ 15,304,940.85
Uniform Butterfat Price per lb. (Hillsborough County, Florida):			\$1.8589	

Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	90.05%	197,098,258	\$7.71 /cwt.	\$ 15,196,275.71
Class I Butterfat	52.27%	4,303,554	\$1.7872 /lb.	7,691,311.72
Class I Differential at Location		201,401,812		8,180,749.53
Total Class I Milk	88.67%	201,401,812		\$ 31,068,336.96
Class II Skim Milk	7.06%	15,457,509	\$8.00 /cwt.	\$ 1,236,600.72
Class II Butterfat	39.17%	3,225,118	\$1.8942 /lb.	6,109,018.52
Total Class II Milk	8.23%	18,682,627		\$ 7,345,619.24
Class III Skim Milk	0.53%	1,163,619	\$7.97 /cwt.	\$ 92,740.43
Class III Butterfat	0.78%	64,506	\$1.8872 /lb.	121,735.72
Total Class III Milk	0.54%	1,228,125		\$ 214,476.15
Class IV Skim Milk	2.36%	5,163,451	\$7.40 /cwt.	\$ 382,095.36
Class IV Butterfat	7.78%	640,154	\$1.8872 /lb.	1,208,098.63
Total Class IV Milk	2.56%	5,803,605		\$ 1,590,193.99
Producer Milk	100.00%	227,116,169		\$ 40,218,626.34

Adjustments

Overage and Other Source	\$0.00
Inventory Adjustments	\$16,618.56
Producer butterfat at uniform butterfat price	(\$15,304,940.85)
Location Adjustments to Producers	(\$69,781.18)
1/2 Unobligated Balance in P.S.F.	\$102,712.50

Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 11.40484	\$24,963,235.37
	\$ 0.04484	\$98,145.07

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida):

\$11.36

Uniform Price per cwt. (Hillsborough County, Florida)

\$17.47*

* At 3.5% butterfat test; for information purposes.

OTHER FEDERAL ORDERS: CLASS I AND UNIFORM PRICES (At 3.5% Butterfat)

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	SEPT 2005	OCT 2005	AUG 2005	SEPT 2005	SEPT 2005
Appalachian (Charlotte)	\$ 16.80	\$ 17.37	\$ 16.65	\$ 16.37	72.46%
Arizona-Las Vegas (Phoenix)	\$ 16.05	\$ 16.62	\$ 14.86	\$ 15.02	39.64%
Central (Kansas City)	\$ 15.70	\$ 16.27	\$ 14.49	\$ 14.75	31.04%
Florida (Tampa)	\$ 17.70	\$ 18.27	\$ 17.87	\$ 17.47	88.67%
Mideast (Cleveland)	\$ 15.70	\$ 16.27	\$ 14.94	\$ 14.94	40.30%
Northeast (Boston)	\$ 16.95	\$ 17.52	\$ 15.84	\$ 15.92	49.50%
Pacific Northwest (Seattle)	\$ 15.60	\$ 16.17	\$ 14.38	\$ 14.50	29.38%
Southeast (Atlanta)	\$ 16.80	\$ 17.37	\$ 16.44	\$ 16.32	69.87%
Southwest (Dallas)	\$ 16.70	\$ 17.27	\$ 15.70	\$ 15.70	46.97%
Upper Midwest (Chicago)	\$ 15.50	\$ 16.07	\$ 14.15	\$ 14.59	18.90%

**FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6
STATISTICAL SUMMARY**

Receipts:	September 2005	September 2004
Producer Milk		
Class I	201,401,812	169,418,807
Class II	18,682,627	14,507,873
Class III	1,228,125	1,853,873
Class IV	5,803,605	4,880,404
Total Producer Milk	<u>227,116,169</u>	<u>190,660,957</u>
Average Butterfat Test	3.63%	3.71%
Percent of Producer Milk in Class I	88.67%	88.86%
Daily Average Receipts	7,570,539	6,355,365
Other Source Milk		
Class I	22,371,658	33,434,027
Class II	10,202,170	10,551,435
Class III	78,754	142,008
Class IV	4,134,054	5,731,826
Total Other Source Milk	<u>36,786,636</u>	<u>49,859,296</u>
Overage		
Class I	0	21,235
Class II	0	117,637
Class III	0	0
Class IV	0	1,858
Total Overage	<u>0</u>	<u>140,730</u>
Opening Inventory		
Class I	14,800,570	11,585,981
Class II	275,620	624,268
Class III	11,539	0
Class IV	8,343,730	7,363,465
Total Opening Inventory	<u>23,431,459</u>	<u>19,573,714</u>
Total Receipts	287,334,264	260,234,697
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	14,646,242	11,744,324
Route Disposition Class I	222,867,764	201,126,128
Shrinkage	731,638	383,463
Transfers & Diversions to Nonpool	328,396	1,206,135
Total Class I Utilization	<u>238,574,040</u>	<u>214,460,050</u>
Average Butterfat Test	2.12%	2.20%
Daily Average Utilization	7,952,468	7,148,668
Class II Utilization		
Nonfluid Used To Produce	9,133,837	7,988,935
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods Used To Produce/Other Uses	7,170,520	5,337,231
Total Class II Utilization	<u>12,856,060</u>	<u>12,475,047</u>
Average Butterfat Test	11.28%	10.49%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	1,318,418	1,995,881
Other Uses	0	0
Total Class III Utilization	<u>1,318,418</u>	<u>1,995,881</u>
Average Butterfat Test	5.06%	19.01%
Class IV Utilization		
Inventory	5,050,783	7,289,081
Nonfluid Used To Fortify	1,734,870	1,538,587
Shrinkage	3,831,190	2,563,574
Transfers & Diversions to Nonpool Used To Produce/Other Uses	6,389,153	4,694,832
Total Class IV Utilization	<u>1,275,393</u>	<u>1,891,479</u>
Average Butterfat Test	8.25%	7.67%
Total Utilization	287,334,264	260,234,697

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in September 2005 is \$17.47 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$11.36 per hundredweight plus 3.5 times the uniform butterfat price of \$1.8589 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions.

Uniform prices are the result of marketwide pooling; all producer milk was classified and priced according to the milk's use. In September, Class I use accounted for 90.05% of all producer skim milk (priced to handlers at \$7.71 per hundredweight, plus the Class I differential and 52.27% of producer butterfat (priced to handlers at \$1.7872 per pound plus Class I differential). Class II use accounted for 7.06% of all producer skim milk (\$8.00 per hundredweight) and 39.17% of producer butterfat (\$1.8942 per pound). Class III use accounted for 0.53% of all producer skim milk (\$7.97 per hundredweight) and 0.78% of producer butterfat (\$1.8872 per pound). Class IV use accounted for 2.36% of all producer skim milk (\$7.40 per hundredweight) and 7.78% of producer butterfat (\$1.8872 per pound).

Receipts of producer milk during September 2005 totaled 227.1 million pounds, 36.5 million pounds more than was pooled in September of last year. Florida producers supplied 165.3 million pounds of milk in August 2005 to pool plants or 66.33% of the total producer milk pooled in Florida. In August 2004 Florida producers supplied 74.96% of the total producer milk pooled in Florida.

There were 12 regulated pool distributing plants and 6 cooperative association submitting reports of receipts and utilization that were included in the computation of the uniform prices for September 2005. In-area Class I route disposition totaled 256.6 million pounds in August 2005, 8.3 million pounds more than August 2004. This represents an increase of 1.15 percent after making adjustments for calendar composition.

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
August 2005		
Whole Milk	100,154,543	39.03%
Fat Free Milk	34,120,186	13.30%
Lowfat Milk (incl. 1%)	27,156,395	10.58%
Reduced Fat Milk (incl. 2%)	72,886,853	28.41%
Cultured Fluid Milk (incl. Buttermilk)	1,102,706	0.43%
Flavored Drinks and Milk	21,156,218	8.25%
Total Disposition in Marketing Area	256,576,901	100.0%
Total Disposition by Pool Plants	228,234,590	88.95%
Total Disposition by Nonpool Plants	28,342,311	11.05%
Total Disposition in Marketing Area	256,576,901	100.0%

2005 Mailbox Milk Prices 2/

Reporting Area 1/	Jan	Feb	Mar	Apr	May	June
Northeast Federal Order	\$16.37	\$15.50	\$16.01	\$15.28	\$14.95	\$14.50
Appalachian States 3/	\$16.57	\$15.18	\$15.97	\$14.97	\$14.59	\$13.92
Southeast States 4/	\$17.21	\$15.61	\$16.37	\$15.25	\$15.04	\$14.49
Southern Missouri 5/	\$16.01	\$14.75	\$15.44	\$14.25	\$13.97	\$13.18
Florida	\$18.70	\$16.87	\$17.69	\$16.72	\$16.44	\$16.40
Indiana	\$16.11	\$15.27	\$15.69	\$15.06	\$14.66	\$14.29
Michigan	\$15.58	\$15.13	\$15.13	\$14.64	\$14.18	\$13.78
Wisconsin	\$16.00	\$15.91	\$15.77	\$15.68	\$14.98	\$14.67
Iowa	\$15.92	\$15.39	\$15.41	\$15.23	\$14.64	\$14.32
Corn Belt States 6/	\$14.98	\$14.37	\$14.42	\$14.16	\$13.61	\$13.27
Western Texas 7/	\$15.00	\$14.42	\$14.44	\$13.90	\$13.31	\$13.26
New Mexico	\$14.09	\$13.65	\$13.61	\$13.11	\$12.52	\$12.55
Northwest States 8/	\$14.76	\$13.97	\$14.39	\$13.89	\$13.47	\$13.35
All Federal Order Areas 9/	\$15.89	\$15.24	\$15.46	\$14.97	\$14.48	\$14.13
California 10/	\$14.85	\$14.86	\$13.99	\$14.11	\$13.48	NA

Source: Dairy Market News; 1/ Information is shown for those areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders 2/ Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. 3/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 4/ Includes Alabama, Arkansas, Georgia, Louisiana, and Mississippi. 5/ The counties of Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry and all those to the south of these. 6/ Includes Kansas, Nebraska and the Missouri counties to the north of those listed in 5/. 7/ All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Anderson, Houston, Cherokee, Nacogdoches, and Shelby. 8/ Includes Oregon and Washington. 9/ Weighted average. 10/ From California Department of Food and Agriculture.

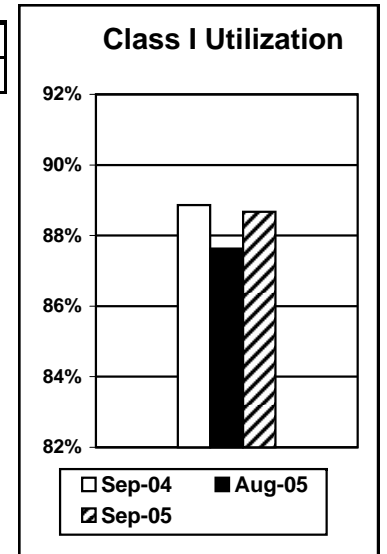
FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Sep 2004	\$11.96	\$1.8290	\$17.94	\$7.11	\$1.9424	\$13.66	\$8.23	\$1.9354	\$14.72	\$ 6.45	\$1.9354	\$13.00	\$ 11.51	\$1.8812	\$17.69
Oct	\$12.53	\$1.9115	\$18.78	\$7.14	\$1.9090	\$13.57	\$7.78	\$1.9020	\$14.16	\$ 6.38	\$1.9020	\$12.81	\$ 11.92	\$1.9100	\$18.19
Nov	\$11.81	\$1.9688	\$18.29	\$7.14	\$2.0559	\$14.09	\$8.00	\$2.0489	\$14.89	\$ 6.39	\$2.0489	\$13.34	\$ 11.36	\$2.0082	\$17.99
Dec	\$12.12	\$1.9234	\$18.43	\$7.07	\$2.0436	\$13.98	\$9.34	\$2.0366	\$16.14	\$ 6.52	\$2.0366	\$13.42	\$ 11.48	\$1.9786	\$18.00
Jan 2005	\$13.70	\$2.1218	\$20.65	\$7.20	\$1.7400	\$13.04	\$8.37	\$1.7330	\$14.14	\$ 6.69	\$1.7330	\$12.52	\$ 12.81	\$1.9275	\$19.11
Feb	\$11.97	\$1.7838	\$17.79	\$7.38	\$1.7824	\$13.36	\$8.79	\$1.7754	\$14.70	\$ 6.76	\$1.7754	\$12.74	\$ 11.24	\$1.7820	\$17.08
Mar	\$13.59	\$1.8058	\$19.43	\$7.44	\$1.7349	\$13.25	\$8.32	\$1.7279	\$14.08	\$ 6.85	\$1.7279	\$12.66	\$ 12.40	\$1.7660	\$18.15
Apr	\$12.35	\$1.7759	\$18.13	\$7.54	\$1.7034	\$13.24	\$8.99	\$1.6964	\$14.61	\$ 6.91	\$1.6964	\$12.61	\$ 11.63	\$1.7365	\$17.30
May	\$13.14	\$1.7492	\$18.80	\$7.61	\$1.5545	\$12.78	\$8.66	\$1.5475	\$13.77	\$ 7.03	\$1.5475	\$12.20	\$ 11.95	\$1.6411	\$17.28
Jun	\$12.58	\$1.5666	\$17.62	\$7.73	\$1.6002	\$13.06	\$8.65	\$1.5932	\$13.92	\$ 7.00	\$1.5932	\$12.33	\$ 11.67	\$1.5833	\$16.80
Jul	\$12.73	\$1.6010	\$17.89	\$7.73	\$1.8077	\$13.79	\$8.34	\$1.8007	\$14.35	\$ 7.12	\$1.8007	\$13.17	\$ 11.92	\$1.7035	\$17.47
Aug	\$12.29	\$1.8796	\$18.44	\$7.81	\$1.8316	\$13.95	\$7.48	\$1.8246	\$13.60	\$ 7.31	\$1.8246	\$13.44	\$ 11.78	\$1.8564	\$17.87
Sep	\$11.71	\$1.8272	\$17.70	\$8.00	\$1.8942	\$14.35	\$7.97	\$1.8872	\$14.30	\$ 7.40	\$1.8872	\$13.75	\$ 11.36	\$1.8589	\$17.47
Oct	\$11.96	\$1.9218	\$18.27	\$8.12											

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Sep 2004	190,661	362	169,419	88.86%	14,508	7.61%	1,854	0.97%	4,880	2.56%
Oct	217,403	281	190,251	87.52%	20,768	9.55%	659	0.30%	5,725	2.63%
Nov	230,177	282	204,993	89.05%	20,340	8.84%	659	0.29%	4,185	1.82%
Dec	259,712	274	222,277	85.58%	23,421	9.02%	2,253	0.87%	11,762	4.53%
Jan 2005	269,921	268	228,531	84.67%	20,038	7.42%	9,356	3.47%	11,996	4.44%
Feb	264,725	265	209,460	79.12%	19,747	7.46%	25,917	9.79%	9,602	3.63%
Mar	299,551	280	230,934	77.10%	21,444	7.16%	34,398	11.48%	12,775	4.26%
Apr	283,685	276	223,901	78.93%	19,354	6.82%	32,348	11.40%	8,082	2.85%
May	284,235	258	208,300	73.29%	20,388	7.17%	42,411	14.92%	13,136	4.62%
Jun	259,315	266	199,019	76.75%	20,228	7.80%	30,006	11.57%	10,062	3.88%
Jul	249,085	327	203,230	81.59%	18,953	7.61%	14,708	5.90%	12,194	4.90%
Aug	249,205	433	218,382	87.63%	20,690	8.30%	823	0.33%	9,310	3.74%
Sep	227,116	430**	201,402	88.67%	18,683	8.23%	1,228	0.54%	5,804	2.56%

* Class I and uniform prices are at Hillsborough County (Tampa), Florida; ** Estimated



Florida Marketing Area - Federal Order 6

Pool and Payment Dates For the Pooling Periods October 2005 through December 2005

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	First Partial Payment Due**		Second Partial Payment Due**		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
Oct 2005	11/11/05	11/14/05	11/15/05	10/19/05	10/20/05	11/04/05	11/07/05	11/15/05	11/16/05
Nov 2005	12/11/05	12/12/05	12/13/05	11/21/05	11/21/05	12/05/05	12/05/05	12/13/05	12/14/05
Dec 2005	01/11/06	01/12/06	01/13/06	12/19/05	12/20/05	01/04/06	01/05/06	01/13/06	01/17/06

**The base rate for making partial payments in Hillsborough Co., FL for September will be \$15.72 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$14.85 for nonmembers (85 percent of the preceding month's uniform price).

Producer Touch Base Requirements & Handler Diversion Limits

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Producer Touch Base Days	10	10	10	10	10	10	10	10	10	10	10	10
Diversion Percentage Limits	15%	15%	20%	20%	20%	20%	10%	10%	10%	10%	10%	15%

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