

# FLORIDA Fluid Milk Report

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Market Administrator

Florida Marketing Area  
Federal Order No. 6



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## Invitation for Additional Proposals

A cooperative association, Dairy Farmers of America (DFA), has requested that the U. S. Department of Agriculture (USDA) hold an emergency public hearing to consider proposals to increase the maximum assessment rate of the transportation credit balancing funds of the Appalachian and Southeast Milk Marketing Orders. The request also proposes to establish transportation credit funds for intra-market movements of milk within the marketing areas, and fuel cost adjustments for both the current transportation credit balancing funds and the proposed intra-market transportation credit funds.

Copies of the DFA proposals may be obtained from Antoinette Carter, Marketing Specialist, USDA/AMS/Dairy Programs, Order Formulation and Enforcement Branch, STOP 0231 – Room 2971, 1400 Independence Ave, SW, Washington, DC 20250, (202) 690-3465, e-mail: [antoinette.carter@usda.gov](mailto:antoinette.carter@usda.gov).

These proposals have not yet been approved for inclusion in a Notice of Hearing. Before deciding whether a hearing should be held, the Department is providing interested parties an opportunity to submit additional proposals.

The deadline for submitting proposals is November 25, 2005. Proposals should be mailed to: Deputy Administrator, USDA/AMS/Dairy Programs, Room 2968-S, STOP 0225, 1400 Independence Avenue, SW, Washington, DC 20250-0225, by November 25, 2005.

Each proposal should be accompanied by a brief but comprehensive statement on the need for the proposal. The statement will be used in deciding whether the proposal should be considered if a hearing to amend the order is to be held. If you have questions concerning the filing of the proposals or desire a copy of the present order, please contact the Market Administrator at 770-682-2501 or visit [www.fmmatlanta.com](http://www.fmmatlanta.com).

## October's Blend Up \$0.22

The uniform blend price in Hillsborough County, FL, was \$17.69 per hundredweight for milk at 3.5 percent butterfat for the month of October. This represents an increase of \$0.22 from the previous month but is \$0.50 lower when compared with October 2004. Class I utilization was 87.17 percent in October, a decrease of 1.50 percent compared to the previous month and 0.35 percent lower than October 2004.

## National Dairy Situation

USDA estimates that the total U.S. production of milk in September was 14.23 billion pounds, an increase of 4.5 percent from September 2004 and a decrease of 4.0 percent when compared with August 2005. Total cheese output was 742 million pounds, 3.9 percent above September 2004 but 1.6 percent below August 2005. Butter production was 101 million pounds, 7.2 percent above September 2004 and 10.3 percent above August 2005.

Nonfat dry milk production was 71.2 million pounds in September, 24.2 percent less than September 2004 and a decrease of 18.7 percent when compared with August 2005.

## USDA Seeks Fluid Milk Board Nominations

The U.S. Department of Agriculture is asking dairy processors and other interested parties to nominate candidates for the National Fluid Milk Processor Promotion Board. Nominations will be accepted for board representation in five geographic regions, including Region 9 (Alabama, Kentucky, Louisiana, Mississippi, and Tennessee) and two at-large positions. To nominate an individual, please submit a copy of the nomination form and a signed background form for each nominee by Dec. 5, 2005, to: Promotion and Research Branch, Dairy Programs, AMS, MRP, USDA, 1400 Independence Ave., S.W., Stop 0233, Room 2958-S, Washington, D.C. 20250-0233. For more information, call (202) 720-6909 or visit [www.ams.usda.gov/dairy/dairyprp.htm](http://www.ams.usda.gov/dairy/dairyprp.htm).

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

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	51.34%	4,320,371	\$1.8818	\$ 8,130,074.15
Class I Differential at Location				176,307.98
Class II Butterfat	38.64%	3,252,393	\$1.8326	5,960,335.41
Class III Butterfat	1.86%	156,780	\$1.8256	286,217.58
Class IV Butterfat	8.16%	687,210	\$1.8256	1,254,570.57
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,416,754</b>		<b>\$ 15,807,505.69</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.8781</b>	

### Calculation of Uniform Skim Milk Price:

<b>Producer Milk</b>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	88.54%	195,473,001	\$7.96 /cwt.	\$ 15,559,650.87
Class I Butterfat	51.34%	4,320,371	\$1.8818 /lb.	8,130,074.15
Class I Differential at Location		199,793,372		8,163,868.12
<b>Total Class I Milk</b>	<b>87.17%</b>	<b>199,793,372</b>		<b>\$ 31,853,593.14</b>
Class II Skim Milk	7.15%	15,793,344	\$8.12 /cwt.	\$ 1,282,419.54
Class II Butterfat	38.64%	3,252,393	\$1.8326 /lb.	5,960,335.41
<b>Total Class II Milk</b>	<b>8.31%</b>	<b>19,045,737</b>		<b>\$ 7,242,754.95</b>
Class III Skim Milk	0.26%	582,923	\$8.25 /cwt.	\$ 48,091.16
Class III Butterfat	1.86%	156,780	\$1.8256 /lb.	286,217.58
<b>Total Class III Milk</b>	<b>0.32%</b>	<b>739,703</b>		<b>\$ 334,308.74</b>
Class IV Skim Milk	4.05%	8,945,216	\$7.48 /cwt.	\$ 669,102.15
Class IV Butterfat	8.16%	687,210	\$1.8256 /lb.	1,254,570.57
<b>Total Class IV Milk</b>	<b>4.20%</b>	<b>9,632,426</b>		<b>\$ 1,923,672.72</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>229,211,238</b>		<b>\$ 41,354,329.55</b>

### Adjustments

Overage and Other Source	\$0.00
Inventory Adjustments	(\$23.64)
Producer butterfat at uniform butterfat price	(\$15,807,505.69)
Location Adjustments to Producers	(\$143,323.84)
1/2 Unobligated Balance in P.S.F.	\$124,779.16

### Adjusted Pool Value

Reserve for Producer Settlement Fund	<b>\$ 11.56200</b>	<b>\$25,528,255.54</b>
	<b>\$ 0.04200</b>	\$92,730.99

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

**\$11.52**

### Uniform Price per cwt. (Hillsborough County, Florida)

**\$17.69\***

\* 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 %
	OCT 2005	NOV 2005	SEPT 2005	OCT 2005	OCT 2005
Appalachian (Charlotte)	\$ 17.37	\$ 17.66	\$ 16.37	\$ 16.48	69.30%
Arizona-Las Vegas (Phoenix)	\$ 16.62	\$ 16.91	\$ 15.02	\$ 15.03	35.45%
Central (Kansas City)	\$ 16.27	\$ 16.56	\$ 14.75	\$ 14.70	29.61%
<b>Florida (Tampa)</b>	<b>\$ 18.27</b>	<b>\$ 18.56</b>	<b>\$ 17.47</b>	<b>\$ 17.69</b>	<b>87.17%</b>
Mideast (Cleveland)	\$ 16.27	\$ 16.56	\$ 14.94	\$ 14.91	38.90%
Northeast (Boston)	\$ 17.52	\$ 17.81	\$ 15.92	\$ 15.88	48.20%
Pacific Northwest (Seattle)	\$ 16.17	\$ 16.46	\$ 14.50	\$ 14.46	28.34%
Southeast (Atlanta)	\$ 17.37	\$ 17.66	\$ 16.32	\$ 16.49	68.28%
Southwest (Dallas)	\$ 17.27	\$ 17.56	\$ 15.70	\$ 15.58	42.75%
Upper Midwest (Chicago)	\$ 16.07	\$ 16.36	\$ 14.59	\$ 14.59	17.90%

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

<b>Receipts:</b>	<b>October 2005</b>	<b>October 2004</b>
<b>Producer Milk</b>		
Class I	199,793,372	190,250,721
Class II	19,045,737	20,768,312
Class III	739,703	658,941
Class IV	9,632,426	5,725,009
Total Producer Milk	<u>229,211,238</u>	<u>217,402,983</u>
Average Butterfat Test	3.67%	3.68%
Percent of Producer Milk in Class I	87.17%	87.52%
Daily Average Receipts	7,393,911	7,012,999
<b>Other Source Milk</b>		
Class I	25,978,069	32,380,705
Class II	8,833,473	10,193,387
Class III	201,180	109,296
Class IV	4,425,430	5,735,184
Total Other Source Milk	<u>39,438,152</u>	<u>48,418,572</u>
<b>Overage</b>		
Class I	0	0
Class II	0	6,691
Class III	0	4,932
Class IV	0	16,012
Total Overage	<u>0</u>	<u>27,635</u>
<b>Opening Inventory</b>		
Class I	14,646,242	11,744,324
Class II	433	303,971
Class III	0	208,961
Class IV	5,050,350	6,924,927
Total Opening Inventory	<u>19,697,025</u>	<u>19,182,183</u>
<b>Total Receipts</b>	<b>288,346,415</b>	<b>285,031,373</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	13,152,439	13,558,498
Route Disposition Class I	225,429,628	217,045,129
Shrinkage	1,205,170	2,406,484
Transfers & Diversions to Nonpool	630,446	1,365,639
Total Class I Utilization	<u>240,417,683</u>	<u>234,375,750</u>
Average Butterfat Test	2.14%	2.14%
Daily Average Utilization	7,755,409	7,560,508
<b>Class II Utilization</b>		
Nonfluid Used To Produce	7,813,430	9,182,102
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods Used To Produce/Other Uses	8,080,451	5,220,318
Total Class II Utilization	<u>11,985,762</u>	<u>16,869,941</u>
Average Butterfat Test	11.67%	10.92%
<b>Class III Utilization</b>		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	940,883	982,130
Other Uses	0	0
Total Class III Utilization	<u>940,883</u>	<u>982,130</u>
Average Butterfat Test	20.44%	42.74%
<b>Class IV Utilization</b>		
Inventory	7,399,850	8,516,534
Nonfluid Used To Fortify	1,759,012	1,658,835
Shrinkage	3,497,567	3,678,298
Transfers & Diversions to Nonpool Used To Produce/Other Uses	5,167,077	2,227,127
Total Class IV Utilization	<u>1,284,700</u>	<u>2,320,338</u>
Average Butterfat Test	19,108,206	18,401,132
<b>Total Utilization</b>	<b>288,346,415</b>	<b>285,031,373</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in October 2005 is \$17.69 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$11.52 per hundredweight plus 3.5 times the uniform butterfat price of \$1.8781 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 October, Class I use accounted for 88.54% of all producer skim milk (priced to handlers at \$7.96 per hundredweight, plus the Class I differential and 51.34% of producer butterfat (priced to handlers at \$1.8818 per pound plus Class I differential). Class II use accounted for 7.15% of all producer skim milk (\$8.12 per hundredweight) and 38.64% of producer butterfat (\$1.8326 per pound). Class III use accounted for 0.26% of all producer skim milk (\$8.25 per hundredweight) and 1.86% of producer butterfat (\$1.8256 per pound). Class IV use accounted for 4.05% of all producer skim milk (\$7.48 per hundredweight) and 8.16% of producer butterfat (\$1.8256 per pound).

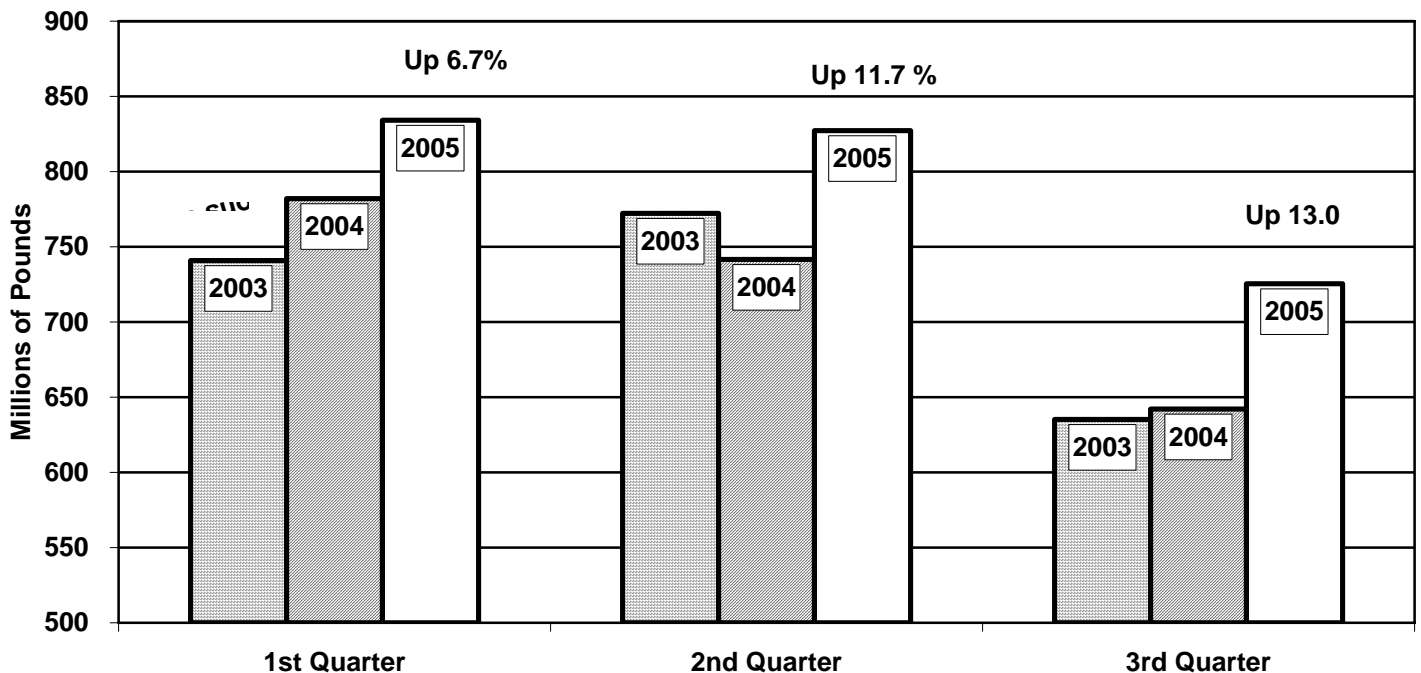
Receipts of producer milk during October 2005 totaled 229.2 million pounds, 11.8 million pounds more than was pooled in October of last year. Florida producers supplied 146.2 million pounds of milk in September 2005 to pool plants or 64.35% of the total producer milk pooled in Florida. In September 2004 Florida producers supplied 70.82% of the total producer milk pooled on the Florida market.

There were 11 regulated pool distributing plants and 5 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for October 2005. In-area Class I route disposition totaled 250.0 million pounds in September 2005, 12.9 million pounds more than September 2004. This is an increase of 3.95 percent after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
<b>September 2005</b>		
Whole Milk	96,824,657	38.73%
Fat Free Milk	32,660,966	13.06%
Lowfat Milk (incl. 1%)	26,376,013	10.55%
Reduced Fat Milk (incl. 2%)	70,506,907	28.20%
Cultured Fluid Milk (incl. Buttermilk)	1,259,254	0.51%
Flavored Drinks and Milk	22,374,810	8.95%
<b>Total Disposition in Marketing Area</b>	<b>250,002,607</b>	<b>100.0%</b>
Total Disposition by Pool Plants	222,772,393	89.11%
Total Disposition by Nonpool Plants	27,230,214	10.89%
<b>Total Disposition in Marketing Area</b>	<b>250,002,607</b>	<b>100.0%</b>

### Federal Order 6 Producer Milk by Quarter: 2003-2005



The chart above shows volumes of Federal Order 6 producer milk by quarter for 2005 and the previous two years, and the percentage change in the amount of producer milk pooled each quarter in 2005 versus 2004. The amount of milk pooled on the Florida Order is 10.2 percent higher in 2005 through the first three quarters compared with 2004.

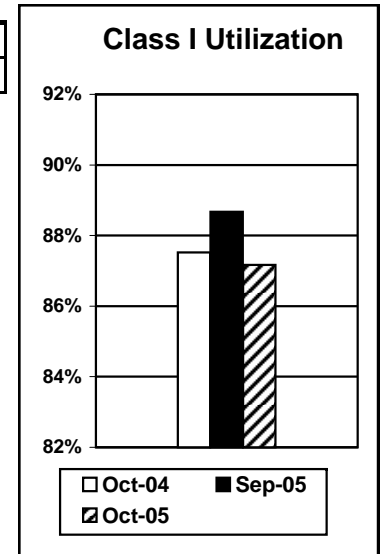
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

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
Oct 2004	\$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	\$1.8326	\$14.25	\$8.25	\$1.8256	\$14.35	\$ 7.48	\$1.8256	\$13.61	\$ 11.52	\$1.8781	\$17.69
Nov	\$12.48	\$1.8626	\$18.56	\$8.11											

**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.	%
Oct 2004	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	452	201,402	88.67%	18,683	8.23%	1,228	0.54%	5,804	2.56%
Oct	229,211	450**	199,793	87.17%	19,046	8.31%	740	0.32%	9,632	4.20%

\* 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 November 2005 through January 2006

	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
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
Jan 2006	02/11/06	02/13/06	02/14/06	01/19/06	01/20/06	02/06/06	02/06/06	02/14/06	02/15/06

\*\*The base rate for making partial payments in Hillsborough Co., FL for November will be \$15.92 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$15.04 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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**MILK MARKET ADMINISTRATOR**  
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*Address Correction Requested*