

FLORIDA Fluid Milk Report

Sue L. Mosley
Market Administrator

Florida Marketing Area
Federal Order No. 6



www.fmmatlanta.com

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USDA Reopens Comment Period for Mandatory Reporting Program

The U.S. Department of Agriculture (USDA) has announced that it is reopening the comment period for the interim final rule for the Dairy Product Mandatory Reporting program. The rule was published on July 3, 2007 and became effective August 2, 2007. The original comment period ended September 4, 2007.

Under this action, additional comments are due December 3, 2007. Comments submitted during the first comment period need not be resubmitted. The reopening of the comment period will provide interested parties with an additional opportunity to submit comments on all aspects of the mandatory reporting program. USDA's Agricultural Marketing Service (AMS) will review and consider all submitted comments as it writes a final rule.

The Dairy Market Enhancement Act of 2000, and certain provisions of the 2002 Farm Bill amended the Agricultural Marketing Act of 1946 to establish the program. The mandatory reporting program is intended to provide timely, accurate, and reliable market information to facilitate more informed marketing decisions and promote competition in the dairy product manufacturing industry.

The program: (1) Requires persons engaged in manufacturing dairy products to report certain information including the price, quantity, and moisture content where applicable, of dairy products sold by the manufacturer; and (2) Requires persons storing dairy products to report information on the quantity of dairy products stored. USDA's National Agricultural Statistics Service (NASS) collects the information. Any manufacturer that processes and markets less than 1 million pounds of dairy products (*continued on Page 4 of this report*)

Blend Price Declines

The uniform blend price in Hillsborough County, FL, was \$24.81 per hundredweight for milk at 3.5 percent butterfat for the month of October. This represents a decrease of \$0.27 compared with the previous month, but despite this decline the uniform blend price remains at an historically high level. Comparing this October to October of last year, the current blend price is \$9.08 higher.

Class I utilization was 85.33 percent in October, an increase of 0.93 percent when compared with the previous month and a 0.73 percent increase when compared with October of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in September was 14.85 billion pounds, an increase of 2.6 percent from September 2006 and a decrease of 1.2 percent when compared with August 2007 on a daily average basis. Total cheese output was 778 million pounds, 1.4 percent below September 2006 and 2.3 percent below August 2007. Butter production was 112 million pounds, 7.3 percent above September 2006 and 2.0 percent above August 2007.

Nonfat dry milk powder production was 90.3 million pounds in September, a 42.7 percent increase from September 2006 and a 12.3 percent decrease versus August 2007. Dry whey production was 88.1 million pounds this September, an increase of 2.1 percent from September of last year and a 6.9 percent decrease compared with August 2007.

The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk, was 3.05 in October. This is a decrease of 0.12 points from the revised 3.17 ratio of September 2007.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - OCTOBER 2007

Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	47.45%	4,462,496	\$1.5209	\$ 6,787,010.16
Class I Differential at Location				181,990.23
Class II Butterfat	36.42%	3,425,520	\$1.4162	4,851,221.44
Class III Butterfat	4.58%	430,629	\$1.4092	606,842.40
Class IV Butterfat	11.55%	1,086,291	\$1.4092	1,530,801.29
Total Butterfat	100.00%	9,404,936		\$ 13,957,865.52
Uniform Butterfat Price per lb. (Hillsborough County, Florida):			\$1.4841	

Calculation of Uniform Skim Milk Price

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	86.78%	212,182,339	\$16.86 /cwt.	\$ 35,773,942.37
Class I Butterfat	47.45%	4,462,496	\$1.5209 /lb.	6,787,010.16
Class I Differential at Location		216,644,835		8,850,983.94
Total Class I Milk	85.33%	216,644,835		\$ 51,411,936.47
Class II Skim Milk	7.92%	19,360,056	\$17.56 /cwt.	\$ 3,399,625.83
Class II Butterfat	36.42%	3,425,520	\$1.4162 /lb.	4,851,221.44
Total Class II Milk	8.97%	22,785,576		\$ 8,250,847.27
Class III Skim Milk	2.99%	7,315,782	\$14.27 /cwt.	\$ 1,043,962.10
Class III Butterfat	4.58%	430,629	\$1.4092 /lb.	606,842.40
Total Class III Milk	3.05%	7,746,411		\$ 1,650,804.50
Class IV Skim Milk	2.31%	5,643,252	\$16.97 /cwt.	\$ 957,659.84
Class IV Butterfat	11.55%	1,086,291	\$1.4092 /lb.	1,530,801.29
Total Class IV Milk	2.65%	6,729,543		\$ 2,488,461.13
Producer Milk	100.00%	253,906,365		\$ 63,802,049.37

Adjustments

Overage and Other Source	\$0.00
Inventory Adjustments	(\$11,572.93)
Producer butterfat at uniform butterfat price	(\$13,957,865.52)
Location Adjustments to Producers	(\$126,503.54)
1/2 Unobligated Balance in P.S.F	\$105,354.54
Adjusted Pool Value	\$ 20.37267
Reserve for Producer Settlement Func	\$ 0.04267
	\$49,811,461.92
	\$104,321.40

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

\$20.33

Uniform Price per cwt. (Hillsborough County, Florida)

\$24.81*

* 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 2007	NOV 2007	SEP 2007	OCT 2007	OCT 2007
Appalachian (Charlotte)	\$ 24.69	\$ 24.55	\$ 24.00	\$ 23.75	74.08%
Arizona (Phoenix)	\$ 23.94	\$ 23.80	\$ 22.15	\$ 21.57	39.93%
Central (Kansas City)	\$ 23.59	\$ 23.45	\$ 21.66	\$ 20.82	39.38%
Florida (Tampa)	\$ 25.59	\$ 25.45	\$ 25.08	\$ 24.81	85.33%
Mideast (Cleveland)	\$ 23.59	\$ 23.45	\$ 21.94	\$ 21.13	45.60%
Northeast (Boston)	\$ 24.84	\$ 24.70	\$ 22.99	\$ 22.38	46.40%
Pacific Northwest (Seattle)	\$ 23.49	\$ 23.35	\$ 21.65	\$ 20.91	35.04%
Southeast (Atlanta)	\$ 24.69	\$ 24.55	\$ 23.77	\$ 23.36	70.58%
Southwest (Dallas)	\$ 24.59	\$ 24.45	\$ 22.43	\$ 21.62	43.86%
Upper Midwest (Chicago)	\$ 23.39	\$ 23.25	\$ 20.71	\$ 19.53	17.10%

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

Receipts:	October 2007	October 2006
Producer Milk		
Class I	216,644,835	211,434,457
Class II	22,785,576	21,520,296
Class III	7,746,411	677,120
Class IV	6,729,543	16,299,043
Total Producer Milk	<u>253,906,365</u>	<u>249,930,916</u>
Average Butterfat Test	3.70%	3.74%
Percent of Producer Milk in Class I	85.33%	84.60%
Daily Average Receipts	8,190,528	8,062,288
Other Source Milk		
Class I	12,602,272	13,474,129
Class II	9,933,317	9,761,382
Class III	54,831	0
Class IV	2,552,193	3,877,896
Total Other Source Milk	<u>25,142,613</u>	<u>27,113,407</u>
Overage		
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	0	88,219
Total Overage	<u>0</u>	<u>88,219</u>
Opening Inventory		
Class I	12,143,835	16,225,392
Class II	40,069	13,495
Class III	396,315	0
Class IV	8,843,294	2,826,625
Total Opening Inventory	<u>21,423,513</u>	<u>19,065,512</u>
Total Receipts	300,472,491	296,198,054
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	14,459,935	14,097,079
Route Disposition Class I	225,550,411	226,394,111
Shrinkage	1,325,338	606,808
Transfers & Diversions to Nonpool	55,258	35,980
Total Class I Utilization	<u>241,390,942</u>	<u>241,133,978</u>
Average Butterfat Test	2.06%	2.10%
Daily Average Utilization	7,786,805	7,778,515
Class II Utilization		
Nonfluid Used To Produce	10,846,918	9,751,339
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods Used To Produce/Other Uses	7,826,875	6,814,687
Total Class II Utilization	<u>14,085,169</u>	<u>14,729,147</u>
Average Butterfat Test	32,758,962	31,295,173
Average Butterfat Test	10.52%	10.67%
Class III Utilization		
Shrinkage	4,528,579	0
Transfers & Diversions to Nonpool/Used to Produce	1,293,993	677,120
Other Uses	2,374,985	0
Total Class III Utilization	<u>8,197,557</u>	<u>677,120</u>
Average Butterfat Test	5.33%	33.85%
Class IV Utilization		
Inventory	8,920,045	8,495,022
Nonfluid Used To Fortify	1,190,384	1,352,789
Shrinkage	0	4,446,302
Transfers & Diversions to Nonpool Used To Produce/Other Uses	8,014,601	7,110,957
Total Class IV Utilization	<u>18,125,030</u>	<u>23,091,783</u>
Average Butterfat Test	9.86%	8.33%
Total Utilization	300,472,491	296,198,054

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in October 2007 is \$24.81 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$20.33 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4841 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 86.78% of all producer skim milk (priced to handlers at \$16.86 per hundredweight, plus the Class I differential and 47.45% of producer butterfat (priced to handlers at \$1.5209 per pound plus Class I differential). Class II use accounted for 7.92% of all producer skim milk (\$17.56 per hundredweight) and 36.42% of producer butterfat (\$1.4162 per pound). Class III use accounted for 2.99% of all producer skim milk (\$14.27 per hundredweight) and 4.58% of producer butterfat (\$1.4092 per pound). Class IV use accounted for 2.31% of all producer skim milk (\$16.97 per hundredweight) and 11.55% of producer butterfat (\$1.4092 per pound).

Receipts of producer milk during October 2007 totaled 253.9 million pounds, 4.0 million pounds more than was pooled in October of last year. Florida producers supplied 136.9 million pounds of milk in September 2007 to pool plants or 58.00% of the total producer milk pooled in Florida. In September 2006 Florida producers supplied 63.08% of the total producer milk pooled on the Florida market.

There were 12 regulated pool distributing plants and 7 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for October 2007. In-area Class I route disposition totaled 224.2 million pounds in September 2007, 12.5 million pounds less than September 2006. This is a decrease of 1.76 percent after adjusting for calendar composition.

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
September 2007		
Whole Milk	80,075,375	35.72%
Fat Free Milk	29,806,375	13.30%
Lowfat Milk (incl. 1%)	26,500,913	11.82%
Reduced Fat Milk (incl. 2%)	66,097,013	29.49%
Cultured Fluid Milk (incl. Buttermilk)	919,179	0.41%
Flavored Drinks and Milk	20,755,692	9.26%
Total Disposition in Marketing Area	224,154,547	100.00%
Total Disposition by Pool Plants	199,804,887	89.14%
Total Disposition by Nonpool Plants	24,349,660	10.86%
Total Disposition in Marketing Area	224,154,547	100.00%

USDA Reopens Comment Period for Establishment of the Dairy Product Mandatory Reporting Program

(from Page 1) per year is exempt from the reporting requirements.

AMS has implemented a plan to verify the price information submitted to NASS. AMS visits butter, nonfat dry milk, cheese and dry whey manufacturers that file reports. AMS verifies that eligible sales transactions agree with information reported to NASS and will check for eligible sales transactions that were not reported.

Details of the reopening of the comment period for the interim final rule were published in the November 2, 2007 Federal Register and are available at www.fmmatlanta.com under 'What's New'. Comments should be sent to John R. Mengel, Chief Economist, USDA/AMS/Dairy Programs, Office of the Chief Economist, STOP 0229-Room 2753, 1400 Independence Ave., SW, Washington, DC 2025—0229. Comments may also be submitted through the Federal eRulemaking portal at <http://www.regulations.gov>.

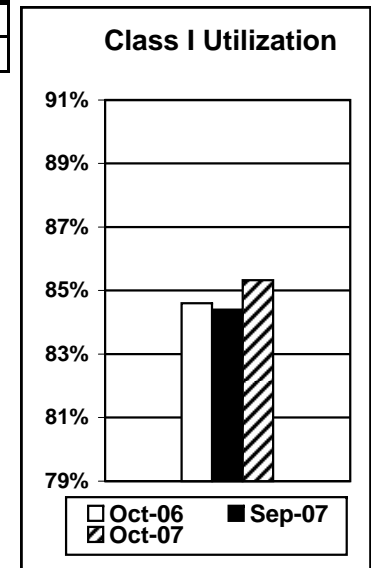
If you have any questions concerning this announcement, please contact this office.

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
Jul 2006	\$11.24	\$1.2830	\$15.34	\$6.76	\$1.2298	\$10.83	\$6.88	\$1.2228	\$10.92	\$ 6.15	\$1.2228	\$10.21	\$ 10.62	\$1.2571	\$14.65
Aug	\$10.96	\$1.2554	\$14.97	\$6.82	\$1.3078	\$11.16	\$6.74	\$1.3008	\$11.06	\$ 6.31	\$1.3008	\$10.64	\$ 10.54	\$1.2806	\$14.65
Sep	\$10.64	\$1.3103	\$14.85	\$6.99	\$1.4261	\$11.74	\$7.59	\$1.4191	\$12.29	\$ 6.36	\$1.4191	\$11.10	\$ 10.28	\$1.3670	\$14.70
Oct	\$11.72	\$1.4607	\$16.42	\$7.06	\$1.4219	\$11.79	\$7.64	\$1.4149	\$12.32	\$ 6.80	\$1.4149	\$11.51	\$ 11.08	\$1.4396	\$15.73
Nov	\$11.77	\$1.4404	\$16.40	\$7.37	\$1.3922	\$11.98	\$8.28	\$1.3852	\$12.84	\$ 7.52	\$1.3852	\$12.11	\$ 11.32	\$1.4162	\$15.88
Dec	\$11.89	\$1.4170	\$16.43	\$8.09	\$1.3551	\$12.55	\$9.07	\$1.3481	\$13.47	\$ 7.86	\$1.3481	\$12.30	\$ 11.43	\$1.3857	\$15.88
Jan 2007	\$13.17	\$1.3947	\$17.59	\$8.57	\$1.3079	\$12.85	\$9.33	\$1.3009	\$13.56	\$ 8.27	\$1.3009	\$12.53	\$ 12.49	\$1.3471	\$16.77
Feb	\$13.19	\$1.3306	\$17.39	\$8.77	\$1.3182	\$13.08	\$9.94	\$1.3112	\$14.18	\$ 8.42	\$1.3112	\$12.71	\$ 12.52	\$1.3222	\$16.71
Mar	\$14.00	\$1.3535	\$18.25	\$9.07	\$1.3839	\$13.60	\$10.64	\$1.3769	\$15.09	\$ 9.21	\$1.3769	\$13.71	\$ 13.24	\$1.3691	\$17.57
Apr	\$14.50	\$1.4296	\$19.00	\$9.69	\$1.4727	\$14.51	\$11.36	\$1.4657	\$16.09	\$ 11.39	\$1.4657	\$16.12	\$ 13.75	\$1.4529	\$18.35
May	\$15.28	\$1.4789	\$19.92	\$11.50	\$1.5776	\$16.62	\$12.54	\$1.5706	\$17.60	\$ 13.45	\$1.5706	\$18.48	\$ 14.70	\$1.5332	\$19.55
June	\$16.88	\$1.5866	\$21.84	\$13.58	\$1.6527	\$18.89	\$14.93	\$1.6457	\$20.17	\$ 15.54	\$1.6457	\$20.76	\$ 16.53	\$1.6204	\$21.62
July	\$19.61	\$1.7108	\$24.91	\$16.31	\$1.6180	\$21.40	\$16.31	\$1.6110	\$21.38	\$ 16.58	\$1.6110	\$21.64	\$ 19.07	\$1.6625	\$24.22
Aug	\$20.74	\$1.6410	\$25.76	\$17.44	\$1.5942	\$22.41	\$14.79	\$1.5872	\$19.83	\$ 16.91	\$1.5872	\$21.87	\$ 20.29	\$1.6175	\$25.24
Sep	\$20.76	\$1.6782	\$25.91	\$17.46	\$1.5171	\$22.16	\$15.32	\$1.5101	\$20.07	\$ 16.92	\$1.5101	\$21.61	\$ 20.21	\$1.5924	\$25.08
Oct	\$20.86	\$1.5609	\$25.59	\$17.56	\$1.4162	\$21.90	\$14.27	\$1.4092	\$18.70	\$ 16.97	\$1.4092	\$21.31	\$ 20.33	\$1.4841	\$24.81
Nov	\$21.04	\$1.4718	\$25.45	\$17.74											

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.	%
Jul 2006	244,321	307	207,315	84.86%	20,802	8.51%	4,471	1.83%	11,733	4.80%
Aug	243,484	329	215,044	88.32%	19,884	8.17%	729	0.30%	7,828	3.21%
Sep	231,761	329	205,157	88.52%	17,989	7.76%	1,040	0.45%	7,575	3.27%
Oct	249,931	339	211,434	84.60%	21,520	8.61%	677	0.27%	16,299	6.52%
Nov	251,187	333	220,684	87.86%	22,976	9.15%	489	0.19%	7,037	2.80%
Dec	264,731	320	225,300	85.10%	17,592	6.65%	5,825	2.20%	16,014	6.05%
Jan 2007	288,327	322	239,083	82.92%	20,833	7.23%	8,745	3.03%	19,667	6.82%
Feb	268,823	298	218,212	81.18%	18,601	6.92%	15,197	5.65%	16,813	6.25%
Mar	309,668	294	242,109	78.19%	27,232	8.79%	28,164	9.09%	12,163	3.93%
Apr	292,665	292	219,928	75.15%	28,003	9.57%	27,846	9.51%	16,887	5.77%
May	287,160	283	214,731	74.78%	28,205	9.82%	31,560	10.99%	12,664	4.41%
June	258,463	352	204,677	79.18%	27,207	10.53%	15,961	6.18%	10,619	4.11%
July	248,237	351	198,729	80.05%	22,237	8.96%	11,395	4.59%	15,877	6.40%
Aug	246,333	466	213,617	86.72%	21,897	8.89%	5,154	2.09%	5,666	2.30%
Sep	235,983	442	199,162	84.40%	17,874	7.57%	8,015	3.40%	10,931	4.63%
Oct	253,906	450**	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%



* 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 2007 through January 2008									
	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 2007	12/11/07	12/12/07	12/13/07	11/19/07	11/20/07	12/04/07	12/05/07	12/13/07	12/14/07
Dec 2007	01/11/08	01/14/08	01/15/08	12/19/07	12/20/07	01/04/08	01/07/08	01/15/08	01/16/08
Jan 2008	02/11/08	02/12/08	02/13/08	01/22/08	01/22/08	02/04/08	02/05/08	02/13/08	02/14/08

**The base rate for making partial payments in Hillsborough Co., FL for November will be \$22.33 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$21.09 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%

WASDE Dairy Report 1/

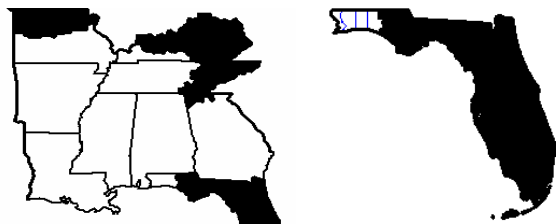
WASDE – 452 November 9, 2007

Milk Forecast milk production for 2007 and 2008 is reduced. Cow herds and milk per cow are expanding gradually although USDA's Milk Production report released in October indicated that the pace is slightly below earlier expectations. Imports are reduced for both 2007 and 2008. A weak U.S. dollar and tight milk supplies in major exporting countries are expected to result in lower imports on both a fat and skim-solids basis. Ending stocks for 2007 on a fat basis are forecast higher than last month reflecting continued large supplies of butter. Skim-solids stocks are unchanged from last month as nonfat dry milk (NDM) stocks are expected to diminish as product moves into export channels.

Dairy product prices are changed slightly in 2007 and 2008. Cheese price forecasts are raised in both years reflecting good demand and modest growth in supplies. Butter prices are reduced for 2007 and early 2008 as supplies have been building. NDM prices are reduced for 2007 on rising inventories. Dry whey prices are little changed. As a result of stronger cheese price forecasts, the Class III price forecast is raised for 2007 and 2008. The Class IV price forecast is lowered for 2007, but unchanged in 2008. The all milk price is forecast at \$18.95 to \$19.05 per cwt for 2007 and \$17.70 to \$18.60 per cwt for 2008, unchanged from last month.

1/The World Agricultural Supply and Demand Estimates (WASDE) report provides USDA's comprehensive forecasts of supply and demand for major U.S. and global crops and U.S. livestock, including dairy. The most recent WASDE report is available at www.usda.gov/oce/commodity/wasde/index.htm.

USDA MILK MARKET ADMINISTRATOR
 U.S. Department Of Agriculture
 P.O. Box 491778
 Lawrenceville, Georgia 30049



www.fmmatlanta.com

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