

FLORIDA Fluid Milk Report

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Market Administrator

Florida Marketing Area
Federal Order No. 6



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USDA Issues Recommended Decision on Proposed Amendments to all Federal Milk Orders

The U.S. Department of Agriculture has issued a recommended decision to adopt amendments to the producer-handler definition in all Federal milk marketing orders. This decision is based on testimony and evidence given at a public hearing held May 4 through May 19, 2009 in Cincinnati, Ohio.

The decision recommends that the producer-handler definitions of all Federal milk marketing orders be amended to limit exemption from pooling and pricing provisions of the orders to those producer-handlers with total route disposition of fluid milk products of 3 million pounds or less per month. The exempt plant definition would continue to limit disposition of Class I milk products to 150,000 pounds or less per month.

Interested persons have until December 21, 2009 to file comments in response to the decision. You may send your comments by using the Federal eRulemaking portal at www.regulations.gov. The recommended decision was published in the October 21, 2009 Federal Register and available at www.fmmatlanta.com under 'What's New'. To request that a copy of this recommended decision be mailed to you, please contact this office.

August Mailbox Prices

According to Dairy Market News (vol. 76, report 45), in August 2009, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$12.04, up \$0.74 from the previous month average, and down \$6.54 from August 2008. Prices ranged from \$15.37 in Florida to \$10.51 in New Mexico, while the mailbox price reported for the Southeast area was \$13.88, up \$0.50 from last month.

Southern Dairy Conference 2010

The 36th Annual Southern Dairy Conference will be held in Atlanta, GA on January 26-27, 2010. Go to www.southerndairyconference.farming.officelive.com for registration and other conference information.

Uniform Price Up \$1.65 in October

The uniform price in Hillsborough County, Florida, was \$17.23 per hundredweight for milk at 3.5 percent butterfat for the month of October. This represents an increase of \$1.65 compared with the previous month and a decrease of \$3.19 from October 2008.

Class I utilization was 88.40 percent in October, an increase of 2.72 percent when compared with last month and an increase of 1.42 percent from October 2008.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in September was 15.0 billion pounds, a decrease of 0.7 percent from September 2008 and a decrease of 1.4 percent when compared with August 2009 on a daily average basis. Total cheese output was 845 million pounds, 4.4 percent above September 2008 and 2.9 percent above August 2009 on a daily average basis. Butter production was 94.6 million pounds, 21.9 percent below September 2008 and 3.1 percent below August 2009 on a daily average basis.

Nonfat dry milk powder production was 87.1 million pounds in September, a 1.8 percent above September 2008 and a 14.9 percent below August 2009 on a daily average basis. Dry whey production was 83.9 million pounds, 2.8 percent above September 2008 and 0.3 percent below August 2009 on a daily average basis.

The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk, was 2.04 in October 2009, up 0.06 points from the previous month's revised ratio of 1.98.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - OCTOBER 2009

Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	48.66%	4,420,971	\$1.2041	\$ 5,323,291.18
Class I Differential at Location				246,055.85
Class II Butterfat	34.49%	3,133,777	\$1.2822	4,018,128.87
Class III Butterfat	2.02%	183,589	\$1.2752	234,112.70
Class IV Butterfat	14.83%	1,347,693	\$1.2752	1,718,578.10
Total Butterfat	100.00%	9,086,030		\$ 11,540,166.70
Uniform Butterfat Price per lb. (Hillsborough County, Florida):			\$1.2701	

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	89.90%	216,470,904	\$8.43 /cwt.	\$ 18,248,497.21
Class I Butterfat	48.66%	4,420,971	\$1.2041 /lb.	5,323,291.18
Class I Differential at Location		220,891,875		12,315,496.25
Total Class I Milk	88.40%	220,891,875		\$ 35,887,284.64
Class II Skim Milk	6.69%	16,106,217	\$7.71 /cwt.	\$ 1,241,789.32
Class II Butterfat	34.49%	3,133,777	\$1.2822 /lb.	4,018,128.87
Total Class II Milk	7.70%	19,239,994		\$ 5,259,918.19
Class III Skim Milk	0.11%	260,220	\$8.66 /cwt.	\$ 22,535.06
Class III Butterfat	2.02%	183,589	\$1.2752 /lb.	234,112.70
Total Class III Milk	0.18%	443,809		\$ 256,647.76
Class IV Skim Milk	3.30%	7,938,628	\$7.66 /cwt.	\$ 608,098.91
Class IV Butterfat	14.83%	1,347,693	\$1.2752 /lb.	1,718,578.10
Total Class IV Milk	3.72%	9,286,321		\$ 2,326,677.01
Producer Milk	100.00%	249,861,999		\$ 43,730,527.60

Adjustments

Overage and Other Source	\$0.00
Inventory Adjustments	\$1,781.75
Producer butterfat at uniform butterfat price	(\$11,540,166.70)
Location Adjustments to Producers	(\$301,663.06)
1/2 Unobligated Balance in P.S.F	\$117,899.17
Adjusted Pool Value	\$ 13.29384
Reserve for Producer Settlement Func	\$ 0.04384
	\$32,008,378.76
	\$105,562.85

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida): **\$13.25**

Uniform Price per cwt. (Hillsborough County, Florida) **\$17.23***

* 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 2009	NOV 2009	SEPT 2009	OCT 2009	OCT 2009
Appalachian (Charlotte)	\$ 15.75	\$ 16.26	\$ 13.65	\$ 15.05	73.52%
Arizona (Phoenix)	\$ 14.70	\$ 15.21	\$ 12.37	\$ 13.38	40.26%
Central (Kansas City)	\$ 14.35	\$ 14.86	\$ 11.90	\$ 12.79	40.16%
Florida (Tampa)	\$ 17.75	\$ 18.26	\$ 15.58	\$ 17.23	88.40%
Mideast (Cleveland)	\$ 14.35	\$ 14.86	\$ 12.07	\$ 13.14	46.20%
Northeast (Boston)	\$ 15.60	\$ 16.11	\$ 12.93	\$ 14.06	48.90%
Pacific Northwest (Seattle)	\$ 14.25	\$ 14.76	\$ 11.89	\$ 12.86	30.89%
Southeast (Atlanta)	\$ 16.15	\$ 16.66	\$ 14.12	\$ 15.55	74.01%
Southwest (Dallas)	\$ 15.35	\$ 15.86	\$ 13.02	\$ 14.05	43.78%
Upper Midwest (Chicago)	\$ 14.15	\$ 14.66	\$ 12.14	\$ 12.94	14.20%

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

Receipts:		October 2009	October 2008
Producer Milk			
Class I		220,891,875	220,737,414
Class II		19,239,994	20,057,454
Class III		443,809	835,656
Class IV		9,286,321	12,156,108
	Total Producer Milk	<u>249,861,999</u>	<u>253,786,632</u>
	Average Butterfat Test	3.64%	3.66%
	Percent of Producer Milk in Class I	88.40%	86.98%
	Daily Average Receipts	8,060,064	8,186,666
Other Source Milk			
Class I		10,383,596	8,000,836
Class II		8,070,577	9,554,824
Class III		0	141,243
Class IV		1,897,620	1,722,138
	Total Other Source Milk	<u>20,351,793</u>	<u>19,419,041</u>
Overage			
Class I		0	0
Class II		0	0
Class III		0	0
Class IV		0	0
	Total Overage	<u>0</u>	<u>0</u>
Opening Inventory			
Class I		13,889,879	12,085,571
Class II		105,421	336,076
Class III		37,669	46,707
Class IV		8,662,816	7,470,637
	Total Opening Inventory	<u>22,695,785</u>	<u>19,938,991</u>
	Total Receipts	292,909,577	293,144,664
Utilization:			
Class I Utilization			
Inventory of Packaged FMP		14,909,461	14,431,484
Route Disposition Class I		226,731,565	225,665,030
Shrinkage		2,001,829	693,507
Transfers & Diversions to Nonpool		1,522,495	33,800
	Total Class I Utilization	<u>245,165,350</u>	<u>240,823,821</u>
	Average Butterfat Test	2.00%	2.01%
	Daily Average Utilization	7,908,560	7,768,510
Class II Utilization			
Nonfluid Used To Produce		8,054,529	9,546,221
Shrinkage		0	0
Transfers & Diversions to Nonpool/Commercial Foods		5,981,206	6,887,242
Used To Produce/Other Uses		13,380,257	13,514,891
	Total Class II Utilization	<u>27,415,992</u>	<u>29,948,354</u>
	Average Butterfat Test	11.47%	10.46%
Class III Utilization			
Shrinkage		0	0
Transfers & Diversions to Nonpool/Used to Produce		481,478	1,023,606
Use to Produce/Other Uses		0	0
	Total Class III Utilization	<u>481,478</u>	<u>1,023,606</u>
	Average Butterfat Test	38.36%	44.57%
Class IV Utilization			
Inventory		4,377,228	5,488,218
Nonfluid Used To Fortify		824,583	1,058,574
Shrinkage		4,446,076	4,259,387
Transfers & Diversions to Nonpool		8,630,724	8,692,341
Used To Produce/Other Uses		1,568,146	1,850,363
	Total Class IV Utilization	<u>19,846,757</u>	<u>21,348,883</u>
	Average Butterfat Test	9.78%	8.46%
	Total Utilization	292,909,577	293,144,664

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in October 2009 is \$17.23 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$13.25 per hundredweight plus 3.5 times the uniform butterfat price of \$1.2701 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 89.90% of all producer skim milk (priced to handlers at \$8.43 per hundredweight, plus the Class I differential and 48.66% of producer butterfat (priced to handlers at \$1.2041 per pound plus Class I differential). Class II use accounted for 6.69% of all producer skim milk (\$7.71 per hundredweight) and 34.49% of producer butterfat (\$1.2822 per pound). Class III use accounted for 0.11% of all producer skim milk (\$8.66 per hundredweight) and 2.02% of producer butterfat (\$1.2752 per pound). Class IV use accounted for 3.30% of all producer skim milk (\$7.66 per hundredweight) and 14.83% of producer butterfat (\$1.2752 per pound).

Receipts of producer milk during October 2009 totaled 249.9 million pounds, 3.9 million pounds less than was pooled in October of last year. Florida producers supplied 133.2 million pounds of milk in September 2009 or 55.59% of the total producer milk pooled in Florida. In September 2008, Florida producers supplied 57.67% of producer milk pooled on the Florida market.

There were 12 regulated pool distributing plants and 6 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for October 2009. In-area Class I route disposition totaled 236.9 million pounds in September 2009, 4.8 million more than September 2008 and an increase of 3.28 percent after adjusting for calendar composition.

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
September 2009		
Whole Milk	83,145,880	35.10%
Fat Free Milk	31,277,331	13.21%
Lowfat Milk (incl. 1%)	29,937,017	12.64%
Reduced Fat Milk (incl. 2%)	69,635,404	29.40%
Cultured Fluid Milk (incl. Buttermilk)	914,386	0.39%
Flavored Drinks and Milk	21,944,452	9.26%
Total Disposition in Marketing Area	236,854,470	100.00%
Total Disposition by Pool Plants	210,024,462	88.67%
Total Disposition by Nonpool Plants	26,830,008	11.33%
Total Disposition in Marketing Area	236,854,470	100.00%

Release Dates for 2010 Federal Milk Order Price Data

Listed below are the release dates for the Federal milk order program for price data applicable to January through December 2010. For more details, visit www.fmmatlanta.com and click on "What's New".

Month to Which Prices Apply	Advanced Prices and Pricing Factors		Class and Component Prices	
	Release Date	Time Period of NASS Prices 1/	Release Date	Time Period of NASS Prices 1/
January	Dec. 18, 2009	12/5, 12	Feb. 5, 2010	1/2, 9, 16, 23, 30
February	Jan. 22, 2010	1/9, 16	Mar. 5	2/6, 13, 20, 27
March	Feb. 19	2/6, 13	Apr. 2	3/6, 13, 20, 27
April	Mar. 19	3/6, 13	May. 30	4/3, 10, 17, 24
May	May. 21	4/10, 17	Jun. 4	5/1, 8, 15, 22, 29
June	Apr. 24	5/8, 15	Jul. 2	6/5, 12, 19, 26
July	Jun. 18	6/5, 12	Jul. 30	7/3, 10, 17, 24
August	Jul. 23	7/10, 17	Sep. 3	7/31, 8/7, 14, 21, 28
September	Aug. 20	8/7, 14	Oct. 1	9/4, 11, 18, 25
October	Sept. 17	9/4, 11	Nov. 5	10/2, 9, 16, 23, 30
November	Oct. 22	10/9, 16	Dec. 3	11/6, 13, 20, 27
December	Nov. 19	11/6, 13	Dec. 30	12/4, 11, 18, 25

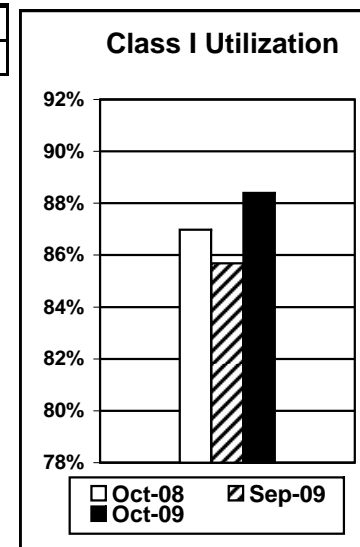
1/ Weekly sales periods, ending on the indicated date, that are included in the applicable average. Information for the week usually is released by NASS on Friday of the following week.

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 2008	\$17.38	\$1.7951	\$23.05	\$11.59	\$1.8266	\$17.58	\$10.27	\$1.8196	\$16.28	\$9.41	\$1.8196	\$15.45	\$16.63	\$1.8112	\$22.39
Oct	\$15.16	\$1.7991	\$20.93	\$10.46	\$1.8577	\$16.60	\$10.97	\$1.8507	\$17.06	\$7.40	\$1.8507	\$13.62	\$14.53	\$1.8291	\$20.42
Nov	\$16.69	\$1.8928	\$22.73	\$8.52	\$1.7800	\$14.45	\$9.64	\$1.7730	\$15.51	\$6.26	\$1.7730	\$12.25	\$15.37	\$1.8328	\$21.25
Dec	\$14.89	\$1.8465	\$20.83	\$6.88	\$1.3068	\$11.21	\$11.12	\$1.2998	\$15.28	\$6.01	\$1.2998	\$10.35	\$13.86	\$1.5719	\$18.88
Jan 2009	\$16.64	\$1.4523	\$21.14	\$6.74	\$1.1154	\$10.41	\$7.15	\$1.1084	\$10.78	\$5.92	\$1.1084	\$9.59	\$15.02	\$1.2645	\$18.92
Feb	\$12.47	\$1.1680	\$16.12	\$6.63	\$1.1011	\$10.25	\$5.68	\$1.0941	\$9.31	\$5.82	\$1.0941	\$9.45	\$11.47	\$1.1299	\$15.02
Mar	\$11.21	\$1.1458	\$14.83	\$6.51	\$1.1664	\$10.36	\$6.61	\$1.1594	\$10.44	\$5.78	\$1.1594	\$9.64	\$10.51	\$1.1561	\$14.19
Apr	\$11.96	\$1.2040	\$15.76	\$6.47	\$1.2119	\$10.49	\$6.80	\$1.2049	\$10.78	\$5.81	\$1.2049	\$9.82	\$11.28	\$1.2077	\$15.11
May	\$12.41	\$1.2559	\$16.37	\$6.49	\$1.2718	\$10.71	\$5.61	\$1.2648	\$9.84	\$5.92	\$1.2648	\$10.14	\$11.63	\$1.2639	\$15.65
Jun	\$11.31	\$1.3057	\$15.48	\$6.61	\$1.2614	\$10.79	\$5.78	\$1.2544	\$9.97	\$6.04	\$1.2544	\$10.22	\$10.84	\$1.2850	\$14.96
Jul	\$11.43	\$1.3222	\$15.66	\$6.73	\$1.2508	\$10.87	\$5.82	\$1.2438	\$9.97	\$6.01	\$1.2438	\$10.15	\$10.95	\$1.2888	\$15.08
Aug	\$11.40	\$1.2689	\$15.44	\$6.70	\$1.2561	\$10.86	\$7.08	\$1.2491	\$11.20	\$6.23	\$1.2491	\$10.38	\$10.84	\$1.2626	\$14.88
Sep	\$12.14	\$1.3186	\$16.33	\$6.95	\$1.2296	\$11.01	\$8.12	\$1.2226	\$12.11	\$7.12	\$1.2226	\$11.15	\$11.53	\$1.2717	\$15.58
Oct	\$13.83	\$1.2581	\$17.75	\$7.71	\$1.2822	\$11.93	\$8.66	\$1.2752	\$12.82	\$7.66	\$1.2752	\$11.86	\$13.25	\$1.2701	\$17.23
Nov	\$14.10	\$1.3292	\$18.26	\$8.38											

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 2008	236,579	408	205,230	86.75%	20,137	8.51%	572	0.24%	10,640	4.50%
Oct	253,787	427	220,737	86.98%	20,057	7.90%	836	0.33%	12,156	4.79%
Nov	250,742	415	210,122	83.80%	19,828	7.91%	3,556	1.42%	17,237	6.87%
Dec	264,689	430	223,609	84.48%	18,762	7.09%	5,217	1.97%	17,101	6.46%
Jan 2009	286,220	404	233,649	81.64%	18,349	6.41%	11,770	4.11%	22,452	7.84%
Feb	267,601	410	217,760	81.37%	19,124	7.15%	15,258	5.70%	15,460	5.78%
Mar	278,448	328	233,588	83.89%	22,457	8.07%	2,711	0.97%	19,692	7.07%
Apr	258,797	273	222,033	85.80%	19,537	7.55%	2,521	0.97%	14,705	5.68%
May	247,816	249	212,327	85.68%	19,090	7.70%	7,311	2.95%	9,088	3.67%
Jun	221,439	317	196,502	88.74%	18,212	8.22%	3,222	1.46%	3,503	1.58%
Jul	231,404	313	205,723	88.91%	18,786	8.12%	3,389	1.46%	3,506	1.51%
Aug	243,010	432	211,546	87.05%	20,257	8.34%	1,273	0.52%	9,934	4.09%
Sep	239,600	456	205,275	85.68%	22,835	9.53%	581	0.24%	10,908	4.55%
Oct	249,862	450**	220,892	88.40%	19,240	7.70%	444	0.18%	9,286	3.72%



* 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 2009 through January 2010									
	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 2009	12/11/09	12/14/09	12/15/09	11/19/09	11/20/09	12/04/09	12/07/09	12/15/09	12/16/09
DEC 2009	01/11/10	01/12/10	01/13/10	12/21/09	12/21/09	01/04/10	01/05/10	01/13/10	01/14/10
JAN 2010	02/11/10	02/12/10	02/16/10	01/19/10	01/20/10	02/04/10	02/05/10	02/16/10	02/16/10

**The base rate for making partial payments in Hillsborough Co., FL for November will be \$15.51 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$14.65 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 - 476 November 10, 2009

The milk production forecasts are raised for 2009 and 2010 as milk per cow is forecast higher and the rate of decline in cow inventories is slowed. Improved milk prices are expected to more than outweigh higher feed costs and slow the pace of liquidation. Improving global demand and concerns about world supplies of dairy products have pushed international dairy prices higher and are expected to result in higher U.S. dairy exports during the remainder of this year and into 2010. Import forecasts are lowered for 2009.

Fat-basis ending stocks are forecast higher for 2009, but 2010 stocks are forecast lower on both a fat and skim-solids basis as supplies tighten. Improving domestic and export demand and lower year-to-year milk production is expected to lead to higher prices for U.S. cheese, butter, nonfat dry milk, and whey. Class III and IV price forecasts for 2009 and 2010 are raised from last month. The all milk price is forecast at \$12.60 to \$12.70 per cwt for 2009 and \$16.05 to \$16.95 for 2010.

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.

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