

**United States Department of Agriculture
Agricultural Marketing Service, Dairy Programs**

Market Administrator

**Federal Order No. 6 – Florida Marketing Area
Federal Order No. 7 – Southeast Marketing Area**

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**Guidelines for Qualifying Diverted Milk as Producer Milk
Federal Order No. 6, Florida Marketing Area**

Daily Delivery Requirements (see 7 CFR §1006.13(d)(1))

A producer's milk must be physically received at pool plant(s) for the equivalent of not less than ten (10) days^{1/} production in all months of the year in order for diverted milk from that farm to nonpool plants to be qualified as producer milk. This can be accomplished by either taking all of the production for any 10 days of the month (**as long as market association has been established-see market association guidelines**) and delivering said production to qualified pool plant(s), or by ensuring that the equivalent of 10 full days production (based on a daily simple average) for that month has been received by the qualified pool plant(s).

Example

For any month of the year, in order to qualify any diversions of a producer with production for the pooling month of 4,800,000 pounds (or a daily average of 160,000 pounds for a thirty day month), the producer's milk must be delivered to Federal Order 6 pool plants for 10 actual days of production or equivalent deliveries of 1,600,000 pounds. ***Please note that when diversion decisions are being made, it may not be known what the actual production for a particular producer will be for the month. This is particularly true if a farmer's production has increased from previous months due to an increase in herd size. It is prudent to error on the side of caution when determining the amount to be delivered to pool plants in order to qualify diversions.***

Percent Limitations (see 7 CFR §1006.13(d)(2)&(3))

The total quantity of milk diverted to nonpool plants during the month by a **cooperative association** shall not exceed 10%^{1/} during the months of July through November, 15%^{1/} during the months of December through February, and 20%^{1/} during all other months, of the producer milk that the cooperative association caused to be delivered to, and physically received at, pool plants during the month.

The **operator of a pool plant that is not a cooperative association** may divert to nonpool plants any milk that is not under the control of a cooperative association that diverts milk during the month pursuant to 7 CFR §1006.13(d). The total quantity of milk so diverted during the month shall not exceed 10%^{1/} during the months of July through November, 15%^{1/} during the months of December through February, and 20%^{1/} during all other months of the producer milk physically received at such plant (or such unit of plants in the case of plants that pool as a unit pursuant to 7 CFR §1006.7(d) during the month, excluding the quantity of producer milk received from a handler described in 7 CFR §1000.9(c).

Producers With Multiple Tanks

For the purpose of meeting the delivery day requirements, a farm location with multiple tanks is considered one production unit.

Producers Who Own Multiple Farms

For the purpose of meeting the delivery day requirements, each farm location will be considered as a separate unit.

^{1/} The delivery day requirements and percent limitations may be increased or decreased by the market administrator if the market administrator finds that such revision is necessary to assure orderly marketing and efficient handling of milk in the marketing area. If you are not sure what the current delivery day requirements are in Federal Order Nos. 6 or 7, please contact the Market Administrator office at (770)682-2501.

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**Guidelines for Establishing and Maintaining Market Association
For the Purpose of Qualifying Diversions**

Federal Order No. 6, Florida Marketing Area

To establish market association, the *equivalent* of a full day's production for a producer must be delivered to one or more pool plants regulated on Federal Order No. 6. This can be accomplished by either taking all of the production for one day and delivering said production to pool plant(s), or by adding partial daily deliveries to pool plant(s) until at least the equivalent of a full day's production (based on a daily simple average) has been received by the pool plant(s). When using the equivalent day method, any milk that is diverted prior to achieving at least the equivalent full day production level in a particular market will not qualify for pooling.

A producer will maintain market association provided that an entire day's production (meaning a physical day, not an equivalent day) is not pulled from the market and delivered to a plant or outlet not participating in the Federal Order No. 6 pool. If the production for an entire day goes to a plant or outlet not participating in the pool, the producer will need to re-establish association before again being allowed to divert.

In the case of a producer who has multiple pickups, one full pickup delivered to a pool plant regulated on Federal Order No. 6 will re-establish the association. Milk degraded by a state certified laboratory will not count towards losing association with the market.

Example

A producer with four pickups per day for a daily average of 160,000 pounds per day can initially qualify on the market by delivering an entire day's production to pool plant(s) (all four pickups) or by accumulating at least the equivalent of 160,000 pounds of deliveries to pool plant(s). If market association is accomplished by delivering an entire production day, the pounds would not necessarily have to equal the 160,000 pound daily average. Once the producer establishes association with the market, association will be maintained as long as an entire day's production (all four loads) is not delivered to a plant or outlet not associated with the marketing area.

If the producer loses association, re-association may be established by delivery, within the same month, of one pickup (approximately 40,000 pounds assuming the pickups are equal) to pool plant(s). In the case of a 160,000 pound per day producer, the delivery of a token amount of milk (in this case, something far less than 40,000 pounds) would not be enough to re-establish association with the market.

By using the equivalent method, it is possible for a large producer with more than one tank to qualify on more than one Order. This could be done by meeting the delivery day requirements on both Order 6 and 7 (**see guidelines for qualifying diverted milk as producer milk**) while maintaining market association at all times in Federal Order No. 6. *It should be noted, however, that the same milk may not be pooled on more than one Order.*

(over)

Producers With Multiple Tanks

For purposes of market association, a farm location with multiple tanks is considered one production unit. The only exception to this is when a producer loses market association. One full pick up delivered to a pool plant regulated on Federal Order No. 6 may be used to re-establish association with the market.

Producers Who own Multiple Farms

For purposes of market association, each farm location will be considered as a separate unit.