FLORIDA Fluid Milk Report

Sue L. Mosley *Market Administrator*



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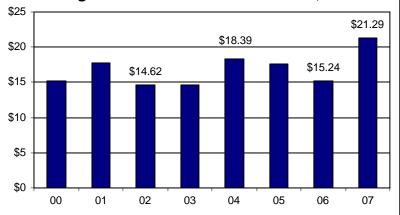
2007: A Year of Historic Prices

Due to contracted milk production in the first half of the year and strong demand for milk products, especially abroad, producer milk prices soared to historic heights in 2007. The weighted average Florida Order uniform price was \$21.29 per hundredweight last year, \$2.90 over the previous high in 2004 and \$6.05 more than 2006 (see chart below). While uniform prices did exceed \$21 three times in 2004, they receded quickly by over \$3. But during 2007, there was no precipitous decline.

The Florida Order uniform price rose to \$21.62 in June and remained above that plateau through December, including five consecutive months of uniform prices in excess of \$24, two of which topped the \$25-mark! The record high uniform price was set in August at \$25.24, \$2.31 and 10.1% above the previous record set back in June 2004.

The USDA projects the bottom will not drop out on 2008 milk prices, but rather they will decline gradually and average 85-cents below last year.

Wtd. Avg. Florida Order Uniform Prices; 2000-07



34th Annual Southern Dairy Conference

The 34th Annual Southern Dairy Conference will be held on January 30 and 31, 2008 at the Westin Atlanta Airport hotel, 4736 Best Road, Atlanta, Georgia, 30337; 1-888-627-7211. Obtain copies of the agenda and register for the conference at the following website: www.areg.caes.uga.edu/.

Uniform Price Falls

The uniform price in Hillsborough County, FL, was \$23.44 per hundredweight for milk at 3.5 percent butterfat for the month of December. This represents an decrease of \$1.45 compared with the previous month. But, comparing this December to December 2006, the current uniform price is still \$7.56 higher.

Class I utilization was 82.22 percent in December, a decrease of 4.65 percent when compared with the previous month and a 2.88 percent decrease when compared with December of last year. The weighted average Class I utilization for the year was 81.20 percent, down 2.83 percent and the lowest since consolidation of the three Florida orders.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in November was 14.99 billion pounds, an increase of 3.2 percent from November 2006 and an increase of 0.7 percent when compared with October 2007 on a daily average basis. Total cheese output (excluding cottage cheese) was 808 million pounds, a 1.2 percent increase compared to November 2006 but 1.9 percent below October 2007. Butter production was 132 million pounds, 11.7 percent above November 2006 and 2.1 percent above October 2007.

Nonfat dry milk powder production was 98.4 million pounds in November, 27.9 percent higher than November 2006 and a 0.5% percent decrease compared to October 2007. Dry whey production was 93.6 million pounds in November, a 9.0 percent decrease from November of last year and a 5.4 percent increase compared with October 2007.

The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk, was 2.82 in December. This is a decline of 0.24 points from the revised November 2007 ratio.

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

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat	48.77%	4,762,344	\$1.4120	\$ 6,724,429.73
Class I Differential at Location				193,864.36
Class II Butterfat	30.95%	3,022,249	\$1.4418	4,357,478.59
Class III Butterfat	4.51%	440,692	\$1.4348	632,304.87
Class IV Butterfat	15.77%	1,539,728	\$1.4348	2,209,201.74
Total Butterfat	100.00%	9,765,013		\$ 14,117,279.29

Uniform Butterfat Price per lb. (Hillsborough County, Florida): \$1.4457

Calculation of Uniform Skim Milk Price

Producer Milk	Utilization	Pounds	Price per unit	<u>Value</u>
Class I Skim Milk	83.49%	214,927,201	\$15.65 /cwt.	\$ 33,636,106.96
Class I Butterfat	48.77%	4,762,344	\$1.4120 /lb.	6,724,429.73
Class I Differential at Location	n	219,689,545		8,975,074.02
Total Class I Milk	82.22%	219,689,545		\$ 49,335,610.71
Class II Skim Milk	6.64%	17,094,667	\$16.35 /cwt.	\$ 2,794,978.07
Class II Butterfat	30.95%	3,022,249	\$1.4418 /lb.	4,357,478.59
Total Class II Milk	7.53%	20,116,916		\$ 7,152,456.66
Class III Skim Milk	3.29%	8,473,303	\$16.14 /cwt.	\$ 1,367,591.12
Class III Butterfat	4.51%	440,692	\$1.4348 /lb.	632,304.87
Total Class III Milk	3.34%	8,913,995		\$ 1,999,895.99
Class IV Skim Milk	6.58%	16,931,964	\$14.67 /cwt.	\$ 2,483,919.11
Class IV Butterfat	15.77%	1,539,728	\$1.4348 /lb.	2,209,201.74
Total Class IV Milk	6.91%	18,471,692		\$ 4,693,120.85
Producer Milk	100.00%	267,192,148		\$ 63,181,084.21

Adjustments

Overage and Other Source \$158.60
Inventory Adjustments \$1,023.86
Producer butterfat at uniform butterfat price (\$14,117,279.29)
Location Adjustments to Producers (\$22,684.25)
1/2 Unobligated Balance in P.S.F \$110,513.35

\$ 19.09388

\$49,152,816.48

\$112,947.26

Adjusted Pool Value

Reserve for Producer Settlement Func \$0.04388

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida): \$19.05

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Uniform Price per cwt. (Hillsborough County, Florida) \$23.44*

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

OTTENT EDENAL ORDERO. DENOCTARD OTH OTHER MICE (At 0.0% Dattorial)										
CL	ASS I	UNIFO	UNIFORM							
DEC 2007	JAN 2008	NOV 2007	DEC 2007	DEC 2007						
\$ 23.14	\$ 24.07	\$ 23.75	\$ 22.37	68.22%						
\$ 22.39	\$ 23.32	\$ 21.49	n/a	n/a						
\$ 22.04	\$ 22.97	\$ 20.79	\$ 20.36	40.63%						
\$ 24.04	\$ 24.97	\$ 24.89	\$ 23.44	82.22%						
\$ 22.04	\$ 22.97	\$ 21.08	\$ 20.64	40.40%						
\$ 23.29	\$ 24.22	\$ 23.31	n/a	n/a						
\$ 21.94	\$ 22.87	\$ 20.82	n/a	n/a						
\$ 23.14	\$ 24.07	\$ 23.46	\$ 22.44	66.17%						
\$ 23.04	\$ 23.97	\$ 21.58	\$ 21.01	54.15%						
\$ 21.84	\$ 22.77	\$ 19.86	\$ 20.65	15.60%						
	\$ 23.14 \$ 22.39 \$ 22.04 \$ 24.04 \$ 22.04 \$ 23.29 \$ 21.94 \$ 23.14 \$ 23.04	CLASS I DEC 2007 JAN 2008 \$ 23.14 \$ 24.07 \$ 22.39 \$ 23.32 \$ 22.04 \$ 22.97 \$ 24.04 \$ 24.97 \$ 22.04 \$ 22.97 \$ 23.29 \$ 24.22 \$ 21.94 \$ 22.87 \$ 23.14 \$ 24.07 \$ 23.04 \$ 23.97	CLASS I UNIFO DEC 2007 JAN 2008 NOV 2007 \$ 23.14 \$ 24.07 \$ 23.75 \$ 22.39 \$ 23.32 \$ 21.49 \$ 22.04 \$ 22.97 \$ 20.79 \$ 24.04 \$ 24.97 \$ 24.89 \$ 22.04 \$ 22.97 \$ 21.08 \$ 23.29 \$ 24.22 \$ 23.31 \$ 21.94 \$ 22.87 \$ 20.82 \$ 23.14 \$ 24.07 \$ 23.46 \$ 23.04 \$ 23.97 \$ 21.58	CLASS I UNIFORM DEC 2007 JAN 2008 NOV 2007 DEC 2007 \$ 23.14 \$ 24.07 \$ 23.75 \$ 22.37 \$ 22.39 \$ 23.32 \$ 21.49 n/a \$ 22.04 \$ 22.97 \$ 20.79 \$ 20.36 \$ 24.04 \$ 24.97 \$ 24.89 \$ 23.44 \$ 22.04 \$ 22.97 \$ 21.08 \$ 20.64 \$ 23.29 \$ 24.22 \$ 23.31 n/a \$ 21.94 \$ 22.87 \$ 20.82 n/a \$ 23.14 \$ 24.07 \$ 23.46 \$ 22.44 \$ 23.04 \$ 23.97 \$ 21.58 \$ 21.01						

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	December 2007	December 2006
Producer Milk		
Class I	219,689,545	225,299,754
Class II	20,116,916	17,591,951
Class III	8,913,995	5,824,673
Class IV	18,471,692	16,014,493
Total Producer Milk	267,192,148	264,730,871
Average Butterfat Test	3.65%	3.69%
Percent of Producer Milk in Class I	82.22%	85.10%
Daily Average Receipts	8,619,102	8,539,706
Other Source Milk		
Class I	6,336,020	5,345,948
Class II	7,381,230	8,792,196
Class III	0	0
Class IV	4,011,192	4,227,981
Total Other Source Milk	17,728,442	18,366,125
Overage	9	0
Class I	0	0
Class II Class III	110	814
Class III Class IV	0	1.077
Total Overage	0 110	1,977 2,791
Opening Inventory	110	2,791
Class I	14,427,128	14,820,927
Class II	301,167	1,321,570
Class III	30,430	189,878
Class IV	6,109,356	6,348,388
Total Opening Inventory	20,868,081	22,680,763
Total Receipts	305,788,781	305,780,550
•	303,700,701	303,700,330
Utilization:		
Class I Utilization	40.500.000	10.005.454
Inventory of Packaged FMP	10,592,980	12,985,154
Route Disposition Class I	228,745,548	231,751,978
Shrinkage	1,031,156	682,439
Transfers & Diversions to Nonpool Total Class I Utilization	83,009 240,452,693	47,058 245,466,629
Average Butterfat Test	240,432,693 2.16%	245,466,629
<u> </u>	7,756,538	
Daily Average Utilization Class II Utilization	7,750,556	7,918,278
Nonfluid Used To Produce	7,373,134	8,747,546
Shrinkage	7,373,134	0,747,540
Transfers & Diversions to Nonpool/Commercial Foods	7,803,218	5,302,038
Used To Produce/Other Uses	12,623,071	13,656,947
Total Class II Utilization	27,799,423	27,706,531
Average Butterfat Test	10.88%	10.00%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	8,944,425	6,014,551
Other Uses	0	0
Total Class III Utilization	8,944,425	6,014,551
Average Butterfat Test	4.93%	3.93%
Class IV Utilization		
Inventory	8,141,463	6,985,841
Nonfluid Used To Fortify	3,519,590	3,605,710
Shrinkage	3,939,693	3,638,916
Transfers & Diversions to Nonpool	11,234,801	11,327,958
Used To Produce/Other Uses	1,756,693	1,034,414
Total Class IV Utilization	28,592,240	26,592,839
Average Butterfat Test	6.81%	8.57%
Total Utilization	305,788,781	305,780,550

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in December 2007 is \$23.44 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$19.05 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4457 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 December, Class I use accounted for 83.49% of all producer skim milk (priced to handlers at \$15.65 per hundredweight, plus the Class I differential and 48.77% of producer butterfat (priced to handlers at \$1.4120 per pound plus Class I differential). Class II use accounted for 6.64% of all producer skim milk (\$16.35 per hundredweight) and 30.95% of producer butterfat (\$1.4418 per pound). Class III use accounted for 3.29% of all producer skim milk (\$16.14 per hundredweight) and 4.51% of producer butterfat (\$1.4348 per pound). Class IV use accounted for 6.58% of all producer skim milk (\$14.67 per hundredweight) and 15.77% of producer butterfat (\$1.4348 per pound).

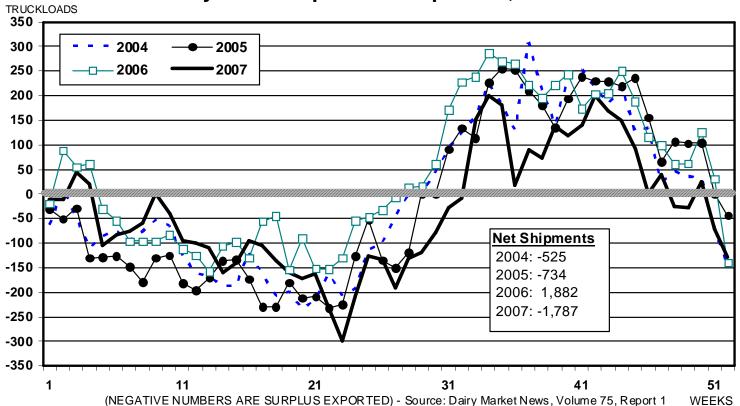
Receipts of producer milk during December 2007 totaled 267.2 million pounds, 2.5 million pounds more than was pooled in December of last year. Florida producers supplied 143.1 million pounds of milk in November 2007 to pool plants or 57.29% of the total producer milk pooled in Florida. In November 2006 Florida producers supplied 63.98% of the total producer milk pooled on the Florida market.

There were 12 regulated distributing and cooperative plants associations submitting reports of receipts and utilization that were included in the computation of the uniform prices December 2007. In-area Class I route

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent November 2007 Whole Milk 86,140,076 35.04% Fat Free Milk 33,357,328 13.57% Lowfat Milk (incl. 1%) 28,419,027 11.56% Reduced Fat Milk (incl. 2%) 72,746,224 29.59% Cultured Fluid Milk (incl. Buttermilk) 1,337,154 0.54% Flavored Drinks and Milk 23,863,613 9.72% **Total Disposition in Marketing Area** 245,863,422 100.00% Total Disposition by Pool Plants 87.62% 215,436,067 Total Disposition by Nonpool Plants 30,427,355 12.38% **Total Disposition in Marketing Area** 245,863,422 100.00%

disposition totaled 245.9 million pounds in November 2007, 3.6 million pounds more than November 2006. This is an increase of 0.04 percent after adjusting for calendar composition.

Weekly Florida Spot Milk Shipments; 2004-2007

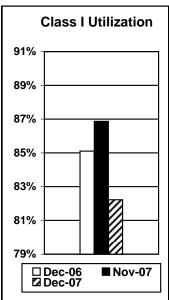


FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Po	ool		CLASS I*			CLASS I			CLASS III		(CLASS IV		U	NIFORM*	
Pe	riod	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	2006	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec		\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan	2008	\$20.53	\$1.4733	\$24.97	\$15.61											

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

	FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK										
Pool	Producer Milk	Number of	CLA	NSS I	CLA	SS II	CLA	SS III	CLAS	SIV	
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	
Sep 2006	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%	
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%	
Dec	267,192	450**	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%	



^{*} 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 January through March 2008											
	Pool &	MA Payme	ent Dates		Payments for Producer Milk						
	Uniform Price	Due to:	Due From:	First Partial Payment Due**			l Partial nt Due**	Final Pay Due			
Pool Month	Release Date	All Funds	P/S	Соор	_ ''''		Non - member	Соор	Non - member		
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		
Feb 2008	03/11/08	03/12/08	03/13/08	02/19/08	02/20/08	03/04/08	03/05/08	03/13/08	03/14/08		
Mar 2008	04/11/08	04/14/08	04/15/08	03/19/08	03/20/08	04/04/08	04/07/08	04/15/08	04/16/08		

^{**}The base rate for making partial payments in Hillsborough Co., FL for January will be \$21.10 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.92 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 - 454 January, 2008

Forecasts for 2008 milk production are lowered as higher forecast feed prices are expected to limit growth in cow numbers and gains in milk per cow. The milk production forecast for 2007 is increased slightly as milk per cow in the fourth quarter continues to recover from weakness earlier in the year. Ending stocks for 2007 on a fat basis are unchanged from last month, but skim solids stocks are raised because nonfat dry milk (NDM) stocks have remained higher than expected.

For 2008, the Class III price forecast is unchanged from last month. Cheese prices are forecast fractionally higher as demand for cheese is expected to be firm. The Class IV price for 2008 is forecast lower. The price forecasts for butter and NDM are reduced as inventories of those products are large. The all milk price forecast for 2008 is lowered slightly to \$17.90 to \$18.70 per cwt. The 2007 all milk price is estimated at \$19.15.

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.



MILK MARKET ADMINISTRATOR

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

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Packaged Sales of Fluid Milk Products Down

The packaged sales of total fluid milk products in the U.S. declined slightly last year compared to 2006 (-0.1 percent), but the decline was not uniform across the country. The Florida Marketing Area had 2.9 billion pounds of fluid milk sales in 2007, a decrease of -0.8 percent. The Southeast Marketing Area led the country with the largest year-to-year increase at +2.0 percent, totaling 5.1 billion total pounds of fluid milk sales. The Pacific Northwest, essentially Washington state and Oregon, had the largest decrease in fluid milk sales at -2.0 percent.

The Florida Marketing Area represented 5.7 percent of the fluid milk market within the nation's regulated areas, but just 2.1 percent of all milk produced in those regulated locations.

Packaged Sales of Fluid Milk Products: 2007

3			
Marketing Area (Order No.)	Mil. Lbs.	Change from '06	Share of Total
Northeast (001)	9,484	0.2%	18.7%
Appalachian (005)	3,631	0.7%	7.2%
Southeast (007)	5,123	2.0%	10.1%
Florida (006)	2,899	-0.8%	5.7%
Mideast (033)	6,160	-1.9%	12.2%
Upper Midwest (030)	4,458	0.1%	8.8%
Central (032)	4,692	-0.8%	9.3%
Southwest (126)	4,402	0.3%	8.7%
Arizona (131)	1,206	n/a	2.4%
Pacific Northwest (124)	2,133	-2.0%	4.2%
California	6,492	0.2%	12.8%
Total	50,680	-0.1%	100.0%

Source: Dairy Market News: Vol.75, Report 06

New Secretary of Agriculture Appointed

Ed Schafer was sworn in as the 29th Secretary of the U.S. Department of Agriculture (USDA) on January 28, 2008. Secretary Schafer brings a record as an innovative two-term governor of North Dakota to USDA in addition to his extensive private sector experience as both an entrepreneur and a successful business executive.

Uniform Price Increases

The uniform price in Hillsborough County, FL, was \$23.80 per hundredweight for milk at 3.5 percent butterfat for the month of January. This represents an increase of \$0.36 compared with the previous month and an increase of \$7.03 from January 2007

Class I utilization was 82.61 percent in January, a slight increase (+0.39 percent) when compared with the previous month and a slight decrease (-0.31 percent) when compared with January of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in December was 15.64 billion pounds, an increase of 2.7 percent from December 2006 and an increase of 5.7 percent when compared with November 2007 on a daily average basis. Total cheese output was 843 million pounds, 1.5 percent above December 2006 and 3.9 percent above November 2007. Butter production was 141 million pounds, 2.6 percent above December 2006 and 8.4 percent above November 2007.

Nonfat dry milk powder production was 108.0 million pounds in December, 5.0 percent lower than December 2006 and 9.8% percent lower than November 2007. Dry whey production was 96.4 million pounds in December, a 4.4 percent increase from December of last year and a 3.0 percent increase compared to November 2007.

The milk-feed price ratio was 2.55 in January. This is a decline of 0.30 points from December 2007's revised feed price ratio.

Proposed Changes to Fluid Milk Promotion

The USDA invites comments on proposed amendments to the Fluid Milk Promotion Order that would reduce the burden of late-charges to processors under certain circumstances. Visit www.fmmatlanta.com, under 'What's New' for more information on the proposed changes.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JANUARY 2008

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat	45.04%	4,659,395	\$1.4333	\$ 6, 678,3 10.86
Class I Differential at Location				189,786.85
Class II Butterfat	32.68%	3,381,418	\$1.3389	4,527,380.56
Class III Butterfat	4.51%	466,360	\$1.3319	621,144.88
Class IV Butterfat	17.77%	1,838,520	\$1.3319	2,448,724.80
Total Butterfat	100.00%	10,345,693		\$ 14,465,347.95
Uniform Butterfat Price p]			
Coloulation of Uniform Chin Mills Dries				

Producer Milk	Utilization	<u>Pounds</u>	Price per unit	<u>Value</u>
Class I Skim Milk	84.05%	229,351,427	\$16.53 /cwt.	\$ 37,911,790.88
Class I Butterfat	45.04%	4,659,395	\$1.4333 /lb.	6,678,310.86
Class I Differential at Location		234,010,822		9,559,748.66
Total Class I Milk	82.61%	234,010,822		\$ 54,149,850.40
Class II Skim Milk	7.33%	20,005,808	\$15.61 /cwt.	\$ 3,122,906.63
Class II Butterfat	32.68%	3,381,418	\$1.3389 /lb.	4,527,380.56
Total Class II Milk	8.26%	23,387,226		\$ 7,650,287.19
Class III Skim Milk	3.29%	8,982,618	\$15.19 /cwt.	\$ 1,364,459.69
Class III Butterfat	4.51%	466,360	\$1.3319 /lb.	621,144.88
Total Class III Milk	3.34%	9,448,978		\$ 1,985,604.57
Class IV Skim Milk	5.33%	14,547,265	\$12.05 /cwt.	\$ 1,752,945.43
Class IV Butterfat	17.77%	1,838,520	\$1.3319 /lb.	2,448,724.80
Total Class IV Milk	5.79%	16,385,785		\$ 4,201,670.23
Producer Milk	100.00%	283,232,811		\$ 67,987,412.39

Adjustments

Overage and Other Source \$4,443.22
Inventory Adjustments \$0.00
Producer butterfat at uniform butterfat price (\$14,465,347.95)
Location Adjustments to Producers (\$58,419.37)
1/2 Unobligated Balance in P.S.F \$116,747.33

\$ 19.63626

\$53,584,835.62

\$126,249.21

Adjusted Pool Value

Reserve for Producer Settlement Func \$0.04626

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida): \$19.59

Uniform Price per cwt. (Hillsborough County, Florida) \$23.80*

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

OTTIENT EDENTE OF	<u> </u>	<u> </u>	11111111111111111111111111111111111111	t 0.0 / Dattor	acj
MARKET NAME	CL	ASS I	UNIF	ORM	CLASS I %
(Priced at)	JAN 2008	FEB 2008	DEC 2007	JAN 2008	JAN 2008
Appalachian (Charlotte)	\$ 24.07	\$ 22.78	\$ 22.37	\$ 22.60	72.50%
Arizona (Phoenix	\$ 23.32	\$ 22.03	\$ 20.82	\$ 19.72	36.22%
Central (Kansas City)	\$ 22.97	\$ 21.68	\$ 20.36	\$ 19.71	34.73%
Florida (Tampa)	\$ 24.97	\$ 23.68	\$ 23.44	\$ 23.80	82.61%
Mideast (Cleveland)	\$ 22.97	\$ 21.68	\$ 20.64	\$ 20.25	38.90%
Northeast (Boston)	\$ 24.22	\$ 22.93	\$ 21.59	\$ 21.11	44.10%
Pacific Northwest (Seattle)	\$ 22.87	\$ 21.58	\$ 20.30	\$ 19.39	34.37%
Southeast (Atlanta)	\$ 24.07	\$ 22.78	\$ 22.44	\$ 22.46	66.56%
Southwest (Dallas)	\$ 23.97	\$ 22.68	\$ 21.01	\$ 20.70	44.77%
Upper Midwest (Chicago)	\$ 22.77	\$ 21.48	\$ 20.65	\$ 19.70	15.60%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	January 2008	January 2007
Producer Milk	•	·
Class I	234,010,822	239,082,581
Class II	23,387,226	20,832,568
Class III	9,448,978	8,745,037
Class IV	16,385,785	19,666,559
Total Producer Milk	283,232,811	288,326,745
Average Butterfat Test	3.65%	3.65%
Percent of Producer Milk in Class I	82.61%	82.92%
Daily Average Receipts	9,136,542	9,300,863
Other Source Milk	5 000 050	2 000 050
Class I	5,230,358	3,998,358
Class II Class III	8,077,938	8,716,772
Class IV	0	1 010 510
Total Other Source Milk	905,464 14,213,760	1,019,519 13,734,649
Overage	14,213,700	13,734,049
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	3,336	0
Total Overage	3,336	
Opening Inventory	-,	
Class I	10,592,980	12,985,154
Class II	0	0
Class III	0	0
Class IV	8,141,463	6,985,841
Total Opening Inventory	18,734,443	19,970,995
Total Receipts	316,184,350	322,032,389
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	13,738,730	14,786,365
Route Disposition Class I	234,648,392	239,931,696
Shrinkage	1,322,182	1,323,540
Transfers & Diversions to Nonpool	124,856	24,492
Total Class I Utilization	249,834,160	256,066,093
Average Butterfat Test	2.00%	2.06%
Daily Average Utilization	8,059,166	8,260,197
Class II Utilization		
Nonfluid Used To Produce	8,069,369	8,704,429
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods	8,441,824	6,541,030
Used To Produce/Other Uses	14,953,971	14,303,881
Total Class II Utilization	31,465,164	29,549,340
Average Butterfat Test	10.75%	10.00%
Class III Utilization	0	0
Shrinkage	0	0 745 027
Transfers & Diversions to Nonpool/Used to Produce Other Uses	9,448,978	8,745,037
Total Class III Utilization	9,448,978	8,745,037
Average Butterfat Test	4.94 %	1.90%
Class IV Utilization	4.94 /6	1.90 /0
Inventory	7,584,322	8,146,500
Nonfluid Used To Fortify	650,565	930,644
Shrinkage	3,933,949	4,142,625
Transfers & Diversions to Nonpool	11,265,721	12,676,998
Used To Produce/Other Uses	2,001,491	1,775,152
Total Class IV Utilization	25,436,048	27,671,919
Average Butterfat Test	9.11%	10.40%
Total Utilization	316,184,350	322,032,389
	0.0,10-1,000	J,UJ_,UJU

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in January 2008 is \$23.80 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$19.59 per hundredweight plus 3.5 times the uniform butterfat price of \$1.3982 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 January, Class I use accounted for 84.05% of all producer skim milk (priced to handlers at \$16.53 per hundredweight, plus the Class I differential and 45.04% of producer butterfat (priced to handlers at \$1.4333 per pound plus Class I differential). Class II use accounted for 7.33% of all producer skim milk (\$15.61 per hundredweight) and 32.68% of producer butterfat (\$1.3389 per pound). Class III use accounted for 3.29% of all producer skim milk (\$15.19 per hundredweight) and 4.51% of producer butterfat (\$1.3319 per pound). Class IV use accounted for 5.33% of all producer skim milk (\$12.05 per hundredweight) and 17.77% of producer butterfat (\$1.3319 per pound).

Receipts of producer milk during January 2007 totaled 283.2 million pounds, 5.1 million pounds less than was pooled in January of last year. Florida producers supplied 166.9 million pounds of milk in December 2007 or 62.48% of the total producer milk pooled in Florida. In December 2006 Florida producers supplied 68.04% of the total 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 January 2008. In-area Class I route disposition

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent December 2007 Whole Milk 89,596,545 35.69% Fat Free Milk 34,308,760 13.67% Lowfat Milk (incl. 1%) 28,773,709 11.46% Reduced Fat Milk (incl. 2%) 75,831,903 30.21% Cultured Fluid Milk (incl. Buttermilk) 1,188,717 0.47% Flavored Drinks and Milk 21,350,000 8.50% **Total Disposition in Marketing Area** 251,049,634 100.00% Total Disposition by Pool Plants 219,891,762 87.59% Total Disposition by Nonpool Plants 31,157,872 12.41% **Total Disposition in Marketing Area** 251,049,634 100.00%

totaled 251.0 million pounds in December 2007, 2.0 million pounds more than December 2006. This is an increase of 1.03 percent after adjusting for calendar composition.

Federal Milk Marketing Order Annual Pool Summary

Marketing Area	Receipts of	Producer Milk	Utilization (%)					
(with Principal Pricing City)	Mil. Lbs.	% Chg vs. '06	Class I	Class II	Class III	Class IV		
Northeast (Boston)	23,039.9	1.6	46	21	24	9		
Appalachian (Charlotte)	5,865.0	-6.1	70	17	5	8		
Southeast (Atlanta)	7,520.6	-6.6	63	12	20	5		
Florida (Tampa)	3,206.5	2.6	81	9	5	5		
Mideast (Cleveland)	16,267.7	-5.4	40	18	35	7		
Upper Midwest (Chicago)	26,489.9	-1.4	17	5	76	2		
Central (Kansas City)	11,192.6	-19.6	39	17	32	12		
Southwest (Dallas)	9,990.3	-13.9	41	12	35	12		
Arizona-Las Vegas (Phoenix)	3,798.9	12.3	37	9	28	26		
Pacific Northwest (Seattle)	7,036.0	-7.1	32	7	30	31		
ALL MARKET AVERAGE or TOTAL	114,407.5	-5.1	40	13	38	9		

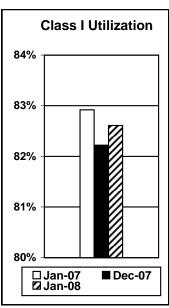
Source: Dairy Market News, Vol. 75, Report 5; HIGHLIGHTS. Handler reports of receipts and utilization under the Federal milk order system for 2007 are tabulated above. During 2007 about 114.4 billion pounds of milk were received from producers. This volume of milk is 5.1 percent lower than the 2006 volume. There were significant volumes of milk not pooled due to intraorder disadvantageous price relationships in both years, although the volume in 2007 was much higher. About 45.2 billion pounds of producer milk were used in Class I products, 0.2 percent lower than the previous year. Calendar composition likely had a positive impact on milk used in Class I in 2007 as compared to 2006. The all-market average Class utilization percentages were; Class I = 40%, Class II = 13%, Class III = 38%, and Class IV = 9%.

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Poo	ı		CLASS I*			CLASS II			CLASS III		(CLASS IV		U	NIFORM*	
Perio	od S	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 20	006	\$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 2 0	007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec		\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 20	800	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb		\$19.44	\$1.4060	\$23.68	\$14.39											

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

	TEDERAL ORDER 0-1 LORIDA. FOOLED RECEIFTS AND OTTEIZATION OF FRODUCER WILK													
Pool	Producer Milk	Number of	CLA	NSS I	CLA	SS II	CLA	SS III	CLAS	is IV				
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%				
Oct 2006	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%				
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%				
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%				
Jan 2008	283,233	450**	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%				



^{*} 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 February through April 2008												
	Pool &	MA Payme	ent Dates		Pay	ments for	Producer I	Milk					
	Uniform Price	Due to:	Due From:	First F Paymer			l Partial nt Due**	Final Pay Due					
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member				
Feb 2008	03/11/08	03/12/08	03/13/08	02/19/08 02/20/08		03/04/08	03/04/08 03/05/08		03/14/08				
Mar 2008	04/11/08	04/14/08	04/15/08	03/19/08	03/20/08	04/04/08	04/07/08	04/15/08	04/16/08				
Apr 2008	05/11/08	05/12/08	05/13/08	04/21/08	04/21/08	05/05/08	05/05/08	05/13/08	05/14/08				

^{**}The base rate for making partial payments in Hillsborough Co., FL for February will be \$21.42 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$20.23 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 10											10								
Diversion Percentage Limits	15%	15%	20%	20%	20%	20%													

WASDE Dairy Report 1/

WASDE – 455 February 8, 2008

Forecasts for 2008 milk production are raised as continued growth in cow numbers is expected to more than offset slower growth in output per cow. Producers continue to respond to the strong returns of 2007. USDA's Cattle report indicated that on January 1 dairy cow numbers were 1 percent higher, and producers expect to retain 3 percent more heifers. Heifers expected to calve in 2008 were reported up 3 percent. Higher production and softer demand is expected to pressure prices and in the face of higher feed prices, herd growth is expected to slow in the latter part of 2008. Stocks on both a fats and skim solids basis are forecast higher as production gains outpace increases in demand.

Both Class III and Class IV price forecasts for 2008 are reduced from last month as a result of lower price forecasts for major dairy products. Weakening international prices, larger milk production, and higher stocks are expected to pressure dairy product prices, particularly nonfat dry milk and whey. Butter prices are also reduced from last month as stocks have increased. Cheese prices are reduced slightly reflecting recent price declines. The all milk price forecast for 2008 is reduced to \$16.85 to \$17.55 per cwt. The 2007 all milk price estimate is revised to \$19.13 per cwt.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049





www.fmmatlanta.com

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

March 2008

Volume 9—No. 3

USDA Issues Interim Order for Appalachian, Florida and Southeast

The U. S. Department of Agriculture (USDA) has issued an interim order that temporarily adjusts the Class I pricing surface of the Appalachian, Southeast and Florida Federal milk marketing orders. The interim order was issued after producer approval was obtained for each of the three marketing areas. In addition, this order amends certain features of the touch-base, diversion limit standards and transportation credit provisions for the Appalachian and Southeast Federal milk marketing orders. Other proposals concerning administrative assessments were handled on a non-emergency basis and were addressed in a separate recommended decision (see below).

The interim order will be published in the March 17, 2008 Federal Register (available online at www.fmmatlanta.com under 'What's New'). The amendments to the Class 1 pricing adjustments will become effective on May 1, 2008. All other amendments will be effective for March deliveries.

Public comments and exceptions to the tentative final decision, which was published February 25, 2008, are due on or before April 29, 2008. USDA will consider the comments and exceptions and issue a final decision.

Recommended Decision Issued

The USDA has issued a recommended decision that would raise the maximum administrative assessment rate allowable from the current 5 cents per hundredweight to 8 cents per hundredweight on all pooled milk for the Appalachian, Southeast and Florida Federal milk marketing orders. This allows market administrators to raise rates, if necessary, to maintain the required fund reserves. File comments to this decision by April 29, using the Federal eRulemaking site: www.regulations.gov.

Uniform Price Tumbles

The uniform price in Hillsborough County, FL, was \$22.60 per hundredweight for milk at 3.5 percent butterfat for the month of February. This represents a decrease of \$1.20 compared with the previous month and an increase of \$5.89 from February 2007

Class I utilization was 83.06 percent in February, an increase of 0.45 percent when compared with the previous month and an increase of 1.88 percent when compared with February of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in January was 15.90 billion pounds, an increase of 1.9 percent from January 2007 and an increase of 1.7 percent when compared with December 2007. Total cheese output was 810 million pounds, 1.9 percent below January 2007 and 4.0 percent below December 2007. Butter production was 170 million pounds, 12.7 percent above January 2007 and 20.9 percent above December 2007.

Nonfat dry milk powder production was 119.0 million pounds in January, 9.7 percent higher than January 2007 and 9.2% percent higher than December 2007. Dry whey production was 91.6 million pounds in January, a 4.8 percent decrease from January of last year and a 5.2 percent decrease compared with December 2007.

The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk, was 2.36 in February. a decline of 0.30 points from January's revised ratio.

2007 Annual Milk Production Up 2.1 Percent

Production of milk for the U.S. during 2007 was 186 billion pounds, 2.1 percent above 2006. Production per cow averaged 20,267 pounds for 2007, 316 pounds above 2006. The average number of milk cows on farms in the U.S. in 2007 was 9.16 million head, up 0.5 percent from 2006.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - FEBRUARY 2008

Calculation of Officernal	. FIICE.				
		<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat		46.19%	4,401,249	\$1.3660	\$ 6,012,106.15
Class I Differential at Location	on				179,502.35
Class II Butterfat		34.72%	3,307,549	\$1.3080	4,326,274.10
Class III Butterfat		4.83%	459,947	\$1.3010	598,391.07
Class IV Butterfat	_	14.26%	1,358,281	\$1.3010	1,767,123.59
Total Butterfat		100.00%	9,527,026		\$ 12,883,397.26
Uniform Bu	tterfat Price per I	b. (Hillsborough C	ounty, Florida):	\$1.3523]
Calculation of Uniform Skim Mil	k Price				
Producer Milk	<u>Utilization</u>	<u>Pounds</u>	<u>Price p</u>	<u>er unit</u>	<u>Value</u>
Class I Skim Milk	84.42%	216,197,001	\$15.44	/cwt.	\$ 33,380,816.95
Class I Butterfat	46.19%	4,401,249	\$1.3660	/lb.	6,012,106.15
Class I Differential at Location	on	220,598,250			9,006,798.43
Total Class I Milk	83.06%	220,598,250			A 40 000 704 F0
rotal Glado i mint	03.00 /6	220,396,230			\$ 48,399,721.53
Class II Skim Milk	6.72%	17,200,492	\$14.39	/cwt.	\$ 48,399,721.53 \$ 2,475,150.80
			\$14.39 \$1.3080	-	
Class II Skim Milk	6.72%	17,200,492	. *	-	\$ 2,475,150.80

10,877,987

11,337,934

11,794,431

1,358,281

13,152,712

265,596,937

459,947

\$12.93 /cwt.

\$10.48 /cwt.

\$1.3010 /lb.

\$1.3010 /lb.

\$ 1,406,523.72

\$ 2,004,914.79

\$ 1,236,056.37

\$ 3,003,179.96

\$ 60,209,241.18

\$47,525,110.32

\$126,569.80

1,767,123.59

598,391.07

Adjustments

Class III Skim Milk

Class III Butterfat

Total Class III Milk

Class IV Skim Milk

Class IV Butterfat

Total Class IV Milk

Producer Milk

Overage and Other Source \$51,706.79
Inventory Adjustments \$13,978.58
Producer butterfat at uniform butterfat price (\$12,883,397.26)
Location Adjustments to Producers (\$50,915.04)
1/2 Unobligated Balance in P.S.F \$184,496.07

Adjusted Pool Value \$18.55943
Reserve for Producer Settlement Func \$0.04943

**Comp Olive Mill Brigary and Allian arrange County Floria.

4.25%

4.83%

4.27%

4.61%

14.26%

100.00%

4.95%

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida): \$18.51

Uniform Price per cwt. (Hillsborough County, Florida) \$22.60*

Calculation of Uniform Butterfat Price:

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

					,
MARKET NAME	CL	ASS I	UNIFO	ORM	CLASS I %
(Priced at)	FEB 2008	MAR 2008	JAN 2008	FEB 2008	FEB 2008
Appalachian (Charlotte)	\$ 22.78	\$ 19.80	\$ 22.60	\$ 21.23	72.26%
Arizona (Phoenix	\$ 22.03	\$ 19.05	\$ 19.72	\$ 18.00	33.74%
Central (Kansas City)	\$ 21.68	\$ 18.70	\$ 19.71	\$ 18.11	33.14%
Florida (Tampa)	\$ 23.68	\$ 20.70	\$ 23.80	\$ 22.60	83.06%
Mideast (Cleveland)	\$ 21.68	\$ 18.70	\$ 20.25	\$ 18.65	39.00%
Northeast (Boston)	\$ 22.93	\$ 19.95	\$ 21.11	\$ 19.54	42.50%
Pacific Northwest (Seattle)	\$ 21.58	\$ 18.60	\$ 19.39	\$ 17.47	29.94%
Southeast (Atlanta)	\$ 22.78	\$ 19.80	\$ 22.46	\$ 20.90	64.22%
Southwest (Dallas)	\$ 22.68	\$ 19.70	\$ 20.70	\$ 19.28	45.08%
Upper Midwest (Chicago)	\$ 21.48	\$ 18.50	\$ 19.70	\$ 17.63	15.10%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	February 2008	February 2007
Producer Milk	-	•
Class I	220,598,250	218,212,224
Class II	20,508,041	18,600,739
Class III	11,337,934	15,196,830
Class IV	13,152,712	16,812,770
Total Producer Milk	265,596,937	268,822,563
Average Butterfat Test	3.59%	3.65%
Percent of Producer Milk in Class I	83.06%	81.18%
Daily Average Receipts	9,158,515	9,600,806
Other Source Milk		
Class I	4,761,134	3,168,068
Class II	10,273,503	7,453,734
Class III	0	0
Class IV	716,381	1,016,840
Total Other Source Milk	15,751,018	11,638,642
Overage		
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	431,909	0
Total Overage	431,909	0
Opening Inventory		
Class I	13,761,630	14,786,365
Class II	555,332	0
Class III	23,226	12,314
Class IV	6,982,864	8,134,186
Total Opening Inventory	21,323,052	22,932,865
Total Receipts	303,102,916	303,394,070
Utilization:	,	, , , , , , , , , , , , , , , , , , , ,
Class I Utilization		
Inventory of Packaged FMP	14,233,198	14,708,395
Route Disposition Class I	224,264,859	220,781,576
Shrinkage	470,196	656,042
Transfers & Diversions to Nonpool	152,761	20,644
Total Class Utilization	239,121,014	236,166,657
Average Butterfat Test	2.00%	2.04%
Daily Average Utilization	8,245,552	8,434,523
Class II Utilization	0,240,002	0,404,020
Nonfluid Used To Produce	10,266,001	7,434,374
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods	7,638,668	5,170,127
Used To Produce/Other Uses	13,432,207	13,449,972
Total Class II Utilization	31,336,876	26,054,473
Average Butterfat Test	10.59%	10.10%
Class III Utilization	10.0070	10.1070
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	11,361,160	15,209,144
Other Uses	0	0,200,111
Total Class III Utilization	11,361,160	15,209,144
Average Butterfat Test	4.15%	1.85%
Class IV Utilization		1.0070
Inventory	4,779,717	7,299,498
Nonfluid Used To Fortify	603,812	867,649
Shrinkage	3,756,014	4,285,371
Transfers & Diversions to Nonpool	10,626,290	11,792,150
Used To Produce/Other Uses	1,518,033	1,719,128
Total Class IV Utilization	21,283,866	25,963,796
Average Butterfat Test	8.44%	11.33%
Total Utilization	303,102,916	303,394,070
i ottai ottiinattoii	333,102,313	000,007,010

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in February 2008 is \$22.60 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$18.51 per hundredweight plus 3.5 times the uniform butterfat price of \$1.3523 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 February, Class I use accounted for 84.42% of all producer skim milk (priced to handlers at \$15.44 per hundredweight, plus the Class I differential and 46.19% of producer butterfat (priced to handlers at \$1.3660 per pound plus Class I differential). Class II use accounted for 6.72% of all producer skim milk (\$14.39 per hundredweight) and 34.72% of producer butterfat (\$1.3080 per pound). Class III use accounted for 4.25% of all producer skim milk (\$12.93 per hundredweight) and 4.83% of producer butterfat (\$1.3010 per pound). Class IV use accounted for 4.61% of all producer skim milk (\$10.48 per hundredweight) and 14.26% of producer butterfat (\$1.3010 per pound).

Receipts of producer milk during February 2008 totaled 265.6 million pounds, 3.2 million pounds less than was pooled in February of last year. Florida producers supplied 184.2 million pounds of milk in January 2008 or 65.02% of the total producer milk pooled in Florida. In January 2007, Florida producers supplied 65.93% of the total producer milk pooled on the Florida market.

There were 12 regulated pool distributing plants and 4 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for February 2008. In-area Class I route

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent January 2007 Whole Milk 98,854,554 39.00% Fat Free Milk 35,546,497 14.02% Lowfat Milk (incl. 1%) 30,710,499 12.12% Reduced Fat Milk (incl. 2%) 66,472,794 26.23% Cultured Fluid Milk (incl. Buttermilk) 1,116,794 0.44% Flavored Drinks and Milk 20,760,848 8.19% **Total Disposition in Marketing Area** 253,461,986 100.00% Total Disposition by Pool Plants 225,917,006 89.13% Total Disposition by Nonpool Plants 27,544,980 10.87% **Total Disposition in Marketing Area** 253,461,986 100.00%

disposition totaled 253.5 million pounds in January 2008, 5.3 million pounds less than January 2007. This is an decrease of 1.39 percent after adjusting for calendar composition.

Measures of Growth in Federal Milk Order Markets, Selected Years, 1947-2007

	Number of Markets	Number of Handlers	Number of Producers	Receipts of Producer Milk	Producer Milk Used in Class I	% Class I	Unifor m Prices	Gross Value of Receipts
1947	29	991	135,830	14,980	9,808	65.5	4.34	682,407
1950	39	1,101	156,584	18,660	11,000	58.9	3.93	769,442
1955	63	1,483	188,611	28,948	18,032	62.3	4.08	1,227,815
1960	80	2,259	189,816	44,812	28,758	64.2	4.47	1,989,615
1965	73	1,891	158,077	54,444	34,561	63.5	4.31	2,418,526
1970	62	1,588	143,411	65,104	40,063	61.5	5.95	3,963,311
1975	56	1,315	123,855	69,249	40,106	57.9	8.64	6,097,768
1980	47	1,091	117,490	83,998	41,034	48.9	12.86	11,007,001
1985	44	884	116,765	97,762	42,201	43.2	12.61	12,595,522
1990	42	753	100,397	102,396	43,783	42.8	13.78	14,289,567
1995	33	571	88,717	108,548	45,004	41.5	12.79	13,995,454
2000	11	346	69,590	116,920	45,989	39.3	12.11	14,468,892
2005	10	302	53,036	114,682	44,570	38.9	15.07	17,747,577
2006	10	314	52,725	120,618	45,304	37.6	12.86	15,998,288
2007	10	312	49,782	114,407	45,226	39.5	19.19	22,507,219

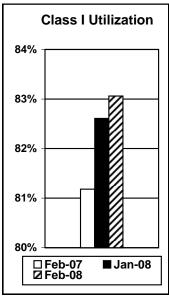
Source: Dairy Market News, Vol. 75, Report 11; pg. 12

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Р	ool		CLASS I*			CLASS II			CLASS III			CLASS IV		U	NIFORM*	
Pe	riod	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
Nov	2006	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec		\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan	2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb		\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar		\$16.54	\$1.3538	\$20.70	\$11.24											

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

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK										
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SS IV
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Nov 2006	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
Feb	265,597	350**	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%



^{*} 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 March through May 2008											
	Pool & MA Payment Dates Payments for Producer Milk										
	Uniform Price	Due to:	Due From:	First Partial Second Partial Payment Due** Final Pay Due							
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member		
March 2008	04/11/08	04/14/08	04/15/08	 					04/16/08		
April 2008	April 2008 05/11/08 05/12/08 05/13/08 04/21/08 04/21/08 05/05/08 05/05/08 05/13/08 05/14/08										
May 2008	' 										

^{**}The base rate for making partial payments in Hillsborough Co., FL for March will be \$20.34 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.21 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 - 456 March 11, 2008

Forecasts for 2008 milk production are raised as continued growth in cow numbers is expected to more than offset slower growth in output per cow. Producers continue to respond to the strong returns in 2007 but high feed prices are likely to slow the rate of gain in milk per cow.

Both Class III and Class IV price forecasts for 2008 are adjusted from last month. The Class III price forecast is raised as cheese prices are forecast higher which more than offsets a lower forecast whey price. The Class IV price forecast is lowered from last month as lower forecast nonfat dry milk (NDM) prices more than offset a higher butter price forecast. Despite large stocks of butter, prices have remained relatively strong and are forecast higher for the year. However, NDM prices have declined during the first quarter and the 2008 price forecast is lowered from last month. The all milk price forecast for 2008 is raised to \$17.30 to \$17.90 per cwt.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049





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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator

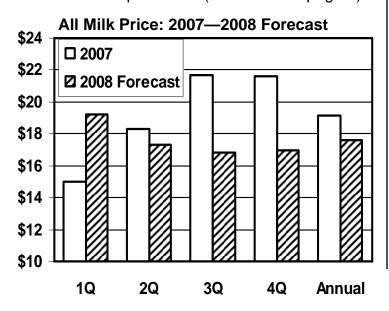


www.fmmatlanta.com April 2008 Volume 9—No. 4

USDA: 'Soaring Feed Costs Beginning to Curtail Expansion of Milk Production in 2008'

The most recent projections from USDA's Economics Research Service suggest milk production will rise 2.7 percent in 2008 over 2007, reaching 190.7 billion pounds. The increase comes as cow numbers are forecast to rise about 1 percent in 2008. Feed prices continue to rise above year-earlier levels, and are expected to do so for the remainder of 2008. However, those producers who have expansion plans underway are expected continue to implement them.

According to the latest Livestock Slaughter report (issued by the National Agricultural Statistics Service), January dairy cow slaughter was very near last year's level. Many farmers in the upper Midwest produce much of their feed on farm and are somewhat insulated from rising feed prices. The impetus for expansion continues in the West because of the lengthy process of obtaining permits. Once current expansion is complete, the process may slow because permits are becoming difficult to obtain, especially in California. Milk production per cow is projected to rise less than 1 percent... (continued on page 4)



Uniform Price Falls

The uniform price in Hillsborough County, FL, was \$19.92 per hundredweight for milk at 3.5 percent butterfat for the month of March. This represents a decrease of \$2.68 compared with the previous month and an increase of \$2.35 from March 2007.

Class I utilization was 82.32 percent in March, a decrease of 0.74 percent when compared with the previous month and an increase of 4.13 percent when compared with March of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in February was 15.11 billion pounds, an increase of 5.5 percent from February 2007 and a decrease of 5.2 percent when compared with January 2008. On a daily average basis, February's production was 1.8 percent higher than February 2007 and 1.3 percent higher than January 2008. Total cheese output was 784 million pounds, an increase of 4.8 percent compared to February 2007 but 3.5 percent below January 2008. Butter production was 147 million pounds, 9.4 percent higher than February 2007 but 13.1 percent below January 2008.

Nonfat dry milk powder production was 120.0 million pounds in February, 21.9 percent higher than February 2007 and 7.3% percent higher than January 2008 on a daily average basis. Dry whey production was 88.0 million pounds in February, a 2.5 percent decrease from February of last year and a 2.2 percent decrease compared with January 2008 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 2.05 in March. This is a

2007 Annual Statistics Available

Visit our website at www.fmmatlanta.com and click on the "What's New" link for the Florida Order's 2007 Annual Statistics.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - MARCH 2008

Calculation of Uniform Butteriat P	rice:				
		<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat		46.69%	4,695,117	\$1.3138	\$ 6,168,444.71
Class I Differential at Location					191,564.47
Class II Butterfat		34.39%	3,458,698	\$1.3674	4,729,423.65
Class III Butterfat		4.77%	479,779	\$1.3604	652,691.35
Class IV Butterfat	_	14.15%	1,423,387	\$1.3604	1,936,375.68
Total Butterfat	_	100.00%	10,056,981		\$ 13,678,499.86
Uniform Butte	erfat Price per II	b. (Hillsborough C	ounty, Florida):	\$1.3601	
Calculation of Uniform Skim Milk	Price				
Producer Milk	Utilization	Pounds	Price p	er unit	<u>Value</u>
Class I Skim Milk	83.63%	228,297,739	\$12.54	cwt.	\$ 28,628,536.48
Class I Butterfat	46.69%	4,695,117	\$1.3138 /	lb.	6,168,444.71
Class I Differential at Location		232,992,856			9,503,219.44
Total Class I Milk	82.32%	232,992,856			\$ 44,300,200.63
Class II Skim Milk	6.87%	18,764,171	\$11.24	cwt.	\$ 2,109,092.83
Class II Butterfat	34.39%	3,458,698	\$1.3674	lb.	4,729,423.65
Total Class II Milk	7.85%	22,222,869			\$ 6,838,516.48
Class III Skim Milk	3.16%	8,621,485	\$13.72	cwt.	\$ 1,182,867.73

Adjustments

Overage and Other Source \$6,929.88 **Inventory Adjustments** \$0.00 Producer butterfat at uniform butterfat price (\$13,678,499.86) Location Adjustments to Producers (\$69,637.73)1/2 Unobligated Balance in P.S.F \$139,691.18

9,101,264

17,296,142

1,423,387

18,719,529

283,036,518

479,779

Adjusted Pool Value

Class III Butterfat

Total Class III Milk

Class IV Skim Milk

Class IV Butterfat

Total Class IV Milk

Producer Milk

Reserve for Producer Settlement Func \$ 0.04045 \$15.71 Uniform Skim Milk Price per cwt. (Hillsborough County, Florida):

4.77%

3.22%

6.34%

14.15%

100.00%

6.61%

Uniform Price per cwt. (Hillsborough County, Florida)

\$19.92*

\$ 15.75045

\$9.75 /cwt.

\$1.3604 /lb.

\$1.3604 /lb.

\$ 1,835,559.08

\$ 1,686,373.88

\$ 3,622,749.56

\$ 56,597,025.75

\$42,995,509.22

\$110,423.96

1,936,375.68

652,691.35

Calculation of Uniform Butterfat Price

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

O I I I E E E E I I I E E E E E E E E E	OTHER TEDERAL ONDERSO TAME OTHER TRIBLE (ALCOHOL)													
MARKET NAME	CL	ASS I	UNIF	ORM	CLASS I %									
(Priced at)	MAR 2008	APR 2008	FEB 2008	MAR 2008	MAR 2008									
Appalachian (Charlotte)	\$ 19.80	\$ 19.80	\$ 21.23	\$ 18.63	67.90%									
Arizona (Phoenix	\$ 19.05	\$ 19.05	\$ 18.00	\$ 16.86	31.24%									
Central (Kansas City)	\$ 18.70	\$ 18.70	\$ 18.11	\$ 16.85	41.30%									
Florida (Tampa)	\$ 20.70	\$ 20.70	\$ 22.60	\$ 19.92	82.32%									
Mideast (Cleveland)	\$ 18.70	\$ 18.70	\$ 18.65	\$ 17.21	42.80%									
Northeast (Boston)	\$ 19.95	\$ 19.95	\$ 19.54	\$ 17.89	40.90%									
Pacific Northwest (Seattle)	\$ 18.60	\$ 18.60	\$ 17.47	\$ 15.94	37.67%									
Southeast (Atlanta)	\$ 19.80	\$ 19.80	\$ 20.90	\$ 18.79	64.80%									
Southwest (Dallas)	\$ 19.70	\$ 19.70	\$ 19.28	\$ 17.32	52.01%									
Upper Midwest (Chicago)	\$ 18.50	\$ 18.50	\$ 17.63	\$ 17.75	17.60%									

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	March 2008	March 2007
Producer Milk		
Class I	232,992,856	242,108,858
Class II	22,222,869	27,231,622
Class III	9,101,264	28,163,778
Class IV	18,719,529	12,163,280
Total Producer Milk	283,036,518	309,667,538
Average Butterfat Test	3.55%	3.57%
Percent of Producer Milk in Class I	82.32%	78.19%
Daily Average Receipts	9,130,210	9,989,275
Other Source Milk		
Class I	5,141,841	3,672,236
Class II	8,462,859	9,266,131
Class III	0	0
Class IV	726,946	977,258
Total Other Source Milk	14,331,646	13,915,625
Overage		
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	5,094	5,501
Total Overage	5,094	5,501
Opening Inventory		
Class I	14,233,198	14,833,677
Class II	0	2,375,280
Class III	0	219,928
Class IV	4,779,717	4,579,008
Total Opening Inventory	19,012,915	22,007,893
Total Receipts	316,386,173	345,596,557
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	13,147,419	16,148,359
Route Disposition Class I	238,353,560	243,759,386
Shrinkage	754,180	690,325
Transfers & Diversions to Nonpool	112,736	16,701
Total Class I Utilization	252,367,895	260,614,771
Average Butterfat Test	2.01%	2.05%
Daily Average Utilization	8,140,900	8,406,928
Class II Utilization	-, -,	-,,-
Nonfluid Used To Produce	8,451,574	9,254,294
Shrinkage	0	4,283,869
Transfers & Diversions to Nonpool/Commercial Foods	7,152,578	8,873,919
Used To Produce/Other Uses	15,081,576	16,460,951
Total Class II Utilization	30,685,728	38,873,033
Average Butterfat Test	11.28%	9.71%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	9,101,264	28,383,706
Other Uses	0	0
Total Class III Utilization	9,101,264	28,383,706
Average Butterfat Test	5.27%	1.66%
Class IV Utilization		
Inventory	7,176,947	4,136,957
Nonfluid Used To Fortify	634,715	869,142
Shrinkage	4,172,666	0
Transfers & Diversions to Nonpool	10,714,671	12,718,948
Used To Produce/Other Uses	1,532,287	0
Total Class IV Utilization	24,231,286	17,725,047
Average Butterfat Test	7.28%	12.91%
Total Utilization	316,386,173	345,596,557
	,- -,-	,,-

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in March 2008 is \$19.92 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$15.71 per hundredweight plus 3.5 times the uniform butterfat price of \$1.3601 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 March, Class I use accounted for 83.63% of all producer skim milk (priced to handlers at \$12.54 per hundredweight, plus the Class I differential and 46.69% of producer butterfat (priced to handlers at \$1.3138 per pound plus Class I differential). Class II use accounted for 6.87% of all producer skim milk (\$11.24 per hundredweight) and 34.39% of producer butterfat (\$1.3674 per pound). Class III use accounted for 3.16% of all producer skim milk (\$13.72 per hundredweight) and 4.77% of producer butterfat (\$1.3604 per pound). Class IV use accounted for 6.34% of all producer skim milk (\$9.75 per hundredweight) and 14.15% of producer butterfat (\$1.3604 per pound).

Receipts of producer milk during March 2008 totaled 283.0 million pounds, 26.6 million pounds less than was pooled in March of last year. Florida producers supplied 181.8 million pounds of milk in February 2008 or 68.44% of the total producer milk pooled in Florida. In February 2007, Florida producers supplied 67.72% of the total producer milk pooled on the Florida market.

There were 12 regulated loog plants 4 distributing and cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for March 2008. In-area Class I route disposition totaled 241.7 million pounds in February

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent February 2008 Whole Milk 83,338,201 34.48% Fat Free Milk 35,247,300 14.59% Lowfat Milk (incl. 1%) 30,155,671 12.48% Reduced Fat Milk (incl. 2%) 70,714,047 29.26% Cultured Fluid Milk (incl. Buttermilk) 1,108,653 0.46% Flavored Drinks and Milk 21,101,831 8.73% **Total Disposition in Marketing Area** 241,665,703 100.00% Total Disposition by Pool Plants 216,321,350 89.13% Total Disposition by Nonpool Plants 25,344,353 10.87% Total Disposition in Marketing Area 241,665,703 100.00%

2008, 3.8 million pounds more than February 2007. This is an increase of 1.58 percent before adjusting for calendar composition.

Soaring Feed Costs Beginning to Curtail Expansion of Milk Production in 2008 (continued from Page 1)

...on a daily basis, well below the trend of the previous 2 years. Reduced feeding intensity is the short-term response to higher feed prices. Milk-feed ratios are expected to be weaker during 2008. Lower returns in mid-2008 may point toward contraction in the herd by late 2008.

Commercial use of dairy products is expected to increase by better than 3 percent in 2008 compared with 2007, well above the trend of recent years. However, higher production coupled with concerns about the overall economy will likely pressure product prices during the year. Cheese prices have likely crested for 2008 and are expected to decline slightly through the second half of 2008 to average \$1.745 to \$1.805 per pound. Although butter use may be helped by exports, larger supplies and potential weakness in the restaurant sector may exert pressure on prices. Butter prices are expected to average \$1.225 to \$1.315 per pound in 2008.

Although pressured by early-year supplies, nonfat dry milk (NDM) prices should climb in the second half of 2008 as tighter supplies encounter robust export demand and stable domestic demand. NDM prices are forecast to average \$1.350 to \$1.400 a pound in 2008. In 2008, whey prices are not expected to recover much. Lower prices may prompt some demand but supplies are sufficient. Prices will likely average 26.5 to 29.5 cents a pound this year.

Lower product prices will result in lower milk prices in 2008. The Class IV price is forecast at \$14.95 to \$15.65 per cwt, substantially below 2007's average of \$18.36 per cwt. The Class III price is expected to decline to \$16.15 to \$16.75 per cwt, down from 2007's \$18.04 per cwt average. The all milk price is forecast to average \$17.30 to \$17.90 per cwt, a drop from \$19.13 in 2007.

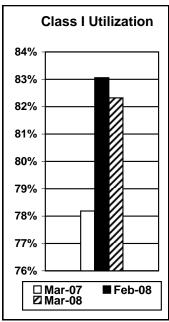
[Source: Livestock, Dairy, & Poultry Outlook/LDP-M-165/March 19, 2008 Economic Research Service, USDA. Available online at www.ers.usda.gov/publications/ldp/]

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Po	ol		CLASS I*			CLASS I			CLASS III		(CLASS IV		U	NIFORM*	
Per	iod	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
Nov	2006	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec		\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan	2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb		\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar		\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr		\$18.39	\$1.3883	\$22.61	\$10.47											

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

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK										
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SS IV
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Nov 2006	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%
Mar	283,037	350**	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%



^{*} 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 April through June 2008										
Pool & MA Payment Dates Payments for Producer Milk										
	Uniform Price	Due to:	Due From:		First Partial Second Partial Payment Due** Payment Due** Final Pay Due					
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member	
April 2008	05/11/08	05/12/08	05/13/08	04/21/08 04/21/08 05/05/08 05/05/08 05/13/08 05/14					05/14/08	
May 2008	ay 2008 06/11/08 06/12/08 06/13/08 05/19/08 05/20/08 06/04/08 06/05/08 06/13/08 06/16/08									
June 2008	07/11/08	07/14/08	07/15/08	06/19/08	06/20/08	07/07/08	07/07/08	07/15/08	07/16/08	

^{**}The base rate for making partial payments in Hillsborough Co., FL for April will be \$17.93 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$16.93 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 - 457 April 9, 2008

Forecasts for 2008 milk production are reduced as growth in output per cow is forecast slower than last month. Higher feed prices are expected to dampen output during the year. The first quarter cow herd forecast is raised but subsequent quarters are unchanged.

Both Class III and Class IV price forecasts for 2008 are raised from last month. Tighter supplies of milk and expected strength in both domestic and export commercial use underlie increased product price forecasts. Cheese prices are forecast higher as supplies remain tight. Despite current relatively heavy production and large stocks, butter prices are forecast higher as later year supplies are expected to tighten. Nonfat dry milk prices are also forecast slightly higher as supplies tighten and export and domestic demand remains relatively firm. Whey price forecasts are raised slightly. The all milk price forecast for 2008 is raised to \$17.65 to \$18.15 per cwt.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049







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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

May 2008

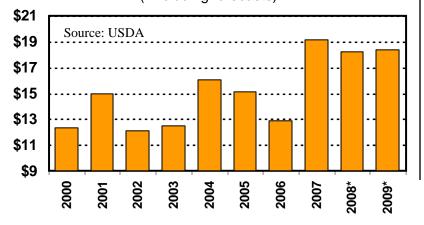
Volume 9—No. 5

USDA's First Look at 2009 Forecasts (Historically) Strong Producer Prices

Below are excerpts from USDA's World Agricultural Supply and Demand Estimates (WASDE) Report 458 issued May 9, 2008. This is USDA's initial assessment and projection of 2009 calendar year dairy products and prices.

"Milk production is forecast to increase fractionally in 2009 reflecting lower cow numbers and minimal gains in milk per cow. Although producers continue to add cows in 2008, poor returns are expected to end the expansionary phase of dairy cow inventories. Commercial exports are forecast to remain relatively robust by historical standards but will likely be lower in 2009 as production in competing supplier countries recovers and tighter U.S. production increases competition between domestic and export uses. Domestic disappearance of fat and skim solids is expected to increase modestly, tightening commercial stocks and supporting higher butter, nonfat dry milk (NDM), and whey prices in 2009. Cheese prices are forecast slightly lower as favorable cheese prices early in the year may encourage increased supplies of milk to flow into cheese vats. With a firmer whey price, the Class III price is forecast to rise from 2008, but will average below its 2007 record. Likewise, strong butter and NDM prices are expected to result in a stronger Class IV price. The all milk price is forecast at \$17.90 to \$18.90 per hundredweight in 2009."

All-Milk Price: 2000-2009 (*Including forecasts)



Uniform Price Rebounds

The uniform price in Hillsborough County, FL, was \$21.50 per hundredweight for milk at 3.5 percent butterfat for the month of April. This represents an increase of \$1.58 compared with the previous month and an increase of \$3.15 from April 2007.

Class I utilization was 81.14 percent in April, a decrease of 1.18 percent when compared with the previous month and an increase of 5.99 percent when compared with April of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in March was 16.46 billion pounds, an increase of 2.0 percent from March 2007 and an increase of 8.7 percent when compared with February 2008. On a daily average basis, March production was 1.7 percent higher than February 2008.

Total cheese output (excluding cottage cheese) was 834 million pounds, 0.7 percent below March 2007 but 6.3 percent above February 2008. Butter production was 154 million pounds, 11.5 percent above March 2007 and 5.2 percent above February 2008.

Nonfat dry milk powder production was 134.0 million pounds in March, 18.9 percent higher than March 2007 and 4.5% percent higher than February 2008 on a daily average basis. Dry whey production was 96.4 million pounds in March, a 2.0 percent decrease from March of last year and a 2.5 percent increase compared with February 2008 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 1.90 in April. This is a decline of 0.17 points from March's revised ratio and represents the lowest value recorded in recent, or distant, memory.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - APRIL 2008

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat	45.95%	4,382,310	\$1.3483	\$ 5,908,668.58
Class I Differential at Location				178,132.98
Class II Butterfat	37.85%	3,609,983	\$1.4818	5,349,272.81
Class III Butterfat	4.26%	406,326	\$1.4748	599,249.58
Class IV Butterfat	11.94%	1,138,320	\$1.4748	1,678,794.33
Total Butterfat	100.00%	9,536,939		\$ 13,714,118.28

Uniform Butterfat Price per lb. (Hillsborough County, Florida): \$1.4380

Calculation of Uniform Skim Milk Price

Producer Milk	Utilization	Pounds	Price per unit	<u>Value</u>
Class I Skim Milk	82.43%	214,295,086	\$14.39 /cwt.	\$ 30,837,062.86
Class I Butterfat	45.95%	4,382,310	\$1.3483 /lb.	5,908,668.58
Class I Differential at Location		218,677,396		8,901,787.09
Total Class I Milk	81.14%	218,677,396		\$ 45,647,518.53
Class II Skim Milk	7.31%	19,015,020	\$10.47 /cwt.	\$ 1,990,872.61
Class II Butterfat	37.85%	3,609,983	\$1.4818 /lb.	5,349,272.81
Total Class II Milk	8.39%	22,625,003		\$ 7,340,145.42
Class III Skim Milk	3.26%	8,465,709	\$12.02 /cwt.	\$ 1,017,578.23
Class III Butterfat	4.26%	406,326	\$1.4748 /lb.	599,249.58
Total Class III Milk	3.29%	8,872,035		\$ 1,616,827.81
Class IV Skim Milk	7.00%	18,210,090	\$9.74 /cwt.	\$ 1,773,662.76
Class IV Butterfat	11.94%	1,138,320	\$1.4748 /lb.	1,678,794.33
Total Class IV Milk	7.18%	19,348,410		\$ 3,452,457.09
Producer Milk	100.00%	269,522,844		\$ 58,056,948.85

Adjustments

Overage and Other Source \$12,285.94 **Inventory Adjustments** \$1,394.74 Producer butterfat at uniform butterfat price (\$13,714,118.28) **Location Adjustments to Producers** (\$27,194.19)1/2 Unobligated Balance in P.S.F \$128,821.55

\$17.06

\$44,458,138.61

\$104,543.22

Reserve for Producer Settlement Func

Adjusted Pool Value \$17.10021 \$ 0.04021

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

\$21.50* Uniform Price per cwt. (Hillsborough County, Florida)

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

MARKET NAME	CL	ASS I	UNIFO	DRM	CLASS I %
(Priced at)	APR 2008	MAY 2008	MAR 2008	APR 2008	APR 2008
Appalachian (Charlotte)	\$ 21.71	\$ 20.02	\$ 18.63	\$ 20.21	70.94%
Arizona (Phoenix	\$ 20.96	\$ 20.37	\$ 16.86	\$ 17.28	31.56%
Central (Kansas City)	\$ 20.61	\$ 20.02	\$ 16.85	\$ 17.48	34.34%
Florida (Tampa)	\$ 22.61	\$ 22.02	\$ 19.92	\$ 21.50	81.14%
Mideast (Cleveland)	\$ 20.61	\$ 20.02	\$ 17.21	\$ 17.77	37.10%
Northeast (Boston)	\$ 21.86	\$ 21.27	\$ 17.89	\$ 18.55	40.10%
Pacific Northwest (Seattle)	\$ 20.51	\$ 19.92	\$ 15.94	\$ 16.95	29.56%
Southeast (Atlanta)	\$ 21.71	\$ 20.42	\$ 18.79	\$ 19.97	63.76%
Southwest (Dallas)	\$ 21.61	\$ 21.02	\$ 17.32	\$ 18.18	32.66%
Upper Midwest (Chicago)	\$ 20.41	\$ 19.82	\$ 17.75	\$ 17.23	14.80%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Producer Milk	Receipts:	April 2008	April 2007
Class	•	•	•
Class	Class I	218,677,396	219,928,078
Class IV	Class II		
Total Producer Milk 289,822,844	Class III	8,872,035	27,846,439
Average Butterfat Test	Class IV	19,348,410	16,887,357
Percent of Producer Milk in Class 81.14% 75.15% 9.755.50	Total Producer Milk	269,522,844	292,665,264
Daily Average Receipts	Average Butterfat Test	3.54%	3.57%
Class Class S.029.384 3.768.710 Class S.029.384 8.705.871 Class S.029.384 S.029.3871 S.029.3971 S.029.3871 S.029.3971 S.02	Percent of Producer Milk in Class I	81.14%	75.15%
Class Clas	Daily Average Receipts	8,984,095	9,755,509
Class II 9,269,414 8,705,871 Class IV 745,709 995,820 Overage 15,044,507 13,468,401 Overage 0 0 Class II 0 0 Class III 0 0 Class III 0 0 Class III 0 0 Class II 13,147,419 16,242,916 Class II 13,147,419 16,242,916 Class III 13,147,419 16,242,916 Class III 0 4,487 Class IV 6,983,233 4,121,984 Class IV 6,983,233 4,121,984 Total Opening Inventory 20,324,366 20,551,673 Total Receipts 304,900,876 326,980,229 Utilization Inventory of Packaged FMP 14,053,908 13,573,552 Route Disposition Class I 222,130,750 26,205,135 Shrinkage 486,648 325,143 Total Class I Utilization 7,895,140 8,003,990	Other Source Milk		
Class IV			3,766,710
Class IV		9,269,414	8,705,871
Total Other Source Milk			
Overage Class I 0 0 Class II 0 0 0 Class III 0 0 0 Class III 9,159 224,691 Opening Inventory Class I 13,147,419 16,424,916 Class II 193,714 10,506 Class III 6,983,233 4,121,964 Class IV 6,983,233 4,121,964 Class IV 6,983,233 4,121,964 Class IV 6,983,233 4,121,964 Total Receipts 304,900,876 326,980,229 Utilization Inventory of Packaged FMP 14,053,908 13,573,552 Route Disposition Class I 222,130,750 226,205,135 Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 182,293 15,874 Average Butterfat Test 2.01% 2.05% Average Butterfat Test 2.01% 2.05% Shrinkage 9,261,812 8,698,028 Shrinkage			
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Class II	_		
Class III			
Class IV			
Total Overage			•
Class Class 13,147,419 16,424,916 Class 193,714 10,506 Class 193,714 Clas			
Class I 13,147,419 16,424,916 Class II 193,714 10,506 Class II 0 0 4,487 Class IV 6,933,233 4,121,964 Class IV 6,933,233 4,121,964 Class IV 6,933,233 4,121,964 Class IV Total Opening Inventory 20,0541,875 20,561,873 304,900,876 326,980,229 Class IV IVIIIization: Class I Utilization		9,159	284,691
Class II 193,714 10,506 Class III 0 4,487 Class IV 6,983,233 4,121,964 Total Opening Inventory 20,324,366 20,561,873 Total Receipts 304,900,876 326,980,229 Utilization Class I Utilization Inventory of Packaged FMP 14,053,908 13,573,555 Route Disposition Class I 222,130,750 226,205,135 Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 138,2893 15,874 Average Butterfat Test 2.01% 2.05% Daily Average Utilization 236,854,199 240,119,704 Average Butterfat Test 2.01% 2.05% Shrinkage 9,261,812 8,698,028 Shrinkage 9,261,812 8,698,028 Shrinkage 8,773,671 9,651,810 Used To Produce/Other Uses 11,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 8,872,035 <td< td=""><td></td><td></td><td></td></td<>			
Class III 0 4.487 Class IV 6.983,233 4,121,964 Total Opening Inventory 20,324,366 20,561,873 Total Receipts 304,900,876 326,980,229 Utilization Inventory of Packaged FMP 14,053,908 13,573,552 Route Disposition Class I 222,130,750 226,205,135 Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 182,893 15,874 Total Class I Utilization 236,854,199 240,119,704 Average Butterfat Test 2,01% 2,05% Average Utilization 7,895,140 8,003,990 Class II Utilization 9,261,812 8,698,028 Shrinkage 9,261,812 8,698,028 Shrinkage 9,261,812 8,698,028 Shrinkage 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 8,872,035 27,850,926 Class III Utilization 8,872,035 27,850,926			
Class IV			
Total Opening Inventory			
Utilization: 304,900,876 326,980,229 Utilization: Class I Utilization 14,053,908 13,573,552 Route Disposition Class I 222,130,750 226,205,135 Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 182,893 15,874 Total Class I Utilization 236,854,199 240,119,704 Average Butterfat Test 2.01% 2.05% Average Butterfat Test 2.01% 8,093,099 Class II Utilization 7,985,140 8,093,099 Nonfluid Used To Produce 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 11,26% 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11,26% 10,12% Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4,58%			
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Class Utilization 14,053,908 13,573,552 Route Disposition Class 222,130,750 226,205,135 325,143 346,648 325,143 32	Total Receipts	304,900,876	326,980,229
Inventory of Packaged FMP	Utilization:		
Route Disposition Class I 222,130,750 226,205,135 Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 182,893 15,874 Total Class I Utilization 236,854,199 240,119,704 Average Butterfat Test 2.01% 2.05% Daily Average Utilization 7,895,140 8,003,990 Class II Utilization Nonfluid Used To Produce 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization 8,872,035 27,850,926 Other Uses 0 0 Other Uses 0 0 Class IV Utilization 8,872,035 27,850,926 Average Butterfat Test 4,58% 2,70% Class IV Utilization 8,872,035	Class I Utilization		
Shrinkage 486,648 325,143 Transfers & Diversions to Nonpool 182,893 15,874 Total Class I Utilization 236,854,199 240,119,704 Average Butterfat Test 2.01% 2.05% Daily Average Utilization 7,895,140 8,003,990 Class II Utilization Nonfluid Used To Produce 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class III Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4,58% 2,7850,926 Average Butterfat Test 4,58% 2,70% Class IV Utilization 8,872,035 27,850,926 Average Butterfat Test 4,58% 2,70% Class IV Utilization 8,872,035 2,7850,926 Average Bu	Inventory of Packaged FMP	14,053,908	13,573,552
Transfers & Diversions to Nonpool 182,893 15,874 Total Class I Utilization 236,854,199 240,119,704 Average Butterfat Test 2.01% 2.05% Daily Average Utilization 7,895,140 8,003,990 Class II Utilization Nonfluid Used To Produce 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0	Route Disposition Class I	222,130,750	226,205,135
Total Class Utilization Average Butterfat Test 2.01% 2.05% Daily Average Utilization 7,895,140 8,003,990 Class Utilization 7,895,140 8,003,990 Class Utilization 9,261,812 8,698,028 Shrinkage 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,661,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class Utilization 11.26% 10.12% Class Utilization 8,872,035 27,850,926 Other Uses 0 0 Transfers & Diversions to Nonpool/Used to Produce 8,872,035 27,850,926 Other Uses 0 0 Total Class Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class V Utilization 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class V Utilization 27,086,511 22,289,832 Average Butterfat Test 5,72% 7.75%	Shrinkage	486,648	325,143
Average Butterfat Test 2.01% 2.05% Daily Average Utilization 7,895,140 8,003,990	Transfers & Diversions to Nonpool	182,893	15,874
Daily Average Utilization 7,895,140 8,003,990	Total Class I Utilization	236,854,199	240,119,704
Class Utilization 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class Utilization Shrinkage 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	Average Butterfat Test	2.01%	2.05%
Nonfluid Used To Produce 9,261,812 8,698,028 Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization Shrinkage 0 0 Total Class III Utilization 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832	Daily Average Utilization	7,895,140	8,003,990
Shrinkage 0 2,814,741 Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization Shrinkage 0 0 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	Class II Utilization		
Transfers & Diversions to Nonpool/Commercial Foods 8,773,671 9,651,840 Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization Shrinkage 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5,72% 7,75%	Nonfluid Used To Produce	9,261,812	8,698,028
Used To Produce/Other Uses 14,052,648 15,555,158 Total Class II Utilization 32,088,131 36,719,767 Average Butterfat Test 11.26% 10.12% Class III Utilization Shrinkage 0 0 Transfers & Diversions to Nonpool/Used to Produce 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	_	0	
Total Class II Utilization	Transfers & Diversions to Nonpool/Commercial Foods		9,651,840
Average Butterfat Test 11.26% 10.12% Class III Utilization 8,872,035 27,850,926 Other Uses 0 </td <td></td> <td></td> <td></td>			
Class III Utilization Shrinkage 0 0 Transfers & Diversions to Nonpool/Used to Produce 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%		32,088,131	
Shrinkage 0 0 Transfers & Diversions to Nonpool/Used to Produce 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%		11.26%	10.12%
Transfers & Diversions to Nonpool/Used to Produce 8,872,035 27,850,926 Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			
Other Uses 0 0 Total Class III Utilization 8,872,035 27,850,926 Average Butterfat Test 4.58% 2.70% Class IV Utilization Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	_		
Total Class III Utilization Average Butterfat Test 8,872,035 27,850,926 Class IV Utilization Inventory 4.58% 2.70% Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool Used To Produce/Other Uses 10,649,760 11,203,826 Total Class IV Utilization Average Butterfat Test 27,086,511 22,289,832 5.72% 7.75%			27,850,926
Average Butterfat Test 4.58% 2.70% Class IV Utilization Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			
Class IV Utilization Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			
Inventory 9,813,496 10,235,087 Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	ŭ	4.58%	2.70%
Nonfluid Used To Fortify 631,753 850,919 Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			
Shrinkage 4,084,229 0 Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	•		
Transfers & Diversions to Nonpool 10,649,760 11,203,826 Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%	-	•	
Used To Produce/Other Uses 1,907,273 0 Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			_
Total Class IV Utilization 27,086,511 22,289,832 Average Butterfat Test 5.72% 7.75%			_
Average Butterfat Test 5.72% 7.75%			
Total Utilization 304,900,876 326,980,229	_		
	lotal Utilization	304,900,876	326,980,229

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in April 2008 is \$21.50 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$17.06 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4380 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 April, Class I use accounted for 82.43% of all producer skim milk (priced to handlers at \$14.39 per hundredweight, plus the Class I differential and 45.95% of producer butterfat (priced to handlers at \$1.3483 per pound plus Class I differential). Class II use accounted for 7.31% of all producer skim milk (\$10.47 per hundredweight) and 37.85% of producer butterfat (\$1.4818 per pound). Class III use accounted for 3.26% of all producer skim milk (\$12.02 per hundredweight) and 4.26% of producer butterfat (\$1.4748 per pound). Class IV use accounted for 7.00% of all producer skim milk (\$9.74 per hundredweight) and 11.94% of producer butterfat (\$1.4748 per pound).

Receipts of producer milk during April 2008 totaled 269.5 million pounds, 23.1 million pounds less than was pooled in April of last year. Florida producers supplied 196.1 million pounds of milk in March 2008 or 69.28% of the total producer milk pooled in Florida. In March 2007, Florida producers supplied 67.00% of the total producer milk pooled on the Florida market.

There were 12 regulated loog plants 4 cooperative distributing and associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for April 2008. In-area Class I route disposition totaled 260.0 million pounds in March 2008,

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent March 2008 Whole Milk 89,429,416 34.53% Fat Free Milk 37,449,102 14.46% Lowfat Milk (incl. 1%) 32,089,205 12.39% Reduced Fat Milk (incl. 2%) 77,729,380 30.02% Cultured Fluid Milk (incl. Buttermilk) 1,198,257 0.46% Flavored Drinks and Milk 21,087,019 8.14% **Total Disposition in Marketing Area** 258,982,379 100.00% Total Disposition by Pool Plants 230,115,752 88.85% Total Disposition by Nonpool Plants 28,866,627 11.15%

258,982,379

100.00%

5.3 million pounds less than March 2007. This is an decrease of 0.75 percent before adjusting for calendar composition.

Mailbox Milk Prices, January-February 2007 & 2008 2/

Total Disposition in Marketing Area

Reporting Area 1/	January 2007	February 2007	2007 Average	January 2008	February 2008
New England Sts 3/	\$15.31	\$15.46	\$20.14	\$21.78	\$20.09
Appalachian States 4/	\$15.41	\$15.49	\$20.02	\$22.21	\$21.26
Southeast States 5/	\$16.18	\$16.13	\$20.66	\$22.94	\$21.70
Southern Missouri 6/	\$14.36	\$14.54	\$18.95	\$21.15	\$19.77
Florida	\$17.51	\$17.27	\$21.98	\$23.87	\$22.63
Indiana	\$14.44	\$14.77	\$19.26	\$21.23	\$19.98
Michigan	\$14.25	\$14.51	\$18.52	\$19.99	\$19.11
Wisconsin	\$14.79	\$15.31	\$19.01	\$20.79	\$18.85
Corn Belt States 7/	\$13.96	\$14.19	\$18.28	\$19.97	\$18.45
Western Texas 8/	\$13.96	\$14.01	\$18.30	\$19.53	\$17.43
New Mexico	\$13.30	\$13.19	\$17.54	\$18.83	\$16.45
All Federal Orders 9/	\$14.66	\$14.92	\$19.02	\$20.70	\$19.03
California 10/	\$12.55	\$13.09	\$17.56	\$17.97	\$17.05

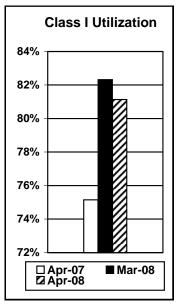
Source: Dairy Market News; 1/ Information is shown for those areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. 2/ Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the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

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool		CLASS I*			CLASS II			CLASS III		(CLASS IV		U	INIFORM*	
Period	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
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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40											

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

	FEDERAL ORDER 0 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER WILK												
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SSIV			
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%			
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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%			
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%			
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%			
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%			
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%			
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%			
Apr	269,523	340**	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%			



^{*} 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 May through July 2008												
	Pool &	MA Payme	ent Dates		Pay	ments for	Producer I	Milk					
	Uniform Price	Due to:	Due From:										
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member				
May 2008	06/11/08	06/12/08	06/13/08	05/19/08	05/20/08	06/04/08	06/05/08	06/13/08	06/16/08				
June 2008	07/11/08 07/14/08 07/15/08 06/19/08 06/20/08 07/07/08 07/07/08 07/15/08 07/16/08												
July 2008	08/11/08	08/12/08	08/13/08	07/21/08	07/21/08	08/04/08	08/05/08	08/13/08	08/14/08				

^{**}The base rate for making partial payments in Hillsborough Co., FL for May will be \$19.35 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$18.28 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-458 May 9, 2008

Forecast milk production in 2008 is lowered slightly from last month. Milk per cow in the first quarter was weaker than expected. Price forecasts for most products are raised sharply from last month as demand for all products remains strong. Fat basis exports are robust although exports on a skims solids basis are forecast weaker than last year, NDM exports are helping support prices. Class III and Class IV prices are raised and the all milk price is forecast to average \$17.95 to \$18.45 per cwt.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049







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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

June 2008

Volume 9-No. 6

Impact of USDA Decision to Temporarily Adjust Class I Prices in Florida

Beginning May 1, 2008, Class I prices throughout the Appalachian, Southeast and Florida Orders were increased to reflect increases in costs of marketing milk in these regions. The impact of these temporary adjustments to Class I prices was approximately \$3.4 million dollars of additional Federal order value during May, or a weighted average uniform price increase of approximately \$1.25 per hundredweight, for producers pooled on the Florida Order. Because demand for Class I milk is relatively stable, the amount of added value should remain stable in future months as well.

News Regarding Fluid Milk Promotion

The USDA has announced a final rule that amends the Fluid Milk Promotion Order. The amendment reduces the burden of late-fee charges applied to processors who underreport the amount of assessments they owe to the board due to unintentional errors and miscalculations. Specifically, the amendment will only apply to processors who have not made more than two reporting errors in the prior 12-month period.

Additionally, the USDA has announced the appointment of a new member to the National Fluid Milk Processor Promotion Board. Newly appointed to fill a vacancy lasting less than 18 months is Jay S. Bryant, of Reston, Virginia. (Region 6). The term for this appointee expires June 30, 2009. This new member will be seated at the board meeting held between July 17-19, 2008.

The National Fluid Milk Processor Promotion Board is composed of 15 fluid milk processors from 15 geographic regions and five at-large members. The program is financed by a mandatory 20-cent per hundredweight assessment on all fluid milk processed and marketed commercially in consumer-type packages in the contiguous 48 states and the District of Columbia.

Uniform Price Falls

The uniform price in Hillsborough County, FL, was \$21.38 per hundredweight for milk at 3.5 percent butterfat for the month of May. This represents a decrease of \$0.12 compared with the previous month and an increase of \$1.83 from May 2007.

Class I utilization was 84.25 percent in May, an increase of 3.11 percent when compared with the previous month and an increase of 9.47 percent when compared with May of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in April was 16.11 billion pounds, an increase of 2.2 percent from April 2007 and a decrease of 2.1 percent when compared with March 2008. On a daily average basis, April production was 1.2 percent higher when compared with March 2008.

Total cheese output (excluding cottage cheese) was 815 million pounds, 1.4 percent above April 2007 but 2.4 percent below March 2008. Butter production was 153 million pounds, 14.8 percent above April 2007 and 0.5 percent above March 2008.

Nonfat dry milk powder production was 133.0 million pounds in April, 7.7% percent higher than April 2007 and 2.6% percent higher than March 2008 on a daily average basis.

Dry whey production was 97.0 million pounds in April, which represents a 0.2 percent increase from April of last year and a 4.0 percent increase when compared with March 2008 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 1.83 in May. This is a decline of 0.06 points from April and sets another record low feed-price ratio.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - MAY 2008

F.O. 0 - FL	ORIDA. CALCO	LATION OF UN	IFORIN PRICE	.S - IVIAT ZU	00
Calculation of Uniform Butter	fat Price:				
		<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat		48.06%	4,597,171	\$1.4663	\$ 6,740,831.84
Class I Differential at Loca	ation				254,883.21
Class II Butterfat		38.02%	3,636,120	\$1.5632	5,683,982.79
Class III Butterfat		5.24%	500,772	\$1.5562	779,301.40
Class IV Butterfat	_	8.68%	830,657	\$1.5562	1,292,668.42
Total Butterfat	_	100.00%	9,564,720		\$ 14,751,667.66
Uniform Bu	utterfat Price per Ib	. (Hillsborough Co	ounty, Florida):	\$1.5423]
Calculation of Uniform Skim N	/lilk Price:		_		
Producer Milk	<u>Utilization</u>	<u>Pounds</u>		oer unit	<u>Value</u>
Class I Skim Milk	85.59%	222,648,391	\$11.90		\$ 26,495,158.53
Class I Butterfat	48.06%	4,597,171	\$1.4663	/lb.	6,740,831.84
Class I Differential at Loca	ation	227,245,562			12,625,969.53
Total Class I Milk	84.25%	227,245,562			\$ 45,861,959.90
Class II Skim Milk	5.96%	15,516,815	\$10.40	/cwt.	\$ 1,613,748.77
Class II Butterfat	38.02%	3,636,120	\$1.5632		5,683,982.79
Total Class II Milk	7.10%	19,152,935	•		\$ 7,297,731.56
Class III Skim Milk	4.89%	12,730,332	\$13.20	/cwt.	\$ 1,680,403.82
Class III Butterfat	5.24%	500,772	\$1.5562		779,301.40
Total Class III Milk	4.91%	13,231,104	¥ -		\$ 2,459,705.22
Class IV Skim Milk	3.56%	9,265,508	\$10.17	/cwt.	\$ 942,302.16
Class IV Butterfat	8.68%	830,657	\$1.5562		1,292,668.42
Total Class IV Milk	3.74%	10,096,165			\$ 2,234,970.58
Producer Milk	100.00%	269,725,766			\$ 57,854,367.26
Adjustments					
Overage and Other Source	е				\$3,714.99
Inventory Adjustments					\$48,574.32
Producer butterfat at unifo	rm butterfat price				(\$14,751,667.66)
Location Adjustments to F					(\$81,563.30)
1/2 Unobligated Balance i					\$116,806.75
Adjusted Pool Value			\$ 16.60134		\$43,190,232.36
Description Producer Cott	Harasarat Erra al		Ψ 10.0010 -1		Φ407 FC2 44

Reserve for Producer Settlement Fund

\$ 16.60134 \$ 0.04134

\$107,563.14

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

\$16.56 \$21.38*

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

MARKET NAME	CLA	ASS I	UNIFO	ORM	CLASS I %
(Priced at)	MAY 2008	JUN 2008	APR 2008	MAY 2008	MAY 2008
Appalachian (Charlotte)	\$ 20.02	\$ 21.58	\$ 20.21	\$ 19.11	70.18%
Arizona (Phoenix)	\$ 20.37	\$ 21.93	\$ 17.28	\$ 17.20	30.65%
Central (Kansas City)	\$ 20.02	\$ 21.58	\$ 17.48	\$ 17.08	42.77%
Florida (Tampa)	\$ 22.02	\$ 23.58	\$ 21.50	\$ 21.38	84.25%
Mideast (Cleveland)	\$ 20.02	\$ 21.58	\$ 17.77	\$ 17.53	46.00%
Northeast (Boston)	\$ 21.27	\$ 22.83	\$ 18.55	\$ 18.18	42.90%
Pacific Northwest (Seattle)	\$ 19.92	\$ 21.48	\$ 16.95	\$ 16.83	35.71%
Southeast (Atlanta)	\$ 20.42	\$ 21.98	\$ 19.97	\$ 19.60	64.74%
Southwest (Dallas)	\$ 21.02	\$ 22.58	\$ 18.18	\$ 17.88	51.11%
Upper Midwest (Chicago)	\$ 19.82	\$ 21.38	\$ 17.23	\$ 17.99	20.30%

Uniform Price per cwt. (Hillsborough County, Florida)

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Producer Milk 227,245,562 214,731,307 Class II 19,152,935 28,204,431,401 Class IV 10,098,165 12,684,308 Class IV 10,098,165 12,684,308 Class IV Average Butteffal Test 3,55% 3,55% Average Potter Milk In Class I 84,29% 74,78% Percent of Producer Milk In Class I 84,29% 74,78% Class II 0,008,313 9,283,217 Class II 10,045,598 3,979,791 Class II 10,045,598 9,797,910 Class III 0 1,781 9,002 Class III 0 1,781 9,002 Class II 0 1,783,449 9,002 Class II 0 1,584,600 1,568,600 Class II 0 1,584,600 1,568,600 Class II 1,488,841 14,122,720 Class II 2,399,924 1,931,899 Class II 1,584,948 1,5210,969 Class II 1,684,949 1,5210,969	Receipts:	May 2008	May 2007
Class	Producer Milk		
Class	Class I	227,245,562	214,731,307
Class V	Class II	19,152,935	28,204,494
Total Producer Milk 289,725,768 287,159,730		13,231,104	31,559,621
Average Butterfat Test 3.55% 3.56% 74.78			
Percent of Producer Milk in Class 84.25% 74.78% 70.0831 9.263.217 Class I 6,068.546 3.933.829 Class II 10,045.593 9.797.910 Class II 17.761 1.761 Class II 1.761 1.761 Class IV 683.849 903.021 Total Other Source Milk 16,799.754 14,634,760 Class II 21,330 0 19.608 Class II 21,330 0 19.608 Class II 0 0 19.608 Class II 0 0 0 19.608 Class II 0 0 0 19.608 Class II 0 0 0 19.608 Class II 13,498.841 14,122,720 Class II 14,122,720 14,124,720 Class II 14,122,720 14,124,720 Class II 14,122,720 14,124,720 Class II 15,494.95 15,210,899 Class III 15,494.95 15,210,899 Class III 15,494.95 15,210,899 Class II 15,494.95 15,210,899 Cl			
Daily Average Receipts			
Class Clas			
Class Clas		8,700,831	9,263,217
Class C		6.069.546	2 022 020
Class IV			
Class IV			
Total Other Source Milk			
Class Cla			
Class II 21,330 0 Class III 0 19,608 Class IV 16 0 Class IV 16 0 Opening Inventory 21,346 19,608 Class I 13,498,841 14,122,720 Class II 2,389,924 1,931,889 Class II 188,203 104,079 Class IV 6,941,024 7,867,112 Total Opening Inventory 23,017,992 24,025,810 Utilization: Class I Utilization Inventory of Packaged FMP 15,849,495 15,210,989 Route Disposition Class I 229,937,923 217,077,719 Shrinkage 845,955 481,665 Average Butterfal Test 2,02% 2,09% Average Butterfal Test 2,02% 2,09% Average Butterfal Test 10,038,150 9,785,866 Shrinkage 0 0 3,578,688 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,993,941 Total Class III		10,739,734	14,034,700
Class Cla		21 330	0
Class III			
Class IV			
Total Overage			
Class Class 1,3498,841 14,122,720 Class 1,3498,841 14,122,720 Class 1,3498,942 1,931,899 Class 1,3498,942 1,831,899 Class 1,3498,942 1,831,899 Class 1,3498,942 1,847,102 Class 1,440,042 7,867,112 Total Opening Inventory 23,017,992 24,025,810 Total Receipts 309,564,858 325,839,908 Utilization:			
Class		=-,	,
Class II 2,389,924 1,931,899 Class III 188,203 104,079 Class IV 6,941,024 7,867,112 Total Opening Inventory 23,017,992 24,025,810 By Sepher		13,498,841	14,122,720
Class IIV 6,941,024 7,867,112 Class IV 6,941,024 7,867,112 Total Opening Inventory 323,017,992 24,025,810 Total Receipts 309,564,858 325,839,908 Utilization: Class I Utilization Inventory of Packaged FMP 15,849,495 15,210,969 Route Disposition Class I 229,937,923 217,077,19 Shrinkage 484,955 481,665 Transfers & Diversions to Nonpool 200,906 17,503 Average Butterfat Test 2,02% 2,20% Average Utilization 7,962,396 7,509,286 Class II Utilization 10,038,150 9,785,866 Shrinkage 0 3,578,658 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,933,641 Used To Produce/Other Uses 13,880,261 17,595,746 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 9,833,841 Average Butterfat Test 13,421,068 31,663,700 Shrinkage 0 0	Class II		
Total Opening Inventory	Class III	188,203	
Utilization: Class I Utilization Inventory of Packaged FMP 15,849,495 15,210,969 Route Disposition Class I 229,937,923 217,077,719 Shrinkage 484,5955 481,665 Transfers & Diversions to Nonpool 200,906 17,503 Average Butterfat Test 2,00% 2,00% Average Butterfat Test 2,00% 7,502,396 Average Butterfat Test 2,00% 7,508,286 Class II Utilization 10,038,150 9,785,866 Shrinkage 0 3,578,658 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,993,641 Used To Produce/Other Uses 13,880,261 17,595,746 Total Class II Utilization 31,588,457 39,953,911 Average Butterfat Test 11,68% 9,83% Class III Utilization 34,21,068 31,663,700 Transfers & Diversions to Nonpool/Used to Produce 13,421,068 31,663,700 Average Butterfat Test 2,446,256 7,048,574 Nonfluid Used To Fortify 602,99	Class IV	6,941,024	7,867,112
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Class Utilization 15,849,495 15,210,869 Route Disposition Class 229,937,923 217,077,719 Shrinkage 845,955 481,665 7 transfers & Diversions to Nonpool 200,906 17,503 200,906 17,503 Average Butterfat Test 2.02% 2.02% 2.09% 2	Total Receipts	309,564,858	325,839,908
Class Utilization 15,849,495 15,210,869 Route Disposition Class 229,937,923 217,077,719 Shrinkage 845,955 481,665 7 transfers & Diversions to Nonpool 200,906 17,503 200,906 17,503 Average Butterfat Test 2.02% 2.02% 2.09% 2	Utilization:	, ,	
Inventory of Packaged FMP			
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Shrinkage 845,955 481,665 Transfers & Diversions to Nonpool 200,906 17,503 Total Class I Utilization 246,834,279 232,787,856 Average Butterfat Test 2.02% 2.09% Daily Average Utilization 7,962,396 7,509,286 Nonfluid Used To Produce 10,038,150 9,785,866 Shrinkage 0 3,578,658 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,993,641 Used To Produce/Other Uses 13,880,261 17,595,746 Total Class III Utilization 31,588,457 39,953,911 Average Butterfat Test 10 0 0 Transfers & Diversions to Nonpool/Used to Produce 13,421,068 31,663,700 Other Uses 13,421,068 31,663,700 Average Butterfat Test 3,73% 2,21% Class IV Utilization 13,421,068 7,048,574 Inventory 2,446,256 7,048,574 Nonfluid Used To Fortify 602,994 758,010 Shrinkage 3,763,605 0			
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Total Class I Utilization	<u> </u>		
Daily Average Utilization 7,962,396 7,509,286	Total Class I Utilization		
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Shrinkage 0 3,578,658 Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,993,641 Used To Produce/Other Uses 13,880,261 17,595,746 Total Class II Utilization 31,588,457 39,953,911 Average Butterfat Test 11.68% 9.83% Class III Utilization Shrinkage 0 0 Transfers & Diversions to Nonpool/Used to Produce 13,421,068 31,663,700 Other Uses 0 0 Total Class III Utilization 13,421,068 31,663,700 Average Butterfat Test 3.73% 2.21% Class IV Utilization 13,421,068 7,048,574 Nonfluid Used To Fortify 602,994 758,010 Shrinkage 3,763,605 0 Transfers & Diversions to Nonpool 9,100,425 13,627,857 Used To Produce/Other Uses 1,807,774 0 Total Class IV Utilization 17,721,054 21,434,441 Average Butterfat Test 7.13% 7.76%	Class II Utilization		
Transfers & Diversions to Nonpool/Commercial Foods 7,670,046 8,993,641 Used To Produce/Other Uses 13,880,261 17,595,746 Total Class II Utilization 31,588,457 39,953,911 Average Butterfat Test 11.68% 9.83% Class III Utilization Shrinkage 0 0 Transfers & Diversions to Nonpool/Used to Produce 13,421,068 31,663,700 Other Uses 0 0 Total Class III Utilization 13,421,068 31,663,700 Average Butterfat Test 3.73% 2.21% Class IV Utilization Inventory 2,446,256 7,048,574 Nonfluid Used To Fortify 602,994 758,010 Shrinkage 3,763,605 0 Transfers & Diversions to Nonpool 9,100,425 13,627,857 Used To Produce/Other Uses 1,807,774 0 Total Class IV Utilization 17,721,054 21,434,441 Average Butterfat Test 7.13% 7.76%		10,038,150	9,785,866
Used To Produce/Other Uses 13,880,261 17,595,746 Total Class II Utilization 31,588,457 39,953,911 Average Butterfat Test 11.68% 9.83% Class III Utilization 0 0 Shrinkage 0 0 Other Uses 0 0 Other Uses 0 0 Total Class III Utilization 13,421,068 31,663,700 Average Butterfat Test 3.73% 2.21% Class IV Utilization 1,004,256 7,048,574 Nonfluid Used To Fortify 602,994 758,010 Shrinkage 3,763,605 0 Transfers & Diversions to Nonpool 9,100,425 13,627,857 Used To Produce/Other Uses 1,807,774 0 Total Class IV Utilization 17,721,054 21,434,441 Average Butterfat Test 7.13% 7.76%		0	
Total Class II Utilization			
Average Butterfat Test			
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Average Butterfat Test 7.13% 7.76%			
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	Total othization	300,00-,000	320,000,000

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in May 2008 is \$21.38 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$16.56 per hundredweight plus 3.5 times the uniform butterfat price of \$1.5423 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 May, Class I use accounted for 85.59% of all producer skim milk (priced to handlers at \$11.90 per hundredweight, plus the Class I differential and 48.06% of producer butterfat (priced to handlers at \$1.4663 per pound plus Class I differential). Class II use accounted for 5.96% of all producer skim milk (\$10.40 per hundredweight) and 38.02% of producer butterfat (\$1.5632 per pound). Class III use accounted for 4.89% of all producer skim milk (\$13.20 per hundredweight) and 5.24% of producer butterfat (\$1.5562 per pound). Class IV use accounted for 3.56% of all producer skim milk (\$10.17 per hundredweight) and 8.68% of producer butterfat (\$1.5562 per pound).

Receipts of producer milk during May 2008 totaled 269.7 million pounds, 17.4 million pounds less than was pooled in May of last year. Florida producers supplied 184.5 million pounds of milk in April 2008 or 68.44% of the total producer milk pooled in Florida. In April 2007, Florida producers supplied 66.94% of the total producer milk pooled on the Florida market.

There were 12 regulated pool distributing plants and 4 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for May 2008. In-area Class I route disposition totaled 236.2 million pounds in April 2008,

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent April 2008 Whole Milk 82,375,598 34.87% Fat Free Milk 32,528,626 13.77% 28,809,064 Lowfat Milk (incl. 1%) 12.19% Reduced Fat Milk (incl. 2%) 70,717,082 29.93% Cultured Fluid Milk (incl. Buttermilk) 948,993 0.40% Flavored Drinks and Milk 20,864,299 8.83% **Total Disposition in Marketing Area** 236,243,662 100.00% Total Disposition by Pool Plants 209,308,365 88.60% Total Disposition by Nonpool Plants 26,935,297 11.40% **Total Disposition in Marketing Area** 236,243,662 100.00%

11.2 million pounds less than April 2007. This is a decrease of 6.26 percent after adjusting for calendar composition.

ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS: JAN-APR 2008

	Jan	Feb	Mar	Apr	Jan-Apr Total	Change from 2007
		l	Millions o	f Pounds		Percent
Whole Milk	1,334	1,219	1,276	1,220	5,049	-6.3%
Flavored Whole Milk	48	49	49	49	195	-16.3%
Organic Whole Milk	33	30	33	31	127	28.3%
Reduced Fat Milk (2%)	1,580	1,458	1,535	1,486	6,059	1.3%
Low Fat Milk (1%)	580	549	572	559	2,260	1.9%
Fat-Free Milk (Skim)	708	668	694	677	2,747	0.4%
Flavored Fat-Reduced Milk	364	342	331	380	1,417	1.0%
Organic Fat-Reduced Milk	109	115	110	103	437	28.9%
Buttermilk	53	48	54	44	199	14.4%
Total Fluid Milk Products 3/	4,824	4,489	4,666	4,562	18,541	-0.4%
Total Fluid Milk Products Adj. 3/4/	4,811	4,287	4,728	4,556	18,382	-1.0%

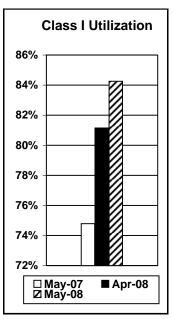
Source: USDA/Agricultural Marketing Service. 1/ These figures are based on the consumption of fluid milk products in Federal milk order marketing areas and California, which represents approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data. The procedure used for estimating U.S. fluid milk sales by the Agricultural Marketing Service is different from that used by the Economic Research Service (ERS) of USDA. Consequently, the sum of the monthly figures presented here may differ from the annual figures published by ERS._2/ Percent changes, as well as sales volumes, unless otherwise noted, are not shown on a calendar composition basis. See 4/. Some data for January have been revised due to changes in the information from some reporting areas. 3/ Total fluid milk products include the products listed plus miscellaneous products and eggnog. 4/ Sales volumes and percent changes have been adjusted for calendar composition; see http://www.ams.usda.gov/dyfmos/mib/clndr_comp_rpt.pdf.

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool		CLASS I*			CLASS II			CLASS III			CLASS IV		U	NIFORM*	
Period	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
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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89											

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

FEDERAL ORDER 6 - FLORIDA: FOOLED RECEIFTS AND UTILIZATION OF PRODUCER MILK										
Pool	Producer Milk	Number of	CLASS I		CLASS II		CLASS III		CLASS IV	
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%
May	269,726	320**	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%



^{*} 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 June through August 2008											
	Pool &	MA Payme	Payment Dates Payments for Producer Milk								
	Uniform Price	Due to:	Due From:	First F Paymer			l Partial nt Due**	Final Pay Due			
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member		
June 2008	07/11/08	07/14/08	07/15/08	06/19/08	06/20/08	07/07/08	07/07/08	07/15/08	07/16/08		
July 2008	08/11/08	08/12/08	08/13/08	07/21/08	07/21/08	08/04/08	08/05/08	08/13/08	08/14/08		
August 2008	09/11/08	09/12/08	09/15/08	08/19/08	08/20/08	09/04/08	09/05/08	09/15/08	09/16/08		

^{**}The base rate for making partial payments in Hillsborough Co., FL for June will be \$19.24 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$18.17 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- 459 June 10, 2008

Milk production forecasts for 2008 and 2009 are reduced primarily because high feed prices are expected to limit growth in milk per cow. For 2008, cow numbers are fractionally lower reflecting expected cow removals through the Cooperatives Working Together (CWT) program. Commercial exports are forecast higher in 2008 as sales have been stronger than expected. However, with relatively tight supplies forecast in 2009, the export forecast for 2009 is unchanged. Forecasts of domestic disappearance of fat and skim solids are reduced from last month. Tighter supplies of dairy products and competition between export and domestic markets are expected to result in relatively strong prices. Dairy product prices are forecast higher in both 2008 and 2009. Cheese prices are forecast higher in both years, which coupled with higher whey price forecasts, lead to an increase in the forecast Class III price. The butter price forecast is raised for 2008 as demand remains robust in the face of relatively large supplies. However, as prices remain relatively strong in 2008, export demand may weaken and the price forecast for 2009 is reduced slightly from last month. Conversely, forecasts for 2009 nonfat dry milk are raised as exports are expected to support higher prices. The Class IV price forecast is little changed from last month. The all milk price is forecast higher this month, averaging \$18.90 to \$19.30 in 2008 and \$18.15 to \$19.15 in 2009.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049





www.fmmatlanta.com

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

July 2008

Volume 9-No. 7

Decision to Amend Class III and IV Product Price Formulas Issued

The U. S. Department of Agriculture (USDA) has issued a tentative final decision to amend the Class III and Class IV product price formulas in all Federal milk marketing orders. The decision was based on the record of the first session of a public hearing held in Strongsville, Ohio on February 26 through March 2, 2007, a second session of a public hearing held in Indianapolis, Indiana, on April 9 through13, 2007, and a third session of a public hearing held in Pittsburgh, Pennsylvania, on July 9 through 11, 2007.

The decision would amend the manufacturing (make) allowances for cheese, butter, nonfat dry milk (NFDM) and dry whey. Specifically, this decision would adopt the following make allowances:

- Cheese \$0.2003 per lb. (up \$0.0321)
- Butter \$0.1715 per lb. (up \$0.0513)
- NFDM \$0.1678 per lb. (up \$0.0108), and
- Dry whey \$0.1991 per lb. (up \$0.0035).

This decision also proposes to increase the butterfat yield factor of the butterfat price formula from 1.20 to 1.211. These amendments are subject to producer approval before they can be implemented. The tentative final decision was published in the June 20 Federal Register and is available at www.fmmatlanta.com under 'What's New'. Comments are due by August 19, 2008.

Final Rule Implements Dairy Product Mandatory Reporting Program

The USDA has issued a final rule that adopts amendments to the Dairy Products Mandatory Reporting Program that was established on August 2, 2007. The Dairy Market Enhancement Act of 2000, and certain provisions of the Farm Security and Rural Investment Act of 2002, amend the Agricultural Marketing Act (continued on page 4)

Uniform Price Increases

The uniform price in Hillsborough County, FL, was \$22.36 per hundredweight for milk at 3.5 percent butterfat for the month of June. This represents an increase of \$0.98 compared with the previous month and an increase of \$0.74 from June 2007.

Class I utilization was 75.56 percent in June, a decrease of 8.69 percent when compared with the previous month and a decrease of 3.62 percent when compared with June of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in May was 16.67 billion pounds, an increase of 3.0 percent from May 2007 and a increase of 3.4 percent when compared with April 2008. On a daily average basis, May production was 0.1 percent higher than the previous month.

Total cheese output (excluding cottage cheese) was 828 million pounds in May, an increase of 0.5 percent compared with May 2007 and 2.3 percent higher than April 2008. May butter production was 144 million pounds, 15.8 percent higher than May 2007 but a 4.4 percent decrease compared with April 2008.

Nonfat dry milk powder production was 129 million pounds in the month of May, 11.8% percent higher than May 2007 and 6.1% percent lower than April 2008 on a daily average basis. Dry whey production was 97 million pounds in May, a 2.3 percent decrease from May of last year and a 3.2 percent decline from April 2008 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 1.78 in June. This is a decline of 1.1 points from June of last year and sets another record low feed-price ratio.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JUNE 2008

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat	45.61%	4,206,615	\$1.5625	\$ 6,572,835.94
Class I Differential at Location				233,711.90
Class II Butterfat	35.16%	3,242,418	\$1.6230	5,262,444.43
Class III Butterfat	8.28%	763,523	\$1.6160	1,233,853.16
Class IV Butterfat	10.95%	1,009,485	\$1.6160	1,631,327.77
Total Butterfat	100.00%	9,222,041		\$ 14,934,173.20

Uniform Butterfat Price per lb. (Hillsborough County, Florida): \$1.6194

Calculation of Uniform Skim Milk Price:

Producer Milk	<u>Utilization</u>	<u>Pounds</u>	Price per unit	<u>Value</u>
Class I Skim Milk	76.65%	192,393,370	\$13.17 /cwt.	\$ 25,338,206.83
Class I Butterfat	45.61%	4,206,615	\$1.5625 /lb.	6,572,835.94
Class I Differential at Location		196,599,985		10,901,731.40
Total Class I Milk	75.56%	196,599,985		\$ 42,812,774.17
Class II Skim Milk	6.23%	15,623,307	\$10.89 /cwt.	\$ 1,701,378.15
Class II Butterfat	35.16%	3,242,418	\$1.6230 /lb.	5,262,444.43
Total Class II Milk	7.25%	18,865,725		\$ 6,963,822.58
Class III Skim Milk	9.37%	23,507,629	\$15.12 /cwt.	\$ 3,554,353.51
Class III Butterfat	8.28%	763,523	\$1.6160 /lb.	1,233,853.16
Total Class III Milk	9.33%	24,271,152		\$ 4,788,206.67
Class IV Skim Milk	7.75%	19,440,408	\$10.64 /cwt.	\$ 2,068,459.38
Class IV Butterfat	10.95%	1,009,485	\$1.6160 /lb.	1,631,327.77
Total Class IV Milk	7.86%	20,449,893		\$ 3,699,787.15
Producer Milk	100.00%	260,186,755		\$ 58,264,590.57

Adjustments

Overage and Other Source \$0.00 **Inventory Adjustments** \$9.68 Producer butterfat at uniform butterfat price (\$14,934,173.20) Location Adjustments to Producers \$86,979.04 1/2 Unobligated Balance in P.S.F. \$112,341.41 \$ 17.34497 \$43,529,747.50

Adjusted Pool Value

Reserve for Producer Settlement Fund \$ 0.04497

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

\$17.30

\$112,851.98

Uniform Price per cwt. (Hillsborough County, Florida)

\$22.36*

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

MARKET NAME	CLA	ASS I	UNIFO	ORM	CLASS I %
(Priced at)	JUN 2008	JUL 2008	MAY 2008	JUN 2008	JUN 2008
Appalachian (Charlotte)	\$ 21.58	\$ 24.18	\$ 19.11	\$ 20.22	67.06%
Arizona (Phoenix)	\$ 21.93	\$ 24.53	\$ 17.20	\$ 18.65	29.94%
Central (Kansas City)	\$ 21.58	\$ 24.18	\$ 17.08	\$ 18.50	40.56%
Florida (Tampa)	\$ 23.58	\$ 26.18	\$ 21.38	\$ 22.36	75.56%
Mideast (Cleveland)	\$ 21.58	\$ 24.18	\$ 17.53	\$ 18.96	39.30%
Northeast (Boston)	\$ 22.83	\$ 25.43	\$ 18.18	\$ 19.56	43.80%
Pacific Northwest (Seattle)	\$ 21.48	\$ 24.08	\$ 16.83	\$ 18.03	34.48%
Southeast (Atlanta)	\$ 21.98	\$ 24.58	\$ 19.60	\$ 20.80	70.25%
Southwest (Dallas)	\$ 22.58	\$ 25.18	\$ 17.88	\$ 19.02	47.61%
Upper Midwest (Chicago)	\$ 21.38	\$ 23.98	\$ 17.99	\$ 19.79	16.80%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	June 2008	June 2007
Producer Milk		
Class I	196,599,985	204,676,543
Class II	18,865,725	27,206,739
Class III	24,271,152	15,960,518
Class IV	20,449,893	10,619,093
Total Producer Milk	260,186,755	258,462,893
Average Butterfat Test	3.54%	3.58%
Percent of Producer Milk in Class I	75.56%	79.18%
Daily Average Receipts	8,672,892	8,615,430
Other Source Milk		
Class I	4,647,891	3,728,422
Class II	7,111,559	8,636,043
Class III	1,720	0
Class IV	446,876	618,192
Total Other Source Milk	12,208,046	12,982,657
Overage		
Class I	0	0
Class II	0	462,003
Class III	0	0
Class IV	0	587
Total Overage	0	462,590
Opening Inventory		
Class I	15,849,495	15,377,037
Class II	335	3,363,133
Class III	0	202,187
Class IV	2,445,921	3,301,769
Total Opening Inventory	18,295,751	22,244,126
Total Receipts	290,690,552	294,152,266
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	12,267,214	15,492,817
Route Disposition Class I	203,348,274	207,947,134
Shrinkage	1,365,234	296,393
Transfers & Diversions to Nonpool	116,649	45,658
Total Class Utilization	217,097,371	223,782,002
Average Butterfat Test	2.12%	2.17%
Daily Average Utilization	7,236,579	7,459,400
Class II Utilization	.,_00,0.0	.,,
Nonfluid Used To Produce	7,081,555	8,628,948
Shrinkage	0	3,327,506
Transfers & Diversions to Nonpool/Commercial Foods	6,717,343	11,303,006
Used To Produce/Other Uses	12,178,721	16,408,458
Total Class II Utilization	25,977,619	39,667,918
Average Butterfat Test	12.52%	9.26%
Class III Utilization		
Shrinkage	0	0
Transfers & Diversions to Nonpool/Used to Produce	24,272,872	16,162,705
Other Uses	0	0
Total Class III Utilization	24,272,872	16,162,705
Average Butterfat Test	3.15%	2.50%
Class IV Utilization		
Inventory	7,687,934	3,555,833
Nonfluid Used To Fortify	400,600	542,548
Shrinkage	3,768,654	0
Transfers & Diversions to Nonpool	9,693,971	10,441,260
Used To Produce/Other Uses	1,791,531	0
Total Class IV Utilization	23,342,690	14,539,641
Average Butterfat Test	5.40%	7.81%
Total Utilization	290,690,552	294,152,266
	• •	, ,

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in June 2008 is \$22.36 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$17.30 per hundredweight plus 3.5 times the uniform butterfat price of \$1.6194 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 June, Class I use accounted for 76.65% of all producer skim milk (priced to handlers at \$13.17 per hundredweight, plus the Class I differential and 45.61% of producer butterfat (priced to handlers at \$1.5625 per pound plus Class I differential). Class II use accounted for 6.23% of all producer skim milk (\$10.89 per hundredweight) and 35.16% of producer butterfat (\$1.6230 per pound). Class III use accounted for 9.37% of all producer skim milk (\$15.12 per hundredweight) and 8.28% of producer butterfat (\$1.6160 per pound). Class IV use accounted for 7.75% of all producer skim milk (\$10.64 per hundredweight) and 10.95% of producer butterfat (\$1.6160 per pound).

Receipts of producer milk during June 2008 totaled 260.2 million pounds, 1.7 million pounds more than was pooled in June of last year. Florida producers supplied 192.3 million pounds of milk in May 2008 or 71.29% of the total producer milk pooled in Florida. In May 2007, Florida producers supplied 69.41% of the total producer milk pooled on the Florida market.

There were 12 regulated loog distributing plants and 4 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for June In-area Class I route disposition 2008. totaled 236.2 million pounds in May 2008, 4.9 million more than May 2007. There is an increase of 0.79 percent after adjusting for calendar composition.

Packaged Class I Route Sales in Marketing Area **Product Description** Pounds Percent May 2008 Whole Milk 85,368,962 35.41% Fat Free Milk 32,013,398 13.28% Lowfat Milk (incl. 1%) 28,979,243 12.02% Reduced Fat Milk (incl. 2%) 71,889,542 29.82% Cultured Fluid Milk (incl. Buttermilk) 978,789 0.41% Flavored Drinks and Milk 21,840,878 9.06% **Total Disposition in Marketing Area** 241,070,812 100.00% Total Disposition by Pool Plants 89.59% 215,978,194 Total Disposition by Nonpool Plants 25,092,618 10.41% Total Disposition in Marketing Area 241,070,812 100.00%

Final Rule Implements Dairy Product Mandatory Reporting Program

(continued from page 1) of 1946 to provide for timely, accurate, and reliable market information to facilitate more informed marketing decisions and promote competition in the dairy product manufacturing industry.

This 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. The National Agricultural Statistics Service (NASS) collects such information for the program. The Agricultural Marketing Service (AMS) has implemented a plan to verify the price information submitted by dairy product manufacturing plants to NASS. Any manufacturer that processes and markets less than one million pounds of dairy products per year is exempt from the price reporting requirements.

AMS reviewed all comments received in response to the interim final rule and considered those comments in developing the final rule. All changes in the final rule from the interim rule concern price reporting. There are no changes concerning stock reporting. Certain products are now excluded in the reporting specifications:

- -Products that are produced under faith-based close supervision and are marketed at a higher price than the manufacturer's wholesale market price for the basic commodity.
- -Dairy Export Incentive Program sales or other premium-assisted sales.
- -Products certified as organic by USDA-accredited certifying agents.

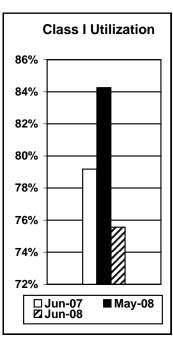
Another substantive change is that in calculating the total dollars received or dollars per pound, the reporting entity shall not deduct brokerage fees or clearing charges paid by the manufacturer. Other changes have been made in organization or content for greater clarity. The final rule appears in the June 17 Federal Register and became effective June 22, 2008.

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool		CLASS I*			CLASS II			CLASS III			CLASS IV		UNIFORM*		
Period	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
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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36
July	\$21.10	\$1.6626	\$26.18	\$11.31											

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

Pool Producer Milk Number of CLASS I CLASS II CLASS III									
	Number of							L .	SS IV
1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
288,327	322	239,083	82.92%	20,833	7.23%	8,745	3.03%	19,667	6.82%
268,823	298	218,212	81.18%	18,601	6.92%	15,197	5.65%	16,813	6.25%
309,668	294	242,109	78.19%	27,232	8.79%	28,164	9.09%	12,163	3.93%
292,665	292	219,928	75.15%	28,003	9.57%	27,846	9.51%	16,887	5.77%
287,160	283	214,731	74.78%	28,205	9.82%	31,560	10.99%	12,664	4.41%
258,463	352	204,677	79.18%	27,207	10.53%	15,961	6.18%	10,619	4.11%
248,237	351	198,729	80.05%	22,237	8.96%	11,395	4.59%	15,877	6.40%
246,333	466	213,617	86.72%	21,897	8.89%	5,154	2.09%	5,666	2.30%
235,983	442	199,162	84.40%	17,874	7.57%	8,015	3.40%	10,931	4.63%
253,906	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%
283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%
269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%
269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%
260,187	310**	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%
	Producer Milk 1000 lbs. 288,327 268,823 309,668 292,665 287,160 258,463 248,237 246,333 235,983 253,906 249,743 267,192 283,233 265,597 283,037 269,523 269,726	Producer Milk Number of Farms 288,327 322 268,823 298 309,668 294 292,665 292 287,160 283 258,463 352 248,237 351 246,333 466 235,983 442 253,906 471 249,743 437 267,192 417 283,233 360 265,597 339 283,037 336 269,523 311 269,726 300	Producer Milk 1000 lbs. Number of Farms CLA 1000 lbs. 288,327 322 239,083 268,823 298 218,212 309,668 294 242,109 292,665 292 219,928 287,160 283 214,731 258,463 352 204,677 248,237 351 198,729 246,333 466 213,617 235,983 442 199,162 253,906 471 216,645 249,743 437 216,964 267,192 417 219,690 283,233 360 234,011 265,597 339 220,598 283,037 336 232,993 269,523 311 218,677 269,726 300 227,246	Producer Milk 1000 lbs. Number of Farms CLASS I 1000 lbs. % 288,327 322 239,083 82.92% 268,823 298 218,212 81.18% 309,668 294 242,109 78.19% 292,665 292 219,928 75.15% 287,160 283 214,731 74.78% 258,463 352 204,677 79.18% 248,237 351 198,729 80.05% 246,333 466 213,617 86.72% 235,983 442 199,162 84.40% 253,906 471 216,645 85.33% 249,743 437 216,964 86.87% 267,192 417 219,690 82.22% 283,233 360 234,011 82.61% 265,597 339 220,598 83.06% 283,037 336 232,993 82.32% 269,523 311 218,677 81.14% 269,726 300 227,24	Producer Milk 1000 lbs. Number of Farms CLASS I 1000 lbs. CLASS I 1000 lbs. 288,327 322 239,083 82.92% 20,833 268,823 298 218,212 81.18% 18,601 309,668 294 242,109 78.19% 27,232 292,665 292 219,928 75.15% 28,003 287,160 283 214,731 74.78% 28,205 258,463 352 204,677 79.18% 27,207 248,237 351 198,729 80.05% 22,237 246,333 466 213,617 86.72% 21,897 235,983 442 199,162 84.40% 17,874 253,906 471 216,645 85.33% 22,786 249,743 437 216,964 86.87% 20,824 267,192 417 219,690 82.22% 20,117 283,233 360 234,011 82.61% 23,387 265,597 339 220,598	Producer Milk 1000 lbs. Number of Farms CLASS I CLASS II 288,327 322 239,083 82.92% 20,833 7.23% 268,823 298 218,212 81.18% 18,601 6.92% 309,668 294 242,109 78.19% 27,232 8.79% 292,665 292 219,928 75.15% 28,003 9.57% 287,160 283 214,731 74.78% 28,205 9.82% 258,463 352 204,677 79.18% 27,207 10.53% 248,237 351 198,729 80.05% 22,237 8.96% 246,333 466 213,617 86.72% 21,897 8.89% 235,983 442 199,162 84.40% 17,874 7.57% 253,906 471 216,645 85.33% 22,786 8.97% 249,743 437 216,964 86.87% 20,824 8.34% 267,192 417 219,690 82.22% 20,117	Producer Milk 1000 lbs. Number of Farms CLASS I CLASS II CLASS II 288,327 322 239,083 82.92% 20,833 7.23% 8,745 268,823 298 218,212 81.18% 18,601 6.92% 15,197 309,668 294 242,109 78.19% 27,232 8.79% 28,164 292,665 292 219,928 75.15% 28,003 9.57% 27,846 287,160 283 214,731 74.78% 28,205 9.82% 31,560 258,463 352 204,677 79.18% 27,207 10.53% 15,961 248,237 351 198,729 80.05% 22,237 8.96% 11,395 246,333 466 213,617 86.72% 21,897 8.89% 5,154 235,983 442 199,162 84.40% 17,874 7.57% 8,015 253,906 471 216,645 85.33% 22,786 8.97% 7,746 249,74	Producer Milk 1000 lbs. Number of Farms CLASS I CLASS II CLASS III 288,327 322 239,083 82.92% 20,833 7.23% 8,745 3.03% 268,823 298 218,212 81.18% 18,601 6.92% 15,197 5.65% 309,668 294 242,109 78.19% 27,232 8.79% 28,164 9.09% 292,665 292 219,928 75.15% 28,003 9.57% 27,846 9.51% 287,160 283 214,731 74.78% 28,205 9.82% 31,560 10.99% 258,463 352 204,677 79.18% 27,207 10.53% 15,961 6.18% 248,237 351 198,729 80.05% 22,237 8.96% 11,395 4.59% 246,333 466 213,617 86.72% 21,897 8.89% 5,154 2.09% 253,906 471 216,645 85.33% 22,786 8.97% 7,746 3.05%	Producer Milk 1000 lbs. Number of 1000 lbs. CLASS I CLASS II CLASS III CLAS



^{*} 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 July through September 2008 **MA Payment Dates** Pool & **Payments for Producer Milk Uniform** Due **First Partial** Second Partial **Price** Due to: From: Payment Due** Payment Due** **Final Pay Due** Release Non -Non -Non -**Pool Month Date All Funds** P/S Coop member Coop member Coop member 08/13/08 July 2008 08/11/08 08/12/08 07/21/08 07/21/08 08/04/08 08/05/08 | 08/13/08 08/14/08 09/11/08 09/16/08 August 2008 09/12/08 09/15/08 08/19/08 08/20/08 09/04/08 09/05/08 09/15/08 Sept. 2008 10/11/08 10/14/08 10/15/08 | 09/19/08 | 09/22/08 | 10/06/08 | 10/06/08 | 10/15/08 | 10/16/08

^{**}The base rate for making partial payments in Hillsborough Co., FL for June will be \$20.12 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.12 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														

WASDE Dairy Report 1/

WASDE- 460 July 11, 2008

Milk production forecasts for 2008 are increased due to slightly higher forecast cow numbers and slightly stronger growth in milk per cow. However, higher feed prices are expected to largely offset higher milk prices and the production forecast for 2009 is unchanged. The July Cattle report, scheduled for release on July 25, will provide an indication of producer intentions for dairy heifer retention. Commercial exports of dairy products in both 2008 and 2009 are raised from last month as foreign demand remains strong. In light of relatively slow growth in milk production and strong demand in 2008, domestic disappearance on both a fat and skim-solids basis are raised and ending stocks reduced. With continued tight milk supplies in 2009, forecast domestic disappearance is lowered and stocks are reduced from last month.

Despite relatively slow growth in cheese production, recent prices have been lower-than-expected and the price forecast for 2008 is reduced from last month. However, strong demand is boosting butter and nonfat dry milk (NDM) prices. The whey price forecast is fractionally lower than last month as stocks are high. The 2008 Class III price is reduced, but the Class IV price is raised. For 2009, slow growth in milk production and expectations of relatively strong demand are expected to support a higher cheese price forecast. Butter, NDM, and whey price forecasts are unchanged. The Class III price forecast is raised to reflect higher cheese prices; the Class IV price forecast is unchanged. The all milk price is forecast higher this month, averaging \$18.95 to \$19.25 in 2008 and \$18.60 to \$19.60 in 2009. These forecasts, if realized, will result in milk prices at or near record levels since 2007.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049





www.fmmatlanta.com

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

August 2008

Volume 9-No. 8

Interim Final Rule Amends Class III and IV Product Price Formulas

The U. S. Department of Agriculture (USDA) has issued an interim final rule amending the Class III and Class IV product price formulas in all Federal milk marketing orders. The interim order incorporating these amendments was recently approved by dairy farmers in all 10 Federal milk marketing orders. The interim order amends the manufacturing (make) allowances for cheese, butter, nonfat dry milk (NFDM) and dry whey.

Specifically, this rule adopts the following make allowances:

- Cheese \$0.2003 per lb. (up \$0.0321)
- Butter \$0.1715 per lb. (up \$0.0513)
- NFDM \$0.1678 per lb. (up \$0.0108), and
- Dry whey \$0.1991 per lb. (up \$0.0035).

This rule also increase the butterfat yield factor of the butterfat price formula from 1.20 to 1.211. These amendments will be effective for milk marketed on or after September 1, 2008.

Copies of the interim final rule are available at www.fmmatlanta.com under 'What's New'.

Public Hearing to Consider Increases in Class I Differentials in Mideast Order

The USDA will hold a public hearing to consider proposals seeking to temporarily increase the Class I differentials in the southern tier of the Mideast marketing area. The Mideast marketing area consists of the following: most of Michigan, Indiana and Ohio and parts of Kentucky, Pennsylvania and West Virginia. The hearing will begin at 9 a.m. on August 19, at the Westin Cincinnati Hotel, 21 E 5th Street, Cincinnati, Ohio 45202.

The hearing notice was published in the July 24, 2008, Federal Register. Copies of the hearing notice may be found on our website at www.fmmatlanta.com under 'What's New' or at www.regulations.gov, keyword 'Mideast hearing'.

Uniform Price Increases

The uniform price in Hillsborough County, FL, was \$24.89 per hundredweight for milk at 3.5 percent butterfat for the month of July. This represents an increase of \$2.53 compared with the previous month and an increase of \$0.67 from July 2007.

Class I utilization was 83.54 percent in July, an increase of 7.98 percent when compared with the previous month and an increase of 3.49 percent when compared with July of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in June was 15.93 billion pounds, an increase of 3.0 percent from June 2007 and a decrease of 4.4 percent when compared with May 2008. On a daily average basis, June production was 1.2 percent lower than May 2008.

Total cheese output (excluding cottage cheese) was 803 million pounds, a 1.3 percent increase versus June 2007 but 3.4 percent below May 2008. Butter production was 120 million pounds, an increase of 9.0 percent compared with than June 2007 but a 16.0 percent decrease compared with May 2008.

Nonfat dry milk powder production was 132 million pounds in June, 11.9% percent higher than June 2007 and 5.7% percent higher than May 2008 on a daily average basis. Dry whey production was 92.5 million pounds in June, a 2.3 percent decrease from June of last year and a 1.5 percent decline from May 2008 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 1.82 in June, a decline of 1.34 points from July of last year. (See page 4 for more on the milk-feed ratio.)

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JULY 2008

Calculation of Uniform Butterfat P	rice:				
		<u>Utilization</u>	<u>Pounds</u>	Price/lb.	<u>Value</u>
Class I Butterfat		50.07%	4,369,510	\$1.6086	\$ 7,028,793.79
Class I Differential at Location					242,409.21
Class II Butterfat		36.75%	3,205,946	\$1.6844	5,400,095.44
Class III Butterfat		5.01%	436,792	\$1.6774	732,674.91
Class IV Butterfat	_	8.17%	712,496	\$1.6774	1,195,140.79
Total Butterfat	-	100.00%	8,724,744		\$ 14,599,114.14
Uniform Butter	fat Price per Ib	. (Hillsborough Co	unty, Florida):	\$1.6733]
Calculation of Uniform Skim Milk	Price:				
Producer Milk	<u>Utilization</u>	<u>Pounds</u>		<u>oer unit</u>	<u>Value</u>
Class I Skim Milk	84.78%	199,791,789	\$15.70	/cwt.	\$ 31,367,310.88
Class I Butterfat	50.07%	4,369,510	\$1.6086	/lb.	7,028,793.79
Class I Differential at Location		204,161,299			11,327,501.15
Total Class I Milk	83.54%	204,161,299			\$ 49,723,605.82
Class II Skim Milk	7.26%	17,105,651	\$11.31	/cwt.	\$ 1,934,649.15
Class II Butterfat	36.75%	3,205,946	\$1.6844	/lb.	5,400,095.44
Total Class II Milk	8.31%	20,311,597			\$ 7,334,744.59
Class III Skim Milk	4.22%	9,947,656	\$12.82	/cwt.	\$ 1,275,289.49
Class III Butterfat	5.01%	436,792	\$1.6774	/lb.	732,674.91
Total Class III Milk	4.25%	10,384,448			\$ 2,007,964.40

Adjustments

Overage and Other Source\$322.79Inventory Adjustments\$366.62Producer butterfat at uniform butterfat price(\$14,599,114.14)Location Adjustments to Producers(\$167,282.91)1/2 Unobligated Balance in P.S.F.\$112,783.99

8,818,667

9,531,163

244,388,507

712,496

Adjusted Pool Value

Class IV Skim Milk

Class IV Butterfat

Total Class IV Milk

Producer Milk

Reserve for Producer Settlement Fund \$0.04934

3.74%

8.17%

3.90%

100.00%

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

\$19.72

\$ 19.76934

\$11.12 /cwt.

\$1.6774 /lb.

\$ 980,635.77

1,195,140.79

\$ 2,175,776.56

\$ 61,242,091.37

\$46,589,167.72

\$116,273.67

Uniform Price per cwt. (Hillsborough County, Florida)

\$24.89*

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

MARKET NAME	CL	ASS I	UNIF	ORM	CLASS I %
(Priced at)	JUL 2008	AUG 2008	JUN 2008	JUL 2008	JUL 2008
Appalachian (Charlotte)	\$ 24.18	\$ 21.87	\$ 20.22	\$ 22.31	69.43%
Arizona (Phoenix)	\$ 24.53	\$ 22.22	\$ 18.65	\$ 19.31	32.04%
Central (Kansas City)	\$ 24.18	\$ 21.87	\$ 18.50	\$ 19.38	35.17%
Florida (Tampa)	\$ 26.18	\$ 23.87	\$ 22.36	\$ 24.89	83.54%
Mideast (Cleveland)	\$ 24.18	\$ 21.87	\$ 18.96	\$ 19.71	36.40%
Northeast (Boston)	\$ 25.43	\$ 23.12	\$ 19.56	\$ 20.61	40.50%
Pacific Northwest (Seattle)	\$ 24.08	\$ 21.77	\$ 18.03	\$ 18.94	27.06%
Southeast (Atlanta)	\$ 24.58	\$ 22.27	\$ 20.80	\$ 22.68	67.73%
Southwest (Dallas)	\$ 25.18	\$ 22.87	\$ 19.02	\$ 20.09	31.35%
Upper Midwest (Chicago)	\$ 23.98	\$ 21.67	\$ 19.79	\$ 18.90	14.60%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	July 2008	July 2007
Producer Milk	•	•
Class I	204,161,299	198,728,837
Class II	20,311,597	22,236,862
Class III	10,384,448	11,395,043
Class IV	9,531,163	15,876,614
Total Producer Milk	244,388,507	248,237,356
Average Butterfat Test	3.570030%	3.61%
Percent of Producer Milk in Class I	83.54%	80.05%
Daily Average Receipts	7,883,500	8,007,657
Other Source Milk		
Class I	4,836,518	4,029,789
Class II	9,249,471	8,747,580
Class III	5,160	54,164
Class IV	467,325	634,241
Total Other Source Milk	14,558,474	13,465,774
Overage		
Class I	0	0
Class II	2,854	0
Class III	0	0
Class IV	0	0
Total Overage	2,854	0
Opening Inventory		
Class I	12,267,214	15,492,817
Class II	5,360	56,330
Class III	0	230,813
Class IV	7,682,574	3,268,690
Total Opening Inventory	19,955,148	19,048,650
Total Receipts	278,904,983	280,751,780
Utilization:	• •	
Class I Utilization		
Inventory of Packaged FMP	12,635,208	12,573,721
Route Disposition Class I	208,119,560	205,310,658
Shrinkage	342,503	233,319
Transfers & Diversions to Nonpool	167,760	133,745
Total Class I Utilization	221,265,031	218,251,443
Average Butterfat Test	2.131189%	2.19%
Daily Average Utilization	7,137,582	7,040,369
Class II Utilization	1,101,002	.,0.0,000
Nonfluid Used To Produce	9,207,074	8,684,178
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods	6,623,260	9,479,354
Used To Produce/Other Uses	13,738,948	12,877,240
Total Class II Utilization	29,569,282	31,040,772
Average Butterfat Test	10.922619%	10.48%
Class III Utilization		
Shrinkage	0	3,080,097
Transfers & Diversions to Nonpool/Used to Produce	10,389,608	6,616,635
Use to Produce/Other Uses	0	1,983,288
Total Class III Utilization	10,389,608	11,680,020
Average Butterfat Test	4.205760%	4.57%
Class IV Utilization		
Inventory	7,521,455	7,952,216
Nonfluid Used To Fortify	420,864	532,598
Shrinkage	3,379,588	0
Transfers & Diversions to Nonpool	4,568,465	11,294,731
Used To Produce/Other Uses	1,790,690	0
Total Class IV Utilization	17,681,062	19,779,545
Average Butterfat Test	6.360184%	5.87%
Total Utilization	278,904,983	280,751,780
	-,,	, - ,

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in July 2008 is \$24.89 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$19.72 per hundredweight plus 3.5 times the uniform butterfat price of \$1.6733 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 July, Class I use accounted for 84.78% of all producer skim milk (priced to handlers at \$15.70 per hundredweight, plus the Class I differential and 50.07% of producer butterfat (priced to handlers at \$1.6086 per pound plus Class I differential). Class II use accounted for 7.26% of all producer skim milk (\$11.31 per hundredweight) and 36.75% of producer butterfat (\$1.6844 per pound). Class III use accounted for 4.22% of all producer skim milk (\$12.82 per hundredweight) and 5.01% of producer butterfat (\$1.6774 per pound). Class IV use accounted for 3.74% of all producer skim milk (\$11.12 per hundredweight) and 8.17% of producer butterfat (\$1.6774 per pound).

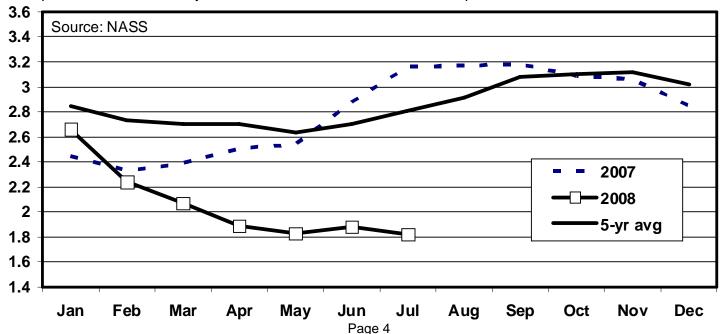
Receipts of producer milk during July 2008 totaled 244.4 million pounds, 3.8 million pounds less than was pooled in July of last year. Florida producers supplied 171.1 million pounds of milk in June 2008 or 65.77% of the total producer milk pooled in Florida. In June 2007, Florida producers supplied 65.51% of the total producer milk pooled on the Florida market.

There were 12 regulated pool and 5 distributing plants cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for July In-area Class I route disposition 2008. totaled 216.1 million pounds in June 2008, 11.0 million less than June 2007 and a decrease of 1.85 percent after adjusting for calendar composition.

Packaged Class I Route Sales in Marketing Area **Product Description** Pounds **Percent** June 2008 Whole Milk 81,424,750 37.68% Fat Free Milk 29,984,272 13.88% Lowfat Milk (incl. 1%) 25,222,319 11.67% Reduced Fat Milk (incl. 2%) 68,352,827 31.63% Cultured Fluid Milk (incl. Buttermilk) 920,499 0.43% Flavored Drinks and Milk 10,183,132 4.71% **Total Disposition in Marketing Area** 216,087,799 100.00% Total Disposition by Pool Plants 190,159,353 88.00% Total Disposition by Nonpool Plants 25,928,446 12.00% **Total Disposition in Marketing Area** 216,087,799 100.00%

Milk-Feed Price Ratio

The milk-feed price ratio is the number of pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk. It's a basic measure of how input costs relate with milk revenue. When the ratio is falling over time, feed(input cost) is growing in relationship to the milk price(revenue) and when the milk-feed ratio is moving higher, feed is becoming cheaper relative to the milk price. This year has brought historically low milk-feed price ratios, substantially less than values observed in the recent past, as seen in the chart below.

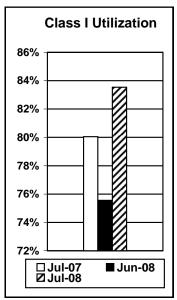


FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool		CLASS I*			CLASS II			CLASS III		CLASS IV			UNIFORM*		
Period	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
Apr 2007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36
July	\$21.10	\$1.6626	\$26.18	\$11.31	\$1.6844	\$16.81	\$12.82	\$1.6774	\$18.24	\$ 11.12	\$1.6774	\$16.60	\$ 19.72	\$1.6733	\$24.89
Aug	\$18.45	\$1.7344	\$23.87	\$11.74											

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

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER WILK										
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SIV
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Apr 2007	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%
May	269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%
June	260,187	340	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%
July	244,389	340**	204,161	83.54%	20,312	8.31%	10,384	4.25%	9,531	3.90%



^{*} 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 August through October 2008											
	Pool & MA Payment Dates Payments for Producer Milk											
	Uniform Price	Due to:	Due First Partial Second Partial ue to: From: Payment Due** Payment Due** Final Pay Due									
Pool Month	Release Date	All Funds	Non - Non - Non -									
August 2008	09/11/08	09/12/08	09/15/08	08/19/08	08/20/08	09/04/08	09/05/08	09/15/08	09/16/08			
Sept. 2008 10/11/08 10/14/08 10/15/08 09/19/08 09/22/08 10/06/08 10/06/08 10/15/08 10/16/08												
October 2008	11/11/08	11/12/08	11/13/08	10/20/08	10/20/08	11/04/08	11/05/08	11/13/08	11/14/08			

^{**}The base rate for making partial payments in Hillsborough Co., FL for August will be \$22.40 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$21.16 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	Producer Touch Base Days 10 10 10 10 10 10 10 10 10 10 10 10 10									
Diversion Percentage Limits										

WASDE Dairy Report 1/

WASDE- 461 August 12, 2008

Milk production forecasts for 2008 and 2009 are unchanged, as lower feed prices are partly offset by lower milk prices. Dairy trade forecasts are adjusted with lower forecast imports and higher forecast commercial exports. Imports to date have been weaker than expected as world supplies are tight and the U.S. dollar is relatively weak. Conversely, these conditions are expected to support higher forecast commercial exports. In the face of tighter supplies, forecast domestic disappearance is lowered. However, ending stocks are unchanged from last month.

Although cheese production growth has been relatively slow, recent prices have been lower than expected and the price forecast for 2008 is reduced from last month. However, reduced supplies are expected to support prices in 2009 and the forecast for that year is unchanged. Strong demand is boosting butter prices and nonfat dry milk (NDM) prices. As demand is expected to remain firm into 2009, price forecasts are raised for that year. The whey price forecast is reduced for both 2008 and 2009 as stocks are high and exports are expected to lag. For 2008 and 2009, the Class III and Class IV prices are adjusted to reflect changes in the make allowances, which are due to take effect in September 2008. For 2008, Class III prices are lowered but Class IV prices are raised reflecting higher butter and NDM prices. For 2009, both Class prices are lowered. The all milk price is forecast lower this month, averaging \$18.85 to \$19.05 in 2008 and \$18.25 to \$19.25 in 2009.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture P.O. Box 491778 Lawrenceville, Georgia 30049







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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

September 2008

Volume 9-No. 9

Implementation of Class III and IV Manufacturing Cost Allowances and Butterfat Yield Factor Delayed to October

The U. S. Department of Agriculture (USDA) has announced an interim rule that delays the effective date of an Interim Final Rule published July 31, 2008 amending the manufacturing cost allowances and the butterfat yield factor used in Class III and Class IV product-price formulas in all Federal milk marketing orders. The effective date, which had been September 1, 2008, will now be October 1, 2008. USDA is delaying the effective date because of a complaint filed in the U. S. District Court for the District of Columbia to enjoin the implementation of the revised manufacturing allowances and butterfat yield factor. Delaying implementation allows sufficient time for a preliminary injunction hearing.

The interim rule was published in the September 3 Federal Register and is available at www.fmmatlanta.com under 'What's New'. For additional information contact Jack Rower at jack.rower@usda.gov.

USDA Announces Final Rule to Establish Rules of Practice for the Federal Milk Order Hearing Process

The USDA has announced a final rule establishing supplemental rules of practice for the Federal milk marketing order hearing process. The intent of this rule is to establish guidelines and timeframes to improve the timeliness of the Federal milk order hearing process.

This final rule amends the general regulations for Federal milk marketing agreements and marketing orders by establishing supplemental rules of practice in accordance with section 1504 of the Food, Conservation and Energy Act of 2008 (otherwise known as the 2008 Farm Bill). This rule defines supplemental (*continued on Page 4*)

Uniform Price Decreases

The uniform price in Hillsborough County, FL, was \$23.01 per hundredweight for milk at 3.5 percent butterfat for the month of August. This represents a decrease of \$1.88 compared with the previous month and an decrease of \$2.23 from August 2007.

Class I utilization was 84.90 percent in August, an increase of 1.36 percent when compared with the previous month and a decrease of 1.82 percent when compared with August of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in July was 15.93 billion pounds, an increase of 1.4 percent from July 2007 and an increase of 0.1 percent when compared with June 2008. On a daily average basis, July milk production was 3.1 percent lower than production in June 2008.

Total cheese output (excluding cottage cheese) was 812 million pounds in July, 1.5 percent above July 2007 and 0.3 percent above June 2008. Butter production was 117 million pounds, slightly above July 2007 but a 2.7 percent decrease from June 2008.

Nonfat dry milk powder production was 136 million pounds in July, 11.0 percent above July 2007 and 0.3 percent lower than June 2008 on a daily average basis. Dry whey production was 90 million pounds, a 5.8 percent decrease from July of last year and a 6.3 percent decline from June 2008 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 1.89 in August. This is a decline of 0.02 points from last month as lower milk prices and higher alfalfa prices offset lower slightly corn and soybean prices.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - AUGUST 2008

Calculation of Uniform Butterfat P	rice:				
		<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat		48.96%	4,386,306	\$1.6804	\$ 7,370,748.59
Class I Differential at Location					244,296.98
Class II Butterfat		34.98%	3,133,322	\$1.7483	5,477,986.85
Class III Butterfat		2.45%	219,706	\$1.7413	382,574.05
Class IV Butterfat		13.61%	1,218,941	\$1.7413	2,122,541.96
Total Butterfat		100.00%	8,958,275		\$ 15,598,148.43
Uniform Butte	rfat Price per II	o. (Hillsborough Co	ounty, Florida):	\$1.7412]
Calculation of Uniform Skim Milk	5*				
Calculation of Official Skill Wilk	rice				
Producer Milk	rice <u>Utilization</u>	<u>Pounds</u>	Price p	er unit	<u>Value</u>
		<u>Pounds</u> 206,747,676	<u>Price p</u> \$13.05 /		<u>Value</u> \$ 26,980,571.71
Producer Milk	<u>Utilization</u>			cwt.	
Producer Milk Class I Skim Milk	Utilization 86.25%	206,747,676	\$13.05	cwt.	\$ 26,980,571.71
Producer Milk Class I Skim Milk Class I Butterfat	Utilization 86.25%	206,747,676 4,386,306	\$13.05	cwt.	\$ 26, 980,5 71.71 7,370,748.59
Producer Milk Class I Skim Milk Class I Butterfat Class I Differential at Location	<u>Utilization</u> 86.25% 48.96%	206,747,676 4,386,306 211,133,982	\$13.05	cwt.	\$ 26,980,571.71 7,370,748.59 11,766,781.99
Producer Milk Class I Skim Milk Class I Butterfat Class I Differential at Location Total Class I Milk	Utilization 86.25% 48.96% 84.90%	206,747,676 4,386,306 211,133,982 211,133,982	\$13.05 / \$1.6804 /	cwt.	\$ 26,980,571.71 7,370,748.59 11,766,781.99 \$ 46,118,102.29
Producer Milk Class I Skim Milk Class I Butterfat Class I Differential at Location Total Class I Milk Class II Skim Milk	Utilization 86.25% 48.96% 84.90% 7.95%	206,747,676 4,386,306 211,133,982 211,133,982 19,046,115	\$13.05 / \$1.6804 / \$11.74 /	cwt.	\$ 26,980,571.71 7,370,748.59 11,766,781.99 \$ 46,118,102.29 \$ 2,236,013.91

Adjustments

Class III Skim Milk

Class III Butterfat

Total Class III Milk

Class IV Skim Milk

Class IV Butterfat

Total Class IV Milk

Producer Milk

Adjusted Pool Value

Overage and Other Source \$0.00 **Inventory Adjustments** \$97.32 Producer butterfat at uniform butterfat price (\$15,598,148.43) **Location Adjustments to Producers** (\$265,777.32)1/2 Unobligated Balance in P.S.F \$124,664.28

442,274

219,706

661,980

13,478,652

1,218,941

14,697,593

248,672,992

Reserve for Producer Settlement Func

\$ 0.04202 \$17.53 Uniform Skim Milk Price per cwt. (Hillsborough County, Florida):

0.18%

2.45%

0.27%

5.62%

13.61%

100.00%

5.91%

Uniform Price per cwt. (Hillsborough County, Florida)

\$23.01*

\$17.57202

\$11.63 /cwt.

\$10.93 /cwt.

\$1.7413 /lb.

\$1.7413 /lb.

\$ 51,436.46

382,574.05

\$ 434,010.51 \$ 1,473,216.68

2,122,541.96

\$ 3,595,758.64

\$ 57,861,872.20

\$42,122,708.05

\$100,718.15

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

OTTENT EDENAL ONDERO. GENOGIAND ON THE THOLOGIAN DUMENTAL											
MARKET NAME	CL	ASS I	UNIF	ORM	CLASS I %						
(Priced at)	AUG 2008	SEP 2008	JUL 2008	AUG 2008	AUG 2008						
Appalachian (Charlotte)	\$ 21.87	\$ 21.05	\$ 22.31	\$ 20.72	69.48%						
Arizona (Phoenix	\$ 22.22	\$ 21.40	\$ 19.31	\$ 18.50	36.70%						
Central (Kansas City)	\$ 21.87	\$ 21.05	\$ 19.38	\$ 18.32	33.58%						
Florida (Tampa)	\$ 23.87	\$ 23.05	\$ 24.89	\$ 23.01	84.90%						
Mideast (Cleveland)	\$ 21.87	\$ 21.05	\$ 19.71	\$ 18.70	40.50%						
Northeast (Boston)	\$ 23.12	\$ 22.30	\$ 20.61	\$ 19.50	42.10%						
Pacific Northwest (Seattle)	\$ 21.77	\$ 20.95	\$ 18.94	\$ 18.03	28.05%						
Southeast (Atlanta)	\$ 22.27	\$ 21.45	\$ 22.68	\$ 21.25	72.09%						
Southwest (Dallas)	\$ 22.87	\$ 22.05	\$ 20.09	\$ 19.32	37.04%						
Upper Midwest (Chicago)	\$ 21.67	\$ 20.85	\$ 18.90	\$ 17.81	13.40%						

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Producer Milk 211,133,982 213,618,721 Class II 22,179,437 21,898,672 Class IV 16,893 5,563,833 Class IV 14,897,593 5,663,833,333 Average Butterfal Tast 3,60% 3,454,833,333 Average Butterfal Tast 3,60% 3,67% Percent of Producer Milk in Class I 8,90% 8,672% Class II 9,030,515 9,734,6238 Class II 8,911,470 7,862,864 Class II 9,030,515 9,733,725 Class III 0 3,23,733 Class II 0 0 3,23,733 Class II 0 0 0 0 Class II 0 <th>Receipts:</th> <th>August 2008</th> <th>August 2007</th>	Receipts:	August 2008	August 2007
Class	Producer Milk	_	_
Class	Class I	211,133,982	213,616,721
Class V	Class II	22,179,437	21,896,572
Total Producer Milk	Class III		5,154,283
Average Butterfart Test 3,60% 63,64% 62,72% 7,946,238			
Percent of Producer Milk in Class 84,90% 7,946,238 Class 7,946,238 Class 9,030,515 9,753,452 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,599,112 1,397,226 1,298,111 1,599,112 1,397,226 1,298,111			
Daily Average Receipts 8,021,709 7,946,238			
Cher Source Milk			
Class Class	, , ,	8,021,709	7,946,238
Class II 8,911,470 7,862,884 Class IV 1,599,112 1,397,226 Overage 15,941,097 19,337,055 Overage Class I 0 0 Class III 0 0 0 Class III 0 0 0 Class III 0 0 0 Class II 12,695,208 12,855,169 0 0 Class II 1,2695,208 12,855,169 0 <td></td> <td>0.000.545</td> <td>0.750.450</td>		0.000.545	0.750.450
Class IV			
Class IV			
Total Other Source Milk			
Overage Class I 0 0 Class II 0 0 0 Class III 0 0 0 Class III 0 0 0 Opening Inventory 1 12,635,208 12,855,169 Class I 1,263,208 12,855,169 26,763,371 Class III 1,150 1,150 1,510,745 Class III 7,534,007 5,853,716 20,762,837 Total Opening Inventory 7,534,007 5,853,716 Class IV 7,534,007 5,853,716 Total Receipts 288,384,688 286,196,375 Utilization Inventory of Packaged FMP 13,612,429 15,285,079 Route Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 89,998 19,7555 Average Butterfat Test 2,07% 2,11% Average Butterfat Test 2,07% 2,11% Shrinikage 0 0			
Class II 0 0 Class III 0 0 Class III 0 0 Class III 0 0 Opening Inventory 0 0 Class I 12,635,208 12,855,169 Class II 1,269 476,307 Class II 1,155 1,610,745 Class IV 7,534,007 5,583,716 Class IV 7,534,007 5,583,716 Class I Utilization: 28,384,688 286,196,375 Utilization: Class I Utilization 3,812,429 15,285,079 Route Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 89,098 197,555 Average Butterfat Test 2,07% 2,11% Aparage Butterfat Test 2,07% 2,11% Aparage Butterfat Test 3,907,620 7,855,362 Shrinkage 7,910,322 8,523,116 Used To Produce/Other Uses 1,27,824		19,541,097	19,337,000
Class I		0	٥
Class III			
Class IV			
Total Overage			
Class Class 12,855,169 476,307 Class 1,269 476,307 Class 1,269 476,307 Class 1,269 476,307 Class 1,269 7,534,007 5,583,716 7,534,007 5,583,716 7,534,007 5,583,716 7,534,007 7,583,075 7,583,075 7,583,075 7,584,007 7,584,007 7,583,075 7,584,007 7,583,075 7,584,007 7,5			
Class 1		v	· ·
Class II 1,269 476,307 Class III 1,610,745 1,610,745 Class IV 7,534,007 5,583,716 Total Opening Inventory 20,170,599 20,526,937 Total Receipts 288,384,688 286,196,375 Utilization Class I Utilization 13,612,429 15,285,079 Noute Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 89,098 197,555 Average Butterfat Test 2,07% 2,11% Daily Average Utilization 232,799,705 236,255,342 Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 0 Transfers & Diversions to Nonpool/Commercial Foods 1,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Class III Utilization 31,092,176 30,235,743 Average Butterfat Test <td></td> <td>12 635 208</td> <td>12 855 169</td>		12 635 208	12 855 169
Class III 115 1,610,745 Class IV 7,534,007 5,583,716 Total Opening Inventory 20,170,599 20,526,937 Total Receipts 288,384,688 286,196,375 Utilization Inventory of Packaged FMP 13,612,429 15,285,079 Route Disposition Class I 218,645,812 220,036,045 Shrinkage 482,366 707,663 Shrinkage 482,366 707,663 Average Butterfat Test 2.07% 231,525,342 Average Butterfat Test 2.07% 2.11% Daily Average Utilization 8,907,620 7,655,342 Shrinkage 8,907,620 7,855,362 Shrinkage 8,907,620 7,855,362 Shrinkage 9,00 0 Total Class II Utilization 31,992,176 30,235,743 Average Butterfat Test 10,09% 11,456 Class III Utilization 662,095 7,088,541 Average Butterfat Test 32,20% 5,066 Class IV Utilization			
Total Opening Inventory 20,170,599 20,526,937 20,170,599 20,526,937 20,170,599 20,526,937 20			
Total Opening Inventory			
Utilization: Z88,384,688 286,196,375 Class I Utilization Inventory of Packaged FMP 13,612,429 15,285,079 Route Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 89,098 197,555 Average Butterfat Test 2,07% 2,11% Average Butterfat Test 2,07% 2,11% Average Butterfat Test 8,907,620 7,855,362 Shrinkage 0 0 0 Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utili			
Utilization: Class I Utilization Inventory of Packaged FMP 13,612,429 15,285,079 Route Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 38,098 197,555 Average Butterfat Test 2.07% 2.11% Average Butterfat Test 2.07% 2.11% Daily Average Utilization 7,509,668 7,620,172 Class II Utilization Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541			
Class Utilization 15,285,079 15,285,079 16,000	•		
Inventory of Packaged FMP			
Route Disposition Class I 218,645,812 220,035,045 Shrinkage 452,366 707,6663 Transfers & Diversions to Nonpool 89,098 197,555 Total Class I Utilization 232,799,705 236,255,342 Average Butterfat Test 2,07% 2,11% Daily Average Utilization 7,509,668 7,620,172 Class II Utilization Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11,45% Class III Utilization 662,095 1,506,644 Use to Produce/Other Uses 0 3,813,409 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33,20% 5,64% Class IV Utilization 662,095 7,088,541 <th< td=""><td></td><td>13 612 //20</td><td>15 285 070</td></th<>		13 612 //20	15 285 070
Shrinkage 452,366 707,663 Transfers & Diversions to Nonpool 89,098 197,555 Total Class I Utilization 232,799,705 236,255,342 Average Butterfat Test 2.07% 2.11% Daily Average Utilization 7,509,668 7,620,172 Class II Utilization 8,907,620 7,855,362 Shrinkage 0 0 0 Shrinkage 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class III Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11,45% Class III Utilization 662,095 1,506,644 Use to Produce/Other Uses 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 7,088,541 Average Butterfat Test 33,20% 5,64% Class IV Utilization 662,095 7,088,541 Average Butterfat Test 33,20% 5,998,604 Class IV Utilization 486,329 0 <td></td> <td></td> <td></td>			
Transfers & Diversions to Nonpool 89,098 197,555 Total Class I Utilization 232,799,705 236,255,342 Average Butterfat Test 2.07% 2.11% Daily Average Utilization 7,509,668 7,620,172 Class II Utilization Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11.45% Class III Utilization 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460<			
Total Class I Utilization			
Average Butterfat Test 2.07% 2.11% Daily Average Utilization 7,509,668 7,620,172			
Daily Average Utilization 7,509,668 7,620,172			
Class Utilization			
Nonfluid Used To Produce 8,907,620 7,855,362 Shrinkage 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11,45% Class III Utilization Shrinkage 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test		1,000,000	.,,
Shrinkage 0 0 Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class III Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11.45% Class III Utilization Shrinkage 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization 466,2095 7,088,541 Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.3		8,907,620	7,855,362
Transfers & Diversions to Nonpool/Commercial Foods 7,910,322 8,523,116 Used To Produce/Other Uses 14,274,234 13,857,265 Total Class II Utilization 31,092,176 30,235,743 Average Butterfat Test 10.09% 11.45% Class III Utilization Shrinkage 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	Shrinkage		
Total Class II Utilization		7,910,322	8,523,116
Average Butterfat Test 10.09% 11.45%	Used To Produce/Other Uses	14,274,234	13,857,265
Class III Utilization Shrinkage 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	Total Class II Utilization	31,092,176	30,235,743
Shrinkage 0 3,813,409 Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	Average Butterfat Test	10.09%	11.45%
Transfers & Diversions to Nonpool/Used to Produce 662,095 1,506,644 Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	Class III Utilization		
Use to Produce/Other Uses 0 1,768,488 Total Class III Utilization 662,095 7,088,541 Average Butterfat Test 33.20% 5.64% Class IV Utilization Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%		0	3,813,409
Total Class III Utilization Average Butterfat Test 662,095 7,088,541 Class IV Utilization Inventory 33.20% 5.64% Nonfluid Used To Fortify 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool Used To Produce/Other Uses 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization Average Butterfat Test 23,830,712 12,646,749	·	662,095	1,506,644
Average Butterfat Test 33.20% 5.64% Class IV Utilization			
Class IV Utilization Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%			
Inventory 10,519,983 5,998,604 Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	· · · · · · · · · · · · · · · · · · ·	33.20%	5.64%
Nonfluid Used To Fortify 486,329 0 Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%			
Shrinkage 4,319,123 677,460 Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	•		
Transfers & Diversions to Nonpool 6,921,808 5,970,685 Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%		•	•
Used To Produce/Other Uses 1,583,469 0 Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	•		
Total Class IV Utilization 23,830,712 12,646,749 Average Butterfat Test 7.31% 9.05%	·		
Average Butterfat Test 7.31% 9.05%			
i otal Utilization 288,384,688 286,196,375			
	I otal Utilization	288,384,688	286,196,375

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in August 2008 is \$23.01 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$17.53 per hundredweight plus 3.5 times the uniform butterfat price of \$1.7412 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 August, Class I use accounted for 86.25% of all producer skim milk (priced to handlers at \$13.05 per hundredweight, plus the Class I differential and 48.96% of producer butterfat (priced to handlers at \$1.6804 per pound plus Class I differential). Class II use accounted for 7.95% of all producer skim milk (\$11.74 per hundredweight) and 34.98% of producer butterfat (\$1.7483 per pound). Class III use accounted for 0.18% of all producer skim milk (\$11.63 per hundredweight) and 2.45% of producer butterfat (\$1.7413 per pound). Class IV use accounted for 5.62% of all producer skim milk (\$10.93 per hundredweight) and 13.61% of producer butterfat (\$1.7413 per pound).

Receipts of producer milk during August 2008 totaled 248.7 million pounds, 2.3 million pounds more than was pooled in August of last year. Florida producers supplied 164.1 million pounds of milk in July 2008 or 67.17% of the total producer milk pooled in Florida. In July 2007, Florida producers supplied 64.55% of the total producer milk pooled on the Florida market.

There were 12 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 August 2008. In-area Class I route

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
<u>July 2008</u>		
Whole Milk	84,322,181	38.11%
Fat Free Milk	30,213,056	13.65%
Lowfat Milk (incl. 1%)	25,505,532	11.53%
Reduced Fat Milk (incl. 2%)	70,065,152	31.67%
Cultured Fluid Milk (incl. Buttermilk)	954,314	0.43%
Flavored Drinks and Milk	10,209,080	4.61%
Total Disposition in Marketing Area	221,269,315	100.00%
Total Disposition by Pool Plants	194,441,761	87.88%
Total Disposition by Nonpool Plants	26,827,554	12.12%
Total Disposition in Marketing Area	221,269,315	100.00%

disposition totaled 221.3 million pounds in July 2008, 3.2 million less than July 2007 and a decrease of 2.79 percent after adjusting for calendar composition.

USDA Announces Final Rule to Establish Rules of Practice for the Federal Milk Order Hearing Process

(Continued from Page 1) guidelines, timeframes and procedures for amending Federal milk marketing agreements and orders; authorizes the use of informal rulemaking (5 U.S.C. 553) to amend such agreements and orders; and establishes provisions that permit the USDA to impose assessments on pooled milk under the Federal milk marketing order program to fund expedited rulemaking. Such assessments would supplement appropriated funds for the procurement of services required by USDA to perform rulemaking functions.

The final rule was published in the August 20 Federal Register and is available at www.fmmatlanta.com under 'What's New'. For additional information contact Bill Richmond at william.richmond@usda.gov.

Florida Market Administrator Office Closure

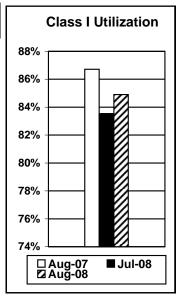
In October, the lease on the Market Administrator office located in Winter Park, Florida will expire and will not be renewed. The three auditors based in the Florida area will continue to perform Federal Order 6 handler audits and will work from home offices. Beginning with the September pool, (run October 7-11) the Florida Order pool will be worked from our Franklinton, Louisiana office. The Atlanta office will remain as the primary contact for general questions and Southeast Order issues, questions or concerns. For more details, visit www.fmmatlanta.com and click on 'What's New'.

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool		CLASS I*			CLASS II			CLASS III		(CLASS IV		U	NIFORM*	
Period	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
May 2007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36
July	\$21.10	\$1.6626	\$26.18	\$11.31	\$1.6844	\$16.81	\$12.82	\$1.6774	\$18.24	\$ 11.12	\$1.6774	\$16.60	\$ 19.72	\$1.6733	\$24.89
Aug	\$18.45	\$1.7344	\$23.87	\$11.74	\$1.7483	\$17.45	\$11.63	\$1.7413	\$17.32	\$ 10.93	\$1.7413	\$16.64	\$ 17.53	\$1.7413	\$23.01
Sep	\$17.38	\$1.7951	\$23.05	\$11.59											

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

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK										
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SS IV
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
May 2007	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%
May	269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%
June	260,187	340	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%
July	244,389	352	204,161	83.54%	20,312	8.31%	10,384	4.25%	9,531	3.90%
August	248,673	340**	211,134	84.90%	22,179	8.92%	662	0.27%	14,698	5.91%



^{*} 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 September through November 2008 **MA Payment Dates** Pool & **Payments for Producer Milk Uniform** Due **First Partial Second Partial Price** Due to: From: Payment Due** Payment Due** **Final Pay Due** Release Non -Non -Non -**Pool Month Date All Funds** P/S Coop member Coop member Coop member SEP 2008 10/11/08 10/14/08 | 10/15/08 09/19/08 09/22/08 10/06/08 10/06/08 10/15/08 10/16/08 11/11/08 11/12/08 10/20/08 11/14/08 OCT 2008 11/13/08 10/20/08 11/04/08 11/05/08 11/13/08 NOV 2008 12/11/08 12/12/08 | 12/15/08 | 11/19/08 | 11/20/08 | 12/04/08 | 12/05/08 | 12/15/08 | 12/16/08

^{**}The base rate for making partial payments in Hillsborough Co., FL for September will be \$20.71 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.56 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	Producer Touch Base Days 10 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% 15%										

WASDE Dairy Report 1/

WASDE- 462 September 12, 2008

The milk production forecast for 2008 is fractionally higher than last month, and forecast 2009 production is raised. For both years, cow numbers are expected to decline less rapidly than previously expected, and milk per cow in 2009 is expected to increase at a slightly higher rate. Dairy trade forecasts are adjusted to reflect complete second quarter data but forecasts are unchanged from last month. Stocks are adjusted to reflect tighter expected stocks of fat-basis products but potentially larger stocks of nonfat dry milk (NDM).

Prices for butter, cheese, NDM, and whey are forecast lower as milk production is forecast higher. As a result of lower product prices, Class III and IV prices forecasts are reduced. The all milk price is forecast lower this month, averaging \$18.65 to \$18.85 in 2008 and \$17.85 to \$18.85 in 2009.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture 1550 North Brown Road, Suite 120 Lawrenceville, Georgia 30049

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

October 2008

Volume 9—No. 10

National Dairy Promotion and Research Board Membership Reapportioned

The U. S. Department of Agriculture (USDA) has announced a final rule that amends the Dairy Promotion and Research Order (Order). The amendment modifies the composition of the National Dairy Promotion and Research Board (Dairy Board) by changing the number of members in six of the 13 geographic regions.

The Dairy Board, which administers the Order, requested the amendment in order to better reflect the geographic distribution of milk production in the contiguous 48 States. It is required to review the composition of the Dairy Board to best reflect the geographic distribution of milk production at least every five years. The last review and (continued on Page 4)

USDA Seeks Nominations for Fluid Milk Board

The USDA is asking fluid milk processors and other interested parties to nominate candidates for the National Fluid Milk Processor Promotion Board. The Fluid Milk Board's purpose is to develop and administer a coordinated program of advertising and education to promote fluid milk products. It's financed by a mandatory 20-cent per hundredweight assessment on fluid milk processors who packages more than 3 million pounds of fluid milk products per month.

The USDA will accept nominations for board representation in five geographic regions, including Region 9 (Alabama, Kentucky, Louisiana, Mississippi, and Tennessee) and two at-large positions. The Secretary of Agriculture will appoint seven individuals from those nominated to serve 3-year terms from July 2009 through June 2012. To nominate an individual, please submit a nomination form by Oct. 31, 2008, to: Whitney Rick, Chief, Promotion and Research Branch. Programs, AMS, MRP, USDA, Independence Ave., S.W., Stop 0233, Room 2958-S, Washington, D.C. 20250-0233. To obtain nomination forms or for more information, call (202) 720-6909 or visit www.ams.usda.gov/Dairy.

Uniform Price Decreases

The uniform price in Hillsborough County, Florida, was \$22.39 per hundredweight for milk at 3.5 percent butterfat for the month of September. This represents a decrease of \$0.62 compared with the previous month and an decrease of \$2.69 from September 2007.

Class I utilization was 86.75 percent in September, an increase of 1.85 percent when compared with the previous month and an increase of 2.35 percent when compared with September of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in August was 15.70 billion pounds, an increase of 1.1 percent from August 2007 and a decrease of 1.5 percent when compared with July 2008.

Total cheese output (excluding cottage cheese) was 821 million pounds, 3.0 percent above August 2007 and 1.0 percent above July 2008. Butter production was 116 million pounds, 4.4 percent above August 2007 and 1.4 percent above July 2008. Nonfat dry milk powder production was 117 million pounds in August, 14.0% percent higher than August 2007 and 14.0% percent lower than July 2008 on a daily average basis. Dry whey production was 87.6 million pounds in August, a 7.2 percent decrease from August of last year and a 2.7 percent decline from July 2008 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 1.82 in September, an increase of 0.01 points from last month's estimate. Both milk prices and feed component prices (for corn, soybeans, and alfalfa) declined slightly in September.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - SEPTEMBER 2008

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat	48.15%	4,119,870	\$1.7411	\$ 7,173,105.63
Class I Differential at Location				229,585.33
Class II Butterfat	36.69%	3,138,276	\$1.8266	5,732,374.93
Class III Butterfat	2.51%	214,379	\$1.8196	390,084.03
Class IV Butterfat	12.65%	1,081,826	\$1.8196	1,968,490.61
Total Butterfat	100.00%	8,554,351		\$ 15,493,640.53

Uniform Butterfat Price per lb. (Hillsborough County, Florida): \$1.8112

Calculation of Uniform Skim Milk Price:

Producer Milk	Utilization	<u>Pounds</u>	Price per unit	<u>Value</u>
Class I Skim Milk	88.20%	201,109,888	\$11.98 /cwt.	\$ 24,092,964.58
Class I Butterfat	48.15%	4,119,870	\$1.7411 /lb.	7,173,105.63
Class I Differential at Location		205,229,758		11,449,511.48
Total Class I Milk	86.75%	205,229,758		\$ 42,715,581.69
Class II Skim Milk	7.45%	16,998,784	\$11.59 /cwt.	\$ 1,970,159.06
Class II Butterfat	36.69%	3,138,276	\$1.8266 /lb.	5,732,374.93
Total Class II Milk	8.51%	20,137,060		\$ 7,702,533.99
Class III Skim Milk	0.16%	357,790	\$10.27 /cwt.	\$ 36,745.03
Class III Butterfat	2.51%	214,379	\$1.8196 /lb.	390,084.03
Total Class III Milk	0.24%	572,169		\$ 426,829.06
Class IV Skim Milk	4.19%	9,558,026	\$9.41 /cwt.	\$ 899,410.26
Class IV Butterfat	12.65%	1,081,826	\$1.8196 /lb.	1,968,490.61
Total Class IV Milk	4.50%	10,639,852		\$ 2,867,900.87
Producer Milk	100.00%	236,578,839		\$ 53,712,845.61

Adjustments

Overage and Other Source \$0.00 **Inventory Adjustments** \$374.96 Producer butterfat at uniform butterfat price (\$15,493,640.53) Location Adjustments to Producers (\$274,928.40)1/2 Unobligated Balance in P.S.F. \$67,449.78

Adjusted Pool Value

\$ 16.67018 Reserve for Producer Settlement Fund \$ 0.04018

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

\$16.63

Uniform Price per cwt. (Hillsborough County, Florida)

\$22.39*

\$38,012,101.42 \$91,629.06

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

MARKET NAME	CL	ASS I	UNIFO	ORM	CLASS I %						
(Priced at)	SEP 2008	OCT 2008	AUG 2008	SEP 2008	SEP 2008						
Appalachian (Charlotte)	\$ 21.05	\$ 18.93	\$ 20.72	\$ 20.23	72.36%						
Arizona (Phoenix)	\$ 21.40	\$ 19.28	\$ 18.50	\$ 17.66	38.07%						
Central (Kansas City)	\$ 21.05	\$ 18.93	\$ 18.32	\$ 17.44	35.41%						
Florida (Tampa)	\$ 23.05	\$ 20.93	\$ 23.01	\$ 22.39	86.75%						
Mideast (Cleveland)	\$ 21.05	\$ 18.93	\$ 18.70	\$ 18.05	45.20%						
Northeast (Boston)	\$ 22.30	\$ 20.18	\$ 19.50	\$ 18.90	46.50%						
Pacific Northwest (Seattle)	\$ 20.95	\$ 18.83	\$ 18.03	\$ 17.07	30.10%						
Southeast (Atlanta)	\$ 21.45	\$ 19.33	\$ 21.25	\$ 20.63	74.55%						
Southwest (Dallas)	\$ 22.05	\$ 19.93	\$ 19.32	\$ 18.46	39.79%						
Upper Midwest (Chicago)	\$ 20.85	\$ 18.73	\$ 17.81	\$ 16.85	14.90%						

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	September 2008	September 2007
Producer Milk	•	
Class I	205,229,758	199,162,437
Class II	20,137,060	17,873,658
Class III	572,169	8,015,438
Class IV	10,639,852	10,931,048
Total Producer Milk	236,578,839	235,982,581
Average Butterfat Test	3.62%	3.66%
Percent of Producer Milk in Class I	86.75%	84.40%
Daily Average Receipts	7,885,961	7,866,086
Other Source Milk		
Class I	7,504,325	6,810,026
Class II	10,005,935	7,546,934
Class III	164,358	1,514
Class IV	1,091,980	1,303,262
Total Other Source Milk	18,766,598	15,661,736
Overage		
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	0	0
Total Overage	0	0
Opening Inventory	40.040.400	45.005.070
Class I	13,612,429	15,285,079
Class II	34,747	10,930
Class III	3,440	1,978
Class IV	10,481,796 24,132,412	5,985,696
Total Opening Inventory		21,283,683
Total Receipts	279,477,849	272,928,000
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	11,683,618	11,773,481
Route Disposition Class I	213,849,745	207,468,208
Shrinkage	705,452	1,752,044
Transfers & Diversions to Nonpool	107,697	263,809
Total Class I Utilization	226,346,512	221,257,542
Average Butterfat Test	2.01%	2.05%
Daily Average Utilization	7,544,884	7,375,251
Class II Utilization	0.004.405	7 402 402
Nonfluid Used To Produce	9,921,435	7,493,492
Shrinkage	0	5.070.004
Transfers & Diversions to Nonpool/Commercial Foods	6,250,518	5,879,984
Used To Produce/Other Uses	14,005,789	12,058,046
Total Class II Utilization	30,177,742 10.41%	25,431,522 10.71%
Average Butterfat Test Class III Utilization	10.41%	10.71%
Shrinkage	0	4,080,523
Transfers & Diversions to Nonpool/Used to Produce	739,967	1,974,674
Use to Produce/Other Uses	0	1,963,733
Total Class III Utilization	739,967	8,018,930
Average Butterfat Test	36.34%	6.21%
Class IV Utilization	30.0170	0.2170
Inventory	8,255,373	9,295,912
Nonfluid Used To Fortify	547,297	695,229
Shrinkage	4,248,212	0
Transfers & Diversions to Nonpool	7,248,029	8,228,865
Used To Produce/Other Uses	1,914,717	0
Total Class IV Utilization	22,213,628	18,220,006
Average Butterfat Test	7.43%	9.94%
Total Utilization	279,477,849	272,928,000
- 310. 0	, -,	,

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in September 2008 is \$22.39 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$16.63 per hundredweight plus 3.5 times the uniform butterfat price of \$1.8112 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 88.20% of all producer skim milk (priced to handlers at \$11.98 per hundredweight, plus the Class I differential and 48.15% of producer butterfat (priced to handlers at \$1.7411 per pound plus Class I differential). Class II use accounted for 7.45% of all producer skim milk (\$11.59 per hundredweight) and 36.69% of producer butterfat (\$1.8266 per pound). Class III use accounted for 0.16% of all producer skim milk (\$10.27 per hundredweight) and 2.51% of producer butterfat (\$1.8196 per pound). Class IV use accounted for 4.19% of all producer skim milk (\$9.41 per hundredweight) and 12.65% of producer butterfat (\$1.8196 per pound).

milk producer Receipts of durina 236.6 September 2008 totaled million pounds, 0.6 million pounds more than was pooled in September of last year. Florida producers supplied 146.9 million pounds of milk in August 2008 or 59.07% of the total producer milk pooled in Florida. In August 2007, Florida producers supplied 58.17% of producer milk pooled on the Florida market.

There were 12 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 September 2008. In-area Class I route disposition totaled 235.3 million pounds in August 2008, 1.2 million lower

Packaged Class I Route Sales in Marketing Area **Product Description Pounds** Percent August 2008 Whole Milk 85,896,869 36.50% Fat Free Milk 32,497,152 13.81% 28,375,541 Lowfat Milk (incl. 1%) 12.06% Reduced Fat Milk (incl. 2%) 72,625,509 30.86% Cultured Fluid Milk (incl. Buttermilk) 867,229 0.37% Flavored Drinks and Milk 15,076,088 6.41% **Total Disposition in Marketing Area** 235,338,388 100.00% Total Disposition by Pool Plants 207,429,682 88.14% Total Disposition by Nonpool Plants 27,908,706 11.86%

235,338,388

100.00%

August 2007 but an increase of 1.40 percent after adjusting for calendar composition.

National Dairy Promotion and Research Board Membership Reapportioned

Total Disposition in Marketing Area

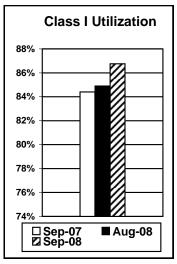
(*Continued from Page 1*) modification occurred in 2003 based upon 2002 milk production. The chart below shows, based upon 2007 milk production statistics, how the final rule alters the board membership of six regions. For more information, visit www.regulations.gov and search "AMS-DA-008-0035".

Dairy Board Region and States	Milk Production (mil lbs)	% Milk Production	Previous Board Seats	New Board Seats	Gain (Loss)
1: Oregon, Washington	7,764	4 .2	2	1	(-1)
2: California	40,683	21 .9	7	8	1
3: Arizona, Colorado, Idaho, Montana, Nevada, Utah	21,212	11 .4	3	4	1
4: Arkansas, Kansas, New Mexico, Oklahoma, Texas	18,200	9.8	3	4	1
5: Minnesota, North Dakota, South Dakota	10,741	5 .8	2	2	0
6: Wisconsin	24,080	13 .0	5	5	0
7: Illinois, Iowa, Missouri, Nebraska	8,948	4 .8	2	2	0
8: Alabama, Kentucky, Louisiana, Mississippi, Tennessee	3,119	1 .7	1	1	0
9: Indiana, Michigan, Ohio, West Virginia	16,148	8 .7	3	3	0
10: Florida, Georgia, North Carolina, South Carolina, Virginia	6,506	3 .5	1	1	0
11: Delaware, Maryland, New Jersey, Pennsylvania	12,008	6 .5	3	2	(-1)
12: New York	12,103	6 .5	3	2	(-1)
13: Connecticut, Maine, Massachusetts, New Hampshire	4,046	2 .2	1	1	0
Total: 48 Contiguous States	185,558	100	36	36	0

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool	CLASS I* CLASS II					CLASS III		(CLASS IV	/ UNIFORM*					
Period	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
July 2007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36
July	\$21.10	\$1.6626	\$26.18	\$11.31	\$1.6844	\$16.81	\$12.82	\$1.6774	\$18.24	\$ 11.12	\$1.6774	\$16.60	\$ 19.72	\$1.6733	\$24.89
Aug	\$18.45	\$1.7344	\$23.87	\$11.74	\$1.7483	\$17.45	\$11.63	\$1.7413	\$17.32	\$ 10.93	\$1.7413	\$16.64	\$ 17.53	\$1.7413	\$23.01
Sep	\$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											

	FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK												
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLA	SS III	CLAS	SSIV			
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%			
July 2007	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	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%			
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%			
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%			
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%			
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%			
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%			
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%			
May	269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%			
June	260,187	340	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%			
July	244,389	352	204,161	83.54%	20,312	8.31%	10,384	4.25%	9,531	3.90%			
August	248,673	419	211,134	84.90%	22,179	8.92%	662	0.27%	14,698	5.91%			
September	236,579	400**	205,230	86.75%	20,137	8.51%	572	0.24%	10,640	4.50%			



^{*} 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 through December 2008											
	Pool & MA Payment Dates Payments for Producer Milk											
	Uniform Price	Due to:	Due From:	First F Paymer		Second Paymer	l Partial nt Due**	Final F	Final Pay Due			
Pool Month	Release Date	All Funds	P/S	Соор	Non - member	Соор	Non - member	Соор	Non - member			
OCT 2008	11/11/08	11/12/08	11/13/08	10/20/08	10/20/08	11/04/08	11/05/08	11/13/08	11/14/08			
NOV 2008	12/11/08	12/12/08	12/15/08	2/15/08 11/19/08 11/20/08 12/04/08 12/05/08 12/15/08 12/16/08								
DEC 2008	01/11/09	01/12/09	01/13/09	12/19/08	12/22/08	01/05/09	01/05/09	01/13/09	01/14/08			

^{**}The base rate for making partial payments in Hillsborough Co., FL for October will be \$20.15 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.03 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- 463 October 10, 2008

Milk production forecasts for 2008 are unchanged as higher cow numbers are offset by lower milk per cow. Forecast milk production for 2009 is raised fractionally as cow numbers are forecast slightly higher. Dairy export forecasts are reduced, reflecting current slowing movement and weaker international demand. Import forecasts are also reduced from last month as cheese imports are expected to be weaker. Stocks are adjusted to reflect larger expected stocks of dairy products with notably larger stocks of nonfat dry milk (NDM). Small sales of NDM to the CCC are forecast for 2008, but no sales are forecast for 2009.

Class price forecasts are lowered from last month. Weaker international demand for NDM is expected to result in sharply lower forecast NDM prices. Lower NDM prices more than offset higher forecast butter prices and push the Class IV price lower. Cheese prices are forecast lower as demand is softening and weaker Class IV prices are expected to encourage milk to flow into cheese vats in 2009. Thus, coupled with lower expected whey prices Class III price forecasts are reduced from last month. The all milk price is forecast lower this month, averaging \$18.40 to \$18.50 in 2008 and \$16.50 to \$17.40 in 2009.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture 1550 North Brown Road, Suite 120 Lawrenceville, Georgia 30049

www.fmmatlanta.com





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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

November 2008

Volume 9—No. 11

Link Named Newest AMS Administrator

On November 3, James E. Link was appointed as Administrator of the Agricultural Marketing Service (AMS), an agency within the U.S. Department of Agriculture under which Federal milk marketing orders are administered. Link will direct several marketing programs that facilitate the efficient marketing of U.S. agricultural products, including food, fiber and specialty crops. He also will be responsible for procuring commodities, including fruits and vegetables, meat, poultry, fish and egg products, for the national school lunch and other Federal food and nutrition programs.

AMS is part of USDA's Marketing and Regulatory Programs, which works to ensure a productive and competitive global marketplace for our nations agricultural products. Prior to this appointment, James E. Link served as administrator (*continued on Page 4*)

Southern Dairy Conference Announcement

The 35th Annual Southern Dairy Conference is scheduled for January 28-29, 2009 in Atlanta, Georgia. For more information, visit www.areg.caes.uga.edu.

National Dairy Board Appointments

Agriculture Secretary Ed Schafer has announced the appointment of eight new members and reappointment of five incumbents to the National Dairy Promotion and Research Board. The appointees will serve three-year terms, November 1, 2008 through October 31, 2011. They include Larry B. Jaggers of Glendale, Kentucky and William R. D. Anglin, of Bentonville, Arkansas.

The National Dairy Promotion and Research Board administers a coordinated program of promotion, research and nutrition education financed by a 15-cent per hundredweight assessment on milk commercially marketed by dairy farmers. It is USDA's stated policy that membership on industry-governed boards, such as the National Dairy Board, accurately reflect the diversity of individuals served by the programs, therefore all qualified individuals are urged to participate and serve.

Uniform Price Falls

The uniform price in Hillsborough County, Florida, was \$20.42 per hundredweight for milk at 3.5 percent butterfat for the month of October. This represents a decrease of \$1.97 compared with the previous month and an decrease of \$4.39 from October 2007.

Class I utilization was 86.98 percent in October, an increase of 0.23 percent when compared with the previous month and an increase of 1.65 percent when compared with October of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in September was 15.12 billion pounds, an increase of 1.7 percent from September 2007 and a decrease of 4.0 percent when compared with August 2008.

Total cheese output (excluding cottage cheese) was 795 million pounds, 2.3 percent above September 2007 but 3.1 percent below August 2008. Butter production was 121 million pounds, 7.4 percent above September 2007 and 4.8 percent above August 2008. Nonfat dry milk powder production was 86.3 million pounds in September, 4.0% percent lower than September 2007 and 23.8% percent lower than August 2008 on a daily average basis. Dry whey production was 83.2 million pounds in September, a 5.7 percent decrease from September of last year and a 1.9 percent decline from August 2008 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 2.12 in October, up 0.23 points from last month.

F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - OCTOBER 2008

Calculation of Uniform Butterfat Pr	ice:				
		<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat		48.15%	4,469,780	\$1.7451	\$ 7,800,213.07
Class I Differential at Location					249,573.85
Class II Butterfat		33.74%	3,131,962	\$1.8577	5,818,245.81
Class III Butterfat		4.91%	455,506	\$1.8507	843,004.94
Class IV Butterfat		13.20%	1,225,678	\$1.8507	2,268,362.28
Total Butterfat	_	100.00%	9,282,926		\$ 16,979,399.95
Uniform Butter	fat Price per II	o. (Hillsborough Co	ounty, Florida):	\$1.8291]
Calculation of Uniform Skim Milk P	rice				
Producer Milk	Utilization	Pounds	Price p	er unit	Value
Class I Skim Milk	88.45%	216,267,634	\$9.76	cwt.	\$ 21, 107, 721.09
Class I Butterfat	48.15%	4,469,780	\$1.7451	lb.	7,800,213.07
Class I Differential at Location		220,737,414			12,319,315.60
Total Class I Milk	86.98%	220,737,414			\$ 41,227,249.76
Class II Skim Milk	6.92%	16,925,492	\$10.46	cwt.	\$ 1,770,406.45
Class II Butterfat	33.74%	3,131,962	\$1.8577	lb.	5,818,245.81
Total Class II Milk	7.90%	20,057,454			\$ 7,588,652.26
Class III Skim Milk	0.16%	380,150	\$10.97	cwt.	\$ 41,702.46

Adjustments

Overage and Other Source\$0.00Inventory Adjustments\$29,692.55Producer butterfat at uniform butterfat price(\$16,979,399.95)Location Adjustments to Producers(\$288,269.23)1/2 Unobligated Balance in P.S.F\$92,771.40

455,506

835,656

10,930,430

12,156,108

253,786,632

1,225,678

\$1.8507 /lb.

\$1.8507 /lb.

\$ 14.57345

\$7.40 /cwt.

843,004.94

\$ 884,707.40

\$808,851.82

2,268,362.28

\$ 3,077,214.10

\$ 52,777,823.52

\$35,632,618.29

\$106,229.82

Adjusted Pool Value

Class III Butterfat

Total Class III Milk

Class IV Skim Milk

Class IV Butterfat

Total Class IV Milk

Producer Milk

Reserve for Producer Settlement Func \$ 0.04345

Uniform Skim Milk Price per cwt. (Hillsborough County, Florida): \$14.53

4.91%

0.33%

4.47%

13.20%

100.00%

4.79%

omiorni okini miik i rice per ewi. (rimsborough oounty, i iorida).

Uniform Price per cwt. (Hillsborough County, Florida) \$20.42*

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

SSI%
2008
57%
49%
14%
98%
70%
40%
55%
62%
64%
30%
1, 4

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	October 2008	October 2007
Producer Milk		
Class I	220,737,414	216,644,835
Class II	20,057,454	22,785,576
Class III	835,656	7,746,411
Class IV	12,156,108	6,729,543
Total Producer Milk	253,786,632	253,906,365
Average Butterfat Test	3.66%	3.70%
Percent of Producer Milk in Class I	86.98%	85.33%
Daily Average Receipts	8,186,666	8,190,528
Other Source Milk	0.000.000	40,000,070
Class I	8,000,836	12,602,272
Class II	9,554,824	9,933,317
Class III Class IV	141,243	54,831
Total Other Source Milk	1,722,138 19,419,041	2,552,193 25,142,613
Overage	19,419,041	23,142,013
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	0	0
Total Overage	<u>_</u>	
Opening Inventory	-	•
Class I	12,085,571	12,143,835
Class II	336,076	40,069
Class III	46,707	396,315
Class IV	7,470,637	8,843,294
Total Opening Inventory	19,938,991	21,423,513
Total Receipts	293,144,664	300,472,491
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	14,431,484	14,459,935
Route Disposition Class I	225,665,030	225,550,411
Shrinkage Shrinkage	693,507	1,325,338
Transfers & Diversions to Nonpool	33,800	55,258
Total Class I Utilization	240,823,821	241,390,942
Average Butterfat Test	2.01%	2.06%
Daily Average Utilization	7,768,510	7,786,805
Class II Utilization		
Nonfluid Used To Produce	9,546,221	10,846,918
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods	6,887,242	7,826,875
Used To Produce/Other Uses	13,514,891	14,085,169
Total Class II Utilization	29,948,354	32,758,962
Average Butterfat Test	10.46%	10.52%
Class III Utilization	9	4 500 570
Shrinkage	1 022 606	4,528,579
Transfers & Diversions to Nonpool/Used to Produce Use to Produce/Other Uses	1,023,606 0	1,293,993 2,374,985
Total Class III Utilization	1,023,606	8,197,557
Average Butterfat Test	44.57%	5.33%
Class IV Utilization	44.37 /0	3.3370
Inventory	5,488,218	8,920,045
Nonfluid Used To Fortify	1,058,574	1,190,384
Shrinkage	4,259,387	0
Transfers & Diversions to Nonpool	8,692,341	8,014,601
Used To Produce/Other Uses	1,850,363	0
Total Class IV Utilization	21,348,883	18,125,030
Average Butterfat Test	8.46%	9.86%
Total Utilization	293,144,664	300,472,491
		, -, ·

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in October 2008 is \$20.42 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$14.53 per hundredweight plus 3.5 times the uniform butterfat price of \$1.8291 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 88.45% of all producer skim milk (priced to handlers at \$9.76 per hundredweight, plus the Class I differential and 48.15% of producer butterfat (priced to handlers at \$1.7451 per pound plus Class I differential). Class II use accounted for 6.92% of all producer skim milk (\$10.46 per hundredweight) and 33.74% of producer butterfat (\$1.8577 per pound). Class III use accounted for 0.16% of all producer skim milk (\$10.97 per hundredweight) and 4.91% of producer butterfat (\$1.8507 per pound). Class IV use accounted for 4.47% of all producer skim milk (\$7.40 per hundredweight) and 13.20% of producer butterfat (\$1.8507 per pound).

Receipts of producer milk during October 2008 totaled 253.8 million pounds, 0.1 million pounds less than was pooled in October of last year. Florida producers supplied 136.4 million pounds of milk in September 2008 or 57.67% of the total producer milk pooled in Florida. In September 2007, Florida producers supplied 58.00% of producer milk pooled on the Florida market.

There were 12 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 2008. In-area Class I route disposition totaled 232.1 million pounds in September 2008, 7.9 million more

Packaged Class I Route Sales in Marketing Area

Product Description	Pounds	Percent
September 20	08	
Whole Milk	80,455,912	34.67%
Fat Free Milk	30,783,989	13.26%
Lowfat Milk (incl. 1%)	28,659,058	12.35%
Reduced Fat Milk (incl. 2%)	69,259,671	29.84%
Cultured Fluid Milk (incl. Buttermilk)	900,850	0.39%
Flavored Drinks and Milk	22,031,559	9.49%
Total Disposition in Marketing Area	232,091,039	100.00%
Total Disposition by Pool Plants	205,128,171	88.38%
Total Disposition by Nonpool Plants	26,962,868	11.62%
Total Disposition in Marketing Area	232,091,039	100.00%

than September 2007 but a decrease of 0.07 percent after adjusting for calendar composition.

Link Named Newest AMS Administrator

(Continued from Page 1) of USDA's Grain Inspection, Packers and Stockyards Administration (GIPSA) since 2005. "Jim Link's experience as a rancher, businessman and educator will be an asset in his new role at AMS, where he will help to market U.S. agricultural products in domestic and international markets," said Agriculture Under Secretary for Marketing and Regulatory Programs Bruce Knight. "His background and service make Jim well suited to continue to enhance the economic opportunities available to U.S. agricultural producers."

Link has a bachelor's degree in business administration from Emporia State University and an MBA from Texas Christian University. Link and his wife, Karin, have been in the cattle business for most of their adult lives, most recently as owners of the Link Cattle Company of Crowley, Texas. He and his wife have two sons and four grandchildren. Link replaces former AMS Administrator Lloyd Day, who had held the position since August 2005.

USDA Announces Final Rule to Establish a Dairy Forward Pricing Program

The USDA has announced a final rule establishing the Dairy Forward Pricing Program as directed by the Food, Conservation and Energy Act of 2008 (a.k.a The Farm Bill). This program will allow milk producers and cooperative associations to voluntarily enter into forward price contracts with milk handlers for milk used for non-fluid purposes. The program exempts handlers regulated under the Federal milk order program from paying producers and cooperative associations the minimum Federal order price for milk under forward contract.

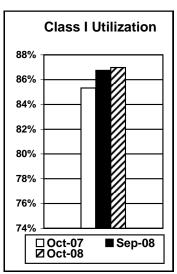
The final rule appeared in the October 31, 2008 Federal Register. For additional information contact: John R. Mengel, Chief Economist, at (202) 720-4664, or e-mail address: john.mengel@usda.gov.

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool	CLASS I* C				CLASS II		CLASS III CLASS IV						UNIFORM*			
Period	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 2007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89	
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44	
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80	
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60	
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92	
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50	
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38	
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36	
July	\$21.10	\$1.6626	\$26.18	\$11.31	\$1.6844	\$16.81	\$12.82	\$1.6774	\$18.24	\$ 11.12	\$1.6774	\$16.60	\$ 19.72	\$1.6733	\$24.89	
Aug	\$18.45	\$1.7344	\$23.87	\$11.74	\$1.7483	\$17.45	\$11.63	\$1.7413	\$17.32	\$ 10.93	\$1.7413	\$16.64	\$ 17.53	\$1.7413	\$23.01	
Sep	\$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												

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

FEDERAL ORDER 6 - FLORIDA: POOLED RECEIPTS AND UTILIZATION OF PRODUCER MILK											
Pool	Producer Milk	Number of	CLA	SS I	CLA	SS II	CLAS	SS III	CLAS	SSIV	
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	
Sep 2007	235,983	442	199,162	84.40%	17,874	7.57%	8,015	3.40%	10,931	4.63%	
Oct	253,906	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%	
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%	
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%	
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%	
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%	
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%	
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%	
May	269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%	
June	260,187	340	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%	
July	244,389	352	204,161	83.54%	20,312	8.31%	10,384	4.25%	9,531	3.90%	
Aug	248,673	419	211,134	84.90%	22,179	8.92%	662	0.27%	14,698	5.91%	
Sep	236,579	408	205,230	86.75%	20,137	8.51%	572	0.24%	10,640	4.50%	
Oct	253,787	400**	220,737	86.98%	20,057	7.90%	835	0.33%	12,156	4.79%	



^{*} 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 2008 through January 2009												
	Pool &	MA Payme	ent Dates		Pay	ments for	Producer I	Milk					
	Uniform Price	Due to:	Due From:	First F Paymer		Second Paymer	l Partial nt Due**	Final Pay Due					
Pool Month	Release Date	All Funds	P/S	Non - Coop membe		Соор	Non - member	Соор	Non - member				
NOV 2008	12/11/08	12/12/08	12/15/08	11/19/08	11/20/08	12/04/08	12/05/08	12/15/08	12/16/08				
DEC 2008	01/11/09	01/12/09	01/13/09	12/19/08	12/22/08	01/05/09	01/05/09	01/13/09	01/14/08				
JAN 2009	02/11/09	02/12/09	02/13/09	01/20/09	01/20/09	02/04/09	02/05/09	02/13/09	02/17/09				

^{**}The base rate for making partial payments in Hillsborough Co., FL for October will be \$20.15 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$19.03 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- 464 November 10, 2008

Milk production forecasts for 2008 and 2009 are increased slightly from last month. Cow number forecasts are unchanged from last month. Forecast 2008 milk per cow is raised from last month due to higher-than-expected August and September estimates. Lower expected feed prices in 2009 should support slightly higher growth in milk per cow although gains are expected to remain below historical rates of increase. Weaker international markets will boost domestic supplies. Skim solids stocks for 2009 are reduced as domestic use of skims is forecast higher albeit at lower prices. Sales of nonfat dry milk (NDM) to the CCC are forecast for 2008 and 2009.

Class III and Class IV prices for 2008 and 2009 are reduced from last month as most product price forecasts are lowered. Weak international demand and relatively large supplies of NDM are expected to result in sharply lower forecast NDM prices. Although relatively weak expected demand could pressure butter prices, relatively higher values of Class III products versus Class IV products may encourage milk to flow to cheese production, tightening butter supplies and supporting prices. Cheese prices are lowered reflecting larger expected supplies of cheese. Whey prices are forecast lower than last month on weaker demand. The all milk price is forecast lower this month, averaging \$18.30 to \$18.40 in 2008 and \$15.30 to \$16.20 in 2009.

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.



MILK MARKET ADMINISTRATOR

U.S. Department Of Agriculture 1550 North Brown Road, Suite 120 Lawrenceville, Georgia 30043





www.fmmatlanta.com

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FLORIDA Fluid Milk Report

Sue L. Mosley

Market Administrator



www.fmmatlanta.com

December 2008

Volume 9-No. 11

Total Fluid Milk Product Sales Steady

Through October, total sales of fluid milk products in the U.S. were steady versus 2007 milk sales (January through October), or down 0.3 percent when adjusted for calendar composition. This compares favorably to the stable to slightly declining trend in fluid milk sales the industry has witnessed in the recent past, given the rise in prices milk consumers have faced.

Total U.S. Sales of Fluid Milk Products-2008 YTD 1/

Product Category	Milk Pounds (millions)	Percent Change from 2007
Whole Milk	12,579	-4.8
Flavored Whole Milk	496	-12.4
Organic Whole Milk	318	24.7
Reduced Fat Milk (2%)	15,193	1.7
Low Fat Milk (1%)	5,563	2
Fat-Free Milk (Skim)	6,812	0.7
Flavored Fat-Reduced Milk	3,103	1.2
Organic Fat-Reduced Milk	1,075	22.2
Buttermilk	441	3
Total 2/	45,701	0
Total Adjusted 2/ 3/	45,482	-0.3

1/Year-to-date data through October; Source: USDA; These figures are representative of the consumption of fluid milk products for approximately 92 percent of total fluid milk sales in the U.S. 2/ Total fluid milk products include the products listed plus miscellaneous products and eggnog. 3/ Adjusted for calendar composition.

Southern Dairy Conference Announcement

The 35th Annual Southern Dairy Conference is scheduled for January 28-29, 2009 in Atlanta, Georgia. For more information, visit www.areg.caes.uga.edu.

Uniform Price Up

The uniform price in Hillsborough County, Florida, was \$21.25 per hundredweight for milk at 3.5 percent butterfat for the month of November. This represents an increase of \$0.83 compared with the previous month and an decrease of \$3.64 from November 2007.

Class I utilization was 83.80 percent in November, a decrease of 3.18 percent when compared with the previous month and a decrease of 3.07 percent when compared with November of last year.

National Dairy Situation

The USDA estimates that the total U.S. production of milk in October was 15.56 billion pounds, an increase of 1.2 percent from October 2007 and a decrease of 0.3 percent when compared with September 2008 on a daily average basis. Total cheese output was 842 million pounds, 2.0 percent above October 2007 and 5.8 percent above September 2008. Butter production was 130 million pounds, slightly below October 2007 but 7.4 percent above September 2008.

Nonfat dry milk powder production was 121.0 million pounds in October, 21.1% percent higher than October 2007 and 35.7% percent higher than September 2008 on a daily average basis. Dry whey production was 85.2 million pounds in October, a 4.2 percent decrease from October of last year and a 0.9 percent decline from September 2008 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 2.13 in November, up 0.13 points from last month's revised ratio.

Calculation of Uniform Butterfat Price:				
	<u>Utilization</u>	Pounds	Price/lb.	<u>Value</u>
Class I Butterfat	47.34%	4,387,478	\$1.8388	\$ 8,067,694.56
Class I Differential at Location				244,331.82
Class II Butterfat	32.75%	3,035,732	\$1.7800	5,403,602.96
Class III Butterfat	5.81%	538,800	\$1.7730	955,292.41
Class IV Butterfat	14.10%	1,306,853	\$1.7730	2,317,050.36
Total Butterfat	100.00%	9,268,863		\$ 16,987,972.11

Uniform Butterfat Price per lb. (Hillsborough County, Florida): \$1.8328

Calculation of Uniform Skim Milk Price

Producer Milk	Utilization	<u>Pounds</u>	Price per unit	<u>Value</u>
Class I Skim Milk	85.20%	205,734,549	\$11.29 /cwt.	\$ 23,227,430.58
Class I Butterfat	47.34%	4,387,478	\$1.8388 /lb.	8,067,694.56
Class I Differential at Location		210,122,027		11,718,685.45
Total Class I Milk	83.80%	210,122,027		\$ 43,013,810.59
Class II Skim Milk	6.95%	16,792,036	\$8.52 /cwt.	\$ 1,430,681.45
Class II Butterfat	32.75%	3,035,732	\$1.7800 /lb.	5,403,602.96
Total Class II Milk	7.91%	19,827,768		\$ 6,834,284.41
Class III Skim Milk	1.25%	3,017,168	\$9.64 /cwt.	\$ 290,855.00
Class III Butterfat	5.81%	538,800	\$1.7730 /lb.	955,292.41
Total Class III Milk	1.42%	3,555,968		\$ 1,246,147.41
Class IV Skim Milk	6.60%	15,929,847	\$6.26 /cwt.	\$ 997,208.42
Class IV Butterfat	14.10%	1,306,853	\$1.7730 /lb.	2,317,050.36
Total Class IV Milk	6.87%	17,236,700		\$ 3,314,258.78
Producer Milk	100.00%	250,742,463		\$ 54,408,501.19

Adjustments

Adjusted Pool Value

Overage and Other Source\$0.00Inventory Adjustments\$0.00Producer butterfat at uniform butterfat price(\$16,987,972.11)Location Adjustments to Producers(\$286,249.49)1/2 Unobligated Balance in P.S.F\$99,570.12

Reserve for Producer Settlement Func

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

\$15.37

\$ 15.41943

\$ 0.04943

\$37,233,849.71

\$119,357.38

Uniform Price per cwt. (Hillsborough County, Florida)

\$21.25*

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

MARKET NAME	CL	ASS I	UNIF	ORM	CLASS I %
(Priced at)	NOV 2008	DEC 2008	OCT 2008	NOV 2008	NOV 2008
Appalachian (Charlotte)	\$ 20.73	\$ 18.83	\$ 18.49	\$ 18.75	68.25%
Arizona (Phoenix	\$ 19.68	\$ 17.78	\$ 16.59	\$ 15.83	34.37%
Central (Kansas City)	\$ 19.33	\$ 17.43	\$ 16.30	\$ 15.61	32.31%
Florida (Tampa)	\$ 22.73	\$ 20.83	\$ 20.42	\$ 21.25	83.80%
Mideast (Cleveland)	\$ 19.33	\$ 17.43	\$ 16.80	\$ 16.32	42.40%
Northeast (Boston)	\$ 20.58	\$ 18.68	\$ 17.44	\$ 17.09	45.30%
Pacific Northwest (Seattle)	\$ 19.23	\$ 17.33	\$ 15.49	\$ 15.29	29.41%
Southeast (Atlanta)	\$ 21.33	\$ 19.23	\$ 18.95	\$ 19.21	67.96%
Southwest (Dallas)	\$ 20.33	\$ 18.43	\$ 17.26	\$ 16.89	36.22%
Upper Midwest (Chicago)	\$ 19.13	\$ 17.23	\$ 17.02	\$ 15.85	13.90%

^{*} At 3.5% butterfat test; for information purposes.

FLORIDA MILK MARKETING AREA-FEDERAL ORDER 6 STATISTICAL SUMMARY

Receipts:	November 2008	November 2007
Producer Milk		
Class I	210,122,027	216,964,219
Class II	19,827,768	20,824,115
Class III	3,555,968	6,185,373
Class IV	17,236,700	5,769,198
Total Producer Milk	250,742,463	249,742,905
Average Butterfat Test	3.70%	3.71%
Percent of Producer Milk in Class I	83.80%	86.87%
Daily Average Receipts	8,358,082	8,324,764
Other Source Milk		
Class I	4,784,688	7,923,824
Class II	9,132,490	8,577,762
Class III	0	92,579
Class IV	2,503,091	3,575,413
Total Other Source Milk	16,420,269	20,169,578
Overage		
Class I	0	0
Class II	0	0
Class III	0	0
Class IV	0	0
Total Overage	0	0
Opening Inventory		
Class I	14,431,484	14,486,291
Class II	0	55,278
Class III	0	1,769,551
Class IV	5,488,218	7,068,860
Total Opening Inventory	19,919,702	23,379,980
Total Receipts	287,082,434	293,292,463
Utilization:		
Class I Utilization		
Inventory of Packaged FMP	12,032,687	14,427,128
Route Disposition Class I	215,623,963	223,989,298
Shrinkage	1,174,995	850,820
Transfers & Diversions to Nonpool	506,554	107,088
Total Class I Utilization	229,338,199	239,374,334
Average Butterfat Test	2.09%	2.14%
Daily Average Utilization	7,644,607	7,979,144
Class II Utilization	,- ,	, ,
Nonfluid Used To Produce	9,123,844	8,555,905
Shrinkage	0	0
Transfers & Diversions to Nonpool/Commercial Foods	7,191,122	7,299,764
Used To Produce/Other Uses	12,645,292	13,601,486
Total Class II Utilization	28,960,258	29,457,155
Average Butterfat Test	10.49%	10.57%
Class III Utilization		
Shrinkage	0	3,683,084
Transfers & Diversions to Nonpool/Used to Produce	3,555,968	2,301,930
Use to Produce/Other Uses	0	2,062,489
Total Class III Utilization	3,555,968	8,047,503
Average Butterfat Test	15.15%	6.30%
Class IV Utilization		
Inventory	9,614,479	6,440,953
Nonfluid Used To Fortify	2,189,159	3,314,896
Shrinkage	4,622,528	0
Transfers & Diversions to Nonpool	7,084,814	6,657,622
Used To Produce/Other Uses	1,717,029	0
Total Class IV Utilization	25,228,009	16,413,471
Average Butterfat Test	6.98%	9.23%
Total Utilization	287,082,434	293,292,463

Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in November 2008 is \$21.25 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$15.37 per hundredweight plus 3.5 times the uniform butterfat price of \$1.8328 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 November, Class I use accounted for 85.20% of all producer skim milk (priced to handlers at \$11.29 per hundredweight, plus the Class I differential and 47.34% of producer butterfat (priced to handlers at \$1.8388 per pound plus Class I differential). Class II use accounted for 6.95% of all producer skim milk (\$8.52 per hundredweight) and 32.75% of producer butterfat (\$1.7800 per pound). Class III use accounted for 1.25% of all producer skim milk (\$9.64 per hundredweight) and 5.81% of producer butterfat (\$1.7730 per pound). Class IV use accounted for 6.60% of all producer skim milk (\$6.26 per hundredweight) and 14.10% of producer butterfat (\$1.7730 per pound).

Receipts of producer milk during November 2008 totaled 250.7 million pounds, 1.0 million pounds more than was pooled in November of last year. Florida producers supplied 144.5 million pounds of milk in October 2008 or 56.93% of the total producer milk pooled in Florida. In October 2007, Florida producers supplied 52.58% of producer milk pooled on the Florida market.

There were 12 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 November 2008. In-area Class I route disposition totaled 228.1 million pounds in October 2008, 17.6 million less

Packaged Class I Route Sales in Marketing Area **Product Description** Pounds Percent October 2008 Whole Milk 78,829,293 34.55% 30,688,030 Fat Free Milk 13.45% Lowfat Milk (incl. 1%) 28,183,109 12.35% Reduced Fat Milk (incl. 2%) 66,589,822 29.19% Cultured Fluid Milk (incl. Buttermilk) 881,862 0.39% Flavored Drinks and Milk 22,970,367 10.07% 228,142,483 **Total Disposition in Marketing Area** 100.00% Total Disposition by Pool Plants 201,477,539 88.30% Total Disposition by Nonpool Plants 26,694,944 11.70% **Total Disposition in Marketing Area** 228,142,483 100.00%

than October 2007 and a decrease of 7.04 percent after adjusting for calendar composition.

Farm Sector Financial Performance Remains Strong

"Although there is considerable uncertainty regarding macroeconomic events, commodity prices, and input costs going into 2009, farm sector financial performance remains strong despite volatile financial and commodity markets."

-Agricultural Income and Finance Outlook December 2008

"The story for the farm sector in 2008 has two main themes: a large increase in the value of crop production but rising costs of production as well. The value of crop production, at \$181 billion, is forecast to exceed its previous record (set in 2007) by \$30 billion, a 20-percent increase. Prices of major crops (corn, soybeans, wheat) were trending upward in late 2007 and continued doing so in the first part of 2008 during the marketing of the remainder of the 2007 harvest. These prices have declined in recent months as the 2008 harvests have occurred but are still high by historical standards. Consequently, with large harvests to sell at high prices, 2008 has proven to be another good year for the U.S. farm economy as a whole, driven by strong demand for feed crops, oilseeds, and food grains.

Nonetheless, the farm production sector still faces vulnerabilities as it enters 2009. These include: 1) the relative importance of input price rises in affecting farm operator profit margins, 2) farmland value volatility, 3) the overall debt structure and solvency of farm businesses, 4) access of farm households to credit and 5) off-farm income during a national recession."

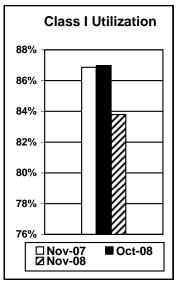
Source: Agricultural Income and Finance Outlook / AIS-86 / December 2008, Economic Research Service/USDA

FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES

Pool	CLASS I* CLASS II				CLASS III		(CLASS IV		UNIFORM*					
Period	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 2007	\$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	\$1.4147	\$22.07	\$14.81	\$1.4077	\$19.22	\$ 16.03	\$1.4077	\$20.40	\$ 20.56	\$1.4426	\$24.89
Dec	\$19.65	\$1.4520	\$24.04	\$16.35	\$1.4418	\$20.82	\$16.14	\$1.4348	\$20.60	\$ 14.67	\$1.4348	\$19.18	\$ 19.05	\$1.4457	\$23.44
Jan 2008	\$20.53	\$1.4733	\$24.97	\$15.61	\$1.3389	\$19.75	\$15.19	\$1.3319	\$19.32	\$ 12.05	\$1.3319	\$16.29	\$ 19.59	\$1.3982	\$23.80
Feb	\$19.44	\$1.4060	\$23.68	\$14.39	\$1.3080	\$18.46	\$12.93	\$1.3010	\$17.03	\$ 10.48	\$1.3010	\$14.67	\$ 18.51	\$1.3523	\$22.60
Mar	\$16.54	\$1.3538	\$20.70	\$11.24	\$1.3674	\$15.63	\$13.72	\$1.3604	\$18.00	\$ 9.75	\$1.3604	\$14.17	\$ 15.71	\$1.3601	\$19.92
Apr	\$18.39	\$1.3883	\$22.61	\$10.47	\$1.4818	\$15.29	\$12.02	\$1.4748	\$16.76	\$ 9.74	\$1.4748	\$14.56	\$ 17.06	\$1.4380	\$21.50
May	\$17.30	\$1.5203	\$22.02	\$10.40	\$1.5632	\$15.51	\$13.20	\$1.5562	\$18.18	\$ 10.17	\$1.5562	\$15.26	\$ 16.56	\$1.5423	\$21.38
June	\$18.57	\$1.6165	\$23.58	\$10.89	\$1.6230	\$16.19	\$15.12	\$1.6160	\$20.25	\$ 10.64	\$1.6160	\$15.92	\$ 17.30	\$1.6194	\$22.36
July	\$21.10	\$1.6626	\$26.18	\$11.31	\$1.6844	\$16.81	\$12.82	\$1.6774	\$18.24	\$ 11.12	\$1.6774	\$16.60	\$ 19.72	\$1.6733	\$24.89
Aug	\$18.45	\$1.7344	\$23.87	\$11.74	\$1.7483	\$17.45	\$11.63	\$1.7413	\$17.32	\$ 10.93	\$1.7413	\$16.64	\$ 17.53	\$1.7413	\$23.01
Sep	\$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											

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

	FEDERAL ORDER 6 - FLORIDA. FOOLED RECEIF 13 AND UTILIZATION OF PRODUCER WILL												
Pool	Producer Milk	Number of	CLA	SS I	CLAS	SS II	CLAS	SS III	CLAS	SS IV			
Period	1000 lbs.	Farms	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%			
Sep 2007	235,983	442	199,162	84.40%	17,874	7.57%	8,015	3.40%	10,931	4.63%			
Oct	253,906	471	216,645	85.33%	22,786	8.97%	7,746	3.05%	6,730	2.65%			
Nov	249,743	437	216,964	86.87%	20,824	8.34%	6,185	2.48%	5,769	2.31%			
Dec	267,192	417	219,690	82.22%	20,117	7.53%	8,914	3.34%	18,472	6.91%			
Jan 2008	283,233	360	234,011	82.61%	23,387	8.26%	9,449	3.34%	16,386	5.79%			
Feb	265,597	339	220,598	83.06%	20,508	7.72%	11,338	4.27%	13,153	4.95%			
Mar	283,037	336	232,993	82.32%	22,223	7.85%	9,101	3.22%	18,720	6.61%			
Apr	269,523	311	218,677	81.14%	22,625	8.39%	8,872	3.29%	19,348	7.18%			
May	269,726	300	227,246	84.25%	19,153	7.10%	13,231	4.91%	10,096	3.74%			
June	260,187	340	196,600	75.56%	18,866	7.25%	24,271	9.33%	20,450	7.86%			
July	244,389	352	204,161	83.54%	20,312	8.31%	10,384	4.25%	9,531	3.90%			
Aug	248,673	419	211,134	84.90%	22,179	8.92%	662	0.27%	14,698	5.91%			
Sep	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	400**	210,122	83.80%	19,828	7.91%	3,556	1.42%	17,237	6.87%			



^{*} 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 December 2008 through February 2009 **Payments for Producer Milk MA Payment Dates** Pool & **Uniform** Due **First Partial Second Partial Price** Due to: From: Payment Due** Payment Due** **Final Pay Due** Release Non -Non -Non -**Pool Month Date All Funds** P/S Coop member Coop member Coop member 01/13/09 **DEC 2008** 01/11/09 01/12/09 12/19/08 12/22/08 01/05/09 01/05/09 01/13/09 01/14/08 JAN 2009 02/11/09 01/20/09 02/12/09 02/13/09 01/20/09 02/04/09 02/05/09 02/13/09 02/17/09 FEB 2009 03/11/09 03/12/09 03/13/09 | 02/19/09 | 02/20/09 | 03/04/09 | 03/05/09 | 03/13/09 | 03/16/09

^{**}The base rate for making partial payments in Hillsborough Co., FL for December will be \$19.13 per hundredweight for cooperatives (90 percent of the preceding month's uniform price) and \$18.06 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-465 December 11, 2008

Milk production forecasts for 2008 and 2009 are reduced slightly from last month. The cow number forecasts are unchanged. Forecast milk per cow for both years is reduced reflecting the continued slow rate of growth in output per cow. Commercial export forecasts for 2008 are raised as export data points towards stronger-than-expected sales, especially on a fat basis. However, the forecasts for 2009 are unchanged as weaker international demand is expected to limit exports. Fat basis imports for 2008 are reduced due to weaker demand but skim-solids imports are adjusted to reflect higher-than-expected third-quarter imports. Weakness in demand for fat basis imports is expected to carry into 2009, thus the fat basis import forecast for 2009 is lowered. Sales of nonfat dry milk (NDM) to the CCC are forecast for higher 2008 and 2009.

Class III and Class IV prices for 2008 and 2009 are reduced from last month as most product price forecasts are lowered. Demand both domestically and in international markets will likely be affected by economic weakness. Although relative product values may encourage milk to shift to cheese production, butter and NDM prices will be pressured by relatively weak demand for much of the year. Cheese prices are forecast weaker as domestic demand lags in a weak economy. Although the whey price is unchanged from last month, weaker cheese prices will push the Class III price lower while lower butter and NDM prices will result in a reduced Class IV price. The 2008 all milk price forecast is unchanged this month, averaging \$18.30 to \$18.40 per cwt, but the 2009 forecast is lowered to \$14.95 to \$15.75 per cwt.

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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