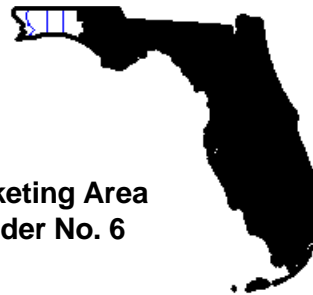


# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



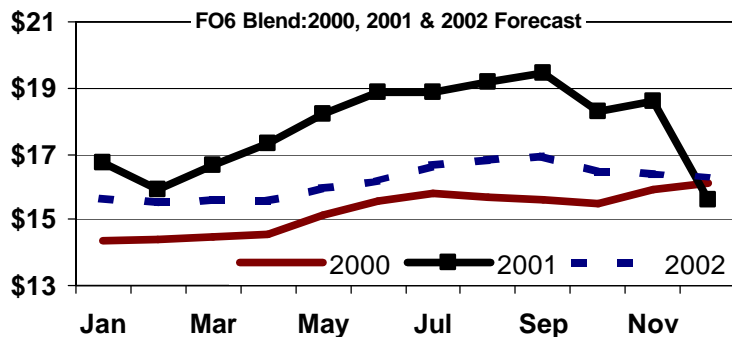
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## What To Expect In 2002

Following on the heels of a banner year for producer prices, 2002 prices are by most prognostications expected to decline but remain above 2000 levels. The major contributing factors to 2001's favorable prices were prohibitively high replacement heifer costs and below average forage quality. Both situations are expected to improve and increase U.S. milk production by 2-3 percent. USDA projects the 2002 average all-milk price between \$12.85 and \$13.65,



one dollar over 2000 price levels, but two dollars below last year. The chart above represents the best estimate of Federal Order 6 uniform prices for the upcoming year, with prices projected to range between \$15.51 and \$16.93 and average \$16.16, but actual prices will vary. If the estimates hold, we should see prices average about \$1.80 below last year. The average uniform price for 2001 was \$18.02 and was \$15.17 in 2000.

## Southern Dairy Conference Announced

The twenty-eighth Southern Dairy Conference will be held in Atlanta on February 4th and 5th. Sponsored by Southern land grant universities, the purpose of the conference is to focus on issues and opportunities affecting the dairy industry of the Southern United States. On the agenda is, among others, recently appointed Administrator of USDA's Agriculture Marketing Service, A.J. Yates. Register on-line at [www.pware.com/2532](http://www.pware.com/2532) or contact Anne Young to pre-register (\$120) for the day and a half event at 706-542-0808, or register at the conference (\$150) located at The Westin Atlanta Airport Hotel, 4736 Best Road, College Park, GA 30337, 404-762-7676.

## Commodity Prices Catch Up With Blend

The uniform blend for December in Hillsborough County, FL was \$15.58 per hundredweight at 3.5 percent butterfat. This is a \$3.01 decline from November, and a \$0.59 decline from December of last year. It has been 24 months, and prior to Federal Order Reform, since any single month change in the uniform price has exceeded \$1.20. The origins of this decline are the lower commodity prices (which can be tracked at [www.ams.usda.gov/dairy/mncls/index.htm](http://www.ams.usda.gov/dairy/mncls/index.htm)) and the time periods of NASS surveys (which can be found at [www.ams.usda.gov/dairy/mib/fmo\\_release\\_dates\\_2002.PDF](http://www.ams.usda.gov/dairy/mib/fmo_release_dates_2002.PDF)).

Butter and cheese prices each began the month of October over \$1.60 per pound, but they quickly fell off by approximately \$0.40. Since then, each has remained relatively steady, bouncing around a range between \$1.20 and \$1.30 for cheese blocks and barrels and between \$1.25 and \$1.35 for butter. NASS surveyed for November's Class I price in October before the \$0.40 decline, but November's Class II, III, and IV prices were surveyed afterwards. High Class I utilization insulated the Florida market from the national commodity situation during November, but it was only a matter of time before such a drastic decline in cheese and butter prices would be felt, even in Federal Order 6. December's Class I price is based on a NASS survey conducted in early November and was significantly lower as a result. With all classes of milk being priced after October's commodity price declines, a uniform price decline was inevitable.

## National Dairy Situation

USDA estimates milk production in November at 13.27 billion pounds, a 0.4 percent increase from November 2000 but down 2.5 percent from October 2001. Total cheese output (excluding cottage cheese) was 681 million pounds, 0.8 percent above November 2000 but 0.3 percent below October 2001. Butter production was 98.9 million pounds in November, 1.4 percent below November 2000 and 10.9 percent below October 2001. The milk-feed price ratio fell to 3.10 in December, an increase of 0.05 index points from December of last year, but down 0.16 from November 2001.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - DECEMBER 2001

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	56.72%	4,755,310	\$1.4513	\$ 6,901,381.38
Class I Differential at Location				194,625.80
Class II Butterfat	26.42%	2,214,643	\$1.4392	3,187,314.23
Class III Butterfat	0.91%	76,280	\$1.4322	109,248.21
Class IV Butterfat	15.95%	1,336,907	\$1.4322	1,914,718.21
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,383,140</b>		<b>\$ 12,307,287.83</b>

Uniform Butterfat Price per lb. (Hillsborough County, Florida): **\$1.4681**

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	90.03%	199,539,303	\$7.15 /cwt.	\$ 14,267,060.17
Class I Butterfat	56.72%	4,755,310	\$1.4513 /lb.	6,901,381.38
Class I Differential at Location		204,294,613		8,360,960.81
<b>Total Class I Milk</b>	<b>88.81%</b>	<b>204,294,613</b>		<b>\$ 29,529,402.36</b>
Class II Skim Milk	4.32%	9,583,726	\$7.85 /cwt.	\$ 752,322.49
Class II Butterfat	26.42%	2,214,643	\$1.4392 /lb.	3,187,314.23
<b>Total Class II Milk</b>	<b>5.13%</b>	<b>11,798,369</b>		<b>\$ 3,939,636.72</b>
Class III Skim Milk	0.51%	1,125,637	\$7.03 /cwt.	\$ 79,132.29
Class III Butterfat	0.91%	76,280	\$1.4322 /lb.	109,248.21
<b>Total Class III Milk</b>	<b>0.52%</b>	<b>1,201,917</b>		<b>\$ 188,380.50</b>
Class IV Skim Milk	5.14%	11,399,136	\$7.02 /cwt.	\$ 800,219.34
Class IV Butterfat	15.95%	1,336,907	\$1.4322 /lb.	1,914,718.21
<b>Total Class IV Milk</b>	<b>5.54%</b>	<b>12,736,043</b>		<b>\$ 2,714,937.55</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>230,030,942</b>		<b>\$ 36,372,357.13</b>

### Adjustments

Overage and Other Source	\$ 67,634.77
Inventory Adjustments	3,497.14
Producer butterfat at uniform butterfat price	(12,307,287.83)
Location Adjustments to Producers	(137,736.81)
1/2 Unobligated Balance in P.S.F	87,558.39

### Adjusted Pool Value

Reserve for Producer Settlement Fund	<b>\$ 10.86680</b>	<b>\$ 24,086,022.79</b>
	<b>\$ 0.04680</b>	103,730.62

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

**\$10.82**

Uniform Price per cwt. (Hillsborough County, Florida)

**\$15.58\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	DEC 2001	JAN 2002	NOV 2001	DEC 2001	DEC 2001
Appalachian (Charlotte)	\$ 15.08	\$ 15.06	\$ 16.76	\$ 14.16	65.47%
Arizona-Las Vegas (Phoenix)	\$ 14.33	\$ 14.31	\$ 13.73	\$ 12.71	33.26%
Central (Kansas City)	\$ 13.98	\$ 13.96	\$ 13.17	\$ 12.46	26.75%
<b>Florida (Tampa)</b>	<b>\$ 15.98</b>	<b>\$ 15.96</b>	<b>\$ 18.59</b>	<b>\$ 15.58</b>	<b>88.81%</b>
Mideast (Cleveland)	\$ 13.98	\$ 13.96	\$ 13.79	\$ 12.64	36.10%
Northeast (Boston)	\$ 15.23	\$ 15.21	\$ 15.28	\$ 13.72	43.80%
Pacific Northwest (Seattle)	\$ 13.88	\$ 13.86	\$ 13.30	\$ 12.35	28.29%
Southeast (Atlanta)	\$ 15.08	\$ 15.06	\$ 16.20	\$ 13.95	57.25%
Southwest (Dallas)	\$ 14.98	\$ 14.96	\$ 16.08	\$ 13.45	43.29%
Upper Midwest (Chicago)	\$ 13.78	\$ 13.76	\$ 12.45	\$ 12.19	18.60%
Western (Salt Lake City)	\$ 13.87	\$ 13.85	\$ 12.87	\$ 12.33	18.39%

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

<b>Receipts:</b>	DECEMBER 2001	DECEMBER 2000
<b>Producer Milk</b>		
Class I	204,294,613	218,778,462
Class II	11,798,369	17,825,322
Class III	1,201,917	6,524,693
Class IV	12,736,043	9,947,452
	<hr/>	<hr/>
Total Producer Milk	<b>230,030,942</b>	<b>253,075,929</b>
Average Butterfat Test	3.64%	3.69%
Percent of Producer Milk in Class I	88.81%	86.45%
Daily Average Receipts	7,420,353	8,163,740
<b>Other Source Milk</b>		
Class I	12,285,643	6,806,046
Class II	12,094,961	12,012,387
Class III	0	38,136
Class IV	2,917,348	3,440,940
	<hr/>	<hr/>
Total Other Source Milk	<b>27,297,952</b>	<b>22,297,509</b>
<b>Overage</b>		
Class I	0	2,466
Class II	2,739	18,793
Class III	0	144,547
Class IV	44,472	33,214
	<hr/>	<hr/>
Total Overage	<b>47,211</b>	<b>199,020</b>
<b>Opening Inventory</b>		
Class I	13,230,325	12,534,591
Class II	105,085	272,862
Class III	0	296,428
Class IV	5,333,811	6,651,631
	<hr/>	<hr/>
Total Opening Inventory	<b>18,669,221</b>	<b>19,755,512</b>
	<hr/>	<hr/>
<b>Total Receipts</b>	<b>276,045,326</b>	<b>295,327,970</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	11,920,090	11,259,430
Route Disposition Class I	216,022,694	225,060,175
Shrinkage	1,183,744	1,037,779
Transfers and Diversions to Nonpool	684,053	764,181
	<hr/>	<hr/>
Total Class I Utilization	<b>229,810,581</b>	<b>238,121,565</b>
Average Butterfat Test	2.33%	2.40%
Daily Average Utilization	7,413,245	7,681,341
<b>Class II Utilization</b>		
Nonfluid Used To Produce	4,257,441	7,578,744
Shrinkage	0	0
Transfers and Diversions to Nonpool	3,214,681	4,494,994
Used To Produce/Other Uses	16,529,032	18,055,626
	<hr/>	<hr/>
Total Class II Utilization	<b>24,001,154</b>	<b>30,129,364</b>
Average Butterfat Test	9.55%	9.34%
<b>Class III Utilization</b>		
Shrinkage	0	3,910,214
Transfers and Diversions to Nonpool	1,201,917	1,584,132
Used To Produce/Other Uses	0	1,509,458
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Total Class III Utilization	<b>0</b>	<b>7,003,804</b>
Average Butterfat Test	6.35%	5.20%
<b>Class IV Utilization</b>		
Inventory	7,069,699	9,009,747
Nonfluid Used To Fortify	2,961,276	2,512,724
Shrinkage	3,601,233	0
Transfers and Diversions to Nonpool	6,225,655	8,550,766
Used To Produce/Other Uses	1,173,811	0
	<hr/>	<hr/>
Total Class IV Utilization	<b>21,031,674</b>	<b>2,073,237</b>
Average Butterfat Test	8.78%	8.45%
	<hr/>	<hr/>
<b>Total Utilization</b>	<b>276,045,326</b>	<b>295,327,970</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in December 2001 is \$15.58 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.82 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4681 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 90.03% of all producer skim milk (priced to handlers at \$7.15 per hundredweight, plus the Class I differential) and 56.72% of producer butterfat (priced to handlers at \$1.4513 per pound plus Class I differential). Class II use accounted for 4.32% of all producer skim milk (\$7.85 per hundredweight) and 26.42% of producer butterfat (\$1.4392 per pound). Class III use accounted for 0.51% of all producer skim milk (\$7.03 per hundredweight) and 0.91% of producer butterfat (\$1.4322 per pound). Class IV use accounted for 5.14% of all producer skim milk (\$7.02 per hundredweight) and 15.95% of producer butterfat (\$1.4322 per pound).

Receipts of producer milk during December 2001 totaled 230.0 million pounds, 23.0 million pounds less than was pooled in December of last year. Florida producers supplied 174.4 million pounds of milk in November 2001 to pool plants or 77.36% of the total producer milk pooled in Florida. In November 2000 Florida producers supplied 77.84% of the total producer milk pooled in the Florida market.

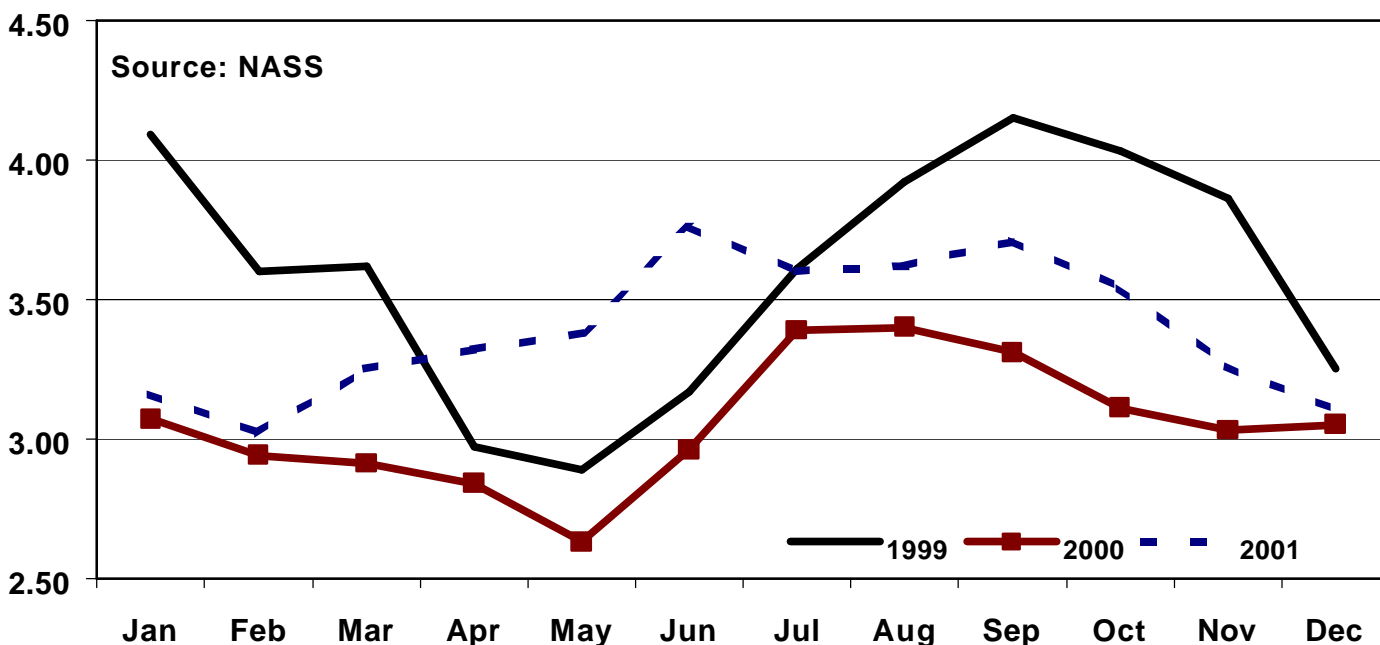
There were 14 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for December 2001. In-area Class I route disposition totaled 236.8 million pounds in November 2001, 0.1 million pounds less than last year. This represents a 0.2 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida November
Whole Milk	101,690,604
Fat Free Milk	34,008,232
Lowfat Milk (incl. 1%)	25,000,256
Reduced Fat Milk (incl. 2%)	54,675,788
Cultured Fluid Milk (incl. Buttermilk)	1,470,589
Flavored Drinks and Milk	19,930,416
<b>Total Disposition in Marketing Area</b>	<b>236,775,885</b>
Total Disposition by Pool Plants	210,521,474
Total Disposition by Nonpool Plants	26,254,411
<b>Total Disposition in Marketing Area</b>	<b>236,775,885</b>

## Milk-Feed Price Ratio

(Pounds of 16% Mixed Dairy Feed equal in value to 1 pound of Whole Milk)



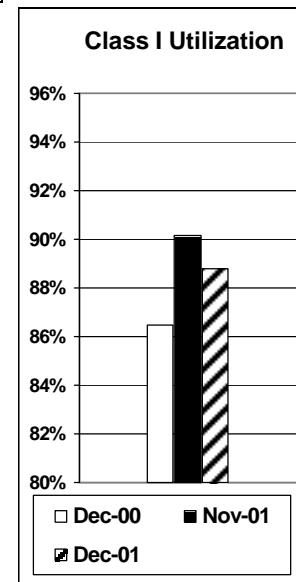
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2000	\$11.72	\$1.0254	\$14.90	\$8.42	\$0.9436	\$11.43	\$7.02	\$0.9366	\$10.05	\$7.72	\$0.9366	\$10.73	\$11.32	\$0.9855	\$14.37
Feb	\$11.72	\$0.9702	\$14.71	\$8.42	\$0.9658	\$11.51	\$6.41	\$0.9588	\$9.54	\$7.71	\$0.9588	\$10.80	\$11.41	\$0.9673	\$14.40
Mar	\$11.71	\$1.0113	\$14.84	\$8.41	\$1.0261	\$11.71	\$6.19	\$1.0191	\$9.54	\$7.70	\$1.0191	\$11.00	\$11.30	\$1.0175	\$14.47
Apr	\$11.70	\$1.0389	\$14.93	\$8.40	\$1.1422	\$12.10	\$5.63	\$1.1352	\$9.41	\$7.68	\$1.1352	\$11.38	\$11.13	\$1.0897	\$14.55
May	\$11.70	\$1.1959	\$15.48	\$8.40	\$1.2924	\$12.63	\$5.05	\$1.2854	\$9.37	\$7.68	\$1.2854	\$11.91	\$11.18	\$1.2408	\$15.13
Jun	\$11.70	\$1.2595	\$15.70	\$8.40	\$1.4198	\$13.08	\$4.68	\$1.4128	\$9.46	\$7.70	\$1.4128	\$12.38	\$11.32	\$1.3282	\$15.57
Jul	\$11.71	\$1.4755	\$16.46	\$8.41	\$1.2761	\$12.58	\$6.44	\$1.2691	\$10.66	\$7.70	\$1.2691	\$11.87	\$11.31	\$1.3901	\$15.78
Aug	\$11.70	\$1.3313	\$15.95	\$8.40	\$1.2729	\$12.56	\$5.91	\$1.2659	\$10.13	\$7.71	\$1.2659	\$11.87	\$11.51	\$1.3058	\$15.68
Sep	\$11.70	\$1.2991	\$15.84	\$8.40	\$1.2777	\$12.58	\$6.54	\$1.2707	\$10.76	\$7.76	\$1.2707	\$11.94	\$11.48	\$1.2893	\$15.59
Oct	\$11.76	\$1.2966	\$15.89	\$8.46	\$1.2514	\$12.54	\$5.87	\$1.2444	\$10.02	\$7.73	\$1.2444	\$11.81	\$11.41	\$1.2758	\$15.48
Nov	\$11.74	\$1.2835	\$15.82	\$8.44	\$1.5815	\$13.68	\$3.17	\$1.5745	\$8.57	\$7.76	\$1.5745	\$13.00	\$11.36	\$1.4117	\$15.90
Dec	\$11.75	\$1.3683	\$16.13	\$8.45	\$1.6604	\$13.97	\$3.71	\$1.6534	\$9.37	\$7.75	\$1.6534	\$13.27	\$11.26	\$1.4959	\$16.10
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$7.89	\$1.2896	\$12.13	\$11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$7.86	\$1.4626	\$12.70	\$11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$7.85	\$1.6820	\$13.46	\$11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$7.87	\$1.9483	\$14.41	\$11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$7.90	\$2.1191	\$15.04	\$11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$7.87	\$2.2089	\$15.33	\$11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$7.41	\$2.1883	\$14.81	\$11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$7.27	\$2.2976	\$15.06	\$11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$7.29	\$2.4449	\$15.59	\$11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$7.24	\$1.6526	\$12.77	\$11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$7.15	\$1.4500	\$11.97	\$13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$7.02	\$1.4322	\$11.79	\$10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2000	255,525	275	224,785	87.97%	15,200	5.95%	7,712	3.02%	7,829	3.06%
Feb	243,677	250	220,592	90.53%	15,069	6.18%	5,204	2.14%	2,811	1.15%
Mar	270,661	244	236,388	87.34%	19,765	7.30%	5,144	1.90%	9,364	3.46%
Apr	258,886	250	211,666	81.75%	19,073	7.37%	6,153	2.38%	21,994	8.50%
May	254,692	245	214,790	84.34%	19,991	7.85%	5,968	2.34%	13,943	5.47%
Jun	228,335	245	202,603	88.74%	18,208	7.97%	4,434	1.94%	3,089	1.35%
Jul	225,202	310	199,325	88.51%	17,091	7.59%	5,293	2.35%	3,494	1.55%
Aug	220,189	318	202,356	91.91%	12,493	5.67%	3,788	1.72%	1,550	0.70%
Sep	203,778	309	186,789	91.66%	12,219	6.00%	3,448	1.69%	1,322	0.65%
Oct	221,324	311	198,743	89.79%	12,564	5.68%	5,772	2.61%	4,243	1.92%
Nov	231,820	306	208,965	90.14%	14,095	6.08%	4,249	1.83%	4,512	1.95%
Dec	253,076	307	218,778	86.45%	17,825	7.04%	6,525	2.58%	9,947	3.93%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	300**	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%

\* Class I and uniform prices are at Hillsborough County (Tampa), Florida; \*\* Estimate



## Florida Marketing Area - Federal Order 6

### Pool and Payment Dates For the Pooling Periods January through March 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
January	02/11/02	02/12/02	02/13/02	01/22/02	01/22/02	02/04/02	02/05/02	02/13/02	02/14/02
February	03/11/02	03/12/02	03/13/02	02/19/02	02/20/02	03/04/02	03/05/02	03/13/02	03/14/02
March	04/11/02	04/12/02	04/15/02	03/19/02	03/20/02	04/04/02	04/05/02	04/15/02	04/16/02

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To file a complaint, write USDA, Director, Office of Civil Rights; Room 326W, Jamie L. Whitten Building; 14th and Independence; Washington, D.C. 20250-4110, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208

*Address Correction Requested*

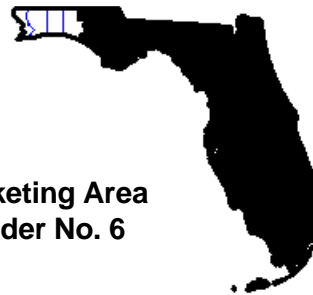
Mooving Into The New Year



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmlatlanta.com](http://www.fmmlatlanta.com)

February 2002

Volume 3—No. 2

## Looking Back At 2001

Due to significant changes in Federal Order regulations and boundaries, making historical comparisons can be deceptive. But for some perspective on the year 2001, consider the average uniform blend price was \$2.56 higher than 2000, the average Class I utilization was 1.8 percent higher and the average amount of producer milk on the Florida market decreased by 7.9 million pounds or 1.8 percent. The \$17.82 average blend price for 2001 was a good deal higher than returns seen in 1998 (\$17.09) and in 1999 (\$17.14) for the three Florida orders combined.

Compared with the previous year, 2001 saw less farms marketing milk on Federal Order 6. On average, 269 farms pooled on the Florida market each month, 12 fewer than during 2000. The largest number of farms participating in the pool during any month last year was 353, which was 11 percent higher than that number for 2000 (318 farms). While less farms on average pooled on Federal Order 6, the variability of farm numbers was much higher, with the lowest number of farms being pooled at 201 and the highest at 353. For a snapshot of 2001, see page four of this publication.

## Upper Midwest Pooling Standards Decision

The Upper Midwest Market Administrator notified interested persons of the Tentative Decision issued February 8 for the Upper Midwest Order. The decision would eliminate the ability to simultaneously pool milk on the Upper Midwest Order and a State-operated order as well as establish a limit on the amount of milk that can be diverted to non-pool plants from pool distributing plants. Cooperative associations are being polled to determine if producers favor issuance of the order, as amended. Interested persons have until 60 days after the decision is published in the Federal Register to submit comments on this decision. Publication in the Federal Register is expected to be February 14, 2002. Go to [www.fmmlatlanta.com](http://www.fmmlatlanta.com) for more details.

## Blend Price Up In January

The blend price in Hillsborough County, FL for January was \$15.76 per hundredweight for milk at 3.5 percent butterfat. This is a slight rebound (up 18 cents) from last month, but represents nearly a \$1.00 increase over January of 2001. Class I utilization was 90.3 percent, compared with 88.8 percent in December and 89.9 percent in January of last year.

The large declines seen in butter and cheese prices at the end of last year have worked their way through the Federal Order pricing structure. Since then, relative stability returned for the month of January which began the first full week of trading with \$1.30 and \$1.32 averages for cheese barrels and blocks and an average butter price of \$1.36. In the last week of January those averages were down slightly; 6 cents, 5 cents and 5 cents respectively. However January's stability seems to have given way to February's softening, with both cheese prices hovering near \$1.20, and butter bouncing between \$1.20 and \$1.25. If commodities remain at these lower levels, expect March's Class I price announcement to reflect it.

## National Dairy Situation

The price support program, operated through the Commodity Credit Corporation's (CCC) purchase of cheese, butter and nonfat dry milk continues to be effective in upholding milk prices. This is evident from the purchases of nonfat dry milk powder by CCC despite the so-called 'butter/powder tilt' of 2001. As last reported in Dairy Market News ([www.ams.usda.gov/dairy/mncls/weekly.htm](http://www.ams.usda.gov/dairy/mncls/weekly.htm)), powder purchases through February totaled 69.6 million pounds. Government purchases totaled 356.8 million pounds during 2001 (along with 1.3 million pounds of cheese), 558.1 million pounds of powder were purchased in 2000 (along with 16.7 million pounds of cheese) and 236.9 million pounds were purchased in 1999. It has been over seven years since butter purchases were made by CCC.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JANUARY 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	52.05%	4,690,704	\$1.3939	\$ 6,538,372.29
Class I Differential at Location				192,262.16
Class II Butterfat	26.78%	2,413,840	\$1.4916	3,600,483.73
Class III Butterfat	4.05%	364,574	\$1.4846	541,246.56
Class IV Butterfat	17.12%	1,542,877	\$1.4846	2,290,555.16
<b>Total Butterfat</b>	<b>100.00%</b>	<b>9,011,995</b>		<b>\$ 13,162,919.90</b>

Uniform Butterfat Price per lb. (Hillsborough County, Florida): **\$1.4606**

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	91.77%	214,865,363	\$7.34 /cwt.	\$ 15,771,117.64
Class I Butterfat	52.05%	4,690,704	\$1.3939 /lb.	6,538,372.29
Class I Differential at Location		219,556,067		8,983,002.29
<b>Total Class I Milk</b>	<b>90.29%</b>	<b>219,556,067</b>		<b>\$ 31,292,492.22</b>
Class II Skim Milk	5.15%	12,065,557	\$7.74 /cwt.	\$ 933,874.12
Class II Butterfat	26.78%	2,413,840	\$1.4916 /lb.	3,600,483.73
<b>Total Class II Milk</b>	<b>5.95%</b>	<b>14,479,397</b>		<b>\$ 4,534,357.85</b>
Class III Skim Milk	2.04%	4,779,130	\$6.92 /cwt.	\$ 330,715.81
Class III Butterfat	4.05%	364,574	\$1.4846 /lb.	541,246.56
<b>Total Class III Milk</b>	<b>2.12%</b>	<b>5,143,704</b>		<b>\$ 871,962.37</b>
Class IV Skim Milk	1.04%	2,435,349	\$6.98 /cwt.	\$ 169,987.36
Class IV Butterfat	17.12%	1,542,877	\$1.4846 /lb.	2,290,555.16
<b>Total Class IV Milk</b>	<b>1.64%</b>	<b>3,978,226</b>		<b>\$ 2,460,542.52</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>243,157,394</b>		<b>\$ 39,159,354.96</b>

### Adjustments

Overage and Other Source	\$ 34,906.37
Inventory Adjustments	184.80
Producer butterfat at uniform butterfat price	(13,162,919.90)
Location Adjustments to Producers	(209,117.41)
1/2 Unobligated Balance in P.S.F	98,148.63

### Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 11.07028	\$ 25,920,557.45
	\$ 0.04028	94,319.95

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

**\$11.03**

Uniform Price per cwt. (Hillsborough County, Florida)

**\$15.76\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	JAN 2002	FEB 2002	DEC 2001	JAN 2002	JAN 2002
Appalachian (Charlotte)	\$ 15.06	\$ 15.05	\$ 14.16	\$ 14.41	68.00%
Arizona-Las Vegas (Phoenix)	\$ 14.31	\$ 14.30	\$ 12.71	\$ 12.81	32.45%
Central (Kansas City)	\$ 13.96	\$ 13.95	\$ 12.46	\$ 12.61	28.54%
<b>Florida (Tampa)</b>	<b>\$ 15.96</b>	<b>\$ 15.95</b>	<b>\$ 15.58</b>	<b>\$ 15.76</b>	<b>90.29%</b>
Mideast (Cleveland)	\$ 13.96	\$ 13.95	\$ 12.64	\$ 12.88	40.50%
Northeast (Boston)	\$ 15.21	\$ 15.20	\$ 13.72	\$ 13.81	41.90%
Pacific Northwest (Seattle)	\$ 13.86	\$ 13.85	\$ 12.35	\$ 12.53	29.74%
Southeast (Atlanta)	\$ 15.06	\$ 15.05	\$ 13.95	\$ 14.13	57.99%
Southwest (Dallas)	\$ 14.96	\$ 14.95	\$ 13.45	\$ 13.66	46.00%
Upper Midwest (Chicago)	\$ 13.76	\$ 13.75	\$ 12.19	\$ 12.30	18.70%
Western (Salt Lake City)	\$ 13.85	\$ 13.84	\$ 12.33	\$ 12.44	18.91%



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

<b>Receipts:</b>	JANUARY 2002	JANUARY 2001
<b>Producer Milk</b>		
Class I	219,556,067	232,905,474
Class II	14,479,397	16,618,767
Class III	5,143,704	5,561,141
Class IV	3,978,226	3,947,107
	<hr/>	<hr/>
Total Producer Milk	<b>243,157,394</b>	<b>259,032,489</b>
Average Butterfat Test	3.71%	3.66%
Percent of Producer Milk in Class I	90.29%	89.91%
Daily Average Receipts	7,843,787	8,355,887
<b>Other Source Milk</b>		
Class I	9,366,947	6,462,997
Class II	13,736,633	11,206,200
Class III	25,901	59,516
Class IV	2,012,454	2,205,562
	<hr/>	<hr/>
Total Other Source Milk	<b>25,141,935</b>	<b>19,934,275</b>
<b>Overage</b>		
Class I	0	2,616
Class II	0	0
Class III	77,011	0
Class IV	39,468	52,220
	<hr/>	<hr/>
Total Overage	<b>116,479</b>	<b>54,836</b>
<b>Opening Inventory</b>		
Class I	11,924,568	11,259,430
Class II	287	39,389
Class III	10,717	736,652
Class IV	7,054,217	8,233,706
	<hr/>	<hr/>
Total Opening Inventory	<b>18,989,789</b>	<b>20,269,177</b>
	<hr/>	<hr/>
<b>Total Receipts</b>	<b>287,405,597</b>	<b>299,290,777</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	12,848,735	11,762,780
Route Disposition Class I	225,601,269	236,565,919
Shrinkage	1,980,660	1,547,926
Transfers and Diversions to Nonpool	416,918	753,892
	<hr/>	<hr/>
Total Class I Utilization	<b>240,847,582</b>	<b>250,630,517</b>
Average Butterfat Test	2.15%	2.18%
Daily Average Utilization	7,769,277	8,084,855
<b>Class II Utilization</b>		
Nonfluid Used To Produce	5,002,720	7,757,962
Shrinkage	0	0
Transfers and Diversions to Nonpool	3,104,860	4,676,445
Used To Produce/Other Uses	20,108,737	15,429,949
	<hr/>	<hr/>
Total Class II Utilization	<b>28,216,317</b>	<b>27,864,356</b>
Average Butterfat Test	8.76%	9.43%
<b>Class III Utilization</b>		
Shrinkage	3,040,978	4,225,722
Transfers and Diversions to Nonpool	891,862	801,927
Used To Produce/Other Uses	1,324,493	1,329,660
	<hr/>	<hr/>
Total Class III Utilization	<b>5,257,333</b>	<b>6,357,309</b>
Average Butterfat Test	7.19%	4.86%
<b>Class IV Utilization</b>		
Inventory	7,442,238	7,673,109
Nonfluid Used To Fortify	1,659,411	1,733,973
Shrinkage	0	742
Transfers and Diversions to Nonpool	3,982,716	5,030,771
Used To Produce/Other Uses	0	0
	<hr/>	<hr/>
Total Class IV Utilization	<b>13,084,365</b>	<b>14,438,595</b>
Average Butterfat Test	15.65%	14.71%
	<hr/>	<hr/>
<b>Total Utilization</b>	<b>287,405,597</b>	<b>299,290,777</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in January 2002 is \$15.76 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$11.03 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4606 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 91.77% of all producer skim milk (priced to handlers at \$7.34 per hundredweight, plus the Class I differential and 52.05% of producer butterfat (priced to handlers at \$1.3939 per pound plus Class I differential). Class II use accounted for 5.15% of all producer skim milk (\$7.74 per hundredweight) and 26.78% of producer butterfat (\$1.4916 per pound). Class III use accounted for 2.04% of all producer skim milk (\$6.92 per hundredweight) and 4.05% of producer butterfat (\$1.4846 per pound). Class IV use accounted for 1.04% of all producer skim milk (\$6.98 per hundredweight) and 17.12% of producer butterfat (\$1.4846 per pound).

Receipts of producer milk during January 2002 totaled 243.2 million pounds, 15.9 million pounds less than was pooled in January of last year. Florida producers supplied 197.0 million pounds of milk in December 2001 to pool plants or 85.64% of the total producer milk pooled in Florida. In December 2000 Florida producers supplied 82.07% of the total producer milk pooled in the Florida market.

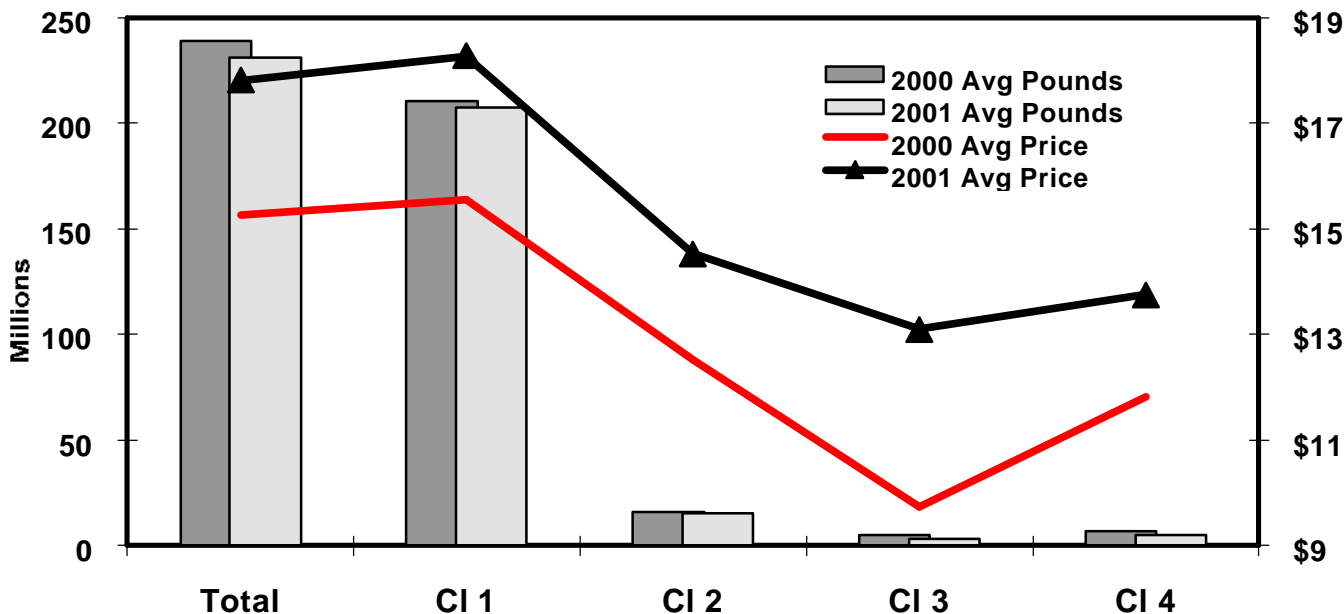
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for January 2002. In-area Class I route disposition totaled 242.6 million pounds in December 2001, 3.1 million pounds more than last year. This represents a 1.31 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida December
Whole Milk	104,838,347
Fat Free Milk	36,263,477
Lowfat Milk (incl. 1%)	24,497,780
Reduced Fat Milk (incl. 2%)	56,112,652
Cultured Fluid Milk (incl. Buttermilk)	1,447,093
Flavored Drinks and Milk	19,435,881
<b>Total Disposition in Marketing Area</b>	<b>242,595,230</b>
Total Disposition by Pool Plants	<b>214,096,149</b>
Total Disposition by Nonpool Plants	<b>28,499,081</b>
<b>Total Disposition in Marketing Area</b>	<b>242,595,230</b>

### Perspectives on 2001

The graph below summarizes monthly average pool pounds, in total and by class, for the years 2001 and 2000. Notice the decrease in average producer milk is spread across all classes of milk. On the right axis are graphed average class prices as well as the average blend prices (labeled 'Total') for 2001 and 2000.



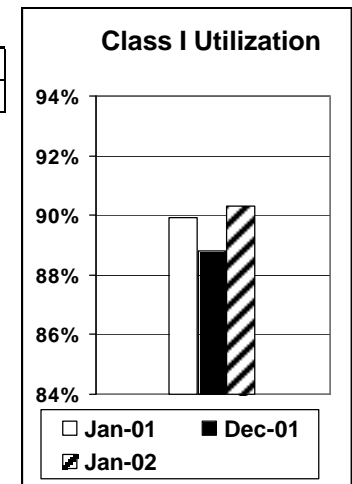
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	300**	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
February	03/11/02	03/12/02	03/13/02	02/19/02	02/20/02	03/04/02	03/05/02	03/13/02	03/14/02
March	04/11/02	04/12/02	04/15/02	03/19/02	03/20/02	04/04/02	04/05/02	04/15/02	04/16/02
April	05/11/02	05/13/02	05/14/02	04/19/02	04/22/02	05/06/02	05/06/02	05/14/02	05/15/02

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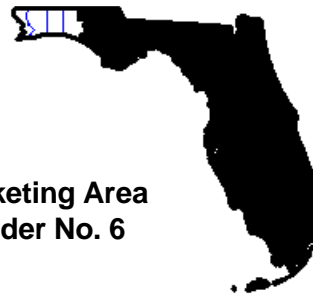
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# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



www.fmmatlanta.com

March 2002

Volume 3—No. 3

## State Production Declined 2.1%

In a year when national production was off 1.3 percent, 2001 production in the state of Florida fell just over 2 percent according to NASS. Milk per cow in the state actually increased by 0.4 percent while the number of

No.	St.	Pounds (million)	% Chg from '00	% Chg from '95
1	CA	33,251	3.0	31.3
2	WI	22,199	(4.6)	(3.2)
3	NY	11,778	(1.2)	1.2
4	PA	10,849	(2.8)	2.3
5	MN	8,812	(7.2)	(6.7)
6	ID	7,757	7.4	84.3
7	MI	5,855	2.6	5.2
8	NM	5,561	6.2	53.5
9	WA	5,514	(1.4)	4.0
10	TX	5,099	(11.1)	(16.6)
16	FL	2,411	(2.1)	1.3
19	MO	1,949	(13.7)	(27.5)
22	KY	1,660	(2.1)	(17.8)
26	GA	1,431	(0.1)	(8.0)
27	TN	1,335	(5.0)	(23.5)
34	LA	632	(9.5)	(30.2)
35	MS	497	(8.1)	(30.0)
38	AR	432	(10.9)	(41.0)
43	AL	300	(13.8)	(37.8)
	SE	8,236	(7.1)	(24.0)
	US	165,336	(1.3)	6.2

\*AL, AR, GA, KY, LA, MO, MS & TN;

Source:NASS

percent in that same time period with 10.6 percent more production per cow, and 3.7 percent fewer cows.

## Hearings Scheduled

USDA invites dairy producers, milk processors and the public to testify at a hearing on proposals that would amend certain pooling and related provisions in the Western and Pacific Northwest orders. The hearing will be held on Tuesday, April 16 in Salt Lake City, Utah. Details of the proposals were published in the March 4 *Federal Register*, available at [www.gpo.gov/su\\_docs/aces/aces140.html](http://www.gpo.gov/su_docs/aces/aces140.html). Copies may be obtained from the Pacific Northwest and Western milk marketing order office, USDA/AMS/Dairy Programs, 1930-220th Street, S.E., Suite 102, Bothell, Washington 98021-8471.

## Blend Price Lower In February

The uniform blend in Hillsborough County, FL was \$15.46 per hundredweight for milk at 3.5 percent butterfat for the month of February. This represents a 30 cent decline from last month, and is 45 cents lower than February of last year. Class I utilization held nearly constant from last month at 90.1 percent and was up minimally from February 2001's value of 89.6 percent.

## USDA Offers Outlook at AG Forum

USDA chief economist Keith Collins provided the Department's outlook for the US farm economy at the 2002 Agricultural Outlook Forum in Washington, D.C. Collins noted the strong milk prices of last year are expected to boost total production by 1.8 percent this year. The all-milk price is projected to average \$13.25, recently lowered a nickel from February's estimate.

Adding more specific insights as to the year ahead was Jim Miller, agricultural economist with Economics Research Service at USDA. Miller stated milk-feed price ratios should continue to be favorable, even if not quite as good as 2001, and feed quality should improve as the year progresses. But the availability of replacement heifers will be a limiting factor to production gains. The number of farms exiting the industry is expected to be steady and consistent with recent trends despite the large drop-off in prices. Demand for milk and milk products is anticipated to experience moderate growth. In summary, expect the upcoming year better than 2000 but not as good as 2001.

## National Dairy Situation

USDA estimates total US production of milk in January at 14.2 billion pounds, an increase of 1.8 percent from a year ago, and 2.5 percent higher than December of 2001. Total cheese output (excluding cottage cheese) was 695 million pounds, 1.3 percent above January 2001 but 1.3 percent below December 2001. Butter production was 143 million pounds in January, 10.4 percent above a January 2001 and 15.8 percent above the previous month.

**F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - FEBRUARY 2002**

**Calculation of Uniform Butterfat Price:**

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	52.64%	4,338,580	\$1.4860	\$ 6,447,129.88
Class I Differential at Location				177,190.29
Class II Butterfat	30.06%	2,478,051	\$1.3887	3,441,269.42
Class III Butterfat	2.92%	240,776	\$1.3817	332,680.20
Class IV Butterfat	14.38%	1,185,275	\$1.3817	1,637,694.47
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,242,682</b>		<b>\$ 12,035,964.26</b>

**Uniform Butterfat Price per lb. (Hillsborough County, Florida):** **\$1.4602**

**Calculation of Uniform Skim Milk Price:**

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	91.49%	197,950,587	\$6.99 /cwt.	\$ 13,836,746.01
Class I Butterfat	52.64%	4,338,580	\$1.4860 /lb.	6,447,129.88
Class I Differential at Location		202,289,167		8,278,162.02
<b>Total Class I Milk</b>	<b>90.08%</b>	<b>202,289,167</b>		<b>\$ 28,562,037.91</b>
Class II Skim Milk	5.62%	12,153,103	\$7.69 /cwt.	\$ 934,573.64
Class II Butterfat	30.06%	2,478,051	\$1.3887 /lb.	3,441,269.42
<b>Total Class II Milk</b>	<b>6.51%</b>	<b>14,631,154</b>		<b>\$ 4,375,843.06</b>
Class III Skim Milk	0.56%	1,206,120	\$7.04 /cwt.	\$ 84,910.85
Class III Butterfat	2.92%	240,776	\$1.3817 /lb.	332,680.20
<b>Total Class III Milk</b>	<b>0.64%</b>	<b>1,446,896</b>		<b>\$ 417,591.05</b>
Class IV Skim Milk	2.33%	5,046,281	\$6.95 /cwt.	\$ 350,716.54
Class IV Butterfat	14.38%	1,185,275	\$1.3817 /lb.	1,637,694.47
<b>Total Class IV Milk</b>	<b>2.77%</b>	<b>6,231,556</b>		<b>\$ 1,988,411.01</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>224,598,773</b>		<b>\$ 35,343,883.03</b>

**Adjustments**

Overage and Other Source	\$ 62,118.14
Inventory Adjustments	108.79
Producer butterfat at uniform butterfat price	(12,035,964.26)
Location Adjustments to Producers	(187,371.01)
1/2 Unobligated Balance in P.S.F	115,384.37

**Adjusted Pool Value**

	<b>\$ 10.76843</b>	<b>\$ 23,298,159.06</b>
Reserve for Producer Settlement Fund	<b>\$ 0.04843</b>	104,786.10

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

**\$10.72**

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

**\$15.46\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	FEB 2002	MAR 2002	JAN 2001	FEB 2002	FEB 2002
Appalachian (Charlotte)	\$ 15.05	\$ 14.72	\$ 14.41	\$ 14.04	65.71%
Arizona-Las Vegas (Phoenix)	\$ 14.30	\$ 13.97	\$ 12.81	\$ 12.46	30.80%
Central (Kansas City)	\$ 13.95	\$ 13.62	\$ 12.61	\$ 12.32	27.44%
<b>Florida (Tampa)</b>	<b>\$ 15.95</b>	<b>\$ 15.62</b>	<b>\$ 15.76</b>	<b>\$ 15.46</b>	<b>90.08%</b>
Mideast (Cleveland)	\$ 13.95	\$ 13.62	\$ 12.88	\$ 12.46	34.90%
Northeast (Boston)	\$ 15.20	\$ 14.87	\$ 13.81	\$ 13.48	40.80%
Pacific Northwest (Seattle)	\$ 13.85	\$ 13.52	\$ 12.53	\$ 12.14	27.29%
Southeast (Atlanta)	\$ 15.05	\$ 14.72	\$ 14.13	\$ 13.75	56.63%
Southwest (Dallas)	\$ 14.95	\$ 14.62	\$ 13.66	\$ 13.28	41.59%
Upper Midwest (Chicago)	\$ 13.75	\$ 13.42	\$ 12.30	\$ 12.04	19.70%
Western (Salt Lake City)	\$ 13.84	\$ 13.51	\$ 12.44	\$ 12.09	17.35%

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

Receipts:	FEBRUARY 2002	FEBRAURY 2001
<b>Producer Milk</b>		
Class I	202,289,167	209,315,140
Class II	14,631,154	16,832,251
Class III	1,446,896	4,364,326
Class IV	6,231,556	3,169,900
	<hr/>	<hr/>
Total Producer Milk	<b>224,598,773</b>	<b>223,681,617</b>
Average Butterfat Test	3.67%	3.59%
Percent of Producer Milk in Class I	90.08%	89.57%
Daily Average Receipts	8,021,385	8,345,772
<b>Other Source Milk</b>		
Class I	4,721,427	4,577,601
Class II	12,065,773	10,966,179
Class III	0	1,121
Class IV	1,508,011	2,208,766
	<hr/>	<hr/>
Total Other Source Milk	<b>18,295,211</b>	<b>17,753,667</b>
<b>Overage</b>		
Class I	0	0
Class II	0	0
Class III	18,410	2,066
Class IV	37,664	25,986
	<hr/>	<hr/>
Total Overage	<b>56,074</b>	<b>28,052</b>
<b>Opening Inventory</b>		
Class I	12,848,735	11,762,780
Class II	265,424	126,575
Class III	0	2,232,498
Class IV	7,176,814	7,323,285
	<hr/>	<hr/>
Total Opening Inventory	<b>20,290,973</b>	<b>19,435,889</b>
	<b>263,241,031</b>	<b>270,899,225</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	12,316,840	11,201,911
Route Disposition Class I	205,814,733	212,613,560
Shrinkage	1,176,631	1,201,355
Transfers and Diversions to Nonpool	561,125	638,695
	<hr/>	<hr/>
Total Class I Utilization	<b>219,859,329</b>	<b>225,655,521</b>
Average Butterfat Test	2.15%	2.16%
Daily Average Utilization	7,852,119	8,059,126
<b>Class II Utilization</b>		
Nonfluid Used To Produce	11,756,635	7,653,508
Shrinkage	0	0
Transfers and Diversions to Nonpool	3,244,890	3,205,180
Used To Produce/Other Uses	11,960,826	17,066,317
	<hr/>	<hr/>
Total Class II Utilization	<b>26,962,351</b>	<b>27,925,005</b>
Average Butterfat Test	9.26%	9.51%
<b>Class III Utilization</b>		
Shrinkage	0	2,860,436
Transfers and Diversions to Nonpool	1,465,306	612,000
Used To Produce/Other Uses	0	1,118,326
	<hr/>	<hr/>
Total Class III Utilization	<b>1,465,306</b>	<b>4,590,762</b>
Average Butterfat Test	17.69%	6.25%
<b>Class IV Utilization</b>		
Inventory	6,410,059	8,501,041
Nonfluid Used To Fortify	1,592,404	1,666,830
Shrinkage	3,328,688	0
Transfers and Diversions to Nonpool	2,650,152	2,560,066
Used To Produce/Other Uses	972,742	0
	<hr/>	<hr/>
Total Class IV Utilization	<b>14,954,045</b>	<b>12,727,937</b>
Average Butterfat Test	11.02%	12.42%
	<b>263,241,031</b>	<b>270,899,225</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in February 2002 is \$15.46 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.72 per hundredweight plus 3.5 times the uniform butterfat price of \$1.4602 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 91.49% of all producer skim milk (priced to handlers at \$6.99 per hundredweight, plus the Class I differential) and 52.64% of producer butterfat (priced to handlers at \$1.4860 per pound plus Class I differential). Class II use accounted for 5.62% of all producer skim milk (\$7.69 per hundredweight) and 30.06% of producer butterfat (\$1.3887 per pound). Class III use accounted for 0.56% of all producer skim milk (\$7.04 per hundredweight) and 2.92% of producer butterfat (\$1.3817 per pound). Class IV use accounted for 2.33% of all producer skim milk (\$6.95 per hundredweight) and 14.38% of producer butterfat (\$1.3817 per pound).

Receipts of producer milk during February 2002 totaled 224.6 million pounds, 9.1 million pounds less than was pooled in February of last year. Florida producers supplied 211.6 million pounds of milk in January 2002 to pool plants or 87.00% of the total producer milk pooled in Florida. In January 2001 Florida producers supplied 84.62% of the total producer milk pooled in the Florida market.

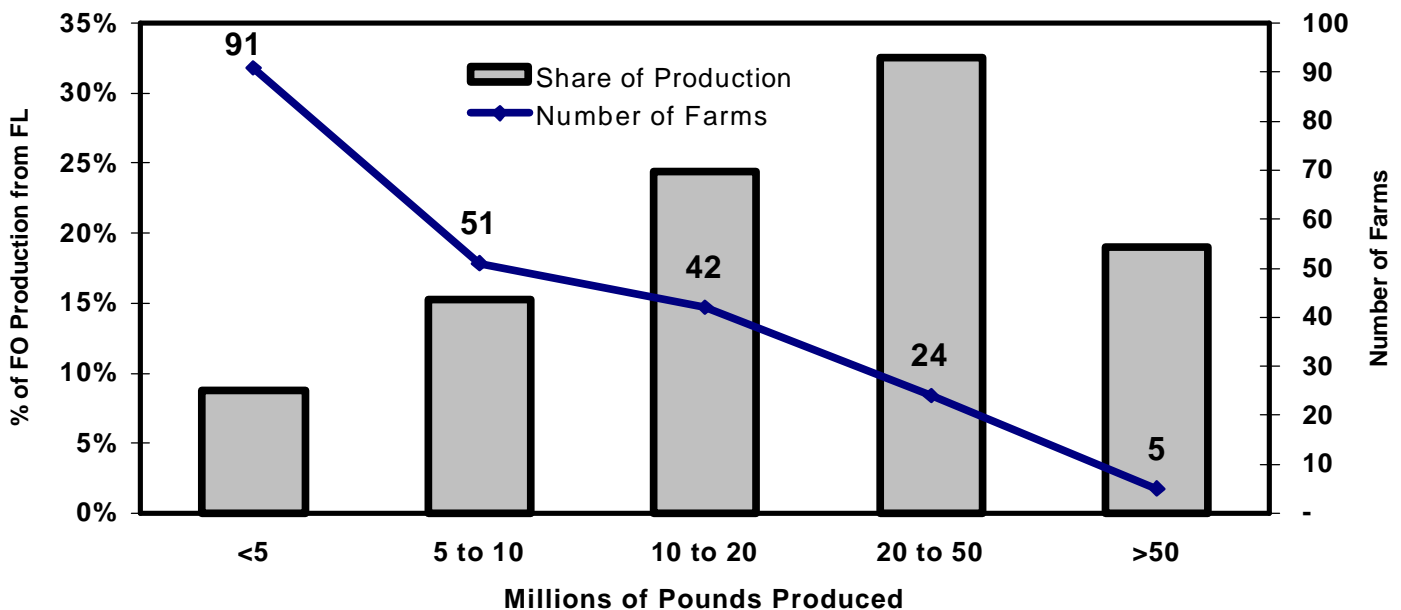
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for February 2002. In-area Class I route disposition totaled 254.1 million pounds in January 2002, just 58 thousand pounds less than last year. This represents a 0.02 percent decrease after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>January 2002</b>
Whole Milk	109,210,283
Fat Free Milk	38,095,386
Lowfat Milk (incl. 1%)	28,934,658
Reduced Fat Milk (incl. 2%)	58,709,521
Cultured Fluid Milk (incl. Buttermilk)	1,434,775
Flavored Drinks and Milk	17,722,028
<b>Total Disposition in Marketing Area</b>	<b>254,106,651</b>
Total Disposition by Pool Plants	<b>223,385,442</b>
Total Disposition by Nonpool Plants	<b>30,721,209</b>
<b>Total Disposition in Marketing Area</b>	<b>254,106,651</b>

### Share of Production by Farm Size: 2001

The chart below demonstrates the number of farms located within the state of Florida in various size ranges and their share of total pounds pooled on FO 5, 6 or 7 during 2001 from the state of Florida. The 29 (24 plus 5) farms that pooled more than 20 million pounds last year combined for 52 percent of producer milk on the Florida order, while the remaining 184 (91 plus 51 plus 42) farms producing less than 20 million pounds made up 48 percent.





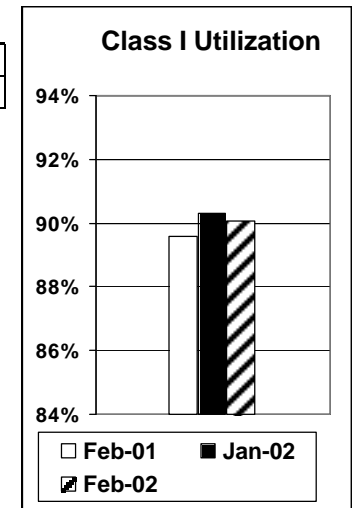
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	270**	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
March	04/11/02	04/12/02	04/15/02	03/19/02	03/20/02	04/04/02	04/05/02	04/15/02	04/16/02
April	05/11/02	05/13/02	05/14/02	04/19/02	04/22/02	05/06/02	05/06/02	05/14/02	05/15/02
May	06/11/02	06/12/02	06/13/02	05/20/02	05/20/02	06/04/02	06/05/02	06/13/02	06/14/02

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To file a complaint, write USDA, Director, Office of Civil Rights; Room 326W, Jamie L. Whitten Building; 14th and Independence; Washington, D.C. 202509410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208

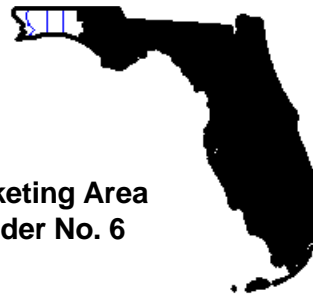
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# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

April 2002

Volume 3—No. 4

## Dairy Checkoff Suit Filed

In a suit filed April 2 with the U.S. District Court in Scranton, Pennsylvania, a family of dairy farmers is challenging the constitutionality of the Dairy Promotion Program. That program, which is a self-help program, is funded by a mandatory 15-cent-per-hundredweight assessment on all milk produced in the contiguous 48 States and marketed commercially by dairy farmers. It seeks to increase consumption of milk and milk products as well as reduce milk surpluses. Promotion, research and nutritional education programs at the regional, state and local levels receive funding from the program. USDA Secretary Veneman and the National Dairy Promotion Board are named as defendants.

Congress authorized the Dairy Promotion Program in 1983 with the Dairy Production Stabilization Act. Assessments were first collected in May of 1984, and in August of the following year a producer referendum revealed nearly 90 percent approved of the program. A similar referendum was held in 1993 and over 70 percent of dairy farmers voted in favor of continuation of the mandatory assessments for promotion activities.

The plaintiffs, along with the non-profit organization Center for Individual Freedom, claim the mandatory assessments infringe upon free speech by forcing farmers to financially support speech they would otherwise not support. This case follows on the heels of mushroom, plum and beef producer promotion program challenges.

For more information on the Dairy Promotion Program please see [www.ams.usda.gov/dairy/ndb.htm](http://www.ams.usda.gov/dairy/ndb.htm), or for a copy of the complaint filed see [www.cfif.org/legal\\_current.htm](http://www.cfif.org/legal_current.htm).

## 2001 Annual Statistics Available Online

View and/or print 2001 annual statistics for Federal Order 6 at [www.fmmatlanta.com](http://www.fmmatlanta.com). Find producer milk receipts and classifications, utilizations by class, Class I route disposition, a variety of price data as well as state and county data.

## March Blend \$15.20

The uniform blend in Hillsborough County, FL was \$15.20 per hundredweight for milk at 3.5 percent butterfat for the month of March. This represents a 26-cent decline from last month, and is \$1.49 lower than March of last year. Class I utilization fell slightly from last month to 88.35 percent and was also lower than March 2001's value of 91.3 percent. Pounds of producer milk pooled on FO 6 were down this month compared to March 2001, and have been consistently lower in month versus previous year's month comparisons since January.

On the Chicago Mercantile Exchange, consistency seems to have taken hold in the cheese market, with perhaps some weakening in butter prices but a definitive decline in nonfat dry milk prices. Nonfat dry milk fell off five cents for extra grade and thirteen cents for grade A. However, it was the softening of butter prices in early February which lowered the Class I butterfat price this month by over twelve cents, and similarly it was an eight cent decline in the NASS survey price for cheese which induced the over one dollar decline in the Class III skim price.

## National Dairy Situation

USDA estimates total US production of milk in February at 13.3 billion pounds, an increase of 2.8 percent from a year ago, and 6.9 percent lower than January of 2002. Total cheese output (excluding cottage cheese) was 644 million pounds, 1.9 percent above February 2001 but 7.6 percent below January 2002. Butter production was 125 million pounds in February, 13.9 percent above February 2001 but 10.8 percent below January 2002. The milk-feed price ratio (the number of pounds of 16% mixed dairy feed equal in value to one pound of whole milk) was 2.91 in March, down fractionally from the previous month. Compared with the March 2001 value of 3.24, current input costs are higher than last year relative to prices received for milk output.

**F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - MARCH 2002**

**Calculation of Uniform Butterfat Price:**

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	52.54%	4,732,832	\$1.3617	\$ 6,444,697.35
Class I Differential at Location				193,213.12
Class II Butterfat	36.48%	3,285,767	\$1.3708	4,504,129.40
Class III Butterfat	3.97%	358,022	\$1.3638	488,270.40
Class IV Butterfat	7.01%	631,001	\$1.3638	860,559.16
<b>Total Butterfat</b>	<b>100.00%</b>	<b>9,007,622</b>		<b>\$ 12,490,869.43</b>

**Uniform Butterfat Price per lb. (Hillsborough County, Florida):** **\$1.3867**

**Calculation of Uniform Skim Milk Price:**

<b>Producer Milk</b>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	89.71%	213,456,450	\$7.10 /cwt.	\$ 15,155,407.97
Class I Butterfat	52.54%	4,732,832	\$1.3617 /lb.	6,444,697.35
Class I Differential at Location		218,189,282		8,927,805.58
<b>Total Class I Milk</b>	<b>88.35%</b>	<b>218,189,282</b>		<b>\$ 30,527,910.90</b>
Class II Skim Milk	5.92%	14,092,671	\$7.66 /cwt.	\$ 1,079,498.62
Class II Butterfat	36.48%	3,285,767	\$1.3708 /lb.	4,504,129.40
<b>Total Class II Milk</b>	<b>7.04%</b>	<b>17,378,438</b>		<b>\$ 5,583,628.02</b>
Class III Skim Milk	2.85%	6,787,378	\$6.09 /cwt.	\$ 413,351.33
Class III Butterfat	3.97%	358,022	\$1.3638 /lb.	488,270.40
<b>Total Class III Milk</b>	<b>2.89%</b>	<b>7,145,400</b>		<b>\$ 901,621.73</b>
Class IV Skim Milk	1.52%	3,609,971	\$6.89 /cwt.	\$ 248,727.01
Class IV Butterfat	7.01%	631,001	\$1.3638 /lb.	860,559.16
<b>Total Class IV Milk</b>	<b>1.72%</b>	<b>4,240,972</b>		<b>\$ 1,109,286.17</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>246,954,092</b>		<b>\$ 38,122,446.82</b>

**Adjustments**

Overage and Other Source	\$ 48,430.68
Inventory Adjustments	(369.62)
Producer butterfat at uniform butterfat price	(12,490,869.43)
Location Adjustments to Producers	(183,528.99)
1/2 Unobligated Balance in P.S.F	109,179.51

**Adjusted Pool Value**

Reserve for Producer Settlement Fund	\$ 10.76095	\$ 25,605,288.97
	\$ 0.04095	97,427.40

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

**\$10.72**

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

**\$15.20\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	MAR 2002	APR 2002	FEB 2002	MAR 2002	MAR 2002
Appalachian (Charlotte)	\$ 14.72	\$ 14.57	\$ 14.04	\$ 13.60	59.11%
Arizona-Las Vegas (Phoenix)	\$ 13.97	\$ 13.82	\$ 12.46	\$ 11.91	28.54%
Central (Kansas City)	\$ 13.62	\$ 13.47	\$ 12.32	\$ 11.66	26.39%
<b>Florida (Tampa)</b>	<b>\$ 15.62</b>	<b>\$ 15.47</b>	<b>\$ 15.46</b>	<b>\$ 15.20</b>	<b>88.35%</b>
Mideast (Cleveland)	\$ 13.62	\$ 13.47	\$ 12.46	\$ 11.93	34.90%
Northeast (Boston)	\$ 14.87	\$ 14.72	\$ 13.48	\$ 13.05	39.20%
Pacific Northwest (Seattle)	\$ 13.52	\$ 13.37	\$ 12.14	\$ 11.73	26.70%
Southeast (Atlanta)	\$ 14.72	\$ 14.57	\$ 13.75	\$ 13.34	53.02%
Southwest (Dallas)	\$ 14.62	\$ 14.47	\$ 13.28	\$ 12.77	39.03%
Upper Midwest (Chicago)	\$ 13.42	\$ 13.27	\$ 12.04	\$ 11.25	18.90%
Western (Salt Lake City)	\$ 13.51	\$ 13.36	\$ 12.09	\$ 11.56	23.69%

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

<b>Receipts:</b>	MARCH 2002	MARCH 2001
<b>Producer Milk</b>		
Class I	218,189,282	239,872,973
Class II	17,378,438	17,686,425
Class III	7,145,400	3,716,589
Class IV	4,240,972	1,472,150
Total Producer Milk	<u>246,954,092</u>	<u>262,748,137</u>
Average Butterfat Test	3.65%	3.54%
Percent of Producer Milk in Class I	88.35%	91.29%
Daily Average Receipts	7,966,261	8,475,746
<b>Other Source Milk</b>		
Class I	4,073,282	6,304,176
Class II	13,823,109	12,082,624
Class III	28,476	1,183
Class IV	1,425,774	1,928,530
Total Other Source Milk	<u>19,350,641</u>	<u>20,316,513</u>
<b>Overage</b>		
Class I	0	2,361
Class II	0	154,932
Class III	5,808	103,122
Class IV	108,630	20,266
Total Overage	<u>114,438</u>	<u>280,681</u>
<b>Opening Inventory</b>		
Class I	12,362,991	11,407,320
Class II	51,124	841,705
Class III	287,608	2,451,182
Class IV	6,025,176	5,002,745
Total Opening Inventory	<u>18,726,899</u>	<u>19,702,952</u>
<b>Total Receipts</b>	<b>285,146,070</b>	<b>303,048,283</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	11,460,113	13,937,972
Route Disposition Class I	221,400,363	241,937,133
Shrinkage	1,101,793	951,015
Transfers and Diversions to Nonpool	663,286	760,710
Total Class I Utilization	<u>234,625,555</u>	<u>257,586,830</u>
Average Butterfat Test	2.17%	2.16%
Daily Average Utilization	7,568,566	8,309,253
<b>Class II Utilization</b>		
Nonfluid Used To Produce	13,154,683	8,766,640
Shrinkage	0	0
Transfers and Diversions to Nonpool	5,375,555	4,037,597
Used To Produce/Other Uses	12,722,433	17,961,449
Total Class II Utilization	<u>31,252,671</u>	<u>30,765,686</u>
Average Butterfat Test	10.59%	9.50%
<b>Class III Utilization</b>		
Shrinkage	3,256,979	3,988,628
Transfers and Diversions to Nonpool	3,012,405	1,132,338
Used To Produce/Other Uses	1,197,908	1,151,110
Total Class III Utilization	<u>7,467,292</u>	<u>6,272,076</u>
Average Butterfat Test	5.07%	5.79%
<b>Class IV Utilization</b>		
Inventory	8,531,418	3,576,025
Nonfluid Used To Fortify	1,587,293	1,705,359
Shrinkage	0	0
Transfers and Diversions to Nonpool	1,681,841	3,142,307
Used To Produce/Other Uses	0	0
Total Class IV Utilization	<u>11,800,552</u>	<u>8,423,691</u>
Average Butterfat Test	9.19%	17.55%
<b>Total Utilization</b>	<b>285,146,070</b>	<b>303,048,283</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in March 2002 is \$15.20 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.72 per hundredweight plus 3.5 times the uniform butterfat price of \$1.3867 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 89.71% of all producer skim milk (priced to handlers at \$7.10 per hundredweight, plus the Class I differential and 2.54% of producer butterfat (priced to handlers at \$1.3617 per pound plus Class I differential). Class II use accounted for 5.92% of all producer skim milk (\$7.66 per hundredweight) and 36.48% of producer butterfat (\$1.3708 per pound). Class III use accounted for 2.85% of all producer skim milk (\$6.09 per hundredweight) and 3.97% of producer butterfat (\$1.3638 per pound). Class IV use accounted for 1.52% of all producer skim milk (\$6.89 per hundredweight) and 7.01% of producer butterfat (\$1.3638 per pound).

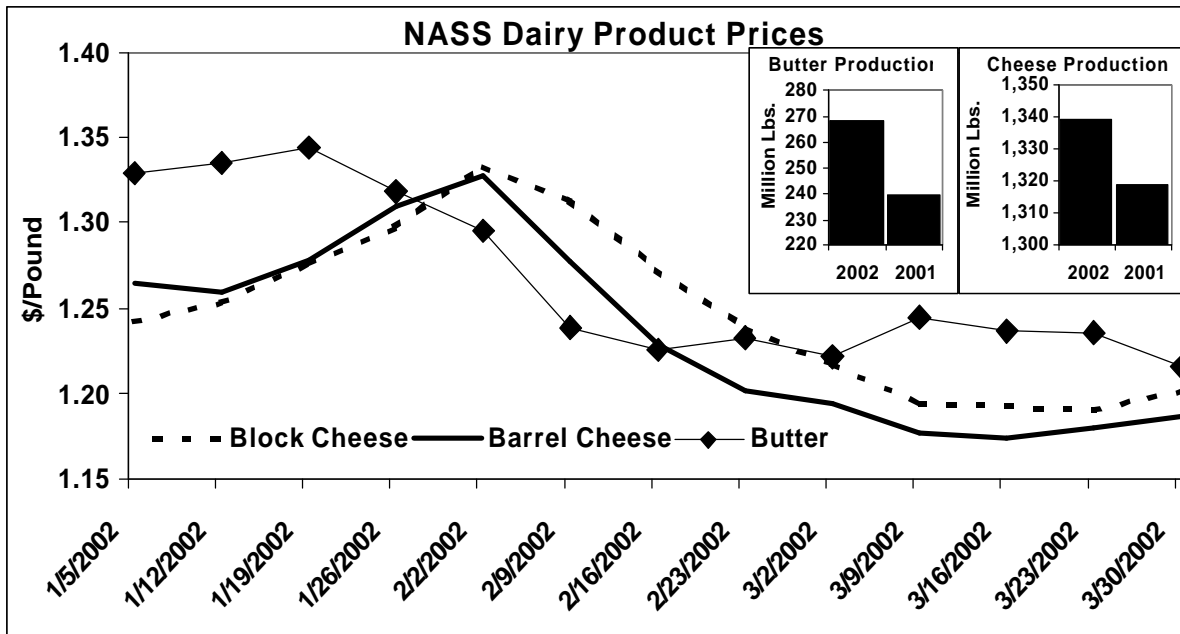
Receipts of producer milk during March 2002 totaled 246.9 million pounds, 15.8 million pounds less than was pooled in March of last year. Florida producers supplied 200.1 million pounds of milk in February 2002 to pool plants or 89.08% of the total producer milk pooled in Florida. In February 2001 Florida producers supplied 88.70% of the total producer milk pooled in the Florida market.

There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for March 2002. In-area Class I route disposition totaled 232.9 million pounds in February 2002, just 4.6 million pounds more than last year. This represents a 2.01 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida February 2002
Whole Milk	97,072,525
Fat Free Milk	37,578,226
Lowfat Milk (incl. 1%)	25,450,444
Reduced Fat Milk (incl. 2%)	55,745,331
Cultured Fluid Milk (incl. Buttermilk)	1,363,631
Flavored Drinks and Milk	15,673,754
<b>Total Disposition in Marketing Area</b>	<b>232,883,911</b>
Total Disposition by Pool Plants	<b>204,217,977</b>
Total Disposition by Nonpool Plants	<b>28,665,934</b>
<b>Total Disposition in Marketing Area</b>	<b>232,883,911</b>

National Agricultural Statistics Service (NASS) survey prices for block and barrel cheese have fallen by 10% and 11%, respectively, since early February. Similarly, the butter survey price has declined 10% from its mid-January high.



Declining dairy product prices may be attributed to strengthening milk production and an accompanying increase in cheese and butter production (see inset). Cumulative butter production through February 2002 was 268 million pounds, up 12% from the same time period last year. Cumulative cheese production through February stood at 1.34 billion pounds, 16% above

that of February 2001. Declining butter and cheese survey prices negatively impact class prices and ultimately lead to lower uniform prices.

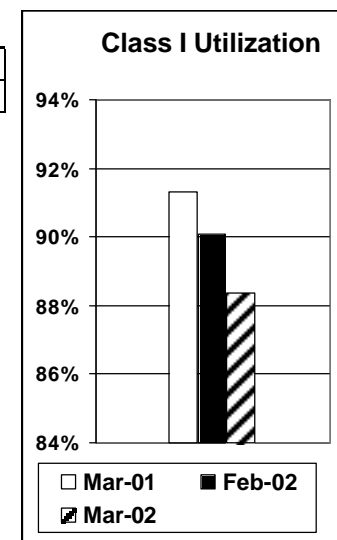
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	260**	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%

\* Class I and uniform prices are at Hillsborough County (Tampa), Florida; \*\* Estimated



## Florida Marketing Area - Federal Order 6

### Pool and Payment Dates For the Pooling Periods April through June 2002

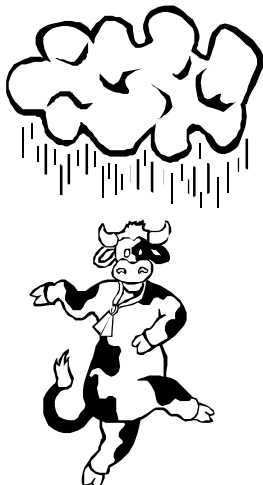
	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
April	05/11/02	05/13/02	05/14/02	04/19/02	04/22/02	05/06/02	05/06/02	05/14/02	05/15/02
May	06/11/02	06/12/02	06/13/02	05/20/02	05/20/02	06/04/02	06/05/02	06/13/02	06/14/02
June	07/11/02	07/12/02	07/15/02	06/19/02	06/20/02	07/05/02	07/05/02	07/15/02	07/16/02

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FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208

*Address Correction Requested*

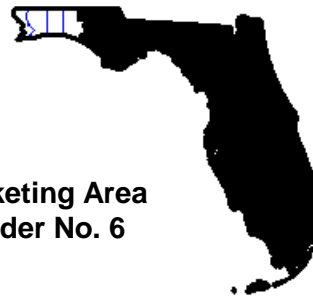




# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

May 2002

Volume 3—No. 5

## Farm Bill Signed Into Law

On May 13th, with the stroke of his pen, President Bush signed into law "The Farm Security and Rural Investment Act of 2002". Massive in its scale and scope in terms of commodities covered, authorized expenditures and the length of coverage, this Farm Bill is important for dairy farmers for two significant dairy-specific provisions.

First, the price support program was extended at the current level of \$9.90 per hundredweight through 2008. This is a reversal from the 1996 Farm Bill, which would have allowed the price support to expire in 2000. Second, a new counter-cyclical payment program will be established to provide direct support to producers when the Boston Class I price falls below \$16.94 per hundredweight. The program would operate as follows: 45% of the difference between \$16.94 and the Boston price will be paid to producers on their first 2.4 million pounds per year. The program is retroactive to December 2001 and will continue to operate for three and a half years. (Page four contains more information on the counter-cyclical program.)

Items of lesser importance included in the Farm Bill are a Johne's disease control program, raising the minimum volume threshold which exempts processors from the checkoff for the Fluid Milk Processor Education Program, equivalent treatment of imported dairy products for the National Dairy Board checkoff for promotion and research projects, extension of the Dairy Export Incentive Program as well as the Dairy Indemnity Program, and increased funding for the Market Access Program, the Environmental Quality Incentives Program, and other new conservation programs. Finally, it mandates no less than four studies to examine dairy-related issues.

Secretary Veneman affirmed USDA's commitment to ensure "timely and efficient implementation [of the Farm Bill] during the coming months" despite many of the complex new programs and changes to existing programs it lays forth.

## April Blend Falls To \$14.93

The uniform blend in Hillsborough County, FL was \$14.93 per hundredweight for milk at 3.5 percent butterfat for the month of April. This represents a 27-percent decline from last month, and is \$2.41 lower than April of last year. Class I utilization fell slightly from last month to 87.74 percent and was basically equivalent to April 2001's value of 87.63 percent. The amount of producer milk pooled on FO 6 was slightly lower compared with March, but similar to year-before levels for April.

## National Dairy Situation

USDA estimates total US production of milk in March at 14.8 billion pounds, an increase of 3.2 percent from a year previous. Quarterly production for the year is up 2.4 percent from the first quarter of 2001. Total cheese output (excluding cottage cheese) was 717 million pounds, 0.5 percent above March 2001 and 10.8 percent above February 2002. Butter production was 129 million pounds in March, 15.8 percent above March 2001 and 2.9 percent above February 2002.

## Ice Cream Makers Seek Pricing Reform

In a petition sent to USDA in late April, the International Ice Cream Association proposed several adjustments to the classified pricing structure. The redress sought would remove the direct linkage between Class II prices and Class IV prices. No official action has been initiated by the Department on the petition.

## Nominations Requested By May 31st

The National Dairy Promotions and Research Board is in need of new candidates to serve three-year terms beginning November, 2002. USDA will appoint nominees in eleven different regions to administer the coordinated program of promotion, research and nutritional education financed by the mandatory 15-cent per hundredweight assessment on dairy producers. For nominating forms and procedures, contact David R. Jamison, Chief, Promotion and Research Branch, Dairy Programs, AMS, USDA, Room 2958-S, Stop 0233, 1400 Independence Ave., SW, Washington, D.C. 20250-0233; telephone (202) 720-6909; or E-mail at david.jamison2@usda.gov.

**F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - APRIL 2002**

**Calculation of Uniform Butterfat Price:**

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	53.67%	4,623,997	\$1.3733	\$ 6,350,135.07
Class I Differential at Location				188,890.17
Class II Butterfat	34.73%	2,991,972	\$1.2960	3,877,595.72
Class III Butterfat	4.34%	374,101	\$1.2890	482,216.19
Class IV Butterfat	7.26%	625,403	\$1.2890	806,144.47
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,615,473</b>		<b>\$ 11,704,981.62</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida)</b>			<b>\$1.3586</b>	

**Calculation of Uniform Skim Milk Price:**

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	89.00%	206,737,152	\$6.91 /cwt.	\$ 14,285,537.21
Class I Butterfat	53.67%	4,623,997	\$1.3733 /lb.	6,350,135.07
Class I Differential at Location		211,361,149		8,647,688.01
<b>Total Class I Milk</b>	<b>87.74%</b>	<b>211,361,149</b>		<b>\$ 29,283,360.29</b>
Class II Skim Milk	6.65%	15,441,846	\$7.61 /cwt.	\$ 1,175,124.47
Class II Butterfat	34.73%	2,991,972	\$1.2960 /lb.	3,877,595.72
<b>Total Class II Milk</b>	<b>7.65%</b>	<b>18,433,818</b>		<b>\$ 5,052,720.19</b>
Class III Skim Milk	2.93%	6,804,287	\$6.57 /cwt.	\$ 447,041.67
Class III Butterfat	4.34%	374,101	\$1.2890 /lb.	482,216.19
<b>Total Class III Milk</b>	<b>2.98%</b>	<b>7,178,388</b>		<b>\$ 929,257.86</b>
Class IV Skim Milk	1.42%	3,308,784	\$6.82 /cwt.	\$ 225,659.08
Class IV Butterfat	7.26%	625,403	\$1.2890 /lb.	806,144.47
<b>Total Class IV Milk</b>	<b>1.63%</b>	<b>3,934,187</b>		<b>\$ 1,031,803.55</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>240,907,542</b>		<b>\$ 36,297,141.89</b>

**Adjustments**

Overage and Other Source	\$ 30,067.21
Inventory Adjustments	(9,605.82)
Producer butterfat at uniform butterfat price	(11,704,981.62)
Location Adjustments to Producers	(134,380.08)
1/2 Unobligated Balance in P.S.F	103,389.30

**Adjusted Pool Value**

Reserve for Producer Settlement Fund	\$ 10.58221	\$ 24,581,630.88
	\$ 0.04221	98,046.81

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

**\$10.54**

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

**\$14.93\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	APR 2002	MAY 2002	MAR 2002	APR 2002	APR 2002
Appalachian (Charlotte)	\$ 14.57	\$ 14.36	\$ 13.60	\$ 13.43	60.14%
Arizona-Las Vegas (Phoenix)	\$ 13.82	\$ 13.61	\$ 11.91	\$ 11.79	28.09%
Central (Kansas City)	\$ 13.47	\$ 13.26	\$ 11.66	\$ 11.68	26.22%
<b>Florida (Tampa)</b>	<b>\$ 15.47</b>	<b>\$ 15.26</b>	<b>\$ 15.20</b>	<b>\$ 14.93</b>	<b>87.74%</b>
Midwest (Cleveland)	\$ 13.47	\$ 13.26	\$ 11.93	\$ 11.92	34.50%
Northeast (Boston)	\$ 14.72	\$ 14.51	\$ 13.05	\$ 12.94	38.90%
Pacific Northwest (Seattle)	\$ 13.37	\$ 13.16	\$ 11.73	\$ 11.64	26.56%
Southeast (Atlanta)	\$ 14.57	\$ 14.36	\$ 13.34	\$ 13.23	54.79%
Southwest (Dallas)	\$ 14.47	\$ 14.26	\$ 12.77	\$ 12.71	38.48%
Upper Midwest (Chicago)	\$ 13.27	\$ 13.06	\$ 11.25	\$ 11.35	19.30%
Western (Salt Lake City)	\$ 13.36	\$ 13.15	\$ 11.56	\$ 11.54	17.43%

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

<b>Receipts:</b>	APRIL 2002	APRIL 2001
<b>Producer Milk</b>		
Class I	211,361,149	211,135,887
Class II	18,433,818	16,701,355
Class III	7,178,388	6,491,125
Class IV	3,934,187	6,624,376
	<hr/>	<hr/>
Total Producer Milk	<b>240,907,542</b>	<b>240,954,743</b>
Average Butterfat Test	3.58%	3.53%
Percent of Producer Milk in Class I	87.74%	87.63%
Daily Average Receipts	8,030,251	8,031,825
<b>Other Source Milk</b>		
Class I	3,845,197	5,412,690
Class II	12,458,009	11,819,299
Class III	0	1,067
Class IV	1,651,049	1,872,841
	<hr/>	<hr/>
Total Other Source Milk	<b>17,954,255</b>	<b>19,105,897</b>
<b>Overage</b>		
Class I	0	6,786
Class II	0	0
Class III	0	0
Class IV	23,326	26,855
	<hr/>	<hr/>
Total Overage	<b>23,326</b>	<b>33,641</b>
<b>Opening Inventory</b>		
Class I	11,460,113	13,937,972
Class II	355,121	16,252
Class III	2,228,889	33,015
Class IV	5,947,408	3,526,758
	<hr/>	<hr/>
Total Opening Inventory	<b>19,991,531</b>	<b>17,513,997</b>
	<hr/>	<hr/>
<b>Total Receipts</b>	<b>278,876,654</b>	<b>277,608,278</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	12,340,603	11,078,498
Route Disposition Class I	212,917,162	216,485,312
Shrinkage	612,005	2,287,607
Transfers and Diversions to Nonpool	796,689	641,918
	<hr/>	<hr/>
Total Class I Utilization	<b>226,666,459</b>	<b>230,493,335</b>
Average Butterfat Test	2.19%	2.22%
Daily Average Utilization	7,555,549	7,683,111
<b>Class II Utilization</b>		
Nonfluid Used To Produce	12,393,388	8,187,294
Shrinkage	0	0
Transfers and Diversions to Nonpool	6,216,072	3,829,716
Used To Produce/Other Uses	12,637,488	16,519,896
	<hr/>	<hr/>
Total Class II Utilization	<b>31,246,948</b>	<b>28,536,906</b>
Average Butterfat Test	9.76%	9.53%
<b>Class III Utilization</b>		
Shrinkage	3,611,612	4,247,601
Transfers and Diversions to Nonpool	4,708,700	937,731
Used To Produce/Other Uses	1,086,965	1,341,875
	<hr/>	<hr/>
Total Class III Utilization	<b>9,407,277</b>	<b>6,527,207</b>
Average Butterfat Test	4.11%	5.26%
<b>Class IV Utilization</b>		
Inventory	7,139,399	8,375,473
Nonfluid Used To Fortify	1,624,768	1,521,272
Shrinkage	0	11
Transfers and Diversions to Nonpool	2,791,803	2,154,074
Used To Produce/Other Uses	0	0
	<hr/>	<hr/>
Total Class IV Utilization	<b>1,155,970</b>	<b>12,050,830</b>
Average Butterfat Test	8.82%	9.99%
	<hr/>	<hr/>
<b>Total Utilization</b>	<b>278,876,654</b>	<b>277,608,276</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in April 2002 is \$14.93 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.54 per hundredweight plus 3.5 times the uniform butterfat price of \$1.3586 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 89.00% of all producer skim milk (priced to handlers at \$6.91 per hundredweight, plus the Class I differential and 3.67% of producer butterfat (priced to handlers at \$1.3733 per pound plus Class I differential). Class II use accounted for 6.65% of all producer skim milk (\$7.61 per hundredweight) and 34.73% of producer butterfat (\$1.2960 per pound). Class III use accounted for 2.93% of all producer skim milk (\$6.57 per hundredweight) and 4.34% of producer butterfat (\$1.2890 per pound). Class IV use accounted for 1.42% of all producer skim milk (\$6.82 per hundredweight) and 7.26% of producer butterfat (\$1.2890 per pound).

Receipts of producer milk during April 2002 totaled 240.9 million pounds, 47.0 thousand pounds less than was pooled in April of last year. Florida producers supplied 223.3 million pounds of milk in March 2002 to pool plants or 90.44% of the total producer milk pooled in Florida. In March 2001 Florida producers supplied 89.49% of the total producer milk pooled in the Florida market.

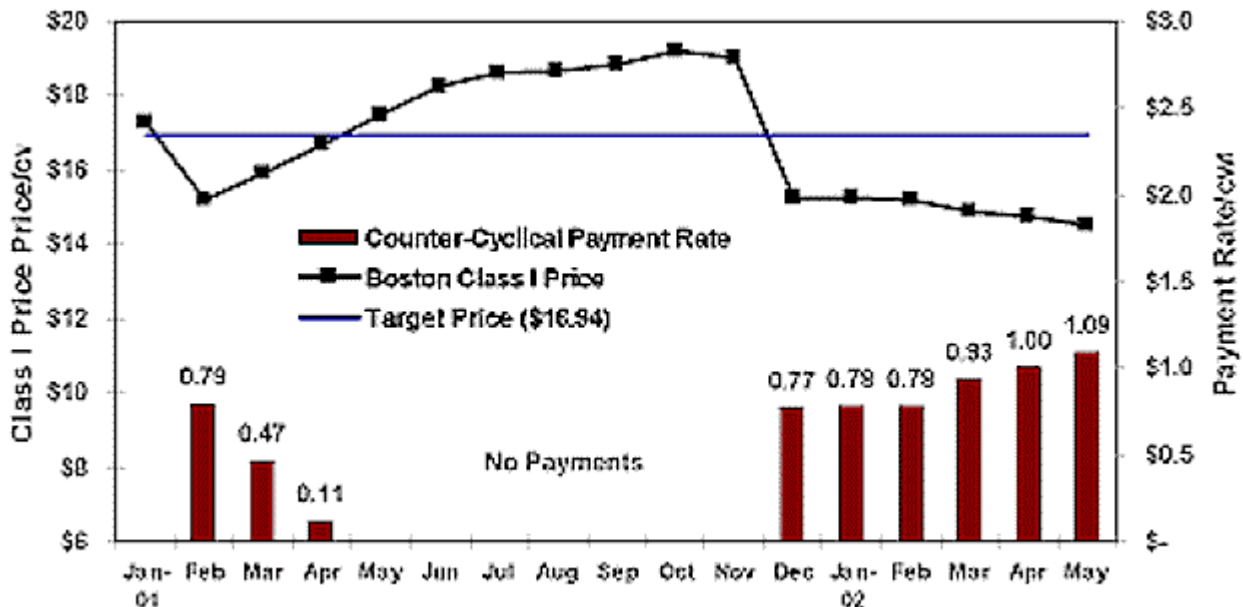
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for April 2002. In-area Class I route disposition totaled 250.9 million pounds in March 2002, which was 8.9 million pounds less than last year. This represents a 7.12 percent decrease after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>March 2002</b>
Whole Milk	106,129,681
Fat Free Milk	39,919,862
Lowfat Milk (incl. 1%)	27,549,402
Reduced Fat Milk (incl. 2%)	59,074,815
Cultured Fluid Milk (incl. Buttermilk)	1,503,632
Flavored Drinks and Milk	16,756,625
<b>Total Disposition in Marketing Area</b>	<b>250,934,017</b>
Total Disposition by Pool Plants	<b>220,211,472</b>
Total Disposition by Nonpool Plants	<b>30,722,545</b>
<b>Total Disposition in Marketing Area</b>	<b>250,934,017</b>

### Unofficial Counter-Cyclical Direct Payment Program Payment Rates

The chart displays unofficial payment rates per hundredweight that producers would receive on up to 2.4 million pounds of production per year. When the \$16.94 target price is exceeded by the Boston Class I price, no direct payments will be made. Only when the Boston price is less than the target will producers receive direct payments of 45% of the difference between these two prices. This value for December 2001 to May 2002 averaged \$0.89/cwt per month. Although the program is retroactive to December 2001 only, data is shown back to January 2001 for additional perspective.



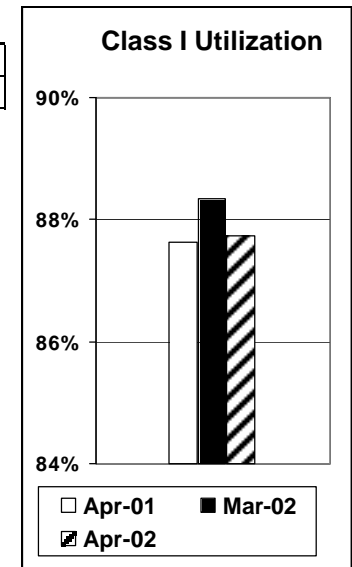
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	220**	211,361	87.74%	18,434	7.65%	7,178	2.93%	3,934	1.63%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
May	06/11/02	06/12/02	06/13/02	05/20/02	05/20/02	06/04/02	06/05/02	06/13/02	06/14/02
June	07/11/02	07/12/02	07/15/02	06/19/02	06/20/02	07/05/02	07/05/02	07/15/02	07/16/02
July	08/11/02	08/12/02	08/13/02	07/19/02	07/22/02	08/05/02	08/05/02	08/13/02	08/14/02

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FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208

*Address Correction Requested*





# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

June 2002

Volume 3—No. 6

## Tentative Final Decision in Mideast Order

A tentative final decision has been announced for the Mideast Milk Marketing Order that would amend pooling standards to prevent the inappropriate pooling of milk. The amendments would, among other things, eliminate automatic pool plant status for the 6-month period of March through August, eliminate milk shipments to a distributing plant regulated by another Federal milk order as pool-qualifying shipments under the Mideast Order, eliminate the "split plant" feature which provides for designating part of a pool plant as a nonpool plant, and establish a "net shipments" standard for supply plant deliveries to the order's distributing plants for the purpose of meeting shipping standard.

The decision also would increase the number of days that the milk of a producer needs to be delivered to a pool plant before being eligible for diversion to nonpool plants and institutes year-round diversion limits adjusted seasonally for the producer milk of distributing plants. Interested persons have until Aug. 12 to file comments, after which USDA will determine whether dairy farmers approve the amended order. For additional information about the decision, contact: David Z. Walker, Market Administrator; USDA/AMS/Dairy Programs; 7851 Freeway Circle, Middleburg Heights, OH 44130; Tel. (440) 826-3220; or [www.fmmacleev.com](http://www.fmmacleev.com).

## DOPP Expanded in Round IV

The Dairy Options Pilot Program (DOPP) has been expanded to include the following counties: Macon, GA; Todd and Warren, KY; DeSoto, LA; and Dallas, MO. These are the Round IV expansion counties located in the Southeast. If a farm is located in an eligible county in Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, or Tennessee, a producer may be able to participate in DOPP. In this program, producers learn about hedging milk prices through hands-on put options trading, the costs of which are shared by the government. See [www.rma.usda.gov/training/programs/dopp/index.html](http://www.rma.usda.gov/training/programs/dopp/index.html) for more information on how to apply, and for a list of all counties eligible to participate under the pilot program.

## May's Blend Approaches Post-Reform Low

The uniform blend in Hillsborough County, FL, was \$14.55 per hundredweight for milk at 3.5 percent butterfat for the month of May. This represents a 38 cent decline from last month, and is \$3.67 lower than May of last year. The uniform skim price reached its post-Order Reform low of \$10.47 per hundredweight, and we must look back to May of 2000 to find a uniform butterfat price lower than the current month's \$1.2694 per pound. Class I utilization held almost constant at 87.43 percent, down only a fraction of a percent from last month.

While Class I utilization was down slightly from the previous month, it was the low prices surveyed by National Agriculture Statistics Service (NASS) for May that, once translated into class prices, should take much of the blame for the \$14.55 blend. In fact, we haven't seen NASS butter prices this low since the first quarter of 2000, which not coincidentally corresponds to the lowest blend prices for Federal Order 6 producers since Order Reform. The graph on page four tracks the large decline in butter survey prices since the beginning of April, which can also be seen by examining the difference between the Class I butterfat price and the Class III/IV butterfat price.

## National Dairy Situation

USDA estimates total US production of milk in March at 14.5 billion pounds, an increase of 2.9 percent from a year previous. Total cheese output (excluding cottage cheese) was 698 million pounds, 4.1 percent above April 2001 but 3.0 percent below March 2002. Butter production was 132 million pounds in April, 21.5 percent above April 2001 and 2.7 percent above March 2002. Nonfat dry milk production for human food totaled 157.3 million pounds, 19.4 percent above April 2001 and 6.4 percent above March 2002. The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to 1 pound of whole milk, reached its lowest point in 24 months, falling to 2.66 in May. In five of the last seven years, the milk-feed price ratio reached its lowest point of the year during the month of May.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - MAY 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	53.35%	4,557,402	\$1.3339	\$ 6,079,118.55
Class I Differential at Location				186,623.32
Class II Butterfat	36.51%	3,118,581	\$1.1503	3,587,303.75
Class III Butterfat	2.96%	252,650	\$1.1433	288,854.74
Class IV Butterfat	7.18%	612,955	\$1.1433	700,791.45
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,541,588</b>		<b>\$ 10,842,691.81</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.2694</b>	

### Calculation of Uniform Skim Milk Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
<b>Producer Milk</b>				
Class I Skim Milk	88.71%	202,637,652	\$6.83 /cwt.	\$ 13,840,151.62
Class I Butterfat	53.35%	4,557,402	\$1.3339 /lb.	6,079,118.55
Class I Differential at Location		207,195,054		8,478,457.29
<b>Total Class I Milk</b>	<b>87.43%</b>	<b>207,195,054</b>		<b>\$ 28,397,727.46</b>
Class II Skim Milk	7.56%	17,281,644	\$7.53 /cwt.	\$ 1,301,307.79
Class II Butterfat	36.51%	3,118,581	\$1.1503 /lb.	3,587,303.75
<b>Total Class II Milk</b>	<b>8.61%</b>	<b>20,400,225</b>		<b>\$ 4,888,611.54</b>
Class III Skim Milk	1.44%	3,288,133	\$7.07 /cwt.	\$ 232,471.00
Class III Butterfat	2.96%	252,650	\$1.1433 /lb.	288,854.74
<b>Total Class III Milk</b>	<b>1.49%</b>	<b>3,540,783</b>		<b>\$ 521,325.74</b>
Class IV Skim Milk	2.29%	5,241,404	\$6.81 /cwt.	\$ 356,939.61
Class IV Butterfat	7.18%	612,955	\$1.1433 /lb.	700,791.45
<b>Total Class IV Milk</b>	<b>2.47%</b>	<b>5,854,359</b>		<b>\$ 1,057,731.06</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>236,990,421</b>		<b>\$ 34,865,395.80</b>

### Adjustments

Overage and Other Source	\$ 33,113.95
Inventory Adjustments	(5,785.29)
Producer butterfat at uniform butterfat price	(10,842,691.81)
Location Adjustments to Producers	(121,969.34)
1/2 Unobligated Balance in P.S.F.	100,828.26

### Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 10,51828	\$ 24,028,891.57
	<b>\$ 0.04828</b>	<b>110,298.75</b>

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

**\$10.47**

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

**\$14.55\***

\* At 3.5% butterfat test; for information purposes.

## OTHER FEDERAL ORDERS: CLASS I AND UNIFORM PRICES (At 3.5% Butter

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	MAY 2002	JUNE 2002	APR 2002	MAY 2002	MAY 2002
Appalachian (Charlotte)	\$ 14.36	\$ 14.13	\$ 13.43	\$ 13.09	61.88%
Arizona-Las Vegas (Phoenix)	\$ 13.61	\$ 13.38	\$ 11.79	\$ 11.51	29.94%
Central (Kansas City)	\$ 13.26	\$ 13.03	\$ 11.68	\$ 11.47	24.73%
<b>Florida (Tampa)</b>	<b>\$ 15.26</b>	<b>\$ 15.03</b>	<b>\$ 14.93</b>	<b>\$ 14.55</b>	<b>87.43%</b>
Midwest (Cleveland)	\$ 13.26	\$ 13.03	\$ 11.92	\$ 11.92	34.50%
Northeast (Boston)	\$ 14.51	\$ 14.28	\$ 12.94	\$ 12.63	39.80%
Pacific Northwest (Seattle)	\$ 13.13	\$ 12.90	\$ 11.64	\$ 11.35	26.91%
Southeast (Atlanta)	\$ 14.36	\$ 14.13	\$ 13.23	\$ 12.89	53.37%
Southwest (Dallas)	\$ 14.26	\$ 14.03	\$ 12.71	\$ 12.42	38.02%
Upper Midwest (Chicago)	\$ 13.06	\$ 12.83	\$ 11.35	\$ 11.30	21.90%
Western (Salt Lake City)	\$ 13.15	\$ 12.92	\$ 11.54	\$ 11.31	18.16%



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

<b>Receipts:</b>	MAY 2002	MAY 2001
<b>Producer Milk</b>		
Class I	207,195,054	212,698,483
Class II	20,400,225	16,496,164
Class III	3,540,783	5,126,532
Class IV	5,854,359	659,631
	<u>236,990,421</u>	<u>235,279,810</u>
Total Producer Milk	<b>236,990,421</b>	<b>235,279,810</b>
Average Butterfat Test	3.60%	3.55%
Percent of Producer Milk in Class I	87.43%	90.40%
Daily Average Receipts	7,644,852	7,588,671
<b>Other Source Milk</b>		
Class I	3,899,111	5,555,208
Class II	14,172,526	11,727,160
Class III	0	0
Class IV	1,602,259	1,776,004
	<u>19,673,896</u>	<u>19,058,372</u>
Total Other Source Milk	<b>19,673,896</b>	<b>19,058,372</b>
<b>Overage</b>		
Class I	0	0
Class II	135,493	102,333
Class III	0	0
Class IV	86,867	30,698
	<u>222,360</u>	<u>133,031</u>
Total Overage	<b>222,360</b>	<b>133,031</b>
<b>Opening Inventory</b>		
Class I	12,340,603	11,078,498
Class II	481,332	297,283
Class III	0	1,173,052
Class IV	6,658,067	6,905,138
	<u>19,480,002</u>	<u>19,453,971</u>
Total Opening Inventory	<b>19,480,002</b>	<b>19,453,971</b>
	<b>276,366,679</b>	<b>273,925,184</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	12,653,482	11,167,417
Route Disposition Class I	208,974,010	216,344,024
Shrinkage	903,736	1,078,667
Transfers and Diversions to Nonpool	903,541	744,081
	<u>223,434,768</u>	<u>229,332,189</u>
Total Class I Utilization	<b>223,434,768</b>	<b>229,332,189</b>
Average Butterfat Test	2.20%	2.22%
Daily Average Utilization	7,207,573	7,397,813
<b>Class II Utilization</b>		
Nonfluid Used To Produce	13,623,803	8,760,686
Shrinkage	0	0
Transfers and Diversions to Nonpool	8,094,170	3,571,083
Used To Produce/Other Uses	13,471,603	16,291,171
	<u>35,189,576</u>	<u>28,622,940</u>
Total Class II Utilization	<b>35,189,576</b>	<b>28,622,940</b>
Average Butterfat Test	9.16%	9.59%
<b>Class III Utilization</b>		
Shrinkage	0	3,367,075
Transfers and Diversions to Nonpool	3,540,783	1,519,002
Used To Produce/Other Uses	0	1,413,507
	<u>3,540,783</u>	<u>6,299,584</u>
Total Class III Utilization	<b>3,540,783</b>	<b>6,299,584</b>
Average Butterfat Test	7.14%	5.90%
<b>Class IV Utilization</b>		
Inventory	5,353,469	6,238,546
Nonfluid Used To Fortify	1,631,067	1,444,826
Shrinkage	3,422,303	0
Transfers and Diversions to Nonpool	2,812,068	1,987,099
Used To Produce/Other Uses	1,082,645	0
	<u>14,201,552</u>	<u>9,670,471</u>
Total Class IV Utilization	<b>14,201,552</b>	<b>9,670,471</b>
Average Butterfat Test	7.09%	11.39%
	<b>276,366,679</b>	<b>273,925,184</b>
<b>Total Utilization</b>	<b>276,366,679</b>	<b>273,925,184</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in May 2002 is \$14.55 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.47 per hundredweight plus 3.5 times the uniform butterfat price of \$1.2694 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 88.71% of all producer skim milk (priced to handlers at \$6.83 per hundredweight, plus the Class I differential and 53.35% of producer butterfat (priced to handlers at \$1.3339 per pound plus Class I differential). Class II use accounted for 7.56% of all producer skim milk (\$7.53 per hundredweight) and 36.51% of producer butterfat (\$1.1503 per pound). Class III use accounted for 1.44% of all producer skim milk (\$7.07 per hundredweight) and 2.96% of producer butterfat (\$1.1433 per pound). Class IV use accounted for 2.29% of all producer skim milk (\$6.81 per hundredweight) and 7.18% of producer butterfat (\$1.1433 per pound).

Receipts of producer milk during May 2002 totaled 237.0 million pounds, 1.71 million pounds more than was pooled in May of last year. Florida producers supplied 214.0 million pounds of milk in April 2002 to pool plants or 88.84% of the total producer milk pooled in Florida. In April 2001 Florida producers supplied 90.16% of the total producer milk pooled in the Florida market.

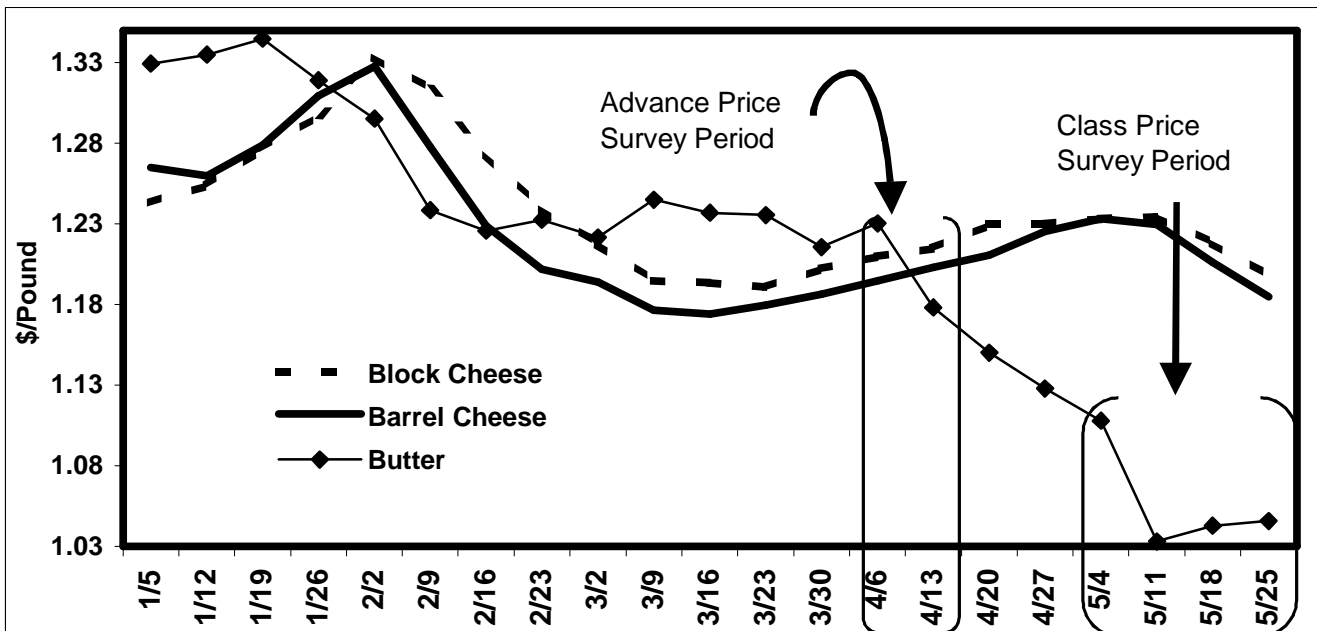
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for May 2002. In-area Class I route disposition totaled 243.0 million pounds in April 2002, which was 9.8 million pounds more than last year. This represents a X.XX percent decrease after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>April 2002</b>
Whole Milk	103,955,288
Fat Free Milk	35,273,031
Lowfat Milk (incl. 1%)	26,200,329
Reduced Fat Milk (incl. 2%)	57,073,182
Cultured Fluid Milk (incl. Buttermilk)	1,320,985
Flavored Drinks and Milk	19,133,604
<b>Total Disposition in Marketing Area</b>	<b>242,956,419</b>
Total Disposition by Pool Plants	<b>211,905,091</b>
Total Disposition by Nonpool Plants	<b>31,051,328</b>
<b>Total Disposition in Marketing Area</b>	<b>242,956,419</b>

### 2002 NASS Dairy Product Prices

On April 19, USDA released the May Class I price for Hillsborough County, FL, based on two price surveys of dairy products conducted April 6 and April 13. The Class I butterfat price, \$1.3739/lb., was arrived at in the following manner: ((average butter price from surveys) – (make allowance)) / (yield factor) + (Class I differential); or more specifically: ((1.2088) – (.115)) / (.82) + (.0400).



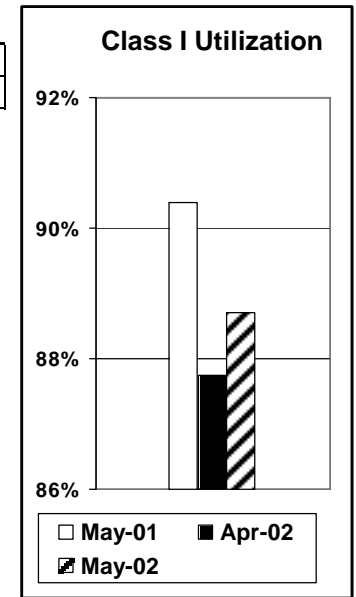
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.93%	3,934	1.63%
May	236,990	235**	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
June	07/11/02	07/12/02	07/15/02	06/19/02	06/20/02	07/05/02	07/05/02	07/15/02	07/16/02
July	08/11/02	08/12/02	08/13/02	07/19/02	07/22/02	08/05/02	08/05/02	08/13/02	08/14/02
August	09/11/02	09/12/02	09/13/02	08/19/02	08/20/02	09/04/02	09/05/02	09/13/02	09/16/02

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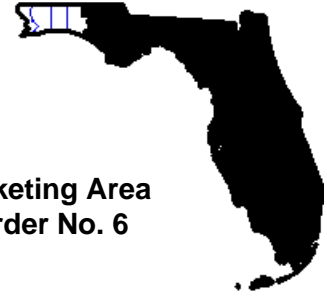
FEDERAL MILK MARKET ADMINISTRATOR  
 U.S. DEPARTMENT OF AGRICULTURE  
 P.O. BOX 1208  
 NORCROSS, GEORGIA 30091-1208  
*Address Correction Requested*

**JUNE DAIRY MONTH 2002** 

# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

July 2002

Volume 3—No.7

## Beef Checkoff Ruled Unconstitutional; USDA Appeal Pending

On June 21, the U.S. District Court in South Dakota ruled that the Beef Promotion and Research Act was unconstitutional and ordered the collection of assessments cease on July 15, 2002. The suit against the beef checkoff program was brought by the Livestock Marketing Association, the Western Organization of Research Councils and three individual beef producers.

However, in a request filed by the U.S. Department of Justice on behalf of USDA, the 8th Circuit Court of Appeals granted a stay of the lower Court's ruling to cease collection of the checkoff. This decision allows the beef promotion and research program to continue to operate and function normally while the appeals process is ongoing. Therefore, beef producers and importers must continue to pay the one dollar per head of cattle sold.

The Beef Promotion and Research Order was authorized by the Beef Promotion and Research Act of 1985, and began operating in October of 1986. It is operated by a 110-member board made up of producers, and organized through a series of state Beef Boards. States retain up to 50 cents on the dollar and forward the other 50 cents per head to the Cattlemen's Beef Promotion and Research Board, which oversees the national checkoff program and is subject to USDA oversight.

## Milk Cost of Production Series Discontinued

With each month's Class price announcement, the Market Administrator has included an estimate of the cost of milk production by various regions throughout the nation. That data was supplied by the Economic Research Service (ERS), the main source of economic data for the U.S. Department of Agriculture.

However, ERS no longer collects the necessary data to estimate monthly cost of production, and therefore this information will no longer be included in future Class price announcements. In its place, ERS will maintain a new milk cost of production series based on an alternative study of dairy farmers. The new series will be updated each October, and can be found at [www.ers.usda.gov/Data/CostsAndReturns/testpick.htm](http://www.ers.usda.gov/Data/CostsAndReturns/testpick.htm).

## June Blend Dips to \$14.44

The uniform blend in Hillsborough County, FL, was \$14.44 per hundredweight for milk at 3.5 percent butterfat for the month of June. This represents an 11-cent decline from last month, and is \$4.45 lower than June of last year. This is the lowest blend price since February 2000. Class I utilization was 86.19%, the lowest Class I utilization since May of 2000.

## National Dairy Situation

USDA estimates total U.S. production of milk in March at 15.1 billion pounds, an increase of 3.2 percent from a year previous. Quarterly production for 2002 is estimated to be 2.4 percent higher than 2001. Total cheese output (excluding cottage cheese) was 724 million pounds, 2.4 percent above May 2001 and 3.5 percent above April 2002. Butter production was 127 million pounds in May, 14.0 percent above May 2001 but 4.4 percent below April 2002. Nonfat dry milk production for human food totaled 158.0 million pounds, 12.6 percent above May 2001. The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to 1 pound of whole milk, was 2.65 in June, down slightly from 2.66 in May, and down significantly from 3.74 in June of 2001.

## National Fluid Milk Board Appointments Made

Secretary Veneman has appointed three incumbents and five new members to the National Fluid Milk Processor Promotion Board. The southeastern U.S. is covered by two Regions, 5 and 11, and two new appointments from those Regions will begin three-year terms in July. James S. Jaskiewicz of Lakeland, Florida, was selected to represent Region 5, and Gary L. Aggus of Springfield, Missouri, will serve for Region 11.

The Board is composed of 15 fluid milk processors from 15 geographic regions and five at-large members. The Board was established by the Fluid Milk Promotion Act of 1990 to develop and administer a coordinated program of advertising and promotion to increase the demand for fluid milk products.

The mandatory national fluid milk program is financed by a 20-cent per hundredweight assessment on all fluid milk processed and marketed commercially in consumer-type packages. Processors who commercially process and market 500,000 pounds or less per month are exempt from assessments.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JUNE 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	53.54%	4,220,574	\$1.1577	\$ 4,886,158.52
Class I Differential at Location				172,206.43
Class II Butterfat	36.56%	2,882,040	\$1.1281	3,251,229.32
Class III Butterfat	5.13%	404,053	\$1.1211	452,983.81
Class IV Butterfat	4.77%	376,372	\$1.1211	421,950.66
<b>Total Butterfat</b>	<b>100.00%</b>	<b>7,883,039</b>		<b>\$ 9,184,528.74</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.1651</b>	

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	87.43%	181,752,443	\$7.23 /cwt.	\$ 13,140,701.62
Class I Butterfat	53.54%	4,220,574	\$1.1577 /lb.	4,886,158.52
Class I Differential at Location		185,973,017		7,605,757.63
<b>Total Class I Milk</b>	<b>86.19%</b>	<b>185,973,017</b>		<b>\$ 25,632,617.77</b>
Class II Skim Milk	7.56%	15,711,381	\$7.50 /cwt.	\$ 1,178,353.61
Class II Butterfat	36.56%	2,882,040	\$1.1281 /lb.	3,251,229.32
<b>Total Class II Milk</b>	<b>8.62%</b>	<b>18,593,421</b>		<b>\$ 4,429,582.93</b>
Class III Skim Milk	2.66%	5,535,769	\$6.39 /cwt.	\$ 353,735.64
Class III Butterfat	5.13%	404,053	\$1.1211 /lb.	452,983.81
<b>Total Class III Milk</b>	<b>2.75%</b>	<b>5,939,822</b>		<b>\$ 806,719.45</b>
Class IV Skim Milk	2.35%	4,894,929	\$6.84 /cwt.	\$ 334,813.14
Class IV Butterfat	4.77%	376,372	\$1.1211 /lb.	421,950.66
<b>Total Class IV Milk</b>	<b>2.44%</b>	<b>5,271,301</b>		<b>\$ 756,763.80</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>215,777,561</b>		<b>\$ 31,625,683.95</b>

### Adjustments

Overage and Other Source	\$ 38,242.97
Inventory Adjustments	(1,316.35)
Producer butterfat at uniform butterfat price	(9,184,528.74)
Location Adjustments to Producers	(137,625.25)
1/2 Unobligated Balance in P.S.F.	84,679.62

### Adjusted Pool Value

	<b>\$ 10.78679</b>	<b>\$ 22,425,136.20</b>
Reserve for Producer Settlement Fund	<b>\$ 0.04679</b>	97,264.53

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

<b>\$10.74</b>
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### Uniform Price per cwt. (Hillsborough County, Florida)

<b>\$14.44*</b>
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\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	JUNE 2002	JULY 2002	MAY 2002	JUNE 2002	JUNE 2002
Appalachian (Charlotte)	\$ 14.13	\$ 13.72	\$ 13.09	\$ 12.83	57.26%
Arizona-Las Vegas (Phoenix)	\$ 13.38	\$ 12.97	\$ 11.51	\$ 11.22	28.02%
Central (Kansas City)	\$ 13.03	\$ 12.62	\$ 11.47	\$ 11.00	22.13%
<b>Florida (Tampa)</b>	<b>\$ 15.03</b>	<b>\$ 14.62</b>	<b>\$ 15.55</b>	<b>\$ 14.44</b>	<b>86.19%</b>
Midwest (Cleveland)	\$ 13.03	\$ 12.62	\$ 11.92	\$ 11.24	29.20%
Northeast (Boston)	\$ 14.28	\$ 13.87	\$ 12.63	\$ 12.38	38.10%
Pacific Northwest (Seattle)	\$ 12.93	\$ 12.52	\$ 11.35	\$ 11.00	22.38%
Southeast (Atlanta)	\$ 14.13	\$ 13.72	\$ 12.89	\$ 12.69	54.08%
Southwest (Dallas)	\$ 14.03	\$ 13.62	\$ 12.42	\$ 12.11	36.00%
Upper Midwest (Chicago)	\$ 12.83	\$ 12.42	\$ 11.30	\$ 10.72	19.10%
Western (Salt Lake City)	\$ 12.92	\$ 12.51	\$ 11.31	\$ 10.87	15.96%

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

<b>Receipts:</b>	JUNE 2002	JUNE 2001
<b>Producer Milk</b>		
Class I	185,973,017	202,721,489
Class II	18,593,421	15,503,189
Class III	5,939,822	3,498,901
Class IV	5,271,301	365,743
	<hr/>	<hr/>
Total Producer Milk	<b>215,777,561</b>	<b>222,089,322</b>
Average Butterfat Test	3.65%	3.54%
Percent of Producer Milk in Class I	86.19%	91.28%
Daily Average Receipts	7,192,585	7,402,977
<b>Other Source Milk</b>		
Class I	2,712,656	5,645,428
Class II	10,448,905	10,754,942
Class III	5,656	36,786
Class IV	1,530,793	1,670,032
	<hr/>	<hr/>
Total Other Source Milk	<b>14,698,010</b>	<b>18,107,188</b>
<b>Overage</b>		
Class I	0	1,204
Class II	0	84,219
Class III	8,382	223,675
Class IV	25,730	79,191
	<hr/>	<hr/>
Total Overage	<b>34,112</b>	<b>388,289</b>
<b>Opening Inventory</b>		
Class I	12,653,482	11,167,004
Class II	68,435	625,237
Class III	203,875	2,391,376
Class IV	5,081,157	3,221,933
	<hr/>	<hr/>
Total Opening Inventory	<b>18,006,949</b>	<b>17,405,550</b>
	<hr/>	<hr/>
<b>Total Receipts</b>	<b>248,516,632</b>	<b>257,990,349</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	10,095,380	11,866,920
Route Disposition Class I	190,102,299	206,194,102
Shrinkage	441,866	835,945
Transfers and Diversions to Nonpool	699,610	638,158
	<hr/>	<hr/>
Total Class I Utilization	<b>201,339,155</b>	<b>219,535,125</b>
Average Butterfat Test	2.26%	2.28%
Daily Average Utilization	6,711,305	7,317,838
<b>Class II Utilization</b>		
Nonfluid Used To Produce	10,157,920	7,487,222
Shrinkage	0	0
Transfers and Diversions to Nonpool	6,745,601	3,860,056
Used To Produce/Other Uses	12,207,240	15,620,309
	<hr/>	<hr/>
Total Class II Utilization	<b>29,110,761</b>	<b>26,967,587</b>
Average Butterfat Test	10.02%	9.86%
<b>Class III Utilization</b>		
Shrinkage	3,043,121	3,501,928
Transfers and Diversions to Nonpool	2,210,767	1,237,466
Used To Produce/Other Uses	903,847	1,411,344
	<hr/>	<hr/>
Total Class III Utilization	<b>6,157,735</b>	<b>6,150,738</b>
Average Butterfat Test	6.95%	6.51%
<b>Class IV Utilization</b>		
Inventory	9,812,186	2,709,019
Nonfluid Used To Fortify	1,249,586	1,347,473
Shrinkage	0	0
Transfers and Diversions to Nonpool	847,209	1,280,407
Used To Produce/Other Uses	0	0
	<hr/>	<hr/>
Total Class IV Utilization	<b>11,908,981</b>	<b>5,336,899</b>
Average Butterfat Test	6.49%	13.62%
	<hr/>	<hr/>
<b>Total Utilization</b>	<b>248,516,632</b>	<b>257,990,349</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in June 2002 is \$14.44 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.74 per hundredweight plus 3.5 times the uniform butterfat price of \$1.1651 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions.

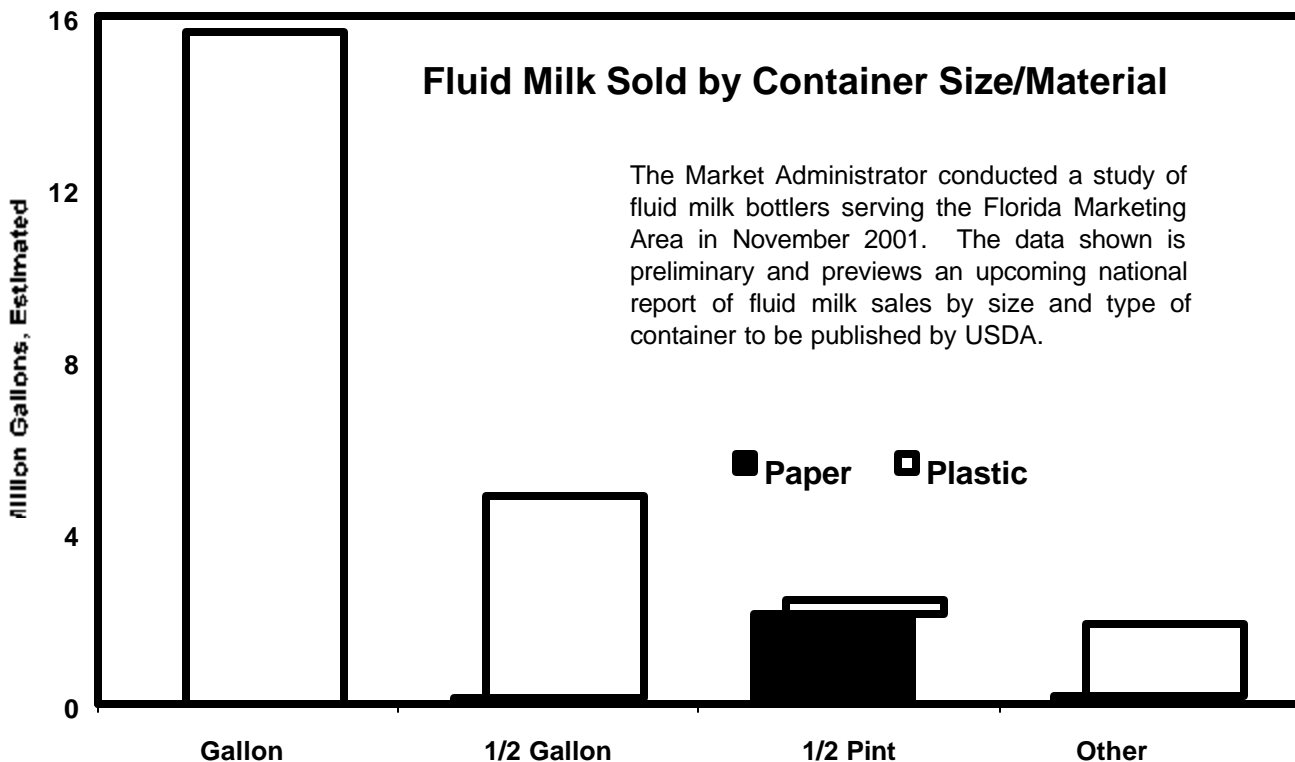
Uniform prices are the result of marketwide pooling; all producer milk was classified and priced according to the milk's use. In June, Class I use accounted for 87.43% of all producer skim milk (priced to handlers at \$7.23 per hundredweight, plus the Class I differential and 53.54% of producer butterfat (priced to handlers at \$1.1577 per pound plus Class I differential). Class II use accounted for 7.56% of all producer skim milk (\$7.50 per hundredweight) and 36.56% of producer butterfat (\$1.1281 per pound). Class III use accounted for 2.66% of all producer skim milk (\$6.39 per hundredweight) and 5.13% of producer butterfat (\$1.1211 per pound). Class IV use accounted for 2.35% of all producer skim milk (\$6.84 per hundredweight) and 4.77% of producer butterfat (\$1.1211 per pound).

Receipts of producer milk during June 2002 totaled 215.8 million pounds, 6.3 million pounds less than was pooled in June of last year. Florida producers supplied 213.4 million pounds of milk in May 2002 to pool plants or 90.06% of the total producer milk pooled in Florida. In May 2001 Florida producers supplied 92.63% of the total producer milk pooled in the Florida market.

There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for June 2002. In-area Class I route disposition totaled 239.8 million pounds in May 2002, which was 7.3 million pounds more than last year. This represents a 3.78 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>May 2002</b>
Whole Milk	104,997,693
Fat Free Milk	34,016,383
Lowfat Milk (incl. 1%)	25,463,697
Reduced Fat Milk (incl. 2%)	56,587,990
Cultured Fluid Milk (incl. Buttermilk)	1,270,806
Flavored Drinks and Milk	17,444,215
<b>Total Disposition in Marketing Area</b>	<b>239,780,784</b>
Total Disposition by Pool Plants	<b>208,350,056</b>
Total Disposition by Nonpool Plants	<b>31,430,728</b>
<b>Total Disposition in Marketing Area</b>	<b>239,780,784</b>





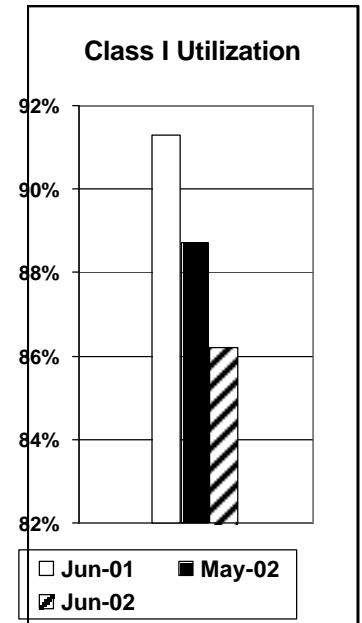
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.93%	3,934	1.63%
May	236,990	234	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	235**	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%

\* 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 September 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
July	08/11/02	08/12/02	08/13/02	07/19/02	07/22/02	08/05/02	08/05/02	08/13/02	08/14/02
August	09/11/02	09/12/02	09/13/02	08/19/02	08/20/02	09/04/02	09/05/02	09/13/02	09/16/02
September	10/11/02	10/15/02	10/16/02	09/19/02	09/20/02	10/04/02	10/07/02	10/16/02	10/17/02

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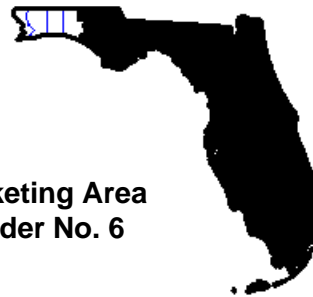
**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208  
Address Correction Requested**



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

August 2002

Volume 3—No.8

## MILC Program To Help Producers

The Milk Income Loss Contract (MILC) program, created by Congress in the 2002 Farm Bill, is scheduled to begin making payments to qualified producers in October. Payment rates are 45% of the difference between \$16.94 and the Boston Class I price, but will be limited to the first 2.4 million pounds of production per fiscal year. These payments range between \$0.77 (Dec. 01) and \$1.44 (Aug. 02) per hundredweight per month, but what individual farms will receive is dependent upon how quickly they exploit the 2.4 million pound per farm production cap.

The MILC program is retroactive to December 1, 2001 and runs through September 2005. Starting August 13th, producers seeking participation in the program should visit their local USDA Farm Services Agency office. For locations, visit [www.fsa.usda.gov](http://www.fsa.usda.gov) and click "your local office" or dial (202) 720-7809 for the Farm Service Agency's Public Affairs Staff in Washington, DC.

## Fluid Milk Order's Exemption Increased

The program that assesses processors twenty-cents per hundredweight on all fluid milk products sold in consumer-type packages has been amended to exempt those manufacturers who produce less than three million pounds per month. Previously, processors that produced less than 500,000 pounds were exempt. These provisions became effect August 1, 2002.

## Hearing Announced for Northeast Order

A public hearing will be held to consider changes to the Northeast Federal milk marketing order. Proposed changes include establishing a marketwide service payment to offset the costs of balancing the Class I market, increasing the pooling qualifications for producers, decreasing diversions limitations, and eliminating the split plant provisions for pool supply plants. The hearing will be held Sept. 10, at the Embassy Suites Hotel, 1900 Diagonal Road, Alexandria, VA., 22314. For more information, call (617) 542-1478 or email [maboston@fedmilk1.com](mailto:maboston@fedmilk1.com).

## Is \$14.19 The Bottom?

The uniform blend in Hillsborough County, FL, was \$14.19 per hundredweight for milk at 3.5 percent butterfat for the month of July. This represents a 25-cent decline from June, and is \$4.44 lower than July of last year. Class I utilization was 90.14 percent, up 3.95 percent from last month, and higher than any Class I utilization seen in the last five months. Total producer milk pooled on the market was nearly identical to June, but 4.43 percent lower than July of last year. With August's announced Class I price off fourteen-cents and a continuation of depressed commodity prices through the first two weeks of August, the bottom may not have yet been reached.

## National Dairy Situation

USDA estimates total U.S. production of milk in June at 14.3 billion pounds, an increase of 2.2 percent from last year. Second quarter production for 2002 is estimated to be 3.0 percent higher than 2001. Total cheese output was 686 million pounds, 1.0 percent above June 2001 but 5.3 percent below May 2002. Butter production was 97.9 million pounds in June, 12.8 percent above June 2001 but 22.6 percent below May 2002. The milk-feed price ratio, the pounds of 16 percent mixed dairy feed equal in value to 1 pound of whole milk, was 2.38 in July, down from 2.56 in June, and down significantly from 3.60 in June of 2001.

## New Rules for Mideast Order

The Mideast Order has an Interim Final Rule in place, one that became effective August 1, 2002, and whose general aims are to increase the performance standards of producers wishing to pool on that market and to make qualifying as a pool plant more difficult. Among the changes approved in the producer referendum were stiffening of diversion and 'touch base' provisions, and the elimination of automatic pool plant status during March through August. Copies of the Interim Final Rule are available at [www.fmmaclev.com](http://www.fmmaclev.com).

**F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - JULY 2002**

**Calculation of Uniform Butterfat Price:**

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	55.54%	4,405,234	\$1.1443	\$ 5,040,909.27
Class I Differential at Location				180,240.63
Class II Butterfat	39.05%	3,097,742	\$1.0999	3,407,206.43
Class III Butterfat	2.96%	234,792	\$1.0929	256,604.18
Class IV Butterfat	2.45%	194,711	\$1.0929	212,799.66
<b>Total Butterfat</b>	<b>100.00%</b>	<b>7,932,479</b>		<b>\$ 9,097,760.17</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.1469</b>	

**Calculation of Uniform Skim Milk Price:**

<b>Producer Milk</b>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	91.46%	190,093,915	\$6.85 /cwt.	\$ 13,021,433.19
Class I Butterfat	55.54%	4,405,234	\$1.1443 /lb.	5,040,909.27
Class I Differential at Location		194,499,149		7,946,990.07
<b>Total Class I Milk</b>	<b>90.14%</b>	<b>194,499,149</b>		<b>\$ 26,009,332.53</b>
Class II Skim Milk	6.81%	14,149,001	\$7.55 /cwt.	\$ 1,068,249.58
Class II Butterfat	39.05%	3,097,742	\$1.0999 /lb.	3,407,206.43
<b>Total Class II Milk</b>	<b>7.99%</b>	<b>17,246,743</b>		<b>\$ 4,475,456.01</b>
Class III Skim Milk	1.69%	3,510,824	\$5.70 /cwt.	\$ 200,116.98
Class III Butterfat	2.96%	234,792	\$1.0929 /lb.	256,604.18
<b>Total Class III Milk</b>	<b>1.74%</b>	<b>3,745,616</b>		<b>\$ 456,721.16</b>
Class IV Skim Milk	0.04%	76,676	\$6.87 /cwt.	\$ 5,267.64
Class IV Butterfat	2.45%	194,711	\$1.0929 /lb.	212,799.66
<b>Total Class IV Milk</b>	<b>0.13%</b>	<b>271,387</b>		<b>\$ 218,067.30</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>215,762,895</b>		<b>\$ 31,159,577.00</b>

**Adjustments**

Overage and Other Source	14,206.34
Inventory Adjustments	(15,956.76)
Producer butterfat at uniform butterfat price	(9,097,760.17)
Location Adjustments to Producers	(168,704.87)
1/2 Unobligated Balance in P.S.F.	109,832.50

**Adjusted Pool Value**

**\$ 10.58613**      **\$ 22,001,194.04**

Reserve for Producer Settlement Fund      **\$ 0.04613**      95,868.20

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

**\$10.54**

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

**\$14.19\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	JULY 2002	AUGUST 2002	JUNE 2002	JULY 2002	JULY 2002
Appalachian (Charlotte)	\$ 13.72	\$ 13.58	\$ 12.83	\$ 12.88	69.57%
Arizona-Las Vegas (Phoenix)	\$ 12.97	\$ 12.83	\$ 11.22	\$ 10.87	32.44%
Central (Kansas City)	\$ 12.62	\$ 12.48	\$ 11.00	\$ 10.44	24.38%
<b>Florida (Tampa)</b>	<b>\$ 14.62</b>	<b>\$ 14.48</b>	<b>\$ 14.44</b>	<b>\$ 14.19</b>	<b>90.14%</b>
Mideast (Cleveland)	\$ 12.62	\$ 12.48	\$ 11.24	\$ 10.85	36.60%
Northeast (Boston)	\$ 13.87	\$ 13.73	\$ 12.38	\$ 12.05	39.40%
Pacific Northwest (Seattle)	\$ 12.52	\$ 12.38	\$ 11.00	\$ 10.66	25.55%
Southeast (Atlanta)	\$ 13.72	\$ 13.58	\$ 12.69	\$ 12.55	62.60%
Southwest (Dallas)	\$ 13.62	\$ 13.48	\$ 12.11	\$ 11.81	39.26%
Upper Midwest (Chicago)	\$ 12.42	\$ 12.28	\$ 10.72	\$ 10.13	21.20%
Western (Salt Lake City)	\$ 12.51	\$ 12.37	\$ 10.87	\$ 10.26	20.57%

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

<b>Receipts:</b>	<b>JULY 2002</b>	<b>JULY 2001</b>
<b>Producer Milk</b>		
Class I	194,499,149	197,339,707
Class II	17,246,743	16,840,160
Class III	3,745,616	1,583,420
Class IV	271,387	9,991,149
Total Producer Milk	<u>215,762,895</u>	<u>225,754,436</u>
Average Butterfat Test	3.68%	3.59%
Percent of Producer Milk in Class I	90.14%	87.47%
Daily Average Receipts	6,960,093	7,282,401
<b>Other Source Milk</b>		
Class I	6,766,046	8,688,739
Class II	12,683,922	12,616,492
Class III	215,218	0
Class IV	1,693,033	2,205,799
Total Other Source Milk	<u>21,357,219</u>	<u>23,511,030</u>
<b>Overage</b>		
Class I	0	0
Class II	0	3,250
Class III	14,430	0
Class IV	0	202,434
Total Overage	<u>14,430</u>	<u>205,684</u>
<b>Opening Inventory</b>		
Class I	10,118,141	11,866,920
Class II	272,176	113,213
Class III	1,506,777	0
Class IV	8,010,472	2,552,324
Total Opening Inventory	<u>19,907,566</u>	<u>14,532,457</u>
<b>Total Receipts</b>	<b>257,042,110</b>	<b>264,003,607</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	10,491,731	11,646,576
Route Disposition Class I	199,134,257	204,208,281
Shrinkage	1,216,475	634,468
Transfers and Diversions to Nonpool	539,873	1,406,041
Total Class I Utilization	<u>211,382,336</u>	<u>217,895,366</u>
Average Butterfat Test	2.26%	2.29%
Daily Average Utilization	6,818,785	7,028,883
<b>Class II Utilization</b>		
Nonfluid Used To Produce	12,616,453	8,900,871
Shrinkage	0	0
Transfers and Diversions to Nonpool	5,289,098	4,089,396
Used To Produce/Other Uses	12,297,290	16,582,848
Total Class II Utilization	<u>30,202,841</u>	<u>29,573,115</u>
Average Butterfat Test	10.41%	10.19%
<b>Class III Utilization</b>		
Shrinkage	3,324,217	0
Transfers and Diversions to Nonpool	1,110,697	1,583,420
Used To Produce/Other Uses	1,047,127	0
Total Class III Utilization	<u>5,482,041</u>	<u>1,583,420</u>
Average Butterfat Test	5.34%	17.75%
<b>Class IV Utilization</b>		
Inventory	7,797,858	7,476,308
Nonfluid Used To Fortify	1,396,670	1,362,132
Shrinkage	0	1,520,874
Transfers and Diversions to Nonpool	780,364	1,089,495
Used To Produce/Other Uses	0	1,502,897
Total Class IV Utilization	<u>9,974,892</u>	<u>14,951,706</u>
Average Butterfat Test	7.16%	5.25%
<b>Total Utilization</b>	<b>257,042,110</b>	<b>264,003,607</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in July 2002 is \$14.19 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.54 per hundredweight plus 3.5 times the uniform butterfat price of \$1.1469 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 91.46% of all producer skim milk (priced to handlers at \$6.85 per hundredweight, plus the Class I differential and 55.54% of producer butterfat (priced to handlers at \$1.1443 per pound plus Class I differential). Class II use accounted for 6.81% of all producer skim milk (\$7.55 per hundredweight) and 39.05% of producer butterfat (\$1.0999 per pound). Class III use accounted for 1.69% of all producer skim milk (\$5.70 per hundredweight) and 2.96% of producer butterfat (\$1.0929 per pound). Class IV use accounted for 0.04% of all producer skim milk (\$6.87 per hundredweight) and 2.45% of producer butterfat (\$1.0929 per pound).

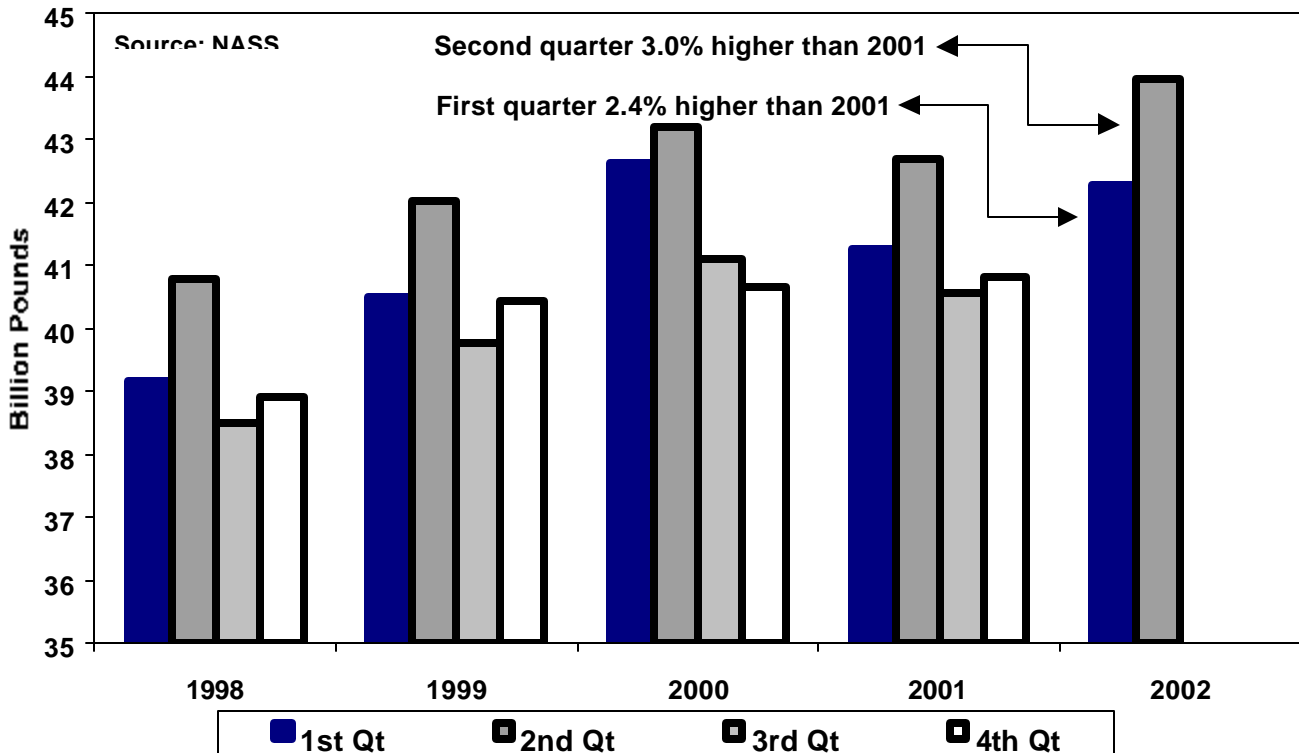
Receipts of producer milk during July 2002 totaled 215.8 million pounds, 9.99 million pounds less than was pooled in July of last year. Florida producers supplied 194.5 million pounds of milk in June 2002 to pool plants or 90.12% of the total producer milk pooled in Florida. In June 2001 Florida producers supplied 89.25% of the total producer milk pooled in the Florida market.

There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for July 2002. In-area Class I route disposition totaled 218.0 million pounds in June 2002, which was 4.2 million pounds less than last year. This represents a 5.44 percent decrease after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>June 2002</b>
Whole Milk	98,588,283
Fat Free Milk	31,418,944
Lowfat Milk (incl. 1%)	23,727,117
Reduced Fat Milk (incl. 2%)	53,300,871
Cultured Fluid Milk (incl. Buttermilk)	1,179,996
Flavored Drinks and Milk	9,794,916
<b>Total Disposition in Marketing Area</b>	<b>218,010,127</b>
Total Disposition by Pool Plants	<b>189,484,301</b>
Total Disposition by Nonpool Plants	<b>28,525,826</b>
<b>Total Disposition in Marketing Area</b>	<b>218,010,127</b>

## Quarterly U.S. Milk Production



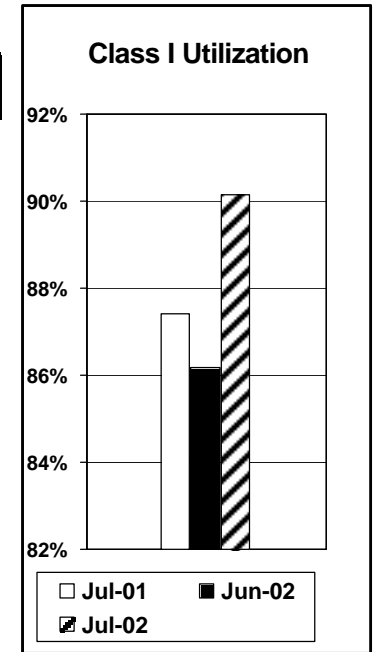
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55	\$1.0999	\$11.14	\$5.70	\$1.0929	\$9.33	\$ 6.87	\$1.0929	\$10.45	\$ 10.54	\$1.1469	\$14.19
Aug	\$10.86	\$1.1422	\$14.48	\$7.56											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.98%	3,934	1.63%
May	236,990	234	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	237	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%
Jul	215,763	235**	194,499	90.14%	17,247	7.99%	3,746	1.74%	271	0.13%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
August	09/11/02	09/12/02	09/13/02	08/19/02	08/20/02	09/04/02	09/05/02	09/13/02	09/16/02
September	10/11/02	10/15/02	10/16/02	09/19/02	09/20/02	10/04/02	10/07/02	10/16/02	10/17/02
October	11/11/02	11/12/02	11/13/02	10/21/02	10/21/02	11/04/02	11/05/02	11/13/02	11/14/02

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**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208**

Address Correction Requested



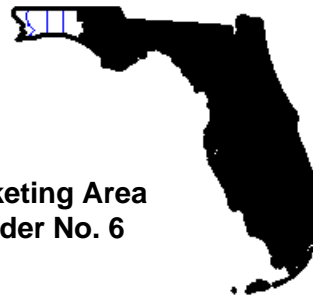
**BACK TO SCHOOL**



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

September 2002

Volume 3—No.9

## F.O. 124 Pooling Standards Altered

The Pacific Northwest Federal Milk Marketing Order issued a tentative final decision on September 5th which makes several changes to the way milk may be pooled. The Order encompassing all of Washington state, and parts of Idaho and Oregon, will: 1) require a "touch-base" standard specifying that at least three days' milk production of a dairy farmer during the month needs to be delivered to a pool plant in order for the rest of the farmer's milk to be eligible for diversion to nonpool plants; 2) set a year-round limit of 80 percent on the amount of milk that can be diverted from pool to nonpool plants; and 3) provide authority to the Market Administrator to adjust the touch-base standard.

In addition, a new cooperative pool manufacturing plant provision, along with system pooling for those plants so designated, was adopted. Consequently, the supply plant feature applicable to cooperative supply plants was eliminated. These proposed amendments must be approved by either two-thirds of producers supplying the marketing area or by producers who supply two-thirds of the milk for the marketing area. Interested persons have until November 5th to file comments in response to the tentative decision. For additional information contact: James R. Daugherty, Pacific Northwest Market Administrator; USDA/AMS/Dairy Programs; 11225 North 28th Drive, Suite D-120; Phoenix, Ariz. 85029-5630; Tel. (602) 547-2909; email [fmmaseattle@fmmaseattle.com](mailto:fmmaseattle@fmmaseattle.com).

It is interesting to note that the F.O. 124 decision is in line with the proposals and decisions in the five other Federal Order hearings held in the past year. The basic refrain from producers across the country is to participate in the benefits of our Class I monies, you must perform at higher standards. That means producers must ship milk more days of the month in order to divert, plants must divert less milk on a percentage basis, and milk can't be pooled on more than one market-wide pool.

## Blend Repeats Performance

The uniform blend in Hillsborough County, FL, was \$14.19 per hundredweight for milk at 3.5 percent butterfat for the month of August. This is exactly the uniform blend seen the month previous, but it is also exactly \$5.00 lower than August of last year. Class I utilization was 91.98 percent, up nearly two percent from last month, and up one percent from August of 2001. Despite the identical blend at 3.5 percent butterfat prices for July and August, they were each arrived at via different skim and butterfat prices. Following the commodity markets, the butterfat price fell 3.3 cents per pound while the skim price rose 14 cents per hundredweight between July and August.

## National Dairy Situation

USDA estimates total U.S. production of milk in July at 14.2 billion pounds, an increase of 2.5 percent from last year. Cumulatively for the year, national milk production is estimated to be 2.7 percent higher than last year. Milk per cow continues to improve over last year, and cow numbers are estimated to be higher than 2001 for the fourth consecutive month.

Total cheese output (excluding cottage cheese) was 670 million pounds, 0.8 percent below July 2001 and 2.7 percent below June 2002. Butter production was 93.9 million pounds in July, 11.5 percent above July 2001 but 3.1 percent below June 2002. Cumulatively for the year, the three major commodities are being produced at a rate higher than a year previous. Through July, total cheese production (excluding cottage cheese) is up 2.0 percent, butter production is up 13.9 percent, and nonfat dry milk powder production (for human consumption) is up 11.5 percent.

The milk-feed price ratio (the number of pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk) fell to 2.20 in August, significantly lower than the 3.62 ratio seen in August 2001.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - AUGUST 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	56.62%	4,547,552	\$1.1022	\$ 5,012,311.80
Class I Differential at Location				185,618.69
Class II Butterfat	35.90%	2,883,188	\$1.0771	3,105,481.81
Class III Butterfat	5.53%	444,468	\$1.0701	475,625.20
Class IV Butterfat	1.95%	156,240	\$1.0701	167,192.43
<b>Total Butterfat</b>	<b>100.00%</b>	<b>8,031,448</b>		<b>\$ 8,946,229.93</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.1139</b>	

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	93.34%	195,030,938	\$6.86 /cwt.	\$ 13,379,122.35
Class I Butterfat	56.62%	4,547,552	\$1.1022 /lb.	5,012,311.80
Class I Differential at Location		199,578,490		8,147,636.05
<b>Total Class I Milk</b>	<b>91.98%</b>	<b>199,578,490</b>		<b>\$ 26,539,070.20</b>
Class II Skim Milk	5.38%	11,247,337	\$7.56 /cwt.	\$ 850,298.67
Class II Butterfat	35.90%	2,883,188	\$1.0771 /lb.	3,105,481.81
<b>Total Class II Milk</b>	<b>6.51%</b>	<b>14,130,525</b>		<b>\$ 3,955,780.48</b>
Class III Skim Milk	1.00%	2,086,134	\$6.00 /cwt.	\$ 125,168.04
Class III Butterfat	5.53%	444,468	\$1.0701 /lb.	475,625.20
<b>Total Class III Milk</b>	<b>1.17%</b>	<b>2,530,602</b>		<b>\$ 600,793.24</b>
Class IV Skim Milk	0.28%	589,583	\$6.91 /cwt.	\$ 40,740.18
Class IV Butterfat	1.95%	156,240	\$1.0701 /lb.	167,192.43
<b>Total Class IV Milk</b>	<b>0.34%</b>	<b>745,823</b>		<b>\$ 207,932.61</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>216,985,440</b>		<b>\$ 31,303,576.53</b>

### Adjustments

Overage and Other Source	49,037.25
Inventory Adjustments	15,368.31
Producer butterfat at uniform butterfat price	(8,946,229.93)
Location Adjustments to Producers	(156,046.96)
1/2 Unobligated Balance in P.S.F.	102,975.29

### Adjusted Pool Value

	<b>\$ 10.70507</b>	<b>\$ 22,368,680.49</b>
Reserve for Producer Settlement Fund	<b>\$ 0.04507</b>	94,184.95

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

<b>\$10.66</b>
----------------

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

<b>\$14.19*</b>
-----------------

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	AUG 2002	SEPT 2002	JULY 2002	AUG 2002	AUGUST 2002
Appalachian (Charlotte)	\$ 13.58	\$ 13.56	\$ 12.88	\$ 12.87	72.52%
Arizona-Las Vegas (Phoenix)	\$ 12.83	\$ 12.81	\$ 10.87	\$ 11.04	35.60%
Central (Kansas City)	\$ 12.48	\$ 12.46	\$ 10.44	\$ 10.58	27.02%
<b>Florida (Tampa)</b>	<b>\$ 14.48</b>	<b>\$ 14.46</b>	<b>\$ 14.19</b>	<b>\$ 14.19</b>	<b>91.98%</b>
Mideast (Cleveland)	\$ 12.48	\$ 12.46	\$ 10.85	\$ 11.19	41.60%
Northeast (Boston)	\$ 13.73	\$ 13.71	\$ 12.05	\$ 12.16	43.30%
Pacific Northwest (Seattle)	\$ 12.38	\$ 12.36	\$ 10.66	\$ 10.66	26.34%
Southeast (Atlanta)	\$ 13.58	\$ 13.56	\$ 12.55	\$ 12.63	67.28%
Southwest (Dallas)	\$ 13.48	\$ 13.46	\$ 11.81	\$ 11.95	45.01%
Upper Midwest (Chicago)	\$ 12.28	\$ 12.26	\$ 10.13	\$ 10.20	19.90%
Western (Salt Lake City)	\$ 12.37	\$ 12.35	\$ 10.26	\$ 10.35	21.50%

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

<b>Receipts:</b>		<b>AUGUST 2002</b>	<b>AUGUST 2001</b>
<b>Producer Milk</b>			
Class I		199,578,490	198,789,208
Class II		14,130,525	16,096,986
Class III		2,530,602	1,196,838
Class IV		745,823	2,478,468
	Total Producer Milk	<b>216,985,440</b>	<b>218,561,500</b>
	Average Butterfat Test	3.70%	3.62%
	Percent of Producer Milk in Class I	91.98%	90.96%
	Daily Average Receipts	6,999,530	7,050,371
<b>Other Source Milk</b>			
Class I		12,349,506	22,865,517
Class II		11,502,378	14,017,327
Class III		641,739	117,000
Class IV		3,366,975	3,976,279
	Total Other Source Milk	<b>27,860,598</b>	<b>40,976,123</b>
<b>Overage</b>			
Class I		3,691	0
Class II		0	0
Class III		12,892	2,494
Class IV		65,519	27,536
	Total Overage	<b>82,102</b>	<b>30,030</b>
<b>Opening Inventory</b>			
Class I		11,481,006	11,646,576
Class II		523,983	489,855
Class III		3,265,890	0
Class IV		3,018,710	6,986,453
	Total Opening Inventory	<b>18,289,589</b>	<b>19,122,884</b>
	<b>Total Receipts</b>	<b>263,217,729</b>	<b>278,690,537</b>
<b>Utilization:</b>			
<b>Class I Utilization</b>			
Inventory of Packaged FMP		10,309,621	12,835,409
Route Disposition Class I		211,447,117	217,218,410
Shrinkage		1,342,742	2,587,784
Transfers and Diversions to Nonpool		313,213	659,698
	Total Class I Utilization	<b>223,412,693</b>	<b>233,301,301</b>
	Average Butterfat Test	2.23%	2.27%
	Daily Average Utilization	7,206,861	7,525,848
<b>Class II Utilization</b>			
Nonfluid Used To Produce		10,437,981	9,194,243
Shrinkage		0	0
Transfers and Diversions to Nonpool		3,353,591	3,630,326
Used To Produce/Other Uses		12,365,314	17,779,599
	Total Class II Utilization	<b>26,156,886</b>	<b>30,604,168</b>
	Average Butterfat Test	11.67%	10.43%
<b>Class III Utilization</b>			
Shrinkage		3,615,094	156
Transfers and Diversions to Nonpool		1,649,695	1,316,176
Used To Produce/Other Uses		1,186,334	0
	Total Class III Utilization	<b>6,451,123</b>	<b>1,316,332</b>
	Average Butterfat Test	7.83%	21.55%
<b>Class IV Utilization</b>			
Inventory		3,539,559	4,946,132
Nonfluid Used To Fortify		2,134,398	1,590,557
Shrinkage		0	372,450
Transfers and Diversions to Nonpool		1,523,070	1,801,069
Used To Produce/Other Uses		0	1,406,472
	Total Class IV Utilization	<b>7,197,027</b>	<b>13,468,736</b>
	Average Butterfat Test	9.61%	7.01%
	<b>Total Utilization</b>	<b>263,217,729</b>	<b>278,690,537</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in August 2002 is \$14.19 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.66 per hundredweight plus 3.5 times the uniform butterfat price of \$1.1139 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 93.34% of all producer skim milk (priced to handlers at \$6.86 per hundredweight, plus the Class I differential and 56.62% of producer butterfat (priced to handlers at \$1.1022 per pound plus Class I differential). Class II use accounted for 5.38% of all producer skim milk (\$7.56 per hundredweight) and 35.90% of producer butterfat (\$1.0771 per pound). Class III use accounted for 1.00% of all producer skim milk (\$6.00 per hundredweight) and 5.53% of producer butterfat (\$1.0701 per pound). Class IV use accounted for 0.028% of all producer skim milk (\$6.91 per hundredweight) and 1.95% of producer butterfat (\$1.0701 per pound).

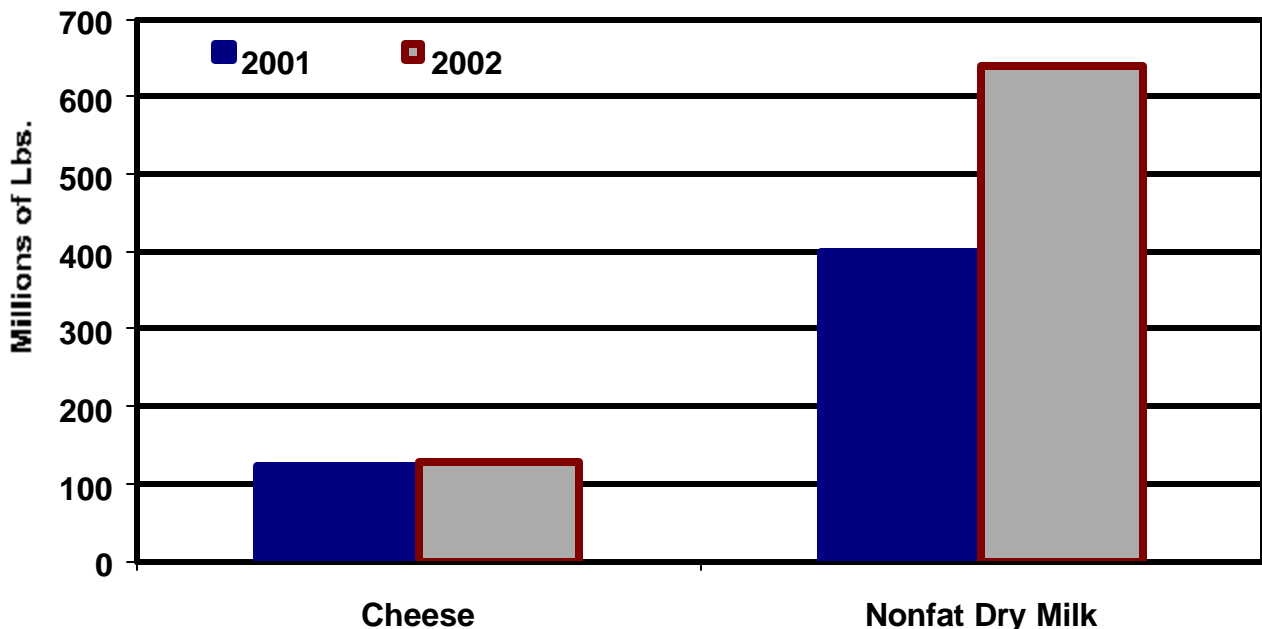
Receipts of producer milk during August 2002 totaled 216.9 million pounds, 1.58 million pounds less than was pooled in August of last year. Florida producers supplied 183.3 million pounds of milk in July 2002 to pool plants or 84.94% of the total producer milk pooled in Florida. In July 2001 Florida producers supplied 82.42% of the total producer milk pooled in the Florida market.

There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for August 2002. In-area Class I route disposition totaled 230.2 million pounds in July 2002, which was 10.5 million pounds more than last year. This represents a 7.03 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>July 2002</b>
Whole Milk	103,962,833
Fat Free Milk	33,358,371
Lowfat Milk (incl. 1%)	24,328,888
Reduced Fat Milk (incl. 2%)	57,062,147
Cultured Fluid Milk (incl. Buttermilk)	1,240,618
Flavored Drinks and Milk	10,239,442
<b>Total Disposition in Marketing Area</b>	<b>230,192,299</b>
Total Disposition by Pool Plants	<b>198,518,339</b>
Total Disposition by Nonpool Plants	<b>31,673,960</b>
<b>Total Disposition in Marketing Area</b>	<b>230,192,299</b>

### CCC Dairy Product Purchases: Cumulative through August



Cumulative government purchases of cheese and nonfat dry milk are shown above. Cheese purchases are up 5% from 2001. Nonfat dry milk powder purchases have increase 60% from last year. Butter purchases, while down 33% from a year ago, were insignificant in comparison.

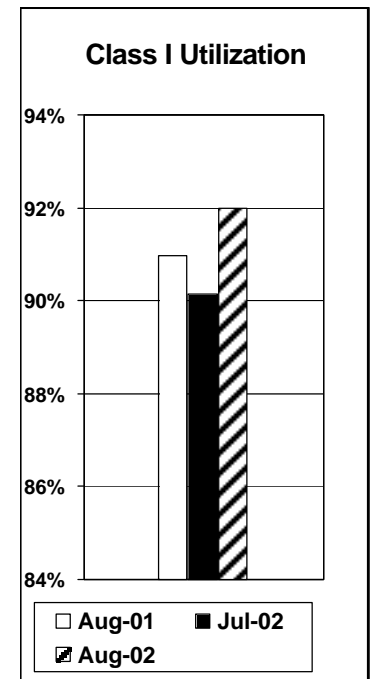
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55	\$1.0999	\$11.14	\$5.70	\$1.0929	\$9.33	\$ 6.87	\$1.0929	\$10.45	\$ 10.54	\$1.1469	\$14.19
Aug	\$10.86	\$1.1422	\$14.48	\$7.56	\$1.0771	\$11.07	\$6.00	\$1.0701	\$9.54	\$ 6.91	\$1.0701	\$10.41	\$ 10.66	\$1.1139	\$14.19
Sep	\$10.92	\$1.1205	\$14.46	\$7.62											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.98%	3,934	1.63%
May	236,990	234	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	237	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%
Jul	215,763	289	194,499	90.14%	17,247	7.99%	3,746	1.74%	271	0.13%
Aug	216,985	250**	199,578	91.98%	14,131	6.51%	2,531	1.17%	746	0.34%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
September	10/11/02	10/15/02	10/16/02	09/19/02	09/20/02	10/04/02	10/07/02	10/16/02	10/17/02
October	11/11/02	11/12/02	11/13/02	10/21/02	10/21/02	11/04/02	11/05/02	11/13/02	11/14/02
November	12/11/02	12/12/02	12/13/02	11/19/02	11/20/02	12/04/02	12/05/02	12/13/02	12/16/02

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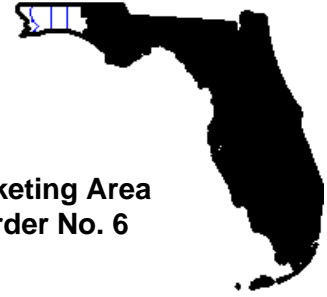
**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208  
Address Correction Requested**



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



www.fmmatlanta.com

October 2002

Volume 3—No.10

## Tracking Changes in the U.S. Dairy Herd

In a report released September 26th, National Agricultural Statistics Service (NASS) describes the structural changes that have taken place in the make up of the U.S. dairy herd in the past five years. The bottom line? There are fewer but larger operations milking fewer but more productive cows. Beneath this changing composition is a migratory trend shifting milk production from the Southeast and Midwest to the western states.

Farms with >500 Head



As the chart above shows, farms with more than 500 dairy cows are becoming more prevalent and producing an ever increasing share of the U.S. milk supply, up from 29 percent in 1997 to 39 percent last year. While representing 2 percent of all farms in 1997 with 24 percent of total cow inventory, 2001 found 35 percent of all cows on these large farms. Yet farms with more than 500 cows still only represented 3 percent of all dairy farms in 2001.

Migration westward of production is illustrated by the fact that Wyoming was the only western state to not increase production between 1997 and 2001. In contrast, no state in the southeast posted gains in that same period. For more on southeast production, see page 4.

## Drought Assistance Made Available

The prolonged drought afflicting much of the nation will be combated in part with federal funds made available through the Livestock Compensation program. Dairy farmers in counties that have received primary disaster designation due to drought are eligible for \$31.50 per head payments subject to a \$40,000 payment limitation. Several counties in Kentucky, Georgia, Missouri and Tennessee qualify. For more details, visit <http://drought.fsa.usda.gov/assistance.asp>.

## Blend Follows Commodities Down

The uniform blend in Hillsborough County, FL, was \$13.97 per hundredweight for milk at 3.5 percent butterfat for the month of September. This represents a 22-cent decrease from August and a \$5.48 lower than September of last year. Class I utilization was 89.20 percent.

The steady erosion of blend prices over the past year has been caused by the equally steady rise in milk production. More milk production puts downward pressure on commodity prices which, through the product price formulas, forces class prices lower. So despite Class I utilizations at or above historical F.O. 6 trends, the blend price has fallen below \$14 per hundredweight.

For additional perspective, consider that while the blend price in the Florida Order is off by 28 percent from a year ago, commodity prices (as traded on the Chicago Mercantile Exchange) are off substantially as well. Butter prices are off by 53 percent, cheese prices are approximately 30 percent lower and nonfat dry milk prices are averaging about 8 percent less when comparing September 2001 with last month. These commodity prices are low even when compared with 2000, which was a record year for milk production until 2002 arrived.

## National Dairy Situation

USDA estimates total U.S. production of milk in August at 14.1 billion pounds, an increase of 4.0 percent from last year. Total cheese output (excluding cottage cheese) was 686 million pounds, 3.9 percent above August 2001 and 2.1 percent above July 2002. Butter production was 88.5 million pounds in August, 17.2 percent above August 2001 but 5.8 percent below July 2002.

The milk-feed price ratio (the number of pounds of 16 percent mixed dairy feed equal in value to one pound of whole milk) fell to 2.23 in September, a fraction lower than the revised 2.27 value for August, and significantly lower than the 3.75 ratio seen in September 2001.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - SEPTEMBER 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	52.57%	3,781,220	\$1.0805	\$ 4,085,608.21
Class I Differential at Location				154,445.18
Class II Butterfat	35.90%	2,582,181	\$1.0169	2,625,819.86
Class III Butterfat	4.90%	352,454	\$1.0099	355,943.31
Class IV Butterfat	6.63%	476,855	\$1.0099	481,575.85
<b>Total Butterfat</b>	<b>100.00%</b>	<b>7,192,710</b>		<b>\$ 7,703,392.41</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.0710</b>	

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	90.62%	168,751,588	\$6.92 /cwt.	\$ 11,677,609.88
Class I Butterfat	52.57%	3,781,220	\$1.0805 /lb.	4,085,608.21
Class I Differential at Location		172,532,808		7,027,149.62
<b>Total Class I Milk</b>	<b>89.20%</b>	<b>172,532,808</b>		<b>\$ 22,790,367.71</b>
Class II Skim Milk	5.62%	10,472,410	\$7.62 /cwt.	\$ 797,997.65
Class II Butterfat	35.90%	2,582,181	\$1.0169 /lb.	2,625,819.86
<b>Total Class II Milk</b>	<b>6.75%</b>	<b>13,054,591</b>		<b>\$ 3,423,817.51</b>
Class III Skim Milk	1.92%	3,580,936	\$6.62 /cwt.	\$ 237,057.96
Class III Butterfat	4.90%	352,454	\$1.0099 /lb.	355,943.31
<b>Total Class III Milk</b>	<b>2.03%</b>	<b>3,933,390</b>		<b>\$ 593,001.27</b>
Class IV Skim Milk	1.84%	3,433,055	\$6.93 /cwt.	\$ 237,910.70
Class IV Butterfat	6.63%	476,855	\$1.0099 /lb.	481,575.85
<b>Total Class IV Milk</b>	<b>2.02%</b>	<b>3,909,910</b>		<b>\$ 719,486.55</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>193,430,699</b>		<b>\$ 27,526,673.04</b>

### Adjustments

Overage and Other Source	51,544.49
Inventory Adjustments	(600.39)
Producer butterfat at uniform butterfat price	(7,703,392.41)
Location Adjustments to Producers	(130,674.24)
1/2 Unobligated Balance in P.S.F.	61,032.62

### Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 10.63402	\$ 19,804,583.11
	<b>\$ 0.04402</b>	81,990.08

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

**\$10.59**

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

**\$13.97\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	SEP 2002	OCT 2002	AUG 2002	SEP 2002	SEP 2002
Appalachian (Charlotte)	\$ 13.56	\$ 13.25	\$ 12.87	\$ 12.76	71.22%
Arizona-Las Vegas (Phoenix)	\$ 12.81	\$ 12.50	\$ 11.04	\$ 11.03	36.02%
Central (Kansas City)	\$ 12.46	\$ 12.15	\$ 10.58	\$ 10.74	26.33%
<b>Florida (Tampa)</b>	<b>\$ 14.46</b>	<b>\$ 14.15</b>	<b>\$ 14.49</b>	<b>\$ 13.97</b>	<b>89.20%</b>
Mideast (Cleveland)	\$ 12.46	\$ 12.15	\$ 11.19	\$ 11.09	38.70%
Northeast (Boston)	\$ 13.71	\$ 13.40	\$ 12.16	\$ 12.20	46.30%
Pacific Northwest (Seattle)	\$ 12.36	\$ 12.05	\$ 10.66	\$ 10.66	27.24%
Southeast (Atlanta)	\$ 13.56	\$ 13.25	\$ 12.63	\$ 12.56	65.60%
Southwest (Dallas)	\$ 13.46	\$ 13.15	\$ 11.95	\$ 11.92	45.25%
Upper Midwest (Chicago)	\$ 12.26	\$ 11.95	\$ 10.20	\$ 10.46	20.60%
Western (Salt Lake City)	\$ 12.35	\$ 12.04	\$ 10.35	\$ 10.55	17.31%



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

Receipts:	SEPTEMBER 2002	SEPTEMBER 2001
<b>Producer Milk</b>		
Class I	172,532,808	178,719,328
Class II	13,054,591	11,651,649
Class III	3,933,390	1,087,557
Class IV	3,909,910	8,478,202
Total Producer Milk	<b>193,430,699</b>	<b>199,936,736</b>
Average Butterfat Test	3.72%	3.65%
Percent of Producer Milk in Class I	89.20%	89.39%
Daily Average Receipts	6,447,690	6,664,558
<b>Other Source Milk</b>		
Class I	27,138,080	22,487,363
Class II	9,784,636	11,368,132
Class III	488,194	0
Class IV	4,726,462	3,732,021
Total Other Source Milk	<b>42,137,372</b>	<b>37,587,516</b>
<b>Overage</b>		
Class I	1,015	5,375
Class II	0	0
Class III	30,553	0
Class IV	293,638	138,713
Total Overage	<b>325,204</b>	<b>144,088</b>
<b>Opening Inventory</b>		
Class I	10,413,408	12,835,409
Class II	19,354	26,405
Class III	251,311	0
Class IV	3,165,107	4,919,727
Total Opening Inventory	<b>13,849,180</b>	<b>17,781,541</b>
<b>Total Receipts</b>	<b>249,742,455</b>	<b>255,449,881</b>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	9,730,493	12,730,457
Route Disposition Class I	198,759,172	199,923,693
Shrinkage	1,400,146	798,247
Transfers and Diversions to Nonpool	195,500	595,078
Total Class I Utilization	<b>210,085,311</b>	<b>214,047,475</b>
Average Butterfat Test	2.17%	2.23%
Daily Average Utilization	7,002,844	7,134,916
<b>Class II Utilization</b>		
Nonfluid Used To Produce	7,649,981	11,290,152
Shrinkage	0	0
Transfers and Diversions to Nonpool	2,569,409	1,714,100
Used To Produce/Other Uses	12,639,191	10,041,934
Total Class II Utilization	<b>22,858,581</b>	<b>23,046,186</b>
Average Butterfat Test	11.46%	9.74%
<b>Class III Utilization</b>		
Shrinkage	2,279,898	0
Transfers and Diversions to Nonpool	1,378,725	1,087,557
Used To Produce/Other Uses	1,044,825	0
Total Class III Utilization	<b>4,703,448</b>	<b>1,087,557</b>
Average Butterfat Test	9.59%	27.36%
<b>Class IV Utilization</b>		
Inventory	8,143,223	9,546,855
Nonfluid Used To Fortify	2,201,349	1,382,025
Shrinkage	4,271	2,861,846
Transfers and Diversions to Nonpool	1,746,272	2,332,525
Used To Produce/Other Uses	0	1,145,412
Total Class IV Utilization	<b>12,095,115</b>	<b>17,268,663</b>
Average Butterfat Test	9.28%	8.64%
<b>Total Utilization</b>	<b>249,742,455</b>	<b>255,449,881</b>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in September 2002 is \$13.97 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.59 per hundredweight plus 3.5 times the uniform butterfat price of \$1.0710 per pound. Payment to producers may be adjusted by location differentials, if applicable, and by properly authorized deductions.

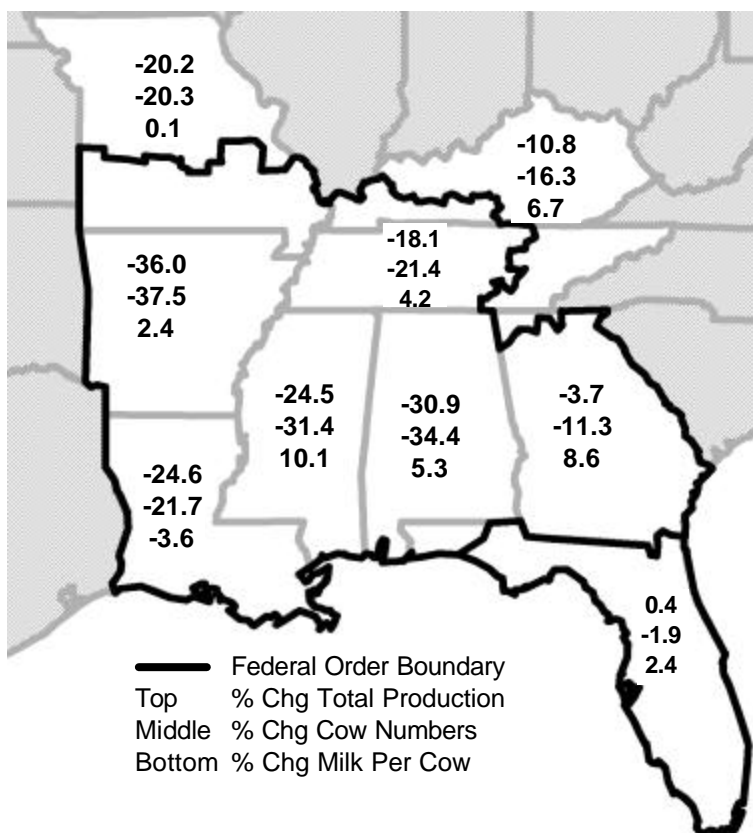
Uniform prices are the result of marketwide pooling; all producer milk was classified and priced according to the milk's use. In August, Class I use accounted for 90.62% of all producer skim milk (priced to handlers at \$6.92 per hundredweight, plus the Class I differential and 52.57% of producer butterfat (priced to handlers at \$1.0805 per pound plus Class I differential). Class II use accounted for 5.62% of all producer skim milk (\$7.62 per hundredweight) and 35.90% of producer butterfat (\$1.0169 per pound). Class III use accounted for 1.92% of all producer skim milk (\$6.62 per hundredweight) and 4.90% of producer butterfat (\$1.0099 per pound). Class IV use accounted for 1.84% of all producer skim milk (\$6.93 per hundredweight) and 6.63% of producer butterfat (\$1.0099 per pound).

Receipts of producer milk during September 2002 totaled 193.4 million pounds, 6.51 million pounds less than was pooled in September of last year. Florida producers supplied 175.1 million pounds of milk in August 2002 to pool plants or 80.70% of the total producer milk pooled in Florida. In August 2001 Florida producers supplied 77.14% of the total producer milk pooled in the Florida market.

There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for September 2002. In-area Class I route disposition totaled 242.4 million pounds in August 2002, which was 3.6 million pounds more than last year. This represents a 2.18 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>August 2002</b>
Whole Milk	106,095,836
Fat Free Milk	34,481,008
Lowfat Milk (incl. 1%)	25,445,007
Reduced Fat Milk (incl. 2%)	59,712,447
Cultured Fluid Milk (incl. Buttermilk)	1,292,554
Flavored Drinks and Milk	15,332,516
<b>Total Disposition in Marketing Area</b>	<b>242,359,368</b>
Total Disposition by Pool Plants	<b>210,881,151</b>
Total Disposition by Nonpool Plants	<b>31,478,217</b>
<b>Total Disposition in Marketing Area</b>	<b>242,359,368</b>



### Milk Production, Cow Numbers and Milk Per Cow: 2001 versus 1996

National Agricultural Statistics Service (NASS) provides monthly estimates of milk production, cow numbers and milk per cow values for each state. Compiled annually by NASS, these annual estimates that are provided here to illustrate the basic trends in the most commonly referred to indicators of the dairy industry. In each of the nine states that make up the Florida and Southeast Marketing Areas are listed three numbers that represent the percentage change in total state production (top number), cow numbers in the milking herd (middle number) and milk per cow (bottom number) between 1996 and 2001.

Taken as a whole, the states shown produced 14.3 percent less in 2001 than in 1996, with 18.0 percent fewer cows while increasing milk per cow by 4.7 percent. For comparison, national production increased by 7.4 percent with 1.8 percent fewer cows with a 10.4 percent increase in milk per cow. Three western states combined, California, Idaho and New Mexico, increased production by 35.6 percent with 21.5 percent more cows and a 10.5 percent increase in milk per cow between 1996 and 2001.

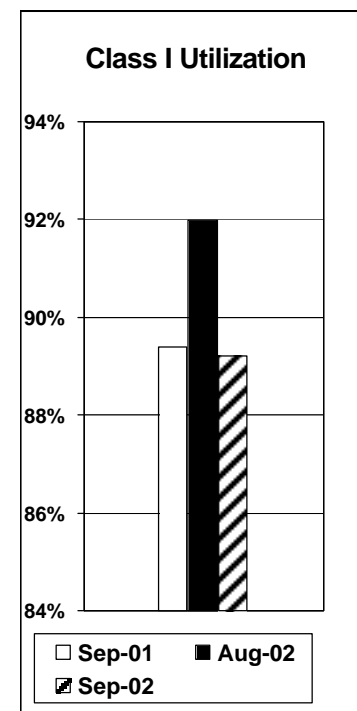
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55	\$1.0999	\$11.14	\$5.70	\$1.0929	\$9.33	\$ 6.87	\$1.0929	\$10.45	\$ 10.54	\$1.1469	\$14.19
Aug	\$10.86	\$1.1422	\$14.48	\$7.56	\$1.0771	\$11.07	\$6.00	\$1.0701	\$9.54	\$ 6.91	\$1.0701	\$10.41	\$ 10.66	\$1.1139	\$14.19
Sep	\$10.92	\$1.1205	\$14.46	\$7.62	\$1.0169	\$10.91	\$6.62	\$1.0099	\$9.92	\$ 6.93	\$1.0099	\$10.22	\$ 10.59	\$1.0710	\$13.97
Oct	\$10.91	\$1.0335	\$14.15	\$7.61											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.98%	3,934	1.63%
May	236,990	234	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	237	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%
Jul	215,763	289	194,499	90.14%	17,247	7.99%	3,746	1.74%	271	0.13%
Aug	216,985	295	199,578	91.98%	14,131	6.51%	2,531	1.17%	746	0.34%
Sep	193,431	290**	172,533	89.20%	13,055	6.75%	3,933	2.03%	3,910	2.02%

\* 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 2002

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
October	11/11/02	11/12/02	11/13/02	10/21/02	10/21/02	11/04/02	11/05/02	11/13/02	11/14/02
November	12/11/02	12/12/02	12/13/02	11/19/02	11/20/02	12/04/02	12/05/02	12/13/02	12/16/02
December	01/11/03	01/13/03	01/14/03	12/19/02	12/20/02	01/06/03	01/06/03	01/14/03	01/15/03

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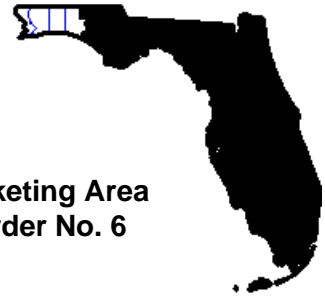
**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208  
Address Correction Requested**



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

November 2002

Volume 3—No.11

## Final Decision Issued in Pricing Formulas

As prompted by the 1996 Farm bill, USDA developed new Class III and IV pricing formulas which were based on wholesale prices of manufactured dairy products, rather than on the dwindling Grade B raw milk markets in Minnesota and Wisconsin. These formulas apply to all Federal Orders and are the building blocks of Federal Order pricing. The initial formulas were implemented on January 1, 2000 and later revised January 1, 2001 only to be enjoined in U.S. District Court later that same month. In October 2001 the Department issued a recommended decision and, after an extensive review of comments filed in response to it, issued a final decision on November 7, 2002. (Available online at [www.ams.usda.gov/dairy/hearing-III\\_IV.htm](http://www.ams.usda.gov/dairy/hearing-III_IV.htm) or from the Market Administrator at 770-448-1194)

Based on the hearing record and comments filed in response to the October 2001 recommended decision, the final decision would make several changes to current pricing formulas. To account for farm-to-plant losses, yield factors are lowered in each of the composite formulas. The make allowance for dry whey was increased, to incorporate testimony regarding plant production costs. And to more accurately account for the relative value of butterfat in cheese versus butterfat in butter, two adjustments are made which reduce the impact of butter prices in the protein price formula.

These very technical changes in the Class III and IV pricing formulas, which are tied closely to the intricacies of food science and manufacturing processes, are projected to enhance Class III prices and diminish Class IV prices. How these class price changes play out are dependent on an individual Order's utilization. USDA estimates that over the next five years, these formula changes will result in an average decline in the Florida marketing area blend price of \$0.05 per hundredweight, while the Federal Order system combined is expected to have an increase of \$0.06.

Before being implemented, each Order as amended must be approved by two-thirds of the producers supplying milk to each of Federal Order.

## Blend Boosted to \$14.03

The uniform blend in Hillsborough County, FL, was \$14.03 per hundredweight for milk at 3.5 percent butterfat for the month of October. This represents a six-cent increase from September and is \$4.27 lower than October of last year. Class I utilization was 91.74 percent, up over 2.5 percent from last month.

It is a slightly unusual outcome that the Florida blend price would increase from September, given the lower Class I price and ninety-plus percent Class I utilization witnessed during October. However, consider that Class I utilization rose over 2.5 percent even though an additional seven million pounds were pooled in October. This means more milk was put in the bottle and therefore valued in Class I. So despite a slightly lower fluid price than seen in September, the sheer volume of Class I milk pooled during October pulled the uniform blend price higher.

## National Dairy Situation

USDA estimates total U.S. production of milk in September at 13.6 billion pounds, a decrease of 3.9 percent from August and an increase of 3.5 percent from last year. Quarterly (July-September) U.S. production of milk was also significantly above the previous year, up 3.3 percent on the combined effects of more cows and higher milk per cow numbers.

Total cheese output was 658 million pounds, 2.5 percent above September 2001 but 4.3 percent below August 2002. Butter production was 92.2 million pounds during September, 6.3 percent above September 2001 and 4.1 percent above August 2002.

The milk-feed price ratio increased to 2.42 during October, up from a revised figure of 2.29 for the previous month. This is due to slightly higher milk prices and slightly lower corn, alfalfa and soybean prices which make up the 'feed' price portion of the ratio. But even this increase leaves the ratio well shy of the 3.55 value seen in October 2001.

## F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - OCTOBER 2002

### Calculation of Uniform Butterfat Price:

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	54.43%	4,077,690	\$0.9935	\$ 4,051,185.00
Class I Differential at Location				166,597.46
Class II Butterfat	37.39%	2,801,064	\$1.0796	3,024,028.69
Class III Butterfat	1.43%	106,957	\$1.0726	114,722.08
Class IV Butterfat	6.75%	505,519	\$1.0726	542,219.68
<b>Total Butterfat</b>	<b>100.00%</b>	<b>7,491,230</b>		<b>\$ 7,898,752.91</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.0544</b>	

### Calculation of Uniform Skim Milk Price:

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	93.17%	181,112,437	\$6.91 /cwt.	\$ 12,514,869.41
Class I Butterfat	54.43%	4,077,690	\$0.9935 /lb.	4,051,185.00
Class I Differential at Location		185,190,127		7,547,504.15
<b>Total Class I Milk</b>	<b>91.74%</b>	<b>185,190,127</b>		<b>\$ 24,113,558.56</b>
Class II Skim Milk	5.64%	10,967,340	\$7.61 /cwt.	\$ 834,614.58
Class II Butterfat	37.39%	2,801,064	\$1.0796 /lb.	3,024,028.69
<b>Total Class II Milk</b>	<b>6.82%</b>	<b>13,768,404</b>		<b>\$ 3,858,643.27</b>
Class III Skim Milk	0.14%	265,182	\$7.22 /cwt.	\$ 19,146.15
Class III Butterfat	1.43%	106,957	\$1.0726 /lb.	114,722.08
<b>Total Class III Milk</b>	<b>0.18%</b>	<b>372,139</b>		<b>\$ 133,868.23</b>
Class IV Skim Milk	1.05%	2,035,843	\$6.99 /cwt.	\$ 142,305.43
Class IV Butterfat	6.75%	505,519	\$1.0726 /lb.	542,219.68
<b>Total Class IV Milk</b>	<b>1.26%</b>	<b>2,541,362</b>		<b>\$ 684,525.11</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>201,872,032</b>		<b>\$ 28,790,595.17</b>

### Adjustments

Overage and Other Source	74,638.66
Inventory Adjustments	5,755.47
Producer butterfat at uniform butterfat price	(7,898,752.91)
Location Adjustments to Producers	(140,386.04)
1/2 Unobligated Balance in P.S.F.	71,150.03

### Adjusted Pool Value

Reserve for Producer Settlement Fund	\$ 10.75363	\$ 20,903,000.38
	<b>\$ 0.04363</b>	<b>84,816.49</b>

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

**\$10.71**

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

**\$14.03\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	OCT 2002	NOV 2002	SEP 2002	OCT 2002	OCT 2002
Appalachian (Charlotte)	\$ 13.25	\$ 13.70	\$ 12.76	\$ 12.91	75.85%
Arizona-Las Vegas (Phoenix)	\$ 12.50	\$ 12.95	\$ 11.03	\$ 11.38	35.73%
Central (Kansas City)	\$ 12.15	\$ 12.60	\$ 10.74	\$ 11.18	26.75%
<b>Florida (Tampa)</b>	<b>\$ 14.15</b>	<b>\$ 14.60</b>	<b>\$ 13.97</b>	<b>\$ 14.03</b>	<b>91.74%</b>
Mideast (Cleveland)	\$ 12.15	\$ 12.60	\$ 11.09	\$ 11.32	40.10%
Northeast (Boston)	\$ 13.40	\$ 13.85	\$ 12.20	\$ 12.40	48.50%
Pacific Northwest (Seattle)	\$ 12.05	\$ 12.50	\$ 10.66	\$ 10.94	28.68%
Southeast (Atlanta)	\$ 13.25	\$ 13.70	\$ 12.56	\$ 12.81	69.68%
Southwest (Dallas)	\$ 13.15	\$ 13.60	\$ 11.92	\$ 12.07	45.64%
Upper Midwest (Chicago)	\$ 11.95	\$ 12.40	\$ 10.46	\$ 11.03	23.50%
Western (Salt Lake City)	\$ 12.04	\$ 12.49	\$ 10.55	\$ 11.01	20.09%

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

<b>Receipts:</b>	<b>OCTOBER 2002</b>	<b>OCTOBER 2001</b>
<b>Producer Milk</b>		
Class I	185,190,127	200,802,305
Class II	13,768,404	13,192,560
Class III	372,139	774,211
Class IV	2,541,362	3,595,398
Total Producer Milk	<u>201,872,032</u>	<u>218,364,474</u>
Average Butterfat Test	3.71%	3.68%
Percent of Producer Milk in Class I	91.74%	91.96%
Daily Average Receipts	6,512,001	7,044,015
<b>Other Source Milk</b>		
Class I	32,322,228	19,372,922
Class II	11,076,413	11,021,853
Class III	123,616	0
Class IV	5,153,661	3,686,945
Total Other Source Milk	<u>48,675,918</u>	<u>34,081,720</u>
<b>Overage</b>		
Class I	1,678	0
Class II	51,489	0
Class III	6,094	0
Class IV	14,853	18,837
Total Overage	<u>74,114</u>	<u>18,837</u>
<b>Opening Inventory</b>		
Class I	9,730,493	12,730,457
Class II	398,369	0
Class III	0	0
Class IV	7,744,854	9,546,855
Total Opening Inventory	<u>17,873,716</u>	<u>22,277,312</u>
<b>Total Receipts</b>	<u><b>268,495,780</b></u>	<u><b>274,742,343</b></u>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	13,635,932	12,384,070
Route Disposition Class I	212,335,139	217,814,821
Shrinkage	1,102,055	2,149,262
Transfers and Diversions to Nonpool	171,400	557,531
Total Class I Utilization	<u>227,244,526</u>	<u>232,905,684</u>
Average Butterfat Test	2.19%	2.21%
Daily Average Utilization	7,330,469	7,513,087
<b>Class II Utilization</b>		
Nonfluid Used To Produce	9,559,313	7,617,270
Shrinkage	0	0
Transfers and Diversions to Nonpool	2,320,317	1,634,868
Used To Produce/Other Uses	13,415,045	14,962,275
Total Class II Utilization	<u>25,294,675</u>	<u>24,214,413</u>
Average Butterfat Test	11.85%	10.01%
<b>Class III Utilization</b>		
Shrinkage	0	0
Transfers and Diversions to Nonpool	501,849	774,211
Used To Produce/Other Uses	0	0
Total Class III Utilization	<u>501,849</u>	<u>774,211</u>
Average Butterfat Test	31.16%	25.09%
<b>Class IV Utilization</b>		
Inventory	6,548,112	6,812,442
Nonfluid Used To Fortify	2,339,271	1,781,674
Shrinkage	2,680,571	3,981,894
Transfers and Diversions to Nonpool	2,372,370	3,031,738
Used To Produce/Other Uses	1,514,406	1,240,287
Total Class IV Utilization	<u>15,454,730</u>	<u>16,848,035</u>
Average Butterfat Test	9.28%	10.53%
<b>Total Utilization</b>	<u><b>268,495,780</b></u>	<u><b>274,742,343</b></u>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in October 2002 is \$14.03 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.71 per hundredweight plus 3.5 times the uniform butterfat price of \$1.0544 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 91.74% of all producer skim milk (priced to handlers at \$6.91 per hundredweight, plus the Class I differential and 54.43% of producer butterfat (priced to handlers at \$0.9935 per pound plus Class I differential). Class II use accounted for 6.82% of all producer skim milk (\$7.61 per hundredweight) and 37.39% of producer butterfat (\$1.0796 per pound). Class III use accounted for 0.18% of all producer skim milk (\$7.22 per hundredweight) and 1.43% of producer butterfat (\$1.0726 per pound). Class IV use accounted for 1.26% of all producer skim milk (\$6.99 per hundredweight) and 6.75% of producer butterfat (\$1.0726 per pound).

Receipts of producer milk during October 2002 totaled 201.9 million pounds, 16.49 million pounds less than was pooled in October of last year. Florida producers supplied 148.5 million pounds of milk in September 2002 to pool plants or 76.77% of the total producer milk pooled in Florida. In September 2001 Florida producers supplied 77.24% of the total producer milk pooled in the Florida market.

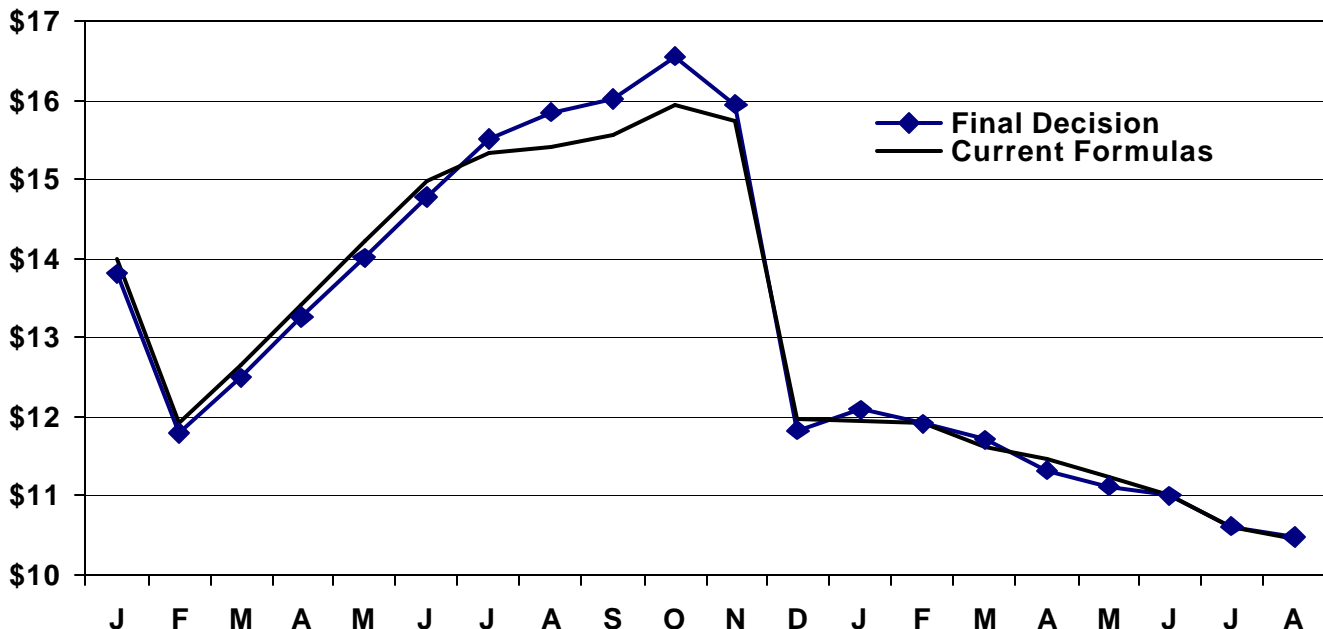
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for October 2002. In-area Class I route disposition totaled 226.4 million pounds in September 2002, which was 2.9 million pounds more than last year. This represents a 1.30 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>September 2002</b>
Whole Milk	97,857,262
Fat Free Milk	29,444,340
Lowfat Milk (incl. 1%)	23,977,331
Reduced Fat Milk (incl. 2%)	56,639,720
Cultured Fluid Milk (incl. Buttermilk)	1,149,359
Flavored Drinks and Milk	17,310,633
<b>Total Disposition in Marketing Area</b>	<b>226,378,645</b>
Total Disposition by Pool Plants	<b>198,211,659</b>
Total Disposition by Nonpool Plants	<b>28,166,986</b>
<b>Total Disposition in Marketing Area</b>	<b>226,378,645</b>

### Class III/IV Final Decision and Its Impact on the Class I Base Price: Jan '01 to Aug '02

The chart below depicts the Class I base price, otherwise known as the 'mover', under the current Class III/IV formulas and the final decision's Class III/IV pricing formulas from January 2001 to August 2002. It demonstrates the impact of the formula changes from a historical perspective, and lends insight as to potential future impacts if producers approve the final decision. When the Class III price was the 'mover', the final decision provided price enhancements, as in the August through November 2001 time period.





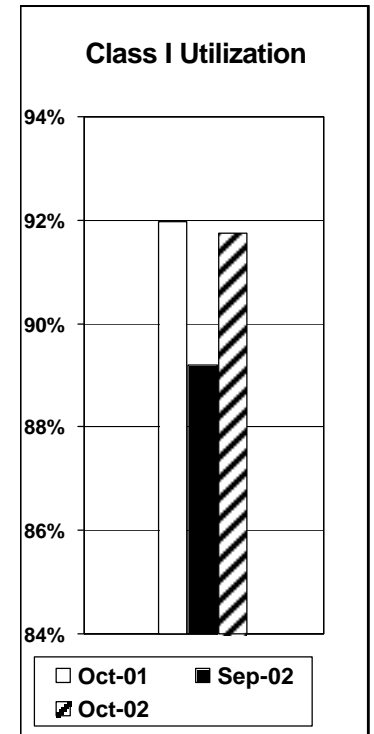
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55	\$1.0999	\$11.14	\$5.70	\$1.0929	\$9.33	\$ 6.87	\$1.0929	\$10.45	\$ 10.54	\$1.1469	\$14.19
Aug	\$10.86	\$1.1422	\$14.48	\$7.56	\$1.0771	\$11.07	\$6.00	\$1.0701	\$9.54	\$ 6.91	\$1.0701	\$10.41	\$ 10.66	\$1.1139	\$14.19
Sep	\$10.92	\$1.1205	\$14.46	\$7.62	\$1.0169	\$10.91	\$6.62	\$1.0099	\$9.92	\$ 6.93	\$1.0099	\$10.22	\$ 10.59	\$1.0710	\$13.97
Oct	\$10.91	\$1.0335	\$14.15	\$7.61	\$1.0796	\$11.12	\$7.22	\$1.0726	\$10.72	\$ 6.99	\$1.0726	\$10.50	\$ 10.71	\$1.0544	\$14.03
Nov	\$11.20	\$1.0823	\$14.60	\$7.68											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.98%	3,934	1.63%
May	236,990	234	207,195	88.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	237	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%
Jul	215,763	289	194,499	90.14%	17,247	7.99%	3,746	1.74%	271	0.13%
Aug	216,985	295	199,578	91.98%	14,131	6.51%	2,531	1.17%	746	0.34%
Sep	193,431	291	172,533	89.20%	13,055	6.75%	3,933	2.03%	3,910	2.02%
Oct	201,872	290**	185,190	91.74%	13,768	6.82%	372	0.18%	2,541	1.26%

\* 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 2002 through January 2003

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
November	12/11/02	12/12/02	12/13/02	11/19/02	11/20/02	12/04/02	12/05/02	12/13/02	12/16/02
December	01/11/03	01/13/03	01/14/03	12/19/02	12/20/02	01/06/03	01/06/03	01/14/03	01/15/03
January 2003	02/11/03	02/12/03	02/13/03	01/21/03	01/21/03	02/04/03	02/05/03	02/13/03	02/14/03

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**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208**

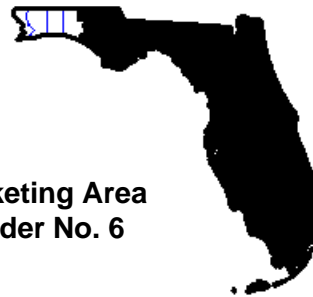
Address Correction Requested



# FLORIDA Fluid Milk Report

Sue L. Mosley  
Market Administrator

Florida Marketing Area  
Federal Order No. 6



[www.fmmatlanta.com](http://www.fmmatlanta.com)

December 2002

Volume 3—No.12

## New Butter/Powder Support Prices

The Secretary of Agriculture announced last month an adjustment in the purchase prices for butter and nonfat dry milk. Under the Milk Price Support Program, which was recently extended to operate through 2007, the Commodity Credit Corporation buys cheese, butter and nonfat dry milk to remove product from commercial markets in order to support the price of milk (with 3.67 percent butterfat) at \$9.90 per hundredweight. For products produced after November 15 or offered to the government after November 29, the purchase prices will be \$1.0500 per pound of butter and \$0.8000 per pound of nonfat dry milk. This is an increase of just under twenty cents for butter, and a decrease of ten cents for nonfat dry milk. The cheese support prices remain unchanged at \$1.1314 per pound for 40-lb block cheddar and \$1.1014 per pound for 500-lb barrel cheese.

While this change will likely put downward pressure on nonfat dry milk prices and therefore Class IV, Class II and potentially Class I (due to the 'higher-of' provisions of the pricing formulas), there is justification for the adjustment. The government-owned stockpiles of nonfat dry milk powder have reached over 1.3 billion pounds, the highest since 1984 when the price of milk was supported at \$12.60. This amount of nonfat dry milk in storage is an estimated 166% of annual domestic commercial utilization.

In other USDA actions, higher duties were placed on imports of American-type cheese and the Dairy Export Incentive Program (DEIP) allocations were announced. Above-quota imports of American-type cheese now face a duty of \$0.64 per pound, after sufficient amounts of imports triggered a volume-based safeguard for the domestic market. DEIP assists the domestic dairy industry in improving its competitiveness in international markets by paying cash to exporters as bonuses, allowing them to sell certain U.S. dairy products at prices lower than the exporter's costs of acquiring them. The announcement of allocations tells exporters which products and countries qualify for payment under the program.

## Blend Price Stronger in November

The uniform blend in Hillsborough County, FL, was \$14.32 per hundredweight for milk at 3.5 percent butterfat for the month of November. This represents an increase of \$0.29 from October but is \$4.27 lower than November of 2001. Class I utilization was 90.42 percent, approximately 1.5 percent lower than October and a slight quarter of one percent higher than November of 2001. At 211.4 million pounds, the amount of milk pooled during November was 4.7 percent higher than October but 6.2 percent lower than November of 2001. Cumulative through November, milk pooled on F.O. 6 is down 3.7 percent less than last year.

## National Dairy Situation

USDA estimates total U.S. production of milk in October at 13.9 billion pounds which is 3.3 percent above September and an increase of 2.4 percent from a year ago. Cumulative production through the month of October is an estimated 2.8 percent higher this year than the previous year.

Total cheese output was 714 million pounds, 4.7 percent above October 2001 and 6.3 percent above September 2002. Butter production was 102 million pounds in October, 7.1 percent below October 2001 but 10.7 percent above September 2002. Nonfat dry milk intended for human consumption was 99.7 million pounds, 5.7 percent below October 2001 but 6.3 percent above September 2002. Net CCC purchases in November were approximately 45.4 million pounds of nonfat dry milk (some at the new support price) and 2.0 million pounds of processed and block cheddar cheese.

The milk-feed price ratio decreased to 2.39 in November, down from a revised 2.47 price ratio in October. The all milk price fell to \$11.70 per hundredweight in November, down \$0.40 from a revised October price.

**F.O. 6 - FLORIDA: CALCULATION OF UNIFORM PRICES - NOVEMBER 2002**

**Calculation of Uniform Butterfat Price:**

	<u>Utilization</u>	<u>Pounds</u>	<u>Price/lb.</u>	<u>Value</u>
Class I Butterfat	55.64%	4,344,176	\$1.0423	\$ 4,527,934.63
Class I Differential at Location				177,330.33
Class II Butterfat	38.69%	3,020,268	\$1.0993	3,320,180.61
Class III Butterfat	2.74%	214,061	\$1.0923	233,818.84
Class IV Butterfat	2.93%	228,416	\$1.0923	249,498.79
<b>Total Butterfat</b>	<b>100.00%</b>	<b>7,806,921</b>		<b>\$ 8,508,763.20</b>
<b>Uniform Butterfat Price per lb. (Hillsborough County, Florida):</b>			<b>\$1.0899</b>	

**Calculation of Uniform Skim Milk Price:**

<u>Producer Milk</u>	<u>Utilization</u>	<u>Pounds</u>	<u>Price per unit</u>	<u>Value</u>
Class I Skim Milk	91.75%	186,810,594	\$7.20 /cwt.	\$ 13,450,362.76
Class I Butterfat	55.64%	4,344,176	\$1.0423 /lb.	4,527,934.63
Class I Differential at Location		191,154,770		7,795,003.33
<b>Total Class I Milk</b>	<b>90.42%</b>	<b>191,154,770</b>		<b>\$ 25,773,300.72</b>
Class II Skim Milk	6.66%	13,559,183	\$7.68 /cwt.	\$ 1,041,345.24
Class II Butterfat	38.69%	3,020,268	\$1.0993 /lb.	3,320,180.61
<b>Total Class II Milk</b>	<b>7.84%</b>	<b>16,579,451</b>		<b>\$ 4,361,525.85</b>
Class III Skim Milk	1.01%	2,048,587	\$6.23 /cwt.	\$ 127,626.97
Class III Butterfat	2.74%	214,061	\$1.0923 /lb.	233,818.84
<b>Total Class III Milk</b>	<b>1.07%</b>	<b>2,262,648</b>		<b>\$ 361,445.81</b>
Class IV Skim Milk	0.58%	1,181,788	\$7.00 /cwt.	\$ 82,725.16
Class IV Butterfat	2.93%	228,416	\$1.0923 /lb.	249,498.79
<b>Total Class IV Milk</b>	<b>0.67%</b>	<b>1,410,204</b>		<b>\$ 332,223.95</b>
<b>Producer Milk</b>	<b>100.00%</b>	<b>211,407,073</b>		<b>\$ 30,828,496.33</b>

**Adjustments**

Overage and Other Source	22,985.56
Inventory Adjustments	(12,479.18)
Producer butterfat at uniform butterfat price	(8,508,763.20)
Location Adjustments to Producers	(128,646.88)
1/2 Unobligated Balance in P.S.F.	54,728.05

**Adjusted Pool Value**

	<b>\$ 10.93139</b>	<b>\$ 22,256,320.68</b>
Reserve for Producer Settlement Fund	<b>\$ 0.04139</b>	84,264.14

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

**\$10.89**

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

**\$14.32\***

\* At 3.5% butterfat test; for information purposes.

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

MARKET NAME (Priced at)	CLASS I		UNIFORM		CLASS I %
	NOV 2002	DEC 2002	OCT 2002	NOV 2002	NOV 2002
Appalachian (Charlotte)	\$ 13.70	\$ 13.62	\$ 12.91	\$ 13.06	71.63%
Arizona-Las Vegas (Phoenix)	\$ 12.95	\$ 12.87	\$ 11.38	\$ 11.14	34.52%
Central (Kansas City)	\$ 12.60	\$ 12.52	\$ 11.18	\$ 10.74	27.39%
<b>Florida (Tampa)</b>	<b>\$ 14.60</b>	<b>\$ 14.52</b>	<b>\$ 14.03</b>	<b>\$ 14.32</b>	<b>90.42%</b>
Mideast (Cleveland)	\$ 12.60	\$ 12.52	\$ 11.32	\$ 11.17	43.00%
Northeast (Boston)	\$ 13.85	\$ 13.77	\$ 12.40	\$ 12.31	47.20%
Pacific Northwest (Seattle)	\$ 12.50	\$ 12.42	\$ 10.94	\$ 10.84	29.98%
Southeast (Atlanta)	\$ 13.70	\$ 13.62	\$ 12.81	\$ 12.84	67.58%
Southwest (Dallas)	\$ 13.60	\$ 13.52	\$ 12.07	\$ 11.97	46.59%
Upper Midwest (Chicago)	\$ 12.40	\$ 12.32	\$ 11.03	\$ 10.43	20.90%
Western (Salt Lake City)	\$ 12.49	\$ 12.41	\$ 11.01	\$ 10.65	24.24%

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

<b>Receipts:</b>	<b>NOVEMBER 2002</b>	<b>NOVEMBER 2001</b>
<b>Producer Milk</b>		
Class I	191,154,770	203,236,952
Class II	16,579,451	13,503,960
Class III	2,262,648	4,641,729
Class IV	1,410,204	4,016,114
Total Producer Milk	<u>211,407,073</u>	<u>225,398,755</u>
Average Butterfat Test	3.69%	3.69%
Percent of Producer Milk in Class I	90.42%	90.17%
Daily Average Receipts	7,046,902	7,513,292
<b>Other Source Milk</b>		
Class I	22,903,360	12,600,328
Class II	10,513,289	13,494,588
Class III	1,012,887	398,305
Class IV	5,137,667	2,427,564
Total Other Source Milk	<u>39,567,203</u>	<u>28,920,785</u>
<b>Overage</b>		
Class I	0	0
Class II	64,847	33,474
Class III	27,974	426
Class IV	26,146	22,953
Total Overage	<u>118,967</u>	<u>56,853</u>
<b>Opening Inventory</b>		
Class I	13,674,999	12,384,070
Class II	202,890	234,715
Class III	2,074,055	1,473,107
Class IV	4,232,100	5,104,620
Total Opening Inventory	<u>20,184,044</u>	<u>19,196,512</u>
<b>Total Receipts</b>	<u><b>271,277,287</b></u>	<u><b>273,572,905</b></u>
<b>Utilization:</b>		
<b>Class I Utilization</b>		
Inventory of Packaged FMP	11,657,369	13,157,374
Route Disposition Class I	214,308,599	212,512,776
Shrinkage	1,421,912	2,072,489
Transfers and Diversions to Nonpool	345,249	478,711
Total Class I Utilization	<u>227,733,129</u>	<u>228,221,350</u>
Average Butterfat Test	2.26%	2.28%
Daily Average Utilization	7,591,104	7,607,378
<b>Class II Utilization</b>		
Nonfluid Used To Produce	7,174,419	5,024,582
Shrinkage	0	0
Transfers and Diversions to Nonpool	4,644,173	3,428,057
Used To Produce/Other Uses	15,541,885	18,814,098
Total Class II Utilization	<u>27,360,477</u>	<u>27,266,737</u>
Average Butterfat Test		9.96%
<b>Class III Utilization</b>		
Shrinkage	3,726,447	3,471,415
Transfers and Diversions to Nonpool	639,679	1,790,690
Used To Produce/Other Uses	1,011,438	1,251,462
Total Class III Utilization	<u>5,377,564</u>	<u>6,513,567</u>
Average Butterfat Test	5.93%	6.12%
<b>Class IV Utilization</b>		
Inventory	4,017,267	5,511,847
Nonfluid Used To Fortify	4,428,812	2,500,318
Shrinkage	0	0
Transfers and Diversions to Nonpool	2,360,038	3,559,086
Used To Produce/Other Uses	0	0
Total Class IV Utilization	<u>10,806,117</u>	<u>11,571,251</u>
Average Butterfat Test	7.95%	11.88%
<b>Total Utilization</b>	<u><b>271,277,287</b></u>	<u><b>273,572,905</b></u>

## Florida Market Summary

The minimum order uniform price for payment to producers supplying the Florida Order marketing area in November 2002 is \$14.32 per hundredweight for milk with a 3.5% butterfat test in Hillsborough County. This is .965 times the uniform skim milk price of \$10.89 per hundredweight plus 3.5 times the uniform butterfat price of \$1.0899 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 91.75% of all producer skim milk (priced to handlers at \$7.20 per hundredweight, plus the Class I differential and 55.64% of producer butterfat (priced to handlers at \$1.0423 per pound plus Class I differential). Class II use accounted for 6.66% of all producer skim milk (\$7.68 per hundredweight) and 38.69% of producer butterfat (\$1.0993 per pound). Class III use accounted for 1.01% of all producer skim milk (\$6.23 per hundredweight) and 2.74% of producer butterfat (\$1.0923 per pound). Class IV use accounted for 0.58% of all producer skim milk (\$7.00 per hundredweight) and 2.93% of producer butterfat (\$1.0923 per pound).

Receipts of producer milk during November 2002 totaled 211.4 million pounds, 13.99 million pounds less than was pooled in November of last year. Florida producers supplied 156.3 million pounds of milk in October 2002 to pool plants or 77.45% of the total producer milk pooled in Florida. In October 2001 Florida producers supplied 76.87% of the total producer milk pooled in the Florida market.

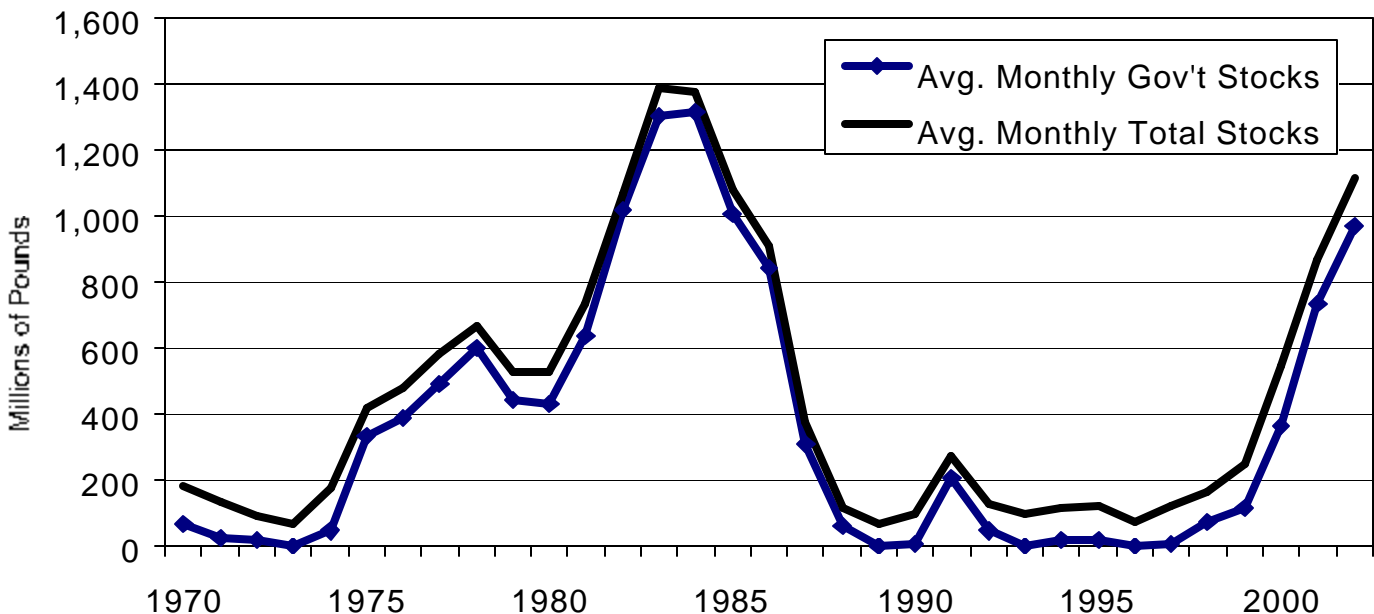
There were 12 regulated pool distributing plants and 2 cooperative associations submitting reports of receipts and utilization that were included in the computation of the uniform prices for November 2002. In-area Class I route disposition totaled 244.8 million pounds in October 2002, which was 2.3 million pounds more than October of last year. This represents a 0.19 percent increase after adjusting for calendar composition.

### Packaged Class I Route Sales in Marketing Area

Product Description	Florida
	<b>October 2002</b>
Whole Milk	104,195,371
Fat Free Milk	34,215,777
Lowfat Milk (incl. 1%)	25,669,953
Reduced Fat Milk (incl. 2%)	58,943,633
Cultured Fluid Milk (incl. Buttermilk)	1,292,320
Flavored Drinks and Milk	20,527,075
<b>Total Disposition in Marketing Area</b>	<b>244,844,129</b>
Total Disposition by Pool Plants	<b>211,864,090</b>
Total Disposition by Nonpool Plants	<b>32,980,039</b>
<b>Total Disposition in Marketing Area</b>	<b>244,844,129</b>

### Total and Government Nonfat Dry Milk Stocks; 1970 – 2002 YTD

The chart below displays the average monthly nonfat dry milk stocks held by the Commodity Credit Corporation (government stocks) and the average monthly total US nonfat dry milk stocks (government plus privately held stocks). The reduction in the nonfat dry milk support price was in part a reaction to the growing stocks, which have neared historical highs.



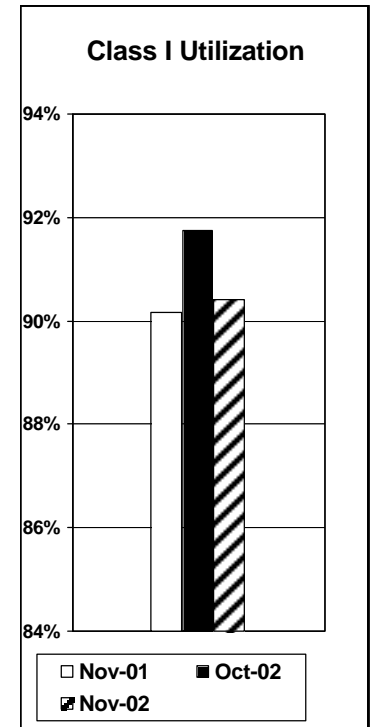
**FEDERAL ORDER 6 - FLORIDA: CLASS AND UNIFORM PRICES**

Pool Period	CLASS I*			CLASS II			CLASS III			CLASS IV			UNIFORM*		
	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5	Skim/cwt	Bfat/lb	@ 3.5
Jan 2001	\$11.88	\$1.8644	\$17.99	\$8.58	\$1.2966	\$12.82	\$5.68	\$1.2896	\$9.99	\$ 7.89	\$1.2896	\$12.13	\$ 11.56	\$1.5988	\$16.75
Feb	\$11.89	\$1.2752	\$15.94	\$8.59	\$1.4696	\$13.43	\$5.34	\$1.4626	\$10.27	\$ 7.86	\$1.4626	\$12.70	\$ 11.54	\$1.3644	\$15.91
Mar	\$11.86	\$1.4883	\$16.65	\$8.56	\$1.6890	\$14.17	\$5.73	\$1.6820	\$11.42	\$ 7.85	\$1.6820	\$13.46	\$ 11.58	\$1.5768	\$16.69
Apr	\$11.86	\$1.7122	\$17.44	\$8.56	\$1.9553	\$15.10	\$5.43	\$1.9483	\$12.06	\$ 7.87	\$1.9483	\$14.41	\$ 11.36	\$1.8210	\$17.34
May	\$11.88	\$1.9287	\$18.21	\$8.58	\$2.1261	\$15.72	\$6.65	\$2.1191	\$13.83	\$ 7.90	\$2.1191	\$15.04	\$ 11.58	\$2.0139	\$18.22
Jun	\$11.90	\$2.1433	\$18.99	\$8.60	\$2.2159	\$16.05	\$7.55	\$2.2089	\$15.02	\$ 7.87	\$2.2089	\$15.33	\$ 11.69	\$2.1732	\$18.89
Jul	\$11.88	\$2.2504	\$19.34	\$8.58	\$2.1953	\$15.96	\$8.08	\$2.1883	\$15.46	\$ 7.41	\$2.1883	\$14.81	\$ 11.49	\$2.2253	\$18.88
Aug	\$11.90	\$2.2612	\$19.40	\$8.20	\$2.3046	\$15.98	\$7.78	\$2.2976	\$15.55	\$ 7.27	\$2.2976	\$15.06	\$ 11.62	\$2.2799	\$19.19
Sep	\$11.99	\$2.2832	\$19.56	\$7.94	\$2.4519	\$16.24	\$7.61	\$2.4449	\$15.90	\$ 7.29	\$2.4449	\$15.59	\$ 11.60	\$2.3592	\$19.45
Oct	\$11.38	\$2.5560	\$19.93	\$8.00	\$1.6595	\$13.53	\$9.14	\$1.6526	\$14.60	\$ 7.24	\$1.6526	\$12.77	\$ 11.16	\$2.1505	\$18.30
Nov	\$13.60	\$1.8956	\$19.76	\$7.96	\$1.4570	\$12.78	\$6.46	\$1.4500	\$11.31	\$ 7.15	\$1.4500	\$11.97	\$ 13.10	\$1.6992	\$18.59
Dec	\$11.15	\$1.4913	\$15.98	\$7.85	\$1.4392	\$12.61	\$7.03	\$1.4322	\$11.80	\$ 7.02	\$1.4322	\$11.79	\$ 10.82	\$1.4681	\$15.58
Jan 2002	\$11.34	\$1.4339	\$15.96	\$7.74	\$1.4916	\$12.69	\$6.92	\$1.4846	\$11.87	\$ 6.98	\$1.4846	\$11.93	\$ 11.03	\$1.4606	\$15.76
Feb	\$10.99	\$1.5260	\$15.95	\$7.69	\$1.3887	\$12.28	\$7.04	\$1.3817	\$11.63	\$ 6.95	\$1.3817	\$11.54	\$ 10.72	\$1.4602	\$15.46
Mar	\$11.10	\$1.4017	\$15.62	\$7.66	\$1.3708	\$12.19	\$6.09	\$1.3638	\$10.65	\$ 6.89	\$1.3638	\$11.42	\$ 10.72	\$1.3867	\$15.20
Apr	\$10.91	\$1.4133	\$15.47	\$7.61	\$1.2960	\$11.88	\$6.57	\$1.2890	\$10.85	\$ 6.82	\$1.2890	\$11.09	\$ 10.54	\$1.3586	\$14.93
May	\$10.83	\$1.3739	\$15.26	\$7.53	\$1.1503	\$11.29	\$7.07	\$1.1433	\$10.82	\$ 6.81	\$1.1433	\$10.57	\$ 10.47	\$1.2694	\$14.55
Jun	\$11.23	\$1.1977	\$15.03	\$7.50	\$1.1281	\$11.19	\$6.39	\$1.1211	\$10.09	\$ 6.84	\$1.1211	\$10.52	\$ 10.74	\$1.1651	\$14.44
Jul	\$10.85	\$1.1843	\$14.62	\$7.55	\$1.0999	\$11.14	\$5.70	\$1.0929	\$9.33	\$ 6.87	\$1.0929	\$10.45	\$ 10.54	\$1.1469	\$14.19
Aug	\$10.86	\$1.1422	\$14.48	\$7.56	\$1.0771	\$11.07	\$6.00	\$1.0701	\$9.54	\$ 6.91	\$1.0701	\$10.41	\$ 10.66	\$1.1139	\$14.19
Sep	\$10.92	\$1.1205	\$14.46	\$7.62	\$1.0169	\$10.91	\$6.62	\$1.0099	\$9.92	\$ 6.93	\$1.0099	\$10.22	\$ 10.59	\$1.0710	\$13.97
Oct	\$10.91	\$1.0335	\$14.15	\$7.61	\$1.0796	\$11.12	\$7.22	\$1.0726	\$10.72	\$ 6.99	\$1.0726	\$10.50	\$ 10.71	\$1.0544	\$14.03
Nov	\$11.20	\$1.0823	\$14.60	\$7.68	\$1.0993	\$11.26	\$6.23	\$1.0923	\$9.84	\$ 7.00	\$1.0923	\$10.58	\$ 10.89	\$1.0899	\$14.32
Dec	\$10.99	\$1.1182	\$14.52	\$7.69											

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

Pool Period	Producer Milk 1000 lbs.	Number of Farms	CLASS I		CLASS II		CLASS III		CLASS IV	
			1000 lbs.	%	1000 lbs.	%	1000 lbs.	%	1000 lbs.	%
Jan 2001	259,032	265	232,905	89.91%	16,619	6.42%	5,561	2.15%	3,947	1.52%
Feb	233,485	241	209,315	89.57%	16,832	7.20%	4,364	1.87%	3,170	1.36%
Mar	262,748	235	239,873	91.30%	17,686	6.73%	3,717	1.41%	1,472	0.56%
Apr	240,954	230	211,136	87.63%	16,701	6.93%	6,493	2.69%	6,624	2.75%
May	235,280	201	212,698	90.40%	16,496	7.01%	5,127	2.18%	959	0.41%
Jun	222,089	220	202,721	91.28%	15,503	6.98%	3,499	1.58%	366	0.16%
Jul	225,754	300	197,340	87.41%	16,840	7.46%	1,583	0.70%	9,991	4.43%
Aug	218,562	353	198,789	90.96%	16,097	7.36%	1,197	0.55%	2,478	1.13%
Sep	199,937	299	178,719	89.39%	11,652	5.83%	1,088	0.54%	8,478	4.24%
Oct	218,364	299	200,802	91.96%	13,193	6.04%	774	0.35%	3,596	1.65%
Nov	225,399	301	203,237	90.17%	13,503	5.99%	4,641	2.06%	4,016	1.78%
Dec	230,031	303	204,295	88.81%	11,798	5.13%	1,202	0.52%	12,736	5.54%
Jan 2002	243,157	289	219,556	90.29%	14,479	5.95%	5,144	2.12%	3,978	1.64%
Feb	224,599	263	202,289	90.08%	14,631	6.51%	1,447	0.64%	6,232	2.77%
Mar	246,954	213	218,189	88.35%	17,378	7.04%	7,145	2.89%	4,241	1.72%
Apr	240,908	248	211,361	87.74%	18,434	7.65%	7,178	2.98%	3,934	1.63%
May	236,990	234	207,195	87.71%	20,400	7.56%	3,541	1.44%	5,854	2.29%
Jun	215,778	237	185,973	86.19%	18,593	8.62%	5,940	2.75%	5,271	2.44%
Jul	215,763	289	194,499	90.14%	17,247	7.99%	3,746	1.74%	271	0.13%
Aug	216,985	295	199,578	91.98%	14,131	6.51%	2,531	1.17%	746	0.34%
Sep	193,431	291	172,533	89.20%	13,055	6.75%	3,933	2.03%	3,910	2.02%
Oct	201,872	291	185,190	91.74%	13,768	6.82%	372	0.18%	2,541	1.26%
Nov	211,407	290**	191,155	90.42%	16,579	7.84%	2,263	1.07%	1,410	0.67%

\* 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 2002 through February 2003**

	Pool & Uniform Price	MA Payment Dates		Payments for Producer Milk					
		Due to:	Due From:	1st Advance Pay Due		2nd Advance Pay Due		Final Pay Due	
Pool Month	Release Date	All Funds	P/S	Coop	Non - member	Coop	Non - member	Coop	Non - member
December	01/11/03	01/13/03	01/14/03	12/19/02	12/20/02	01/06/03	01/06/03	01/14/03	01/15/03
January 2003	02/11/03	02/12/03	02/13/03	01/21/03	01/21/03	02/04/03	02/05/03	02/13/03	02/14/03
February 2003	03/11/03	03/12/03	03/13/03	02/19/03	02/20/03	03/04/03	03/05/03	03/13/03	03/14/03

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**FEDERAL MILK MARKET ADMINISTRATOR  
U.S. DEPARTMENT OF AGRICULTURE  
P.O. BOX 1208  
NORCROSS, GEORGIA 30091-1208**

Address Correction Requested



*Season's Greetings*