



United States Department of Agriculture

AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAM

MIDEAST MARKETING AREA
Federal Order No. 33

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December 23, 2020

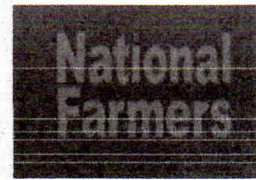
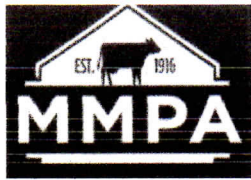
To: Mideast Pool Handlers
From: Sharon R. Uther, Market Administrator
Subject: Request to Allow Temporary Dumping of Surplus Milk – Approved

The Great Lakes Southern Milk Marketing Agency (GLSMMA) has requested a temporary allowance for the disposal of surplus milk at the farm (when accurate weights, component tests and location are reported to the Market Administrator) without any such dumped milk losing pool status for the period of December 24, 2020 through January 09, 2021. The GLSMMA is made up of: Dairy Farmers of America, Select Producers Inc., National Farmers Organization, Michigan Milk Producers Association and Foremost Farms USA.

In consideration of the comments provided by GLSMMA, concerns about available plant processing capacity combined with ongoing challenges posed by COVID-19 restrictions on food service demand outlets, the Market Administrator agrees to temporarily authorize the pooling of milk disposed or “dumped” at farm or other non-plant locations for the requested period of December 24, 2020, through January 9, 2021, provided the following conditions are met:

- Handlers and/or their producers that utilize this temporary policy must have been properly qualified on the Mideast Order during the months of August through November 2020.
- The milk must be picked up at the farm, measured and sampled for payment. The tanker test will be a weighted average of the producer tests.
- Notification should be given to the Market Administrator's office by the next business day, or as soon as practicable, when the milk is dumped.
- The milk will be priced at the location that the dump occurred. As such, the farm dumps should be reported separately, grouped by location zone at pool time. A separate list must also be submitted of all producers whose milk was dumped, along with the component tests of the applicable milk (if available), and the physical location and address, including county, of where the milk was dumped. Any such requested dumps will be subject to audit verification by the Market Administrator.
- Plant dumps should be reported on the dump forms as normal. Please contact the MA office for further guidance as needed.
- Milk that is dumped and requested to be pooled is still subject to volume limitations contained in 1033.13 (f).

If you have any questions, please contact Scott Jones at 1-888-751-3220, ext. 132, or by email at sjones@fmmaclev.com.



December 22, 2020

Market Administrator – Sharon Uther
Federal Order # 33
P.O. Box 5102
Brunswick, OH 44212

Dear Ms. Uther-

The Great Lakes Southern Milk Marketing Agency (GLSMMA) is requesting an allowance for the disposal of surplus milk at the farm (when accurate weights, component tests and location are reported to the Market Administrator) but retain pool eligibility for the period of December 24, 2020 through January 09, 2021.

The current Covid 19 pandemic has led us to request an allowance for the disposal of surplus milk off the farm. Marketing efforts have been impeded by the current rules surrounding restaurants in the Great Lakes Region as well as processing plants running at only partial processing capacity due to Covid 19 cases reducing labor. Although Michigan has another large processor that recently began taking milk, they remain at start up volumes as milk continues to grow in the region.

Reviewing the National Agricultural Statistics Services' (NASS) milk production data, we note that the primary states composing the Mideast Order that have predominance of their milk production from states located inside the marketing area are Indiana, Ohio, and Michigan. Additionally, we are reliant on Wisconsin as an outlet for marketing surplus production. NASS shows production from this four-state region from January 2020 to November 2020 on a year over year, calendar adjusted basis has increased by 1% or 474 Million pounds (adjusted for leap year), which equals 28 loads of milk per day.

Our request is for a temporary provision that will allow a load of milk to be dumped on the farm and retain pool status when accurate weights, component tests and location are reported to the Market Administrator. Doing so will prevent the uneconomic hauling of milk simply for satisfying pooling requirements prior to dumping and more fairly distribute the costs of market balancing to all who share in pool returns. Note that the monies gained from this temporary change in policy represent a small fraction of the value of the load of milk and in no way would incent uneconomic behavior simply to collect the payment.

On behalf of the Members of GLSMMA

Sincerely,

Therese Tierney, Secretary for GLSMMA Agency

GLSMMA Agency is made up of: Dairy Farmers of America, Select Producers Inc, National Farmers Organization, Michigan Milk Producers Assoc. and Foremost Farms USA.