



FEDERAL MILK ORDER No. 1
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October 23, 2007

TO: Handlers Receiving Milk from Producers
FROM: Erik F. Rasmussen, Market Administrator
SUBJECT: DAIRY FARMER FOR OTHER MARKETS - REMINDER

The Northeast order includes a definition for a “Dairy Farmer for Other Markets” {Section 1001.12(b)(5)(6)}. This provision addresses the issue of “riding” the Federal order pool to balance supply and discourages handlers from voluntarily depooling producer milk to take advantage of inverted class price relationships.

Accordingly, the producer definition does not include a dairy farmer if during any month of July through November a pool plant or a cooperative association caused the dairy farmer’s milk to be delivered to any plant *as other than producer milk*, as defined under this order, or any other Federal milk order, during the same month. Additionally, the dairy farmer is not eligible for producer status during the subsequent December through June period. This is done to prevent a dairy farmer from being a producer during the flush production period if the dairy farmer did not supply the market during the relatively short production period.

Similarly, a dairy farmer would not be considered a producer under the order for any month of December through June if a pool plant or a cooperative association caused the dairy farmer's milk to be delivered to any plant *as other than producer milk*, as defined under this order, or any other Federal milk order during the same month. Additionally the dairy farmer would not be eligible for producer status for up to two subsequent months. (See Guide for Determining when a Depooled Producer can be Reooled.)

FO 1 producer milk status can be restored following ineligibility. The handler is required to notify the Market Administrator on or before the 9th day after the end of the month on the prescribed form, and reestablish association with FO 1 by physically delivering all of the producer’s milk production for one day to a pool plant sometime during the month. Absent the notification and qualifying delivery, the designation of dairy farmer for other markets will initiate from that month, including the relevant subsequent months.