



H. Paul Kyburz, Market Administrator
1600 West 82nd Street, Suite 200
Minneapolis, MN 55431-1420
Telephone: (952) 831-5292
Fax: (952) 831-8249

UPPER MIDWEST MARKETING AREA
Federal Order No. 30

Agricultural Marketing Service
Dairy Programs

Home Page:
www.fmma30.com

2150 Western Court, Suite 100
P.O. Box 4469
Lisle, IL 60532
Telephone: (630) 810-9999
Fax: (630) 810-1788

4600 American Parkway, Suite 101
Madison, WI 53718
Telephone: (608) 242-1822
Fax: (608) 242-1846

February 7, 2013

TO: Interested Persons - Upper Midwest Marketing Area

SUBJECT: Final Decision to Amend All Federal Milk Marketing Orders

The Secretary of Agriculture recently issued a final decision proposing to permanently adopt amendments to the manufacturing cost (make) allowances and the butterfat yield factor used in the Class III and Class IV product price formulas applicable to the Upper Midwest and all other Federal milk orders. A summary of the changes made by this decision and other related materials are enclosed.

This decision also terminates the proceeding with regard to additional proposals that addressed the collection of manufacturing cost information, the use of an energy cost adjustor, and providing for a cost add-on feature to Class III and Class IV product-price formulas.

The decision was published in the *Federal Register* on February 7, 2013. An electronic version of the documents is available on our web site at www.fmma30.com. A paper copy of the documents can be obtained by calling Harold Ferguson of my staff toll free at 1-888-301-8224, Ext. 231.

The decision specifies that a referendum will be conducted in the Upper Midwest Order to determine whether producers favor its issuance. Materials are currently being mailed to those who will be participating in the referendum.

/s/ H. Paul Kyburz
Market Administrator

Enclosures

DESCRIPTIONS OF THE TERMS AND CONDITIONS OF THE ORDER,
AS PROPOSED, REGULATING THE HANDLING OF MILK IN THE

Upper Midwest Marketing Area

SUMMARY OF THE ORDER, AS PROPOSED TO BE AMENDED

The order, as proposed to be amended, upon which this referendum is held, will include the terms and provisions of the order currently regulating the handling of milk in the Upper Midwest marketing area with the following changes and modifications:

The decision finalizes the amending of the **Upper Midwest Order**. Specifically, the decision finalizes changes to the manufacturing allowances and the butterfat yield factor contained in the Class III and Class IV product price formulas. These amendments were adopted by an interim final rule issued on July 25, 2008 (73 FR 44617) that became effective on October 1, 2008.

Specifically, this decision adopts the same manufacturing allowances:

Cheese:	\$0.2003 per pound;
Butter:	\$0.1715 per pound;
Nonfat Dry Milk:	\$0.1678 per pound; and
Dry Whey:	\$0.1991 per pound.

This decision also keeps the same increase of the butterfat yield factor in the butterfat price formulas from 1.20 to 1.211.

The proposed amendments are based on the record of the first session of a public hearing held in Strongsville, Ohio on February 26-March 2, 2007; a second session held in Indianapolis, Indiana on April 9-13, 2007; and a third session held in Pittsburgh, Pennsylvania on July 9-11, 2007.

May 2012 is determined to be the representative period for determining whether producers approve the order as amended.



PROGRAM ANNOUNCEMENT



AGRICULTURAL MARKETING SERVICE

United States Department of Agriculture | 1400 Independence Ave., SW | Room 4512-S
Washington, DC 20250 | (202) 720-8998 | <http://www.ams.usda.gov>

AMS No. 013-13

Sam Jones-Ellard (202)660-2268
Samuel.jones@ams.usda.gov

USDA Issues Final Decision on Amendments to Milk Orders

WASHINGTON, February 7, 2013 – The U.S. Department of Agriculture has issued a final decision proposing permanent amendments to all Federal milk marketing orders.

The decision proposes a permanent adoption of changes that are currently implemented on an interim basis. The amendments are based on the record of public hearing sessions held in 2007 in Strongsville, Ohio; Indianapolis, Ind.; and Pittsburgh, Pa.

This decision would permanently adopt changes to the manufacturing cost allowances and the butterfat yield factor used in Class III and Class IV product-price formulas applicable to all Federal milk marketing orders.

These amendments were adopted in an interim final rule in July 2008 and became effective in October 2008. This document also terminates the proceeding with regard to additional proposals that addressed the collection of manufacturing cost information, the use of an energy cost adjustor, and providing for a cost add-on feature to Class III and Class IV product-price formulas.

The amendments finalized by this decision require producer approval.

For additional information about the decision contact:

Northeast: Erik F. Rasmussen
USDA/AMS/Dairy Programs
P.O. Box 51478, Boston, MA 02205-1478
Tel. (617) 737-7199; email: erasmussen@fedmilk1.com

Appalachian: Harold H. Friedly, Jr.
USDA/AMS/Dairy Programs
P.O. Box 91528, Louisville, KY 40291-0528
Tel. (502) 499-0040; email: friedly@malouisville.com

Florida and Southeast: Shawn Boockoff
USDA/AMS/Dairy Programs
1550 North Brown Road, Suite 120, Lawrenceville, GA 30043
Tel. (770) 682-2501; email: sboockoff@fedmilk1.com

Upper Midwest: H. Paul Kyburz
USDA/AMS/Dairy Programs
Suite 210, 4570 West 77th St., Minneapolis, MN 55435-5037
Tel. (952) 831-5292; email: pkyburz@fmma30.com

Central: Virgil Swenson
USDA/AMS/Dairy Programs
P.O. Box 14650, Shawnee Mission, KS 66285-4650
Tel. (913) 495-9300; email: virgil.swenson@fmmacentral.com

Midwest: Sharon Uther
USDA/AMS/Dairy Programs
P.O. Box 5102, Brunswick, OH 44212
Tel. (330) 225-4758; email: suther@fmmaclev.com

Pacific Northwest and Arizona: William Wise
USDA/AMS/Dairy Programs
1930-220th St., SE., Suite 102 Bothell, WA 98021-8471
Tel. (425) 487-6009; email: WiseW@fmmaseattle.com

Southwest: Cary Hunter
USDA/AMS/Dairy Programs
P.O. Box 110939, Carrollton, TX 75011-0939
Tel. (972) 245-6060; email: sw.order@dallasma.com

#

Get the latest Agricultural Marketing Service news at <http://www.ams.usda.gov/news> or follow us on Twitter
[@USDA_AMS](#). You can also [read about us on the USDA blog](#).

USDA is an equal opportunity provider and employer. To file a complaint of discrimination, write: USDA, Office of the Assistant Secretary for Civil Rights, Office of Adjudication, 1400 Independence Ave., SW, Washington, DC 20250-9410 or call (866) 632-9992 (Toll-free Customer Service), (800) 877-8339 (Local or Federal relay), (866) 377-8642 (Relay voice users).



UPPER MIDWEST MARKETING AREA
Federal Order No. 30

2150 Western Court, Suite 100
P.O. Box 4469
Lisle, IL 60532
Telephone: (630) 810-9999
Fax: (630) 810-1788

Agricultural Marketing Service
Dairy Programs

H. Paul Kyburz, Market Administrator
1600 West 82nd Street, Suite 200
Minneapolis, MN 55431-1420
Telephone: (952) 831-5292
Fax: (952) 831-8249

Home Page:
www.fmma30.com

4600 American Parkway, Suite 101
Madison, WI 53718
Telephone: (608) 242-1822
Fax: (608) 242-1846

FOR IMMEDIATE RELEASE

**Dairy Farmers to Vote on Amended Milk Order for the
Upper Midwest Marketing Area**

A referendum in which dairy farmers shipping milk to the Upper Midwest Milk Marketing Area will have an opportunity of expressing their approval or disapproval of an order, as proposed to be amended, will be concluded on February 27, 2013.

The order, as proposed to be amended, would finalize changes to the manufacturing allowances and the butterfat yield factor contained in the Class III and Class IV product price formulas. These amendments were adopted by an interim final rule issued on July 25, 2008 (73 FR 44617) that became effective on October 1, 2008.

Specifically, this decision adopts the same manufacturing allowances:

Cheese:	\$0.2003 per pound;
Butter:	\$0.1715 per pound;
Nonfat Dry Milk:	\$0.1678 per pound; and
Dry Whey:	\$0.1991 per pound.

This decision also keeps the same increase of the butterfat yield factor in the butterfat price formulas from 1.20 to 1.211.

Qualified cooperative associations of producers will be permitted to cast bloc votes on behalf of their members on all provisions of the order as amended.

A notice of referendum, the decision that contains the provisions of the order as proposed to be amended, and a ballot have been mailed to all known eligible voters. No voting by proxy is permitted and each producer will be entitled to only one vote regardless of the number of farms he/she operates. Partnerships, corporations, and other business organizations that operate dairy farms will be entitled to only one vote regardless of the number of partners, shareholders, or others that make up the organization.

The proposed amendments are based on the record of the first session of a public hearing held in Strongsville, Ohio on February 26-March 2, 2007; a second session held in Indianapolis, Indiana on April 9-13, 2007; and a third session held in Pittsburgh, Pennsylvania on July 9-11, 2007.

Dairy farmers who may not have received a ballot through the mail and who feel that they are eligible to vote should call the referendum agent at: (952) 831-5292.