

PREMIER PRESS

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NMPF Spill Prevention Information

NMPF completed the development of a self-certification template tool to assist dairy producers in developing Spill Prevention, Control, and Countermeasure (SPCC) plan that covers all fuel and oil storage on the farm. The template, developed with assistance from the U.S. Department of Agriculture's Natural Resources Conservation Service (NRCS), is available on the NMPF website.

The goal of the SPCC program is to prevent oil spills into waters of the United States and adjoining shorelines. A key element of the program calls for farmers and other facilities to have an oil spill prevention plan, called an SPCC plan. The SPCC plans are required for farms which have an aggregate storage capacity of oil products of 1320 gallons, or more, counting every storage container larger than 55 gallons. A farm with less than 10,000 gallons of total storage capacity and no single storage greater than 5,000 gallons can self-certify its SPCC plan.

Farms that do not meet this exemption must have a plan certified by a professional engineer.



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Mandatory Dairy Price Reporting Becomes Law

President Obama signed a new mandatory price reporting bill into law last Monday. The bill reauthorizes mandatory price reporting programs run by the U.S. Department of Agriculture for five years, and more importantly, it launches a new mandatory, electronic reporting system for dairy products.

While dairy price reporting was authorized in the 2008 Farm Bill, it was never funded by USDA. Now USDA has 12 months to implement the electronic system to collect the data that is currently surveyed. The law directs the Secretary to publish the information reported through the electronic reporting system by 3:00 PM ET, each Wednesday.

FARM Program Update

Premier Milk, Inc. is now officially a participating member of the FARM program. "FARM" is an acronym that stands for "Farmers Assuring Responsible Management" and is sponsored by the National Milk Producers Federation (NMPF). The FARM program was developed with the intention of being an organized, proactive effort to produce a standard of performance within the industry itself and to assure consumers that animals on dairy farms are being properly cared for and treated humanely.

What does this mean to you as the dairy producer? Last month, FARM program informational booklets were sent to all PMI members. This information contains the details of the program and the standards by which each dairy farm will be evaluated. Once each dairy has had time to review the program and integrate it

into their routines, an on-farm evaluation will be requested through PMI. The compliance evaluator will come to the farm to inspect the operation and document any areas of deficiency. The farm will be asked to correct those areas. The evaluator will visit each farm at least once each year, or as compliance reports may warrant. This process is intended to assist producers in compliance excellence.

NMPF will maintain a list of each dairy operation that is part of the FARM program. From that list, a random sample of farms will be selected for an outside third party to conduct an evaluation on those farms. This is done to ensure that the local evaluators are doing their job properly and that dairymen are truly complying with the rules of the program. This also gives integrity to the FARM program with consumers. If you have questions about this program, you can visit the website www.nationaldairyfarm.com or call Tom Pittman at the PMI office.

PMI Pays 2010 Dividends

Premier Milk, Inc. will pay a portion of its 2010 dividend this month. A cash dividend of \$0.20/cwt on the first six months of 2010 production has been returned to producers in October. Of this dividend, \$0.04/cwt will be paid in cash and the other \$0.016/cwt will be applied to each producer's equity account at PMI. Based on the rate that dividends have been paid out to date, Premier members that have kept consistent annual production levels will have their equity accounts fully vested in 3 1/4 years.

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Where Premium Quality Comes Standard.



Premier Milk MARKET MINUTE

Commodity Prices	Mar.	Apr.	May	June	July	August	Sept.	October	Current
Cheese - World Market	\$ 1.8201	\$ 1.7237	\$ 1.7804	\$ 1.8257	\$ 1.7900	\$ 1.7922	\$ 1.8030		\$ 1.8371
Cheese - CME Block	\$ 1.4526	\$ 1.2976	\$ 1.4114	\$ 1.4420	\$ 1.3941	\$ 1.5549	\$ 1.7374		\$ 1.7400
Cheese - CME Barrel	\$ 1.4182	\$ 1.2782	\$ 1.3808	\$ 1.4195	\$ 1.3647	\$ 1.5161	\$ 1.7114		\$ 1.7325
Cheese - NASS	\$ 1.5110	\$ 1.3632	\$ 1.3827	\$ 1.4257	\$ 1.4475	\$ 1.4567	\$ 1.7016		\$ 1.7685
Butter - World Market	\$ 1.7123	\$ 1.7336	\$ 1.7984	\$ 1.9732	\$ 1.9363	\$ 1.9850	\$ 2.0922		\$ 2.1953
Butter - CME Cash	\$ 1.3561	\$ 1.4641	\$ 1.5382	\$ 1.5896	\$ 1.6380	\$ 1.7787	\$ 2.2262		\$ 2.1850
Butter - NASS	\$ 1.3609	\$ 1.4388	\$ 1.4770	\$ 1.5801	\$ 1.5946	\$ 1.7375	\$ 2.1570		\$ 2.2106
NFDM - World Market	\$ 1.2418	\$ 1.2772	\$ 1.4459	\$ 1.5055	\$ 1.3863	\$ 1.3796	\$ 1.4374		\$ 1.4345
NFDM - Central A.O.M.	\$ 1.2056	\$ 1.1075	\$ 1.2163	\$ 1.3175	\$ 1.3150	\$ 1.2563	\$ 1.2325		\$ 1.2450
NFDM - NASS	\$ 1.0812	\$ 1.0454	\$ 1.1208	\$ 1.2520	\$ 1.2631	\$ 1.2277	\$ 1.1383		\$ 1.1586
Whey - Central A.O.M.	\$ 0.3781	\$ 0.3725	\$ 0.3472	\$ 0.3450	\$ 0.3450	\$ 0.3425	\$ 0.3444		\$ 0.3525
Whey - NASS	\$ 0.3925	\$ 0.3761	\$ 0.3643	\$ 0.3645	\$ 0.3688	\$ 0.3641	\$ 0.3615		\$ 0.3640
F. O. 6 Class I @ Tampa	\$ 19.74	\$ 18.62	\$ 19.20	\$ 20.68	\$ 21.06	\$ 21.17	\$ 20.90	\$ 21.98	
Net Cl. I Prem. @ Tampa	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69	\$ 3.69
F.O. 6 Class I Utilization	87.8%	87.1%	88.7%	83.7%	89.5%	86.6%	87.9%		
F. O. 6 Blend @ Tampa	\$ 19.13	\$ 18.20	\$ 18.73	\$ 19.85	\$ 20.87	\$ 20.74	\$ 21.04		

PMI - Average SCC	251,511	250,795	268,735	304,914	314,049	313,372	280,257
PMI - Average SPC	8,484	7,255	10,528	12,465	11,759	9,843	9,206
PMI - Average PIC	16,240	12,552	11,854	28,363	11,358	9,676	15,202
Premiums Paid - PMI	\$ 0.49	\$ 0.49	\$ 0.40	\$ 0.31	\$ 0.42	\$ 0.38	\$ 0.45
PMI Cen FL Price	\$ 19.95	\$ 18.90	\$ 19.08	\$ 20.64	\$ 21.59	\$ 21.78	\$ 21.91

(with rBST-free premium)

Price Forecasts	Oct	Nov	Dec	Jan	Feb	Mar	April
PMI Cen FL Price	\$ 22.53	\$ 22.67	\$ 21.73	\$ 20.96	\$ 20.40	\$ 19.92	\$ 19.62

(with rBST-free premium)

Class III Milk Futures	May	June	July	August	Sept.	Current
Oct-10	\$ 14.57	\$ 14.78	\$ 15.08	\$ 15.75	\$ 16.62	\$ 16.87
Nov-10	\$ 14.55	\$ 14.65	\$ 14.86	\$ 15.07	\$ 15.92	\$ 16.17
Dec-10	\$ 14.61	\$ 14.55	\$ 14.74	\$ 14.65	\$ 15.05	\$ 15.28
Jan-11	\$ 14.58	\$ 14.45	\$ 14.43	\$ 14.17	\$ 14.38	\$ 14.59
Feb-11	\$ 14.60	\$ 14.42	\$ 14.30	\$ 14.00	\$ 13.86	\$ 14.24
Mar-11	\$ 14.70	\$ 14.42	\$ 14.37	\$ 14.00	\$ 13.79	\$ 14.25
Apr-11	\$ 14.61	\$ 14.26	\$ 14.42	\$ 13.98	\$ 13.84	\$ 14.24
May-11	\$ 14.53	\$ 14.37	\$ 14.52	\$ 14.10	\$ 13.94	\$ 14.23
Jun-11			\$ 14.49	\$ 14.10	\$ 14.02	\$ 14.26
Jul-11			\$ 14.55	\$ 14.10	\$ 14.47	\$ 14.73
Aug-11				\$ 14.40	\$ 14.87	\$ 15.11
Sep-11					\$ 15.05	\$ 15.38

MILC Projections	
Nov-10	\$ -
Dec-10	\$ -
Jan-11	\$ 0.13
Feb-11	\$ 0.46
Mar-11	\$ 0.56
Apr-11	\$ 0.66
May-11	\$ 0.71
Jun-11	\$ 0.74
Jul-11	\$ 0.89
Aug-11	\$ 0.60
Sep-11	\$ 0.39
Oct-11	\$ 0.16

Note: Class III milk futures prices are quoted at the close on the last day of the month.