



# UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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Upper Midwest Marketing Area, Federal Order No. 30

August 2003

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## CME Cheese Prices Stabilize, Butter Down

Prices for cheddar cheese on the Chicago Mercantile Exchange (CME) stabilized in August after sharp increases in June and July. In mid-August, CME prices for barrels and 40-pound blocks of cheddar cheese were \$1.57½ and \$1.60 per pound, respectively. The cheese prices are at their highest levels since October 2001, and have increased by about 47¢ per pound since early June.

The CME butter price in mid-August was \$1.16 per pound, down 6½¢ since the start of the month, but slightly above early July.

The increase in the cheese prices resulted in the Federal order Class III price for July jumping \$2.03 to \$11.78 per cwt. The August Class III price is expected to be around \$13.50.

## Hearing Scheduled in Two Western Orders

A public hearing is being held to consider proposals to amend the producer-handler provisions of the Arizona-Las Vegas and Pacific Northwest Federal Milk Orders. The proposals seek to, among other things, end the regulatory exemption of producer-handlers from the pooling and pricing provisions of these two milk marketing orders if their Class I route distribution exceeds three million pounds of milk per month.

The hearing will convene at 8:30 a.m. on September 23, 2003 at the Sheraton Airport Hotel, 1600 South 52nd Street, Tempe, Arizona.

Copies of the notice of the hearing may be obtained from the Pacific Northwest, Arizona-Las Vegas & Western milk marketing orders office, USDA/AMS/Dairy Programs, 1930-220th Street, S.E., Suite 102, Bothell, Washington 98021-8471, Telephone: (425) 487-6009.

Additionally, the hearing will consider a proposal that would prohibit the ability to simultaneously pool the same milk on the Arizona-Las Vegas order and on a State-operated milk order that provides for marketwide pooling.

An electronic version of the notice is available at: [www.ams.usda.gov/dairy/pnw\\_alv/pnw\\_alv\\_hear.htm](http://www.ams.usda.gov/dairy/pnw_alv/pnw_alv_hear.htm)

## Pool Summary

- In July, 9,689 producers delivered to the market with an average daily delivery of 4,310 pounds.
- Producer milk totaled 660 million pounds, down 1.3 billion pounds from June. Because of inverse pricing (Class III price higher than Class I), handlers elected not to pool a significant volume of Class III diverted milk.
- Class I utilization totaled 328 million pounds, up 8.3% on a daily basis from June. Class I usage accounted for 49.7% of producer milk.
- The July Producer Price Differential (PPD) is (\$0.41) per cwt. Inverted prices caused the PPD to be negative.
- The Statistical Uniform Price is \$11.37 per cwt., up \$1.24 from June and also from July 2002.
- Market statistics for July are shown on Pages 4 and 5.

## July 2003 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	49.7	327,804,072	11.57
Class II	15.9	104,872,274	10.63
Class III	11.6	76,459,244	11.78
Class IV	22.8	150,887,357	9.95
Total		660,022,947	

## Supply Plant Systems

Supply plants are defined in §1030.6, with performance requirements defined in §1030.7(c). In general, supply plants are required to ship 10% of their receipts to bottling plants.

These performance requirements can be met as a “system”, as defined in §1030.7(f).

This provision allows two or more supply plants operated by one or more handlers to qualify for pooling by meeting the shipping requirements in the same manner as a single plant. In other words, an individual plant in a system does not need to qualify on its own, as long as the system as a whole qualifies.

Supply plants in a system generally must be located in the marketing area.

The following supply plants requested system pooling for the period of August 2003 through July 2004.

### *Associated Milk Producers, Inc.*

- ◆ Ellsworth Cooperative Creamery – Ellsworth, WI
- ◆ Bongards’ Creameries – Bongards, MN
- ◆ The First District Association – Litchfield, MN
- ◆ Associated Milk Producers, Inc. – Glencoe, MN
- ◆ Associated Milk Producers, Inc. – Blair, WI
- ◆ Associated Milk Producers, Inc. – Paynesville, MN
- ◆ Associated Milk Producers, Inc. – Jim Falls, WI

### *Central Milk Producers Cooperative*

- ◆ Dairy Marketing Services, LLC – Janesville, WI
- ◆ Zimmerman Cheese, Inc. – Wiota, WI
- ◆ White Clover Dairy, Inc. – Hollandtown, WI
- ◆ Trega Foods, Inc. – Weyauwega, WI
- ◆ Trega Foods, Inc. – Luxemburg, WI
- ◆ Trega Foods, Inc. – Little Chute, WI
- ◆ Westby Cooperative Creamery – Westby, WI
- ◆ Swiss Valley Farms, Company – Platteville, WI
- ◆ Stockton Cheese, Inc. – Stockton, IL
- ◆ Baker Cheese Factory, Inc. – St. Cloud, WI
- ◆ Sartori Food Corporation – Plymouth, WI
- ◆ Park Cheese Company, Inc. – Brownsville, WI
- ◆ NFO, Inc. – South Wayne, WI
- ◆ NFO, Inc. – Fond du Lac, WI
- ◆ Mid-West Dairymen’s Company – Rockford, IL
- ◆ Land O’Lakes, Inc. – Kiel, WI
- ◆ Kraft Foods, Inc. – Beaver Dam, WI
- ◆ Kolb-Lena Bresse Bleu, Inc. – Lena, IL
- ◆ Klondike Cheese Company – Monroe, WI
- ◆ Grande Milk Marketing, LLC – Darlington, WI

### *Central Milk Producers Cooperative (continued)*

- ◆ Foremost Farms USA, Cooperative – Sauk City, WI
- ◆ Family Dairies USA – Kewaskum, WI
- ◆ Dairy Farmers of America, Inc. – Fond du Lac, WI
- ◆ Cooperative Regions of Organic Producer Pools – Chaseburg, WI
- ◆ Chula Vista Cheese Co. – Browntown, WI
- ◆ Cedar Valley Cheese, Inc. – Belgium, WI
- ◆ Cedar Grove Cheese, Inc. – Plain, WI
- ◆ Berner Cheese Corporation – Rock City, IL
- ◆ BelGioioso Cheese, Inc. – Pulaski, WI
- ◆ Alto Dairy Cooperative – Alto, WI
- ◆ Alto Dairy Cooperative – Black Creek, WI
- ◆ Wisconsin Dairy State Cheese Company, Inc. – Rudolph, WI
- ◆ Plainview Milk Products Cooperative – Plainview, MN
- ◆ North Hendren Co-operative Dairy Co. – Willard, WI
- ◆ NFO, Inc. – Taylor, WI
- ◆ Nasonville Dairy, Inc. – Marshfield, WI
- ◆ Mullins Cheese, Inc. – Mosinee, WI
- ◆ Melrose Dairy Proteins, LLC – Melrose, MN
- ◆ Lynn Dairy, Inc. – Granton, WI
- ◆ LaGrander’s Hillside Dairy, Inc. – Stanley, WI
- ◆ Grassland Dairy Products, Inc. – Greenwood, WI
- ◆ Gad Cheese, Inc. – Medford, WI
- ◆ Eau Galle Cheese Factory, Inc. – Durand, WI
- ◆ The Antigo Cheese Company – Antigo, WI
- ◆ Land O’Lakes, Inc. – Greenwood, WI
- ◆ Foremost Farms USA, Cooperative – Sparta, WI
- ◆ Foremost Farms USA, Cooperative – Alma Center, WI
- ◆ Foremost Farms USA, Cooperative – Wilson, WI

# U.S. Milk Production Up Slightly in July

## July Production Up 0.3%

Estimated United States milk production during July 2003 totaled 14.2 billion pounds, up 0.3% from a year earlier, as shown in the table to the right. The estimated number of cows on U.S. farms in July was 9.087 million head, 71,000 head fewer than July 2002. Production per cow is estimated at 1,568 pounds for the month, 18 pounds, or 1.2%, above a year earlier.

## January-July Milk Production Up 0.5%

U.S. milk production for the first seven months of 2003, estimated at

101.1 billion pounds, was up 0.5% from the same period in 2002.

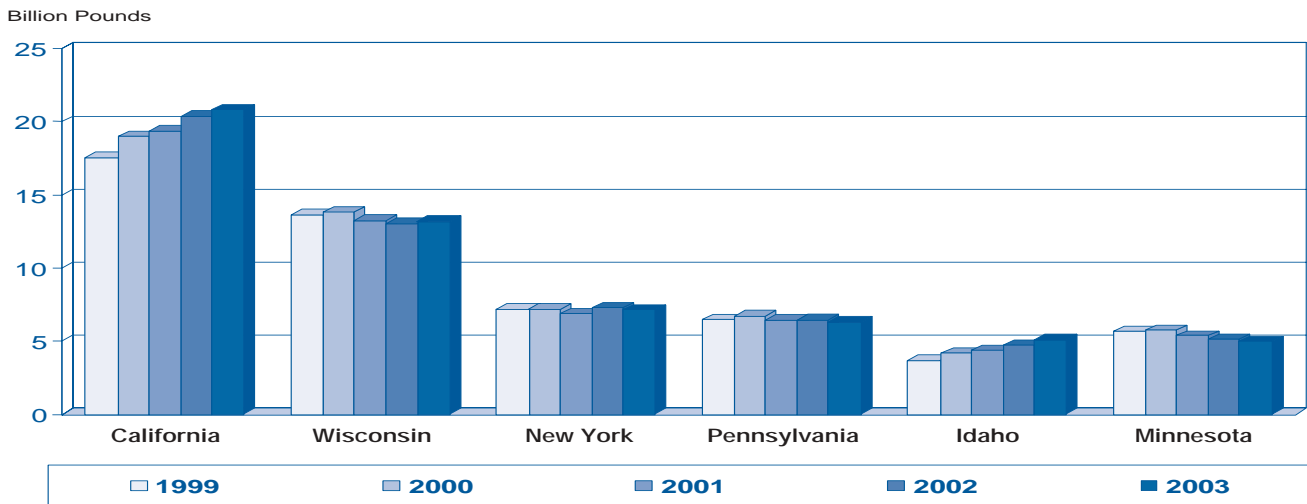
The increase resulted from a 0.5% average increase in production per cow, which was partially offset by a fractional decline in the average number of milk cows on farms.

For the top six milk producing states, production in January-July 2003, compared to the same time period in 2002, was up 7.5% in Idaho, 2.2% in California, and 0.8% in Wisconsin, but down 2.4% in Minnesota, 2.3% in Pennsylvania, and 1.5% in New York.

## July 2003 Milk Production Top 10 Milk Producing States & U.S.

	July 2002	July 2003	Change
	Mil. Lbs.	Mil. Lbs.	Percent
California	2,981	2,963	-0.6
Wisconsin	1,841	1,895	+2.9
New York	1,044	1,019	-2.4
Pennsylvania	891	861	-3.4
Idaho	710	767	+8.0
Minnesota	686	691	+0.7
New Mexico	548	567	+3.5
Michigan	501	523	+4.4
Washington	487	479	-1.6
Texas	416	446	+7.2
United States	14,196	14,245	+0.3

## January through July Milk Production - Top 6 Milk Producing States



# Upper Midwest Pool Statistics - July 2003

Market Class I Differential Rate	Pool Plants	Received at Pool Plants	Diverted to Pool and Nonpool Plants	Total	Location Adjustment to Producers	Class I Differential to Handlers	
Cwt.	Number	Pounds	Pounds	Pounds	Value	Pounds	Value
\$1.80	5	55,563,689	933,366	56,497,055	\$ 0	49,336,848	\$ 888,063
\$1.75	27	172,725,193	93,713,635	266,438,828	133,220	137,768,055	2,410,941
\$1.70	25	172,968,631	23,436,650	196,405,281	196,405	118,899,531	2,021,292
\$1.65	5	29,019,947	1,366,980	30,386,927	45,580	21,799,638	359,694
Other	0	0	110,294,856	110,294,856	220,590	0	0
<b>Total</b>	<b>62</b>	<b>430,277,460</b>	<b>229,745,487</b>	<b>660,022,947</b>	<b>\$595,795</b>	<b>327,804,072</b>	<b>\$5,679,990</b>

## Computation of Producer Price Differential - July 2003

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
<b>Class I</b>					
Differential Value					\$ 5,679,990.30
Product	49.7%	327,804,072			
Skim Milk			322,522,917	\$ 5.9200	19,093,356.70
Butterfat			5,281,155	1.1590	6,120,858.69
<b>Class II</b>					
Product	15.9%	104,872,274			
Nonfat Solids			8,583,155	0.7356	6,313,768.82
Butterfat			8,641,427	1.2125	10,477,730.30
<b>Class III</b>					
Product	11.6%	76,459,244			
Protein			2,199,181	2.5480	5,603,513.17
Other Solids			4,352,064	(0.0124) <sup>1/</sup>	(53,965.60)
Butterfat			3,211,084	1.2055	3,870,961.77
<b>Class IV</b>					
Product	22.8%	150,887,357			
Nonfat Solids			12,887,839	0.6605	8,512,417.67
Butterfat			6,165,441	1.2055	7,432,439.13
SCC Adjustment (Class II, III, and IV)					57,534.73
<b>Total Producer Milk *</b>		<b>660,022,947</b>			<b>\$ 73,108,605.68</b>
Add:					
Overage					34,019.24
Inventory Reclassified					72,765.28
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					178,805.62
Assembly Credit					261,372.52
Credit for Reconstituted FMP					0.00
Producer Milk Protein					48,902,948.66
Producer Milk Other Solids					(466,389.78)
Producer Milk Butterfat					28,087,073.50
Producer Milk SCC Adjustment					80,873.95
Total Milk and Value		660,022,947			\$ (3,829,294.27)
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					595,794.87
One-Half Unobligated Balance Producer Settlement Fund					846,608.57
Total Value				(0.361638)	\$ (2,386,890.83)
Subtract:					
Producer Settlement Fund Reserve				0.048362	319,203.25
<b>Producer Price Differential **</b>				<b>(\$0.41)</b>	<b>\$(2,706,094.08)</b>

<sup>1/</sup> The average wholesale price of dry whey was less than the make allowance contained in the other solids price formula.

\* An estimated 1.4 billion pounds of milk was not pooled.

\*\* Producer Price Differential is dollars per cwt. at the Base Zone of Cook County, Illinois.



## Utilization and Classification

	July 2003		June 2003	July 2002
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
<b>Class I Utilization:</b>				
Packaged Disposition				
Milk	54,525,409	1,809,700	49,477,916	53,848,315
Flavored Milk	5,423,114	175,266	5,302,925	4,912,012
Reduced Fat Milk	124,375,567	2,430,064	115,691,604	125,897,463
Lowfat Milk	43,273,987	424,733	41,616,012	43,345,636
Fat Free Milk	78,994,005	82,472	75,644,956	81,318,447
Flavored Reduced and Fat Free Milk	14,546,842	134,897	16,162,524	14,437,441
Buttermilk	2,714,122	29,858	2,437,810	2,875,432
Total Packaged Disposition	323,853,046	5,086,990	306,333,747	326,634,746
Total Ending Inventory	28,212,135	447,134	23,482,605	28,371,330
Bulk to Nonpool Plants	1,001,648	25,955	995,365	212,881
Shrinkage	1,808,498	188,045	2,201,638	3,292,928
Total Class I Utilization	354,875,327	5,748,124	333,013,355	358,511,885
Other Order Plants	(3,590,252)	(68,072)	(2,798,363)	(9,842,862)
Beginning Inventory	(23,778,687)	(406,505)	(27,531,006)	(27,273,866)
Reused Products	0	0	0	0
Other Source Milk	(208,918)	(2,463)	(202,029)	(81,476)
Overage	0	0	--	--
Interhandler Adjustment	506,602	10,071	79,819	(2,702)
<b>Class I Producer Milk</b>	<b>327,804,072</b>	<b>5,281,155</b>	<b>302,561,776</b>	<b>321,310,979</b>
<b>Class II Utilization:</b>				
Total Class II Utilization	128,178,941	10,373,647	68,829,991	64,157,867
Other Order Plants	(2,705,692)	(105,457)	(517,008)	(2,992,662)
Beginning Inventory	(4,968,282)	(303,881)	(1,670,529)	(2,539,772)
Reused Products	(14,271,399)	(11,477)	(13,007,417)	(11,711,291)
Other Source Milk	(1,361,294)	(1,311,405)	(1,156,555)	(734,532)
Overage	--	--	--	--
<b>Class II Producer Milk</b>	<b>104,872,274</b>	<b>8,641,427</b>	<b>52,478,482</b>	<b>46,179,610</b>
<b>Class III Utilization:</b>				
Total Class III Utilization	81,045,501	3,289,237	1,535,409,663	1,157,566,219
Other Order Plants	(1,504,341)	(39,037)	(33,160,611)	(13,674,148)
Beginning Inventory	(1,133,499)	(24,483)	(3,538,409)	(7,980,790)
Reused Products	0	0	0	0
Other Source Milk	(1,930,376)	(10,923)	(3,013,459)	(2,519,979)
Overage	(18,041)	(3,710)	(9,519)	(29,114)
<b>Class III Producer Milk</b>	<b>76,459,244</b>	<b>3,211,084</b>	<b>1,495,687,665</b>	<b>1,133,362,188</b>
<b>Class IV Utilization:</b>				
Total Class IV Utilization	178,046,965	7,691,484	109,178,397	35,315,729
Other Order Plants	(6,414,077)	(243,919)	(7,277,508)	(3,959,443)
Beginning Inventory	(13,637,988)	(654,640)	(11,107,367)	(13,487,331)
Reused Products	--	--	0	0
Other Source Milk	(7,045,024)	(610,251)	(8,336,016)	(6,077,311)
Overage	(62,519)	(17,233)	(11,760)	(9,082)
<b>Class IV Producer Milk</b>	<b>150,887,357</b>	<b>6,165,441</b>	<b>82,445,746</b>	<b>11,782,562</b>
<b>Total Producer Milk -- All Classes</b>	<b>660,022,947</b>	<b>23,299,107</b>	<b>1,933,173,669</b>	<b>1,512,635,339</b>

-- Restricted Information

## Commodity Prices

Month/Year	Weighted Monthly Average NASS Prices *						Weighted Two-Week Average NASS Prices *					
	Cheddar Cheese			Nonfat			Cheddar Cheese			Nonfat		
	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey
	<i>Dollars per Pound</i>						<i>Dollars per Pound</i>					
Jul 2002	1.0898	1.0768	1.1004	1.0112	0.9033	0.1545	1.1013	1.0847	1.1098	1.0188	0.9025	0.1552
Aug	1.1030	1.0996	1.1189	0.9925	0.9074	0.1571	1.1155	1.0993	1.1237	1.0010	0.9091	0.1559
Sep	1.1412	1.1155	1.1438	0.9431	0.9096	0.1755	1.1367	1.1159	1.1427	0.9297	0.9080	0.1703
Oct	1.2431	1.1391	1.2020	0.9945	0.9165	0.2131	1.2239	1.1366	1.1921	0.9697	0.9159	0.2081
Nov	1.1211	1.0733	1.1111	1.0107	0.9177	0.2223	1.1085	1.0610	1.0985	0.9991	0.9172	0.2234
Dec	1.1075	1.0991	1.1203	1.0926	0.8682	0.1965	1.1061	1.0993	1.1195	1.0813	0.8813	0.2038
Jan 2003	1.2225	1.1153	1.1370	1.0872	0.8207	0.1728	1.1175	1.1163	1.1358	1.1099	0.8287	0.1787
Feb	1.1508	1.0825	1.1299	1.0476	0.8111	0.1632	1.1549	1.0808	1.1304	1.0477	0.8108	0.1641
Mar	1.0725	1.0519	1.0780	1.0546	0.8051	0.1599	1.0640	1.0435	1.0697	1.0506	0.8048	0.1594
Apr	1.0924	1.0750	1.0997	1.0736	0.8030	0.1582	1.0804	1.0568	1.0842	1.0702	0.8032	0.1589
May	1.1227	1.1225	1.1394	1.0743	0.8040	0.1450	1.1264	1.1250	1.1420	1.0733	0.8043	0.1448
Jun	1.1400	1.1214	1.1464	1.0797	0.8040	0.1396	1.1330	1.1132	1.1387	1.0808	0.8040	0.1372
Jul	1.3177	1.3466	1.3497	1.1196	0.8072	0.1470	1.2435	1.2625	1.2685	1.1028	0.8062	0.1452

Month/Year	Chicago Mercantile Exchange						
	Butter	Cheddar Cheese		Nonfat Dry Milk (Low/Medium Heat)		Whey Powder	
	Grade AA	Blocks	Barrels	Central & East	West	Central	West
	<i>Dollars per Pound</i>						
Jul 2002	1.0302	1.0889	1.0680	0.9275	0.9144	0.1566	0.1451
Aug	0.9752	1.1575	1.1252	0.9323	0.9210	0.1673	0.1546
Sep	0.9635	1.2041	1.1100	0.9468	0.9239	0.2051	0.1722
Oct	1.0315	1.1950	1.0970	0.9563	0.9263	0.2426	0.2043
Nov	1.0425	1.0891	1.0705	0.9578	0.9149	0.2245	0.2151
Dec	1.1198	1.1311	1.1055	0.9075	0.8715	0.1818	0.2112
Jan 2003	1.0815	1.1507	1.0929	0.8562	0.8532	0.1594	0.1870
Feb	1.0405	1.0920	1.0430	0.8347	0.8444	0.1587	0.1648
Mar	1.0915	1.0817	1.0469	0.8375	0.8380	0.1602	0.1574
Apr	1.0906	1.1225	1.0902	0.8375	0.8377	0.1555	0.1495
May	1.0919	1.1421	1.1161	0.8375	0.8388	0.1407	0.1418
Jun	1.1142	1.1864	1.1562	0.8338	0.8395	0.1416	0.1400
Jul	1.1985	1.5123	1.4668	0.8419	0.8391	0.1558	0.1535

## Market Statistics

Month/Year	Distributing	Supply	Coop .9(c)	Total Producer Milk <i>Mil. lbs.</i>	Estimated Average Daily Delivery <i>Pounds</i>	Class I Utilization <i>Percent</i>	Butterfat Test <i>Percent</i>	Protein Test <i>Percent</i>	Other Solids Test <i>Percent</i>	Weighted Average SCC <i>(000)</i>	
	Plants	Plants	Handlers								Producers
	Jul 2002	27	56								12
Aug	27	60	12	14,642	1,730	3,927	19.9	3.58	2.95	5.70	393
Sep	27	60	12	14,614	1,651	3,885	20.6	3.65	3.01	5.69	355
Oct	27	60	12	14,806	1,574	3,821	23.5	3.82	3.09	5.70	322
Nov	27	60	12	14,660	1,679	3,882	20.9	3.84	3.10	5.69	307
Dec	27	59	12	14,949	1,825	4,090	18.8	3.80	3.07	5.68	296
Jan 2003	27	59	12	14,963	1,846	4,164	19.7	3.77	3.04	5.71	307
Feb	27	59	13	14,994	1,729	4,220	18.5	3.76	3.04	5.71	313
Mar	27	60	13	15,912	1,937	4,147	17.5	3.74	3.02	5.73	323
Apr	26	58	14	15,621	1,863	4,216	18.2	3.71	2.99	5.75	315
May	26	57	14	15,602	1,937	4,266	17.9	3.66	2.97	5.74	321
Jun	27	56	14	15,553	1,933	4,424	15.6	3.60	2.95	5.74	326
Jul	29	33	15	9,689	660	4,310	49.7	3.53	2.91	5.70	332

\* NASS = National Agricultural Statistics Service, USDA.

# Class Prices

Month/Year	Class I Price Mover			Class I Price at Cook County, IL			Class II Price			
	Butterfat	Skim Milk	3.50%	Butterfat	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Jul 2002	1.1443	6.85	10.62	1.1623	8.65	12.42	1.0999	0.8389	7.55	11.14
Aug	1.1022	6.86	10.48	1.1202	8.66	12.28	1.0771	0.8400	7.56	11.07
Sep	1.0805	6.92	10.46	1.0985	8.72	12.26	1.0169	0.8467	7.62	10.91
Oct	0.9935	6.91	10.15	1.0115	8.71	11.95	1.0796	0.8456	7.61	11.12
Nov	1.0423	7.20	10.60	1.0603	9.00	12.40	1.0993	0.8533	7.68	11.26
Dec	1.0782	6.99	10.52	1.0962	8.79	12.32	1.1992	0.8544	7.69	11.62
Jan 2003	1.1784	6.67	10.56	1.1964	8.47	12.36	1.1926	0.8189	7.37	11.29
Feb	1.2133	6.20	10.23	1.2313	8.00	12.03	1.1443	0.7667	6.90	10.66
Mar	1.1374	6.04	9.81	1.1554	7.84	11.61	1.1529	0.7489	6.74	10.54
Apr	1.1227	5.92	9.64	1.1407	7.72	11.44	1.1573	0.7356	6.62	10.44
May	1.1462	5.91	9.71	1.1642	7.71	11.51	1.1582	0.7344	6.61	10.43
Jun	1.1500	5.92	9.74	1.1680	7.72	11.54	1.1646	0.7356	6.62	10.46
Jul	1.1590	5.92	9.77	1.1770	7.72	11.57	1.2125	0.7356	6.62	10.63
Aug	1.1854	7.07	10.97	1.2034	8.87	12.77		0.7378	6.64	

Month/Year	Class III Price					Class IV Price			
	Butterfat	Protein	Other Solids	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Jul 2002	1.0929	1.8095	0.0150	5.70	9.33	1.0929	0.7633	6.87	10.45
Aug	1.0701	1.9021	0.0177	6.00	9.54	1.0701	0.7674	6.91	10.41
Sep	1.0099	2.0646	0.0367	6.62	9.92	1.0099	0.7696	6.93	10.22
Oct	1.0726	2.1839	0.0755	7.22	10.72	1.0726	0.7765	6.99	10.50
Nov	1.0923	1.8469	0.0850	6.23	9.84	1.0923	0.7777	7.00	10.58
Dec	1.1922	1.7506	0.0584	5.77	9.74	1.1922	0.7282	6.55	10.49
Jan 2003	1.1856	1.8164	0.0339	5.83	9.78	1.1856	0.6807	6.13	10.07
Feb	1.1373	1.8538	0.0240	5.89	9.66	1.1373	0.6711	6.04	9.81
Mar	1.1459	1.6648	0.0206	5.28	9.11	1.1459	0.6651	5.99	9.79
Apr	1.1503	1.8006	(0.0008) *	5.58	9.41	1.1503	0.6564	5.91	9.73
May	1.1512	1.9275	(0.0144) *	5.89	9.71	1.1512	0.6574	5.92	9.74
Jun	1.1576	1.9434	(0.0200) *	5.91	9.75	1.1576	0.6574	5.92	9.76
Jul	1.2055	2.5480	(0.0124) *	7.83	11.78	1.2055	0.6605	5.94	9.95

# Producer Prices

Month/Year	Producer Price Differential	Statistical Uniform Price (at 3.50%)	Butterfat Price	Protein Price	Other Solids Price	SCC Adjustment Rate	Producer Mailbox Price (at test)
	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>
May 2002	0.48	11.30	1.1433	2.2097	0.0371	0.00062	11.98
Jun	0.63	10.72	1.1211	2.0148	0.0247	0.00059	11.16
Jul	0.80	10.13	1.0929	1.8095	0.0150	0.00055	10.61
Aug	0.66	10.20	1.0701	1.9021	0.0177	0.00056	10.91
Sep	0.54	10.46	1.0099	2.0646	0.0367	0.00057	11.42
Oct	0.31	11.03	1.0726	2.1839	0.0755	0.00060	12.27
Nov	0.59	10.43	1.0923	1.8469	0.0850	0.00056	11.74
Dec	0.59	10.33	1.1922	1.7506	0.0584	0.00056	11.65
Jan 2003	0.58	10.36	1.1856	1.8164	0.0339	0.00057	11.53
Feb	0.47	10.13	1.1373	1.8538	0.0240	0.00056	11.07
Mar	0.54	9.65	1.1459	1.6648	0.0206	0.00054	10.64
Apr	0.46	9.87	1.1503	1.8006	(0.0008) *	0.00055	10.85
May	0.40	10.11	1.1512	1.9275	(0.0144) *	0.00057	10.92
Jun	0.38	10.13	1.1576	1.9434	(0.0200) *	0.00057	
Jul	(0.41)	11.37	1.2055	2.5480	(0.0124) *	0.00067	

\* The average wholesale price of dry whey was less than the make allowance contained in the other solids price formula.

# Summary of Federal Order Data - July 2003

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts <i>— Thousand Pounds —</i>	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential <i>— Dollars per Cwt. —</i>	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market <i>— Dollars per Cwt. —</i>	FOB Cook Cty. Illinois <i>— Dollars per Cwt. —</i>	Change From Previous Year
1 Northeast	2,016,824	845,718	41.9	\$ 13.02	\$ 0.68	\$ 12.46	\$ 11.01	\$ 0.41
5 Appalachian	480,581	370,270	77.0	12.87	n/a	12.49	11.19	(0.39)
6 Florida	226,404	196,225	86.7	13.77	n/a	13.46	11.26	(0.73)
7 Southeast	551,309	365,682	66.3	12.87	n/a	12.47	11.17	(0.08)
<b>30 Upper Midwest</b>	<b>660,023</b>	<b>327,804</b>	<b>49.7</b>	<b>11.57</b>	<b>(0.41)</b>	<b>11.37</b>	<b>11.37</b>	<b>1.24</b>
32 Central	759,813	374,014	49.2	11.77	(0.29)	11.49	11.29	1.05
33 Mideast	1,018,281	521,935	51.2	11.77	(0.10)	11.68	11.48	0.83
124 Pacific Northwest	411,485	172,453	41.9	11.67	(0.85)	10.93	10.83	0.27
126 Southwest	595,392	325,128	54.6	12.77	0.23	12.01	10.81	0.20
131 Arizona-Las Vegas	243,853	82,925	34.0	12.12	n/a	11.53	10.98	0.66
135 Western	176,100	92,613	52.6	11.67	(0.34)	11.44	11.34	1.18
<b>All Market Average or Total *</b>	<b>7,140,067</b>	<b>3,674,767</b>	<b>51.5</b>					

n/a = Not applicable. \* May not add due to rounding.

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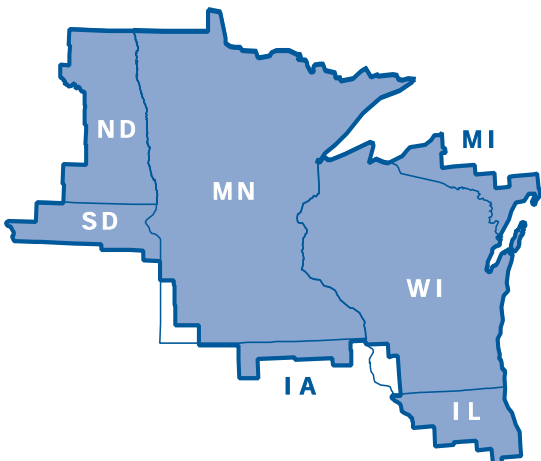
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