



UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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Upper Midwest Marketing Area, Federal Order No. 30

August 2008

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USDA Issues Interim Final Rule Amending All Federal Milk Marketing Orders

The U.S. Secretary of Agriculture recently issued an Interim Final Rule for all Federal milk marketing orders, including the Upper Midwest Order.

This order amends the manufacturing (make) allowances and the butterfat yield factor contained in the Class III and Class IV product price formulas applicable to all Federal milk marketing orders, effective September 1, 2008. More than the required number of producers have approved the issuance of the interim orders as amended.

Specifically, this decision adopts the following manufacturing (make) allowances:

Cheese	\$0.2003 per pound
Butter	\$0.1715 per pound
NFDM	\$0.1678 per pound
Dry Whey	\$0.1991 per pound

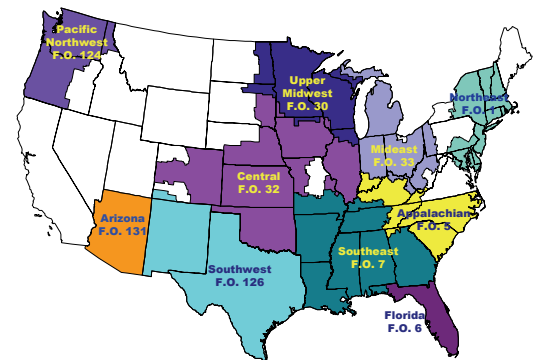
The decision also increases the butterfat yield factor in the butterfat price formula from 1.20 to 1.211.

The amendments will become effective September 1, 2008, for milk marketed on and after September 1. The amendments will be used in the computation of the

September advanced Class I and II prices announced on August 22. The prices announced on September 5, for August milk, will not use the amended provisions. **However, at press time, a lawsuit was pending which may alter the effective date contained in the decision.**

For further information contact: Jack Rower, Marketing Specialist, USDA/AMS/Dairy Programs, Order Formulation and Enforcement Branch, STOP 0231-Room 2971, 1400 Independence Avenue, SW, Washington, DC 20250-0231, (202) 720-2357, e-mail address: jack.rower@usda.gov.

Federal Milk Marketing Order Areas



Pool Summary

- In July, 15,356 producers delivered to the market with an average daily delivery of 5,189 pounds.
- Producer milk totaled 2.4 billion pounds, up 436 million pounds from June, but 6 million pounds below July 2007.
- Class I utilization totaled 349 million pounds, up 3.4% from June on a daily basis. Class I usage accounted for 14.6% of producer milk.
- The July Producer Price Differential (PPD) is \$0.66 per cwt.
- The Statistical Uniform Price is \$18.90 per cwt., down \$0.89 from June and \$2.75 below July 2007.
- Market statistics for July are shown on Pages 4 and 5.

July 2008 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	14.6	348,877,435	22.58
Class II	5.5	131,395,105	16.81
Class III	77.0	1,834,888,936	18.24
Class IV	2.9	68,670,883	16.60
Total		2,383,832,359	

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 2008 through July 2009.

Central Milk Producers Cooperative

- ◆ Dairy Marketing Services, LLC – Janesville, WI
- ◆ Zimmerman Cheese, Inc. – Wiota, WI
- ◆ Arla Foods Production, LLC – Hollandtown, WI
- ◆ Trega Foods Limited – Weyauwega, WI
- ◆ Trega Foods Limited – Little Chute, WI
- ◆ Westby Cooperative Creamery – Westby, WI
- ◆ Swiss Valley Farms Cooperative – 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
- ◆ Mid-West Dairymen’s Company – Rockford, IL
- ◆ Kolb-Lena Bresse Bleu, Inc. – Lena, IL
- ◆ Klondike Cheese Company – Monroe, WI
- ◆ Grande Milk Marketing, LLC – Darlington, WI
- ◆ Cedar Grove Cheese, Inc. – Plain, WI
- ◆ Family Dairies USA – Kewaskum, WI
- ◆ Dairy Farmers of America, Inc. – Fond du Lac, WI
- ◆ NFO, 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
- ◆ Rosewood Dairy, Inc. – Algoma, WI
- ◆ BelGioioso Cheese, Inc. – Pulaski, WI
- ◆ Saputo Cheese USA, Inc. – Alto, WI
- ◆ Saputo Cheese USA, Inc. – Black Creek, WI
- ◆ Wisconsin Dairy State Cheese Company, Inc. – Rudolph, WI
- ◆ Rolling Hills Dairy Producers Cooperative – Monticello, WI
 - ◆ Sartori Food Corporation – Antigo, WI
 - ◆ Foremost Farms USA, Cooperative – Sparta, WI
 - ◆ Plainview Milk Products Cooperative – Plainview, MN

Central Milk Producers Cooperative (continued)

- ◆ North Hendren Co-operative Dairy Co. – Willard, WI
- ◆ Nasonville Dairy, Inc. – Marshfield, WI
- ◆ Scenic Central Milk Producers Cooperative Association – Richland Center, WI
- ◆ Scenic Central Milk Producers Cooperative Association – South Wayne, WI
- ◆ Mullins Cheese, Inc. – Marshfield, WI
- ◆ Mullins Cheese, Inc. – Mosinee, WI
- ◆ Lynn Dairy, Inc. – Granton, WI
- ◆ LaGrandier’s Hillside Dairy, Inc. – Stanley, WI
- ◆ Grassland Dairy Products, Inc. – Greenwood, WI
- ◆ Grassland Dairy Products, Inc. D/B/A Greenwood Milk Products – Greenwood, WI
- ◆ Eau Galle Cheese Factory, Inc. – Durand, WI
- ◆ Foremost Farms USA, Cooperative – Alma Center, WI
- ◆ Foremost Farms USA, Cooperative – Wilson, WI
- ◆ Foremost Farms USA, Cooperative – Stacyville, IA
- ◆ Foremost Farms USA, Cooperative – Lancaster, WI

First District Association

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

Land O’Lakes, Inc.

- ◆ Land O’Lakes, Inc. – Kiel, WI
- ◆ Melrose Dairy Proteins, LLC – Melrose, MN
- ◆ Land O’Lakes, Inc. – Caledonia, MN

Class III Milk Prices--January 1998 to July 2008

Class III milk prices under the Federal milk order system since 1998 are shown in the table below. The prices are also shown graphically for the last five years, along with a 10-year average for 1998-2007.

Class III is primarily milk used to make hard cheese, and is often referred to as

the manufacturing grade milk price. (Class III milk also included butter until January 2000.)

The July 2007 Class III price of \$21.38 was a record high. In addition, the 2007 simple average price of \$18.04 was a record high, surpassing the previous annual average of \$15.39 set in 2004.

For January through July 2008, the Class III price averaged \$18.25. Based on current estimates of the Class III price for the last five months of the year at between \$16 and \$17, the simple average Class III price for 2008 will be about \$17.50, \$0.50 below 2007, and the second highest annual average on record.

Federal Order Class III Milk Prices - January 1998 through July 2008

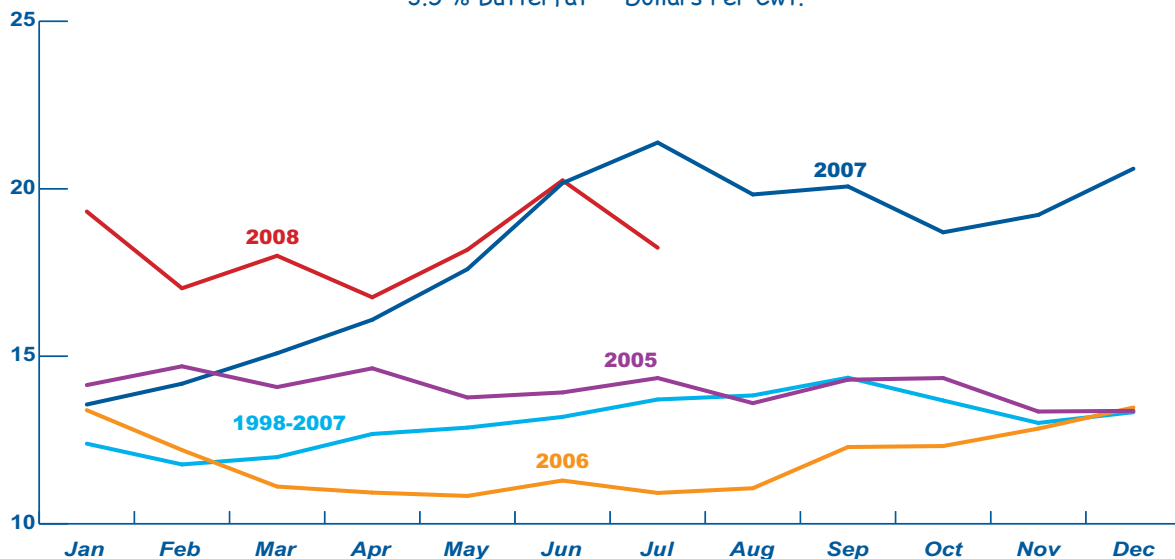
3.5 % Butterfat -- Dollars Per Cwt.

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Simple Average</u>
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34	14.20
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63	12.43
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37	9.74
2001	9.99	10.27	11.42	12.06	13.83	15.02	15.46	15.55	15.90	14.60	11.31	11.80	13.10
2002	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74	10.42
2003	9.78	9.66	9.11	9.41	9.71	9.75	11.78	13.80	14.30	14.39	13.47	11.87	11.42
2004	11.61	11.89	14.49	19.66	20.58	17.68	14.85	14.04	14.72	14.16	14.89	16.14	15.39
2005	14.14	14.70	14.08	14.61	13.77	13.92	14.35	13.60	14.30	14.35	13.35	13.37	14.05
2006	13.39	12.20	11.11	10.93	10.83	11.29	10.92	11.06	12.29	12.32	12.84	13.47	11.89
2007	13.56	14.18	15.09	16.09	17.60	20.17	21.38	19.83	20.07	18.70	19.22	20.60	18.04
2008	19.32	17.03	18.00	16.76	18.18	20.25	18.24						18.25

Numbers in boxes indicate months in which the price reached the next highest dollar barrier for the first time.

Federal Order Class III Milk Prices

3.5 % Butterfat -- Dollars Per Cwt.



Computation of Producer Price Differential-July 2008

		Utilization Percentage	Product Pounds	Component Pounds	Rate	Value	
Class I	Differential Value					\$ 6,065,072.62	
	Product	14.6%	348,877,435				
	Skim Milk			343,628,879	\$15.7000	53,949,733.99	
	Butterfat			5,248,556	1.6086	8,442,827.21	
Class II	Product	5.5%	131,395,105				
	Nonfat Solids			10,835,135	1.2567	13,616,514.17	
	Butterfat			10,385,661	1.6844	17,493,607.39	
Class III	Product	77.0%	1,834,888,936				
	Protein			53,780,239	4.0025	215,255,406.70	
	Other Solids			105,185,326	0.0707	7,436,602.50	
	Butterfat			63,781,500	1.6774	106,987,088.08	
Class IV	Product	2.9%	68,670,883				
	Nonfat Solids			5,629,976	1.2358	6,957,524.34	
	Butterfat			5,991,258	1.6774	10,049,736.18	
SCC Adjustment (Class II, III, and IV)						753,925.96	
Total Producer Milk			2,383,832,359			\$ 447,008,039.14	
Add:	Overage					239,845.68	
	Inventory Reclassified					98,863.84	
	Other Source Milk \$.60(h)					0.00	
	Other Source Milk \$.60(i)					0.00	
Subtract:	Transportation Credit					77,305.39	
	Assembly Credit					277,742.78	
	Credit for Reconstituted FMP					0.00	
	Producer Milk Protein					279,172,690.08	
	Producer Milk Other Solids					9,643,994.41	
	Producer Milk Butterfat					143,261,659.80	
	Producer Milk SCC Adjustment					902,057.53	
Total Milk and Value						2,383,832,359	\$ 14,011,298.67
Add:	Location Adjustment -- Producer and Unregulated Supply Plant Milk					1,778,370.85	
	One-Half Unobligated Balance Producer Settlement Fund					975,325.35	
Total Value						0.703279	\$ 16,764,994.87
Subtract:	Producer Settlement Fund Reserve				0.043279	1,031,701.30	
Producer Price Differential *					\$0.66	\$ 15,733,293.57	

* An estimated 305 million pounds of milk was not pooled.

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

Upper Midwest Pool Statistics - July 2008

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	
<i>Cwt.</i>	<i>Number</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Value</i>	<i>Pounds</i>	<i>Value</i>
\$1.80	4	70,773,252	23,325,703	94,098,955	\$ 0	72,795,031	\$ 1,310,311
\$1.75	39	194,459,809	895,475,689	1,089,935,498	544,968	142,080,792	2,486,414
\$1.70	29	177,486,100	955,101,883	1,132,587,983	1,132,588	114,643,215	1,948,935
\$1.65	5	24,282,686	42,927,237	67,209,923	100,815	19,358,397	319,413
Total	77	467,001,847	1,916,830,512	2,383,832,359	\$1,778,371	348,877,435	\$6,065,073

Utilization and Classification of Milk

	July 2008		June 2008	July 2007
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition				
Milk	50,715,571	1,610,928	48,740,161	52,440,421
Flavored Milk	3,995,014	126,332	3,487,525	4,119,569
Reduced Fat Milk	138,309,901	2,628,710	131,508,189	135,786,356
Lowfat Milk	47,076,469	449,851	45,398,071	46,495,025
Fat Free Milk	85,144,156	87,655	82,587,659	85,564,264
Flavored Reduced and Fat Free Milk	16,191,939	150,629	17,667,026	15,266,151
Buttermilk	2,509,783	26,344	2,285,030	2,311,376
Total Packaged Disposition	343,942,833	5,080,449	331,673,661	341,983,162
Total Ending Inventory	30,401,332	458,891	25,146,296	27,365,891
Bulk to Nonpool Plants	1,351,631	24,155	1,984,270	1,422,849
Shrinkage	2,192,319	130,291	1,480,399	1,835,123
Total Class I Utilization	377,888,115	5,693,786	360,284,626	372,607,025
Other Order Plants	(2,867,382)	(55,189)	(2,463,905)	(2,169,526)
Beginning Inventory	(25,146,296)	(371,197)	(31,247,094)	(29,641,795)
Reused Products	0	0	0	0
Other Source Milk	(865,917)	(17,326)	(600,654)	--
Overage	0	0	0	0
Interhandler Adjustment	(131,085)	(1,518)	659,243	284,245
Class I Producer Milk	348,877,435	5,248,556	326,632,216	341,079,949
Class II Utilization:				
Total Class II Utilization	146,377,157	11,027,514	155,489,268	140,589,301
Other Order Plants	(282,715)	(8,018)	0	(82,197)
Beginning Inventory	(2,784,558)	(177,052)	(885,814)	(175,900)
Reused Products	(11,914,779)	(456,783)	(11,914,583)	(8,409,944)
Other Source Milk	--	--	(592,337)	(508,766)
Overage	--	--	--	--
Class II Producer Milk	131,395,105	10,385,661	142,096,534	131,412,494
Class III Utilization:				
Total Class III Utilization	1,841,454,923	63,982,948	1,378,136,503	1,869,309,967
Other Order Plants	(395,312)	(11,571)	--	(1,246,025)
Beginning Inventory	(2,966,052)	(116,748)	(1,711,416)	(1,844,373)
Reused Products	0	0	0	0
Other Source Milk	(3,009,601)	(67,302)	(2,614,657)	(1,430,705)
Overage	(195,022)	(5,827)	(66,979)	(81,994)
Class III Producer Milk	1,834,888,936	63,781,500	1,373,743,451	1,864,706,870
Class IV Utilization:				
Total Class IV Utilization	126,691,988	8,321,442	159,756,842	123,610,479
Other Order Plants	(3,127,864)	(110,559)	(1,666,565)	(148,595)
Beginning Inventory	(16,856,040)	(781,046)	(16,516,262)	(12,116,723)
Reused Products	0	0	--	0
Other Source Milk	(37,795,900)	(1,432,576)	(36,396,735)	(58,514,668)
Overage	(241,301)	(6,003)	(71,575)	(18,518)
Class IV Producer Milk	68,670,883	5,991,258	105,105,705	52,811,975
Total Producer Milk -- All Classes	2,383,832,359	85,406,975	1,947,577,906	2,390,011,288

-- 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 2007	1.9888	1.9798	2.0002	1.4627	2.0180	0.7329	2.0073	1.9980	2.0188	1.4544	2.0358	0.7428
Aug	1.8923	1.8959	1.9100	1.4429	2.0545	0.6197	1.8871	1.8840	1.9014	1.4854	2.0383	0.6429
Sep	2.0134	2.0064	2.0250	1.3786	2.0557	0.4762	2.0117	2.0011	2.0214	1.3876	2.0494	0.4885
Oct	1.8988	1.9191	1.9227	1.2945	2.0615	0.4175	1.9235	1.9374	1.9438	1.3134	2.0699	0.4111
Nov	1.9518	1.9511	1.9652	1.2933	1.9562	0.4345	1.9527	1.9474	1.9648	1.2969	1.9131	0.4385
Dec	2.0928	2.0726	2.0976	1.3159	1.8031	0.4516	2.1351	2.1003	2.1328	1.3146	1.8304	0.4568
Jan 2008	1.9742	2.0025	1.9998	1.2301	1.5090	0.3992	1.9887	2.0128	2.0126	1.2585	1.6931	0.4380
Feb	1.7892	1.8653	1.8403	1.2044	1.3331	0.2736	1.7443	1.8509	1.8092	1.2150	1.3398	0.2673
Mar	1.9548	1.9302	1.9575	1.2539	1.2512	0.2435	2.0193	1.9886	2.0190	1.2438	1.2537	0.2454
Apr	1.8180	1.7845	1.8164	1.3492	1.2506	0.2560	1.7950	1.7845	1.8038	1.3421	1.2456	0.2528
May	1.9430	1.9348	1.9525	1.4170	1.2985	0.2700	1.9416	1.9363	1.9527	1.4223	1.3006	0.2686
Jun	2.1326	2.1680	2.1609	1.4669	1.3508	0.2758	2.1885	2.2210	2.2156	1.4607	1.3479	0.2774
Jul	1.9477	1.9423	1.9585	1.5180	1.4053	0.2642	1.9726	1.9586	1.9792	1.5205	1.3957	0.2690

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 2007	1.4913	1.9138	1.8927	2.2146	2.2236	0.6743	0.7375
Aug	1.4464	1.9554	1.9107	2.0465	2.0817	0.5594	0.5751
Sep	1.3783	1.9929	1.9901	2.0105	2.0100	0.4424	0.4305
Oct	1.3020	1.8957	1.8830	2.0466	2.0050	0.4106	0.4491
Nov	1.3590	2.0926	2.0223	1.8775	1.8840	0.4470	0.4679
Dec	1.3190	2.0083	2.0147	1.7528	1.6938	0.4406	0.4385
Jan 2008	1.2246	1.8257	1.8774	1.5615	1.4979	0.3745	0.3338
Feb	1.2088	2.0023	1.9560	1.3999	1.2975	0.2832	0.2773
Mar	1.3454	1.8234	1.7980	1.3224	1.2917	0.2540	0.2563
Apr	1.3905	1.8826	1.8010	1.3525	1.3285	0.2672	0.2807
May	1.4750	2.0976	2.0708	1.4044	1.3661	0.2714	0.2842
Jun	1.5001	2.0350	2.0562	1.4649	1.4215	0.2634	0.2762
Jul	1.5385	1.9673	1.8890	1.4498	1.4428	0.2432	0.2732

Market Statistics

Month/Year	Distributing Plants	Supply Plants	Coop .9(c) Handlers	Producers	Total Producer Milk	Est. Average Daily Delivery Per Producer	Class I Utilization	Butterfat Test	Protein Test	Other Solids Test	Weighted Average SCC
					Mil. lbs.	Pounds	Percent	Percent	Percent	Percent	
										(000)	
Jul 2007	26	52	13	16,250	2,390	4,906	14.3	3.56	2.92	5.72	302
Aug	22	54	13	17,312	2,352	4,766	16.6	3.56	2.94	5.72	323
Sep	22	54	13	16,695	2,253	4,713	16.4	3.65	3.02	5.73	306
Oct	23	55	13	16,599	2,345	4,785	17.1	3.75	3.08	5.69	286
Nov	22	55	13	16,576	2,303	4,804	16.8	3.83	3.17	5.70	256
Dec	22	55	13	16,546	2,427	4,871	15.6	3.84	3.13	5.70	253
Jan 2008	23	54	13	16,617	2,538	5,010	15.6	3.81	3.10	5.69	258
Feb	23	52	13	16,503	2,409	5,057	15.1	3.79	3.10	5.70	279
Mar	25	51	13	15,208	2,105	5,158	17.6	3.77	3.06	5.70	281
Apr	25	52	13	16,519	2,513	5,234	14.8	3.73	3.02	5.70	280
May	25	53	13	13,869	1,868	5,265	20.3	3.67	3.00	5.70	279
Jun	25	53	13	13,722	1,948	5,205	16.8	3.61	2.97	5.73	294
Jul	25	52	13	15,356	2,384	5,189	14.6	3.58	2.93	5.72	311

* 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 2007	1.6708	15.61	20.91	1.6888	17.41	22.71	1.6180	1.8122	16.31	21.40
Aug	1.6010	16.74	21.76	1.6190	18.54	23.56	1.5942	1.9378	17.44	22.41
Sep	1.6382	16.76	21.91	1.6562	18.56	23.71	1.5171	1.9400	17.46	22.16
Oct	1.5209	16.86	21.59	1.5389	18.66	23.39	1.4162	1.9511	17.56	21.90
Nov	1.4318	17.04	21.45	1.4498	18.84	23.25	1.4147	1.9711	17.74	22.07
Dec	1.4120	15.65	20.04	1.4300	17.45	21.84	1.4418	1.8167	16.35	20.82
Jan 2008	1.4333	16.53	20.97	1.4513	18.33	22.77	1.3389	1.7344	15.61	19.75
Feb	1.3660	15.44	19.68	1.3840	17.24	21.48	1.3080	1.5989	14.39	18.46
Mar	1.3138	12.54	16.70	1.3318	14.34	18.50	1.3674	1.2489	11.24	15.63
Apr	1.3483	14.39	18.61	1.3663	16.19	20.41	1.4818	1.1633	10.47	15.29
May	1.4663	11.90	16.62	1.4843	13.70	18.42	1.5632	1.1556	10.40	15.51
Jun	1.5625	13.17	18.18	1.5805	14.97	19.98	1.6230	1.2100	10.89	16.19
Jul	1.6086	15.70	20.78	1.6266	17.50	22.58	1.6844	1.2567	11.31	16.81
Aug	1.6804	13.05	18.47	1.6984	14.85	20.27		1.3044	11.74	

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 2007	1.6110	4.2068	0.5534	16.31	21.38	1.6110	1.8424	16.58	21.64
Aug	1.5872	3.9412	0.4368	14.79	19.83	1.5872	1.8785	16.91	21.87
Sep	1.5101	4.3929	0.2890	15.32	20.07	1.5101	1.8797	16.92	21.61
Oct	1.4092	4.1695	0.2286	14.27	18.70	1.4092	1.8855	16.97	21.31
Nov	1.4077	4.3081	0.2461	14.81	19.22	1.4077	1.7812	16.03	20.40
Dec	1.4348	4.7061	0.2637	16.14	20.60	1.4348	1.6296	14.67	19.18
Jan 2008	1.3319	4.4994	0.2097	15.19	19.32	1.3319	1.3385	12.05	16.29
Feb	1.3010	4.0180	0.0803	12.93	17.03	1.3010	1.1643	10.48	14.67
Mar	1.3604	4.3331	0.0493	13.72	18.00	1.3604	1.0833	9.75	14.17
Apr	1.4748	3.7579	0.0622	12.02	16.76	1.4748	1.0827	9.74	14.56
May	1.5562	4.1108	0.0766	13.20	18.18	1.5562	1.1301	10.17	15.26
Jun	1.6160	4.7193	0.0826	15.12	20.25	1.6160	1.1819	10.64	15.92
Jul	1.6774	4.0025	0.0707	12.82	18.24	1.6774	1.2358	11.12	16.60

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 2007	0.05	17.65	1.5706	2.9424	0.5791	0.00080	18.26
Jun	(0.05)	20.12	1.6457	3.7059	0.5831	0.00093	20.06
Jul	0.27	21.65	1.6110	4.2068	0.5534	0.00100	21.06
Aug	0.78	20.61	1.5872	3.9412	0.4368	0.00096	20.54
Sep	0.64	20.71	1.5101	4.3929	0.2890	0.00101	21.11
Oct	0.83	19.53	1.4092	4.1695	0.2286	0.00096	20.56
Nov	0.64	19.86	1.4077	4.3081	0.2461	0.00098	21.31
Dec	0.05	20.65	1.4348	4.7061	0.2637	0.00105	21.79
Jan 2008	0.38	19.70	1.3319	4.4994	0.2097	0.00100	20.57
Feb	0.60	17.63	1.3010	4.0180	0.0803	0.00092	19.01
Mar	(0.25)	17.75	1.3604	4.3331	0.0493	0.00098	18.78
Apr	0.47	17.23	1.4748	3.7579	0.0622	0.00091	18.21
May	(0.19)	17.99	1.5562	4.1108	0.0766	0.00098	
Jun	(0.46)	19.79	1.6160	4.7193	0.0826	0.00108	
Jul	0.66	18.90	1.6774	4.0025	0.0707	0.00098	

Summary of Federal Order Data - July 2008

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market	FOB Cook Cty. Illinois <i>— Dollars per Cwt. —</i>	Change From Previous Year
1 Northeast	2,050,531	831,108	40.5	\$ 24.03	\$2.37	\$ 20.61	\$ 19.16	(\$2.33)
5 Appalachian	476,490	330,831	69.4	24.18	n/a	22.31	20.71	(0.97)
6 Florida	244,389	204,161	83.5	26.18	n/a	24.89	21.29	0.67
7 Southeast	539,885	365,692	67.7	24.58	n/a	22.68	20.68	(0.61)
30 Upper Midwest	2,383,832	348,877	14.6	22.58	0.66	18.90	18.90	(2.75)
32 Central	930,779	327,343	35.2	22.78	1.14	19.38	19.18	(2.52)
33 Mideast	1,389,176	505,556	36.4	22.78	1.47	19.71	19.51	(2.26)
124 Pacific Northwest	665,480	180,105	27.1	22.68	0.70	18.94	18.84	(3.04)
126 Southwest	1,034,333	324,216	31.3	23.78	1.85	20.09	18.89	(2.60)
131 Arizona	328,342	105,226	32.0	23.13	n/a	19.31	18.76	(2.78)
All Market Average or Total *	10,043,237	3,523,115	35.1					

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

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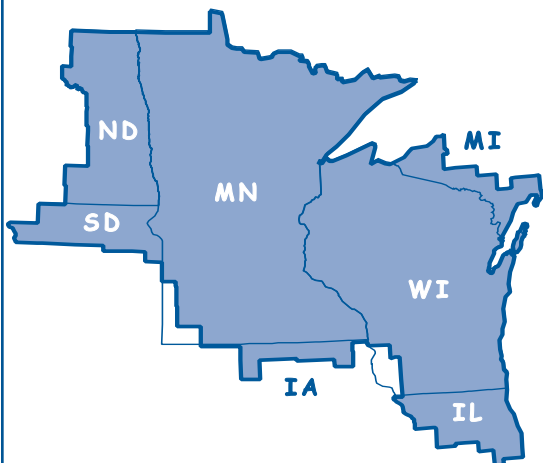
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