



United States
Department of
Agriculture

Marketing and
Regulatory
Programs

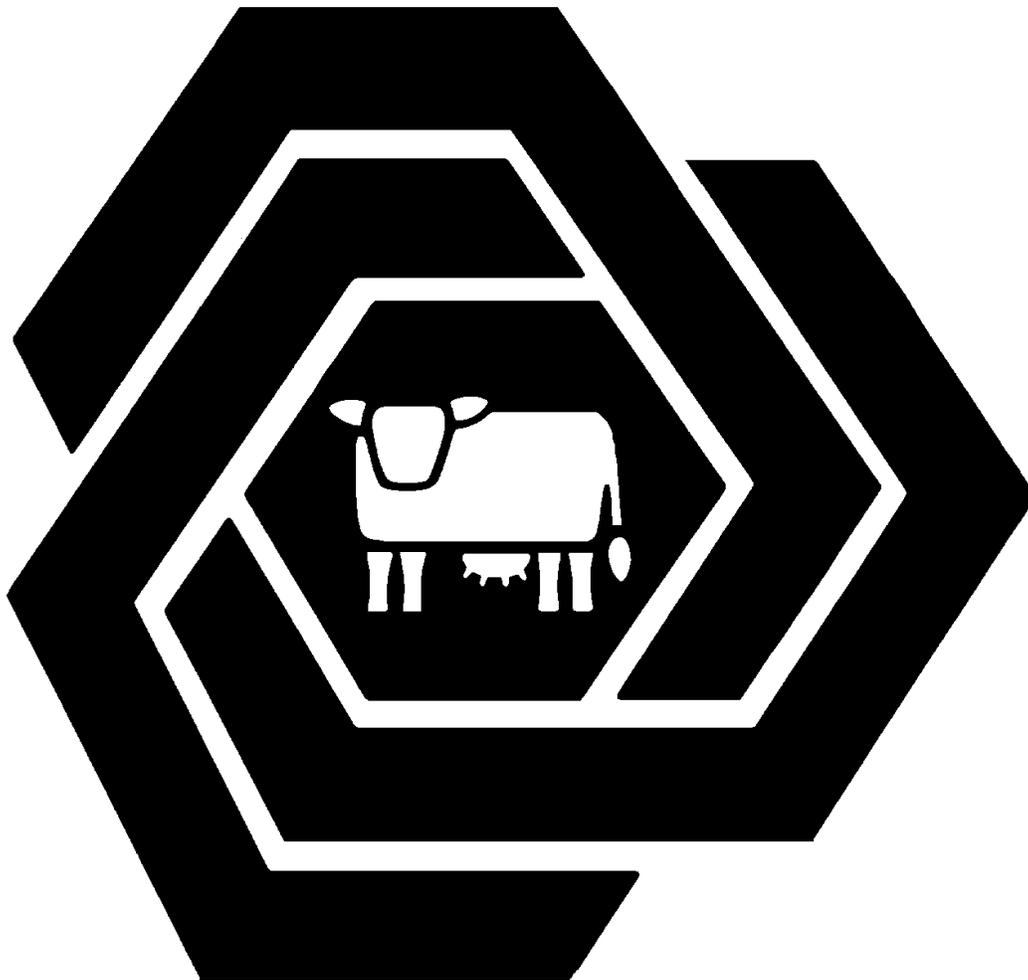
Agricultural
Marketing
Service

Dairy Programs

Statistical
Bulletin
Number 1005

Federal Milk Order Market Statistics

2004 Annual Summary



PREFACE

Federal milk marketing orders are established under the authority of the Agricultural Marketing Agreement Act of 1937, as amended. The Secretary of Agriculture is authorized by this statute, under certain conditions and with producer approval, to issue milk marketing orders that require handlers to pay at least the minimum specified prices for milk purchased from producers. The complete orders are published in the U. S. Code of Federal Regulations, Parts 1000 to 1199.

This is an annual summary of monthly Federal milk order statistical data. These data have been compiled from reports that handlers (milk processors) are required to file monthly with the market administrator who administers the respective Federal milk order. These reports show the volume of milk receipts from each source and quantity of milk used in each form. From these reports, data are compiled and totaled for each order by the market administrator. The order summary report is submitted to the Market Information Branch in Dairy Programs and is combined with the summary reports for the other orders.

The data in this summary is for 2004. Similar data for the period from 1947 through 2003 have been published in 47 previous annual summaries.

For those readers who generally use only the hard copy version of this report, we have made minor corrections to the Internet version of the 2003 Annual Summary. The corrections are to Table 1, Summary of Major Order Actions During 2003, Table 41, Table 48, and the Errata to 2002 Annual Summary of Federal Milk Order Market Statistics. The 2003 Annual Summary can be found at www.ams.usda.gov/dyfmoms/mib/annsum2003.pdf.

Issued September 2005

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, DC, 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

TABLE OF CONTENTS

	Page Number
I. General Information	
How Federal Milk Order Statistics Are Developed	5
Brief Description of Federal Milk Order Terms	6
Table 1: Federal milk orders in effect on December 31, 2004, with number assigned each order in the Code of Federal Regulations and date on which each order became effective	9
Table 2: Measures of growth in Federal milk order markets, selected years, 1947-2004.....	11
Table 3: Population of Federal milk order marketing areas as defined December 31, 2004, total and by State, according to the 2000 United States Census and Census Update.....	12
Federal Milk Order Marketing Area Map.....	14
Summary of Major Order Actions During 2004.....	15
II. Number of Handlers and Producers, and Quantities and Utilization of Milk Priced	
Summary of the quantities and utilization of milk priced.....	17
Table 4: Number of pool handlers, supply plants, and distributing plants under Federal milk orders, by order, December 2004.....	18
Table 5: Number of producers delivering milk to handlers regulated under Federal orders, by marketing area, 2004	19
Table 6: Receipts of producer milk by handlers regulated under Federal orders, by marketing area, 2004	20
Table 7: Average daily delivery of milk per producer to handlers regulated under Federal orders, by marketing area, 2004.....	21
Table 8: Butterfat test of producer milk, by Federal milk order marketing area, 2004	22
Table 9: Nonfat solids test of producer milk, by Federal milk order marketing area, 2004	23
Table 10: Protein (true) test of producer milk, by Federal milk order marketing area, 2004	24
Table 11: Other solids test of producer milk, by Federal milk order marketing area, 2004	25
Table 12: Somatic cell count of producer milk, by Federal milk order marketing area, 2004.....	26
Table 13: Utilization of producer milk in Class I products, by Federal milk order marketing area, 2004.....	27
Table 14: Class I utilization percentage of producer milk, by Federal milk order marketing area, 2004.....	28

	Page Number
Table 15: Butterfat test of producer milk used in Class I products by Federal milk order marketing area, 2004	29
Table 16: Nonfat solids test of producer milk used in Class I products, by Federal milk order marketing area, 2004	30
Table 17: Utilization of producer milk in Class II products, by Federal milk order marketing area, 2004	31
Table 18: Class II utilization percentage of producer milk, by Federal milk order marketing area, 2004.....	32
Table 19: Butterfat test of producer milk used in Class II products, by Federal milk order marketing area, 2004	33
Table 20: Nonfat solids test of producer milk used in Class II products, by Federal milk order marketing area, 2004	34
Table 21: Utilization of producer milk in Class III products, by Federal milk order marketing area, 2004.....	35
Table 22: Class III utilization percentage of producer milk, by Federal milk order marketing area, 2004	36
Table 23: Butterfat test of producer milk used in Class III products, by Federal milk order marketing area, 2004	37
Table 24: Protein (true) test of producer milk used in Class III products, by Federal milk order marketing area, 2004	38
Table 25: Other solids test of producer milk used in Class III products, by Federal milk order marketing area, 2004	39
Table 26: Utilization of producer milk in Class IV products, by Federal milk order marketing area, 2004.....	40
Table 27: Class IV utilization percentage of producer milk, by Federal milk order marketing area, 2004	41
Table 28: Butterfat test of producer milk used in Class IV products, by Federal milk order marketing area, 2004	42
Table 29: Nonfat solids test of producer milk used in Class IV products, by Federal milk order marketing area, 2004	43
 III. Class and Producer Prices and Gross Values	
Summary of class and producer prices and gross values	44
Federal milk order price formulas for 2004.....	45
Table 30: NASS dairy product price averages used in Federal milk order price formulas, 2004.....	46
Table 31: Federal milk order Class I and Class II advanced prices and pricing factors, 2004	47

Table 32: Federal milk order Class II, Class III, and Class IV milk and component prices, 2004	48
Table 33: Federal milk order principal pricing points, with Class I differentials	49
Table 34: Class I skim milk price, by Federal milk order marketing area, 2004	50
Table 35: Class I butterfat price, by Federal milk order marketing area, 2004	51
Table 36: Class I milk price, by Federal milk order marketing area, 2004.....	52
Table 37: Uniform skim milk price, by Federal milk order marketing area, 2004	53
Table 38: Uniform butterfat price, by Federal milk order marketing area, 2004.....	54
Table 39: Producer price differential, by Federal milk order marketing area, 2004.....	55
Table 40: Uniform milk price, by Federal milk order marketing area, 2004.....	56
Table 41: Value provided by the portions of the uniform milk price at test, by Federal milk order marketing area, 2004.....	57
Table 42: Uniform milk price at test and gross value of producer milk receipts for all producers and per producer, by Federal milk order marketing area, 2004	58
IV. Fluid Milk Product Sales	
Summary of fluid milk product sales.....	59
Table 43: Summary of packaged sales of fluid milk products in Federal milk order marketing areas, by months, 2004.....	60
Table 44: Sales of fluid milk products in Federal milk order marketing areas, by product, by order, 2004.....	61
Table 45: Packaged dispositions of Class I milk products by handlers regulated under Federal milk orders, by product, by order, 2004.....	64
V. Milk Used to Produce Manufactured Dairy Products	
Summary of milk used to produce manufactured dairy products	67
Table 46: Milk, skim milk, and cream used to produce Class II products, by handlers regulated under Federal milk orders, by product grouping, by order, 2004.....	68
Table 47: Milk, skim milk, and cream used to produce Class III products, by handlers regulated under Federal milk orders, by product grouping, by order, 2004.....	69
Table 48: Milk, skim milk, and cream used to produce Class IV products and “Other Uses,” by handlers regulated under Federal milk orders, by product grouping, by order, 2004.....	70
VI. Schedule of Federal Milk Order Market Administrator Budgets, Calendar Years 2004 and 2005.....	71
VII. Errata to 2003 Annual Summary of Federal Milk Order Market Statistics	73

HOW FEDERAL MILK ORDER STATISTICS ARE DEVELOPED

Introduction.

The statistical data generated through the administration of the Federal milk order program is recognized widely as one of the benefits of this program. These data provide comprehensive and accurate information on milk supplies, utilization, and sales, as well as class prices established under the orders and prices paid to dairy farmers (producers). The sources of this data are monthly reports that are required to be filed by milk processors (handlers) subject to the provisions of the various milk orders. The local market administrator uses these reports to administer the provisions of the order and to assemble a series of statistical reports that summarize individual handler operations for the order, which are submitted to the Market Information Branch in Dairy Programs in the Agricultural Marketing Service.

Why Are Figures Collected?

Each month, regulated handlers (fluid milk processors subject to the provisions of a Federal milk order) are required to file a report of milk receipts and utilization (R & U Report) with the order's market administrator (MA). The MA is the Federal official in each market who, with the assistance of a staff, administers the terms of the Federal order. The R & U report shows, for the month, the quantities of milk and milk products received at the handler's plant from each source, either directly from farms or from other plants, and how this milk was used in the plant. All major fluid milk products and manufactured milk products are listed on the report form, and handlers are required to specify the volume and butterfat content, and in some cases, other milk components, of all milk used in each product. On the basis of these reports, the MA determines the amount of milk that handlers use in each price class, makes computations of each handler's pool obligation, and calculates the minimum price the handler must pay producers. The MA also receives producer payroll reports from regulated handlers which are used to verify proper payments to producers and reports from nonpool handlers which are used to determine regulatory status.

Are Reported Figures Verified?

The local market administrator maintains a staff of highly-trained auditors who, on a monthly basis, review at each handler's location, the books and records of plant operations for a previous time period. The auditors examine these records to determine whether the milk actually was received and used as reported, and therefore, whether the handler's pool obligation was computed correctly. Reporting errors are corrected; if necessary, pool obligations are revised. Auditors also determine whether required payments were made to producers. As a result, all data reported by handlers is subject to audit.

How Are Summary Statistics Developed?

After the handler pool obligations have been determined, the local market administrator generates a series of reports that compile order totals from the individual handler reports and submits these to the Market Information Branch (MIB) in the Dairy Programs headquarters office. The MIB compiles program-wide totals from the individual order reports and disseminates this information in a series of monthly and annual releases on the Internet, in the weekly "Dairy Market News Report," and in its own publications. Since milk marketing order statistics are based on reports filed by the population of possible reporting firms and not a sample, these statistics are comprehensive. Also, since the individual firm reports are subject to audit and verification, these statistics are accurate and reliable. Federal milk orders use terms that are specifically defined in order provisions. It is recommended that users of Federal milk order statistics become familiar with these terms, some of which are described beginning on page 6 of this publication.

BRIEF DESCRIPTION OF FEDERAL MILK ORDER TERMS

Following is a brief description of some terms used in Federal milk order statistics. For a detailed description of Federal milk order terms, see the specific order provisions in the Code of Federal Regulations.

Federal Milk Marketing Order.

A Federal milk marketing order is a regulation issued by the Secretary of Agriculture. Its purpose is to stabilize markets by placing certain requirements on the handling of milk in the area it covers. It is established under the authority of the Agricultural Marketing Agreement Act of 1937, as amended. It requires milk handlers in a marketing area to pay not less than certain minimum class prices established according to how the milk is utilized. These prices are established under the order after a public hearing at which evidence is received on the supply and demand conditions for milk in the market. A milk order, including the pricing provisions and all other provisions, becomes effective only after approval by dairy farmers. It requires that payments for milk be pooled and paid to individual farmers or cooperative associations of farmers on the basis of a uniform or average price.

Marketing Area.

A marketing area is an area designated in a Federal milk order's provisions within which the handling of milk is regulated by the order. Generally, the size of the marketing area is determined by the sales territory of competing handlers. The recent consolidation of orders also looked at overlapping areas of milk supply, the number of handlers within the area, natural boundaries, cooperative association service areas, common regulatory provisions, and milk utilization in common dairy products.

Producer.

A producer is usually any dairy farmer who sells milk to a pool handler. Producers must produce milk in compliance with Grade A inspection requirements, and their milk must be either received at a pool plant or diverted to a nonpool plant for the account of a pool handler. Producer-handlers are not producers.

Handler.

A handler is a person--an individual, partnership, corporation, association, or other business unit, that is subject to the provisions of an order. A handler can be an operator of a plant that is approved by a duly constituted regulatory agency for the handling of Grade A milk. A handler also can be a milk distributor or a broker. A cooperative association that does not operate a plant can be a handler.

Pool Handler.

A pool handler is a handler that is subject in full to the provisions of the order. A pool handler can be an operator of a plant that meets the minimum performance standards included in each order, a pool plant. Such plants include distributing plants, plants primarily engaged in processing packaged fluid milk products, and supply plants, plants primarily engaged in producing manufactured dairy products. A cooperative association that does not operate a plant can be a pool handler. A milk distributor or broker cannot be a pool handler.

Nonpool Handler.

A nonpool handler is an operator of a plant that, while it receives, processes, or distributes milk in the marketing area, does not meet the minimum performance standards of the order, a nonpool plant. Nonpool plants include: a plant fully regulated under another Federal order; a producer-handler plant, generally a person that operates both a dairy farm and a distributing plant; a partially regulated distributing plant; an unregulated supply plant; or, an exempt plant, a plant operated by a governmental

agency or a duly accredited college or university, for charitable purposes, or from which less than 150,000 pounds per month are distributed. Some nonpool handlers file monthly reports with the local market administrator that basically are used to determine regulatory status, but also provide some market statistics.

Receipts of Milk.

Federal milk order statistics include volumes of milk received by handlers regulated under each of the Federal orders. Receipts of milk principally come from producers, but also may include other sources. The volume of milk that is reported as received by handlers from producers includes all such milk regardless of where it may be sold. Milk identified as that received from producers for a given market may come directly from nearby producers or from producers associated with a supply plant which, although located several hundred miles from the marketing area, is pooled on the market. Producer milk also may include milk that is diverted by a pool plant operator to another pool plant or to a nonpool plant. Other source receipts can include milk and dairy products transferred or diverted from plants regulated under other Federal orders or received from unregulated sources such as unregulated supply plants or producer-handlers.

Classes of Milk.

There are four classes of milk utilization defined in Federal orders. Class I use is milk disposed as a fluid milk product, milk products intended to be used as a beverage. Class I uses include plain and flavored whole milk, fat reduced milks, and eggnog. Class II use includes milk used to produce fluid cream and other cream products, cottage cheese, frozen desserts, and other food products. Class III use includes milk used to produce hard cheeses and cream cheese. Class IV includes milk used to produce butter and any milk product in dried form.

Pricing System.

The Federal milk order program uses product price formulas to determine milk component values which are combined to calculate monthly class prices. See page 45 for the applicable class price formulas. The factors in the formulas are dairy product prices, which change monthly, and make allowances and product yields, which are set in the formulas. The dairy product prices are those collected weekly by the National Agricultural Statistics Service in USDA. The most recent four or five weeks of prices are weighted by the applicable weekly volumes to determine a monthly average. Butter, Cheddar cheese and dry whey prices are used to compute values for butterfat, protein, and other solids, respectively. The protein and other solids prices are used to calculate the Class III skim milk price which, combined with the butterfat price, determines the Class III milk price. Butter and nonfat dry milk prices are used to compute values for butterfat and nonfat solids, respectively. The nonfat solids price is used to calculate the Class IV skim milk price which, combined with the butterfat price, determines the Class IV milk price. The Class II price is determined by the Class II skim milk price, which is computed in advance (see Class I price description below), and the Class II butterfat price, the butterfat price plus \$0.007. The Class II, III, and IV prices are the same in each Federal milk order and are announced by the 5th of the following month.

Class I prices vary across the Federal milk order system and are announced in advance by the 23rd of the preceding month. The Class I skim milk price is the higher of the advanced Class III or IV skim milk pricing factors plus a differential specific to each pricing point in the country. The Class I butterfat price is the advanced butterfat pricing factor plus the specific Class I differential divided by 100. The advanced skim milk pricing factors use the same product price formulas as the Class III and IV prices except that the product prices are for the most recent two weeks. The Class II skim milk price is the Class IV advanced skim milk pricing factor plus a differential of \$0.70 and also is announced by the 23rd of the preceding month.

Producer Prices.

The Federal milk order program has two systems for paying producers, the component pricing system and the skim milk/butterfat pricing system. In the component pricing system, which is used in seven orders, producer prices are based on the value of components, butterfat, protein, and other solids, in the milk they market and the value of the producer price differential. The component values are those computed for the Class III price. The producer price differential, basically, is the weighted average value of the effective Class I and II differentials; the weights being the proportional volumes of milk used in Class I and II. Producers receive a price for each pound of milk component marketed and the producer price differential for each hundredweight of milk marketed. In four of the seven orders, producer prices are adjusted for milk quality as measured by the somatic cell count of the milk. For informational purposes, a statistical uniform price is calculated which equals the Class III price plus the producer price differential.

In the skim milk/butterfat pricing system, which is used in four orders, producer prices are based on the uniform skim milk price and the uniform butterfat price. The uniform skim milk and butterfat prices are the weighted average values of each class's skim milk and butterfat prices. The weights are the volumes of skim milk and butterfat used in each class. Producers receive the uniform skim milk price for each hundredweight of skim milk marketed and the uniform butterfat price for each pound of butterfat marketed. The uniform milk price under this pricing system is the weighted average value of the uniform skim milk and butterfat prices in 3.5% butterfat content milk.

Sales of Fluid Milk Products.

In Federal milk order market statistics, an important distinction is made between sales of packaged fluid milk products in a marketing area (in-area) and packaged disposition of Class I products by handlers regulated in a market. The latter are total dispositions under an order by fully regulated handlers only. Dispositions can occur both inside and outside the defined marketing area of that order and can include both route sales and transfers to nonpool or unregulated handlers. A route sale is a delivery to a retail or wholesale outlet (except a plant), either directly or through a distribution facility. A transfer is a sale (delivery) to another plant. Besides receipts from producers, these dispositions also may include receipts from other Federal order plants and/or receipts from other sources.

In-area sales includes route sales in each of the marketing areas from all sources; handlers regulated under the respective order, handlers regulated under other Federal orders, partially regulated handlers, exempt handlers, and producer-handlers. These data are useful in appraising trends in the sales of fluid milk products and in the per capita consumption of fluid milk products in the Federal order marketing area.

Table 1--Federal Milk Orders in Effect on December 31, 2004, with Number Assigned Each Order in Code of Federal Regulations and Date on Which Each Order Became Effective

Federal Milk Order	CFR Chapter 7 Part Number	Date Effective
<p>Appalachian..... Merger of: Carolina; 9-1-1990 and Louisville-Lexington-Evansville, minus 1 Kentucky county -- 3-1-1962; and, Addition of: former Tennessee Valley marketing area, 3 unregulated counties in Indiana, and 18 unregulated counties in Kentucky</p>	1005	1/1/2000
<p>Arizona-Las Vegas..... Central Arizona -- 12-1-1955 Addition of: 1 Nevada county from Great Basin and 8 unregulated counties in Arizona</p>	1131	1/1/2000
<p>Central..... Merger of: Central Illinois; 1-1-1967, Eastern Colorado -- 12-1-1965, Eastern South Dakota -- 5-1-1965, Greater Kansas City -- 9-1-1966, Iowa -- 5-1-1977, Nebraska-Western Iowa, minus 11 Nebraska counties -- 5-1-1968, Southern Illinois-Eastern Missouri, minus 6 Missouri counties -- 5-1-1988, Southwest Plains, minus 11 Arkansas counties and 22 Missouri counties -- 5-1-1987. and Western Colorado -- 12-1-1958; and Addition of: 10 unregulated counties in Colorado, 14 unregulated counties in Illinois, 7 unregulated counties in Iowa, 23 unregulated counties in Kansas, 8 unregulated counties in Missouri, and 8 unregulated counties in Nebraska.</p>	1032	1/1/2000
<p>Florida..... Merger of: Southeastern Florida; 9-1-1957, Tampa Bay -- 1-1-1966, Upper Florida--1-1-1967</p>	1006	1/1/2000
<p>Mideast..... Merger of: Eastern Ohio-Western Pennsylvania -- 5-1-1969, Indiana -- 1-1-1969, Ohio Valley -- 8-1-1970, and Southern Michigan -- 4-1-1973; and, Addition of: 9 Michigan counties from Michigan Upper Peninsula, 6 unregulated counties in Indiana, 2 unregulated counties in Michigan, and 3 unregulated counties in Ohio.</p>	1033	1/1/2000
<p>Northeast..... Merger of: Middle Atlantic -- 8-1-1970, New England -- 4-1-1976, and New York-New Jersey -- 8-1-1957; and Addition of: 3 unregulated counties in Massachusetts, 2 unregulated counties in New Hampshire, 6 unregulated counties in New York, and 11 unregulated counties in Vermont.</p>	1001	1/1/2000

CONTINUED

Table 1--Federal Milk Orders in Effect on December 31, 2004, with Number Assigned Each Order
in Code of Federal Regulations and Date on Which Each Order Became Effective -Con.

Federal Milk Order	CFR Chapter 7 Part Number	Date Effective
Pacific Northeast..... Pacific Northwest -- 2-1-1989 and, Addition of: 1 unregulated county in Oregon	1124	1/1/2000
Southeast..... Southeast -- 7-1-1995; and Addition of: 11 Arkansas counties from Southwest Plains 1 Kentucky county from Louisville-Lexington-Evansville, 22 Missouri counties from Southwest Plains, 6 Missouri counties from Southern Illinois-Eastern Missouri, 20 unregulated counties in Kentucky, and 15 unregulated counties in Missouri	1007	1/1/2000
Southwest..... Merger of: New Mexico-West Texas -- 12-1-1991, and Texas -- 7-1-1975; and Addition of: 49 unregulated counties in Texas	1126	1/1/2000
Upper Midwest..... Merger of: Chicago Regional -- 7-1-1968, and Upper Midwest -- 6-1-1976 Addition of: 6 Michigan counties and 3 Wisconsin counties from Michigan Upper Peninsula -- 12-1-1958 and 7 unregulated counties in Wisconsin	1030	1/1/2000

Table 2--Measures of Growth in Federal Milk Order Markets, Selected Years, 1947-2004 1/

Year	Number of markets 2/	Population of Federal milk marketing areas	Number of handlers 2/	Number of producers 3/	Receipts of producer milk	Producer milk used in Class I	Percentage of producer milk used in Class I	Prices at 3.5% butterfat content 2/		Receipts as Percentage of milk sold to plants and dealers		Daily deliveries of milk per producer	Gross value of receipts of producer milk 4/	
								Class I	Blend	Fluid grade	All milk		Per producer	All producer
1947	29	---	991	135,830	14,980	9,808	65.5	4.65	4.34	---	21	302	5,024	682,407
1950	39	---	1,101	156,584	18,660	11,000	58.9	4.51	3.93	41	25	326	4,914	769,442
1955	63	46,963	1,483	188,611	28,948	18,032	62.3	4.67	4.08	51	32	420	6,510	1,227,815
1960	80	88,818	2,259	189,816	44,812	28,758	64.2	4.88	4.47	64	43	648	10,482	1,989,615
1965	73	102,351	1,891	158,077	54,444	34,561	63.5	4.93	4.31	70	48	944	15,300	2,418,526
1970	62	125,721	1,588	143,411	65,104	40,063	61.5	6.74	5.95	79	59	1,244	27,636	3,963,311
1975	56	150,666	1,315	123,855	69,249	40,106	57.9	9.36	8.64	78	63	1,532	49,233	6,097,768
1980	47	164,908	1,091	117,490	83,998	41,034	48.9	13.77	12.86	80	67	1,954	93,685	11,007,001
1985	44	176,440	884	116,765	97,762	42,201	43.2	13.88	12.61	80	70	2,294	107,871	12,595,522
1990	42	195,841	753	100,397	102,396	43,783	42.8	15.55	13.78	77	70	2,796	142,324	14,289,567
1991	40	198,409	722	100,267	103,252	45,033	43.6	13.30	12.11	76	71	2,821	121,479	12,180,354
1992	40	200,530	698	97,803	107,947	44,914	41.6	14.57	13.12	77	73	3,017	146,452	14,323,698
1993	38	199,604	675	92,934	103,979	44,805	43.1	14.19	12.89	73	69	3,073	145,350	13,507,974
1994	38	201,561	629	91,397	107,811	44,866	41.6	14.75	13.16	75	71	3,232	156,253	14,281,193
1995	33	207,548	571	88,717	108,548	45,004	41.5	14.19	12.79	75	71	3,350	157,754	13,995,454
1996	32	209,599	570	82,947	104,501	45,479	43.5	16.19	14.64	72	69	3,442	187,713	15,570,261
1997	31	208,379	570	78,422	105,224	44,917	42.7	14.36	13.10	71	69	3,676	178,424	13,992,366
1998	31	210,484	522	72,402	99,223	44,968	45.3	16.14	14.92	66	64	3,755	202,770	14,681,340
1999	31	212,118	487	69,008	104,479	45,216	43.3	16.24	14.09	67	65	4,148	216,794	14,960,544
2000	11	228,899	346	69,590	116,920	45,989	39.3	14.24	12.11	72	70	4,590	207,913	14,468,892
2001	11	231,487	350	66,423	120,223	45,887	38.2	16.96	14.90	75	73	4,959	275,642	18,308,968
2002	11	234,256	338	63,856	125,546	46,043	36.7	13.69	11.91	77	76	5,387	239,520	15,294,802
2003	11	236,180	331	58,110	110,581	45,843	41.5	14.10	12.12	67	65	5,178	242,066	14,066,672
2004	10	234,825	306	52,341	103,048	44,939	43.6	17.56	15.74	62	61	5,352	324,712	16,996,426

1/ Beginning in 1989, due to disadvantageous price situations in some markets, handlers elected not to pool milk that normally would have been associated with the order. This has reduced, sometimes substantially, the volume of producer milk receipts reported for some markets. Consequently, the comparability of any statistic based on total producer milk receipts, as well as the number of producers, was affected.

2/ End of year. The number of markets peaked at 83 in 1962. The number of handlers peaked at 2,314 in 1961.

3/ Average for year. The number of producers peaked at 192,947 in 1961.

4/ Based on blend (uniform) price adjusted for the butterfat content, and in later years, other milk components of producer milk.

Table 3—Population of Federal Milk Order Marketing Areas as Defined December 31, 2004, Total and by State, According to the 2000 United States Census 1/

Federal Milk Order Marketing Area	Order Number	States	Population	Census Update 2/
Appalachian	005	<u>Total</u>	<u>18,436,178</u>	<u>19,323,951</u>
		Georgia	294,788	317,939
		Indiana	791,872	812,329
		Kentucky	2,812,978	2,885,466
		North Carolina	8,049,313	8,541,221
		South Carolina	4,012,012	4,198,068
		Tennessee	2,107,138	2,185,537
		Virginia	277,768	292,731
		West Virginia	90,309	90,659
Arizona-Las Vegas	131	<u>Total</u>	<u>6,506,397</u>	<u>7,351,283</u>
		Arizona	5,130,632	5,743,834
		Nevada	1,375,765	1,607,449
Central	032	<u>Total</u>	<u>22,388,105</u>	<u>23,054,858</u>
		Colorado	4,110,995	4,397,860
		Illinois	3,688,820	3,776,246
		Iowa	2,847,413	2,874,782
		Kansas	2,688,418	2,735,502
		Minnesota	46,877	48,606
		Missouri	3,498,817	3,598,498
		Nebraska	1,586,359	1,619,686
		Oklahoma	3,450,654	3,523,553
		South Dakota	402,912	411,473
		Wisconsin	66,840	68,651
Florida	006	<u>Total</u>	<u>15,359,126</u>	<u>16,718,738</u>
		Florida	15,359,126	16,718,738
Mideast	033	<u>Total</u>	<u>31,379,357</u>	<u>31,846,213</u>
		Indiana	5,288,613	5,425,240
		Kentucky	685,009	702,661
		Michigan	9,808,800	9,980,704
		Ohio	11,118,122	11,221,801
		Pennsylvania	3,105,740	3,137,411
		West Virginia	1,373,073	1,378,396
Northeast	001	<u>Total</u>	<u>51,288,677</u>	<u>52,501,603</u>
		Connecticut	3,405,565	3,503,604
		Delaware	783,600	830,364
		District of Columbia	572,059	553,523
		Maryland	5,191,710	5,448,108
		Massachusetts	6,349,097	6,416,505
		New Hampshire	1,235,786	1,299,500
		New Jersey	8,414,350	8,698,879
		New York	16,275,023	16,489,975
		Pennsylvania	5,589,144	5,646,140
		Rhode Island	1,048,319	1,080,632
		Vermont	608,827	621,394
		Virginia	1,815,197	1,912,980

Continued

Table 3—Population of Federal Milk Order Marketing Areas as Defined December 31, 2004, Total and by State, According to 2000 United States Census 1/ -Continued

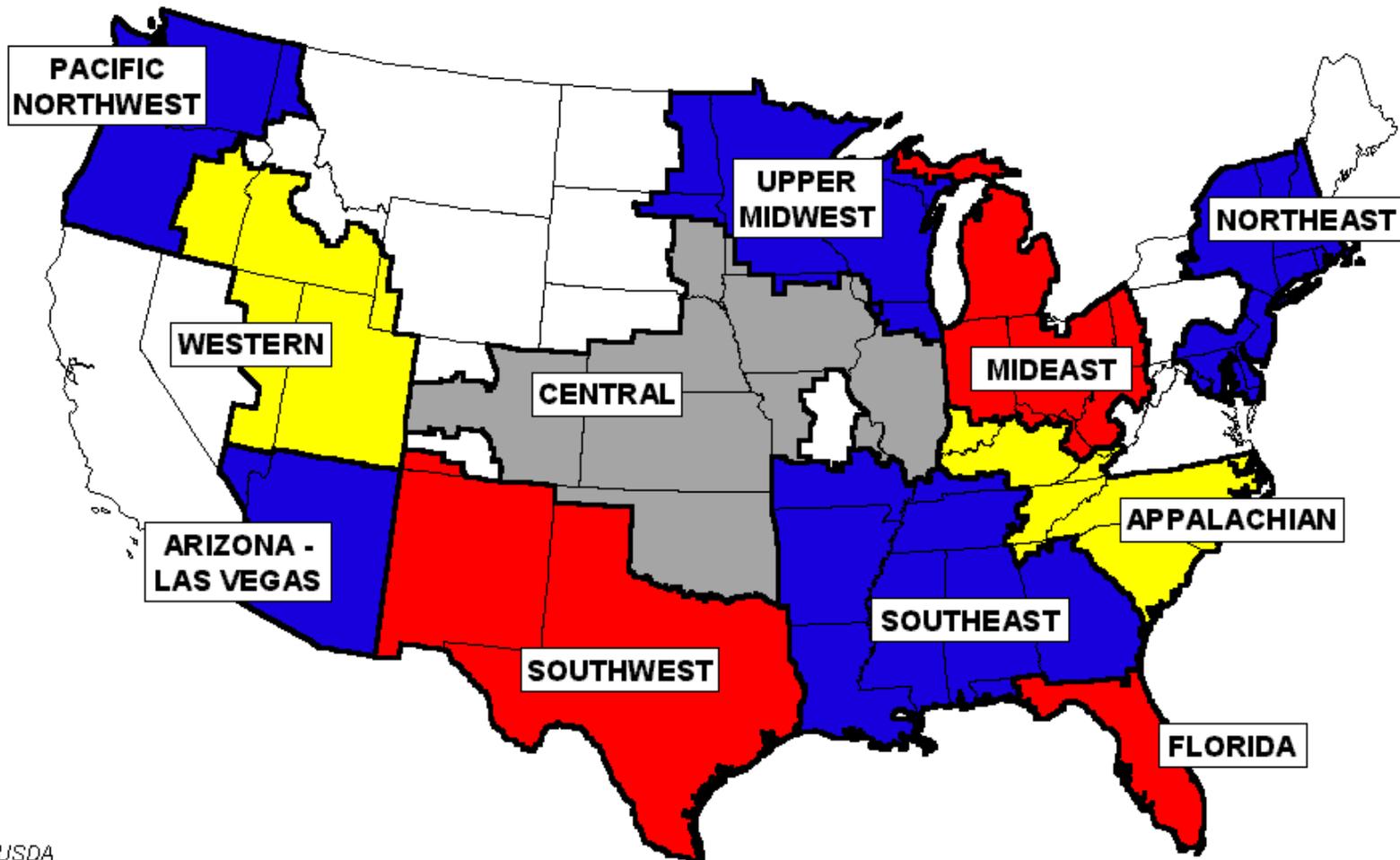
Federal Milk Order Marketing Area	Order Number	States	Population	Census Update 2/
Pacific Northwest	124	<u>Total</u>	<u>9,433,132</u>	<u>9,927,512</u>
		Idaho	213,268	229,636
		Washington	3,325,743	3,494,088
		Oregon	5,894,121	6,203,788
Southeast	007	<u>Total</u>	<u>28,482,597</u>	<u>29,612,355</u>
		Alabama	4,447,100	4,530,182
		Arkansas	2,673,400	2,752,629
		Florida	623,252	678,423
		Georgia	7,891,665	8,511,444
		Kentucky	543,782	557,795
		Louisiana	4,468,976	4,515,770
		Mississippi	2,844,658	2,902,966
		Missouri	1,407,619	1,447,722
		Tennessee	3,582,145	3,715,425
Southwest	126	<u>Total</u>	<u>22,748,535</u>	<u>24,476,400</u>
		Colorado	77,669	83,089
		New Mexico	1,819,046	1,903,289
		Texas	20,851,820	22,490,022
Upper Midwest	030	<u>Total</u>	<u>19,480,685</u>	<u>20,011,968</u>
		Illinois	8,730,473	8,937,388
		Iowa	78,911	79,669
		Michigan	129,644	131,916
		Minnesota	4,872,602	5,052,352
		North Dakota	294,809	291,213
		South Dakota	77,411	79,056
		Wisconsin	5,296,835	5,440,375
All Areas Combined		Total	225,502,789	234,824,881

1/ These figures are the population in the counties, parishes, independent cities, and local subdivisions of the States listed that make up the marketing area. The source of these figures is the 2000 Population Census conducted by the Bureau of the Census, U.S. Department of Commerce.

2/ These figures are estimated based on the statewide percent changes in population between April 1, 2000 and July 1, 2004. These updates are best used as an estimate of population for the year and should not be compared to previous updates to measure change overtime.

FEDERAL MILK MARKETING ORDER AREAS

January 1, 2000



USDA
Agricultural Marketing Service
Dairy Programs

DIFFERENCES IN SHADING MERELY SERVE TO
DIFFERENTIATE BETWEEN MARKETING AREAS

SUMMARY OF MAJOR ORDER ACTIONS DURING 2004

FEBRUARY

Pacific Northwest – February 1 (69 FR 1654, 1/12/04.) This order amends the *Producer milk* provision of the Pacific Northwest milk marketing order to eliminate the ability to simultaneously pool the same milk on the order and on a State-operated order that provides marketwide pooling.

APRIL

Western – April 1 (69 FR 8327, 2/24/04.) This rule terminates the Western Federal milk marketing order effective April 1, 2004.

MAY

Northeast and Other Marketing Areas – May 1 (69 FR 21950, 4/23/04.) This order amends certain classification of milk provisions in all Federal milk marketing orders. Specifically, this interim order reclassifies milk used to produce evaporated milk in consumer-type packages or sweetened condensed milk in consumer-type packages from Class III to Class IV.

JULY

Mideast – July 1 (69 FR 34554, 6/22/04.) This final rule adopts order language contained in an interim final rule concerning pooling provisions of the order. Specifically, this final rule continues to amend the *Pool plant* provisions which: eliminate automatic pool plant status for the 6-month period of March through August, eliminate milk shipments to a distributing plant regulated by another Federal milk order as pool-qualifying shipments under the Mideast order, eliminate the “split plant” feature, eliminate including diversions made by a pool supply plant located outside the marketing area to a second pool plant, and establish a “net shipments” provision for pool supply plants not operated by a cooperative. For the *Producer milk* provisions, this final rule continues amendments which: seasonally adjust and increase the number of days that milk of a producer needs to be delivered to a pool plant and establish year-round diversion limits, adjusted seasonally, for producer milk for handlers pooled under the Mideast order.

Pacific Northwest – July 1 (69 FR 34912, 6/23/04.) This final rule adopts order language contained in an interim final rule concerning pooling provisions of the order. Specifically, this final rule continues to amend the *Pool plant* provision which establishes a “cooperative pool manufacturing plant” provision and establishes system pooling for cooperative manufacturing plants. Additionally, this final rule adopts a previously amended *Producer milk* provision which establishes a standard for the number of days during the month that the milk of a producer would need to be delivered to a pool plant in order for the rest of the milk of that producer to be eligible to be diverted to nonpool plants. A year-round diversion limit of 80 percent of total receipts for pool plants previously established and authority granted to the market administrator to adjust the touch-base standard is adopted on a permanent basis.

DECEMBER

Northeast and Other Marketing Areas – December 1 (69 FR 68764, 11/26/04). This final rule adopts order language contained in an interim final rule concerning classification of milk use provisions in all Federal milk marketing orders; see MAY on previous page.

Appalachian, Florida, and Southeast - December 10 (69 FR 71697, 12/10/04). This final rule amends the Appalachian, Florida, and Southeast Federal milk marketing orders. Specifically, the final rule implements a temporary supplemental charge on Class I milk that will be disbursed to handlers who incurred extraordinary transportation costs for bulk milk movements in and to these orders as a result of hurricanes Charley, Frances, Ivan, and Jeanne.

SUMMARY OF THE QUANTITIES AND UTILIZATION OF MILK PRICED

On April 1, 2004, the Federal milk order regulating the Western marketing area was terminated due to the failure of producers to approve the order as amended. As such, the Western order is a noncomparable market and is excluded from year-to-year comparisons in this report. There are now 10 comparable markets.

At the end of 2004, there were 306 handlers regulated under the 10 Federal milk orders. These handlers operated 267 distributing (fluid milk processing) plants and 93 supply (manufacturing) plants. The Northeast order had the largest number of regulated handlers (65) and distributing plants (63). The Upper Midwest order had the most supply plants (56). An average of 52,341 producers (dairy farmers) marketed milk under Federal milk orders in 2004. On a monthly basis, the number of producers peaked at 59,277 in January, and was lowest in April (43,972). There was an average of 15,039 producers on the Northeast order (See the information below concerning not-pooled milk.) and only 96 producers on the Arizona-Las Vegas order.

During 2004, about 103 billion pounds of milk was marketed by dairy farmers under the Federal milk order program. (See the information below concerning not-pooled milk.) This volume of milk accounted for about 61 percent of all the milk marketed in the United States and about 62 percent of the fluid grade (Grade A) milk marketings. The average butterfat test of producer milk receipts was 3.67 percent, and ranged from 3.56 percent in July to 3.77 percent in January and November. On a monthly basis, producer milk receipts peaked in January at 10.6 billion pounds, and were lowest in April (6.5 billion pounds). Over 22 billion pounds of milk were marketed under the Northeast order, just 2.9 billion pounds under the Florida order. The average delivery of milk per producer during 2004 was 5,352 pounds, and ranged from 4,122 pounds in the Northeast order to 82,723 pounds in the Arizona-Las Vegas order.

Nearly 45 billion pounds of producer milk receipts were disposed as Class I (fluid milk) products in 2004, 43.6 percent of total producer milk marketings, and 0.5 percent lower than in 2003, on a comparable market and daily average basis. The butterfat content of producer milk used in Class I averaged 2.00 percent. On a monthly basis, the volume of Class I producer milk peaked in January at 4.1 billion pounds, and was the lowest in June (3.4 billion pounds). The order with the largest volume of Class I producer milk was Northeast (10.7 billion pounds), over 64 percent more than the next largest volume (Midwest). On an individual order basis, the average Class I utilization percentage in 2004 ranged from 84.9 in the Florida order to 25.8 in the Upper Midwest order.

Over 13 percent (14 billion pounds) of total producer milk marketings were used to produce Class II products (cream products, cottage cheese, and frozen desserts) in 2004. The butterfat test of producer milk used in Class II averaged 7.67 percent. The Northeast order had the largest volume of Class II producer milk (4.4 billion pounds). Class III products (hard cheeses and cream cheese) accounted for nearly 32 billion pounds of producer milk, 30.9 percent of total producer milk marketings. The butterfat test of producer milk used in Class III averaged 3.88 percent. The Upper Midwest order had the largest volume of Class III producer milk (9.9 billion pounds). Over 12 billion pounds of producer milk, about 12 percent of total producer milk marketings, were used to produce Class IV products (butter and dried milk products). The butterfat test of producer milk used in Class IV averaged 4.65 percent. The Pacific Northwest order had the largest volume of Class IV producer milk (2.3 billion pounds).

An estimated 17.4 billion pounds of producer milk that normally would have been marketed under Federal orders in 2004 was not pooled due to the relationship between intra-order uniform and lower class prices. Not pooling due to price occurred in all months except January and in all orders but Arizona-Las Vegas. Nearly 98 percent of not-pooled producer milk would have been used to produce Class III products. The comparability of any statistic based on total producer milk receipts, as well as the number of producers and Class III use, was affected by this estimated volume of not-pooled milk.

Table 4--Number of Pool Handlers, Supply Plants, and Distributing Plants Under Federal Milk Orders, by Order, December 2004

Federal Milk Order Marketing Area	Order Number	Pool Handlers 1/	Supply Plants 2/	Distributing Plants 3/
Northeast	001	65	12	63
Appalachian	005	37	2	23
Southeast	007	38	3	28
Florida	006	15	0	11
Mideast	033	32	4	42
Upper Midwest	030	57	56	27
Central	032	23	7	32
Southwest	126	18	3	22
Arizona-Las Vegas	131	4	1	3
Western 4/	135	--	--	--
Pacific Northwest	124	17	5	16
All Markets Combined		306	93	267

1/ See page 6 for definition of the term "handler".

2/ Plants primarily engaged in producing manufactured dairy products. Includes cooperative manufacturing plants per section XXXX.7(d).

3/ Plants primarily engaged in processing or packaging fluid milk products.

4/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 5--Number of Producers Delivering Milk to Handlers Regulated Under Federal Orders, by Marketing Area, 2004

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
Northeast	001	15,760	15,634	15,547	14,049	14,057	14,049	15,340	15,359	15,260	15,194	15,128	15,087	15,039
Appalachian	005	3,439	3,395	3,452	3,311	3,450	3,375	3,445	3,400	3,661	3,477	3,355	3,196	3,413
Southeast	007	4,092	3,973	3,913	3,505	4,537	3,759	3,749	3,635	3,827	3,608	3,654	3,717	3,831
Florida	006	299	292	294	287	282	284	282	299	381	301	302	294	300
Mideast	033	10,099	9,942	9,967	9,535	8,944	10,391	9,707	10,282	10,224	10,183	10,223	9,785	9,940
Upper Midwest	030	16,725	16,395	6,095	6,309	6,234	16,307	16,327	16,476	12,786	15,973	8,357	5,520	11,959
Central	032	6,269	6,153	6,266	5,329	5,895	6,117	6,108	6,006	5,694	5,808	5,555	5,570	5,898
Southwest	126	869	886	864	855	893	909	954	822	777	838	821	868	863
Arizona-Las Vegas	131	104	100	101	100	98	93	93	93	93	93	92	90	96
Western 1/	135	731	736	600	---	---	---	---	---	---	---	---	---	689
Pacific Northwest	124	890	869	863	692	692	906	896	896	845	891	840	698	832
All Markets Combined		59,277	58,375	47,962	43,972	45,082	56,190	56,901	57,268	53,548	56,366	48,327	44,825	52,341

1/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 6--Receipts of Producer Milk by Handlers Regulated Under Federal Orders, by Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
		Million Pounds												
Northeast 2/	001	1,993	1,901	2,086	1,841	1,895	1,785	1,996	1,891	1,788	1,830	1,771	1,894	22,670
Appalachian 3/	005	569	520	500	482	517	548	519	537	492	521	508	488	6,202
Southeast 4/	007	656	626	656	562	616	647	542	594	560	573	567	565	7,164
Florida 2/	006	262	249	271	240	261	241	232	220	191	217	230	260	2,873
Mideast 5/	033	1,513	1,408	1,297	873	919	1,552	1,487	1,546	1,336	1,546	1,477	984	15,940
Upper Midwest 6/	030	2,209	1,944	675	608	663	2,114	2,202	2,002	1,290	1,977	951	667	17,302
Central 5/	032	1,275	1,163	712	612	652	1,235	1,272	1,231	759	1,204	761	713	11,589
Southwest 7/	126	799	727	601	634	672	778	875	778	744	791	760	632	8,791
Arizona-Las Vegas	131	264	255	266	253	248	241	228	222	218	231	228	247	2,901
Western 8/ 9/	135	476	455	165	---	---	---	---	---	---	---	---	---	1,096
Pacific Northwest 10/	124	614	581	601	414	440	594	648	620	481	617	466	442	6,518
All Markets Combined		10,630	9,831	7,832	6,520	6,882	9,734	10,001	9,640	7,859	9,508	7,718	6,893	103,048

1/ All Markets Combined and TOTAL may not add due to rounding.

2/ Handlers in these marketing areas elected not to pool milk in April due to disadvantageous class and uniform price relationships.

3/ Handlers in this marketing area elected not to pool milk in March-May and December due to disadvantageous class and uniform price relationships.

4/ Handlers in this marketing area elected not to pool milk in April and December due to disadvantageous class and uniform price relationships.

5/ Handlers in these marketing areas elected not to pool milk in February-May, September, November, and December due to disadvantageous class and uniform price relationships.

6/ Handlers in this marketing area elected not to pool milk in February-December due to disadvantageous class and uniform price relationships.

7/ Handlers in this marketing area elected not to pool milk in March-December due to disadvantageous class and uniform price relationships.

8/ Effective April 1, 2004, the Western Federal milk order was terminated.

9/ Handlers in this marketing area elected not to pool milk in March due to disadvantageous intraorder class and uniform price relationships.

10/ Handlers in this marketing area elected not to pool milk in March-September, November, and December due to disadvantageous intraorder class and uniform price relationships.

Table 7--Average Daily Delivery of Milk Per Producer to Handlers Regulated Under Federal Orders, by Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
Pounds														
Northeast	001	4,079	4,194	4,329	4,367	4,349	4,235	4,197	3,971	3,906	3,885	3,902	4,049	4,122
Appalachian	005	5,339	5,286	4,674	4,853	4,833	5,409	4,858	5,099	4,477	4,836	5,051	4,930	4,970
Southeast	007	5,169	5,436	5,409	5,347	4,379	5,742	4,666	5,268	4,875	5,124	5,169	4,906	5,124
Florida	006	28,297	29,427	29,687	27,828	29,839	28,297	26,495	23,719	16,681	23,299	25,406	28,496	26,456
Mideast	033	4,833	4,883	4,199	3,053	3,315	4,980	4,943	4,851	4,357	4,897	4,815	3,245	4,364
Upper Midwest	030	4,261	4,089	3,573	3,212	3,429	4,321	4,351	3,919	3,364	3,994	3,792	3,900	3,850
Central	032	6,560	6,520	3,667	3,830	3,568	6,728	6,716	6,611	4,445	6,688	4,564	4,130	5,336
Southwest	126	29,642	28,306	22,455	24,721	24,274	28,527	29,586	30,529	31,914	30,440	30,857	23,486	27,895
Arizona-Las Vegas	131	81,732	87,996	85,043	84,446	81,628	86,409	79,244	77,048	77,967	80,016	82,634	88,510	82,723
Western 2/	135	21,027	21,300	8,880	---	---	---	---	---	---	---	---	---	17,069
Pacific Northwest	124	22,261	23,043	22,459	19,960	20,489	21,843	23,329	22,314	18,984	22,346	18,478	20,449	21,330
All Markets Combined 3/		5,785	5,807	5,267	4,943	4,924	5,775	5,670	5,430	4,892	5,441	5,323	4,961	5,352

1/ It should be noted that the election not to pool milk normally associated with an order due to disadvantageous intraorder price relationships affects the comparability of this statistic. See footnotes on Table 6.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

3/ Figures are computed from the "All Markets Combined" data for number of producers and receipts of producer milk from Tables 5 and 6.

Table 8--Butterfat Test of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.76	3.74	3.70	3.66	3.59	3.55	3.55	3.57	3.61	3.72	3.78	3.76	3.66
Appalachian	005	3.72	3.72	3.64	3.59	3.52	3.50	3.51	3.55	3.59	3.68	3.70	3.73	3.62
Southeast	007	3.75	3.73	3.61	3.56	3.53	3.52	3.55	3.58	3.64	3.74	3.75	3.77	3.65
Florida	006	3.67	3.65	3.58	3.57	3.55	3.54	3.57	3.62	3.71	3.68	3.64	3.64	3.61
Mideast	033	3.79	3.78	3.72	3.66	3.58	3.56	3.55	3.58	3.61	3.72	3.77	3.76	3.67
Upper Midwest	030	3.82	3.81	3.75	3.71	3.66	3.64	3.61	3.65	3.67	3.80	3.82	3.80	3.72
Central	032	3.75	3.75	3.67	3.62	3.58	3.55	3.55	3.58	3.61	3.73	3.74	3.76	3.66
Southwest	126	3.77	3.71	3.67	3.62	3.55	3.50	3.51	3.53	3.60	3.70	3.79	3.81	3.64
Arizona-Las Vegas	131	3.67	3.61	3.54	3.51	3.52	3.55	3.59	3.57	3.63	3.67	3.73	3.71	3.61
Western 2/	135	3.73	3.70	3.61	---	---	---	---	---	---	---	---	---	3.70
Pacific Northwest	124	3.82	3.75	3.71	3.63	3.57	3.59	3.59	3.60	3.68	3.72	3.79	3.71	3.68
All Markets Combined		3.77	3.75	3.68	3.63	3.57	3.56	3.56	3.59	3.63	3.73	3.77	3.76	3.67

1/ Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of butterfat and producer milk pounds.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 9--Nonfat Solids Test of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.76	8.74	8.73	8.70	8.67	8.65	8.63	8.66	8.66	8.76	8.78	8.76	8.71
Mideast	033	8.80	8.78	8.75	8.73	8.68	8.66	8.65	8.70	8.72	8.80	8.80	8.79	8.74
Upper Midwest	030	8.79	8.74	8.73	8.72	8.71	8.69	8.66	8.69	8.70	8.79	8.79	8.78	8.73
Central	032	8.81	8.79	8.78	8.78	8.73	8.68	8.67	8.70	8.76	8.81	8.85	8.83	8.76
Southwest	126	8.81	8.82	8.77	8.77	8.71	8.67	8.67	8.72	8.76	8.83	8.89	8.87	8.77
Western 2/	135	8.83	8.80	8.76	---	---	---	---	---	---	---	---	---	8.81
Pacific Northwest	124	8.80	8.75	8.72	8.70	8.71	8.68	8.67	8.68	8.78	8.84	8.84	8.76	8.74
All Markets Combined		8.79	8.77	8.74	8.73	8.69	8.67	8.65	8.69	8.71	8.80	8.81	8.79	8.74

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of nonfat solids and producer milk pounds.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 10--Protein (True) Test of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.08	3.07	3.05	3.01	2.97	2.96	2.96	2.98	3.01	3.11	3.13	3.10	3.04
Mideast	033	3.10	3.07	3.05	3.01	2.97	2.95	2.94	2.99	3.03	3.10	3.11	3.10	3.04
Upper Midwest	030	3.08	3.06	3.02	3.01	2.99	2.97	2.95	2.98	3.02	3.12	3.11	3.11	3.03
Central	032	3.09	3.08	3.05	3.03	3.00	2.97	2.95	2.99	3.06	3.11	3.13	3.13	3.04
Southwest	126	3.09	3.08	3.05	3.03	3.00	2.96	2.96	3.00	3.07	3.12	3.16	3.17	3.06
Western 2/	135	3.13	3.11	3.05	---	---	---	---	---	---	---	---	---	3.11
Pacific Northwest	124	3.12	3.07	3.05	3.02	3.01	2.98	2.96	2.98	3.08	3.14	3.15	3.09	3.05
All Markets Combined		3.09	3.07	3.05	3.02	2.98	2.96	2.95	2.99	3.03	3.11	3.13	3.11	3.04

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of true protein and producer milk pounds.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 11--Other Solids Test of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.68	5.66	5.68	5.69	5.70	5.69	5.67	5.67	5.65	5.65	5.66	5.66	5.67
Mideast	033	5.71	5.71	5.70	5.71	5.72	5.71	5.71	5.71	5.69	5.69	5.68	5.68	5.70
Upper Midwest	030	5.71	5.69	5.71	5.71	5.72	5.73	5.71	5.71	5.69	5.67	5.67	5.68	5.70
Central	032	5.73	5.71	5.74	5.74	5.73	5.72	5.72	5.71	5.70	5.69	5.71	5.70	5.72
Southwest	126	5.72	5.74	5.72	5.74	5.71	5.71	5.72	5.70	5.69	5.71	5.72	5.70	5.72
Western 2/	135	5.70	5.69	5.71	---	---	---	---	---	---	---	---	---	5.70
Pacific Northwest	124	5.68	5.68	5.67	5.68	5.70	5.69	5.71	5.70	5.69	5.71	5.70	5.67	5.69
All Markets Combined		5.70	5.69	5.70	5.71	5.71	5.71	5.70	5.70	5.68	5.68	5.68	5.68	5.70

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of other solids and producer milk pounds.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 12--Somatic Cell Count of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
		Thousand												
Mideast	033	322	315	338	345	321	367	389	368	339	297	280	281	330
Upper Midwest	030	285	295	295	288	282	309	326	329	296	277	253	259	291
Central	032	277	289	299	289	292	303	327	328	296	275	273	272	293
Southwest	126	270	274	299	297	288	279	324	337	307	308	320	331	303
All Markets Combined		289	293	308	305	296	315	342	341	310	289	282	286	304

1/ Information shown for those orders which adjust producer payments for the somatic cell count of producer milk. All averages are simple.

Table 13--Utilization of Producer Milk in Class I Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
		Million Pounds												
Northeast	001	944	828	931	892	848	818	865	862	915	930	920	938	10,692
Appalachian	005	393	346	381	368	332	333	349	367	363	353	369	371	4,325
Southeast	007	412	365	401	391	355	347	373	401	394	395	406	401	4,640
Florida	006	227	204	225	217	197	189	203	190	169	190	205	222	2,440
Mideast	033	584	511	577	544	502	474	520	534	556	554	562	574	6,493
Upper Midwest	030	392	355	396	382	352	336	355	361	375	374	386	395	4,459
Central	032	387	343	383	371	330	321	344	367	369	370	383	377	4,346
Southwest	126	362	323	353	350	318	314	329	355	356	358	360	361	4,139
Arizona-Las Vegas	131	85	80	86	83	73	69	74	82	82	81	84	88	967
Western 2/	135	99	88	99	---	---	---	---	---	---	---	---	---	286
Pacific Northwest	124	185	165	190	179	169	164	173	176	182	185	194	190	2,153
All Markets Combined		4,071	3,609	4,022	3,777	3,475	3,366	3,586	3,695	3,762	3,790	3,870	3,917	44,939

1/ All Markets Combined and TOTAL may not add due to rounding.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 14--Class I Utilization Percentage of Producer Milk , by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	47.39	43.56	44.61	48.47	44.76	45.84	43.36	45.61	51.14	50.81	51.96	49.53	47.16
Appalachian	005	69.07	66.52	76.20	76.38	64.17	60.87	67.28	68.20	73.81	67.69	72.53	75.89	69.72
Southeast	007	62.88	58.32	61.14	69.46	57.61	53.56	68.71	67.56	70.36	68.95	71.59	70.90	64.77
Florida	006	86.61	81.91	83.02	90.58	75.71	78.42	87.81	86.32	88.86	87.51	89.06	85.59	84.91
Mideast	033	38.60	36.31	44.50	62.31	54.58	30.52	34.99	34.54	41.61	35.83	38.08	58.30	40.73
Upper Midwest	030	17.76	18.25	58.64	62.79	53.18	15.89	16.10	18.02	29.08	18.93	40.57	59.26	25.77
Central	032	30.35	29.49	53.76	60.62	50.62	26.00	27.08	29.84	48.63	30.69	50.40	52.84	37.50
Southwest	126	45.28	44.39	58.74	55.24	47.27	40.37	37.56	45.62	47.88	45.32	47.40	57.14	47.08
Arizona-Las Vegas	131	32.19	31.41	32.35	32.68	29.32	28.74	32.39	37.06	37.83	35.04	36.95	35.44	33.34
Western 2/	135	20.71	19.40	60.03	---	---	---	---	---	---	---	---	---	26.09
Pacific Northwest	124	30.14	28.34	31.61	43.24	38.41	27.70	26.75	28.44	37.90	29.95	41.68	43.04	33.04
All Markets Combined		38.30	36.71	51.36	57.93	50.50	34.57	35.85	38.33	47.87	39.86	50.14	56.82	43.61

1/ It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of producer milk used in Class I and total producer milk.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 15--Butterfat Test of Producer Milk Used in Class I Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	2.06	2.04	2.03	2.04	2.01	2.03	2.05	2.05	2.01	2.06	2.13	2.11	2.05
Appalachian	005	2.10	2.09	2.08	2.07	2.09	2.15	2.13	2.07	2.08	2.08	2.16	2.20	2.11
Southeast	007	2.14	2.12	2.12	2.12	2.15	2.23	2.23	2.12	2.11	2.14	2.21	2.25	2.16
Florida	006	2.16	2.13	2.13	2.17	2.19	2.21	2.22	2.19	2.24	2.16	2.23	2.28	2.19
Mideast	033	1.87	1.87	1.91	1.86	1.85	1.88	1.89	1.88	1.85	1.86	1.91	1.93	1.88
Upper Midwest	030	1.53	1.54	1.58	1.56	1.52	1.59	1.62	1.59	1.54	1.56	1.61	1.61	1.57
Central	032	1.81	1.80	1.83	1.80	1.81	1.87	1.86	1.81	1.78	1.80	1.84	1.89	1.82
Southwest	126	2.40	2.27	2.31	2.30	2.29	2.40	2.40	2.29	2.27	2.29	2.36	2.43	2.33
Arizona-Las Vegas	131	1.97	1.96	1.96	1.98	1.98	2.00	1.99	1.92	1.93	2.00	2.01	2.01	1.98
Western 2/	135	1.94	1.93	1.92	---	---	---	---	---	---	---	---	---	1.93
Pacific Northwest	124	1.82	1.79	1.83	1.79	1.78	1.85	1.87	1.83	1.81	1.85	1.97	1.96	1.85
All Markets Combined		1.99	1.96	1.98	1.97	1.96	2.02	2.02	1.99	1.96	1.98	2.05	2.06	2.00

1/ Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of butterfat and producer milk pounds used in Class I.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 16--Nonfat Solids Test of Producer Milk Used in Class I Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.92	8.91	8.89	8.85	8.82	8.79	8.76	8.80	8.79	8.91	8.94	8.91	8.86
Mideast	033	8.99	8.96	8.93	8.90	8.86	8.79	8.80	8.85	8.88	8.97	8.98	8.97	8.91
Upper Midwest	030	9.01	8.96	8.93	8.92	8.89	8.85	8.82	8.86	8.89	8.99	8.98	8.98	8.93
Central	032	9.01	9.00	8.97	8.96	8.88	8.83	8.83	8.87	8.93	9.01	9.03	9.02	8.95
Southwest	126	8.95	8.98	8.89	8.88	8.82	8.79	8.80	8.84	8.89	8.96	9.02	9.01	8.90
Western 2/	135	8.99	8.96	8.90	---	---	---	---	---	---	---	---	---	8.95
Pacific Northwest	124	8.96	8.92	8.88	8.88	8.89	8.86	8.82	8.83	8.94	9.00	9.00	8.94	8.91
All Markets Combined		8.97	8.95	8.91	8.89	8.85	8.81	8.80	8.84	8.87	8.96	8.98	8.96	8.90

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of nonfat solids and producer milk pounds used in Class I.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 17--Utilization of Producer Milk in Class II Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Million Pounds														
Northeast	001	353	353	419	365	387	396	383	381	357	368	352	327	4,441
Appalachian	005	72	69	87	77	79	85	80	84	76	82	77	67	933
Southeast	007	65	67	78	74	86	91	61	75	64	67	59	57	843
Florida	006	19	21	23	19	21	23	19	21	15	21	20	23	246
Mideast 2/	033	223	207	232	227	243	241	235	247	235	232	221	211	2,753
Upper Midwest 3/	030	122	84	76	96	116	132	129	131	115	114	111	101	1,327
Central 2/	032	117	88	101	130	137	140	149	141	134	125	124	117	1,503
Southwest	126	99	99	112	118	118	115	127	110	103	93	90	90	1,274
Arizona-Las Vegas	131	18	21	22	19	18	21	24	24	23	19	19	17	244
Western 4/	135	27	27	29	---	---	---	---	---	---	---	---	---	83
Pacific Northwest 5/	124	37	34	42	35	39	41	46	43	37	39	38	34	463
All Markets Combined		1,152	1,071	1,220	1,160	1,243	1,285	1,252	1,259	1,157	1,158	1,111	1,044	14,111

1/ All Markets Combined and TOTAL may not add due to rounding.

2/ Handlers in these marketing areas elected not to pool producer milk used in Class II in February and March due to the relationship between the order's Class II and uniform prices.

3/ Handlers in this marketing area elected not to pool producer milk used in Class II in February-April due to the relationship between the order's Class II and uniform prices.

4/ Effective April 1, 2004, the Western Federal milk order was terminated.

5/ Handlers in this marketing area elected not to pool producer milk used in Class II in March-September, November, and December due to the relationship between the order's Class II and uniform prices.

Table 18--Class II Utilization Percentage of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	17.73	18.54	20.07	19.84	20.44	22.20	19.19	20.16	19.97	20.09	19.85	17.29	19.59
Appalachian	005	12.70	13.23	17.34	15.94	15.31	15.43	15.33	15.55	15.36	15.77	15.15	13.77	15.05
Southeast	007	9.87	10.73	11.92	13.20	13.89	13.98	11.33	12.71	11.40	11.66	10.39	10.02	11.77
Florida	006	7.29	8.44	8.56	7.73	8.21	9.60	8.36	9.74	7.61	9.55	8.84	9.02	8.57
Mideast	033	14.75	14.72	17.91	25.94	26.44	15.51	15.77	15.99	17.57	14.99	14.95	21.44	17.27
Upper Midwest	030	5.51	4.33	11.23	15.83	17.47	6.26	5.84	6.56	8.88	5.74	11.68	15.19	7.67
Central	032	9.20	7.59	14.12	21.30	20.98	11.32	11.71	11.49	17.58	10.36	16.31	16.41	12.97
Southwest	126	12.38	13.62	18.56	18.67	17.50	14.84	14.51	14.18	13.89	11.70	11.85	14.17	14.49
Arizona-Las Vegas	131	6.66	8.24	8.23	7.46	7.09	8.76	10.29	10.82	10.65	8.31	8.32	6.82	8.40
Western 2/	135	5.72	5.92	17.61	---	---	---	---	---	---	---	---	---	7.60
Pacific Northwest	124	5.98	5.91	6.95	8.35	8.78	6.91	7.06	6.90	7.63	6.36	8.24	7.59	7.11
All Markets Combined		10.84	10.89	15.58	17.79	18.06	13.20	12.51	13.06	14.72	12.18	14.39	15.15	13.69

1/ It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic. See footnotes on Table 17. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of producer milk used in Class II and total producer milk.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 19--Butterfat Test of Producer Milk Used in Class II Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	7.36	7.09	6.89	7.16	7.00	6.78	7.38	6.97	7.19	7.31	7.58	7.85	7.20
Appalachian	005	8.30	8.82	8.38	8.46	7.94	8.01	7.88	8.20	8.13	8.12	8.79	9.33	8.34
Southeast	007	8.24	8.09	7.39	7.41	6.81	6.77	8.98	8.05	8.76	8.03	8.63	7.66	7.82
Florida	006	14.74	14.58	15.00	17.13	14.47	13.56	16.29	14.93	16.82	15.04	16.11	13.17	15.05
Mideast	033	6.15	6.47	6.57	6.04	5.81	6.76	6.81	6.65	6.46	6.47	6.85	6.22	6.44
Upper Midwest	030	8.34	9.90	12.71	10.06	8.51	8.62	8.29	7.91	8.29	8.40	9.35	9.47	8.98
Central	032	6.51	7.27	6.63	6.28	5.81	6.55	6.35	6.52	6.29	6.70	6.85	6.46	6.49
Southwest	126	8.16	8.32	7.92	7.42	7.05	7.75	7.73	8.65	8.55	9.37	9.72	8.56	8.20
Arizona-Las Vegas	131	9.77	11.38	9.92	10.91	12.14	15.94	13.18	12.94	9.98	12.01	12.57	12.01	11.93
Western 2/	135	6.66	6.06	7.17	---	---	---	---	---	---	---	---	---	6.64
Pacific Northwest	124	9.92	10.51	10.08	11.58	9.72	10.34	9.64	11.04	10.85	10.24	11.21	10.75	10.47
All Markets Combined		7.55	7.81	7.73	7.56	7.11	7.49	7.72	7.64	7.61	7.76	8.21	7.95	7.67

1/ Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of butterfat and producer milk pounds used in Class II.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 20--Nonfat Solids Test of Producer Milk Used in Class II Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.43	8.42	8.44	8.39	8.36	8.35	8.28	8.34	8.35	8.43	8.43	8.38	8.38
Mideast	033	8.58	8.54	8.50	8.50	8.46	8.38	8.36	8.42	8.46	8.54	8.51	8.55	8.48
Upper Midwest	030	8.38	8.20	7.92	8.16	8.27	8.21	8.22	8.29	8.28	8.40	8.28	8.26	8.25
Central	032	8.61	8.52	8.56	8.57	8.54	8.43	8.43	8.45	8.53	8.57	8.58	8.62	8.53
Southwest	126	8.40	8.41	8.40	8.44	8.41	8.31	8.32	8.26	8.33	8.33	8.35	8.46	8.37
Western 2/	135	8.59	8.61	8.48	---	---	---	---	---	---	---	---	---	8.56
Pacific Northwest	124	8.22	8.12	8.13	8.00	8.18	8.09	8.12	8.01	8.12	8.23	8.16	8.14	8.13
All Markets Combined		8.47	8.43	8.41	8.41	8.40	8.34	8.31	8.35	8.38	8.45	8.43	8.44	8.40

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of nonfat solids and producer milk pounds used in Class II.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 21--Utilization of Producer Milk in Class III Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
		Million Pounds												
Northeast 2/	001	528	548	585	361	324	322	499	457	407	431	415	421	5,297
Appalachian 3/	005	46	66	13	3	9	36	38	35	27	33	27	10	344
Southeast 4/	007	104	111	133	13	72	90	75	65	59	65	70	62	920
Florida 2/	006	9	15	16	5/	26	22	5	1	2	1	1	2	100
Mideast 6/	033	648	643	448	45	50	728	653	690	485	682	639	132	5,842
Upper Midwest 7/	030	1,521	1,447	83	11	31	1,475	1,559	1,364	670	1,357	340	36	9,894
Central 6/	032	654	629	142	20	20	628	620	611	180	607	179	105	4,395
Southwest 7/	126	219	215	24	16	7	212	212	206	204	206	211	6	1,738
Arizona-Las Vegas	131	97	90	106	104	107	92	80	76	88	97	72	72	1,080
Western 8/ 9/	135	302	302	9	---	---	---	---	---	---	---	---	---	613
Pacific Northwest 10/	124	211	202	187	12	12	175	214	212	85	220	78	35	1,644
All Markets Combined		4,341	4,268	1,745	587	657	3,781	3,955	3,716	2,206	3,697	2,031	882	31,867

1/ All Markets Combined and TOTAL may not add due to rounding.

2/ Handlers in these marketing areas elected not to pool producer milk used in Class III in April due to the relationship between the order's Class III and uniform price.

3/ Handlers in these marketing areas elected not to pool producer milk used in Class III in March-May and December due to the relationship between the order's Class III and uniform price.

4/ Handlers in these marketing areas elected not to pool producer milk used in Class III in April and December due to the relationship between the order's Class III and uniform price.

5/ Less than 500,000 pounds.

6/ Handlers in these marketing areas elected not to pool producer milk used in Class III in March-May, September, November, and December due to the relationship between the order's Class III and uniform price.

7/ Handlers in these marketing areas elected not to pool producer milk used in Class III in March-December due to the relationship between the order's Class III and uniform price.

8/ Handlers in this marketing area elected not to pool producer milk used in Class III in March due to the relationship between the order's Class III and uniform price.

9/ Effective April 1, 2004, the Western Federal milk order was terminated.

10/ Handlers in this marketing area elected not to pool producer milk used in Class III in March-June, August-September, November, and December due to the relationship between the order's Class III and uniform price.

Table 22--Class III Utilization Percentage of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	26.50	28.83	28.02	19.63	17.10	18.07	25.00	24.16	22.73	23.53	23.44	22.21	23.37
Appalachian	005	8.16	12.76	2.69	0.71	1.70	6.48	7.32	6.57	5.48	6.39	5.29	2.03	5.55
Southeast	007	15.85	17.70	20.26	2.38	11.62	13.95	13.88	11.03	10.49	11.37	12.28	11.01	12.83
Florida	006	3.55	6.00	5.95	0.12	10.08	8.92	2.36	0.25	0.97	0.30	0.29	0.87	3.48
Mideast	033	42.86	45.64	34.54	5.13	5.45	46.89	43.88	44.61	36.28	44.11	43.28	13.40	36.65
Upper Midwest	030	68.87	74.44	12.30	1.81	4.61	69.79	70.78	68.15	51.94	68.60	35.74	5.35	57.18
Central	032	51.31	54.04	19.88	3.31	3.03	50.90	48.74	49.65	23.75	50.40	23.47	14.78	37.92
Southwest	126	27.39	29.54	3.98	2.52	1.03	27.29	24.26	26.42	27.46	26.04	27.74	1.01	19.77
Arizona-Las Vegas	131	36.97	35.35	39.69	41.16	43.10	38.25	34.96	34.00	40.38	41.89	31.43	29.17	37.23
Western 2/	135	63.46	66.43	5.17	---	---	---	---	---	---	---	---	---	55.91
Pacific Northwest	124	34.33	34.83	31.20	2.87	2.78	29.56	33.01	34.26	17.59	35.59	16.84	7.96	25.23
All Markets Combined		40.84	43.42	22.29	9.00	9.55	38.84	39.54	38.55	28.07	38.89	26.31	12.79	30.92

1/ It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic. See footnotes on Table 21. Figures shown for all Markets Combined and Average are computed from the applicable monthly or year-to-year date totals of producer milk used in Class III and total producer milk.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 23--Butterfat Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.83	3.82	3.77	3.94	4.06	3.75	3.59	3.80	3.85	3.90	3.85	3.91	3.83
Appalachian	005	4.83	4.06	10.28	34.05	11.51	4.59	4.55	5.13	6.48	5.73	5.93	8.39	5.73
Southeast	007	4.73	4.35	4.40	9.05	4.75	4.38	4.30	4.54	4.63	5.05	4.73	4.73	4.63
Florida	006	5.52	4.45	4.59	42.97	3.88	3.83	4.96	35.78	17.02	48.99	40.35	9.05	5.48
Mideast	033	3.57	3.59	3.51	5.94	5.36	3.27	3.23	3.35	3.38	3.54	3.66	4.05	3.50
Upper Midwest	030	3.82	3.80	5.83	24.78	9.76	3.66	3.64	3.74	3.97	3.95	4.40	9.69	3.88
Central	032	3.64	3.60	4.49	6.92	6.96	3.50	3.50	3.49	3.86	3.76	4.17	4.58	3.70
Southwest	126	3.56	3.43	6.90	8.57	25.21	3.86	3.90	3.93	3.95	4.29	3.95	18.69	4.08
Arizona-Las Vegas	131	5.24	5.19	5.22	4.92	4.75	4.10	4.41	4.26	4.48	4.64	5.89	6.04	4.91
Western 2/	135	3.40	3.36	7.11	---	---	---	---	---	---	---	---	---	3.43
Pacific Northwest	124	3.92	3.89	4.02	11.19	11.08	4.17	3.96	4.00	4.78	4.19	4.86	4.71	4.22
All Markets Combined		3.79	3.75	4.14	5.35	5.15	3.64	3.61	3.70	3.92	3.93	4.10	4.68	3.88

1/ Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of butterfat and producer milk pounds used in Class III.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 24--Protein (True) Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.08	3.06	3.04	3.01	2.96	2.96	2.96	2.98	3.02	3.11	3.13	3.10	3.04
Mideast	033	3.09	3.07	3.05	2.94	2.86	2.96	2.95	2.99	3.03	3.10	3.11	3.04	3.04
Upper Midwest	030	3.08	3.06	2.94	2.34	2.79	2.97	2.95	2.98	3.00	3.12	3.08	2.92	3.02
Central	032	3.07	3.07	3.00	2.89	2.86	2.96	2.94	2.98	3.02	3.10	3.10	3.04	3.02
Southwest	126	3.07	3.08	2.96	2.90	2.33	2.92	2.91	2.94	3.03	3.08	3.15	2.68	3.02
Western 2/	135	3.15	3.13	2.97	---	---	---	---	---	---	---	---	---	3.13
Pacific Northwest	124	3.16	3.10	3.07	2.80	2.78	2.97	2.97	2.99	3.10	3.16	3.19	3.11	3.07
All Markets Combined		3.09	3.07	3.04	2.97	2.92	2.96	2.95	2.98	3.02	3.11	3.12	3.07	3.03

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of true protein and producer milk pounds used in Class III.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 25--Other Solids Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.67	5.65	5.67	5.66	5.66	5.67	5.66	5.65	5.64	5.63	5.64	5.65	5.66
Midwest	033	5.72	5.72	5.71	5.57	5.60	5.74	5.73	5.73	5.71	5.71	5.69	5.66	5.71
Upper Midwest	030	5.71	5.68	5.60	4.46	5.35	5.73	5.71	5.71	5.67	5.66	5.64	5.34	5.69
Central	032	5.73	5.72	5.67	5.54	5.51	5.73	5.73	5.72	5.69	5.69	5.69	5.65	5.71
Southwest	126	5.72	5.74	5.52	5.43	4.43	5.68	5.68	5.67	5.67	5.67	5.71	4.83	5.68
Western 2/	135	5.71	5.71	5.53	---	---	---	---	---	---	---	---	---	5.71
Pacific Northwest	124	5.68	5.68	5.65	5.23	5.25	5.66	5.70	5.70	5.67	5.69	5.66	5.59	5.67
All Markets Combined		5.71	5.69	5.67	5.60	5.59	5.72	5.71	5.70	5.67	5.67	5.67	5.63	5.69

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of other solids and producer milk pounds used in Class III.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 26--Utilization of Producer Milk in Class IV Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Million Pounds														
Northeast	001	167	172	152	222	336	248	249	190	110	102	84	208	2,240
Appalachian 2/	005	57	39	19	34	97	94	52	52	26	53	36	41	600
Southeast	007	75	83	44	84	104	120	33	52	43	46	33	46	761
Florida	006	7	9	7	4	16	7	3	8	5	6	4	12	87
Mideast	033	57	47	39	58	124	110	80	75	61	78	55	68	852
Upper Midwest 3/	030	173	58	120	119	164	170	160	146	130	133	114	135	1,623
Central	032	117	103	87	90	165	146	159	111	76	103	75	114	1,346
Southwest	126	119	91	113	149	230	136	207	107	80	134	99	175	1,640
Arizona-Las Vegas	131	64	64	53	47	51	58	51	40	24	34	53	71	610
Western 4/	135	48	38	28	---	---	---	---	---	---	---	---	---	114
Pacific Northwest 5/	124	181	180	182	189	220	213	215	188	178	173	155	183	2,256
All Markets Combined		1,066	883	844	996	1,507	1,303	1,209	969	734	862	707	1,051	12,130

1/ All Markets Combined and TOTAL may not add due to rounding.

2/ Handlers in this marketing area elected not to pool producer milk used in Class IV in March and April due to the relationship between the order's Class IV and uniform price.

3/ Handlers in this marketing area elected not to pool producer milk used in Class IV in February and March due to the relationship between the order's Class IV and uniform price.

4/ Effective April 1, 2004, the Western Federal milk order was terminated.

5/ Handlers in this marketing area elected not to pool producer milk used in Class IV in March-September, November, and December due to the relationship between the order's Class IV and uniform price.

Table 27--Class IV Utilization Percentage of Producer Milk, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.38	9.07	7.30	12.05	17.70	13.90	12.45	10.07	6.16	5.57	4.74	10.97	9.88
Appalachian	005	10.07	7.49	3.76	6.98	18.82	17.21	10.06	9.68	5.35	10.15	7.04	8.31	9.68
Southeast	007	11.39	13.25	6.67	14.96	16.87	18.51	6.08	8.70	7.75	8.03	5.74	8.07	10.63
Florida	006	2.55	3.66	2.48	1.58	6.01	3.06	1.47	3.69	2.56	2.63	1.82	4.53	3.04
Mideast	033	3.79	3.32	3.04	6.62	13.52	7.08	5.36	4.85	4.53	5.07	3.69	6.87	5.34
Upper Midwest	030	7.85	2.98	17.83	19.57	24.74	8.06	7.27	7.27	10.09	6.72	12.01	20.20	9.38
Central	032	9.14	8.88	12.23	14.77	25.37	11.79	12.48	9.02	10.04	8.55	9.83	15.97	11.61
Southwest	126	14.95	12.45	18.71	23.57	34.20	17.50	23.68	13.78	10.77	16.95	13.01	27.69	18.66
Arizona-Las Vegas	131	24.18	25.00	19.73	18.71	20.49	24.25	22.36	18.12	11.15	14.77	23.30	28.56	21.03
Western 2/	135	10.10	8.25	17.19	---	---	---	---	---	---	---	---	---	10.40
Pacific Northwest	124	29.54	30.92	30.24	45.54	50.04	35.83	33.19	30.40	36.89	28.10	33.24	41.41	34.62
All Markets Combined		10.03	8.98	10.77	15.28	21.89	13.38	12.09	10.06	9.33	9.07	9.16	15.24	11.77

1/ It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistics. See footnotes on Table 26. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of producer milk used in Class IV and total producer milk from the applicable monthly or year-to-date totals of producer milk used in Class IV and total producer milk.

4/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 28--Butterfat Test of Producer Milk Used in Class IV Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.49	4.80	4.89	4.01	3.20	3.11	2.76	3.06	4.39	5.16	5.48	4.45	3.97
Appalachian	005	8.13	8.63	8.70	5.93	4.07	3.85	5.35	5.41	8.32	6.13	7.00	7.34	5.96
Southeast	007	7.39	6.47	8.17	5.98	4.67	4.17	6.71	7.20	8.73	9.45	12.02	11.04	6.88
Florida	006	20.76	11.17	10.17	14.48	5.29	5.24	9.41	4.93	10.77	7.67	5.94	9.27	9.01
Mideast	033	16.61	15.24	15.77	9.54	5.48	5.75	7.40	7.68	10.55	10.32	11.80	11.05	9.58
Upper Midwest	030	5.77	9.18	3.77	3.51	3.70	3.58	3.91	4.13	4.26	4.70	4.16	4.40	4.37
Central	032	8.06	8.14	6.99	6.55	4.84	4.61	4.75	6.20	7.21	6.92	7.27	6.42	6.27
Southwest	126	4.66	4.45	3.05	3.15	2.84	1.84	2.29	1.62	2.18	2.62	3.23	3.70	2.94
Arizona-Las Vegas	131	1.83	0.89	0.07	0.13	0.16	0.03	0.20	0.05	0.31	0.20	0.39	1.45	0.56
Western 2/	135	7.85	8.90	4.83	---	---	---	---	---	---	---	---	---	7.44
Pacific Northwest	124	4.52	4.10	3.88	3.44	3.45	3.16	3.31	3.12	3.60	3.65	3.70	4.04	3.65
All Markets Combined		6.41	6.14	4.99	4.35	3.68	3.46	3.63	4.03	5.04	5.18	5.24	5.14	4.65

1/ Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of butterfat and producer milk pounds used in Class IV.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 29--Nonfat Solids Test of Producer Milk Used in Class IV Products, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.61	8.63	8.61	8.68	8.70	8.68	8.71	8.71	8.60	8.61	8.61	8.70	8.67
Mideast	033	7.62	7.73	7.64	8.18	8.49	8.47	8.30	8.32	8.08	8.18	8.04	8.10	8.18
Upper Midwest	030	8.59	8.26	8.69	8.70	8.73	8.67	8.62	8.64	8.71	8.72	8.79	8.74	8.67
Central	032	8.41	8.37	8.43	8.43	8.61	8.58	8.55	8.46	8.43	8.53	8.52	8.57	8.50
Southwest	126	8.73	8.75	8.83	8.82	8.77	8.83	8.78	8.88	8.89	8.94	8.94	8.86	8.83
Western 2/	135	8.44	8.32	8.62	---	---	---	---	---	---	---	---	---	8.45
Pacific Northwest	124	8.71	8.68	8.67	8.70	8.69	8.69	8.66	8.68	8.75	8.81	8.81	8.70	8.71
All Markets Combined		8.54	8.51	8.60	8.65	8.69	8.66	8.64	8.64	8.63	8.68	8.69	8.68	8.64

1/ Figures are shown for those orders for which the information is available; that is, the orders with the component pricing system for paying producers. Figures shown for All Markets Combined and AVERAGE are computed from the applicable monthly or year-to-date totals of nonfat solids and producer milk pounds used in Class IV.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

SUMMARY OF CLASS AND PRODUCER PRICES AND GROSS VALUES

During 2004, the base skim milk price for Class I averaged \$8.44 per cwt., and was the advanced Class III skim milk pricing factor in January, February, and May through December, and the Class IV skim milk pricing factor in March and April. This price ranged from a high of \$12.98 in June to a low of \$5.96 in March and April. The advanced butterfat pricing factor averaged \$1.9526 per pound, and ranged from \$1.3283 in January to \$2.4580 in June. The Class I base price, also referred to as the Class I mover, averaged \$14.98 per cwt., ranging from \$11.59 in February to \$21.13 in June, the record high for this price measure. For all markets combined, the Class I price averaged \$17.56 per cwt. in 2004 (24.5 percent higher than 2003), ranging from \$14.28 in February to \$23.84 in June, also the record high. On an individual order basis, among the orders in effect for the entire year, the annual average Class I price ranged from \$16.68 in the Upper Midwest order to \$18.88 in the Florida order.

The Class II price averaged \$13.86 per cwt. in 2004, peaking at \$15.21 in April, hitting the low point of \$11.67 in January. The Class II, III, or IV prices do not vary from order to order. The Class III price averaged \$15.39 per cwt. in 2004, ranging from \$11.61 in January to \$20.58 in May, the record high for this price measure. The Class IV price averaged \$13.20 per cwt., ranging from \$10.97 in January to \$14.57 in April.

During 2004, the uniform milk price, a statistical measure of the minimum price received by dairy farmers marketing milk under the Federal order program, averaged \$15.74 per cwt. (29.9 percent higher than 2003). This price peaked in May at \$19.34, the record high for this price measure, and hit its low point in January at \$12.85. Among the ten orders in effect the entire year, the uniform milk price ranged from \$14.75 in the Upper Midwest and Pacific Northwest orders to \$18.39 in the Florida order. For those producers paid under the component pricing system, those marketing milk under orders 1, 30, 32, 33, 124, 126, and 135, the annual average values of their milk payment components were: producer price differential, \$0.43 per cwt.; butterfat, \$2.0507 per pound; true protein, \$2.6035 per pound; and other solids, \$0.0751 per pound. For those producers subject to the somatic cell adjustment to their milk payment, the rate averaged \$0.00082. For those producers under the skim milk/butterfat pricing system, those marketing milk under orders 5, 6, 7, and 131, the uniform skim milk price averaged \$10.22 per cwt. in 2004, and the uniform butterfat price averaged \$2.0204 per pound.

The gross value of producer milk receipts under the Federal order program in 2004 was \$17.0 billion, about 62 percent of the cash receipts from all milk marketings in the country. This figure was computed for each order using the applicable minimum component prices adjusted to the actual component tests of producer milk receipts. On an individual order basis, the gross value of producer milk receipts was the highest in the Northeast order, followed next by the Upper Midwest order. Per producer, the gross value of producer milk receipts averaged \$324,119. Producers in the Arizona-Las Vegas order had a gross value of more than \$4.7 million each, more than twice as much as the next largest per producer gross value in the Florida order. On the other end of the scale, producers in the Upper Midwest order had a gross value of \$232,261 each.

FEDERAL MILK ORDER PRICE FORMULAS FOR 2004

Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent.
Component prices are per pound, rounded to nearest one-hundredth cent.
Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.

Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).
Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.
Class I Butterfat Price = Advanced butterfat pricing factor+ (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).
Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + \$0.70.
Class II Butterfat Price = Butterfat price + \$0.007.
Class II Nonfat Solids Price = Class II skim milk price divided by 9.

Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).
Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).
Protein Price = ((Cheese price - 0.165) x 1.383 + (((Cheese price - 0.165) x 1.572)-
Butterfat price x 0.9) x 1.17).
Other Solids Price = (Dry whey price - 0.159) times 1.03.
Butterfat Price = (Butterfat price - 0.115) times 1.20.

Class IV:

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).
Class IV Skim Milk Price = Nonfat solids price x 9.
Nonfat Solids Price = (Nonfat dry milk price - 0.14) x 0.99.
Butterfat Price = See Class III.

Somatic Cell Adjustment Rate = Cheese price x 0.0005, rounded to fifth decimal place.
Rate is per 1,000 somatic cell count difference from 350,000.

Table 30--NASS Dairy Product Price Averages Used in Federal Milk Order Price Formulas, 2004 ^{1/}

Year and Month	Product Price Averages For:									
	Class I (Skim, Bfat.), Class II (Skim, Nonfat Solids)					Class II (Bfat.), Class III, Class IV, Components				
	Weeks ending	Butter	Nonfat dry milk	Cheese	Dry Whey	Weeks ending	Butter	Nonfat dry milk	Cheese	Dry Whey
		Dollars per pound					Dollars per pound			
<u>2004</u>										
Jan	12/6,13	1.2219	0.8072	1.3227	0.1967	1/3,10,17,24	1.3632	0.8062	1.3023	0.1801
Feb	1/10,17	1.3687	0.8051	1.2977	0.1824	1/31,2/7,14,21,28	1.6582	0.8064	1.3260	0.1677
Mar	2/7,14	1.5879	0.8085	1.3054	0.1691	3/6,13,20,27	2.0994	0.8101	1.5680	0.1817
Apr	3/6,13	1.9921	0.8090	1.4582	0.1706	4/3,10,17,24	2.1994	0.8171	2.0520	0.2602
May	4/10,17	2.1514	0.8179	2.0530	0.2611	5/1,8,15,22,29	2.1385	0.8383	2.1266	0.2992
Jun	5/8,15	2.1633	0.8372	2.1838	0.2975	6/5,12,19,26	1.9290	0.8497	1.8411	0.2890
Jul	6/5,12	1.8723	0.8500	1.8683	0.2942	7/3,10,17,24	1.8269	0.8513	1.5695	0.2607
Aug	7/10,17	1.8610	0.8552	1.5439	0.2600	7/31,8/7,14,21,28	1.6101	0.8584	1.5167	0.2246
Sep	8/7,14	1.6058	0.8596	1.5047	0.2280	9/4,11,18,25	1.7278	0.8639	1.5867	0.2162
Oct	9/4,11	1.6746	0.8622	1.5958	0.2155	10/2,9,16,23,30	1.7000	0.8565	1.5256	0.2247
Nov	10/9,16	1.7223	0.8626	1.5373	0.2241	11/6,13,20,27	1.8224	0.8570	1.5886	0.2367
Dec	11/6,13	1.6845	0.8553	1.5481	0.2338	12/4,11,18,25	1.8122	0.8713	1.7146	0.2423
Avg.	----	1.7422	0.8358	1.6016	0.2278	----	1.8239	0.8405	1.6431	0.2319

^{1/} Figures are the average of the applicable weekly prices weighted by the sales volume for the week. See columns labeled “weeks ending” for applicable weeks. The most recently released information for the week is used. Averages are computed by the Agricultural Marketing Service.

Table 31--Federal Milk Order Class I and Class II Advanced Prices and Pricing Factors, 2004

Year and Month	Release Date	Class I Base Price <u>1/</u>	Base Skim Milk Price for Class I <u>2/</u>	Advanced Class III Skim Milk Pricing Factor	Advanced Class IV Skim Milk Pricing Factor	Advanced Butterfat Pricing Factor <u>3/</u>	Class II Skim Milk Price	Class II Nonfat Solids Price
		Dollars per cwt.					\$ per lb.	\$ per cwt.
<u>2004</u>								
Jan	12/19/03	11.85	7.46	7.46	5.94	1.3283	6.64	0.7378
Feb	1/23/04	11.59	6.55	6.55	5.93	1.5044	6.63	0.7367
Mar	2/20	11.94	5.96	5.68	5.96	1.7675	6.66	0.7400
Apr	3/19	13.64	5.96	5.64	5.96	2.2525	6.66	0.7400
May	4/23	19.65	11.50	11.50	6.04	2.4437	6.74	0.7489
Jun	5/21	21.13	12.98	12.98	6.21	2.4580	6.91	0.7678
Jul	6/18	17.95	10.95	10.95	6.33	2.1088	7.03	0.7811
Aug	7/23	14.62	7.55	7.55	6.37	2.0952	7.07	0.7856
Sep	8/20	13.94	7.96	7.96	6.41	1.7890	7.11	0.7900
Oct	9/17	14.78	8.53	8.53	6.44	1.8715	7.14	0.7933
Nov	10/22	14.29	7.81	7.81	6.44	1.9288	7.14	0.7933
Dec	11/19	14.43	8.12	8.12	6.37	1.8834	7.07	0.7856
Avg.	----	14.98	8.44	8.39	6.20	1.9526	6.90	0.7667

1/ This price is shown for informational purposes only; it is not defined in Section 1000.50 of the order. It equals (the base skim milk price for Class I times 0.965) plus (the advanced butterfat pricing factor times 3.5).

2/ The higher of the advanced Class III or IV skim milk pricing factors. The Class I skim milk prices equals this price plus the applicable Class I differential.

3/ The Class I butterfat price equals this price plus the (applicable Class I differential divided by 100).

Table 32--Federal Milk Order Class II, Class III, and Class IV Milk and Component Prices, 2004

Year and Month	Release Date	Class II Price <u>1/</u>	Class II Butterfat Price	Class III Price	Class III Skim Milk Price	Class IV Price	Class IV Skim Milk Price	Butterfat Price <u>2/ 3/</u>	Nonfat Solids Price	Protein Price <u>3/</u>	Other Solids Price <u>3/</u>	Somatic Cell Adjust-ment Rate <u>4/</u>
		\$/cwt.	\$/lb.	Dollars per cwt.				Dollars per pound				\$/count
<u>2004</u>												
Jan	1/30/04	11.67	1.5048	11.61	6.60	10.97	5.94	1.4978	0.6595	2.0875	0.0217	0.00065
Feb	3/5	12.90	1.8588	11.89	5.61	12.21	5.94	1.8518	0.6597	1.7911	0.0090	0.00066
Mar	4/2	14.79	2.3883	14.49	6.38	14.10	5.97	2.3813	0.6634	2.0133	0.0234	0.00078
Apr	4/30	15.21	2.5083	19.66	11.30	14.57	6.03	2.5013	0.6703	3.4465	0.1042	0.00103
May	6/4	15.03	2.4352	20.58	12.52	14.50	6.22	2.4282	0.6913	3.7639	0.1444	0.00106
Jun	7/2	14.31	2.1838	17.68	10.43	13.72	6.32	2.1768	0.7026	3.1086	0.1339	0.00092
Jul	7/30	14.00	2.0613	14.85	7.94	13.31	6.34	2.0543	0.7042	2.3625	0.1048	0.00078
Aug	9/3	13.13	1.8011	14.04	8.04	12.46	6.40	1.7941	0.7112	2.4663	0.0676	0.00076
Sep	10/1	13.66	1.9424	14.72	8.23	13.00	6.45	1.9354	0.7167	2.5431	0.0589	0.00079
Oct	11/5	13.57	1.9090	14.16	7.78	12.81	6.38	1.9020	0.7093	2.3814	0.0677	0.00076
Nov	12/3	14.09	2.0559	14.89	8.00	13.34	6.39	2.0489	0.7098	2.4297	0.0800	0.00079
Dec	12/30	13.98	2.0436	16.14	9.34	13.42	6.52	2.0366	0.7240	2.8486	0.0858	0.00086
Avg	---	13.86	2.0577	15.39	8.51	13.20	6.24	2.0507	0.6935	2.6035	0.0751	0.00082

1/ See Table 31--Federal Milk Order Class I and Class II Advanced Prices and Pricing Factors, for Class II skim milk prices.

2/ Butterfat price for both Class III and IV.

3/ Producer component prices; applicable to orders 1, 30, 32, 33, 124, 126, and 135.

4/ Adjustment to producer payment in component pricing orders with this provision. Rate is per 1,000 somatic cell count difference from 350,000. Somatic cell counts below 350,000 result in a positive adjustment and a higher payment. Counts above 350,000 result in a lower payment.

Table 33--Federal Milk Order Principal Pricing Points, with Class I Differentials

Federal Milk Order	Principal Pricing Point	Major City in Principal Pricing Point	Class I Differential for:	
			Principal Pricing Point	Other Major Cities in the Order
Northeast	Suffolk Co., MA	Boston	\$3.25	New York City, \$3.15; Philadelphia, \$3.05; Baltimore, \$3.00; and Washington, DC, \$3.00
Appalachian	Mecklenburg, Co., NC	Charlotte	\$3.10	Knoxville, \$2.80 and Louisville, \$2.20.
Southeast	Fulton Co., GA	Atlanta	\$3.10	New Orleans; \$3.60; Memphis, \$2.80; Nashville, \$2.60; and Springfield, MO., \$2.20
Florida	Hillsborough, Co., FL	Tampa	\$4.00	Orlando, \$4.00 Miami, \$4.30; and Jacksonville, \$3.70.
Mideast	Cuyahoga Co., OH	Cleveland	\$2.00	Indianapolis, \$2.00; Cincinnati, \$2.20; Pittsburgh, \$2.10; and Detroit, \$1.80
Upper Midwest	Cook Co., IL	Chicago	\$1.80	Milwaukee, \$1.75; and Minneapolis, \$1.70.
Central	Jackson Co., MO	Kansas City	\$2.00	Des Moines, \$1.80; Omaha, \$1.85; Oklahoma City, \$2.60; St. Louis, \$2.00, and Denver, \$2.55.
Southwest	Dallas Co., TX	Dallas	\$3.00	Houston, \$3.60; San Antonio, \$3.45; Albuquerque, \$2.35; and El Paso, \$2.25
Arizona-Las Vegas	Maricopa Co., AZ	Phoenix	\$2.35	Las Vegas, \$2.00.
Western 1/	Salt Lake Co., UT	Salt Lake City	\$1.90	Boise, \$1.60.
Pacific Northwest	King Co., WA	Seattle	\$1.90	Portland, \$1.90; and Spokane, \$1.90.

1/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 34--Class I Skim Milk Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Northeast	001	10.71	9.80	9.21	9.21	14.75	16.23	14.20	10.80	11.21	11.78	11.06	11.37	11.64
Appalachian	005	10.56	9.65	9.06	9.06	14.60	16.08	14.05	10.65	11.06	11.63	10.91	11.22	11.47
Southeast	007	10.56	9.65	9.06	9.06	14.60	16.08	14.05	10.65	11.06	11.63	10.91	11.22	11.46
Florida	006	11.46	10.55	9.96	9.96	15.50	16.98	14.95	11.55	11.96	12.53	11.81	12.12	12.37
Mideast	033	9.46	8.55	7.96	7.96	13.50	14.98	12.95	9.55	9.96	10.53	9.81	10.12	10.35
Upper Midwest	030	9.26	8.35	7.76	7.76	13.30	14.78	12.75	9.35	9.76	10.33	9.61	9.92	10.17
Central	032	9.46	8.55	7.96	7.96	13.50	14.98	12.95	9.55	9.96	10.53	9.81	10.12	10.35
Southwest	126	10.46	9.55	8.96	8.96	14.50	15.98	13.95	10.55	10.96	11.53	10.81	11.12	11.37
Arizona-Las Vegas	131	9.81	8.90	8.31	8.31	13.85	15.33	13.30	9.90	10.31	10.88	10.16	10.47	10.67
Western 2/	135	9.36	8.45	7.86	---	---	---	---	---	---	---	---	---	8.56
Pacific Northwest	124	9.36	8.45	7.86	7.86	13.40	14.88	12.85	9.45	9.86	10.43	9.71	10.02	10.28
All Markets Combined		10.15	9.24	8.64	8.67	14.21	15.69	13.66	10.25	10.65	11.23	10.51	10.82	11.06

1/ See Table 33 for principal pricing points of markets. All averages are weighted using the applicable pounds of skim milk in producer milk used in Class I products.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 35--Class I Butterfat Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Pound														
Northeast	001	1.3608	1.5369	1.8000	2.2850	2.4762	2.4905	2.1413	2.1277	1.8215	1.9040	1.9613	1.9159	1.9755
Appalachian	005	1.3593	1.5354	1.7985	2.2835	2.4747	2.4890	2.1398	2.1262	1.8200	1.9025	1.9598	1.9144	1.9741
Southeast	007	1.3593	1.5354	1.7985	2.2835	2.4747	2.4890	2.1398	2.1262	1.8200	1.9025	1.9598	1.9144	1.9757
Florida	006	1.3683	1.5444	1.8075	2.2925	2.4837	2.4980	2.1488	2.1352	1.8290	1.9115	1.9688	1.9234	1.9858
Mideast	033	1.3483	1.5244	1.7875	2.2725	2.4637	2.4780	2.1288	2.1152	1.8090	1.8915	1.9488	1.9034	1.9594
Upper Midwest	030	1.3463	1.5224	1.7855	2.2705	2.4617	2.4760	2.1268	2.1132	1.8070	1.8895	1.9468	1.9014	1.9631
Central	032	1.3483	1.5244	1.7875	2.2725	2.4637	2.4780	2.1288	2.1152	1.8090	1.8915	1.9488	1.9034	1.9626
Southwest	126	1.3583	1.5344	1.7975	2.2825	2.4737	2.4880	2.1388	2.1252	1.8190	1.9015	1.9588	1.9134	1.9742
Arizona-Las Vegas	131	1.3518	1.5279	1.7910	2.2760	2.4672	2.4815	2.1323	2.1187	1.8125	1.8950	1.9523	1.9069	1.9624
Western 2/	135	1.3473	1.5234	1.7865	---	---	---	---	---	---	---	---	---	1.5531
Pacific Northwest	124	1.3473	1.5234	1.7865	2.2715	2.4627	2.4770	2.1278	2.1142	1.8080	1.8905	1.9478	1.9024	1.9642
All Markets Combined		1.3558	1.5318	1.7948	2.2801	2.4714	2.4857	2.1364	2.1228	1.8165	1.8991	1.9564	1.9110	1.9682

1/ See Table 33 for principal pricing points of markets. All averages are weighted using the applicable pounds of butterfat in producer milk used in Class I products.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 36--Class I Milk Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Northeast	001	15.10	14.84	15.19	16.89	22.90	24.38	21.20	17.87	17.19	18.03	17.54	17.68	18.15
Appalachian	005	14.95	14.69	15.04	16.74	22.75	24.23	21.05	17.72	17.04	17.88	17.39	17.53	17.97
Southeast	007	14.95	14.69	15.04	16.74	22.75	24.23	21.05	17.72	17.04	17.88	17.39	17.53	17.97
Florida	006	15.85	15.59	15.94	17.64	23.65	25.13	21.95	18.62	17.94	18.78	18.29	18.43	18.88
Mideast	033	13.85	13.59	13.94	15.64	21.65	23.13	19.95	16.62	15.94	16.78	16.29	16.43	16.85
Upper Midwest	030	13.65	13.39	13.74	15.44	21.45	22.93	19.75	16.42	15.74	16.58	16.09	16.23	16.68
Central	032	13.85	13.59	13.94	15.64	21.65	23.13	19.95	16.62	15.94	16.78	16.29	16.43	16.85
Southwest	126	14.85	14.59	14.94	16.64	22.65	24.13	20.95	17.62	16.94	17.78	17.29	17.43	17.88
Arizona-Las Vegas	131	14.20	13.94	14.29	15.99	22.00	23.48	20.30	16.97	16.29	17.13	16.64	16.78	17.16
Western 2/	135	13.75	13.49	13.84	---	---	---	---	---	---	---	---	---	13.70
Pacific Northwest	124	13.75	13.49	13.84	15.54	21.55	23.03	19.85	16.52	15.84	16.68	16.19	16.33	16.80
All Markets Combined		14.54	14.28	14.62	16.35	22.36	23.84	20.66	17.32	16.63	17.48	16.99	17.13	17.56

1/ See Table 33 for principal pricing points of markets. All averages are weighted using the applicable pounds of milk in producer milk used in Class I products.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 37--Uniform Skim Milk Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Appalachian	005	9.52	8.72	8.65	8.63	12.03	12.96	12.04	9.75	10.27	10.39	10.08	10.40	10.31
Southeast	007	9.27	8.41	8.29	8.58	12.13	12.55	12.20	9.76	10.17	10.48	10.14	10.45	10.19
Florida	006	10.90	9.85	9.46	9.72	14.13	15.29	14.12	10.96	11.51	11.92	11.36	11.48	11.71
Arizona-Las Vegas	131	7.49	6.84	6.96	8.99	11.23	10.54	9.27	8.34	8.79	8.65	8.38	8.81	8.67
All Markets Combined		9.33	8.48	8.37	8.84	12.28	12.79	12.00	9.72	10.17	10.38	10.04	10.35	10.22

1/ Information is shown for those orders that use the skim milk/butterfat pricing system for paying producers. See Table 33 for principal pricing points of markets. All averages are weighted using the applicable skim milk pounds in total producer milk receipts.

Table 38--Uniform Butterfat Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Dollars per Pound												
Appalachian	005	1.4458	1.7359	2.1307	2.4078	2.4484	2.2958	2.0916	1.9289	1.8884	1.9046	2.0138	1.9844	2.0130
Southeast	007	1.4492	1.7481	2.1737	2.4128	2.4460	2.2841	2.0927	1.9285	1.8899	1.9035	2.0125	1.9859	2.0192
Florida	006	1.4344	1.7078	2.1004	2.3895	2.4568	2.3371	2.1090	1.9757	1.8812	1.9100	2.0082	1.9786	2.0224
Arizona-Las Vegas	131	1.4737	1.7983	2.2768	2.4614	2.4363	2.2291	2.0710	1.8615	1.9128	1.9025	2.0316	2.0132	2.0373
All Markets Combined		1.4495	1.7458	2.1652	2.4155	2.4470	2.2876	2.0915	1.9259	1.8917	1.9046	2.0151	1.9885	2.0204

1/ Information is shown for those orders that use the skim milk/butterfat pricing system for paying producers. See Table 33 for principal pricing points of markets. All averages are weighted using the applicable butterfat pounds in total producer milk receipts.

Table 39--Producer Price Differential, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Northeast	001	1.97	2.06	1.07	-2.38	-0.74	2.02	2.79	1.53	1.34	1.91	1.31	0.29	1.11
Mideast	033	0.90	0.98	0.19	-3.78	-1.59	0.88	1.70	0.57	0.34	0.73	0.32	-0.62	0.28
Upper Midwest	030	0.37	0.47	0.21	-4.11	-1.97	0.30	0.72	0.22	0.13	0.31	0.13	-0.95	0.06
Central	032	0.69	0.77	0.14	-4.02	-2.18	0.55	1.18	0.42	0.21	0.54	0.21	-0.88	0.09
Southwest	126	1.68	1.78	0.73	-3.48	-1.91	1.72	2.23	1.45	1.03	1.52	0.99	-0.47	0.73
Western 2/	135	0.52	0.64	0.20	---	---	---	---	---	---	---	---	---	0.52
Pacific Northwest	124	0.46	0.78	0.06	-4.32	-3.18	-0.23	0.89	0.11	-0.28	0.24	-0.14	-1.31	-0.39
All Markets Combined		1.00	1.12	0.53	-3.34	-1.58	0.93	1.62	0.73	0.60	0.91	0.61	-0.41	0.43

1/ Information is shown for those orders that use the component pricing system for paying producers. See Table 33 for principal pricing points of markets. All averages are weighted using the applicable pounds of total producer milk receipts.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 40--Uniform Milk Price, by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Northeast	001	13.58	13.95	15.56	17.28	19.84	19.70	17.64	15.57	16.06	16.07	16.20	16.43	16.46
Appalachian	005	14.25	14.49	15.80	16.76	20.18	20.54	18.94	16.16	16.52	16.69	16.78	16.98	17.00
Southeast	007	14.02	14.23	15.61	16.72	20.27	20.11	19.10	16.17	16.43	16.78	16.83	17.03	16.92
Florida	006	15.54	15.48	16.48	17.74	22.23	22.93	21.01	17.49	17.69	18.19	17.99	18.00	18.39
Mideast	033	12.51	12.87	14.68	15.88	18.99	18.56	16.55	14.61	15.06	14.89	15.21	15.52	15.33
Upper Midwest	030	11.98	12.36	14.70	15.55	18.61	17.98	15.57	14.26	14.85	14.47	15.02	15.19	14.75
Central	032	12.30	12.66	14.63	15.64	18.40	18.23	16.03	14.46	14.93	14.70	15.10	15.26	15.06
Southwest	126	13.29	13.67	15.22	16.18	18.67	19.40	17.08	15.49	15.75	15.68	15.88	15.67	16.00
Arizona-Las Vegas	131	12.39	12.89	14.69	17.29	19.36	17.97	16.19	14.56	15.18	15.01	15.20	15.55	15.51
Western 2/	135	12.13	12.53	14.69	---	---	---	---	---	---	---	---	---	12.68
Pacific Northwest	124	12.07	12.67	14.55	15.34	17.40	17.45	15.74	14.15	14.44	14.40	14.75	14.83	14.75
All Markets Combined		12.85	13.22	15.16	16.48	19.34	18.91	16.84	14.99	15.52	15.33	15.75	16.00	15.74

1/ For those orders that use the component pricing system for paying producers (orders 1, 30, 32, 33, 124, 126, and 135), the figures are the statistical uniform price (the sum of the producer price differential and the Class III price). For those orders that use the skim milk/butterfat pricing system for paying producers (orders 5, 6, 7, and 131), the figures are the uniform price (the sum of the uniform butterfat price times 3.5 and the uniform skim milk price times 0.965). Figures are shown at 3.5 percent butterfat; see Table 33 for principal pricing points of markets. All averages are weighted using the applicable pounds of total producer milk receipts.

2/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 41--Value Provided by the Portions of the Uniform Milk Price at Test by Federal Milk Order Marketing Area, 2004 1/

Federal Milk Order Marketing Area	Order Number	Butterfat 2/	Protein 3/	Other Solids 4/	Producer Price Differential 5/	Somatic Cell Adjustment 6/	Skim Milk 7/	Uniform Price at Test
		Dollars						
Northeast	001	7.51	7.91	0.43	1.11	---	---	16.96
Appalachian	005	7.28	---	---	---	---	9.94	17.22
Southeast	007	7.37	---	---	---	---	9.82	17.19
Florida	006	7.30	---	---	---	---	11.29	18.59
Mideast	033	7.53	7.91	0.43	0.28	0.02	---	16.17
Upper Midwest	030	7.63	7.89	0.42	0.06	0.05	---	16.05
Central	032	7.51	7.91	0.43	0.09	0.05	---	15.99
Southwest	126	7.46	7.97	0.43	0.73	0.04	---	16.63
Arizona-Las Vegas	131	7.35	---	---	---	---	---	15.71
Western 8/	135	7.07	6.11	0.10	---	---	---	13.80
Pacific Northwest	124	7.55	7.94	0.43	-0.39	---	---	15.52

1/ For those orders that use the component pricing system for paying producers (orders 1, 30, 32, 33, 124, 126, and 135), the uniform milk price at test is the sum of the values of the butterfat, protein, and other solids components and the producer price differential. Orders 30, 32, 33, and 126 also include an adjustment for the somatic cell count in producer milk. For those orders that use the skim milk/butterfat pricing system for paying producers (orders 5, 6, 7, and 131), the uniform milk price at test is the sum of the values of butterfat and skim milk.

2/ For those orders using the component pricing system (see 1/); the butterfat value is the annual average Class III butterfat price (see Table 32) times the order's annual average pounds of butterfat in 100 pounds of producer milk (see Table 8 for butterfat tests). For those orders using the skim milk/butterfat pricing system (see 1/); the butterfat value is the annual average uniform butterfat price (see Table 38) times the order's annual average pounds of butterfat in 100 pounds of producer milk (see Table 8 for butterfat tests).

3/ The protein value is the annual average Class III protein price (see Table 32) times the order's annual average pounds of protein in 100 pounds of producer milk (see Table 10 for protein tests).

4/ The other solids value is the annual average Class III other solids price (see Table 32) times the order's annual average pounds of other solids in 100 pounds of producer milk (see Table 11 for other solids tests).

5/ The producer price differential is the annual average producer price differential for the order (see Table 39).

6/ The somatic cell adjustment value is the annual average of the somatic cell adjustment rate (see Table 32) times the difference between 350,000 and the annual average somatic cell count for all producer milk under the order (see Table 12).

7/ The skim milk value is the annual average uniform skim price for the month (see Table 37) times the order's annual average proportion of skim milk in 100 pounds of producer milk (1 minus the order's annual average butterfat test; see table 8).

8/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

Table 42--Uniform Milk Price at Test and Gross Value of Producer Milk Receipts for All Producers and Per Producer, by Federal Milk Order Marketing Area, 2004

Federal Milk Order Marketing Area	Order Number	Uniform Milk Price at Test 2/ Dollars per Cwt.	Gross Value of Milk Receipts 1/	
			All Producers 1,000 Dollars	Per Producer Dollars
Northeast	001	16.96	3,843,930	255,597
Appalachian	005	17.22	1,068,222	312,986
Southeast	007	17.19	1,231,359	321,420
Florida	006	18.59	534,037	1,780,124
Mideast	033	16.17	2,576,730	259,228
Upper Midwest	030	16.05	2,777,604	232,261
Central	032	15.99	1,852,677	314,120
Southwest	126	16.63	1,461,888	1,693,961
Arizona-Las Vegas	131	15.71	455,795	4,747,869
Western 3/	135	13.80	151,234	879,269
Pacific Northwest	124	15.52	1,011,891	1,216,216
All Markets Combined		16.46	16,965,368	324,119

1/ For component pricing orders (orders 1, 30, 32, 33, 124, 126, and 135), the sum of the value of producer milk components and the value of the producer price differential. For skim/butterfat pricing orders (orders 5, 6, 7, and 131), the product of producer milk receipts in hundredweights (cwts.), and the uniform price at test.

2/ For component pricing orders (see 1/), equals the Class III price adjusted to the applicable component test of producer milk receipts plus the producer price differential. For skim/buttermilk pricing orders (see 1/), equals the sum of the uniform skim milk price times (1 minus (the butterfat test of producer milk receipts divided by 100)) plus (the uniform butterfat price times (the butterfat test of producer milk receipts)).

3/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

SUMMARY OF FLUID MILK PRODUCT SALES

Two different data series of fluid milk product sales are shown in this section. The first data series shows the volume of packaged fluid milk products sold in a specific order's marketing area. This volume includes handlers regulated under the order whose marketing area is listed, and also could include handlers regulated under other Federal orders, and handlers not regulated under any Federal milk order. The second data series presents the volume of packaged fluid milk products produced by handlers regulated under the specific Federal milk order listed. This production may be distributed in the marketing area of the Federal order under which the handler is regulated, in the marketing area of another Federal order, or in an area that is outside any Federal milk order marketing area.

Almost 44 billion pounds of packaged fluid milk products were sold in all Federal milk order marketing areas in 2004. This volume was more than 82 percent of all the packaged fluid milk products sold in the United States. As a side note, about 80 percent of the total population in the U.S. resides in Federal milk order marketing areas. The proportion of total in-area sales by source was: handlers regulated under the specific order, 89%; handlers regulated under other Federal orders, 8%; and, handlers not regulated under any Federal milk order, 3%. For all Federal milk order marketing areas combined, more reduced fat (2%) milk is sold than any other fluid milk product. Reduced fat milk sales totaled 14.1 billion pounds versus 14.0 billion pounds for whole milk. This is the first time that annual reduced fat (2%) milk sales have exceeded whole milk sales for all orders combined.

Per capita sales of fluid milk products in 2004, for all markets in effect the entire year, were 186 pounds or about 21.6 gallons. The order with the highest volume of per capita in-area sales was the Pacific Northwest order, 217 pounds, 25.3 gallons. The Southeast order had the smallest per capita sales, 162 pounds, 18.8 gallons. Orders with above-average per capita sales included: Upper Midwest, Central, and Mideast.

Nearly 45 billion pounds of packaged fluid milk products were produced by the handlers regulated under the Federal milk order program in 2004. This volume was nearly 84 percent of all the packaged fluid milk products produced in the United States in that year. The fluid milk product with the largest volume was reduced fat milk (2% milk), 14.40 billion pounds, followed by whole milk with 14.03 billion pounds. These two products accounted for about 64 percent of the total fluid milk products produced by regulated handlers. The order with the largest volume of packaged fluid milk production was the Northeast, 10.7 billion pounds, nearly 67 percent larger than the next biggest volume, 6.4 billion pounds in the Mideast order.

Table 43--Summary of Packaged Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Months, 2004 1/ 2/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
		Million Pounds												
Northeast	001	845	748	844	787	780	746	785	755	794	815	812	851	9,562
Appalachian	005	309	275	308	288	273	267	286	297	292	293	295	297	3,482
Southeast	007	423	378	407	397	381	360	379	408	409	415	413	414	4,784
Florida	006	259	240	262	247	232	218	236	248	237	248	252	258	2,938
Mideast	033	565	500	554	519	505	467	507	512	525	533	545	558	6,290
Upper Midwest	030	380	345	379	366	351	329	346	348	363	373	380	385	4,342
Central	032	415	370	405	389	367	350	369	384	391	398	404	406	4,647
Southwest	126	374	336	364	353	333	324	332	354	358	361	365	365	4,220
Arizona-Las Vegas	131	113	109	114	111	103	102	104	108	104	105	110	108	1,291
Western 3/	135	81	74	75	---	---	---	---	---	---	---	---	---	231
Pacific Northwest	124	187	167	187	179	176	170	174	174	182	183	190	187	2,156
All Markets Combined		3,950	3,541	3,900	3,636	3,501	3,333	3,518	3,589	3,655	3,723	3,766	3,830	43,942

1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas. Fluid milk products include: plain and flavored whole milk, eggnog, plain and flavored fat-reduced milk, buttermilk, and miscellaneous fluid milk products.

2/ All Markets Combined and TOTAL may not add due to rounding.

3/ Effective April 1, 2004, the Western Federal milk order was terminated.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2004 1/

Product Name	All Markets Combined		Northeast		Appalachian		Southeast	
	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk products 2/	14,909.6	3.29	3,889.3	3.26	1,290.7	3.30	2,007.9	3.26
Whole milk	13,995.2	3.26	3,773.7	3.23	1,213.9	3.26	1,855.4	3.26
Flavored whole milk	757.7	3.38	69.8	3.40	64.7	3.46	137.1	2.81
Eggnog	118.3	6.79	33.3	6.77	8.4	7.16	12.5	7.61
Fat-reduced milk products 2/	29,031.9	1.29	5,672.3	1.16	2,190.8	1.34	2,776.3	1.37
Reduced fat milk (2%)	14,141.6	1.96	2,057.8	1.98	1,161.7	1.97	1,464.5	1.98
Low fat milk (1%)	4,986.9	0.98	1,587.1	1.00	238.2	0.99	315.8	1.00
Fat-free milk (skim)	6,452.4	0.11	1,425.5	0.10	434.2	0.14	566.6	0.16
Flavored fat-reduced milk	2,902.5	1.11	562.8	1.26	227.6	1.06	303.8	1.05
Buttermilk	427.4	1.34	32.5	1.33	64.3	1.21	116.8	1.29
Total fluid milk products 2/	43,941.5	1.97	9,561.7	2.01	3,481.6	2.07	4,784.2	2.16

Continued

See footnotes on page 63.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2004 1/--Con.

Product Name	Florida		Mideast		Upper Midwest		Central	
	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk products 2/	1,297.0	3.33	1,597.2	3.30	779.5	3.31	1,183.0	3.28
Whole milk	1,222.8	3.29	1,461.1	3.25	698.5	3.28	1,088.8	3.24
Flavored whole milk	58.0	3.51	118.3	3.50	69.1	3.36	84.4	3.40
Eggnog	9.8	7.28	16.3	6.01	8.9	6.25	9.8	7.02
Fat-reduced milk products 2/	1,641.0	1.25	4,692.5	1.37	3,563.0	1.16	3,463.8	1.30
Reduced fat milk (2%)	774.7	1.97	2,635.7	1.96	1,574.7	1.96	1,794.5	1.96
Low fat milk (1%)	291.5	1.01	595.9	0.86	579.8	0.97	507.1	0.96
Fat-free milk (skim)	403.2	0.11	915.2	0.11	1,036.1	0.10	790.4	0.12
Flavored fat-reduced milk	154.4	1.03	491.2	1.15	336.5	0.96	327.4	1.04
Buttermilk	16.3	1.12	53.1	1.77	28.3	1.10	37.6	1.24
Total fluid milk products 2/	2,938.0	2.16	6,289.7	1.86	4,342.5	1.54	4,646.8	1.80

Continued

See footnotes on page 63.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2004 1/--Con.

Product Name	Southwest		Arizona-Las Vegas 3/		Western 4/		Pacific Northwest	
	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content	Total Sales	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk products 2/	1,958.3	3.31	430.3	3.30	43.6	3.30	432.7	3.44
Whole milk	1,835.9	3.29	404.5	3.28	41.5	3.28	399.1	3.29
Flavored whole milk	113.0	3.71	20.3	3.07	2.1	3.55	20.8	4.34
Eggnog	1.2	7.47	5.5	6.07	5/	7.36	12.7	6.87
Fat-reduced milk products 2/	2,261.8	1.37	860.2	1.38	186.9	1.38	1,723.3	1.36
Reduced fat milk (2%)	1,194.8	1.89	482.2	1.96	90.6	2.00	910.5	1.99
Low fat milk (1%)	357.6	1.03	142.5	0.99	45.2	1.00	326.3	0.99
Fat-free milk (skim)	339.4	0.11	165.9	0.09	30.5	0.16	345.4	0.13
Flavored fat-reduced milk	299.5	1.10	58.6	1.24	18.4	1.26	122.1	1.16
Buttermilk	48.8	1.56	10.3	1.06	1.7	1.10	17.7	1.25
Total fluid milk products 2/	4,220.1	2.27	1,290.5	2.02	230.5	1.74	2,156.0	1.78

1/ Includes sales in each area by handlers regulated under the respective order, by handlers regulated under other orders, by partially regulated handlers, by exempt handlers, and by producer-handlers. (See page 6 for the definitions of these handler types.) Sales routes of some handlers may extend outside defined marketing areas; therefore some in-area sales may be partially estimated.

2/ May include miscellaneous fluid milk products.

3/ The in-area sales data for this order does not include all the sales in the marketing area due to the reporting exemption of fluid milk processors located in Clark County, Nevada.

4/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

5/ Less than 500,000 pounds.

Table 45--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2004 1/

Product Name	All Markets Combined		Northeast		Appalachian		Southeast	
	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk	14,032.8	3.27	3,873.7	3.27	1,549.6	3.26	1,774.7	3.28
Flavored whole milk	782.6	3.35	109.3	3.04	72.1	3.50	131.2	2.81
Eggnog	121.3	6.75	41.1	6.73	10.6	6.82	12.5	7.52
Reduced fat milk (2%)	14,402.0	1.96	2,348.1	1.99	1,455.6	1.98	1,415.6	1.99
Low fat milk (1%)	5,102.8	0.98	1,749.1	1.00	284.2	0.99	326.4	1.01
Fat-free milk (skim)	6,609.2	0.11	1,652.3	0.10	527.1	0.15	564.7	0.17
Flavored fat-reduced milk	2,887.1	1.12	672.4	1.39	238.8	0.94	270.6	0.96
Buttermilk	426.4	1.33	29.3	1.17	81.4	1.16	109.5	1.34
Miscellaneous milk products	357.5	2.03	198.4	2.71	68.9	0.52	15.9	1.49
Total fluid milk products	44,721.6	1.96	10,673.7	2.00	4,288.3	2.09	4,621.0	2.15

Continued

See footnotes on page 66.

Table 45--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2004 1/ --Con.

Product Name	Florida		Mideast		Upper Midwest		Central	
	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk	1,076.9	3.29	1,525.9	3.26	673.2	3.25	1,008.8	3.23
Flavored whole milk	52.0	3.55	115.6	3.44	68.8	3.39	71.0	3.43
Eggnog	8.9	7.30	14.1	5.82	8.0	6.32	8.1	7.42
Reduced fat milk (2%)	667.3	1.97	2,661.6	1.96	1,647.5	1.95	1,684.4	1.96
Low fat milk (1%)	261.5	1.02	615.9	0.86	570.7	0.97	479.9	0.96
Fat-free milk (skim)	348.6	0.10	916.4	0.11	1,063.3	0.10	714.1	0.12
Flavored fat-reduced milk	119.6	0.83	486.7	1.12	322.6	0.92	300.8	1.06
Buttermilk	14.4	1.07	54.0	1.79	28.0	1.11	37.2	1.20
Miscellaneous milk products	9.5	1.67	4.4	2.47	14.4	1.64	3.8	1.48
Total fluid milk products	2,558.8	2.17	6,394.5	1.87	4,396.5	1.52	4,308.2	1.80

Continued

See footnotes on page 66.

Table 45--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2004 1/--Con.

Product Name	Southwest		Arizona-Las Vegas		Western 2/		Pacific Northwest	
	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Whole milk	1,823.9	3.26	276.4	3.25	54.5	3.27	395.1	3.30
Flavored whole milk	112.3	3.77	19.6	2.97	7.5	3.66	23.0	4.39
Eggnog	0	---	5.2	5.91	3/	---	12.9	6.85
Reduced fat milk (2%)	1,153.1	1.88	367.8	1.94	120.0	2.00	881.2	1.99
Low fat milk (1%)	345.1	1.03	120.3	0.98	46.9	1.00	302.7	0.99
Fat-free milk (skim)	328.5	0.11	124.2	0.09	32.1	0.16	337.7	0.13
Flavored fat-reduced milk	293.7	1.13	46.0	1.21	22.1	1.30	113.9	1.29
Buttermilk	46.3	1.59	7.2	1.05	2.0	1.10	17.0	1.27
Miscellaneous milk products	35.3	1.65	0.0	---	3/	---	7.0	2.26
Total fluid milk products	4,138.1	2.27	966.7	1.96	285.3	1.85	2,090.5	1.80

1/ Includes product distributed both in and out of the respective Federal milk order marketing area. Besides receipts from producers, these dispositions also may include receipts from other Federal order plants and/or receipts from other sources.

2/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

3/ Restricted, represents sales by fewer than three handlers. Figures are included in the total for the market.

SUMMARY OF MILK USED TO PRODUCE MANUFACTURED PRODUCTS

The statistics shown in this section differ from those shown in the Quantities and Utilization of Milk Priced section. In addition to producer milk used in each class, this section also includes “other source” milk. “Other source” milk is milk and dairy products received from other order plants or unregulated plants. The comparability of some of the statistics in this section also is affected by handler decisions not to pool producer milk due to disadvantageous price relationships.

During 2004, over 59.0 billion pounds of milk, skim milk, and cream that were used to produce Class II, III, and IV products were handled by milk processors regulated under the Federal milk order program. This volume was either processed in their own plants, or transferred or diverted to unregulated nonpool plants for processing. On a whole-milk-equivalent basis, 41.9 percent of this volume was used in Class III products, 38.1 percent in Class II, 19.7 percent in Class IV, and 0.3 percent in other uses (milk and dairy products that were dumped, used for animal feed, or destroyed). It should be noted that effective May 1, 2004, milk, skim milk, and cream used to produce evaporated milk in consumer-type packages and sweetened condensed milk in consumer-type packages was reclassified from Class III to Class IV.

There were 15.5 billion pounds of milk, skim milk, and cream used to produce Class II products in 2004. The butterfat test of this volume was 7.15 percent. On a volume basis, the largest Class II volume was used in frozen desserts, 6.0 billion pounds with 8.32 percent butterfat content, followed by cottage cheese, 3.2 billion pounds with 1.50 percent butterfat content. On a whole-milk-equivalent basis, both fluid cream products and sour cream products use would have been larger than cottage cheese. On an individual order basis, those orders with larger populations had higher Class II volumes, with the exception of the Southeast order.

Class III production accounted for 31.1 billion pounds of milk, skim milk, and cream which had a butterfat test of 3.92 percent. The largest Class III volume was used in American cheese, 15.6 billion pounds with 3.85 percent butterfat content, followed by Italian cheese, 10.0 billion pounds with 3.29 percent butterfat content. The order with the largest volume of Class III production was the Upper Midwest, 8.8 billion pounds, followed by the Mideast order with 5.8 billion pounds. These two orders accounted for 47 percent of total Class III production in all Federal milk orders.

There were 12.1 billion pounds of milk, skim milk, and cream used to produce Class IV products in 2004. The butterfat content of this volume was 4.74 percent. The Class IV product with the largest volume was nonfat dry milk; the product with the largest whole-milk-equivalent was butter. The order with the largest volume used to produce Class IV products was the Upper Midwest, 2.5 billion pounds. About 0.3 billion pounds of milk, skim milk, and cream were used in “other uses” in 2004. This use would have been Class III in February; Class IV in January, and March through December.

Table 46--Milk, Skim Milk, and Cream Used to Produce Class II Products, by Handlers Regulated Under Federal Milk Orders, by Product Grouping, by Order, 2004 1/

Federal Milk Order Marketing Area	Order Number	Fluid Cream Products 2/		Sour Cream Products		Cottage Cheese 3/		Frozen Desserts		Yogurt		Total Class II 4/	
		Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
		Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Northeast	001	970.6	17.70	286.1	12.94	1,016.9	1.64	1,470.4	7.43	431.9	1.65	4,789.9	7.63
Appalachian	005	78.7	20.64	22.6	15.38	205.1	3.21	431.4	6.83	25.0	0.66	1,084.5	5.94
Southeast	007	69.5	16.01	17.1	16.97	75.6	0.79	696.2	7.54	5/	---	900.8	7.50
Florida	006	66.9	18.28	5/	---	5/	---	172.6	11.55	5/	---	359.3	9.49
Mideast	033	90.8	26.16	125.4	11.96	596.8	2.31	1,010.1	8.78	763.4	2.38	2,934.6	5.84
Upper Midwest	030	213.3	17.99	139.7	14.38	274.0	1.12	546.7	8.83	69.4	1.33	1,396.9	8.20
Central	032	72.1	21.02	85.1	16.36	603.5	0.76	746.0	7.90	157.5	0.80	1,712.4	5.67
Southwest	126	136.2	19.23	240.9	11.88	126.1	0.87	683.2	7.22	122.9	1.63	1,431.7	7.84
Arizona-Las Vegas	131	5/	---	5/	---	5/	---	102.4	21.34	5/	---	251.5	11.35
Western 6/	135	5/	---	4.7	15.44	5/	---	29.0	11.30	5/	---	104.0	6.05
Pacific Northwest	124	104.6	20.41	48.5	12.06	172.8	0.47	136.7	14.54	82.1	0.81	565.2	8.68
All Markets Combined		1,839.9	18.60	991.1	13.18	3,210.1	1.50	6,024.7	8.32	1,726.5	1.78	15,530.8	7.15

1/ Includes producer milk and other source milk used to produce these products in regulated pool plants as well as milk diverted or transferred to non-order plants where these products are manufactured. It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic.

2/ Includes milk and cream mixtures, light cream, and heavy cream.

3/ Includes ricotta cheese.

4/ Includes listed product groupings, miscellaneous cream products, "other" food products, and restricted data per 5/.

5/ Data are restricted; pertains to the operations of fewer than three handlers. Data are included in the "All Markets Combined" figure for the product grouping.

6/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

Table 47--Milk, Skim Milk, and Cream Used to Produce Class III Products, by Handlers Regulated Under Federal Milk Orders, by Product Grouping, by Order, 2004 1/

Federal Milk Order Marketing Area	Order Number	American Cheese		Italian Cheese		Cream Cheese		Other Cheese		Total Class III 2/	
		Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
		Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Northeast	001	1,799.7	3.54	2,780.7	3.22	557.6	10.67	255.8	3.73	5,490.0	4.10
Appalachian	005	240.8	6.98	19.2	3.68	0	---	3/	---	265.5	6.76
Southeast	007	869.1	4.65	0	---	0	---	0	---	869.1	4.65
Florida	006	96.2	5.63	0	---	0	---	0	---	96.2	5.63
Mideast	033	1,242.6	3.08	2,545.5	3.13	0	---	1,956.1	4.03	5,758.6	3.43
Upper Midwest	030	4,857.3	3.79	2,290.4	3.63	3/	---	1,460.0	4.47	8,844.0	3.86
Central	032	1,916.6	3.81	2,154.6	3.27	41.2	16.71	129.5	4.02	4,268.6	3.70
Southwest	126	1,796.6	3.37	0	---	49.4	22.20	3/	---	1,886.8	3.94
Arizona-Las Vegas	131	3/	---	0	---	3/	---	17.6	43.38	1,084.4	5.36
Western 4/	135	3/	---	3/	---	3/	---	419.1	3.77	609.5	3.43
Pacific Northwest	124	1,637.2	3.96	3/	---	6.7	43.69	223.9	4.88	1,897.1	4.20
All Markets Combined		15,552.7	3.85	9,980.2	3.29	655.2	12.27	4,468.6	4.34	31,070.0	3.92

1/ Includes producer milk and other source milk used to produce these products in regulated pool plants as well as milk diverted or transferred to non-order plants where these products are manufactured. It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic.

2/ Includes listed cheeses, evaporated or sweetened condensed milk in consumer-type packages (January through April only), 80% milkfat product in other products, and restricted data per 3/.

3/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in All Markets Combined.

4/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

Table 48--Milk, Skim Milk, and Cream Used to Produce Class IV Products, by Handlers Regulated Under Federal Milk Orders, by Product Grouping, by Order, 2004 1/

Federal Milk Order Marketing Area	Order Number	Butter		Nonfat Dry Milk		Other Dry Milk		Total Class IV 2/		Other Uses 3/	
		Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content	Volume	Butterfat Content
		Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent	Mil. lbs.	Percent
Northeast	001	169.6	50.12	1,613.7	0.09	175.8	4.55	2,244.7	4.45	90.0	2.92
Appalachian	005	91.4	17.01	79.3	1.70	0	---	182.3	9.26	35.8	2.22
Southeast	007	187.0	17.40	4/	---	0	---	273.5	11.91	61.6	2.21
Florida	006	18.0	24.34	0	---	0	---	39.4	11.11	18.3	2.27
Mideast	033	151.3	39.13	344.5	0.17	79.2	6.46	639.8	10.38	12.7	2.22
Upper Midwest	030	433.5	21.20	1,224.5	0.47	301.8	0.65	2,530.1	4.75	8.6	2.56
Central	032	100.4	39.41	788.0	3.65	0	---	1,036.4	7.09	39.2	2.11
Southwest	126	478.7	12.26	1,504.3	0.11	4/	---	2,012.9	3.12	44.2	2.30
Arizona-Las Vegas	131	27.6	24.62	4/	---	4/	---	794.2	0.92	4/	---
Western 5/	135	21.7	36.09	4/	---	0	---	98.1	8.45	4/	---
Pacific Northwest	124	207.9	38.86	2,050.2	0.09	0	---	2,271.0	3.64	3.6	3.29
All Markets Combined		1,887.2	25.56	8,367.4	0.51	695.1	2.37	12,122.4	4.74	324.5	2.43

1/ Includes producer milk and other source milk used to produce these products in regulated pool plants as well as milk diverted or transferred to non-order plants where these products are manufactured. It should be noted that the election not to pool milk normally associated with an order due to a disadvantageous price relationship affects the comparability of this statistic.

2/ Includes listed product groupings, evaporated or sweetened condensed milk in consumer type packages (May through December only), nonfat solids used to fortify fluid milk products, and restricted data per 4/.

3/ Milk and dairy products that have been dumped, used for animal feed, or destroyed. Such uses are assigned to the lowest prices for the month: Class III in February; and Class IV in all other months.

4/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in the "All Areas Combined" figure for the product grouping.

5/ Data are for January through March. Effective April 1, 2004, the order regulating this marketing area was terminated.

SCHEDULE OF FEDERAL MILK ORDER MARKET ADMINISTRATOR BUDGETS 1/, BY OFFICE LOCATION 2/, CALENDAR YEARS 2004 AND 2005

- AMOUNTS IN DOLLARS -

EXPENSES	ALL MARKET ADMINISTRATORS		ATLANTA, GEORGIA 5/		KANSAS CITY, KANSAS 6/		LOUISVILLE, KENTUCKY 7/		BOSTON, MASSACHUSETTS 8/	
	2004	2005	2004	2005	2004	2005	2004	2005	2004	2005
Group Authorization 3/	16,786,458	17,536,790	1,569,000	1,626,540	2,147,500	2,135,500	1,210,500	1,243,500	4,036,156	4,589,000
Salaries and Services	31,765,866	31,874,050	3,282,540	3,300,000	4,000,000	3,900,000	2,125,000	2,219,000	7,765,000	7,950,000
Travel	2,924,500	3,005,300	239,000	236,000	405,000	405,000	238,000	256,000	693,800	730,000
Conferences & Meetings	192,800	200,500	19,900	15,000	30,000	30,000	26,000	15,000	27,000	51,000
Miscellaneous 4/	1,053,250	973,350	36,900	24,000	182,000	212,000	83,500	83,500	94,000	100,000
Total Expenses	52,722,874	53,589,990	5,147,340	5,201,540	6,764,500	6,682,500	3,683,000	3,817,000	12,615,956	13,420,000
Administrative Fund	45,576,900	46,646,409	4,449,456	4,681,386	6,494,500	6,348,500	3,015,225	3,194,020	9,768,356	10,617,509
Marketing Service Fund	7,145,974	6,943,581	697,884	520,154	270,000	334,000	667,775	622,980	2,847,600	2,802,491
Total Expenses	52,722,874	53,589,990	5,147,340	5,201,540	6,764,500	6,682,500	3,683,000	3,817,000	12,615,956	13,420,000

EXPENSES	MINNEAPOLIS, MINNESOTA 9/		CLEVELAND, OHIO 10/		DALLAS, TEXAS 11/		SEATTLE, WASHINGTON 12/	
	2004	2005	2004	2005	2004	2005	2004	2005
Group Authorization 3/	2,666,500	2,582,500	2,552,000	2,645,000	1,199,000	1,338,000	1,405,802	1,376,750
Salaries and Services	5,800,000	5,675,000	3,550,000	3,725,000	2,800,000	2,980,000	2,443,326	2,125,050
Travel	392,000	360,000	445,000	445,000	169,200	209,000	342,500	364,300
Conferences & Meetings	30,000	30,000	20,000	22,000	20,000	20,000	19,900	17,500
Miscellaneous 4/	250,000	277,000	51,000	48,000	137,200	132,000	218,650	96,850
Total Expenses	9,138,500	8,924,500	6,618,000	6,885,000	4,325,400	4,679,000	4,430,178	3,980,450
Administrative Fund	9,094,500	8,885,232	4,292,480	4,527,610	4,325,400	4,679,000	4,136,983	3,713,152
Marketing Service Fund	44,000	39,268	2,325,520	2,357,390	0	0	293,195	267,298
Total Expenses	9,138,500	8,924,500	6,618,000	6,885,000	4,325,400	4,679,000	4,430,178	3,980,450

CONTINUED

SCHEDULE OF FEDERAL MILK ORDER MARKET ADMINISTRATOR BUDGETS 1/, BY OFFICE LOCATION 2/, CALENDAR YEARS 2004 AND 2005 - CON.

1/ Market Administrators' budgets are estimated expenses for the calendar year as reviewed and approved by the Deputy Administrator, Dairy Programs, Agricultural Marketing Service, United States Department of Agriculture. Expenses include any amounts revised as of January 28, 2005. Full disclosure of actual expenses is provided in each market administrator's annual financial statements.

2/ Budget amounts include expenses for all orders serviced by the same market administrator and are listed under each market administrator's main office location.

3/ Group Authorization includes the following expenses: Communications; employee insurance, retirement and thrift savings plan; insurance; rent; research projects; supplies; testing and weighing; utilities; and depreciation.

4/ Miscellaneous includes the following expenses: Training; uncollectible accounts; interest; subscriptions; licenses and fees; service charges; and other.

5/ Includes the Florida and Southeast milk marketing orders.

6/ Includes the Central milk marketing order.

7/ Includes the Appalachian milk marketing order.

8/ Includes the Northeast milk marketing order.

9/ Includes the Upper Midwest milk marketing order.

10/ Includes the Mideast milk marketing order.

11/ Includes the Southwest milk marketing order.

12/ Includes the Pacific Northwest and Arizona-Las Vegas milk marketing orders, and the Western order for January through March 2004.