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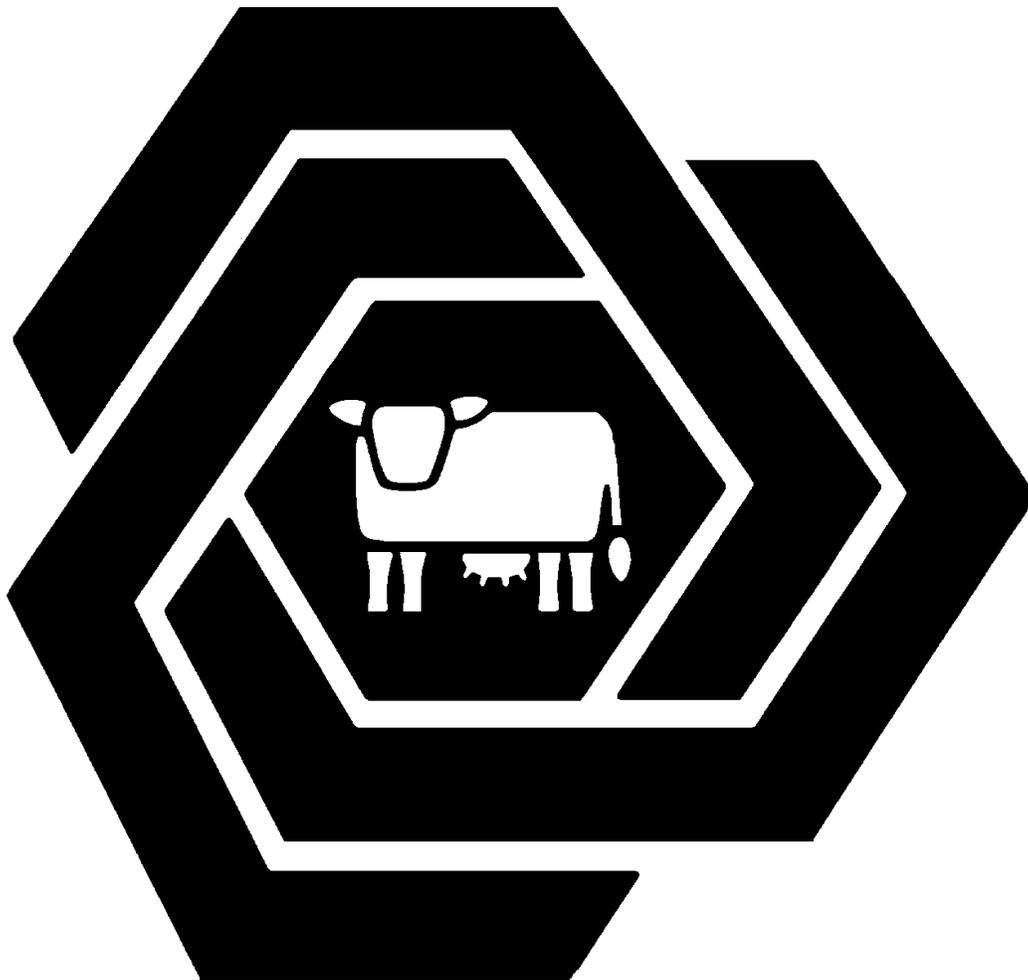
Agricultural  
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# Federal Milk Order Market Statistics

## 2001 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 2001. Similar data for the period from 1947 through 2000 have been published in 44 previous annual summaries.

Issued May 2002

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## **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 44 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 5<sup>th</sup> of the following month.

Class I prices vary across the Federal milk order system and are announced in advance by the 23<sup>rd</sup> 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 23<sup>rd</sup> 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, 2001, with Number Assigned Each Order in the Code of Federal Regulations and Date on Which Each Order Became Effective

Federal Milk Order	CFR-Chapter 7 Part Number	Date Effective
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.	1005	1-1-2000
Arizona-Las Vegas..... Central Arizona --12-1-1955; and, Addition of: 1 Nevada county from Great Basin and 8 unregulated counties in Arizona.	1131	1-1-2000
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 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.	1032	1-1-2000
Florida..... Merger of: Southeastern Florida --9-1-1957, Tampa Bay --1-1-1966, And, Upper Florida --1-1-1967.	1006	1-1-2000
Midwest..... 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.	1033	1-1-2000
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.	1001	1-1-2000

Continued

Table 1—Federal Milk Orders in Effect on December 31, 2001, with Number Assigned Each Order in the Code of Federal Regulations and Date on Which Each Order Became Effective –Con.

Federal Milk Order	CFR-Chapter 7 Part Number	Date Effective
Pacific Northwest..... 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 16 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
Western..... Merger of: Great Basin, minus 1 Nevada County -- 4-1-1988, and Southwestern Idaho-Eastern Oregon --7-1-1981.	1135	1-1-2000
Upper Midwest..... Merger of: Chicago Regional -- 7-1-1968, and Upper Midwest -- 6-1-1976; and, 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, 1947-2001

Year	Number of markets 1/	Population of Federal milk marketing areas	Number of handlers 1/	Number of producers 2/	Receipts of producer milk 3/	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 producers
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
1986	44	177,992	849	112,322	98,791	42,725	43.2	13.60	12.38	80	71	2,413	111,581	12,515,451
1987	43	180,374	797	105,882	98,182	42,876	43.7	13.90	12.51	80	71	2,542	118,402	12,529,800
1988	42	184,180	776	104,141	100,066	43,141	43.1	13.42	12.14	79	71	2,627	119,261	12,419,974
1989	41	185,919	748	100,291	95,871	43,367	45.2	14.51	13.30	75	68	2,614	129,744	13,012,796
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

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

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

3/ 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.

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, 2001, Total and by State, According to the 2000 United States Census 1/

Federal Milk Order Marketing Area	Order Number	States	2000 Census	Census Update 2/
Appalachian	005	<u>Total</u>	<u>18,436,178</u>	<u>18,675,004</u>
		Georgia	294,788	301,898
		Indiana	791,872	796,334
		Kentucky	2,812,978	2,829,533
		North Carolina	8,049,313	8,186,268
		South Carolina	4,012,012	4,063,011
		Tennessee	2,107,138	2,125,930
		Virginia	277,768	282,046
		West Virginia	90,309	89,984
Arizona-Las Vegas	131	<u>Total</u>	<u>6,506,397</u>	<u>6,757,387</u>
		Arizona	5,130,632	5,307,331
		Nevada	1,375,765	1,450,056
Central	032	<u>Total</u>	<u>22,388,105</u>	<u>22,556,337</u>
		Colorado	4,110,995	4,222,403
		Illinois	3,688,820	3,707,535
		Iowa	2,847,413	2,844,353
		Kansas	2,688,418	2,694,353
		Minnesota	46,877	47,380
		Missouri	3,498,817	3,520,510
		Nebraska	1,586,359	1,588,263
		Oklahoma	3,450,654	3,460,097
		South Dakota	402,912	403,839
		Wisconsin	66,840	67,316
Florida	006	<u>Total</u>	<u>15,359,126</u>	<u>15,757,113</u>
		Florida	15,359,126	15,757,113
Midwest	033	<u>Total</u>	<u>31,379,357</u>	<u>31,481,500</u>
		Indiana	5,288,613	5,318,411
		Kentucky	685,009	689,041
		Michigan	9,808,800	9,860,490
		Ohio	11,118,122	11,138,135
		Pennsylvania	3,105,740	3,107,293
		West Virginia	1,373,073	1,368,130
Northeast	001	<u>Total</u>	<u>51,288,677</u>	<u>51,596,461</u>
		Connecticut	3,405,565	3,425,074
		Delaware	783,600	796,165
		District of Columbia	572,059	571,822
		Maryland	5,191,710	5,269,066
		Massachusetts	6,349,097	6,379,304
		New Hampshire	1,235,786	1,259,181
		New Jersey	8,414,350	8,484,431
		New York	16,275,023	16,304,318
		Pennsylvania	5,589,144	5,591,939
		Rhode Island	1,048,319	1,058,920
		Virginia	608,827	613,090
		1,815,197	1,843,151	

Continued

Table 3—Population of Federal Milk Order Marketing Areas as Defined December 31, 2001, Total and by State, According to the 2000 United States Census 1/ -Con.

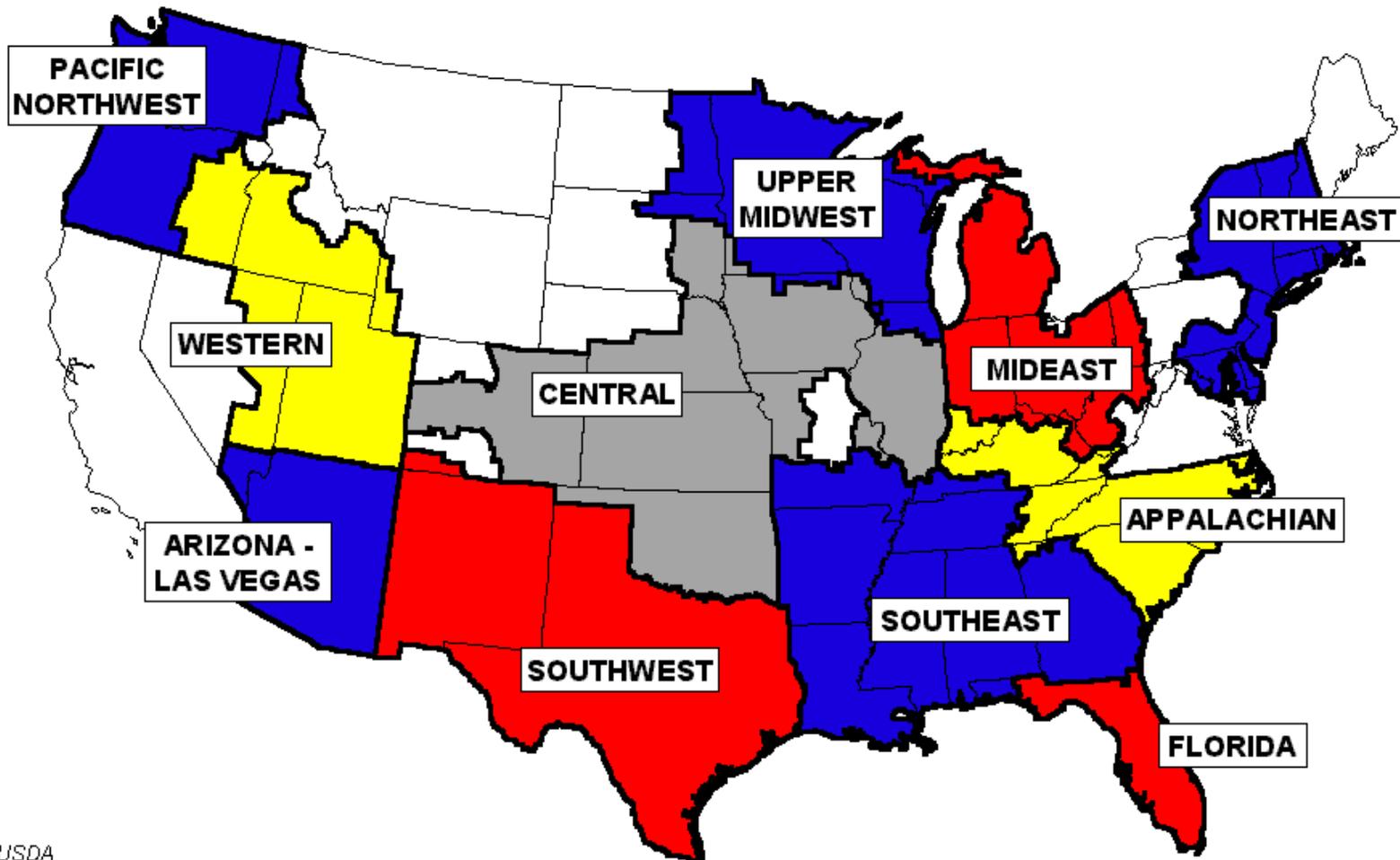
Federal Milk Order Marketing Area	Order Number	States	2000 Census	Census Update 2/
Pacific Northwest	124	<u>Total</u>	<u>9,433,132</u>	<u>9,581,327</u>
		Idaho	213,268	217,725
		Oregon	3,325,743	3,373,629
		Washington	5,894,121	5,987,973
Southeast	007	<u>Total</u>	<u>28,482,597</u>	<u>28,778,743</u>
		Alabama	4,447,100	4,464,356
		Arkansas	2,673,400	2,692,090
		Florida	623,252	639,402
		Georgia	7,891,665	8,082,017
		Kentucky	543,782	546,982
		Louisiana	4,468,976	4,465,430
		Mississippi	2,844,658	2,858,029
		Missouri	1,407,619	1,416,346
		Tennessee	3,582,145	3,614,091
Southwest	126	<u>Total</u>	<u>22,748,535</u>	<u>23,233,938</u>
		Colorado	77,669	79,774
		New Mexico	1,819,046	1,829,146
		Texas	20,851,820	21,325,018
Western	135	<u>Total</u>	<u>3,395,751</u>	<u>3,457,415</u>
		Idaho	981,200	1,001,707
		Nevada	58,637	61,803
		Oregon	88,430	89,756
		Utah	2,233,169	2,269,789
		Wyoming	34,315	34,360
Upper Midwest	030	<u>Total</u>	<u>19,480,685</u>	<u>19,612,254</u>
		Illinois	8,730,473	8,774,766
		Iowa	78,911	78,826
		Michigan	129,644	130,327
		Minnesota	4,872,602	4,924,914
		North Dakota	294,809	291,242
		South Dakota	77,411	77,589
		Wisconsin	5,296,835	5,334,590
All Areas Combined		Total	228,898,540	231,487,479

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, 2001. These updates are best used as an estimate of population for the year and should not be compared to previous updates to measure change over time.

# 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 2001**

### JANUARY

Northeast and Other Marketing Areas – January 1 (65 FR 82832, 12/28/00.) This interim rule amends, on an emergency basis, the Class III and Class IV pricing formulas used in Federal milk orders, effective for milk marketed on or after January 1, 2001. The rule therefore conforms to the requirements of the Consolidated Appropriations Act, 2000, which mandated reconsideration of the Class III and Class IV pricing formulas included in the final rule for consolidation and reform of Federal milk orders, with amendments to be effective January 1, 2001.

The amendment provides for separate butterfat prices for milk used in Class III and Class IV based on the value of butterfat in cheese and butter, and removes the butterfat adjustment factor from the protein price formula. The manufacturing allowance for cheese is reduced from 17.02 cents per pound of cheese to 16.5 cents. The manufacturing allowance for dry whey is increased from 13.7 cents to 14.0 cents per pound of dry whey. The manufacturing allowances used in calculating the Class IV value are increased from 11.4 cents to 11.5 cents per pound of butter and from 13.7 cents to 14.0 cents per pound of nonfat dry milk.

The amended pricing formulas in this rule were effective only for the January and February, 2001, Advance Prices which were announced on 12/22/00 and 1/19/01. On January 31, 2001, the United States District Court for the District of Columbia granted to Select Milk Producers, Inc., et al., a Preliminary Injunction which enjoined the Secretary, United States Department of Agriculture, from implementing the provisions for a new Class III butterfat price. The Order further directed the Secretary to restore the butterfat and protein price formulas that were implemented under Federal order reform on January 1, 2000, along with the changes to the manufacturing allowances adopted in the January 1, 2001, interim final amendments. As a result, the March through December Advance Prices and the January through December Class Prices were calculated using the pricing formulas in the court order. See page 44 for the price formulas used in 2001.

## **SUMMARY OF THE QUANTITIES AND UTILIZATION OF MILK PRICED**

During 2001, there were 350 handlers regulated under the 11 Federal milk orders. These handlers operated 295 distributing (fluid milk processing) plants and 120 supply (manufacturing) plants. The Upper Midwest order had the largest number of regulated handlers (59) and supply plants (59). The Northeast order had the most distributing plants (62).

An average of 66,423 producers (dairy farmers) marketed milk under Federal milk orders in 2001. On a monthly basis, the number of producers peaked at 67,714 in January, and was lowest in October (65,184). There was an average of 17,165 producers on the Northeast order, 14,585 producers in the Upper Midwest order, and only 116 producers on the Arizona-Las Vegas order.

During 2001, about 120 billion pounds of milk was marketed by dairy farmers under the Federal milk order program, about 3.1 percent higher than in 2000. This volume of milk accounted for about 73 percent of all the milk marketed in the United States and about 75 percent of the fluid grade (Grade A) milk marketings. The average butterfat test of producer milk receipts was 3.67 percent, and ranged from 3.54 percent in August to 3.78 percent in January and December. On a monthly basis, producer milk receipts peaked in December at 10.6 billion pounds, and was lowest in February (9.0 billion pounds). Over 24 billion pounds of milk were marketed under the Northeast order, just 2.8 billion pounds under the Florida order. The average delivery of milk per producer during 2001 was 4,959 pounds, and ranged from 3,765 pounds in the Upper Midwest order to 69,909 pounds in the Arizona-Las Vegas order.

Nearly 46 billion pounds of producer milk receipts were disposed as Class I (fluid milk) products in 2001, 38.2 percent of total producer milk marketings, and 0.1 percent higher than in 2000. The butterfat content of producer milk used in Class I averaged 2.01 percent. On a monthly basis, the volume of Class I producer milk peaked in March at 41 billion pounds, and was the lowest in June (3.6 billion pounds). Relative to total producer milk marketings, Class I utilization peaked in October. The order with the largest volume of Class I producer milk was Northeast (10.6 billion pounds), over 60 percent more than the next largest volume (Midwest). On an individual order basis, the average Class I utilization percentage in 2001 ranged from 89.9 in the Florida order to 19.8 in the Upper Midwest order.

Slightly less than 10 percent (12 billion pounds) of total producer milk marketings were used to produce Class II products (cream products, cottage cheese, and frozen desserts) in 2001. The butterfat test of producer milk used in Class II averaged 8.07 percent. The Northeast order had the largest volume of Class II producer milk (4.1 billion pounds). Class III products (hard cheeses and cream cheese) accounted for over 53 billion pounds of producer milk, 44.2 percent of total producer milk marketings. The butterfat test of producer milk used in Class III averaged 3.64 percent. The Upper Midwest order had the largest volume of Class III producer milk (15.2 billion pounds). More than 9 billion pounds of producer milk were used to produce Class IV products (butter and dried milk products). The butterfat test of producer milk used in Class IV averaged 6.41 percent. The Northeast order had the largest volume of Class IV producer milk (2.1 billion pounds).

An estimated 3.4 billion pounds of producer milk that normally would have been marketed under Federal orders in 2001 was not pooled due to the relationship between the uniform and lower class prices in some orders in some months. Not pooling due to price occurred in six orders; Central, Midwest, Pacific Northwest, Southwest, Western, and Upper Midwest. Nearly 45 percent of not-pooled producer milk would have been used to produce Class IV products, and 42 percent would have been used to produce Class II products.

Table 4--Number of Pool Handlers, Supply Plants, and Distributing Plants Under Federal Milk Orders, by Order, December 2001

Federal Milk Order Marketing Area	Order Number	Pool Handlers 1/	Supply Plants 2/	Distributing Plants 3/
Northeast	001	62	12	62
Appalachian	005	41	3	26
Southeast	007	42	5	31
Florida	006	16	0	14
Mideast	033	41	12	49
Upper Midwest	030	59	59	26
Central	032	31	20	32
Southwest	126	21	6	23
Arizona-Las Vegas	131	5	1	3
Western	135	14	0	11
Pacific Northwest	124	18	2	18
All Markets Combined		350	120	295

1/ See page 6 for definition of the term "handler". Includes proprietary bulk tank handlers per section 1135.11.

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.

Table 5--Number of Producers Delivering Milk to Handlers Regulated Under Federal Orders, by Marketing Area, 2001

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
Northeast	001	17,098	17,154	17,378	17,292	17,279	17,115	17,620	17,143	16,996	17,008	16,960	16,941	17,165
Appalachian	005	4,406	4,290	4,420	4,411	4,330	4,403	4,105	4,212	4,131	3,957	4,105	4,017	4,232
Southeast	007	4,913	4,868	4,824	4,772	4,849	4,860	5,089	5,123	4,994	5,005	5,021	4,981	4,942
Florida	006	289	265	259	254	224	242	321	372	316	318	319	303	290
Mideast	033	11,232	10,762	10,658	10,958	11,596	11,932	12,150	11,933	11,159	11,174	11,533	11,657	11,395
Upper Midwest	030	16,027	15,843	15,331	14,635	13,753	12,748	12,831	13,371	15,363	15,035	15,418	14,670	14,585
Central	032	10,813	11,240	11,530	11,451	11,276	11,683	11,577	11,369	10,085	9,952	10,108	9,857	10,912
Southwest	126	802	817	795	784	827	821	761	722	761	840	823	961	810
Arizona-Las Vegas	131	118	120	118	114	115	114	114	113	120	115	114	112	116
Western	135	764	770	749	805	806	828	764	760	767	827	826	828	791
Pacific Northwest	124	1,252	1,178	1,102	1,103	1,238	1,213	1,257	1,250	1,253	953	1,224	1,193	1,185
All Markets Combined		67,714	67,307	67,164	66,579	66,293	65,959	66,589	66,368	65,945	65,184	66,451	65,520	66,423

Table 6--Receipts of Producer Milk by Handlers Regulated Under Federal Orders, by Marketing Area, 2001 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	2,051	1,898	2,157	2,049	2,196	2,067	2,125	2,037	1,976	1,988	1,937	2,078	24,557
Appalachian	005	555	516	620	618	627	582	522	517	508	528	521	558	6,673
Southeast	007	654	620	709	704	702	631	595	596	588	627	642	699	7,769
Florida	006	259	234	263	241	235	222	226	219	200	218	225	230	2,772
Mideast 2/	033	1,385	1,195	1,338	1,306	1,473	1,586	1,651	1,540	1,323	1,425	1,448	1,559	17,229
Upper Midwest 3/	030	1,729	1,579	1,726	1,687	1,600	1,514	1,501	1,558	1,787	1,784	1,766	1,834	20,062
Central 3/	032	1,411	1,293	1,543	1,517	1,579	1,572	1,585	1,529	1,408	1,442	1,435	1,523	17,836
Southwest 4/	126	748	629	683	681	806	753	723	695	674	730	715	767	8,604
Arizona-Las Vegas	131	264	246	269	267	269	251	232	221	223	238	233	245	2,956
Western 5/	135	327	294	300	339	394	459	447	457	447	296	453	461	4,677
Pacific Northwest 6/	124	601	499	541	525	631	623	644	628	610	565	601	620	7,088
All Markets Combined		9,984	9,002	10,148	9,933	10,513	10,259	10,252	9,996	9,745	9,841	9,976	10,573	120,223

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

2/ Handlers in this marketing area elected not to pool milk in Jan.-Jun. due to disadvantageous intraorder class and uniform price relationships.

3/ Handlers in these marketing areas elected not to pool milk in Jan.-Dec. due to disadvantageous intraorder class and uniform price relationships.

4/ Handlers in this marketing area elected not to pool milk in Jan.-May due to disadvantageous intraorder class and uniform price relationships.

5/ Handlers in this marketing area elected not to pool milk in Jan.-May, July, and Oct.-Dec. due to disadvantageous intraorder class and uniform price relationships.

6/ Handlers in this marketing area elected not to pool milk in Feb.-Apr. and October 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, 2001 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	3,869	3,952	4,003	3,950	4,100	4,025	3,891	3,832	3,875	3,770	3,808	3,956	3,920
Appalachian	005	4,061	4,298	4,526	4,672	4,674	4,406	4,105	3,961	4,103	4,301	4,228	4,482	4,318
Southeast	007	4,296	4,548	4,741	4,916	4,673	4,328	3,774	3,755	3,927	4,043	4,262	4,529	4,316
Florida	006	28,913	31,493	32,725	31,621	33,882	30,591	22,687	18,953	21,090	22,151	23,553	24,490	26,845
Mideast	033	3,978	3,966	4,050	3,973	4,099	4,430	4,384	4,162	3,952	4,113	4,185	4,313	4,134
Upper Midwest	030	3,479	3,559	3,631	3,843	3,753	3,958	3,773	3,759	3,876	3,827	3,818	4,032	3,776
Central	032	4,209	4,108	4,318	4,415	4,516	4,485	4,416	4,338	4,653	4,674	4,732	4,984	4,487
Southwest	126	30,086	27,484	27,704	28,954	31,433	30,584	30,629	31,043	29,526	28,044	28,978	25,738	29,184
Arizona-Las Vegas	131	72,238	73,083	73,406	77,969	75,393	73,268	65,718	63,029	62,006	66,833	68,053	70,429	70,119
Western	135	13,826	13,627	12,929	14,040	15,784	18,497	18,889	19,376	19,448	11,560	18,297	17,978	16,188
Pacific Northwest	124	15,487	15,126	15,832	15,853	16,432	17,113	16,526	16,214	16,233	19,139	16,356	16,774	16,424
All Markets Combined 2/		4,756	4,777	4,874	4,973	5,115	5,185	4,966	4,858	4,926	4,870	5,004	5,206	4,959

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/ 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, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.78	3.75	3.74	3.70	3.63	3.58	3.55	3.53	3.61	3.72	3.77	3.76	3.68
Appalachian	005	3.78	3.72	3.69	3.62	3.55	3.55	3.54	3.54	3.60	3.72	3.75	3.74	3.65
Southeast	007	3.81	3.70	3.62	3.53	3.51	3.55	3.57	3.58	3.64	3.75	3.74	3.75	3.64
Florida	006	3.66	3.59	3.54	3.53	3.55	3.54	3.59	3.62	3.65	3.68	3.69	3.64	3.60
Mideast	033	3.81	3.78	3.76	3.71	3.61	3.58	3.53	3.52	3.62	3.75	3.78	3.78	3.68
Upper Midwest	030	3.81	3.79	3.77	3.73	3.66	3.61	3.55	3.55	3.66	3.79	3.82	3.82	3.72
Central	032	3.79	3.77	3.75	3.69	3.62	3.58	3.53	3.54	3.65	3.77	3.77	3.80	3.69
Southwest	126	3.77	3.71	3.63	3.55	3.50	3.50	3.51	3.51	3.58	3.67	3.71	3.76	3.62
Arizona-Las Vegas	131	3.71	3.65	3.60	3.55	3.54	3.54	3.54	3.57	3.61	3.63	3.68	3.79	3.62
Western	135	3.69	3.68	3.66	3.61	3.54	3.51	3.49	3.53	3.56	3.65	3.71	3.78	3.61
Pacific Northwest	124	3.72	3.72	3.68	3.66	3.59	3.55	3.56	3.58	3.62	3.70	3.74	3.78	3.66
All Markets Combined		3.78	3.75	3.72	3.67	3.60	3.57	3.54	3.54	3.63	3.74	3.76	3.78	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.

Table 9--Nonfat Solids Test of Producer Milk, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.73	8.71	8.73	8.69	8.67	8.63	8.60	8.57	8.66	8.77	8.78	8.72	8.69
Mideast	033	8.76	8.75	8.75	8.72	8.70	8.67	8.64	8.61	8.73	8.80	8.79	8.77	8.72
Upper Midwest	030	8.72	8.74	8.72	8.71	8.70	8.66	8.60	8.61	8.72	8.80	8.79	8.77	8.72
Central	032	8.78	8.79	8.77	8.74	8.72	8.67	8.62	8.59	8.75	8.81	8.80	8.80	8.74
Southwest	126	8.79	8.76	8.76	8.71	8.68	8.66	8.59	8.60	8.70	8.78	8.80	8.82	8.72
Western	135	8.81	8.81	8.78	8.78	8.73	8.71	8.70	8.71	8.78	8.82	8.86	8.86	8.78
Pacific Northwest	124	8.74	8.75	8.73	8.75	8.71	8.69	8.69	8.70	8.75	8.80	8.80	8.80	8.74
All Markets Combined		8.75	8.75	8.74	8.72	8.69	8.66	8.62	8.61	8.72	8.79	8.79	8.78	8.72

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.

Table 10--Protein (True) Test of Producer Milk, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.03	3.02	3.03	2.99	2.96	2.94	2.92	2.90	2.99	3.07	3.08	3.05	3.00
Mideast	033	3.08	3.06	3.05	3.01	2.97	2.94	2.90	2.92	3.04	3.10	3.10	3.07	3.02
Upper Midwest	030	3.05	3.05	3.03	2.99	2.97	2.95	2.90	2.92	3.03	3.11	3.10	3.08	3.02
Central	032	3.08	3.08	3.06	3.01	2.99	2.96	2.91	2.95	3.06	3.13	3.13	3.10	3.04
Southwest	126	3.11	3.07	3.06	3.03	3.00	2.96	2.95	2.98	3.05	3.13	3.13	3.14	3.05
Western	135	3.10	3.09	3.06	3.05	3.01	3.00	2.98	2.99	3.06	3.13	3.15	3.16	3.06
Pacific Northwest	124	3.03	3.04	3.03	3.03	2.99	2.99	2.98	2.99	3.05	3.11	3.11	3.12	3.04
All Markets Combined		3.06	3.05	3.04	3.01	2.98	2.95	2.92	2.94	3.03	3.11	3.11	3.09	3.02

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.

Table 11--Other Solids Test of Producer Milk, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.69	5.70	5.70	5.69	5.71	5.70	5.69	5.66	5.67	5.70	5.70	5.67	5.69
Mideast	033	5.68	5.69	5.70	5.71	5.73	5.72	5.73	5.69	5.69	5.70	5.68	5.69	5.70
Upper Midwest	030	5.67	5.70	5.69	5.72	5.75	5.71	5.70	5.69	5.70	5.69	5.69	5.69	5.70
Central	032	5.69	5.71	5.71	5.73	5.73	5.71	5.71	5.64	5.69	5.67	5.68	5.70	5.70
Southwest	126	5.68	5.69	5.70	5.68	5.68	5.69	5.64	5.62	5.65	5.66	5.66	5.68	5.67
Western	135	5.71	5.72	5.72	5.73	5.72	5.71	5.73	5.72	5.72	5.69	5.72	5.70	5.71
Pacific Northwest	124	5.71	5.70	5.70	5.72	5.72	5.69	5.71	5.72	5.70	5.68	5.69	5.68	5.70
All Markets Combined		5.69	5.70	5.70	5.71	5.72	5.71	5.70	5.67	5.68	5.69	5.69	5.69	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.

Table 12--Somatic Cell Count of Producer Milk, by Federal Milk Order Marketing Area, 2001 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	340	330	332	344	357	381	406	452	411	356	299	302	359
Upper Midwest	030	338	332	335	332	335	347	377	396	363	331	316	330	344
Central	032	346	330	330	331	330	351	382	404	363	316	295	306	340
Southwest	126	392	406	380	345	341	334	354	372	367	316	314	332	354
All Markets Combined		354	350	344	338	341	353	380	406	376	330	306	318	350

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, 2001 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	888	822	953	843	904	841	834	890	881	949	926	910	10,642
Appalachian	005	378	334	382	341	364	339	345	387	351	387	379	365	4,352
Southeast	007	424	380	430	392	404	380	380	409	380	415	410	400	4,805
Florida	006	233	209	240	211	213	203	197	199	179	201	203	204	2,492
Mideast	033	588	519	592	524	549	509	511	572	542	592	571	562	6,633
Upper Midwest	030	344	312	347	314	331	300	303	339	335	355	349	340	3,969
Central	032	435	390	433	384	404	376	382	418	397	432	422	407	4,881
Southwest	126	358	311	347	323	335	310	314	357	333	361	349	332	4,029
Arizona-Las Vegas	131	84	78	85	77	77	73	73	82	78	83	82	81	953
Western	135	89	81	89	81	88	80	84	91	82	92	91	85	1,033
Pacific Northwest	124	188	159	182	170	175	166	169	174	167	189	184	175	2,098
All Markets Combined		4,008	3,595	4,081	3,661	3,843	3,576	3,592	3,918	3,725	4,058	3,967	3,864	45,887

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

Table 14--Class I Utilization Percentage of Producer Milk , by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	43.32	43.31	44.20	41.16	41.17	40.69	39.25	43.68	44.59	47.76	47.78	43.82	43.34
Appalachian	005	68.19	64.73	61.56	55.18	58.01	58.22	66.06	74.80	68.96	73.38	72.82	65.47	65.22
Southeast	007	64.74	61.22	60.67	55.73	57.56	60.27	63.82	68.62	64.55	66.19	63.92	57.25	61.85
Florida	006	89.91	89.57	91.29	87.62	90.40	91.28	87.41	90.95	89.39	91.96	90.17	88.81	89.90
Mideast	033	42.46	43.39	44.28	40.14	37.28	32.13	30.92	37.14	40.99	41.58	39.46	36.05	38.50
Upper Midwest	030	19.92	19.75	20.10	18.59	20.67	19.82	20.21	21.75	18.74	19.93	19.76	18.57	19.78
Central	032	30.82	30.18	28.05	25.34	25.56	23.90	24.10	27.35	28.23	29.99	29.41	26.75	27.37
Southwest	126	47.83	49.51	50.87	47.38	41.56	41.10	43.42	51.41	49.42	49.37	48.77	43.29	46.83
Arizona-Las Vegas	131	31.67	31.57	31.80	29.05	28.59	29.05	31.48	37.11	35.03	34.89	35.06	33.26	32.24
Western	135	27.04	27.65	29.74	23.98	22.33	17.32	18.72	19.92	18.30	31.19	20.14	18.39	22.09
Pacific Northwest	124	31.22	31.90	33.68	32.37	27.74	26.63	26.17	27.71	27.41	33.40	30.66	28.29	29.60
All Markets Combined		40.14	39.94	40.22	36.86	36.56	34.85	35.03	39.19	38.23	41.23	39.76	36.54	38.17

1/ 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.

Table 15--Butterfat Test of Producer Milk Used in Class I Products, by Federal Milk Order Marketing Area, 2001 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	2.05	2.05	2.06	2.02	2.06	2.09	2.09	2.04	2.07	2.14	2.15	2.07
Appalachian	005	2.13	2.07	2.08	2.14	2.10	2.15	2.17	2.12	2.11	2.12	2.20	2.21	2.13
Southeast	007	2.20	2.19	2.16	2.17	2.18	2.27	2.27	2.21	2.17	2.19	2.25	2.29	2.21
Florida	006	2.17	2.15	2.16	2.21	2.22	2.28	2.28	2.27	2.23	2.20	2.27	2.33	2.23
Mideast	033	1.88	1.88	1.86	1.87	1.85	1.90	1.89	1.88	1.87	1.86	1.92	1.94	1.88
Upper Midwest	030	1.60	1.60	1.59	1.58	1.58	1.63	1.62	1.63	1.58	1.58	1.65	1.64	1.61
Central	032	1.78	1.77	1.77	1.75	1.78	1.84	1.86	1.83	1.79	1.84	1.85	1.87	1.81
Southwest	126	2.35	2.32	2.33	2.30	2.34	2.43	2.41	2.33	2.26	2.30	2.36	2.44	2.35
Arizona-Las Vegas	131	1.94	1.94	2.01	1.96	1.95	2.02	2.00	2.00	1.95	1.95	2.08	2.11	1.99
Western	135	1.79	1.82	1.75	1.80	1.82	1.86	1.85	1.86	1.87	1.93	1.99	2.01	1.86
Pacific Northwest	124	1.73	1.71	1.75	1.71	1.75	1.80	1.80	1.79	1.78	1.83	1.88	1.91	1.79
All Markets Combined		1.99	1.98	1.98	1.98	1.98	2.03	2.04	2.02	1.98	2.00	2.06	2.09	2.01

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.

Table 16--Nonfat Solids Test of Producer Milk Used in Class I Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.89	8.86	8.88	8.83	8.80	8.76	8.73	8.69	8.81	8.92	8.93	8.85	8.83
Mideast	033	8.95	8.93	8.93	8.89	8.86	8.81	8.78	8.76	8.88	8.97	8.97	8.95	8.89
Upper Midwest	030	8.92	8.94	8.91	8.90	8.87	8.82	8.76	8.74	8.91	9.01	8.96	8.95	8.89
Central	032	8.99	9.00	8.99	8.93	8.88	8.84	8.79	8.80	8.92	9.00	8.98	9.00	8.93
Southwest	126	8.95	8.91	8.90	8.84	8.80	8.77	8.72	8.73	8.84	8.94	8.94	8.95	8.86
Western	135	8.97	8.96	8.95	8.95	8.90	8.87	8.84	8.85	8.91	8.98	9.01	9.04	8.94
Pacific Northwest	124	8.91	8.92	8.90	8.92	8.88	8.85	8.86	8.86	8.91	8.96	8.96	8.95	8.91
All Markets Combined		8.93	8.92	8.91	8.87	8.84	8.80	8.77	8.75	8.87	8.96	8.96	8.93	8.88

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.

TABLE 17--Utilization of Producer Milk in Class II Products, by Federal Milk Order Marketing Area, 2001 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	338	305	359	318	327	322	369	402	357	351	337	317	4,102
Appalachian	005	69	72	89	93	108	108	91	79	70	70	67	63	980
Southeast	007	72	72	86	89	89	86	75	72	59	65	68	59	891
Florida	006	17	17	18	17	16	16	17	16	12	13	14	12	183
Mideast 2/	033	165	81	92	96	109	175	242	244	200	212	199	189	2,005
Upper Midwest 3/	030	45	42	48	49	50	49	53	59	69	88	58	51	661
Central 3/	032	86	82	97	98	85	90	101	112	96	106	96	81	1,130
Southwest 4/	126	56	37	38	49	87	77	77	83	76	71	61	67	779
Arizona-Las Vegas	131	12	10	12	13	12	10	13	16	13	12	11	11	146
Western	135	29	25	26	28	36	33	51	53	53	49	45	40	466
Pacific Northwest	124	38	32	46	37	37	43	40	40	40	38	38	34	464
All Markets Combined		927	774	913	887	958	1,009	1,128	1,177	1,043	1,075	992	923	11,807

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 II in Jan.-June due to the relationship between the order's Class II and uniform prices.

3/ Handlers in these marketing areas elected not to pool producer milk used in Class II in Jan.-Dec. due to the relationship between the order's Class II and uniform prices.

4/ Handlers in this marketing area elected not to pool producer milk used in Class II in Jan.-May 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, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	16.49	16.07	16.65	15.52	14.88	15.59	17.34	19.73	18.06	17.68	17.40	15.25	16.70
Appalachian	005	12.52	13.93	14.39	14.97	17.24	18.55	17.48	15.26	13.79	13.25	12.88	11.29	14.68
Southeast	007	11.01	11.66	12.14	12.62	12.71	13.70	12.58	12.00	9.97	10.29	10.56	8.39	11.47
Florida	006	6.42	7.20	6.73	6.93	7.01	6.98	7.46	7.36	5.83	6.04	5.99	5.13	6.60
Mideast	033	11.89	6.78	6.90	7.36	7.42	11.06	14.65	15.88	15.12	14.86	13.75	12.14	11.64
Upper Midwest	030	2.59	2.67	2.79	2.90	3.15	3.25	3.52	3.81	3.84	4.96	3.28	2.76	3.30
Central	032	6.10	6.31	6.32	6.44	5.41	5.74	6.37	7.33	6.79	7.38	6.66	5.32	6.34
Southwest	126	7.50	5.88	5.58	7.24	10.85	10.24	10.71	11.91	11.29	9.70	8.49	8.68	9.06
Arizona-Las Vegas	131	4.67	3.90	4.61	5.00	4.62	3.94	5.62	7.42	5.69	5.07	4.51	4.56	4.93
Western	135	8.84	8.37	8.82	8.15	9.09	7.16	11.30	11.63	11.73	16.37	9.86	8.73	9.96
Pacific Northwest	124	6.25	6.50	8.57	7.15	5.83	6.83	6.18	6.39	6.60	6.71	6.34	5.50	6.54
All Markets Combined		9.28	8.60	9.00	8.93	9.12	9.84	11.00	11.77	10.70	10.92	9.94	8.73	9.82

1/ It should be noted that election not to pool milk normally associated with an order due to a disadvantageous price relationship effects 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 milk.

TABLE 19--Butterfat Test of Producer Milk Used in Class II Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	7.24	7.43	7.38	7.64	7.77	7.84	7.14	6.70	6.84	7.35	7.72	7.59	7.37
Appalachian	005	8.78	7.96	7.54	6.86	6.46	6.62	7.41	8.15	7.96	8.02	8.40	8.01	7.57
Southeast	007	7.01	7.12	6.86	6.74	6.46	6.98	7.69	8.22	7.97	7.70	7.63	8.18	7.31
Florida	006	15.58	15.21	15.68	15.67	15.71	16.42	17.10	17.85	19.01	18.36	18.35	18.77	16.82
Mideast	033	6.76	10.28	10.80	9.98	9.49	7.58	6.47	6.01	6.06	6.64	6.89	6.62	7.25
Upper Midwest	030	15.60	15.20	14.44	14.67	14.41	14.18	13.06	12.29	10.18	9.96	12.79	13.97	13.04
Central	032	8.12	8.49	8.27	7.69	8.47	8.22	7.54	7.39	7.72	7.37	8.23	8.36	7.96
Southwest	126	9.04	11.51	11.44	9.33	7.22	7.67	8.43	7.78	7.32	8.72	9.48	8.40	8.54
Arizona-Las Vegas	131	6.40	8.42	9.57	7.88	8.22	10.64	6.28	8.60	9.54	11.35	14.59	16.79	9.68
Western	135	6.62	7.62	6.87	6.81	6.00	7.43	5.72	5.49	6.11	8.49	9.73	6.87	6.94
Pacific Northwest	124	8.76	9.24	8.54	9.24	10.44	10.12	11.20	9.68	9.38	9.83	10.36	13.30	9.97
All Markets Combined		8.03	8.74	8.56	8.41	8.24	8.16	7.68	7.40	7.40	7.90	8.46	8.37	8.07

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.

TABLE 20--Nonfat Solids Test of Producer Milk Used in Class II Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.41	8.38	8.41	8.32	8.30	8.25	8.29	8.29	8.37	8.44	8.42	8.39	8.35
Mideast	033	8.50	8.18	8.13	8.16	8.17	8.31	8.38	8.39	8.52	8.55	8.51	8.53	8.40
Upper Midwest	030	7.63	7.69	7.74	7.70	7.72	7.70	7.73	7.81	8.12	8.23	7.94	7.81	7.85
Central	032	8.42	8.39	8.39	8.40	8.29	8.28	8.30	8.32	8.39	8.44	8.43	8.43	8.37
Southwest	126	8.31	8.06	8.06	8.19	8.34	8.28	8.15	8.21	8.36	8.32	8.27	8.40	8.26
Western	135	8.54	8.47	8.50	8.52	8.54	8.39	8.51	8.55	8.54	8.39	8.31	8.59	8.49
Pacific Northwest	124	8.27	8.25	8.29	8.24	8.10	8.12	8.03	8.17	8.23	8.24	8.20	7.94	8.18
All Markets Combined		8.37	8.28	8.30	8.26	8.24	8.24	8.27	8.29	8.39	8.42	8.38	8.38	8.32

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.

TABLE 21--Utilization of Producer Milk in Class III Products, by Federal Milk Order Marketing Area, 2001 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	627	595	677	686	735	703	704	644	596	551	554	609	7,680
Appalachian	005	54	57	90	89	83	80	41	24	29	28	26	30	632
Southeast	007	99	110	123	152	153	127	102	91	105	117	131	140	1,449
Florida	006	6	4	4	6	5	3	2	1	1	1	5	1	39
Mideast 2/	033	578	558	626	641	779	803	793	671	506	566	628	701	7,850
Upper Midwest 3/	030	1,327	1,212	1,320	1,308	1,207	1,147	1,117	1,143	1,341	1,302	1,345	1,409	15,180
Central 4/	032	850	798	986	995	1,072	1,028	995	926	831	820	827	911	11,040
Southwest	126	289	274	291	280	287	282	261	237	222	238	266	284	3,212
Arizona-Las Vegas	131	103	87	99	102	113	106	105	83	84	96	89	100	1,167
Western 5/	135	205	184	181	226	266	249	217	213	207	44	214	222	2,429
Pacific Northwest 6/	124	203	187	197	203	214	214	220	210	209	155	209	224	2,446
All Markets Combined		4,342	4,067	4,594	4,689	4,915	4,744	4,556	4,242	4,132	3,919	4,294	4,630	53,124

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 III in Feb.-Mar. due to the relationship between the order's Class III and uniform prices.

3/ Handlers in this marketing area elected not to pool producer milk used in Class III in Jan.-Jun., October, and December due to the relationship between the order's Class III and uniform prices.

4/ Handlers in this marketing area elected not to pool producer milk used in Class III in Apr.-May. due to the relationship between the order's Class III and uniform prices.

5/ Handlers in this marketing area elected not to pool producer milk used in Class III in July and Oct.-Dec. due to the relationship between the order's Class III and uniform prices.

6/ Handlers in this marketing area elected not to pool producer milk used in Class III in Feb.-Apr. and October due to the relationship between the order's Class III and uniform prices.

TABLE 22--Class III Utilization Percentage of Producer Milk, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	30.58	31.32	31.38	33.50	33.49	34.00	33.13	31.63	30.16	27.71	28.57	29.32	31.27
Appalachian	005	9.70	11.11	14.52	14.48	13.21	13.83	7.88	4.61	5.74	5.26	5.03	5.39	9.48
Southeast	007	15.14	17.69	17.30	21.61	21.76	20.20	17.05	15.18	17.80	18.69	20.39	19.99	18.64
Florida	006	2.15	1.87	1.41	2.69	2.18	1.58	0.70	0.55	0.54	0.35	2.06	0.52	1.42
Mideast	033	41.75	46.72	46.75	49.04	52.87	50.65	48.01	43.57	38.25	39.71	43.40	44.96	45.56
Upper Midwest	030	76.78	76.79	76.51	77.52	75.46	75.80	74.45	73.33	75.05	73.01	76.20	76.87	75.67
Central	032	60.25	61.75	63.87	65.62	67.88	65.37	62.81	60.58	59.05	56.89	57.66	59.80	61.90
Southwest	126	38.67	43.52	42.67	41.13	35.67	37.49	36.12	34.08	32.99	32.61	37.13	37.04	37.34
Arizona-Las Vegas	131	38.98	35.47	36.97	38.29	42.08	42.34	45.12	37.39	37.75	40.37	38.30	40.74	39.49
Western	135	62.73	62.67	60.27	66.54	67.47	54.27	48.54	46.73	46.23	14.97	47.14	48.03	51.93
Pacific Northwest	124	33.72	37.57	36.48	38.75	33.99	34.29	34.09	33.47	34.30	27.48	34.77	36.09	34.51
All Markets Combined		43.49	45.18	45.27	47.21	46.75	46.24	44.44	42.44	42.40	39.82	43.04	43.79	44.19

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-date totals of producer milk used in Class III and total producer milk.

TABLE 23--Butterfat Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.57	3.53	3.61	3.55	3.49	3.42	3.51	3.50	3.56	3.60	3.70	3.58	3.55
Appalachian	005	4.26	3.82	3.90	3.36	3.70	3.51	4.07	5.62	5.42	5.81	7.17	5.61	4.22
Southeast	007	4.27	4.09	4.48	3.92	3.84	3.98	3.96	4.09	4.04	4.40	4.34	3.97	4.10
Florida	006	5.54	6.50	9.71	5.27	7.05	10.42	17.75	22.37	27.36	25.09	8.39	6.35	8.99
Mideast	033	3.65	3.60	3.65	3.53	3.41	3.44	3.34	3.40	3.61	3.70	3.61	3.56	3.53
Upper Midwest	030	3.66	3.58	3.61	3.48	3.42	3.43	3.39	3.46	3.61	3.72	3.80	3.72	3.58
Central	032	3.74	3.77	3.65	3.62	3.59	3.52	3.51	3.53	3.68	3.73	3.70	3.72	3.64
Southwest	126	3.43	3.47	3.55	3.43	3.39	3.38	3.36	3.32	3.35	3.42	3.61	3.58	3.44
Arizona-Las Vegas	131	5.75	6.06	5.67	5.30	5.35	5.46	5.26	5.32	5.15	5.11	5.35	5.31	5.42
Western	135	3.65	3.67	3.63	3.58	3.56	3.50	3.39	3.39	3.50	4.75	3.85	3.77	3.61
Pacific Northwest	124	3.67	3.66	3.67	3.63	3.49	3.55	3.46	3.53	3.60	3.92	3.90	3.75	3.65
All Markets Combined		3.72	3.68	3.70	3.59	3.54	3.52	3.50	3.53	3.66	3.78	3.81	3.73	3.64

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.

TABLE 24--Protein (True) Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.03	3.02	3.04	2.99	2.96	2.94	2.91	2.89	3.00	3.08	3.07	3.05	2.99
Mideast	033	3.07	3.06	3.05	3.01	2.97	2.94	2.90	2.91	3.03	3.10	3.10	3.07	3.01
Upper Midwest	030	3.06	3.05	3.04	3.01	2.98	2.96	2.91	2.94	3.03	3.11	3.10	3.09	3.03
Central	032	3.07	3.07	3.05	3.01	2.98	2.96	2.91	2.94	3.05	3.12	3.12	3.10	3.03
Southwest	126	3.11	3.06	3.05	3.02	2.99	2.95	2.93	2.97	3.02	3.11	3.12	3.15	3.04
Western	135	3.11	3.09	3.07	3.05	3.01	3.00	2.99	3.01	3.07	3.10	3.15	3.17	3.06
Pacific Northwest	124	3.05	3.06	3.05	3.05	3.02	3.01	3.00	3.01	3.08	3.14	3.13	3.14	3.06
All Markets Combined		3.07	3.06	3.04	3.01	2.98	2.96	2.92	2.94	3.03	3.11	3.11	3.09	3.02

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.

TABLE 25--Other Solids Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.70	5.71	5.70	5.72	5.72	5.72	5.69	5.68	5.65	5.71	5.70	5.69	5.70
Mideast	033	5.69	5.70	5.71	5.73	5.75	5.73	5.74	5.70	5.70	5.70	5.69	5.70	5.71
Upper Midwest	030	5.67	5.71	5.70	5.73	5.75	5.72	5.71	5.70	5.70	5.69	5.69	5.70	5.70
Central	032	5.69	5.71	5.71	5.73	5.74	5.72	5.71	5.62	5.69	5.68	5.69	5.70	5.70
Southwest	126	5.67	5.68	5.69	5.68	5.68	5.70	5.64	5.62	5.65	5.66	5.65	5.67	5.67
Western	135	5.72	5.73	5.73	5.73	5.71	5.71	5.73	5.72	5.73	5.62	5.72	5.70	5.72
Pacific Northwest	124	5.72	5.71	5.70	5.72	5.73	5.70	5.72	5.72	5.70	5.69	5.69	5.70	5.71
All Markets Combined		5.69	5.71	5.70	5.73	5.73	5.72	5.71	5.67	5.69	5.69	5.69	5.70	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 used in Class III.

Table 26--Utilization of Producer Milk in Class IV Products, by Federal Milk Order Marketing Area, 2001 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	197	177	168	201	230	201	218	101	142	136	121	241	2,133
Appalachian	005	53	53	59	95	72	55	45	28	59	43	48	100	709
Southeast	007	60	58	70	71	56	37	39	25	45	30	33	100	624
Florida	006	4	3	1	7	1	2	10	2/	8	4	4	13	57
Mideast 3/	033	54	37	28	45	36	98	106	53	75	55	49	107	741
Upper Midwest 4/	030	12	12	10	17	11	17	27	17	43	37	14	33	251
Central 5/	032	40	23	27	40	18	79	106	72	83	83	90	124	785
Southwest 6/	126	45	7	6	29	96	84	70	18	42	61	40	84	583
Arizona-Las Vegas	131	65	71	71	74	66	62	41	40	48	47	52	52	690
Western 7/	135	5	4	4	5	4	98	96	99	106	111	104	115	749
Pacific Northwest 6/	124	173	120	115	114	205	201	216	204	193	183	170	187	2,081
All Markets Combined		708	565	560	696	796	930	976	659	845	790	724	1,156	9,404

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

2/ Less than 500,000 pounds.

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

4/ Handlers in this marketing area elected not to pool producer milk used in Class IV in Jan.-Jun. due to the relationship between the order's Class IV and uniform prices.

5/ Handlers in this marketing area elected not to pool producer milk used in Class IV in Jan.-Dec. due to the relationship between the order's Class IV and uniform prices.

6/ Handlers in these marketing areas elected not to pool producer milk used in Class IV in Feb.-Apr. due to the relationship between the order's Class IV and uniform prices.

7/ Handlers in this marketing area elected not to pool producer milk used in Class IV in Jan.-May due to the relationship between the order's Class IV and uniform prices.

Table 27--Class IV Utilization Percentage of Producer Milk, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	9.61	9.30	7.78	9.81	10.47	9.72	10.28	4.96	7.19	6.85	6.26	11.62	8.69
Appalachian	005	9.59	10.23	9.53	15.37	11.54	9.40	8.58	5.33	11.52	8.11	9.27	17.84	10.62
Southeast	007	9.11	9.42	9.88	10.04	7.98	5.83	6.55	4.19	7.68	4.83	5.14	14.37	8.04
Florida	006	1.52	1.36	0.56	2.75	0.41	0.16	4.43	1.13	4.24	1.65	1.78	5.54	2.09
Mideast	033	3.90	3.11	2.07	3.45	2.43	6.16	6.42	3.41	5.64	3.85	3.39	6.84	4.30
Upper Midwest	030	0.70	0.79	0.60	0.99	0.71	1.13	1.81	1.11	2.38	2.09	0.77	1.80	1.25
Central	032	2.84	1.76	1.76	2.61	1.14	4.99	6.72	4.74	5.93	5.74	6.27	8.12	4.40
Southwest	126	5.99	1.10	0.88	4.24	11.92	11.17	9.75	2.59	6.30	8.32	5.62	10.99	6.77
Arizona-Las Vegas	131	24.68	29.06	26.61	27.66	24.72	24.68	17.78	18.08	21.52	19.67	22.13	21.44	23.34
Western	135	1.38	1.31	1.18	1.33	1.12	21.25	21.44	21.72	23.74	37.46	22.85	24.85	16.02
Pacific Northwest	124	28.81	24.03	21.28	21.74	32.44	32.26	33.56	32.43	31.70	32.41	28.23	30.12	29.36
All Markets Combined		7.09	6.28	5.51	7.00	7.57	9.07	9.52	6.60	8.67	8.03	7.26	10.93	7.82

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 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.

Table 28--Butterfat Test of Producer Milk Used in Class IV Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	6.29	6.10	6.14	4.91	4.50	3.71	3.20	3.95	5.49	6.38	5.55	5.24	5.06
Appalachian	005	8.55	8.21	7.94	6.00	6.32	6.28	5.70	8.48	6.38	9.89	7.63	6.05	7.03
Southeast	007	10.59	8.52	7.08	6.24	7.46	7.22	7.33	10.86	9.47	14.20	11.85	6.68	8.37
Florida	006	38.48	32.63	66.94	13.02	69.51	94.74	4.35	10.80	9.40	28.29	21.14	10.50	17.49
Mideast	033	17.61	18.80	23.43	14.26	17.26	6.31	6.10	11.25	9.91	13.50	15.06	9.91	11.72
Upper Midwest	030	39.41	41.24	47.88	31.71	41.41	20.60	13.34	17.55	11.04	12.61	23.35	15.05	20.95
Central	032	17.35	21.23	22.49	14.63	23.31	7.47	5.92	7.50	7.55	9.68	8.70	7.73	9.83
Southwest	126	10.64	34.07	33.54	8.74	4.47	4.02	3.57	9.63	8.54	6.92	7.40	5.94	6.76
Arizona-Las Vegas	131	2.23	1.95	1.60	2.03	1.42	0.88	1.04	1.11	2.02	1.60	1.08	0.75	1.53
Western	135	24.09	18.06	29.51	17.84	16.81	3.57	3.98	4.32	3.73	2.54	2.35	4.00	3.97
Pacific Northwest	124	4.84	5.00	4.79	4.80	4.03	3.61	3.63	3.96	4.03	4.19	4.09	3.83	4.15
All Markets Combined		8.72	8.58	8.61	6.99	6.17	4.74	4.49	5.80	6.08	6.81	6.41	5.97	6.41

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.

Table 29--Nonfat Solids Test of Producer Milk Used in Class IV Products, by Federal Milk Order Marketing Area, 2001 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.52	8.52	8.54	8.58	8.62	8.64	8.65	8.54	8.49	8.51	8.61	8.61	8.58
Mideast	033	7.49	7.38	6.95	7.76	7.46	8.44	8.41	7.92	8.16	7.91	7.73	8.21	7.98
Upper Midwest	030	5.50	5.32	4.72	6.17	5.28	7.11	7.71	7.38	8.06	7.98	6.99	7.73	7.15
Central	032	7.55	7.20	7.02	7.75	6.95	8.28	8.38	8.25	8.36	8.25	8.35	8.45	8.16
Southwest	126	8.15	6.00	6.05	8.23	8.58	8.60	8.58	8.05	8.25	8.48	8.48	8.63	8.42
Western	135	6.92	7.49	6.43	7.48	7.50	8.67	8.64	8.63	8.74	8.92	8.96	8.80	8.73
Pacific Northwest	124	8.62	8.61	8.59	8.62	8.64	8.65	8.66	8.64	8.68	8.72	8.72	8.76	8.66
All Markets Combined		8.26	8.19	8.14	8.31	8.43	8.55	8.55	8.45	8.49	8.52	8.55	8.56	8.45

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.

## SUMMARY OF CLASS AND PRODUCER PRICES AND GROSS VALUES

During 2001, the base skim milk price for Class I averaged \$7.93 per cwt., and was the advanced Class IV skim milk pricing factor in every month except August through November. This price showed little month-to-month variation throughout the year until October. The effective advanced butterfat pricing factor averaged \$1.8892 per pound, and ranged from \$1.2352 in February to \$2.5160 in October. The Class I base price, equivalent to the Class I mover under the old pricing system, averaged \$14.27 per cwt., ranging from \$11.94 in February to \$15.93 in October. For all markets combined, the Class I price averaged \$16.96 per cwt. in 2001 (19.1 percent higher than 2000), ranging from \$14.63 in February to \$18.61 in October. On an individual order basis, the annual average Class I price ranged from \$16.08 in the Upper Midwest order to \$18.21 in the Florida order.

The Class II price averaged \$14.53 per cwt. in 2001, peaking at \$16.24 in September, hitting the low point of \$12.61 in December. The Class II, III, or IV prices do not vary from order to order. The Class III price averaged \$13.10 per cwt. in 2001, ranging from \$9.99 in January to \$15.90 in September. The Class IV price averaged \$13.76, ranging from \$11.79 in December to \$15.59 in September.

During 2001, the uniform milk price, a statistical measure of the minimum price received by dairy farmers marketing milk under the Federal order program, averaged \$14.90 per cwt (23 percent higher than 2000). This price peaked in September at \$17.08 and hit its low point in February at \$12.71. On an individual order basis, the uniform milk price ranged from \$13.70 in the Upper Midwest order to \$17.76 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, \$1.51 per cwt.; butterfat, \$1.8480 per pound; true protein, \$1.9613 per pound; and other solids, \$0.1343 per pound. For those producers subject to the somatic cell adjustment to their milk payment, the rate averaged \$0.00071. 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 \$9.94 per cwt. in 2001, and the uniform butterfat price averaged \$1.8656 per pound.

The gross value of producer milk receipts under the Federal order program in 2001 was \$18.3 billion, about 74 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 \$275,642. Producers in the Arizona-Las Vegas order had a gross value of more than \$3.7 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 \$195,368 each.

## FEDERAL MILK ORDER PRICE FORMULAS FOR 2001

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 averages of weekly NASS survey prices.

NASS survey prices, rounded to the nearest one-hundredth cent.

### **Class I:**

Class I Base Price (3.5%) = Highest of advanced Class III or IV pricing factors.

Base Skim Milk Price for Class I = Advanced skim milk pricing factor used to compute the Class I base price.

Base Butterfat Price for Class I = Advanced butterfat pricing factor used to compute the Class I base price.

Class I Price = Class I base price + applicable Class I differential.

Class I Skim Milk Price = Base skim milk price for Class I + applicable Class I differential.

Class I Butterfat Price = Base butterfat price for Class I + (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 = (Jan./Feb. Advanced Prices only.) = (Cheese price - 0.165) x 1.405.

Protein Price = ((Cheese price - 0.165) x 1.405) + (((Cheese price - 0.165) x 1.582 - Butterfat price) x 1.28).

Other Solids Price = (Dry whey price - 0.14) divided by 0.968, snubbed at zero.

Class III Butterfat Price = (Jan./Feb. Advanced Prices only.) = (Cheese price - 0.165) x 1.582.

Butterfat Price = (Butter price - 0.115) divided by 0.82.

### **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

Class IV Butterfat Price (Jan./Feb. Advanced Prices only.) = (Butter price - 0.115) divided by 0.82.

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, 2001 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
	<u>Dollars per pound</u>					<u>Dollars per pound</u>				
<u>2001</u>										
Jan	12/9,16	1.6110	1.0159	1.0930	0.2194	1/6,13,20,27	1.1725	1.0165	1.1180	0.2484
Feb	1/6,13	1.1279	1.0172	1.1340	0.2446	2/3,10,17,24	1.3143	1.0137	1.1467	0.2561
Mar	2/10,17	1.3026	1.0135	1.1402	0.2603	3/3,10,17,24	1.4942	1.0127	1.2737	0.2406
Apr	3/10,17	1.4862	1.0132	1.2769	0.2406	3/31,4/7,14,21,28	1.7126	1.0145	1.3423	0.2446
May	4/7,14	1.6637	1.0154	1.3326	0.2434	5/5,12,19,26	1.8527	1.0180	1.5129	0.2590
Jun	5/5,12	1.8397	1.0173	1.4731	0.2535	6/2,9,16,23	1.9263	1.0148	1.6211	0.2764
Jul	6/9,16	1.9275	1.0158	1.6232	0.2753	6/30,7/7,14,21,28	1.9094	0.9634	1.6573	0.2862
Aug	7/7,14	1.9364	0.9730	1.6521	0.2874	8/4,11,18,25	1.9990	0.9473	1.6693	0.2886
Sep	8/4,11	1.9544	0.9445	1.6696	0.2871	9/1,8,15,22,29	2.1198	0.9497	1.7085	0.2871
Oct	9/8,15	2.1781	0.9506	1.7136	0.2876	10/6,13,20,27	1.4701	0.9441	1.5591	0.2835
Nov	10/6,13	1.6366	0.9468	1.6777	0.2841	11/3,10,17,24	1.3040	0.9349	1.2322	0.2823
Dec	11/10,17	1.3051	0.9342	1.2182	0.2851	12/1,8,15,22,29	1.2894	0.9199	1.2762	0.2868
Avg.	----	1.6641	0.9881	1.4170	0.2640	----	1.6304	0.9791	1.4264	0.2700

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, 2001

Year and Month	Release Date	Class I Base Price 1/	Base Skim Milk Price for Class I 2/	Base Butterfat Price for Class I 3/	Advanced Class III Pricing Factor	Advanced Class III Skim Milk Pricing Factor	Advanced Class III Butterfat Pricing Factor	Advanced Class IV Pricing Factor	Advanced Class IV Skim Milk Pricing Factor	Advanced Class IV Butterfat Pricing Factor 4/	Class II Skim Milk Price	Class II Nonfat Solids Price
		\$ per cwt.	\$ per lb.		\$ per cwt.	\$ per lb.		\$ per cwt.	\$ per lb.	\$ per cwt.	\$ per lb.	
<u>2001</u>												
Jan	12/22/00	13.99	7.88	1.8244	9.51	4.53	1.4681	13.99	7.88	1.8244	8.58	0.9533
Feb	1/19/01	11.94	7.89	1.2352	10.06	4.86	1.5330	11.94	7.89	1.2352	8.59	0.9544
Mar	2/23	12.65	7.86	---	---	5.36	---	---	7.86	1.4483	8.56	0.9511
Apr	3/23	13.44	7.86	---	---	5.80	---	---	7.86	1.6722	8.56	0.9511
May	4/20	14.21	7.88	---	---	5.55	---	---	7.88	1.8887	8.58	0.9533
Jun	5/18	14.99	7.90	---	---	6.26	---	---	7.90	2.1033	8.60	0.9556
Jul	6/22	15.34	7.88	---	---	7.56	---	---	7.88	2.2104	8.58	0.9533
Aug	7/20	15.40	7.90	---	---	7.90	---	---	7.50	2.2212	8.20	0.9111
Sep	8/17	15.56	7.99	---	---	7.99	---	---	7.24	2.2432	7.94	0.8822
Oct	9/21	15.93	7.38	---	---	7.38	---	---	7.30	2.5160	8.00	0.8889
Nov	10/19	15.76	9.60	---	---	9.60	---	---	7.26	1.8556	7.96	0.8844
Dec	11/23	11.98	7.15	---	---	6.32	---	---	7.15	1.4513	7.85	0.8722
Avg.	---	14.27	7.93	---	---	6.59	---	---	7.63	1.8892	8.33	0.9259

1/ For Jan.-Feb., higher of advanced Class III or Class IV pricing factors. The Class I price equals this price plus applicable Class I differential. For March to date, 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/ For Jan.-Feb., advanced skim milk pricing factor used to compute the Class I base price. For March to date, 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/ Advanced butterfat pricing factor used to compute the Class I base price. The Class I butterfat price equals this price plus the (applicable Class I differential divided by 100).

4/ For March to date, the advanced butterfat pricing factor. 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, 2001

Year and Month	Release Date	Class II Price 1/	Class II Butterfat Price	Class III Price	Class III Skim Milk Price	Class IV Price	Class IV Skim Milk Price	Butterfat Price 2/ 3/	Nonfat Solids Price	Protein Price 3/	Other Solids Price 3/	Somatic Cell Adjust-ment Rate 4/
		<u>\$/cwt.</u>	<u>\$/lb.</u>	<u>Dollars per cwt.</u>				<u>Dollars per pound</u>				<u>\$/count</u>
<u>2001</u>												
Jan	2/2	12.82	1.2966	9.99	5.68	12.13	7.89	1.2896	0.8765	1.6181	0.1120	0.00056
Feb	3/2	13.43	1.4696	10.27	5.34	12.70	7.86	1.4626	0.8737	1.4951	0.1199	0.00057
Mar	3/30	14.17	1.6890	11.42	5.73	13.46	7.85	1.6820	0.8727	1.6498	0.1039	0.00064
Apr	5/4	15.10	1.9553	12.06	5.43	14.41	7.87	1.9483	0.8745	1.5443	0.1081	0.00067
May	6/1	15.72	2.1261	13.83	6.65	15.04	7.90	2.1191	0.8780	1.9108	0.1229	0.00076
Jun	6/29	16.05	2.2159	15.02	7.55	15.33	7.87	2.2089	0.8748	2.1670	0.1409	0.00081
Jul	8/3	15.96	2.1953	15.46	8.08	14.81	7.41	2.1883	0.8234	2.3175	0.1510	0.00083
Aug	8/31	15.98	2.3046	15.55	7.78	15.06	7.27	2.2976	0.8073	2.2188	0.1535	0.00083
Sep	10/5	16.24	2.4519	15.90	7.61	15.59	7.29	2.4449	0.8097	2.1647	0.1520	0.00085
Oct	11/2	13.53	1.6596	14.60	9.14	12.77	7.24	1.6526	0.8041	2.6664	0.1482	0.00078
Nov	11/30	12.78	1.4570	11.31	6.46	11.97	7.15	1.4500	0.7949	1.8045	0.1470	0.00062
Dec	1/4/02	12.61	1.4392	11.80	7.03	11.79	7.02	1.4322	0.7799	1.9782	0.1517	0.00064
Average	----	14.53	1.8550	13.10	6.87	13.76	7.55	1.8480	0.8391	1.9613	0.1343	0.00071

1/ See Table 31 for 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 price.

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	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.

Table 34--Class I Skim Milk Price, by Federal Milk Order Marketing Area, 2001 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	11.13	11.14	11.11	11.11	11.13	11.15	11.13	11.15	11.24	10.63	12.85	10.40	11.18
Appalachian	005	10.98	10.99	10.96	10.96	10.98	11.00	10.98	11.00	11.09	10.48	12.70	10.25	11.03
Southeast	007	10.98	10.99	10.96	10.96	10.98	11.00	10.98	11.00	11.09	10.48	12.70	10.25	11.03
Florida	006	11.88	11.89	11.86	11.86	11.88	11.90	11.88	11.90	11.99	11.38	13.60	11.15	11.93
Mideast	033	9.88	9.89	9.86	9.86	9.88	9.90	9.88	9.90	9.99	9.38	11.60	9.15	9.93
Upper Midwest	030	9.68	9.69	9.66	9.66	9.68	9.70	9.68	9.70	9.79	9.18	11.40	8.95	9.73
Central	032	9.88	9.89	9.86	9.86	9.88	9.90	9.88	9.90	9.99	9.38	11.60	9.15	9.93
Southwest	126	10.88	10.89	10.86	10.86	10.88	10.90	10.88	10.90	10.99	10.38	12.60	10.15	10.93
Arizona-Las Vegas	131	10.23	10.24	10.21	10.21	10.23	10.25	10.23	10.25	10.34	9.73	11.95	9.50	10.28
Western	135	9.78	9.79	9.76	9.76	9.78	9.80	9.78	9.80	9.89	9.28	11.50	9.05	9.84
Pacific Northwest	124	9.78	9.79	9.76	9.76	9.78	9.80	9.78	9.80	9.89	9.28	11.50	9.05	9.83
All Markets Combined		10.56	10.58	10.56	10.55	10.57	10.60	10.57	10.58	10.67	10.06	12.28	9.84	10.62

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.

Table 35--Class I Butterfat Price, by Federal Milk Order Marketing Area, 2001 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	1.8569	1.2677	1.4808	1.7047	1.9212	2.1358	2.2429	2.2537	2.2757	2.5485	1.8881	1.4838	1.9233
Appalachian	005	1.8554	1.2662	1.4793	1.7032	1.9197	2.1343	2.2414	2.2522	2.2742	2.5470	1.8866	1.4823	1.9253
Southeast	007	1.8554	1.2662	1.4793	1.7032	1.9197	2.1343	2.2414	2.2522	2.2742	2.5470	1.8866	1.4823	1.9196
Florida	006	1.8644	1.2752	1.4883	1.7122	1.9287	2.1433	2.2504	2.2612	2.2832	2.5560	1.8956	1.4913	1.9165
Mideast	033	1.8444	1.2552	1.4683	1.6922	1.9087	2.1233	2.2304	2.2412	2.2632	2.5360	1.8756	1.4713	1.9095
Upper Midwest	030	1.8424	1.2532	1.4663	1.6902	1.9067	2.1213	2.2284	2.2392	2.2612	2.5340	1.8736	1.4693	1.9086
Central	032	1.8444	1.2552	1.4683	1.6922	1.9087	2.1233	2.2304	2.2412	2.2632	2.5360	1.8756	1.4713	1.9130
Southwest	126	1.8544	1.2652	1.4783	1.7022	1.9187	2.1333	2.2404	2.2512	2.2732	2.5460	1.8856	1.4813	1.9233
Arizona-Las Vegas	131	1.8479	1.2587	1.4718	1.6957	1.9122	2.1268	2.2339	2.2447	2.2667	2.5395	1.8791	1.4748	1.9073
Western	135	1.8434	1.2542	1.4673	1.6912	1.9077	2.1223	2.2294	2.2402	2.2622	2.5350	1.8746	1.4703	1.9161
Pacific Northwest	124	1.8434	1.2542	1.4673	1.6912	1.9077	2.1223	2.2294	2.2402	2.2622	2.5350	1.8746	1.4703	1.9153
All Markets Combined		1.8518	1.2627	1.4758	1.6998	1.9162	2.1309	2.2379	2.2486	2.2706	2.5434	1.8830	1.4788	1.9180

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.

Table 36--Class I Milk Price, by Federal Milk Order Marketing Area, 2001 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	17.24	15.19	15.90	16.69	17.46	18.24	18.59	18.65	18.81	19.18	19.01	15.23	17.52
Appalachian	005	17.09	15.04	15.75	16.54	17.31	18.09	18.44	18.50	18.66	19.03	18.86	15.08	17.39
Southeast	007	17.09	15.04	15.75	16.54	17.31	18.09	18.44	18.50	18.66	19.03	18.86	15.08	17.36
Florida	006	17.99	15.94	16.65	17.44	18.21	18.99	19.34	19.40	19.56	19.93	19.76	15.98	18.21
Mideast	033	15.99	13.94	14.65	15.44	16.21	16.99	17.34	17.40	17.56	17.93	17.76	13.98	16.27
Upper Midwest	030	15.79	13.74	14.45	15.24	16.01	16.79	17.14	17.20	17.36	17.73	17.56	13.78	16.08
Central	032	15.99	13.94	14.65	15.44	16.21	16.99	17.34	17.40	17.56	17.93	17.76	13.98	16.27
Southwest	126	16.99	14.94	15.65	16.44	17.21	17.99	18.34	18.40	18.56	18.93	18.76	14.98	17.29
Arizona-Las Vegas	131	16.34	14.29	15.00	15.79	16.56	17.34	17.69	17.75	17.91	18.28	18.11	14.33	16.61
Western	135	15.89	13.84	14.55	15.34	16.11	16.89	17.24	17.30	17.46	17.83	17.66	13.88	16.19
Pacific Northwest	124	15.89	13.84	14.55	15.34	16.11	16.89	17.24	17.30	17.46	17.83	17.66	13.88	16.18
All Markets Combined		16.68	14.63	15.35	16.14	16.90	17.69	18.03	18.08	18.24	18.61	18.44	14.67	16.96

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.

Table 37--Uniform Skim Milk Price, by Federal Milk Order Marketing Area, 2001 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	10.07	9.95	9.86	9.63	9.93	10.03	10.22	10.40	10.20	9.98	11.42	9.40	10.07
Southeast	007	9.82	9.61	9.62	9.37	9.71	10.00	10.16	10.25	10.11	10.06	10.92	9.20	9.88
Florida	006	11.56	11.54	11.58	11.36	11.58	11.69	11.49	11.62	11.60	11.16	13.10	10.82	11.59
Arizona-Las Vegas	131	7.80	7.75	7.83	7.66	8.09	8.49	8.69	8.69	8.56	8.95	8.66	7.94	8.24
All Markets Combined		9.85	9.72	9.72	9.47	9.79	10.01	10.15	10.27	10.11	10.02	11.06	9.30	9.94

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, 2001 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	1.5085	1.3937	1.6136	1.8703	2.0529	2.1851	2.2124	2.2797	2.3781	2.0278	1.6385	1.4533	1.8742
Southeast	007	1.5021	1.3925	1.6097	1.8656	2.0487	2.1814	2.2111	2.2796	2.3802	1.9990	1.6191	1.4505	1.8609
Florida	006	1.5988	1.3644	1.5768	1.8210	2.0139	2.1732	2.2258	2.2799	2.3592	2.1505	1.6992	1.4681	1.8780
Arizona-Las Vegas	131	1.3826	1.4290	1.6454	1.9086	2.0873	2.1961	2.1971	2.2879	2.4122	1.8198	1.5363	1.4415	1.8466
All Markets Combined		1.5003	1.3944	1.6116	1.8677	2.0513	2.1838	2.2116	2.2809	2.3814	2.0029	1.6247	1.4524	1.8656

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, 2001 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	3.77	3.35	3.08	3.18	2.49	2.06	1.75	1.98	1.86	1.44	3.97	1.92	2.56
Mideast	033	2.55	2.01	1.82	1.88	1.29	0.95	0.78	0.99	0.97	0.43	2.48	0.84	1.38
Upper Midwest	030	1.03	0.88	0.78	0.83	0.67	0.50	0.45	0.51	0.38	0.15	1.14	0.39	0.64
Central	032	1.86	1.55	1.32	1.36	0.97	0.77	0.68	0.74	0.66	0.32	1.86	0.66	1.05
Southwest	126	3.63	2.97	2.76	2.85	2.22	1.83	1.66	1.88	1.70	1.45	3.77	1.65	2.35
Western	135	1.71	1.52	1.47	1.35	0.91	0.65	0.44	0.49	0.42	-0.25	1.56	0.53	0.87
Pacific Northwest	124	2.35	2.08	1.92	1.99	1.29	0.76	0.34	0.44	0.44	-0.22	1.99	0.55	1.13
All Markets Combined		2.47	2.10	1.91	1.96	1.49	1.15	0.97	1.10	0.99	0.62	2.46	1.00	1.51

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.

Table 40--Uniform Milk Price, by Federal Milk Order Marketing Area, 2001 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	13.76	13.62	14.50	15.24	16.32	17.08	17.21	17.53	17.76	16.04	15.28	13.72	15.68
Appalachian	005	15.00	14.48	15.16	15.84	16.77	17.33	17.61	18.01	18.17	16.73	16.76	14.16	16.31
Southeast	007	14.73	14.15	14.92	15.57	16.54	17.28	17.54	17.87	18.09	16.70	16.20	13.95	16.07
Florida	006	16.75	15.91	16.69	17.34	18.22	18.89	18.88	19.19	19.45	18.30	18.59	15.58	17.76
Mideast	033	12.54	12.28	13.24	13.94	15.12	15.97	16.24	16.54	16.87	15.03	13.79	12.64	14.58
Upper Midwest	030	11.02	11.15	12.20	12.89	14.50	15.52	15.91	16.06	16.28	14.75	12.45	12.19	13.70
Central	032	11.85	11.82	12.74	13.42	14.80	15.79	16.14	16.29	16.56	14.92	13.17	12.46	14.21
Southwest	126	13.62	13.24	14.18	14.91	16.05	16.85	17.12	17.43	17.60	16.05	15.08	13.45	15.48
Arizona-Las Vegas	131	12.37	12.48	13.31	14.07	15.11	15.88	16.08	16.39	16.70	15.01	13.73	12.71	14.43
Western	135	11.70	11.79	12.89	13.41	14.74	15.67	15.90	16.04	16.32	14.35	12.87	12.33	14.16
Pacific Northwest	124	12.34	12.35	13.34	14.05	15.12	15.78	15.80	15.99	16.34	14.38	13.30	12.35	14.32
All Markets Combined		12.86	12.71	13.64	14.32	15.55	16.36	16.60	16.84	17.08	15.45	14.19	13.01	14.90

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.

Table 41--Uniform Milk Price at Test and Gross Value of Producer Milk Receipts for All Producers and Per Producer, by Federal Milk Order Marketing Area, 2001

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	16.01	3,931,258	229,028
Appalachian	005	16.54	1,103,933	260,854
Southeast	007	16.29	1,265,884	256,148
Florida	006	17.93	497,118	1,714,201
Mideast	033	14.87	2,561,828	224,820
Upper Midwest	030	14.20	2,849,445	195,368
Central	032	14.60	2,603,518	238,592
Southwest	126	15.78	1,337,987	1,676,527
Arizona-Las Vegas	131	14.63	432,357	3,727,211
Western	135	14.31	669,265	846,100
Pacific Northwest	124	14.62	1,036,375	874,578
All Markets Combined		15.23	18,308,968	275,642

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 tests 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) plus the uniform butterfat price times (the butterfat test of producer milk receipts times 100).

## **SUMMARY OF FLUID MILK PRODUCT SALES**

Two different data series of fluid milk product sales are shown in this section. The first 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. The second data series shows the volume of packaged fluid milk products sold in a specific order's marketing area. This volume could include handlers regulated under the order whose marketing area is listed, handlers regulated under other Federal orders, and handlers not regulated under any Federal milk order.

Nearly 46 billion pounds of packaged fluid milk products were produced by the handlers regulated under the Federal milk order program in 2001. This volume was slightly more than 83 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 whole milk, 14.8 billion pounds, followed closely by reduced fat milk (2% milk) with 14.6 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, 10.6 billion pounds, over 62 percent larger than the next biggest volume, 6.7 billion pounds in the Mideast order.

Almost 45 billion pounds of packaged fluid milk products were sold in all Federal milk order marketing areas in 2001. This volume was more than 81 percent of all the packaged fluid milk products sold in the United States. As a side note, slightly more than 81 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, 91%; handlers regulated under other Federal orders, 6%; and, handlers not regulated under any Federal milk order, 3%. For all Federal milk order marketing areas combined, more whole milk is sold than any other fluid milk product. Whole milk sales totaled 14.7 billion pounds versus 14.3 billion pounds for reduced fat (2%) milk. However, in six of the eleven individual Federal milk order marketing areas, more reduced fat (2%) milk was sold than whole milk.

For all Federal milk order marketing areas combined, per capita sales of fluid milk products in 2001 was 194 pounds, about 22.5 gallons. The order with the highest volume of per capita in-area sales was the Western order, 257 pounds, 29.9 gallons. The Southeast order had the smallest per capita sales, 171 pounds, 19.9 gallons. Orders with above-average per capita sales included; Pacific Northwest, Upper Midwest, Central, and Mideast.

Table 42--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2001 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	14,755.5	3.27	4,080.6	3.26	1,585.6	3.27	1,898.4	3.28
Flavored whole milk	934.0	3.43	171.6	3.31	64.6	3.62	162.3	3.23
Eggnog	2/ 100.5	6.72	32.9	6.52	9.4	6.88	10.3	7.23
Reduced fat milk (2%)	14,615.2	1.97	2,292.5	1.98	1,417.3	1.98	1,383.6	2.00
Low fat milk (1%)	5,211.5	0.98	1,740.6	1.00	244.4	1.01	335.8	1.01
Fat-free milk (skim)	6,964.4	0.12	1,681.0	0.10	597.0	0.16	610.7	0.18
Flavored fat-reduced milk	2,451.8	1.08	476.1	1.16	207.9	0.99	254.6	0.96
Buttermilk	498.1	1.22	30.5	1.06	97.2	0.90	131.8	1.24
Miscellaneous milk products	260.6	2.24	133.9	2.84	35.3	0.95	1.2	2.90
Total fluid milk products	45,791.6	1.98	10,639.8	2.02	4,258.8	2.10	4,788.7	2.18

Continued

See footnotes on page 60.

Table 42--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2001 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	1,140.1	3.30	1,595.1	3.25	631.8	3.26	1,126.9	3.24
Flavored whole milk	74.8	3.51	139.1	3.66	63.1	2.87	83.0	3.41
Eggnog	8.1	7.37	<u>3/</u>	---	9.3	6.60	8.0	7.44
Reduced fat milk (2%)	597.6	1.96	2,709.6	1.97	1,550.9	1.98	1,911.8	1.95
Low fat milk (1%)	265.5	1.02	634.0	0.85	529.4	0.99	500.8	0.95
Fat-free milk (skim)	370.0	0.11	941.9	0.10	992.8	0.11	828.3	0.12
Flavored fat-reduced milk	118.2	0.92	437.0	1.15	257.5	0.91	294.5	1.09
Buttermilk	16.1	1.10	54.5	1.56	27.7	1.04	47.8	1.20
Miscellaneous milk products	<u>4/</u>	---	35.1	2.61	19.1	1.18	8.3	2.17
Total fluid milk products	2,590.5	2.20	6,546.3	1.88	4,081.6	1.54	4,809.5	1.81

Continued

See footnotes on page 60.

Table 42--Packaged Dispositions of Class I Milk Products by Handlers Regulated Under Federal Milk Orders, by Product, by Order, 2001 1--Con.

Product Name	Southwest		Arizona-Las Vegas		Western		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	1,900.7	3.27	264.8	3.24	181.0	3.27	350.4	3.29
Flavored whole milk	109.6	3.72	23.3	3.14	8.5	3.61	34.1	3.90
Eggnog	3/	---	3.9	6.25	5.0	6.72	13.5	6.11
Reduced fat milk (2%)	1,058.7	1.90	376.0	1.94	417.5	1.99	899.6	1.98
Low fat milk (1%)	350.1	1.03	110.3	0.96	195.1	0.99	305.4	0.98
Fat-free milk (skim)	347.0	0.11	133.8	0.10	119.7	0.20	342.2	0.13
Flavored fat-reduced milk	217.7	1.11	30.3	1.08	65.1	1.33	92.7	1.22
Buttermilk	58.6	1.43	7.4	2.38	8.2	1.14	18.3	1.26
Miscellaneous milk products	26.0	1.10	4/	---	4/	---	1.2	3.49
Total fluid milk products	4,068.5	2.31	950.1	1.95	1,000.3	1.80	2,057.5	1.77

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/ Due to reporting problems, this figure does not include the data for all orders. See 3/.

3/ Data for this product was not reported separately.

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

Table 43--Summary of Packaged Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Months, 2001 1/

Month	Total	Northeast	Appalachian	Southeast	Florida	Mideast
	Million Pounds					
January	3,929	828	307	433	253	566
February	3,512	761	270	384	228	500
March	3,974	876	307	435	260	566
April	3,620	786	277	397	234	512
May	3,731	829	288	410	225	534
June	3,542	787	274	394	221	499
July	3,505	768	274	389	220	495
August	3,779	796	306	431	239	525
September	3,654	796	278	403	221	521
October	3,959	859	302	432	242	562
November	3,849	840	298	414	237	551
December	3,808	846	283	404	242	552
Total 2/	44,863	9,772	3,464	4,925	2,821	6,383

Month	Upper Midwest	Central	Southwest	Arizona-Las Vegas	Western	Pacific Northwest
	Million Pounds					
January	383	412	369	108	77	192
February	344	369	322	97	70	166
March	387	408	359	107	78	191
April	350	383	336	100	71	177
May	365	375	348	100	75	183
June	341	359	325	98	69	175
July	338	357	322	97	70	176
August	364	393	359	108	79	180
September	362	380	342	100	71	179
October	388	410	383	110	80	193
November	377	399	358	108	77	188
December	375	395	345	108	73	185
Total 2/	4,374	4,640	4,169	1,242	889	2,184

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, solids added, and flavored fat-reduced milk, buttermilk, and miscellaneous fluid milk products.

2/ May not add due to rounding.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2001 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/	15,715.0	3.29	4,171.4	3.26	1,348.6	3.31	2,140.7	3.29
Whole milk	14,701.8	3.26	3,998.7	3.23	1,258.4	3.27	1,990.8	3.27
Flavored whole milk	910.7	3.43	140.8	3.26	83.4	3.63	139.9	3.22
Eggnog	3/ 101.2	6.73	30.7	6.57	6.8	7.16	10.0	7.17
Fat-reduced milk products 2/	29,147.6	1.28	5,600.5	1.13	2,114.9	1.33	2,784.4	1.34
Reduced fat milk (2%)	14,313.8	1.97	2,064.2	1.98	1,135.6	1.98	1,432.9	1.99
Low fat milk (1%)	5,080.5	0.98	1,585.2	1.00	196.7	1.02	327.1	1.01
Fat-free milk (skim)	6,800.6	0.12	1,505.2	0.10	495.4	0.16	610.0	0.18
Flavored fat-reduced milk	2,376.1	1.07	412.2	1.12	180.5	1.00	264.3	0.98
Buttermilk	494.0	1.22	33.8	1.20	76.0	0.92	142.3	1.21
Total fluid milk products 2/	44,862.6	1.98	9,771.9	2.04	3,463.5	2.10	4,925.1	2.19

Continued

See footnotes on page 64.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2001 1/--Con.

Product Name	Florida		Midwest		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/	1,301.7	3.33	1,690.0	3.29	782.6	3.28	1,224.2	3.29
Whole milk	1,230.7	3.29	1,541.1	3.25	696.5	3.27	1,124.5	3.25
Flavored whole milk	62.5	3.53	147.4	3.72	73.9	2.93	90.7	3.36
Eggnog	8.4	7.36	4/	---	12.2	6.50	8.9	7.41
Fat-reduced milk products 2/	1,519.6	1.17	4,693.2	1.37	3,591.3	1.19	3,415.8	1.30
Reduced fat milk (2%)	658.0	1.96	2,664.6	1.97	1,673.1	1.98	1,796.9	1.95
Low fat milk (1%)	297.9	1.02	617.1	0.84	549.7	0.99	498.4	0.95
Fat-free milk (skim)	421.0	0.11	928.1	0.10	1,044.7	0.11	794.8	0.12
Flavored fat-reduced milk	126.2	0.97	427.4	1.15	280.0	0.94	270.6	1.05
Buttermilk	16.5	0.93	54.9	1.54	29.7	1.03	45.2	1.19
Total fluid milk products 2/	2,821.3	2.17	6,383.2	1.88	4,373.8	1.56	4,640.0	1.82

Continued

See footnotes on page 64.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2001 1/--Con.

Product Name	Southwest		Arizona-Las Vegas 5/		Western		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/	2,050.8	3.31	432.6	3.29	157.0	3.39	415.5	3.43
Whole milk	1,938.5	3.29	402.0	3.27	145.0	3.26	375.7	3.29
Flavored whole milk	112.2	3.69	26.3	3.15	7.1	3.70	26.4	3.91
Eggnog	4/	---	4.3	6.21	4.9	6.71	13.4	6.16
Fat-reduced milk products 2/	2,117.7	1.35	809.8	1.38	732.0	1.38	1,768.3	1.36
Reduced fat milk (2%)	1,103.0	1.91	465.8	1.95	364.5	1.99	955.1	1.98
Low fat milk (1%)	359.2	1.03	134.5	0.97	185.2	0.99	329.4	0.98
Fat-free milk (skim)	356.0	0.11	161.7	0.10	118.4	0.21	365.4	0.13
Flavored fat-reduced milk	218.4	1.12	39.9	1.10	56.7	1.26	99.9	1.18
Buttermilk	62.2	1.41	7.9	2.33	7.2	1.15	18.5	1.24
Total fluid milk products 2/	4,168.6	2.32	1,242.4	2.05	889.0	1.74	2,183.9	1.75

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/ Due to reporting problems, this figure does not include the data for all orders. See 4/.

4/ Data for this product was not reported separately.

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

## **SUMMARY OF MILK USED TO PRODUCE MANUFACTURED DAIRY PRODUCTS**

The statistics shown in this section differ from those shown in the lower class utilization tables in the Quantities and Utilization of Milk Priced section. In addition to producer milk used in each class, this section includes “other source” milk used to produce lower class products. Other source milk is milk and dairy products received from other order plants or unregulated plants.

During 2001, about 73.3 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 regulated plants, or transferred or diverted to unregulated nonpool plants for processing. On a whole-milk-equivalent basis, 53.7 percent of this volume was used in Class III products, 28.9 percent in Class II, 17.2 percent in Class IV, and 0.2 percent in other uses (milk and dairy products that were dumped, used for animal feed, or destroyed).

There were 13.6 billion pounds of milk, skim milk, and cream used to produce Class II products in 2001. The butterfat test of this volume was 7.31 percent. On a volume basis, the largest Class II volume was used in frozen desserts, 5.4 billion pounds with an 8.90 percent butterfat content, followed by cottage cheese, 3.1 billion pounds with a 1.53 percent butterfat content. On a whole-milk-equivalent basis, frozen desserts would remain the largest use, but 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 49.8 billion pounds of milk, skim milk, and cream which had a butterfat test of 3.71 percent. The largest Class III volume was used in American cheese, 22.7 billion pounds with a 3.74 percent butterfat content, followed by Italian cheese, 14.6 billion pounds with a 3.34 percent butterfat content. The order with the largest volume of Class III production was the Upper Midwest, 12.6 billion pounds, followed by the Central order with 9.2 billion pounds. These two orders accounted for over 47 percent of total Class III production in all Federal milk orders.

There were 9.5 billion pounds of milk, skim milk, and cream used to produce Class IV products in 2001. The butterfat content of this volume was 6.25 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 Northeast, 2.3 billion pounds. About 0.3 billion pounds of milk, skim milk, and cream were used in “other uses” in 2001. This use would have been Class III in January through June and November; Class IV in July through October and December.

Table 45--Milk, Skim Milk, and Cream Used to Produce Class II Products, by Handlers Regulated Under Federal Milk Orders, by Product Grouping, by Order, 2001 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	775.8	16.87	268.8	13.34	884.5	2.20	1,500.2	7.76	351.8	1.56	4,367.6	7.51
Appalachian	005	79.5	11.85	20.1	15.70	190.0	2.31	406.9	8.15	24.1	0.66	1,174.5	5.44
Southeast	007	45.2	23.27	16.5	15.63	71.2	0.76	624.7	7.72	5/	---	798.5	7.80
Florida	006	64.9	19.56	5/	---	5/	---	154.8	10.28	5/	---	327.9	9.37
Mideast	033	83.7	21.51	66.0	17.90	552.8	1.63	812.3	9.48	417.9	2.21	2,170.4	6.24
Upper Midwest	030	191.6	18.95	112.6	16.68	255.4	1.97	349.9	10.89	98.3	2.72	1,115.1	9.43
Central	032	112.3	19.16	77.7	15.74	550.8	0.90	464.2	10.64	80.1	0.88	1,325.1	6.86
Southwest	126	90.5	19.45	111.4	14.15	124.6	0.74	572.1	7.17	144.7	1.74	1,083.9	7.36
Arizona-Las Vegas	131	26.7	13.39	5/	---	5/	---	33.7	23.29	0	---	150.9	8.55
Western	135	17.4	23.10	18.8	18.03	180.1	0.40	282.0	8.63	5/	---	518.4	6.49
Pacific Northwest	124	83.6	19.84	41.8	14.68	163.9	0.62	160.4	15.90	81.7	0.68	545.5	9.18
All Markets Combined		1,571.1	17.89	763.6	14.92	3,058.3	1.53	5,361.1	8.90	1,267.0	1.72	13,597.8	7.31

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.

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.

Table 46--Milk, Skim Milk, and Cream Used to Produce Class III Products, by Handlers Regulated Under Federal Milk Orders, by Product Grouping, by Order, 2001 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	1,967.3	3.52	3,728.0	3.06	577.1	10.27	839.4	3.62	7,398.6	3.75
Appalachian	005	3/ 360.8	5.43	4/	---	0	---	4/	---	360.8	5.43
Southeast	007	0	---	0	---	0	---	1,353.3	4.20	1,353.3	4.20
Florida	006	0	---	0	---	0	---	13.3	16.60	13.3	16.60
Mideast	033	2,149.6	3.53	2,777.2	3.07	0	---	2,675.8	3.92	7,874.8	3.44
Upper Midwest	030	6,739.3	3.77	3,342.5	3.65	5/	---	6/ 1,618.6	4.00	12,580.1	3.77
Central	032	5,068.1	3.68	4,726.1	3.51	57.4	8.95	1,012.3	3.91	11,006.2	3.64
Southwest	126	3/ 3,156.1	3.42	0	---	0	---	4/	---	3,225.5	3.41
Arizona-Las Vegas	131	1,074.3	5.29	0	---	0	---	86.1	7.05	1,160.5	5.42
Western	135	251.4	3.72	5/	---	5/	---	6/ 2,148.9	3.61	2,415.3	3.61
Pacific Northwest	124	1,952.3	3.63	5/	---	5/	---	6/ 479.9	3.70	2,432.2	3.65
All Markets Combined		3/ 22,719.1	3.74	14,573.9	3.34	634.5	10.15	6/ 10,227.6	3.91	49,820.4	3.71

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.

2/ Includes listed cheeses and evaporated or sweetened condensed milk in consumer-type packages.

3/ Includes small volumes of Italian and/or "Other" cheeses; see 4/.

4/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in American cheese.

5/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in "Other" cheese.

6/ Includes small volumes of Italian and/or cream cheese; see 5/.

Table 47--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, 2001 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	265.3	44.02	1,654.1	0.08	270.5	3.39	2,274.5	5.60	76.1	3.05
Appalachian	005	66.7	26.89	4/	---	5/ 162.6	5.04	236.4	11.06	37.6	2.36
Southeast	007	321.1	14.25	125.2	0.05	0	---	475.3	9.64	61.5	2.21
Florida	006	21.5	35.68	0	---	0	---	42.5	18.05	15.5	2.45
Mideast	033	208.6	35.57	289.6	0.32	43.2	7.68	66.3	13.85	26.5	1.30
Upper Midwest	030	435.2	12.08	285.8	2.80	331.1	2.31	1,070.9	6.37	15.4	2.01
Central	032	135.0	32.68	550.2	5.34	0	---	695.5	10.57	34.8	2.09
Southwest	126	159.4	24.01	6/ 403.0	0.16	7/	---	582.3	6.68	38.8	2.31
Arizona-Las Vegas	131	8/	---	8/	---	0	---	736.0	1.66	6.3	2.70
Western	135	8/	---	8/	---	0	---	746.7	3.99	5.2	3.12
Pacific Northwest	124	8/ 363.6	34.09	8/ 3,189.7	0.14	0	---	2,087.3	4.14	5.0	2.79
All Markets Combined		1,976.3	26.37	6/ 6,497.6	0.69	5/ 807.5	3.51	9,513.6	6.25	322.8	2.38

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.

2/ Includes listed product groupings.

3/ Milk and dairy products that have been dumped, used for animal feed, or destroyed. Such uses are assigned to the lowest priced class for the month: Class III in January through June and November; Class IV in July through October and December

4/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in "Other" dry milk.

5/ Includes small volumes of nonfat dry milk; see 4/.

6/ Includes small volumes of "other" dry milk; see 7/.

7/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in Nonfat dry milk.

8/ Data for Arizona-Las Vegas, Western, and Pacific Northwest have been combined for these products to mask restricted data, that which pertains to the operations of fewer than three firms.

## **ERRATA to 2000 ANNUAL SUMMARY of FEDERAL MILK ORDER MARKET STATISTICS**

The following items are corrections to the 2000 Annual Summary of Federal Milk Order Market Statistics.

### **Table 3**

For the Pacific Northwest marketing area, the state population figures for Oregon and Washington should have read: Oregon – 3,325,743; Washington – 5,894,121.

### **Table 40**

Pacific Northwest annual average should have read \$11.70.

The figures for All Markets Combined should have read: January - \$11.67; February - \$11.48; March - \$11.59; April - \$11.63; May - \$11.94; June - \$12.19; July - \$12.71; August - \$12.49; September - \$12.74; October - \$12.35; November - \$12.11; December - \$12.55; Average - \$12.11.

### **Summary of Milk Used to Produce Manufactured Dairy Products**

The last paragraph should have read: There were 9.5 billion pounds of milk, skim milk, and cream used to produce Class IV products in 2000. The butterfat content of this volume was 6.13 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 Northeast, 2.5 billion pounds. About 0.3 billion pounds of milk, skim milk, and cream were used in “other uses” in 2000. This use would have been Class III in each month of the year.

### **Table 46**

The volume and butterfat content figures for Total Class IV should have read: Northeast - 2,460.5 and 5.25%; Appalachian - 207.6 and 10.06%; Southeast – 355.8 and 10.43%; Florida – 60.7 and 12.53%; Mideast 814.0 and 9.84%; Upper Midwest – 1,181.8 and 6.19%; Central – 476.7 and 11.79%; Southwest – 842.8 and 6.81%; Arizona-Las Vegas – 893.1 and 2.38%; Western – 344.4 and 5.36%; Pacific Northwest – 1,886.2 and 4.38%; and All Markets Combined – 9,523.5 and 6.13%.

The volume and butterfat content figures for Other Uses should have read: Northeast - 65.3 and 3.00%; Appalachian - 52.1 and 2.49%; Southeast – 62.2 and 2.20%; Florida – 16.6 and 2.17%; Mideast 20.5 and 2.59%; Upper Midwest – 17.4 and 2.03%; Central – 31.5 and 2.02%; Southwest – 38.6 and 2.21%; Arizona-Las Vegas – 20.8 and 0.53%; Western – 5.6 and 2.56%; Pacific Northwest – 6.0 and 2.87%; and All Markets Combined – 336.6 and 2.31%.

The preceding corrections have been made to the Internet version of the 2000 annual report at:  
[www.ams.usda.gov/dyfm0s/mib/annsum2000.pdf](http://www.ams.usda.gov/dyfm0s/mib/annsum2000.pdf).