



United States  
Department of  
Agriculture

Marketing and  
Regulatory  
Programs

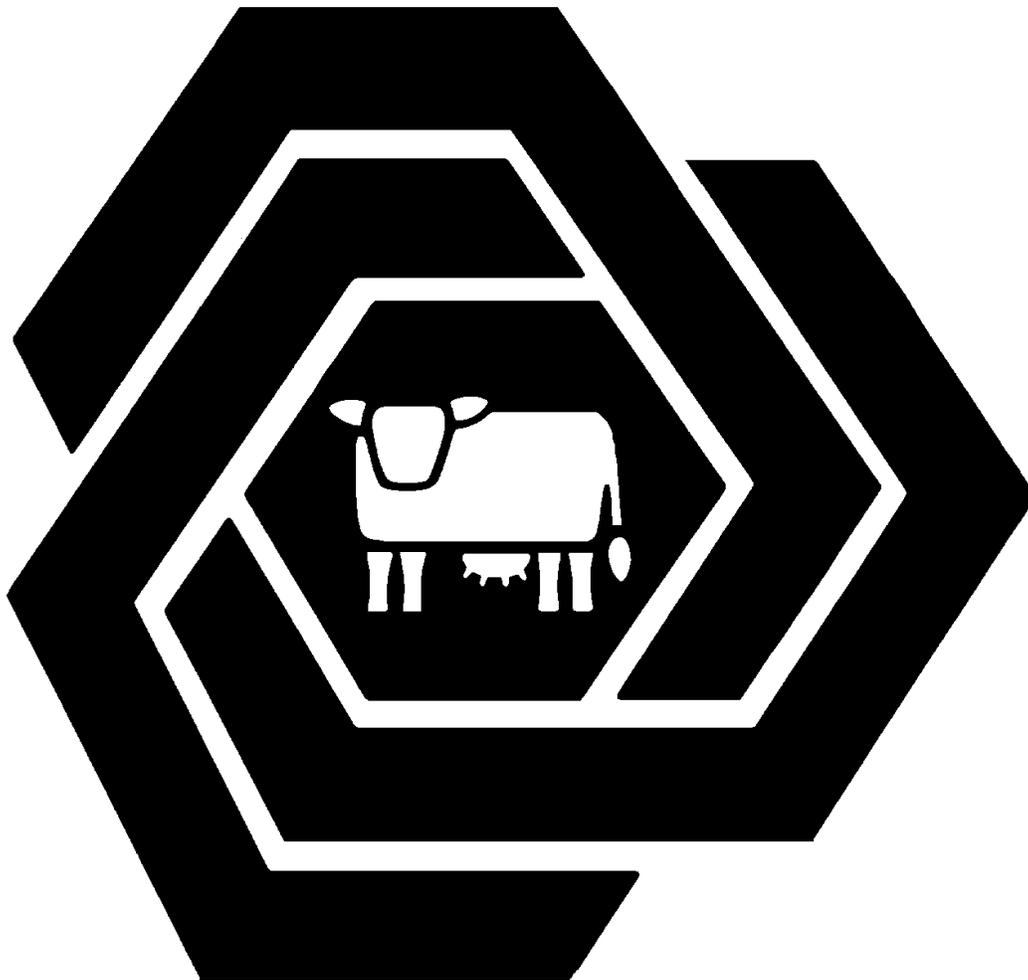
Agricultural  
Marketing  
Service

Dairy Programs

Statistical  
Bulletin  
Number 1001

# Federal Milk Order Market Statistics

## 2002 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 2002. Similar data for the period from 1947 through 2001 have been published in 45 previous annual summaries.

Issued June 2003

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or family status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact the USDA's TARGET center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Whitten Building 14th and Independence Avenue SW., Washington, DC, 20250-9410, or call (202) 720-5964 (voice and TDD). USDA is an equal opportunity provider and employer.

## TABLE OF CONTENTS

	Page Number
<b>I. General Information</b>	
How Federal Milk Order Statistics Are Developed .....	5
Brief Description of Federal Milk Order Terms .....	6
Table 1: Federal milk orders in effect on December 31, 2002, with number assigned each order in the Code of Federal Regulations and date on which each order became effective .....	9
Table 2: Measures of growth in Federal milk order markets, selected years, 1947-2002.....	11
Table 3: Population of Federal milk order marketing areas as defined December 31, 2002, total and by State, according to the 2000 United States Census and Census Update.....	12
Federal Milk Order Marketing Area Map.....	14
Summary of Major Order Actions During 2002.....	15
<b>II. Number of Handlers and Producers, and Quantities and Utilization of Milk Priced</b>	
Summary of the quantities and utilization of milk priced.....	16
Table 4: Number of pool handlers, supply plants, and distributing plants under Federal milk orders, by order, December 2002.....	17
Table 5: Number of producers delivering milk to handlers regulated under Federal orders, by marketing area, 2002 .....	18
Table 6: Receipts of producer milk by handlers regulated under Federal orders, by marketing area, 2002 .....	19
Table 7: Average daily delivery of milk per producer to handlers regulated under Federal orders, by marketing area, 2002.....	20
Table 8: Butterfat test of producer milk, by Federal milk order marketing area, 2002 .....	21
Table 9: Nonfat solids test of producer milk, by Federal milk order marketing area, 2002 .....	22
Table 10: Protein (true) test of producer milk, by Federal milk order marketing area, 2002 .....	23
Table 11: Other solids test of producer milk, by Federal milk order marketing area, 2002 .....	24
Table 12: Somatic cell count of producer milk, by Federal milk order marketing area, 2002.....	25
Table 13: Utilization of producer milk in Class I products, by Federal milk order marketing area, 2002.....	26
Table 14: Class I utilization percentage of producer milk, by Federal milk order marketing area, 2002.....	27

	Page Number
Table 15: Butterfat test of producer milk used in Class I products by Federal milk order marketing area, 2002 .....	28
Table 16: Nonfat solids test of producer milk used in Class I products, by Federal milk order marketing area, 2002 .....	29
Table 17: Utilization of producer milk in Class II products, by Federal milk order marketing area, 2002 .....	30
Table 18: Class II utilization percentage of producer milk, by Federal milk order marketing area, 2002.....	31
Table 19: Butterfat test of producer milk used in Class II products, by Federal milk order marketing area, 2002 .....	32
Table 20: Nonfat solids test of producer milk used in Class II products, by Federal milk order marketing area, 2002 .....	33
Table 21: Utilization of producer milk in Class III products, by Federal milk order marketing area, 2002.....	34
Table 22: Class III utilization percentage of producer milk, by Federal milk order marketing area, 2002 .....	35
Table 23: Butterfat test of producer milk used in Class III products, by Federal milk order marketing area, 2002 .....	36
Table 24: Protein (true) test of producer milk used in Class III products, by Federal milk order marketing area, 2002 .....	37
Table 25: Other solids test of producer milk used in Class III products, by Federal milk order marketing area, 2002 .....	38
Table 26: Utilization of producer milk in Class IV products, by Federal milk order marketing area, 2002.....	39
Table 27: Class IV utilization percentage of producer milk, by Federal milk order marketing area, 2002 .....	40
Table 28: Butterfat test of producer milk used in Class IV products, by Federal milk order marketing area, 2002 .....	41
Table 29: Nonfat solids test of producer milk used in Class IV products, by Federal milk order marketing area, 2002 .....	42
 <b>III. Class and Producer Prices and Gross Values</b>	
Summary of class and producer prices and gross values .....	43
Federal milk order price formulas for 2002.....	44
Table 30: NASS dairy product price averages used in Federal milk order price formulas, 2002.....	45
Table 31: Federal milk order Class I and Class II advanced prices and pricing factors, 2002 .....	46

	Page Number
Table 32: Federal milk order Class II, Class III, and Class IV milk and component prices, 2002 .....	47
Table 33: Federal milk order principal pricing points, with Class I differentials .....	48
Table 34: Class I skim milk price, by Federal milk order marketing area, 2002 .....	49
Table 35: Class I butterfat price, by Federal milk order marketing area, 2002 .....	50
Table 36: Class I milk price, by Federal milk order marketing area, 2002 .....	51
Table 37: Uniform skim milk price, by Federal milk order marketing area, 2002 .....	52
Table 38: Uniform butterfat price, by Federal milk order marketing area, 2002 .....	53
Table 39: Producer price differential, by Federal milk order marketing area, 2002 .....	54
Table 40: Uniform milk price, by Federal milk order marketing area, 2002 .....	55
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, 2002 .....	56
 <b>IV. Fluid Milk Product Sales</b>	
Summary of fluid milk product sales .....	57
Table 42: Packaged dispositions of Class I milk products by handlers regulated under Federal milk orders, by product, by order, 2002 .....	58
Table 43: Summary of packaged sales of fluid milk products in Federal milk order marketing areas, by months, 2002 .....	61
Table 44: Sales of fluid milk products in Federal milk order marketing areas, by product, by order, 2002 .....	62
 <b>V. Milk Used to Produce Manufactured Dairy Products</b>	
Summary of milk used to produce manufactured dairy products .....	65
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, 2002 .....	66
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, 2002 .....	67
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, 2002 .....	68

## **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, 2002, with Number Assigned Each Order in Code of Federal Regulations and Date on Which Each Order Became Effective

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

CONTINUED

Table 1--Federal Milk Orders in Effect on December 31, 2002, with Number Assigned Each Order in Code of Federal Regulations and Date on Which Each Order Became Effective -Con.

Federal Milk Order	CFR Chapter 7 Part Number	Date Effective
Pacific Northeast..... Pacific Northwest -- 2-1-1989 and, Addition of: 1 unregulated county in Oregon	1124	1/1/2000
Southeast..... Southeast -- 7-1-1995; and Addition of: 11 Arkansas counties from Southwest Plains 1 Kentucky county from Louisville-Lexington-Evansville, 22 Missouri counties from Southwest Plains, 6 Missouri counties from Southern Illinois-Eastern Missouri, 20 unregulated counties in Kentucky, and 15 unregulated counties in Missouri	1007	1/1/2000
Southwest..... Merger of: New Mexico-West Texas -- 12-1-1991, and Texas -- 7-1-1975; and Addition of: 49 unregulated counties in Texas	1126	1/1/2000
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 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, 1947-2002

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
	Number	1,000	Number		Million pounds		Percent	Dol. per cwt.		Percent		Pounds	Dollars	1,000 dol.
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
2002	11	234,256	338	63,856	125,546	46,043	36.7	13.69	11.91	77	76	5,387	239,520	15,294,802

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, 2002, 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>18,909,575</u>
		Georgia	294,788	308,250
		Indiana	791,872	802,106
		Kentucky	2,812,978	2,848,558
		North Carolina	8,049,313	8,320,146
		South Carolina	4,012,012	4,107,183
		Tennessee	2,107,138	2,147,140
		Virginia	277,768	286,206
		West Virginia	90,309	89,986
Arizona-Las Vegas	131	<u>Total</u>	<u>6,506,397</u>	<u>6,952,864</u>
		Arizona	5,130,632	5,456,453
		Nevada	1,375,765	1,496,411
Central	032	<u>Total</u>	<u>22,388,105</u>	<u>22,789,074</u>
		Colorado	4,110,995	4,307,195
		Illinois	3,688,820	3,742,678
		Iowa	2,847,413	2,857,568
		Kansas	2,688,418	2,715,884
		Minnesota	46,877	47,832
		Missouri	3,498,817	3,547,197
		Nebraska	1,586,359	1,602,968
		Oklahoma	3,450,654	3,493,714
		South Dakota	402,912	406,232
		Wisconsin	66,840	67,806
Florida	006	<u>Total</u>	<u>15,359,126</u>	<u>16,061,400</u>
		Florida	15,359,126	16,061,400
Midwest	033	<u>Total</u>	<u>31,379,357</u>	<u>31,642,380</u>
		Indiana	5,288,613	5,356,962
		Kentucky	685,009	693,673
		Michigan	9,808,800	9,919,341
		Ohio	11,118,122	11,184,839
		Pennsylvania	3,105,740	3,119,405
		West Virginia	1,373,073	1,368,160
Northeast	001	<u>Total</u>	<u>51,288,677</u>	<u>52,082,818</u>
		Connecticut	3,405,565	3,460,503
		Delaware	783,600	807,385
		District of Columbia	572,059	570,898
		Maryland	5,191,710	5,350,163
		Massachusetts	6,349,097	6,427,801
		New Hampshire	1,235,786	1,275,056
		New Jersey	8,414,350	8,590,300
		New York	16,275,023	16,430,321
		Pennsylvania	5,589,144	5,613,736
		Rhode Island	1,048,319	1,069,725
		Vermont	608,827	616,592
		Virginia	1,815,197	1,870,338

Continued

Table 3—Population of Federal Milk Order Marketing Areas as Defined December 31, 2002, Total and by State, According to the 2000 United States Census 1/ -Con.

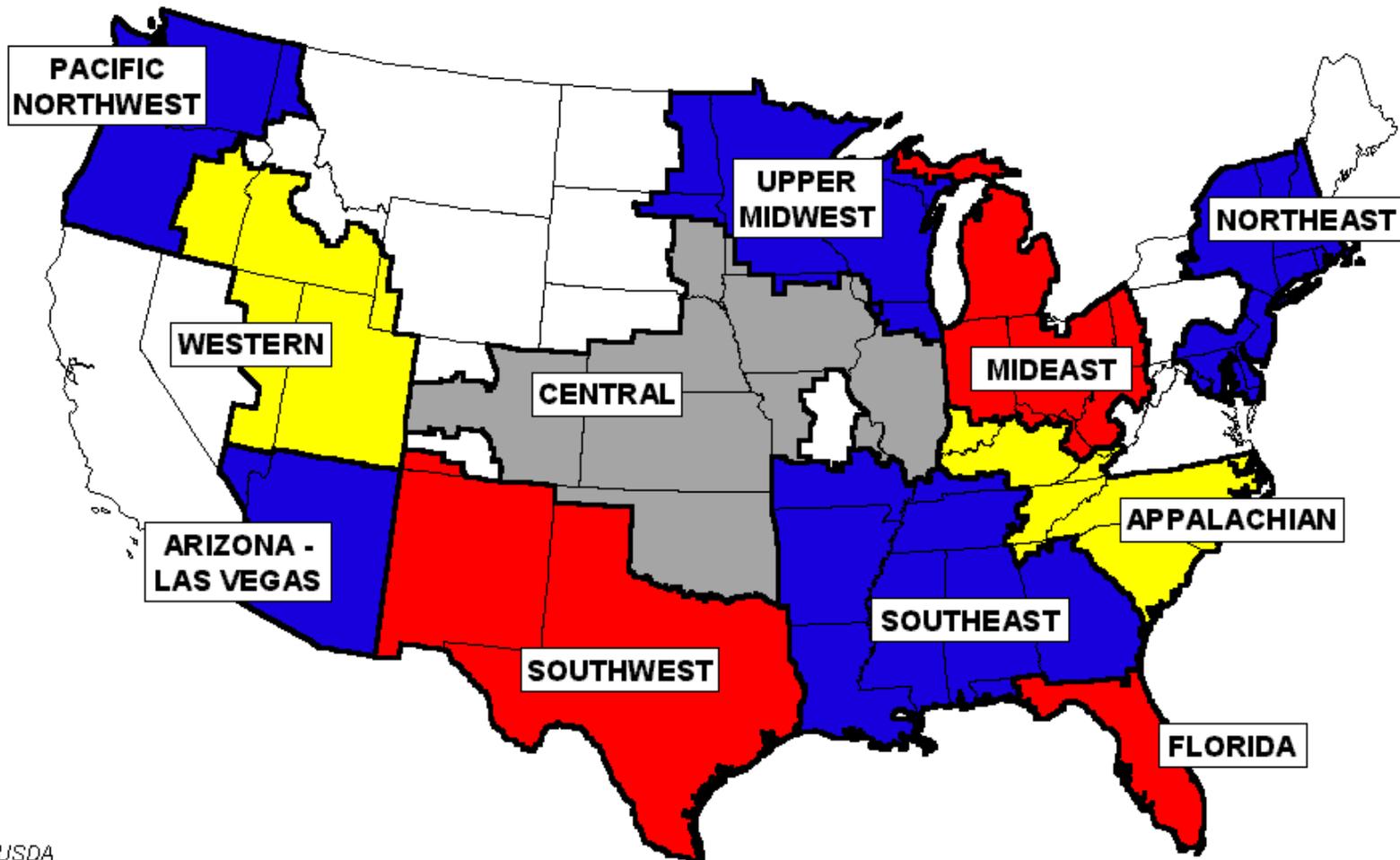
Federal Milk Order Marketing Area	Order Number	States	2000 Census	Census Update 2/
Pacific Northwest	124	<u>Total</u>	<u>9,433,132</u>	<u>9,713,100</u>
		Idaho	213,268	221,044
		Oregon	3,325,743	3,423,060
		Washington	5,894,121	6,068,996
Southeast	007	<u>Total</u>	<u>28,482,597</u>	<u>29,082,716</u>
		Alabama	4,447,100	4,486,508
		Arkansas	2,673,400	2,710,079
		Florida	623,252	651,749
		Georgia	7,891,665	8,252,060
		Kentucky	543,782	550,660
		Louisiana	4,468,976	4,482,646
		Mississippi	2,844,658	2,871,782
		Missouri	1,407,619	1,427,083
		Tennessee	3,582,145	3,650,149
Southwest	126	<u>Total</u>	<u>22,748,535</u>	<u>23,716,328</u>
		Colorado	77,669	81,376
		New Mexico	1,819,046	1,855,059
		Texas	20,851,820	21,779,893
Western	135	<u>Total</u>	<u>3,395,751</u>	<u>3,522,685</u>
		Idaho	981,200	1,016,975
		Nevada	58,637	63,779
		Oregon	88,430	91,018
		Utah	2,233,169	2,316,256
		Wyoming	34,315	34,657
Upper Midwest	030	<u>Total</u>	<u>19,480,685</u>	<u>19,782,661</u>
		Illinois	8,730,473	8,857,942
		Iowa	78,911	79,192
		Michigan	129,644	131,105
		Minnesota	4,872,602	4,971,888
		North Dakota	294,809	291,095
		South Dakota	77,411	78,049
		Wisconsin	5,296,835	5,373,390
All Areas Combined		Total	228,898,540	234,255,599

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, 2002. 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 2002

### MAY

Upper Midwest – May 1 (67 FR 19507, 4/22/02.) This interim final rule amends the pooling provisions of the Upper Midwest Federal milk order on an interim basis. This interim order eliminates the ability to pool the same milk on a Federal and State-operated order that has marketwide pooling. It also establishes a limit on the amount that can be diverted to nonpool plants by pool distributing plants regulated under the order.

### AUGUST

Mideast – August 1 (67 FR 48743, 7/26/02.) This interim final rule amends certain pooling provisions of the Mideast Federal milk order on an interim basis.

It implements amendments to the pool plant provisions which eliminate automatic pool plant status for the 6-month period of March through August, eliminate the inclusion of milk shipments to a distributing plant regulated by another Federal milk order as pool-qualifying shipments, eliminate the “split plant” feature, eliminate the inclusion of diversions made by a pool supply plant located outside the marketing area to a pool distributing plant as the supply plant’s qualifying shipments, and establishes a “net shipments” provision for supply plants.

For the producer milk provisions, this interim order implements amendments that increase the number of days that the milk of a producer needs to be delivered to a pool plant before being eligible for diversion, establishes year-round diversion limits for producer milk, adjusted seasonally, for distributing plants pooled on the order, and excludes from receipts the diversions made by a pool plant to a second pool plant from the calculation of the diversion limitation.

## SUMMARY OF THE QUANTITIES AND UTILIZATION OF MILK PRICED

During 2002, there were 338 handlers regulated under the 11 Federal milk orders. These handlers operated 288 distributing (fluid milk processing) plants and 112 supply (manufacturing) plants. The Northeast order had the largest number of regulated handlers (66) and distributing plants (64). The Upper Midwest order had the most supply plants (59).

An average of 63,856 producers (dairy farmers) marketed milk under Federal milk orders in 2002. On a monthly basis, the number of producers peaked at 65,642 in January, and was lowest in December (62,847). There was an average of 16,876 producers on the Northeast order, 14,294 producers in the Upper Midwest order, and only 109 producers on the Arizona-Las Vegas order.

During 2002, about 126 billion pounds of milk was marketed by dairy farmers under the Federal milk order program, about 4.4 percent higher than in 2001. This volume of milk accounted for about 76 percent of all the milk marketed in the United States and about 77 percent of the fluid grade (Grade A) milk marketings. The average butterfat test of producer milk receipts was 3.69 percent, and ranged from 3.54 percent in July to 3.81 percent in November. On a monthly basis, producer milk receipts peaked in May at 11.2 billion pounds, and were lowest in November (9.9 billion pounds). Over 25 billion pounds of milk were marketed under the Northeast order, just 2.7 billion pounds under the Florida order. The average delivery of milk per producer during 2002 was 5,387 pounds, and ranged from 3,893 pounds in the Upper Midwest order to 76,412 pounds in the Arizona-Las Vegas order.

Nearly 46 billion pounds of producer milk receipts were disposed as Class I (fluid milk) products in 2002, 36.7 percent of total producer milk marketings, and 0.3 percent higher than in 2001. The butterfat content of producer milk used in Class I averaged 2.00 percent. On a monthly basis, the volume of Class I producer milk peaked in January at 4.1 billion pounds, and was the lowest in June (3.4 billion pounds). 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 (10.7 billion pounds), over 63 percent more than the next largest volume (Mideast). On an individual order basis, the average Class I utilization percentage in 2002 ranged from 88.9 in the Florida order to 19.6 in the Western 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 2002. The butterfat test of producer milk used in Class II averaged 8.16 percent. The Northeast order had the largest volume of Class II producer milk (4.4 billion pounds). Class III products (hard cheeses and cream cheese) accounted for almost 56 billion pounds of producer milk, 44.4 percent of total producer milk marketings. The butterfat test of producer milk used in Class III averaged 3.66 percent. The Upper Midwest order had the largest volume of Class III producer milk (15.4 billion pounds). More than 11 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 5.76 percent. The Northeast order had the largest volume of Class IV producer milk (2.5 billion pounds).

An estimated 2.9 billion pounds of producer milk that normally would have been marketed under Federal orders in 2002 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 five orders; Central, Mideast, Southwest, Western, and Upper Midwest. Over 44 percent of not-pooled producer milk would have been used to produce Class II products, and nearly 40 percent would have been used to produce Class IV products.

Table 4--Number of Pool Handlers, Supply Plants, and Distributing Plants Under Federal Milk Orders, by Order, December 2002

Federal Milk Order Marketing Area	Order Number	Pool Handlers 1/	Supply Plants 2/	Distributing Plants 3/
Northeast	001	66	11	64
Appalachian	005	39	3	24
Southeast	007	42	4	30
Florida	006	14	0	12
Mideast	033	34	8	45
Upper Midwest	030	61	59	27
Central	032	30	20	32
Southwest	126	14	4	21
Arizona-Las Vegas	131	5	1	3
Western	135	15	0	12
Pacific Northwest	124	18	2	18
All Markets Combined		338	112	288

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, 2002

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
Northeast	001	17,239	17,172	17,136	17,136	16,894	17,028	17,099	16,600	16,558	16,554	16,531	16,565	16,876
Appalachian	005	4,269	4,148	4,376	4,420	4,294	4,220	3,911	4,055	4,025	3,897	3,928	3,948	4,124
Southeast	007	5,021	4,952	4,823	4,775	4,591	4,708	4,670	4,779	4,656	4,513	4,553	4,435	4,706
Florida	006	305	280	230	264	250	253	306	312	305	307	304	304	285
Mideast	033	11,143	11,254	11,784	11,503	11,737	11,525	11,349	10,791	10,962	10,955	10,907	10,678	11,216
Upper Midwest	030	14,926	14,494	14,172	13,803	13,490	13,563	13,407	14,642	14,614	14,806	14,660	14,949	14,294
Central	032	9,755	9,744	9,636	9,550	9,497	9,759	9,775	9,775	9,305	9,258	9,218	9,103	9,531
Southwest	126	910	852	947	897	857	892	812	717	709	963	967	935	872
Arizona-Las Vegas	131	111	110	109	108	111	110	109	108	105	107	107	107	109
Western	135	778	781	767	785	789	792	801	778	797	798	869	853	799
Pacific Northwest	124	1,185	1,170	1,035	1,156	1,164	972	974	968	980	977	981	970	1,044
All Markets Combined		65,642	64,957	65,015	64,397	63,674	63,822	63,213	63,525	63,016	63,135	63,025	62,847	63,856

Table 6--Receipts of Producer Milk by Handlers Regulated Under Federal Orders, by Marketing Area, 2002 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	2,205	2,008	2,289	2,241	2,282	2,135	2,188	2,048	1,926	1,974	1,971	2,092	25,358
Appalachian	005	597	526	625	614	609	574	529	530	507	515	520	558	6,706
Southeast	007	745	668	761	733	742	651	607	620	598	604	591	605	7,927
Florida	006	243	225	247	241	237	216	216	217	193	202	211	245	2,693
Mideast 2/	033	1,426	1,474	1,576	1,557	1,735	1,629	1,430	1,360	1,399	1,470	1,321	1,364	17,739
Upper Midwest 3/	030	1,945	1,617	1,828	1,779	1,621	1,546	1,513	1,730	1,651	1,574	1,679	1,825	20,307
Central 3/	032	1,517	1,388	1,559	1,558	1,614	1,587	1,589	1,561	1,523	1,623	1,544	1,637	18,700
Southwest 4/	126	794	760	866	878	896	839	828	779	748	793	738	794	9,714
Arizona-Las Vegas	131	261	247	286	279	283	256	240	225	216	240	235	257	3,027
Western 5/	135	477	451	349	495	486	510	436	455	540	470	435	448	5,552
Pacific Northwest	124	628	593	663	658	690	668	677	680	644	658	608	654	7,824
All Markets Combined		10,839	9,956	11,049	11,035	11,196	10,612	10,253	10,205	9,945	10,123	9,854	10,479	125,546

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

2/ Handlers in this marketing area elected not to pool milk in Mar.-Apr., July, August, November, and December 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 July and December due to disadvantageous intraorder class and uniform price relationships.

5/ Handlers in this marketing area elected not to pool milk in Jan.-Mar., May, July, August and Oct.-Dec. 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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	SIMPLE AVERAGE
		Pounds												
Northeast	001	4,126	4,177	4,309	4,359	4,358	4,179	4,128	3,980	3,877	3,846	3,974	4,073	4,115
Appalachian	005	4,513	4,533	4,611	4,629	4,578	4,537	4,365	4,215	4,200	4,264	4,416	4,559	4,452
Southeast	007	4,788	4,816	5,090	5,118	5,214	4,609	4,196	4,185	4,284	4,318	4,328	4,403	4,612
Florida	006	25,717	28,648	34,636	30,418	30,579	28,429	22,745	22,434	21,140	21,212	23,181	25,969	26,259
Mideast	033	4,127	4,676	4,314	4,513	4,769	4,712	4,065	4,064	4,253	4,328	4,036	4,120	4,331
Upper Midwest	030	4,204	3,983	4,160	4,297	3,877	3,799	3,639	3,811	3,765	3,429	3,818	3,938	3,893
Central	032	5,015	5,087	5,220	5,438	5,481	5,422	5,243	5,152	5,457	5,656	5,583	5,800	5,379
Southwest	126	28,158	31,858	29,493	32,636	33,723	31,357	32,888	35,060	35,150	26,564	25,445	27,406	30,812
Arizona-Las Vegas	131	75,842	80,332	84,544	86,255	82,317	77,696	71,062	67,123	68,459	72,447	73,289	77,576	76,412
Western	135	19,771	20,611	14,679	21,038	19,865	21,467	17,561	18,876	22,585	19,005	16,677	16,953	19,091
Pacific Northwest	124	17,109	18,092	20,669	18,976	19,132	22,919	22,437	22,674	21,913	21,732	20,672	21,748	20,673
All Markets Combined 2/		5,327	5,474	5,482	5,712	5,672	5,542	5,232	5,182	5,261	5,172	5,212	5,379	5,387

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.76	3.75	3.75	3.72	3.67	3.61	3.54	3.54	3.62	3.75	3.82	3.82	3.69
Appalachian	005	3.77	3.72	3.70	3.62	3.57	3.56	3.53	3.53	3.61	3.72	3.80	3.80	3.66
Southeast	007	3.75	3.71	3.68	3.57	3.54	3.54	3.56	3.56	3.62	3.74	3.82	3.79	3.66
Florida	006	3.71	3.67	3.65	3.58	3.60	3.65	3.68	3.70	3.72	3.71	3.69	3.67	3.67
Mideast	033	3.80	3.76	3.77	3.72	3.65	3.59	3.52	3.52	3.60	3.73	3.83	3.83	3.69
Upper Midwest	030	3.80	3.78	3.78	3.74	3.71	3.64	3.55	3.58	3.65	3.82	3.84	3.80	3.73
Central	032	3.78	3.76	3.76	3.71	3.64	3.59	3.53	3.55	3.63	3.78	3.83	3.80	3.70
Southwest	126	3.74	3.74	3.69	3.60	3.54	3.52	3.51	3.51	3.58	3.71	3.81	3.77	3.64
Arizona-Las Vegas	131	3.73	3.66	3.59	3.56	3.56	3.59	3.59	3.59	3.64	3.66	3.70	3.70	3.63
Western	135	3.74	3.72	3.68	3.61	3.55	3.50	3.48	3.51	3.61	3.70	3.76	3.74	3.63
Pacific Northwest	124	3.72	3.69	3.72	3.67	3.61	3.58	3.57	3.60	3.66	3.75	3.77	3.74	3.67
All Markets Combined		3.77	3.74	3.74	3.68	3.63	3.59	3.54	3.55	3.63	3.75	3.81	3.79	3.69

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.76	8.73	8.74	8.72	8.72	8.65	8.58	8.57	8.73	8.72	8.76	8.74	8.70
Mideast	033	8.73	8.75	8.76	8.74	8.73	8.68	8.62	8.62	8.69	8.79	8.81	8.81	8.73
Upper Midwest	030	8.75	8.73	8.75	8.74	8.70	8.69	8.59	8.64	8.70	8.79	8.79	8.75	8.72
Central	032	8.78	8.77	8.79	8.76	8.73	8.69	8.63	8.67	8.71	8.80	8.83	8.81	8.75
Southwest	126	8.80	8.77	8.76	8.71	8.67	8.64	8.64	8.64	8.69	8.79	8.84	8.82	8.73
Western	135	8.83	8.81	8.89	8.81	8.78	8.72	8.70	8.75	8.77	8.82	8.85	8.81	8.79
Pacific Northwest	124	8.77	8.77	8.77	8.78	8.75	8.70	8.69	8.71	8.74	8.80	8.81	8.77	8.75
All Markets Combined		8.76	8.75	8.77	8.74	8.72	8.68	8.62	8.64	8.71	8.78	8.80	8.78	8.73

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.04	3.01	3.01	2.97	2.98	2.94	2.88	2.89	3.06	3.05	3.08	3.06	3.00
Mideast	033	3.07	3.04	3.04	2.99	2.99	2.94	2.90	2.92	2.99	3.10	3.13	3.11	3.02
Upper Midwest	030	3.05	3.03	3.04	3.01	2.98	2.95	2.89	2.95	3.01	3.09	3.10	3.07	3.02
Central	032	3.08	3.06	3.06	3.02	3.01	2.96	2.92	2.97	3.03	3.11	3.14	3.10	3.04
Southwest	126	3.10	3.07	3.06	3.01	2.99	2.95	2.95	2.96	3.03	3.12	3.16	3.13	3.04
Western	135	3.12	3.10	3.11	3.07	3.05	2.98	2.96	3.02	3.06	3.14	3.16	3.13	3.07
Pacific Northwest	124	3.07	3.06	3.06	3.04	3.01	2.98	2.97	3.01	3.06	3.13	3.12	3.08	3.05
All Markets Combined		3.07	3.04	3.04	3.00	2.99	2.95	2.91	2.94	3.03	3.09	3.12	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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.72	5.72	5.74	5.74	5.75	5.72	5.70	5.68	5.67	5.67	5.68	5.68	5.71
Mideast	033	5.66	5.71	5.72	5.75	5.74	5.74	5.72	5.70	5.70	5.69	5.68	5.70	5.71
Upper Midwest	030	5.70	5.70	5.71	5.73	5.72	5.74	5.70	5.70	5.69	5.70	5.69	5.68	5.71
Central	032	5.70	5.71	5.73	5.73	5.72	5.73	5.71	5.70	5.68	5.68	5.69	5.70	5.71
Southwest	126	5.69	5.69	5.70	5.70	5.68	5.69	5.69	5.67	5.66	5.68	5.68	5.69	5.69
Western	135	5.70	5.72	5.77	5.74	5.74	5.74	5.74	5.73	5.72	5.68	5.69	5.69	5.72
Pacific Northwest	124	5.70	5.71	5.71	5.74	5.74	5.73	5.71	5.70	5.68	5.67	5.69	5.69	5.71
All Markets Combined		5.70	5.71	5.72	5.74	5.73	5.73	5.71	5.69	5.68	5.68	5.69	5.69	5.71

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, 2002 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	316	322	317	327	331	347	388	411	381	345	324	327	345
Upper Midwest	030	327	330	334	334	324	340	390	393	351	322	307	296	337
Central	032	306	305	304	302	296	315	356	360	338	302	296	289	314
Southwest	126	335	342	307	302	291	308	335	340	325	316	327	326	321
All Markets Combined		321	325	316	316	311	328	367	376	349	321	314	310	329

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, 2002 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	925	820	897	872	908	813	862	886	892	957	930	933	10,695
Appalachian	005	406	346	370	369	377	329	368	384	361	391	373	375	4,449
Southeast	007	432	378	404	402	396	352	380	417	393	421	399	393	4,767
Florida	006	220	202	218	211	207	186	194	200	173	185	191	207	2,395
Mideast	033	578	514	550	538	557	476	523	566	541	590	568	551	6,553
Upper Midwest	030	364	319	346	344	356	294	321	344	340	370	352	343	4,094
Central	032	433	381	411	408	399	351	387	422	401	434	423	415	4,866
Southwest	126	365	316	338	338	341	302	325	351	338	362	344	336	4,056
Arizona-Las Vegas	131	85	76	82	78	85	72	78	80	78	86	81	84	964
Western	135	90	78	83	86	88	81	90	98	93	94	105	103	1,091
Pacific Northwest	124	187	162	177	175	186	150	173	179	175	189	182	180	2,114
All Markets Combined		4,085	3,593	3,876	3,822	3,899	3,407	3,702	3,926	3,785	4,080	3,949	3,919	46,043

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	41.94	40.81	39.20	38.92	39.77	38.10	39.39	43.26	46.30	48.50	47.19	44.61	42.17
Appalachian	005	68.00	65.71	59.11	60.14	61.88	57.26	69.57	72.52	71.22	75.85	71.63	67.20	66.34
Southeast	007	57.99	56.63	53.03	54.79	53.37	54.08	62.61	67.28	65.60	69.69	67.58	64.97	60.14
Florida	006	90.29	90.07	88.35	87.74	87.43	86.19	90.14	91.98	89.20	91.74	90.42	84.63	88.93
Mideast	033	40.54	34.90	34.93	34.52	32.11	29.24	36.57	41.61	38.68	40.16	43.02	40.39	36.94
Upper Midwest	030	18.72	19.76	18.95	19.31	21.94	19.05	21.24	19.90	20.60	23.54	20.94	18.79	20.16
Central	032	28.54	27.44	26.39	26.22	24.73	22.13	24.38	27.02	26.33	26.75	27.39	25.33	26.02
Southwest	126	46.00	41.59	39.03	38.48	38.02	36.00	39.26	45.01	45.25	45.64	46.59	42.26	41.75
Arizona-Las Vegas	131	32.44	30.79	28.54	28.09	29.94	28.02	32.43	35.60	36.03	35.73	34.52	32.53	31.85
Western	135	18.91	17.35	23.70	17.43	18.16	15.96	20.57	21.50	17.30	20.09	24.24	22.95	19.65
Pacific Northwest	124	29.74	27.29	26.70	26.56	26.91	22.37	25.55	26.34	27.24	28.68	29.97	27.45	27.02
All Markets Combined		37.69	36.09	35.08	34.63	34.83	32.11	36.10	38.47	38.06	40.30	40.08	37.39	36.67

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	2.02	2.03	2.04	2.02	2.01	2.03	2.06	2.04	2.03	2.05	2.16	2.17	2.06
Appalachian	005	2.13	2.09	2.10	2.12	2.11	2.14	2.15	2.12	2.11	2.12	2.20	2.27	2.14
Southeast	007	2.15	2.14	2.16	2.15	2.18	2.24	2.23	2.14	2.12	2.13	2.19	2.28	2.18
Florida	006	2.14	2.14	2.17	2.19	2.20	2.27	2.26	2.28	2.19	2.20	2.27	2.33	2.22
Mideast	033	1.89	1.87	1.88	1.86	1.89	1.89	1.91	1.89	1.86	1.89	1.93	1.96	1.89
Upper Midwest	030	1.55	1.53	1.55	1.55	1.57	1.59	1.59	1.57	1.55	1.58	1.62	1.65	1.57
Central	032	1.79	1.78	1.80	1.78	1.80	1.87	1.87	1.85	1.78	1.81	1.85	1.90	1.82
Southwest	126	2.31	2.31	2.33	2.29	2.34	2.43	2.45	2.35	2.29	2.35	2.39	2.44	2.36
Arizona-Las Vegas	131	1.93	1.92	1.98	1.96	1.99	2.07	2.08	1.96	1.96	2.02	2.06	2.11	2.00
Western	135	1.82	1.81	1.80	1.80	1.84	1.94	1.93	1.93	1.92	2.00	1.95	1.99	1.90
Pacific Northwest	124	1.72	1.79	1.76	1.76	1.75	1.80	1.82	1.84	1.79	1.82	1.92	1.93	1.81
All Markets Combined		1.97	1.97	1.98	1.97	1.98	2.03	2.04	2.00	1.97	2.00	2.06	2.10	2.00

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

Table 16--Nonfat Solids Test of Producer Milk Used in Class I Products, by Federal Milk Order Marketing Area, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.91	8.90	8.90	8.87	8.87	8.80	8.72	8.70	8.79	8.87	8.92	8.90	8.85
Mideast	033	8.91	8.94	8.94	8.91	8.89	8.84	8.77	8.76	8.85	8.96	9.00	9.00	8.90
Upper Midwest	030	8.93	8.92	8.95	8.93	8.91	8.86	8.75	8.81	8.89	9.00	8.99	8.95	8.91
Central	032	8.99	8.98	8.99	8.94	8.89	8.82	8.78	8.83	8.89	9.00	9.05	9.02	8.94
Southwest	126	8.95	8.92	8.92	8.85	8.79	8.76	8.76	8.76	8.83	8.93	8.98	8.95	8.87
Western	135	9.01	9.01	8.97	8.93	8.89	8.85	8.83	8.90	8.92	8.99	9.02	8.99	8.94
Pacific Northwest	124	8.95	8.94	8.94	8.94	8.91	8.87	8.85	8.88	8.92	8.99	8.98	8.94	8.93
All Markets Combined		8.93	8.93	8.94	8.90	8.88	8.82	8.76	8.77	8.84	8.94	8.98	8.95	8.89

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, 2002 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	361	330	389	346	341	370	416	404	383	394	342	333	4,408
Appalachian	005	79	77	91	91	95	99	89	74	65	68	67	60	954
Southeast	007	70	66	83	69	80	76	81	79	62	46	41	42	796
Florida	006	14	15	17	18	20	19	17	14	13	14	17	19	197
Mideast 2/	033	203	210	168	172	236	216	102	228	216	225	140	132	2,247
Upper Midwest 3/	030	52	40	43	48	45	42	46	46	45	41	37	41	528
Central 3/	032	94	84	98	102	116	111	112	101	94	100	85	85	1,183
Southwest 4/	126	72	78	81	94	95	94	92	102	91	104	95	100	1,100
Arizona-Las Vegas	131	11	9	11	15	13	13	10	10	10	11	8	8	130
Western 5/	135	37	37	27	39	33	31	30	31	31	31	32	27	386
Pacific Northwest	124	33	31	35	37	37	39	38	36	35	33	34	34	421
All Markets Combined		1,026	976	1,044	1,031	1,113	1,111	1,034	1,125	1,047	1,067	897	880	12,351

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 March, April, July, August, November, and December 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 July and December due to the relationship between the order's Class II and uniform prices.

5/ Handlers in this marketing area elected not to pool producer milk used in Class II in July, August, October, and November 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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	16.36	16.43	16.98	15.43	14.96	17.33	19.01	19.71	19.90	19.96	17.35	15.93	17.38
Appalachian	005	13.22	14.63	14.59	14.79	15.62	17.29	16.72	13.98	12.90	13.15	12.81	10.69	14.23
Southeast	007	9.35	9.88	10.97	9.47	10.79	11.71	13.39	12.75	10.33	7.67	6.92	6.91	10.04
Florida	006	5.95	6.51	7.04	7.65	8.61	8.62	7.99	6.51	6.75	6.82	7.84	7.64	7.33
Mideast	033	14.25	14.24	10.67	11.02	13.61	13.25	7.15	16.75	15.46	15.28	10.60	9.67	12.67
Upper Midwest	030	2.68	2.48	2.37	2.69	2.79	2.75	3.05	2.64	2.75	2.63	2.22	2.24	2.60
Central	032	6.21	6.02	6.30	6.57	7.16	7.01	7.08	6.50	6.19	6.14	5.53	5.20	6.33
Southwest	126	9.07	10.33	9.38	10.68	10.64	11.25	11.16	13.15	12.12	13.15	12.85	12.60	11.32
Arizona-Las Vegas	131	4.13	3.80	3.95	5.35	4.75	5.14	3.98	4.42	4.59	4.66	3.23	3.21	4.28
Western	135	7.83	8.11	7.61	7.79	6.73	6.13	6.85	6.84	5.79	6.58	7.41	6.06	6.95
Pacific Northwest	124	5.21	5.17	5.20	5.63	5.42	5.79	5.61	5.27	5.48	5.01	5.54	5.16	5.38
All Markets Combined		9.47	9.80	9.45	9.34	9.94	10.47	10.08	11.03	10.52	10.54	9.10	8.40	9.84

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

Table 19--Butterfat Test of Producer Milk Used in Class II Products, by Federal Milk Order Marketing Area, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	7.62	7.15	7.33	7.66	7.86	7.15	6.88	6.79	6.75	7.06	7.70	7.64	7.28
Appalachian	005	8.01	7.44	7.17	6.92	7.27	6.44	7.03	7.76	8.32	9.24	9.44	9.70	7.75
Southeast	007	7.73	8.51	6.99	7.92	7.26	7.04	7.18	7.43	8.24	10.15	10.00	9.15	7.91
Florida	006	16.67	16.94	18.91	16.23	15.29	15.50	17.96	20.40	19.78	20.34	18.22	15.18	17.42
Mideast	033	6.56	6.08	7.68	7.67	6.59	7.01	10.10	6.41	6.26	6.88	8.82	8.79	7.15
Upper Midwest	030	14.00	16.14	16.95	14.58	15.76	15.29	14.84	15.82	15.69	18.67	19.57	16.53	16.04
Central	032	8.06	8.29	7.95	7.80	7.22	7.41	7.49	7.84	7.99	8.14	9.03	8.98	7.97
Southwest	126	8.45	8.29	7.98	7.44	7.35	7.22	8.19	7.21	8.46	7.45	7.69	7.13	7.70
Arizona-Las Vegas	131	11.77	9.97	15.29	13.39	15.84	18.10	20.40	22.09	16.59	11.87	20.02	21.76	16.13
Western	135	7.35	6.94	6.43	6.80	9.98	7.63	6.92	5.97	6.09	5.93	5.93	7.35	6.96
Pacific Northwest	124	10.16	11.35	11.05	9.67	8.79	9.80	10.13	11.06	9.58	9.83	11.33	11.41	10.32
All Markets Combined		8.11	7.89	8.23	8.21	8.03	7.77	8.20	7.74	7.81	8.16	9.10	8.94	8.16

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.45	8.43	8.41	8.37	8.35	8.35	8.29	8.28	8.36	8.42	8.41	8.40	8.37
Mideast	033	8.51	8.55	8.41	8.38	8.49	8.38	8.03	8.37	8.46	8.51	8.36	8.36	8.42
Upper Midwest	030	7.80	7.60	7.55	7.75	7.62	7.62	7.58	7.54	7.60	7.44	7.36	7.61	7.60
Central	032	8.36	8.35	8.39	8.35	8.36	8.35	8.30	8.32	8.27	8.40	8.40	8.38	8.35
Southwest	126	8.37	8.36	8.39	8.41	8.36	8.37	8.25	8.32	8.27	8.48	8.51	8.53	8.39
Western	135	8.51	8.54	8.62	8.50	8.17	8.35	8.39	8.54	8.54	8.62	8.67	8.52	8.50
Pacific Northwest	124	8.20	8.08	8.11	8.23	8.28	8.16	8.10	8.04	8.20	8.27	8.11	8.06	8.16
All Markets Combined		8.40	8.40	8.36	8.34	8.34	8.31	8.21	8.27	8.33	8.41	8.36	8.35	8.34

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, 2002 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	698	599	736	709	716	689	709	632	547	532	584	640	7,790
Appalachian	005	39	35	54	68	48	52	34	40	46	30	42	56	543
Southeast	007	150	133	162	167	160	142	126	106	119	115	127	130	1,638
Florida	006	5	1	7	7	4	6	4	3	4	2/	2	11	54
Mideast 3/	033	584	637	775	782	848	845	780	529	587	601	561	594	8,124
Upper Midwest 4/	030	1,505	1,233	1,418	1,360	1,192	1,185	1,133	1,330	1,247	1,119	1,264	1,414	15,400
Central	032	882	808	944	935	967	1,006	1,062	1,024	951	997	999	1,093	11,666
Southwest	126	291	257	310	300	301	300	273	246	248	254	248	250	3,277
Arizona-Las Vegas	131	107	95	111	104	95	81	91	69	88	93	102	105	1,142
Western 5/	135	232	230	224	257	248	291	313	321	298	228	292	313	3,248
Pacific Northwest	124	225	219	242	237	246	245	247	250	237	241	215	237	2,840
All Markets Combined		4,718	4,247	4,983	4,927	4,824	4,841	4,772	4,550	4,373	4,209	4,434	4,844	55,723

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 milk used in Class III in July due to the relationship between the order's Class III and uniform prices.

4/ Handlers in this marketing area elected not to pool milk used in Class III in February, July, and October due to the relationship between the order's Class III and uniform prices.

5/ Handlers in this marketing area elected not to pool milk used in Class III in Jan.-Feb., May, July, August, and Oct.-Dec. 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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	31.64	29.80	32.17	31.65	31.36	32.30	32.38	30.87	28.41	26.95	29.61	30.58	30.72
Appalachian	005	6.45	6.59	8.63	11.08	7.80	9.04	6.48	7.57	9.15	5.83	8.05	9.99	8.10
Southeast	007	20.12	19.96	21.28	22.81	21.56	21.74	20.77	17.13	19.95	19.03	21.48	21.51	20.66
Florida	006	2.12	0.64	2.89	2.98	1.49	2.75	1.74	1.17	2.03	0.18	1.07	4.58	2.02
Mideast	033	40.99	43.26	49.19	50.21	48.87	51.88	54.52	38.94	41.95	40.89	42.48	43.56	45.80
Upper Midwest	030	77.36	76.27	77.60	76.45	73.52	76.66	74.93	76.86	75.57	71.08	75.25	77.49	75.84
Central	032	58.15	58.20	60.51	60.00	59.92	63.36	66.86	65.57	62.42	61.40	64.69	66.79	62.39
Southwest	126	36.60	33.84	35.75	34.18	33.60	35.73	33.03	31.53	33.15	32.04	33.57	31.48	33.74
Arizona-Las Vegas	131	41.17	38.43	38.86	37.12	33.54	31.68	37.79	30.81	40.62	38.91	43.26	40.93	37.72
Western	135	48.75	50.99	64.29	51.95	51.11	56.99	71.76	70.58	55.23	48.44	67.05	69.87	58.50
Pacific Northwest	124	35.80	36.98	36.52	36.01	35.67	36.64	36.42	36.69	36.77	36.57	35.31	36.25	36.30
All Markets Combined		43.53	42.66	45.10	44.65	43.09	45.62	46.54	44.58	43.97	41.58	45.00	46.22	44.38

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.36	3.57	3.58	3.49	3.46	3.59	3.33	3.35	3.54	3.65	3.64	3.64	3.51
Appalachian	005	5.35	4.39	5.04	3.51	4.66	4.20	6.32	5.93	5.90	6.58	5.39	3.78	4.92
Southeast	007	4.08	4.06	4.00	3.70	4.02	3.84	3.84	4.38	4.01	4.31	4.53	4.34	4.07
Florida	006	7.09	16.64	5.01	5.21	7.14	6.80	6.27	17.56	8.96	28.74	9.46	3.09	6.78
Mideast	033	3.58	3.53	3.46	3.40	3.45	3.37	3.31	3.44	3.60	3.65	3.65	3.63	3.49
Upper Midwest	030	3.69	3.56	3.63	3.60	3.61	3.48	3.43	3.50	3.60	3.79	3.75	3.72	3.62
Central	032	3.66	3.65	3.64	3.61	3.55	3.52	3.49	3.56	3.64	3.73	3.72	3.69	3.62
Southwest	126	3.53	3.30	3.46	3.37	3.49	3.44	3.53	3.57	3.42	3.51	3.63	3.43	3.47
Arizona-Las Vegas	131	5.54	5.74	5.65	5.62	6.30	6.29	5.34	5.80	4.91	5.58	5.21	5.51	5.61
Western	135	3.72	3.74	3.69	3.73	3.70	3.69	3.42	3.37	3.79	3.87	3.72	3.62	3.66
Pacific Northwest	124	3.67	3.65	3.73	3.77	3.80	3.76	3.73	3.80	3.89	3.94	3.86	3.79	3.78
All Markets Combined		3.69	3.65	3.67	3.60	3.63	3.58	3.50	3.58	3.69	3.81	3.79	3.73	3.66

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	3.06	3.01	3.00	2.97	2.98	2.93	2.89	2.89	3.28	3.05	3.07	3.05	3.01
Mideast	033	3.06	3.04	3.04	2.99	2.99	2.94	2.90	2.93	2.99	3.09	3.13	3.11	3.01
Upper Midwest	030	3.06	3.05	3.05	3.01	2.98	2.96	2.90	2.95	3.01	3.09	3.11	3.08	3.02
Central	032	3.07	3.05	3.06	3.02	3.01	2.96	2.92	2.97	3.03	3.11	3.13	3.10	3.04
Southwest	126	3.10	3.07	3.04	2.99	2.96	2.93	2.92	2.94	3.02	3.10	3.14	3.12	3.03
Western	135	3.13	3.09	3.13	3.10	3.09	2.99	2.97	3.03	3.06	3.15	3.16	3.14	3.08
Pacific Northwest	124	3.10	3.08	3.09	3.07	3.06	3.01	3.00	3.04	3.08	3.14	3.13	3.11	3.07
All Markets Combined		3.07	3.05	3.05	3.01	3.00	2.96	2.91	2.95	3.05	3.10	3.12	3.09	3.03

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

Table 25--Other Solids Test of Producer Milk Used in Class III Products, by Federal Milk Order Marketing Area, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.75	5.72	5.74	5.75	5.77	5.71	5.71	5.69	5.68	5.67	5.68	5.68	5.71
Mideast	033	5.66	5.72	5.74	5.77	5.76	5.75	5.74	5.70	5.70	5.70	5.68	5.70	5.72
Upper Midwest	030	5.71	5.71	5.72	5.74	5.72	5.75	5.71	5.70	5.70	5.70	5.69	5.68	5.71
Central	032	5.70	5.71	5.74	5.75	5.74	5.74	5.71	5.70	5.68	5.69	5.69	5.70	5.71
Southwest	126	5.69	5.70	5.70	5.70	5.68	5.68	5.66	5.66	5.66	5.68	5.68	5.70	5.68
Western	135	5.71	5.72	5.79	5.73	5.73	5.74	5.74	5.73	5.72	5.67	5.68	5.68	5.72
Pacific Northwest	124	5.71	5.73	5.72	5.74	5.73	5.72	5.71	5.69	5.67	5.66	5.71	5.70	5.71
All Markets Combined		5.71	5.72	5.73	5.75	5.74	5.73	5.71	5.70	5.69	5.69	5.69	5.69	5.71

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, 2002 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	222	260	267	314	317	262	202	126	104	91	115	186	2,465
Appalachian	005	74	69	110	86	90	94	38	31	34	27	39	68	760
Southeast	007	93	90	112	95	106	81	20	18	25	22	24	40	725
Florida	006	4	6	4	4	6	5	2/	1	4	3	1	8	46
Mideast 3/	033	60	112	82	66	94	92	25	37	55	54	51	87	815
Upper Midwest 4/	030	24	24	20	28	28	24	12	10	18	43	27	27	285
Central 5/	032	108	116	106	112	132	119	27	14	77	93	37	44	985
Southwest	126	66	108	137	146	159	143	137	80	71	73	52	108	1,280
Arizona-Las Vegas	131	58	67	82	82	90	90	62	66	40	50	45	60	792
Western 6/	135	117	106	15	113	117	107	4	5	117	117	6	5	828
Pacific Northwest	124	184	181	209	209	221	235	220	216	197	196	177	204	2,448
All Markets Combined		1,010	1,140	1,145	1,255	1,360	1,253	746	604	741	767	574	836	11,430

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 July 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 March, and July-Dec. 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 this marketing area elected not to pool producer milk used in Class IV in March, July, August, and Oct.-Dec. 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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	10.06	12.96	11.65	13.99	13.91	12.28	9.22	6.16	5.39	4.60	5.85	8.87	9.72
Appalachian	005	12.33	13.08	17.66	14.00	14.70	16.41	7.22	5.93	6.74	5.17	7.51	12.12	11.33
Southeast	007	12.54	13.53	14.73	12.93	14.28	12.47	3.24	2.84	4.12	3.62	4.02	6.60	9.15
Florida	006	1.64	2.77	1.72	1.63	2.47	2.44	0.13	0.34	2.02	1.26	0.67	3.16	1.71
Mideast	033	4.22	7.60	5.22	4.25	5.41	5.64	1.77	2.71	3.90	3.67	3.90	6.39	4.60
Upper Midwest	030	1.23	1.50	1.08	1.55	1.75	1.54	0.78	0.59	1.08	2.75	1.59	1.47	1.40
Central	032	7.09	8.33	6.80	7.21	8.19	7.51	1.69	0.91	5.06	5.72	2.39	2.68	5.27
Southwest	126	8.33	14.24	15.84	16.66	17.74	17.01	16.55	10.30	9.48	9.16	6.99	13.66	13.18
Arizona-Las Vegas	131	22.25	26.97	28.65	29.44	31.77	35.16	25.79	29.17	18.77	20.70	18.99	23.33	26.15
Western	135	24.51	23.55	4.41	22.83	24.00	20.92	0.82	1.08	21.67	24.89	1.30	1.13	14.91
Pacific Northwest	124	29.25	30.56	31.58	31.80	32.00	35.19	32.42	31.70	30.51	29.74	29.17	31.14	31.29
All Markets Combined		9.31	11.45	10.37	11.38	12.14	11.80	7.28	5.92	7.45	7.58	5.83	7.98	9.10

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	5.99	5.27	4.72	4.63	4.37	3.54	3.75	4.64	6.17	7.76	6.65	5.83	4.97
Appalachian	005	7.47	7.46	5.55	6.69	5.22	5.11	6.27	7.76	7.38	9.90	7.68	7.10	6.55
Southeast	007	7.61	6.31	6.21	6.19	5.11	5.32	12.36	14.99	14.12	18.06	16.94	11.25	7.77
Florida	006	38.78	19.02	14.88	15.90	10.47	7.14	71.75	20.95	12.20	19.89	16.20	12.74	16.31
Mideast	033	14.90	9.35	11.44	12.29	8.58	6.40	17.07	11.89	10.28	11.77	13.25	9.49	10.63
Upper Midwest	030	22.79	24.37	24.76	19.23	15.59	16.07	25.02	27.18	16.63	9.38	15.02	16.25	17.91
Central	032	9.05	7.78	8.47	7.82	6.80	5.65	12.58	22.94	7.82	8.83	17.46	14.22	8.71
Southwest	126	7.48	5.66	5.01	4.64	3.89	3.58	2.81	3.69	4.01	5.87	7.08	5.58	4.66
Arizona-Las Vegas	131	1.52	1.82	0.79	0.69	0.30	0.24	0.33	0.43	0.96	1.02	0.45	0.23	0.70
Western	135	4.11	3.99	8.90	3.61	2.71	2.96	18.51	28.91	3.84	4.17	27.15	27.57	4.25
Pacific Northwest	124	4.68	4.14	4.14	4.08	4.10	3.49	3.64	3.61	4.01	4.35	4.12	4.02	4.01
All Markets Combined		7.02	6.16	5.86	5.49	4.76	4.15	4.82	5.63	5.82	6.64	7.82	6.67	5.76

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Percent												
Northeast	001	8.55	8.61	8.66	8.64	8.65	8.62	8.56	8.48	8.41	8.37	8.52	8.60	8.59
Midwest	033	7.73	8.23	8.06	7.95	8.27	8.41	7.41	7.87	8.08	8.04	7.93	8.26	8.10
Upper Midwest	030	7.01	6.87	6.84	7.31	7.62	7.54	6.68	6.51	7.52	8.28	7.76	7.61	7.44
Central	032	8.28	8.39	8.33	8.36	8.43	8.48	7.80	6.90	8.28	8.31	7.56	7.84	8.28
Southwest	126	8.44	8.59	8.63	8.62	8.63	8.63	8.70	8.61	8.66	8.61	8.55	8.67	8.62
Western	135	8.77	8.77	8.36	8.76	8.81	8.71	7.32	6.43	8.71	8.75	6.69	6.61	8.70
Pacific Northwest	124	8.66	8.68	8.69	8.69	8.66	8.66	8.62	8.67	8.66	8.70	8.74	8.69	8.68
All Markets Combined		8.45	8.52	8.51	8.55	8.58	8.58	8.49	8.43	8.50	8.52	8.40	8.49	8.51

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 2002, the base skim milk price for Class I averaged \$7.01 per cwt., and was the advanced Class IV skim milk pricing factor in every month except January, March, June, and November. This price ranged from a high of \$7.34 in January to a low of \$6.83 in May. The advanced butterfat pricing factor averaged \$1.2123 per pound, and ranged from \$0.9935 in October to \$1.4860 in February. The Class I base price, also referred to as the Class I mover, averaged \$11.01 per cwt., ranging from \$10.15 in October to \$11.96 in January. For all markets combined, the Class I price averaged \$13.69 per cwt. in 2002 (19.3 percent lower than 2001), ranging from \$12.82 in October to \$14.65 in January. On an individual order basis, the annual average Class I price ranged from \$12.81 in the Upper Midwest order to \$15.04 in the Florida order.

The Class II price averaged \$11.55 per cwt. in 2002, peaking at \$12.69 in January, hitting the low point of \$10.91 in September. The Class II, III, or IV prices do not vary from order to order. The Class III price averaged \$10.42 per cwt. in 2002, ranging from \$9.33 in July to \$11.87 in January. The Class IV price averaged \$10.81, ranging from \$10.22 in September to \$11.93 in January.

During 2002, the uniform milk price, a statistical measure of the minimum price received by dairy farmers marketing milk under the Federal order program, averaged \$11.91 per cwt (20.1 percent lower than 2001). This price peaked in January at \$13.18 and hit its low point in July at \$11.25. On an individual order basis, the uniform milk price ranged from \$10.98 in the Upper Midwest order to \$14.63 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, \$1.26 per cwt.; butterfat, \$1.1928 per pound; true protein, \$1.9735 per pound; and other solids, \$0.0593 per pound. For those producers subject to the somatic cell adjustment to their milk payment, the rate averaged \$0.00059. 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 \$9.14 per cwt. in 2002, and the uniform butterfat price averaged \$1.2219 per pound.

The gross value of producer milk receipts under the Federal order program in 2002 was \$15.3 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 \$239,520. Producers in the Arizona-Las Vegas order had a gross value of more than \$3.2 million each, more than twice as much as the next largest per producer gross value in the Southwest order. On the other end of the scale, producers in the Upper Midwest order had a gross value of \$160,361 each.

## FEDERAL MILK ORDER PRICE FORMULAS FOR 2002

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.

### Class I:

Class I Price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors  
+ applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I  
differential divided by 100).

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

### Class II:

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + \$0.70.

Class II Butterfat Price = Butterfat price + \$0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

### Class III:

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

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

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

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, 2002 <sup>1/</sup>**

Year and Month	Product Price Averages For:									
	Class I (Skim, Bfat.), Class II (Skim, Nonfat Solids)					Class II (Bfat.), Class III, Class IV, Components				
	Weeks ending	Butter	Nonfat dry milk	Cheese	Dry Whey	Weeks ending	Butter	Nonfat dry milk	Cheese	Dry Whey
	Dollars per pound					Dollars per pound				
<u>2002</u>										
Jan	12/8,15	1.2580	0.9222	1.2895	0.2902	1/5,12,19,26	1.3324	0.9161	1.2922	0.2747
Feb	1/5,12	1.3335	0.9166	1.2740	0.2810	2/2,9,16,23	1.2480	0.9121	1.2895	0.2334
Mar	2/9,16	1.2316	0.9133	1.2862	0.2347	3/2,9,16,23,30	1.2333	0.9060	1.2087	0.2066
Apr	3/9,16	1.2411	0.9074	1.2008	0.2077	4/6,13,20,27	1.1720	0.8975	1.2323	0.1948
May	4/6,13	1.2088	0.8984	1.2229	0.1979	5/4,11,18,25	1.0525	0.8972	1.2359	0.1759
Jun	5/4,11	1.0643	0.8953	1.2521	0.1827	6/1,8,15,22,29	1.0343	0.9005	1.1708	0.1639
Jul	6/8,15	1.0533	0.9006	1.1792	0.1663	7/6,13,20,27	1.0112	0.9033	1.1004	0.1545
Aug	7/6,13	1.0188	0.9025	1.1098	0.1552	8/3,10,17,24	0.9925	0.9074	1.1189	0.1571
Sep	8/10,17	1.0010	0.9091	1.1237	0.1559	8/31,9/7,14,21,28	0.9431	0.9096	1.1438	0.1755
Oct	9/7,14	0.9297	0.9080	1.1427	0.1703	10/5,12,19,26	0.9945	0.9165	1.2020	0.2131
Nov	10/5,12	0.9697	0.9159	1.1921	0.2081	11/2,9,16,23	1.0107	0.9177	1.1111	0.2223
Dec	11/9,16	0.9991	0.9172	1.0985	0.2234	11/30,12/7,14,21,28	1.0926	0.8682	1.1203	0.1965
Avg.	----	1.1091	0.9089	1.1976	0.2061	----	1.0931	0.9043	1.1855	0.1974

<sup>1/</sup> 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, 2002**

Year and Month	Release Date	Class I Base Price <u>1/</u>	Base Skim Milk Price for Class I <u>2/</u>	Advanced Class III Skim Milk Pricing Factor	Advanced Class IV Skim Milk Pricing Factor	Advanced Butterfat Pricing Factor <u>3/</u>	Class II Skim Milk Price	Class II Nonfat Solids Price
		Dollars per cwt.				\$ per lb.	\$ per cwt.	\$ per lb.
<u>2002</u>								
Jan	12/21/01	11.96	7.34	7.34	7.04	1.3939	7.74	0.8600
Feb	1/18/02	11.95	6.99	6.75	6.99	1.4860	7.69	0.8544
Mar	2/22	11.62	7.10	7.10	6.96	1.3617	7.66	0.8511
Apr	3/22	11.47	6.91	5.98	6.91	1.3733	7.61	0.8456
May	4/19	11.26	6.83	6.31	6.83	1.3339	7.53	0.8367
Jun	5/17	11.03	7.23	7.23	6.80	1.1577	7.50	0.8333
Jul	6/21	10.62	6.85	6.40	6.85	1.1443	7.55	0.8389
Aug	7/19	10.48	6.86	5.77	6.86	1.1022	7.56	0.8400
Sep	8/23	10.46	6.92	6.00	6.92	1.0805	7.62	0.8467
Oct	9/20	10.15	6.91	6.64	6.91	0.9935	7.61	0.8456
Nov	10/18	10.60	7.20	7.20	6.98	1.0423	7.68	0.8533
Dec	11/22	10.52	6.99	6.16	6.99	1.0782	7.69	0.8544
Avg.	----	11.01	7.01	6.57	6.92	1.2123	7.62	0.8467

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

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

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

**Table 32--Federal Milk Order Class II, Class III, and Class IV Milk Component Prices, 2002**

Year and Month	Release Date	Class II Price <u>1/</u>	Class II Butterfat Price	Class III Price	Class III Skim Milk Price	Class IV Price	Class IV Skim Milk Price	Butterfat Price <u>2/ 3/</u>	Nonfat Solids Price	Protein Price <u>3/</u>	Other Solids Price <u>3/</u>	Somatic Cell Adjustment Rate <u>4/</u>
		\$/cwt.	\$/lb.	Dollars per cwt.				Dollars per pound				\$/count
<u>2002</u>												
Jan	2/1	12.69	1.4916	11.87	6.92	11.93	6.98	1.4846	0.7761	1.9660	0.1392	0.00065
Feb	3/1	12.28	1.3887	11.63	7.04	11.54	6.95	1.3817	0.7721	2.0884	0.0965	0.00064
Mar	4/5	12.19	1.3708	10.65	6.09	11.42	6.89	1.3638	0.7660	1.8342	0.0688	0.00060
Apr	5/3	11.88	1.2960	10.85	6.57	11.09	6.82	1.2890	0.7575	2.0109	0.0566	0.00062
May	5/31	11.29	1.1503	10.82	7.07	10.57	6.81	1.1433	0.7572	2.2097	0.0371	0.00062
Jun	7/5	11.19	1.1281	10.09	6.39	10.52	6.84	1.1211	0.7605	2.0148	0.0247	0.00059
Jul	8/2	11.14	1.0999	9.33	5.70	10.45	6.87	1.0929	0.7633	1.8095	0.0150	0.00055
Aug	8/30	11.07	1.0771	9.54	6.00	10.41	6.91	1.0701	0.7674	1.9021	0.0177	0.00056
Sep	10/4	10.91	1.0169	9.92	6.62	10.22	6.93	1.0099	0.7696	2.0646	0.0367	0.00057
Oct	11/1	11.12	1.0796	10.72	7.22	10.50	6.99	1.0726	0.7765	2.1839	0.0755	0.00060
Nov	11/29	11.26	1.0993	9.84	6.23	10.58	7.00	1.0923	0.7777	1.8469	0.0850	0.00056
Dec	1/3/03	11.62	1.1992	9.74	5.77	10.49	6.55	1.1922	0.7282	1.7506	0.0584	0.00056
Avg	---	11.55	1.1998	10.42	6.47	10.81	6.88	1.1928	0.7643	1.9735	0.0593	0.00059

1/ See Class I and Class II Advanced Prices and Pricing Factors for Class II skim milk prices.

2/ Butterfat price for both Class III and IV.

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

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

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

Federal Milk Order	Principal Pricing Point	Major City in Principal Pricing Point	Class I Differential for:	
			Principal Pricing Point	Other Major Cities in the Order
Northeast	Suffolk Co., MA	Boston	\$3.25	New York City, \$3.15; Philadelphia, \$3.05; Baltimore, \$3.00; and Washington, DC, \$3.00.
Appalachian	Mecklenburg Co., NC	Charlotte	\$3.10	Knoxville, \$2.80; and Louisville, \$2.20.
Southeast	Fulton Co., GA	Atlanta	\$3.10	New Orleans, \$3.60; Memphis, \$2.80; Nashville, \$2.60; and Springfield, MO., \$2.20.
Florida	Hillsborough Co., FL	Tampa	\$4.00	Orlando, \$4.00; Miami, \$4.30; and Jacksonville, \$3.70.
Mideast	Cuyahoga Co., OH	Cleveland	\$2.00	Indianapolis, \$2.00; Cincinnati, \$2.20; Pittsburgh, \$2.10; and Detroit, \$ 1.80.
Upper Midwest	Cook Co., IL	Chicago	\$1.80	Milwaukee, \$1.75; and Minneapolis, \$1.70.
Central	Jackson Co., MO	Kansas City	\$2.00	Des Moines, \$1.80; Omaha, \$1.85; Oklahoma City, \$2.60; St. Louis, \$2.00; and Denver, \$2.55.
Southwest	Dallas Co., TX	Dallas	\$3.00	Houston, \$3.60; San Antonio, \$3.45; Albuquerque, \$2.35; and El Paso, \$2.25.
Arizona-Las Vegas	Maricopa Co., AZ	Phoenix	\$2.35	Las Vegas, \$2.00.
Western	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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Dollars per Hundredweight												
Northeast	001	10.59	10.24	10.35	10.16	10.08	10.48	10.10	10.11	10.17	10.16	10.45	10.24	10.26
Appalachian	005	10.44	10.09	10.20	10.01	9.93	10.33	9.95	9.96	10.02	10.01	10.30	10.09	10.11
Southeast	007	10.44	10.09	10.20	10.01	9.93	10.33	9.95	9.96	10.02	10.01	10.30	10.09	10.11
Florida	006	11.34	10.99	11.10	10.91	10.83	11.23	10.85	10.86	10.92	10.91	11.20	10.99	11.01
Mideast	033	9.34	8.99	9.10	8.91	8.83	9.23	8.85	8.86	8.92	8.91	9.20	8.99	9.01
Upper Midwest	030	9.14	8.79	8.90	8.71	8.63	9.03	8.65	8.66	8.72	8.71	9.00	8.79	8.81
Central	032	9.34	8.99	9.10	8.91	8.83	9.23	8.85	8.86	8.92	8.91	9.20	8.99	9.01
Southwest	126	10.34	9.99	10.10	9.91	9.83	10.23	9.85	9.86	9.92	9.91	10.20	9.99	10.01
Arizona-Las Vegas	131	9.69	9.34	9.45	9.26	9.18	9.58	9.20	9.21	9.27	9.26	9.55	9.34	9.36
Western	135	9.24	8.89	9.00	8.81	8.73	9.13	8.75	8.76	8.82	8.81	9.10	8.89	8.91
Pacific Northwest	124	9.24	8.89	9.00	8.81	8.73	9.13	8.75	8.76	8.82	8.81	9.10	8.89	8.91
All Markets Combined		10.03	9.68	9.79	9.60	9.51	9.93	9.54	9.54	9.60	9.58	9.87	9.68	9.69

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, 2002 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	1.4264	1.5185	1.3942	1.4058	1.3664	1.1902	1.1768	1.1347	1.1130	1.0260	1.0748	1.1107	1.2394
Appalachian	005	1.4249	1.5170	1.3927	1.4043	1.3649	1.1887	1.1753	1.1332	1.1115	1.0245	1.0733	1.1092	1.2408
Southeast	007	1.4249	1.5170	1.3927	1.4043	1.3649	1.1887	1.1753	1.1332	1.1115	1.0245	1.0733	1.1092	1.2424
Florida	006	1.4339	1.5260	1.4017	1.4133	1.3739	1.1977	1.1843	1.1422	1.1205	1.0335	1.0823	1.1182	1.2568
Mideast	033	1.4139	1.5060	1.3817	1.3933	1.3539	1.1777	1.1643	1.1222	1.1005	1.0135	1.0623	1.0982	1.2293
Upper Midwest	030	1.4119	1.5040	1.3797	1.3913	1.3519	1.1757	1.1623	1.1202	1.0985	1.0115	1.0603	1.0962	1.2272
Central	032	1.4139	1.5060	1.3817	1.3933	1.3539	1.1777	1.1643	1.1222	1.1005	1.0135	1.0623	1.0982	1.2284
Southwest	126	1.4239	1.5160	1.3917	1.4033	1.3639	1.1877	1.1743	1.1322	1.1105	1.0235	1.0723	1.1082	1.2391
Arizona-Las Vegas	131	1.4174	1.5095	1.3852	1.3968	1.3574	1.1812	1.1678	1.1257	1.1040	1.0170	1.0658	1.1017	1.2320
Western	135	1.4129	1.5050	1.3807	1.3923	1.3529	1.1767	1.1633	1.1212	1.0995	1.0125	1.0613	1.0972	1.2154
Pacific Northwest	124	1.4129	1.5050	1.3807	1.3923	1.3529	1.1767	1.1633	1.1212	1.0995	1.0125	1.0613	1.0972	1.2257
All Markets Combined		1.4213	1.5135	1.3892	1.4008	1.3613	1.1852	1.1717	1.1295	1.1078	1.0208	1.0696	1.1056	1.2363

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
Dollars per Hundredweight														
Northeast	001	15.21	15.20	14.87	14.72	14.51	14.28	13.87	13.73	13.71	13.40	13.85	13.77	14.25
Appalachian	005	15.06	15.05	14.72	14.57	14.36	14.13	13.72	13.58	13.56	13.25	13.70	13.62	14.11
Southeast	007	15.06	15.05	14.72	14.57	14.36	14.13	13.72	13.58	13.56	13.25	13.70	13.62	14.11
Florida	006	15.96	15.95	15.62	15.47	15.26	15.03	14.62	14.48	14.46	14.15	14.60	14.52	15.04
Mideast	033	13.96	13.95	13.62	13.47	13.26	13.03	12.62	12.48	12.46	12.15	12.60	12.52	13.00
Upper Midwest	030	13.76	13.75	13.42	13.27	13.06	12.83	12.42	12.28	12.26	11.95	12.40	12.32	12.81
Central	032	13.96	13.95	13.62	13.47	13.26	13.03	12.62	12.48	12.46	12.15	12.60	12.52	13.00
Southwest	126	14.96	14.95	14.62	14.47	14.26	14.03	13.62	13.48	13.46	13.15	13.60	13.52	14.01
Arizona-Las Vegas	131	14.31	14.30	13.97	13.82	13.61	13.38	12.97	12.83	12.81	12.50	12.95	12.87	13.36
Western	135	13.86	13.85	13.52	13.37	13.16	12.93	12.52	12.38	12.36	12.05	12.50	12.42	12.87
Pacific Northwest	124	13.86	13.85	13.52	13.37	13.16	12.93	12.52	12.38	12.36	12.05	12.50	12.42	12.90
All Markets Combined		14.65	14.64	14.31	14.16	13.95	13.73	13.31	13.16	13.14	12.82	13.28	13.21	13.69

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Dollars per Hundredweight												
Appalachian	005	9.62	9.35	9.10	9.09	9.12	9.14	9.25	9.35	9.40	9.56	9.59	9.22	9.31
Southeast	007	9.33	9.07	8.84	8.89	8.94	9.00	8.92	9.11	9.21	9.45	9.37	9.01	9.09
Florida	006	11.03	10.72	10.72	10.54	10.47	10.74	10.54	10.66	10.59	10.71	10.89	10.47	10.67
Arizona-Las Vegas	131	7.93	7.82	7.38	7.48	7.64	7.52	7.24	7.51	7.70	7.94	7.60	7.20	7.58
All Markets Combined		9.45	9.20	8.95	8.96	9.00	9.04	9.00	9.18	9.23	9.42	9.38	9.02	9.14

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, 2002 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	1.4637	1.4335	1.3755	1.3315	1.2264	1.1466	1.1301	1.0997	1.0542	1.0541	1.0866	1.1608	1.2215
Southeast	007	1.4656	1.4269	1.3738	1.3280	1.2172	1.1455	1.1267	1.0969	1.0500	1.0544	1.0857	1.1604	1.2227
Florida	006	1.4606	1.4602	1.3867	1.3586	1.2694	1.1651	1.1469	1.1139	1.0710	1.0544	1.0899	1.1552	1.2351
Arizona-Las Vegas	131	1.4742	1.4030	1.3683	1.3071	1.1807	1.1326	1.1085	1.0828	1.0296	1.0626	1.0884	1.1767	1.2093
All Markets Combined		1.4655	1.4299	1.3782	1.3300	1.2214	1.1465	1.1279	1.0982	1.0512	1.0555	1.0870	1.1623	1.2219

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, 2002 1/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	AVERAGE
		Dollars per Hundredweight												
Northeast	001	1.94	1.85	2.40	2.09	1.81	2.29	2.72	2.62	2.28	1.68	2.47	2.50	2.22
Mideast	033	1.01	0.83	1.28	1.07	0.81	1.15	1.52	1.65	1.17	0.60	1.33	1.38	1.14
Upper Midwest	030	0.43	0.41	0.60	0.50	0.48	0.63	0.80	0.66	0.54	0.31	0.59	0.59	0.54
Central	032	0.74	0.69	1.01	0.83	0.65	0.91	1.11	1.04	0.82	0.46	0.90	0.93	0.84
Southwest	126	1.79	1.65	2.12	1.86	1.60	2.02	2.48	2.41	2.00	1.35	2.13	2.18	1.96
Western	135	0.57	0.46	0.91	0.69	0.49	0.78	0.93	0.81	0.63	0.29	0.81	0.76	0.67
Pacific Northwest	124	0.66	0.51	1.08	0.79	0.53	0.91	1.33	1.12	0.74	0.22	1.00	1.07	0.83
All Markets Combined		1.09	1.00	1.20	1.20	1.01	1.33	1.67	1.55	1.24	0.79	1.39	1.42	1.26

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, 2002 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	13.81	13.48	13.05	12.94	12.63	12.38	12.05	12.16	12.20	12.40	12.31	12.24	12.65
Appalachian	005	14.41	14.04	13.60	13.43	13.09	12.83	12.88	12.87	12.76	12.91	13.06	12.96	13.25
Southeast	007	14.13	13.75	13.34	13.23	12.89	12.69	12.55	12.63	12.56	12.81	12.84	12.76	13.05
Florida	006	15.76	15.46	15.20	14.93	14.55	14.44	14.19	14.19	13.97	14.03	14.32	14.15	14.63
Mideast	033	12.88	12.46	11.93	11.92	11.63	11.24	10.85	11.19	11.09	11.32	11.17	11.12	11.58
Upper Midwest	030	12.30	12.04	11.25	11.35	11.30	10.72	10.13	10.20	10.46	11.03	10.43	10.33	10.98
Central	032	12.61	12.32	11.66	11.68	11.47	11.00	10.44	10.58	10.74	11.18	10.74	10.67	11.24
Southwest	126	13.66	13.28	12.77	12.71	12.42	12.11	11.81	11.95	11.92	12.07	11.97	11.92	12.39
Arizona-Las Vegas	131	12.81	12.46	11.91	11.79	11.51	11.22	10.87	11.04	11.03	11.38	11.14	11.07	11.54
Western	135	12.44	12.09	11.56	11.54	11.31	10.87	10.26	10.35	10.55	11.01	10.65	10.50	11.09
Pacific Northwest	124	12.53	12.14	11.73	11.64	11.35	11.00	10.66	10.66	10.66	10.94	10.84	10.81	11.24
All Markets Combined		13.18	12.84	12.32	12.26	12.02	11.63	11.25	11.34	11.38	11.71	11.49	11.41	11.91

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, 2002

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	12.88	3,266,246	193,544
Appalachian	005	13.44	901,283	218,546
Southeast	007	13.23	1,048,931	222,892
Florida	006	14.81	398,866	1,399,531
Mideast	033	11.84	2,100,298	187,259
Upper Midwest	030	11.29	2,292,197	160,361
Central	032	11.59	2,167,592	227,425
Southwest	126	12.64	1,227,718	1,407,934
Arizona-Las Vegas	131	11.69	353,996	3,247,667
Western	135	11.40	632,801	791,991
Pacific Northwest	124	11.57	904,873	866,737
All Markets Combined		12.18	15,294,802	239,520

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

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

## 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 2002. This volume was about 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, 14.7 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, 10.7 billion pounds, nearly 66 percent larger than the next biggest volume, 6.5 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 2002. 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, 90%; handlers regulated under other Federal orders, 7%; 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 2002 was 192 pounds, about 22.3 gallons. The order with the highest volume of per capita in-area sales was the Western order, 254 pounds, 29.6 gallons. The Southeast order had the smallest per capita sales, 168 pounds, 19.6 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, 2002 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	14,725.5	3.27	4,018.1	3.26	1,619.5	3.26	1,882.5	3.28
Flavored whole milk	928.9	3.41	211.3	3.23	67.7	3.62	116.3	3.28
Eggnog	2/ 122.5	6.66	40.6	6.43	11.1	6.84	11.1	7.36
Reduced fat milk (2%)	14,610.0	1.96	2,271.5	1.98	1,450.2	1.97	1,395.6	2.00
Low fat milk (1%)	5,241.8	0.98	1,777.1	1.01	266.5	1.00	321.8	1.01
Fat-free milk (skim)	6,943.7	0.12	1,675.7	0.09	593.2	0.15	605.4	0.17
Flavored fat-reduced milk	2,575.6	1.08	501.8	1.21	217.9	1.02	281.3	0.97
Buttermilk	481.5	1.24	33.2	1.12	93.5	0.94	124.6	1.30
Miscellaneous milk products	262.8	2.48	180.4	3.04	35.0	0.91	7.7	1.36
Total fluid milk products	45,892.4	1.98	10,709.6	2.03	4,354.6	2.10	4,746.2	2.17

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, 2002 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	1,100.4	3.28	1,578.8	3.26	645.9	3.25	1,131.5	3.25
Flavored whole milk	62.6	3.35	134.5	3.56	63.7	2.83	81.0	3.46
Eggnog	9.3	7.12	10.2	5.83	10.4	6.85	7.8	7.29
Reduced fat milk (2%)	605.3	1.95	2,668.9	1.96	1,541.2	1.96	1,900.0	1.96
Low fat milk (1%)	259.7	0.99	622.7	0.86	539.7	0.98	508.6	0.96
Fat-free milk (skim)	360.5	0.14	940.1	0.10	994.0	0.11	823.8	0.11
Flavored fat-reduced milk	102.9	0.95	444.7	1.11	281.9	0.91	304.5	1.07
Buttermilk	14.3	0.98	55.1	1.65	27.2	1.06	46.4	1.18
Miscellaneous milk products	3/	---	7.3	2.14	12.8	1.55	3.6	1.32
Total fluid milk products	2,516.1	2.18	6,462.2	1.88	4,116.8	1.54	4,807.2	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, 2002 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	1,891.0	3.28	287.1	3.25	199.0	3.27	371.7	3.29
Flavored whole milk	115.2	3.72	23.7	3.06	22.3	3.66	30.7	3.92
Eggnog	4/	---	4.6	6.06	4.4	7.01	13.0	6.47
Reduced fat milk (2%)	1,084.7	1.90	360.0	1.94	440.1	1.99	892.5	1.98
Low fat milk (1%)	347.7	1.04	111.7	0.95	183.9	1.00	302.7	0.99
Fat-free milk (skim)	344.7	0.11	127.8	0.09	127.2	0.23	351.3	0.13
Flavored fat-reduced milk	227.6	1.07	38.6	1.23	70.3	1.36	104.1	1.20
Buttermilk	53.4	1.52	7.1	1.04	8.5	1.03	17.9	1.26
Miscellaneous milk products	11.1	1.12	0	---	3/	1.83	2.7	2.93
Total fluid milk products	4,075.5	2.32	960.6	1.98	1,059.7	1.85	2,086.5	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 4/.

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

4/ Data for this product was not reported separately.

Table 43--Summary of Packaged Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Months, 2002 1/ 2/

Federal Milk Order Marketing Area	Order Number	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
		Million Pounds												
Northeast	001	841	753	836	803	838	763	784	799	796	845	838	841	9,738
Appalachian	005	308	269	285	281	288	258	287	303	282	299	290	288	3,438
Southeast	007	434	382	416	407	411	365	391	428	404	431	417	409	4,895
Florida	006	255	233	250	242	239	218	230	242	226	244	246	242	2,868
Mideast	033	555	512	555	530	539	475	507	538	528	567	554	543	6,402
Upper Midwest	030	385	344	375	367	374	324	346	368	363	390	384	374	4,393
Central	032	411	361	395	390	385	342	373	394	386	406	402	395	4,640
Southwest	126	375	325	350	347	352	316	337	361	348	373	357	346	4,186
Arizona-Las Vegas	131	111	101	109	105	107	97	103	108	102	110	111	111	1,275
Western	135	78	69	75	74	76	68	73	77	74	80	76	75	896
Pacific Northwest	124	191	166	184	179	187	163	177	182	179	195	189	184	2,175
All Markets Combined		3,944	3,515	3,829	3,725	3,797	3,389	3,607	3,800	3,689	3,939	3,863	3,810	44,906

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

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2002 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/	15,685.2	3.29	4,119.6	3.26	1,326.8	3.26	2,106.3	3.32
Whole milk	14,657.9	3.26	3,954.6	3.23	1,238.1	3.22	1,968.9	3.29
Flavored whole milk	904.1	3.40	130.5	3.30	79.2	3.35	125.6	3.29
Eggnog	3/ 122.2	6.69	34.1	6.41	9.4	7.10	11.8	7.36
Fat-reduced milk products 2/	29,224.6	1.28	5,618.5	1.13	2,114.9	1.33	2,788.3	1.34
Reduced fat milk (2%)	14,304.3	1.97	2,051.6	1.98	1,134.8	1.97	1,442.4	1.99
Low fat milk (1%)	5,107.5	0.98	1,611.4	1.01	210.9	1.00	316.0	1.01
Fat-free milk (skim)	6,771.9	0.12	1,483.2	0.09	481.5	0.16	604.9	0.17
Flavored fat-reduced milk	2,509.5	1.07	439.0	1.14	184.1	1.06	286.2	0.99
Buttermilk	474.9	1.24	33.2	1.22	74.8	1.00	133.5	1.24
Total fluid milk products 2/	44,909.8	1.98	9,738.1	2.03	3,441.7	2.08	4,894.6	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, 2002 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/	1,320.4	3.31	1,690.3	3.30	800.7	3.30	1,232.7	3.29
Whole milk	1,239.6	3.28	1,530.2	3.26	706.6	3.27	1,132.7	3.25
Flavored whole milk	70.1	3.31	148.9	3.59	79.6	2.94	91.3	3.48
Eggnog	10.2	7.08	11.2	5.74	14.6	6.96	8.8	7.15
Fat-reduced milk products 2/	1,547.4	1.20	4,712.2	1.36	3,592.5	1.17	3,406.9	1.30
Reduced fat milk (2%)	694.1	1.96	2,659.2	1.97	1,643.5	1.97	1,784.3	1.96
Low fat milk (1%)	297.2	1.00	610.2	0.86	560.9	0.98	502.6	0.95
Fat-free milk (skim)	420.3	0.14	941.4	0.10	1,054.4	0.11	785.0	0.12
Flavored fat-reduced milk	119.8	1.06	447.6	1.10	298.5	0.94	286.3	1.05
Buttermilk	16.0	0.97	52.3	1.62	29.2	1.05	44.3	1.17
Total fluid milk products 2/	2,867.8	2.17	6,402.4	1.88	4,393.2	1.56	4,639.7	1.83

Continued

See footnotes on page 64.

Table 44--Sales of Fluid Milk Products in Federal Milk Order Marketing Areas, by Product, by Order, 2002 1/--Con.

Product Name	Southwest		Arizona-Las Vegas 4/		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/	2,045.1	3.32	460.3	3.30	164.2	3.37	418.8	3.43
Whole milk	1,923.9	3.29	429.5	3.28	153.8	3.27	379.9	3.30
Flavored whole milk	120.7	3.67	25.6	3.08	6.5	3.69	26.2	3.84
Eggnog	5/	---	5.2	6.16	3.9	7.03	12.7	6.48
Fat-reduced milk products 2/	2,141.2	1.36	814.7	1.37	731.4	1.39	1,756.7	1.36
Reduced fat milk (2%)	1,126.0	1.91	461.4	1.96	363.8	1.99	943.3	1.98
Low fat milk (1%)	357.8	1.04	138.0	0.96	179.7	1.00	322.8	0.99
Fat-free milk (skim)	357.7	0.11	159.8	0.09	123.2	0.24	360.6	0.14
Flavored fat-reduced milk	233.0	1.09	45.8	1.22	57.5	1.28	111.7	1.15
Buttermilk	56.6	1.51	9.6	1.06	7.1	1.04	18.3	1.24
Total fluid milk products 2/	4,186.2	2.32	1,275.0	2.07	895.6	1.75	2,175.4	1.76

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 5/.

4/ 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.

5/ Data for this product was not reported separately.

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

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

During 2002, nearly 79.9 billion pounds of milk, skim milk, and cream that were used to produce Class II, III, and IV products were handled by milk processors regulated under the Federal milk order program. This volume was either processed in their own plants, or transferred or divided to unregulated nonpool plants for processing. On a whole-milk-equivalent basis, 53.9 percent of this volume was used in Class III products, 28.2 percent in Class II, 17.7 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 14.0 billion pounds of milk, skim milk, and cream used to produce Class II products in 2002. The butterfat test of this volume was 7.45 percent. On a volume basis the largest Class II volume was used in frozen desserts, 5.4 billion pounds with a 9.41 percent butterfat content, followed by cottage cheese, 3.0 billion pounds with a 1.95 percent butterfat content. On a whole-milk-equivalent basis, both fluid cream products and sour cream products use would have been larger than cottage cheese. On an individual order basis, those orders with larger populations had higher Class II volumes, with the exception of the Southeast order.

Class III production accounted for 53.9 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, 24.7 billion pounds with a 3.66 percent butterfat content, followed by Italian cheese, 15.4 billion pounds with a 3.23 percent butterfat content. The order with the largest volume of Class III production was the Upper Midwest, 14.2 billion pounds, followed by the Central order with 11.7 billion pounds. These two orders accounted for nearly 48 percent of total Class III production in all Federal milk orders.

There were 11.66 billion pounds of milk, skim milk, and cream used to produce Class IV products in 2002. The butterfat content of this volume was 5.64 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, 2.7 billion pounds. About 0.3 billion pounds of milk, skim milk, and cream were used in “other uses” in 2002. This use would have been Class III in January, March, April, June through September, November, and December; Class IV in February, May, and October.

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, 2002 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	798.2	16.72	271.8	14.20	971.6	2.09	1,517.3	8.14	416.5	1.42	4,630.9	7.45
Appalachian	005	68.0	13.79	27.5	15.67	204.9	6.34	417.5	8.21	23.3	0.73	1,125.9	6.16
Southeast	007	38.5	22.23	16.5	15.83	72.2	0.88	564.0	8.62	5/	---	728.4	8.36
Florida	006	60.2	18.81	5/	---	5/	---	176.2	11.91	5/	---	339.8	10.03
Mideast	033	83.9	24.80	104.8	13.00	580.7	2.33	877.9	10.18	549.6	1.96	2,488.8	6.41
Upper Midwest	030	165.2	18.67	83.3	17.34	88.4	3.23	339.1	11.26	46.4	3.19	883.6	10.48
Central	032	85.5	20.44	86.5	15.49	582.3	0.89	482.0	11.04	123.6	1.00	1,400.9	6.62
Southwest	126	98.3	18.50	155.0	13.45	125.5	0.78	680.9	7.14	155.3	1.03	1,315.9	7.23
Arizona-Las Vegas	131	26.3	13.56	5/	---	5/	---	45.1	29.63	0	---	160.9	11.53
Western	135	15.3	24.56	18.3	15.55	166.4	0.46	194.1	9.87	31.4	0.91	430.8	6.53
Pacific Northwest	124	82.4	20.44	36.9	14.15	132.2	0.65	154.9	15.34	78.3	0.70	500.7	9.49
All Markets Combined		1,521.8	18.02	816.5	14.48	3,007.6	1.95	5,448.8	9.41	1,480.1	1.51	14,006.5	7.45

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, 2002 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	2,316.8	3.35	4,025.1	3.00	595.1	10.26	238.2	3.13	7,510.4	3.66
Appalachian	005	3/ 268.9	7.25	4/	---	0	---	4/	---	268.9	7.25
Southeast	007	0	---	0	---	0	---	1,451.8	4.17	1,451.8	4.17
Florida	006	0	---	0	---	0	---	27.1	10.68	27.1	10.68
Mideast	033	2,134.1	3.37	3,108.6	2.94	0	---	2,797.9	4.13	8,266.1	3.40
Upper Midwest	030	8,569.5	3.75	3,057.5	3.55	0	---	1,612.3	3.91	14,193.2	3.72
Central	032	5,334.5	3.71	5,208.9	3.41	37.2	16.40	976.0	4.02	11,668.8	3.64
Southwest	126	3,136.8	3.31	0	---	5/	---	5/	---	3,308.8	3.39
Arizona-Las Vegas	131	6/	---	6/	---	0	---	7/ 1,144.2	6.11	1,144.2	6.11
Western	135	584.8	3.87	6/	---	6/	---	7/ 2,642.9	3.62	3,227.9	3.67
Pacific Northwest	124	2,378.2	3.74	6/	---	0	---	7/ 444.0	4.16	2,822.3	3.81
All Markets Combined		3/ 24,723.5	3.66	15,400.1	3.23	647.2	10.70	7/ 11,334.4	4.17	53,889.4	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, evaporated or sweetened condensed milk in consumer-type packages, and restricted data per 5/.

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 "Total Class III."

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

7/ Includes small volumes of American, Italian, and/or cream cheese; see 6/.

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, 2002 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	271.8	46.00	1,950.0	0.07	347.2	3.59	2,655.9	5.23	76.8	2.78
Appalachian	005	71.8	29.72	97.5	2.42	0	---	180.9	13.11	36.0	2.29
Southeast	007	271.4	16.32	4/	---	0	---	414.7	10.70	60.2	2.23
Florida	006	4/	---	0	---	0	---	45.5	12.31	13.7	2.57
Mideast	033	207.7	36.57	522.1	0.32	75.5	7.91	826.4	10.11	16.5	1.93
Upper Midwest	030	394.0	18.25	337.5	0.06	332.0	0.06	1,079.7	6.70	12.8	2.00
Central	032	143.9	32.16	715.0	4.83	0	---	868.5	9.31	38.8	2.22
Southwest	126	408.2	14.56	846.9	0.18	5/	---	1,276.6	4.81	42.7	2.28
Arizona-Las Vegas	131	4/	---	4/	---	0	---	1,023.3	1.13	4.2	2.55
Western	135	88.9	39.38	4/	---	0	---	832.4	4.35	7.2	2.46
Pacific Northwest	124	305.1	31.88	4/	---	0	---	2,459.3	4.02	4.8	3.14
All Markets Combined		2,212.7	26.80	8,458.8	0.53	754.7	2.47	11,663.1	5.64	313.9	2.39

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, nonfat solids used to fortify fluid milk products, and restricted data per 4/ and 5/.

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, March, April, June through September, November, and December; Class IV in February, May, and October.

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

5/ Data are restricted; pertains to the operations of fewer than three firms. Data are included in "Total Class IV".