



Measures of Growth in

Federal Milk Orders

United States Department of Agriculture

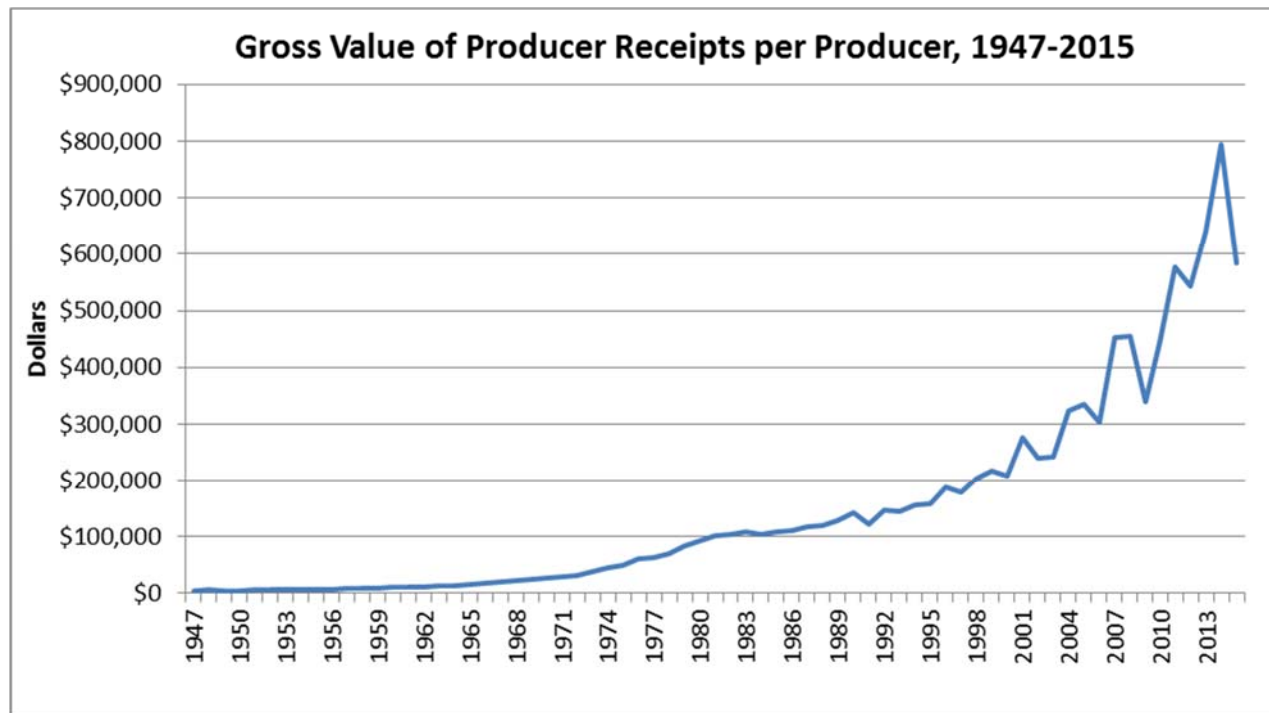
Agricultural Marketing Service
MGFMO – 0916

Dairy Programs

Market Information Branch
September 30, 2016

2015 Highlights

Total Receipts of milk pooled under Federal Milk Marketing Orders totaled 126.1 billion pounds marketed by more than 36,000 dairy producers across all Federal orders in 2015. Total receipts were 2.5 percent lower and producer numbers were 5.9 percent lower than 2014. In 2015, milk marketed through Federal orders accounted for 61 percent of all milk sold and 61 percent of fluid grade milk sold to U.S. plants and milk dealers. Both of these were 2 percentage points lower when compared to 2014.



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| Year | Number of Markets | Number of Pool Handlers | Number of Pooled Producers | Population of Federal Milk Marketing Areas | Total Receipts of Producer Milk | Producer Milk Used as Class I | Percent Used as Class I |
|------|-------------------|-------------------------|----------------------------|--|---------------------------------|-------------------------------|-------------------------|
| | | <i>(number)</i> | | <i>(thousands)</i> | <i>(million pounds)</i> | | <i>(percent)</i> |
| 1955 | 63 | 1,483 | 188,611 | 46,963 | 28,948 | 18,032 | 62.3 |
| 1960 | 80 | 2,259 | 189,816 | 88,818 | 44,812 | 28,758 | 64.2 |
| 1965 | 73 | 1,891 | 158,077 | 102,351 | 54,444 | 34,561 | 63.5 |
| 1970 | 62 | 1,588 | 143,411 | 125,721 | 65,104 | 40,063 | 61.5 |
| 1975 | 56 | 1,315 | 123,855 | 150,666 | 69,249 | 40,106 | 57.9 |
| 1980 | 47 | 1,091 | 117,490 | 164,908 | 83,998 | 41,034 | 48.9 |
| 1985 | 44 | 884 | 116,765 | 176,440 | 97,762 | 42,201 | 43.2 |
| 1990 | 42 | 753 | 100,397 | 195,841 | 102,396 | 43,783 | 42.8 |
| 1995 | 33 | 571 | 88,717 | 207,548 | 108,548 | 45,044 | 41.5 |
| 1996 | 32 | 570 | 82,947 | 209,599 | 104,501 | 45,479 | 43.5 |
| 1997 | 31 | 570 | 78,422 | 208,379 | 105,224 | 44,917 | 42.7 |
| 1998 | 31 | 522 | 72,402 | 210,484 | 99,223 | 44,968 | 45.3 |
| 1999 | 31 | 487 | 69,008 | 212,118 | 104,479 | 45,216 | 43.3 |
| 2000 | 11 | 346 | 69,590 | 228,899 | 116,920 | 45,989 | 39.3 |
| 2001 | 11 | 350 | 66,423 | 231,487 | 120,223 | 45,887 | 38.2 |
| 2002 | 11 | 338 | 63,856 | 234,256 | 125,546 | 46,043 | 36.7 |
| 2003 | 11 | 331 | 58,110 | 236,180 | 110,581 | 45,843 | 41.5 |
| 2004 | 10 | 306 | 52,341 | 234,825 | 103,048 | 44,939 | 43.6 |
| 2005 | 10 | 302 | 53,036 | 238,428 | 114,682 | 44,570 | 38.9 |
| 2006 | 10 | 314 | 52,725 | 239,142 | 120,618 | 45,304 | 37.6 |
| 2007 | 10 | 312 | 49,782 | 241,000 | 114,407 | 45,226 | 39.5 |
| 2008 | 10 | 333 | 47,859 | 242,988 | 115,867 | 44,989 | 38.8 |
| 2009 | 10 | 251 | 46,677 | 245,445 | 123,430 | 45,262 | 36.7 |
| 2010 | 10 | 251 | 45,918 | 247,031 | 126,909 | 44,970 | 35.4 |
| 2011 | 10 | 241 | 43,654 | 247,675 | 126,879 | 44,383 | 35.0 |
| 2012 | 10 | 237 | 40,750 | 250,724 | 122,388 | 43,492 | 35.5 |
| 2013 | 10 | 225 | 40,048 | 251,201 | 132,100 | 42,742 | 32.4 |
| 2014 | 10 | 223 | 38,391 | 255,184 | 129,420 | 41,420 | 32.0 |
| 2015 | 10 | 214 | 36,118 | 256,526 | 126,126 | 41,206 | 32.7 |

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| Year | Percentage of All Milk Sold | | Milk Price at 3.5% Butterfat Content | | Average Daily Delivery per Producer | Gross Value of Producer Milk | |
|------|-----------------------------|----------|--------------------------------------|-------|-------------------------------------|------------------------------|----------------------|
| | Fluid Grade | All Milk | Class I | Blend | | Per Pooled Producer | All Pooled Producers |
| | <i>(percent)</i> | | <i>(dollars per cwt)</i> | | <i>(pounds)</i> | <i>(dollars)</i> | <i>(thousands)</i> |
| 1955 | 51 | 32 | 4.67 | 4.08 | 420 | 6,510 | 1,227,815 |
| 1960 | 64 | 43 | 4.88 | 4.47 | 648 | 10,482 | 1,989,615 |
| 1965 | 70 | 48 | 4.93 | 4.31 | 944 | 15,300 | 2,418,526 |
| 1970 | 79 | 59 | 6.74 | 5.95 | 1,244 | 27,636 | 3,963,311 |
| 1975 | 78 | 63 | 9.36 | 8.64 | 1,532 | 49,233 | 6,097,768 |
| 1980 | 80 | 67 | 13.77 | 12.86 | 1,954 | 93,685 | 11,007,001 |
| 1985 | 80 | 70 | 13.88 | 12.61 | 2,294 | 107,871 | 12,595,522 |
| 1990 | 77 | 70 | 15.55 | 13.78 | 2,796 | 142,324 | 14,289,567 |
| 1995 | 75 | 71 | 14.19 | 12.79 | 3,350 | 157,754 | 13,995,454 |
| 1996 | 72 | 69 | 16.19 | 14.64 | 3,442 | 187,713 | 15,570,261 |
| 1997 | 71 | 69 | 14.36 | 13.10 | 3,676 | 178,424 | 13,992,366 |
| 1998 | 66 | 64 | 16.14 | 14.92 | 3,755 | 202,770 | 14,681,340 |
| 1999 | 67 | 65 | 16.24 | 14.09 | 4,148 | 216,794 | 14,960,544 |
| 2000 | 72 | 70 | 14.24 | 12.11 | 4,590 | 207,913 | 14,468,892 |
| 2001 | 75 | 73 | 16.96 | 14.90 | 4,959 | 275,642 | 18,308,968 |
| 2002 | 77 | 76 | 13.69 | 11.91 | 5,387 | 239,520 | 15,294,802 |
| 2003 | 67 | 65 | 14.10 | 12.12 | 5,178 | 242,066 | 14,066,672 |
| 2004 | 62 | 61 | 17.56 | 15.74 | 5,352 | 324,119 | 16,965,368 |
| 2005 | 66 | 65 | 17.13 | 15.07 | 5,904 | 334,626 | 17,747,577 |
| 2006 | 68 | 67 | 14.59 | 12.86 | 6,264 | 303,429 | 15,998,288 |
| 2007 | 63 | 62 | 20.81 | 19.19 | 6,297 | 452,097 | 22,507,219 |
| 2008 | 61 | 62 | 20.78 | 18.24 | 6,613 | 453,886 | 21,722,538 |
| 2009 | 66 | 66 | 14.40 | 12.44 | 7,242 | 339,698 | 15,856,077 |
| 2010 | 67 | 66 | 18.25 | 16.07 | 7,572 | 444,038 | 20,389,201 |
| 2011 | 66 | 65 | 21.97 | 19.87 | 7,963 | 577,538 | 25,211,996 |
| 2012 | 62 | 61 | 20.39 | 18.05 | 8,229 | 542,121 | 22,091,337 |
| 2013 | 67 | 66 | 21.80 | 19.44 | 9,047 | 641,295 | 25,682,588 |
| 2014 | 63 | 63 | 26.14 | 23.54 | 9,236 | 793,728 | 30,472,016 |
| 2015 | 61 | 61 | 19.21 | 16.70 | 9,559 | 583,173 | 21,063,042 |

Methodology: Growth in Federal Milk Order Markets

Data: The Measures of Growth in Federal milk order markets is created using information on the handling of milk obtained from Federal milk marketing order personnel.

The number of Federal order markets and the number of handlers is at year end.

The annual number of pooled producers is the simple average number of producers pooled each month during that year.

The population of Federal milk marketing areas is obtained from published *U.S. Census Annual Estimates of the Resident Population for Counties* in U.S. Census years (1950, 1960, 1970, 1980, 1990, 2000, and 2010). Annual Federal order county populations are estimated by the Census Bureau for Federal order counties for the years between each U.S. Census.

The receipts of producer milk and producer milk used in Class I reflects millions of pounds. Beginning in 1990, due to disadvantageous price situations in some markets, regulated 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. This can also affect significantly the comparability of other "Measures of Growth" based on this statistic.

The percent used as Class I is the percentage of all milk pooled that is used to produce Class I fluid products as defined by the Code of Federal Regulation (CFR 1000.15).

The percentage of all milk sold is the amount of producer milk pooled on Federal orders as a percentage of the total amount of milk sold to U.S. plants and dealers, both as fluid grade (Grade A) and all milk sold. The amount of milk sold to U.S. plants and dealers is obtained from the USDA National Agricultural Statistics Service *Milk Production, Disposition, and Income*, 2015 Summary, ISSN: 1949-1506, issued April 2016.

The milk price at 3.5% butterfat content is the weighted average Federal order minimum regulated milk price for milk at a standardized 3.5% butterfat content. Milk prices are simple averages for 1950-65 and weighted averages for 1970 to date. Milk prices are based on the blend (uniform) price adjusted for the butterfat content, and starting in 1990, other milk components of producer milk.

The average daily delivery of milk per producer is calculated by dividing producer receipts by the number of producers pooled.

The annual gross value of receipts of producer milk per producer is calculated by dividing the total value of all pooled milk as reported by the market administrators divided by the simple average of the number of producers pooled each month during the year.

The annual gross value of all receipts of producer milk is the total value of all milk pooled for each respective year as reported by the market administrators.

Reliability: The AMS audit staff periodically perform on-site audits on the amounts of producer milk pooled to ensure accurate reporting of pool, utilization, and price information.

Information Contacts

Listed below are the specialists in the Agricultural Marketing Service, Dairy Program, Market Information Branch to contact for additional information. E-mail inquiries may be sent to dpp@ams.usda.gov

Lorie Warren, Chief, Market Information (202) 720-4405

Dairy Products Mandatory Reporting Program

Patsy Emmons, Dairy Products Marketing Specialist, Coordinator(202) 720-6491

Kerry Siekmann, Dairy Products Marketing Specialist(952) 277-2363

Jessica Crum, Dairy Products Marketing Specialist(202) 260-9091

Federal Milk Order Information Program

Kerry Siekmann, Dairy Products Marketing Specialist, Coordinator(952) 277-2363

Randal Stoker, Dairy Products Marketing Specialist(202) 690-1932

Daniel Manzoni, Dairy Products Marketing Specialist(202) 720-2352



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