



The Market Administrator's Report

Facilitating the Efficient Marketing of Milk

Pacific Northwest and Arizona Marketing Areas

William A. Wise, Market Administrator

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April 2015

Data for March 2015

MARKET SUMMARIES FOR MARCH

Pacific Northwest (FO 124)

Producers delivered a total of 499.7 million pounds of milk to the market during March. Daily deliveries averaged 16.1 million pounds, down 1.0 percent from February. An estimated 432 producers delivered milk to the market during the month. Daily deliveries per producer averaged 37,313 pounds, down 1.0 percent from February.

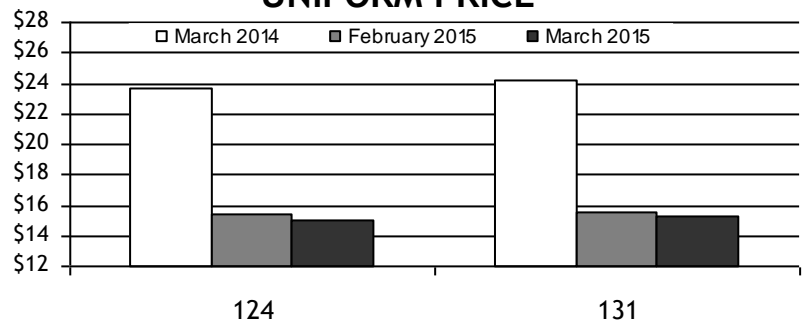
Class I producer milk during March totaled 163.9 million pounds, 32.8 percent of total producer receipts. Daily usage averaged 5.3 million pounds, down 2.8 percent from February. ▼

Arizona (FO 131)

Producers delivered a total of 435.1 million pounds of milk to the market during March. Daily deliveries averaged 14.0 million pounds, up 2.6 percent from February. An estimated 94 producers delivered milk to the market during the month. Daily deliveries per producer averaged 149,305 pounds, up 2.6 percent from February.

Class I producer milk during March totaled 113.7 million pounds, 26.1 percent of total producer receipts. Daily usage averaged 3.7 million pounds, up 1.4 percent from February. ▼

UNIFORM PRICE



Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Feb	Mar	Feb	Mar
Uniform Price (at 3.5%)	\$15.42	\$15.00	\$15.56	\$15.33
Uniform Price (at test)	\$16.49	\$16.10	\$15.52	\$15.18
PPD	(\$0.04)	(\$0.56)		
Butterfat	\$1.8296	\$1.8444		n/a
Protein	\$2.4051	\$2.4875		
Other Solids	\$0.3273	\$0.2918		
Uniform Skim			\$9.55	\$9.20
Uniform Butterfat		n/a	\$1.8122	\$1.8434
Butterfat	3.872%	3.869%	3.479%	3.416%
Protein	3.147%	3.155%		
Other Solids	5.737%	5.729%		n/a

HIGHLIGHTS THIS ISSUE

- ✓ USDA Seeks Board Members
- ✓ 2014 Price and Pool Statistics
- ✓ Measures of Growth in Federal Milk Order Markets

Federal Order Price Summaries

FINAL CLASS PRICES

The March 2015 Final Class Prices were calculated using AMS commodity price surveys from March 7, 14, 21, and 28, 2015. Current and archived Final Class Price announcements are available at www.fmmaseattle.com/finalprice.htm.

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Feb 2015	\$18.14	\$18.59	\$14.48	\$15.46	\$13.82	\$1.8296	\$2.4051	\$0.3273	\$0.8544
Mar 2015	\$17.46	\$17.91	\$14.50	\$15.56	\$13.80	\$1.8444	\$2.4875	\$0.2918	\$0.8454
Change	(\$0.68)	(\$0.68)	\$0.02	\$0.10	(\$0.02)	\$0.0148	\$0.0824	(\$0.0355)	(\$0.0090)

ADVANCED CLASS I PRICE

The May 2015 Advanced Price was calculated using AMS commodity price surveys from April 11 and 18, 2015. Current and archived Advanced Price announcements are available at www.fmmaseattle.com/advanceprice.htm.

ADVANCED	Butterfat	Class III Skim	Class IV Skim	Base Skim	Base Class I	Class I (FO124)	Class I (FO131)	Class II Skim	Class II Non-fat Solids
Apr 2015	\$1.8442	\$9.37	\$7.93	\$9.37	\$15.50	\$17.40	\$17.85	\$8.63	\$0.9589
May 2015	\$1.8972	\$9.52	\$7.15	\$9.52	\$15.83	\$17.73	\$18.18	\$7.85	\$0.8722
Change	\$0.0530	\$0.15	(\$0.78)	\$0.15	\$0.33	\$0.33	\$0.33	(\$0.78)	(\$0.0867)

Commodity Price Summaries

AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION


	February	March	Change
Cheese	\$1.5446	\$1.5750	\$0.0304
Butter	\$1.6823	\$1.6945	\$0.0122
Nonfat Dry Milk	\$1.0308	\$1.0217	(\$0.0091)
Whey	\$0.5169	\$0.4824	(\$0.0345)

AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	April	May	Change
Cheese	\$1.5617	\$1.6142	\$0.0525
Butter	\$1.6944	\$1.7381	\$0.0437
Nonfat Dry Milk	\$1.0577	\$0.9705	(\$0.0872)
Whey	\$0.4935	\$0.4600	(\$0.0335)

CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 1.62 cents between the March 14 and the April 18 surveys, to \$1.5798 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net increase of 10.51 cents to \$1.6396 per pound.

The AMS butter price showed a net increase of 1.42 cents between the weeks ending March 14 and April 18 from \$1.7209 per pound to \$1.7351 per pound. The AMS nonfat dry milk showed a net decrease of 10.52 cents since mid-March to \$0.9665 per pound. The average price for AMS whey showed a net decrease of 1.97 cents since mid-March to \$0.4562 per pound. 

AMS News

ADDITIONAL CALIFORNIA FEDERAL MILK ORDER PROPOSALS RECEIVED

On February 5, 2015, USDA received a formal hearing request for three California dairy farmer cooperatives to establish a Federal milk marketing order for the State of California.

USDA requested additional proposals that were due April 10, 2015. Three additional proposals were submitted and are available on USDA's California Information Page via <http://www.ams.usda.gov/AMSV1.0/CAOrder> along with the original hearing request and other related information.

USDA is holding outreach meetings throughout California May 5-7, 2015. Please visit USDA's Outreach Page via <http://www.ams.usda.gov/AMSV1.0/CAOutreach> for registration and additional information. 🐾

USDA APPOINTS MEMBERS TO NATIONAL FLUID MILK PROCESSOR PROMOTION BOARD

On April 13, 2015, Agriculture Secretary Tom Vilsack announced the appointment of eight members to fill vacancies on the National Fluid Milk Processor Promotion Board. The terms for these appointees begin on July 1, 2015, and expire on June 30, 2018.

Newly appointed members are: Brian P. Linney, Sterling, Virginia (Region 3); Greg Schwarz, Dallas Texas (Region 8); John D. Cox, Millersville, Pennsylvania (Region 15); Lewis R. Goldstein, Viroqua, Wisconsin (at-large, processor) and Subriana Pierce, Corona, California (at-large, general public).

Reappointed were: Brad Anderson, Charlotte, North Carolina (Region 6); Gary L. Aggus, Springfield, Missouri (Region 9) and Sandra Kelly, Phoenix, Arizona (Region 12).

Research and Promotion Programs are industry-funded, were authorized by Congress, and date back to 1966. USDA's Agricultural Marketing Service monitors the operations of the board. USDA encourages board membership that reflects the diversity of individuals served by the program. 🐾

USDA SEEKS NOMINEES FOR NATIONAL DAIRY BOARD

The U.S. Department of Agriculture is asking dairy producer organizations and other interested parties to nominate candidates to serve on the National Dairy Promotion and Research Board. Nominations must be submitted by May 15, 2015. Agriculture Secretary Tom Vilsack will appoint 12 individuals to serve on the board to replace board members whose terms expire on October 31, 2015.

For nominating forms and information, visit www.ams.usda.gov/dairy or contact Jill Hoover, Deputy Director, Promotion, Research and Planning Division, Dairy Programs, AMS, USDA, 1400 Independence Ave, SW, Room 2958-S, Stop 0233, Washington, D.C. 20250-0233; telephone (202) 720-1069; fax (202) 720-0285; or email at jill.hoover@ams.usda.gov. 🐾

USDA SEEKS NOMINEES FOR NATIONAL ORGANIC STANDARDS BOARD

The U.S. Department of Agriculture is seeking nominations to fill five vacancies on the National Organic Standards Board (NOSB). Vacancies include: two farmers, two consumer/public interest representatives and one USDA accredited certifying agent. The positions are specifically designated to represent various sectors of the organic community.

Written nominations, with cover letters, resumes and a required form, must be postmarked on or before May 15, 2015. All information should be sent to Rita Meade, USDA-AMS-NOP, 1400 Independence Ave, SW, Room 2648-S, Stop 0268, Washington, D.C., 20250. For more information, contact Rita Meade at (202) 720-3252, or email at Rita.Meade@ams.usda.gov. 🐾

2014 Price and Pool Statistics

Federal Order Marketing Area	Receipts of Producer Milk		Utilization of Producer Milk in All Classes 1/				Uniform Price 2/
	Total	Change from Prev Year	I	II	III	IV	
	<i>Million Pounds</i>	<i>Percent</i>	<i>Percent</i>				<i>Dollars per cwt.</i>
Northeast (FO 1)	25,793.0	1.5%	35%	24%	26%	15%	\$ 24.28
Appalachian (FO 5)	5,593.5	-2.4%	68%	15%	7%	11%	\$ 25.62
Florida (FO 6)	2,771.2	-2.2%	85%	10%	2%	3%	\$ 27.82
Southeast (FO 7)	5,289.0	-13.7%	74%	11%	8%	7%	\$ 26.20
Upper Midwest (FO 30) 3/	32,784.8	-4.5%	11%	3%	84%	2%	\$ 22.54
Central (FO 32) 3/	15,062.7	-0.9%	32%	9%	46%	13%	\$ 22.90
Mideast (FO 33) 3/	17,297.1	3.5%	36%	15%	34%	15%	\$ 23.13
Pacific Northwest (FO 124) 3/	7,891.6	-4.2%	26%	7%	35%	32%	\$ 22.71
Southwest (FO 126) 3/	12,137.2	-5.9%	36%	8%	48%	9%	\$ 23.66
Arizona (FO 131) 3/	4,800.5	4.0%	27%	10%	26%	37%	\$ 23.25
All Market Average or Total 3/	129,420.4	-2.0%	32%	11%	45%	12%	\$ 23.54

1/ Totals may not add to 100 percent due to rounding.

2/ Weighted Average Statistical Uniform Price.

3/ Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform price in these markets, handlers elected not to pool an estimated 11.390 billion pounds of milk that normally would have been associated with these markets. In 2013, the estimated not pooled volume of milk was 5.920 billion pounds, occurring in the same order numbers 30, 32, 33, 124, 126, and 131. After adjusting for non pooled milk, the year-to-year percent change in receipts of producer milk is down the same percentage -2.0%.

Source: USDA. Agricultural Marketing Service. Dairy Programs. "Dairy Market News", Volume 82, Report 09.

Measures of Growth in Federal Milk Order Markets

Year	Number of Markets 1/	Number of Pool Handlers 1/	Number of Pooled Producers 2/	Receipts of Producer Milk 3/	Blend Price 4/ (at 3.5% Butterfat Content)	Daily Deliveries Per Producer	Gross Value of Receipts of All Producer Milk 5/
	Number	Number	Number	Million Pounds	Dollars per cwt.	Pounds	1,000 dol.
1947	29	991	135,830	14,980	\$4.34	302	682,407
1950	39	1,101	156,584	18,660	\$3.93	326	769,442
1960	80	2,259	189,816	44,812	\$4.47	648	1,989,615
1970	62	1,588	143,411	65,104	\$5.95	1,244	3,963,311
1980	47	1,091	117,490	83,998	\$12.86	1,954	11,007,001
1990	42	753	100,397	102,396	\$13.78	2,796	14,289,567
2000	11	346	69,590	116,920	\$12.11	4,590	14,468,892
2010	10	251	45,918	126,909	\$16.07	7,572	20,389,201
2011	10	241	43,654	126,879	\$19.87	7,963	25,211,996
2012	10	237	40,750	122,388	\$18.05	8,229	22,091,337
2013	10	225	40,048	132,100	\$19.44	9,047	25,682,288

1/ End of year.

2/ Average for year.

3/ Beginning in 1988, 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. This can also affect significantly the comparability of other "Measures of Growth" based on this statistic.

4/ Prices are simple averages for 1947-1961 and weighted averages for 1962 to date.

5/ Based on blend (uniform) price adjusted for the butterfat content, and starting in 1988, other milk components of producer milk.

Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Mar 2015	Feb 2015	Mar 2014	Feb 2014	Mar 2015	Feb 2015	Mar 2014	Feb 2014
Producer Prices								
Producer Price Differential (\$/cwt)	(\$0.56)	(\$0.04)	\$0.35	(\$0.13)	+	+	+	+
Butterfat (\$/pound)	1.8444	1.8296	2.0402	2.0109	+	+	+	+
Protein (\$/pound)	2.4875	2.4051	4.5172	4.6044	+	+	+	+
Other Solids (\$/pound)	0.2918	0.3273	0.4700	0.4453	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$9.20	\$9.55	\$17.69	\$17.54
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.8434	1.8122	2.0440	1.9753
Statistical Uniform Price (\$/cwt)	\$15.00	\$15.42	\$23.68	\$23.22	\$15.33	\$15.56	\$24.22	\$23.84
Producer Data								
Number of Producers	432	432	584	441	94	94	93	91
Avg. Daily Production (pounds)	37,313	37,684	41,634	35,661	149,305	145,548	156,764	153,244
Producer Milk Ratios								
Class I	32.80%	33.42%	22.58%	36.52%	26.14%	26.44%	24.48%	25.89%
Class II	8.84%	8.74%	6.29%	9.96%	10.49%	11.34%	9.17%	10.34%
Class III	9.72%	12.50%	42.27%	13.24%	20.70%	18.98%	25.71%	22.34%
Class IV	48.64%	45.34%	28.86%	40.28%	42.67%	43.24%	40.64%	41.43%
Market Shrinkage								
Pounds	7,055,760	7,079,047	11,906,790	6,443,449	1,744,284	1,033,947	1,497,137	1,268,370
% of Producer Milk	1.41%	1.55%	1.58%	1.46%	0.40%	0.27%	0.33%	0.32%

+ Not Applicable. Preliminary data indicated in **bold**.

Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Feb 2015	Jan 2015	Feb 2014	Jan 2014	Feb 2015	Jan 2015	Feb 2014	Jan 2014
Number of Handlers								
Pool Handlers	22	23	21	24	7	7	7	7
<i>Distributing Plants</i>	13	13	13	13	5	5	5	5
<i>Supply Plants 1/</i>	4	5	3	6	1	1	1	1
<i>Cooperatives</i>	5	5	5	5	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	19	21	20	18	22	23	22	21
Class I Route Disposition In Area								
By Pool Plants	138,069,019	154,756,610	143,547,276	162,032,393	78,842,683	87,673,877	81,425,775	94,306,246
By Producer-Handlers	6,752,119	6,970,448	6,931,370	7,540,405	0	0	0	0
By Other Plants	11,033,043	11,634,843	9,762,607	9,948,621	7,235,459	7,084,882	8,442,108	8,815,016
Total	155,854,181	173,361,901	160,241,253	179,521,419	86,078,142	94,758,759	89,867,883	103,121,262
Producer-Handler Data								
% Class I Use	65.43%	63.57%	68.51%	67.02%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.33%	4.02%	4.33%	4.20%	0.00%	0.00%	0.00%	0.00%

Preliminary data indicated in **bold**. 1/ Includes Cooperative Pool Manufacturing Plants.

Monthly Statistical Summary

RECEIPTS & UTILIZATION	PACIFIC NORTHWEST				ARIZONA			
	Mar 2015	Feb 2015	Mar 2014	Feb 2014	Mar 2015	Feb 2015	Mar 2014	Feb 2014
Receipts of Milk								
Total Producer Milk	499,699,495	455,830,012	753,741,111	440,337,893	435,074,822	383,083,139	451,950,826	390,466,338
Receipts From Other Sources	16,009,399	9,541,728	7,529,894	7,943,149	6,580,419	8,066,742	6,259,923	5,953,886
Opening Inventory	32,451,763	33,699,001	37,048,364	29,445,005	24,066,678	22,947,165	21,457,099	24,319,666
Total To Be Accounted For	548,160,657	499,070,741	798,319,369	477,726,047	465,721,919	414,097,046	479,667,848	420,739,890
Utilization of Receipts								
Whole milk	35,237,131	31,764,002	32,769,633	30,072,143	25,086,198	22,519,185	24,211,362	22,224,476
Flavored milk & drinks	14,000,801	12,464,650	11,839,971	11,445,442	5,795,826	5,804,148	5,541,303	5,856,854
2% milk	57,133,197	52,181,801	62,052,533	59,479,345	31,473,495	28,573,678	31,760,273	29,372,967
1% milk	26,353,385	23,957,800	24,909,735	22,232,282	14,679,855	13,462,354	15,218,482	14,154,030
Skim milk	17,840,926	16,407,017	19,640,005	19,021,495	8,860,152	8,080,216	9,866,632	9,413,831
Buttermilk	1,558,520	1,293,749	1,473,997	1,296,569	462,631	403,102	446,445	403,617
Class I dispositions in area	152,123,960	138,069,019	152,685,874	143,547,276	86,358,157	78,842,683	87,044,497	81,425,775
Class I dispositions out of area	13,576,846	14,499,190	16,072,486	15,670,230	25,339,510	22,159,845	23,827,607	21,477,029
Other Class I usage	16,100,628	19,518,822	20,157,768	20,023,406	11,477,960	9,342,390	12,769,173	12,882,127
Utilization by Class								
Total Class I Use	181,801,434	172,087,031	188,916,128	179,240,912	123,175,627	110,344,918	123,641,277	115,784,931
Total Class II Use	49,938,987	47,162,462	52,816,537	46,877,436	46,419,398	44,238,307	42,195,730	41,052,541
Total Class III Use	48,661,777	56,989,126	320,349,787	59,070,909	90,080,491	72,699,181	116,684,267	87,327,774
Total Class IV Use	267,758,459	222,832,122	236,236,917	192,536,790	206,046,403	186,814,640	197,146,574	176,574,644
Total Accounted For	548,160,657	499,070,741	798,319,369	477,726,047	465,721,919	414,097,046	479,667,848	420,739,890

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Mar 2015	Feb 2015	Mar 2014	Feb 2014	Mar 2015	Feb 2015	Mar 2014	Feb 2014
Producer milk								
Class I	163,917,963	152,317,361	170,182,395	160,808,957	113,715,101	101,299,394	110,637,202	101,076,194
Class II	44,180,846	39,834,148	47,410,974	43,867,597	45,629,230	43,437,752	41,423,316	40,383,388
Class III	48,574,936	56,961,697	318,599,120	58,306,338	90,080,491	72,699,181	116,200,292	87,225,097
Class IV	243,025,750	206,716,806	217,548,622	177,355,001	185,650,000	165,646,812	183,690,016	161,781,659
Other receipts								
Class I	17,883,471	19,769,670	18,733,733	18,431,955	9,460,526	9,045,524	13,004,075	14,708,737
Class II	5,758,141	7,328,314	5,405,563	3,009,839	1/	1/	1/	1/
Class III	1/	1/	1,750,667	764,571	0	0	1/	1/
Class IV	24,819,550	16,142,745	18,688,295	15,181,789	21,186,571	21,968,383	14,712,947	15,564,815
Avg. daily producer receipts	16,119,339	16,279,643	24,314,229	15,726,353	14,034,672	13,681,541	14,579,059	13,945,226
Change From Previous Year	-33.70%	3.52%	3.68%	-31.75%	-3.73%	-1.89%	4.02%	3.07%
Avg. daily Class I use	5,864,562	6,145,965	6,094,069	6,401,461	3,973,407	3,940,890	3,988,428	4,135,176
Change From Previous Year	-3.77%	-3.99%	-2.93%	-2.82%	-0.38%	-4.70%	-3.52%	-3.51%

1/ Restricted - Included with Class IV.



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Contact Information

Bothell Office

1930 220th Street SE, Suite 102
 Bothell, Washington 98021
 Phone: (425) 487-6009
 Fax: (425) 487-2775
 E-mail:
fmmaseattle@fmmaseattle.com

Phoenix Office

4835 E Cactus Road, Suite 365
 Scottsdale, Arizona 85254
 Phone: (602) 547-2909
 Fax: (602) 547-2906
 E-mail: ma@fmma.net

Visit the MA website
www.fmmaseattle.com

FEDERAL ORDER STATISTICS FOR MARCH

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price
	<i>- million pounds -</i>			<i>- per cwt (at location) -</i>	
Northeast (FO 1)	2,241.1	769.8	34.35%	\$18.81	\$16.40
Appalachian (FO 5)	495.1	323.8	65.41%	\$18.96	\$17.63
Florida (FO 6)	242.5	200.5	82.67%	\$20.96	\$19.93
Southeast (FO 7)	473.7	335.9	70.91%	\$19.36	\$18.30
Upper Midwest (FO 30)	2,643.7	299.5	11.33%	\$17.36	\$15.63
Central (FO 32)	1,270.9	403.0	31.71%	\$17.56	\$15.49
Mideast (FO 33)	1,559.7	528.7	33.90%	\$17.56	\$15.53
Pacific Northwest (FO 124)	499.7	163.9	32.80%	\$17.46	\$15.00
Southwest (FO 126)	860.3	364.7	42.39%	\$18.56	\$16.32
Arizona (FO 131)	435.1	113.7	26.14%	\$17.91	\$15.33

For links to Market Administrator's webpages, see www.fmmaseattle.com/dairyreferences.htm.