

UNITED STATES DEPARTMENT OF AGRICULTURE

AGRICULTURAL MARKETING SERVICE

DAIRY PROGRAMS

1930-220th St. SE, Ste. 102

Bothell, WA 98021-8471

Phone: (425) 487-6009

Fax: (425) 487-2775

E-mail: fmmaseattle@fmmaseattle.com

10050 N 25th Ave., Ste. 302

Phoenix, AZ 85021-1664

Phone: (602) 547-2909

Fax: (602) 547-2906

E-mail: ma@fmma.net

FEDERAL MILK ORDERS 124 & 131

ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *ADVANCED #* January 2005

Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 11.60	\$ 7.20	4/	4/
Butterfat 2/	\$ 2.1008	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 0.8000		4/
@ 3.5% Butterfat 1/ 3/	\$ 18.55	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 18.75			

Arizona-Las Vegas

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 12.05	\$ 7.20	4/	4/
Butterfat 2/	\$ 2.1053	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 19.00	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 19.20			

Supplemental Price Data From NASS Surveys			Advance Pricing	
Surveys Included: 12/11/04 and 12/18/04	Average Price	Total Pounds of Product	Factors 3/	
Grade AA Butter	\$ 1.8498	5,118,206	Butterfat	\$ 2.0818
Cheese 40 Lb. Blocks	\$ 1.7887	16,387,382	Class III Skim	\$ 9.70
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.7135	18,345,131	Class IV Skim	\$ 6.50
Cheese, Average	\$ 1.7648	34,732,513	Base Skim Milk Price for Class I	\$ 9.70
Nonfat Dry Milk	\$ 0.8698	37,374,992		
Dry Whey	\$ 0.2436	21,227,492	Base Class I Price	\$ 16.65

Pacific Northwest (FO 124) prices milk on the basis of multiple components.

Arizona-Las Vegas (FO 131) prices milk on the basis of butterfat and skim.

* Subject to applicable location adjustments.

** The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR § 1160.101 et seq.).

The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous States and the District of Columbia on a monthly basis, excluding those fluid milk products delivered to the residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

1/ Per hundredweight. 2/ Per pound. 3/ Prices at 3.5% butterfat are calculated in the following manner:

0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price. 4/ Announced for the month on or before the 5th of the following month.

Released: December 23, 2004

James R. Daugherty
Market Administrator