

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 #* October 2012

Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 14.21	\$ 11.42	4/	4/
Butterfat 2/	\$ 2.0198	4/	4/	4/
Protein 2/			4/	
Other Solids 2/			4/	
Nonfat Solids 2/		\$ 1.2689		4/
@ 3.5% Butterfat 1/ 3/	\$ 20.78	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 20.98			

Arizona

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 14.66	\$ 11.42	4/	4/
Butterfat 2/	\$ 2.0243	4/	4/	4/
@ 3.5% Butterfat 1/ 3/	\$ 21.23	4/	4/	4/
Processor Assessment **	\$ 0.20			
Total 1/	\$ 21.43			

Supplemental Price Data From AMS Surveys 5/			Advance Pricing Factors 3/	
Surveys Included: 9/8/12 and 9/15/12	Average Price	Total Pounds of Product		
Grade AA Butter	\$ 1.8237	7,664,977	Butterfat	\$ 2.0008
Cheese 40 Lb. Blocks	\$ 1.8524	22,976,690	Class III Skim	\$ 12.31
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.8262	21,487,957	Class IV Skim	\$ 10.72
Cheese, Average	\$ 1.8542	44,464,647	Base Skim Milk Price for Class I	\$ 12.31
Nonfat Dry Milk	\$ 1.3708	28,335,452		
Dry Whey	\$ 0.5804	15,011,030	Base Class I Price	\$ 18.88

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

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

* The FO 124 Class I price includes a Class I differential of \$1.90 per hundredweight (King County, Washington).

The FO 131 Class I price includes a Class I differential of \$2.35 per hundredweight (Maricopa County, Arizona).

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. 5/ Effective April 1, 2012, price data collected by AMS.

Released: September 19, 2012

William A. Wise
Market Administrator