

# **SPECIAL NOTE:**

## **Announcement of Class and Component Prices for September 2008**

The manufacturing allowances and butterfat yield factor used to compute the Class II, Class III, Class IV, and component prices in this announcement are those published in the Federal Register on December 29, 2006 (71 FR 78333). All future computations of advance Class I and Class II skim prices and pricing factors, and Class II, Class III, Class IV, and component prices will use the revised manufacturing allowances and butterfat yield factor contained in the Interim Final Rule published in the Federal Register on July 31, 2008 (73 FR 44617).

*(See next page for price announcement)*

Source: USDA AMS Dairy Programs, October 3, 2008

# UNITED STATES DEPARTMENT OF AGRICULTURE

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### ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *FINAL* # September 2008

#### Pacific Northwest

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 13.88	\$ 11.59	\$ 10.27	\$ 9.41
Butterfat 2/	\$ 1.7601	\$ 1.8266	\$ 1.8196	\$ 1.8196
Protein 2/			\$ 3.2689	
Other Solids 2/			\$ 0.0234	
Nonfat Solids 2/		\$ 1.2878		\$ 1.0455
@ 3.5% Butterfat 1/ 3/	\$ 19.55	\$ 17.58	\$ 16.28	\$ 15.45
Processor Assessment **	\$ 0.20			
Total 1/	\$ 19.75			

#### Arizona

	Class I *	Class II	Class III	Class IV
Skim 1/	\$ 14.33	\$ 11.59	\$ 10.27	\$ 9.41
Butterfat 2/	\$ 1.7646	\$ 1.8266	\$ 1.8196	\$ 1.8196
@ 3.5% Butterfat 1/ 3/	\$ 20.00	\$ 17.58	\$ 16.28	\$ 15.45
Processor Assessment **	\$ 0.20			
Total 1/	\$ 20.20			

Supplemental Price Data From NASS Surveys			FO 124 Only	
Surveys Included: 9/6/08 to 9/27/08	Average Price	Total Pounds of Product	PRODUCER COMPONENT PRICES 2/	
Grade AA Butter	\$ 1.6365	15,120,597	Butterfat	\$ 1.8196
Cheese 40 Lb. Blocks	\$ 1.7661	44,323,342		
Cheese 500 Lb. Barrels, 38% moisture	\$ 1.7611	35,896,733		
Cheese, Average	\$ 1.7773	80,220,075	Protein	\$ 3.2689
Nonfat Dry Milk	\$ 1.2131	64,764,589		
Dry Whey	\$ 0.2183	36,318,827	Other Solids	\$ 0.0234

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

Arizona (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/ 0.965 multiplied by skim price, plus 3.5 multiplied by butterfat price.

For Information Purposes Only. Somatic Cell Adjustment Rate is 0.00089.

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