

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

FEDERAL MILK ORDERS 124 & 131

10050 N 25th Ave., Ste. 302
Phoenix, AZ 85021-1664
Phone: (602) 547-2909
Fax: (602) 547-2906
E-mail: ma@fmma.net

ANNOUNCEMENT OF MINIMUM CLASS AND COMPONENT PRICES: *FINAL* # September 2012

Pacific Northwest

| | Class I * | Class II | Class III | Class IV |
|-------------------------|-----------|-----------|-----------|-----------|
| Skim 1/ | \$ 13.47 | \$ 10.36 | \$ 12.42 | \$ 10.77 |
| Butterfat 2/ | \$ 1.8551 | \$ 2.0117 | \$ 2.0047 | \$ 2.0047 |
| Protein 2/ | | | \$ 3.2521 | |
| Other Solids 2/ | | | \$ 0.3971 | |
| Nonfat Solids 2/ | | \$ 1.1511 | | \$ 1.1969 |
| @ 3.5% Butterfat 1/ 3/ | \$ 19.49 | \$ 17.04 | \$ 19.00 | \$ 17.41 |
| Processor Assessment ** | \$ 0.20 | | | |
| Total 1/ | \$ 19.69 | | | |

Arizona

| | Class I * | Class II | Class III | Class IV |
|-------------------------|-----------|-----------|-----------|-----------|
| Skim 1/ | \$ 13.92 | \$ 10.36 | \$ 12.42 | \$ 10.77 |
| Butterfat 2/ | \$ 1.8596 | \$ 2.0117 | \$ 2.0047 | \$ 2.0047 |
| @ 3.5% Butterfat 1/ 3/ | \$ 19.94 | \$ 17.04 | \$ 19.00 | \$ 17.41 |
| Processor Assessment ** | \$ 0.20 | | | |
| Total 1/ | \$ 20.14 | | | |

| Supplemental Price Data From AMS Surveys 4/ | | | FO 124 Only | |
|---|------------------------|----------------------------|---------------------------------|-----------|
| Surveys Included: 9/1/12 to 9/29/12 | Average Price | Total Pounds of Product | PRODUCER COMPONENT PRICES 2/ | |
| Grade AA Butter | \$ 1.8269 | 20,520,915 | Butterfat | \$ 2.0047 |
| Cheese 40 Lb. Blocks | \$ 1.8582 | 58,700,993 | | |
| Cheese 500 Lb. Barrels, 38% moisture Cheese, Average | \$ 1.8423 \$ 1.8647 | 50,829,965 109,530,958 | | |
| Nonfat Dry Milk | \$ 1.3768 | 65,304,070 | Protein | \$ 3.2521 |
| Dry Whey | \$ 0.5846 | 42,470,629 | | |

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

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

For Information Purposes Only. Somatic Cell Adjustment Rate is 0.00093.

Released: October 3, 2012

William A. Wise
Market Administrator