

# UNITED STATES DEPARTMENT OF AGRICULTURE

## AGRICULTURAL MARKETING SERVICE DAIRY PROGRAMS

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FEDERAL MILK ORDERS 124 & 131

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

#### Pacific Northwest

|                         | Class I * | Class II  | Class III | Class IV  |
|-------------------------|-----------|-----------|-----------|-----------|
| Skim 1/                 | \$ 16.53  | \$ 12.67  | \$ 13.07  | \$ 12.21  |
| Butterfat 2/            | \$ 2.0953 | \$ 1.7346 | \$ 1.7276 | \$ 1.7276 |
| Protein 2/              |           |           | \$ 3.3113 |           |
| Other Solids 2/         |           |           | \$ 0.4758 |           |
| Nonfat Solids 2/        |           | \$ 1.4078 |           | \$ 1.3569 |
| @ 3.5% Butterfat 1/ 3/  | \$ 23.29  | \$ 18.30  | \$ 18.66  | \$ 17.83  |
| Processor Assessment ** | \$ 0.20   |           |           |           |
| Total 1/                | \$ 23.49  |           |           |           |

#### Arizona

|                         | Class I * | Class II  | Class III | Class IV  |
|-------------------------|-----------|-----------|-----------|-----------|
| Skim 1/                 | \$ 16.98  | \$ 12.67  | \$ 13.07  | \$ 12.21  |
| Butterfat 2/            | \$ 2.0998 | \$ 1.7346 | \$ 1.7276 | \$ 1.7276 |
| @ 3.5% Butterfat 1/ 3/  | \$ 23.74  | \$ 18.30  | \$ 18.66  | \$ 17.83  |
| Processor Assessment ** | \$ 0.20   |           |           |           |
| Total 1/                | \$ 23.94  |           |           |           |

| Supplemental Price Data From AMS Surveys 4/ |                  |                            | FO 124 Only                     |           |
|---------------------------------------------|------------------|----------------------------|---------------------------------|-----------|
| Surveys Included:<br>12/8/12 to 12/29/12    | Average<br>Price | Total Pounds<br>of Product | PRODUCER<br>COMPONENT PRICES 2/ |           |
| Grade AA Butter                             | \$ 1.5981        | 13,991,167                 | Butterfat                       | \$ 1.7276 |
| Cheese 40 Lb. Blocks                        | \$ 1.8090        | 43,954,596                 |                                 |           |
| Cheese 500 Lb. Barrels, 38% moisture        | \$ 1.7439        | 38,900,005                 | Protein                         | \$ 3.3113 |
| Cheese, Average                             | \$ 1.7925        | 82,854,601                 |                                 |           |
| Nonfat Dry Milk                             | \$ 1.5384        | 65,346,329                 | Other Solids                    | \$ 0.4758 |
| Dry Whey                                    | \$ 0.6610        | 28,002,458                 |                                 |           |

# 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 0.0009.

Released: January 3, 2013

William A. Wise  
Market Administrator