

**United States Department of Agriculture
Agricultural Marketing Service
Dairy Programs
Milk Market Administrator
Federal Orders 124 & 131**

February 19, 2010

Federal Order Minimum Cost for Selected Products/Containers

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of each order and effect of Processor Assessment (See Note 1). Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

<u>White Milk</u>	FO 124		FO 131		
		<u>Gallons</u>	<u>Half Pints</u>	<u>Gallons</u>	<u>Half Pints</u>
3.25%	December 2009	\$1.3552	\$0.0847	\$1.3939	\$0.0871
	January 2010	\$1.4414	\$0.0901	\$1.4801	\$0.0925
	February 2010	\$1.4289	\$0.0893	\$1.4676	\$0.0917
	March 2010	\$1.3851	\$0.0866	\$1.4238	\$0.0890
2.00%	December 2009	\$1.2142	\$0.0759	\$1.2530	\$0.0783
	January 2010	\$1.2842	\$0.0803	\$1.3230	\$0.0827
	February 2010	\$1.2915	\$0.0807	\$1.3303	\$0.0831
	March 2010	\$1.2422	\$0.0776	\$1.2810	\$0.0801
1.00%	December 2009	\$1.0989	\$0.0687	\$1.1377	\$0.0711
	January 2010	\$1.1559	\$0.0722	\$1.1947	\$0.0747
	February 2010	\$1.1789	\$0.0737	\$1.2177	\$0.0761
	March 2010	\$1.1254	\$0.0703	\$1.1642	\$0.0728
0.06%	December 2009	\$0.9916	\$0.0620	\$1.0304	\$0.0644
	January 2010	\$1.0364	\$0.0648	\$1.0752	\$0.0672
	February 2010	\$1.0743	\$0.0671	\$1.1131	\$0.0696
	March 2010	\$1.0167	\$0.0635	\$1.0556	\$0.0660
<u>Chocolate Milk *</u>					
3.25%	December 2009	\$1.2607	\$0.0788	\$1.2967	\$0.0810
	January 2010	\$1.3408	\$0.0838	\$1.3768	\$0.0860
	February 2010	\$1.3292	\$0.0831	\$1.3652	\$0.0853
	March 2010	\$1.2884	\$0.0805	\$1.3244	\$0.0828
1.00%	December 2009	\$1.0198	\$0.0637	\$1.0558	\$0.0660
	January 2010	\$1.0727	\$0.0670	\$1.1087	\$0.0693
	February 2010	\$1.0941	\$0.0684	\$1.1301	\$0.0706
	March 2010	\$1.0444	\$0.0653	\$1.0804	\$0.0675
<u>Class I Prices</u>					
		<u>Skim</u>	<u>Butterfat</u>	<u>Skim</u>	<u>Butterfat</u>
	December 2009	\$11.41	\$1.4520	\$11.86	\$1.4565
	January 2010	\$11.92	\$1.6084	\$12.37	\$1.6129
	February 2010	\$12.37	\$1.4300	\$12.82	\$1.4345
	March 2010	\$11.70	\$1.4725	\$12.15	\$1.4770

Conversion Factors

<u>White 3.25% Gal.</u> 8.60	<u>White 3.25% 1/2 Pint</u> 0.53750	<u>White 2.00% Gal.</u> 8.62	<u>White 2.00% 1/2 Pint</u> 0.53875	<u>White 1.00% Gal.</u> 8.62	<u>White 1.00% 1/2 Pint</u> 0.53875	<u>White 0.06% Gal.</u> 8.63	<u>White 0.06% 1/2 Pint</u> 0.539375
<u>Chocolate Gal.</u> 8.00	<u>Chocolate 1/2 Pint</u> 0.50000						

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 *et seq.*). These prices do not include any other assessments or costs associated with bottling milk.

Note 2: Prices were determined by following formula:

$$(((\text{Percent Skim} / 100 \times \text{Skim Price}) + (\text{Percent Butterfat} \times \text{Butterfat Price})) / 100) \times \text{Conversion Factor}$$

Note 3: Asterisk (*): Conversion factors for chocolate milk vary between products.