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**ANALYSIS OF HAULING CHARGES AND PRODUCER MILK BY  
LOCATION AND SIZE-RANGE OF PRODUCTION**

**PACIFIC NORTHWEST ORDER**

**MAY 2007 (with comparison to May of previous years)**

Staff Paper 08-02

Lori Espe

December 2008

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Abstract

Hauling charges were examined for 671 producers in May 2007. The milk represented in this study was producer milk (Grade A) pooled on the Pacific Northwest Order. Hauling charges, stop charges, and milk production were obtained from producer payrolls submitted by handlers to the Market Administrator's office. The terms "milk production" and "producer milk" in this study are synonymous. Hauling charges in this paper are given on a per hundredweight basis. The reference to a particular year refers to May of that year. Some comparisons to previous years are reported, but due to changes in Federal order boundaries and order provisions, these comparisons may be biased.

Major findings of this study include:

1. In May 2007, the weighted average hauling charges on the Pacific Northwest Order was 56.64 cents per hundredweight, up 3.37 cents from May 2006.
2. By state, Oregon had the lowest weighted average hauling charge, followed by Washington, California and Idaho.
3. In general, hauling charges in the Northwest appear to be determined by the density of farms in a region; and their proximity to metropolitan areas or areas of intense milk processing. Hauling charges per hundredweight appear to have become somewhat less dependent on the volume of milk a producer delivers to the market. The increased use of volume premiums paid to producers who deliver larger quantities of milk instead of lowering their hauling rates contributes to this change.
4. Based on producer milk pooled, the average monthly deliveries per producer for the Pacific Northwest Order was 848,820 pounds, a 9,224 pound decrease from May 2006. A large portion of the decrease is due to handler pooling decisions.

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Lori Espe <sup>1/</sup>

**I. INTRODUCTION**

This study analyzes hauling charges and producer milk by location and size-range of production for the Pacific Northwest Order. The order had 698 producers and 592.5 million pounds of producer milk pooled in May 2007. A total of 671 producers had hauling charges and were included in this study. The terms “milk production” and “producer milk” in this study are synonymous. Some comparisons to previous years are reported, but due to changes in Federal order provisions beginning in January 2000, January 2003, and April 2006, these comparisons may be biased. (Please refer to previous years’ publications to explain methodology of previous years’ data, e.g., in 2004, 2002, and 2001 some eligible milk on the Pacific Northwest Order was not pooled.)

Hauling charges are based on producer payrolls submitted by handlers to the Market Administrator’s Office in Bothell, Washington. Several handlers identify a stop charge with, or in lieu of, a hauling charge. Stop charges were converted to a per hundredweight basis and added onto, if any, the normal per hundredweight charge. Producers that hauled their own milk to market, typically large-volume producers, were not included in the analysis of hauling charges but were included in the analysis of producer size.

Hauling charges in this paper are given on a per hundredweight basis. The use of May data provides a standard basis to compare between years. The reference to a particular year refers to May of that year.

**II. AVERAGE MILK HAULING CHARGES BY STATE, AND COUNTY**

A comparison of average hauling charges between regions in May 2007 appears to indicate relative efficiency of hauling, as it relates to the density and size of dairy farms and their proximity to milk processors.

Hauling charges for producers associated with the Pacific Northwest Order averaged 56.64 cents per hundredweight in May 2007, up 3.37 cents from May 2006. By state, hauling charges averaged 40.15 cents in Oregon, 60.20 cents in Washington, 110.06 cents in California, and

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153.27 cents in Idaho. (See Table 1.) Washington hauling rates decreased compared to 2006, while Oregon and California increased eight and twenty-nine cents per hundredweight, respectively. The average hauling rate in Idaho increased dramatically in 2007 when compared to 2006. Most of the difference can be explained by changes in pooling decisions; milk from Southern Idaho was not pooled in 2007. Typically, hauling rates in Southern Idaho are lower than those in Northern Idaho.

Weighted average hauling charges for each state under the Pacific Northwest Order are shown in Table 1. Appendix Table A-1 provides hauling charges by state and county for May 2006 and 2007. Appendix Table A-3, representing 671 producers, shows the number of producers for each range of hauling charges and region for the Pacific Northwest Order. Included in the table is a weighted average hauling charge for each region, along with the minimum and maximum rates for each size-range. Appendix Table A-4, shows the percentage of producers for each range of hauling charges and region for the Pacific Northwest Order.

In previous studies, increases in fuel prices seemed to be related to increases in hauling rates. Fuel price data for May of a particular year was referenced and compared to fuel price data for the month of May in previous years. Historically, this approach suggested a positive relationship between increases in fuel prices and changes in hauling rates. However, according to the Energy Information Administration (EIA), monthly West Coast No. 2 diesel retail sales by all sellers shows that diesel prices in May 2007 (\$2.929) decreased 2.32 cents compared to May 2006 (\$3.161) and increased 51.6 cents compared to May 2005 (\$2.413). The average hauling charges on the Pacific Northwest Order (FO 124) in May 2007 increased 3.37 cents despite fuel prices in May 2007 being 2.32 cents lower than those in 2006. Perhaps a comparison based solely on the month of May is too limited. When comparing diesel price data for the first half of 2007 compared to the first half of 2006, there was a slight increase; the simple average of diesel prices for the first six months of 2006 was \$2.845 while the same time period in 2007 was \$2.859. Data for May 2007 hauling charges on the Pacific Northwest Order (FO 124) suggests that institutional and other hauling-related costs may have been stronger factors in hauling rates.

Hauling charges in Washington were lower west of the Cascade Mountain Range. Generally, counties located near Seattle, Washington, and further south, near Portland, Oregon, had the lowest hauling charges. The hauling charges increased with distance from Seattle, Washington and Portland, Oregon. This relationship is believed to be due to the location of dairy farms relative to plants and the relative concentration of dairy farms. Washington's weighted average hauling rate decreased almost two cents compared to May 2006. Most counties in Washington showed an increase in hauling, with increases ranging from 0.14 cents to 26.63 cents per hundredweight. Five Washington counties had decreases in hauling rates which offset much of the increases by the other counties. Within the state of Washington, there were clear differences between the hauling rates for dairy farmers located west of the Cascade Mountain Range and those located east of the mountains. Hauling rates in Western Washington averaged 44.17 cents per hundredweight and with a wide range of \$0.036 to \$4.328 per hundredweight. On the eastern side of the mountains, the weighted average rate was 71.47 cents and had a narrower, but still wide, range of \$0.088 to \$2.104 per hundredweight.

Hauling charges in Oregon were lowest in the coastal region and northwest region. The northwest part of Oregon is where the majority of dairy farms and the largest number of

consumers and plants are located. Similar to Washington, higher hauling charges occurred in Oregon’s eastern counties. The distance from the farms to the nearest handler is the probable cause of the higher hauling charges in eastern Oregon. Dairy farmers in some counties in western Oregon may incur relatively higher hauling charges due to the sparse producer numbers in those particular counties. On the western side of the state, hauling rates (excluding counties with less than three producers) ranged from \$0.109 to \$.666 per hundredweight, with an average of 39.07 cents. East of the Cascade Mountain Range, the average hauling rate was 58.04 cents higher, at 97.11 cents. Statewide, Oregon’s weighted average hauling rate increased over eight cents compared to May 2006. Only Clackamas and Clatsop Counties showed decreases in hauling charges compared to May 2006.

In 2007, only producers from the northern part of Idaho were pooled on the Pacific Northwest Order (FO 124). Unlike the southern part of the state, which has low hauling charges due to many large dairies located relatively close to plants, northern Idaho’s hauling charges are much higher. The higher hauling charges are most probably the result of fewer and much smaller dairies located further from plants, when compared to the southern part of the state. Idaho’s weighted average hauling rate increased over \$1.22 compared to May 2006.

California’s weighted average hauling rate increased 29 cents compared to May 2006. Siskiyou County, in Northern California bordering Oregon, was the only county that had producer milk pooled on the Pacific Northwest Order in 2007.

Average hauling charges by county are displayed in the Appendix. Selected counties are combined with adjacent counties in order to maintain confidentiality. Table A-1 (on pages 7 and 8) shows weighted average hauling charges by county and state.

<u>State</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
	- - - - - cents per cwt. - - - - -					
California	37.77	71.38	73.90	76.92	80.99	<b>110.06</b>
Idaho	56.41	116.69	37.87	39.85	31.02	<b>153.27</b>
Oregon	32.26	34.39	31.81	31.36	32.85	<b>40.15</b>
Utah	R	N/A	N/A	N/A	N/A	N/A
Washington	41.49	44.54	54.61	57.14	61.81	<b>60.20</b>
Total	39.71	42.76	49.50	51.71	53.27	<b>56.64</b>

N/A = not applicable. R = restricted, represents fewer than three producers.

Mapping data geographically is an ideal way to present and evaluate hauling charge data. Figure A-1 (on page 14) is a map of hauling charges by county. Figure A-3 (on page 16) is a map to reference county names to the maps that do not provide names and an outline of the Pacific Northwest Order. Figure A-1 shows that hauling charges in parts of the Oregon coast (Coos, Curry and Tillamook Counties) and western Washington (Clark and Whatcom Counties) were less than 40 cents. Most of these counties are either in areas characterized by larger volume

producers, or a large number of producers located near a plant. Higher hauling charges were generally associated with counties located in more remote areas of the states. In support of the preceding statements, counties located near Seattle, Washington, and Portland, Oregon, have lower hauling charges than more distant, surrounding counties.

### III. PRODUCER MILK AND PRODUCER NUMBERS

The Pacific Northwest Order's producer milk for May 2007 totaled 592.5 million pounds. Appendix Figure A-2 (on page 15) shows, on a map of the Northwest, current average pounds of milk per producer pooled on the Pacific Northwest Order. Appendix Table A-2 (on pages 9 and 10) provides the pounds of producer milk, producer numbers, and average milk production per producer. Based on producer milk pooled, the average monthly deliveries per producer for the Pacific Northwest Order was 848,820 pounds, a 9,224 pound increase from May 2006. A large portion of the increase is due to handler pooling decisions.

Producer milk originating in Washington totaled 465.1 million pounds in May 2007, a decrease of 9.8 million pounds or 2.1 percent compared to May 2006. The county with the most milk pooled was Yakima County, with 185.6 million pounds. Whatcom County had the most producers, 139, down 14 compared to May 2006. The county with the second most producers was Yakima County with 71, down one compared to May 2006.

Producer milk originating in Oregon totaled 125.0 million pounds in May 2007 for the Pacific Northwest Order, a decrease of 40.2 million pounds or 24.3 percent compared to May 2006. The number of producers pooled on the Pacific Northwest Order in May 2007 was 233 in Oregon, a decrease of 34 producers from May 2006. Comparisons to the previous year are biased; handler decisions on pooling affected changes from previous year. Tillamook County had the most milk pooled, 48.4 million pounds, and the most producers, 125.

Producer milk pooled on the Pacific Northwest Order originating in Idaho and California was 1.1 million pounds and 1.3 million pounds, respectively, in May 2007. The number of producers in Idaho and California was eight and three, respectively. In May 2007, the producer milk from southern Idaho was not pooled, and producer milk pooled from California decreased slightly due to fewer producers associated with the Order.

### IV. RELATIONSHIP BETWEEN MILK PRODUCTION AND HAULING CHARGES

A comparison of average hauling charges and specific ranges of milk production has historically shown an inverse relationship; as milk production increases, hauling charges generally decrease. In 2007, the expected inverse relationship between milk production and hauling charge rates is not evident across all ranges of milk production.

The data in this study shows that for the smaller dairy farms in the area, as the milk production of a dairy farm increases, the weighted average rate charged for hauling decreases. Beginning at the range of 400,000-500,000 pounds of milk per month, the relationship between changes in milk production and changes in hauling rates is less transparent. In complete contrast to the

expected relationship between milk production and hauling rates, those dairy farmers with the highest levels of production (over 1 million pounds of milk per month) had weighted average hauling rates that were higher than smaller producers. This incongruity suggests that institutional and other hauling-related costs may have been stronger factors in hauling rates than level of milk production.

One institutional factor contributing to the deviation from an inverse relationship is the way handlers of milk pay volume premiums instead of decreasing hauling rates to producers with large monthly milk deliveries. The proximity of larger dairy farms to milk processing and fluid milk outlets may also influence those dairy farms' hauling rates. Another factor could be the effect of the unique supply and demand elements of the organic milk market. Organic farmers' payment structure for hauling charges and premiums could be different than conventional dairy farmers due to agreements between processors and cooperatives for this niche product. As a result, organic farmers' hauling rates may deviate from the traditional inverse relationship between volume of milk production and hauling rates.

Appendix Table A-5, representing 671 producers, shows the number of producers for each range of hauling charges and milk production for the Pacific Northwest Order. Included in the table is a weighted average hauling charge for each size-range of milk production, along with the minimum and maximum rates for each size-range. Appendix Table A-6, shows the percentage of producers for each range of hauling charges and milk production for the Pacific Northwest Order.

All of the different milk production ranges had a wide range of hauling charges. The minimum charge was under 30 cents for each range with a maximum charge of one dollar or more. The group of the smallest producers, those with 50,000 pounds or less, had rates that ranged from \$0.247 to \$4.328. At the other end of the milk production range, those with more than three million pounds of milk per month, the hauling charges ranged from \$0.285 to \$1.043.

In the Pacific Northwest Order, 62 producers were charged over \$1.00 per hundredweight for hauling, up from 31 in 2006. In 2006, the producers with charges over \$1.00 also had less than 300,000 pounds of milk production; however, in 2007 these producers were distributed across all size ranges of milk production. Only eight of the 24 producers with less than 50,000 pounds had hauling charges less than 50 cents. The mid-range hauling charge (20 to 70 cents) is populated by a wide variety of producer sizes. There were 37 producers with hauling charges less than 20 cents. While the average hauling rate for each size-range typically decreases as deliveries increased, for 2007 the relationship between size-range and hauling rate was not clear due to location or institutional factors that affect charges for hauling.



## V. CONCLUSIONS

This study examined hauling charges for 671 producers whose milk was pooled on the Pacific Northwest Order in May 2007.

In May 2007, the weighted average hauling charges on the Pacific Northwest Order was 56.64 cents per hundredweight. Compared to previous years, data for May 2007 suggests that institutional and other hauling-related costs may have been stronger factors in hauling rates than changes in fuel prices.

By state, Oregon had the lowest weighted average hauling charge, followed by Washington, California, and Idaho.

In general, hauling charges on the Pacific Northwest Order appears to be determined by the density of farms in a region; the size of dairy farms; and their proximity to metropolitan areas or areas of intense milk processing. Hauling charges per hundredweight appear to have become somewhat less dependent on the volume of milk a producer delivers to the market. This may be due to the use of volume premiums paid to producers who deliver larger quantities of milk instead of lowering their hauling rates. Also, organic farmers' hauling rates may deviate from the traditional inverse relationship between volume of milk production and hauling rates. The payment structure for hauling charges and premiums could be different for organic farmers than conventional dairy farmers due to agreements between processors and cooperatives for this niche product.

Based on producer milk pooled, the average monthly deliveries per producer for the Pacific Northwest Order were 848,820 pounds, a 9,224 pound decrease from May 2006. A large portion of the decrease is due to handler pooling decisions.

Table A-1  
 Weighted Average Hauling Charges By State and County  
 Pacific Northwest Order  
 May 2006 and 2007 \*

State & County	2006	2007	Change
	Cents per Cwt.		
<b>California</b>			
Siskiyou	80.99	110.06	29.07
Weighted Average California	80.99	110.06	29.07
<b>Idaho</b>			
Bonner & Boundary	99.91	119.72	19.81
Idaho & Latah	139.04	176.35	37.31
Southern Idaho	29.66	n/a	n/a
Weighted Average Idaho	31.02	153.27	122.25
<b>Oregon 1/</b>			
Benton	38.81	63.66	24.85
Clackamas	52.17	49.60	(2.57)
Clatsop	46.48	46.35	(0.13)
Coos	n/a	10.88	n/a
Josephine	58.26	R	R
Klamath	90.31	R	R
Lane	45.27	66.55	21.28
Linn	41.52	56.51	14.99
Malheur	52.61	n/a	n/a
Marion	32.47	47.08	14.61
Polk	30.90	46.07	15.17
Tillamook	24.03	24.07	0.04
Washington	37.31	58.35	21.04
Restricted - Eastern OR 2/	81.09	97.11	16.02
Restricted - Western OR 3/	34.28	49.05	14.77
Weighted Average Oregon	32.85	40.15	7.30

Table A-1  
 Weighted Average Hauling Charges By State and County  
 Pacific Northwest Order  
 May 2006 and 2007 \*

State & County	2006	2007	Change
	Cents per Cwt.		
<b>Washington</b>			
Adams	66.30	85.30	19.00
Clallam & Jefferson	71.07	88.18	17.11
Clark & Cowlitz	15.38	20.83	5.45
Franklin (& Benton in 2006)	70.58	85.87	15.29
Grant & Kittitas	65.82	84.04	18.22
Grays Harbor	59.21	45.68	(13.53)
King	34.08	50.25	16.17
Klickitat (& Benton in 2007)	n/a	10.01	n/a
Lewis	44.25	54.97	10.72
Pacific	80.25	67.14	(13.11)
Pierce	28.37	51.51	23.14
Skagit	45.04	55.45	10.41
Snohomish & Island	39.23	54.56	15.33
Spokane & Lincoln	59.36	81.57	22.21
Stevens	76.00	102.63	26.63
Thurston	41.93	42.07	0.14
Wahkiakum	73.54	65.34	(8.20)
Whatcom	53.90	37.14	(16.76)
Yakima	76.82	66.00	(10.82)
Weighted Average Washington	61.81	60.20	(1.61)
Pacific Northwest Order	53.27	56.64	3.37

\* Data obtained from producer payrolls submitted by handlers.

In 2006 and 2007, hauling charges based on milk pooled.

n/a - due to changes in pooling, comparison to previous or current year are not applicable

R - county had fewer than three producers with hauling charges, so data is restricted. See footnotes 1-3.

- 1/ For this study, restricted counties in Oregon were combined with other restricted counties by region. See footnotes 2 & 3 for a list of counties associated with each region.
- 2/ Restricted counties include: Baker (2006), Deschutes (2006 & 2007), Klamath (2007) & Umatilla (2006 & 2007).
- 3/ Restricted counties include: Curry (2007), Jackson (2006 & 2007), Josephine (2007), Lincoln (2006 & 2007), Multnomah (2006 & 2007) and Yamhill (2006 & 2007).

Table A-2  
Number of Producers, Pounds of Milk, and Average Pounds Per Producer By State and County \*  
Pacific Northwest Order  
May 2006 and 2007

State & County	Number of Producers		Pounds of Producer Milk		Average Pounds Per Producer	
	2006	2007	2006	2007	2006	2007
----- 1,000 pounds -----						
<b>California</b>						
Siskiyou (& Del Norte in 2006)	5	3	4,024	1,347	805	449
Total/Average California	5	3	4,024	1,347	805	449
<b>Idaho</b>						
Bonner & Boundary	3	3	393	428	131	143
Idaho & Latah	5	5	661	623	132	125
Southern Idaho	51	-	72,205	-	1,416	n/a
Total/Average Idaho	59	8	73,259	1,051	1,242	131
<b>Oregon</b>						
Baker & Malheur (& Umatilla in 2007)	11	3	2,373	3,233	216	1,078
Benton & Lincoln	5	4	3,659	2,812	732	703
Clackamas & Multnomah	11	9	1,328	1,311	121	146
Clatsop	6	5	2,247	2,175	375	435
Coos & Curry (& Josephine in 2007)	9	10	2,081	2,520	231	252
Deschutes	3	1/	533	1/	178	n/a
Josephine	3	2/	1,610	2/	537	n/a
Klamath & Jackson (Crook & Deschutes in 2007)	8	7	6,459	5,311	807	759
Lane	6	6	5,136	4,672	856	779
Linn	8	6	6,209	5,238	776	873
Marion	32	30	28,241	26,466	883	882
Umatilla (& Morrow in 2006)	4	3/	34,700	3/	8,675	n/a
Polk	5	5	9,003	8,573	1,801	1,715
Tillamook	131	125	47,608	48,368	363	387
Washington	19	17	6,171	5,728	325	337
Yamhill	6	6	7,790	8,562	1,298	1,427
Total/Average Oregon	267	233	165,149	124,970	619	536

Table A-2  
Number of Producers, Pounds of Milk, and Average Pounds Per Producer \*  
Pacific Northwest Order  
May 2006 and 2007

State & County	Number of Producers		Pounds of Producer Milk		Average Pounds Per Producer	
	2006	2007	2006	2007	2006	2007
----- 1,000 pounds -----						
<b>Washington</b>						
Adams	11	11	13,473	14,495	1,225	1,318
Clallam & Jefferson	5	3	1,206	1,171	241	390
Clark & Cowlitz	11	9	8,322	8,034	757	893
Franklin	7	8	19,017	22,452	2,717	2,807
Grant & Kittitas	26	25	28,020	40,118	1,078	1,605
Grays Harbor	11	10	2,355	2,815	214	282
King	32	31	25,193	16,825	787	543
Klickitat & Benton	5	5	2,999	2,891	600	578
Lewis	40	33	13,580	11,483	339	348
Pacific	10	9	2,992	2,699	299	300
Pierce	6	4	3,854	2,211	642	553
Skagit	40	31	28,449	24,138	711	779
Snohomish & Island	37	32	25,205	20,243	681	633
Spokane & Lincoln	14	11	2,290	2,014	164	183
Stevens	12	8	1,564	1,210	130	151
Thurston	9	10	7,721	8,653	858	865
Wahkiakum	4	4	745	777	186	194
Whatcom	153	139	104,455	97,235	683	700
Yakima	72	71	183,453	185,645	2,548	2,615
Total/Average Washington	505	454	474,893	465,108	940	1,024
Pacific Northwest Order	836	698	717,325	592,476	858	849

\* Data obtained from producer payrolls submitted by handlers.

n/a = not applicable.

1/ In 2007, Deschutes County, Oregon, had fewer than 3 producers and was included with Klamath and Jackson Counties, Oregon.

2/ In 2007, Josephine County, Oregon, had fewer than 3 producers and was included with Coos and Curry Counties, Oregon.

3/ In 2007, Umatilla County, Oregon, had fewer than 3 producers and was included with Baker and Malheur Counties, Oregon.

Table A-3  
 Cross Tabulation of Number of Producers Between Region and Hauling Charges  
 Pacific Northwest Order  
 May 2007

		Hauling Charges (cents per hundredweight)										Weighted Average Rate (cents / cwt.)	Minimum Rate (cents / cwt.)	Maximum Rate (cents / cwt.)	
		Less than 10	10 to 20	20 to 30	30 to 40	40 to 50	50 to 60	60 to 70	70 to 80	80 to 100	Greater than 100				Total
		----- number of producers -----													
Region	Western WA	4	17	4	48	73	64	48	24	16	10	308	44.17	3.57	432.84
	Eastern WA	1	2	-	-	1	12	39	9	41	31	136	71.47	8.84	210.41
	Western OR 1/	6	7	103	21	21	18	12	6	9	10	213	39.07	8.61	152.06
	Eastern OR	-	-	-	-	1	-	-	1	1	3	6	97.11	49.65	119.41
	Northern ID	-	-	-	-	-	-	-	-	-	8	8	153.27	109.22	192.26
Total		11	26	107	69	96	94	99	40	67	62	671	56.64	3.57	432.84

Table A-4  
 Cross Tabulation of Percentage of Producers Between Region and Hauling Charges  
 Pacific Northwest Order  
 May 2007

		Hauling Charges (cents per hundredweight)										Weighted Average Rate (cents / cwt.)	Minimum Rate (cents / cwt.)	Maximum Rate (cents / cwt.)	
		Less than 10	10 to 20	20 to 30	30 to 40	40 to 50	50 to 60	60 to 70	70 to 80	80 to 100	Greater than 100				Total 1/
		----- percent of producers -----													
Region	Western WA	0.6	2.5	0.6	7.2	10.9	9.5	7.2	3.6	2.4	1.5	45.9	44.17	3.57	432.84
	Eastern WA	0.1	0.3	-	-	0.1	1.8	5.8	1.3	6.1	4.6	20.3	71.47	8.84	210.41
	Western OR 1/	0.9	1.0	15.4	3.1	3.1	2.7	1.8	0.9	1.3	1.5	31.7	39.07	8.61	152.06
	Eastern OR	-	-	-	-	0.1	-	-	0.1	0.1	0.4	0.9	97.11	49.65	119.41
	Northern ID	-	-	-	-	-	-	-	-	-	1.2	1.2	153.27	109.22	192.26
Total 2/		1.6	3.9	15.9	10.3	14.3	14.0	14.8	6.0	10.0	9.2	100.0	56.64	3.57	432.84

1/ Western Oregon region includes data for Northern California.

2/ Total may not add due to rounding.

Table A-5  
 Cross Tabulation of Number of Producers Between Milk Production and Hauling Charges  
 Pacific Northwest Order  
 May 2007

		Hauling Charges (cents per hundredweight)										Weighted Average Rate (cents / cwt.)	Minimum Rate (cents / cwt.)	Maximum Rate (cents / cwt.)	
		Less than 10	10 to 20	20 to 30	30 to 40	40 to 50	50 to 60	60 to 70	70 to 80	80 to 100	Greater than 100				Total
		----- number of producers -----													
Milk Production (1,000 pounds)	Less than 50	-	-	4	4	-	2	-	-	2	12	24	88.90	24.69	432.84
	50 to 100	-	5	3	2	-	2	6	7	11	11	47	77.80	17.22	192.26
	100 to 200	-	12	29	2	2	21	15	13	11	18	123	59.35	12.74	180.45
	200 to 300	-	7	11	11	15	8	13	3	8	1	77	48.86	10.87	134.11
	300 to 400	1	1	23	1	14	10	6	4	3	1	64	44.48	9.93	109.92
	400 to 500	4	-	8	-	8	6	7	3	3	2	41	50.58	9.38	110.90
	500 to 600	2	-	8	2	6	7	6	2	3	2	38	50.04	8.84	107.50
	600 to 700	1	1	3	4	8	7	5	3	-	1	33	49.78	8.61	105.35
	700 to 1,000	1	-	8	16	18	12	7	1	2	2	67	46.81	4.39	112.18
	1,000 to 3,000	2	-	9	25	21	9	23	3	18	11	121	57.45	3.57	110.39
	More than 3,000	-	-	1	2	4	10	11	1	6	1	36	62.29	28.48	104.34
Total		11	26	107	69	96	94	99	40	67	62	671	56.64	3.57	432.84

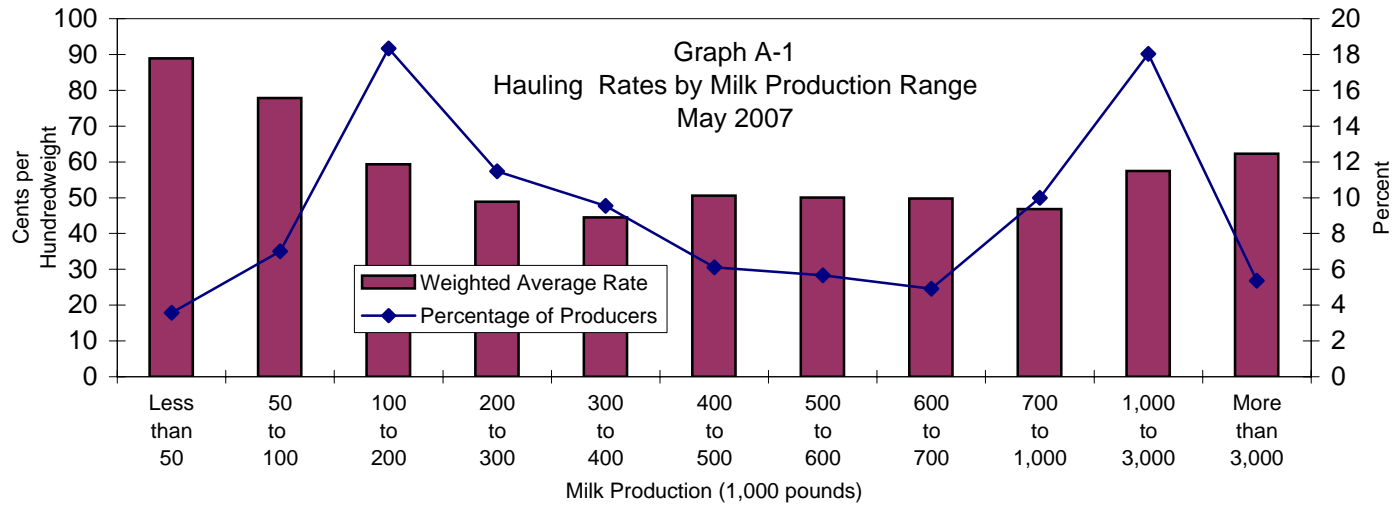


Table A-6  
 Cross Tabulation of Percentage of Producers Between Milk Production and Hauling Charges  
 Pacific Northwest Order  
 May 2007

		Hauling Charges (cents per hundredweight)										Weighted Average Rate (cents / cwt.)	Minimum Rate (cents / cwt.)	Maximum Rate (cents / cwt.)	
		Less than 10	10 to 20	20 to 30	30 to 40	40 to 50	50 to 60	60 to 70	70 to 80	80 to 100	Greater than 100				Total 1/
		----- percent of producers -----													
Milk Production (1,000 pounds)	Less than 50			0.6	0.6		0.3			0.3	1.8	3.6	88.90	24.69	432.84
	50 to 100		0.7	0.4	0.3		0.3	0.9	1.0	1.6	1.6	7.0	77.80	17.22	192.26
	100 to 200		1.8	4.3	0.3	0.3	3.1	2.2	1.9	1.6	2.7	18.3	59.35	12.74	180.45
	200 to 300		1.0	1.6	1.6	2.2	1.2	1.9	0.4	1.2	0.1	11.5	48.86	10.87	134.11
	300 to 400	0.1	0.1	3.4	0.1	2.1	1.5	0.9	0.6	0.4	0.1	9.5	44.48	9.93	109.92
	400 to 500	0.6		1.2		1.2	0.9	1.0	0.4	0.4	0.3	6.1	50.58	9.38	110.90
	500 to 600	0.3		1.2	0.3	0.9	1.0	0.9	0.3	0.4	0.3	5.7	50.04	8.84	107.50
	600 to 700	0.1	0.1	0.4	0.6	1.2	1.0	0.7	0.4		0.1	4.9	49.78	8.61	105.35
	700 to 1,000	0.1		1.2	2.4	2.7	1.8	1.0	0.1	0.3	0.3	10.0	46.81	4.39	112.18
	1,000 to 3,000	0.3		1.3	3.7	3.1	1.3	3.4	0.4	2.7	1.6	18.0	57.45	3.57	110.39
More than 3,000			0.1	0.3	0.6	1.5	1.6	0.1	0.9	0.1	5.4	62.29	28.48	104.34	
Total 1/		1.6	3.9	15.9	10.3	14.3	14.0	14.8	6.0	10.0	9.2	100.0	56.64	3.57	432.84

1/ Total may not add due to rounding.



FIGURE A-1  
Weighted Average Hauling Charges  
Pacific Northwest Order: May 2007

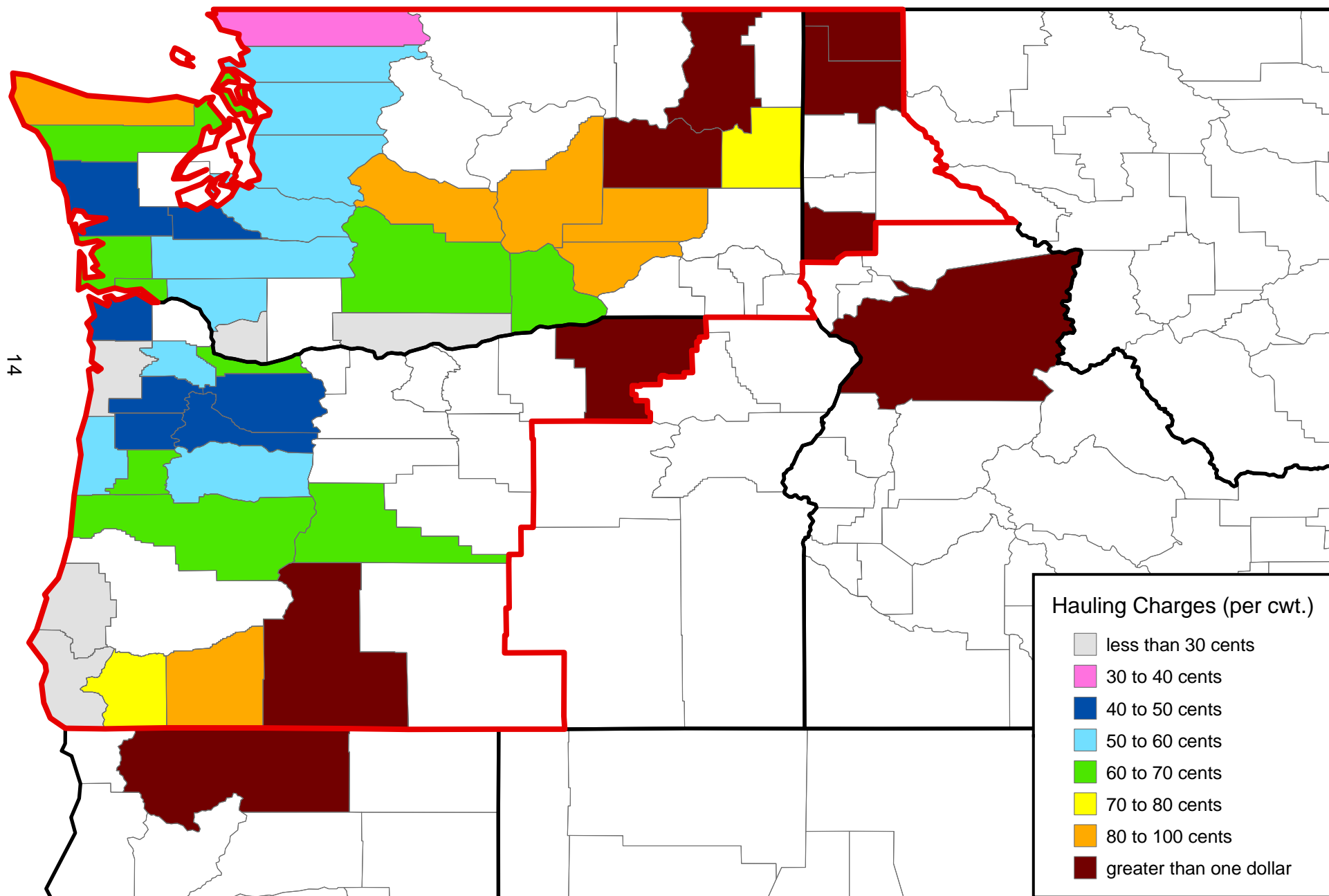


FIGURE A-2  
Average Milk Production Per Producer  
Pacific Northwest Order: May 2007

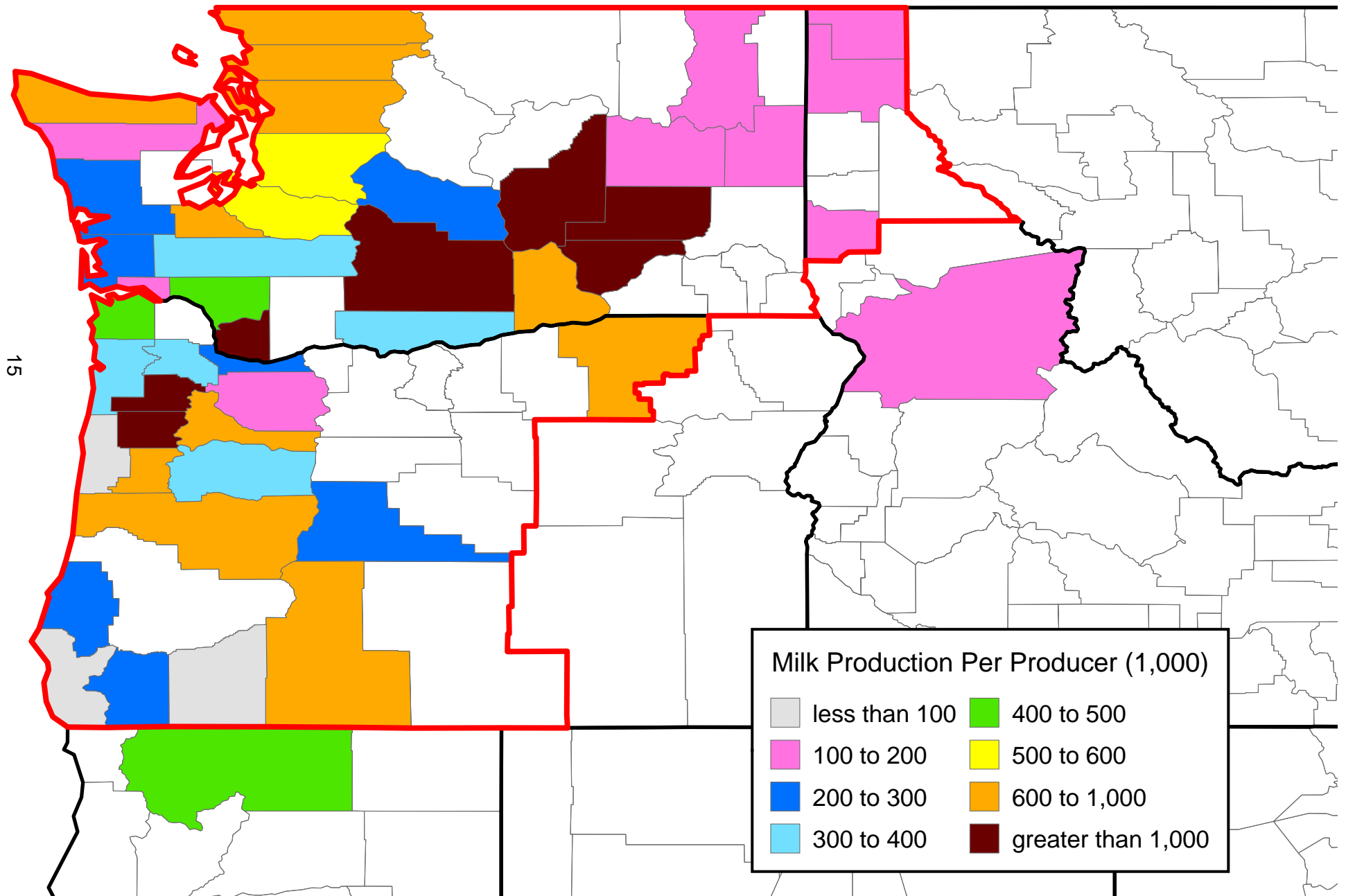


FIGURE A-3  
Pacific Northwest Marketing Area

