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

**PACIFIC NORTHWEST ORDER**

**MAY 2011 (with comparison to May of previous years)**

Staff Paper 12-01

Lori Espe

May 2012

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

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Lori Espe

Abstract

Hauling charges were examined for 603 producers in May 2011. 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 2011, the weighted average for hauling charges on the Pacific Northwest Order was 60.34 cents per hundredweight, up 0.47 cents from May 2010.
2. By state, Oregon had the lowest weighted average hauling charge, followed by Idaho, California, and Washington.
3. In general, hauling charges in the Northwest appear 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. Although the size of a dairy farm could be an economic factor used to determine hauling charges, such a direct relationship is not clearly evident in the data. Several handlers utilize volume premiums, perhaps in lieu of adjusting individual hauling charges based on farm size. However, the effect of volume premiums is not addressed in this study.
4. Based on producer milk pooled, the average monthly deliveries per producer for the Pacific Northwest Order were 1,224,010 pounds, a 146,242 pound increase from May 2010.

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**ANALYSIS OF HAULING CHARGES AND PRODUCER MILK BY  
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**MAY 2011 (with comparisons to May of previous years)**

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 515 producers and 630.4 million pounds of producer milk pooled in May 2011. Most producers historically associated with the order but not pooled due to the relationship of Class IV and uniform prices in May 2011 were included in the hauling portion of this study. A total of 603 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 April 2006, these comparisons may be biased. (Please refer to previous years’ publications to explain methodology of previous years’ data, e.g., in 2008 and 2007 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 2011 appears to indicate relative efficiency of hauling, as it relates to the density and size of dairy farms and their proximity to milk processors.

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<sup>1/</sup> Lori Espe is an Agricultural Economist with the Market Administrator office, Bothell, Washington. Assisting Ms. Espe were John Mykrantz and Dan Nguyen of the Pacific Northwest (FO 124) and Arizona (FO 131) Orders’ staff.

Hauling charges for producers associated with the Pacific Northwest Order averaged 60.34 cents per hundredweight in May 2011. The 2011 average was up 0.47 cents from May 2010; a 0.8 percent increase. By state, hauling charges averaged 42.66 cents in Oregon, 57.08 cents in Idaho, 58.60 cents in California, and 64.58 cents in Washington. (See Table 1.) Idaho's hauling rates decreased the most compared to 2010, decreasing by 30.42 cents per hundredweight. The hauling rates for Oregon and California both increased slightly, resulting in increases of 2.03 cents and 2.51 cents per hundredweight, respectively, in May 2011. Washington's hauling rates did not change from May 2010, holding at 64.58 cents per hundredweight.

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 2010 and 2011. Appendix Table A-3, representing 603 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, 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. According to the Energy Information Administration (EIA), monthly West Coast No. 2 diesel retail sales by all sellers shows that diesel prices in May 2011 (\$4.249) increased 107 cents compared to May 2010 (\$3.179), an increase of 33.7 percent. The average hauling charges on the Pacific Northwest Order (FO 124) in May 2011 increased only 0.47 cents despite fuel prices in May 2011 being over \$1.07 higher than those in 2010. Although the increase in hauling is positively related to diesel prices, it may not be a strong relationship. On a percentage basis, the hauling charges increased only 0.8 percent while fuel costs increased by 33.7 percent.

Another explanation may be that a comparison based solely on the month of May is perhaps too limited. When comparing diesel price data for the entire year, from June to May, the simple average of diesel prices for the twelve month period of June 2010 to May 2011 was \$3.508 while the same time period in 2009/2010 was \$2.875; a 22.0 percent increase. The changes in hauling rates from year-to-year does not vary as greatly as fuel prices, suggesting that institutional policies and other hauling-related costs may also be strong 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 was 64.58 cents per hundredweight, unchanged from May 2010. Most counties in Washington showed an increase in hauling, with increases ranging from 0.05 cents to 4.85 cents per hundredweight. However, the county with the largest volume of milk, Yakima, showed a decrease in hauling rates compared to 2010. Within the state of Washington, there were 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

51.02 cents per hundredweight and had a wide range of \$0.034 to \$3.761 per hundredweight. On the eastern side of the mountains, the weighted average rate was 72.16 cents and had a narrower, but still wide, range of \$0.104 to \$1.595 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 ranged from \$0.097 to \$1.490 per hundredweight, with an average of 40.06 cents. (Note that the regional data for Western Oregon includes data for Northern California.) East of the Cascade Mountain Range, the average hauling rate was 22.82 cents higher, at 62.88 cents. Statewide, Oregon’s weighted average hauling rate increased 2.03 cents compared to May 2010, an increase of 5.0 percent.

At first glance, the average hauling rate in Idaho decreased by over 30 cents in 2011 when compared to 2010. However, the comparisons are biased due to different pooling patterns for the two years. Data for 2011 included hauling rates for milk pooled from Southern Idaho which is typically lower than those in Northern Idaho, while only milk from Northern Idaho was pooled in 2010. The higher hauling charges in the northern part of the state are most probably the result of fewer and much smaller dairies located further from plants, when compared to the southern part of Idaho.

California’s weighted average hauling rate increased 2.51 cents, or 4.5 percent, compared to May 2010. Similar to recent years, Siskiyou County, in Northern California bordering Oregon, was the only county that had producer milk pooled on the Pacific Northwest Order in 2011.

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>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
	- - - - - cents per cwt. - - - - -					
California	80.99	110.06	211.11	109.11	56.09	<b>58.60</b>
Idaho	31.02	153.27	37.29	36.53	87.50	<b>57.08</b>
Oregon	32.85	40.15	45.62	41.38	40.63	<b>42.66</b>
Washington	61.81	60.20	69.13	57.65	64.58	<b>64.58</b>
Total	53.27	56.64	62.24	53.40	59.87	<b>60.34</b>

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 and Tillamook Counties) and Western Washington (Clark, Grays Harbor, Jefferson and Thurston 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 2011 totaled 630.4 million pounds. Please note that the production figures in this section are compiled from data for all producers pooled on the order, including those that did not have a hauling deduction. 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. There were 116 fewer producers pooled in May 2011 compared to 2010, however, the average production per producer increased. These changes are largely due to handler pooling decisions. Based on producer milk pooled, the average monthly deliveries per producer for the Pacific Northwest Order were 1,224,010 pounds, a 146,242 pound increase from May 2010. On a percentage basis, the 2011 average monthly deliveries per producer were up 13.6 percent.

Producer milk originating in Washington totaled 431.9 million pounds in May 2011, a decrease of 64.3 million pounds or a 13.0 percent decrease compared to May 2010. The decrease is due to handler pooling decisions, rather than an absolute decrease in production and/or producers. Producer milk historically pooled on the Pacific Northwest was not pooled due to the relationship between the Class IV and uniform prices. Comparisons to the previous year are biased. The county with the most milk pooled and the largest number of producers for milk originating in Washington was Yakima County, with 217.2 million pounds and 72 producers. Yakima County's producer count was unchanged compared to May 2010. Typically, the county with the most producers and the second highest pounds of production is Whatcom County. However, due to pooling decisions in 2011, Whatcom County only had three producers pooled on the order, marketing 0.7 million pounds of milk. This change in pool patterns resulted in 97.5 percent fewer producers and a decrease of 99.2 percent for milk production pooled on the order from Whatcom County.

Producer milk originating in Oregon totaled 196.1 million pounds in May 2011 for the Pacific Northwest Order, an increase of 14.0 million pounds or 7.7 percent compared to May 2010. The number of producers pooled on the Pacific Northwest Order in May 2011 was 210 in Oregon, a decrease of four producers from May 2010. In May 2011, Tillamook County had 105 producers, the most of any county in Oregon and representing 50 percent of the state's pooled producers. The highest production figures were found in Eastern Oregon, where the combination of Morrow

and Umatilla Counties' production totaled 72.1 million pounds. For the most part, the overall increase in production in Oregon can be attributed to the increase in production in these counties, where the 2011 figures are 21.1 percent higher than the figures for May 2010.

Producer milk pooled on the Pacific Northwest Order originating in California was 1.4 million pounds in May 2011 representing the milk of three producers. Producer milk pooled from California had the same number of producers associated with the Order when compared to the previous year's number of pooled producers.

For Idaho, comparisons to the previous year are biased. Handler pooling decisions affected changes from the previous year. In May 2011, the producer milk from southern Idaho was pooled, while it was not in May 2010. Additionally, production figures for Cache County, Utah, were combined with data for Idaho in 2011. Cache County had fewer than three producers pooled on the Order, so the data for this county is restricted. The combined production for the six producers pooled from Idaho and Utah was 955,844 pounds in May 2011.

#### 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 2011, 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 500,000-600,000 pounds of milk per month, the relationship between changes in milk production and changes in hauling rates is less transparent. In contrast to the expected relationship between milk production and hauling rates, those dairy farmers with the highest levels of production (over three million pounds of milk per month) had weighted average hauling rates that were higher than smaller producers. This incongruity suggests that institutional policies and other hauling-related costs may have been stronger factors in hauling rates than level of milk production and that hauling rates may not accurately reflect actual hauling costs.

One institutional factor possibly 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 level of milk production and hauling rates.

Appendix Table A-5, representing 603 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 four cents and the maximum charge was almost four dollars. The smallest producers, those with 50,000 pounds or less, had rates that ranged from \$0.304 to \$3.761. 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 \$0.210 to \$1.007.

In the Pacific Northwest Order, 45 producers were charged over \$1.00 per hundredweight for hauling, down from 51 in 2010. The producers with charges over \$1.00 were distributed mostly at the high and low ends of size ranges of milk production. Only four of the 22 producers with less than 50,000 pounds had hauling charges less than 60 cents. The mid-range hauling charge (20 to 70 cents) is populated by a wide variety of producer sizes. There were 28 producers with hauling charges less than 20 cents and 170 producers with charges greater than 70 cents. While the average hauling rate for each size-range typically decreases as deliveries increased, for 2011 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 603 producers whose milk was pooled on the Pacific Northwest Order in May 2011.

In May 2011, the weighted average hauling charges on the Pacific Northwest Order was 60.34 cents per hundredweight. Compared to historical patterns, data for May 2011 suggests that institutional policies 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 Idaho, California, and Washington.

In general, hauling charges on the Pacific Northwest Order appear 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. Although the size of a dairy farm could be an economic factor used to determine hauling charges, such a direct relationship is not clearly evident in the data. Several handlers utilize volume premiums, perhaps in lieu of adjusting individual hauling charges based on farm size. However, the effect of volume premiums is not addressed in this study. Also, organic farmers' hauling rates may deviate from the traditional inverse relationship between level 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 1,224,010 pounds, a 146,242 pound increase from May 2010. A large portion of the increase is due to handler pooling decisions.

Table A-1  
 Weighted Average Hauling Charges By State and County 1/  
 Pacific Northwest Order  
 May 2010 and 2011 2/

State & County	2010	2011	Change
Cents per Cwt.			
<b>California</b>			
Siskiyou	56.09	58.60	2.51
Weighted Average California	56.09	58.60	2.51
<b>Idaho</b>			
Bonner, Boundary, Latah & Lincoln	87.50	57.08	(30.42)
Weighted Average Idaho	87.50	57.08	(30.42)
<b>Oregon 3/</b>			
Benton	54.96	59.83	4.87
Clackamas	54.74	52.09	(2.65)
Clatsop	46.40	46.25	(0.15)
Coos	14.09	13.35	(0.74)
Josephine	52.23	55.63	3.40
Klamath	47.67	53.38	5.71
Lane	47.93	53.32	5.39
Linn	48.76	56.63	7.87
Marion	48.77	50.92	2.15
Polk	52.38	53.52	1.14
Tillamook	23.20	23.04	(0.16)
Washington	55.08	57.54	2.46
Restricted - Eastern OR 4/	68.69	67.01	(1.68)
Restricted - Western OR 5/	46.34	51.09	4.75
Weighted Average Oregon	40.63	42.66	2.03

Table A-1  
 Weighted Average Hauling Charges By State and County 1/  
 Pacific Northwest Order  
 May 2010 and 2011 2/

State & County	2010	2011	Change
	Cents per Cwt.		
<b>Washington</b>			
Adams	78.49	76.77	(1.72)
Benton	69.80	69.42	(0.38)
Clark & Cowlitz	23.63	23.92	0.29
Franklin	68.34	68.10	(0.24)
Grant & Kittitas	75.58	79.46	3.88
Grays Harbor, Clallam & Jefferson	36.72	37.85	1.13
King	46.55	50.43	3.88
Klickitat	13.23	12.36	(0.87)
Lewis	59.42	58.96	(0.46)
Pacific	56.46	58.38	1.92
Skagit	50.51	51.87	1.36
Snohomish & Island	50.69	53.10	2.41
Spokane & Lincoln	83.61	87.44	3.83
Stevens	85.47	90.32	4.85
Thurston & Pierce	35.61	37.56	1.95
Wahkiakum	49.26	49.31	0.05
Whatcom	49.71	53.99	4.28
Yakima	74.58	71.07	(3.51)
Weighted Average Washington	64.58	64.58	0.00
Pacific Northwest Order	59.87	60.34	0.47

1/ Data obtained from producer payrolls submitted by handlers.

2/ In 2010 hauling charges based on milk pooled. In 2011, eligible milk not pooled due to price relationships between the Class IV Price and the Uniform Price was included in the weighted average hauling charges shown in this table.

3/ 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.

4/ Restricted counties include: Deschutes, Morrow and Umatilla (in both 2010 & 2011 for all three counties).

5/ Restricted counties include: Jackson, Multnomah and Yamhill (in both 2010 & 2011 for all three counties).

Table A-2  
Number of Producers, Pounds of Milk, and Average Pounds Per Producer By State and County 1/  
Pacific Northwest Order  
May 2010 and 2011

State & County	Number of Producers 2/		Pounds of Producer Milk 2/		Average Pounds Per Producer 2/	
	2010	2011	2010	2011	2010	2011
----- 1,000 pounds -----						
<b>California</b>						
Siskiyou	3	3	1,291	1,405	430	468
Total/Average California	3	3	1,291	1,405	430	468
<b>Idaho</b>						
Northern Idaho 3/4/5/	3	6	449	956	150	159
Southern Idaho	n/a	4/	n/a	4/	n/a	4/
Total/Average Idaho	3	6	449	956	150	159
<b>Oregon</b>						
Benton	3	3	2,742	3,048	914	1,016
Clackamas & Multnomah	9	8	1,183	1,111	131	139
Clatsop	4	4	1,840	1,671	489	418
Coos	7	7	2,099	2,355	300	336
Deschutes, Jackson & Klamath	8	8	5,252	5,205	656	651
Josephine	3	3	1,005	1,029	335	343
Lane	4	4	4,763	4,865	1,191	1,216
Linn	6	7	4,997	5,072	833	725
Marion	31	29	28,528	29,141	920	1,005
Morrow & Umatilla	7	8	59,513	72,099	8,502	9,012
Polk	5	5	10,342	10,142	2,068	2,028
Tillamook	108	105	46,012	45,675	426	435
Washington	12	12	5,072	5,355	423	446
Yamhill	7	7	8,832	9,370	1,262	1,339
Total/Average Oregon	214	210	182,179	196,138	851	934
<b>Utah</b>						
Cache	n/a	5/	n/a	5/	n/a	5/
Total/Average Utah	n/a	5/	n/a	5/	n/a	5/

Table A-2  
Number of Producers, Pounds of Milk, and Average Pounds Per Producer By State and County 1/  
Pacific Northwest Order  
May 2010 and 2011

State & County	Number of Producers 2/		Pounds of Producer Milk 2/		Average Pounds Per Producer 2/	
	2010	2011	2010	2011	2010	2011
----- 1,000 pounds -----						
<b>Washington</b>						
Adams	9	9	15,680	17,480	1,742	1,942
Benton	3	3	5,878	6,879	1,959	2,293
Clark & Cowlitz	10	10	7,650	7,934	765	793
Franklin	10	11	34,634	39,863	3,463	3,624
Grant & Kittitas	25	24	47,341	49,631	1,894	2,068
Clallam, Grays Harbor & Jefferson	10	11	5,270	5,165	527	470
King	23	25	14,147	14,447	615	578
Klickitat	3	3	1,035	1,203	345	401
Lewis	30	30	10,737	11,342	358	378
Pacific	9	8	2,515	2,510	279	314
Skagit	29	31	22,801	24,863	786	802
Snohomish & Island	26	26	19,545	18,667	752	718
Spokane & Lincoln	9	7	1,752	1,449	195	207
Stevens	8	8	1,421	1,337	178	167
Thurston & Pierce	10	11	9,421	10,509	942	955
Wahkiakum	4	4	709	650	177	162
Whatcom	121	3	88,446	725	731	242
Yakima	72	72	207,171	217,213	2,877	3,017
Total/Average Washington	411	296	496,154	431,867	1,207	1,459
Pacific Northwest Order	631	515	680,072	630,365	1,078	1,224

1/ Data obtained from producer payrolls submitted by handlers.

2/ n/a = not applicable.

3/ Includes Bonner, Boundary & Latah Counties for 2010 & 2011. See also footnotes 4 & 5.

4/ Data for Lincoln County (Southern Idaho) was restricted in 2011 and included in Northern Idaho.

5/ Data for Cache County, Utah, was restricted in 2011 and included in Northern Idaho.

Table A-3  
 Cross Tabulation of Number of Producers Between Region and Hauling Charges  
 Pacific Northwest Order  
 May 2011

		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	5	11	10	10	32	80	64	21	20	18	271	51.02	3.40	376.10
	Eastern WA		3					47	40	25	21	136	72.16	10.40	159.50
	Western OR 1/ Eastern OR	1	7	93	11	8	27	15	10	6	4	182	40.06	9.70	149.00
	Idaho					1	3	4	1			10	62.88	45.00	111.10
	Idaho	1									2	1	4	57.08	5.90
Total		7	21	103	21	41	110	130	72	53	45	603	60.34	3.40	376.10

Table A-4  
 Cross Tabulation of Percentage of Producers Between Region and Hauling Charges  
 Pacific Northwest Order  
 May 2011

		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	0.8	1.8	1.7	1.7	5.3	13.3	10.6	3.5	3.3	3.0	44.9	51.02	3.40	376.10
	Eastern WA		0.5					7.8	6.6	4.1	3.5	22.6	72.16	10.40	159.50
	Western OR 1/ Eastern OR	0.2	1.2	15.4	1.8	1.3	4.5	2.5	1.7	1.0	0.7	30.2	40.06	9.70	149.00
	Idaho					0.2	0.5	0.7	0.2			1.7	62.88	45.00	111.10
	Idaho	0.2									0.3	0.2	0.7	57.08	5.90
Total 2/		1.2	3.5	17.1	3.5	6.8	18.2	21.6	11.9	8.8	7.5	100.0	60.34	3.40	376.10

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 2011

		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
Milk Production (1,000 pounds)	Less than 50	----- number of producers -----										22	118.82	30.40	376.10
	50 to 100			14	2		1			19	10	46	68.47	21.80	128.00
	100 to 200		4	26	1	4	1	14	17	11	2	80	53.59	13.90	106.70
	200 to 300	1	9	9	7	1	2	26	6	10		71	52.07	6.50	91.50
	300 to 400	1	3	10		2	5	13	7	2	2	45	52.43	5.90	103.70
	400 to 500	2	2	8	1		10	1	3	2		29	49.31	4.10	87.00
	500 to 600			11			15	9	1	1		37	49.89	20.80	82.00
	600 to 700		3	4		2	11	5	2	2		29	49.97	10.30	81.90
	700 to 1,000	2		9	3	3	24	12	5	1	3	62	53.34	4.30	132.40
	1,000 to 3,000	1		11	3	26	36	21	24	4	9	135	59.96	3.40	139.89
	More than 3,000			1	1	3	4	29	7	1	1	47	65.55	21.00	100.70
	Total	7	21	103	21	41	110	130	72	53	45	603	60.34	3.40	376.10

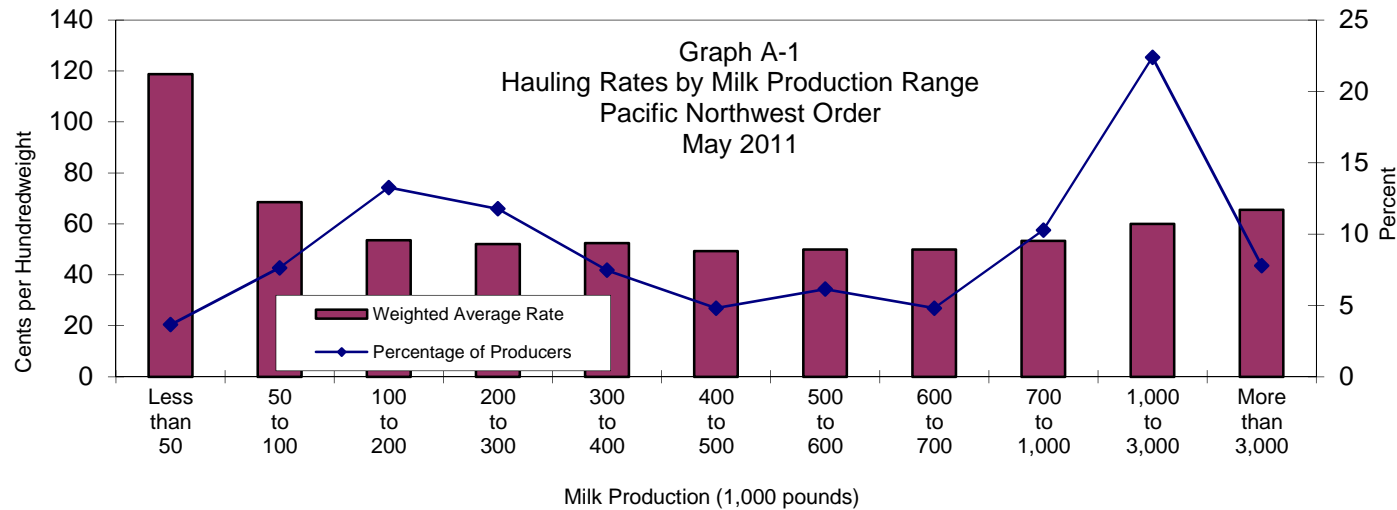


Table A-6  
 Cross Tabulation of Percentage of Producers Between Milk Production and Hauling Charges  
 Pacific Northwest Order  
 May 2011

		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				0.5		0.2				3.0	3.6	118.82	30.40	376.10
	50 to 100			2.3	0.3		0.2				3.2	1.7	7.6	21.80	128.00
	100 to 200		0.7	4.3	0.2	0.7	0.2	2.3	2.8	1.8	0.3	13.3	53.59	13.90	106.70
	200 to 300	0.2	1.5	1.5	1.2	0.2	0.3	4.3	1.0	1.7		11.8	52.07	6.50	91.50
	300 to 400	0.2	0.5	1.7		0.3	0.8	2.2	1.2	0.3	0.3	7.5	52.43	5.90	103.70
	400 to 500	0.3	0.3	1.3	0.2		1.7	0.2	0.5	0.3		4.8	49.31	4.10	87.00
	500 to 600			1.8			2.5	1.5	0.2	0.2		6.1	49.89	20.80	82.00
	600 to 700		0.5	0.7		0.3	1.8	0.8	0.3	0.3		4.8	49.97	10.30	81.90
	700 to 1,000	0.3		1.5	0.5	0.5	4.0	2.0	0.8	0.2	0.5	10.3	53.34	4.30	132.40
	1,000 to 3,000	0.2		1.8	0.5	4.3	6.0	3.5	4.0	0.7	1.5	22.4	59.96	3.40	139.89
More than 3,000			0.2	0.2	0.5	0.7	4.8	1.2	0.2	0.2	7.8	65.55	21.00	100.70	
Total 1/		1.2	3.5	17.1	3.5	6.8	18.2	21.6	11.9	8.8	7.5	100.0	60.34	3.40	376.10

1/ Total may not add due to rounding.



FIGURE A-1  
Weighted Average Hauling Charges  
Pacific Northwest Order: May 2011

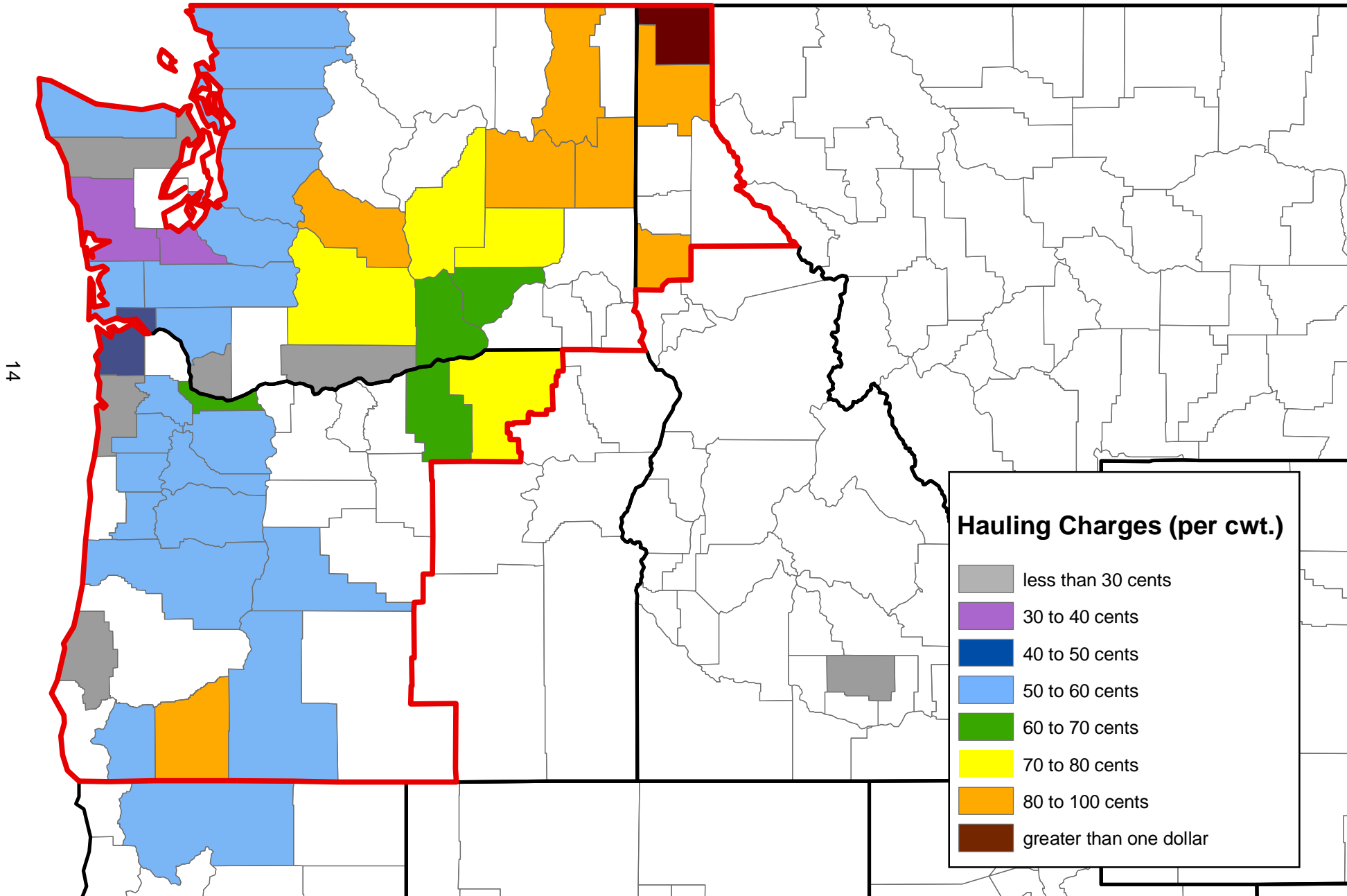


FIGURE A-2  
Average Milk Production Per Producer  
Pacific Northwest Order: May 2011

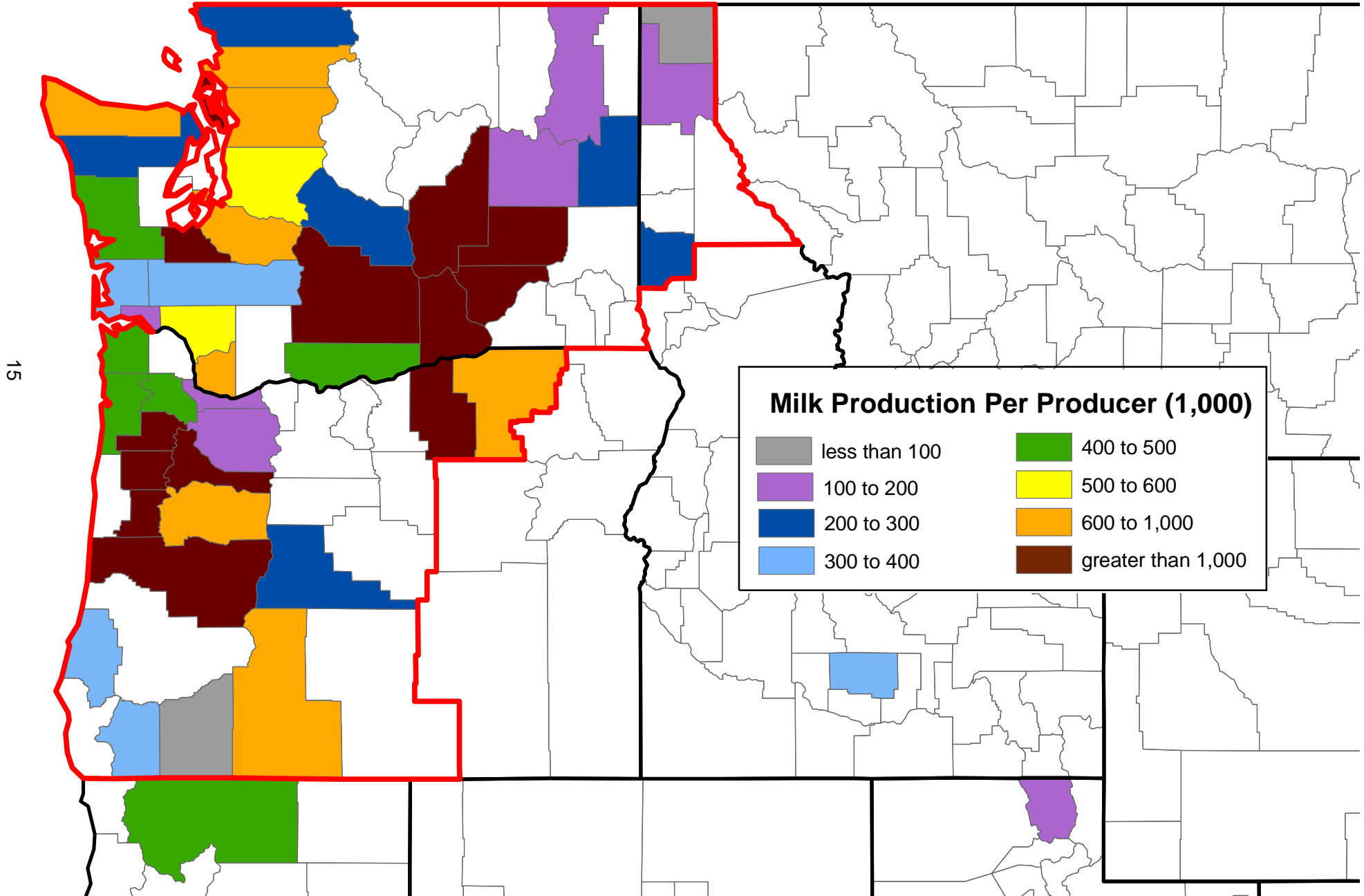


FIGURE A-3  
Marketing Area of the Pacific Northwest Order

