



# Market Summary and Utilization Report, Annual 2018

United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

MSUR-2018

June 3, 2019

**Highlights:** During 2018, 141.7 billion pounds of milk were received from Federally pooled producers, 4.6 percent higher than in 2017. Regulated handlers pooled 40.9 billion pounds of producer milk as Class I products, up 0.7 percent when compared to the previous year. The Class I utilization increase over last year is primarily due to the addition of the California Federal Order which became effective November 1, 2018. Class I utilization decreased in 9 of the 10 Federal Milk Order Marketing areas prior to the addition of the California Order and increased in the Southwest Federal Milk Order Marketing area. The all-market average Class utilization percentages were: Class I = 29%, Class II = 13%, Class III = 43%, and Class IV = 15%. The weighted average statistical uniform price for 2018 was \$15.51 per cwt, \$1.45 lower than \$16.96 in 2017.

## Market Summary and Utilization Report, 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I	
		Total	Change from Prev. Year	Total	Change from Prev. Year
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>
Northeast (Boston)	001	27,108.9	*-1.1	8,700.8	-1.1
Appalachian (Charlotte)	005	5,734.5	*-1.2	3,984.1	-0.4
Florida (Tampa)	006	2,565.4	-1.4	2,144.4	-1.1
Southeast (Atlanta)	007	*5,209.3	*-4.4	3,704.6	-1.7
Upper Midwest (Chicago)	030	33,322.6	3.1	2,990.2	-7.8
Central (Kansas City)	032	*16,604.3	4.6	*4,783.1	*-1.2
Mideast (Cleveland)	033	19,602.9	-3.2	6,374.1	-0.9
California (Los Angeles) <sup>3</sup>	051	4,117.3	NA	926.7	NA
Pacific Northwest (Seattle)	124	8,558.1	11.7	1,850.8	*-2.2
Southwest (Dallas)	126	13,727.4	*4.9	4,221.2	0.1
Arizona (Phoenix)	131	5,132.9	1.3	1,264.8	-1.5
All Market Total or Average <sup>2</sup>		*141,683.5	4.6 <sup>4</sup>	*40,944.7	*0.7 <sup>4</sup>

\* Revised. NA - Not available; California Federal Milk Order began operating in November 2018. <sup>1</sup> Each name in parentheses is the major city in the principal pricing point of the market. <sup>2</sup> Averages are the weighted average percent change. <sup>3</sup> The California Federal Milk Order became effective November 1, 2018. <sup>4</sup> Percent changes from previous year includes the addition of the California Federal Milk Order. The percent changes excluding California Federal Milk Order data from 2018 would be 1.5 and -1.5, respectively.

## Market Summary and Utilization Report, 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Utilization of Producer Milk in All Classes <sup>2</sup>				Uniform Price <sup>3</sup> (\$ per cwt)
		Class I	Class II	Class III	Class IV	
		<i>(percent)</i> <sup>2</sup>				
Northeast (Boston)	001	32	24	27	17	16.09
Appalachian (Charlotte)	005	69	14	6	11	17.29
Florida (Tampa)	006	84	13	1	2	19.37
Southeast (Atlanta)	007	71	*15	6	7	17.71
Upper Midwest (Chicago)	030	9	4	82	4	14.75
Central (Kansas City)	032	29	11	42	19	14.87
Mideast (Cleveland)	033	33	19	32	16	15.21
California (Los Angeles) <sup>4</sup>	051	23	5	66	6	15.18
Pacific Northwest (Seattle)	124	22	6	38	35	14.86
Southwest (Dallas)	126	31	9	42	19	15.77
Arizona (Phoenix)	131	25	9	27	40	15.09
All Market Total or Average <sup>3</sup>		29	13	43	15	15.51

\* Revised. <sup>1</sup> Each name in parentheses is the major city in the principal pricing point of the market. <sup>2</sup> Totals may not add to 100 percent due to rounding. Averages are weighted averages. <sup>3</sup> Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5. <sup>4</sup> The California Federal Milk Order became effective November 1, 2018.

### Receipts of Producer Milk, by Month, Jan – Jun 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(millions of pounds)</i>							
Northeast (Boston)	001	2,282.6	2,117.6	2,370.8	2,294.8	2,435.4	2,326.9
Appalachian (Charlotte)	005	525.7	457.0	519.9	495.5	487.4	446.8
Florida (Tampa)	006	242.5	203.6	227.6	211.4	209.0	190.0
Southeast (Atlanta)	007	476.3	429.4	500.0	481.8	456.8	420.0
Upper Midwest (Chicago)	030	2,850.0	2,879.2	2,688.1	2,596.6	2,589.9	3,050.3
Central (Kansas City)	032	1,456.1	1,442.1	1,286.7	1,391.7	1,416.6	1,475.7
Mideast (Cleveland)	033	1,703.2	1,605.3	1,614.3	1,675.6	1,673.8	1,728.0
California (Los Angeles)	051						
Pacific Northwest (Seattle)	124	742.3	676.6	635.0	624.2	770.2	752.9
Southwest (Dallas)	126	1,387.9	1,210.6	810.1	935.2	1,282.6	1,143.0
Arizona (Phoenix)	131	481.9	428.2	441.6	442.2	459.3	417.8
All Markets Combined		12,148.6	11,449.6	11,094.1	11,149.0	11,781.1	11,951.3

### Receipts of Producer Milk, by Month, Jul – Dec 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2018
<i>(millions of pounds)</i>								
Northeast (Boston)	001	2,311.5	2,268.4	2,145.0	2,219.3	2,117.7	2,218.9	27,108.9
Appalachian (Charlotte)	005	446.7	473.4	444.5	467.7	471.8	498.1	5,734.5
Florida (Tampa)	006	197.8	214.9	204.8	217.3	218.4	227.9	2,565.4
Southeast (Atlanta)	007	394.9	420.9	394.3	401.7	407.1	426.1	5,209.3
Upper Midwest	030	3,252.4	2,949.5	2,156.7	2,664.7	2,698.6	2,946.6	33,322.6
Central (Kansas City)	032	1,571.1	1,341.0	1,074.2	1,333.4	1,421.6	1,394.0	16,604.3
Mideast (Cleveland)	033	1,664.7	1,699.3	1,461.8	1,647.4	1,554.8	1,574.8	19,602.9
California (Los Angeles)	051					2,079.8	2,037.5	4,117.3
Pacific Northwest	124	769.1	636.0	610.7	810.2	724.2	806.8	8,558.1
Southwest (Dallas)	126	1,118.6	1,286.5	755.9	1,324.8	1,249.5	1,222.8	13,727.4
Arizona (Phoenix)	131	427.7	402.2	353.9	419.2	414.3	444.6	5,132.9
All Markets Combined		12,154.5	11,692.1	9,601.6	11,505.8	13,357.7	13,798.2	141,683.5

### Utilization of Producer Milk in Class I, by Month, Jan – Jun 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(millions of pounds)</i>							
Northeast (Boston)	001	762.1	671.6	768.9	706.6	735.7	680.8
Appalachian (Charlotte)	005	373.9	314.3	347.3	326.0	330.2	299.3
Florida (Tampa)	006	198.5	173.8	194.0	177.3	177.4	160.9
Southeast (Atlanta)	007	345.5	292.3	323.7	313.3	309.5	284.8
Upper Midwest (Chicago)	030	282.3	252.0	269.9	254.8	257.9	234.2
Central (Kansas City)	032	428.7	379.2	413.3	396.5	391.8	357.2
Mideast (Cleveland)	033	564.9	498.9	542.6	505.5	511.1	477.6
California (Los Angeles)	051						
Pacific Northwest (Seattle)	124	163.1	142.2	160.4	147.8	156.0	139.9
Southwest (Dallas)	126	391.0	330.5	356.7	344.1	350.4	310.2
Arizona (Phoenix)	131	115.3	101.5	110.7	104.9	105.5	97.2
All Markets Combined		3,625.2	3,156.3	3,487.7	3,276.8	3,325.5	3,042.0

### Utilization of Producer Milk in Class I, by Month, Jul – Dec 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2018
<i>(millions of pounds)</i>								
Northeast (Boston)	001	672.1	706.4	713.0	774.6	755.4	753.7	8,700.8
Appalachian (Charlotte)	005	308.5	343.0	308.6	348.5	352.8	331.6	3,984.1
Florida (Tampa)	006	160.4	179.6	167.7	183.1	186.4	185.3	2,144.4
Southeast (Atlanta)	007	289.5	318.4	294.7	315.4	319.1	298.3	3,704.6
Upper Midwest (Chicago)	030	233.9	253.4	224.3	247.4	247.8	232.3	2,990.2
Central (Kansas City)	032	366.3	408.8	384.5	426.0	422.7	408.2	4,783.1
Mideast (Cleveland)	033	482.4	549.7	527.1	576.9	579.5	557.9	6,374.1
California (Los Angeles)	051					467.1	459.6	926.7
Pacific Northwest (Seattle)	124	144.3	152.6	147.7	177.5	149.8	169.4	1,850.8
Southwest (Dallas)	126	317.5	361.3	346.0	384.0	374.7	354.9	4,221.2
Arizona (Phoenix)	131	101.4	106.4	100.3	108.1	108.2	105.1	1,264.8
All Markets Combined		3,076.4	3,379.7	3,213.9	3,541.4	3,963.4	3,856.3	40,944.7

## Uniform Milk Prices for Federal Milk Orders, by Month, Jan – Jun 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(US dollars per hundredweight)</i>							
Northeast (Boston)	001	15.70	14.88	15.06	15.46	16.14	16.70
Appalachian (Charlotte)	005	17.53	16.31	16.02	16.56	17.20	17.81
Florida (Tampa)	006	19.62	18.57	18.14	18.72	19.25	19.96
Southeast (Atlanta)	007	18.00	16.57	16.30	16.88	17.46	18.12
Upper Midwest (Chicago)	030	14.26	13.59	14.25	14.54	15.25	15.40
Central (Kansas City)	032	14.52	13.72	13.92	14.34	15.11	15.53
Mideast (Cleveland)	033	14.84	14.01	14.24	14.63	15.33	15.84
California (Los Angeles)	051						
Pacific Northwest (Seattle)	124	14.32	13.66	13.88	14.32	15.18	15.47
Southwest (Dallas)	126	15.35	14.60	14.79	15.24	16.02	16.43
Arizona (Phoenix)	131	14.56	13.91	14.02	14.50	15.28	15.70
All Markets Combined		15.18	14.34	14.65	15.03	15.75	16.10

## Uniform Milk Prices for Federal Milk Orders, by Month, Jul – Dec 2018

Federal Milk Order Marketing Area <sup>1</sup>	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2018
<i>(US dollars per hundredweight)</i>								
Northeast (Boston)	001	16.14	16.21	16.71	17.19	16.62	16.27	16.09
Appalachian (Charlotte)	005	17.52	17.03	17.35	18.76	18.12	17.45	17.29
Florida (Tampa)	006	19.57	18.89	19.23	20.87	20.12	19.47	19.37
Southeast (Atlanta)	007	18.12	17.53	17.94	19.39	18.71	18.00	17.71
Upper Midwest (Chicago)	030	14.37	15.08	16.02	15.75	14.74	14.11	14.75
Central (Kansas City)	032	14.78	15.09	15.64	16.02	15.22	14.74	14.87
Mideast (Cleveland)	033	15.22	15.35	15.83	16.30	15.68	15.25	15.21
California (Los Angeles)	051					15.44	14.91	15.18
Pacific Northwest (Seattle)	124	14.73	15.07	15.44	15.77	15.22	14.96	14.86
Southwest (Dallas)	126	15.77	15.96	16.31	16.86	16.07	15.53	15.77
Arizona (Phoenix)	131	15.03	15.32	15.85	16.22	15.69	15.30	15.09
All Markets Combined		15.37	15.68	16.29	16.63	15.82	15.31	15.51 <sup>1</sup>

<sup>1</sup> Without including the new California Federal Milk Marketing Order, the All Markets Combined 2018 Uniform Price would have been \$15.52.

## Methodology: Market Summary and Utilization Report

**Data:** The monthly Marketing and Utilization Summary Report is created by aggregating monthly information on the handling of milk obtained from Federal Milk Marketing Order personnel.

Federal Milk Marketing Order Areas are defined in the Code of Federal Regulations (7 CFR Section 1XXX.2, where xxx represents the individual order number). Regulated handlers are required to submit to the Market Administrator the pounds of producer milk received in the previous month.

### Definitions:

**Receipts of Producer Milk** is the amount of Grade A milk produced by farmers and received at pool plants by qualified handlers (7 CFR Section 1000.9). This milk is included in the market wide pool for price computation. Each order has its own criteria for producers (7 CFR Section 1XXX.12) and producer milk (7 CFR Section 1XXX.13).

**Utilization of Producer Milk in Class I** is the amount of producer milk pooled and disposed of as Class I fluid milk products; packaged fluid milk products in inventory at the end of the month; and Class I shrinkage.

**Utilization of Producer Milk in All Classes** is the percentage of the amount of producer milk pooled and disposed of in each of the four classes of milk (Class I, Class II, Class III, and Class IV). The classes of milk are defined in the Code of Federal Regulations (Section 1000.40). These percentages may not add to 100 percent due to rounding.

**Uniform Price**, also known as the Statistical Uniform Price or Blend Price, represents the price per hundredweight (cwt) for milk at 3.5 percent butterfat, 3.1 percent protein, and 5.9 percent other solids. In orders with component pricing, it is calculated by combining the Class III price and the producer price differential (PPD) per cwt (7 CFR Section 1XXX.61). The monthly PPD is the remaining market value of producer milk after subtracting the value of components and making adjustments for the location of the plant of first receipt and adjustments to the producer settlement fund. In orders with skim and butterfat pricing, the uniform price represents the price per cwt for milk at 3.5 percent butterfat and 96.5 percent skim after accounting for the value of milk utilized in each class of milk, adjustments for the location of the plant of first receipt, and adjustments to the producer settlement fund.

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## Information Contacts

Listed below are the specialists in the Agricultural Marketing Service, Dairy Program, Market Information Branch to contact for additional information. E-mail inquiries may be sent to [dpp@ams.usda.gov](mailto:dpp@ams.usda.gov).

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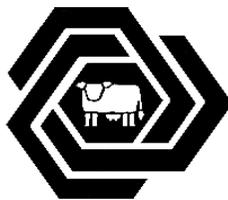
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