



Market Summary and Utilization 2019 Annual Report

United States Department of Agriculture

Agricultural Marketing Service

Dairy Program

Market Information Branch

MSUR-2019

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Highlights. During 2019, 156.5 billion pounds of milk were received from Federally pooled producers. This volume of milk is 10.5 percent higher than the 2018 pooled volume. Regulated handlers pooled 43.9 billion pounds of producer milk as Class I products, up 7.2 percent when compared to the previous year. Class I utilization decreased in 9 Federal Milk Order Marketing areas and increased in 1 Federal Milk Order Marketing area (not including California). The all-market average Class utilization percentages were: Class I = 28%, Class II = 11%, Class III = 41%, and Class IV = 19%. The weighted average statistical uniform price was \$17.35 per cwt, \$1.84 higher than 2018's \$15.51.

Market Summary and Utilization Report, 2019

Federal Milk Order Marketing Area ¹	Order Number	Receipts of Producer Milk		Utilization of Producer Milk in Class I	
		Total	Change from Prev. Year ³	Total	Change from Prev. Year ³
		<i>(million lbs)</i>	<i>(percent)</i>	<i>(million lbs)</i>	<i>(percent)</i>
Northeast (Boston)	001	26,751.7	-1.3	8,283.1	-4.8
Appalachian (Charlotte)	005	5,326.6	-7.1	3,746.2	-6.0
Florida (Tampa)	006	2,509.8	-2.2	2,091.0	-2.5
Southeast (Atlanta)	007	4,902.6	-5.9	3,438.4	-7.2
Upper Midwest (Chicago)	030	32,310.2	-3.0	2,720.4	-9.0
Central (Kansas City)	032	15,259.5	-8.1	4,604.9	-3.7
Mideast (Cleveland)	033	18,941.7	-3.4	6,560.2	2.9
California (Los Angeles)	051	24,271.9	NA	5,321.3	NA
Pacific Northwest (Seattle)	124	8,496.4	-0.7	1,728.5	-6.6
Southwest (Dallas)	126	12,899.8	-6.0	4,146.7	-1.8
Arizona (Phoenix)	131	4,840.1	-5.7	1,241.1	-1.9
All Market Total or Average ^{2,3}		156,510.3	10.5	43,881.7	7.2

¹Each name in parentheses is the major city in the principal pricing point of the market. ²Totals may not add due to rounding. Averages are the weighted average percent change. ³ The California Federal Order became effective on November 1, 2018. The All Market Total or Average Change from the Previous Year includes the California Order. Excluding the California Order, the All Market Total or Average Change from the Previous Year is -3.9 and -3.6 respectively.

Market Summary and Utilization Report, 2019

Federal Milk Order Marketing Area ¹	Order Number	Utilization of Producer Milk in All Classes ²				Uniform Price ³ (\$ per cwt)
		Class I	Class II	Class III	Class IV	
		<i>(percent)</i> ²				
Northeast (Boston)	001	31	24	27	18	18.11
Appalachian (Charlotte)	005	70	15	6	9	19.38
Florida (Tampa)	006	83	13	2	2	21.39
Southeast (Atlanta)	007	70	16	7	7	19.75
Upper Midwest (Chicago)	030	8	4	84	4	16.70
Central (Kansas City)	032	30	10	41	19	16.70
Mideast (Cleveland)	033	35	18	32	16	17.20
California (Los Angeles)	051	22	6	32	40	16.79
Pacific Northwest (Seattle)	124	20	6	37	36	16.74
Southwest (Dallas)	126	32	9	36	23	17.40
Arizona (Phoenix)	131	26	8	29	37	17.23
All Market Total or Average ³		28	11	41	19	17.35

¹ Each name in parentheses is the major city in the principal pricing point of the market. ² Totals may not add to 100 percent due to rounding. Averages are weighted averages. ³ Statistical uniform prices 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.

Receipts of Producer Milk, by Month, Jan – Jun 2019

Federal Milk Order Marketing Area ¹	Order Number	Jan	Feb	Mar	Apr	May	Jun
		<i>(millions of pounds)</i>					
Northeast (Boston)	001	2,286.5	2,086.4	2,318.8	2,271.3	2,353.7	2,246.2
Appalachian (Charlotte)	005	488.0	406.7	479.5	470.1	457.0	418.0
Florida (Tampa)	006	231.9	206.7	225.7	214.0	206.1	189.3
Southeast (Atlanta)	007	439.5	390.8	448.1	444.5	437.2	441.6
Upper Midwest (Chicago)	030	3,059.2	2,772.5	3,243.3	3,010.9	3,247.3	3,248.0
Central (Kansas City)	032	1,425.0	1,229.1	1,504.2	1,512.0	1,497.9	1,541.9
Mideast (Cleveland)	033	1,541.1	1,477.1	1,664.5	1,652.5	1,823.0	1,691.6
California (Los Angeles)	051	2,019.1	1,830.1	2,258.0	2,180.1	2,584.2	2,373.0
Pacific Northwest (Seattle)	124	769.9	604.4	754.2	754.3	787.0	761.5
Southwest (Dallas)	126	1,181.6	1,095.7	1,281.9	1,285.3	1,268.3	1,119.9
Arizona (Phoenix)	131	445.9	413.7	462.8	440.4	434.1	414.0
All Markets Combined ²		13,887.9	12,513.2	14,641.1	14,235.5	15,095.9	14,444.9

Receipts of Producer Milk, by Month, Jul – Dec 2019

Federal Milk Order Marketing Area ¹	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2019 YTD ²
		<i>(millions of pounds)</i>						
Northeast (Boston)	001	2,239.9	2,236.9	2,163.7	2,222.8	2,075.4	2,250.2	26,751.7
Appalachian (Charlotte)	005	411.4	465.6	442.6	442.7	385.6	459.4	5,326.6
Florida (Tampa)	006	198.8	215.0	204.3	217.8	180.2	219.9	2,509.8
Southeast (Atlanta)	007	401.7	405.2	381.5	384.2	336.6	391.8	4,902.6
Upper Midwest (Chicago)	030	2,896.8	3,172.8	2,283.9	1,960.3	1,617.1	1,798.1	32,310.2
Central (Kansas City)	032	1,335.1	1,328.4	1,038.2	949.8	851.8	1,046.2	15,259.5
Mideast (Cleveland)	033	1,700.2	1,656.5	1,425.1	1,457.7	1,323.2	1,529.2	18,941.7
California (Los Angeles)	051	2,004.7	1,872.4	1,768.2	1,845.6	1,656.5	1,879.9	24,271.9
Pacific Northwest	124	795.4	784.4	623.0	634.4	601.8	626.1	8,496.4
Southwest (Dallas)	126	1,143.5	1,287.2	783.5	824.0	757.5	871.3	12,899.8
Arizona (Phoenix)	131	390.8	384.3	335.3	365.0	368.6	385.4	4,840.1
All Markets Combined ²		13,518.3	13,808.6	11,449.1	11,304.3	10,154.1	11,457.5	156,510.3

¹ Each name in parentheses is the major city in the principal pricing point of the market. ² Totals may not add due to rounding.

Utilization of Producer Milk in Class I, by Month, Jan – Jun 2019

Federal Milk Order Marketing Area ¹	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(millions of pounds)</i>							
Northeast (Boston)	001	749.1	655.9	709.1	701.0	703.5	628.2
Appalachian (Charlotte)	005	370.1	293.2	310.2	310.9	306.8	263.2
Florida (Tampa)	006	199.3	174.3	184.9	182.7	176.7	155.3
Southeast (Atlanta)	007	333.7	274.9	289.9	298.5	287.8	252.4
Upper Midwest	030	243.1	217.6	228.1	230.7	236.3	197.6
Central (Kansas City)	032	441.6	377.1	397.5	394.7	382.2	333.1
Mideast (Cleveland)	033	581.6	527.3	560.7	557.4	555.9	497.5
California (Los Angeles)	051	483.5	420.5	447.5	451.0	470.3	385.9
Pacific Northwest	124	157.2	138.9	145.9	146.9	149.1	126.8
Southwest (Dallas)	126	385.9	332.0	351.7	359.3	355.8	298.8
Arizona (Phoenix)	131	109.7	97.6	104.3	106.0	103.6	91.4
All Markets Combined ²		4,054.8	3,509.2	3,729.6	3,739.1	3,728.1	3,230.3

Utilization of Producer Milk in Class I, by Month, Jul – Dec 2019

Federal Milk Order Marketing Area ¹	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2019 YTD ²
<i>(millions of pounds)</i>								
Northeast (Boston)	001	662.6	678.9	688.2	730.4	660.9	715.4	8,283.1
Appalachian (Charlotte)	005	290.9	339.3	321.2	333.5	285.0	321.9	3,746.2
Florida (Tampa)	006	164.1	184.4	163.4	180.8	148.2	176.8	2,091.0
Southeast (Atlanta)	007	280.1	298.3	278.5	299.3	260.0	285.0	3,438.4
Upper Midwest (Chicago)	030	216.0	223.0	220.8	239.8	235.0	232.4	2,720.4
Central (Kansas City)	032	352.3	391.4	372.9	407.4	361.1	393.6	4,604.9
Mideast (Cleveland)	033	515.7	551.7	524.0	590.3	528.1	570.0	6,560.2
California (Los Angeles)	051	439.0	442.6	455.7	482.5	385.6	457.0	5,321.3
Pacific Northwest	124	140.7	140.2	142.2	154.0	143.0	143.6	1,728.5
Southwest (Dallas)	126	320.0	358.9	347.1	371.8	312.8	352.7	4,146.7
Arizona (Phoenix)	131	100.2	107.1	101.9	107.2	104.9	107.1	1,241.1
All Markets Combined ²		3,481.7	3,715.8	3,616.1	3,897.0	3,424.5	3,755.5	43,881.7

¹ Each name in parentheses is the major city in the principal pricing point of the market. ² Totals may not add due to rounding.

Percentage of Producer Milk Used in Class I, by Month, Jan – Jun 2019

Federal Milk Order Marketing Area ¹	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(millions of pounds)</i>							
Northeast (Boston)	001	33	31	31	31	30	28
Appalachian (Charlotte)	005	76	72	65	66	67	63
Florida (Tampa)	006	86	84	82	85	86	82
Southeast (Atlanta)	007	76	70	65	67	66	57
Upper Midwest (Chicago)	030	8	8	7	8	7	6
Central (Kansas City)	032	31	31	26	26	26	22
Mideast (Cleveland)	033	38	36	34	34	31	29
California (Los Angeles)	051	24	23	20	21	18	16
Pacific Northwest (Seattle)	124	20	23	19	19	19	17
Southwest (Dallas)	126	33	30	27	28	28	27
Arizona (Phoenix)	131	25	24	23	24	24	22
All Markets Combined		29	28	25	26	25	22

Percentage of Producer Milk Used in Class I, by Month, Jul – Dec 2019

Federal Milk Order Marketing Area ¹	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2019 YTD
<i>(millions of pounds)</i>								
Northeast (Boston)	001	30	30	32	33	32	32	31
Appalachian (Charlotte)	005	71	73	73	75	74	70	70
Florida (Tampa)	006	83	86	80	83	82	80	83
Southeast (Atlanta)	007	70	74	73	78	77	73	70
Upper Midwest (Chicago)	030	7	7	10	12	15	13	8
Central (Kansas City)	032	26	29	36	43	42	38	30
Mideast (Cleveland)	033	30	33	37	41	40	37	35
California (Los Angeles)	051	22	24	26	26	23	24	22
Pacific Northwest (Seattle)	124	18	18	23	24	24	23	20
Southwest (Dallas)	126	28	28	44	45	41	40	32
Arizona (Phoenix)	131	26	28	30	29	28	28	26
All Markets Combined		26	27	32	34	34	33	28

¹ Each name in parentheses is the major city in the principal pricing point of the market.

Uniform Milk Prices for Federal Milk Orders, by Month, Jan – Jun 2019

Federal Milk Order Marketing Area ¹	Order Number	Jan	Feb	Mar	Apr	May	Jun
<i>(US dollars per hundredweight)</i>							
Northeast (Boston)	001	16.42	16.65	17.17	17.34	17.80	18.28
Appalachian (Charlotte)	005	17.82	18.00	18.31	18.28	18.93	19.44
Florida (Tampa)	006	19.78	19.96	20.41	20.46	21.13	21.62
Southeast (Atlanta)	007	18.27	18.35	18.70	18.70	19.24	19.58
Upper Midwest (Chicago)	030	14.27	14.22	15.28	16.11	16.55	16.52
Central (Kansas City)	032	14.93	15.07	15.76	16.13	16.62	16.91
Mideast (Cleveland)	033	15.46	15.60	16.19	16.44	16.94	17.40
California (Los Angeles)	051	15.09	15.12	16.03	16.42	16.93	17.23
Pacific Northwest (Seattle)	124	15.15	15.28	15.79	16.11	16.62	16.94
Southwest (Dallas)	126	15.72	15.72	16.58	17.00	17.51	17.88
Arizona (Phoenix)	131	15.60	15.76	16.18	16.43	16.94	17.32
All Markets Combined		15.50	15.58	16.30	16.70	17.17	17.45

Uniform Milk Prices for Federal Milk Orders, by Month, Jul – Dec 2019

Federal Milk Order Marketing Area ¹	Order Number	Jul	Aug	Sep	Oct	Nov	Dec	2019 YTD
<i>(US dollars per hundredweight)</i>								
Northeast (Boston)	001	18.83	18.97	18.78	18.72	19.20	19.28	18.11
Appalachian (Charlotte)	005	19.84	20.34	20.04	20.17	20.53	21.11	19.38
Florida (Tampa)	006	21.75	22.48	21.85	22.00	22.33	23.18	21.39
Southeast (Atlanta)	007	20.25	20.85	20.52	20.65	20.98	21.63	19.75
Upper Midwest (Chicago)	030	17.71	17.75	18.23	18.42	19.51	18.97	16.70
Central (Kansas City)	032	17.64	17.85	17.71	17.43	17.45	18.08	16.70
Mideast (Cleveland)	033	18.02	18.20	18.00	17.86	18.01	18.44	17.20
California (Los Angeles)	051	17.82	17.84	17.37	17.13	17.06	17.60	16.79
Pacific Northwest (Seattle)	124	17.52	17.60	17.43	17.25	17.64	17.77	16.74
Southwest (Dallas)	126	18.47	18.69	18.21	17.87	17.48	18.22	17.40
Arizona (Phoenix)	131	17.88	18.11	18.08	18.11	18.53	18.71	17.23
All Markets Combined		18.20	18.36	18.29	18.21	18.52	18.78	17.35

¹ Each name in parentheses is the major city in the principal pricing point of the market.

Methodology: Annual Marketing and Utilization Summary Report

Data Source: The annual Marketing and Utilization Summary Report is created using 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. Regulated handlers, also defined by statute, are required to submit to the Market Administrator the amounts of producer milk, in pounds, that were received in the previous month.

Receipts of Producer Milk, also defined by statute, is the amount of milk received by producers who meet the requirements of qualification as defined by the statute. This milk is also known as eligible milk for market wide pooling. Each order has its own criteria for pool qualification and for regulated handlers. Regulated handlers, under certain circumstances and price relationships, may elect to not include certain quantities of producer milk that is eligible to be pooled on Federal Orders. The annual report is a sum of the monthly receipts of producer milk.

The change from the previous year is the change, in percentage, of the amount of producer milk received from each Federal Milk Marketing Order for the given year compared to the previous year.

The All Market Average (or Total) line displays the total of all the producer milk pooled for the given year and the average change, in percentage, of the all market total producer milk receipts.

Utilization of Producer Milk in Class I is the amount of producer milk pooled that was utilized as Class I, i.e. milk pooled that was utilized to produce Class I Fluid Milk products.

The change from the previous year is the change, in percentage, of the amount of producer milk utilized to produce Class I Fluid Milk products for each Federal Milk Marketing Order for the given year compared to the previous year.

The All Market Average (or Total) line displays the total of all the producer milk used to produce Class I Fluid Milk products for all orders for the given year and the change, in percentage, of the all market total amount of milk pounds used to produce Class I Fluid Milk products compared to the previous year.

Utilization of Producer Milk in All Classes is the respective amounts, shown in percentage of the total, used to produce milk products in each of the four classes of milk (Class I, Class II, Class III, and Class IV) for each of the federal milk marketing areas for the year. These percentages may not add to 100 percent due to rounding.

The All Market Average (or Total) line displays the percentages of milk used to produce milk products in each of the four classes of milk for all Federal Milk Marketing Orders combined. Again, these numbers may not always add to 100 due to rounding.

Uniform Price which is sometimes also termed the Blend Price, is the weighted average price at each of the Federal Order base location cities listed. The Uniform Price reflects the weighted average price that qualifying pooled producers receive from regulated handlers. Qualifying producers are enabled to receive this price as a result of pooling handler funds through the producer settlement fund administered by each of the Federal Milk Marketing Order Administrators. This price is determined, and reported, by each of the respective Milk Market Administrators each month. The annual uniform price is the weighted average of all of the months' data for the year.

Reliability: The AMS audit staff periodically perform on-site audits on the administration of the producer settlement funds, the amounts of producer milk pooled, and the utilization of producer milk by the four classes to ensure accurate reporting and uniform milk price information.

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.

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.

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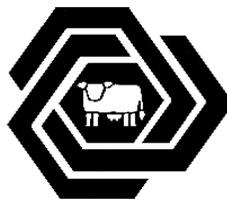
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