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**New York-
New Jersey
Milk Marketing
Area**

Federal Order No. 2

The Market Administrator's

Bulletin

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Summary

1999 finished with the third highest average uniform price under Order No. 2—\$14.00 per hundredweight. This was a decline of \$0.73 per hundredweight (5 percent) from 1998. Total producer milk receipts equaled 11.7 billion pounds, down 2.1 percent from 1998.

The series of tables in this report provide information about the operation of the New York–New Jersey Milk Marketing Area (Order No. 2) during 1999. The *Bulletin* Highlights section summarizes, on a monthly basis, important events that impacted the dairy industry in 1999.

This will be the last *Annual Summary* published for Order No. 2. Federal order reform mandated by the Federal Agriculture Improvement and Reform Act of 1996 (FAIR Act) was completed near the end of 1999. Beginning January 1, 2000, the New York–New Jersey Milk Marketing Area was merged into the new Northeast Order (Order No. 1). Subsequent issues will include data for this enlarged area.

Milk Receipts

As stated above, total producer milk receipts for 1999 were down from the previous year. A combination of pooling changes, farm exits, and slower milk production growth resulted in the decline. Some producers became pooled by handlers regulated by other federal orders or the Western New York State Milk Marketing Area. These changes occurred to fulfill milk supply contracts or to achieve better pricing.

The year finished with 6 percent fewer producers than at the end of 1998. Even though prices have been strong the last few years, farm exits still occurred at a faster rate than new entries. Many farms were absorbed by larger ones, evidenced in the 5.9 percent increase in daily deliveries per producer (DDP).

Lastly, even though milk production rebounded during 1999 in much of the country, the Northeast lagged behind in growth. Nationally, the increase from 1998 was 3.4 percent with states such as California, New Mexico, and Idaho experiencing respective growth rates of 10.2, 8.5, and 11.9 percent. While New York's production grew 2.5 percent, Pennsylvania experienced an increase of only 0.8 percent as severe heat and drought impacted milk production. New York accounted for 44.2 percent of all production in the Northeast in 1999; Pennsylvania had 40.1 percent. In Order No. 2 during 1999, New York accounted for 71.8 percent of total milk receipts; Pennsylvania had 26.2 percent.

Utilization

Milk used for Class I purposes (fluid drinking milk) declined 3.6 percent in 1999. Class II usage (creams, soft cheeses, yogurt, and frozen desserts) increased 0.2

percent. Milk used in Class III (hard cheeses, butter, condensed and most dry products) declined 0.8 percent. Class III-A usage (nonfat dry milk) dropped 10.1 percent.

Prices

BFP—The Basic Formula Price (BFP) finished strong at the end of 1999. Due to advanced class pricing, this resulted in high Class I and II prices for January and February 1999. Record month-to-month declines in the BFP occurred in both February and October, but the lowest BFP witnessed in over 20 years hit in November 1999. The strong milk production, previously discussed, and sufficient cheese kept 1999 milk prices below 1998's record levels. On the Chicago Mercantile Exchange, 40-pound block cheese prices averaged 7.8 percent below 1998's.

Class Prices—As mentioned above, advanced class pricing affects the second succeeding month. Therefore, the November BFP did not affect Class I and II pricing during 1999. As a result, Class I and II prices averaged \$0.12 per hundredweight higher than in 1998. Class III prices (equivalent to the BFP) averaged \$1.77 per hundredweight (12.5 percent) lower than in 1998. Class III-A prices were down \$2.72 per hundredweight (18.3 percent) from the previous year's.

Support Prices—The FAIR Act provided for the complete phase-out of support prices for products purchased by the Commodity Credit Corporation (CCC). Under this bill, the program was to expire on December 31, 1999. On December 15, 1999, USDA announced that the program was extended through the calendar year 2000 by the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2000. All purchase prices for cheese, butter, and nonfat dry milk remained at their current level.

Butterfat Differential—The butterfat differential for 1999 averaged nearly 36 percent below 1998's as a result of lower butter prices. Under federal order reform, the butterfat differential has been eliminated. Multiple component pricing replaces the standard butterfat pricing used for many decades.

Federal Order Reform

The many years spent on federal order reform finally came to fruition. On March 31, 1999, USDA released the final decision on reform. Informational meetings were held with producers and handlers during the spring. A referendum was completed in August granting approval. The new federal order was to begin October 1, 1999, but implementation was delayed by court action. On November 29, President Clinton signed the Consolidated Appropriations Act, 2000, legislating implementation effective January 1, 2000.

Table 1. Number of Producers, Receipts from Producers, and Daily Deliveries Per Producer (DDP) Under the New York–New Jersey Marketing Order, 1998 and 1999

Month	Number of producers		Receipts from producers		DDP	
	1998	1999	1998	1999	1998	1999
			pounds		pounds	
January	10,301	9,414	1,011,969,251	987,691,481	3,169	3,384
February	10,212	9,402	934,063,053	914,134,700	3,267	3,472
March	10,211	9,250	1,052,805,245	1,013,032,673	3,326	3,533
April	10,093	9,232	1,033,948,727	998,340,450	3,415	3,605
May	9,863	9,167	1,065,807,257	1,058,986,951	3,486	3,727
June	9,764	9,040	1,010,286,205	994,800,281	3,449	3,668
July	9,718	8,958	1,014,547,421	966,835,786	3,368	3,482
August	9,691	8,970	989,733,727	976,288,880	3,294	3,511
September	9,672	9,004	936,530,392	934,551,043	3,228	3,460
October	9,620	8,972	958,746,509	944,375,497	3,215	3,395
November	9,536	8,927	916,758,252	909,963,655	3,205	3,398
December	9,458	8,891	979,570,031	961,786,818	3,341	3,490
Average/Total	9,845	9,102	11,904,766,070	11,660,788,215	3,314	3,510

Table 2. Number of Handlers, Plants, and Bulk Tank Units Included in the Pool and Number of Handlers Reporting Receipts of Own Farm Milk Under the New York–New Jersey Marketing Order, 1998 and 1999

Month	Included in the pool						Handlers' claim on pooling of own farm milk			
	Handlers*		Plants*		Bulk tank units		Partial exemption		Complete exemption#	
	1998	1999	1998	1999	1998	1999	1998	1999	1998	1999
January	36	30	13	13	95	91	1	1	7	5
February	36	31	19	20	95	93	1	1	7	5
March	32	30	11	13	94	91	1	1	6	5
April	32	31	14	20	93	92	1	1	6	5
May	31	29	16	14	94	91	1	1	5	5
June	32	29	23	20	94	91	2	1	5	5
July	32	30	15	17	97	93	1	1	5	4
August	32	29	15	19	94	89	1	1	5	4
September	31	29	15	18	93	90	1	1	5	4
October	32	27	17	14	93	75	1	1	5	4
November	31	27	13	23	92	75	1	1	5	4
December	31	28	21	21	93	77	1	1	5	4
Average	32	29	16	18	94	87	1	1	6	5

* Includes those with a pool obligation under Section .60(d)(1)-(6).

Producer-handlers.

Table 3. Utilization of Milk Received from Producers Under the New York–New Jersey Marketing Order, by Class, 1998 and 1999

Year/month	Class I		Total	Class II	Class III pounds	Class III-A	Receipts from producers	Add: average	Total pool milk classified
	Federal marketing areas								
	Inside	Outside							
1998									
January	403,085,161	14,216,096	417,301,257	147,427,479	411,467,953	35,772,562	1,011,969,251	157	1,011,969,408
February	364,988,324	12,034,135	377,022,459	138,061,381	383,395,789	35,583,424	934,063,053	0	934,063,053
March	406,143,387	17,194,970	423,338,357	166,919,334	426,783,724	35,763,830	1,052,805,245	0	1,052,805,245
April	374,688,423	13,518,984	388,207,407	155,458,948	448,132,190	42,150,182	1,033,948,727	0	1,033,948,727
May	382,444,477	16,626,783	399,071,260	154,072,537	484,168,622	28,494,838	1,065,807,257	0	1,065,807,257
June	367,748,803	13,137,333	380,886,136	152,311,122	452,437,772	24,651,175	1,010,286,205	0	1,010,286,205
July	375,958,942	14,918,838	390,877,780	156,150,625	448,802,349	18,716,667	1,014,547,421	0	1,014,547,421
August	371,206,769	16,084,773	387,291,542	156,215,600	429,699,353	16,527,232	989,733,727	987	989,734,714
September	397,474,442	21,341,494	418,815,936	147,230,673	359,363,857	11,119,926	936,530,392	0	936,530,392
October	412,941,487	21,660,983	434,602,470	139,305,043	376,037,950	8,801,046	958,746,509	0	958,746,509
November	388,148,291	18,474,086	406,622,377	140,840,769	359,648,794	9,646,312	916,758,252	0	916,758,252
December	405,522,334	15,133,077	420,655,411	134,077,029	389,825,240	35,012,351	979,570,031	236,511	979,806,542
Total	4,650,350,840	194,341,552	4,844,692,392	1,788,070,540	4,969,763,593	302,239,545	11,904,766,070	237,655	11,905,003,725
1999									
January	393,776,989	16,930,613	410,707,602	132,866,897	412,642,548	31,474,434	987,691,481	96,252	987,787,733
February	354,356,710	14,744,243	369,100,953	124,665,490	392,690,262	27,677,995	914,134,700	30,039	914,164,739
March	402,656,493	16,836,578	419,493,071	158,031,838	414,387,911	21,119,853	1,013,032,673	0	1,013,032,673
April	381,460,916	14,857,902	396,318,818	151,076,781	422,436,002	28,508,849	998,340,450	983	998,341,433
May	382,603,825 R	17,496,526	400,100,351 R	164,520,161 R	463,031,332 R	31,335,107	1,058,986,951	0	1,058,986,951
June	347,625,347	14,222,610	361,847,957	170,664,347	443,884,829	18,403,148	994,800,281	4,086	994,804,367
July	363,410,189	13,602,410	377,012,599	143,867,730	428,430,788	17,524,669	966,835,786	0	966,835,786
August	362,030,468	12,992,818	375,023,286	170,165,489	411,140,303	19,959,802	976,288,880	15,951	976,304,831
September	370,990,910	15,281,180	386,272,090	155,665,779	363,649,061	28,964,113	934,551,043	161,592	934,712,635
October	374,225,537 R	17,992,292	392,217,829 R	139,790,099 R	397,703,105 R	14,664,464	944,375,497	2,186	944,377,683
November	365,270,124 R	18,156,524	383,426,648 R	136,170,258 R	381,446,574 R	8,920,175	909,963,655	0	909,963,655
December	383,659,501	16,138,770	399,798,271	137,118,771	401,639,622	23,230,154	961,786,818	0	961,786,818
Total	4,482,067,009	189,252,466	4,671,319,475	1,784,603,640	4,933,082,337	271,782,763	11,660,788,215	311,089	11,661,099,304

R = Revised.

Table 4. Utilization Percentage of Milk Received from Producers Under the New York–New Jersey Marketing Order, by Class, 1998 and 1999

Year/month	Class I			Class II	Class III	Class III-A
	I-A	I-B	Total			
	percent					
1998						
January	39.8	1.4	41.2	14.6	40.7	3.5
February	39.1	1.3	40.4	14.8	41.0	3.8
March	38.6	1.6	40.2	15.9	40.5	3.4
April	36.2	1.3	37.5	15.0	43.4	4.1
May	35.9	1.6	37.5	14.4	45.4	2.7
June	36.4	1.3	37.7	15.1	44.8	2.4
July	37.1	1.5	38.6	15.4	44.2	1.8
August	37.5	1.6	39.1	15.8	43.4	1.7
September	42.4	2.3	44.7	15.7	38.4	1.2
October	43.1	2.3	45.4	14.5	39.2	0.9
November	42.3	2.0	44.3	15.4	39.2	1.1
December	41.4	1.5	42.9	13.7	39.8	3.6
Average	39.2	1.6	40.8 *	15.0	41.7	2.5
1999						
January	39.9	1.7	41.6	13.4	41.8	3.2
February	38.8	1.6	40.4	13.6	43.0	3.0
March	39.7	1.7	41.4	15.6	40.9	2.1
April	38.2	1.5	39.7	15.1	42.3	2.9
May	36.1 R	1.7	37.8 R	15.5 R	43.7 R	3.0
June	35.0	1.4	36.4	17.2	44.6	1.8
July	37.6	1.4	39.0	14.9	44.3	1.8
August	37.1	1.3	38.4	17.4	42.1	2.1
September	39.7	1.6	41.3	16.7	38.9	3.1
October	39.6 R	1.9	41.5 R	14.8 R	41.2 R	1.6
November	40.1 R	2.0	42.1 R	15.0 R	41.9 R	1.0
December	39.9	1.7	41.6	14.2	41.8	2.4
Average	38.5	1.6	40.1 *	15.3	42.2	2.3

* Weighted average: 1998 = 40.7 and 1999 = 40.0.

R = Revised.

Table 5. Minimum Prices Under the New York–New Jersey Marketing Order, 1998 and 1999

<u>Year/month</u>	<u>Prices for bulk milk testing 3.5 percent butterfat in the 201–210 mile zone</u>				
	<u>Class I (I-A and I-B)</u>	<u>Class II</u>	<u>Class III</u>	<u>Class III-A</u>	<u>Uniform price</u>
	dollars per hundredweight				
1998					
January	15.38	13.26	13.28	12.07	13.95
February	15.71	13.59	13.34	12.91	14.19
March	15.67	13.55	12.76	12.62	13.89
April	15.74	13.62	11.92	12.79	13.50
May	15.23	13.11	10.76	13.84	12.73
June	14.43	12.31	12.99	15.27	13.41
July	13.30	11.18	14.80	15.62	13.53
August	15.52	13.40	15.09	16.62	14.88
September	17.19	15.07	15.16	19.87	15.98
October	17.41	15.29	16.10	18.19	16.47
November	17.52	15.40	16.90	14.93	16.78
December	18.46	16.34	17.40	13.54	17.45
Average	15.96	13.84	14.21	14.86	14.73 *
1999					
January	19.26	17.14	16.30	13.15	17.40
February	19.76	17.64	10.29	12.80	15.08
March	18.69	16.57	11.57	12.31	15.21
April	12.69	10.57	11.72	10.97	11.78
May	14.04	11.92	11.14	11.50	12.24
June	14.23	12.11	11.31	13.18	12.41
July	13.68	11.56	13.62	12.40	13.21
August	13.84	11.72	15.89	12.72	14.16
September	16.01	13.89	16.32	12.43	15.52
October	18.21	16.09	11.55	11.84	14.86
November	18.68	16.56	9.85	11.63	14.52
December	13.91	11.79	9.69	10.75	11.66
Average	16.08	13.96	12.44	12.14	14.00 *

* Composite uniform price: 1998—\$14.679 and 1999—\$13.978. See Table 10 for further details.

Note: Beginning in June 1996, a \$0.20 per hundredweight processor assessment was implemented. This assessment is not included in the Class I price shown.

**Table 6. Basic Formula Price (BFP); Components and Butterfat Test,
1998 and 1999**

Month	Preceding	Change	Basic	Preceding month		BFP
	month base			in product	Base price	
	price at	value*	formula price	at test	test	at test
	3.5 % B'fat	dollars per hundredweight	at 3.5 % B'fat		percent	\$/cwt
1998						
January	13.27	(0.02)	13.25	13.81	3.94	13.79
February	13.26	0.06	13.32	13.70	3.89	13.76
March	13.18	(0.37)	12.81	13.67	3.85	13.30
April	12.70	(0.69)	12.01	13.17	3.85	12.48
May	11.82	(0.94)	10.88	12.25	3.80	11.31
June	11.05	2.05	13.10	11.35	3.67	13.40
July	13.17	1.60	14.77	13.47	3.64	15.07
August	14.29	0.70	14.99	14.40	3.55	15.10
September	14.69	0.41	15.10	14.91	3.59	15.32
October	15.18	0.86	16.04	15.76	3.68	16.62
November	16.26	0.58	16.84	17.41	3.92	17.99
December	17.06	0.28	17.34	17.91	3.98	18.19
Average	13.83	0.38	14.20	14.32	3.78	14.69
1999						
January	17.35	(1.08)	16.27	17.92	3.93	16.84
February	14.72	(4.45)	10.27	15.28	3.91	10.83
March	11.55	0.07	11.62	12.05	3.86	12.12
April	11.86	(0.05)	11.81	12.34	3.86	12.29
May	11.69	(0.43)	11.26	12.00	3.83	11.57
June	11.23	0.19	11.42	11.51	3.75	11.70
July	11.74	1.85	13.59	11.98	3.65	13.83
August	13.33	2.46	15.79	13.45	3.59	15.91
September	15.48	0.78	16.26	15.66	3.63	16.44
October	15.09	(3.60)	11.49	15.43	3.77	11.83
November	11.99	(2.20)	9.79	12.47	3.94	10.27
December	10.48	(0.85)	9.63	10.97	3.96	10.12
Average	13.04	(0.61)	12.43	13.42	3.81	12.81

* Change in product price formula from previous month. See Table 7 for individual price factors.

Source: Data reported by the USDA.

**Table 7. Factors That Influence the Basic Formula Price (BFP),
1998 and 1999**

Month	Butter		Nonfat Dry Milk		Dry	Cheddar
	Grade AA*	Grade A**	Western Area***	Central Area#	Buttermilk Western Area	Cheese 40-lb block##
dollars per pound						
1998						
January	1.1932	1.1061	1.0390	1.0593	0.8840	1.4165
February	1.3918	1.2963	1.0368	1.0521	0.9146	1.4163
March	1.3452	1.2505	1.0309	1.0467	0.9163	1.3793
April	1.3788	1.2856	1.0256	1.0426	0.9212	1.3072
May	1.5465	1.4945	1.0223	1.0348	0.9200	1.2034
June	1.8618	1.8468	1.0200	1.0289	0.9200	1.4038
July	2.0085	1.9185	1.0238	1.0297	0.9298	1.5656
August	2.1730	2.0830	1.0425	1.0463	0.9574	1.6320
September	2.7566	2.6666	1.0944	1.1007	0.9914	1.6556
October	2.4089	2.3189	1.1131	1.1180	1.0100	1.7534
November	1.7447	1.6547	1.1100	1.1250	0.9961	1.8317
December	1.4131	1.3231	1.1009	1.1490	0.9182	1.8707
Average	1.7685	1.6871	1.0549	1.0694	0.9399	1.5363
1999						
January	1.4222	1.3322	1.0528	1.0893	0.8158	1.7595
February	1.3153	1.2253	1.0257	1.0437	0.7163	1.3010
March	1.2927	1.2027	1.0100	1.0239	0.6944	1.3092
April	1.0298	0.9398	1.0009	1.0228	0.6845	1.3131
May	1.1289	1.0389	1.0000	1.0228	0.6691	1.2661
June	1.4931	1.4031	0.9998	1.0139	0.6705	1.2747
July	1.3444	1.2544	1.0012	1.0172	0.6942	1.4702
August	1.3963	1.3063	1.0124	1.0384	0.7269	1.7213
September	1.3393	1.2493	1.0183	1.0486	0.7474	1.8023
October	1.1248	1.0348	1.0175	1.0451	0.7500	1.4388
November	1.0725	0.9825	1.0109	1.0343	0.7500	1.2143
December	0.9163	0.8263	1.0039	1.0168	0.7304	1.1319
Average	1.2396	1.1496	1.0128	1.0347	0.7208	1.4169

* Chicago Mercantile Exchange.

** Trading on Chicago Mercantile Exchange ended May 1998. Beginning June 1998, National Agricultural Statistics Service equivalent Grade A price.

*** Low/Medium heat.

Not used in the calculation of the Basic Formula Price; only a factor in the Class III-A price under the NY–NJ Marketing Order.

National Agricultural Statistics Service.

Source: Data reported by the USDA.

**Cooperatives on Whose Production Payments
Under Section .77 of the Order Are Based
(December 31, 1999)**

Dairylea Cooperative Inc.

Addison Cooperative Milk Producers Association Inc.	Mount Joy Farmers Cooperative Association, Inc.
Boonville Farms Cooperative, Inc.	Niagara Milk Cooperative, Inc.
Burke Milk Producers Co-operative Inc.	North Lawrence Milk Producers Cooperative Association, Inc.
Butternut Milk Group Cooperatives, Inc.	Northern New York Bulk Milk Producers Cooperative, Inc.
Canajoharie Co-operative Milk Producers, Inc.	Oneida-Madison Milk Producers Cooperative Association, Inc.
Canton Producers Cooperative, Inc.	Port Allegany Cooperative Milk Producers Association
Cape Vincent Milk Producers Cooperative, Inc.	Preble Milk Cooperative Association, Inc.
Cedarville Milk Producers Cooperative, Inc.	Producers' Co-operative, Inc.
Conesus Milk Producers Co-operative Association, Inc.	Progressive Dairymen's Cooperative, Inc.
Cortland Bulk Milk Producers Co-operative Inc.	Rockdale Producers Cooperative Association, Inc.
Deer River Bulk Co-op, Inc.	St. Lawrence Valley Bulk Milk Producers Co-operative, Inc.
Down State Milk Producers Cooperative Inc.	Scenic Mountain Milk Producers Cooperative Inc.
Empire-Keystone Milk Producers Cooperative, Inc.	Seaway Bulk Milk Producers Coop. Inc.
Equity Milk Cooperative, Inc.	South New Berlin Milk Cooperative, Inc.
Georgetown-Sheds Milk Producers Cooperative, Inc.	Southern Tier Independent Milk Producers Co-op, Inc.
Gouverneur Cooperative Dairymen, Inc.	Steamburg Milk Producers Cooperative, Inc.
Jefferson Bulk Milk Co-op Inc.	Tughill Milk Producers Co-operative, Inc.
Lanco Dairy Farms Co-Op	United North Country Bargaining Co-op, Inc.
Liberty Valley Cooperative Milk Producers Association	Upstate Milk Cooperatives, Inc.
Lisbon Producers Cooperative, Inc.	Westco Milk Producers Cooperative
Lowville Producers Dairy Cooperative, Inc.	
Malone Milk Producers Cooperative, Inc.	
Marble City Bulk Milk Co-op. Inc.	
Mohawk High Protein Co-operative, Inc.	
Mohawk Valley Cooperative, Inc.	

Dairy Farmers of America, Inc.

Agri-Mark, Inc.	Middlebury CoOperative Milk Producers Association
Chateaugay Cooperative Marketing Association, Inc.	North Penn Bulk Milk Producers Cooperative, Inc.
H.P. Farmers Cooperative, Inc.	Sullivan County Co-operative Dairy Association, Inc.
Konhokton Milk Producers Cooperative Association, Inc.	Tioga Valley Cooperative Bulk Milk Producers Association
Land O'Lakes, Inc.	

Table 8. Service Payments to Cooperative Associations Under the New York–New Jersey Marketing Order, 1998 and 1999

Month	Qualified cooperatives*		Qualified producers		Receipts from qualified cooperative producers		Payments to qualified cooperatives	
	1998	1999	1998	1999	1998	1999	1998	1999
	number				pounds		dollars	
January	53	58	6,499	5,776	656,657,250	638,908,678	262,662.90	255,563.48
February	53	58	6,446	5,796	608,862,327	592,092,935	243,544.93	236,837.18
March	53	58	6,452	5,643	687,602,944	651,673,604	275,041.17	260,669.44
April	53	58	6,294	5,671	668,197,015	644,516,705	267,278.81	257,806.68
May	53	58	6,052	5,640	681,365,839	686,298,070	272,546.34	274,519.23
June	53	59	5,948	5,640	646,230,555	645,913,094	258,492.21	258,365.24
July	53	58	5,892	5,674	651,710,637	627,441,080	260,684.25	250,976.43
August	53	59	5,888	5,479	635,954,216	631,197,941	254,381.68	252,479.18
September	57	59	5,961	5,488	607,481,127	599,147,235	242,992.45	239,658.89
October	57	55	5,958	5,431	621,789,567	601,234,291	248,715.83	240,493.72
November	59	56	5,880	5,387	593,375,828	576,462,463	237,350.34	230,584.98
December	59	55	5,799	5,369	632,606,136	607,547,021	253,042.45	243,018.80
Average/Total	55	58	6,089	5,583	7,691,833,441	7,502,433,117	3,076,733.36	3,000,973.25

* Reporting separately at pool time.

Table 9. Percentage of Order No. 2 Producers and Receipts by Cooperatives Qualified to Receive Service Payments, 1998 and 1999

Month	Producers		Receipts	
	1998	1999	1998	1999
	percent of total			
January	63.3	61.3	64.9	64.5
February	63.3	61.6	65.2	64.6
March	63.4	61.0	65.3	64.2
April	62.6	61.4	64.6	64.4
May	61.7	61.5	63.9	64.6
June	61.3	61.7	64.0	65.1
July	61.0	62.1	64.3	65.6
August	61.0	61.7	64.2	65.3
September	61.7	61.3	64.5	64.9
October	61.7	61.3	64.4	64.5
November	61.3	61.2	64.3	64.2
December	61.3	61.3	64.5	64.2
Average	62.0	61.5	64.5	64.7

Note: Does not include producers belonging to cooperatives not qualified to receive cooperative service payments. During 1999, such producers on average accounted for an additional 5.3 percent of total producers and 3.5 percent of total receipts.

Table 10. Determination of New York–New Jersey Marketing Order Composite Uniform Price of \$13.978 for 1999 per hundredweight of milk testing 3.5 percent butterfat received in bulk from farms in the 201–210 mile zone*

Class	Milk pounds	Percent	Value at		Transportation differential dollars	Total value	Contribution per cwt of receipts
			Minimum price	minimum price			
TOTAL VALUE OF POOLED MILK							
I-A	4,479,692,166	38.4	16.09	720,998,891.14	1,314,943.49	722,313,834.63	6.194
I-B	189,252,466	1.6	16.22	30,705,382.88	16,395.10	30,721,777.98	0.263
II	1,792,494,702	15.4	13.83	247,950,031.12	198,450.84	248,148,481.96	2.128
III	4,927,566,118	42.3	12.41	611,728,588.47	450,822.30	612,179,410.77	5.250
III-A	271,782,763	2.3	12.15	33,021,133.73	40,355.56	33,061,489.29	0.284
Reported receipts	11,660,788,215	100.0		1,644,404,027.34	2,020,967.29	1,646,424,994.63	14.119
Adjustments**							
	<u>Product pounds</u>		<u>Dollars***</u>				
Sec. .60(d)(1) III	311,089		95,948.00				
Total Sec. .60(d)(1)	311,089		95,948.00			95,948.00	0.001
Sec. .60(d)(6) I	43,258,704		1,257,448.01				
Sec. .60(d)(6) II	71,776,447		877,686.76				
Total Sec. .60(d)(2) thru (6)	115,035,151		2,135,134.77			2,135,134.77	0.018
Total adjustments	115,346,240		2,231,082.77				
Total pool milk classified	11,661,099,304						
Handlers must pay			2,231,082.77	1,644,404,027.34	2,020,967.29	1,648,656,077.40	# 14.138
COMPUTATION OF UNIFORM PRICE							
Total value of pooled milk	<u>Milk pounds</u>		<u>Dollars</u>			<u>Dollars per cwt of receipts</u>	
Less: Cooperative payments	7,502,433,117		3,000,973.25	1,648,656,077.40		0.026	14.138
Reserve			9,978,790.75			0.086	
Transportation credit	11,660,788,215		17,491,182.36	(30,470,946.36)		0.150	(0.262)
Value of pooled milk less subtractions				1,618,185,131.04		0.017	13.876
Add: Freight adjustment to 201-210 mile zone			2,018,670.13			0.017	
Unreserved cash in producer settlement fund			9,876,620.67	11,895,290.80		0.085	0.102
Uniform Price	11,660,788,215			1,630,080,421.84			13.978

* The simple average of the 1999 monthly prices is \$14.00.

** See Table 11 for breakdown.

*** Minimum prices are weighted averages. These values include transportation and other applicable differentials.

In addition, handlers paid \$20,679,977.14 for butterfat in excess of 3.5 percent.

Table 11. Volume and Value of Milk Subject to Section .60 (d) (1) Through (6) and .60 (e) Price Differentials* Under the New York–New Jersey Marketing Order, 1999

Month	Section							
	.60(d)(1)		.60(d)(6)		.60(d)(1)		.60(d)(6)	
	Class III	Class I	Class II	Class III	Class I	Class II	Class III	Class II
	pounds			dollars per hundredweight				
January	96,252	1,446,346	4,329,108	23,804.01	27,263.05	(11,255.67)		
February	30,039	5,054,941	3,178,012	43,387.35	154,277.75	42,585.38		
March	0	968,754	6,113,616	0.00	81,982.37	383,934.20		
April	983	5,076,412	7,914,899	1,016.67	60,229.00	(79,155.62)		
May	0	2,272,400	5,275,576	0.00	52,719.67	10,551.15		
June	4,086	2,543,118	6,002,977	231.88	78,606.01	58,228.88		
July	0	5,299,543	6,231,376	0.00	126,637.52	15,578.45		
August	15,951	2,959,188	4,883,139	1,775.35	8,166.43	(92,782.70)		
September	161,592	2,580,545	4,435,817	23,159.16	3,318.35	(88,716.34)		
October	2,186	2,839,960	3,827,855	2,573.58	53,984.35	(8,804.05)		
November	0	3,680,958	8,716,355	0.00	263,056.20	436,689.38		
December	0	8,536,539	10,867,717	0.00	347,207.31	210,833.70		
Total	311,089	43,258,704	71,776,447	95,948.00	1,257,448.01	877,686.76		

* Section .60(d)(1)—overage; Section .60(d)(6)—inventory; Section .60(e)—bulk concentrated inventory reclassification. There was no Class I milk subject to Section .60(d)(1) or any milk subject to Section .60(e).

Table 12. Butterfat Tests, Butterfat Differentials, and Butterfat Payments Under the New York–New Jersey Marketing Order, 1998 and 1999

Month	Average butterfat test		Butterfat differential*		Butterfat payments**	
	1998	1999	1998	1999	1998	1999
	percent		dollars		dollars	
January	3.721208	3.759834	.114	.137	2,551,950.22	3,515,912.55
February	3.715632	3.725013	.140	.139	2,819,788.56	2,859,118.55
March	3.728391	3.732010	.135	.132	3,246,081.85	3,102,440.34
April	3.663794	3.678794	.142	.095	2,404,832.53	1,695,719.38
May	3.606063	3.615189	.175	.111	1,978,252.89	1,354,021.11
June	3.557562	3.534190	.217	.161	1,261,928.84	547,593.79
July	3.504334	3.491639 R	.223	.134	98,042.49	(1,083,217.68) R
August	3.526264	3.523267	.245	.136	636,870.58	308,923.38
September	3.571588	3.608153	.325	.126	2,178,923.72	1,273,534.40
October	3.709050	3.715267	.273	.110	5,471,629.70	2,236,220.66
November	3.783601	3.766868	.178	.107	4,627,876.73	2,598,386.03
December	3.741072	3.774601	.132	.086	3,117,134.88	2,271,324.63
Average/Total	3.652380	3.660402	.192	.123	30,393,312.99	20,679,977.14

* Butterfat differential for each one-tenth of one percent of fat above or below 3.5 percent.

** Payments by handlers to producers for butterfat in excess of 3.5 percent.

R Revised.

**Table 13. Intermarket Movements of Milk and Milk Products,
Receipts in Order No. 2 from Order No. 1, 1998 and 1999**

Year/month	Class I			Class II		Class III		Class III-A
	Pkgd.#	Bulk	Total	Bulk	Pkgd.#¶	Bulk	Total	Bulk
					thousand pounds			
1998								
January	6,830	3,218	10,048	5,880	20	13,272	13,291	*
February	6,031	2,570	8,602	7,957	15	13,168	13,183	*
March	7,014	4,434	11,447	14,192	66	15,857	15,922	*
April	6,570	3,777	10,347	11,662	16	14,465	14,482	*
May	6,587	3,623	10,211	10,393	17	16,715	16,731	*
June	6,284	4,572	10,856	12,578	14	19,439	19,453	0
July	5,884	5,403	11,288	6,971	17	16,549	16,566	*
August	5,470	4,528	9,998	7,908	9	13,771	13,780	0
September	6,467	5,934	12,401	9,133	14	13,546	13,560	0
October	8,097	5,695	13,791	11,397	15	12,464	12,479	0
November	8,996	4,277	13,273	8,767	14	16,909	16,923	0
December	10,012	4,711	14,724	8,581	16	17,208	17,225	*
Total	84,242	52,742	136,986	115,419	233	183,363	183,595	N/A
1999								
January	9,998	*	*	6,937	23	16,522	16,545	*
February	9,031	*	*	6,646	16	16,496	16,512	0
March	10,486	8,013	18,499	13,858	21	17,253	17,273	*
April	9,759	9,151	18,911	12,633	15	21,649	21,665	*
May	10,278	7,189	17,467	8,201	21	27,463	27,484	*
June	14,743	*	*	9,198	17	25,055	25,072	*
July	15,879	2,196	18,075	11,197	34	19,259	19,293	0
August	13,946	5,834	19,781	9,092	38	15,386	15,423	0
September	14,159	3,574	17,733	4,378	47	17,893	17,940	0
October	12,513	3,375	15,888	3,595	49	11,227	11,275	0
November	9,079	1,913	10,992	6,084	51	13,227 ^R	13,278 ^R	0
December	8,409	4,187	12,596	5,425	45	16,475	16,520	*
Total	138,280	N/A	N/A	97,244	377	217,905	218,280	N/A

Packaged includes any fluid milk products in consumer packages, either transferred to plants or distributed on routes in the other order.

¶ Pursuant to Section 1002.45 (a)(3) and the corresponding step of Section 1002.45 (b) classification allocation procedure, some volume of packaged fluid milk is classified as Class III.

* Fewer than three shipping or receiving handlers.

N/A Not applicable.

R Revised.

Note: Totals may not add due to rounding.

**Table 14. Intermarket Movements of Milk and Milk Products,
Receipts in Order No. 2 from Order No. 4, 1998 and 1999**

Year/month	Class I			Class II		Class III		Class III-A
	Pkgd.#	Bulk	Total	Bulk	Pkgd.#¶	Bulk	Total	Bulk
thousand pounds								
1998								
January	5,562	0	5,562	26,087	19	7,688	7,707	0
February	4,228	0	4,228	23,994	2	5,370	5,372	0
March	4,703	0	4,703	26,839	3	7,223	7,226	0
April	4,441	0	4,441	23,783	3	7,801	7,805	*
May	4,702	0	4,702	37,527	7	9,808	9,815	*
June	4,528	*	*	35,700	9	8,314	8,323	0
July	5,011	0	5,011	46,968	10	8,793	8,802	0
August	4,833	*	*	38,525	9	7,427	7,436	0
September	5,356	0	5,356	39,645	10	6,741	6,752	0
October	5,352	0	5,352	50,999	10	5,229	5,239	*
November	4,466	0	4,466	41,856	9	7,554	7,563	*
December	4,935	*	*	42,411	8	3,281	3,289	*
Total	58,117	N/A	N/A	434,334	99	85,229	85,329	N/A
1999								
January	4,785	0	4,785	36,797	9	6,401	6,410	0
February	4,557	0	4,557	22,664	10	10,370	10,380	0
March	5,096	0	5,096	8,219	12	15,507	15,519	0
April	4,996	*	*	39,486	13	10,288	10,301	*
May	5,195	*	*	38,486	97	12,496	12,593	0
June	4,705	0	4,705	38,741	11	12,377	12,388	0
July	5,378	*	*	36,835	16	7,388	7,403	0
August	5,447	*	*	38,085	20	6,554	6,574	*
September	6,017	*	*	32,379	22	7,392	7,414	*
October	6,057	0	6,057	39,918	22	6,917	6,939	0
November	7,320	*	*	5,115	21	9,997	10,019	0
December	8,687	*	*	30,095	21	5,806	5,827	*
Total	68,240	N/A	N/A	366,820	274	111,493	111,767	N/A

Packaged includes any fluid milk products in consumer packages, either transferred to plants or distributed on routes in the other order.

¶ Pursuant to Section 1002.45 (a)(3) and the corresponding step of Section 1002.45 (b) classification allocation procedure, some volume of packaged fluid milk is classified as Class III.

* Fewer than three shipping or receiving handlers.

N/A Not applicable.

Note: Totals may not add due to rounding.

Table 15. Intermarket Movements of Milk and Milk Products, Shipments from Order No. 2 Plants and Bulk Tank Units to Order No. 1, 1998 and 1999

Year/month	Class I			Class II		Class III			Class III-A
	Pkqd.#	Bulk	Total	Bulk	Pkqd.#¶	Bulk	Total	Bulk	
thousand pounds									
1998									
January	15,345	*	*	*	*	1,435	*	*	
February	14,753	*	*	*	*	1,699	*	*	
March	16,227	*	*	*	*	426	*	*	
April	15,494	0	15,494	*	*	418	*	*	
May	16,088	*	*	*	*	600	*	*	
June	15,642	0	15,642	0	*	1,173	*	*	
July	15,563	0	15,563	*	*	1,148	*	*	
August	16,855	0	16,855	*	*	1,725	*	*	
September	19,657	0	19,657	*	*	397	*	*	
October	20,013	*	*	0	*	118	*	0	
November	17,992	539	18,531	0	*	*	*	*	
December	19,506	*	*	0	*	985	*	*	
Total	203,135	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
1999									
January	20,001	*	*	0	*	1,541	*	*	
February	18,876	*	*	*	*	1,084	*	*	
March	21,760	*	*	*	*	290	*	*	
April	20,158	0	20,158	*	*	1,580	*	*	
May	21,047	*	*	*	0	1,714	1,714	*	
June	13,967	*	*	*	0	5,105	5,105	*	
July	14,588	*	*	*	0	1,719	1,719	*	
August	14,453	0	14,453	*	0	5,106	5,106	*	
September	13,594	0	13,594	*	0	5,277	5,277	*	
October	10,829	0	10,829	*	0	5,967	5,967	0	
November	10,885	*	*	*	0	6,162	6,162	*	
December	12,374 R	0 R	12,374 R	5,064	0	4,585	4,585	*	
Total	192,532	N/A	N/A	N/A	N/A	40,130	N/A	N/A	

Packaged includes any fluid milk products in consumer packages, either transferred to plants or distributed on routes in the other order.

¶ Pursuant to Section 1001.44 (a)(3)(i) and the corresponding step of Section 1001.44 (b) classification allocation procedure, some volume of packaged fluid milk is classified as Class III.

* Fewer than three shipping or receiving handlers.

N/A Not applicable.

R Revised.

Note: Totals may not add due to rounding.

Table 16. Intermarket Movements of Milk and Milk Products, Shipments from Order No. 2 Plants and Bulk Tank Units to Order No. 4, 1998 and 1999

Year/month	Class I			Class II	Class III			Class III-A
	Pkgd.#	Bulk	Total	Bulk	Pkgd.#¶	Bulk	Total	Bulk
thousand pounds								
1998								
January	15,345	*	*	*	*	1,435	*	*
February	14,753	*	*	*	*	1,699	*	*
March	16,227	*	*	*	*	426	*	*
April	15,494	0	15,494	*	*	418	*	*
May	16,088	*	*	*	*	600	*	*
June	15,642	0	15,642	0	*	1,173	*	*
July	15,563	0	15,563	*	*	1,148	*	*
August	16,855	0	16,855	*	*	1,725	*	*
September	19,657	0	19,657	*	*	397	*	*
October	20,013	*	*	0	*	118	*	0
November	17,992	539	18,531	0	*	*	*	*
December	19,506	*	*	0	*	985	*	*
Total	203,135	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1999								
January	20,001	*	*	0	*	1,541	*	*
February	18,876	*	*	*	*	1,084	*	*
March	21,760	*	*	*	*	290	*	*
April	20,158	0	20,158	*	*	1,580	*	*
May	21,047	*	*	*	0	1,714	1,714	*
June	13,967	*	*	*	0	5,105	5,105	*
July	14,588	*	*	*	0	1,719	1,719	*
August	14,453	0	14,453	*	0	5,106	5,106	*
September	13,594	0	13,594	*	0	5,277	5,277	*
October	10,829	0	10,829	*	0	5,967	5,967	0
November	10,885	*	*	*	0	6,162	6,162	*
December	12,374 R	0 R	12,374 R	5,064 R	0	4,585	4,585	*
Total	192,532	N/A	N/A	N/A	N/A	40,130	N/A	N/A

Packaged includes any fluid milk products in consumer packages, either transferred to plants or distributed on routes in the other order.

¶ Pursuant to Section 1001.44 (a)(3)(i) and the corresponding step of Section 1001.44 (b) classification allocation procedure, some volume of packaged fluid milk is classified as Class III.

* Fewer than three shipping or receiving handlers.

N/A Not applicable.

R Revised.

Note: Totals may not add due to rounding.

Table 17. Packaged Sales of Fluid Milk Products in the New York–New Jersey Marketing Area*, January–December 1999 and Annual 1997–1999

Product	Sales		B'fat		Sales		B'fat		Sales		B'fat	
	pounds		pct		pounds		pct		pounds		pct	
	January				February				March			
Milk	175,571,881	3.25	161,874,214	3.27	182,031,227	3.26						
Reduced Fat Milk	62,013,754	2.00	55,907,252	1.99	62,862,579	1.99						
Lowfat Milk	48,593,700	1.02	44,030,792	1.02	50,568,384	1.02						
Fat Free Milk	51,050,510	0.09	47,036,876	0.09	54,091,638	0.09						
Flavored milk & drinks	16,139,863	1.53	14,566,933	1.62	18,322,164	1.57						
Buttermilk	1,027,728	1.40	1,072,366	1.40	1,605,848	1.41						
Total	354,397,436	2.19	324,488,433	2.20	369,481,840	2.18						
	April				May				June			
Milk	171,692,266	3.26	173,447,767	3.26	165,034,880	3.26						
Reduced Fat Milk	59,381,775	2.00	60,808,986	1.99	57,662,125	1.99						
Lowfat Milk	47,493,453	1.02	48,771,458	1.02	46,534,460	1.03						
Fat Free Milk	50,595,792	0.08	52,315,838	0.08	50,025,580	0.06						
Flavored milk & drinks	15,387,152	1.64	17,776,957	1.62	13,804,322	1.78						
Buttermilk	1,052,829	1.36	1,119,743	1.39	1,259,324	1.39						
Total	345,603,267	2.19	354,240,749	2.17	334,320,691	2.18						
	July				August				September			
Milk	172,670,210	3.25	170,010,019	3.25	174,499,425	3.28						
Reduced Fat Milk	61,527,735	1.99	60,443,058	1.99	61,504,607	2.00						
Lowfat Milk	48,466,069	1.02	46,848,780	1.01	48,473,786	1.03						
Fat Free Milk	52,470,390	0.07	50,458,740	0.07	52,461,377	0.07						
Flavored milk & drinks	10,195,533	2.19	9,905,834	2.33	16,049,741	1.69						
Buttermilk	1,224,200	1.46	1,254,003	1.45	1,079,921	1.43						
Total	346,554,137	2.20	338,920,434	2.21	354,068,857	2.19						
	October				November				December			
Milk	179,989,261	3.27	176,261,881	3.25	187,559,313	3.26						
Reduced Fat Milk	61,667,724	1.97	60,330,424	1.99	64,436,181	1.99						
Lowfat Milk	48,934,872	1.02	47,074,600	1.01	49,373,833	1.01						
Fat Free Milk	51,437,181	0.07	49,530,709	0.07	51,450,161	0.07						
Flavored milk & drinks	19,128,507	1.60	16,909,893	1.63	15,775,560	1.61						
Buttermilk	1,097,526	1.41	1,177,668	1.38	1,364,338	1.32						
Total	362,255,071	2.20	351,285,175	2.20	369,959,386	2.22						
	Annual 1997				Annual 1998				Annual 1999			
Milk	2,143,245,002	3.26	2,089,282,274	3.26	2,090,642,344	3.26						
Reduced Fat Milk	760,246,203	1.99	731,177,165	2.00	728,546,200	1.99						
Lowfat Milk	581,509,537	1.02	578,894,559	1.02	575,164,187	1.02						
Fat Free Milk	600,493,660	0.09	620,272,574	0.08	612,924,792	0.08						
Flavored milk & drinks	169,249,264	1.80	176,787,288	1.72	183,962,459	1.69						
Buttermilk	14,478,453	1.41	14,550,751	1.39	14,335,494	1.40						
Total	4,269,222,119	2.22	4,210,964,611	2.19	4,205,575,476	2.19						

* In-area sales made by handlers operating plants regulated under Order No. 2, regulated under other orders, operating non-pool plants, and producer-handlers.

Table 18. Receipts and Utilization of Producer Milk and Other Source Class I Milk Under the New York–New Jersey Marketing Order, Annual 1999

		Total pounds	Butterfat percent	
RECEIPTS	From producers— <i>announced at pool time</i>			
	— <i>exemptions & late reports</i>	11,661,225,497	3.65	
	Other source Class I—Fluid milk products	139,278,258	N/A	
	Overages	311,487	N/A	
	Inventory decrease (increase)	<u>(29,670,805)</u>	N/A	
	Total receipts	11,771,144,437	3.63	
UTILIZATION	Class I	<i>Route sales</i>		
		<i>Inside Marketing Area</i>		
		Milk	1,974,760,982	3.26
		Reduced fat milk	689,235,746	1.99
		Lowfat milk	530,028,837	1.01
		Fat free milk	568,245,983	0.07
		Flavored milk & milk drinks	161,131,135	1.58
		Buttermilk	<u>13,273,893</u>	1.42
		Total	3,936,676,576	2.20
		<i>Outside Marketing Area</i>		
	Milk	363,765,388	3.61	
	Reduced fat milk	212,413,757	2.24	
	Lowfat milk	141,197,643	1.33	
	Fat free milk	153,668,500	0.12	
	Flavored milk & milk drinks	54,409,437	2.01	
	Buttermilk	<u>4,710,842</u>	1.76	
	Total	930,165,567	2.27	
	Shrinkage	<u>14,712,065</u>	11.03	
	Total Class I	4,881,554,208	2.24	
	Class II	<i>Route sales</i>		
		<i>Inside Marketing Area</i>		
		Half & half	155,432,091	10.49
		Light cream	30,787,288	18.02
		Heavy cream	61,503,679	37.00
		<i>Outside Marketing Area</i>		
		Half & half	11,276,526	10.57
		Light cream	4,185,477	14.42
		Heavy cream	3,475,226	36.27
		<i>Products manufactured</i>		
		Sour cream and sour half & half	162,071,840	13.67
		Yogurt	147,985,541	1.02
		Ricotta cheese	233,386,265	3.43
Cottage cheese		403,041,359	0.57	
Frozen desserts		205,698,445	7.70	
Candy products		398,141,779	3.34	
Eggnog		5,033,499	6.59	
Miscellaneous Class II products		<u>48,594,664</u>	3.29	
Total Class II	1,870,613,680	6.03		
Class III	<i>Products manufactured</i>			
	Cream and Neufchatel cheese	416,277,884	11.83	
	American cheese	1,031,785,272	3.39	
	Mozzarella and provolone cheese	2,468,283,087	3.03	
	Other cheeses	149,266,189	2.74	
	Evaporated and condensed milk	220,374,939	5.04	
	Whole milk, lactose & whey powder	241,452,743	3.94	
	Butter	74,398,985	21.69	
	Miscellaneous Class III products	26,744,579	0.01	
	Non product uses #	24,021,775	2.54	
	Shrinkage	<u>95,913,264</u>	4.12	
	Total Class III	4,748,518,717	4.30	
	Class III-A	Skim milk powder	<u>270,457,833</u>	0.10
		Total Class III-A	270,457,833	0.10
	Total utilization	11,771,144,437	3.63	

N/A Not applicable.

Pursuant to Section 1002.41(d)(3)(4)(6)—animal feed, dumpage, and extraordinary loss.

Table 19. Average Mailbox Prices and Corresponding Data for Producers Pooled Under the New York–New Jersey Marketing Order, 1999

<u>Month/state</u>	<u>Producers</u>	<u>Milk volume pounds</u>	<u>Mailbox price</u>	<u>Premium dollars per hundredweight</u>	<u>Hauling charge</u>	<u>Other*</u>
January						
New York	5,516	652,219,805	17.595	0.396	0.248	0.220
New Jersey	136	14,000,856	17.972	0.171	0.382	0.203
Pennsylvania	3,020	242,035,067	17.551	0.277	0.403	0.218
All States	9,126	944,741,458	17.578	0.351	0.297	0.219
February						
New York	5,620	609,657,542	15.236	0.402	0.246	0.221
New Jersey	136	13,281,081	15.749	0.312	0.378	0.204
Pennsylvania	3,311	246,334,773	15.430	0.521	0.414	0.220
All States	9,087	872,467,475	15.299	0.433	0.296	0.220
March						
New York	5,644	685,336,846	15.360	0.396	0.246	0.216
New Jersey	138	15,131,435	15.744	0.229	0.371	0.202
Pennsylvania	3,152	264,056,479	15.419	0.371	0.395	0.215
All States	8,956	968,095,604	15.382	0.385	0.289	0.215
April						
New York	5,639	675,252,357	11.850	0.444	0.240	0.219
New Jersey	135	14,535,677	12.205	0.254	0.371	0.204
Pennsylvania	3,142	260,954,407	11.843	0.372	0.394	0.216
All States	8,936	953,970,801	11.859	0.425	0.284	0.218
May						
New York	5,522	713,047,903	12.276	0.439	0.244	0.207
New Jersey	135	15,214,499	12.598	0.244	0.367	0.200
Pennsylvania	3,005	265,236,000	12.307	0.421	0.388	0.206
All States	8,882	1,010,959,914	12.297	0.437	0.286	0.205
June						
New York	5,427	676,919,288	12.355	0.424	0.236	0.203
New Jersey	133	14,069,417	12.736	0.272	0.373	0.200
Pennsylvania	2,958	244,069,109	12.495	0.458	0.373	0.208
All States	8,838	959,209,011	12.405	0.434	0.275	0.203
July						
New York	5,577	681,144,701	13.068	0.396	0.233	0.202
New Jersey	138	13,482,890	13.411	0.204	0.373	0.202
Pennsylvania	3,079	245,158,230	13.115	0.360	0.374	0.209
All States	8,807	942,151,602	13.090	0.387	0.272	0.203

(Continued on next page)

Table 19. Average Mailbox Prices and Corresponding Data for Producers Pooled Under the New York–New Jersey Marketing Order, 1999 (Continued)

<u>Month/state</u>	<u>Producers</u>	<u>Milk volume pounds</u>	<u>Mailbox price</u>	<u>Premium dollars per hundredweight</u>	<u>Hauling charge</u>	<u>Other*</u>
August						
New York	5,503	679,162,292	14.077	0.408	0.232	0.200
New Jersey	136	13,971,175	14.337	0.168	0.369	0.202
Pennsylvania	3,078	245,913,517	14.013	0.275	0.373	0.213
All States	8,721	940,558,989	14.068	0.372	0.271	0.202
September						
New York	5,587	659,480,137	15.526	0.417	0.235	0.199
New Jersey	134	13,366,686	15.851	0.185	0.370	0.203
Pennsylvania	3,088	238,403,593	15.542	0.291	0.376	0.207
All States	8,736	897,134,921	15.554	0.391	0.272	0.201
October						
New York	5,440	644,204,969	15.062	0.474	0.229	0.199
New Jersey	139	13,720,165	15.550	0.333	0.281	0.202
Pennsylvania	3,073	242,765,764	15.179	0.476	0.351	0.207
All States	8,713	906,572,900	15.113	0.483	0.263	0.200
November						
New York	5,388	615,214,085	14.771	0.338	0.232	0.199
New Jersey	135	12,876,748	15.235	0.246	0.298	0.203
Pennsylvania	3,113	240,157,990	14.885	0.434	0.357	0.207
All States	8,697	873,969,170	14.821	0.374	0.267	0.201
December						
New York	5,358	648,110,490	11.893	0.523	0.230	0.199
New Jersey	134	13,634,360	12.331	0.296	0.295	0.203
Pennsylvania	3,116	252,210,100	11.934	0.455	0.355	0.206
All States	8,668	919,992,452	11.931	0.520	0.266	0.200
Annual Total/Average**						
New York	5,518	7,939,750,415	14.057	0.422	0.238	0.207
New Jersey	136	167,284,989	14.454	0.243	0.353	0.202
Pennsylvania	3,095	2,987,295,029	14.113	0.393	0.380	0.211
All States	8,847	11,189,824,297	14.088	0.416	0.278	0.207

* Other includes cooperative dues and equity and milk promotion.

** The number of producers is a simple average; dollar values are weighted averages.

Note: The mailbox price is defined as the net price received by dairy farmers for milk, including all payments received for milk sold and deducting costs associated with marketing milk. All States include other states in addition to those shown.

**Table 20. Plants Regulated Under the New York–New Jersey Marketing Order,
by Handler, December 1999**

OPERATING HANDLER	PLANT		
Name	Location	Zone	Type*
Armstrong, David F. (Sunset Dairy)	Whitesboro, NY	211-220	P
Boice, Richard P. (Boice Bros. Dairy)	Kingston, NY	76-80	P
Byrne Dairy, Inc.	Syracuse, NY	231-240	P
Clover Farms Dairy Company	Reading, PA	111-120	P
Crowley Foods, Inc.	Albany, NY	131-140	P
	Arkport, NY	276-280	M
	Binghamton, NY	151-160	P
	La Fargeville, NY	301-310	M
Dietrich's Milk Products, Inc.	Middlebury Center, PA	231-240	M/T
Eagle Brand Family Foods, Inc.	Wellsboro, PA	231-240	M
Edwards, Charles A., Kurt K., and Keith C. (Model Dairy Farm)	Gloversville, NY	176-180	P-H
Elmhurst Dairy, Inc.	New York, NY (Jamaica)	1-10	P
Emkay Trading Corp.	Arcade, NY	326-330	M/T
Farmland Dairies, Inc. and/or Fairdale Milk Company, Inc.	Wallington, NJ	1-10	P
Friendship Dairies, Inc.	Friendship, NY	301-310	M
Garelick Farms, Inc.	East Greenbush, NY	131-140	P
	Florence, NJ	51-60	P
H. P. Hood, Inc.	Vernon, NY	226-230	M/T
Hermany Farms, Inc.	New York, NY (Bronx)	1-10	P
Hershey Chocolate USA — A Division of Hershey Foods Corp.	Hershey, PA	151-160	T
Kraft General Foods, Inc.	Canton, NY	326-330	M
	North Lawrence, NY	341-350	M/T
Leprino Foods Company	South Waverly, PA	191-200	M
Lewis County Dairy Corp.	Lowville, NY (New Bremen)	261-270	P/M
Longacre's Modern Dairy, Inc.	Barto, PA	91-100	P/T

(Continued on following page)

Table 20. Plants Regulated Under the New York–New Jersey Marketing Order, by Handler, December 1999 (Continued)

OPERATING HANDLER	PLANT		
Name	Location	Zone	Type*
Manino, Rose (Dari-Del)	Frankfort, NY	201-210	P
Marcus Dairy, Inc.	Danbury, CT	41-50	P/T
McCadam Cheese Co, Inc.	Chateaugay, NY	331-340	M
Oak Tree Farm Dairy, Inc.	East Northport, NY	1-10	P
Pollio Dairy Products—A Division of Kraft General Foods, Inc.	Campbell, NY	231-240	M
Queensboro Farm Products, Inc.	Canastota, NY	226-230	T
Readington Farms, Inc.	Whitehouse, NJ	31-40	P
Ronnybrook Farm Dairy, Inc.	Ancramdale, NY	91-100	P-H
Stewart's Processing Corp.	Greenfield, NY	161-170	P/M
Sunnydale Farms, Inc.	New York, NY (Brooklyn)	1-10	P
Suprema Specialties, N.E. Inc.	Ogdensburg, NY	331-340	M
Synakowski, Walter J. (Valley Side Farm)	Remsen, NY	221-225	P-H
Tuscan Dairy Farms—Div. of Tuscan/Lehigh Dairies, L.P.	Union, NJ	1-10	P
Van Wie, Charles F. (Meadowbrook Farms Dairy)	Clarksville, NY	141-150	P-H
Worcester Creameries Corp.	Roxbury, NY	131-140	P
Z & R Corp. (Mohawk Dairy)	Amsterdam, NY	161-170	P
Zausner Foods Corp.	New Holland, PA	126-130	M

*** Type of Operation**

P = Processing — predominant operation is processing fluid milk products.

M = Manufacturing — predominant operation is making Class II, III and III–A products.

T = Transferring — where milk is assembled for shipment in bulk form to other locations.

P-H = Producer-Handler — produces, processes, and distributes milk (defined in Section 1002.12 of the Order).

Primary type of operation accounts for greater than 90 percent of milk usage at the plant.

Plants with two codes (i.e., P/M), have a secondary type of operation accounting for a minimum of 10 percent of plant milk usage. For a secondary transfer operation, this amount must be at least 250,000 pounds in addition to the percentage requirement.

Bulletin Highlights—1999

January

The effect of the Chicago Mercantile Exchange's cheese prices on uniform prices for upcoming months was discussed.

Total packaged fluid milk sales in the New York–New Jersey milk marketing area continued to decline in 1998.

The Order No. 2 statistical handbook became available on the Order's web site, along with the *Bulletin*, price announcements, and most other publications.

Plants, Handlers, and Bulk Tank Units Under the New York–New Jersey Marketing Order for December 1998 was compiled.

February

USDA Agriculture Secretary Dan Glickman announced a \$200 million Dairy Income Loss Assistance program for dairy farmers facing greatly reduced milk prices.

Dairy Farmers of America, Inc. and Dairy Lea Cooperative Inc. each announced a schedule of educational outreach meetings for Order No. 2 producers.

The New York Dairy Promotion Advisory Board sought nominations to fill its Board positions. The Board released its annual report.

Annual 1997-98 mailbox prices for Order No. 2 were compared.

March

Agriculture Secretary Glickman released the final decision on Federal Milk Marketing Order Reform.

1998 U.S. milk production was compared to 1997. The top ten milk-producing states were listed.

Producer milk receipts and prices for the first quarter of 1999 were analyzed.

April

Final decision informational meetings, open to all Northeast region producers, were listed.

Cheddar cheese prices fell and butter prices rose on the Chicago Mercantile Exchange.

The top ten supply counties in Order No. 2 during 1998 were highlighted.

Total packaged fluid milk sales declined in the New York–New Jersey milk marketing area during the first quarter.

USDA sought nominations from dairy producers and farm organizations to the National Dairy Promotion and Research Board.

January 1999's U.S. cattle inventory showed a continuing decline since 1996.

Selected statistics for the combined Northeast orders for 1997, 1998, and January–March 1999 were shown in tabular form.

May

Multiple component pricing (MCP) and the producer price differential (PPD) were explained.

U.S. production of manufactured dairy products was summarized for 1998.

Mailbox prices for the first quarter of 1999 were reviewed.

June

Order reform update: USDA issued a referendum order on the final decision on July 14th. On July 8th, USDA issued corrections to the final

decision. The corrections did not change the conclusions and did not substantively alter the regulatory provisions.

The differences in plant-point pricing and farm-point pricing were explained.

U.S. milk production, disposition, and income were summarized for 1998.

Producer milk receipts and prices during the first 6 months of 1999 were highlighted.

Payments to dairy farmers, suffering from record low milk prices based on 1997 or 1998 milk production, began under the Dairy Market Loss Assistance Program.

Agriculture Secretary Dan Glickman announced two new appointments. He promoted Enrique Figueroa to Deputy Under Secretary of Agriculture for Marketing and Regulatory Programs, and replaced Figueroa with Kathleen Merrigan as Administrator of the Agricultural Marketing Service.

July

Secretary Glickman announced that a second round of the Dairy Options Pilot Program (DOPP) would be conducted later in the year.

Cheese prices at the Chicago Mercantile Exchange reached record highs, and butter prices went well below 1998 record levels.

Compared with the first 6 months of 1998, total sales of packaged fluid milk products in the New York–New Jersey milk marketing area declined during the first half of 1999.

According to a survey released by the National Agricultural Statistics

Bulletin Highlights—1999 (Continued)

Service (NASS), on-farm computer usage and ownership have increased dramatically.

The Market Administrator's administrative assessment was waived for the months of August and September 1999.

The Agriculture Secretary announced appointments of nine incumbents and four new members to the National Fluid Milk Processor Promotion Board.

August

Order reform update: In producer referendums ending August 6, eligible dairy farmers across the country voted in favor of consolidating 31 federal milk marketing orders into 11 regional orders, and they approved the reforms presented in the final decision.

Milk pooled under Order No. 2 was shipped to plants in the southeastern United States.

After setting a record high, cheese prices fell at the Chicago Mercantile Exchange.

Mailbox prices under Order No. 2 averaged higher for the first 6 months of 1999 compared with the same period in 1998.

September

Order reform update: The United States District Court for the District of Vermont issued a Temporary Restraining Order that stopped the Secretary of Agriculture from implementing changes to federal milk marketing orders. The anticipated reform was scheduled to be effective October 1, 1999.

Ronald C. Pearce, Market Administrator of the New York–New

Jersey Milk Marketing Area, retired on September 30, 1999. Erik F. Rasmussen was designated the Acting Market Administrator.

Total producer milk receipts under Order No. 2 decreased from January through September 1999, compared to the same 9-month period during 1998.

A map showed federal order and California state milk marketings for May 1999.

Cheese showed to be the only dairy product to experience sustained growth for the past 25 years in per capita consumption.

More milk pooled under Order No. 2 was shipped to plants in the southeastern United States.

October

Order reform update: Because of delays due to legal action, federal orders continued to operate as they had in the past.

Wholesale prices for 40-pound block Cheddar cheese sold on the Chicago Mercantile Exchange dropped to the support purchase price of USDA's open offer.

Total packaged fluid milk sales in the New York–New Jersey milk marketing area for the first 9 months of 1999 were nearly even with sales during the same period in 1998.

The annual Northeast Regional Dairy Outlook Conference was held.

The import share of food consumption in the United States was discussed.

The Secretary of Agriculture announced appointments to the National Dairy Promotion and Research Board.

November

Order reform update: President Clinton signed the Consolidated Appropriations Act, 2000, legislating implementation of the federal order consolidation and reform final rule effective January 1, 2000.

The administrative assessment and the marketing services deduction for the consolidated Northeast order were stated.

Marketing services regulations under the consolidated Northeast Marketing Order were explained.

The November basic formula price (BFP) plummeted to the lowest level in over two decades.

Mailbox prices for the first 9 months of 1999 were reviewed and showed to average higher than those during the same period in 1998.

A map illustrated modified Option 1A Class I differentials for selected Northeast states.

December

Changes in price information and release dates under the Northeast Order were explained.

Order No. 2 statistics for 1999 were summarized.

USDA updated its projections for total milk production to decrease.

Order No. 2 merged into the new Northeast Order No. 1. Some history of the former Order No. 2 was given.

The USDA's Commodity Credit Corporation (CCC) announced that support prices were unchanged.

Agriculture Secretary Glickman named 19 members to serve on USDA's Advisory Committee on Small Farms.

Market Administrator New York–New Jersey Milk Marketing Area Administration Fund

INCOME AND EXPENSE STATEMENT

For the Year Ended December 31, 1999

Income:

Assessments	\$ 2,930,759
Late-Payment Charges	1,116
Interest Earned	176,482
Other Income	<u>90,489</u>

TOTAL FUNDS PROVIDED **\$ 3,198,846**

Expenses:

Salaries and Services	\$ 2,485,908
Travel	138,451
Communications	92,955
Employer Payroll	
Contributions	525,162
Conferences and Meetings	6,945
Insurance	10,034
Rent–Building	270,172
Rent–Equipment	9,072
Repairs and Maintenance	51,741
Supplies, Stationery, and Printing	78,889
Testing & Weighing	28,420
Training	10,931
Depreciation of Fixed Assets	53,225
Amortization of Leasehold Improvements	8,932
Miscellaneous	15,153
Research Projects	<u>5,076</u>

TOTAL EXPENSES **\$ 3,791,066**

**EXCESS OF INCOME
OVER EXPENSES** **\$ (592,220)**

BALANCE SHEET

As of December 31, 1999

ASSETS

Current Assets:

Cash and Bank Deposits	\$ 2,937,533
Investments	
Accounts Receivable:	
Handlers	\$ 307,880
Allowance for Uncollectible Accounts	(27,112)
Other	<u>25,806</u>
Deposits	306,573
Prepaid Expenses	4,661
Accrued Interest Receivable	21,696

Fixed Assets:

Furniture and Equipment	\$ 1,373,278
Leasehold Improvements	95,129
Accum. Depreciation	<u>(1,181,043)</u>
	<u>287,364</u>

TOTAL ASSETS **\$ 3,557,828**

LIABILITIES & OPERATING BALANCE

Liabilities:

Accounts Payable:	
Trade Creditors	\$ 174,981

Accrued Liabilities:

Salaries	\$ (48)
Employee Annual Leave	167,596
Employee Payroll Deductions	72
Employer Contributions	<u>4,379</u>
	171,999

Operating Balance **3,210,848**

**TOTAL LIABILITIES
& OPERATING BALANCE** **\$ 3,557,828**