

The Market Administrator's

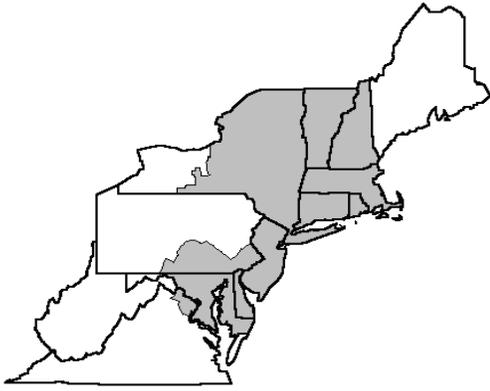
BULLETIN

NORTHEAST MARKETING AREA

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March 2023

Federal Order No. 1



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March Pool Price Calculation

The March 2023 statistical uniform price (SUP) for the Northeast Marketing Area was announced at \$19.93 per hundredweight for milk delivered to plants located in Suffolk County, Massachusetts (Boston), the pricing point for the Northeast Order. The statistical uniform price is calculated at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. If reported at the average tests of producer pooled milk, the SUP would be \$22.33 per hundredweight. The March statistical uniform price was 82 cents per hundredweight below the February price. The March producer price differential (PPD) at Suffolk County was \$1.83 per hundredweight, a decrease of \$1.14 from the previous month.

Product Prices Effect

Changes in commodity prices reported on the National Dairy Product Sales Report were mixed for March. Butter increased 1 cent, nonfat dry milk fell 6 cents, and dry whey rose 2 cents, all on a per pound basis. The cheese price increased almost 2 cents per pound with the block price falling about 4 cents and the barrel price rising 6 cents. The commodity price changes translated to a 1-cent increase in the butterfat price, a 6-cent decrease in nonfat solids, and a 2-cent increase in other solids. The protein price rose 4 cents per pound. Similar to the past 2 months, the butterfat price was the second highest ever for the month of March.

All class prices declined except Class III: Class I decreased \$1.79; Class II declined \$1.31; Class III increased 32 cents; and Class IV fell 48 cents, all on a per hundredweight basis. With sharp declines in class prices for more than 50 percent of the pool, the SUP declined. The spread between the higher- and lower-class prices decreased, resulting in a lower PPD.

Selected Statistics

Average daily deliveries per producer (DDP) in March set a new Order record high. The average producer butterfat set a record high for the month of March and tied with the Order record set in December 2022. The average producer protein test was a record high for the month. ❖

Pool Summary

- A total of 7,829 producers were pooled under the Order with an average daily delivery per producer of 9,727 pounds.
- Pooled milk receipts totaled 2.361 billion pounds, an increase of 0.7 percent from last month on an average daily basis.
- Class I usage (milk for bottling) accounted for 29.4 percent of total milk receipts, up 0.2 percentage points from February.
- The average butterfat test of producer receipts was 4.18 percent.
- The average true protein test of producer receipts was 3.21 percent.
- The average other solids test of producer receipts was 5.77 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	29.4	695,389,730
Class II	24.9	587,182,994
Class III	28.7	678,207,405
Class IV	17.0	400,061,028
Total Pooled Milk		2,360,841,157

Producer Component Prices

	2023	2022
	\$/lb	
Protein Price	2.4085	2.7182
Butterfat Price	2.7300	3.0935
Other Solids Price	0.2338	0.6131

Class Prices

	2023	2022
	\$/cwt	
Class I	22.24	26.13
Class II	19.52	24.76
Class III	18.10	22.45
Class IV	18.38	24.82

Top Producing Counties—Northeast Milkshed

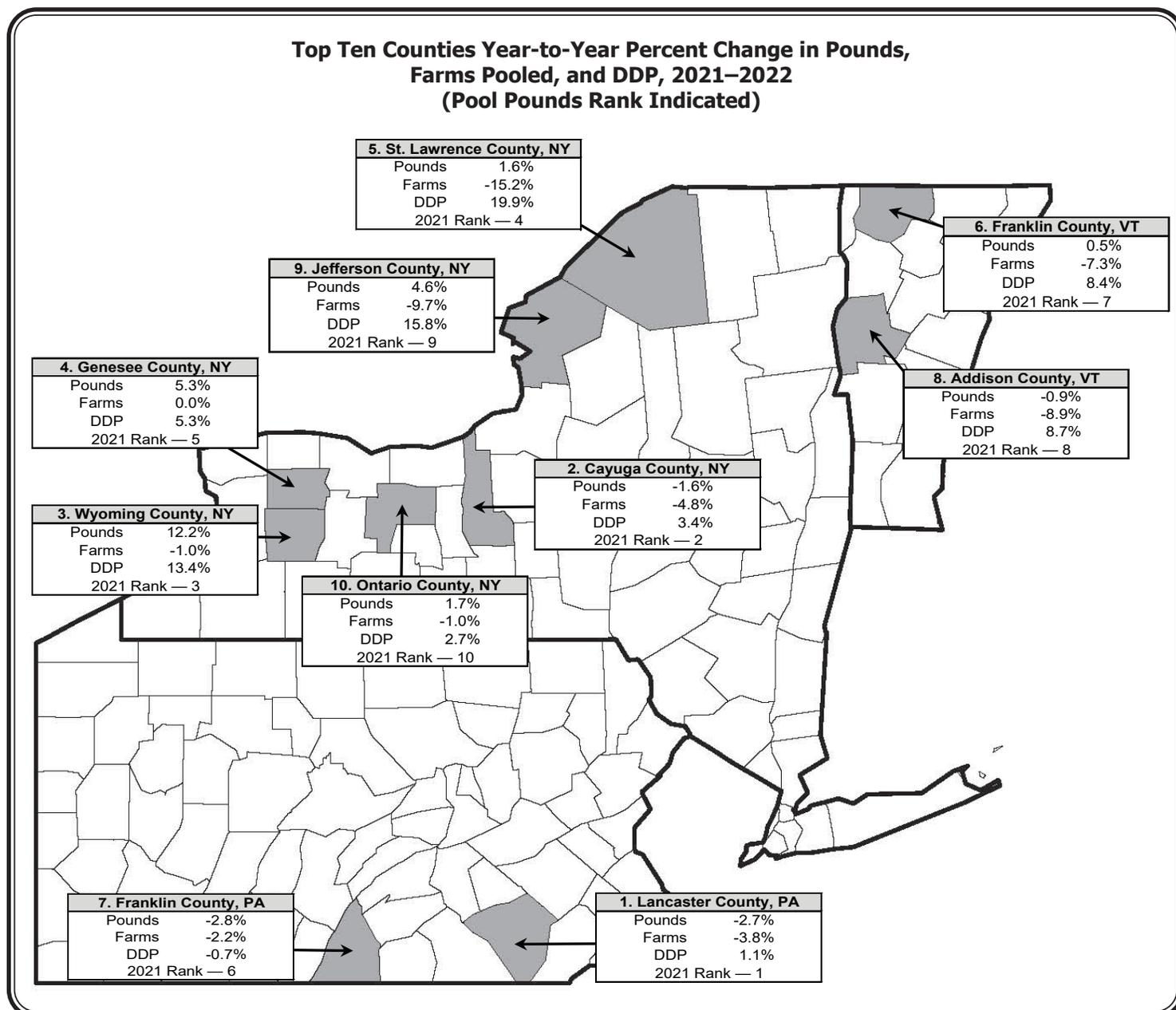
The top ten milk producing counties of the Northeast Order produced a combined 10.1 billion pounds of milk, contributing 37.6 percent to the 26.8 billion pounds pooled on the Northeast Order in 2022. Compared to 2021, the top ten counties in the Northeast Order increased total annual volume of pooled milk by 121.8 million pounds (1.2 percent). This increase in volume and decrease in the total pooled pounds in 2022 by 218 million pounds, increased the contribution of the top ten counties to total milk pooled by 0.8 percentage points. Not all milk produced in the northeast is contained in these numbers; milk not pooled in the Northeast Order—specifically milk shipped to other federal orders, state orders, or unregulated areas—is not reflected in this article.

The accompanying table shows the top ten ranked

counties for 2022 based on their volume pooled on the Order. The accompanying map presents the change in pounds pooled, farms pooled, and daily deliveries per producer (DDP) from 2021 to 2022 for the top ten counties. It also includes the counties' prior year rank.

Top Spot

Lancaster County, PA, has continued to hold the top spot of pooled milk production in the Northeast Order and, alone, accounted for 8.0 percent of milk pooled in the Northeast Order in 2022 (a fall of 0.2 percentage points from 2021). Lancaster County produced over 881 million pounds more than second place Cayuga County, PA. The county also contained the largest *(continued on page 3)*



Top Producing Counties (continued from page 2)

number of pooled farms in 2022 (not just out of the top ten, but in the Northeast milkshed) with 1,327 farms, a total of 1,082 more pooled farms than the county with the second highest number of pooled farms (Yates County, NY).

Change in Rankings

A total of four counties changed in the ranking when compared to 2021. Genesee County, NY, climbed to fourth place from fifth with a 5.3 percent increase of pooled milk in 2022, and displaced St. Lawrence County, NY, which fell to fifth place from fourth, even with a 1.6 percent increase from the previous year. Franklin County, VT, rose to sixth place from seventh with 3.6 million more pooled pounds in 2022 and bumped Franklin County, PA, to seventh place from sixth. Franklin County, PA, reported a decrease of 2.8 percent in milk pooled when comparing 2022 to 2021.

Proportion of Farms and DDP

The proportion of pooled farms in the Northeast Order accounted for by the top ten counties increased from 26.6 percent in 2021 to 26.7 in 2022. All top ten counties reported a decrease in the number of farms from the previous year except Genesee County, NY, that reported no change from 2021. St. Lawrence and Jefferson counties in New York lost more than 9.0 percent of their pooled dairy farms from 2021. As mentioned before, Lancaster County, PA, had the largest number of pooled farms even though it lost

Top Ten Counties Pooling on the Northeast Order, 2022

Rank	County	State	Volume	Number of	DDP
			Pooled On (1,000 lbs)	Farms	
1	Lancaster	PA	2,142,040	1,327	4,422
2	Cayuga	NY	1,260,596	79	43,718
3	Wyoming	NY	1,134,613	95	32,721
4	Genesee	NY	919,898	48	52,506
5	St Lawrence	NY	895,632	189	12,983
6	Franklin	VT	773,045	102	20,764
7	Franklin	PA	761,672	225	9,275
8	Addison	VT	747,920	72	28,460
9	Jefferson	NY	737,205	112	18,033
10	Ontario	NY	694,772	96	19,828
Top Ten Total			10,067,393	2,345	11,762
Total Pool			26,769,377	8,768	8,365
Top Ten Proportion (%)			37.6	26.7	

Source: Northeast Order audited producer payroll reports.

the largest number of pooled farms between 2022 and 2021 with 52 farms.

Once again, the DDP record in the top ten counties pooling on the Northeast Order was broken from the previous year, increased by over 700 pounds. In contrast to having the least number of farms of the top ten, Genesee County, NY, reported the highest DDP of the highest producing counties and second highest in the Northeast milkshed, only surpassed by Schuylar County, NY. ❖

Pool Summary for All Federal Orders, January–March, 2022–2023

Federal Order Number	Federal Order Name	Total Producer Milk*			Producer Price Differential#		Statistical Uniform Price#	
		2022	2023	Change	2022	2023	2022	2023
		pounds			percent		dollars per hundredweight	
1	Northeast	6,579,083,618	6,787,703,689	3.1	2.47	2.41	23.72	20.85
5	Appalachian	1,391,460,368	1,390,700,100	(0.1)	N/A	N/A	24.82	22.76
6	Florida	649,877,510	650,445,165	0.1	N/A	N/A	26.66	24.90
7	Southeast	979,931,554	922,097,628	(6.3)	N/A	N/A	25.35	23.31
30	Upper Midwest	7,643,496,875	8,822,779,711	13.4	0.23	0.25	21.48	18.69
32	Central	3,759,775,805	4,398,225,868	14.5	0.83	0.80	22.07	19.23
33	Mideast	4,254,864,536	4,550,576,565	6.5	1.06	1.31	22.30	19.75
51	California	5,523,930,003	7,536,281,384	26.7	0.93	1.03	22.18	19.46
124	Pacific Northwest	2,053,200,848	2,104,175,969	2.4	1.23	0.76	22.48	19.20
126	Southwest	3,377,449,878	3,643,813,008	7.3	1.34	1.68	22.59	20.11
131	Arizona	1,251,761,947	1,335,948,137	6.3	N/A	N/A	23.47	20.13
All Market Total/Average		37,464,832,942	42,142,747,224	11.1	1.16	1.18	23.37	20.76

Price at designated order location.

N/A = Not applicable.

* Data may not be comparable to previous years due to significant volumes of milk not pooled on federal orders.

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Computation of Producer Price Differential and Statistical Uniform Price*

	<u>Product Pounds</u>	<u>Price per cwt./lb.</u>	<u>Component Value</u>	<u>Total Value</u>
Class I— Skim	678,836,712	\$13.04	\$88,520,307.24	
Butterfat	16,553,018	2.7577	45,648,257.74	
Less: Location Adjustment to Handlers			(3,060,584.24)	\$131,107,980.74
Class II— Butterfat	35,275,724	2.7370	96,549,656.63	
Nonfat Solids	51,686,285	1.1444	59,149,784.59	155,699,441.22
Class III— Butterfat	30,035,874	2.7300	81,997,936.02	
Protein	21,771,911	2.4085	52,437,647.71	
Other Solids	39,024,744	0.2338	9,123,985.13	143,559,568.86
Class IV— Butterfat	16,922,209	2.7300	46,197,630.57	
Nonfat Solids	35,938,079	1.0154	36,491,525.42	82,689,155.99
Total Classified Value				\$513,056,146.81
Add: Overage—All Classes				50,201.46
Inventory Reclassification—All Classes				35,891.73
Other Source Receipts	3,509,659			112,235.93
Total Pool Value				\$513,254,475.93
Less: Value of Producer Butterfat	98,786,825	2.7300	(269,688,032.25)	
Value of Producer Protein	75,774,989	2.4085	(182,504,061.05)	
Value of Producer Other Solids	136,135,910	0.2338	(31,828,575.72)	(484,020,669.02)
Total PPD Value Before Adjustments				\$29,233,806.91
Add: Location Adjustment to Producers				14,149,654.13
One-half Unobligated Balance—Producer Settlement Fund				884,376.25
Less: Producer Settlement Fund—Reserve				(1,000,217.33)
Total Pool Milk & PPD Value	2,364,350,816			\$43,267,619.96
Producer Price Differential		\$1.83		
Statistical Uniform Price		\$19.93		

* Price at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.