



Agricultural Marketing Service  
Dairy Programs

# FEDERAL MILK ORDER No. 1

## Northeast Marketing Area

89 South Street, Boston, MA 02111-2671

Mailing Address:

P.O. Box 51478

Boston, MA 02205-1478

Tel.: (617) 737-7199 — Fax: (617) 737-8002

email: [MABoston@fedmilk1.com](mailto:MABoston@fedmilk1.com)

website: [www.fmmone.com](http://www.fmmone.com)

*Albany:*  
One Columbia Circle  
Albany, NY 12203-6379  
Tel.: (518) 452-4410  
Fax: (518) 464-6468  
email: [MAAlbany@fedmilk1.com](mailto:MAAlbany@fedmilk1.com)

*Alexandria:*  
P.O. Box 25828  
Alexandria, VA 22313-5828  
Tel.: (703) 549-7000  
Fax: (703) 549-7003  
email: [MAAlexandria@fedmilk1.com](mailto:MAAlexandria@fedmilk1.com)

### ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>April 2003</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat <sup>1/</sup>	12.89	per hundredweight
Processor Assessment <sup>1/2/</sup>	0.20	per hundredweight
Total Class I price <sup>1/</sup>	13.09	per hundredweight
<b>Class II price @ 3.5 % butterfat</b>	10.44	per hundredweight
<b>Class II butterfat price</b>	1.1573	per pound
Class II skim price <sup>1/</sup>	6.62	per hundredweight
Class II nonfat solids price <sup>1/</sup>	0.7356	per pound
<b>Class III price @ 3.5 % butterfat</b>	9.41	per hundredweight
<b>Class III skim price</b>	5.58	per hundredweight
<b>Class IV price @ 3.5 % butterfat</b>	9.73	per hundredweight
<b>Class IV skim milk price</b>	5.91	per hundredweight
<b>Component prices:</b>		
Butterfat price	1.1503	per pound
Nonfat solids price	0.6564	per pound
Protein price	1.8006	per pound
Other solids price*	(0.0008)	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.0736	per pound
Nonfat dry milk	0.8030	per pound
Cheese	1.0997	per pound
Dry whey	0.1582	per pound

### Estimated Utilization Percentages of Producer Milk for May 2003<sup>3/</sup>

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	21	79
Skim Milk	40	60

<sup>1/</sup> Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*.

<sup>2/</sup> The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 *et seq.*). The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous states and District of Columbia on a monthly basis, excluding those fluid milk products delivered to a residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

<sup>3/</sup> Utilization percentages for assigning bulk receipts at pool distributing plants from other federal order markets, Section 1000.45(a) of the Order.

\* The average wholesale price of dry whey for April 2003 was less than the make allowance contained in the other solids price formula resulting in a negative other solids price.

Note: Price formulas are available at [www.ams.usda.gov/dairy/price\\_formula.htm](http://www.ams.usda.gov/dairy/price_formula.htm).

(Class I prices by location on reverse side)

Erik F. Rasmussen  
Market Administrator

**April 2003**  
**Class I Price Information for the Northeast Order**

Selected locations	Differential*	Adjustment	Prices		
			Skim	Butterfat	Class I#
			per cwt.	per pound	per cwt.
Class I Mover Factor:			5.92	1.1227	9.64
Boston, MA	3.25	0.00	9.17	1.1552	12.89
Newport News/Portsmouth, VA	3.20	(0.05)	9.12	1.1547	12.84
New York, NY	3.15	(0.10)	9.07	1.1542	12.79
Long Valley, NJ	3.10	(0.15)	9.02	1.1537	12.74
Philadelphia, PA	3.05	(0.20)	8.97	1.1532	12.69
Agawam, MA/Baltimore, MD	3.00	(0.25)	8.92	1.1527	12.64
Frederick, MD/New Holland, PA	2.90	(0.35)	8.82	1.1517	12.54
Mt. Holly Springs, PA	2.80	(0.45)	8.72	1.1507	12.44
Albany/Binghamton, NY	2.70	(0.55)	8.62	1.1497	12.34
Middlebury, VT	2.60	(0.65)	8.52	1.1487	12.24
Syracuse, NY	2.50	(0.75)	8.42	1.1477	12.14
St. Albans/Swanton, VT	2.40	(0.85)	8.32	1.1467	12.04
Watertown/Rochester, NY	2.30	(0.95)	8.22	1.1457	11.94
Buffalo, NY	2.20	(1.05)	8.12	1.1447	11.84
Jamestown, NY	2.10	(1.15)	8.02	1.1437	11.74

\* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials may be above or below this range. Cities listed are for reference purposes only. Differentials apply on a county basis.

# Price at 3.5% butterfat. Does not include the 20 cent per hundredweight processor assessment, an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.).

### Regional Milk Production Costs

USDA's Economic Research Service (ERS) has discontinued calculating estimated monthly Cost of Production (COP) for milk effective with data provided on 5/31/02. ERS has recently developed a new approach for computing milk COP estimates using data from the 2000 Agricultural Resource Management Study of dairy farmers. This COP information can be found at [www.ers.usda.gov/data/costsandreturns/testpick.htm](http://www.ers.usda.gov/data/costsandreturns/testpick.htm) under the "milk" selection. For additional information contact Sara Short (202) 694-5588, Jim Johnson (202) 694-5560, or Bill McBride (202) 694-5577.