

Agricultural Marketing Service **Dairy Programs** 

### FEDERAL MILK ORDER No. 1

## **Northeast Marketing Area**

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### OCTOBER 2009 POOL PRICE ANNOUNCEMENT

		Minimum
Percent	Pounds	Class Price
48.9	917,479,953	\$15.60
21.7	406,631,642	11.93
22.5	421,003,154	12.82
6.9	130,216,373	11.86
100.0	1,875,331,122	
	48.9 21.7 22.5 6.9	48.9       917,479,953         21.7       406,631,642         22.5       421,003,154         6.9       130,216,373

Computation of Uniform Price (per cwt @ Suffolk County, MA - Boston)		Class III & Producer Component Prices		
Producer Price Differential	\$1.24	Protein Price	\$2.5584 /lb	
Class III Price (@ 3.5% Butterfat)	\$12.82	Butterfat Price	1.2752 /lb	
Statistical Uniform Price (@ 3.5% Butterfat)	\$14.06	Other Solids Price	0.1228 /lb	
Statistical Uniform Price (@ Average Pool Component Tests)	\$14.82	Nonfat Solids Price	0.8506 /lb	

#### COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

Class II— Butterfat         29,324,220         1.2822         37,599,514.87           Nonfat Solids         34,593,996         0.8567         29,636,676.34         67,3           Class III— Butterfat         16,658,218         1.2752         21,242,559.57         7           Protein         13,273,543         2.5584         33,959,032.41         33,959,032.41         0ther Solids         23,825,289         0.1228         2,925,745.50         58,           Class IV— Butterfat         7,739,572         1.2752         9,869,502.20         9,869,502.20         19,4           Nonfat Solids         11,211,466         0.8506         9,536,473.02         19,4           Total Classified Value         \$268,4           Add: Overage—All Classes         274,087 Pounds         274,087 Pounds           Total Pool Value         \$268,7           Less: Producer Component Valuations @ Class III Component Prices         (254,7)           Total PPD Value Before Adjustments         \$14,4           Add: Location Adjustment to Producers         9,4           One-half Unobligated Balance—Producer Settlement Fund         9,6           Less: Producer Settlement Fund—Reserve         (8			<b>Product Pounds</b>	Price per cwt./lb.	<b>Component Value</b>	Total Value
Less: Location Adjustment to Handlers       (2,966,673.36)       \$123,4         Class II— Butterfat Nonfat Solids       29,324,220       1.2822       37,599,514.87       467,3         Nonfat Solids       34,593,996       0.8567       29,636,676.34       67,3         Class III— Butterfat Protein       16,658,218       1.2752       21,242,559.57       27,242,559.57       27,273,543       2.5584       33,959,032.41       33,959,032.41       20,257,745.50       58,3       58,3         Class IV— Butterfat Other Solids       23,825,289       0.1228       2,925,745.50       58,3         Class IV— Butterfat Nonfat Solids       11,211,466       0.8506       9,536,473.02       19,4         Total Classified Value       \$268,4         Add: Overage—All Classes Inventory Reclassification—All Classes Other Source Receipts       274,087 Pounds       274,087 Pounds         Total Pool Value       \$268,7         Less: Producer Component Valuations @ Class III Component Prices       (254,7)         Total PPD Value Before Adjustments       \$14,4         Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund       9,9         Cone-half Unobligated Balance—Producer Settlement Fund       (8)	lass I—	Skim	900,092,816	\$11.68	105,130,840.91	
Class II—         Butterfat Nonfat Solids         29,324,220         1.2822         37,599,514.87         67,3           Class III—         Butterfat Butterfat 16,658,218         1.2752         21,242,559.57         27,242,559.57         27,242,559.57         27,242,559.57         27,242,559.57         27,242,559.57         27,242,559.57         27,275.20         27,255.43         23,959,032.41         27,252,745.50         58,275.20         27,275.20         27,252,745.50         58,275.20         27,275.20		Butterfat	17,387,137	1.2366	21,500,933.61	
Nonfat Solids   34,593,996   0.8567   29,636,676.34   67,35	Less:	Location Adjustment to Handlers			(2,966,673.36)	\$123,665,101.19
Class III— Butterfat         16,658,218         1.2752         21,242,559.57           Protein         13,273,543         2.5584         33,959,032.41           Other Solids         23,825,289         0.1228         2,925,745.50         58,           Class IV— Butterfat         7,739,572         1.2752         9,869,502.20         19,000         10,000 <t< td=""><td>lass II—</td><td>Butterfat</td><td>29,324,220</td><td>1.2822</td><td>37,599,514.87</td><td></td></t<>	lass II—	Butterfat	29,324,220	1.2822	37,599,514.87	
Protein		Nonfat Solids	34,593,996	0.8567	29,636,676.34	67,236,191.21
Other Solids         23,825,289         0.1228         2,925,745.50         58,7           Class IV— Butterfat         7,739,572         1.2752         9,869,502.20           Nonfat Solids         11,211,466         0.8506         9,536,473.02         19,4           Total Classified Value         \$268,4           Add: Overage—All Classes         274,087 Pounds         274,087 Pounds           Total Pool Value         \$268,7           Less: Producer Component Valuations @ Class III Component Prices         (254,7)           Total PPD Value Before Adjustments         \$14,4           Add: Location Adjustment to Producers         9,6           One-half Unobligated Balance—Producer Settlement Fund         9,6           Less: Producer Settlement Fund—Reserve         (8	lass III—	Butterfat	16,658,218	1.2752	21,242,559.57	
Class IV— Butterfat 7,739,572 1.2752 9,869,502.20 Nonfat Solids 11,211,466 0.8506 9,536,473.02 19,4  Total Classified Value \$268,4  Add: Overage—All Classes Inventory Reclassification—All Classes Other Source Receipts 274,087 Pounds  Total Pool Value Less: Producer Component Valuations @ Class III Component Prices  Total PPD Value Before Adjustments  Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve		Protein	13,273,543	2.5584	33,959,032.41	
Nonfat Solids 11,211,466 0.8506 9,536,473.02 19,4  Total Classified Value \$268,4  Add: Overage—All Classes Inventory Reclassification—All Classes Other Source Receipts 274,087 Pounds  Total Pool Value Less: Producer Component Valuations @ Class III Component Prices (254,7)  Add: Location Adjustments 9,4  One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve (8)		Other Solids	23,825,289	0.1228	2,925,745.50	58,127,337.48
Total Classified Value  Add: Overage—All Classes	lass IV—	Butterfat	7,739,572	1.2752	9,869,502.20	
Add: Overage—All Classes Inventory Reclassification—All Classes Other Source Receipts 274,087 Pounds  Total Pool Value Less: Producer Component Valuations @ Class III Component Prices (254,7)  Total PPD Value Before Adjustments \$14,4  Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve (8)		Nonfat Solids	11,211,466	0.8506	9,536,473.02	19,405,975.22
Inventory Reclassification—All Classes Other Source Receipts 274,087 Pounds  Total Pool Value Less: Producer Component Valuations @ Class III Component Prices (254,7)  Total PPD Value Before Adjustments \$14,4  Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve (8)	otal Class	sified Value				\$268,434,605.10
Other Source Receipts 274,087 Pounds  Total Pool Value Less: Producer Component Valuations @ Class III Component Prices (254,7)  Total PPD Value Before Adjustments \$14,4  Add: Location Adjustment to Producers 9,6 One-half Unobligated Balance—Producer Settlement Fund 9.5  Less: Producer Settlement Fund—Reserve (8)	Add:	Overage—All Classes				52,659.63
Total Pool Value Less: Producer Component Valuations @ Class III Component Prices  (254,7)  Total PPD Value Before Adjustments  Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve  (80,7)		Inventory Reclassification—All Cla	asses			232,758.21
Less: Producer Component Valuations @ Class III Component Prices  (254,7)  Total PPD Value Before Adjustments  Add: Location Adjustment to Producers One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve  (8)		Other Source Receipts	274,087 P	ounds		7,206.12
Fotal PPD Value Before Adjustments\$14,1Add: Location Adjustment to Producers9,0One-half Unobligated Balance—Producer Settlement Fund9Less: Producer Settlement Fund—Reserve(8	otal Pool	Value				\$268,727,229.06
Add: Location Adjustment to Producers 9, One-half Unobligated Balance—Producer Settlement Fund Less: Producer Settlement Fund—Reserve (8)	Less:	Producer Component Valuations	@ Class III Compone	ent Prices		(254,707,288.72)
One-half Unobligated Balance—Producer Settlement Fund  Less: Producer Settlement Fund—Reserve  (8)	otal PPD \	Value Before Adjustments				\$14,019,940.34
Less: Producer Settlement Fund—Reserve(8	Add:	Location Adjustment to Producers	3			9,088,176.61
		One-half Unobligated Balance—P	roducer Settlement I	Fund		950,849.79
	Less:	Producer Settlement Fund—Rese	erve			(801,462.24)
Total Pool Milk & PPD Value 1,875,605,209 Producer pounds \$23,3	otal Pool	Milk & PPD Value	1,875,605,209 P	roducer pounds		\$23,257,504.50

**Producer Price Differential** \$1.24 **Statistical Uniform Price** \$14.06

# **Payment Schedule**

Payment Dates for the Month of:	OCTOBER 2009
Payments TO the Producer Settlement Fund due on:	11/16/09
Payments <b>FROM</b> the Producer Settlement Fund made on:	11/17/09
Final payments <i>TO</i> a Cooperative Association must be made on:	11/17/09
Final payments to Producers must be <b>RECEIVED</b> by:	11/18/09

# Producer Price Differential and Statistical Uniform Price, by Location

Selected			Producer Price	Statistical # Uniform
Locations	Differential*	Adjustment	Differential	Price
	_		er hundredweight	•
Boston, MA	3.25	0.00	1.24	14.06
Newport News/Portsmouth, VA	3.20	(0.05)	1.19	14.01
New York, NY	3.15	(0.10)	1.14	13.96
Long Valley, NJ	3.10	(0.15)	1.09	13.91
Philadelphia, PA	3.05	(0.20)	1.04	13.86
Agawam, MA/Baltimore, MD	3.00	(0.25)	0.99	13.81
Frederick, MD/New Holland, PA	2.90	(0.35)	0.89	13.71
Mt. Holly Springs, PA	2.80	(0.45)	0.79	13.61
Albany/Binghamton, NY	2.70	(0.55)	0.69	13.51
Middlebury, VT	2.60	(0.65)	0.59	13.41
Syracuse, NY	2.50	(0.75)	0.49	13.31
St. Albans/Swanton, VT	2.40	(0.85)	0.39	13.21
Watertown/Rochester, NY	2.30	(0.95)	0.29	13.11
Buffalo, NY	2.20	(1.05)	0.19	13.01
Jamestown, NY	2.10	(1.15)	0.09	12.91

<sup>\*</sup> Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials and prices may be above or below this range. Cities listed are for reference purposes only.

### **Selected Pool Statistics**

Average test of producer receipts:	Butterfat True Protein	3.79 % 3.15 %	
	Other Solids	5.67 %	
Estimated Marketwide Utilization for NOVEMBER 2009:			
	Skim	Butterfat	
Class I	45%	23%	
Classes II, III, & IV	55%	77%	

<sup>#</sup> Prices apply on a county basis. Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.