



# The Market Administrator's Report

Facilitating the Efficient Marketing of Milk and Dairy Products

## Pacific Northwest and Arizona Marketing Areas

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Data for March 2019

### MARKET SUMMARIES FOR MARCH

#### Pacific Northwest (FO 124)

Producers delivered a total of 754.2 million pounds of milk to the market during March. Daily deliveries averaged 24.3 million pounds, up 12.7 percent from February. An estimated 512 producers delivered milk to the market during the month. Daily deliveries per producer averaged 47,520 pounds, down 8.4 percent from February.

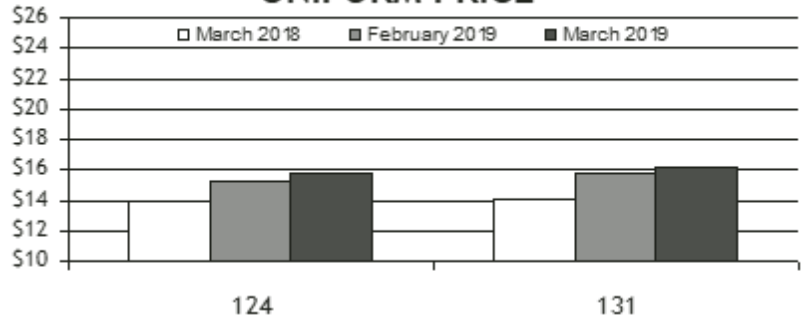
Class I producer milk during March totaled 145.9 million pounds, 19.3 percent of total producer receipts. Daily usage averaged 4.7 million pounds, down 5.1 percent from February. ▼

#### Arizona (FO 131)

Producers delivered a total of 462.8 million pounds of milk to the market during March. Daily deliveries averaged 14.9 million pounds, up 1.0 percent from February. An estimated 80 producers delivered milk to the market during the month. Daily deliveries per producer averaged 186,595 pounds, up 1.0 percent from February.

Class I producer milk during March totaled 104.3 million pounds, 22.5 percent of total producer receipts. Daily usage averaged 3.4 million pounds, down 3.5 percent from February. ▼

### UNIFORM PRICE



## Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Feb	Mar	Feb	Mar
Uniform Price (at 3.5%)	\$15.28	\$15.79	\$15.76	\$16.18
Uniform Price (at test)	\$17.59	\$18.20	\$16.46	\$16.71
PPD	\$1.39	\$0.75		
Butterfat	\$2.5345	\$2.5461		n/a
Protein	\$1.1776	\$1.6303		
Other Solids	\$0.2631	\$0.2200		
Uniform Skim			\$7.14	\$7.50
Uniform Butterfat		n/a	\$2.5340	\$2.5536
Butterfat	4.234%	4.218%	3.783%	3.714%
Protein	3.357%	3.337%		
Other Solids	5.758%	5.771%		n/a

### HIGHLIGHTS THIS ISSUE

- ✓ 2017 Census of Agriculture Data Now Available
- ✓ USDA Announces \$1.5 Million in Grants Available

# Federal Order Price Summaries

## FINAL CLASS PRICES

The March 2019 Final Class Prices were calculated using AMS commodity price surveys from March 2, 9, 16, 23, and 30, 2019. Current and archived Final Class Price announcements are available at [www.fmmaseattle.com/classcomponent.html](http://www.fmmaseattle.com/classcomponent.html).

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
Feb 2019	\$17.20	\$17.65	\$16.13	\$13.89	\$15.86	\$2.5345	\$1.1776	\$0.2631	\$0.8041
Mar 2019	\$17.88	\$18.33	\$16.61	\$15.04	\$15.71	\$2.5461	\$1.6303	\$0.2200	\$0.7832
Change	\$0.68	\$0.68	\$0.48	\$1.15	(\$0.15)	\$0.0116	\$0.4527	(\$0.0431)	(\$0.0209)

## ADVANCED CLASS I PRICE

The May 2019 Advanced Price was calculated using AMS commodity price surveys from April 6 and 13, 2019. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advance.html](http://www.fmmaseattle.com/advance.html).

ADVANCED	Butterfat	Class III Skim	Class IV Skim	Base Skim	Base Class I	Class I (FO124)	Class I (FO131)	Class II Skim	Class II Non-fat Solids
Apr 2019	\$2.5599	\$6.35	\$7.05	\$7.05	\$15.76	\$17.66	\$18.11	\$7.75	\$0.8611
May 2019	\$2.5355	\$7.14	\$7.02	\$7.82	\$16.42	\$18.32	\$18.77	\$7.72	\$0.8578
Change	(\$0.0244)	\$0.79	(\$0.03)	\$0.77	\$0.66	\$0.66	\$0.66	(\$0.03)	(\$0.0033)

\* Corrected. February's report listed incorrect butterfat price.

# Commodity Price Summaries

## AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	February	March	Change
Cheese	\$1.3940	\$1.5383	\$0.1443
Butter	\$2.2644	\$2.2740	\$0.0096
Nonfat Dry Milk	\$0.9800	\$0.9589	(\$0.0211)
Whey	\$0.4545	\$0.4127	(\$0.0418)

## AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	April	May	Change
Cheese	\$1.5430	\$1.6274	\$0.0844
Butter	\$2.2854	\$2.2652	(\$0.0202)
Nonfat Dry Milk	\$0.9587	\$0.9556	(\$0.0031)
Whey	\$0.4118	\$0.3909	(\$0.0209)

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and an increase for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 4.08 cents between the March 16 and the April 13 surveys, to \$1.6620 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed an increase of 14.34 cents to \$1.5901 per pound.

The AMS butter price showed a net decrease of 4.11 cents between the weeks ending March 16 and April 13 from \$2.2905 per pound to \$2.2494 per pound. The AMS nonfat dry milk showed a net decrease of 0.18 cents since mid-March to \$0.9543 per pound. The average price for AMS whey showed a net decrease of 1.95 cents since mid-March to \$0.3964 per pound. ▼

# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Mar 2019	Feb 2019	Mar 2018	Feb 2018	Mar 2019	Feb 2019	Mar 2018	Feb 2018
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	\$0.75	\$1.39	(\$0.34)	\$0.26	+	+	+	+
Butterfat (\$/pound)	2.5461	2.5345	2.4273	2.3490	+	+	+	+
Protein (\$/pound)	1.6303	1.1776	1.8066	1.6265	+	+	+	+
Other Solids (\$/pound)	0.2200	0.2631	0.0556	0.0550	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$7.50	\$7.14	\$5.76	\$5.80
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.5536	2.5340	2.4189	2.3740
Statistical Uniform Price (\$/cwt)	\$15.79	\$15.28	\$13.88	\$13.66	\$16.18	\$15.76	\$14.02	\$13.91
<b>Producer Data</b>								
Number of Producers	<b>512</b>	416	439	530	<b>80</b>	80	82	86
Avg. Daily Production (pounds)	<b>47,520</b>	51,885	46,660	45,593	<b>186,595</b>	184,700	173,707	177,838
<b>Producer Milk Ratios</b>								
Class I	19.34%	22.98%	25.26%	21.01%	22.53%	23.59%	25.08%	23.69%
Class II	5.78%	5.39%	6.73%	6.14%	7.64%	7.77%	8.74%	7.48%
Class III	41.73%	46.21%	30.02%	41.45%	29.39%	29.66%	17.18%	22.91%
Class IV	33.15%	25.42%	37.99%	31.40%	40.44%	38.98%	49.00%	45.92%
<b>Market Shrinkage</b>								
Pounds	13,255,497	8,169,008	7,974,821	7,043,180	2,476,458	2,651,828	2,395,279	1,793,841
% of Producer Milk	1.76%	1.35%	1.26%	1.04%	0.54%	0.64%	0.54%	0.42%

+ Not Applicable. Preliminary data indicated in **bold**.

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Feb 2019	Jan 2019	Feb 2018	Jan 2018	Feb 2019	Jan 2019	Feb 2018	Jan 2018
<b>Number of Handlers</b>								
Pool Handlers	22	23	25	24	8	8	8	8
<i>Distributing Plants</i>	11	11	12	11	6	6	6	6
<i>Supply Plants 1/</i>	5	6	7	7	1	1	1	1
<i>Cooperatives</i>	6	6	6	6	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	<b>29</b>	27	24	23	<b>26</b>	24	23	24
<b>Class I Route Disposition In Area</b>								
By Pool Plants	128,222,817	141,318,492	131,102,632	146,045,502	72,550,319	81,602,348	75,707,754	83,402,954
By Producer-Handlers	5,796,750	6,366,854	5,733,278	6,413,777	0	0	0	0
By Other Plants	<b>12,297,402</b>	12,301,997	11,012,920	13,550,072	<b>6,765,801</b>	8,680,060	7,774,421	9,840,012
Total	146,316,969	159,987,343	147,848,830	166,009,351	79,316,120	90,282,408	83,482,175	93,242,966
<b>Producer-Handler Data</b>								
% Class I Use	55.73%	51.58%	51.06%	54.69%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.96%	3.98%	3.88%	3.86%	0.00%	0.00%	0.00%	0.00%

Preliminary data indicated in **bold**. 1/ Includes Cooperative Pool Manufacturing Plants.

# Monthly Statistical Summary

RECEIPTS & UTILIZATION	PACIFIC NORTHWEST				ARIZONA			
	Mar	Feb	Mar	Feb	Mar	Feb	Mar	Feb
	2019	2019	2018	2018	2019	2019	2018	2018
<b>Receipts of Milk</b>								
Total Producer Milk	754,229,996	604,358,507	634,992,932	676,597,124	462,755,602	413,728,223	441,564,187	428,233,490
Receipts From Other Sources	8,474,655	8,975,911	12,133,968	11,042,677	5,236,271	4,266,818	6,630,473	6,811,373
Opening Inventory	37,146,975	33,852,468	34,241,602	38,537,422	22,926,422	25,546,995	26,892,558	25,936,478
<b>Total To Be Accounted For</b>	<b>799,851,626</b>	<b>647,186,886</b>	<b>681,368,502</b>	<b>726,177,223</b>	<b>490,918,295</b>	<b>443,542,036</b>	<b>475,087,218</b>	<b>460,981,341</b>
<b>Utilization of Receipts</b>								
Whole milk	42,131,588	40,483,437	43,014,645	38,636,872	27,283,606	25,071,082	28,257,679	25,222,623
Flavored milk & drinks	11,917,052	11,056,639	12,961,195	12,414,254	6,095,356	6,530,238	6,875,154	7,251,035
2% milk	48,429,761	47,058,021	52,044,181	47,926,173	27,870,421	25,842,945	29,729,592	26,475,013
1% milk	19,223,386	18,314,270	21,451,095	19,704,618	10,743,515	10,038,935	11,939,163	10,980,850
Skim milk	10,041,388	9,858,554	11,997,272	11,031,305	4,953,977	5,067,119	6,299,181	5,778,233
Buttermilk	1,545,496	1,451,896	1,552,452	1,389,410	2/	2/	2/	2/
Class I dispositions in area	133,288,671	128,222,817	143,020,840	131,102,632	77,425,533	72,550,319	83,100,769	75,707,754
Class I dispositions out of area	10,931,051	9,625,977	11,387,957	9,570,593	27,038,342	24,767,909	28,866,699	24,989,217
Other Class I usage	20,405,467	20,608,141	23,434,489	20,612,334	12,852,398	13,277,441	12,666,686	13,531,885
<b>Utilization by Class</b>								
Total Class I Use	164,625,189	158,456,935	177,843,286	161,285,559	117,316,273	110,595,669	124,634,154	114,228,856
Total Class II Use	47,909,803	37,102,789	46,515,136	46,556,865	37,208,982	33,553,979	43,160,272	35,705,130
Total Class III Use	315,153,367	280,007,505	190,742,532	281,064,604	137,433,125	124,116,209	75,916,244	1/
Total Class IV Use	272,163,267	171,619,657	266,267,548	237,270,195	198,959,915	175,276,179	231,376,548	311,047,355
<b>Total Accounted For</b>	<b>799,851,626</b>	<b>647,186,886</b>	<b>681,368,502</b>	<b>726,177,223</b>	<b>490,918,295</b>	<b>443,542,036</b>	<b>475,087,218</b>	<b>460,981,341</b>

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Mar	Feb	Mar	Feb	Mar	Feb	Mar	Feb
	2019	2019	2018	2018	2019	2019	2018	2018
<b>Producer milk</b>								
Class I	145,865,882	138,874,864	160,422,650	142,184,559	104,276,472	97,597,894	110,735,048	101,466,757
Class II	43,575,372	32,582,302	42,756,409	41,524,731	35,374,048	32,155,313	38,600,760	32,049,395
Class III	314,725,412	279,299,333	190,624,487	280,439,197	136,000,897	122,726,619	75,853,063	98,092,514
Class IV	250,063,330	153,602,008	241,189,386	212,448,637	187,104,185	161,248,397	216,375,316	196,624,824
<b>Other receipts</b>								
Class I	18,759,307	19,582,071	17,420,636	19,101,000	13,039,801	12,997,775	13,899,106	12,762,099
Class II	4,334,431	4,520,487	3,758,727	5,032,134	1,834,934	1/	1/	1/
Class III	427,955	708,172	1/	1/	1,432,228	1,389,590	1/	1/
Class IV	22,099,937	18,017,649	25,196,207	25,446,965	11,855,730	15,426,448	19,623,925	19,985,752
<b>Avg. daily producer receipts</b>	<b>24,330,000</b>	<b>21,584,232</b>	<b>20,483,643</b>	<b>24,164,183</b>	<b>14,927,600</b>	<b>14,776,008</b>	<b>14,244,006</b>	<b>15,294,053</b>
Change From Previous Year	18.78%	-10.68%	2.55%	22.65%	4.80%	-3.39%	-3.59%	9.19%
<b>Avg. daily Class I use</b>	<b>5,310,490</b>	<b>5,659,176</b>	<b>5,736,880</b>	<b>5,760,199</b>	<b>3,784,396</b>	<b>3,949,845</b>	<b>4,020,457</b>	<b>4,079,602</b>
Change From Previous Year	-7.43%	-1.75%	-3.56%	-3.38%	-5.87%	-3.18%	0.49%	0.30%

1/ Restricted - Included with Class IV. 2/ Restricted - Included with Flavored milk and drinks.

# USDA News

## 2017 CENSUS OF AGRICULTURE DATA NOW AVAILABLE

The U.S. Department of Agriculture (USDA) announced results of the 2017 Census of Agriculture on April 11, 2019.

The census spans some 6.4 million new points of information about America's farms and ranches and those who operate them, including new data about on-farm decision making, down to the county level. Information collected by USDA's National Agricultural Statistics Service direct from farmers and ranchers tells us both farm numbers and land in farms have ongoing small percentage declines since the last Census in 2012. At the same time, there continue to be more of the largest and smallest operations and fewer middle-sized farms. The average age of all farmers and ranchers continues to rise.

Some key highlights of the Census include:

- There are 2.04 million farms and ranches (down 3.2 percent from 2012) with an average size of 441 acres (up 1.6 percent) on 900 million acres (down 1.6 percent).
- The 273,000 smallest (1-9 acres) farms make up 0.1 percent of all farmland while the 85,127 largest (2,000 or more acres) farms make up 58 percent of farmland.
- Just 105,453 farms produced 75 percent of all sales in 2017, down from 119,908 in 2012.
- Of the 2.04 million farms and ranches, the 76,865 making \$1 million or more in 2017 represent just over 2/3 of the \$389 billion in total value of production while the 1.56 million operations making under \$50,000 represent just 2.9 percent.
- Farm expenses are \$326 billion with feed, livestock purchased, hired labor, fertilizer and cash rents topping the list of farm expenses in 2017.
- Average farm income is \$43,053. A total of 43.6 percent of farms had positive net cash farm income in 2017.
- Ninety-six percent of farms and ranches are family owned.

Results are available in many online formats including [video presentations](#), a [new data query interface](#), maps, and traditional data tables. All information is available at [www.nass.usda.gov/AgCensus](http://www.nass.usda.gov/AgCensus). 🐾

Source: USDA. Agricultural Marketing Service. Available at [www.usda.gov](http://www.usda.gov).

## USDA ANNOUNCES \$1.5 MILLION IN GRANTS AVAILABLE TO SUPPORT THE DAIRY INDUSTRY

On April 17, 2019, the U.S. Department of Agriculture (USDA) announced \$1.5 million in competitive grant funding is available for the Dairy Business Innovation (DBI) Initiatives. DBI is authorized through the 2018 Farm Bill. This program supports USDA's efforts to reduce risk and develop higher-value uses for dairy products, diversify farmer income through processing and marketing innovation, and encourage the use of regional milk production.

The DBI Initiatives are expected to provide direct technical assistance and make grants to dairy businesses. Initiatives must be positioned to draw on existing dairy industry resources, including dairy farm density and farmland suitability for dairying, as well as activities conducted by dairy promotion and research programs, research organizations, dairy businesses, or academic and industry stakeholders. Initiatives may serve a certain product niche, such as specialty cheese, or serve dairy businesses with dairy products derived from the milk of a specific type of dairy animal, including products made from cow, sheep and goat milk.

Applications must be submitted electronically through [www.grants.gov](http://www.grants.gov) by 11:59 p.m. Eastern Time on June 17, 2019. For more information about grant eligibility, visit [DBI Initiatives](#) or contact [AMSGrants@usda.gov](mailto:AMSGrants@usda.gov). 🐾

Source: USDA. Agricultural Marketing Service. Available at [www.ams.usda.gov](http://www.ams.usda.gov).

# Federal Order Statistics for March 2019

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price
	<i>- million pounds -</i>			<i>- per cwt (at location) -</i>	
Northeast (FO 1)	2,318.8	709.1	30.58%	\$19.23	\$17.17
Appalachian (FO 5)	479.5	310.2	64.69%	\$19.38	\$18.31
Florida (FO 6)	225.7	184.9	81.92%	\$21.38	\$20.41
Southeast (FO 7)	448.1	289.9	64.71%	\$19.78	\$18.70
Upper Midwest (FO 30)	3,243.3	228.1	7.03%	\$17.78	\$15.28
Central (FO 32)	1,504.2	397.5	26.42%	\$17.98	\$15.76
Mideast (FO 33)	1,664.5	560.7	33.68%	\$17.98	\$16.19
California (FO 51)	2,258.0	447.5	19.82%	\$18.08	\$16.03
<b>Pacific Northwest (FO 124)</b>	<b>754.2</b>	<b>145.9</b>	<b>19.34%</b>	<b>\$17.88</b>	<b>\$15.79</b>
Southwest (FO 126)	1,281.9	351.7	27.43%	\$18.98	\$16.58
Arizona (FO 131)	<b>462.8</b>	<b>104.3</b>	<b>22.53%</b>	<b>\$18.33</b>	<b>\$16.18</b>

For links to Market Administrator's webpages, see [www.fmmaseattle.com/links.html](http://www.fmmaseattle.com/links.html).



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