

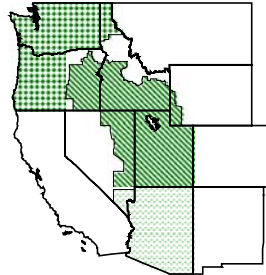
Pacific Northwest, Arizona-Las Vegas, & Western Marketing Areas



1930 – 220th Street SE, Suite 102
Bothell, Washington 98021-8471
Phone (425) 487-6009
Fax (425) 487-2775

Homepage: fmmaseattle.com
E-mail: fmmaseattle@fmmaseattle.com

James R. Daugherty
Market Administrator



10050 N 25th Avenue, Suite 302
Phoenix, Arizona 85021-1664
Phone (602) 547-2909
Fax (602) 547-2906
E-mail: ma@fmma.net

February 2004

MARKET SUMMARIES FOR JANUARY 2004

Comparisons to a year ago can be found in the tables on pages 6 and 7.

Pacific Northwest

Producers delivered a total of 614.2 million pounds of milk to the market during January. Daily deliveries averaged 19.8 million pounds, down 0.2 percent from December. An estimated 890 producers delivered milk to the market during the month. Daily deliveries per producer averaged 22,261 pounds, down 0.1 percent from December.

Class I producer milk during January totaled 185.1 million pounds, 30.2 percent of total producer receipts. Daily usage averaged 6.0 million pounds, up 1.4 percent from December.

Arizona-Las Vegas

Producers delivered a total of 263.5 million pounds of milk to the market during January. Daily deliveries averaged 8.5 million pounds, up 1.4 percent from

December. An estimated 104 producers delivered milk to the market during the month. Daily deliveries per producer averaged 81,732 pounds, up 1.4 percent from December.

Class I producer milk during January totaled 84.8 million pounds, 32.2 percent of total producer receipts. Daily usage averaged 2.8 million pounds, down 0.9 percent from December.

Western

Producers delivered a total of 476.5 million pounds of milk to the market during January. Comparisons to the previous month are affected by eligible milk not pooled in December 2003. Fewer than three handlers did not pool milk, the amount of eligible milk not pooled is restricted. Daily deliveries averaged 15.4 million pounds, up 9.3 percent from December. An estimated 731 producers delivered milk to the market during the month. Daily deliveries per

(Continued on Page 2)

Federal Order Producer Prices and Component Levels: January 2004

| Producer Prices | FO124 | FO131 | FO135 | Component Levels (%) | FO124 | FO131 | FO135 |
|-------------------|--------|--------|--------|----------------------|-------|-------|-------|
| Uniform Price 1/* | 12.07 | 12.39 | 12.13 | Butterfat | 3.822 | 3.666 | 3.734 |
| Butterfat 2/ | 1.4978 | 1.4737 | 1.4978 | Protein | 3.121 | N/A | 3.132 |
| Protein 2/ | 2.0875 | N/A | 2.0875 | Other Solids | 5.677 | N/A | 5.696 |
| Other Solids 2/ | 0.0217 | N/A | 0.0217 | Nonfat Solids | 8.798 | N/A | 8.829 |
| PPD 1/* | 0.46 | N/A | 0.52 | | | | |
| Skim 1/ | N/A | 7.49 | N/A | | | | |

N/A = not applicable. * Subject to applicable location adjustments. 1/ \$ per cwt. 2/ \$ per pound.

The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, gender, religion, age, disability, political beliefs, sexual orientation, and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202)720-2600 (voice and TDD). To file a complaint of discrimination, write the USDA, Director, Office of Civil Rights, Room 326W, Jamie L. Whitten Building, 14th and Independence Avenue, SW., Washington, D.C. 20250-9410, or call (202) 720-5964 (voice or TDD). USDA is an Equal Opportunity provider and employer.

(Continued From Page 1)

producer averaged 21,027 pounds, up 9.3 percent from December.

Class I producer milk during January totaled 98.7 million pounds, 20.7 percent of total producer receipts. Daily usage averaged 3.2 million pounds, up 2.3 percent from December. ♦

JANUARY 2004 CLASS PRICES

January 2004 non-advanced Class Prices were calculated using NASS commodity price surveys from January 3, 10, 17, and 24, 2004. Component prices for the month are \$2.0875 per pound of protein, \$1.4978 per pound of butterfat, \$0.0217 per pound of other solids, and \$0.6595 per pound of nonfat solids.

January 2004 Class III and IV prices at 3.5% butterfat are \$11.61 and \$10.97 per hundredweight, respectively. The January Class III price compared to December is down \$0.26. The Class III price is \$1.83 higher than January 2003. The Class III price at 3.67% butterfat is \$1.95 above the support price of \$9.90 at 3.67% butterfat.

Class II butterfat was announced at \$1.5048 per pound. Class I skim and butterfat and Class II skim prices for January 2004 were announced on December 19, 2003. The Class II price at 3.5% butterfat is \$11.67 for January 2004 .

FINAL: NASS COMMODITY PRICES

| | <u>December</u> | <u>January</u> | <u>Change</u> |
|-----------------|-----------------|----------------|---------------|
| Cheese* | \$1.3260 | \$1.3023 | -\$0.0237 |
| Butter | \$1.2557 | \$1.3632 | \$0.1075 |
| Nonfat Dry Milk | \$0.8070 | \$0.8062 | -\$0.0008 |
| Whey | \$0.1941 | \$0.1801 | -\$0.0140 |

* The weighted average of barrels plus 3 cents and blocks.

Current Commodity Prices -- The NASS survey of cheddar cheese prices showed a decrease in prices received for 40-pound blocks but a net increase for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 0.66 cents between the January 17 and the February 14 surveys, to \$1.3048 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a net increase of 3.5 cents to \$1.2916 per pound.

The NASS butter price showed an increase of 24.99 cents between the weeks ending January 17

and February 14 from \$1.3876 per pound to \$1.6375 per pound.

The NASS nonfat dry milk showed a net increase of 0.26 cents since mid-January to \$0.8091 per pound. The average price for NASS whey showed a net decrease of 1.09 cents since mid-January to \$0.1695 per pound. ♦

MARCH'S CLASS I PRICE ANNOUNCEMENT

On February 20, the March 2004 Class I price was announced at \$13.84 for the Pacific Northwest and Western Orders, and \$14.29 for the Arizona-Las Vegas Order. The Class I price was calculated using NASS commodity price surveys from the weeks of February 7 and 14.

The March Class III and IV advance skim prices are \$5.68 and \$5.96 per hundredweight, respectively. The butterfat portion of the Class I mover increased 26.31 cents from \$1.5044 to \$1.7675 per pound.

The March 2004 Class II skim and nonfat solids prices were also announced on February 20. The skim price is \$6.66 per hundredweight, and the nonfat solids price is \$0.7400 per pound for all Federal orders. ♦

ADVANCED: NASS COMMODITY PRICES FOR CLASS I PRICE CALCULATIONS

| | <u>February</u> | <u>March</u> | <u>Change</u> |
|-----------------|-----------------|--------------|---------------|
| Cheese* | \$1.2977 | \$1.3054 | \$0.0077 |
| Butter | \$1.3687 | \$1.5879 | \$0.2192 |
| Nonfat Dry Milk | \$0.8051 | \$0.8085 | \$0.0034 |
| Whey | \$0.1824 | \$0.1691 | -\$0.0133 |

* The weighted average of barrels plus 3 cents and blocks.

TIME EXTENDED FOR SUBMISSION OF ADDITIONAL PROPOSALS CONCERNING HEARING REQUESTED TO AMEND THE FLUID MILK PRODUCT DEFINITION IN ALL FEDERAL MILK ORDERS

The Department of Agriculture (USDA) is extending the time period for interested parties to submit additional proposals for consideration with a public hearing request currently under review that would amend the fluid milk product definition in all Federal milk marketing orders. The public hearing request was submitted by Dairy Farmers of America (DFA). The deadline for submitting

proposals (announced in our October 6, 2003, letter) is hereby extended from January 30, 2004, to September 30, 2004.

Copies of the DFA proposal may be obtained at www.ams/dairy/ and selecting "Request for Class I Proposals, Northeast, et. al." or from Antoinette Carter, Marketing Specialist, USDA/AMS/Dairy Programs, Order Formulation and Enforcement Branch, STOP 0231-Room 2971, 1400 Independence Avenue, SW, Washington, DC 20250-0231, (202) 690-3465, e-mail address: Antoinette.Carter@usda.gov.

Proposals should be mailed to: Deputy Administrator, USDA/AMS/Dairy Programs, STOP 0225-Room 2968, 1400 Independence Avenue, SW, Washington, DC 20250-0225, by September 30, 2004. Each proposal should be accompanied by a brief but comprehensive statement on the need for the proposal. The statement will be used in deciding whether the proposal should be considered if a hearing to amend the orders is held.

◆

**PRODUCERS AND PRODUCER MILK BY
ORDER, STATE, AND COUNTY,
NOVEMBER 2003**

During the month of November 2003, a total of 1,641 producers, on a combined basis, were associated with the Pacific Northwest, Western, and Arizona-Las Vegas Orders. These producers delivered a total of 881.7 million pounds of milk to the markets during the month. The table on page 4 contains the number of producers and milk pooled on the three orders. Counties and states with fewer than three producers were combined with adjacent counties. The map on page 5 includes eligible milk not pooled on the Western and Pacific Northwest Orders, and counties with fewer than three producers are not combined with adjacent counties.

Producer Milk By State

Arizona (& California) - In November 2003, 105 producers and 243.5 million pounds of milk from Arizona and California were pooled on the Arizona-Las Vegas Order. Producers and producer milk originating in California was included with Arizona on the Arizona-Las Vegas Order for reasons of confidentiality.

Idaho - On the Pacific Northwest Order, 10 producers and 1.3 million pounds from Idaho, or 0.3% of producer milk, were pooled. On the Western Order, 321 producers and 73.4 million pounds of milk from Idaho, or 35.0% of the producer milk, were pooled.

Oregon - In Oregon, 124.4 million pounds of milk were pooled on the Pacific Northwest and Western Orders. On the Pacific Northwest Order, 289 producers and 121.8 million pounds from Oregon, or 28.4% of producer milk, were pooled. On the Western Order, 25 producers and 2.5 million pounds of milk from Oregon, or 1.2% of the producer milk, were pooled.

Utah (& Nevada) - In Utah, 102.2 million pounds of milk were pooled on the Western Order. On the Western Order, 308 Utah producers represented 48.8% of all producer milk on the Western Order. Producers and producer milk originating in Nevada were included with Utah on the Western Order for reasons of confidentiality.

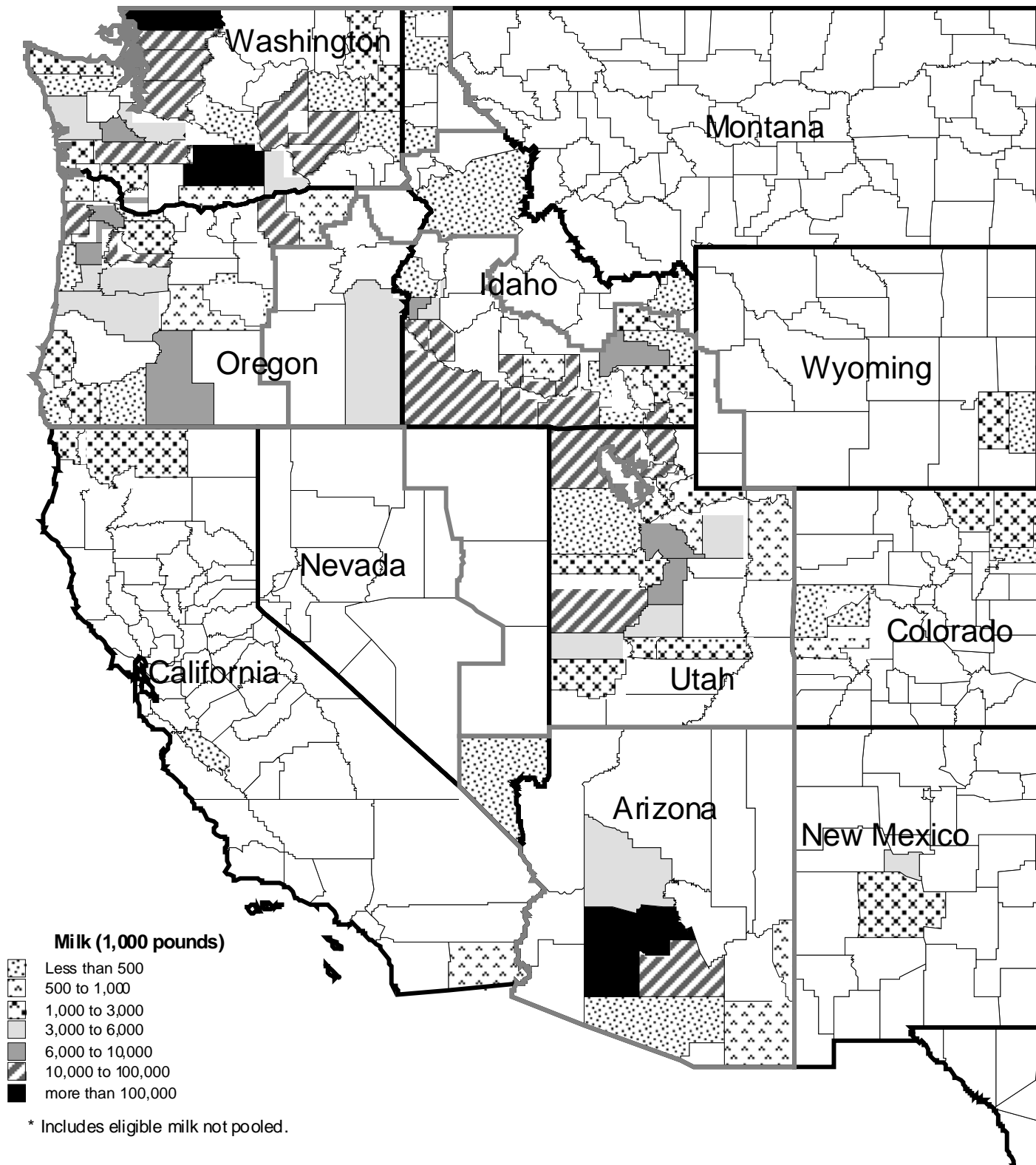
Washington - In November 2003, 536 producers and 317.5 million pounds of milk from Washington were pooled on the Pacific Northwest and Western Orders. Washington producers represented 70.4% of all producer milk on the Pacific Northwest Order.

California (FO 124), Colorado (FO 135), New Mexico (FO 135) and Wyoming (FO 135) - In northern California, 6 producers and 3.8 million pounds were pooled on the Pacific Northwest Order. Producer milk from Colorado, New Mexico, and Wyoming was also pooled on the Western Order representing 15.7 million pounds or 7.5% of all producer milk. ◆

Number of Producers and Pounds of Milk: By Order, State, and County, November 2003

| State/ Order(s) | County | Producers | Milk | State/ Order(s) | County | Producers | Milk |
|-------------------------|--|------------|--------------------|-----------------------------|-----------------------------------|--------------|--------------------|
| Arizona | | | | Utah | | | |
| 131 | Cochise, Greenlee, Pima, Yavapai, (& Imperial County, CA) | 5 | 6,404,474 | 135 | Beaver | 16 | 3,309,039 |
| 131 | Maricopa | 92 | 207,835,561 | 135 | Box Elder & Tooele | 39 | 14,632,053 |
| 131 | Pinal | 8 | 29,210,070 | 135 | Cache | 103 | 21,535,885 |
| Total Arizona | | 105 | 243,450,105 | 135 | Duchesne | 20 | 4,959,728 |
| Idaho | | | | 135 | Iron, Washington (& Clark, NV) | 4 | 2,236,934 |
| 124 | Bonner & Boundary | 5 | 611,170 | 135 | Millard & Juab | 14 | 11,329,375 |
| 124 | Idaho & Latah | 5 | 650,590 | 135 | Morgan | 6 | 1,028,577 |
| 135 | Ada | 36 | 22,995,897 | 135 | Piute | 6 | 1,832,543 |
| 135 | Bannock, Oneida & Power | 7 | 1,411,059 | 135 | Salt Lake & Davis | 4 | 1,845,706 |
| 135 | Bear Lake | 17 | 687,006 | 135 | Sanpete | 14 | 8,977,065 |
| 135 | Bingham & Bonneville | 15 | 3,305,899 | 135 | Sevier | 8 | 3,400,183 |
| 135 | Canyon | 37 | 14,314,331 | 135 | Summit | 10 | 1,320,393 |
| 135 | Caribou | 9 | 317,155 | 135 | Uintah | 4 | 750,335 |
| 135 | Cassia | 17 | 1,694,668 | 135 | Utah | 24 | 6,066,196 |
| 135 | Franklin | 64 | 17,856,205 | 135 | Wasatch | 6 | 921,392 |
| 135 | Gem | 11 | 2,582,962 | 135 | Wayne | 4 | 1,782,943 |
| 135 | Gooding | 32 | 3,564,305 | 135 | Weber | 26 | 16,285,487 |
| 135 | Jefferson | 4 | 76,946 | Total Utah | | 308 | 102,213,834 |
| 135 | Jerome | 21 | 1,109,278 | Oregon | | | |
| 135 | Lincoln | 3 | 59,114 | 124 | Benton & Lincoln | 7 | 3,955,744 |
| 135 | Madison & Fremont | 5 | 184,722 | 124 | Clackamas & Multnomah | 12 | 1,572,740 |
| 135 | Minidoka | 9 | 1,118,606 | 124 | Clatsop | 4 | 832,997 |
| 135 | Owyhee | 9 | 533,490 | 124 | Coos & Curry | 21 | 2,875,927 |
| 135 | Payette & Washington | 12 | 985,481 | 124 | Deschutes, Umitilla, & Crook | 9 | 1,455,684 |
| 135 | Twin Falls | 13 | 594,121 | 124 | Josephine | 6 | 2,564,863 |
| Total Idaho | | 331 | 74,653,005 | 124 | Klamath & Jackson | 11 | 8,376,439 |
| Washington | | | | 124 | Lane | 6 | 4,568,673 |
| 124 | Adams & Whitman | 9 | 12,249,500 | 124 | Linn | 9 | 5,177,077 |
| 124 | Clallam | 5 | 1,319,704 | 124 | Marion | 34 | 26,299,005 |
| 124 | Clark | 11 | 7,326,393 | 124 | Polk | 4 | 7,471,184 |
| 124 | Cowlitz | 3 | 1,044,756 | 124 | Tillamook | 137 | 43,150,019 |
| 124 | Franklin & Benton | 9 | 8,596,178 | 124 | Washington | 22 | 6,366,483 |
| 124 | Grant & Kittitas | 29 | 23,073,475 | 124 | Yamhill | 7 | 7,168,995 |
| 124 | Grays Harbor | 12 | 4,653,471 | 135 | Malheur & Klamath | 25 | 2,528,157 |
| 124 | Island | 4 | 2,080,596 | Total Oregon | | 314 | 124,363,987 |
| 124 | Jefferson | 3 | 295,369 | California | | | |
| 124 | King | 37 | 17,402,292 | 124 | Del Norte & Siskiyou | 6 | 3,756,398 |
| 124 | Klickitat | 3 | 882,957 | Total California | | 6 | 3,756,398 |
| 124 | Lewis | 38 | 13,247,204 | 135 Total Colorado | | | |
| 124 | Lincoln & Spokane | 16 | 2,745,423 | | | 34 | 8,691,327 |
| 124 | Pacific | 10 | 2,834,965 | 135 Total New Mexico | | | |
| 124 | Pierce | 10 | 5,811,770 | | | 3 | 5,796,303 |
| 124 | Skagit | 50 | 29,312,103 | 135 Total Wyoming | | | |
| 124 | Snohomish | 42 | 22,493,445 | | | 4 | 1,239,819 |
| 124 | Stevens | 14 | 1,872,535 | 124 | Pacific Northwest Order | 835 | 428,802,052 |
| 124 | Thurston | 16 | 9,850,820 | 131 | Arizona-Las Vegas Order | 105 | 243,450,105 |
| 124 | Wahkiakum | 4 | 643,266 | 135 | Western Order | 701 | 209,452,511 |
| 124 | Whatcom | 185 | 100,852,970 | Total | | 1,641 | 881,704,668 |
| 124 | Yakima | 20 | 33,358,872 | | | | |
| 135 | Washington State | 6 | 15,591,826 | | | | |
| Total Washington | | 536 | 317,539,890 | | | | |

Pounds of Producer Milk by County, November 2003 *



MONTHLY SELECTED STATISTICS

| | PACIFIC NORTHWEST | | | | WESTERN | | | | ARIZONA-LAS VEGAS | | | |
|---|-------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-------------------|-----------|-----------|-----------|
| | Jan. 2004 | Dec. 2003 | Jan. 2003 | Jan. 2004 | Dec. 2003 | Jan. 2003 | Jan. 2004 | Dec. 2003 | Jan. 2003 | Jan. 2004 | Dec. 2003 | Jan. 2003 |
| Minimum Class Prices (3.5% B.F.) | | | | | | | | | | | | |
| Class I Milk (\$/cwt.) | \$13.75 | \$15.74 | \$12.46 | \$13.75 | \$15.74 | \$12.46 | \$14.20 | \$16.19 | \$12.91 | \$14.20 | \$16.19 | \$12.91 |
| Class II Milk (\$/cwt.) | 11.67 | 11.30 | 11.29 | 11.67 | 11.30 | 11.29 | 11.67 | 11.30 | 11.29 | 11.67 | 11.30 | 11.29 |
| Class III Milk (\$/cwt.) | 11.61 | 11.87 | 9.78 | 11.61 | 11.87 | 9.78 | 11.61 | 11.87 | 9.78 | 11.61 | 11.87 | 9.78 |
| Class IV Milk (\$/cwt.) | 10.97 | 10.52 | 10.07 | 10.97 | 10.52 | 10.07 | 10.97 | 10.52 | 10.07 | 10.97 | 10.52 | 10.07 |
| Producer Prices | | | | | | | | | | | | |
| Producer Price Differential (\$/cwt.) | \$ 0.46 | \$ 0.60 | \$ 0.98 | \$ 0.52 | \$ 0.78 | \$ 0.71 | + | + | + | + | + | + |
| Butterfat (\$/pound) | 1.4978 | 1.3688 | 1.1856 | 1.4978 | 1.3688 | 1.1856 | + | + | + | + | + | + |
| Protein (\$/pound) | 2.0875 | 2.2997 | 1.8164 | 2.0875 | 2.2997 | 1.8164 | + | + | + | + | + | + |
| Other Solids (\$/pound) | 0.0217 | 0.0362 | 0.0339 | 0.0217 | 0.0362 | 0.0339 | + | + | + | + | + | + |
| Uniform Skim Price (\$/cwt.) | + | + | + | + | + | + | 7.49 | 8.53 | 7.05 | 7.49 | 8.53 | 7.05 |
| Uniform Butterfat Price (\$/pound) | + | + | + | + | + | + | 1.4737 | 1.3579 | 1.1891 | 1.4737 | 1.3579 | 1.1891 |
| Statistical Uniform Price (\$/cwt.) | \$12.07 | \$12.47 | \$10.76 | \$12.13 | \$12.65 | \$10.49 | \$12.39 | \$12.98 | \$10.97 | \$12.39 | \$12.98 | \$10.97 |
| Producer Data | | | | | | | | | | | | |
| Number of Producers | 890 * | 891 | 918 | 731 * | 731 | 754 | 104 * | 104 | 109 | 104 * | 104 | 109 |
| Avg. Daily Production (lbs.) | 22,261 * | 22,280 | 21,794 | 21,027 * | 19,240 | 21,727 | 81,732 * | 80,583 | 80,584 | 81,732 * | 80,583 | 80,584 |
| Number of Handlers | | | | | | | | | | | | |
| Pool Handlers | 28 | 28 | 31 | 18 | 18 | 16 | 6 | 6 | 6 | 6 | 6 | 6 |
| Producer-Handlers | 7 * | 7 | 9 | 5 * | 5 | 7 | 2 * | 2 | 2 | 2 * | 2 | 2 |
| Other Plants w/ Class I Use | 20 * | 20 | 17 | 21 * | 21 | 20 | 34 * | 34 | 30 | 34 * | 34 | 30 |
| Producer Milk Ratios | | | | | | | | | | | | |
| Class I | 30.15% | 29.66% | 30.46% | 20.72% | 22.12% | 18.74% | 32.19% | 32.96% | 32.36% | 32.19% | 32.96% | 32.36% |
| Class II | 5.98% | 6.14% | 5.93% | 5.72% | 5.53% | 5.54% | 6.66% | 6.72% | 3.88% | 6.66% | 6.72% | 3.88% |
| Class III | 34.33% | 33.17% | 31.69% | 63.46% | 64.57% | 60.78% | 36.97% | 36.34% | 27.69% | 36.97% | 36.34% | 27.69% |
| Class IV | 29.54% | 31.03% | 31.92% | 10.10% | 7.78% | 14.94% | 24.18% | 23.98% | 36.07% | 24.18% | 23.98% | 36.07% |

+ Not Applicable. * Preliminary.

MONTHLY SUPPLEMENTAL STATISTICS

| | Dec. 2003 | Nov. 2003 | Dec. 2002 | Dec. 2003 | Nov. 2003 | Dec. 2002 | Dec. 2003 | Nov. 2003 | Dec. 2002 |
|--|-------------|-------------|-------------|-------------|------------|------------|--------------|-------------|-------------|
| Producer-Handler Data | | | | | | | | | |
| Production | 21,122,709 | 19,021,405 | 24,065,113 | 2,150,920 | 2,029,868 | 2,603,801 | R | R | R |
| Class I Use | 17,974,268 | 15,514,138 | 17,955,364 | 1,659,325 | 1,472,715 | 1,764,608 | R | R | R |
| % Class I Use | 85.09% | 81.56% | 74.61% | 77.14% | 72.55% | 67.77% | R | R | R |
| Class I Route Disposition In Area | | | | | | | | | |
| By Pool Plants | 165,818,938 | 162,395,024 | 164,942,028 | 76,368,198 | 70,661,604 | 72,263,520 | 80,157,386 | 75,144,329 | 79,911,898 |
| By Producer-Handlers | 16,697,322 | 15,073,578 | 17,812,609 | 1,716,201 | 1,484,062 | 1,765,930 | 1/ | 1/ | 1/ |
| By Other Plants | 2,583,463 * | 2,540,576 | 1,689,079 | 2,576,126 * | 3,461,141 | 1,355,990 | 33,384,880 * | 32,067,826 | 31,311,081 |
| Total | 185,099,723 | 180,009,178 | 184,443,716 | 80,660,525 | 75,606,807 | 75,385,440 | 113,542,266 | 107,212,155 | 111,222,979 |

* Preliminary.

R = Restricted. Not included. 1/ Restricted. Included with other plants.

MONTHLY STATISTICAL SUMMARY

(Product pounds based upon reports of handlers)

| RECEIPTS, UTILIZATION AND CLASSIFICATION OF MILK | PACIFIC NORTHWEST | | | WESTERN | | | ARIZONA-LAS VEGAS | | |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| | Jan 2004 | Dec 2003 | Jan 2003 | Jan 2004 | Dec 2003 | Jan 2003 | Jan 2004 | Dec 2003 | Jan 2003 |
| TOTAL PRODUCER MILK | 614,176,073 | 615,390,840 | 620,224,370 | 476,492,551 | 435,987,373 | 507,836,998 | 263,504,227 | 259,799,247 | 272,292,256 |
| RECEIPTS FROM OTHER SOURCES | 10,418,942 | 10,616,289 | 18,154,551 | 11,127,690 | 11,237,503 | 5,650,129 | 13,757,501 | 21,124,600 | 18,474,729 |
| OPENING INVENTORY | 31,245,895 | 40,794,927 | 33,638,000 | 14,851,771 | 18,046,497 | 12,345,406 | 13,464,277 | 14,587,153 | 11,586,765 |
| TOTAL TO BE ACCOUNTED FOR | 655,840,910 | 666,802,056 | 672,016,921 | 502,472,012 | 465,271,373 | 525,832,533 | 290,726,005 | 295,511,000 | 302,353,750 |
| UTILIZATION OF RECEIPTS | | | | | | | | | |
| Whole milk | 31,649,423 | 31,265,669 | 30,195,382 | 13,801,913 | 13,965,305 | 12,738,361 | 23,642,069 | 24,437,299 | 24,367,894 |
| Flavored milk & milk drinks | 10,017,387 | 14,533,701 | 11,767,581 | 6,413,903 | 7,261,745 | 5,565,937 | 5,963,232 | 7,280,937 | 6,296,954 |
| 2% milk | 72,559,860 | 69,448,319 | 72,019,913 | 30,261,445 | 30,366,485 | 29,723,668 | 29,426,397 | 29,050,903 | 30,983,722 |
| 1% milk | 25,361,985 | 23,612,492 | 25,270,478 | 14,645,127 | 14,570,128 | 14,621,830 | 9,883,496 | 9,163,482 | 10,440,088 |
| Skim milk | 27,061,862 | 25,643,371 | 29,539,444 | 9,473,929 | 9,564,134 | 9,148,626 | 10,432,230 | 9,615,243 | 11,531,395 |
| Buttermilk | 1,273,897 | 1,315,386 | 1,342,905 | 540,199 | 640,401 | 534,247 | 574,509 | 609,522 | 530,354 |
| CLASS I ROUTE DISP. IN AREA | 167,924,414 | 165,818,938 | 170,135,703 | 75,136,416 | 76,368,198 | 72,332,669 | 79,921,933 | 80,157,386 | 84,150,407 |
| Class I dispositions out of area | 12,992,145 | 13,235,238 | 13,830,562 | 22,496,036 | 21,725,335 | 20,035,332 | 4,666,425 | 4,559,284 | 3,856,934 |
| Other Class I usage | 22,478,286 | 21,262,653 | 22,244,688 | 15,739,184 | 14,348,739 | 13,525,277 | 8,685,137 | 8,664,886 | 7,950,747 |
| TOTAL CLASS I USE | 203,394,845 | 200,316,829 | 206,210,953 | 113,371,636 | 112,442,272 | 105,893,278 | 93,273,495 | 93,381,556 | 95,958,088 |
| TOTAL CLASS II USE | 43,634,177 | 45,880,517 | 42,619,860 | 33,266,854 | 30,030,504 | 32,208,364 | 18,158,172 | 17,924,365 | 12,968,989 |
| TOTAL CLASS III USE | 211,372,381 | 204,890,868 | 207,371,772 | 302,397,895 | 281,892,007 | 309,245,846 | 97,415,892 | 94,423,289 | 76,400,549 |
| TOTAL CLASS IV USE | 197,439,507 | 215,713,842 | 215,814,336 | 53,435,627 | 40,906,590 | 78,485,045 | 81,878,446 | 89,781,790 | 117,026,124 |
| TOTAL ACCOUNTED FOR | 655,840,910 | 666,802,056 | 672,016,921 | 502,472,012 | 465,271,373 | 525,832,533 | 290,726,005 | 295,511,000 | 302,353,750 |
| CLASSIFICATION OF RECEIPTS | | | | | | | | | |
| Producer milk: | | | | | | | | | |
| Class I | 185,087,040 | 182,491,832 | 188,938,767 | 98,675,706 | 96,447,914 | 95,157,712 | 84,832,464 | 85,613,906 | 88,116,973 |
| Class II | 36,758,185 | 37,806,625 | 36,800,983 | 27,269,862 | 24,109,618 | 28,147,614 | 17,539,520 | 17,458,833 | 10,578,378 |
| Class III | 210,874,442 | 204,114,260 | 196,519,906 | 302,397,895 | 281,521,382 | 308,661,904 | 97,415,892 | 94,423,289 | 75,389,392 |
| Class IV | 181,456,406 | 190,978,123 | 197,964,714 | 48,149,088 | 33,908,459 | 75,869,768 | 63,716,351 | 62,303,219 | 98,207,513 |
| Other receipts: | | | | | | | | | |
| Class I | 18,307,805 | 17,824,997 | 17,272,186 | 14,695,930 | 15,994,358 | 10,735,566 | 27,221,778 | 35,711,753 | 30,061,494 |
| Class II | 6,875,992 | 8,073,892 | 5,818,877 | 5,996,992 | 5,920,886 | 4,060,750 | 1/ | 1/ | 1/ |
| Class III | 497,939 | 776,608 | 10,851,866 | 0 | 370,625 | 583,942 | 1/ | 1/ | 1/ |
| Class IV | 15,983,101 | 24,735,719 | 17,849,622 | 5,286,539 | 6,998,131 | 2,615,277 | 1/ | 1/ | 1/ |
| Avg. daily producer receipts | 19,812,131 | 19,851,317 | 20,007,238 | 15,370,727 | 14,064,109 | 16,381,839 | 8,500,136 | 8,380,621 | 8,783,621 |
| Change From Previous Year | -0.98% | -5.90% | -1.31% | -6.17% | -2.74% | 6.50% | -3.23% | 0.96% | 4.34% |
| Avg. daily Class I use | 6,561,124 | 6,461,833 | 6,651,966 | 3,657,150 | 3,627,170 | 3,415,912 | 3,008,822 | 3,012,308 | 3,095,422 |
| Change From Previous Year | -1.37% | 2.57% | 2.30% | 7.06% | -1.38% | 7.93% | -2.80% | 2.18% | 4.68% |

1/ Restricted - Included with Class I.

HIGHLIGHTS THIS ISSUE:

- Market Summaries for January 2004
- January 2004 Class Prices
- Class I Price for March 2004
- Time Extended for Submission of Additional Proposals Concerning Hearing Requested to Amend the Fluid Milk Product Definition in All Federal Milk Orders
- Producers and Producer Milk By Order, State, and County, November 2003
- Deputy Administrator of Dairy Programs, Richard McKee, Retires

DEPUTY ADMINISTRATOR OF DAIRY PROGRAMS RETIRES

Effective April 3, 2004, Richard M. McKee is retiring from his position as Deputy Administrator of Dairy Programs of the Agricultural Marketing Service, U.S. Department of Agriculture.

Rich was appointed to his current position (then titled Director of Dairy Division) in August 1994, having served for seven months in an acting capacity. As Deputy Administrator, Rich directed and provided oversight for the Federal milk marketing order program, the dairy inspection, grading, and standards programs, the dairy market news program, and the national dairy promotion programs.

Rich and his wife Doris will continue to reside in Virginia. They plan to travel and spend time with their families, including parents, three children, and two grandchildren, as well as be involved in many community activities. ♦

Market Administrator
Federal Orders No. 124, 131, & 135
United States Department of Agriculture
Building J, Suite 102
1930 – 220th Street SE
Bothell, Washington 98021-8471

RETURN SERVICE REQUESTED