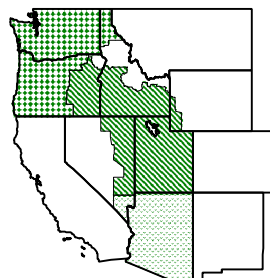


Pacific Northwest, Arizona-Las Vegas, & Western Marketing Areas



1930 – 220th Street S.E., Suite 102
Bothell, WA 98021-8471
Phone (425) 487-6009
Fax (425) 487-2775
Homepage: fmmaseattle.com
E-mail: fmmaseattle@fmmaseattle.com



11225 N. 28th Drive, D-120
Phoenix, AZ 85029
Phone (602) 547-2909
Fax (602) 547-2906
E-mail: ma@fmma.net

James R. Daugherty
Market Administrator

MARCH 2002

MARKET SUMMARIES FOR FEBRUARY 2002

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

Pacific Northwest

Producers delivered a total of 592.7 million pounds of milk to the market during February. Daily deliveries averaged 21.2 million pounds, up 4.4 percent from January. An estimated 1,170 producers delivered milk to the market during the month. Daily deliveries per producer averaged 18,092 pounds, up 4.4 percent from January.

Class I producer milk during February totaled 161.8 million pounds, 27.3 percent of total producer receipts. Daily usage averaged 5.8 million pounds, down 4.2 percent from January.

Arizona-Las Vegas

Producers delivered a total of 247.4 million pounds of milk to the market during February. Daily deliveries averaged 8.8 million pounds, up 5.0 percent from

January. An estimated 110 producers delivered milk to the market during the month. Daily deliveries per producer averaged 80,332 pounds, up 5.0 percent from January.

Class I producer milk during February totaled 76.2 million pounds, 30.8 percent of total producer receipts. Daily usage averaged 2.7 million pounds, down 0.4 percent from January.

Western

Producers delivered a total of 450.7 million pounds of milk to the market during February. Daily deliveries averaged 16.1 million pounds, up 4.7 percent from January. An estimated 781 producers delivered milk to the market during the month. Daily deliveries per producer averaged 20,611 pounds, up 4.7 percent from January.

Class I producer milk during February totaled 78.2 million pounds, 17.4 percent of

(Continued on Page 2)

Federal Order Producer Prices and Component Levels: February 2002

Producer Prices	FO124	FO131	FO135	Component Levels (%)	FO124	FO131	FO135
Uniform Price 1/*	12.14	12.46	12.09	Butterfat	3.690	3.665	3.723
Butterfat 2/	1.3817	1.4030	1.3817	Protein	3.056	N/A	3.097
Protein 2/	2.0884	N/A	2.0884	Other Solids	5.711	N/A	5.718
Other Solids 2/	0.0965	N/A	0.0965	Nonfat Solids	8.767	N/A	8.815
PPD 1/*	0.51	N/A	0.46				
Skim 1/	N/A	7.82	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)

total producer receipts. Daily usage averaged 2.8 million pounds, down 4.0 percent from January. ♦

FEBRUARY 2002 CLASS PRICES

February 2002 non-advanced Class Prices were calculated using NASS commodity price surveys from February 2, 9, 16, and 23, 2002. Component prices for the month are \$2.0884 per pound of protein, \$1.3817 per pound of butterfat, \$0.0965 per pound of other solids, and \$0.7721 per pound of nonfat solids.

February 2002 Class III and IV prices at 3.5% butterfat are \$11.63 and \$11.54 per hundredweight, respectively. The February Class III price compared to January is down \$0.24. The Class III price is \$1.36 higher than February 2001 and \$1.83 above the support price.

Class II butterfat was also announced at \$1.3887 per pound. Class I skim and butterfat and Class II skim prices for February 2002 were announced on January 18, 2002. The Class II price at 3.5% butterfat is \$12.28 for February 2002.

FINAL: NASS COMMODITY PRICES

	January	February	Change
Cheese*	\$1.2922	\$1.2895	-\$0.0027
Butter	\$1.3324	\$1.2480	-\$0.0844
Nonfat Dry Milk	\$0.9161	\$0.9121	-\$0.0040
Whey	\$0.2747	\$0.2334	-\$0.0413

* The weighted average of barrels plus 3 cents and blocks. Beginning January 2001, barrels changed from 39% to 38% moisture cheese.

Current Commodity Prices -- The NASS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a net decrease in prices received for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 7.96 cents between the February 16 and the March 16 surveys, to \$1.1933 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a net decrease of 5.38 cents to \$1.1739 per pound.

The NASS butter price showed an increase of 0.95 cents between the weeks ending February 16 and March 16 from \$1.2272 per pound to \$1.2367 per pound.

The NASS nonfat dry milk showed a net decrease of 0.82 cents since mid-February to \$0.9054 per pound. The average price for NASS whey showed a decrease of 2.35 cents since mid-February to \$0.2079 per pound. ♦

APRIL'S CLASS I PRICE ANNOUNCEMENT

On March 22, the April 2002 Class I price was announced at \$13.37 for the Pacific Northwest and Western Orders, and \$13.82 for the Arizona-Las Vegas Order. The Class I price was calculated using NASS commodity price surveys from the weeks of March 9 and 16.

The March Class III and IV advance skim prices are \$5.98 and \$6.91 per hundredweight, respectively. The butterfat portion of the Class I mover increased 1.16 cents from \$1.3617 to \$1.3733 per pound.

The April 2002 Class II skim and nonfat solids prices were also announced on March 22. The skim price is \$7.61 per hundredweight, and the nonfat solids price is \$0.8456 per pound for all Federal orders. ♦

ADVANCED: NASS COMMODITY PRICES FOR CLASS I PRICE CALCULATIONS

	March	April	Change
Cheese*	\$1.2862	\$1.2008	-\$0.0854
Butter	\$1.2316	\$1.2411	\$0.0095
Nonfat Dry Milk	\$0.9133	\$0.9074	-\$0.0059
Whey	\$0.2347	\$0.2077	-\$0.0270

* The weighted average of barrels plus 3 cents and blocks. Beginning January 2001, barrel cheese prices changed from 39% to 38% moisture cheese.

USDA TO HOLD HEARING ON PROPOSED CHANGES TO WESTERN AND PACIFIC NORTHWEST MILK ORDERS

The United States Department of Agriculture invites dairy producers, milk processors and the public to testify at a hearing on proposals that would amend certain pooling and related provisions in the Western and Pacific Northwest orders. The hearing will be held on Tuesday, April 16, 2002, beginning at 8:30 a.m. at the Hilton Hotel, Salt Lake City Airport, 5151 Wiley Post Way, Salt Lake City, Utah, 84116-2891. Dairy

producers who provide Class I (drinking milk) to the two markets requested this hearing.

The hearing will include proposals intended to prevent the simultaneous pooling of the same milk on more than one marketwide pool for both the Western and Pacific Northwest orders. Other proposals under consideration would make additional changes in pooling standards for the Western order. These proposals include determining pool supply plant qualification on a "net shipment" basis, increasing the cooperative pool plant performance standard, eliminating the proprietary bulk tank unit provision, reducing the diversion allowance for producer milk, establishing transportation and assembly credit provisions, and assuring that Class I handlers pay uniform prices for raw milk. Three other proposals intended to improve the clarity of the Western order's pooling provisions will also be considered.

Details of the proposals and notice of the hearing were published in the March 4 *Federal Register*. Copies may be obtained from the Pacific Northwest and Western milk marketing order office, USDA/AMS/Dairy Programs, 1930-220th Street, S.E., Suite 102, Bothell, Washington 98021-8471. ♦

REVISION IN DIVERSION PERCENTAGE LIMITS FOR THE OPERATOR OF A POOL PLANT OR COOPERATIVE ASSOCIATION TO NONPOOL PLANTS

For the months of March through August 2002, this action decreases the percentage of producer milk that an operator of a pool plant or a cooperative association may divert to a nonpool plant under the terms of the Pacific Northwest Marketing Order. The Order currently states that a handler may divert to nonpool plants not more than 80 percent of its producer milk during the months of September through February, and not more than 99 percent during the months of March through August.

The purpose of this standard is to assure an adequate supply of milk for fluid consumption but without the need for making uneconomic movements of milk. To accomplish this goal, the Order must reflect the needs and marketing conditions of the market. A reduction in diversion percentages was requested by the Northwest Milk Marketing Federation (NMMF), a bargaining

organization that markets the milk of 96 percent of the dairy farmers historically associated with the Pacific Northwest Order area. Based on an analysis of marketing data and comments received, the percentage of producer milk that an operator of a pool plant or a cooperative association may divert to a nonpool plant is reduced from 99 to 80 percent during the months of March through August, 2002.

For further information contact Gary Jablonski, Pacific Northwest Marketing Area, 1930 - 220th Street S.E., Suite 102, Bothell, WA 98021-8471, telephone 425-487-6009. ♦

IN-AREA DISPOSITION OF FLUID MILK PRODUCTS: JANUARY THROUGH DECEMBER 2001

In-area route disposition of fluid milk products is the amount of fluid milk products, from all sources, consumed in the selected marketing area. The tables below show in-area route disposition and the change from a year-ago for the Pacific Northwest, and Western Orders and pool handler route disposition for the Arizona-Las Vegas Order.

In each of the three orders, the historic trend of increasing lowfat milk products consumption and decreasing whole milk products consumption was not evident in the numbers below.

In-Area Route Disposition 1/ Pacific Northwest Order (FO124) January through December 2000 vs. 2001			
	2000	2001	Change
<u>Whole Milk Products</u>	- million pounds -		
Whole	366.9	375.7	2.68%
Flavored	23.7	26.4	11.96%
Total Whole Milk 2/	390.6	402.2	3.24%
<u>Low-fat Milk Products</u>			
2%	961.2	955.2	-0.36%
1%	334.3	329.4	-1.19%
Skim	372.5	365.4	-1.63%
Flavored Low-fat	88.2	99.9	13.53%
Buttermilk & Other 3/	33.1	31.8	-3.62%
Total Low-fat Milk 2/	1,789.4	1,781.7	-0.16%
Combined Total 2/	2,180.0	2,183.9	0.45%

* See footnotes below In-Area route Disposition, Western Orders (FO135) table.

Arizona-Las Vegas Order

The table below for the Arizona-Las Vegas Order is in-area route disposition by product for pool handlers, January through December 2001 and 2000. For the period of January through December 2001, the total disposition of fluid milk products in the marketing area of the Arizona-Las Vegas Order is restricted, due to how information was released previously.

**In-Area Route Disposition By Pool Handlers
Arizona-Las Vegas Order (FO131)
January through December 2000 vs. 2001**

	2000	2001	Change
<u>Whole Milk Products</u>	- million pounds -		
Whole	235.2	242.3	3.33%
Flavored	21.2	21.5	1.73%
Total Whole Milk 2/	256.4	263.8	3.19%
<u>Low-fat Milk Products</u>			
2%	380.6	353.1	-6.98%
1%	110.7	106.7	3.43%
Skim	135.4	128.7	4.68%
Flavored Low-fat	27.3	30.0	9.90%
Buttermilk & Other 3/	10.1	9.5	5.98%
Total Low-fat Milk 2/	664.3	628.0	-5.21%
Combined Total 2/	920.6	891.8	-2.87%

* See footnotes below In-Area route Disposition, Western Orders (FO135) table.

**In-Area Route Disposition 1/
Western Order (FO135)
January through December 2000 vs. 2001**

	2000	2001	Change
<u>Whole Milk Products</u>	- million pounds -		
Whole	141.3	144.9	2.86%
Flavored	7.5	7.1	-4.80%
Total Whole Milk 2/	148.7	152.0	2.48%
<u>Low-fat Milk Products</u>			
2%	372.1	364.5	-1.77%
1%	179.5	185.3	3.52%
Skim	122.3	118.4	-2.96%
Flavored Low-fat	55.4	56.7	2.55%
Buttermilk & Other 3/	12.0	12.0	0.53%
Total Low-fat Milk 2/	741.3	736.9	-0.32%
Combined Total 2/	890.1	888.9	0.15%

1/ Based on total in-area route disposition by handlers, handlers regulated by other Federal orders, partially regulated handlers, and producer-handlers. 2/ May not add due to rounding. 3/ Includes eggnog and small amounts of miscellaneous products.

**ANALYSIS OF HAULING CHARGES AND
PRODUCER MILK BY LOCATION AND
SIZE-RANGE OF PRODUCTION**

The following is the abstract from the Seattle Market Administrator's study entitled: "*Analysis Of Hauling Charges and Producer Milk by Location and Size-Range of Production: May 2001.*" A copy of this complete study is available from this office and on our web site at <http://www.fmmaseattle.com>.

Hauling charges and milk production were examined for over 1,750 producers in May 2001. The milk represented in this study was producer milk (Grade A) pooled on the Pacific Northwest and Western Orders. In May 2001, a large volume of Grade A milk historically associated with and eligible to be pooled (qualified) on the Western Order was not pooled due to price relationships. The eligible milk not pooled is restricted information but is incorporated in some parts of this study where its use does not result in disclosure of restricted information. Hauling charges, stop charges, and milk production were obtained from producer payrolls submitted by handlers to the Market Administrator's office. The terms "milk production" and "producer milk" in this study are synonymous. Hauling charges in this paper are given on a per hundredweight basis. The reference to a particular year refers to May of that year. Some comparisons to previous years are reported, but due to changes in Federal order boundaries and order provisions beginning January 2000, these comparisons may be biased.

Major findings of this study include:

1. In May 2001, the weighted average hauling charges on the Pacific Northwest and Western Orders were 40.10 and 33.48 cents per hundredweight, respectively.

2. By state, Idaho had the lowest weighted average hauling charge, followed by California, Oregon, Washington, and Utah.

3. In general, hauling charges in the Northwest appear to be determined by the density of farms in a region; the size of dairy farms; and their proximity to metropolitan areas or areas of intense milk processing. In addition, hauling charges were generally lower for the large-volume producers, especially in the Western Order milk shed.

4. Based on producer milk pooled on the respective orders, the average monthly deliveries per producer for the Pacific Northwest Order were

519.9 thousand pounds and for the Western Order were 476.8 thousand pounds. ♦

COMMERCIAL DISAPPEARANCE OF DAIRY PRODUCTS FOR 2001

Commercial disappearance of U.S. milk for 2001 was down 0.5% over the same period of 2000. Commercial disappearance is used as an indicator of consumption of U.S. milk marketings and is a residual figure. This measure of consumption includes civilian and military purchases of milk and dairy products for domestic and foreign use (exports), but excludes farm household use, commercial stocks, and imports. The table below shows commercial disappearance by commodity and their milk-equivalent on a fat solids basis.

For 2001, disappearance of American Cheese and Nonfat Dry Milk increased from 2000. Butter, other cheese, and fluid milk disappearance showed decreases during 2001. ♦

Commercial Disappearance			
	January-September		% Change 1/
	2000	2001	
<u>Selected Products</u>	-- Million Pounds --		
Butter	1,298.2	1,267.6	-2.09%
American Cheese	3,587.7	3,687.2	3.05%
Other Cheese	4,963.5	4,947.0	-0.06%
Nonfat Dry Milk	770.8	982.3	27.79%
Fluid Milk Products	55,516.7	55,097.2	-0.48%
Total *	169,124	169,432	0.46%

* Commercial Disappearance, milk-equivalent, milk fat basis. Source: Dairy Market News, Volume 69, No. 10. 1/ From a year earlier on a daily average.

INCOME AND EXPENSE STATEMENT

Combined Marketing Service Funds
For the Year Ended December 31, 2001

<u>Income:</u>	
Assessments or Deductions	\$4,308,301.83
Interest Earned and Late Payment Charges ..	223,613.03
Total Income	\$4,531,914.86
<u>Expenses:</u>	
Salaries and Services	\$2,050,977.87
Travel and Communications	257,285.51
Employer Contributions	429,949.24
Conferences and Meetings.....	13,175.82
Rent and Repairs - Building and Equipment ..	226,918.49
Testing and Weighing	104,341.21
Supplies and Insurance.....	71,362.36
Depreciation of Fixed Assets.....	105,102.57
Research and Training.....	9,946.14
Miscellaneous.....	53,155.70
Total Expenses	\$3,322,214.91
Net Income.....	\$1,209,699.95

BALANCE SHEET

Combined Marketing Service Funds
As of December 31, 2001

ASSETS	
<u>Current Assets</u>	
Cash and Investments	\$4,155,903.62
Accounts Receivable	
Handlers and Other	398,046.18
Allowance for Uncollectible Accounts ..	35,196.83
Accrued Interest Receivable.....	14,548.21
<u>Other Assets</u>	
Prepaid Expenses and Deposits.....	6,621.76
<u>Fixed Assets</u>	
Furniture and Equipment	772,073.34
Accumulated Depreciation	(566,477.28)
Laboratory Equipment	95,100.87
Accumulated Depreciation	(60,968.37)
Leasehold Improvements.....	200,652.96
Accumulated Depreciation	(46,954.14)
Total Assets	\$5,003,743.98
LIABILITIES AND OPERATING BALANCE	
<u>Current Liabilities</u>	
Accounts Payable	
Trade Creditors and Others.....	\$ 80,810.27
Accrued Employee Annual Leave.....	134,832.19
<u>Other Liabilities</u>	
Miscellaneous.....	(288.68)
Operating Balance	4,788,390.20
Total Liabilities and Operating Balance....	\$5,003,743.98

MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST			WESTERN			ARIZONA-LAS VEGAS		
	Feb 2002	Jan 2002	Feb 2001	Feb 2002	Jan 2002	Feb 2001	Feb 2002	Jan 2002	Feb 2001
Minimum Class Prices (3.5% B.)									
Class I Milk (\$/cwt.)	\$13.85	\$13.86	\$13.84	\$13.85	\$13.86	\$13.84	\$14.30	\$14.31	\$14.29
Class II Milk (\$/cwt.)	12.28	12.69	13.43	12.28	12.69	13.43	12.28	12.69	13.43
Class III Milk (\$/cwt.)	11.63	11.87	10.27	11.63	11.87	10.27	11.63	11.87	10.27
Class IV Milk (\$/cwt.)	11.54	11.93	12.70	11.54	11.93	12.70	11.54	11.93	12.70
Producer Prices									
Producer Price Differential (\$/cwt.)	\$ 0.51	\$ 0.66	\$ 2.08	\$ 0.46	\$ 0.57	\$ 1.52	+	+	+
Butterfat (\$/pound)	1.3817	1.4846	1.4626	1.3817	1.4846	1.4626	+	+	+
Protein (\$/pound)	2.0884	1.9660	1.4951	2.0884	1.9660	1.4951	+	+	+
Other Solids (\$/pound)	0.0965	0.1392	0.1199	0.0965	0.1392	0.1199	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	+	+	7.82	7.93	7.75
Uniform Butterfat Price (\$/pound)	+	+	+	+	+	+	1.4030	1.4742	1.4290
Statistical Uniform Price (\$/cw .)	\$12.14	\$12.53	\$12.35	\$12.09	\$12.44	\$11.79	\$12.46	\$12.81	\$12.48
Producer Data									
Number of Producers	1,170 *	1,170	1,102	781 *	781	756	110 *	110	118
Avg. Daily Production (lbs.)	18,092 *	17,328	16,169	20,611 *	19,695	13,879	80,332 *	76,531	74,322
Number of Handlers									
Pool Handlers	26	26	26	16	16	17	6	6	7
Producer-Handlers	9	9	10	6	6	7	2	2	1
Other Plants w/ Class I Use	15 *	15	13	19 *	19	11	30 *	30	27
Producer Milk Ratios									
Class I	27.29%	29.74%	31.90%	17.35%	18.91%	27.65%	30.80%	32.45%	31.57%
Class II	5.17%	5.21%	6.50%	8.11%	7.83%	8.37%	3.80%	4.13%	3.90%
Class III	36.98%	35.80%	37.57%	50.99%	48.75%	62.67%	38.43%	41.17%	35.47%
Class IV	30.56%	29.25%	24.03%	23.55%	24.51%	1.31%	26.97%	22.25%	29.06%

+ Not Applicable. * Preliminary.

MONTHLY SUPPLEMENTAL STATISTICS

	Jan 2002	Dec 2001	Jan 2001	Jan 2002	Dec 2001	Jan 2001	Jan 2002	Dec 2001	Jan 2001
Producer-Handler Data									
Production	22,717,750	22,448,117	23,943,472	2,563,990	2,465,065	2,360,071	R	R	R
Class I Use	18,817,893	18,449,697	19,319,544	1,875,486	1,813,522	1,827,194	R	R	R
% Class I Use	82.83%	82.19%	80.69%	73.15%	73.57%	77.42%	R	R	R
Class I Route Disposition In Area									
By Pool Plants	170,717,037	165,891,259	171,630,236	74,441,750	69,813,399	73,673,989	78,607,365	75,765,243	80,371,028
By Producer-Handlers	19,042,205	18,287,889	19,303,559	1,883,351	1,821,884	1,843,541	1/	1/	R
By Other Plants	1,122,141 *	1,270,332	780,499	1,961,764 *	1,560,629	1,212,561	32,160,281 *	32,265,541	15,112,272
Total	190,881,383	185,449,480	191,714,294	78,286,865	73,195,912	76,730,091	110,767,646	108,030,784	R

* 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		
	Feb 2002	Jan 2002	Feb 2001	Feb 2002	Jan 2002	Feb 2001	Feb 2002	Jan 2002	Feb 2001
TOTAL PRODUCER MILK	592,680,180	628,482,107	498,919,865	450,718,859	476,831,743	293,798,204	247,421,066	260,971,708	245,559,690
RECEIPTS FROM OTHER SOURCES	6,619,624	8,187,930	8,797,428	4,121,278	4,208,761	3,973,328	17,288,918	4,890,877	1,284,679
OPENING INVENTORY	23,301,707	21,867,068	25,141,269	12,023,759	10,054,817	10,977,569	13,753,582	14,961,103	10,932,241
TOTAL TO BE ACCOUNTED FOR	622,601,511	658,537,105	532,858,562	466,863,896	491,095,321	308,749,101	278,463,566	280,823,688	257,776,610
UTILIZATION OF RECEIPTS									
Whole milk	25,546,523	28,889,942	24,662,932	11,255,279	12,686,793	10,823,463	19,865,650	22,336,277	19,020,872
Flavored milk & milk drinks	10,106,881	11,754,431	8,813,884	5,243,079	5,831,368	5,892,253	4,747,447	5,095,066	4,157,527
2% milk	63,176,958	73,899,284	66,012,861	26,236,468	29,627,392	27,053,598	27,240,321	29,636,655	28,246,140
1% milk	22,334,121	25,999,425	22,984,578	14,080,787	12,596,847	14,171,436	8,714,127	9,709,433	8,967,674
Skim milk	25,236,615	28,774,486	25,318,535	8,612,163	13,146,945	8,487,853	10,182,959	11,321,213	10,802,843
Buttermilk	1,316,410	1,399,469	1,067,029	531,706	552,405	558,277	415,875	508,721	465,557
CLASS I ROUTE DISP. IN AREA . .	147,717,508	170,717,037	148,859,819	65,959,482	74,441,750	66,986,880	71,166,379	78,607,365	71,660,613
Class I dispositions out of area . .	11,370,107	11,989,449	8,805,667	11,196,638	13,548,783	12,077,581	5,009,810	5,641,065	4,217,433
Other Class I usage	17,855,084	18,861,488	17,911,728	10,123,649	10,122,350	9,478,934	7,636,807	7,420,979	6,968,858
TOTAL CLASS I USE	176,942,699	201,567,974	175,577,214	87,279,769	98,112,883	88,543,395	83,812,996	91,669,409	82,846,904
TOTAL CLASS II USE	34,919,341	37,910,691	37,781,899	39,168,101	40,032,674	28,195,290	12,694,045	13,117,202	10,036,036
TOTAL CLASS III USE	219,255,691	225,957,051	188,327,570	229,828,547	232,622,616	184,431,454	95,094,074	108,748,257	87,315,717
TOTAL CLASS IV USE	191,483,780	193,101,389	131,171,879	110,587,479	120,327,148	7,578,962	86,862,451	67,288,820	77,577,953
TOTAL ACCOUNTED FOR	622,601,511	658,537,105	532,858,562	466,863,896	491,095,321	308,749,101	278,463,566	280,823,688	257,776,610
CLASSIFICATION OF RECEIPTS									
Producer milk: Class I . .	161,769,643	186,920,135	159,140,104	78,201,222	90,176,737	81,245,201	76,190,792	84,670,168	77,533,192
Class II . .	30,625,485	32,732,924	32,440,082	36,556,702	37,332,467	24,584,470	9,403,811	10,772,340	9,574,520
Class III . .	219,146,296	225,007,654	187,455,263	229,802,276	232,469,375	184,120,664	95,094,074	107,449,992	87,099,912
Class IV . .	181,138,756	183,821,394	119,884,416	106,158,659	116,853,164	3,847,869	66,732,389	58,079,208	71,352,066
Other receipts: Class I . .	15,173,056	14,647,839	16,437,110	9,078,547	7,936,146	7,298,194	31,042,500	19,851,980	12,216,920
Class II . .	4,293,856	5,177,767	5,341,817	2,611,399	2,700,207	3,610,820	1/	1/	1/
Class III . .	109,395	949,397	872,307	26,271	153,241	310,790	1/	1/	1/
Class IV . .	10,345,024	9,279,995	11,287,463	4,428,820	3,473,984	3,731,093	1/	1/	1/
Avg. daily producer receipts	21,167,149	20,273,616	17,818,567	16,097,102	15,381,669	10,492,793	8,836,467	8,418,442	8,769,989
Change From Previous Year . .	18.79%	4.56%		53.41%	45.62%		0.76%	-1.24%	
Avg. daily Class I use	6,319,382	6,502,193	6,270,615	3,117,135	3,164,932	3,162,264	2,993,321	2,957,078	2,958,818
Change From Previous Year . .	0.78%	-0.28%		-1.43%	2.92%		1.17%	1.79%	
1/ Restricted - Included with Class I.									

HIGHLIGHTS THIS ISSUE:

- **Market Summaries for February 2002**
- **February 2002 Class Prices and Commodity Prices**
- **Class I Prices for April 2002**
- **USDA to Hold Hearing on Proposed Changes to FO 135 and FO 124**
- **Revision in Diversion Percentage Limits for the Operator of a Pool Plant or Cooperative Association to Nonpool Plants**
- **In-Area Disposition of Fluid Milk Products: January Through December 2001**
- **Analysis Of Hauling Charges**
- **Marketing Service Programs Financial Statement**

**MARKETING SERVICE PROGRAMS
FINANCIAL STATEMENT**

The combined financial statement for the marketing service programs of the Pacific Northwest, Western, and Arizona-Las Vegas Federal milk market orders for 2001 can be found on page 5. The three orders require that the market administrator conduct a marketing service program for producers who are not members of a qualified cooperative association which performs comparable services. The primary functions of the marketing service programs involve the verification of weights, sampling, and testing of milk, and providing marketing information to producers. The principal source of income for these programs is the marketing service deduction which is applicable to all producers for whom the services are provided. ♦