



# The Market Administrator's Report

Facilitating the Efficient Marketing of Milk

## Pacific Northwest and Arizona Marketing Areas

William A. Wise, Market Administrator

Volume 40, No. 7

July 2014

Data for June 2014

### MARKET SUMMARIES FOR JUNE

#### Pacific Northwest (FO 124)

Producers delivered a total of 749.6 million pounds of milk to the market during June. Daily deliveries averaged 25.0 million pounds, down 0.1 percent from May. An estimated 583 producers delivered milk to the market during the month. Daily deliveries per producer averaged 42,857 pounds, down 0.3 percent from May.

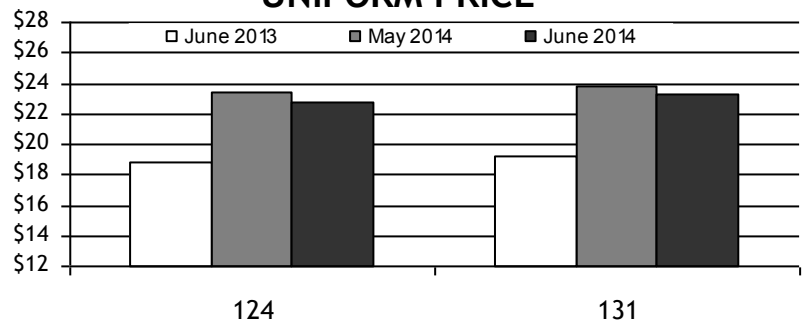
Class I producer milk during June totaled 157.1 million pounds, 21.0 percent of total producer receipts. Daily usage averaged 5.2 million pounds, down 3.8 percent from May. ▼

#### Arizona (FO 131)

Producers delivered a total of 407.2 million pounds of milk to the market during June. Daily deliveries averaged 13.6 million pounds, down 6.7 percent from May. An estimated 94 producers delivered milk to the market during the month. Daily deliveries per producer averaged 144,402 pounds, down 6.7 percent from May.

Class I producer milk during June totaled 101.4 million pounds, 24.9 percent of total producer receipts. Daily usage averaged 3.4 million pounds, up 4.1 percent from May. ▼

### UNIFORM PRICE



### Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	May	June	May	June
Uniform Price (at 3.5%)	\$23.42	\$22.76	\$23.75	\$23.33
Uniform Price (at test)	\$24.75	\$23.99	\$23.57	\$23.13
PPD	\$0.85	\$1.40		
Butterfat	\$2.2721	\$2.4413		n/a
Protein	\$3.9553	\$3.3437		
Other Solids	\$0.4897	\$0.4942		
Uniform Skim			\$16.40	\$15.41
Uniform Butterfat		n/a	\$2.2653	\$2.4167
Butterfat	3.788%	3.776%	3.411%	3.414%
Protein	3.157%	3.153%		
Other Solids	5.727%	5.730%		n/a

### HIGHLIGHTS THIS ISSUE

- ✓ USDA: Suggestions for the 2017 Census of Agriculture
- ✓ USDA: New Support for Beginning Farmers & Ranchers
- ✓ Number of Producers & Pounds of Milk: May 2014

# Federal Order Price Summaries

## FINAL CLASS PRICES

The June 2014 Final Class Prices were calculated using AMS commodity price surveys from June 7, 14, 21, and 28, 2014. Current and archived Final Class Price announcements are available at [www.fmmaseattle.com/finalprice.htm](http://www.fmmaseattle.com/finalprice.htm).

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
May 2014	\$26.37	\$26.82	\$24.44	\$22.57	\$22.65	\$2.2721	\$3.9553	\$0.4897	\$1.6919
June 2014	\$24.76	\$25.21	\$23.94	\$21.36	\$23.13	\$2.4413	\$3.3437	\$0.4942	\$1.6785
Change	(\$1.61)	(\$1.61)	(\$0.50)	(\$1.21)	\$0.48	\$0.1692	(\$0.6116)	\$0.0045	(\$0.0134)

## ADVANCED CLASS I PRICE

The August 2014 Advanced Price was calculated using AMS commodity price surveys from July 12 and 19, 2014. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advanceprice.htm](http://www.fmmaseattle.com/advanceprice.htm).

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
July 2014	\$2.4377	\$13.26	\$15.01	\$15.01	\$23.02	\$24.92	\$25.37	\$15.71	\$1.7456
Aug. 2014	\$2.6235	\$12.82	\$15.22	\$15.22	\$23.87	\$25.77	\$26.22	\$15.92	\$1.7689
Change	\$0.1858	(\$0.44)	\$0.21	\$0.21	\$0.85	\$0.85	\$0.85	\$0.21	\$0.0233

# Commodity Price Summaries

## AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	May	June	Change
Cheese	\$2.1703	\$2.0358	(\$0.1345)
Butter	\$2.0477	\$2.1874	\$0.1397
Nonfat Dry Milk	\$1.8768	\$1.8633	(\$0.0135)
Whey	\$0.6745	\$0.6789	\$0.0044

## AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	July	August	Change
Cheese	\$2.0334	\$2.0445	\$0.0111
Butter	\$2.1845	\$2.3379	\$0.1534
Nonfat Dry Milk	\$1.8526	\$1.8763	\$0.0237
Whey	\$0.6767	\$0.6873	\$0.0106

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net decrease in prices received for 40-pound blocks and a net increase for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 0.57 cents between the June 14 and the July 19 surveys, to \$2.0096 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net increase of 1.79 cents to \$2.0355 per pound.

The AMS butter price showed a net increase of 18.33 cents between the weeks ending June 14 and July 19 from \$2.1836 per pound to \$2.3669 per pound. The AMS nonfat dry milk showed a net increase of 0.73 cents since mid-June to \$1.8694 per pound. The average price for AMS whey showed a net increase of 1.03 cents since mid-June to \$0.6869 per pound.

A current summary of various commodity prices is available at [www.fmmaseattle.com/prices.htm](http://www.fmmaseattle.com/prices.htm). 

## USDA News

### USDA INVITES SUGGESTIONS FOR THE 2017 CENSUS OF AGRICULTURE

The USDA is now inviting suggestions for the 2017 Census of Agriculture. Conducted only once every five years by USDA's National Agricultural Statistics Service (NASS), the Census provides detailed data covering nearly every facet of U.S. agriculture down to the county level.

NASS released the complete 2012 Census of Agriculture results on May 2, 2014. The agency is now planning the content for the 2017 Agriculture Census and accepting input. Any individual or organization may submit suggestions on questionnaire items to add or delete, as well as any other ideas concerning the Census. There will be another opportunity to provide official comment through the *Federal Register* process in the coming weeks.

Content suggestions for the 2017 Census will be accepted until August 4, 2014. Comments can be submitted online at [www.agcensus.usda.gov/Contact\\_Us/Census\\_Program\\_Input\\_Form/](http://www.agcensus.usda.gov/Contact_Us/Census_Program_Input_Form/).

Written suggestions may be mailed to: Census Content Team, Room 6451, 1400 Independence Ave, SW, Washington, DC 20250.

To learn more and to access the complete 2012 Census of Agriculture results, including State and County profiles and all the other Census data and tools, visit [www.agcensus.usda.gov](http://www.agcensus.usda.gov). 🐾

Happy  
July  
Ice  
Cream  
Month!



### HISTORIC FARM BILL FUNDING AVAILABLE TO ORGANIC PRODUCERS AND HANDLERS

On July 17, 2014, the USDA announced that approximately \$13 million in Farm Bill funding is now available for organic certification cost-share assistance, making certification more accessible than ever for small certified producers and handlers.

The funding will provide cost-share assistance through participating states to USDA certified organic producers and handlers for certification-related expenses they incur from October 1, 2013, through September 30, 2014. Payments cover up to 75 percent of an individual producer's or handler's certification costs, up to a maximum of \$750 per certification.

Additional information is available on the National Organic Program's website at [www.ams.usda.gov/NOPCostSharing](http://www.ams.usda.gov/NOPCostSharing). 🐾

### USDA ANNOUNCES NEW SUPPORT FOR BEGINNING FARMERS AND RANCHERS

On June 23, 2014, USDA Deputy Secretary Krysta Harden announced the implementation of new Farm Bill measures and other policy changes to improve the financial security of new and beginning farmers and ranchers. Harden also unveiled [www.usda.gov/newfarmers](http://www.usda.gov/newfarmers), a new website that will provide a centralized, one-stop resource where beginning farmers and ranchers can explore the variety of USDA initiatives designed to help them succeed.

The new farmers' website has in depth information on issues that have been identified as top priorities by new farmers, including: how to increase access to land and capital, build new market opportunities, participate in conservation opportunities and select and use the right risk management tools. 🐾

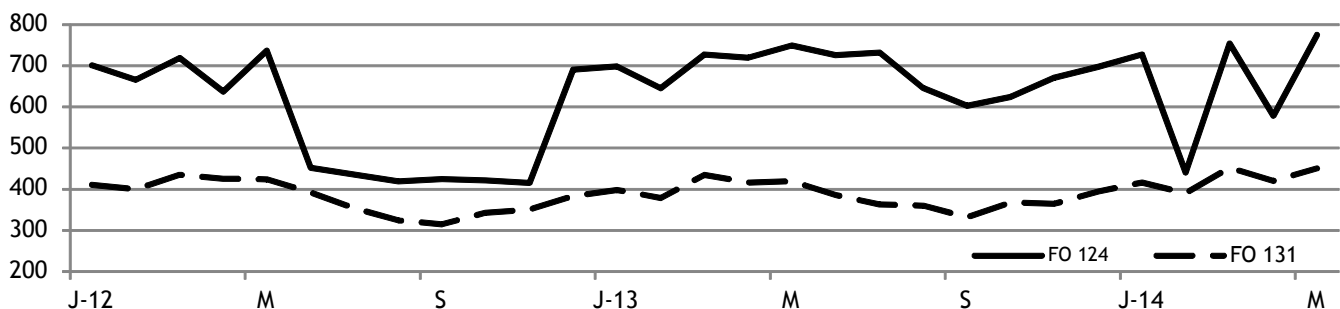
Source: USDA. Office of Communications. Release No. 0131.14

# Number of Producers and Pounds of Milk: May 2014

State	County 1/	Producers	Milk	State	County 1/	Producers	Milk
<b>ARIZONA ORDER</b>				<b>PACIFIC NORTHWEST ORDER (CONTINUED)</b>			
<i>Arizona</i>				<i>Washington</i>			
	Maricopa	48	217,887,473		Adams	9	21,439,569
	Pinal	27	172,474,538		Benton	3	7,466,551
	Restricted 2/	9	38,158,750		Clark	7	6,970,864
	<b>Total Arizona</b>	<b>84</b>	<b>428,520,761</b>		Franklin	11	47,927,363
	<i>California</i>				Grant	20	54,917,615
	Restricted 3/	10	22,321,813		Grays Harbor	8	4,841,932
	<b>Total Arizona Order</b>	<b>94</b>	<b>450,842,574</b>		King	25	14,860,058
					Klickitat	3	1,552,527
<b>PACIFIC NORTHWEST ORDER</b>					Lewis	30	11,619,228
	<i>California</i>				Pacific	7	2,228,998
	Siskiyou	3	1,418,275		Skagit	30	26,244,587
	<i>Idaho</i>				Snohomish	22	17,992,542
	Restricted 4/	5	1,265,369		Spokane	6	1,385,294
	<i>Oregon</i>				Stevens	7	1,110,539
	Benton	3	3,213,879		Thurston	9	11,065,207
	Clackamas	6	822,774		Wahkiakum	4	640,605
	Clatsop	4	1,851,178		Whatcom	105	89,282,132
	Coos	10	4,729,224		Yakima	66	237,151,628
	Josephine	3	1,190,970		Restricted 6/	10	5,044,019
	Klamath	4	5,194,194		<b>Total Washington</b>	<b>382</b>	<b>563,741,258</b>
	Lane	3	5,181,837		<b>Total Pacific Northwest Order</b>	<b>582</b>	<b>772,326,689</b>
	Linn	5	2,839,359				
	Marion	27	28,301,230		<b>Total for Both Orders</b>	<b>676</b>	<b>1,223,169,263</b>
	Morrow	6	75,793,020				
	Polk	5	11,171,481				
	Tillamook	92	47,057,023				
	Umatilla	3	2,919,902				
	Washington	11	4,916,987				
	Yamhill	6	10,020,117				
	Restricted 5/	4	698,612				
	<b>Total Oregon</b>	<b>192</b>	<b>205,901,787</b>				

1/ Restricted Counties Identified in Footnotes 2-6.  
 2/ Cochise, Greenlee, La Paz, Pima & Yuma, AZ, and Bailey & Parmer, TX  
 3/ Imperial, Riverside, & San Bernardino, CA  
 4/ Bonner, Franklin, Latah & Lincoln, ID  
 5/ Deschutes, Jackson & Multnomah, OR  
 6/ Clallam, Cowlitz, Island, Jefferson, Kittitas, Lincoln & Pierce, WA, and Cache, UT

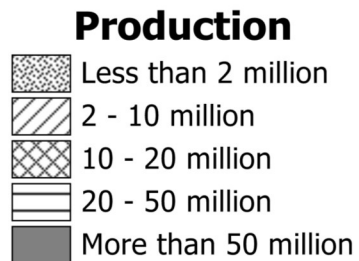
**Pacific Northwest (FO 124) and Arizona (FO 131) Producer Milk Pooled  
 January 2012 - May 2014 (million pounds)**



# Pounds of Producer Milk by County: May 2014



Note: This map does not include data for Bailey and Parmer Counties, Texas. For your reference, these counties are located in the northwest area of the State, along the New Mexico/Texas border, and would both have shading for the “2–10 million” pounds category.



# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Jun 2014	May 2014	Jun 2013	May 2013	Jun 2014	May 2014	Jun 2013	May 2013
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	\$1.40	\$0.85	\$0.82	\$0.27	+	+	+	+
Butterfat (\$/pound)	2.4413	2.2721	1.6599	1.7884	+	+	+	+
Protein (\$/pound)	3.3437	3.9553	3.3455	3.3597	+	+	+	+
Other Solids (\$/pound)	0.4942	0.4897	0.3859	0.3887	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$15.41	\$16.40	\$13.85	\$13.29
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.4167	2.2653	1.6862	1.7948
Statistical Uniform Price (\$/cwt)	\$22.76	\$23.42	\$18.84	\$18.79	\$23.33	\$23.75	\$19.27	\$19.11
<b>Producer Data</b>								
Number of Producers	<b>583</b>	582	594	596	<b>94</b>	94	91	91
Avg. Daily Production (pounds)	<b>42,857</b>	42,974	40,727	40,551	<b>144,402</b>	154,716	141,412	148,658
<b>Producer Milk Ratios</b>								
Class I	20.96%	21.77%	22.13%	24.69%	24.91%	22.32%	25.89%	26.97%
Class II	6.57%	6.36%	7.08%	7.74%	9.80%	8.30%	8.78%	7.82%
Class III	41.84%	41.41%	43.22%	42.25%	29.43%	25.99%	25.55%	25.37%
Class IV	30.63%	30.46%	27.57%	25.32%	35.86%	43.39%	39.78%	39.84%
<b>Market Shrinkage</b>								
Pounds	9,015,125	9,510,205	10,040,728	12,426,984	1,642,718	1,388,936	1,411,920	1,645,013
% of Producer Milk	1.20%	1.23%	1.38%	1.66%	0.40%	0.31%	0.37%	0.39%

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

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	May 2014	Apr 2014	May 2013	Apr 2013	May 2014	Apr 2014	May 2013	Apr 2013
<b>Number of Handlers</b>								
Pool Handlers	24	22	25	25	7	7	7	7
<i>Distributing Plants</i>	13	13	14	14	5	5	5	5
<i>Supply Plants 1/</i>	6	4	6	6	1	1	1	1
<i>Cooperatives</i>	5	5	5	5	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	<b>19</b>	20	17	15	<b>21</b>	21	21	21
<b>Class I Route Disposition In Area</b>								
By Pool Plants	153,418,317	150,059,515	162,766,238	159,348,559	81,621,573	83,341,075	87,378,003	89,587,806
By Producer-Handlers	7,058,979	6,199,688	7,318,462	7,261,256	0	0	0	0
By Other Plants	<b>10,857,190</b>	10,509,287	9,998,353	8,976,961	<b>7,977,398</b>	8,643,784	7,050,235	7,103,742
Total	171,334,486	166,768,490	180,083,053	175,586,776	89,598,971	91,984,859	94,428,238	96,691,548
<b>Producer-Handler Data</b>								
% Class I Use	62.62%	58.41%	69.45%	73.53%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.12%	3.72%	4.06%	4.14%	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			
	Jun 2014	May 2014	Jun 2013	May 2013	Jun 2014	May 2014	Jun 2013	May 2013
<i>Receipts of Milk</i>								
Total Producer Milk	749,574,810	775,339,697	725,757,486	749,221,691	407,213,014	450,842,574	386,053,508	419,364,716
Receipts From Other Sources	8,023,805	6,412,239	10,263,399	11,237,084	10,003,059	2,431,730	1,871,786	2,782,758
Opening Inventory	35,735,781	41,008,046	36,608,173	35,341,511	23,487,512	19,667,339	23,109,700	21,292,729
<b>Total To Be Accounted For</b>	<b>793,334,396</b>	<b>822,759,982</b>	<b>772,629,058</b>	<b>795,800,286</b>	<b>440,703,585</b>	<b>472,941,643</b>	<b>411,034,994</b>	<b>443,440,203</b>
<i>Utilization of Receipts</i>								
Whole milk	33,202,365	34,166,407	32,443,546	34,008,070	23,527,993	23,851,913	22,795,270	24,311,166
Flavored milk & drinks	7,888,061	12,486,936	8,080,320	13,418,361	2,564,811	5,001,747	2,474,255	5,150,759
2% milk	60,409,454	61,957,088	62,998,981	64,919,141	29,600,726	30,104,508	29,900,666	31,956,684
1% milk	20,846,343	23,883,005	22,990,367	26,210,117	12,473,249	13,730,859	13,096,556	15,286,464
Skim milk	18,215,963	19,447,355	21,268,084	22,696,058	7,814,672	8,519,287	8,994,134	10,278,822
Buttermilk	1,391,339	1,477,526	1,362,483	1,514,491	358,025	413,259	340,807	394,108
Class I dispositions in area	141,953,525	153,418,317	149,143,781	162,766,238	76,339,476	81,621,573	77,601,688	87,378,003
Class I dispositions out of area	14,266,990	14,866,055	13,765,879	16,019,897	22,675,403	23,798,168	24,080,697	25,190,677
Other Class I usage	17,914,899	19,086,310	15,815,832	19,957,364	10,777,910	8,275,995	11,819,281	13,566,570
<i>Utilization by Class</i>								
Total Class I Use	174,135,414	187,370,682	178,725,492	198,743,499	109,792,789	113,695,736	113,501,666	126,135,250
Total Class II Use	54,689,793	54,505,026	59,069,354	68,566,178	40,791,837	38,341,708	34,617,638	33,905,946
Total Class III Use	314,481,559	323,681,324	314,621,435	317,362,027	120,617,309	117,381,792	99,221,512	106,404,532
Total Class IV Use	250,027,630	257,202,950	220,212,777	211,128,582	169,501,650	203,522,407	163,694,178	176,994,475
<b>Total Accounted For</b>	<b>793,334,396</b>	<b>822,759,982</b>	<b>772,629,058</b>	<b>795,800,286</b>	<b>440,703,585</b>	<b>472,941,643</b>	<b>411,034,994</b>	<b>443,440,203</b>

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Jun 2014	May 2014	Jun 2013	May 2013	Jun 2014	May 2014	Jun 2013	May 2013
<i>Producer milk</i>								
Class I	157,090,384	168,782,560	160,645,130	185,017,500	101,419,838	100,649,350	99,950,571	113,090,206
Class II	49,228,947	49,298,953	51,400,741	57,972,603	39,919,520	37,437,746	33,881,609	32,782,493
Class III	313,586,072	321,071,307	313,660,469	316,513,400	119,861,502	117,181,203	98,617,702	106,397,103
Class IV	229,669,407	236,186,877	200,051,146	189,718,188	146,012,154	195,574,275	153,603,626	167,094,914
<i>Other receipts</i>								
Class I	17,045,030	18,588,122	18,080,362	13,725,999	8,372,951	13,046,386	13,551,095	13,045,044
Class II	5,460,846	5,206,073	7,668,613	10,593,575	1/	1/	1/	1/
Class III	895,487	2,610,017	960,966	848,627	1/	1/	1/	1/
Class IV	20,358,223	21,016,073	20,161,631	21,410,394	25,117,620	9,052,683	11,430,391	11,030,443
<i>Avg. daily producer receipts</i>	24,985,827	25,010,958	24,191,916	24,168,442	13,573,767	14,543,309	12,868,450	13,527,894
Change From Previous Year	3.28%	3.49%	60.62%	1.64%	5.48%	7.51%	-1.43%	-1.13%
<i>Avg. daily Class I use</i>	5,804,514	6,044,216	5,957,516	6,411,081	3,659,760	3,667,604	3,783,389	4,068,879
Change From Previous Year	-2.57%	-5.72%	-6.96%	-1.56%	-3.27%	-9.86%	-3.83%	0.04%

1/ Restricted - Included with Class IV.



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## Contact Information

### Bothell Office

1930 220th Street SE, Suite 102  
 Bothell, Washington 98021  
 Phone: (425) 487-6009  
 Fax: (425) 487-2775  
 E-mail:  
[fmmaseattle@fmmaseattle.com](mailto:fmmaseattle@fmmaseattle.com)

### Phoenix Office

4835 E Cactus Road, Suite 365  
 Scottsdale, Arizona 85254  
 Phone: (602) 547-2909  
 Fax: (602) 547-2906  
 E-mail: [ma@fmma.net](mailto:ma@fmma.net)

Visit the MA website  
[www.fmmaseattle.com](http://www.fmmaseattle.com)

## FEDERAL ORDER STATISTICS FOR JUNE

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)	2,188.3	699.1	31.95%	\$26.11	\$24.38
Appalachian (FO 5)	455.9	282.0	61.86%	\$26.26	\$25.48
Florida (FO 6)	213.3	171.9	80.59%	\$28.26	\$27.53
Southeast (FO 7)	427.0	293.1	68.64%	\$26.66	\$25.88
Upper Midwest (FO 30)	2,899.6	264.4	9.12%	\$24.66	\$21.79
Central (FO 32)	1,219.7	358.1	29.36%	\$24.86	\$22.75
Mideast (FO 33)	1,389.1	467.1	33.63%	\$24.86	\$23.21
Pacific Northwest (FO 124)	749.6	157.1	20.96%	\$24.76	\$22.76
Southwest (FO 126)	1,098.7	314.0	28.58%	\$25.86	\$23.27
Arizona (FO 131)	407.2	101.4	24.91%	\$25.21	\$23.33

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