

## Pacific Northwest & Arizona Marketing Areas



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### MARKET SUMMARIES FOR JULY 2011

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

#### Pacific Northwest

Producers delivered a total of 734.0 million pounds of milk to the market during July. Daily deliveries averaged 23.7 million pounds, up 0.8 percent from June. An estimated 632 producers delivered milk to the market during the month. Daily deliveries per producer averaged 37,465 pounds, up 0.8 percent from June.

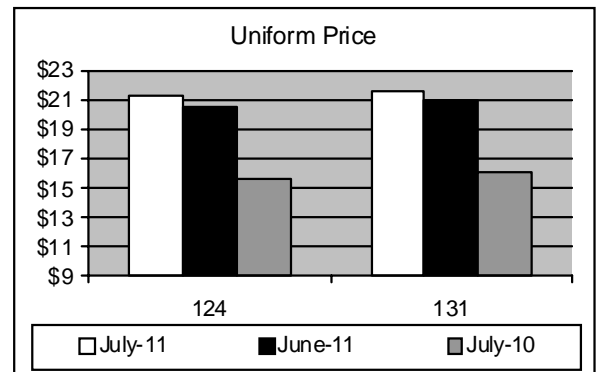
Class I producer milk during July totaled 172.0 million pounds, 23.4 percent of total producer receipts. Daily usage averaged 5.5 million pounds, down 6.1 percent from June.

#### Arizona

Producers delivered a total of 353.8 million pounds of milk to the market during July. Daily deliveries averaged 11.4 million pounds, down 9.8 percent from June. An estimated 101 producers delivered

milk to the market during the month. Daily deliveries per producer averaged 113,012 pounds, down 9.8 percent from June.

Class I producer milk during July totaled 110.1 million pounds, 31.1 percent of total producer receipts. Daily usage averaged 3.6 million pounds, unchanged from June. ♦



### Federal Order Producer Prices and Component Levels: July 2011

Producer Prices	FO124	FO131	Component Levels (%)	FO124	FO131
Uniform Price 1/*	21.34	21.58	Butterfat	3.632	3.464
Butterfat 2/	2.2511	2.2788	Protein	3.096	N/A
Protein 2/	3.8292	N/A	Other Solids	5.743	N/A
Other Solids 2/	0.3608	N/A	Nonfat Solids	8.839	N/A
PPD 1/*	-0.05	N/A			
Skim 1/	N/A	14.10			

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

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**JULY 2011 CLASS PRICES**

July 2011 non-advanced Class Prices were calculated using NASS commodity price surveys from July 2, 9, 16, 23, and 30, 2011. Component prices for the month are \$3.8292 per pound of protein, \$2.2511 per pound of butterfat, \$0.3608 per pound of other solids, and \$1.4336 per pound of nonfat solids.

July 2011 Class III and IV prices at 3.5% butterfat are \$21.39 and \$20.33 per hundredweight, respectively. The July Class III price compared to June is up \$2.28. The Class III price is \$7.65 higher than in July 2010.

Class II butterfat was announced at \$2.2581 per pound. Class I skim and butterfat and Class II skim prices for July 2011 were announced on June 17, 2011. The Class II price at 3.5% butterfat is \$21.29 for July 2011.

**FINAL: NASS COMMODITY PRICES**

	June	July	Change
Cheese*	\$1.8999	\$2.1243	\$0.2244
Butter	\$2.1287	\$2.0304	-\$0.0983
Nonfat Dry Milk	\$1.6520	\$1.6159	-\$0.0361
Whey	\$0.5233	\$0.5494	\$0.0261

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

**Current Commodity Prices** -- The NASS survey of cheddar cheese prices showed a net increase in price received for 40-pound blocks and for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 1.40 cents between the July 16 and the August 13 surveys, to \$2.1476 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a net increase of 3.68 cents to \$2.1611 per pound.

The NASS butter price showed a net increase of 6.61 cents between the weeks ending July 16 and August 13 from \$2.0280 per pound to \$2.0941 per pound.

The NASS nonfat dry milk showed a net decrease of 6.21 cents since mid-July to \$1.5889 per pound. The average price for NASS whey showed a net increase of 1.27 cents since mid-July to \$0.5648 per pound. ♦

**SEPTEMBER'S CLASS I PRICE ANNOUNCEMENT**

On August 19, the September 2011 Class I price was announced at \$23.68 for the Pacific Northwest Order and \$24.13 for the Arizona Order. The Class I price was calculated using NASS commodity price surveys from the weeks of August 6 and 13.

The September Class III and IV advance skim prices are \$14.16 and \$12.59 per hundredweight, respectively. The butterfat portion of the Class I mover increased 6.79 cents from \$2.2496 to \$2.3175 per pound.

The September 2011 Class II skim and nonfat solids prices were also announced on August 19. The skim price is \$13.29 per hundredweight, and the nonfat solids price is \$1.4767 pound for all Federal orders. ♦

**ADVANCED: NASS COMMODITY PRICES FOR CLASS I PRICE CALCULATIONS**

	August	September	Change
Cheese*	\$2.1308	\$2.1529	\$0.0221
Butter	\$2.0291	\$2.0852	\$0.0561
Nonfat Dry Milk	\$1.6571	\$1.5804	-\$0.0767
Whey	\$0.5470	\$0.5639	\$0.0169

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

**NEW DIRECTOR SELECTED FOR GRADING AND STANDARDS DIVISION**

On August 11, 2011, USDA's Dairy Programs announced the selection of Diane Lewis to the position of Director, Grading and Standards Division, effective August 14, 2011. In this capacity, Diane will work with Government and industry officials in establishing, implementing and evaluating policies, practices and procedures of Dairy Programs as a whole. She will be responsible for managing the Grading Branch that is comprised of the following programs: Dairy Equipment Review, Dairy Plant Surveys, Export Certification Programs, Grading and Inspections and Grade Label. She also will oversee the operations of the Standardization Branch that works to provide a common language of trade through the development, improvement and interpretation of standards, specifications, and quality improvement programs. In addition to the domestic standards programs, the Standardization Branch is actively involved with various Codex Alimentarius Committees. Oversight of the

National Collegiate Dairy Judging Contest will fall under Diane's purview as well.

Diane recently served as the Senior Vice President, Market Access and Regulatory Affairs at the U.S. Dairy Export Council where she worked for 15 years. Prior to her employment with the U.S. Dairy Export Council, Diane was employed with Dairy Programs as a Dairy Products Marketing Specialist with the Standardization Branch for 12 years and as an Agricultural Commodity Grader with the Grading Branch for three years. Diane graduated from Michigan State University where she earned a Bachelor's Degree in Food Science.

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**ENHANCED DATA ON NORTH AMERICAN AGRICULTURE NOW AVAILABLE**

The U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) announced on July 18 the availability of enhanced data on North American agriculture. Published online, the information is a result of a project sponsored by the North American Tripartite Committee on Agricultural Statistics (NATCAS).

"Working together with our statistical counterparts in Canada and Mexico, NASS has promoted the sharing of published data among the three countries," said Joseph Prusacki, NASS Statistics Division director. "Now with a single, convenient place to compare the agriculture industry throughout North America, farmers and industry experts can use this resource as a new decision tool for analyzing the markets and strategizing on domestic and overseas trade."

The enhanced information available on the website includes detailed data on people, production, international trade and the horticulture industries in the United States, Canada and Mexico. Website visitors also have access to maps and tables comparing selected data from each country's census of agriculture, including the most recent U.S. Census of Agriculture.

"This source of information on North American agriculture will help researchers, analysts and government leaders evaluate trends in agricultural production, efficiency, profitability and viability of farm operations and rural communities," added Prusacki.

NATCAS is a joint taskforce among agricultural statistics agencies in the United States, Canada and Mexico. The committee works to promote the sharing of information and the standardization of

data among the three countries and their various agencies in order to make agricultural statistics more efficient and easily accessible to the public.

Member agencies of the committee include Statistics Canada Agriculture Division; the Agricultural and Fisheries Information Service of the Mexican Ministry of Agriculture, Livestock, Rural Development, Fisheries and Food; the Mexican National Institute of Statistics, Geography and Informatics; and NASS, representing the United States.

Selected data related to dairy is displayed in the table below; 2009 is the most recent dataset. The full set of data tables, maps and other information are now available online at <http://webpage.siap.gob.mx/>.

**NORTH AMERICA AGRICULTURE STATISTICS  
PEOPLE & PRODUCTION  
2009**

Data	Canada	Mexico	U.S.
<b>Population</b>	33,739,859	107,550,697	307,006,550
<b>Land (km<sup>2</sup>)</b>	9,093,507	1,964,375	9,161,923
<i>(mi<sup>2</sup> equivalent)</i>	3,511,023	758,449	3,537,438
<b>Dairy Cows 1/</b>	979	2,344	9,333
<b>Annual Production 2/</b>	7,659,234	10,549,038	83,397,842
<i>(gallon equivalent 3/)</i>	2,023,356	2,786,761	22,031,379
<i>(pound equivalent 4/)</i>	17	24	189

1/ 1,000 head as of January 1  
2/ 1,000 liters  
3/ 1,000 gallons  
4/ billion pounds

Continued from page 8

**2011 FARM COMPUTER USAGE AND OWNERSHIP**

Category	Annual Sales & Government Payments		
	\$10,000 - \$99,999	\$100,000 - \$249,999	\$250,000 or more
<b>Have Computer Access</b>	63%	68%	84%
<b>Own or Lease a Computer</b>	62%	68%	83%
<b>Use for Farm Business</b>	41%	52%	72%
<b>Have Internet Access</b>	60%	67%	82%

In 2007, over half of dairy farmers accessed the Internet via a dialup connection. Now, 41 percent of dairy farms use DSL and 23 percent have a wireless connection, up from 24 and 7 percent, respectively in 2007. ◆

Source: *Farm Computer Usage and Ownership*, August 2011, National Agricultural Statistics Service, USDA.



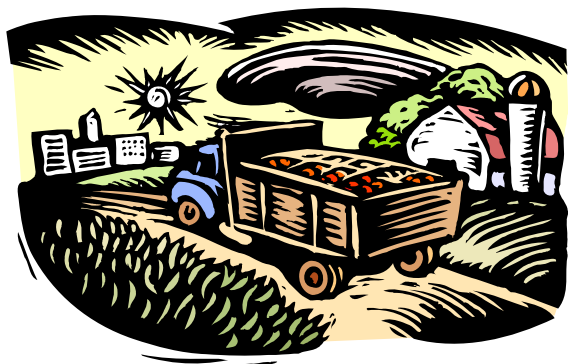
### FARM PRODUCTION EXPENDITURES CLIMB SLIGHTLY IN 2010

After a brief reprieve in 2009, last year farm production expenditures resumed an upward trend. In 2010, U.S. farmers reported spending \$289 billion to produce agricultural products, up from \$287.4 billion in the prior year. The *Farm Production Expenditures 2010* summary released on August 2 by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS) provides national, regional and Crop and Livestock farm expenditures.

Highlights from the 2010 summary include:

- Farm expenditures of \$45.4 billion for feed, \$35.7 billion on farm services and \$27.4 billion on labor expenses. These three categories account for over a third of all expenses incurred by producers in 2010.
- Livestock farm expenditures of \$130.6 billion, which is up 1.3 percent from the previous year.
- Crop farm expenditures of \$158.4 billion, a slight decrease from 2009.
- The largest increase in expenditures (7.3 percent) on southern region farms.
- An increase of 1.5 percent in farm expenditures reported by Atlantic region farms.
- A significant decrease in the amount spent on farm improvements and construction. Producers spent \$12.6 billion on these expenditures, \$1.5 billion less than in 2009.

The *Farm Production Expenditures* summary provides the official estimates for production input costs on U.S. farms and ranches. These estimates are based on the results of the nationwide Agricultural Resource Management Survey, conducted annually by NASS. The *Farm Production Expenditures 2010* summary and all NASS reports are available online at [www.nass.usda.gov](http://www.nass.usda.gov). ♦



### USDA ANNOUNCES TERMINATION OF PROCEEDING ON PROPOSED AMENDMENTS TO THE MIDEAST FEDERAL MILK ORDER

The U.S. Department of Agriculture announced on July 22, 2011, that proceedings on proposed amendments to the Class I price surface of the Mideast milk marketing order have been terminated.

USDA issued a recommended decision on January 8, 2009, to adopt amendments to the Class I price surface of the Mideast marketing order. Nearly all of the exceptions to the recommended decision noted that marketing conditions have changed substantially since the close of the hearing, making changes to the Class I price surface of the Mideast marketing area unwarranted.

USDA has determined that significant changes in the marketing conditions of the Mideast marketing area make any increase in the Class I prices unjustified and is terminating this rulemaking proceeding. ♦

### U.S. MONTHLY DAIRY COSTS OF PRODUCTION

The U.S. Department of Agriculture's Economic Research Service (ERS) routinely calculates the monthly milk costs of production as a part of its forecast for the USDA Baseline projections. This data is used to develop projected net return for the applicable major field crops, and provide a starting point for discussions related to expected or proposed future policies. Cost of production is only forecast at the national level and would differ considerably among regions, individual farmers, and by size of operation.

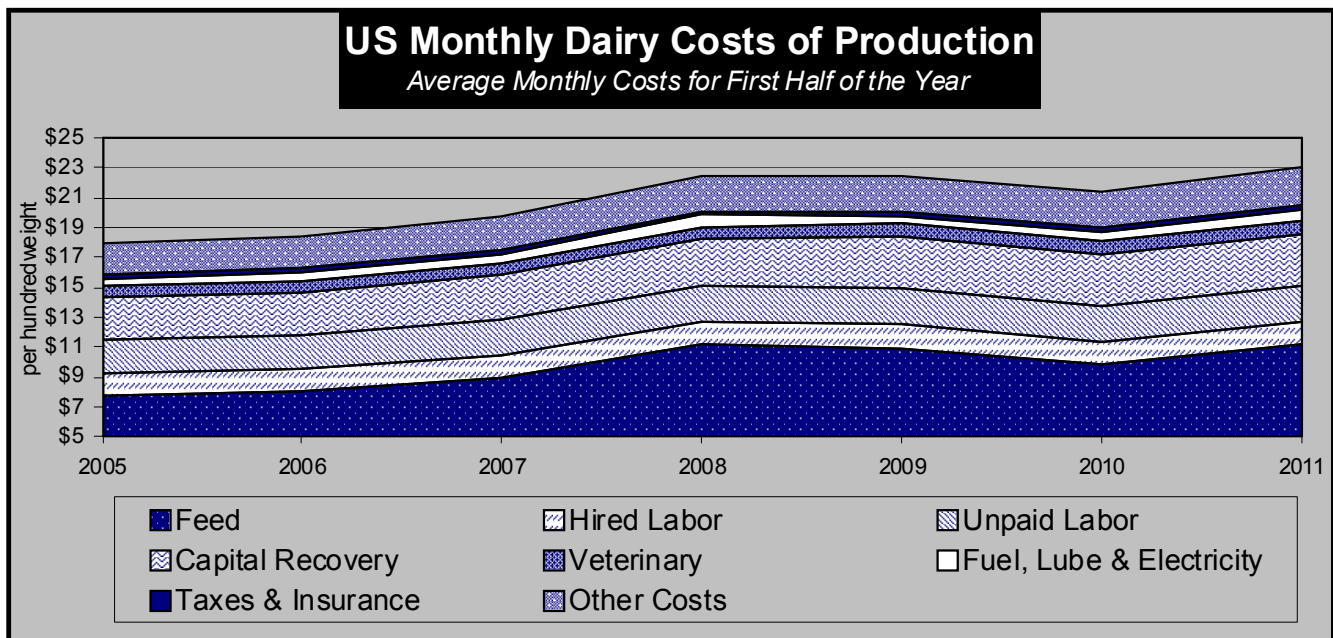
On July 26, 2011, ERS released the monthly milk cost of production for data through June 2011. The table on page 5 shows the average for the first six months of 2011, as well as the years 2005-2010.

By far, the highest cost associated with production was for feed, especially for purchased feed. For all years, the second highest cost relates to capital recovery for machinery and equipment. Allocated overhead seemed relatively constant from 2005-2011, ranging from \$7.28 to \$8.42; however the six-month average operating costs varied by \$4, ranging from \$10.64 per hundredweight to \$14.65. The highest six-month average was \$23.07, representing data for 2011. ♦

**United States Monthly Dairy Costs of Production per Hundredweight of Milk Sold**

TYPE OF COST	JANUARY - JUNE AVERAGE COSTS						
	2005	2006	2007	2008	2009	2010	2011
<i>per hundredweight</i>							
<b>Operating costs:</b>							
Feed							
Purchased feed	\$ 4.76	\$ 4.89	\$ 5.17	\$ 6.76	\$ 7.04	\$ 6.58	\$ 7.29
Homegrown harvested feed	2.95	3.12	3.70	4.25	3.80	3.20	3.79
Grazed feed	0.09	0.09	0.11	0.13	0.11	0.10	0.11
Total, feed costs	7.80	8.11	8.98	11.13	10.96	9.87	11.19
Veterinary and medicine	0.76	0.78	0.81	0.78	0.87	0.85	0.86
Bedding and litter	0.21	0.22	0.23	0.23	0.25	0.24	0.24
Marketing	0.26	0.27	0.28	0.28	0.31	0.31	0.32
Custom services	0.40	0.40	0.40	0.46	0.46	0.45	0.44
Fuel, lube, and electricity	0.49	0.58	0.59	0.86	0.49	0.65	0.81
Repairs	0.55	0.54	0.56	0.56	0.57	0.56	0.57
Other operating costs	-	-	-	-	-	-	-
Interest on operating capital	0.18	0.21	0.22	0.22	0.21	0.20	0.21
<b>Total operating costs</b>	<b>\$ 10.64</b>	<b>\$ 11.10</b>	<b>\$ 12.07</b>	<b>\$ 14.52</b>	<b>\$ 14.12</b>	<b>\$ 13.13</b>	<b>\$ 14.65</b>
<b>Allocated overhead:</b>							
Hired labor	\$ 1.45	\$ 1.46	\$ 1.51	\$ 1.54	\$ 1.57	\$ 1.53	\$ 1.53
Opportunity cost of unpaid labor	2.26	2.29	2.36	2.42	2.46	2.40	2.39
Capital recovery of machinery & equipment	2.84	2.81	2.93	3.10	3.35	3.37	3.49
Opportunity cost of land (rental rate)	0.03	0.03	0.03	0.04	0.04	0.04	0.04
Taxes and insurance	0.21	0.23	0.26	0.27	0.26	0.26	0.27
General farm overhead	0.50	0.52	0.55	0.64	0.64	0.62	0.70
<b>Total, allocated overhead</b>	<b>\$ 7.28</b>	<b>\$ 7.34</b>	<b>\$ 7.63</b>	<b>\$ 7.99</b>	<b>\$ 8.32</b>	<b>\$ 8.22</b>	<b>\$ 8.42</b>
<b>Total costs listed</b>	<b>\$ 17.92</b>	<b>\$ 18.45</b>	<b>\$ 19.70</b>	<b>\$ 22.51</b>	<b>\$ 22.44</b>	<b>\$ 21.36</b>	<b>\$ 23.07</b>

Source: National Monthly Cost of Production Data Set, Economic Research Service, U.S. Department of Agriculture



# MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST				ARIZONA			
	Jul 2011	Jun 2011	Jul 2010	Jun 2010	Jul 2011	Jun 2011	Jul 2010	Jun 2010
<b>Minimum Class Prices (3.5% B.F.)</b>								
Class I Milk (\$/cwt.)	\$22.93	\$22.22	\$17.56	\$17.18	\$23.38	\$22.67	\$18.01	\$17.63
Class II Milk (\$/cwt.)	21.29	21.37	17.10	16.01	21.29	21.37	17.10	16.01
Class III Milk (\$/cwt.)	21.39	19.11	13.74	13.62	21.39	19.11	13.74	13.62
Class IV Milk (\$/cwt.)	20.33	21.05	15.75	15.45	20.33	21.05	15.75	15.45
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt.)	\$(0.05)	\$ 1.49	\$ 1.93	\$ 1.56	+	+	+	+
Butterfat (\$/pound)	2.2511	2.3702	1.8964	1.7234	+	+	+	+
Protein (\$/pound)	3.8292	2.9807	2.0515	2.2040	+	+	+	+
Other Solids (\$/pound)	0.3608	0.3339	0.1700	0.1748	+	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	14.10	13.22	9.97	9.98
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.2788	2.3602	1.8629	1.7281
Statistical Uniform Price (\$/cwt.)	\$21.34	\$20.60	\$15.67	\$15.18	\$21.58	\$21.02	\$16.14	\$15.68
<b>Producer Data</b>								
Number of Producers	632 *	632	631	629	101 *	101	97	96
Avg. Daily Production (lbs.)	37,465 *	37,180	35,069	34,914	113,012 *	125,352	112,353	124,511
<b>Producer Milk Ratios</b>								
Class I	23.44%	25.14%	26.23%	26.84%	31.12%	28.05%	33.14%	29.28%
Class II	6.04%	6.78%	6.81%	7.22%	7.77%	7.67%	8.21%	8.52%
Class III	40.48%	41.04%	39.93%	42.42%	26.79%	29.99%	30.75%	26.32%
Class IV	30.04%	27.04%	27.03%	23.52%	34.32%	34.29%	27.90%	35.88%

+ Not Applicable. \* Preliminary.

## MONTHLY SUPPLEMENTAL STATISTICS

	PACIFIC NORTHWEST				ARIZONA			
	Jun 2011	May 2011	Jun 2010	May 2010	Jun 2011	May 2011	Jun 2010	May 2010
<b>Number of Handlers</b>								
Pool Handlers	26	25	26	27	7	7	7	7
<i>Distributing Plants</i>	14	14	14	14	5	5	5	5
<i>Supply Plants 1/</i>	7	6	7	8	1	1	1	1
<i>Cooperatives</i>	5	5	5	5	1	1	1	1
Producer-Handlers	5	5	5	6	0	0	0	0
Other Plants w/ Class I Use	19	17	25	24	21	22	23	23
<b>Class I Route Disposition In Area</b>								
By Pool Plants	159,297,477	171,640,655	159,811,931	170,938,863	82,645,028	89,819,576	84,042,151	91,686,216
By Producer-Handlers	6,969,291	7,259,036	8,224,100	9,297,601	0	0	0	0
By Other Plants	7,177,733 *	7,608,440	8,014,513	6,513,159	4,750,644 *	6,110,834	5,107,112	5,256,315
Total	173,444,501	186,508,131	176,050,544	186,749,623	87,395,672	95,930,410	89,149,263	96,942,531
<b>Producer-Handler Data</b>								
% Class I Use	59.44%	62.34%	57.36%	73.42%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.02%	3.89%	4.67%	4.98%	0.00%	0.00%	0.00%	0.00%

\* Preliminary. 1/ Includes Cooperative Pool Manufacturing Plants

# MONTHLY STATISTICAL SUMMARY

(Product pounds based upon reports of handlers)

RECEIPTS, UTILIZATION AND CLASSIFICATION OF MILK	PACIFIC NORTHWEST				ARIZONA			
	Jul 2011	Jun 2011	Jul 2010	Jun 2010	Jul 2011	Jun 2011	Jul 2010	Jun 2010
TOTAL PRODUCER MILK	734,010,174	704,931,430	685,984,587	658,832,836	353,839,106	379,816,821	337,845,449	358,591,020
RECEIPTS FROM OTHER SOURCES	13,873,742	15,674,113	15,317,747	16,246,747	4,942,048	13,178,288	4,234,946	2,755,861
OPENING INVENTORY . . . . .	37,115,691	37,647,255	35,251,383	36,000,583	22,017,684	20,674,642	21,596,233	24,889,572
<b>TOTAL TO BE ACCOUNTED FOR</b>	<b>784,999,607</b>	<b>758,252,798</b>	<b>736,553,717</b>	<b>711,080,166</b>	<b>380,798,838</b>	<b>413,669,751</b>	<b>363,676,628</b>	<b>386,236,453</b>
<b>UTILIZATION OF RECEIPTS</b>								
Whole milk . . . . .	32,991,292	31,657,798	31,862,901	30,457,814	24,153,728	22,852,969	24,504,589	23,150,598
Flavored milk & milk drinks . . . . .	6,620,164	8,709,109	7,011,756	9,106,009	2,782,158	2,344,423	2,667,451	2,772,831
2% milk . . . . .	67,799,315	66,323,286	68,322,623	66,506,717	34,052,366	32,061,163	34,654,049	32,607,431
1% milk . . . . .	24,467,843	24,797,738	25,369,932	25,004,462	14,724,654	13,973,169	14,761,058	13,788,642
Skim milk . . . . .	26,141,920	26,441,720	27,942,525	27,419,430	11,519,945	11,046,008	12,105,265	11,359,586
Buttermilk . . . . .	1,410,341	1,367,826	1,426,757	1,317,499	356,532	367,296	353,781	363,063
CLASS I ROUTE DISP. IN AREA. . . . .	159,430,875	159,297,477	161,936,494	159,811,931	87,589,383	82,645,028	89,046,193	84,042,151
Class I dispositions out of area . . . . .	16,204,556	15,931,568	18,788,596	16,004,407	23,807,751	23,879,091	23,438,405	22,844,213
Other Class I usage . . . . .	14,064,110	18,886,161	16,266,453	17,522,280	11,668,846	12,862,053	12,435,674	12,505,491
<b>TOTAL CLASS I USE. . . . .</b>	<b>189,699,541</b>	<b>194,115,206</b>	<b>196,991,543</b>	<b>193,338,618</b>	<b>123,065,980</b>	<b>119,386,172</b>	<b>124,920,272</b>	<b>119,391,855</b>
<b>TOTAL CLASS II USE . . . . .</b>	<b>50,432,063</b>	<b>54,802,736</b>	<b>57,368,580</b>	<b>57,842,887</b>	<b>28,142,322</b>	<b>29,738,861</b>	<b>28,644,710</b>	<b>31,277,578</b>
<b>TOTAL CLASS III USE . . . . .</b>	<b>297,167,412</b>	<b>292,367,270</b>	<b>274,593,802</b>	<b>280,637,381</b>	<b>95,082,672</b>	<b>113,913,114</b>	<b>105,119,032</b>	<b>94,799,476</b>
<b>TOTAL CLASS IV USE . . . . .</b>	<b>247,700,591</b>	<b>216,967,586</b>	<b>207,599,792</b>	<b>179,261,280</b>	<b>134,507,864</b>	<b>150,631,604</b>	<b>104,992,614</b>	<b>140,767,544</b>
<b>TOTAL ACCOUNTED FOR . . . . .</b>	<b>784,999,607</b>	<b>758,252,798</b>	<b>736,553,717</b>	<b>711,080,166</b>	<b>380,798,838</b>	<b>413,669,751</b>	<b>363,676,628</b>	<b>386,236,453</b>
<b>CLASSIFICATION OF RECEIPTS</b>								
Producer milk: Class I . . . . .	172,045,873	177,243,411	179,924,041	176,820,656	110,116,914	106,530,415	111,971,977	105,002,053
Class II . . . . .	44,355,279	47,794,528	46,732,693	47,570,542	27,504,404	29,133,991	27,752,563	30,561,167
Class III . . . . .	297,162,464	289,310,460	273,921,719	279,476,766	94,804,878	113,892,602	103,876,381	94,388,786
Class IV . . . . .	220,446,558	190,583,031	185,406,134	154,964,872	121,412,910	130,259,813	94,244,528	128,639,014
Other receipts: Class I . . . . .	17,653,668	16,871,795	17,067,502	16,517,962	12,949,066	12,855,757	12,948,295	14,389,802
Class II . . . . .	6,076,784	7,008,208	10,635,887	10,272,345	1/	1/	1/	1/
Class III . . . . .	4,948	3,056,810	672,083	1,160,615	1/	1/	1/	1/
Class IV . . . . .	27,254,033	26,384,555	22,193,658	24,296,408	14,010,666	20,997,173	12,882,884	13,255,631
Avg. daily producer receipts . . . . .	23,677,748	23,497,714	22,128,535	21,961,095	11,414,165	12,660,561	10,898,240	11,953,034
Change From Previous Year . . . . .	7.00%	7.00%	0.18%	-1.75%	4.73%	5.92%	11.11%	6.94%
Avg. daily Class I use . . . . .	6,119,340	6,470,507	6,354,566	6,444,621	3,969,870	3,979,539	4,029,686	3,979,729
Change From Previous Year . . . . .	-3.70%	0.40%	-2.16%	-0.03%	-1.48%	0.00%	-2.62%	-2.33%

1/ Restricted - Included with Class IV.

**HIGHLIGHTS THIS ISSUE:**

- Market Summaries for July 2011
- July 2011 Class Prices
- Class I Price for September 2011
- New Director Selected for Grading and Standards Division
- Enhanced Data on North American Agriculture Now Available
- Farm Production Expenditures Climb Slightly in 2010
- USDA Announces Termination of Proceeding for Mideast Federal Milk Order
- U.S. Monthly Dairy Costs of Production
- Farm Computer Usage and Ownership

**FARM COMPUTER USAGE AND OWNERSHIP****DSL Continues to be the Most Common Internet Access Method**

DSL was the most common method of accessing the Internet, with 38 percent of U.S. farms using it, up from 36 percent in 2009. Dialup access dropped from 23 percent in 2009 to 12 percent in 2011. Satellite and wireless were each reported as the primary Internet access methods on 15 and 20 percent of those U.S. farms with Internet access, respectively. Cable was reported as the primary access method on 11 percent of the farms, the same level as 2009.

A total of 62 percent of U.S. farms now have Internet access, compared with 59 percent in 2009. Sixty-five percent of farms have access to a computer in 2011, up one percentage point from 2009. The proportion of U.S. farms owning or leasing a computer in 2011, at 63 percent, was up two percentage points from 2009. Farms using computers for their farm business remained virtually stable at 37 percent in 2011 compared to 36 percent in 2009.

*Continued on page 3*