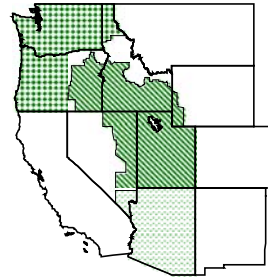


Pacific Northwest, Arizona-Las Vegas, & Western Marketing Areas



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



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

James R. Daugherty
Market Administrator

September 2003

MARKET SUMMARIES FOR AUGUST 2003

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

Pacific Northwest

Producers delivered a total of 415.2 million pounds of milk to the market during August. Comparisons to the previous month are affected by eligible milk not pooled in July and August 2003. Fewer than three handlers did not pool milk; the amount of eligible milk not pooled is restricted. Daily deliveries averaged 13.4 million pounds, up 0.9 percent from July. An estimated 697 producers delivered milk to the market during the month. Daily deliveries per producer averaged 19,215 pounds, down 0.8 percent from July.

Class I producer milk during August totaled 168.7 million pounds, 40.6 percent of total producer receipts. Daily usage averaged 5.4 million pounds, down 2.2 percent from July.

Arizona-Las Vegas

Producers delivered a total of 223.3 million pounds of milk to the market during August. Daily deliveries averaged 7.2 million pounds, down 8.4 percent from July.

An estimated 107 producers delivered milk to the market during the month. Daily deliveries per producer averaged 67,305 pounds, down 8.4 percent from July.

Class I producer milk during August totaled 77.5 million pounds, 34.7 percent of total producer receipts. Daily usage averaged 2.5 million pounds, down 6.5 percent from July.

Western

Producers delivered a total of 183.7 million pounds of milk to the market during August. Comparisons to the previous month are affected by eligible milk not pooled in July and August 2003. Approximately, 225 million pounds were not pooled in August 2003. Daily deliveries averaged 5.9 million pounds, up 4.3

(Continued on Page 2)

Federal Order Producer Prices and Component Levels: August 2003

Producer Prices	FO124	FO131	FO135	Component Levels (%)	FO124	FO131	FO135
Uniform Price 1/*	11.66	12.94	12.10	Butterfat	3.523	3.545	3.448
Butterfat 2/	1.2514	1.2448	1.2514	Protein	2.977	N/A	2.937
Protein 2/	3.1438	N/A	3.1438	Other Solids	5.691	N/A	5.696
Other Solids 2/	0.0026	N/A	0.0026	Nonfat Solids	8.669	N/A	8.634
PPD 1/*	(2.14)	N/A	(1.70)				
Skim 1/	N/A	8.89	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 Form Page 1)

percent from July. An estimated 551 producers delivered milk to the market during the month. Daily deliveries per producer averaged 10,756 pounds, up 4.3 percent from July.

Class I producer milk during August totaled 92.6 million pounds, 50.4 percent of total producer receipts. Daily usage averaged 3.0 million pounds, up 0.04 percent from July. ♦

AUGUST 2003 CLASS PRICES

August 2003 non-advanced Class Prices were calculated using NASS commodity price surveys from August 2, 9, 16, 23, and 30, 2003. Component prices for the month are \$3.1438 per pound of protein, \$1.2514 per pound of butterfat, \$0.0026 per pound of other solids, and \$0.6638 per pound of nonfat solids.

August 2003 Class III and IV prices at 3.5% butterfat are \$13.80 and \$10.14 per hundredweight, respectively. The August Class III price compared to July is up \$2.02. The Class III price is \$4.26 higher than August 2002. The Class III price at 3.67% butterfat is \$4.09 above the support price of \$9.90 at 3.67% butterfat.

Class II butterfat was announced at \$1.2584 per pound. Class I skim and butterfat and Class II skim prices for August 2003 were announced on July 18, 2003. The Class II price at 3.5% butterfat is \$10.81 for August 2003.

FINAL: NASS COMMODITY PRICES

	July	August	Change
Cheese*	\$1.3497	\$1.5496	\$0.1999
Butter	\$1.1196	\$1.1578	\$0.0382
Nonfat Dry Milk	\$0.8072	\$0.8105	\$0.0033
Whey	\$0.1470	\$0.1615	\$0.0145

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

Current Commodity Prices -- The NASS survey of cheddar cheese prices showed an increase in prices received for 40-pound blocks and 500-pound barrels. The survey of 40-pound blocks showed an increase of 2.75 cents between the August 16 and the September 13 surveys, to \$1.5703 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed an increase of 4.21 cents to \$1.5780 per pound.

The NASS butter price showed a net decrease of 7.14 cents between the weeks ending August 16 and September 13 from \$1.1858 per pound to \$1.1144 per pound.

The NASS nonfat dry milk showed a net increase of 0.02 cents since mid-August to \$0.8114 per pound. The average price for NASS whey showed an increase of 1.18 cents since mid-August to \$0.1727 per pound. ♦

OCTOBER'S CLASS I PRICE ANNOUNCEMENT

On September 19, the October 2003 Class I price was announced at \$16.17 for the Pacific Northwest and Western Orders, and \$16.62 for the Arizona-Las Vegas Order. These prices represent the highest Class I prices since November 2001, when the Class I prices were above \$17.00. The Class I price was calculated using NASS commodity price surveys from the weeks of September 6 and 13.

The October Class III and IV advance skim prices are \$10.43 and \$5.96 per hundredweight, respectively. The butterfat portion of the Class I mover decreased 9.37 cents from \$1.2944 to \$1.2007 per pound.

The October 2003 Class II skim and nonfat solids prices were also announced on September 19. 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

	September	October	Change
Cheese*	\$1.5396	\$1.5943	\$0.0547
Butter	\$1.1937	\$1.1156	-\$0.0781
Nonfat Dry Milk	\$0.8118	\$0.8094	-\$0.0024
Whey	\$0.1599	\$0.1716	\$0.0117

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

USDA ANNOUNCES FINAL DECISION TO AMEND THE CENTRAL MILK MARKETING ORDER

On August 27, 2003, the U.S. Department of Agriculture announced a final decision to make certain provisions, which had previously been implemented on an interim basis, permanent under the Central Milk Marketing Order. This decision is based on testimony and evidence given at a public hearing held November 14 and 15, 2001, in Kansas City, Missouri.

This decision continues to eliminate the ability to simultaneously pool milk on the Central milk order when the same milk is already pooled on a State-

operated milk order that has marketwide pooling. Other provisions establish lower but year-round supply plant performance standards, do not consider the volume of milk shipments to distributing plants regulated by another Federal milk order as a qualifying shipment on the Central order, exclude from receipts diverted milk made by a pool plant to another pool plant in determining pool plant diversion limits, and establish a "net shipments" provision for milk deliveries to distributing plants. This final decision leaves the results of the tentative final decision, published November 19, 2002, unchanged, but requires a vote by producers for final approval.

If producers approve the order as amended by this final decision, a final rule will follow to implement these changes. Details of this decision appeared in the August 27th *Federal Register*.

For additional information about the decision contact: **Central:** Donald R. Nicholson USDA/AMS/Dairy Programs, P.O. Box 14650, Shawnee Mission, KS 66285-4650, Tel. (913) 495-9300; email: donald.nicholson@fmmacentral.com.

◆

USDA ANNOUNCES FINAL RULE TO AMEND THE UPPER MIDWEST MILK MARKETING ORDER

On August 22, 2003, the U.S. Department of Agriculture announced a final rule that made permanent provisions to the Upper Midwest Federal Milk Marketing Order that were previously implemented on an interim basis. Producers of the Upper Midwest milk market approved these amendments.

Specifically, this final rule continues to prohibit the ability to simultaneously pool the same milk on the Upper Midwest Federal milk order and on a State-operated milk order that has marketwide pooling. Additionally, this rule continues to limit the amount of milk that can be diverted to nonpool plants from pool distributing plants regulated under the order. The final rule became effective September 1, 2003.

For additional information about the rule contact: H. Paul Kyburz, Upper Midwest Market Administrator; USDA/AMS/Dairy Programs; Suite 210, 4570 West 77th Street, Minneapolis, Minn. 55435-5037; Tel. (952) 831-5292; e-mail: pkkyburz@fmma30.com. ◆

INVITATION TO SUBMIT PROPOSALS FOR A PUBLIC HEARING TO AMEND FLUID MILK PRODUCT DEFINITION PROVISIONS

Dairy Farmers of America (DFA) has requested that the Department of Agriculture (USDA) hold an emergency public hearing to consider a proposal to amend the fluid milk product definition in all 11 Federal milk marketing orders. DFA's position is that products "intended to be consumed in fluid form" should be classified and priced as Class I.

Copies of the proposal may be obtained 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.

This proposal has not yet been approved for inclusion in a Notice of Hearing. Before deciding whether a hearing should be held, USDA is providing interested parties an opportunity to submit additional proposals regarding the definition of fluid milk products.

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 19, 2003. 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 proposals should be considered if a hearing to amend the orders is held.

A hearing would be limited to proposals included in the hearing notice. However, appropriate modifications of the proposals included in the notice also may be considered at the hearing if the modifications would not enlarge the marketing area or regulate persons not now subject to the order. Any proposals that would extend regulation should be accompanied by the names and addresses of persons who proponents believe would be affected by the proposed extension, and an estimate of the number of additional dairy farmers involved.

Actions under the Federal milk order program are subject to the *Regulatory Flexibility Act*, which seeks to ensure that, within the statutory authority of a program, the regulatory and informational requirements are tailored to the size and nature of small businesses. For the purpose of the Federal order program, a dairy farm is a "small business" if it has an annual gross revenue of less than

\$750,000 resulting in a production guideline of 500,000 pounds per month. A handler is a "small business" if it has fewer than 500 employees. If the plant is part of a larger company operating multiple plants that collectively exceed the 500-employee limit, the plant will be considered a large business even if the local plant has fewer than 500 employees. Interested persons are invited to submit hearing proposals that would carry out the intent of the *Regulatory Flexibility Act*.

If USDA concludes that a hearing should be held, all known interested persons will be mailed a copy of the hearing notice. Anyone who desires to present evidence on proposals set forth in the hearing notice will have an opportunity to do so at the hearing.

Once a hearing notice is issued and until the issuance of a final decision, USDA employees involved in the decisional process may not discuss the merits of a proceeding on an ex parte basis with any persons having an interest in the proceeding. For this purpose, the Market Administrators and their staffs are considered to be involved in the decisional process. Thus, it is suggested that any discussions that you may wish to have with USDA personnel regarding hearing proposals be initiated soon. Procedural matters may be discussed at any time.

If you have any questions concerning the filing of the proposals or desire a copy of the present order, please contact this office. ♦

ANALYSIS OF COMPONENT LEVELS IN INDIVIDUAL HERD MILK AT THE FARM LEVEL

The following is the abstract from the Seattle Market Administrator's study entitled: "*Analysis Of Component Levels In Individual Herd Milk At The Farm Level: 2002.*" A copy of this complete study is available from this office and on our web site at <http://www.fmmaseattle.com>.

Component levels in producer milk pooled on the Pacific Northwest (FO 124), Arizona-Las Vegas (FO 131), and Western (FO 135) Federal Milk Marketing Orders were analyzed for 2002 to determine average levels, regional and seasonal variation, and, when possible, the statistical relationship between components. Handlers regulated under the Pacific Northwest and Western Orders report butterfat, protein, and other solids. Handlers regulated under the Arizona-Las Vegas Order report butterfat only. Producer milk pooled

was also valued using Federal order minimum producer prices for the respective orders. For 2002, a monthly average total of 1,930 producers were pooled on the Pacific Northwest, Arizona-Las Vegas, and Western Orders. During 2002, these producers delivered 16.4 billion pounds to the three markets. The milk shed of the three Federal orders includes Arizona, California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, Oklahoma, Oregon, Utah, and Washington.

Major findings of this study include:

1. The 2002 average component levels for the Pacific Northwest Order were 3.68% butterfat, 3.05% true protein, and 5.71% other solids. The 2002 average component levels for the Western Order were 3.63% butterfat, 3.06% true protein, and 5.72% other solids. The 2002 average butterfat level for the Arizona-Las Vegas Order was 3.63%.

2. In all three orders, butterfat and protein levels decrease during the summer months and increase in the late fall and winter.

3. Although the volume of producer milk, number of producers, and average milk production per producer varies greatly between regions, there are only small differences in aggregate component levels between geographic regions within the milk shed of the three orders.

4. The Pacific Northwest Order's linear regression in 2002 for protein is $PRO\% = 1.49 + 0.426 * BF\%$, with an R-squared of 0.65. The Western Order's linear regression in 2002 for protein is $PRO\% = 1.59 + 0.415 * BF\%$, with an R-squared of 0.49.

The Pacific Northwest and Western Orders' regressions for estimating other solids using butterfat have a very poor correlation (R-squared of less than 0.05). The monthly regression varies between a positive and negative relationship; other solids levels appear to be independent of butterfat levels. ♦

COMMERCIAL DISAPPEARANCE OF DAIRY PRODUCTS UP 1.6% FOR FIRST HALF OF 2003

Commercial disappearance of U.S. milk for the first half of 2003 was up 1.6 percent over the same period of 2002. 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.

Nonfat dry milk and American cheese showed decreases from 2002. Nonfat dry milk disappearance decreased the most, down 5.5%. Butter, "Other" cheese, and fluid milk products showed increases from 2002. Other cheese disappearance increased the most, up 1.4%. ♦

Commercial Disappearance			
	January-June		% Change
	2003	2002	
Selected Products	-- Million Pounds --		
Butter *	584.9	577.3	1.3%
American Cheese *	1,807.8	1,831.2	-1.3%
Other Cheese *	2,582.3	2,456.0	1.4%
Nonfat Dry Milk *	292.1	309.1	-5.5%
Fluid Milk Products	27,425.4	27,308.5	0.4%
Total *	84,188	82,844	1.6%

* Commercial Disappearance, milk-equivalent, milk fat basis. Source: Dairy Market News, Volume 70, No. 35.

USDA AMENDS DAIRY PROMOTION AND RESEARCH ORDER

On September 2, 2003, the U.S. Department of Agriculture announced amendments to the Dairy Promotion and Research Order, effective September 4, 2003.

Under the amendments, member representation in 4 of the 13 geographic regions of the National Dairy Promotion and Research Board will be modified to better reflect current milk production in the specified regions. The changes will provide more accurate representation on the board.

The National Dairy Promotion and Research Board, which administers the Dairy Research and Promotion Order, proposed the amendments. The order requires that regional representation be reviewed periodically and changed when necessary to best reflect milk production volume within regions. Based on the Board's review of 2002 milk production data:

Regions 1 (Oregon and Washington) and 2 (California) each will gain one board member, while Regions 5 (Minnesota, North Dakota, and South Dakota) and 10 (Florida, Georgia, North Carolina, South Carolina, and Virginia) each will lose one board member.

The program is financed by a mandatory 15-cent per hundredweight assessment on all milk produced by dairy farmers in the contiguous 48 States and marketed commercially.

Details of the amendments were published as a final rule in the September 3, 2003 *Federal Register*. Copies and additional information may be obtained from David R. Jamison at david.jamison2@usda.gov (202) 720-6961 or Dairy Programs, AMS, USDA, 1400 Independence Ave., SW, Stop 0233, Room 2958-S, Washington, D.C. 20250-0233. ♦

USDA ANNOUNCES HEARING ON CLASS III AND IV PRODUCT CLASSIFICATION

A hearing is being held to consider proposals to amend all 11 Federal milk marketing orders. The proposals would reclassify evaporated milk in consumer-type packages and sweetened condensed milk in consumer-type packages from Class III products to Class IV products. Another proposal would reclassify bulk ending inventory each month to the lower-priced class of Class III or Class IV. Proponents have requested that the proposals be handled on an emergency basis. The hearing will convene at 8:30 a.m. on October 21, 2003. The hearing will be held at the Holiday Inn and Suites Alexandria (Historic District), 625 First Street, Alexandria, Virginia 22314. Telephone Number: (703) 548-6300 or 1-877-732-3318.

FOR FURTHER INFORMATION CONTACT: Antoinette M. Carter, Marketing Specialist, Order Formulation and Enforcement, USDA/AMS/Dairy Programs, Room 2971–Stop 0231, 1400 Independence Avenue, SW, Washington, DC 20250-0231, (202) 690-3465, e-mail address: Antoinette.Carter@usda.gov.

MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST			WESTERN			ARIZONA-LAS VEGAS		
	Aug 2003	Jul 2003	Aug 2002	Aug 2003	Jul 2003	Aug 2002	Aug 2003	Jul 2003	Aug 2002
Minimum Class Prices (3.5% B.F.)									
Class I Milk (\$/cwt.)	\$12.87	\$11.67	\$12.38	\$12.87	\$11.67	\$12.38	\$13.32	\$12.12	\$12.83
Class II Milk (\$/cwt.)	10.81	10.63	11.07	10.81	10.63	11.07	10.81	10.63	11.07
Class III Milk (\$/cwt.)	13.80	11.78	9.54	13.80	11.78	9.54	13.80	11.78	9.54
Class IV Milk (\$/cwt.)	10.14	9.95	10.41	10.14	9.95	10.41	10.14	9.95	10.41
Producer Prices									
Producer Price Differential (\$/cwt.)	\$(2.14)	\$(0.85)	\$ 1.12	\$(1.70)	\$(0.34)	\$ 0.81	+	+	+
Butterfat (\$/pound)	1.2514	1.2055	1.0701	1.2514	1.2055	1.0701	+	+	+
Protein (\$/pound)	3.1438	2.5480	1.9021	3.1438	2.5480	1.9021	+	+	+
Other Solids (\$/pound)	0.0026	(0.0124)	0.0177	0.0026	(0.0124)	0.0177	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	+	+	8.89	7.59	7.51
Uniform Butterfat Price (\$/pound)	+	+	+	+	+	+	1.2448	1.2026	1.0828
Statistical Uniform Price (\$/cwt.)	\$11.66	\$10.93	\$10.66	\$12.10	\$11.44	\$10.35	\$12.94	\$11.53	\$11.04
Producer Data									
Number of Producers	697 *	685	980	551 *	551	796	107 *	107	105
Avg. Daily Production (lbs.)	19,215 *	19,378	22,397	10,756 *	10,310	18,450	67,305 *	73,516	69,041
Number of Handlers									
Pool Handlers	28	28	26	16	16	16	6	6	6
Producer-Handlers	9 *	9	9	5 *	5	7	2 *	2	2
Other Plants w/ Class I Use	20 *	20	17	19 *	19	22	34 *	34	30
Producer Milk Ratios									
Class I	40.64%	41.91%	26.34%	50.39%	52.59%	21.50%	34.73%	34.00%	35.60%
Class II	10.55%	9.90%	5.27%	16.27%	15.42%	6.84%	8.69%	7.55%	4.42%
Class III	6.14%	0.40%	36.69%	1.89%	2.63%	70.58%	43.16%	41.73%	30.81%
Class IV	42.67%	47.79%	31.70%	31.45%	29.36%	1.08%	13.42%	16.72%	29.17%

+ Not Applicable. * Preliminary.

MONTHLY SUPPLEMENTAL STATISTICS

	Jul 2003	Jun 2003	Jul 2002	Jul 2003	Jun 2003	Jul 2002	Jul 2003	Jun 2003	Jul 2002
Producer-Handler Data									
Production	24,306,500	23,860,565	24,930,445	2,374,403	2,216,556	2,710,593	R	R	R
Class I Use	17,036,352	17,548,122	17,454,653	1,557,164	1,531,990	1,787,833	R	R	R
% Class I Use	70.09%	73.54%	70.01%	65.58%	69.12%	65.96%	R	R	R
Class I Route Disposition In Area									
By Pool Plants	154,170,387	147,467,708	158,338,268	67,459,518	61,011,568	67,317,718	73,372,673	68,760,368	73,069,039
By Producer-Handlers	17,264,132	16,771,677	17,477,496	1,555,818	1,523,298	1,782,677	1/	1/	1/
By Other Plants	1,777,867 *	2,215,450	926,860	3,208,177 *	3,595,504	3,758,329	31,133,759 *	29,894,801	30,308,887
Total	173,212,386	166,454,835	176,742,624	72,223,513	66,130,370	72,858,724	104,506,432	98,655,169	103,377,926

* 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		
	Aug 2003	Jul 2003	Aug 2002	Aug 2003	Jul 2003	Aug 2002	Aug 2003	Jul 2003	Aug 2002
TOTAL PRODUCER MILK	415,182,551	411,485,487	680,410,902	183,719,310	176,100,467	455,262,779	223,250,046	243,853,449	224,727,911
RECEIPTS FROM OTHER SOURCES	134,325,745	152,897,205	12,389,910	9,543,422	7,625,036	6,558,885	5,559,230	8,864,148	37,828,433
OPENING INVENTORY	29,577,600	28,335,649	24,123,291	16,665,872	15,818,722	14,314,353	12,405,449	12,888,889	13,104,597
TOTAL TO BE ACCOUNTED FOR	579,085,896	592,718,341	716,924,103	209,928,604	199,544,225	476,136,017	241,214,725	265,606,486	275,660,941
UTILIZATION OF RECEIPTS									
Whole milk	29,365,676	29,217,944	29,063,281	11,017,450	12,891,188	12,482,311	22,921,236	23,595,997	22,825,690
Flavored milk & milk drinks	7,135,282	6,804,210	7,785,336	4,356,903	3,300,571	4,329,436	5,259,847	3,642,860	4,806,158
2% milk	68,464,456	68,491,069	72,808,861	25,993,947	29,221,847	30,556,935	28,194,034	28,165,405	28,905,617
1% milk	22,482,250	22,363,317	23,785,683	13,276,980	12,994,830	14,315,664	8,732,299	8,269,239	8,902,915
Skim milk	25,758,816	25,855,702	28,204,590	7,797,329	8,447,537	8,901,146	9,339,945	9,189,485	9,969,789
Buttermilk	1,419,813	1,438,145	1,515,843	486,294	603,545	612,090	521,848	509,687	501,245
CLASS I ROUTE DISP. IN AREA	154,626,293	154,170,387	163,163,594	62,928,903	67,459,518	71,197,582	74,969,209	73,372,673	75,911,414
Class I dispositions out of area	13,462,341	14,551,804	12,773,100	27,756,454	22,128,707	20,369,509	3,997,912	4,391,856	4,387,620
Other Class I usage	17,519,745	18,271,128	18,468,108	16,275,100	15,052,042	17,436,024	7,663,768	11,429,415	6,853,320
TOTAL CLASS I USE	185,608,379	186,993,319	194,404,802	106,960,457	104,640,267	109,003,115	86,630,889	89,193,944	87,152,354
TOTAL CLASS II USE	48,138,812	48,230,962	45,606,198	36,511,261	32,368,233	36,021,676	20,013,480	19,094,137	14,413,858
TOTAL CLASS III USE	132,703,784	127,152,503	252,193,463	3,833,878	4,793,162	322,603,082	97,676,557	102,951,226	71,386,162
TOTAL CLASS IV USE	212,634,921	230,341,557	224,719,640	62,623,008	57,742,563	8,508,144	36,893,799	54,367,179	102,708,567
TOTAL ACCOUNTED FOR	579,085,896	592,718,341	716,924,103	209,928,604	199,544,225	476,136,017	241,214,725	265,606,486	275,660,941
CLASSIFICATION OF RECEIPTS									
Producer milk: Class I	168,746,417	172,452,699	179,193,622	92,574,723	92,612,684	97,901,231	77,531,215	82,925,497	79,992,026
Class II	43,785,877	40,718,359	35,851,502	29,884,340	27,154,796	31,147,207	19,401,506	18,408,142	9,936,425
Class III	25,499,161	1,651,556	249,674,866	3,477,572	4,632,810	321,307,944	96,350,477	101,750,601	69,247,256
Class IV	177,151,096	196,662,873	215,690,912	57,782,675	51,700,177	4,906,397	29,966,848	40,769,209	65,552,204
Other receipts: Class I	16,861,962	14,540,620	15,211,180	14,385,734	12,027,583	11,101,884	17,964,679	21,753,037	50,933,030
Class II	4,352,935	7,512,603	9,754,696	6,626,921	5,213,437	4,874,469	1/	1/	1/
Class III	107,204,623	125,500,947	2,518,597	356,306	160,352	1,295,138	1/	1/	1/
Class IV	35,483,825	33,678,684	9,028,728	4,840,333	6,042,386	3,601,747	1/	1/	1/
Avg. daily producer receipts	13,392,986	13,273,725	21,948,739	5,926,429	5,680,660	14,685,896	7,201,614	7,866,240	7,249,287
Change From Previous Year	-38.98%	-39.26%	8.30%	-59.65%	-59.62%	-0.27%	-0.66%	1.56%	1.78%
Avg. daily Class I use	5,987,367	6,032,043	6,271,123	3,450,337	3,375,492	3,516,230	2,794,545	2,877,224	2,811,366
Change From Previous Year	-4.52%	0.22%	1.79%	-1.87%	4.78%	8.51%	-0.60%	4.94%	0.17%

1/ Restricted - Included with Class I.

HIGHLIGHTS THIS ISSUE:

- Market Summaries for August 2003
- Class I Prices for October 2003
- USDA Announces Final Decision to Amend the Central Milk Marketing Order
- USDA Announces Final Rule to Amend the Upper Midwest Milk Marketing Order
- Invitation to Submit Proposals for a Public Hearing to Amend Fluid Milk Product Definition Provisions
- Analysis of Component Levels in Individual Herd Milk at the Farm Level
- Commercial Disappearance of Dairy Products Up 1.6% For First Half Of 2003
- USDA Amends Dairy Research and Promotion Board
- USDA Announces Hearing on Class III and IV Product Classification

EXTENSION OF VOTING FOR REFERENDUM TO AMEND PACIFIC NORTHWEST AND WESTERN ORDERS

The voting for referendum to amend the Pacific Northwest and Western milk marketing orders was extended to October 6, 2003.

Approval for the proposed rule in the Pacific Northwest and Western orders will be determined by a poll of cooperative associations. Qualified cooperative associations of producers will be permitted to cast bloc votes on behalf of their members on all provisions of the orders, as amended.

If you desire additional information or have any questions regarding the referendum, please call the Referendum Agent, James R. Daugherty, at the office of the Market Administrator in Bothell, Washington, telephone (425) 487-6009.