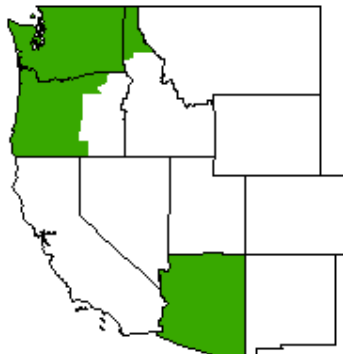


## Pacific Northwest & Arizona Marketing Areas



1930 – 220<sup>th</sup> 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 25<sup>th</sup> 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 2009**

### MARKET SUMMARIES FOR AUGUST 2009

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

#### Pacific Northwest

Producers delivered a total of 626.5 million pounds of milk to the market during August. Daily deliveries averaged 20.2 million pounds, down 8.5 percent from July. An estimated 641 producers delivered milk to the market during the month. Daily deliveries per producer averaged 31,528 pounds, down 8.1 percent from July.

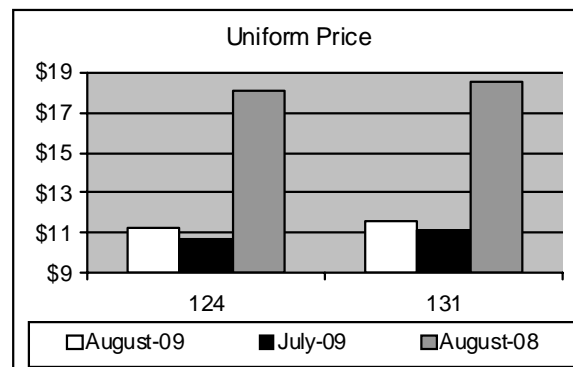
Class I producer milk during August totaled 181.7 million pounds, 29.0 percent of total producer receipts. Daily usage averaged 5.9 million pounds, down 3.1 percent from July.

#### Arizona

Producers delivered a total of 305.0 million pounds of milk to the market during August. Daily deliveries averaged

9.8 million pounds, up 0.3 percent from July. An estimated 94 producers delivered milk to the market during the month. Daily deliveries per producer averaged 104,668 pounds, up 0.3 percent from July.

Class I producer milk during August totaled 120.5 million pounds, 39.5 percent of total producer receipts. Daily usage averaged 3.9 million pounds, up 3.0 percent from July. ♦



### Federal Order Producer Prices and Component Levels: August 2009

Producer Prices	FO124	FO131	Component Levels (%)	FO124	FO131
Uniform Price 1/*	11.25	11.55	Butterfat	3.585	3.392
Butterfat 2/	1.2491	1.2489	Protein	3.006	N/A
Protein 2/	2.1009	N/A	Other Solids	5.690	N/A
Other Solids 2/	0.0962	N/A	Nonfat Solids	8.696	N/A
PPD 1/*	0.05	N/A			
Skim 1/	N/A	7.44			

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

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program (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 to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

**AUGUST 2009 CLASS PRICES**

August 2009 non-advanced Class Prices were calculated using NASS commodity price surveys from August 1, 8, 15, 22 and 29, 2009. Component prices for the month are \$2.1009 per pound of protein, \$1.2491 per pound of butterfat, \$0.0962 per pound of other solids, and \$0.6918 per pound of nonfat solids.

August 2009 Class III and IV prices at 3.5% butterfat are \$11.20 and \$10.38 per hundredweight, respectively. The August Class III price compared to July is up \$1.23. The Class III price is \$6.12 lower than in August 2008.

Class II butterfat was announced at \$1.2561 per pound. Class I skim and butterfat and Class II skim prices for August 2009 were announced on July 17, 2009. The Class II price at 3.5% butterfat is \$10.86 for August 2009.

**FINAL: NASS COMMODITY PRICES**

	<u>July</u>	<u>August</u>	<u>Change</u>
Cheese*	\$1.1334	\$1.2605	\$0.1271
Butter	\$1.1986	\$1.2030	\$0.0044
Nonfat Dry Milk	\$0.8422	\$0.8666	\$0.0244
Whey	\$0.2912	\$0.2925	\$0.0013

\* 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 500-pound barrels. The survey of 40-pound blocks showed a net increase of 15.04 cents between the August 15 and the September 12 surveys, to \$1.3721 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a net increase of 8.02 cents to \$1.3395 per pound.

The NASS butter price showed a net decrease of 4.04 cents between the weeks ending August 15 and September 12 from \$1.2081 per pound to \$1.1677 per pound.

The NASS nonfat dry milk showed a net increase of 10.40 cents since mid-August to \$0.9719 per pound. The average price for NASS whey showed a net decrease of 0.06 cents since mid-August to \$0.2976 per pound. ♦

**OCTOBER'S CLASS I PRICE ANNOUNCEMENT**

On September 18, the October 2009 Class I price was announced at \$14.25 for the Pacific Northwest Order and \$14.70 for the Arizona Order.

The Class I price was calculated using NASS commodity price surveys from the weeks of September 5 and 12.

The October Class III and IV advance skim prices are \$8.43 and \$7.01 per hundredweight, respectively. The butterfat portion of the Class I mover decreased 6.05 cents from \$1.2646 to \$1.2041 per pound.

The October 2009 Class II skim and nonfat solids prices were also announced on September 18. The skim price is \$7.71 per hundredweight, and the nonfat solids price is \$0.8567 per pound for all Federal orders. ♦

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

	<u>September</u>	<u>October</u>	<u>Change</u>
Cheese*	\$1.2311	\$1.3802	\$0.1491
Butter	\$1.2158	\$1.1658	-\$0.0500
Nonfat Dry Milk	\$0.8695	\$0.9541	\$0.0846
Whey	\$0.2938	\$0.2942	\$0.0004

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

*Continued from page 8.*

Sixty-four percent of farms have access to a computer in 2009, the same level as 2007. The proportion of U.S. farms owning or leasing a computer in 2009, at 61 percent, was up 1 percentage point from 2007. Farms using computers for their farm business increased 1 percentage point from 2007 to 36 percent in 2009.

In 2009, 81 percent of U.S. farms with sales and government payments of \$250,000 or more have access to a computer, 79 percent own or lease a computer, 69 percent are using a computer for their farm business, and 76 percent have Internet access. For farms with sales and government payments between \$100,000 and \$249,999, the figures are: 70 percent have access to a computer, 67 percent own or lease a computer, 52 percent are using a computer for their farm business, and 63 percent have Internet access. Of the farms with sales and government payments between \$10,000 and \$99,999, 62 percent reported having computer access, 59 percent own or lease a computer, 38 percent use a computer for their farm business, and 57 percent have Internet access.

For crop farms, 65 percent have computer access and 40 percent use a computer for their farm business in 2009, up 1 and 3 percentage points from 2007, respectively. Internet access for crop farms has increased to 60 percent in 2009, compared with 56 percent in 2007. In 2009, a total of 63 percent livestock farms have computer access and 58 percent have Internet access.

The June Agricultural Survey is conducted every year to provide estimates of farm numbers and land in farms, crop acres planted, grains and oilseeds in storage, livestock inventories, and land values. Every other year since 1997, questions were included in the survey form that asked the operator about access and use of computers. The 2009 computer usage estimates are based on responses from 31,495 agricultural operations and represent all sizes and types of farms.

The 2009 June Agricultural Survey provided the first opportunity for all American Indian operators to report computer usage individually. Previous Farm Computer Usage and Ownership releases allowed for a single report for an entire reservation.

Estimates for Farms With Computer Access, Farms That Own or Lease Computers, Farms Using Computers for Farm Business, and Farms With Internet Access were reviewed and revised as necessary based on the 2007 Agricultural Census.



Source: USDA National Agricultural Statistics Service, August 2009

**UNITED STATES MILK PRODUCTION UP 0.1 PERCENT IN JULY 2009**

Milk production in the 23 major States during July totaled 14.9 billion pounds, up 0.1 percent from July 2008. June revised production at 14.8 billion pounds, was up 0.1 percent from June 2008. The June revision represented an increase of 34 million pounds or 0.2 percent from last month's preliminary production estimate.

Production per cow in the 23 major States averaged 1,769 pounds for July, 25 pounds above July 2008.

The number of milk cows on farms in the 23 major States was 8.40 million head, 115,000 head less than July 2008, and 34,000 head less than June 2009. ◆

<b>Milk Production July 2008 – 2009</b>			
	2008	2009 1/	% Change
	-- million pounds --		
Arizona	336	308	-8.3%
California	3,417	3,245	-5.0%
Colorado	252	248	-1.6%
Florida	165	169	2.4%
Idaho	1,090	1,052	-3.5%
Illinois	155	161	3.9%
Indiana	274	285	4.0%
Iowa	357	374	4.8%
Kansas	202	203	0.5%
Michigan	669	700	4.6%
Minnesota	742	786	5.9%
Missouri	130	129	-0.8%
New Mexico	677	658	-2.8%
New York	1,058	1,085	2.6%
Ohio	436	442	1.4%
Oregon	192	195	1.6%
Pennsylvania	890	894	0.4%
Texas	709	719	1.4%
Utah	156	153	-1.9%
Vermont	222	212	-4.5%
Virginia	138	146	5.8%
Washington	490	482	-1.6%
Wisconsin	2,091	2,212	5.8%
23 Total	14,848	14,858	0.1%
US	15,995	16,000	0.0%

1/ July 2009 is preliminary.

Source: National Agricultural Statistics Service.

**AGRICULTURE SECRETARY ESTABLISHES DAIRY ADVISORY COMMITTEE AND REQUESTS NOMINATIONS**

On August 25, 2009, Agriculture Secretary Tom Vilsack announced that as part of USDA's continuing efforts to listen to and respond to the needs of producers in the dairy industry he is moving forward on establishing the Dairy Industry Advisory Committee and is requesting nominations.

"The Obama Administration is committed to working with all sectors of the dairy industry to develop changes to the dairy pricing system to avoid the boom and bust cycle behind the crisis facing many dairy farmers this year," said Vilsack. "The input provided by the members of this committee will play an important role in building a more stable market for dairy producers for years to come."

Earlier in August, Secretary Vilsack promised to move forward with establishment of a charter

creating the committee for two years. Once appointed, the committee will review the issues of farm milk price volatility, and dairy farmer profitability. The committee will also offer suggestions and ideas on how USDA can best address these issues to meet the dairy industry's needs. USDA is establishing the committee under the authority of the Federal Advisory Committee Act of 1972.

The Secretary of Agriculture will appoint up to 15 representatives of the dairy industry to serve in an advisory capacity on the Committee. Representatives will include: producers and producer organizations, processors and processor organizations, handlers, consumers, academia, retailers, and state agencies involved in organic and non-organic dairy at the local, regional, national and international levels.

Written nominations must be received on or before September 28, and should be sent to Judith Lindsay, secretary to Brandon Willis, Deputy Administrator, Farm Service Agency, Farm Programs, USDA Room 3612-S, Stop 0501, Washington, D.C. 20250-0501; faxed to (202) 720-4726; or e-mailed to: [judith.lindsay@wdc.usda.gov](mailto:judith.lindsay@wdc.usda.gov).

Advisory committee members will elect the chairperson and vice-chairperson who will each serve a two-year term. As Deputy Administrator of the FSA Farm Programs, Willis will serve as the committee's executive secretary.

Details were published in the August 28, 2009, Federal Register. More information on the committee is available at:

[www.ams.usda.gov/DairyAdvisoryCommittee](http://www.ams.usda.gov/DairyAdvisoryCommittee).

Additional steps that USDA has taken in recent months to support the dairy industry includes:

- In August, Secretary Vilsack announced that USDA is undertaking an unprecedented effort to use the department's administrative flexibility to provide relief to individuals and businesses in struggling agriculture industries. Vilsack has ordered USDA Rural Development and the Farm Service Agency to use all available means to help producers, processors and other small businesses who have been hit by worsening economic conditions.
- In late July, Secretary Vilsack announced that USDA was taking immediate action to support struggling dairy farmers by increasing the amount paid for dairy products through the Dairy Product Price Support Program (DPPSP). USDA estimates show that these increases, which will be in place from August 2009 through

October 2009, will increase dairy farmers' revenue by \$243 million. ♦

### INCREASE IN FARM PRODUCTION EXPENDITURES SLOWS IN 2008

U.S. farm production expenditures totaled \$307 billion in 2008, according to the Farm Production Expenditures 2008 Summary released August 6, 2009, by the U.S. Department of Agriculture's National Agricultural Statistics Service (NASS). Total farm expenditures for 2008 rose 8.3 percent from the revised 2007 total of \$284 billion – a slower increase than the prior year.

The NASS expenditures report shows that the largest dollar increases per farm were feed up \$2,325; fertilizer, lime and soil conditioners up \$2,208; tractors and self propelled machinery up \$1,286; and rent up \$1,252. All other average increases were less than \$1,200 per farm.

To provide a more in depth look at operations in the highest economic class by gross value of sales, NASS divided the category of operations with \$1 million or more in sales into two classes: farms with \$1 million - \$4,999,999 in gross sales and those with \$5 million and over. Average per farm production expenditures for operations in the \$5 million and over class totaled \$11.4 million, 6.4 times larger than those in the \$1 million - \$4,999,999 class. Farms in this second to highest class averaged \$1.8 million in production expenditures, followed by the \$500,000 - \$999,999 economic class averaging \$0.7 million.

NASS revised its 2007 farm production expenditures estimates based on data collected during the 2007 Census of Agriculture. The revised 2007 farm production expenditures estimate increased \$23.5 billion from the preliminary estimate to reflect current data on the number of farms in the United States. As reported in the Farms, Land in Farms, and Livestock Operations 2008 Summary, the number of farms in the United States in 2007 was 2,204,950, revised up from 2,075,510.

The increase in the number of farms had the greatest impact on the following farm production expenditure categories: livestock and poultry (\$6.3 billion), feed (\$3.8 billion), labor (\$2.6 billion) and farm services (\$2.5 billion).

For more information on U.S. farm production expenditures and income, visit the Quick Stats section of the NASS website, [www.nass.usda.gov](http://www.nass.usda.gov),

or USDA's Economic Research Service website, [www.ers.usda.gov](http://www.ers.usda.gov), under the Briefing section. ♦

Source: USDA National Agricultural Statistics Service, August 2009

### USDA LAUNCHES 'KNOW YOUR FARMER, KNOW YOUR FOOD' INITIATIVE

On September 15, 2009, Agriculture Secretary Tom Vilsack and Deputy Secretary Kathleen Merrigan announced a new initiative - 'Know Your Farmer, Know Your Food' - to begin a national conversation to help develop local and regional food systems and spur economic opportunity. To launch the initiative, Secretary Vilsack recorded a video to invite Americans to join the discussion and share their ideas for ways to support local agriculture. The video, one of many means by which USDA will engage in this conversation, can be viewed at USDA's YouTube channel, [www.youtube.com/usda](http://www.youtube.com/usda). Producers and consumers can comment on the 'Know Your Farmer, Know Your Food' YouTube playlist, as well as submit videos or provide comments on this initiative by e-mailing [KnowYourFarmer@usda.gov](mailto:KnowYourFarmer@usda.gov).

"An American people that is more engaged with their food supply will create new income opportunities for American agriculture," said Vilsack. "Reconnecting consumers and institutions with local producers will stimulate economies in rural communities, improve access to healthy, nutritious food for our families, and decrease the amount of resources to transport our food."

The 'Know Your Farmer, Know Your Food' initiative, chaired by Deputy Secretary Merrigan, is the focus of a task force with representatives from agencies across USDA who will help better align the Department's efforts to build stronger local and regional food systems. In one week alone, USDA announced approximately \$65 million in funding for 'Know Your Farmer, Know Your Food' initiatives.

"Americans are more interested in food and agriculture than at any other time since most families left the farm," said Merrigan. "'Know Your Farmer, Know Your Food' seeks to focus that conversation on supporting local and regional food systems to strengthen American agriculture by promoting sustainable agricultural practices and spurring economic opportunity in rural communities."

In the months to come, cross-cutting efforts at USDA will seek to use existing USDA programs to

break down structural barriers that have inhibited local food systems from thriving. USDA announced a small initial group of moves that seek to connect local production and consumption and promote local-scale sustainable operations:

- USDA's Risk Management Agency announced \$3.4 million in funding for collaborative outreach and assistance programs to socially disadvantaged and underserved farmers. These programs will support 'Know Your Farmer' goals by helping producers adopt new and direct marketing practices. For example, nearly \$10,000 in funding for the University of Minnesota will bring together experts on food safety and regulations for a discussion of marketing to institutions like K-12 schools, colleges, universities, hospitals and other health care facilities.
- USDA's Food Safety and Inspection Service proposed regulations to implement a new voluntary cooperative program under which select state-inspected establishments will be eligible to ship meat and poultry products in interstate commerce. The new program was created in the 2008 Farm Bill and will provide new economic opportunities for small meat and poultry establishments, whose markets are currently limited.
- USDA's Rural Development announced \$4.4 million in grants to help 23 local business cooperatives in 19 states. The member-driven and member-owned cooperative business model has been successful for rural enterprises, and bring rural communities closer to the process of moving from production-to-consumption as they work to improve their products and expand their appeal in the marketplace.
- USDA's Rural Development will also announce a Rural Business Opportunity Grant in the amount of \$150,000 to the Northwest Food Processors Association. The grant will strengthen the relationship between local food processors and customers in parts of Idaho, Oregon and Washington, and will also help the group reduce energy consumption, a major cost for food processors.

As the 'Know Your Farmer, Know Your Food' initiative evolves, USDA will continue to build on the momentum and ideas from the 2008 Farm Bill and target its existing programs and develop new ones to pursue sustainable agriculture and support for local and regional food systems. ♦

# MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST				ARIZONA			
	Aug 2009	Jul 2009	Aug 2008	Jul 2008	Aug 2009	Jul 2009	Aug 2008	Jul 2008
<b>Minimum Class Prices (3.5% B.F.)</b>								
Class I Milk (\$/cwt.)	\$11.94	\$12.16	\$20.37	\$22.68	\$12.39	\$12.61	\$20.82	\$23.13
Class II Milk (\$/cwt.)	10.86	10.87	17.45	16.81	10.86	10.87	17.45	16.81
Class III Milk (\$/cwt.)	11.20	9.97	17.32	18.24	11.20	9.97	17.32	18.24
Class IV Milk (\$/cwt.)	10.38	10.15	16.64	16.60	10.38	10.15	16.64	16.60
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt.)	\$ 0.05	\$ 0.77	\$ 0.71	\$ 0.70	+	+	+	+
Butterfat (\$/pound)	1.2491	1.2438	1.7413	1.6774	+	+	+	+
Protein (\$/pound)	2.1009	1.6970	3.6497	4.0025	+	+	+	+
Other Solids (\$/pound)	0.0962	0.0949	0.0529	0.0707	+	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	7.44	6.95	12.88	13.95
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.2489	1.2561	1.7352	1.6710
Statistical Uniform Price (\$/cwt.)	\$11.25	\$10.74	\$18.03	\$18.94	\$11.55	\$11.10	\$18.50	\$19.31
<b>Producer Data</b>								
Number of Producers	641 *	644	669	677	94 *	94	101	100
Avg. Daily Production (lbs.)	31,528 *	34,299	31,770	31,709	104,668 *	104,344	101,755	105,917
<b>Producer Milk Ratios</b>								
Class I	29.00%	27.39%	28.05%	27.06%	39.51%	38.47%	36.70%	32.04%
Class II	6.81%	6.57%	7.13%	7.10%	10.19%	9.14%	6.57%	6.86%
Class III	39.43%	43.23%	31.63%	32.59%	35.19%	28.87%	31.91%	32.50%
Class IV	24.76%	22.81%	33.19%	33.25%	15.11%	23.52%	24.82%	28.60%

+ Not Applicable. \* Preliminary.

## MONTHLY SUPPLEMENTAL STATISTICS

	Jul 2009	Jun 2009	Jul 2008	Jun 2008	Jul 2009	Jun 2009	Jul 2008	Jun 2008
	<b>Number of Handlers</b>							
Pool Handlers	28	28	27	24	7	7	7	7
<i>Distributing Plants</i>	15	15	15	15	5	5	5	5
<i>Supply Plants 2/</i>	8	8	7	4	1	1	1	1
<i>Cooperatives</i>	5	5	5	5	1	1	1	1
Producer-Handlers	5	6	6	6	0	0	1	1
Other Plants w/ Class I Use	24	23	23	23	24	25	25	24
<b>Class I Route Disposition In Area</b>								
By Pool Plants	165,453,021	162,891,451	159,380,190	158,330,803	92,874,106	88,521,848	83,786,563	85,230,837
By Producer-Handlers	6,771,878	6,939,576	6,732,554	6,395,521	0	0	1/	1/
By Other Plants	7,386,872 *	7,693,982	5,506,913	6,453,087	4,125,281 *	4,546,358	4,794,107	5,110,000
Total	179,611,771	177,525,009	171,619,657	171,179,411	96,999,387	93,068,206	88,580,670	90,340,837
<b>Producer-Handler Data</b>								
% Class I Use	78.61%	84.08%	73.38%	79.82%	0.00%	0.00%	R	R
% of Total In-Area Route Dispositions	3.77%	3.91%	3.92%	3.74%	0.00%	0.00%	R	R

\* Preliminary. R = Restricted. Not included. 1/ Restricted. Included with other plants. 2/ Includes Cooperative Pool Manufacturing Plants

# MONTHLY STATISTICAL SUMMARY

(Product pounds based upon reports of handlers)

RECEIPTS, UTILIZATION AND CLASSIFICATION OF MILK	PACIFIC NORTHWEST				ARIZONA				
	Aug 2009	Jul 2009	Aug 2008	Jul 2008	Aug 2009	Jul 2009	Aug 2008	Jul 2008	
TOTAL PRODUCER MILK	626,497,402	684,740,839	658,885,806	665,480,122	305,001,846	304,057,165	318,594,178	328,341,775	
RECEIPTS FROM OTHER SOURCES	21,989,638	21,025,003	38,358,351	47,705,735	4,850,182	5,337,846	13,731,449	29,777,467	
OPENING INVENTORY . . . . .	26,028,425	31,839,415	31,450,171	31,768,627	17,542,760	20,041,380	19,856,829	27,344,633	
<b>TOTAL TO BE ACCOUNTED FOR</b>	<b>674,515,465</b>	<b>737,605,257</b>	<b>728,694,328</b>	<b>744,954,484</b>	<b>327,394,788</b>	<b>329,436,391</b>	<b>352,182,456</b>	<b>385,463,875</b>	
<b>UTILIZATION OF RECEIPTS</b>									
Whole milk . . . . .	33,627,017	34,141,234	32,744,003	31,975,068	25,048,819	25,806,866	24,747,654	23,875,846	
Flavored milk & milk drinks . . . . .	8,651,985	7,128,406	9,369,128	6,836,982	6,309,951	2,791,313	5,865,679	2,070,853	
2% milk . . . . .	69,118,159	69,350,616	69,620,144	67,459,317	37,758,785	37,962,156	37,163,078	34,556,739	
1% milk . . . . .	25,066,909	25,370,691	25,280,892	24,350,713	15,320,282	13,390,789	14,780,809	11,305,159	
Skim milk . . . . .	28,123,313	28,062,766	28,095,094	27,204,004	12,911,902	12,536,033	11,776,689	11,575,579	
Buttermilk . . . . .	1,450,957	1,399,308	1,413,935	1,554,106	390,637	386,949	436,288	402,387	
CLASS I ROUTE DISP. IN AREA . . . . .	166,038,340	165,453,021	166,523,196	159,380,190	97,740,376	92,874,106	94,770,197	83,786,563	
Class I dispositions out of area . . . . .	16,001,406	18,285,440	19,850,682	17,622,408	23,501,632	22,817,881	22,657,293	21,628,341	
Other Class I usage . . . . .	16,176,425	17,596,045	14,880,226	17,417,935	11,659,394	12,592,847	10,710,667	11,179,805	
TOTAL CLASS I USE . . . . .	198,216,171	201,334,506	201,254,104	194,420,533	132,901,402	128,284,834	128,138,157	116,594,709	
TOTAL CLASS II USE . . . . .	48,572,222	54,378,789	51,878,749	54,610,492	31,884,586	28,630,643	21,559,681	23,453,220	
TOTAL CLASS III USE . . . . .	247,019,974	299,740,393	216,334,590	225,672,534	109,204,615	89,848,503	101,664,824	106,702,508	
TOTAL CLASS IV USE . . . . .	180,707,098	182,151,569	259,226,885	270,250,925	53,404,185	82,672,411	100,819,794	138,713,438	
<b>TOTAL ACCOUNTED FOR . . . . .</b>	<b>674,515,465</b>	<b>737,605,257</b>	<b>728,694,328</b>	<b>744,954,484</b>	<b>327,394,788</b>	<b>329,436,391</b>	<b>352,182,456</b>	<b>385,463,875</b>	
<b>CLASSIFICATION OF RECEIPTS</b>									
Producer milk:	Class I . . . . .	181,702,998	187,559,314	184,880,117	180,104,869	120,497,893	116,963,300	116,911,730	105,225,696
	Class II . . . . .	42,654,884	44,996,753	46,947,387	47,253,260	31,087,713	27,803,857	20,943,708	22,513,029
	Class III . . . . .	247,019,974	296,011,535	208,385,531	216,856,175	107,331,696	87,768,347	101,664,824	106,700,689
	Class IV . . . . .	155,119,546	156,173,237	218,672,771	221,265,818	46,084,544	71,521,661	79,073,916	93,902,361
Other receipts:	Class I . . . . .	16,513,173	13,775,192	16,373,987	14,315,664	12,403,509	11,321,534	33,588,278	57,122,100
	Class II . . . . .	5,917,338	9,382,036	4,931,362	7,357,232	2/	2/	1/	1/
	Class III . . . . .	0	3,728,858	7,949,059	8,816,359	2/	2/	1/	1/
	Class IV . . . . .	25,587,552	25,978,332	40,554,114	48,985,107	9,989,433	14,057,692	1/	1/
Avg. daily producer receipts . . . . .		20,209,594	22,088,414	21,254,381	21,467,101	9,838,769	9,808,296	10,277,232	10,591,670
Change From Previous Year . . . . .		-4.92%	2.89%	10.39%	12.88%	-4.27%	-7.40%	9.92%	5.75%
Avg. daily Class I use . . . . .		6,394,070	6,494,661	6,492,068	6,271,630	4,287,142	4,138,220	4,133,489	3,761,120
Change From Previous Year . . . . .		-1.51%	3.56%	-2.06%	0.57%	3.72%	10.03%	-1.66%	-2.51%

1/ Restricted - Included with Class I.  
2/ Restricted - Included with Class IV.

**HIGHLIGHTS THIS ISSUE:**

- **Market Summaries for August 2009**
- **August 2009 Class Prices**
- **Class I Price for October 2009**
- **United States Milk Production up 0.1 Percent in July 2009**
- **Agriculture Secretary Establishes Dairy Advisory Committee and Requests Nominations**
- **Increase in Farm Production Expenditures Slows in 2008**
- **USDA Launches "Know Your Farmer, Know Your Food" Initiative**
- **Farm Computer Usage and Ownership**

**FARM COMPUTER USAGE AND OWNERSHIP**

On August 14, 2009, USDA's National Agricultural Statistics Service (NASS) published its annual "Farm Computer Usage and Ownership" report. The 2009 survey results show increases across the board for computer use and ownership. Farms with annual sales and government payments exceeding \$250,000 were the most likely to have access to a computer and internet access. The following is an excerpt from the report.

DSL was the most common method of accessing the Internet, with 36 percent of U.S. farms using it, up from 27 percent in 2007. In 2007, dialup was the most common method of accessing the internet. Dialup access dropped from 47 percent in 2007 to 23 percent in 2009. Satellite and wireless were each reported as the primary internet access methods on 13 percent of those U.S. farms with Internet access. Cable was reported as the primary access method on 11 percent of the farms.

A total of 59 percent of U.S. farms now have Internet access, compared with 57 percent in 2007.

*Continued on page 2.*