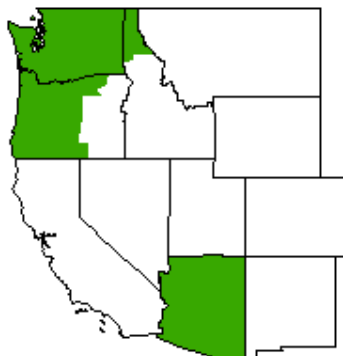


## Pacific Northwest & Arizona Marketing Areas



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**James R. Daugherty**  
 Market Administrator

**November 2010**

### MARKET SUMMARIES FOR OCTOBER 2010

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

#### Pacific Northwest

Producers delivered a total of 667.2 million pounds of milk to the market during October. Daily deliveries averaged 21.5 million pounds, down 1.8 percent from September. An estimated 631 producers delivered milk to the market during the month. Daily deliveries per producer averaged 34,109 pounds, down 1.8 percent from September.

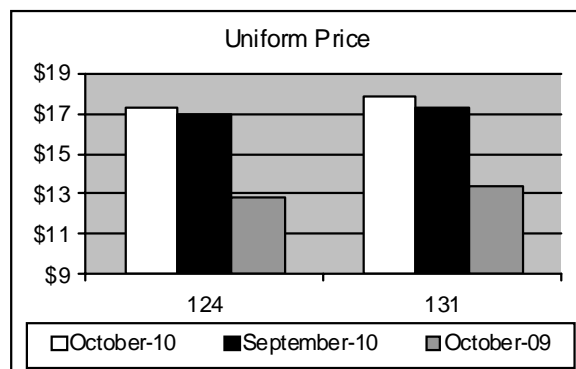
Class I producer milk during October totaled 186.9 million pounds, 28.0 percent of total producer receipts. Daily usage averaged 6.0 million pounds, down 4.8 percent from September.

#### Arizona

Producers delivered a total of 339.9 million pounds of milk to the market during October. Daily deliveries averaged 11.0 million pounds, up 2.2 percent

from September. An estimated 97 producers delivered milk to the market during the month. Daily deliveries per producer averaged 113,043 pounds, up 2.2 percent from September.

Class I producer milk during October totaled 117.6 million pounds, 34.6 percent of total producer receipts. Daily usage averaged 3.8 million pounds, down 4.4 percent from September. ♦



### Federal Order Producer Prices and Component Levels: October 2010

Producer Prices	FO124	FO131	Component Levels (%)	FO124	FO131
Uniform Price 1/*	17.35	17.81	Butterfat	3.779	3.511
Butterfat 2/	2.4436	2.4344	Protein	3.212	N/A
Protein 2/	2.4739	N/A	Other Solids	5.701	N/A
Other Solids 2/	0.1736	N/A	Nonfat Solids	8.914	N/A
PPD 1/*	0.41	N/A			
Skim 1/	N/A	9.63			

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

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**OCTOBER 2010 CLASS PRICES**

October 2010 non-advanced Class Prices were calculated using NASS commodity price surveys from October 2, 9, 16, 23, and 30, 2010. Component prices for the month are \$2.4739 per pound of protein, \$2.4436 per pound of butterfat, \$0.1736 per pound of other solids, and \$0.9896 per pound of nonfat solids.

October 2010 Class III and IV prices at 3.5% butterfat are \$16.94 and \$17.15 per hundredweight, respectively. The October Class III price compared to September is up \$0.68. The Class III price is \$4.12 higher than in October 2009.

Class II butterfat was announced at \$2.4506 per pound. Class I skim and butterfat and Class II skim prices for October 2010 were announced on September 17, 2010. The Class II price at 3.5% butterfat is \$17.57 for October 2010.

**FINAL: NASS COMMODITY PRICES**

	<u>September</u>	<u>October</u>	<u>Change</u>
Cheese*	\$1.7016	\$1.7666	\$0.0650
Butter	\$2.1570	\$2.1893	\$0.0323
Nonfat Dry Milk	\$1.1383	\$1.1674	\$0.0291
Whey	\$0.3615	\$0.3676	\$0.0061

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

**Current Commodity Prices** - - The NASS survey of cheddar cheese prices showed a net decrease in price received for 40-pound blocks and a decrease for 500-pound barrels. The survey of 40-pound blocks showed a net decrease of 8.79 cents between the October 16 and the November 13 surveys, to \$1.6721 per pound. The survey of 500-pound barrels (**adjusted to 38% moisture**) showed a decrease of 12.32 cents to \$1.6417 per pound.

The NASS butter price showed a decrease of 12.65 cents between the weeks ending October 16 and November 13 from \$2.1815 per pound to \$2.0550 per pound.

The NASS nonfat dry milk showed an increase of 0.83 cents since mid-October to \$1.1921 per pound. The average price for NASS whey showed a net increase of 0.86 cents since mid-October to \$0.3713 per pound. ♦

**DECEMBER'S CLASS I PRICE ANNOUNCEMENT**

On November 19, the December 2010 Class I price was announced at \$18.86 for the Pacific Northwest Order and \$19.31 for the Arizona Order. The Class I price was calculated using NASS commodity price surveys from the weeks of November 6 and 13.

The December Class III and IV advance skim prices are \$8.47 and \$9.11 per hundredweight, respectively. The butterfat portion of the Class I mover decreased 11.47 cents from \$2.4495 to \$2.3348 per pound.

The December 2010 Class II skim and nonfat solids prices were also announced on November 19. The skim price is \$9.81 per hundredweight, and the nonfat solids price is \$1.0900 pound for all Federal orders. ♦

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

	<u>November</u>	<u>December</u>	<u>Change</u>
Cheese*	\$1.7695	\$1.7063	-\$0.0632
Butter	\$2.1942	\$2.0995	-\$0.0947
Nonfat Dry Milk	\$1.1755	\$1.1903	\$0.0148
Whey	\$0.3634	\$0.3716	\$0.0082

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

**NEW BULLETIN LINKS**

There are two new ways to view the monthly bulletin on the market administrator's website: page-by-page or by section.

The page-by-page feature provides links to PDF's to individual pages of the current month's bulletin: if you have a favorite page you can jump right to it!

Alternatively, the by-section feature is divided into three areas. The Statistics section refers to the Monthly Selected Statistics and Monthly Statistical Summary pages that are routinely found on pages 6 and 7. The Pool and Price Summaries section link to the usual pages 1 and 2 of the bulletin that cover the Current Market Summaries, Final Class Price data and most recent Advanced Class I Price summaries. The current month's news and other articles are available via the Articles link.

To try out these new features, go to the bulletin section of the market administrator's website: [www.fmmaseattle.com/bulletins.htm](http://www.fmmaseattle.com/bulletins.htm). ♦

## USDA ISSUES FINAL DELAP PAYMENTS

On October 25, 2010, Agriculture Secretary Tom Vilsack announced that final Phase III payments under the Dairy Economic Loss Assistance Payment (DELAP) program began the week of October 12, 2010. The program is funded by \$290 million from the 2010 Agricultural Appropriations Bill to provide loss assistance payments to eligible dairy producers.

"We know that dairy producers have been experiencing difficult economic circumstances, but with this assistance, producers have been able to offset a portion of their financial losses," said Vilsack.

Payments to eligible DELAP program producers were issued in three payment phases. Phase I payments were issued in mid-December 2009 to eligible dairy producers with production records from previous participation in dairy programs administered by the Farm Service Agency (FSA).

Dairy producers who did not have production records at the FSA county office but submitted a request for DELAP benefits before the application deadline of January 19, 2010, were issued payments in Phase II beginning June 18, 2010.

DELAP Phase III will be disbursed to eligible dairy producers that received DELAP benefits under Phase I or Phase II.

Of the \$290 million budgeted for DELAP, a total of \$273 million was dispersed to eligible dairy producers under DELAP Phase I and Phase II. The remaining \$17 million minus a reserve established by FSA will be dispersed during Phase III.

For more information regarding payments under the DELAP program, visit the local FSA county office or <http://www.fsa.usda.gov>. ♦

## ERS REPORT: HOW MUCH LOWER ARE PRICES AT DISCOUNT STORES?

The following is an excerpt from a recent report published by USDA's Economic Research Service (ERS). To view the full report, visit the ERS website: [www.ers.usda.gov](http://www.ers.usda.gov).

### What Is the Issue?

Food prices vary across different parts of the United States. One factor that may lead to differences in food prices is the types of stores in a given market or neighborhood. Nontraditional discount food retailers, including supercenters, mass merchandisers, wholesale club stores, and dollar stores, have gained a substantial portion of

the retail food market over the past 15 years. Previous studies have shown that prices for some items are lower in nontraditional than in traditional stores. But those earlier studies were generally limited in the number of items compared, the detail level of comparison, and the geographic areas studied. This study compares prices for a wide range of foods at a finer level of detail than earlier studies, at both the national and geographic market levels, in order to quantify the difference in food prices across store formats.

### What Are the Major Findings?

- Nationally, 86 percent of broad food groups had lower prices in nontraditional stores than in traditional stores.
- Expenditure-weighted average prices were 7.5 percent lower in nontraditional stores at the Universal Product Code (UPC) level, with prices for individual food items ranging from 3 to 28 percent lower in nontraditional stores. This indicates that factors other than brand and package size, such as differences in store costs and pricing strategies, play a role in explaining price differences between store types.
- At the market level, price differences between traditional and nontraditional stores were smaller and less frequent in areas with a high market share of nontraditional retailers.
- Smaller price differences between store types may be due to some higher priced traditional retailers' exiting markets in which nontraditional retailers gain a large market share, with the remaining traditional retailers' lowering their prices in response to increased competition.

### How Was the Study Conducted?

The study analyzed 2004-06 Nielsen Homescan data, which includes all food-at-home purchases for about 40,000 households in 52 markets and selected nonmetropolitan areas. (Nielsen defines "nonmetropolitan areas" as areas outside the 52 largest metropolitan areas in the United States). The study compared price differences at the national and market level for four broad food groups - dairy, meat, fruits and vegetables, and grains. ♦

Source: *ERS Report Summary: How Much Lower Are Prices at Discount Stores? An Examination of Retail Food Prices*. Leibtag, E., Barker, C., and Dutko, P. October 2010, Economic Research Service, USDA.

### IMPROVEMENTS APPROVED FOR LIVESTOCK GROSS MARGIN – DAIRY CATTLE PROGRAM

On November 15, 2010, the U.S. Department of Agriculture's Risk Management Agency (RMA) announced that the Federal Crop Insurance Corporation's (FCIC) Board of Directors approved revisions to the Livestock Gross Margin Dairy Cattle (LGM-Dairy) insurance plan. The revised 2011 LGM-Dairy insurance plan will be available for sale on December 17, 2010.

#### A summary of the changes are:

##### **Revised timing of premium payment.**

Premium for LGM-Dairy will now be due at the end of the coverage period rather than at the time of purchase.

**Subsidy.** A premium subsidy will be available for policies that insure multiple months during the insurance period. The subsidy amount will be determined by a dollar deductible selected by the policyholder (from \$0-\$2, in \$.10 increments). Policyholders choosing a \$0 deductible will receive a lower premium subsidy (18 percent) and those choosing the highest deductible of \$2 will receive a higher premium subsidy (50 percent).

**Higher deductibles offered.** The maximum dollar deductible has been increased from \$1.50 to \$2.00. Higher deductibles allow producers flexibility to cover a minimum gross margin, providing protection similar to catastrophic coverage.

**Adjustment of feed loads.** Feed values have been updated based on information provided by the National Milk Producers Federation.

Iowa Agricultural Insurance Innovations, Inc. the owners of the LGM insurance plan, requested the changes. Idaho, Oregon, and Washington states are approved for LGM-Dairy program delivery within the RMA Spokane Region.

LGM-Dairy is sold on the last business Friday of each month. The sales period ends at 8:00 p.m. CST the following day (due to the holiday, sales for December are December 17).

For more information about the LGM-Dairy insurance plan see the RMA Web site at <http://www.rma.usda.gov>. Federal crop insurance program policies are sold and delivered solely through private crop and livestock insurance companies. A list of livestock crop insurance agents is available at all USDA Service Centers throughout the U.S. or at the RMA Web site address <http://www3.rma.usda.gov/tools/agents/>. ♦

### USDA ANNOUNCES ORGANIC AGRICULTURE RESEARCH AND EXTENSION PROJECTS

On October 27, 2010, USDA's National Institute of Food and Agriculture (NIFA) awarded 30 grants to enhance the ability of organic producers and processors to grow and market high quality organic agricultural products.

"More and more farmers are adopting organic agriculture practices to produce quality food and boost farm income," said Roger Beachy, director of USDA's National Institute of Food and Agriculture (NIFA). "These research and extension projects will equip producers with the tools and resources they need to operate profitable and sustainable organic farms."

NIFA awarded more than \$18 million through the Organic Agriculture Research and Extension Initiative (OREI). Research at USDA increasingly focuses on the science that supports development of sustainable practices in agriculture and forestry, including organic farming, to both reduce negative impacts on the environment and keep U.S. farmers competitive. For more OREI information, visit [www.nifa.usda.gov](http://www.nifa.usda.gov).

Some U.S. producers are turning to certified organic farming systems as a potential way to lower input costs, decrease reliance on nonrenewable resources, capture high-value markets and premium prices and boost farm income. Since the late 1990s, U.S. organic production has seen heavy growth. Now, more than two-thirds of U.S. consumers buy organic products at least occasionally, and 28 percent buy organic products weekly.

Fiscal Year 2010 OREI awards in the Western States include:

- University of Arizona, Tucson, Arizona, receiving \$2,907,334.
- University of Idaho, Moscow, Idaho, receiving \$108,815.
- Oregon State University, Corvallis, Oregon, receiving \$2,428,677.
- Utah State University, Logan, Utah, receiving \$1,019,411.
- Washington State University, Pullman, Washington, receiving \$1,538,115.

For a full list of the recipients, see USDA's Newsroom Release No. 0567.10. More information is also available at [www.nifa.usda.gov](http://www.nifa.usda.gov). ♦

## USDA REPORT BANKS FARM CO-OP SALES AND INCOME SECOND HIGHEST ON RECORD

USDA Under Secretary for Rural Development Dallas Tonsor released a report on October 26, 2010, showing that farmer, rancher and fishery cooperatives had \$170 billion in sales in 2009, the second highest level on record, trailing only the \$192 billion record set in the previous year. USDA Rural Business and Cooperatives Program Administrator Judith Canales made the announcement on Tonsor's behalf during the National Association of Guaranteed Government Lenders annual conference in Anaheim, California.

"Rural cooperatives not only provide thousands of jobs, they invigorate local communities and rural farms, ranches and businesses," said Canales. "This report shows how critically important producer-owned cooperatives are to the nation's agricultural economy."

There are an estimated 2,389 farmer co-ops. These co-ops provide their member-owners with services, including crop storage, marketing and processing, while other co-ops provide members with farm supplies, agronomy services and insurance. Farmer, rancher and fishery cooperatives remain one of the largest employers in many rural communities, with 180,000 total workers in 2009. The number of full-time employees decreased slightly, to 123,000 (down 1,800 from 2008), while the use of part-time and seasonal employees increased 7 percent, to 58,000.

Canales said lower commodity and energy prices were the main reasons for the decline in sales from 2008. Net income (before taxes) of \$4.4 billion was also the second best showing ever for farmer co-ops, although down almost 9 percent from the record \$4.8 billion in 2008. This breaks a string of four consecutive years when the nation's agricultural cooperatives set a record for net income.

Co-ops recorded sales increases in 2009 for farm supplies, crop protectants, seed and feed. Co-ops also saw increased marketing levels for rice, processed fruits and vegetables, sugar and tobacco. All other sales of supplies and crop/livestock marketing fell from the record levels of 2008. In the farm supplies sector, petroleum products sales declined by almost \$7 billion, due to a combination of lower prices and demand.

Dairy products sales had the largest declines, down more than \$9 billion from 2008, followed by declines of almost \$3 billion for grain and oilseed;

cotton sales by cooperatives declined by more than \$1 billion. Dairy products and grain/oilseed sales by co-ops were lower due to price declines, while cotton experienced lower prices and a large decline in production.

The value of cooperative assets fell in 2009, mainly as a result of decreased inventories and receivables due to lower prices of products marketed and sold. Liabilities fell by 19 percent while equity capital held by cooperatives increased almost 4 percent, to nearly \$24 billion. Equity capital still remains low but is six points higher than in 2008 and now represents 39 percent of all co-op assets. Patronage income (refunds from other cooperatives due to sales between cooperatives) grew almost five percent, to \$904 million, up from \$864 million in 2008.

The report is available at: [www.rurdev.usda.gov/Reports/2009StatisticalReport.pdf](http://www.rurdev.usda.gov/Reports/2009StatisticalReport.pdf).

Through its Rural Development mission area, USDA administers and manages more than 40 housing, business and community infrastructure and facility programs through a network of 6,100 employees located in the nation's capital and 500 state and local offices. These programs are designed to improve the economic stability of rural communities, businesses, residents, farmers, and ranchers and improve the quality of life in rural America. Rural Development has an existing portfolio of more than \$142 billion in loans and loan guarantees. ♦

## USDA DAIRY INDUSTRY ADVISORY COMMITTEE UPDATE

The USDA Dairy Industry Advisory Committee (DIAC) met in Washington, D.C., on October 12-13, 2010. The DIAC website, found at [www.fsa.usda.gov/FSA](http://www.fsa.usda.gov/FSA), includes links to PDFs of presentations, public comments, subcommittee reports and other handouts related to this meeting.

The DIAC has tentatively scheduled the next meeting for December 14-16, 2010, in Washington, D.C. Meeting agenda, materials and minutes will be made available on the DIAC website. ♦



# MONTHLY SELECTED STATISTICS

	PACIFIC NORTHWEST				ARIZONA			
	Oct 2010	Sep 2010	Oct 2009	Sep 2009	Oct 2010	Sep 2010	Oct 2009	Sep 2009
<b>Minimum Class Prices (3.5% B.F.)</b>								
Class I Milk (\$/cwt.)	\$18.48	\$17.40	\$14.25	\$12.83	\$18.93	\$17.85	\$14.70	\$13.28
Class II Milk (\$/cwt.)	17.57	17.60	11.93	11.01	17.57	17.60	11.93	11.01
Class III Milk (\$/cwt.)	16.94	16.26	12.82	12.11	16.94	16.26	12.82	12.11
Class IV Milk (\$/cwt.)	17.15	16.76	11.86	11.15	17.15	16.76	11.86	11.15
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt.)	\$ 0.41	\$ 0.68	\$ 0.04	\$(0.22)	+	+	+	+
Butterfat (\$/pound)	2.4436	2.4044	1.2752	1.2226	+	+	+	+
Protein (\$/pound)	2.4739	2.3057	2.5584	2.4243	+	+	+	+
Other Solids (\$/pound)	0.1736	0.1673	0.1228	0.1018	+	+	+	+
Uniform Skim Price (\$/cwt.)	+	+	+	+	9.63	9.51	9.27	8.32
Uniform Butterfat Price (\$/pound)	+	+	+	+	2.4344	2.3306	1.2667	1.2400
Statistical Uniform Price (\$/cwt.)	\$17.35	\$16.94	\$12.86	\$11.89	\$17.81	\$17.33	\$13.38	\$12.37
<b>Producer Data</b>								
Number of Producers	631 *	631	636	466	97 *	97	93	94
Avg. Daily Production (lbs.)	34,109 *	34,722	33,210	28,242	113,043 *	110,582	106,630	100,779
<b>Producer Milk Ratios</b>								
Class I	28.02%	28.91%	30.89%	49.14%	34.60%	37.01%	40.26%	42.38%
Class II	6.45%	6.65%	5.92%	10.07%	9.66%	6.73%	8.94%	11.68%
Class III	40.71%	39.93%	41.34%	9.35%	30.56%	41.02%	31.00%	36.77%
Class IV	24.82%	24.51%	21.85%	31.44%	25.18%	15.24%	19.80%	9.17%

+ Not Applicable. \* Preliminary.

## MONTHLY SUPPLEMENTAL STATISTICS

	Sep 2010	Aug 2010	Sep 2009	Aug 2009	Sep 2010	Aug 2010	Sep 2009	Aug 2009
<b>Number of Handlers</b>								
Pool Handlers	26	26	25	27	7	7	7	7
<i>Distributing Plants</i>	14	14	15	15	5	5	5	5
<i>Supply Plants 1/</i>	7	7	5	7	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	22	24	26	24	22	22	26	26
<b>Class I Route Disposition In Area</b>								
By Pool Plants	171,471,979	163,913,736	174,338,582	166,038,340	92,003,538	94,386,845	95,670,139	97,740,376
By Producer-Handlers	8,669,098	8,602,552	7,265,688	6,778,376	0	0	0	0
By Other Plants	7,081,580 *	7,733,955	8,120,017	7,630,776	6,055,753 *	5,969,669	5,352,015	4,930,341
Total	187,222,657	180,250,243	189,724,287	180,447,492	98,059,291	100,356,514	101,022,154	102,670,717
<b>Producer-Handler Data</b>								
% Class I Use	59.35%	61.47%	85.33%	87.33%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	4.63%	4.77%	3.83%	3.76%	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				
	Oct 2010	Sep 2010	Oct 2009	Sep 2009	Oct 2010	Sep 2010	Oct 2009	Sep 2009	
TOTAL PRODUCER MILK	667,197,776	657,290,146	654,760,499	394,817,936	339,918,864	321,792,922	307,415,531	284,196,451	
RECEIPTS FROM OTHER SOURCES	16,427,450	16,177,765	11,945,341	20,971,444	4,248,364	5,989,259	4,279,030	4,996,655	
OPENING INVENTORY . . . . .	34,576,106	34,279,746	35,904,444	28,890,595	21,622,521	18,475,693	22,061,119	18,478,096	
<b>TOTAL TO BE ACCOUNTED FOR</b>	<b>718,201,332</b>	<b>707,747,657</b>	<b>702,610,284</b>	<b>444,679,975</b>	<b>365,789,749</b>	<b>346,257,874</b>	<b>333,755,680</b>	<b>307,671,202</b>	
<b>UTILIZATION OF RECEIPTS</b>									
Whole milk . . . . .	31,427,702	31,867,732	34,414,590	33,188,500	23,989,193	23,080,847	25,246,267	24,140,370	
Flavored milk & milk drinks . . . . .	15,953,611	13,708,927	16,724,727	13,969,342	6,438,545	6,416,630	6,996,652	6,692,557	
2% milk . . . . .	69,336,199	68,526,623	73,402,681	69,930,563	34,959,300	33,394,259	38,069,944	36,489,303	
1% milk . . . . .	27,811,566	27,918,390	28,750,336	27,449,085	16,792,176	16,395,539	16,154,576	15,309,521	
Skim milk . . . . .	28,407,594	28,096,688	29,262,138	28,456,758	12,985,471	12,332,273	13,503,446	12,656,741	
Buttermilk . . . . .	1,331,826	1,353,619	1,370,074	1,344,334	387,256	383,990	3/	381,647	
CLASS I ROUTE DISP. IN AREA. . .	174,268,498	171,471,979	183,924,546	174,338,582	95,551,941	92,003,538	99,970,885	95,670,139	
Class I dispositions out of area . . .	15,864,036	15,079,361	17,795,880	16,551,510	23,607,594	23,045,462	23,832,663	22,152,984	
Other Class I usage . . . . .	15,010,483	18,900,063	18,922,646	18,859,243	13,682,046	15,096,378	13,574,617	14,327,453	
<b>TOTAL CLASS I USE. . . . .</b>	<b>205,143,017</b>	<b>205,451,403</b>	<b>220,643,072</b>	<b>209,749,335</b>	<b>132,841,581</b>	<b>130,145,378</b>	<b>137,378,165</b>	<b>132,150,576</b>	
<b>TOTAL CLASS II USE . . . . .</b>	<b>50,497,542</b>	<b>52,270,462</b>	<b>47,065,522</b>	<b>50,710,273</b>	<b>33,485,119</b>	<b>22,349,501</b>	<b>28,423,605</b>	<b>33,948,280</b>	
<b>TOTAL CLASS III USE . . . . .</b>	<b>272,105,783</b>	<b>264,887,020</b>	<b>270,676,557</b>	<b>37,014,075</b>	<b>105,049,193</b>	<b>135,270,282</b>	<b>96,336,953</b>	<b>106,590,392</b>	
<b>TOTAL CLASS IV USE . . . . .</b>	<b>190,454,990</b>	<b>185,138,772</b>	<b>164,225,133</b>	<b>147,206,292</b>	<b>94,413,856</b>	<b>58,492,713</b>	<b>71,616,957</b>	<b>34,981,954</b>	
<b>TOTAL ACCOUNTED FOR . . . . .</b>	<b>718,201,332</b>	<b>707,747,657</b>	<b>702,610,284</b>	<b>444,679,975</b>	<b>365,789,749</b>	<b>346,257,874</b>	<b>333,755,680</b>	<b>307,671,202</b>	
<b>CLASSIFICATION OF RECEIPTS</b>									
Producer milk:	Class I . . . . .	186,923,548	190,032,816	202,251,466	194,032,340	117,616,338	119,099,855	123,778,137	120,439,254
	Class II . . . . .	43,058,550	43,710,370	38,756,512	39,764,102	32,846,678	21,657,065	27,497,116	33,183,744
	Class III . . . . .	271,644,350	262,454,056	270,676,557	36,930,932	103,883,030	131,983,791	95,305,141	104,491,916
	Class IV . . . . .	165,571,328	161,092,904	143,075,964	124,090,562	85,572,818	49,052,211	60,835,137	26,081,537
Other receipts:	Class I . . . . .	18,219,469	15,418,587	18,391,606	15,716,995	15,225,243	11,045,523	13,600,028	11,711,322
	Class II . . . . .	7,438,992	8,560,092	8,309,010	10,946,171	2/	2/	2/	2/
	Class III . . . . .	461,433	2,432,964	0	83,143	2/	2/	2/	2/
	Class IV . . . . .	24,883,662	24,045,868	21,149,169	23,115,730	10,645,642	13,419,429	12,740,121	11,763,429
Avg. daily producer receipts . . . . .		21,522,509	21,909,672	21,121,306	13,160,598	10,965,125	10,726,431	9,916,630	9,473,215
Change From Previous Year . . . . .		1.90%	66.48%	43.76%	-37.06%	10.57%	13.23%	-7.17%	-8.45%
Avg. daily Class I use . . . . .		6,617,517	6,848,380	7,117,518	6,991,645	4,285,212	4,338,179	4,431,554	4,405,019
Change From Previous Year . . . . .		-7.02%	-2.05%	-1.46%	3.72%	-3.30%	-1.52%	1.00%	2.63%

1/ Restricted - Included with Class I.

2/ Restricted - Included with Class IV.

3/ Restricted - Included with Flavored milk & milk drinks.

**HIGHLIGHTS THIS ISSUE:**

- Market Summaries for October 2010
- October 2010 Class Prices
- Class I Price for December 2010
- New Bulletin Links
- USDA Issues Final DELAP Payments
- ERS Report
- Improvements Approved for Livestock Gross Margin – Dairy Cattle Program
- USDA Announces Organic Agriculture Research and Extension Projects
- USDA Report Banks Farm Co-op Sales and Income Second Highest on Record
- USDA Dairy Industry Advisory Committee Update

