



## Pacific Northwest and Arizona Marketing Areas

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Data for July 2021

### MARKET SUMMARIES FOR JULY

#### Pacific Northwest (FO 124)

Producers delivered a total of 745.4 million pounds of milk to the market during July. Daily deliveries averaged 24.0 million pounds, up 20.6 percent from June. An estimated 430 producers delivered milk to the market during the month. Daily deliveries per producer averaged 55,919 pounds, down 3.8 percent from June.

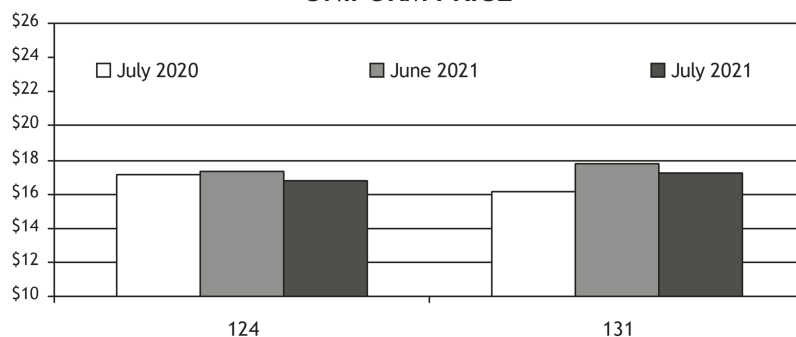
Class I producer milk during July totaled 128.8 million pounds, 17.28 percent of total producer receipts. Daily usage averaged 4.2 million pounds, up 0.1 percent from June. 🍴

#### Arizona (FO 131)

Producers delivered a total of 397.1 million pounds of milk to the market during July. Daily deliveries averaged 12.8 million pounds, down 1.5 percent from June. An estimated 64 producers delivered milk to the market during the month. Daily deliveries per producer averaged 200,132 pounds, down 1.5 percent from June.

Class I producer milk during July totaled 112.1 million pounds, 28.2 percent of total producer receipts. Daily usage averaged 3.6 million pounds, down 0.6 percent from June. 🍴

### UNIFORM PRICE



## Pool Quick Stats

Producer Prices & Component Levels	FO 124		FO 131	
	Jun	Jul	Jun	Jul
Uniform Price (at 3.5%)	\$17.32	\$16.77	\$17.76	\$17.27
Uniform Price (at test)	\$18.70	\$18.24	\$18.21	\$17.70
PPD	\$0.11	\$0.28		
Butterfat	\$1.9641	\$1.8996		n/a
Protein	\$2.5834	\$2.4957		
Other Solids	\$0.4579	\$0.4181		
Uniform Skim			\$11.25	\$10.95
Uniform Butterfat		n/a	\$1.9711	\$1.9157
Butterfat	3.932%	3.986%	3.747%	3.739%
Protein	3.182%	3.198%		
Other Solids	5.788%	5.767%		n/a

### HIGHLIGHTS THIS ISSUE

- ✓ USDA Announces Program Improvements
- ✓ Dairy Donation Program Update
- ✓ Confirmation of Marketing and Regulatory Under Secretary

# Federal Order Price Summaries

## FINAL CLASS PRICES

The July 2021 Final Class Prices were calculated using AMS commodity price surveys from July 3, 10, 17, 24 and 31, 2021. Current and archived Final Class Price announcements are available at [www.fmmaseattle.com/classcomponent.html](http://www.fmmaseattle.com/classcomponent.html).

FINAL	Class I (FO124)	Class I (FO131)	Class II	Class III	Class IV	Butterfat	Protein	Other Solids	Nonfat Solids
June 2021	\$20.19	\$20.64	\$16.66	\$17.21	\$16.35	\$1.9641	\$2.5834	\$0.4579	\$1.0908
July 2021	\$19.32	\$19.77	\$16.83	\$16.49	\$16.00	\$1.8996	\$2.4957	\$0.4181	\$1.0765
Change	(\$0.87)	(\$0.87)	\$0.17	(\$0.72)	(\$0.35)	(\$0.0645)	(\$0.0877)	(\$0.0398)	(\$0.0143)

## ADVANCED CLASS I PRICE

The September 2021 Advanced Price was calculated using AMS commodity price surveys from August 7 and 14, 2021. Current and archived Advanced Price announcements are available at [www.fmmaseattle.com/advance.html](http://www.fmmaseattle.com/advance.html).

ADVANCED	Base Butterfat	Class III Skim	Class IV Skim	Base Skim	Base Class I	Class I (FO124)	Class I (FO131)	Class II Skim	Class II Non-fat Solids
Aug 2021	\$1.9050	\$10.04	\$9.67	\$10.60	\$16.90	\$18.80	\$19.25	\$10.37	\$1.1522
Sep 2021	\$1.8553	\$9.68	\$9.75	\$10.46	\$16.59	\$18.49	\$18.94	\$10.45	\$1.1611
Change	(\$0.0497)	(\$0.36)	\$0.08	(\$0.14)	(\$0.31)	(\$0.31)	(\$0.31)	\$0.08	\$0.0089

# Commodity Price Summaries

### AMS COMMODITY PRICES FOR FINAL CLASS PRICES CALCULATION

	Jun	Jul	Change
Cheese	\$1.6439	\$1.5956	(\$0.0483)
Butter	\$1.7934	\$1.7401	(\$0.0533)
Nonfat Dry Milk	\$1.2696	\$1.2552	(\$0.0144)
Whey	\$0.6437	\$0.6050	(\$0.0387)

### AMS COMMODITY PRICES FOR ADVANCED CLASS PRICES CALCULATION

	Aug	Sep	Change
Cheese	\$1.5779	\$1.5499	(\$0.0280)
Butter	\$1.7446	\$1.7035	(\$0.0411)
Nonfat Dry Milk	\$1.2531	\$1.2622	\$0.0091
Whey	\$0.6095	\$0.5700	(\$0.0395)

## CURRENT COMMODITY PRICES

The AMS survey of cheddar cheese prices showed a net increase in prices received for 40-pound blocks and a net decrease for 500-pound barrels. The survey of 40-pound blocks showed a net increase of 6.51 cents between the July 17 and the August 14 surveys, to \$1.6510 per pound. The survey of 500-pound barrels (adjusted to 38% moisture) showed a net decrease of 14.52 cents to \$1.4183 per pound.

The AMS butter price showed a decrease of 2.79 cents between the weeks ending July 17 and August 14 from \$1.7298 per pound to \$1.7019 per pound. The AMS nonfat dry milk showed a net increase of 0.74 cents since mid-July to \$1.2579 per pound. The average price for AMS whey showed a decrease of 4.57 cents since mid-July to \$0.5605 per pound. 🐄

# Monthly Selected Statistics

PRICE & POOL DATA	PACIFIC NORTHWEST				ARIZONA			
	Jul 2021	Jun 2021	Jul 2020	Jun 2020	Jul 2021	Jun 2021	Jul 2020	Jun 2020
<b>Producer Prices</b>								
Producer Price Differential (\$/cwt)	\$0.28	\$0.11	(\$7.43)	(\$5.87)	+	+	+	+
Butterfat (\$/pound)	1.8996	1.9641	1.9583	1.8591	+	+	+	+
Protein (\$/pound)	2.4957	2.5834	5.6294	4.5349	+	+	+	+
Other Solids (\$/pound)	0.4181	0.4579	0.1492	0.1696	+	+	+	+
Uniform Skim Price (\$/cwt)	+	+	+	+	\$10.95	\$11.25	\$9.70	\$9.63
Uniform Butterfat Price (\$/pound)	+	+	+	+	1.9157	1.9711	1.9314	1.7734
Statistical Uniform Price (\$/cwt)	\$16.77	\$17.32	\$17.11	\$15.17	\$17.27	\$17.76	\$16.12	\$15.50
<b>Producer Data</b>								
Number of Producers	<b>430</b>	343	369	359	<b>64</b>	64	70	68
Avg. Daily Production (pounds)	<b>55,919</b>	58,144	61,275	57,048	<b>200,132</b>	203,161	133,594	184,223
<b>Producer Milk Ratios</b>								
Class I	17.28%	20.81%	22.48%	22.04%	28.24%	27.99%	35.20%	26.23%
Class II	5.94%	6.54%	7.22%	6.28%	8.53%	8.64%	11.30%	9.02%
Class III	44.26%	29.34%	25.59%	28.98%	27.81%	19.76%	4.66%	26.30%
Class IV	32.52%	43.31%	44.71%	42.70%	35.42%	43.61%	48.84%	38.45%
<b>Market Shrinkage</b>								
Pounds	9,631,215	7,983,923	9,955,652	6,917,977	7,030,893	4,106,935	2,718,556	3,882,886
% of Producer Milk	1.29%	1.33%	1.42%	1.13%	1.77%	1.05%	0.94%	1.03%

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

# Monthly Supplemental Statistics

SUPPLEMENTAL DATA	PACIFIC NORTHWEST				ARIZONA			
	Jun 2021	May 2021	Jun 2020	May 2020	Jun 2021	May 2021	Jun 2020	May 2020
<b>Number of Handlers</b>								
Pool Handlers	17	17	18	18	9	9	8	8
<i>Distributing Plants</i>	11	11	11	11	7	7	6	6
<i>Supply Plants 1/</i>	3	3	4	4	1	1	1	1
<i>Cooperatives</i>	3	3	3	3	1	1	1	1
Producer-Handlers	5	5	5	5	0	0	0	0
Other Plants w/ Class I Use	<b>31</b>	29	27	27	<b>26</b>	26	28	29
<b>Class I Route Disposition In Area</b>								
By Pool Plants	114,104,317	122,995,259	124,883,317	129,220,553	63,340,567	71,026,764	71,026,998	73,051,798
By Producer-Handlers	5,161,389	5,683,486	6,246,909	6,293,536	0	0	0	0
By Other Plants	<b>14,382,346</b>	13,991,420	14,473,957	15,410,708	<b>8,096,395</b>	9,173,696	8,124,337	8,195,179
Total	133,648,052	142,670,165	145,604,183	150,924,797	71,436,962	80,200,460	79,151,335	81,246,977
<b>Producer-Handler Data</b>								
% Class I Use	45.19%	46.60%	51.68%	53.11%	0.00%	0.00%	0.00%	0.00%
% of Total In-Area Route Dispositions	3.86%	3.98%	4.29%	4.17%	0.00%	0.00%	0.00%	0.00%

Preliminary data indicated in **bold**. 1/ Includes Cooperative Pool Manufacturing Plants.

# Monthly Statistical Summary

RECEIPTS & UTILIZATION	PACIFIC NORTHWEST				ARIZONA			
	Jul 2021	Jun 2021	Jul 2020	Jun 2020	Jul 2021	Jun 2021	Jul 2020	Jun 2020
<b>Receipts of Milk</b>								
Total Producer Milk	745,402,799	598,302,932	700,924,401	614,412,284	397,061,406	390,069,953	289,899,533	375,813,924
Receipts From Other Sources	11,969,165	7,683,749	10,266,790	6,790,040	6,753,264	12,960,037	6,754,542	6,322,112
Opening Inventory	37,185,911	45,370,590	30,837,022	34,294,140	28,827,260	28,507,169	18,753,118	23,851,938
<b>Total To Be Accounted For</b>	<b>794,557,875</b>	<b>651,357,271</b>	<b>742,028,213</b>	<b>655,496,464</b>	<b>432,641,930</b>	<b>431,537,159</b>	<b>315,407,193</b>	<b>405,987,974</b>
<b>Utilization of Receipts</b>								
Whole milk	41,082,795	39,765,165	41,684,933	41,219,876	25,952,080	25,001,435	27,162,523	26,764,862
Flavored milk & drinks	6,206,673	7,092,626	6,462,570	6,651,123	3,540,916	3,526,035	3,337,696	3,514,405
2% milk	43,219,050	42,738,048	48,975,618	48,698,546	25,092,820	23,998,122	29,390,928	27,949,867
1% milk	14,398,230	15,371,886	16,276,239	16,758,844	7,593,579	6,991,256	8,079,120	8,497,680
Skim milk	7,256,687	7,520,076	10,211,329	10,156,627	3,491,203	3,328,981	3,784,734	3,870,798
Buttermilk	1,661,667	1,616,516	1,607,110	1,398,301	471,891	494,738	437,468	429,386
Class I dispositions in area	113,825,102	114,104,317	125,217,799	124,883,317	66,142,489	63,340,567	72,192,469	71,026,998
Class I dispositions out of area	8,964,531	8,880,084	22,592,604	9,306,817	44,045,934	45,105,945	29,493,530	27,648,214
Other Class I usage	28,769,079	25,559,349	23,116,412	15,276,000	19,190,141	18,059,151	14,983,444	13,398,614
<b>Utilization by Class</b>								
Total Class I Use	151,558,712	148,543,750	170,926,815	149,466,134	129,378,564	126,505,663	116,669,443	112,073,826
Total Class II Use	48,853,732	44,694,333	60,716,308	44,578,118	35,321,317	35,995,812	33,938,491	35,010,645
Total Class III Use	330,397,629	176,059,687	179,332,073	178,080,702	110,436,669	77,091,796	1/	1/
Total Class IV Use	263,747,802	282,059,501	331,053,017	283,371,510	157,505,380	191,943,888	164,799,259	258,903,503
<b>Total Accounted For</b>	<b>794,557,875</b>	<b>651,357,271</b>	<b>742,028,213</b>	<b>655,496,464</b>	<b>432,641,930</b>	<b>431,537,159</b>	<b>315,407,193</b>	<b>405,987,974</b>

CLASSIFICATION OF RECEIPTS	PACIFIC NORTHWEST				ARIZONA			
	Jul 2021	Jun 2021	Jul 2020	Jun 2020	Jul 2021	Jun 2021	Jul 2020	Jun 2020
<b>Producer milk</b>								
Class I	128,807,444	124,511,124	157,599,427	135,430,010	112,111,679	109,162,239	102,058,074	98,585,295
Class II	44,285,329	39,141,834	50,622,881	38,560,746	33,864,843	33,712,174	32,746,865	33,901,006
Class III	329,933,083	175,541,778	179,332,073	178,080,477	110,436,669	77,091,796	13,495,904	98,847,773
Class IV	242,376,943	259,108,196	313,370,020	262,341,051	140,648,215	170,103,744	141,598,690	144,479,850
<b>Other receipts</b>								
Class I	22,751,268	24,032,626	13,327,388	14,036,124	17,266,885	17,343,424	14,611,369	13,488,531
Class II	4,568,403	5,552,499	10,093,427	6,017,372	1/	1/	1/	1,109,639
Class III	1/	1/	0	1/	0	0	1/	1/
Class IV	21,835,405	23,469,214	17,682,997	21,030,684	18,313,639	24,123,782	10,896,291	15,575,880
<b>Avg. daily producer receipts</b>	24,045,252	19,943,431	22,610,465	20,480,409	12,808,432	13,002,332	9,351,598	12,527,131
Change From Previous Year	6.35%	-2.62%	-11.88%	-19.32%	36.97%	3.79%	-25.82%	-9.22%
<b>Avg. daily Class I use</b>	4,888,991	4,951,458	5,513,768	4,982,204	4,173,502	4,216,855	3,763,530	3,735,794
Change From Previous Year	-11.33%	-0.62%	9.84%	0.58%	10.89%	12.88%	5.05%	5.87%

1/ Restricted - Included with Class IV.

# USDA NEWS

## USDA ANNOUNCES PROGRAM IMPROVEMENTS

On August 19, 2021, the U.S. Department of Agriculture (USDA) announced the details of the Pandemic Market Volatility Assistance Program as part of meetings with farmers and a tour of farms with Senator Leahy. In June, Secretary Vilsack committed to providing additional pandemic assistance for dairy farmers in an exchange at a hearing with Senate Appropriations Committee Chairman Leahy. Through the program, USDA will provide about \$350 million in pandemic assistance payments to dairy farmers who received a lower value for their products due to market abnormalities caused by the pandemic. The assistance is part of a larger package including permanent improvements to the Dairy Margin Coverage safety net program.

Under the Pandemic Market Volatility Assistance Program, payments will reimburse qualified dairy farmers for 80 percent of the revenue difference per month based on an annual production of up to 5 million pounds of milk marketed and on fluid milk sales from July through December 2020. The payment rate will vary by region based on the actual losses on pooled milk related to price volatility. USDA will make payments through agreements with independent handlers and cooperatives. Handlers and cooperatives will distribute the monies on the same basis July - December 2020 payments were made to their dairy farmer suppliers and a formula set by USDA. USDA will reimburse handlers and cooperatives for allowed administrative costs.

USDA will contact eligible handlers and cooperatives to notify them of the opportunity to participate in the Program. USDA will distribute payments to participating handlers within 60 days of entering into an agreement. Once funding is provided, a handler will have 30 days to distribute monies to qualifying dairy farmers. As part of the program, handlers also will provide virtual or in-person education to dairy farmers on a variety of dairy topics available from USDA or other sources. A handler will have until March 1, 2022 to directly provide educational opportunities to dairy farmers.

Additional details about the program are available and will be updated at the [AMS Dairy Program website](#).

Outside the pandemic assistance, USDA will also make improvements to the Dairy Margin Coverage safety net program updating the feed cost formula to better reflect the actual cost dairy farmers pay for high quality alfalfa. This change will be retroactive to January 2020 and is expected to provide additional retroactive payments of about \$100 million for 2020 and 2021. Unlike the pandemic assistance, this change will also be part of the permanent safety net and USDA estimates it will average about \$80 million per year or approximately \$800 million over ten years for dairy headed into the upcoming Farm Bill. Full details on these additional actions to support dairy farmers will be provided when regulations are published in the coming weeks. Dairy farmers should wait until these details are available to contact their local USDA Service Center for more information.

The full press release can be found on the [USDA website](#). 🐄

## USDA NEWS

### DAIRY DONATION PROGRAM UPDATE

The U.S. Department of Agriculture (USDA) recently announced a Dairy Donation Program to facilitate timely dairy product donations while reducing food waste. Under this new program, eligible dairy organizations form partnerships with non-profit feeding organizations that distribute food to individuals and families in need. Those partnerships may apply for and receive reimbursements to cover some expenses related to eligible dairy product donations.

An eligible dairy organization is a dairy farmer, cooperative, or processor that purchases fresh milk or bulk dairy products to process into retail-packaged dairy products and accounts to a Federal milk marketing order (FMMO). The reimbursement rate will be the sum of: 1) the cost of milk used to make the donated eligible dairy product (monthly FMMO classified milk price based on the product and month of processing); 2) manufacturing cost (FMMO make allowance); and 3) transportation cost from the plant to distribution point. These reimbursements will help offset the cost for dairy products donated to food assistance programs.

Details about program eligibility and participation are available at [www.ams.usda.gov/ddp](http://www.ams.usda.gov/ddp). Interested partnerships must apply by completing and submitting a Dairy Donation and Distribution Plan (Plan) describing the process to be used for the donation, processing, transportation, temporary storage, and distribution of eligible dairy products. Plans will be accepted on a rolling basis and approved within 15 business days of submission. After approval, partnerships will be able to submit specific information to obtain reimbursement claims for eligible dairy products donated since January 1, 2020.

Entities participating in the MDRP will be automatically enrolled and do not need to reapply for the DDP. Supplemental reimbursements will be automatically distributed to MDRP participants who received reimbursements under the MDRP for eligible donations made since January 1, 2020. These reimbursements will equal the difference between the reimbursed values for the DDP and MDRP.

To ensure equitable participation amongst low-income and other underserved persons and communities, USDA-AMS encourages collaborations with faith-based, community-based, and non-profit organizations of all sizes. 🍷

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### CONFIRMATION OF MARKETING AND REGULATORY UNDER SECRETARY

On August 11, 2021, Agriculture Secretary Tom Vilsack made the following statement after the successful confirmation of Jenny Lester Moffitt to serve as Under Secretary for Marketing and Regulatory Programs at USDA. “Congratulations to Jenny Lester Moffitt on being confirmed to serve as Under Secretary for Marketing and Regulatory Programs. Jenny’s experience and dedication to her craft, including growing up and working on an organic farm, will help elevate USDA’s work to support our producers and protect the health and value of America’s agricultural and natural resources, and animals and plants. With her guidance and leadership, USDA will help to build more robust and resilient local and regional food systems that support new, more and fairer market opportunities for American producers and food companies. We are glad to have her on the team.” 🍷

# Federal Order Statistics for July 2021

Federal Order Name (Number)	Producer Deliveries	Class I Receipts	Class I Utilization	Class I Price	Uniform Price
	- million pounds -			- per cwt (at location) -	
Northeast (FO 1)	2,342.9	649.2	27.7%	\$20.67	\$18.06
Appalachian (FO 5)	415.9	287.9	69.2%	\$20.82	\$19.61
Florida (FO 6)	184.5	159.3	86.3%	\$22.82	\$21.98
Southeast (FO 7)	349.0	236.9	67.9%	\$21.22	\$19.80
Upper Midwest (FO 30)	1,918.4	196.7	10.3%	\$19.22	\$16.74
Central (FO 32)	1,314.5	338.1	25.7%	\$19.42	\$16.84
Mideast (FO 33)	1,767.1	499.2	28.3%	\$19.42	\$17.25
California (FO 51)	1,840.1	381.6	20.7%	\$19.52	\$16.94
<b>Pacific Northwest (FO 124)</b>	<b>745.4</b>	<b>128.8</b>	<b>17.3%</b>	<b>\$19.32</b>	<b>\$16.77</b>
Southwest (FO 126)	1,044.4	298.0	28.5%	\$20.42	\$17.65
<b>Arizona (FO 131)</b>	<b>397.1</b>	<b>112.1</b>	<b>28.2%</b>	<b>\$19.77</b>	<b>\$17.27</b>

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

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