

**United States Department of Agriculture  
Agricultural Marketing Service  
Dairy Programs  
Milk Market Administrator  
Federal Orders 124 & 131**

March 20, 2013

**Federal Order Minimum Cost for Selected Products/Containers**

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of each order and effect of Processor Assessment (See Note 1). Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

<u>White Milk</u>		<u>FO 124</u>		<u>FO 131</u>	
		<u>Gallons</u>	<u>Half Pints</u>	<u>Gallons</u>	<u>Half Pints</u>
<b>3.25%</b>	January 2013	\$1.7775	\$0.1111	\$1.8162	\$0.1135
	February 2013	\$1.7139	\$0.1071	\$1.7526	\$0.1095
	March 2013	\$1.6786	\$0.1049	\$1.7173	\$0.1073
	April 2013	\$1.6653	\$0.1041	\$1.7040	\$0.1065
<b>2.00%</b>	January 2013	\$1.6080	\$0.1005	\$1.6467	\$0.1029
	February 2013	\$1.5548	\$0.0972	\$1.5936	\$0.0996
	March 2013	\$1.5175	\$0.0948	\$1.5563	\$0.0973
	April 2013	\$1.4970	\$0.0936	\$1.5358	\$0.0960
<b>1.00%</b>	January 2013	\$1.4690	\$0.0918	\$1.5078	\$0.0942
	February 2013	\$1.4243	\$0.0890	\$1.4631	\$0.0914
	March 2013	\$1.3854	\$0.0866	\$1.4242	\$0.0890
	April 2013	\$1.3592	\$0.0850	\$1.3980	\$0.0874
<b>0.06%</b>	January 2013	\$1.3400	\$0.0837	\$1.3788	\$0.0862
	February 2013	\$1.3032	\$0.0815	\$1.3420	\$0.0839
	March 2013	\$1.2627	\$0.0789	\$1.3016	\$0.0813
	April 2013	\$1.2311	\$0.0769	\$1.2700	\$0.0794
<b><u>Chocolate Milk *</u></b>					
<b>3.25%</b>	January 2013	\$1.6535	\$0.1033	\$1.6895	\$0.1056
	February 2013	\$1.5943	\$0.0996	\$1.6303	\$0.1019
	March 2013	\$1.5615	\$0.0976	\$1.5975	\$0.0998
	April 2013	\$1.5491	\$0.0968	\$1.5851	\$0.0991
<b>1.00%</b>	January 2013	\$1.3634	\$0.0852	\$1.3994	\$0.0875
	February 2013	\$1.3219	\$0.0826	\$1.3579	\$0.0849
	March 2013	\$1.2858	\$0.0804	\$1.3218	\$0.0826
	April 2013	\$1.2615	\$0.0788	\$1.2975	\$0.0811
<b>0.06%</b>	January 2013	\$1.2421	\$0.0776	\$1.2781	\$0.0799
	February 2013	\$1.2081	\$0.0755	\$1.2441	\$0.0778
	March 2013	\$1.1706	\$0.0732	\$1.2066	\$0.0754
	April 2013	\$1.1413	\$0.0713	\$1.1773	\$0.0736
<b><u>Class I Prices</u></b>		<u>Skim</u>	<u>Butterfat</u>	<u>Skim</u>	<u>Butterfat</u>
January 2013		\$15.43	\$1.7662	\$15.88	\$1.7707
February 2013		\$15.01	\$1.6637	\$15.46	\$1.6682
March 2013		\$14.54	\$1.6774	\$14.99	\$1.6819
April 2013		\$14.17	\$1.7399	\$14.62	\$1.7444

**Conversion Factors**

<u>White 3.25% Gal.</u> 8.60	<u>White 3.25% 1/2 Pint</u> 0.53750	<u>White 2.00% Gal.</u> 8.62	<u>White 2.00% 1/2 Pint</u> 0.53875	<u>White 1.00% Gal.</u> 8.62	<u>White 1.00% 1/2 Pint</u> 0.53875	<u>White 0.06% Gal.</u> 8.63	<u>White 0.06% 1/2 Pint</u> 0.539375
<u>Chocolate Gal.</u> 8.00	<u>Chocolate 1/2 Pint</u> 0.50000						

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 et seq.). These prices do not include any other assessments or costs associated with bottling milk.

Note 2: Prices were determined by following formula:

$$(((\text{Percent Skim} \times \text{Skim Price}) / 100 + (\text{Percent Butterfat} \times \text{Butterfat Price})) / 100) \times \text{Conversion Factor}$$

For example, the formula for a gallon of whole milk would be:

$$(((96.75 \times \text{Skim Price}) / 100 + (3.25 \times \text{Butterfat Price})) / 100) \times 8.6$$

Note 3: Asterisk (\*): Conversion factors for chocolate milk vary between products.