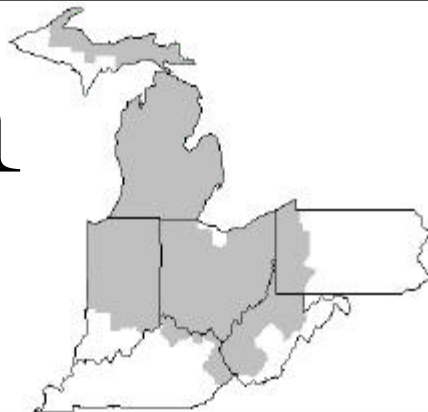


# Mideast Market Administrator's Bulletin



## Federal Order No. 33

David Z. Walker, Market Administrator

Phone: (440) 826-3220 Toll Free: (888) 751-3220

Email: [clevelandmal@sprynet.com](mailto:clevelandmal@sprynet.com)

WebPage: [www.fmmacle.v.com](http://www.fmmacle.v.com)

May 2003

### USDA SEEKS NOMINEES FOR NATIONAL DAIRY BOARD

The U.S. Department of Agriculture is asking dairy producer and farm organizations to nominate candidates to serve on the National Dairy Promotion and Research Board. Nominations must be submitted by May 31.

The Secretary of Agriculture will appoint 12 individuals from those nominated to succeed members whose terms expire October 31, 2003. The 12 new members will serve 3-year terms beginning November 1, 2003, and ending October 31, 2006.

Appointments will be made from nominations for the following (unless indicated each region has one open position): Region 1 (Oregon and Washington); Region 2 (California - 2 positions); Region 3 (Arizona, Colorado, Idaho, Montana, Nevada, Utah, and Wyoming); Region 4 (Arkansas, Kansas, New Mexico, Oklahoma, and Texas); Region 5 (Minnesota, North Dakota, and South Dakota); Region 6 (Wisconsin - 2 positions); Region 7 (Illinois, Iowa, Missouri, and Nebraska); Region 9 (Indiana, Michigan, Ohio, and West Virginia); Region 11 (Delaware, Maryland, New Jersey, and Pennsylvania); and Region 12 (New York). The positions designated above are based on the board's request that member representation reflect geographic distribution of milk production in the contiguous 48 states. The board is required to review the geographic representation of its members every three to five years.

The National Dairy Promotion and Research Board was established under the Dairy Production Stabilization Act of 1983 to develop and administer a coordinated program of promotion, research, and nutrition education. The 36-member board is authorized to design programs to strengthen the dairy industry's position in domestic and foreign markets. The national program is financed by a mandatory 15-cent per hundred weight assessment on all milk marketed commercially by dairy producers.

USDA welcomes membership on industry boards that reflects the diversity of the individuals served by the programs. USDA encourages all eligible women, minorities, and persons with disabilities to seek nomination for a seat on the Board.

For nominating forms and procedures, contact David R. Jamison, Chief, Promotion and Research Branch, Dairy Programs, AMS, USDA, Room 2958-S, Stop 0233, 1400 Independence Ave., SW, Washington, D.C. 20250-0233; telephone (202) 720-6909; fax (202) 720-0285; or E-mail at [david.jamison2@usda.gov](mailto:david.jamison2@usda.gov) or <http://www.ams.usda.gov/dairy/dairypr.htm>.

### MARCH MILK PRODUCTION UP 1.5 PERCENT

Milk production in the 20 major States during March totaled 13.0 billion pounds, up 1.5 percent from March 2002. February revised production, at 11.6 billion pounds, was up 1.6 percent from February 2002. The February revision represented a decrease of 8 million pounds from last month's preliminary production estimate.

Production per cow in the 20 major States averaged 1,664 pounds for March, 10 pounds above March 2002.

The number of milk cows on farms in the 20 major States was 7.81 million head, 67,000 head more than March 2002, and 2,000 head more than February 2003.

The Mideast Marketing Area has four states represented in the 20 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during March totaled 2.1 billion pounds, the same as March 2002.

Production per cow in the Mideast states averaged 1,605 pounds for March, 16 pounds above March 2002.

The number of cows on farms in the Mideast states was 1.3 million head, 1,000 head less than March 2002.

### MILK PRODUCTION, DISPOSITION AND INCOME 2002

Milk production increased 3 percent in 2002 to 170 billion pounds. The rate per cow, at 18,571 pounds, was 412 pounds above 2001. Arizona was first with an annual average of 23,486 pounds per cow.

*(continued Page 3)*

#### APRIL 2003 POOL SUMMARY

Classification of Producer Milk		Percent
Class I	533,093,970	36.2
Class II	222,357,851	15.1
Class III	638,078,273	43.3
Class IV	79,817,039	5.4
Total	1,473,347,133	100.0

#### Producer Prices

Producer Price Differential	\$1.06 /cwt
Butterfat Price	1.1503 /lb
Protein Price	1.8006 /lb
Other Solids Price	(0.0008) /lb
Somatic Cell Adjustment Rate	0.00055 /cwt
Statistical Uniform Price	10.47 /cwt

**ANNOUNCEMENT OF PRODUCER PRICES**

**Federal Order No. 33**

**APRIL 2003**

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

	<u>POUNDS</u>	<u>BUTTERFAT</u>	<u>SKIM / PROTEIN</u>	<u>NONFAT SOLIDS</u>	<u>OTHER SOLIDS</u>	<u>PRICE</u>	<u>VALUE</u>
Class I Skim Value			523,115,102			\$ 792 / cwt	\$ 41,430,716.11
Class I Butterfat		9,978,868				1.1427 / lb	11,402,852.47
Class I Location Differential	533,093,970						(265,219.46)
Class II SNF Value				18,748,986		0.7356 / lb	13,791,754.11
Class II Butterfat		15,198,856				1.1573 / lb	17,589,636.06
Class III Protein Value			19,153,814			1.8006 / lb	34,488,357.48
Class III Other Solids Value					36,639,448	(0.0008) / lb	(29,311.56)
Class III Butterfat		21,746,570				1.1503 / lb	25,015,079.49
Class IV SNF Value				6,542,169		0.6564 / lb	4,294,279.77
Class IV Butterfat		7,408,639				1.1503 / lb	8,522,157.43
Somatic Cell Value II / III / IV							<u>311,047.78</u>
<b>TOTAL PRODUCER MILK VALUE</b>	<b>1,473,347,133</b>	<b>54,332,933</b>	<b>44,123,983</b>		<b>84,305,465</b>		<b>\$156,551,349.68</b>
Overages						\$ 3644.87	
Beginning Inventory						1589501	
<b>TOTAL ADJUSTMENTS</b>							<b>\$ 19,539.88</b>
<b>TOTAL HANDLER OBLIGATIONS</b>							<b>\$ 156,570,889.56</b>
Total Protein Value			44,123,983 lbs	@	\$18006		\$ (79,449,643.80)
Total Other Solids Value			84,305,465 lbs	@	(0.0008)		67,444.36
Butterfat Value			54,332,933 lbs	@	1.1503		(62,499,172.82)
Total Somatic Cell Values							<u>(436,813.72)</u>
<b>TOTALS</b>							<b>\$ 14,252,703.58</b>
Net Producer Location Adjustments							\$ 1,208,632.02
1/2 Unobligated Balance Producer Settlement Fund							<u>796,000.00</u>
Total - Divided by Total Pounds			1,473,347,133 lbs		1.1034287		\$ 16,257,335.60
Rate of Cash Reserve					<u>(0.0434287)</u>		<u>(639,855.51)</u>
<b>PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH*</b>					<b>\$1.06 / cwt</b>		<b>\$ 15,617,480.09</b>

**COMPONENT PRICES**

**COMPUTATION OF UNIFORM PRICE**

	<u>April</u>		<u>April</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Butterfat Price	\$1.1503 / lb	\$1.2890 / lb	Class III Price - 3.5% BF	\$ 9.41
Protein Price	1.8006 / lb	2.0109 / lb	Producer Price Differential*	<u>1.06</u>
Other Solids Price	(0.0008) / lb	0.0566 / lb	Statistical Uniform Price	\$10.47
Somatic Cell Adjustment Rate	0.00055 / cwt	0.00062 / cwt		
Nonfat Solids Price	0.6564 / lb	0.7575 / lb		

**CLASS PRICES**

**CLASSIFICATION OF PRODUCER MILK**

	<u>April</u>		<u>April</u>	
	<u>2003</u>	<u>2002</u>	<u>2003</u>	<u>2002</u>
Class I*	\$11.64	\$13.47	Product lbs.	Product lbs.
Class II	10.44	11.88	Class I	533,093,970
Class III	9.41	10.85	Class II	222,357,851
Class IV	9.73	11.09	Class III	638,078,273
			Class IV	<u>79,817,039</u>
			Total	1,473,347,133
				1,557,399,480

\* Subject to Location Adjustment.

**ORDER 33 MARKET SUMMARY**

The Producer Price Differential For the Mideast Marketing Area for April 2003 was \$1.06 and the Statistical Uniform Price was \$10.47 for the month. The Statistical Uniform Price is up 11 cents from last month, and is \$1.45 lower than April 2002.

The Producer Butterfat Price of \$1.1503 per pound increased 0.44 cents from March 2003 and is down 1387 cents from a year ago. The Protein Price of \$1.8006 is up 13.58 cents from last month and is down 2103 cents from April 2002. The Other Solids Price in April was \$-0.0008 per pound, a decrease from last month's price of \$0.0206 and a decrease of 5.74 cents from last April. The Other Solids Price was negative due to the average wholesale price of dry whey powder being less than the make allowance price of 15.9 cents for the month. The Somatic Cell Adjustment rate for April was

\$0.00055.

April producer receipts of 1.47 billion pounds were 1.1 percent higher than March 2003, and 5.4 percent lower than April 2002 production of 1.56 billion pounds. Producer milk allocated to Class I accounted for 36.2 percent of the total producer milk in April 2003, less than the 37.4 percent in March and more than the 34.5 percent in April 2002. A total of 10,357 producers were pooled on the Mideast Order with an average daily delivery of 4,742 pounds compared to 11,503 producers pooled in April 2002 with an average daily delivery of 4,513 pounds.

The market average content of producer milk was as follows: Butterfat 3.69%; Protein 2.99%; Other Solids 5.72% and Nonfat Solids 8.71%.

(from Front Page)

Louisiana was last with an average of 11,620 pounds per cow (see chart on the right). The annual average number of milk cows on farms, at 9.14 million head, was 27,000 head more than 2001.

The average butterfat test for the United States in 2002 was 3.68 percent. It ranged from a low of 3.45 percent in Arkansas to a high of 3.77 percent in Illinois. The average milk cow produced 17 more pounds of butterfat in 2002. This resulted in an increase of 155.4 million pounds of butterfat compared to 2001.

Cash receipts from marketing's of milk during 2002, at \$20.5 billion, was 17 percent below 2001. Producer returns averaged \$12.19 per hundredweight, 19 percent below 2001. Marketing's totaled 169 billion pounds, 3 percent above 2001. Marketing's include whole milk sold to plants and dealers as well as milk sold directly to consumers.

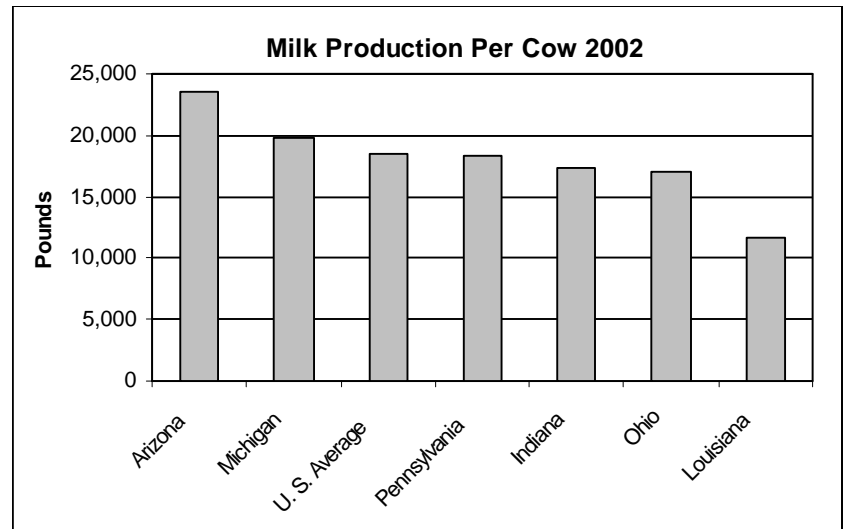
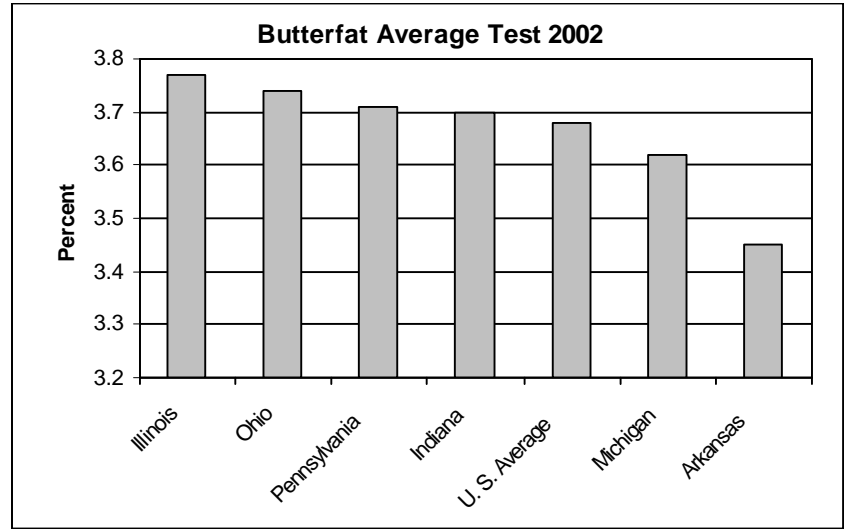
An estimated 1.14 billion pounds of milk were used on farms where produced, 6 percent less than 2001. Calves were fed 86 percent of this milk, with the remainder consumed in producer households.

The Mideast Marketing Area has four major states represented in the data above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production increased 0.9 percent in 2002 to 23.8 billion pounds.

The rate per cow, at 18,181 pounds, was 485 pounds above 2001. The annual average number of milk cows on farms, at 1.3 million head, was 19,000 head less than 2001.

Cash receipts from marketing's of milk during 2002, at \$3.1 billion, was 17.8 percent below 2001. Producer returns averaged \$12.19 per hundredweight, 24.2 percent below 2001. Marketing's totaled 23.7 billion pounds, 0.8 percent above 2001.

An estimated 139 million pounds of milk were used on farms where produced, 10.9 percent less than 2001. Calves were fed 88 percent of this milk, with the remainder consumed in producer households.



**Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State**

Federal Order No. 33

State	March 2003*						March 2002				
	Number of Producers	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)
Michigan	2,513	454,847	3.67	3.04	5.72	286	469,539	3.71	3.03	5.73	278
Ohio	2,590	318,930	3.82	3.06	5.70	323	311,374	3.80	3.07	5.72	292
Wisconsin	1,885	268,091	3.74	2.99	5.72	298	432,136	3.78	3.01	5.68	277
Indiana	1,282	157,197	3.76	3.05	5.71	296	144,381	3.81	3.05	5.71	292
Pennsylvania	1,354	123,696	3.84	3.05	5.68	384	130,372	3.86	3.06	5.70	334
New York	483	103,389	3.69	2.99	5.69	264	52,178	3.78	3.00	5.70	258
Illinois	84	12,798	3.76	3.03	5.77	312	14,299	3.76	3.02	5.72	320
West Virginia	88	6,834	3.80	3.11	5.69	408	7,246	3.75	3.12	5.71	366
Minnesota	41	4,466	3.80	3.07	5.80	340	4,025	3.80	3.09	5.75	406
Other	97	7,584	3.76	3.07	5.72	366	9,985	3.84	3.10	5.72	349
<b>Total/Average</b>	<b>10,417</b>	<b>1,457,834</b>	<b>3.74</b>	<b>3.03</b>	<b>5.71</b>	<b>306</b>	<b>1,575,535</b>	<b>3.77</b>	<b>3.04</b>	<b>5.71</b>	<b>287</b>

\* Totals may not add due to rounding. Data provided on a one month delay basis.



**United States  
Department of  
Agriculture**

PRSR STD  
U.S. POSTAGE  
PAID  
Cleveland, Ohio  
Permit No. 2511

**Mideast Market Administrator Bulletin**  
7851 Freeway Circle  
P.O. Box 30128  
Cleveland, Ohio 44130

POSTMASTER: Time Sensitive Material - Deliver Promptly

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 the USDA's TARGET Center at (202)720-2600 (voice and TDD).

To file a complaint of discrimination, write USDA, Director, Office of Civil Rights, Room 326-W, Jamie L. Whitten Building, 14th and Independence Avenue SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD). USDA is an Equal Opportunity provider and employer.

**FEDERAL ORDER DATA  
APRIL 2003**

<u>Marketing Area</u> <sup>1/</sup>	<u>Producer Milk</u>		<u>Class I</u>	<u>Producer</u>	<u>Statistical</u>
	<u>Total</u> (000)	<u>Class I</u> (000)	<u>Percent</u> %	<u>Price Differential</u>	<u>Uniform Price</u>
FO 1 Northeast - (Boston)	2,109,293	870,796	41.3	\$2.04	\$11.45
FO 5 Appalachian - (Charlotte)	552,199	363,870	65.9	<sup>2/</sup>	12.04
FO 6 Florida - (Tampa)	269,369	209,474	77.8	<sup>2/</sup>	12.96
FO 7 Southeast - (Atlanta)	636,043	384,095	60.4	<sup>2/</sup>	11.81
FO 30 Upper Midwest - (Chicago)	1,862,757	338,060	18.2	0.46	9.87
FO 32 Central - (Kansas City)	1,462,781	400,948	27.4	0.81	10.22
<b>FO 33 Mideast - (Cleveland)</b>	<b>1,473,347</b>	<b>533,094</b>	<b>36.2</b>	<b>1.06</b>	<b>10.47</b>
FO 124 Pacific Northwest - (Seattle)	625,727	175,528	28.1	0.80	10.21
FO 126 Southwest - (Dallas)	932,706	342,047	36.7	1.78	11.19
FO 131 Arizona-Las Vegas - (Phoenix)	280,078	81,640	29.2	<sup>2/</sup>	10.34
FO 135 Western - (Salt Lake City)	563,861	91,716	16.3	0.54	9.95

<sup>1/</sup> Names in parentheses are principal points of markets.

<sup>2/</sup> Producers in these markets are paid on the basis of a uniform skim and butterfat price.

**MINIMUM PARTIAL PAYMENT PRICE FOR MAY 2003 ..... \$9.41 /cwt.**



