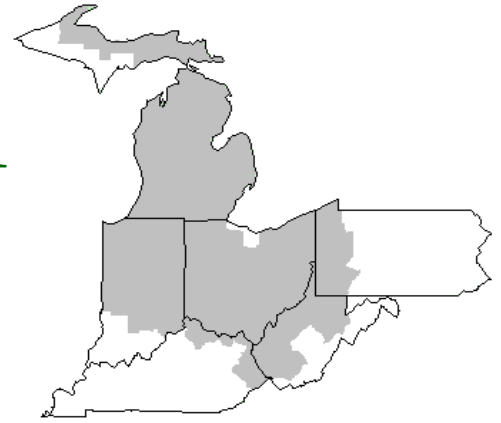


# Mideast Market Administrator's Bulletin



## Federal Order No. 33

Sharon R. Uther, Market Administrator

Phone: (330) 225-4758 Toll Free: (888) 751-3220

Email: [clevelandma1@sprynet.com](mailto:clevelandma1@sprynet.com)

WebPage: [www.fmmaclev.com](http://www.fmmaclev.com)

September 2021

### Dairy Donation Program

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.

### USDA Announces Improvements to the Dairy Safety Net and New Pandemic Market Volatility Assistance Program

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.

“The Pandemic Market Volatility Assistance Program is another component of our ongoing effort to get aid to producers who have been left behind and build on our progress towards economic recovery,” said Agriculture Secretary Tom Vilsack. “Family dairy farmers have been battered by the pandemic, trade issues and unpredictable weather and are the life-blood of many rural communities throughout Vermont, the Northeast and many other regions. This targeted assistance is the first step in USDA’s comprehensive approach that will total over \$2 billion to help the dairy industry recover from the pandemic and be more resilient to future challenges for generations to come.”

*(continued on Page 3)*

### August 2021 Pool Summary

#### Classification of Producer Milk

	<i>Pounds</i>	<i>Percent</i>
Class I	516,772,279	29.5
Class II	369,529,084	21.1
Class III	699,058,263	39.9
Class IV	165,466,352	9.5
Total	1,750,825,978	100.0

#### Producer Prices

Producer Price Differential	\$ 0.90 / cwt
Butterfat Price	1.8508 / lb
Protein Price	2.4582 / lb
Other Solids Price	0.3735 / lb
Somatic Cell Adjustment Rate	0.00078 / cwt
Statistical Uniform Price	16.85 / cwt

**ANNOUNCEMENT OF PRODUCER PRICES**

Federal Order No. 33

August 2021

**COMPUTATION OF PRODUCER PRICE DIFFERENTIAL**

	POUNDS	BUTTERFAT	SKIM / PROTEIN	NONFAT SOLIDS	OTHER SOLIDS	PRICE	VALUE
Class I Skim Value			505,761,270			\$12.60 / cwt	\$ 63,725,920.02
Class I Butterfat		11,011,009				1.9250 / lb	21,196,192.44
Class I Location Differential	516,772,279						(313,084.97)
Class II SNF Value				31,819,609		1.1522 / lb	36,662,553.47
Class II Butterfat		24,088,523				1.8578 / lb	44,751,658.03
Class III Protein Value			21,605,908			2.4582 / lb	53,111,643.03
Class III Other Solids Value					39,581,912	0.3735 / lb	15,053,513.39
Class III Butterfat		26,014,205				1.8508 / lb	48,147,090.62
Class IV SNF Value				14,704,942		1.0872 / lb	15,987,212.95
Class IV Butterfat		5,583,590				1.8508 / lb	10,334,108.36
Somatic Cell Value II / III / IV							1,496,897.77
<b>TOTAL PRODUCER MILK VALUE</b>	1,750,825,978	66,697,327	54,067,814		100,886,474		\$ 310,153,705.11
Overages						0.00	
Beginning Inventory & OS Charges						(22,896.12)	
<b>TOTAL ADJUSTMENTS</b>							\$ (22,896.12)
<b>TOTAL HANDLER OBLIGATIONS</b>							\$ 310,130,808.99
Total Protein Value			54,067,814 lbs	@	\$ 2.4957		\$(132,909,500.40)
Total Other Solids Value			100,886,474 lbs	@	0.4181		(37,681,098.01)
Butterfat Value			66,697,327 lbs	@	1.8996		(123,443,412.82)
Total Somatic Cell Values							(2,086,627.15)
<b>TOTALS</b>							\$ 14,010,170.61
Net Producer Location Adjustments							\$ 1,656,183.72
1/2 Unobligated Balance Producer Settlement Fund							927,000.00
Total - Divided by Total Pounds			1,750,825,978 lbs		0.9477444		\$ 16,593,354.33
Rate of Cash Reserve					(0.0477444)		(835,921.36)
<b>PRODUCER PRICE DIFFERENTIAL at Cuyahoga County, OH <sup>1</sup></b>			1,750,825,978		\$ 0.90 / cwt		\$ 15,757,432.97

**COMPONENT PRICES**

August

	<u>2021</u>	<u>2020</u>
Butterfat Price	\$1.8508 / lb	\$1.6275 / lb
Protein Price	2.4582 / lb	4.4394 / lb
Other Solids Price	0.3735 / lb	0.1387 / lb
Somatic Cell Adjustment Rate	0.00078 / cwt	0.00105 / cwt
Nonfat Solids Price <sup>2</sup>	1.0872 / lb	0.7862 / lb

**COMPUTATION OF UNIFORM PRICE**

August

	<u>2021</u>	<u>2020</u>
Class III Price - 3.5% BF	\$15.95	\$19.77
Producer Price Differential*	.90	(2.93)
Statistical Uniform Price	\$16.85	\$16.84

**CLASS PRICES**

August

	<u>2021</u>	<u>2020</u>
Class I*	\$18.90	\$21.78
Class II	16.51	13.27
Class III	15.95	19.77
Class IV	15.92	12.53

**CLASSIFICATION OF PRODUCER MILK**

August

	<u>2021</u>	<u>2020</u>
Class I	Product lbs. 516,772,279	Product lbs. 549,293,337
Class II	369,529,084	416,164,395
Class III	699,058,263	140,207,844
Class IV	165,466,352	245,016,108
Total	1,750,825,978	1,350,681,684

<sup>1</sup> Subject to Location Adjustment.<sup>2</sup> Producers are not paid on this component.**ORDER 33 MARKET SUMMARY**

The Producer Price Differential for the Mideast Marketing Area for August 2021 was \$0.90, and the Statistical Uniform Price was \$16.85 for the month. The Statistical Uniform Price is \$0.40 lower than last month and is \$0.01 higher than August 2020.

The Producer Butterfat Price of \$1.8508 per pound decreased \$0.0488 from July and is up \$0.2233 from a year ago. The Protein Price of \$2.4582 is down \$0.0375 from last month and is down \$1.9812 from August 2020. The Other Solids Price in August was \$0.3735 per pound, a decrease from last month's price of \$0.4181 and \$0.2348 higher than last August. The Somatic Cell Adjustment rate for August was \$0.00078 per cwt.

August producer receipts of 1.75 billion pounds were 0.9 percent lower than July and 29.6 percent higher than August 2020 production of 1.35 billion pounds. Producer milk allocated to Class I accounted for 29.5 percent of the total producer milk in August 2021, higher than the 28.3 percent in July, and lower than the 40.7 percent in August 2020. A total of 3,616 producers were pooled on the Mideast Order compared to 3,731 producers pooled in August 2020.

The market average content of producer milk was as follows: Butterfat 3.81%; Protein 3.09%; Other Solids 5.76% and Nonfat Solids 8.85%.

(continued from Front Page)

Senator Patrick Leahy (D-Vt.), the chairman of the Senate Appropriations Committee and the senator with the most seniority on the Agriculture Committee, said: "I thank Secretary Vilsack for directing this assistance to small dairies in Vermont and across the country, just as he told me he would when we spoke earlier in the summer. This will help to make up for losses suffered by these family farms due to the pandemic and together with the positive adjustments to the Dairy Margin Coverage Program will be good news for farmers go into the fall."

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.

### July Milk Production Up 2.1 Percent

Milk production in the 24 major States during July totaled 18.3 billion pounds, up 2.1 percent from July 2020. June revised production, at 18.1 billion pounds, was up 3.2 percent from June 2020. The June revision represented a decrease of less than 0.1 percent or 1 million pounds from last month's preliminary production estimate.

Production per cow in the 24 major States averaged 2,035 pounds for July, 11 pounds above July 2020.

The number of milk cows on farms in the 24 major States was 8.99 million head, 136,000 head more than July 2020, but 3,000 head less than June 2021.

The Mideast Marketing Area has four states represented in the 24 major states used above. They are Indiana, Michigan, Ohio, and Pennsylvania. Milk production in these Mideast states during June totaled 2.8 billion pounds, this was up 2.4 percent from July 2020.

Production per cow in the Mideast states averaged 1,990 pounds for June. This was an increase of 9 pounds per cow from July 2020. The number of cows on farms in the Mideast states was 1.4 million head, 25,000 head more than July 2020.

*Released August 19, 2021, by the National Agricultural Statistics Service (NASS), Agricultural Statistics Board, United States Department of Agriculture (USDA).*

**Bulletin WebPage Edition**  
[www.fmmaclev.com](http://www.fmmaclev.com)  
**Featured this month are:**

- Producer Price Differential & Uniform Price Statistics
- Grain & Alfalfa Hay Prices

### Weighted Averages - Butterfat, Protein, Other Solids, Somatic Cell Count by State Federal Order No. 33

State	July 2021 -----Weighted Averages -----						July 2020 -----Weighted Averages -----				
	Number of Producers	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)	Pounds of Milk (000)	Butterfat	Protein	Other Solids	SCC (000)
Michigan	903	905,261	3.78	3.08	5.80	176	610,406	3.69	3.02	5.78	180
Ohio	1,214	410,301	3.78	3.06	5.71	208	269,133	3.69	2.99	5.70	194
Indiana	622	287,058	3.76	3.06	5.83	208	230,173	3.72	3.05	5.88	191
Pennsylvania	588	83,989	3.82	2.99	5.65	255	62,696	3.72	2.95	5.64	249
New York	147	59,968	3.96	3.15	5.87	225	28,827	3.94	3.15	5.99	218
Other	185	20,366	3.80	3.04	5.74	216	11,083	3.80	2.99	5.74	263
<b>Total/Average *</b>	<b>3,659</b>	<b>1,766,942</b>	<b>3.78</b>	<b>3.07</b>	<b>5.78</b>	<b>194</b>	<b>1,212,318</b>	<b>3.69</b>	<b>3.01</b>	<b>5.78</b>	<b>190</b>

\* Totals may not add due to rounding. Data provided on a one month delay basis and includes only milk from these states *pooled* on the Mideast order.



**United States  
Department of  
Agriculture**

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

**Mideast Market Administrator Bulletin**  
1325 Industrial Parkway North  
P.O. Box 5102  
Brunswick, Ohio 44212

POSTMASTER: Time Sensitive Material - Deliver Promptly

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 (including gender identity and expression), marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, 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 USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, D.C. 20250-9410, or call (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

**FEDERAL ORDER DATA  
August 2021**

<u>Marketing Area</u> <sup>1/</sup>		<u>Producer Milk</u>		<u>Class I</u>	<u>Producer</u>	<u>Statistical</u>
		<u>Total</u>	<u>Class I</u>	<u>Percent</u>	<u>Price Differential</u>	<u>Uniform Price</u>
		<i>(000)</i>	<i>(000)</i>	<i>%</i>	<i>(per cwt.)</i>	<i>(per cwt.)</i>
FO 1	Northeast - ( <i>Boston</i> )	2,268,068	644,140	28.4	1.74	\$17.69
FO 5	Appalachian - ( <i>Charlotte</i> )	434,321	313,205	72.1	<sup>2/</sup>	19.24
FO 6	Florida - ( <i>Tampa</i> )	207,603	167,219	80.6	<sup>2/</sup>	21.11
FO 7	Southeast - ( <i>Atlanta</i> )	361,295	259,422	71.8	<sup>2/</sup>	19.60
FO 30	Upper Midwest - ( <i>Chicago</i> )	2,076,925	201,451	9.7	0.27	16.22
FO 32	Central - ( <i>Kansas City</i> )	1,274,690	357,202	28.0	0.55	16.50
FO 33	Mideast - ( <i>Cleveland</i> )	<b>1,750,826</b>	<b>516,772</b>	<b>29.5</b>	<b>0.90</b>	<b>16.85</b>
FO 51	California ( <i>Los Angeles</i> )	2,540,609	409,769	16.1	0.64	16.59
FO 124	Pacific Northwest - ( <i>Seattle</i> )	589,346	131,561	22.3	0.52	16.47
FO 126	Southwest - ( <i>Dallas</i> )	1,054,721	328,065	31.1	1.38	17.33
FO 131	Arizona - ( <i>Phoenix</i> )	379,288	122,789	32.4	<sup>2/</sup>	17.08

<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 SEPTEMBER 2021.....\$15.92 /cwt.**

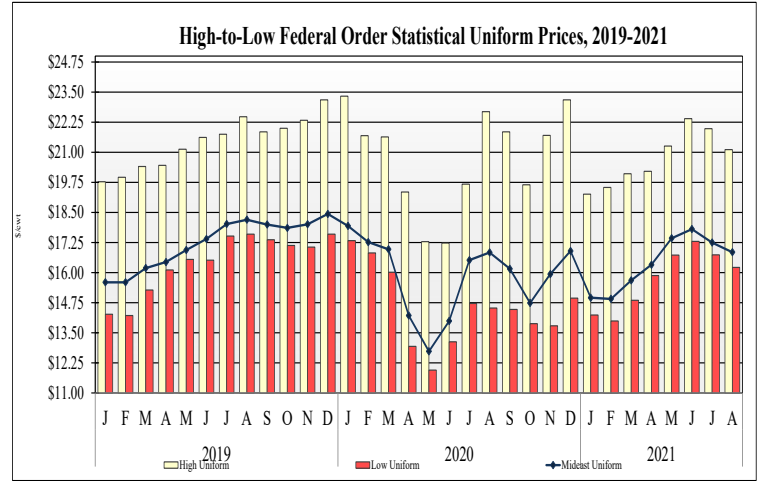
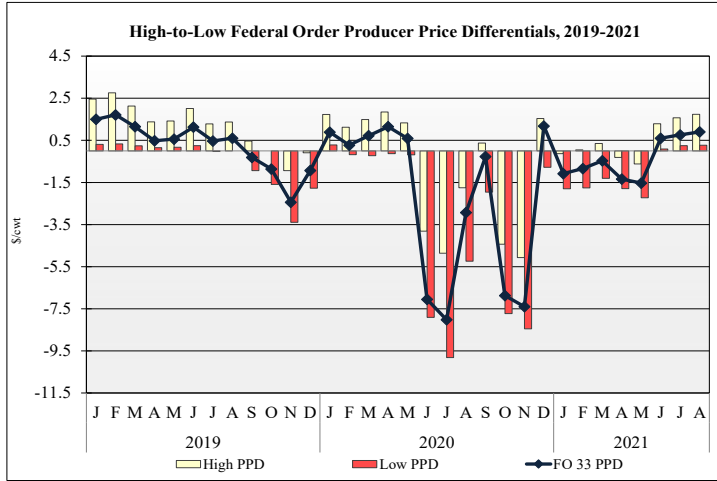


# Mideast Market Administrator's Bulletin

Federal Order No. 33

Supplement  
September 2021

## PRODUCER PRICE DIFFERENTIAL AND UNIFORM PRICE STATISTICS 2/ 3/



Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing.

Of those orders, Federal Order 1 traditionally has the highest producer price differential. For August 2021 Federal Order 1 had a PPD of \$1.74 per hundredweight (cwt), \$0.17 higher than their July PPD of \$1.57 per cwt.

In August 2021 Federal Order 33 had the third highest PPD, behind Orders 1 and 126, at \$0.90 per cwt, \$0.14 per cwt higher than the July PPD.

For August 2021 Federal Order 30 had the lowest PPD at \$0.27 per cwt, \$0.02 per cwt higher than the July PPD.

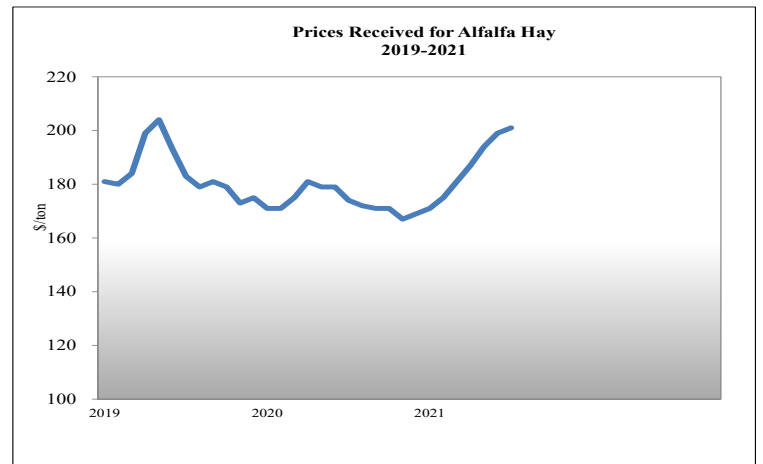
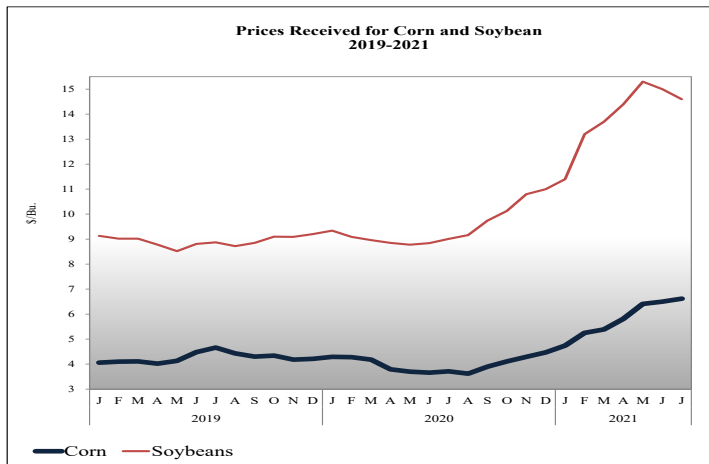
Producers in Orders 1, 30, 32, 33, 51, 124, and 126 are paid based on component pricing; and producers in 5, 6, 7 and 131 are paid based on skim-fat pricing. The table above details the range of statistical uniform prices (SUP) paid to producers.

Of those orders, Federal Order 6 (Florida) traditionally has the highest statistical uniform price. For August 2021 Federal Order 6 had a SUP of \$21.11 per cwt, \$0.87 lower than the previous month's SUP.

Federal Order 33 had a SUP of \$16.85 per cwt, \$0.40 per cwt lower than the previous month's SUP.

The Upper Midwest Order had the lowest SUP at \$16.22 per cwt, \$0.52 per cwt lower than the previous month's SUP.

## PRICES RECEIVED FOR GRAIN AND ALFALFA HAY 4/



2/ Producer price differentials are subject to location adjustment.

3/ Statistical uniform prices are at 3.5 percent butterfat and subject to location adjustment.

4/ Source: USDA, National Agricultural Statistics Service