



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

December 17, 2008

**RE: ANNOUNCEMENT OF MINIMUM PRICES FOR CLASSES 2 and 3
MARKET MILK**

TO ALL INTERESTED PARTIES:

On the reverse side of this page are the minimum prices for Classes 2 and 3 market milk for January 2009. All prices are f.o.b. milk processing plant. As provided in the Stabilization and Marketing Plans for Market Milk (Plans), milk handlers shall pay producers the minimum prices for market milk components sold or used for all Classes 2 and 3 purposes as specified on the reverse side of this page.

If market milk components are purchased f.o.b. producer's dairy location, haul deductions may be made as provided in the Plans.

Equivalent hundredweight prices shown in the right-hand column are based upon milk that is 3.5% fat and 8.7% solids-not-fat (SNF). These classified minimum prices that processors must pay for milk received from producers are calculated based upon mathematical formulas. The formulas are established and amended as needed through a public hearing process.

You can access class price information over the Internet on the Department's dairy homepage at <http://www.cdfa.ca.gov/dairy>. From the main menu, select the [Dairy Prices] link and then the [Minimum Class Price Letters] link. Once there, be sure to make a bookmark for future reference. Current class price information is also available on a recorded message. Please call (800) 503-3490 to hear the recording. If you are calling from Sacramento, or from outside of California, please call (916) 442-MILK.

For more information, please contact us at the telephone number or e-mail address below.

Sincerely,

David K. Ikari, Chief
Dairy Marketing Branch



**MINIMUM PRICES FOR CLASSES 2 and 3 MARKET MILK
F.O.B. PROCESSING PLANT**

Released: December 17, 2008

CLASS 2:			EQUIVALENT PER CWT.
For January 2009	LB. FAT	LB. SNF	
Northern California	\$1.8061	\$0.8019	\$13.30
Southern California	\$1.8061	\$0.8286	\$13.53
CLASS 3:			EQUIVALENT PER CWT.
For January 2009	LB. FAT	LB. SNF	
Statewide	\$1.8061	\$0.7962	\$13.25

The Class 2 and 3 prices are based on previously announced Class 4a component prices for the months of October and November 2008.

February 2009 Class 1 prices will be announced no later than 4:00 p.m. on January 9, 2009.
February and March 2009 Class 2 and 3 prices will be announced no later than 4:00 p.m. on February 2, 2009.
December 2008 Class 4a and 4b prices will be announced no later than 4:00 p.m. on January 2, 2009.