June 30, 2010

RE: ANNOUNCEMENT OF MINIMUM PRICES FOR CLASSES 4a and 4b MARKET MILK

TO ALL INTERESTED PARTIES:

On the reverse side of this page are the minimum prices for Classes 4a and 4b market milk for June 2010. 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 Classes 4a and 4b purposes as specified on the reverse side of this page. The calculated monthly California weighted average price for Extra Grade & Grade A Nonfat Dry Milk reflects the audit verification process. This price can differ from the reported weekly prices.

If market milk components are purchased f.o.b. at the producer’s dairy location, then 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. These formulas include commercial prices for manufactured dairy products (butter, Cheddar cheese and nonfat dry milk). These commercial prices are listed on the reverse side of this page.

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

Please note:
The Minimum Class Price Announcements are available on our website at: http://www.cdfa.ca.gov/dairy/min_priceletters_main.html and available on our Toll-Free Milk Information Phone Line at: 916-442-MILK or 800-503-3490.

This is the last and final issuance of the Minimum Class Price Letter for Class 4a and 4b Market Milk that will be printed and mailed in hard copy format. The publication is posted to our website and the prices are put on the toll-free phone line on the same day the price is announced, much timelier than mail delivery.

We appreciate your cooperation. If you have any questions please contact Karen or Lu at (916) 341-5988 or via email at: dairy@cdfa.ca.gov
MINIMUM PRICES FOR CLASSES 4a & 4b MARKET MILK
F.O.B. PROCESSING PLANT

Released: June 30, 2010

CLASS 4a:
June 2010          LB. FAT  LB. SNF  EQUIVALENT
Statewide    $1.7124  $1.0647  $15.26

CLASS 4b:
June 2010          LB. FAT  LB. SNF  EQUIVALENT
Statewide    $1.7124  $0.7168  $12.23

COMMODITY MARKET PRICES:                      $ PER LB.
Chicago Mercantile Exchange Grade AA Butter - Daily Simple Average (May 26th - June 25th) $1.6139
Chicago Mercantile Exchange Block Cheddar Cheese - Daily Simple Average (May 26th - June 25th) $1.4065
California Extra Grade & Grade A Nonfat Dry Milk - Monthly Weighted Average (May 26th - June 25th) $1.2345

August 2010 Class 1 prices will be announced no later than 4:00 p.m. on July 9, 2010.
August and September 2010 Class 2 and 3 prices will be announced no later than 4:00 p.m. on August 2, 2010.
July 2010 Class 4a and 4b prices will be announced no later than 4:00 p.m. on August 2, 2010.