California

Dairy

Statistics & Trends Mid-Year Review

January-June 2015 Data

From January to June 2015, California recorded a 2.9 percent overall decrease in milk production in comparison to the total milk production from January to June 2014. Additionally, in the first six months of 2015, California reported: total Nonfat Dry Milk (for human consumption) increased 4.9 percent; total Other-Dry Milk Products decreased 29.9 percent; total Butter production decreased 4.9 percent; total Cheese production increased 0.9 percent; and Class 1 Sales of Fluid Milk (including half-and-half) decreased 4.7 percent when compared to the same period in 2014.

From January to April 2015, the average mailbox milk price paid to California producers was $14.62/cwt. (an $8.18/cwt. decrease compared to $22.80/cwt. for the first four months of 2014).

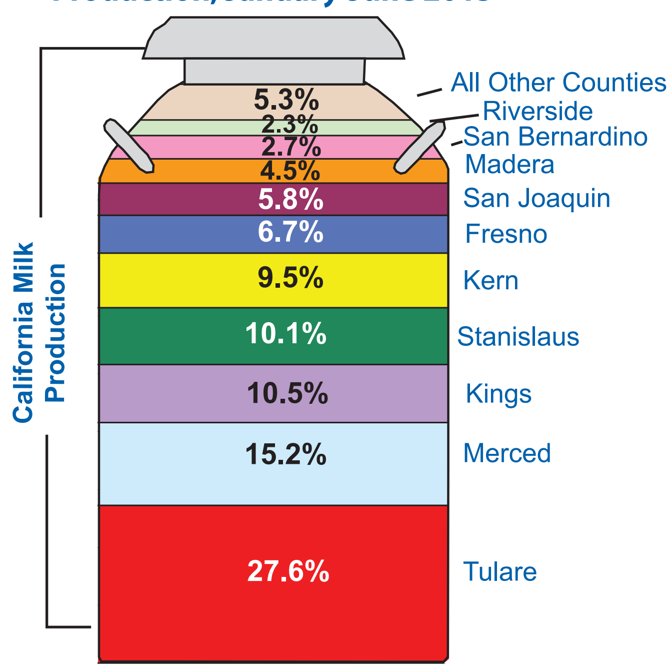
California's Top 10 Milk Producing Counties; Percent Share of California's Milk Production; January-June 2015 (In Thousand Pounds)

County (by rank)	Milk Production Jan-June 2015 (In Pounds)	% Change from 2014	% Total California Milk Production Jan-June 2015
#1 Tulare	5,833,173,532	-2.41%	27.58%
#2 Merced	3,221,985,015	-2.50%	15.23%
#3 Kings	2,220,476,682	-2.71%	10.50%
#4 Stanislaus	2,125,373,527	-1.96%	10.05%
#5 Kern	2,002,126,914	-7.37%	9.47%
#6 Fresno	1,423,429,596	-2.41%	6.73%
#7 San Joaquin	1,219,442,291	-2.87%	5.77%
#8 Madera	946,357,685	-0.70%	4.47%
#9 San Bernardino	561,193,647	-12.79%	2.65%
#10 Riverside	486,913,087	4.33%	2.30%

For January-June 2015:

- The top ten counties accounted for 95% of California's total milk production and 19% of the nation's total milk production.
- The milk production of Tulare, Merced, Kings, Stanislaus, and Kern counties accounted for 15% of the nation's total milk production.

Percent Share of California's Milk Production, January-June 2015

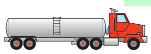


California Commercial Production of Market and Manufacturing Milk January-June, 2014 vs 2015 (In Thousand Pounds)

Month	Market Milk 2014	Market Milk 2015	Market Milk % Change	Manufacturing Milk 2014	Manufacturing Milk 2015	Manufacturing Milk % Change	Total Milk Production 2014	Total Milk Production 2015	Total Milk Production % Change
January	3,606,667,269	3,489,816,736	-3.24%	16,407,194	38,070,207	132.0%	3,623,074,463	3,527,886,943	-2.6%
February	3,377,079,423	3,244,730,085	-3.92%	18,439,236	36,337,148	97.1%	3,395,518,659	3,281,067,233	-3.4%
March	3,788,257,506	3,655,450,869	-3.51%	18,087,364	41,929,881	131.8%	3,806,344,870	3,697,380,750	-2.9%
April	3,653,279,512	3,562,578,424	-2.48%	17,990,247	39,075,096	117.2%	3,671,269,759	3,601,653,520	-1.9%
May	3,732,141,304	3,608,227,746	-3.32%	18,027,271	40,600,864	125.2%	3,750,168,575	3,648,828,610	-2.7%
June	3,523,392,430	3,350,851,840	-4.90%	20,296,554	42,448,186	109.1%	3,543,688,984	3,393,300,026	-4.2%
Jan-June Totals	**21,680,817,444**	**20,911,655,700**	**-3.55%**	**109,247,866**	**238,461,382**	**118.3%**	**21,790,065,310**	**21,150,117,082**	**-2.9%**

The Size of California's Dairy Farms, May 2015

Range of Milk Marketings	Number of Grade A & B Farms	Percent of Total Grade A & B Farms	Percent of Total Grade A & B Milk Marketings
> 5.0 Million Lbs.	197	13.74%	41.01%
2.4 to 4.9 Million Lbs.	320	22.32%	31.31%
1.5 to 2.3 Million Lbs.	278	19.39%	14.79%
1 to 1.4 Million Lbs.	192	13.39%	6.50%
750,000 to 999,999 Lbs.	111	7.74%	2.69%
500,000 to 749,999 Lbs.	111	7.74%	1.93%
250,000 to 499,999 Lbs.	142	9.90%	1.46%
< 249,999 Lbs.	83	5.79%	0.32%

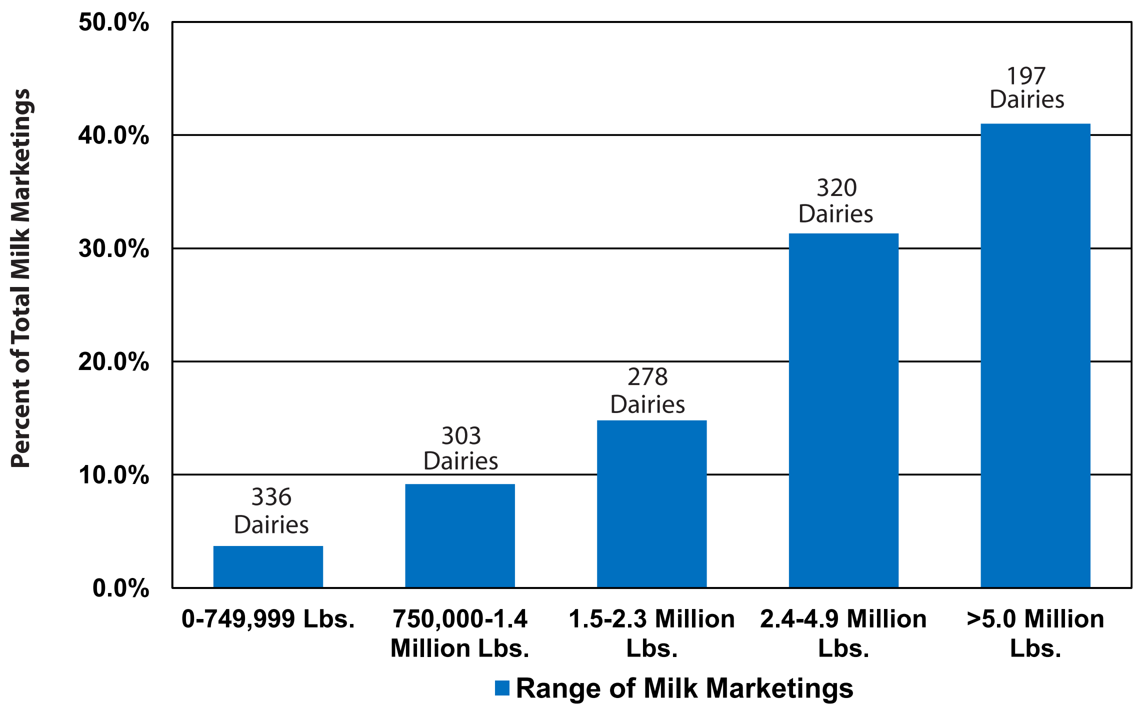
 = Farms producing at least one tanker load of milk per day, based on 1.5+ million pounds/month.

Sources: CDFA Dairy Marketing and Milk Pooling Branches

California Farms by Size, a Comparison...

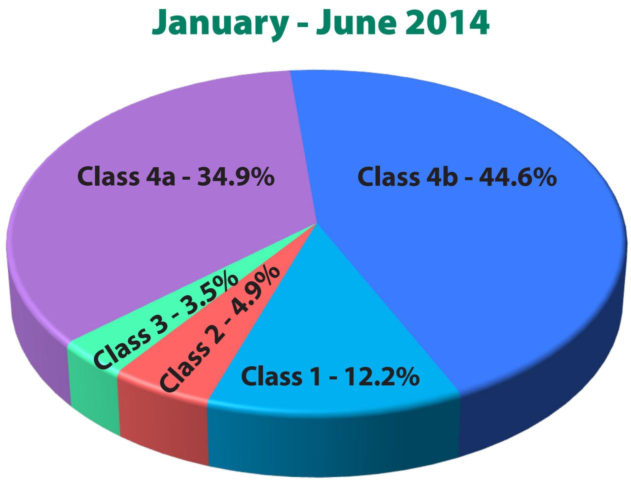
- The 517 dairy farms producing over 2.4 million pounds per month (36% of the state's dairies) produce 72% of the state's milk marketings.
- In May 2015, 795 dairies produced more than one tanker load of milk per day.
- The 336 dairy farms (23% of the state's dairies) producing less than 750,000 pounds per month produce less than 4% of the state's milk marketings.
- Just over 41% of the total milk marketings were from dairies producing over 5 million pounds of milk per month.
- In May 2015, 197 dairies produced more than 5 million pounds of milk per month (a decrease of 6 dairies from 203 dairies in 2014).

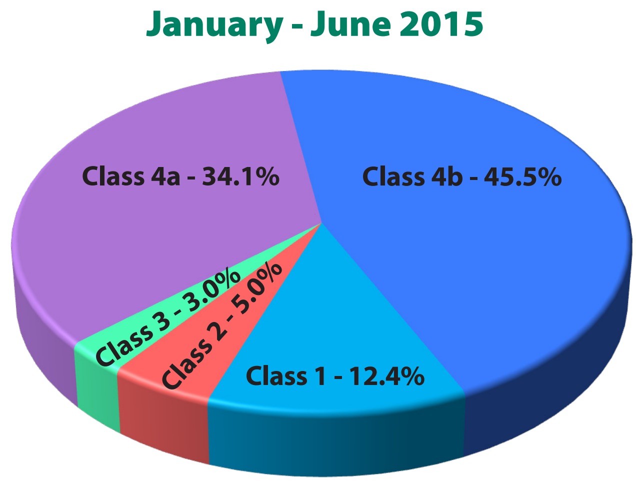
Percent of Total Milk Production, by Range of Milk Marketings and Number of Dairies, May 2015



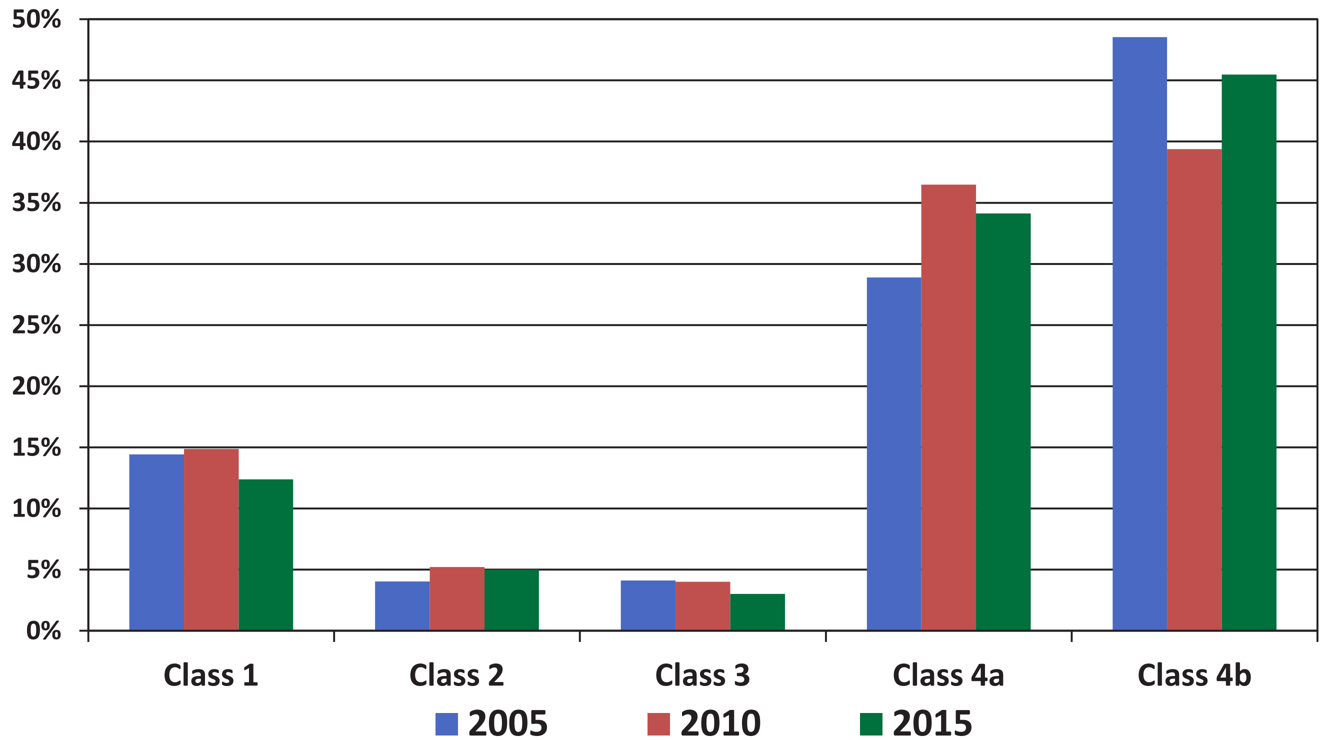
Utilization of Pooled Milk in California

Percent Utilization of Pooled Milk in California, by Class





Percent Utilization of Pooled Milk, by Class
A Comparison of the Class 1, 2, 3, 4a and 4b Products in California
January-June: 2005, 2010, 2015
(In Million Pounds)



- Comparing January-June of 2005, 2010, and 2015: As indicated by the chart above, Classes 1 and 3 have shown steady decreases in utilization, Class 2 has remained fairly constant, while Class 4a and Class 4b show increases and decreases over the 10 year period. For January-June 2015, Classes 4a and 4b accounted for approximately 80% of the milk pooled in California.

A Breakdown of Feed Ingredients; January-March 2015
(Based on the CDFA Cost of Production Survey)

This summary provides a breakdown for feed ingredients fed to milk cows (excludes dry cow feed) for the first quarter of 2015. The table displays the dollars-per-ton fed for each commodity fed, feed intake per-cow-per-day, estimated dry matter intake per-cow-per-day, and the percent of total feed cost. This table does not contain organic herds.

California Holstein and Jersey Dairies - Feed Summary
1st Quarter 2015-Weighted Averages, Based on CDFA Cost Study Dairy Surveys

FEED	HOLSTEIN MILK COWS				JERSEY MILK COWS			
	$ Per Ton [1]	As Fed #'s Per Cow Per Day [1]	Dry Matter #'s Per Cow Per Day [2]	% of Total Feed Cost [1]	$ Per Ton [1]	As Fed #'s Per Cow Per Day [1]	Dry Matter #'s Per Cow Per Day [2]	% of Total Feed Cost [1]
DRY ROUGHAGE								
Alfalfa Hay	$297.85	9.12	8.20	17.8%	$334.41	6.06	5.43	14.6%
Other Hay	$167.35	0.59	0.52	0.6%	$183.53	0.94	0.84	1.2%
Almond Hulls & Shells	$162.85	4.56	4.07	4.6%	$168.47	3.47	3.12	4.0%
Total Dry Roughage	**$249.35**	**14.27**	**12.80**	**23.4%**	**$265.89**	**10.47**	**9.39**	**20.0%**
SILAGE								
Corn Silage	$81.03	28.80	9.66	15.3%	$88.36	22.35	7.51	14.2%
Other Silage	$70.32	7.82	2.59	3.6%	$68.87	10.24	3.41	5.1%
Green Chop	$63.41	0.61	0.12	0.3%	$0.00	0.00	0.00	0.0%
Total Silage	**$78.49**	**37.22**	**12.37**	**19.2%**	**$82.23**	**32.59**	**10.92**	**19.3%**
OTHER FORAGES & WET FEEDS								
Earlage	$0.00	0.00	0.00	0.0%	$0.00	0.00	0.00	0.0%
Wet Distiller Grain	$83.92	2.38	0.76	1.3%	$78.89	1.86	0.57	1.1%
Wet Corn Gluten	$88.97	1.36	0.44	0.8%	$84.08	1.75	0.70	1.1%
Whey	$37.43	3.91	0.61	1.0%	$26.36	0.99	0.13	0.2%
Other Wet Feeds	$37.58	2.94	0.63	0.7%	$50.31	1.63	0.48	0.6%
Total Other Forages & Wet Feeds	**$54.52**	**10.59**	**2.43**	**3.8%**	**$64.49**	**6.23**	**1.88**	**2.9%**
CONCENTRATES & BYPRODUCTS								
Inside Barn Mix	$260.77	1.71	1.47	2.9%	$0.00	0.00	0.00	0.0%
Rolled Corn	$198.24	9.85	8.66	12.8%	$194.15	10.33	9.13	14.4%
Rolled Barley	$206.07	0.21	0.19	0.3%	$0.00	0.00	0.00	0.0%
Whole Cottonseed/Pima	$396.43	2.76	2.53	7.2%	$379.28	3.45	3.18	9.4%
Soybean Meal	$448.55	0.13	0.12	0.4%	$417.78	0.17	0.15	0.5%
Canola	$303.35	3.82	3.50	7.6%	$300.87	3.80	3.50	8.2%
Beet Pulp	$213.56	0.25	0.23	0.4%	$220.00	0.14	0.12	0.2%
Wheat Millrun	$196.66	0.55	0.50	0.7%	$200.00	0.13	0.11	0.2%
Dried Distillers Grain	$236.54	2.09	1.92	3.3%	$212.01	1.68	1.55	2.6%
Other Grains & byproducts	$288.16	2.74	2.49	5.2%	$298.78	4.78	4.34	10.3%
Mill/Custom Mix	$302.03	4.63	4.00	9.2%	$381.23	2.30	1.98	6.3%
Total Concentrates & Byproducts	**$264.30**	**28.75**	**25.60**	**49.9%**	**$270.57**	**26.77**	**24.06**	**52.1%**
MINERALS & ADDITIVES								
All Minerals	**$405.89**	**1.37**	**1.15**	**3.7%**	**$374.55**	**2.11**	**1.74**	**5.7%**
PASTURE								
Pasture	**$52.27**	**0.40**	**0.12**	**0.1%**	**$0.00**	**0.00**	**0.00**	**0.0%**
TOTALS	**$164.50**	**$92.60**	**$54.46**	**100.0%**	**$177.80**	**78.17**	**47.98**	**100.0%**

	Holstein		Jersey
Cost Per Cow-Per Day	$7.62	Cost Per Cow-Per Day	$6.95
Cost Per Cwt. of Milk	$9.72	Cost Per Cwt. of Milk	$11.57
Avg. Milk Cows	1,238	Avg. Milk Cows	2,060
Milk Production Per Cow-Per Day	78.32	Milk Production Per Cow-Per Day	60.04

[1] All figures based on weighted averages

[2] Dry Matter is estimated

This table represents California Holstein and Jersey herds that participate in the Cost of Production Survey. This table does not include organic herds.

California Dairy Product Production, January-June 2015

Month	Total Class 1 Sales (In Gallons)		
	2014	2015	% Change
Jan	60,854,362	58,949,878	-3.1%
Feb	54,940,442	52,720,884	-4.0%
Mar	59,638,731	57,632,079	-3.4%
Apr	59,105,908	54,359,439	-8.0%
May	58,984,198	55,356,828	-6.1%
Jun	53,185,569	51,398,865	-3.4%
Jul	55,278,032		
Aug	57,619,872		
Sep	58,019,283		
Oct	61,285,797		
Nov	56,627,437		
Dec	59,790,043		
Jan-June	**346,709,210**	**330,417,973**	**-4.7%**

Month	Butter (In Pounds)		
	2014	2015	% Change
Jan	59,168,420	57,421,495	-3.0%
Feb	56,070,919	50,893,610	-9.2%
Mar	59,047,710	57,003,472	-3.5%
Apr	57,607,554	56,965,056	-1.1%
May	57,599,975	54,588,714	-5.2%
Jun	48,937,287	44,900,387	-8.2%
Jul	44,071,713		
Aug	44,192,690		
Sep	41,325,913		
Oct	45,859,541		
Nov	47,361,978		
Dec	51,413,274		
Jan-June	**338,431,865**	**321,772,734**	**-4.9%**

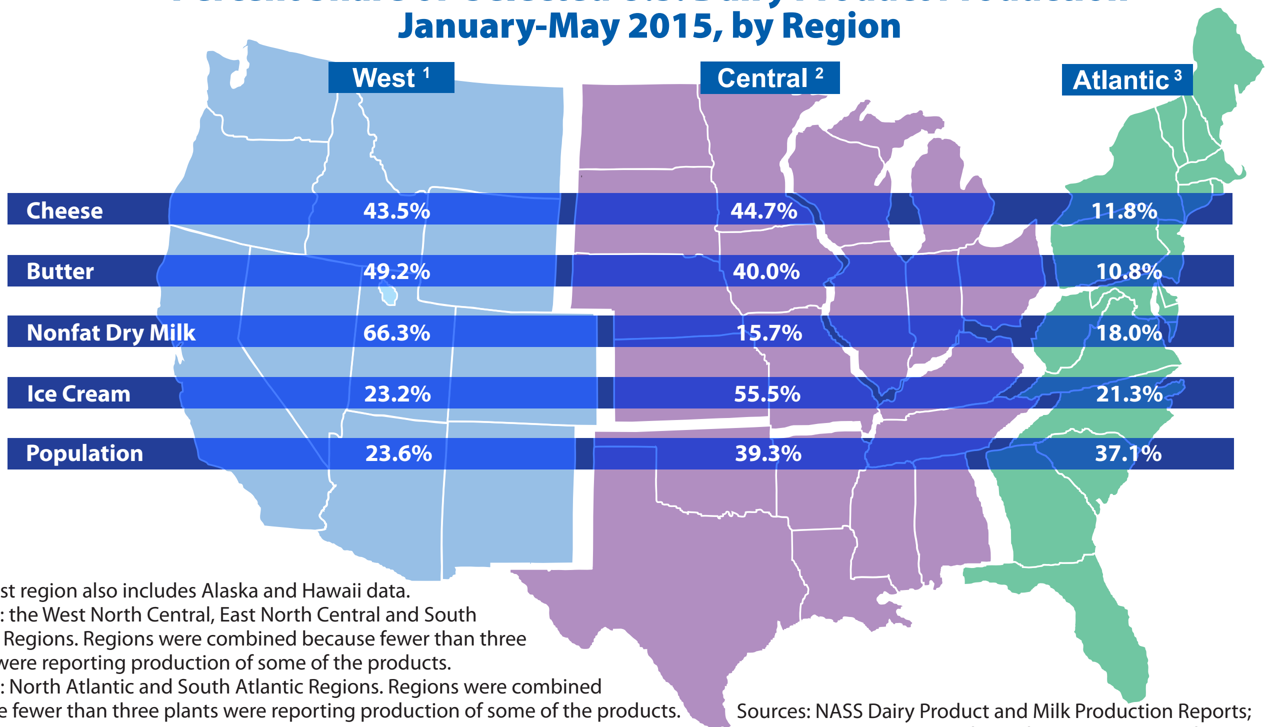
Month	Yogurt (In Pounds)		
	2014	2015	% Change
Jan	48,343,519	45,492,801	-5.9%
Feb	47,588,091	45,925,390	-3.5%
Mar	52,232,285	46,176,670	-11.6%
Apr	46,401,063	43,796,249	-5.6%
May	44,695,759	37,693,109	-15.7%
Jun	46,160,810	39,452,795	-14.50%
Jul	42,916,201		
Aug	46,599,181		
Sep	48,364,211		
Oct	42,409,117		
Nov	37,364,244		
Dec	40,910,793		
Jan-June	**285,421,527**	**258,537,014**	**-9.4%**

Month	Nonfat Dry Milk, Human (In Pounds)		
	2014	2015	% Change
Jan	54,910,013	63,823,492	16.2%
Feb	68,463,863	59,748,246	-12.7%
Mar	78,354,159	76,297,211	-2.6%
Apr	65,993,486	76,689,115	16.2%
May	62,327,186	69,965,288	12.3%
Jun	56,362,058	58,645,930	4.1%
Jul	78,180,380		
Aug	42,425,066		
Sep	43,720,641		
Oct	47,353,677		
Nov	61,144,650		
Dec	59,809,482		
Jan-June	**386,410,765**	**405,169,282**	**4.9%**

Month	Total Frozen Products (In Gallons)		
	2014	2015	% Change
Jan	12,979,496	8,334,001	-35.8%
Feb	12,530,927	10,228,992	-18.4%
Mar	15,227,172	15,823,259	3.9%
Apr	15,581,759	16,064,780	3.1%
May	15,365,502	16,416,996	6.8%
Jun	17,277,831	16,807,209	-2.7%
Jul	16,963,708		
Aug	15,363,612		
Sep	13,834,878		
Oct	15,109,380		
Nov	12,509,438		
Dec	9,128,978		
Jan-June	**88,962,687**	**83,675,237**	**-5.9%**

Month	Total Cheese (In Pounds)		
	2014	2015	% Change
Jan	208,051,721	210,054,492	1.0%
Feb	188,137,309	190,245,314	1.1%
Mar	209,029,922	211,954,430	1.4%
Apr	206,459,614	204,555,865	-0.9%
May	207,874,199	212,383,590	2.2%
Jun	199,163,159	200,445,319	0.6%
Jul	202,689,060		
Aug	197,288,877		
Sep	198,726,728		
Oct	208,772,968		
Nov	204,100,204		
Dec	214,447,807		
Jan-June	**1,218,715,924**	**1,229,639,010**	**0.9%**

Percent Share of Selected U.S. Dairy Product Production January-May 2015, by Region

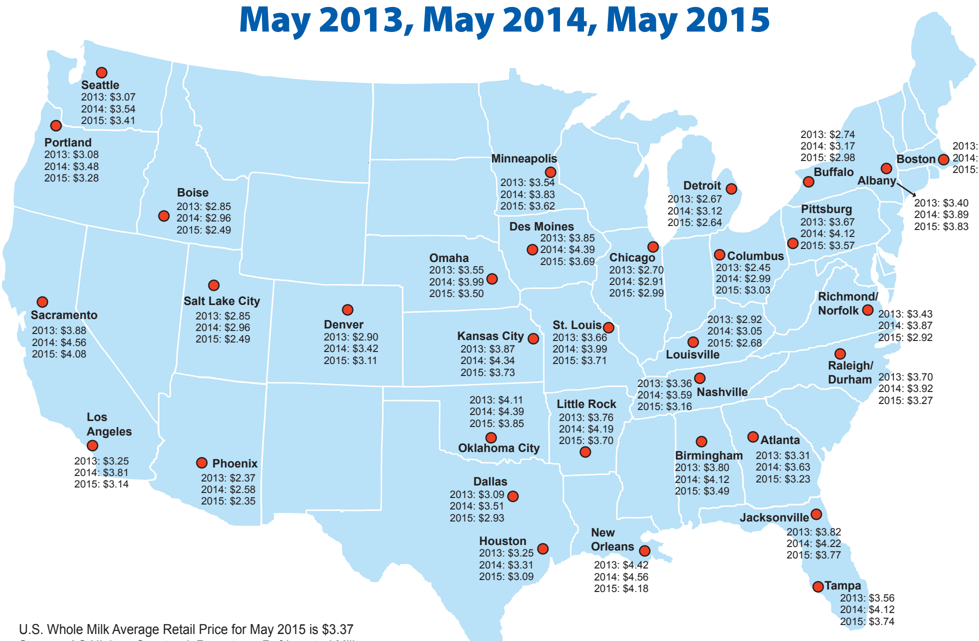


1 The West region also includes Alaska and Hawaii data.
2 Central: the West North Central, East North Central and South Central Regions. Regions were combined because fewer than three plants were reporting production of some of the products.
3 Atlantic: North Atlantic and South Atlantic Regions. Regions were combined because fewer than three plants were reporting production of some of the products.

Sources: NASS Dairy Product and Milk Production Reports; U.S. Census Bureau/Annual Population Estimates/July 1, 2015

- The West region, which accounts for 23.6 percent of the U.S. population, produces the largest percent share of U.S. nonfat dry milk production (66.3 percent) and butter production (49.2 percent).
- The Central region, which represents 39.3 percent of the U.S. population, produces the largest percent share of cheese (44.7 percent) and ice cream (55.5 percent).
- The Atlantic region accounts for 37.1 percent of the U.S. population and produces 11.8 percent of the total cheese production, 10.8 percent of the total butter production, and 18.0 percent of the total nonfat dry milk production.

Average Retail Gallon Prices for Whole Milk in Selected Cities May 2013, May 2014, May 2015



U.S. Whole Milk Average Retail Price for May 2015 is $3.37
Source: AC Nielsen Scantrack Reports on Refrigerated Milk
Note: The milk retail prices for May ended on May 9, 2015.
CDFA will no longer provide the milk retail prices in the future.

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This publication was prepared in the Division of Marketing Services, Dairy Marketing Branch, and is a joint effort of the California Department of Food and Agriculture, the U.S. Department of Agriculture, and the National Agricultural Statistics Service. This publication would not be possible without the cooperation of the individuals and firms engaged in the production, manufacture, and distribution of milk and dairy products.