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California Department of Food and Agriculture
A.G. Kawamura, Secretary

DEPARTMENT ANNOUNCES DECISION/FINDINGS ON AUGUST 4, 2004 HEARING

On August 4, 2004, the Department held a public hearing to consider amendments to the Milk Stabilization and Marketing Plans for Market Milk (Stab Plans) and the Milk Pooling Plan for Market Milk (Pool Plan). The Department called the hearing after receiving a petition from Clover-Stornetta Farms, Inc. The amendments under consideration regarded milk movement incentives, also known as Transportation Allowances and Credits.

A total of six formal proposals for changes to transportation allowances were carefully considered and the Department has determined that the following changes are warranted.

For Northern California:

- Because of declining local milk production and competition from other plants currently eligible for allowances, Marin and Sonoma counties have been added to the Solano receiving area and with a new name: North Bay receiving area.
- As a result of increasing hauling rates, the Department has decided to make modest increases in allowances for the Bay Area Receiving Area.
- Substantive rate increases were requested for the Solano (now North Bay) receiving area. Because this would have resulted in rates above those for the Bay Area receiving area, the Department has decided to make more moderate rate increases that will create a fairly level playing field between the two areas.
- Because the increased rates for the North Bay receiving area would put the Sacramento receiving area at a disadvantage, the Department increased the allowance rates by the same amount as the increases in the North Bay receiving area.

(Continued on page 3)

August Milk Production

Milk production in California for August 2004 totaled 3.075 billion pounds, up 3.7 percent from August 2003. USDA's estimate for U.S. milk production for August 2004 in the 20 major dairy states is 12.4 billion pounds, up 1.5 percent from August 2003. Production per cow in the 20 major states averaged 1,595 pounds for August, 24 pounds above August 2003. ☀

Minimum Class Prices

Statewide average hundredweight prices

Class	August	Sept	Oct
1	\$15.46	\$15.78	\$16.14
2	\$13.89	\$13.89	N/A
3	\$13.72	\$13.72	N/A
4a	\$11.91	\$N/A	N/A
4b	\$14.01	\$N/A	N/A

Federal Order and California Minimum Class 1 Prices

Average Hundredweight Prices

Regions	August	Sept	Oct
Phoenix, Arizona	\$16.97	\$16.29	\$17.13
Southern California	\$15.59	\$15.92	\$16.28
Portland, Oregon	\$16.52	\$15.84	\$16.68
Northern California	\$15.32	\$15.64	\$16.01
Boston (Northeast)	\$17.87	\$17.19	\$18.03

Quota Transfer Summary

For August 2004, eight dairy producers transferred 14,927 pounds of SNF quota. August quota sales averaged \$463 per pound of SNF (without cows), average ratio of 2.50. For September 2004, eleven dairy producers transferred 4,859 pounds of SNF quota. September quota sales averaged \$455 per pound of SNF (without cows), average ratio of 2.32. ☀

Alfalfa Update: September

Northern California: Premium and Supreme alfalfa was steady in light test with limited supplies. Fair and Good alfalfa was steady with light to moderate supplies. Retail and Stable hay was also steady with light to moderate supplies. The weather cooled off near the end of the month, below freezing in some places with snow at high elevations. Tonnage of present cutting very low.

Southern California: Premium and Supreme alfalfa not well tested. Fair and Good alfalfa was steady with good demand and light supplies. Retail and Stable hay was steady and producers in the Antelope Valley continue to let hay go out of barns earlier than usual. The weather near the end of the month was erratic with storms dumping heavy rain in the southern desert area. ☀

Supreme Hay Prices

Statewide average prices per ton

Area	9/3	9/10	9/17	9/24
Petaluma	—	—	—	—
North Valley ¹	\$150-155	\$163-172	\$161-171	\$154-175
South Valley ²	\$168-175	\$168-180	\$168-182	\$170-180
Chino Valley	\$157-158	—	—	—

¹ North Valley is Escalon, Modesto and Turlock areas.

² South Valley is Tulare, Visalia and Hanford areas.

Alfalfa Hay Sales/Delivery

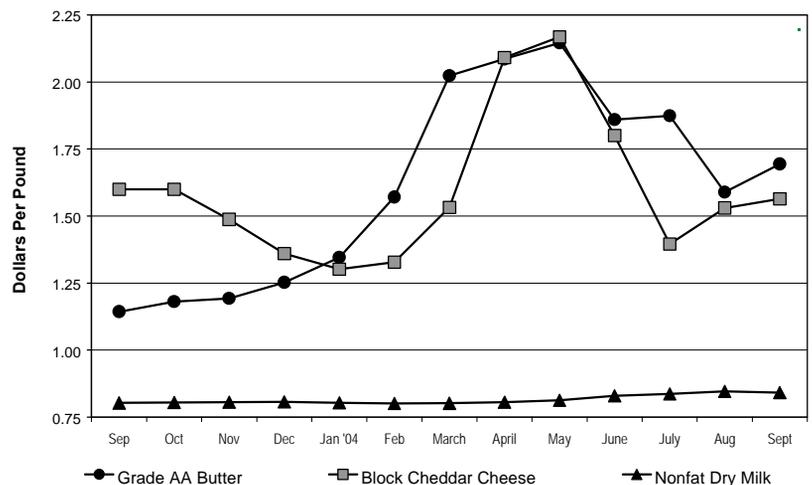
	August	Sept
Tons Sold ¹	214,287	153,485
Tons Delivered ²	105,565	69,858

¹ For current or future delivery.

² Contracted or current sales.

Alfalfa hay sales, deliveries and Supreme quality prices per ton, delivered to dairies, as reported by the USDA Market News Service, Moses Lake, WA, (509) 765-3611, <http://www.ams.usda.gov/marketnews.htm>

Grade AA Butter, Block Cheddar Cheese, and Nonfat Dry Milk Prices Used in the Calculation of California Class 1 Milk Prices



Decision - Continued from page 1

For Southern California:

- Because of declining local milk production and rising hauling rates, the allowances for the Southern California receiving area have been adjusted.
- The number of mileage brackets has been increased from three to four for the Southern California receiving area to address concerns over ranch milk from the Barstow area.
- Because of rising hauling rates, the Department has decided to grant the request for an allowance increase for the San Diego receiving area's first mileage bracket.

The two formal proposals for changes to transportation credits were also carefully considered, and the Department has determined that no changes are warranted at this time. The credits on plant-to-plant milk from Tulare county already exceed the comparable costs for milk moved using the allowances. In addition, the current combination of allowances and credits for Los Angeles County makes them competitive with credits for Tulare county.

The attached table shows the current and new allowance rates and mileage brackets. 

Changes in Transportation Allowances as a Result of the August 4, 2004 Hearing

Ranch Milk Received In:	HEARING DATE		Current	Revised
	ORDER DATE		Jun 2003	Aug 2004
			Aug 2003	Oct 2004
	CONSTRUCTIVE MILES		DOLLARS PER HUNDREDWEIGHT	
Bay Area Receiving Area	0	to 99	\$0.24	\$0.25
	100 +	to 199	\$0.28	\$0.29
	200 +		\$0.30	\$0.30
North Bay Receiving Area (Sonoma-Marín now included with Solano)	0	to 44	\$0.15	\$0.18
	45 +	to 99	\$0.20	\$0.25
	100 +		\$0.25	\$0.29
Sacramento Receiving Area	0	to 59	\$0.09	\$0.13
	60 +		\$0.12	\$0.16
San Diego Receiving Area	0	to 89	\$0.09	\$0.10
	90 +	to 139	\$0.43	\$0.43
	140 +		\$0.58	\$0.58
Southern California Receiving Area split the 90-139 mileage bracket	0	to 89	\$0.09	\$0.10
	90 +	to 120	\$0.43	\$0.29
	121 +	to 139	\$0.43	\$0.48
	140 +		\$0.58	\$0.62



National Animal Identification Update – September 2004



Animal and Premises Identification - Background

In the United States, livestock and premises identification and movement tracking are generally restricted to animals and premises involved in disease outbreaks or in disease eradication programs. However, last year’s BSE-positive cow found in Washington State and recent animal disease outbreaks in the United States and around the globe have intensified the need to develop a national animal identification program to help safeguard animal and public health.

Having a system in place to trace interstate and intrastate livestock movements is essential to rapidly control an animal disease outbreak. For this reason, the United States Department of Agriculture (USDA), in collaboration with states, industry, and other stakeholders is developing a national animal identification program. This initiative, National Animal Identification System (NAIS), seeks to identify all premises and animals that had direct contact with a foreign animal disease within two days of discovery. The main components of the program are:

- Registration of premises involved in livestock production
- Unique identification of animals involved in livestock commerce
- Tracking animal movement between premises involved in livestock commerce.

Bison, beef cattle, dairy cattle, swine, sheep, goats, camelids, horses, cervids, poultry and aquaculture are currently included in the plan. Implementation will begin with beef and dairy cattle and sheep and goats will follow. While the initial implementation of the national animal identification program will be voluntary, it is expected that as the program is developed, the USDA will reassess the need for making some or all aspects of the program mandatory.



California's Status

The California Department of Food and Agriculture (CDFA) is working with various segments of the livestock industry, including several livestock associations and the California Farm Bureau, to help implement the proposed NAIS in our State.

CDFA is participating in two USDA sponsored implementation projects. The first is a multi-state initiative focusing on premises identification in California and Oregon. This project will also examine animal identification and tracking in the dairy industry in Arizona, California, Oregon, and Texas. CDFA is also supporting a project driven by the cattle associations of California, Idaho, Nevada, Oregon, Utah, and Washington. This program will focus on animal identification and tracking of beef cattle in these states.

CDFA has also requested USDA to certify its premises identification system is in compliance with national data standards for livestock premises identification. This system was developed during the 2003-2004 Exotic Newcastle Disease outbreak in Southern California. Once this certification is attained, CDFA will have its web-based premises identification management system available for those producers wanting to obtain a premises identification number for their facility. The CDFA will also start validating existing premises information collected during surveillance activities such as tuberculosis and brucellosis control and eradication programs.

CDFA Animal Health Branch Offices	
Sacramento (HQ)	916-654-1447
Modesto	209-491-9350
Ontario	909-947-4462
Redding	530-225-2140
Tulare	559-685-3500
USDA VS - Area Office	916-857-6170

For more information, visit web sites at:
http://www.cdfa.ca.gov/ahfss/ah/id_info.htm
 or <http://www.aphis.usda.gov/lpa/issues/nais/nais.html>

Milk Producers Security Trust Fund Board Member Nominations

The Department of Food and Agriculture is seeking nominations for upcoming vacancies on the Milk Producers Security Trust Fund Board. The Milk Producers Security Trust Fund Board (Board) was established in 1987 to advise the Secretary of the California Department of Food and Agriculture on the administration of the Milk Producers Security Trust Fund. The seven-member Board consists of three producers, two processors, and two cooperative members.

On December 31, 2004, the terms of office for Alan Pierson (representing cooperatives) and Case Van Steyn (representing producers) will expire. Both are eligible to be nominated for another term.

Before making any appointments to the Board, the Secretary respectfully seeks the input of the dairy industry community. Any person who is interested and qualifies for a position may be nominated for appointment. Persons interested in serving on the Board should submit a letter to the Department of Food and Agriculture, Milk Pooling Branch, expressing their interest and commitment to actively participate on the Board. The letter must be received by the Branch by December 1, 2004.

Appointments will be made after careful consideration is given to all candidates. The appointments will be for a three-year term ending on December 31, 2007.

Please contact Bob Maxie at (916) 341-5901 if you have any questions about the Board or nomination procedure. 

California Dairy Review Available on Dairy Marketing Website

A reminder to readers that this publication is available on the Dairy Marketing Branch website at http://www.cdfa.ca.gov/dairy/ca_dairyrev_newsletter.html

If you would prefer to download this publication each month, thus helping us reduce printing/ mailing costs, please email Karen Dapper at kdapper@cdfa.ca.gov stating your request.

National Dairy Situation and Outlook – USDA Estimates

Milk Production and Cow Numbers

Monthly: Compared to 2003, USDA estimates that overall milk production across the U.S. was up 1.2% in August, led by Arizona's 13.6% growth in milk production (on 8,000 more cows and 130 more pounds per cow). California's estimated production was up 3.5% (on 40,000 more cows and 20 more pounds per cow). Among the other western states, Arizona was up 13.6%; New Mexico up 3.4%; and Washington down 4.6%. Five of the top 10 states reported an increase: Idaho 5.0%, Texas 11.9%, New Mexico 3.4%, Minnesota 0.4%, and California 3.5%.

Quarterly: For the second quarter of 2004 compared to the first quarter of 2004, U.S. milk cow numbers were up 0.1% at 8.997 million, production per cow was up 2.3%; the net effect was a 2.3 increase in milk production to 43.7 billion pounds. USDA projects that for the third quarter of 2004 compared to the second quarter of 2004, U.S. milk cow numbers will increase 12,000 cows to 9.010 million cows, production per cow will be down 4.0%; the net effect would be a 3.9% decrease in milk production to 42.0 billion pounds.

Milk Prices

Comparing the second quarter of 2004 to the first quarter of 2004, U.S. average milk prices were up \$4.50/cwt. to \$18.60/cwt. USDA projects that for the third quarter of 2004, U.S. average milk prices will be down \$3.25-\$3.95/cwt. compared to the second quarter; including a \$4.60-\$4.95 decrease/cwt. Class 4b price change and a \$1.60-2.00 decrease/cwt. Class 4a price change.

Utility Cow Prices

Comparing the second quarter of 2004 to the first quarter of 2004, average U.S. utility cow prices were up \$7.00/cwt. to a national average of \$54.86/cwt. USDA projects that utility cow prices will average \$57-58 in the third quarter of 2004.

Information from the USDA-NASS publication "Milk Production" and the USDA-ERS publication: "Livestock, Dairy, and Poultry Outlook." 

Water Quality Permits for Large Dairies in California

As many of you are aware, the US Environmental Protection Agency (USEPA) promulgated new rules for the regulation of concentrated animal feeding operations (CAFO) in April 2003. In California, the Regional Water Quality Control Boards administer the federal rule and over the last year some of the Regional Boards have been developing permits consistent with the requirements of the federal rule.

This rule affects dairy operations with 700 or more mature cows. Facilities that meet this threshold will be subject to the rule and to a permit. Facilities with fewer than 700 animals may also be subject to permitting under certain conditions. This rule will have its greatest impact in the Central Valley and in the Santa Ana River watershed where there is a large concentration of large dairies.

The Central Valley Regional Water Quality Control Board (CVRWQCB) is expected to very shortly release a draft permit for comment. The CVRWQCB staff will host a series of meetings throughout the Central Valley to explain the requirements of the permit and to explain the process for providing comment on the draft permit. Following this, the CVRWQCB will accept written comment on its draft permit and will hold a public workshop in December where oral comments can be presented to the CVRWQCB. The CVRWQCB staff may then revise the permit and then submit a tentative permit to the Board for consideration and possible adoption in a public hearing possibly in early 2005.

The requirements in the permit may have significant impacts on dairy operations. It is important that you stay informed and that you provide comment to the CVRWQCB. These meetings will explain the process for providing your input. If your dairy operation is in the Central Valley, pertinent information can be found at the CVRWQCB web site at www.swrcb.ca.gov/rwqcb5. Here you can obtain information regarding the meetings and public workshop, and the latest draft of the permit and supporting materials. You may subscribe to an e-mail notification service at the CVRWQCB web site by indicating your interest in "Dairy Program." You may also receive workshop and meeting notifications along with permit drafts and supporting material through US Mail by sending a request to John Collins at the CVRWQCB at 11020 Sun Center Drive, Suite 200, Rancho Cordova, CA 95670. Additional information may obtain by calling John Collins at (916) 463-4838.

All dairies in the Santa Ana River watershed have been subject to permits for a number of years. The Santa Ana RWQCB (SARWQCB) tentatively plans to hold a workshop in November to explain the new permit and submit a permit to the Board for their consideration for adoption in December. A major issue being considered is the prohibition of land application of manure in the San Jacinto Basin. 

Schedule of Central Valley Informational Meetings:

DATE	LOCATION
October 20, 2004 1 p.m. to 3 p.m.	Glenn County Farm Bureau 501 Walker Street, Orland, CA
October 21, 2004 1 p.m. to 3 p.m.	CVRWQCB, Fresno Office 1685 "E" Street , Fresno, CA
October 25, 2004 1 p.m. to 3 p.m.	International Agri-Center, Heritage Complex 4500 S. Laspina Street, Tulare, CA
October 25, 2004 1 p.m. to 3 p.m.	Stanislaus County Ag. Center Harvest Hall, Rooms A & B 3800 Cornucopia Way, Modesto, CA
October 26, 2004 9 a.m. to 11 a.m.	San Joaquin Farm Bureau 3290 North Ad Art Way, Stockton, CA
October 26, 2004 1 p.m. to 3 p.m.	UC Cooperative Extension Office 2145 Wardrobe Avenue, Merced, CA
October 27, 2004 1 p.m. to 3 p.m.	Public Service Building 2700 "M" Street, 1 st Floor Conference Room Bakersfield, CA

3-A-Day Continues to Spread the Good Word About Dairy Products

The American Dairy Association launched a national promotion supporting the exciting news between Dairy and weight loss. Support for this promotion is being secured with National partners, including major Dairy manufacturers, retailers and health professionals as well as WebMD Health. This promotion will be fully integrated and features national TV and print advertising, Internet, public relations, and retail activity.

The September 3-A-Day of Dairy Weight Loss retail program includes:

- New Logo highlighting new weight loss benefits.
- Customized radio with morning, afternoon, and weekend time slots for customized retail messages
- Sampling experiences at the retail level with shoppers receiving milk, cheese, and yogurt and a free 3-A-Day weight loss booklet
- Weight Loss Booklet - a 16-page booklet including recipes, diet and exercise tips, research information leading dairy to weight loss.
- In-store "shelf take-ones" in dairy cases to help educate on weight loss benefits of Dairy
- Consumer affairs directors will receive kits filled with tools and ideas they can use to extend the retail program. ☀



Producer Reminder:

MILC Program Begins New Fiscal Year October 1, 2004

The MILC Program begins a new fiscal year on October 1, 2004. In order to receive payments in this new fiscal year, producers must once again designate a starting month by the 15th of the month before the month designated. The same start month designated last year will be used unless a change is submitted. The Federal Order Class I price has been higher than the level needed to generate payments - the program has had no authorized payments since April 2004. The program will end September 30, 2005 unless an extension is authorized by legislation. Call your nearest Farm Services Agency office for more information.

Department Calls Hearing

The Department has scheduled a public hearing to consider amendments to the Stabilization and Marketing Plans for Market Milk for the Northern California and Southern California Marketing Areas (Stab Plans). The hearing will be held on February 1, 2005, beginning at 9:00 a.m., at the Secretary of State Building, 1500 11th Street, Sacramento.

The petition received from Land O'Lakes proposed amendments to:

1. the manufacturing cost allowances and f.o.b. California price adjuster in the Class 4a pricing formula (milk used to make butter and nonfat dry milk); and
2. the manufacturing cost allowances, f.o.b. California price adjuster and the cheese yield in the Class 4b pricing formula (milk used to make cheese, other than cottage cheese).

The Department will accept alternative proposals for consideration at the hearing - these proposals must be received by the Department's Dairy Marketing Branch no later than 4:00 p.m. on Tuesday, January 4, 2005. The Dairy Marketing Branch's office location is the Downtown Plaza, 560 J Street, Suite 150, Sacramento. Alternative proposals may be sent electronically via email to dairy@cdfa.ca.gov, faxed to (916) 341-6697, or mailed to Hearing Officer, c/o CDFa Dairy Marketing Branch, 1220 N Street, Sacramento, CA 95814.

To assist interested persons in preparing for the hearing, a public workshop will be held on January 19, 2005, at the Holiday Inn Capitol Plaza, Grenada Room, 300 J Street, Sacramento, beginning at 9:00 a.m. At this workshop, interested persons can review and discuss all the proposals with Department staff and other interested parties. The Department will supply background and analyses of the petitions and alternative proposals submitted by the January 4, 2005 deadline. The workshop will be informal and educational in nature and discussion during the workshop will not be part of the official hearing record. The Department's entire hearing exhibit will be available for public inspection at the Sacramento office on January 25, 2005.

If any interested party has questions regarding the call of this hearing or needs assistance in developing language for a proposal, please contact Tom Gossard at (916) 341-5988. ☀

COOPERATIVES WORKING TOGETHER TO INITIATE A SECOND HERD RETIREMENT PROGRAM

Participation Level In Second Year Of CWT Reaches 70% Threshold

As cow numbers and milk production move upward, and as milk price futures decline, the committee that oversees Cooperatives Working Together (CWT) decided to authorize a second program to remove dairy herds in an effort to provide a soft landing for farm-level dairy prices.

Starting October 1, 2004, CWT will begin accepting bids from dairy farmers willing to sell their entire milking herds to CWT. The bidding window will be open through October 29, 2004, after which CWT staff will review the bids submitted. Producers who wish to bid must be paying the five cent per hundredweight CWT membership assessment, either through their cooperative, or directly. CWT also announced that it received a number of additional participation commitments, bringing the total percentage of milk production contributing to the program to 70.1% of the nation's milk supply.

Information on the bidding process will be available to interested individuals at www.cwt.coop. Information can also be obtained by calling 888-INFO-CWT.

Last year, CWT received 2,038 herd reduction bids during the month of August; 299 were ultimately accepted, representing 32,724 cows and 608 million pounds of milk. This year's herd retirement program is targeted to remove 870 million pounds of milk, which represents the projected milk output of approximately 49,000 cows.

In addition to authorizing another Herd Retirement program, CWT's management committee has voted to allocate 80% of this year's funds to the Herd Retirement program, and 20% to the Export Assistance program. Funding for the program includes not only current dues assessments, but also the remaining monies left over from the 2003-2004 CWT fiscal year that were not spent prior to June 30, 2004.

The CWT Export Assistance program continues to accept bids for both cheese and butter at the target price levels of \$1.40 per pound and \$1.30 per pound, respectively.



Cooperatives Working Together is being funded by dairy cooperatives and individual dairy farmers, who are contributing 5 cents per hundredweight assessment on their milk production from July 2004 through June 2005. The money raised by CWT's assessment will be apportioned among two supply reduction programs to improve farm-level milk prices. In its first year, CWT removed approximately 700 million pounds milk equivalent through three reduction activities, resulting in an increase in the all-milk price of 59 cents per hundredweight from Oct. 2003 through Sept. 2004. For more on CWT's activities, visit their Website at www.cwt.coop. ☀

Edible Silage Cover

The Dairy Herd Management publication reports that researchers at the University of Illinois are working on an edible-covering system for silage. Last year, the research team, led by Larry Berger, professor of animal science, filled four mini-bunkers with 8,000 pounds of corn silage each. They covered one bunker with black plastic and sprayed the other three with an edible covering made of salt, ground wheat and tap water. They sealed the edible cover with one of three wax coatings: a spray-on wax emulsion, paraffin wax, or food-grade wax paper. Four months later, the researchers opened the bunkers.

The results show the paraffin wax preserved the silage better than any of the other treatments, as indicated by the larger amount of dry matter fed from that bunker. Here are the results for all four bunkers:

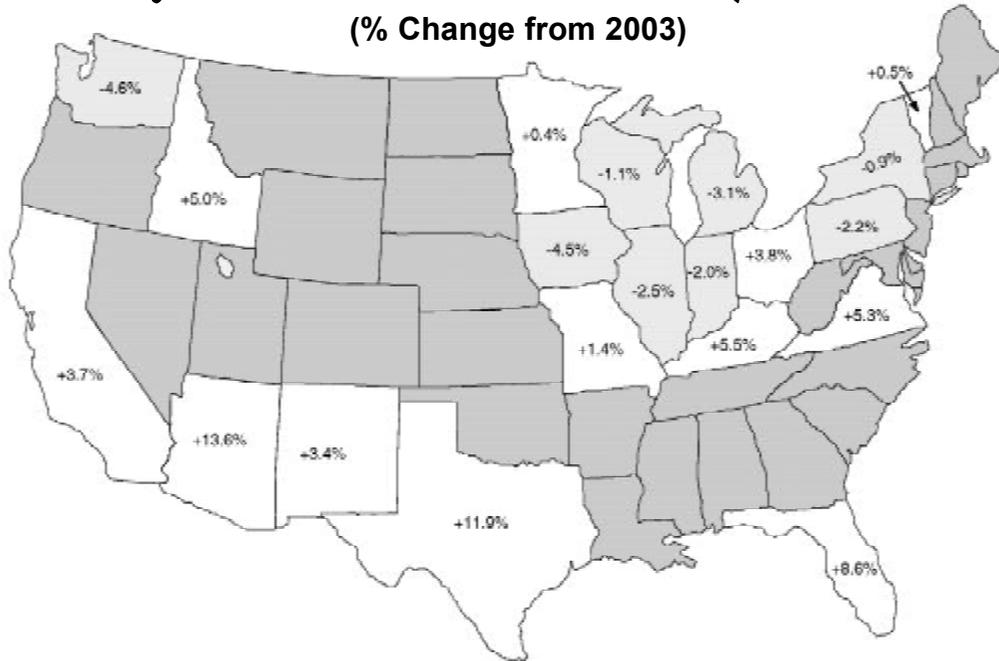
Treatment Pounds of dry matter fed

Paraffin wax 5,861
Wax paper 5,493
Black plastic 4,759
Wax emulsion 4,378

The wax emulsion did not perform as well as the other wax coatings because it was too runny, Berger says. The researchers claim that a commercial product could hit the market in two years. However, more work is needed to perfect the edible-cover and wax-coating application process. ☀

August Milk Production in the Top 20 States

(% Change from 2003)



For the U.S. overall, comparing August 2004 to August 2003:

- Milk production during August was up 1.2%
- The number of cows on farms was 9.042 million head, down 30,000 head
- Production per cow averaged 1,569 pounds, 24 pounds more than August 2003
- Eight of the top twenty milk producing states showed a decrease in milk production

As reported by USDA
and CDFA (for California)

U.S. Earns 44 Medals at World Cheese Awards - California Earns 9 Medals

U.S. speciality cheese makers brought home 44 medals from the World Cheese Awards, earning praise from judges and contest officials for the wide variety of high-quality submissions. The U.S. had 226 entries out of 1,500 overall worldwide entries. Specialty cheese from the U.S. earned 15 gold, 15 silver, and 14 bronze medals. More than half of the U.S. medals went to first-time entrants.

California medal winners:

Gold Medals:

Fiscalini Cheese Co, Modesto, for *San Joaquin Gold*

Cypress Grove Chevre, McKinleyville, for *Humboldt Fog*

Silver Medals:

Valley Gold LLC, Gustine, for *Ricotta*

Marin French Cheese, Petaluma, for *Brie*

Marin French Cheese, Petaluma, for *Triple Cream Brie*

Fiscalini Cheese Co, Modesto, for *Cheddar*

Cypress Grove Chevre, McKinleyville, for *CGC Mt. McKinley*

Bronze Medals:

Marin French Cheese, Petaluma, for *Pacific Blue*
Fiscalini Cheese Co, Modesto, for *Anunciata* 🌞

Milk Handler's License Revoked

The California Department of Food and Agriculture has revoked the Milk Handler's License for Borrelli Laticini, Inc. On September 13, 2004 the Department ordered that a Proposed Order issued by an Administrative Law Judge (ALJ) be adopted as the Department's decision. The decision is effective October 13, 2004. Any handler operating without a license is in violation of Food and Agricultural Code Section 62141. The Proposed Order of the ALJ and the Department's subsequent Order can be viewed on our web site (www.dairy.ca.gov). From that site, follow the signs to Announcements. Should you have any questions regarding this decision, or on license requirements, please contact Bob Maxie or Juan Gonzalez at 916-341-5901. 🌞

Hundredweight Pool Prices

Month	Quota	Overbase
February '03	\$11.11	\$ 9.41
March	\$10.93	\$ 9.23
April	\$11.02	\$ 9.32
May	\$11.05	\$ 9.35
June	\$11.17	\$ 9.47
July	\$12.72	\$11.02
August	\$13.96	\$12.26
September	\$14.34	\$12.64
October	\$14.45	\$12.75
November	\$13.56	\$11.86
December	\$13.09	\$11.39
January '04	\$12.71	\$11.01
February	\$13.32	\$11.62
March	\$15.44	\$13.74
April	\$18.23	\$16.53
May	\$18.69	\$16.99
June	\$17.46	\$15.76
July	\$15.03	\$13.33
August	\$14.74	\$13.04

Milk Mailbox Prices

Milk Mailbox Prices in Dollars per Hundredweight

**	December	Jan '04	February	March	April*	May	June
California ¹	\$12.54*	\$12.11	\$12.69	\$14.65	\$17.21	\$17.57*	\$16.38
USDA ²	\$13.81*	\$13.12	\$13.54	\$15.28	\$17.40*	\$19.01*	\$18.25*

¹ California mailbox price calculated by CDFA.
² All federal milk market order weighted average, as calculated by USDA.

Milk Mailbox Prices for June 2004



In June 2004, mailbox prices for selected reporting areas in Federal milk orders averaged \$18.25 per cwt., \$0.76 less than the figure for the previous month. The component tests of producer milk in June 2004 were: butyricfat, 3.56%; protein, 2.96%, and other solids 5.71%. On an individual reporting area basis mailbox prices decreased in all reporting areas except five, and ranged from \$21.69 in Florida to \$16.47 in New Mexico. In June 2003, the Federal milk order all-area average mailbox price was \$10.84, \$7.41 lower.

**Mailbox prices for Idaho and Utah are being discontinued due to the termination of the Western Federal Order.

In accordance with the California Government Code and ADA requirements, this publication can be made available in an alternative format by contacting Karen Dapper at (916) 341-5988, by email at dairy@cdfa.ca.gov, or contacting TDD 1-800-735-0193.

California Department of Food and Agriculture
 A.G. Kawamura, Secretary
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The California Department of Food and Agriculture Dairy Marketing Branch publishes the California Dairy Review monthly. Please direct any comments or subscription requests to Karen Dapper at (916) 341-5988 or send an email to dairy@cdfa.ca.gov

Milk Pricing Information:
 Within California 1-800-503-3490
 Outside California 1-916-442-MILK

Dairy Marketing Branch:
 Phone (916) 341-5988; Fax (916) 341-6666
 Website: www.cdfa.ca.gov/dairy
 Email: dairy@cdfa.ca.gov

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