

CALIFORNIA

# DAIRY 2006



## Statistics & Trends



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# Dairy Statistics & Trends 2006

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# California's Dairy Industry in 2006



**T**he California dairy industry showed its resilience in 2006. The year brought increased milk production, milk per cow, and number of cows . . . all contributing to lower milk prices for dairy producers. The trend of low milk prices slowly started to break by year end, but corn, forage, and fuel costs were continuing to soar out of control. Even the weather played a role in the dairy story for 2006, with record hot temperatures hitting central California in July and August. Dairy producers are still feeling the affects of the heat wave with interrupted cow reproductive cycles and low calf birth rates.

## Milk Production

As in past years, the milk production story is the hot topic for the year. Despite the mid-summer heat wave; the lowest milk prices since late 2002; the number of dairies in the state decreasing by 68; the changing

feed rations due to the higher prices for corn and other forage; and the continuing saga of environmental concerns . . . total on-farm milk production continued its steady climb, ending the year 3.4 percent above last year totals. In fact, the month of March set a record for milk production in California at 3.42 billion pounds. It was during these early spring months that California processing plants (and plants across the U.S.) reached plant capacity and were searching for other plants to handle the excess milk supply. For the first time, all 12 months of 2006 recorded over three billion pounds in milk production. Although 35 counties (down from 37 counties in 2005) contributed to the state's market milk production, the bulk of the milk production (68.5 percent) was recorded by Tulare, Merced, Stanislaus, Kings and Kern counties. Other increasing numbers: milk production per cow increased in California to 21,815 pounds and the number of dairy cows in the state increased to 1.78 million (USDA figures).

## Utilization

Utilization in 2006 continued recent trends with the production of butter, nonfat powder and cheese continuing to play major roles in how plants converted the increasing milk supply into dairy products. Class 4a (butter and powder) and Class 4b (cheese) accounted for 77 percent of all pooled milk available on a total solids basis. Class 4b (cheese) led all classes in utilization with over 48 percent of all pooled milk solids being used to produce cheese. Mozzarella, Cheddar, and Jack cheeses accounted for 86 percent of all cheese produced in California. The utilization of pooled milk into Class 1 (fluid milk) products continued to decrease, averaging 14.5 percent for the entire year. Class 1 (milk used for fluid purposes) sales showed an increase, up 1.2 percent from 2005. Overall, sales of reduced-fat and skim milks showed increases, while lowfat and half-and-half showed slight decreases. Sales of whole milk continued to fall and was down 3.5 percent from 2005.

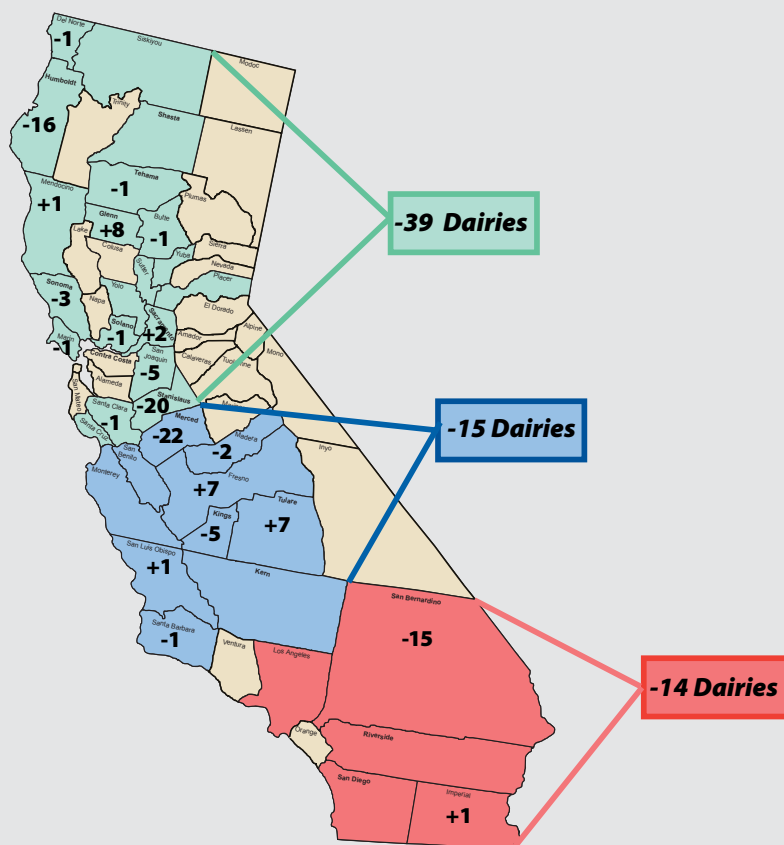




## California's Dairy Landscape

The dairy landscape in California continued to change in 2006 with dairies relocating within California, to other states, or shutting down. In 2006 (compared to 2005), the map shows that all three highlighted areas experienced a net loss in the overall number of dairies. Overall, California recorded a net loss of **68** dairies compared to 2005. The number of dairies in San Bernardino County continued to diminish, recording a net decline of **15** dairies. Merced County decreased its total number of dairies by **22** compared to 2005, the largest net loss recorded by any county in California (followed closely by Stanislaus County, recording a net loss of 20 dairies). The northern California region slowed down that area's steady decline in total dairies, recording a net loss of **39** dairies compared to **49** in 2005. Over the past few years, the Valley region (blue shaded area) consistently recorded the largest increases in dairy operations, for example, in 2004, this

## California's Dairy Landscape Continued to Change Total Number of Dairies Continues Sharp Decline in 2006...



area gained **36** dairies (compared to 2003). However, this shift of dairy operations relocating to the Valley region over the last few years appears to be changing as this area also recorded a net loss of **15** dairy operations in 2005.

The federal Milk Income Loss Contract (MILC) program was renewed at a lower rate per hundredweight than previous years and the Cooperatives Working Together (CWT) program tried to address the increase in

milk production with continued acceptance of dairy product export bids. For 2006, export bids were accepted for: cheese 6,129 metric tons (13.5 million lbs.), anhydrous milkfat 4,319 metric tons (9.5 million lbs.); butter 5,864 metric tons (12.9 million lbs.), and whole milk powder 1,758 metric tons (3.9 million lbs.). Over the last three years, CWT has calculated that the return to dairy producers has been an average \$0.40 per hundredweight. At the close of 2006, CWT was contemplating the

possibility of executing another herd retirement during 2007.

## Milk Prices

The 12-month average growth in milk production for 2006 was 3.4 percent, with the last five-years averaging an overall 3.2 percent milk production growth. The 12-month average price paid to producers was \$11.59 (low: \$10.46, high: \$13.17) per hundredweight, down 17 percent from the average prices paid to producers in 2005. Inconsistent consumer demand, strong world prices, and low surplus dairy product inventory all contributed to volatile commodity prices. The steady increase in milk production throughout 2006 set up the scenario of more milk on the market than demand for dairy products, and commodity prices

(Continued next page)



# Dairy Industry . . . Facts, Highlights



stayed relatively low and flat until the end of 2006.

Energy availability was not an issue in 2006, however, fuel costs continued to be higher than 2005 and remain volatile. Environmental concerns continue to affect both dairy producers and processors here in California and across the U.S. In addition, USDA held a hearing in 2006 focusing on changes to the make allowances in their Class III (cheese) and IV (butter, powder) pricing formulas. Changes in these allowances will also affect the federal Class I and II prices which may, in turn, affect the competitiveness of California milk and dairy products prices. All of these factors will continue to play a major role in the California dairy industry in 2007.

## Hearings and Related Issues

The Department held a public hearing in June 2006, to consider amendments to the Class 2, 3, 4a, and 4b pricing formulas, namely: changes to the manufacturing cost allowances and f.o.b. California price adjuster in the Class 4a and 4b pricing formulas; changes to the cheese yield employed in the Class 4b formula; and changes to the dry whey manufacturing cost allowances in the Class 4b formula, with eventual

removal of the dry whey factor from the 4b formula. The hearing decision brought about the following changes: reduce the f.o.b. California price adjuster for Grade AA butter to \$0.0168 per pound; reduce the f.o.b. California price adjuster for Cheddar cheese to \$0.0252 per pound; increase the manufacturing cost allowance for Cheddar cheese to \$0.178 per pound; increase the manufacturing cost allowance for skim whey powder to \$0.267 per pound; increase the manufacturing cost allowance for nonfat dry milk to \$0.160 per pound. This hearing decision was stayed pending a legal review based on an environmental issue, however, the decision was implemented November 1, 2006.

The Department held hearings in January and July 2006, to consider changes to the transportation allowances and credits, addressing the competitiveness of milk movement costs in light of the structural changes in the dairy industry. Numerous changes were made to mileage brackets, receiving areas, and rates - all of which can be viewed on the Department's website.

At the beginning of December 2006, the Department held a hearing to consider specific changes to the Class

1 pricing formula. The Department decided to make the following changes effective with milk delivered after February 1, 2007: adopt a butter adjuster of -\$0.118/lb.; include a dry whey factor with an adjuster of -\$0.85/cwt. in the CRP portion of the Class 1 pricing formula; adopt a CRP adjuster of +\$0.147/cwt.

## Facts, Highlights, Rankings

California continues to be the leading state in agricultural production for over 50 years and the sales of milk and cream are a major commodity, contributing \$4.5 billion in 2006.

- California ranked first in milk production in the U.S., followed in ranking order by: Wisconsin, New York, Idaho, and Pennsylvania.
- California produces 21 percent of the nation's milk supply.
- Approximately 48 percent of California's milk production is used to make cheese.
- Sales of fluid milk in California averaged: 36 percent whole milk, 34 percent reduced-fat milk, 14 percent lowfat milk, and 16 percent skim milk.



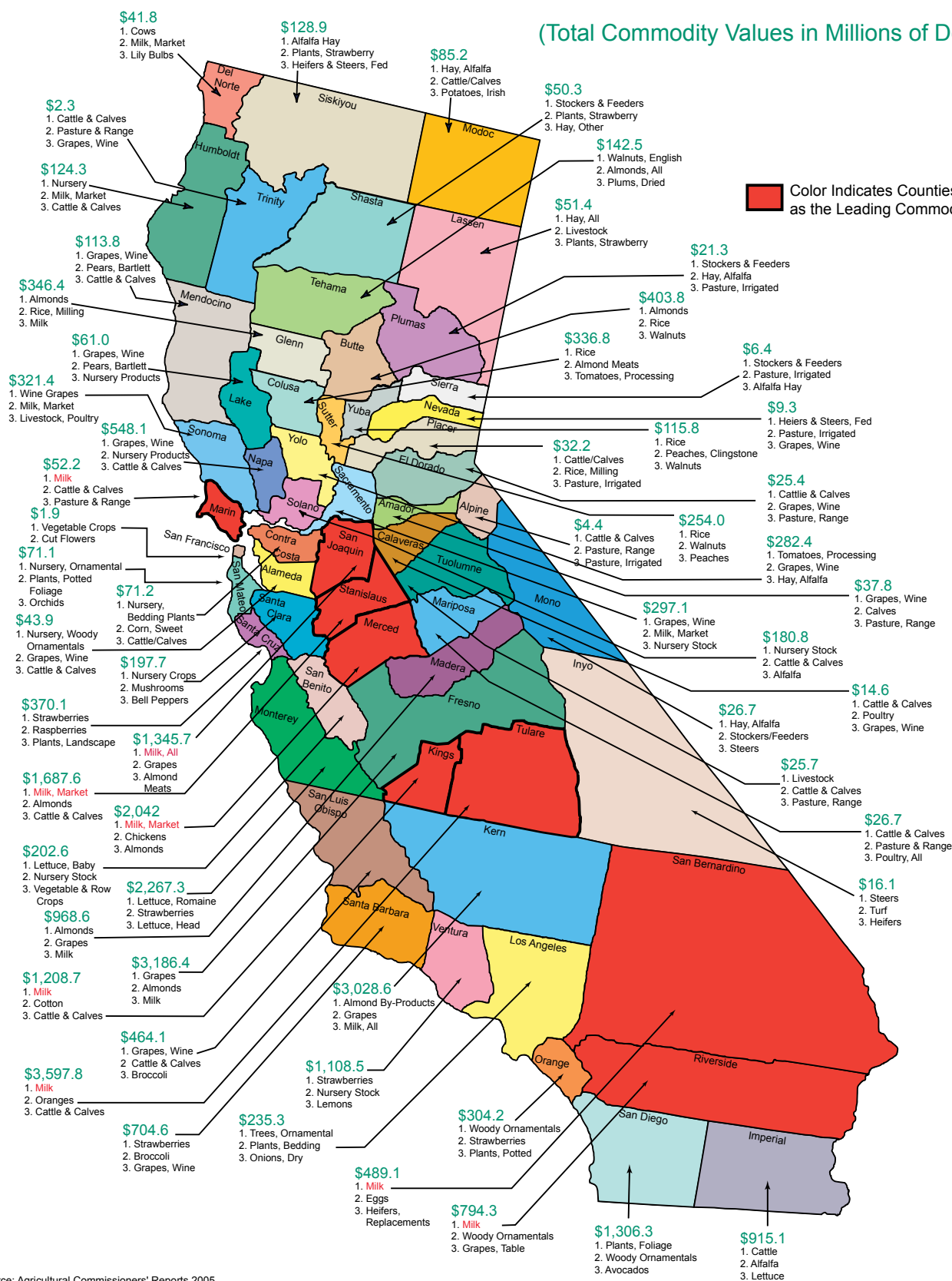




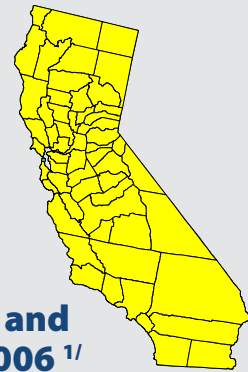
## Leading Agricultural Commodities

California's Leading Agricultural Commodities  
by County, for the Year 2005

(Total Commodity Values in Millions of Dollars)

Source: Agricultural Commissioners' Reports 2005,  
California Agricultural Statistics Service

# CALIFORNIA COWS, PRODUCTION, RECEIPTS



## California Estimated Number of Milk Cows on Farms, Average Production Per Milk Cow, Total Production on Farms, and Cash Receipts from Farm Marketing of Dairy Products, 2001-2006 <sup>1/</sup>

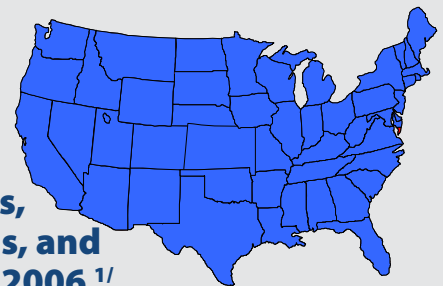
Year	Milk Cows & Heifers That Have Calved, On Farms		Average Production Per Milk Cow		Total Production On Farms		Cash Receipts From Farm Marketings Of Dairy Products <sup>2/</sup>
	Jan. 1 Total	Annual Average	Milk	Milk Fat Test	Milk	Milk Fat Test	
	<i>Thousands</i>		<i>Pounds</i>	<i>Percent</i>	<i>Million Pounds</i>	<i>Percent</i>	<i>Thousand Dollars</i>
2001	1,560	1,589	20,913	3.68	33,217	3.68	4,631,864
2002	1,624	1,648	21,277	3.69	35,026	3.69	3,835,347
2003	1,681	1,688	20,993	3.67	35,437	3.67	4,039,818
2004	1,741	1,725	21,139	3.67	36,465	3.67	5,351,273
2005	1,760	1,755	21,404	3.67	37,564	3.67	5,226,738
2006 <sup>3/</sup>	1,780	1,780	21,815	3.68	38,792	3.68	4,496,012

<sup>1/</sup> USDA/NASS data.

<sup>2/</sup> All milk and cream.

<sup>3/</sup> Figures for 2006 are preliminary.

# UNITED STATES COWS, PRODUCTION, RECEIPTS



## United States, Estimated Number of Milk Cows on Farms, Average Production Per Milk Cow, Total Production on Farms, and Cash Receipts from Farm Marketing of Dairy Products, 2001-2006 <sup>1/</sup>

Year	Milk Cows & Heifers That Have Calved, On Farms		Average Production Per Milk Cow		Total Production On Farms		Cash Receipts From Farm Marketings Of Dairy Products <sup>2/</sup>
	Jan. 1 Total	Annual Average	Milk	Milk Fat Test	Milk	Milk Fat Test	
	<i>Thousands</i>		<i>Pounds</i>	<i>Percent</i>	<i>Million Pounds</i>	<i>Percent</i>	<i>Thousand Dollars</i>
2001	9,183	9,114	18,159	3.67	165,497	3.67	24,709,749
2002	9,117	9,139	18,571	3.67	170,063	3.68	20,582,238
2003	8,994	9,083	18,749	3.67	170,312	3.67	21,238,737
2004	9,010	9,010	18,957	3.67	170,805	3.67	27,386,588
2005	9,043	9,041	19,565	3.66	176,929	3.66	26,737,882
2006 <sup>3/</sup>	9,112	9,112	19,951	N/A	181,798	N/A	N/A

<sup>1/</sup> USDA/NASS data.

<sup>2/</sup> All milk and cream.

<sup>3/</sup> Figures for 2006 are preliminary.

N/A – Unavailable at time of release.

Tables are derived from USDA/NASS statistics.

Total milk production figures on all farms includes all milk produced on the farm.







# Cows, Production, Receipts, by State

**Total Production on Farms, Estimated Number of Milk Cows on Farms,  
Average Production Per Milk Cow, Number of Dairies, by State, 2006 <sup>1/2/</sup>**

State	Total Production on Farms Milk <i>Million Pounds</i>	% Change from 2005	Milk cows on farms <sup>2/</sup> <i>Thousands</i>	Average production per milk cow Milk <i>Pounds</i>	Number of Licensed Dairies	Rank in United States Milk Production	Percent of United States Milk Production <i>Percent</i>
Alabama	203	-9.4	14	14,500	75	43	0.1
Alaska	10	-27.4	1	12,250	10	50	0.0
Arizona	3,954	5.7	173	22,855	130	13	2.2
Arkansas	265	-11.1	20	13,250	190	42	0.1
California	38,830	3.4	1,780	21,815	1,960	1	21.4
Colorado	2,547	8.5	110	23,155	170	16	1.4
Connecticut	367	-4.4	19	19,316	170	36	0.2
Delaware	122	-6.7	7	17,429	60	46	0.1
Florida	2,167	-4.7	132	16,417	160	19	1.2
Georgia	1,404	0.4	77	18,234	300	25	0.8
Hawaii	57	-18.1	4	13,256	5	48	0.0
Idaho	10,895	7.2	488	22,326	690	4	6.0
Illinois	1,978	1.0	103	19,204	1,105	20	1.1
Indiana	3,299	4.2	165	19,994	1,750	14	1.8
Iowa	4,130	2.6	205	20,146	2,230	12	2.3
Kansas	2,343	2.9	112	20,920	450	17	1.3
Kentucky	1,301	-4.8	98	13,276	1,240	26	0.7
Louisiana	396	-8.8	32	12,375	250	35	0.2
Maine	574	-3.5	32	17,938	350	32	0.3
Maryland	1,093	-3.7	64	17,078	630	29	0.6
Massachusetts	278	-4.1	16	17,375	190	40	0.2
Michigan	7,100	5.2	320	22,188	2,530	9	3.9
Minnesota	8,364	2.1	450	18,587	5,295	6	4.6
Mississippi	341	-10.7	23	14,826	190	38	0.2
Missouri	1,840	-1.9	115	16,000	1,710	21	1.0
Montana	354	-4.8	19	18,632	110	37	0.2
Nebraska	1,118	3.8	61	18,328	380	28	0.6
Nevada	558	3.0	27	20,667	30	33	0.3
New Hampshire	293	-3.0	15	19,533	130	39	0.2
New Jersey	178	-7.3	11	16,182	120	45	0.1
New Mexico	7,638	9.9	355	21,515	170	7	4.2
New York	12,045	-0.3	638	18,879	5,970	3	6.6
North Carolina	944	-6.7	51	18,510	345	31	0.5
North Dakota	470	0.4	32	14,688	320	34	0.3
Ohio	4,860	2.5	274	17,737	3,530	11	2.7
Oklahoma	1,214	-1.8	73	16,630	350	27	0.7
Oregon	2,242	-1.8	118	19,000	320	18	1.2
Pennsylvania	10,742	2.3	554	19,390	8,610	5	5.9
Rhode Island	19	1.6	1	17,273	15	49	0.0
South Carolina	278	-3.5	17	16,353	95	41	0.2
South Dakota	1,505	4.7	81	18,580	600	24	0.8
Tennessee	1,049	-4.8	67	15,657	650	30	0.6
Texas	7,145	10.9	335	21,328	740	8	3.9
Utah	1,745	5.1	86	20,291	320	23	1.0
Vermont	2,592	-1.9	141	18,383	1,170	15	1.4
Virginia	1,771	-0.7	102	17,363	775	22	1.0
Washington	5,464	-2.6	237	23,055	610	10	3.0
West Virginia	200	3.1	13	15,385	120	44	0.1
Wisconsin	23,398	2.3	1,243	18,824	14,640	2	12.9
Wyoming	118	61.9	7	17,612	30	47	0.1
<b>United States <sup>3/</sup></b>	<b>181,798</b>	<b>2.8</b>	<b>9,112</b>	<b>19,951</b>	<b>61,990</b>		

<sup>1/</sup> USDA/NASS data.

<sup>2/</sup> Average number during year, heifers that have not freshened excluded.

<sup>3/</sup> State totals may not add to U.S. totals because of rounding.

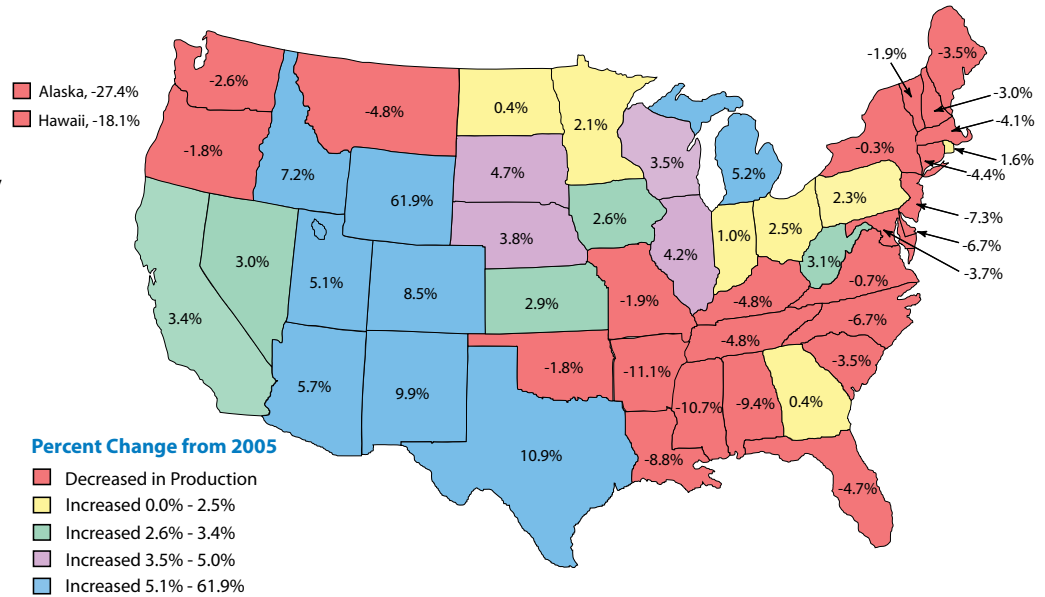




# Milk Production, Milk Per Cow, by State

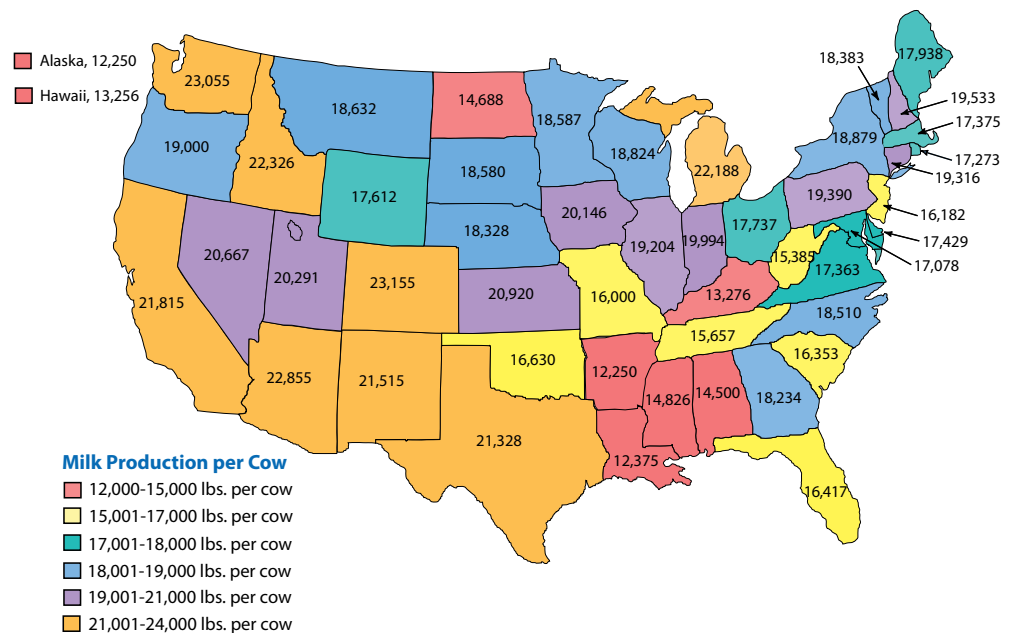
## U.S. Milk Production, 2006 Percent Change from 2005

- For the second year in a row, Wyoming recorded the strongest increase in milk production (up 61.9%), while the largest decline in milk production was experienced by Alaska (down 27.4%).
- California continues to lead the nation in total milk production at 38.8 billion pounds, an increase of 3.4% over 2005.
- U.S. milk production for 2006 recorded an overall 2.8% increase compared to 2005.
- Decreases in production (red shaded areas) were mostly experienced from Oklahoma to the east, and the upper Northwest states.



## Milk Production Per Cow, 2006

- Sixteen states recorded a decrease in milk per cow, compared to 2005 data (compared to the previous year when 16 states recorded decreases in milk per cow).
- Colorado recorded the most milk produced per cow at 23,155 pounds; while Alaska recorded the least milk produced per cow at 12,250 pounds.
- The majority of the highest milk produced per cow totals (over 21,000 pounds per cow) were recorded in the Western area states, with the exception of Michigan.





# Commercial Milk Production

**C**alifornia total milk production increased 3.4 percent in 2006 to 38.8 billion pounds. The majority of the milk, 97.5 percent, was market grade (Grade A), with the remaining 2.5 percent manufacturing grade (Grade B). A portion of the manufacturing grade milk was produced by traditionally market grade dairies that, for regulatory reasons, opted to operate as manufacturing grade facilities.

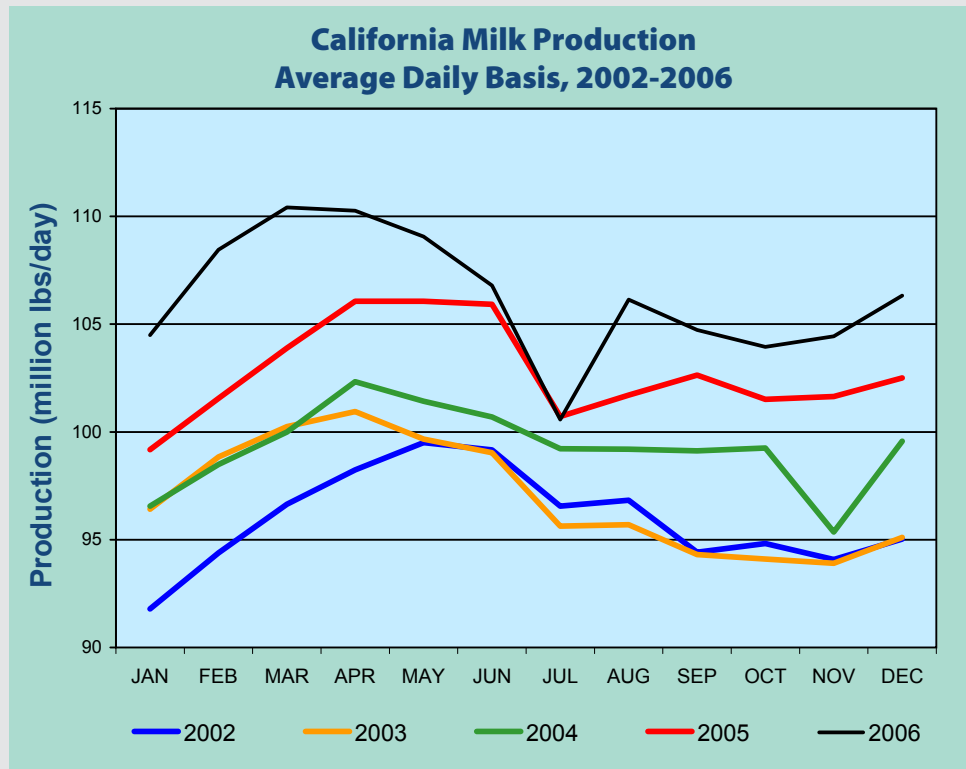
The 28 milk-producing counties of the northern California region accounted for 88 percent of the market milk and 93 percent of the manufacturing milk produced commercially during 2006.

The five leading counties in total milk production for 2005, in ranking order, were: Tulare (26 percent), Merced (14 percent); Stanislaus (10 percent); Kings (9 percent); and Kern (9 percent). These five counties accounted for 68.5 percent of California's total market milk production.

The five leading counties in manufacturing milk production, in ranking order, were: Merced (27 percent); Tulare (24 percent); Humboldt (8 percent); Stanislaus (7 percent); and Madera (7 percent). These five counties accounted for 75 percent of California's total manufacturing milk production.



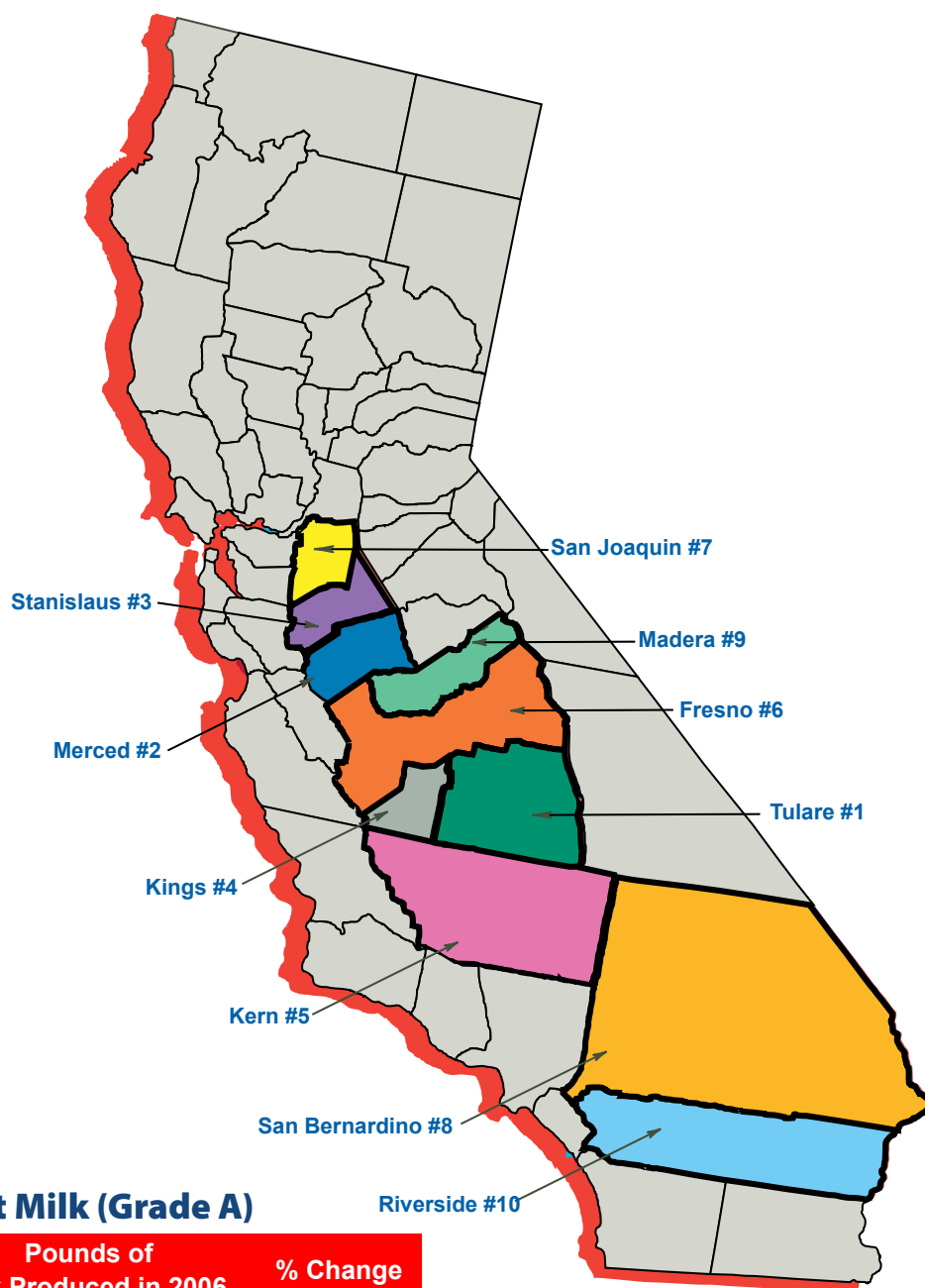
The following chart represents the production of milk, in millions of pounds per day, on a monthly basis, January 2002 through December 2006.





# Top Counties Profile

## Top 10 Milk Producing Counties in 2006



### Market Milk (Grade A)

County (by rank)	Pounds of Milk Produced in 2006 (in thousand pounds)	% Change from 2005
Tulare	10,033,479	4.16%
Merced	5,077,519	2.24%
Stanislaus	3,900,022	1.68%
Kings	3,550,786	10.10%
Kern	3,370,724	13.25%
Fresno	2,509,647	6.23%
San Joaquin	2,261,665	1.72%
San Bernardino	2,134,122	-10.92%
Madera	1,423,702	5.36%
Riverside	1,241,083	3.24%

### Manufacturing Milk (Grade B)

County (by rank)	Pounds of Milk Produced in 2006 (in thousand pounds)	% Change from 2005
Merced	262,036	120.23%
Tulare	226,635	8.10%
Humboldt	72,540	-16.66%
Stanislaus	68,888	11.91%
Madera	63,647	-13.28%





**Cows, Dairies, Cows Per Dairy, by County****Number of Milk Cows and Heifers that have Calved on Farms,  
Number of Dairies, and Average Number of Cows per Dairy  
in California, by County and Region, 2005 and 2006**

County and Region <sup>1/</sup>	2005			2006		
	Number Cows	Number Dairies <sup>2/</sup>	Average Number Cows/Dairy	Number Cows	Number Dairies <sup>2/</sup>	Average Number Cows/Dairy
Butte <sup>3/</sup>	529	3	176		2	
Contra Costa <sup>3/</sup>		1			0	
Del Norte	3,238	10	324	3,595	9	399
Fresno	112,600	118	954	108,945	125	872
Glenn	17,696	45	393	16,505	53	311
Humboldt	16,147	91	177	14,183	75	189
Kern	138,281	55	2,514	153,546	55	2,792
Kings	155,238	165	941	165,316	160	1,033
Madera	67,173	57	1,178	67,900	55	1,235
Marin	10,127	29	349	11,456	28	409
Mendocino <sup>3/</sup>		1			2	
Merced	239,786	327	733	243,762	305	799
Monterey	1,402	3	467	1,349	3	450
Placer <sup>3/</sup>		1			1	
Sacramento	17,228	42	410	15,712	44	357
San Benito	837	3	279	727	3	242
San Joaquin	105,393	141	747	103,480	136	761
Santa Clara <sup>3/</sup>		2		310	1	
Santa Cruz <sup>3/</sup>		1			1	
Shasta <sup>3/</sup>		2			2	
Siskiyou	1,425	4	356	1,320	4	330
Solano	4,083	5	817	3,952	4	988
Sonoma	29,590	75	395	30,160	72	419
Stanislaus	183,762	307	599	181,189	287	631
Sutter <sup>3/</sup>		1			1	
Tehama	5,426	18	301	4,703	17	277
Tulare	451,093	334	1,351	466,592	341	1,368
Yolo	2,044	3	681	2,250	3	750
Yuba	3,328	4	832	3,012	4	753
<b>Northern California</b>	<b>1,569,693</b>	<b>1,848</b>	<b>849</b>	<b>1,603,052</b>	<b>1,793</b>	<b>894</b>
Imperial	5,108	3	1,703	5,483	4	1,371
Los Angeles <sup>3/</sup>		2			2	
Riverside	59,973	45	1,333	62,189	45	1,382
San Bernardino	114,171	136	839	102,471	121	847
San Diego	4,392	6	732	4,064	6	677
San Luis Obispo <sup>3/</sup>		1			2	
Santa Barbara <sup>3/</sup>		2			1	
<b>Southern California</b>	<b>187,968</b>	<b>195</b>	<b>964</b>	<b>178,705</b>	<b>181</b>	<b>987</b>
<b>STATE TOTALS</b>	<b>1,757,661</b>	<b>2,043</b>	<b>860</b>	<b>1,781,757</b>	<b>1,974</b>	<b>903</b>

<sup>1/</sup> Counties omitted have no reported milk production.<sup>2/</sup> Number of dairies source is Milk and Dairy Foods Control.<sup>3/</sup> Not published, but included in total.



# C A L I F O R N I A COMMERCIAL PRODUCTION OF BULK MILK

## Commercial Production of Bulk Milk, Average Milk Fat and Solids-Not-Fat Test in California, by Year, 2002-2006<sup>1/</sup>

Year and Month	Bulk Milk			Average Milk Fat Test			Average Solids-not-Fat Test			Total Bulk Milk Change From Prior Year
	Market	Manufacturing	Total <sup>2/</sup>	Market	Manufacturing	Total	Market	Manufacturing	Total	
		<i>Thousand Pounds</i>			<i>Percent</i>			<i>Percent</i>		<i>Percent</i>
<b>2002</b>	34,693,734	332,607	35,026,341	3.67	3.99	3.67	8.71	8.91	8.71	5.6
<b>2003</b>	35,076,224	317,145	35,393,369	3.67	3.98	3.67	8.75	8.91	8.75	1.0
<b>2004</b>	35,867,690	560,274	36,427,964	3.67	3.87	3.67	8.78	8.89	8.79	2.9
<b>2005</b>	36,604,017	917,432	37,521,449	3.66	4.01	3.67	8.79	8.97	8.80	3.0
<b>2006</b>	37,837,912	954,257	38,792,169	3.67	4.26	3.68	8.81	9.10	8.82	3.4
<b>2003</b>										
January	2,966,537	22,299	2,988,837	3.78	4.19	3.78	8.75	8.91	8.76	5.0
February	2,748,948	18,592	2,767,540	3.74	4.13	3.74	8.74	8.95	8.74	4.7
March	3,082,279	25,387	3,107,666	3.71	3.98	3.72	8.73	8.86	8.73	3.7
April	3,004,747	23,649	3,028,396	3.68	3.98	3.68	8.74	8.93	8.74	2.8
May	3,064,138	25,685	3,089,822	3.64	3.94	3.64	8.71	8.93	8.72	0.2
June	2,943,488	27,615	2,971,103	3.55	3.84	3.55	8.68	8.86	8.68	-0.1
July	2,940,225	24,436	2,964,661	3.54	3.88	3.55	8.64	8.80	8.64	-1.0
August	2,940,130	26,590	2,966,719	3.54	3.82	3.55	8.69	8.83	8.69	-1.2
September	2,801,449	27,727	2,829,176	3.61	3.97	3.61	8.75	8.91	8.75	-0.1
October	2,884,783	32,548	2,917,331	3.66	3.97	3.66	8.80	8.95	8.80	-0.8
November	2,787,383	29,930	2,817,313	3.75	4.07	3.76	8.87	9.01	8.87	-0.2
December	2,915,604	32,687	2,948,290	3.79	4.08	3.79	8.86	8.97	8.86	0.1
<b>2004</b>										
January	2,950,802	42,630	2,993,431	3.79	3.93	3.79	8.82	8.91	8.82	0.2
February	2,815,405	40,640	2,856,045	3.75	3.86	3.76	8.80	8.88	8.80	3.2
March	3,058,918	40,834	3,099,753	3.68	3.87	3.68	8.75	8.87	8.75	-0.3
April	3,027,406	42,638	3,070,044	3.62	3.82	3.62	8.75	8.86	8.75	1.4
May	3,092,397	51,614	3,144,011	3.58	3.75	3.58	8.75	8.88	8.75	1.8
June	2,970,852	49,844	3,020,696	3.57	3.78	3.57	8.73	8.92	8.74	1.7
July	3,025,342	50,580	3,075,921	3.55	3.75	3.56	8.71	8.83	8.72	3.8
August	3,025,168	50,070	3,075,238	3.59	3.78	3.59	8.74	8.84	8.74	3.7
September	2,922,488	51,143	2,973,631	3.64	3.87	3.65	8.78	8.84	8.78	5.1
October	3,029,064	47,684	3,076,748	3.71	3.98	3.71	8.83	8.93	8.83	5.5
November	2,911,008	44,921	2,955,929	3.78	4.05	3.78	8.89	8.98	8.89	4.9
December	3,038,840	47,676	3,086,517	3.80	4.02	3.80	8.87	8.96	8.87	4.7
<b>2005</b>										
January	3,009,153	66,979	3,076,131	3.80	4.15	3.81	8.84	9.00	8.84	2.8
February	2,772,773	72,159	2,844,932	3.73	4.03	3.74	8.80	8.96	8.81	-0.4
March	3,137,521	85,781	3,223,302	3.66	3.95	3.67	8.78	8.99	8.79	4.0
April	3,104,824	78,716	3,183,540	3.64	3.96	3.64	8.80	8.96	8.81	3.7
May	3,205,403	82,698	3,288,101	3.59	3.91	3.60	8.74	8.91	8.75	4.6
June	3,097,458	80,131	3,177,589	3.56	3.90	3.57	8.74	8.89	8.74	5.2
July	3,040,691	81,472	3,122,163	3.56	3.90	3.57	8.67	8.85	8.68	1.5
August	3,076,182	76,815	3,152,998	3.55	3.89	3.55	8.72	8.92	8.72	2.5
September	3,004,339	74,665	3,079,004	3.63	4.01	3.64	8.81	8.99	8.82	3.5
October	3,070,945	75,845	3,146,790	3.71	4.10	3.72	8.86	9.05	8.87	2.3
November	2,979,879	69,379	3,049,258	3.74	4.19	3.75	8.88	9.11	8.89	3.2
December	3,104,848	72,793	3,177,642	3.77	4.21	3.78	8.89	9.10	8.89	3.0
<b>2006</b>										
January	3,161,219	78,013	3,239,233	3.77	4.41	3.78	8.86	9.18	8.87	5.3
February	2,965,100	71,463	3,036,563	3.73	4.34	3.74	8.85	9.13	8.86	6.7
March	3,338,879	84,028	3,422,907	3.73	4.33	3.75	8.87	9.14	8.88	6.2
April	3,224,919	82,889	3,307,808	3.69	4.27	3.71	8.83	9.09	8.84	3.9
May	3,294,600	86,226	3,380,826	3.58	4.12	3.60	8.76	9.01	8.76	2.8
June	3,122,675	81,165	3,203,840	3.57	4.09	3.58	8.73	9.02	8.74	0.8
July	3,035,229	82,594	3,117,823	3.56	4.05	3.57	8.65	8.95	8.66	-0.1
August	3,202,679	87,518	3,290,197	3.54	4.10	3.56	8.74	9.04	8.75	4.4
September	3,063,249	78,540	3,141,789	3.63	4.22	3.65	8.79	9.17	8.80	2.0
October	3,145,346	76,898	3,222,244	3.69	4.36	3.71	8.86	9.15	8.87	2.4
November	3,061,463	71,495	3,132,958	3.72	4.45	3.74	8.88	9.22	8.89	2.7
December	3,222,554	73,426	3,295,980	3.78	4.50	3.80	8.88	9.15	8.89	3.7

<sup>1/</sup> Includes total milk sold. Excludes milk used on ranch which are included in USDA figures.

<sup>2/</sup> Monthly totals may not add up to annual totals due to rounding.





# Commercial Production of Bulk Milk, by County

## Commercial Production of Bulk Milk, Average Milk Fat, and Solids-Not-Fat Test in California, by County and Region, 2006 <sup>1/</sup>

County and Region <sup>2/</sup>	Bulk Milk			Average Milk Fat Test <sup>3/</sup>			Average Solids-not-Fat Test <sup>3/</sup>			State Rank
	Market	Manufacturing	Total	Market	Manufacturing	Total	Market	Manufacturing	Total	
	Thousand Pounds			Percent			Percent			
Butte <sup>4/</sup>										31
Del Norte	48,257	13,114	61,372	3.79	4.73	3.99	8.80	9.39	8.93	21
Fresno	2,509,647	13,382	2,523,029	3.65	3.77	3.65	8.84	8.89	8.84	6
Glenn	331,609	29,922	361,532	3.70	3.85	3.71	8.80	8.84	8.81	12
Humboldt	169,599	72,540	242,139	3.99	4.47	4.13	8.88	9.08	8.94	14
Kern	3,370,724	5,679	3,376,403	3.65	3.66	3.65	8.76	8.81	8.76	5
Kings	3,550,786	30,323	3,581,109	3.66	4.28	3.67	8.78	9.15	8.79	4
Madera	1,423,702	63,647	1,487,349	3.65	4.47	3.68	8.80	9.26	8.82	9
Marin	220,843	256	221,099	3.61	3.62	3.61	8.88	8.79	8.88	15
Mendocino <sup>4/</sup>										27
Merced	5,077,519	262,036	5,339,556	3.68	4.52	3.72	8.84	9.21	8.86	2
Monterey	29,554	0	29,554	3.72		3.72	8.85		8.85	25
Placer <sup>4/</sup>										28
Sacramento	342,079	2,084	344,163	3.78	3.71	3.78	8.79	8.72	8.79	13
San Benito	15,532	390	15,922	3.53	3.22	3.52	8.79	8.75	8.79	29
San Joaquin	2,261,665	5,054	2,266,718	3.71	3.58	3.71	8.80	8.73	8.80	7
Santa Clara <sup>4/</sup>										32
Santa Cruz <sup>4/</sup>										35
Shasta <sup>4/</sup>										34
Siskiyou	28,921	0	28,921	3.79		3.79	8.84		8.84	26
Solano	86,557	11	86,568	3.64	2.25	3.64	8.73	8.91	8.73	18
Sonoma	581,060	994	582,054	3.73	3.68	3.73	8.87	9.03	8.87	11
Stanislaus	3,900,022	68,888	3,968,910	3.70	4.03	3.70	8.82	9.02	8.83	3
Sutter <sup>4/</sup>										30
Tehama	49,775	53,240	103,015	3.76	4.23	4.00	8.86	9.13	9.00	17
Tulare	10,033,479	226,635	10,260,113	3.67	4.24	3.68	8.82	9.06	8.82	1
Yolo	9,918	39,376	49,294	3.88	4.12	4.07	8.77	9.15	9.08	22
Yuba	65,957	25	65,982	3.92	3.43	3.92	8.91	8.78	8.91	20
<b>Northern California</b>	<b>34,176,806</b>	<b>888,875</b>	<b>35,065,681</b>	<b>3.68</b>	<b>4.31</b>	<b>3.69</b>	<b>8.81</b>	<b>9.12</b>	<b>8.82</b>	
Imperial	103,442	687	104,129	4.12	3.89	4.12	8.97	8.87	8.97	16
Los Angeles <sup>4/</sup>										24
Riverside	1,241,083	58,099	1,299,182	3.60	3.55	3.60	8.76	8.86	8.76	10
San Bernardino	2,134,122	6,577	2,140,699	3.56	3.68	3.56	8.77	8.86	8.77	8
San Diego	84,882	19	84,901	3.42	3.16	3.42	8.76	8.80	8.76	19
San Luis Obispo <sup>4/</sup>										33
Santa Barbara <sup>4/</sup>										23
<b>Southern California</b>	<b>3,661,107</b>	<b>65,382</b>	<b>3,726,488</b>	<b>3.59</b>	<b>3.57</b>	<b>3.58</b>	<b>8.77</b>	<b>8.86</b>	<b>8.77</b>	
<b>STATE TOTALS</b>	<b>37,837,912</b>	<b>954,257</b>	<b>38,792,169</b>	<b>3.67</b>	<b>4.26</b>	<b>3.68</b>	<b>8.81</b>	<b>9.10</b>	<b>8.82</b>	

<sup>1/</sup> Includes total milk sold. Excludes milk used on ranch.

<sup>2/</sup> Counties omitted have no reported milk production.

<sup>3/</sup> Tests were computed from unrounded data.

<sup>4/</sup> Not published, but included in total.





**Commercial Milk Production, by County, by Month****Commercial Production of All Milk in California,  
by Counties and Regions, 2006 <sup>1/</sup>**

County and Region <sup>2/</sup>	January	February	March	April	May	June
<i>Pounds</i>						
<b>Butte <sup>3/</sup></b>						
<b>Del Norte</b>	4,474,789	3,831,380	4,042,774	4,528,048	5,755,857	5,716,648
<b>Fresno</b>	208,806,074	195,737,361	218,947,364	212,439,721	219,481,848	208,398,959
<b>Glenn</b>	31,075,258	29,409,450	32,788,620	31,468,419	31,454,265	29,105,405
<b>Humboldt</b>	18,633,570	16,706,236	18,636,616	19,729,381	22,841,001	22,258,803
<b>Kern</b>	277,220,558	262,892,238	298,504,014	286,253,150	284,490,675	269,354,879
<b>Kings</b>	296,326,334	280,193,724	318,021,889	303,042,144	310,045,435	290,959,825
<b>Madera</b>	120,303,771	111,687,800	126,204,354	122,152,855	125,841,164	126,099,156
<b>Marin</b>	18,494,341	17,061,048	18,823,911	18,281,690	19,264,598	18,717,453
<b>Mendocino <sup>3/</sup></b>						
<b>Merced</b>	435,625,197	408,701,302	465,040,108	449,487,551	464,232,787	443,917,167
<b>Monterey</b>	2,449,861	2,169,269	2,463,798	2,360,837	2,571,103	2,500,738
<b>Placer <sup>3/</sup></b>						
<b>Sacramento</b>	27,253,664	25,385,102	28,410,249	28,378,125	30,063,819	29,360,457
<b>San Benito</b>	1,402,071	1,278,709	1,394,492	1,334,894	1,445,975	1,392,153
<b>San Joaquin</b>	189,678,442	175,408,827	197,957,802	191,346,846	197,597,939	188,642,304
<b>Santa Clara <sup>3/</sup></b>						
<b>Santa Cruz <sup>3/</sup></b>						
<b>Shasta <sup>3/</sup></b>						
<b>Siskiyou</b>	2,463,362	2,203,386	2,444,253	2,379,523	2,459,484	2,389,296
<b>Solano</b>	7,265,426	6,480,060	7,193,378	6,883,290	7,384,788	7,409,627
<b>Sonoma</b>	50,683,045	46,225,521	50,017,967	48,259,382	50,366,219	48,475,197
<b>Stanislaus</b>	330,093,968	305,614,496	340,070,852	329,437,423	344,428,419	330,324,529
<b>Sutter <sup>3/</sup></b>						
<b>Tehama</b>	9,240,182	8,611,848	9,501,573	9,014,539	9,230,777	8,892,335
<b>Tulare</b>	866,391,864	817,361,037	928,330,421	895,244,012	894,403,806	842,307,653
<b>Yolo</b>	4,230,646	4,056,381	4,410,932	4,283,588	4,257,993	3,855,747
<b>Yuba</b>	5,716,744	5,342,790	6,005,416	5,575,082	5,733,247	5,376,529
<b>Northern California</b>	<b>2,913,950,631</b>	<b>2,731,832,828</b>	<b>3,085,127,019</b>	<b>2,977,528,352</b>	<b>3,039,420,353</b>	<b>2,891,374,421</b>
<b>Imperial</b>	9,372,609	8,930,853	9,860,925	9,530,450	9,676,343	8,755,786
<b>Los Angeles <sup>3/</sup></b>						
<b>Riverside</b>	109,454,267	100,948,092	111,432,905	109,030,692	115,664,040	107,552,469
<b>San Bernardino</b>	191,469,368	180,747,411	200,767,765	196,523,235	200,501,305	180,944,763
<b>San Diego</b>	7,131,523	6,674,225	7,405,012	7,258,257	7,450,953	7,104,748
<b>San Luis Obispo <sup>3/</sup></b>						
<b>Santa Barbara <sup>3/</sup></b>						
<b>Southern California</b>	<b>325,281,970</b>	<b>304,730,356</b>	<b>337,780,097</b>	<b>330,280,118</b>	<b>341,405,543</b>	<b>312,466,018</b>
<b>STATE TOTALS</b>	<b>3,239,232,601</b>	<b>3,036,563,184</b>	<b>3,422,907,116</b>	<b>3,307,808,470</b>	<b>3,380,825,896</b>	<b>3,203,840,439</b>

<sup>1/</sup> Includes total milk sold. Excludes milk left on ranch.<sup>2/</sup> Counties omitted have no reported milk production.<sup>3/</sup> Not published, but included in total.

**Commercial Milk Production, by County, by Month****Commercial Production of All Milk in California,  
by Counties and Regions, 2006<sup>1/</sup> - Continued**

July	August	September	October	November	December	Total
<i>Pounds</i>						
5,999,968	5,967,811	5,558,436	4,712,907	5,804,780	4,978,386	61,371,784
200,080,702	213,756,762	203,949,424	208,775,947	210,409,355	222,245,822	2,523,029,339
28,333,941	29,218,031	27,963,033	32,286,377	28,269,166	30,159,588	361,531,553
22,718,904	21,764,199	19,767,219	20,420,324	17,964,055	20,698,808	242,139,116
261,605,527	275,391,292	263,007,117	294,198,867	292,036,126	311,448,498	3,376,402,941
287,401,036	300,975,408	289,085,333	298,966,968	293,231,193	312,859,930	3,581,109,219
122,099,328	130,538,909	125,191,027	126,357,019	123,062,490	127,810,753	1,487,348,626
19,447,509	19,479,060	18,227,432	18,026,010	17,309,677	17,966,672	221,099,401
433,943,248	460,477,204	441,341,056	449,125,331	434,949,536	452,715,152	5,339,555,639
2,608,050	2,534,100	2,515,321	2,480,119	2,364,276	2,536,901	29,554,373
29,059,609	30,711,698	28,862,096	29,353,881	28,283,526	29,041,064	344,163,290
1,433,488	1,357,316	1,277,460	1,262,417	1,159,741	1,182,859	15,921,575
183,602,610	193,360,665	183,964,960	188,714,621	183,313,990	193,129,376	2,266,718,382
2,467,313	2,545,701	2,432,271	2,436,848	2,305,597	2,393,894	28,920,928
7,502,971	7,909,231	7,222,540	7,497,335	7,064,224	6,754,838	86,567,708
50,524,803	50,658,946	47,448,267	48,181,575	45,383,451	45,829,319	582,053,692
321,815,996	343,045,445	329,500,139	336,409,054	323,932,394	334,237,123	3,968,909,838
9,140,761	9,666,413	8,748,217	6,045,110	7,439,531	7,483,580	103,014,866
816,663,510	864,986,506	828,000,987	832,160,131	812,661,860	861,601,675	10,260,113,462
3,876,667	4,163,996	3,932,659	4,002,993	3,905,531	4,316,423	49,293,556
5,177,389	5,422,812	5,212,275	5,449,655	5,344,747	5,625,219	65,981,905
<b>2,821,552,766</b>	<b>2,980,251,869</b>	<b>2,849,213,061</b>	<b>2,923,182,948</b>	<b>2,851,612,345</b>	<b>3,000,634,235</b>	<b>35,065,680,828</b>
7,953,101	7,907,403	7,302,677	7,719,137	8,031,096	9,088,483	104,128,863
102,610,556	111,166,633	105,187,863	109,926,820	105,937,146	110,270,354	1,299,181,837
170,570,035	175,247,244	165,139,074	165,981,472	152,313,474	160,494,011	2,140,699,157
6,791,133	7,184,930	6,764,573	7,095,261	6,878,276	7,162,413	84,901,304
<b>296,269,997</b>	<b>309,944,924</b>	<b>292,576,221</b>	<b>299,061,548</b>	<b>281,345,471</b>	<b>295,346,076</b>	<b>3,726,488,339</b>
<b>3,117,822,763</b>	<b>3,290,196,793</b>	<b>3,141,789,282</b>	<b>3,222,244,496</b>	<b>3,132,957,816</b>	<b>3,295,980,311</b>	<b>38,792,169,167</b>



**Market Milk Production, by County, by Month****Commercial Production of All Market Milk in California,  
by Counties and Regions, 2006 <sup>1/</sup>**

County and Region <sup>2/</sup>	January	February	March	April	May	June
	<i>Pounds</i>					
Butte <sup>3/</sup>						
Del Norte	3,676,107	3,172,886	3,153,492	3,371,410	4,390,002	4,382,053
Fresno	207,724,051	194,757,944	218,066,606	211,446,492	218,455,210	207,129,214
Glenn	28,110,825	26,925,025	30,760,093	29,514,879	29,145,946	26,971,483
Humboldt	13,017,060	11,906,913	13,286,786	13,807,130	15,956,012	15,332,846
Kern	277,058,456	262,797,939	297,707,675	286,228,262	283,561,541	269,276,496
Kings	293,938,960	278,342,993	314,160,538	299,148,118	307,669,509	288,459,814
Madera	114,895,830	106,037,637	120,747,940	116,164,029	123,151,805	120,461,601
Marin	18,488,503	17,021,152	18,823,911	18,235,454	19,214,781	18,699,785
Mendocino <sup>3/</sup>						
Merced	415,147,786	388,658,430	442,851,936	427,732,049	438,006,832	422,143,732
Monterey	2,449,861	2,169,269	2,463,798	2,360,837	2,571,103	2,500,738
Placer <sup>3/</sup>						
Sacramento	27,050,832	25,200,582	28,162,643	28,106,058	29,855,008	29,174,803
San Benito	1,402,071	1,278,709	1,394,492	1,334,894	1,205,580	1,392,153
San Joaquin	189,278,449	175,064,938	197,898,451	191,052,912	197,099,071	188,139,638
Santa Clara <sup>3/</sup>						
Santa Cruz <sup>3/</sup>						
Shasta <sup>3/</sup>						
Siskiyou	2,463,362	2,203,386	2,444,253	2,379,523	2,459,484	2,389,296
Solano	7,265,426	6,480,060	7,193,378	6,883,290	7,384,788	7,409,627
Sonoma	50,683,045	46,225,521	49,610,117	48,144,557	50,279,405	48,422,722
Stanislaus	325,383,217	301,601,336	333,095,461	322,651,007	337,669,747	323,513,495
Sutter <sup>3/</sup>						
Tehama	4,549,208	4,344,269	4,773,942	4,426,423	4,443,986	3,908,503
Tulare	846,533,800	799,994,683	908,350,482	875,687,433	873,822,062	823,631,490
Yolo	909,758	836,055	904,951	896,753	873,865	768,786
Yuba	5,716,744	5,342,790	6,005,416	5,575,082	5,708,439	5,376,529
<b>Northern California</b>	<b>2,841,794,395</b>	<b>2,665,763,595</b>	<b>3,007,697,085</b>	<b>2,900,721,211</b>	<b>2,958,917,084</b>	<b>2,815,315,055</b>
Imperial	9,372,609	8,930,853	9,174,145	9,530,450	9,676,343	8,755,786
Los Angeles <sup>3/</sup>						
Riverside	104,175,249	96,011,901	106,054,818	103,602,757	110,394,578	102,873,544
San Bernardino	190,891,336	180,289,555	200,234,536	195,869,016	200,048,115	180,536,975
San Diego	7,131,523	6,674,225	7,405,012	7,258,257	7,450,953	7,085,393
San Luis Obispo <sup>3/</sup>						
Santa Barbara <sup>3/</sup>						
<b>Southern California</b>	<b>319,424,920</b>	<b>299,336,309</b>	<b>331,182,001</b>	<b>324,197,964</b>	<b>335,682,891</b>	<b>307,359,950</b>
<b>STATE TOTALS</b>	<b>3,161,219,315</b>	<b>2,965,099,904</b>	<b>3,338,879,086</b>	<b>3,224,919,175</b>	<b>3,294,599,975</b>	<b>3,122,675,005</b>

<sup>1/</sup> Includes total milk sold. Excludes milk left on ranch.<sup>2/</sup> Counties omitted have no reported milk production.<sup>3/</sup> Not published, but included in total.



**Market Milk Production, by County, by Month****Commercial Production of All Market Milk in California,  
by Counties and Regions, 2006<sup>1/</sup> - Continued**

July	August	September	October	November	December	Total
<i>Pounds</i>						
4,632,594	4,642,522	4,312,903	3,592,555	4,836,971	4,093,842	48,257,337
198,432,563	211,870,182	202,857,235	208,171,038	209,477,427	221,259,418	2,509,647,380
26,205,275	26,992,914	26,014,995	26,795,354	25,886,132	28,286,268	331,609,189
14,955,886	14,393,243	13,475,150	14,621,870	12,713,265	16,133,160	169,599,321
261,417,465	274,722,089	261,957,723	293,969,001	291,437,814	310,589,622	3,370,724,083
285,229,917	298,027,457	286,300,854	296,790,766	291,098,826	311,618,139	3,550,785,891
116,328,405	124,511,452	119,511,922	121,491,719	117,896,830	122,502,527	1,423,701,697
19,386,305	19,479,060	18,217,957	18,000,102	17,309,677	17,966,672	220,843,359
412,507,665	437,321,475	419,298,707	427,650,280	414,622,267	431,578,117	5,077,519,276
2,608,050	2,534,100	2,515,321	2,480,119	2,364,276	2,536,901	29,554,373
28,943,530	30,589,779	28,743,275	29,220,691	28,148,522	28,883,109	342,078,832
1,433,488	1,208,038	1,277,460	1,262,417	1,159,741	1,182,859	15,531,902
182,708,369	192,641,549	183,774,878	188,143,728	183,240,225	192,622,515	2,261,664,723
2,467,313	2,545,701	2,432,271	2,436,848	2,305,597	2,393,894	28,920,928
7,492,194	7,909,231	7,222,540	7,497,335	7,064,224	6,754,838	86,556,931
50,467,737	50,543,514	47,410,033	48,150,833	45,339,342	45,782,755	581,059,581
314,675,951	336,782,271	324,093,375	331,703,107	319,507,548	329,345,270	3,900,021,785
4,052,730	4,270,032	3,892,373	3,723,222	3,478,163	3,912,235	49,775,086
797,932,975	844,417,685	810,049,016	813,632,226	795,881,530	843,545,566	10,033,478,948
737,119	797,394	764,984	809,140	770,369	848,684	9,917,858
5,177,389	5,422,812	5,212,275	5,449,655	5,344,747	5,625,219	65,957,097
<b>2,743,748,696</b>	<b>2,897,851,601</b>	<b>2,775,269,441</b>	<b>2,851,482,497</b>	<b>2,785,221,541</b>	<b>2,933,023,444</b>	<b>34,176,805,645</b>
7,953,101	7,907,403	7,302,677	7,719,137	8,031,096	9,088,483	103,442,083
98,505,816	106,820,268	100,955,070	105,107,551	101,386,883	105,194,552	1,241,082,987
169,884,715	174,476,067	164,775,545	165,602,761	151,759,375	159,754,479	2,134,122,475
6,791,133	7,184,930	6,764,573	7,095,261	6,878,276	7,162,413	84,881,949
<b>291,479,937</b>	<b>304,827,382</b>	<b>287,979,899</b>	<b>293,863,568</b>	<b>276,241,109</b>	<b>289,530,742</b>	<b>3,661,106,672</b>
<b>3,035,228,633</b>	<b>3,202,678,983</b>	<b>3,063,249,340</b>	<b>3,145,346,065</b>	<b>3,061,462,650</b>	<b>3,222,554,186</b>	<b>37,837,912,317</b>



**Manufacturing Milk Production, by County, by Month****Commercial Production of All Manufacturing Milk in California,  
by Counties and Regions, 2006 <sup>1/</sup>**

County and Region <sup>2/</sup>	January	February	March	April	May	June
<i>Pounds</i>						
Butte <sup>3/</sup>						
Del Norte	798,682	658,494	889,282	1,156,638	1,365,855	1,334,595
Fresno	1,082,023	979,417	880,758	993,229	1,026,638	1,269,745
Glenn	2,964,433	2,484,425	2,028,527	1,953,540	2,308,319	2,133,922
Humboldt	5,616,510	4,799,323	5,349,830	5,922,251	6,884,989	6,925,957
Kern	162,102	94,299	796,339	24,888	929,134	78,383
Kings	2,387,374	1,850,731	3,861,351	3,894,026	2,375,926	2,500,011
Madera	5,407,941	5,650,163	5,456,414	5,988,826	2,689,359	5,637,555
Marin	5,838	39,896		46,236	49,817	17,668
Mendocino <sup>3/</sup>						
Merced	20,477,411	20,042,872	22,188,172	21,755,502	26,225,955	21,773,435
Monterey						
Placer <sup>3/</sup>						
Sacramento	202,832	184,520	247,606	272,067	208,811	185,654
San Benito					240,395	
San Joaquin	399,993	343,889	59,351	293,934	498,868	502,666
Santa Clara <sup>3/</sup>						
Santa Cruz <sup>3/</sup>						
Shasta <sup>3/</sup>						
Siskiyou						
Solano						
Sonoma			407,850	114,825	86,814	52,475
Stanislaus	4,710,751	4,013,160	6,975,391	6,786,416	6,758,672	6,811,034
Sutter <sup>3/</sup>						
Tehama	4,690,974	4,267,579	4,727,631	4,588,116	4,786,791	4,983,832
Tulare	19,858,064	17,366,354	19,979,939	19,556,579	20,581,744	18,676,163
Yolo	3,320,888	3,220,326	3,505,981	3,386,835	3,384,128	3,086,961
Yuba					24,808	
<b>Northern California</b>	<b>72,156,236</b>	<b>66,069,233</b>	<b>77,429,934</b>	<b>76,807,141</b>	<b>80,503,269</b>	<b>76,059,366</b>
Imperial			686,780			
Los Angeles <sup>3/</sup>						
Riverside	5,279,018	4,936,191	5,378,087	5,427,935	5,269,462	4,678,925
San Bernardino	578,032	457,856	533,229	654,219	453,190	407,788
San Diego						19,355
San Luis Obispo <sup>3/</sup>						
Santa Barbara <sup>3/</sup>						
<b>Southern California</b>	<b>5,857,050</b>	<b>5,394,047</b>	<b>6,598,096</b>	<b>6,082,154</b>	<b>5,722,652</b>	<b>5,106,068</b>
<b>STATE TOTALS</b>	<b>78,013,286</b>	<b>71,463,280</b>	<b>84,028,030</b>	<b>82,889,295</b>	<b>86,225,921</b>	<b>81,165,434</b>

<sup>1/</sup> Includes total milk sold. Excludes milk left on ranch.<sup>2/</sup> Counties omitted have no reported milk production.<sup>3/</sup> Not published, but included in total.

**Manufacturing Milk Production, by County, by Month****Commercial Production of All Manufacturing Milk in California  
by Counties and Regions, 2006 <sup>1/</sup> - Continued**

July	August	September	October	November	December	Total
<i>Pounds</i>						
1,367,374	1,325,289	1,245,533	1,120,352	967,809	884,544	13,114,447
1,648,139	1,886,580	1,092,189	604,909	931,928	986,404	13,381,959
2,128,666	2,225,117	1,948,038	5,491,023	2,383,034	1,873,320	29,922,364
7,763,018	7,370,956	6,292,069	5,798,454	5,250,790	4,565,648	72,539,795
188,062	669,203	1,049,394	229,866	598,312	858,876	5,678,858
2,171,119	2,947,951	2,784,479	2,176,202	2,132,367	1,241,791	30,323,328
5,770,923	6,027,457	5,679,105	4,865,300	5,165,660	5,308,226	63,646,929
61,204		9,475	25,908			256,042
21,435,583	23,155,729	22,042,349	21,475,051	20,327,269	21,137,035	262,036,363
116,079	121,919	118,821	133,190	135,004	157,955	2,084,458
	149,278					389,673
894,241	719,116	190,082	570,893	73,765	506,861	5,053,659
10,777						10,777
57,066	115,432	38,234	30,742	44,109	46,564	994,111
7,140,045	6,263,174	5,406,764	4,705,947	4,424,846	4,891,853	68,888,053
5,088,031	5,396,381	4,855,844	2,321,888	3,961,368	3,571,345	53,239,780
18,730,535	20,568,821	17,951,971	18,527,905	16,780,330	18,056,109	226,634,514
3,139,548	3,366,602	3,167,675	3,193,853	3,135,162	3,467,739	39,375,698
						24,808
<b>77,804,070</b>	<b>82,400,268</b>	<b>73,943,620</b>	<b>71,700,451</b>	<b>66,390,804</b>	<b>67,610,791</b>	<b>888,875,183</b>
						686,780
4,104,740	4,346,365	4,232,793	4,819,269	4,550,263	5,075,802	58,098,850
685,320	771,177	363,529	378,711	554,099	739,532	6,576,682
						19,355
<b>4,790,060</b>	<b>5,117,542</b>	<b>4,596,322</b>	<b>5,197,980</b>	<b>5,104,362</b>	<b>5,815,334</b>	<b>65,381,667</b>
<b>82,594,130</b>	<b>87,517,810</b>	<b>78,539,942</b>	<b>76,898,431</b>	<b>71,495,166</b>	<b>73,426,125</b>	<b>954,256,850</b>





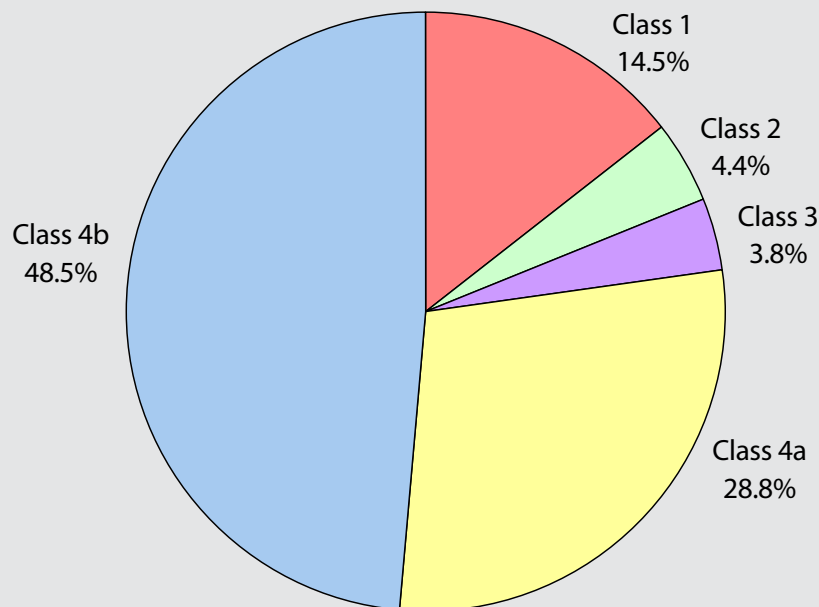
# Pooled Milk Utilization

**I**n 2006, utilization of pooled Grade A milkfat pounds increased 3.4 percent and solids-not-fat (SNF) pounds increased 3.4 percent, as compared to 2005. In addition, as compared to 2005, the breakdown of the utilization of the following classes of milk pounds on a total solids basis were as follows: Class 1, fluid dairy products

(increased 2.0 percent); Class 2, soft dairy products (increased 6.0 percent); Class 3, frozen dairy products (decreased 2.2 percent); Class 4a, butter and powder (increased 3.6 percent); and Class 4b, cheese (increased 3.9 percent). In total, Class 4a and 4b accounted for 77 percent of all milk available on a total solids basis.



**Utilization of Milk Produced in California, by Class, 2006**





# Pooled Milk Utilization

## Utilization of Pooled Milk Fat, in California by Class, by Year, 2002-2006 <sup>1/2/3/</sup>

Year	Class 1	Class 2	Class 3	Class 4a	Class 4b	Fat Total	Fat \$ Value (Actual Dollars)	Quota <sup>4/</sup>	Non-Quota
<i>Thousand Pounds</i>									
2002	149,627	64,262	103,043	428,231	543,425	1,288,589	\$1,514,847,606	364,584	924,005
2003	150,342	68,580	112,329	395,048	565,803	1,292,101	\$1,533,135,001	363,647	928,454
2004	130,668	73,765	108,534	412,383	568,803	1,294,154	\$2,556,173,397	323,325	958,484
2005	119,343	73,269	95,291	425,573	592,558	1,306,035	\$2,181,608,409	322,217	983,818
2006	119,991	77,449	92,174	456,368	604,167	1,350,148	\$1,730,176,620	321,977	1,028,172

<sup>1/</sup> Data are subject to revision.

<sup>2/</sup> Includes pooled milk only. Excludes exempt, non-pool, grade B milk and bulk milk shipped out-of-California.

<sup>3/</sup> Class usage has been adjusted for plant gain and inventory variance.

<sup>4/</sup> Includes other source milk effective July 1, 1997 through March 31, 2004.

## Utilization of Pooled Milk Solids-Not-Fat, in California by Class, by Year, 2002-2006 <sup>1/2/3/</sup>

Year	Class 1	Class 2	Class 3	Class 4a	Class 4b	SNF Total	SNF \$ Value (Actual Dollars)	Quota <sup>4/</sup>	Non-Quota
<i>Thousand Pounds</i>									
2002	626,958	108,973	92,435	866,546	1,367,722	3,062,633	\$2,329,631,660	889,973	2,172,660
2003	624,665	118,706	89,012	837,916	1,415,882	3,086,180	\$2,480,019,107	888,373	2,197,857
2004	560,227	112,084	84,853	878,003	1,461,011	3,096,177	\$2,610,262,248	816,618	2,279,019
2005	531,948	118,761	85,156	850,914	1,551,017	3,137,795	\$2,774,152,749	785,516	2,352,280
2006	544,487	126,099	84,345	865,926	1,622,574	3,243,430	\$2,546,862,845	784,892	2,458,538

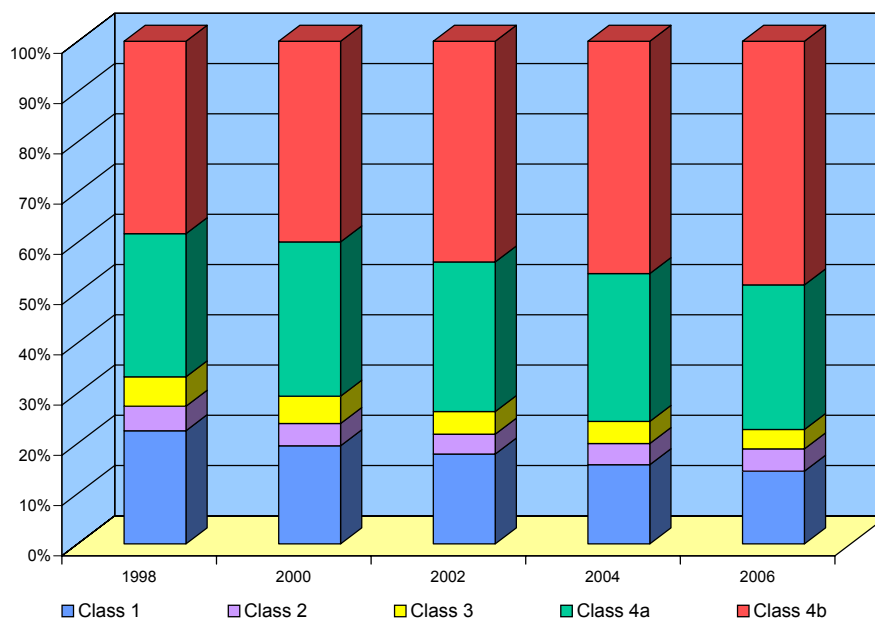
<sup>1/</sup> Data are subject to revision.

<sup>2/</sup> Includes pooled milk only. Excludes exempt, non-pool, grade B milk and bulk milk shipped out-of-California.

<sup>3/</sup> Class usage has been adjusted for plant gain and inventory variance.

<sup>4/</sup> Includes other source milk effective July 1, 1997 through March 31, 2004.

## Utilization of Milk Produced in California, by Class, 1998-2006





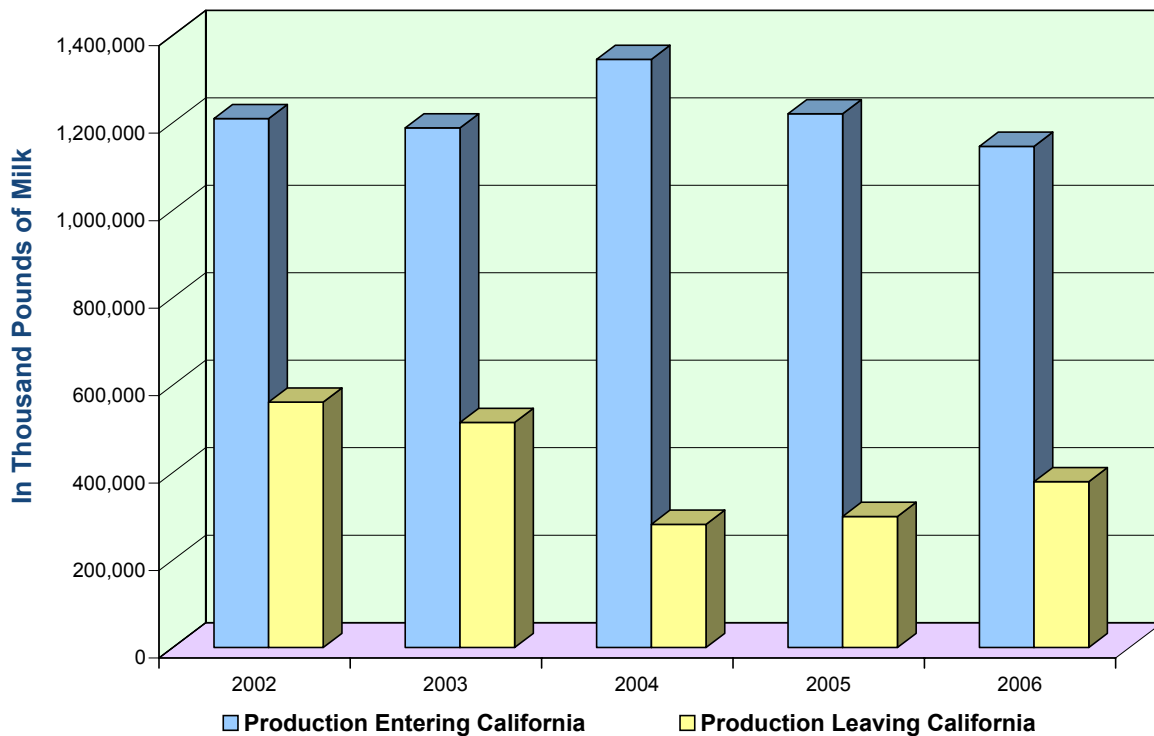
# Pooled Milk & Net Milk Available

## Net Milk Available in California

**California Commercial Milk Production, Production Entering, Production Leaving, Net Milk Available, in Thousand Pounds, 2002-2006**

Year	California Milk Production	Production Entering California	Production Leaving California	Net Milk Available in California
2002	35,026,340	1,208,973	560,900	35,674,413
2003	35,393,369	1,187,717	514,266	36,066,820
2004	36,427,964	1,344,585	281,539	37,491,010
2005	37,521,450	1,220,251	299,443	38,442,258
2006	38,792,160	1,145,694	378,958	39,558,896

## California Milk Production Entering California, Leaving California, 2002-2006

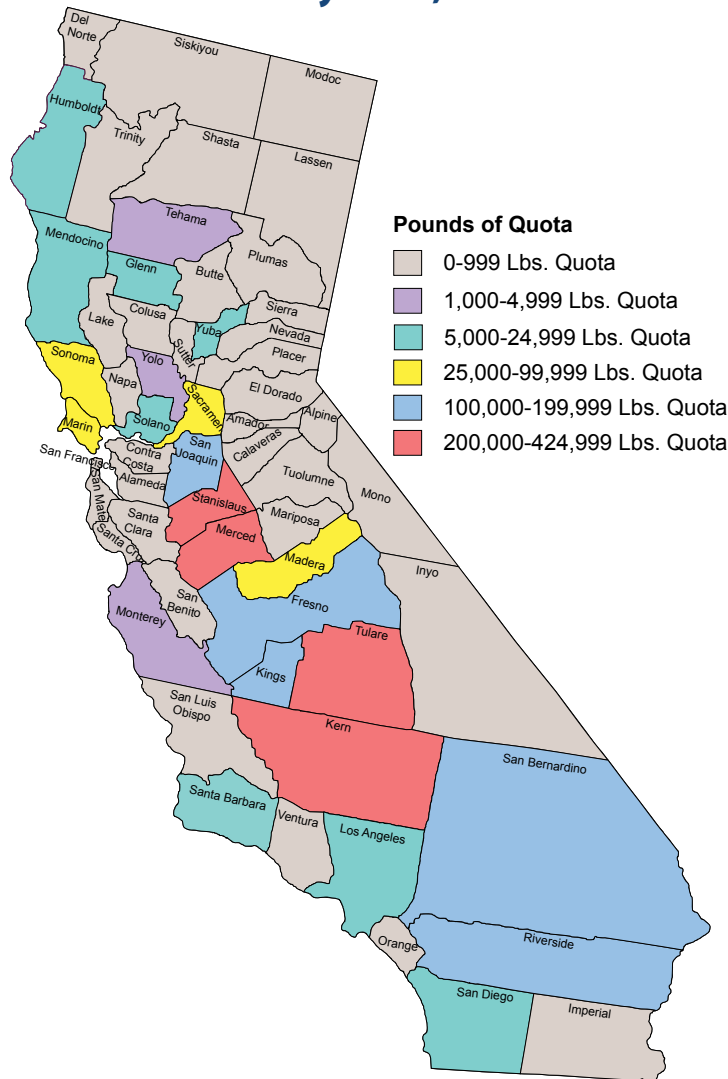






# Quota in California & Quota Transfers

## Where Is the Quota in California? California Pounds of Solids-Not-Fat Quota On A Daily Basis, December 2006



## Quota Transfer Summary Summary of Quota Transfers and Sales, Based on Solids-Not-Fat, 2002-2006

Year	Number of Sellers	Number of Buyers	Average Price <sup>1/</sup>	SNF Transferred	Average Ratio
			(dollars)	(pounds)	
2002	53	64	\$488	43,612	2.42
2003	80	103	\$455	93,151	2.46
2004	72	108	\$460	77,498	2.45
2005	65	79	\$478	60,243	2.44
2006	52	75	\$501	63,249	2.42

<sup>1/</sup> Sales without cows.



## Class 1 Sales

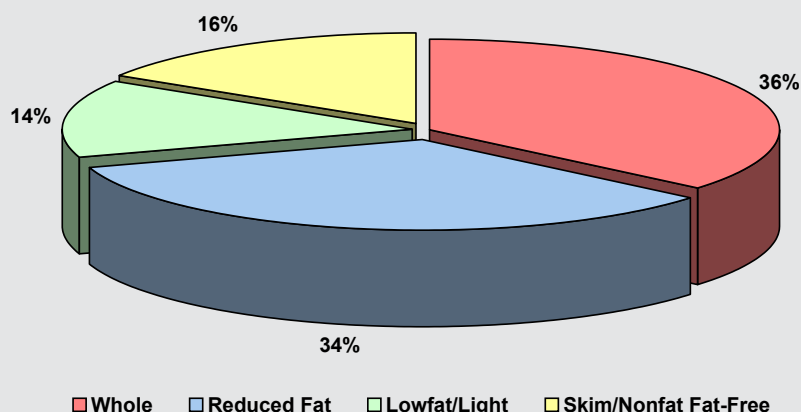


**F**or 2006, overall Class 1 sales were up 1.2 percent, with sales of reduced fat, lowfat and skim milks recording increased sales, while half-and-half showed a slight decrease in sales. Whole milk sales continued to decrease and were significantly down, compared to 2005 figures.

Sales of fluid Class 1 products made up 98 percent of all Class 1 sales: 36 percent whole, 34 percent reduced fat, 14 percent lowfat, and 16 percent skim.

Half-and-half sales accounted for 2.2% of all Class 1 Sales.

**Sales of Fluid Class 1 Market Milk Products by Type, California, 2006**



\*All sales can include Class 1 products made from non-pool milk.

### California and Federal Milk Standards - The California Advantage

Milk Product	Calcium	Protein	Nonfat Solids
California Whole Milk	276 mg	7.9 g	8.70%
Federal Whole Milk	261 mg	7.5 g	8.25%
<b>California Advantage</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
California 2% Reduced Fat	317 mg	9.1 g	10%
Federal 2%	261 mg	7.5 g	8.25%
<b>California Advantage</b>	<b>21%</b>	<b>21%</b>	<b>21%</b>
California 1% Lowfat	348 mg	10 g	11%
Federal 1%	261 mg	7.5 g	8.25%
<b>California Advantage</b>	<b>33%</b>	<b>33%</b>	<b>33%</b>
California Nonfat	285 mg	8.2 g	9%
Federal Nonfat	261 mg	7.5 g	8.25%
<b>California Advantage</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>

Note: These numbers reflect the minimum standards for processing milk in California and at the national level. Some manufacturers may process their milk above these minimum standards.





## Class 1 Sales

Sales of Class 1 Market Milk Products in California, by Year, 2002-2006<sup>1</sup>

Year	Whole Milk	Reduced Fat Milk	Lowfat Light Milk	Skim/Nonfat Fat-Free Milk	Subtotal Beverage Milks	Half and Half	Total Class 1 <sup>2/</sup>	Total Class 1 Milk Change From Prior Year
				Thousand Gallons				Percent
<b>2002</b>	298,109	234,507	106,755	106,946	746,316	14,904	761,224	1.8
<b>2003</b>	297,489	236,836	103,869	108,250	746,444	16,644	763,094	0.2
<b>2004</b>	282,484	243,138	102,679	108,372	736,673	17,629	754,311	-1.2
<b>2005</b>	272,716	246,527	102,370	113,838	735,452	17,357	752,822	-0.2
<b>2006</b>	269,328	251,145	103,853	120,117	744,442	17,130	761,582	1.2
<b>2003</b>								
January	25,102	19,820	9,137	9,516	63,576	1,242	64,819	3.1
February	23,011	18,324	8,356	8,865	58,557	1,240	59,797	2.9
March	25,482	20,387	9,408	9,847	65,124	1,310	66,434	2.9
April	24,377	19,345	8,572	9,012	61,305	1,280	62,586	0.2
May	25,277	20,242	9,240	9,702	64,461	1,335	65,796	1.5
June	24,299	19,352	7,961	8,398	60,009	1,330	61,340	0.9
July	24,665	19,809	7,629	7,876	59,979	1,320	61,300	-0.9
August	24,663	19,853	7,982	8,128	60,626	1,351	61,977	-3.8
September	24,486	19,699	9,189	9,473	62,847	1,460	64,308	-0.2
October	25,595	20,491	9,266	9,835	65,186	1,476	66,663	-0.3
November	24,193	19,045	8,427	8,744	60,409	1,559	61,968	-3.5
December	26,340	20,469	8,703	8,854	64,366	1,741	66,107	2.6
<b>2004</b>								
January	24,971	19,825	8,861	9,344	63,053	1,480	64,599	-0.3
February	22,886	18,522	8,233	8,703	58,394	1,442	59,893	0.2
March	24,352	20,667	9,326	9,797	64,188	1,587	65,840	-0.9
April	23,323	19,983	8,499	8,935	60,780	1,438	62,278	-0.5
May	22,310	19,557	8,907	9,525	60,338	1,346	61,733	-6.2
June	22,876	19,957	7,930	8,419	59,223	1,425	60,705	-1.0
July	23,346	20,706	7,587	7,970	59,659	1,387	61,107	-0.3
August	23,425	20,772	8,006	8,097	60,349	1,407	61,809	-0.3
September	23,208	20,849	9,187	9,471	62,759	1,406	64,226	-0.1
October	23,931	21,107	9,190	9,945	64,210	1,492	65,763	-1.4
November	23,372	20,317	8,717	9,283	61,729	1,637	63,433	2.4
December	24,483	20,875	8,238	8,883	62,525	1,612	64,210	-2.9
<b>2005</b>								
January	23,308	20,798	9,158	9,676	62,940	1,369	64,310	-0.4
February	21,143	18,926	8,343	8,934	57,347	1,261	58,609	-2.1
March	23,445	21,093	9,160	9,934	63,632	1,568	65,200	-1.0
April	22,245	20,238	8,864	9,695	61,041	1,452	62,494	0.3
May	22,301	20,341	9,009	9,767	61,418	1,443	62,863	1.8
June	22,320	20,308	7,942	8,969	59,539	1,428	60,968	0.4
July	22,576	20,463	7,418	8,148	58,604	1,369	59,974	-1.9
August	23,041	21,076	7,909	8,711	60,737	1,424	62,163	0.6
September	22,920	21,050	9,006	10,066	63,043	1,410	64,453	0.4
October	23,000	21,137	8,907	10,580	63,623	1,447	65,072	-1.1
November	22,460	20,121	8,479	9,903	60,964	1,611	62,575	-1.4
December	23,958	20,978	8,174	9,455	62,565	1,574	64,140	-0.1
<b>2006</b>								
January	23,107	20,712	8,858	10,281	62,958	1,434	64,393	0.1
February	20,747	18,742	8,000	9,595	57,084	1,393	58,478	-0.2
March	23,746	21,785	9,360	11,098	65,989	1,518	67,507	3.5
April	21,840	20,117	8,103	9,578	59,638	1,352	60,991	-2.4
May	22,309	21,125	9,231	10,796	63,460	1,425	64,885	3.2
June	22,017	20,933	8,155	9,504	60,609	1,392	62,001	1.7
July	21,910	20,783	7,591	8,371	58,656	1,291	59,947	0.0
August	22,808	21,662	8,352	9,195	62,017	1,338	63,356	1.9
September	22,468	21,632	9,291	10,782	64,173	1,367	65,539	1.7
October	22,666	21,559	9,479	10,935	64,639	1,485	66,125	1.6
November	22,119	20,625	8,881	10,128	61,753	1,548	63,302	1.2
December	23,589	21,471	8,553	9,854	63,468	1,588	65,056	1.4

<sup>1/</sup> Monthly totals may not add up to annual totals due to rounding.<sup>2/</sup> Miscellaneous Class 1 Products are included in the total.





# Fluid Milk Sales Container Survey, October 2006

## Fluid Milk Sales Container Survey for October 2006 Sales of Market Whole, Reduced Fat, Lowfat, and Skim Milks - October 2006

### Reported by Number of Individual Units Sold With A Percent Comparison of Total Class 1 Sales

In October 2006, the Department requested all market milk handlers in California to supply data regarding sales of whole, reduced fat, lowfat, and skim milk, categorized by container size and composition, for the month of October 2006. The annual gathering of this data was initiated by the Department in 1951 and continued yearly until 1997, when the survey was put on hold due to a statistical database installation. Since the survey was resurrected in October 2002, the Department will continue to request the collection of this data on an annual basis for the month of October.

The attached summary has been provided for each California market milk handler in addition to being published in the Dairy Information Bulletin and the 2006 Statistics & Trends Annual. The summary includes all container sizes and their characteristic, the number of units sold for each size container, and the percentage of October 2006 Class 1 sales represented by each size container. For this summary, all sales were expressed in the number of units sold in each particular container size - not in gallons of milk sold in that size container. However, the percentages are reported as an approximate percentage of the total gallons sold for each size container. For example, the half gallon plastic containers totaled 10.03 million containers sold, which represented 7.06% of the reported Class 1 sales totals for October 2006.

The top three containers reported in this survey for market milk sold in California were:

- Gallon plastic containers (69.7%)
- Half gallon paper containers (8.1%)
- Half pint paper containers (7.1%)

Container Size & Characteristic	WHOLE	2% REDUCED FAT	1% LOWFAT	SKIM	TOTAL NUMBER OF UNITS	PERCENT OF OCTOBER 2004 CLASS 1 SALES
IN NUMBER OF UNITS SOLD						PERCENT
<b>6 Gallon</b>						<b>6 Gallon</b>
Bag	10,593	10,844	7,889	2,603	31,929	0.27%
Plastic	17,563	31,843	5,242	3,778	58,426	0.49%
TOTAL 6 GALLON UNITS					90,355	0.76%
<b>5 Gallon</b>						<b>5 Gallon</b>
Bag	3,645	2,604	4,102	1,817	12,168	0.09%
Plastic	0	0	0	0	0	0.00%
TOTAL 5 GALLON UNITS					12,168	0.09%
<b>3 Gallon</b>						<b>3 Gallon</b>
Bag	*	462	*	*	761	0.00%
Plastic	0	0	0	0	0	0.00%
TOTAL 3 GALLON UNITS					761	0.00%
<b>1 Gallon</b>						<b>1 Gallon</b>
Glass	0	0	0	0	0	0.00%
Paper	0	0	0	0	0	0.00%
Plastic	19,428,031	16,743,957	4,753,234	8,556,958	49,482,180	69.66%
TOTAL 1 GALLON UNITS					49,482,180	69.66%
<b>1/2 Gallon</b>						<b>1/2 Gallon</b>
Glass	26,810	15,343	2,034	19,614	63,801	0.04%
Paper	2,355,344	3,553,514	2,588,343	3,068,108	11,565,309	8.14%
Plastic	3,600,808	3,425,468	1,394,570	1,608,039	10,028,885	7.06%
TOTAL 1/2 GALLON UNITS					21,657,995	15.25%





## Fluid Milk Sales Container Survey, October 2006

Container Size & Characteristic	WHOLE	2% REDUCED FAT	1% LOWFAT	SKIM	TOTAL NUMBER OF UNITS	PERCENT OF OCTOBER 2004 CLASS 1 SALES
	IN NUMBER OF UNITS SOLD					PERCENT
Quart						Quart
Glass	36,688	13,623	0	16,278	66,589	0.02%
Paper	1,039,207	1,265,287	1,034,018	999,914	4,338,426	1.53%
Plastic	500,916	587,850	229,676	191,790	1,510,232	0.53%
TOTAL 1 QUART UNITS					5,915,247	2.08%
Pint						Pint
Paper	766,266	327,714	473,268	197,680	1,764,928	0.31%
Plastic	2,147,627	4,931,424	741,360	301,667	8,122,078	1.43%
TOTAL 1 PINT UNITS					9,887,006	1.74%
1/3 Quart						1/3 Quart
Paper	784,863	1,148,635	1,097,442	144,537	3,175,477	0.37%
Plastic	88,844	86,095	*	0	232,809	0.03%
TOTAL 1/3 QUART UNITS					3,408,286	0.40%
1/2 Pint						1/2 Pint
Paper	2,833,829	11,174,016	34,826,079	32,164,462	80,998,386	7.13%
Plastic	*	*	2,578,415	4,837,833	7,548,302	0.66%
TOTAL 1/2 PINT UNITS					88,546,688	7.79%
4 Oz. Pouch						4 Oz.
Paper	597,387	1,002,781	0	484,522	2,084,690	0.09%
Plastic	0	0	0	0	0	0.00%
TOTAL 4 OZ. UNITS					2,084,690	0.09%
8 Oz. Pouch						4 Oz.
Paper	0	*	*	0	1,442,110	0.13%
Plastic	0	*	2,736,399	9,209,700	11,957,211	1.05%
TOTAL 8 OZ. UNITS					13,399,321	1.18%
12 Oz.						4 Oz.
Paper	0	0	*	0	2,802	0.00%
Plastic	249,732	145,529	209,346	0	604,607	0.08%
TOTAL 12 OZ. UNITS					607,409	0.08%
14 Oz./13.5 Oz.						4 Oz.
Paper	0	0	0	0	0	0.00%
Plastic	27,329	1,283,034	0	0	1,310,363	0.20%
TOTAL 14 OZ. UNITS					1,310,363	0.20%
Other Sizes/Types of Container						Other Sizes
1,546 Gal Tote	6	0	0	0	6	0.01%
330 Gal Tote	0	0	0	4	4	0.00%
2 Gal Box	71,011	125,293	0	76,197	234,402	0.66%
TOTAL OTHER SIZE UNITS					234,412	0.67%

Survey data was collected from California market milk handlers at the request of the California Department of Food and Agriculture.

While data is submitted from reliable sources, no representation is made as to the complete accuracy of the data reported.

Data is published subject to errors, revisions, or withdrawals without notice.

\* Data not published, but included in totals.





# Class 1 Sales, by Marketing Area

## Sales of Selected Class 1 Products in California, by Marketing Area, 2002-2006

Products & Marketing Areas	SALES				
	2002	2003	2004	2005	2006
	<i>Gallons</i>				
<b>Whole Milk</b>					
Northern California	111,380,397	111,237,341	107,290,845	105,436,465	105,992,677
Southern California	186,728,249	186,252,049	175,193,332	167,280,007	163,335,001
<b>State Total</b>	<b>298,108,646</b>	<b>297,489,390</b>	<b>282,484,177</b>	<b>272,716,472</b>	<b>269,327,678</b>
<b>Reduced Fat Milk</b>					
Northern California	95,174,621	93,946,797	96,966,471	98,158,721	100,443,785
Southern California	139,332,305	142,889,248	146,171,325	148,368,690	150,701,046
<b>State Total</b>	<b>234,506,926</b>	<b>236,836,045</b>	<b>243,137,796</b>	<b>246,527,411</b>	<b>251,144,831</b>
<b>Lowfat/Light Milk</b>					
Northern California	51,043,931	48,839,352	49,894,624	49,929,130	50,319,224
Southern California	55,710,944	55,029,563	52,784,535	52,441,345	53,533,639
<b>State Total</b>	<b>106,754,875</b>	<b>103,868,915</b>	<b>102,679,159</b>	<b>102,370,475</b>	<b>103,852,863</b>
<b>Skim/Nonfat/Fat Free Milk</b>					
Northern California	38,933,104	40,805,552	41,395,863	44,190,050	47,645,539
Southern California	68,012,423	67,444,199	66,975,775	69,648,066	72,470,979
<b>State Total</b>	<b>106,945,527</b>	<b>108,249,751</b>	<b>108,371,638</b>	<b>113,838,116</b>	<b>120,116,518</b>
<b>Beverage Milks Subtotal</b>					
Northern California	296,532,053	294,829,042	295,547,803	297,714,366	304,401,225
Southern California	449,783,921	451,615,059	441,124,967	437,738,108	440,040,665
<b>State Total</b>	<b>746,315,974</b>	<b>746,444,101</b>	<b>736,672,770</b>	<b>735,452,474</b>	<b>744,441,890</b>
<b>Half-and-Half</b>					
Northern California	7,612,521	7,720,056	8,245,315	8,148,512	7,911,649
Southern California	7,291,485	8,923,612	9,383,838	9,208,883	9,218,709
<b>State Total</b>	<b>14,904,006</b>	<b>16,643,668</b>	<b>17,629,153</b>	<b>17,357,395</b>	<b>17,130,358</b>
<b>Miscellaneous Class 1</b>					
Northern California	3,692	5,380	7,676	9,683	8,030
Southern California	611	1,094	1,561	1,968	1,632
<b>State Total</b>	<b>4,303</b>	<b>6,474</b>	<b>9,237</b>	<b>11,651</b>	<b>9,662</b>
<b>TOTAL CLASS 1</b>					
Northern California	304,148,266	302,554,478	303,800,794	305,872,561	312,320,904
Southern California	457,076,017	460,539,765	450,510,366	446,948,959	449,261,006
<b>STATE TOTALS</b>	<b>761,224,283</b>	<b>763,094,243</b>	<b>754,311,160</b>	<b>752,821,520</b>	<b>761,581,910</b>



# Manufacture of Dairy Products



**C**alifornia continues to lead the nation in the production of many manufactured dairy products, such as: butter, nonfat dry milk (NFD), Mozzarella cheese, and whey protein concentrate.

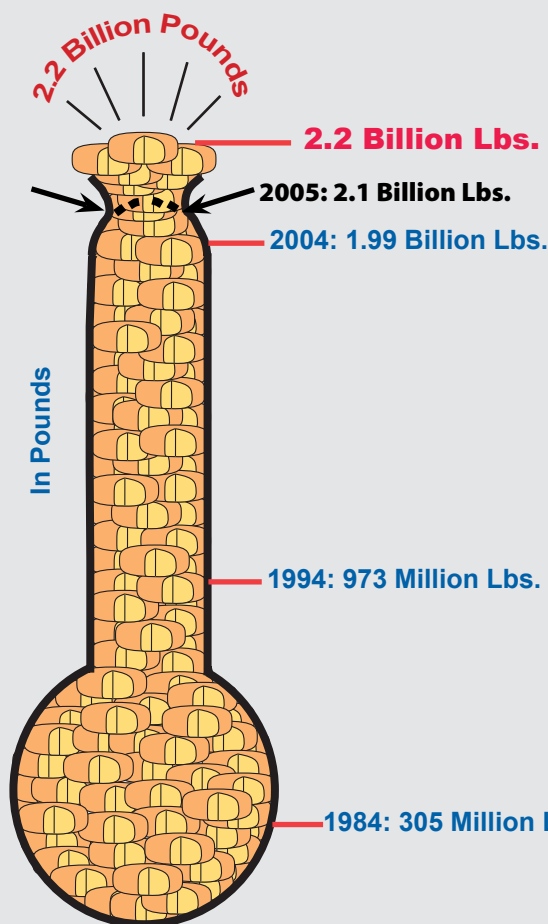
## Class 2 (Soft Dairy Products):

Total cottage cheese production increased 2.9 percent to 101.8 million pounds. Yogurt production continued to increase, up 6.1 percent compared to 2005. Sour cream and sour cream dressing production increased slightly by 1.9 percent, while buttermilk showed a 0.6 percent increase in production over last year. Other cream production increased 3.2 percent and manufacturing cream increased 33.5 percent compared to 2005.

## Class 3 (Frozen Dairy Products):

For 2006, total frozen production decreased 1.4 percent to 162.8 million gallons. The shares of the total frozen product production were as follows: 82 percent ice cream, 13 percent ice milk, 3 percent sherbet, and 3 percent frozen yogurt.

## California Cheese Production, 1984-2006



\* All product totals can include products made from non-pool milk.

## Class 4a (Butter and Nonfat Dry Milk):

Butter production was up in 2006, showing a 10 percent increase to 448 million pounds. Nonfat dry milk production showed a 21 percent increase in production (not including production of Skim Milk Powders which do not meet the USDA definition of NFD and are not included in NFD totals).

## Class 4b (Cheese and Whey Byproducts):

The year 2006 showed a 3.3 percent increase in total cheese production to a record 2.21 billion pounds. The shares of total cheese production were: Mozzarella at 48 percent (up 9.3 percent), Cheddar at 23 percent (down 5.0 percent), Monterey at 15 percent (down 2.8 percent), Hispanic at 5 percent (up 7.7 percent). Provolone and Parmesan cheeses accounted for 5 percent of total cheese production.







## Class 2 Production

## Production of Class 2 Products in California, 2002-2006

Month	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
<b>Dry Curd Cottage Cheese</b>						<b>Cottage Cheese</b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	3,687,512	3,335,208	3,274,542	3,554,866	3,631,654	2,657,924	2,641,103	2,542,374	2,508,342	2,546,121
Feb	3,161,800	3,075,575	3,318,079	3,560,121	3,644,860	2,322,574	2,476,992	2,512,125	2,471,393	2,534,743
Mar	3,389,443	3,217,620	3,919,087	3,808,269	4,051,895	2,571,881	2,499,508	3,043,896	2,757,687	2,720,086
Apr	3,452,496	3,386,313	3,443,901	3,438,310	3,552,114	2,594,946	2,598,285	2,646,420	2,544,367	2,295,984
May	3,572,288	3,224,219	3,746,047	3,638,597	4,098,087	2,742,945	2,622,271	2,586,179	2,567,783	2,770,590
Jun	3,347,707	3,386,050	3,563,713	4,064,169	4,054,208	2,467,921	2,640,844	2,732,772	2,902,787	3,557,578
Jul	3,940,424	3,541,053	3,589,916	3,317,131	4,227,794	2,881,578	2,794,467	2,811,175	2,492,161	2,789,966
Aug	3,758,389	3,311,925	3,799,702	4,258,590	4,809,149	2,709,742	2,556,979	2,785,302	2,964,648	3,429,486
Sep	3,604,864	3,413,717	3,491,139	3,707,769	4,005,775	2,648,582	2,719,553	2,626,883	2,691,456	2,328,084
Oct	3,773,039	3,714,608	3,574,690	3,434,057	4,213,205	2,820,862	2,806,436	2,580,728	2,447,909	2,730,398
Nov	2,926,073	3,096,578	3,217,824	3,784,222	3,874,167	2,227,451	2,409,389	2,373,412	2,596,569	2,508,464
Dec	3,144,501	3,188,002	2,983,842	3,233,433	3,333,015	2,439,375	2,523,272	2,283,112	2,283,103	2,151,070
<b>Total</b>	<b>41,758,536</b>	<b>39,890,868</b>	<b>41,922,482</b>	<b>43,799,534</b>	<b>47,495,923</b>	<b>31,085,781</b>	<b>31,289,099</b>	<b>31,524,378</b>	<b>31,228,205</b>	<b>32,362,570</b>
<b>Lowfat Cottage Cheese</b>						<b>Nonfat Cottage Cheese</b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	4,516,606	4,485,980	4,364,231	4,717,939	4,509,911	1,107,425	983,702	922,576	1,011,422	956,070
Feb	3,983,953	4,150,433	4,459,024	4,770,151	4,600,565	970,893	901,591	888,512	931,816	885,865
Mar	4,371,831	4,366,557	5,420,938	4,969,556	4,791,224	1,023,747	914,755	1,131,439	1,042,121	990,258
Apr	4,446,253	4,603,116	4,755,992	4,685,827	4,041,707	1,127,935	956,943	936,439	947,685	861,745
May	4,625,192	4,447,923	5,055,070	4,736,952	4,870,824	1,085,842	918,657	987,578	1,002,078	1,008,751
Jun	4,169,644	4,600,029	4,799,728	5,262,355	5,547,057	978,550	976,460	940,277	1,019,547	1,113,377
Jul	4,922,741	4,843,516	4,732,867	4,483,061	5,350,924	1,134,065	964,507	1,031,908	911,627	960,588
Aug	4,684,970	4,594,123	5,193,843	5,359,339	5,839,977	1,111,291	865,838	958,032	1,207,576	1,075,189
Sep	4,621,407	4,653,449	4,739,694	4,804,970	4,998,494	1,074,884	1,000,485	985,502	922,241	934,345
Oct	4,722,739	4,930,104	4,609,321	4,528,254	4,865,518	1,118,194	1,073,074	962,851	890,398	955,116
Nov	3,897,914	4,162,206	4,384,698	4,461,965	4,633,562	831,077	863,125	841,768	1,032,466	931,814
Dec	3,875,961	4,239,657	3,900,797	4,129,169	3,896,961	926,909	860,978	806,744	820,981	785,470
<b>Total</b>	<b>52,839,211</b>	<b>54,077,093</b>	<b>56,416,203</b>	<b>56,909,538</b>	<b>57,946,724</b>	<b>12,490,812</b>	<b>11,280,115</b>	<b>11,393,626</b>	<b>11,739,958</b>	<b>11,458,588</b>
<b>Total Cottage Cheese</b>						<b>Buttermilk</b>				
	<i>Pounds</i>					<i>Gallons</i>				
Jan	8,281,955	8,110,785	7,829,181	8,237,703	8,012,102	771,799	665,961	663,382	657,766	721,136
Feb	7,277,420	7,529,016	7,859,661	8,173,360	8,021,173	599,810	634,533	648,234	652,102	837,012
Mar	7,967,459	7,780,820	9,596,273	8,769,364	8,501,568	712,743	729,331	743,446	764,071	836,133
Apr	8,169,134	8,158,344	8,338,851	8,177,879	7,199,436	677,235	675,832	697,862	677,490	708,763
May	8,453,979	7,988,851	8,628,827	8,306,813	8,650,165	701,411	686,520	709,338	702,197	741,232
Jun	7,616,115	8,217,333	8,472,777	9,184,689	10,218,012	676,167	704,800	710,267	701,234	692,886
Jul	8,938,384	8,602,490	8,575,950	7,886,849	9,101,478	677,590	681,730	696,046	804,591	712,859
Aug	8,506,003	8,016,940	8,937,177	9,531,563	10,344,652	658,514	682,712	695,795	834,037	746,847
Sep	8,344,873	8,373,487	8,352,079	8,418,667	8,260,923	693,369	686,797	698,641	766,874	678,499
Oct	8,661,795	8,809,614	8,152,900	7,866,561	8,551,032	705,204	704,503	662,573	777,604	815,352
Nov	6,956,442	7,434,720	7,599,878	8,091,000	8,073,840	637,091	693,766	716,619	836,821	745,007
Dec	7,242,245	7,623,907	6,990,653	7,233,253	6,833,501	700,851	741,514	725,323	823,646	815,062
<b>Total</b>	<b>96,415,804</b>	<b>96,646,307</b>	<b>99,334,207</b>	<b>99,877,701</b>	<b>101,767,882</b>	<b>8,211,784</b>	<b>8,287,999</b>	<b>8,367,526</b>	<b>8,998,433</b>	<b>9,050,788</b>

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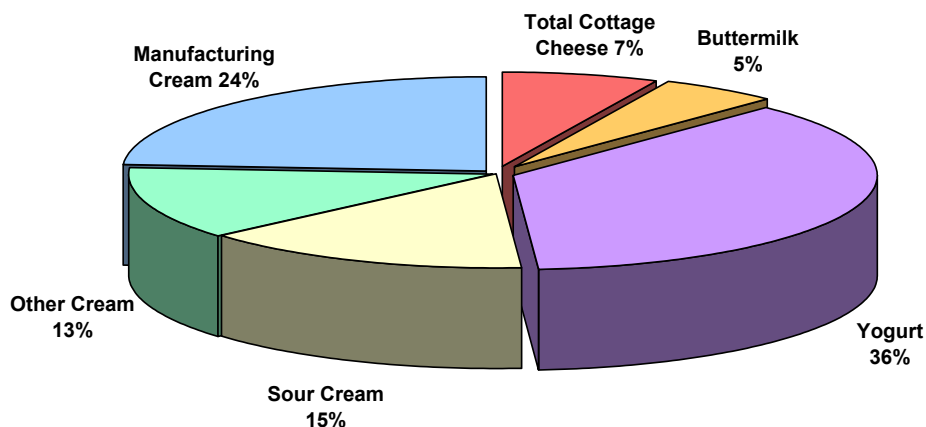


# Class 2 Production - Continued

## Production of Class 2 Products in California, 2002-2006- Continued

Month	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
<b>Manufacturing Cream</b>						<b>Yogurt Production</b>				
	<i>Gallons</i>					<i>Pounds</i>				
Jan	2,980,214	2,849,133	3,046,390	2,258,824	3,165,573	39,114,350	42,581,317	45,144,852	41,211,042	46,710,131
Feb	3,155,560	2,796,450	2,680,029	2,405,028	3,013,121	38,263,765	42,579,333	34,419,189	40,246,835	43,227,405
Mar	3,313,169	2,811,267	2,683,164	2,458,236	3,736,731	40,603,031	44,534,967	44,248,786	45,462,036	49,355,395
Apr	3,256,049	2,803,150	2,733,865	2,283,734	3,287,636	37,020,508	38,116,467	39,100,026	45,142,452	44,086,260
May	2,994,755	2,742,515	2,513,448	2,403,060	3,572,022	41,436,644	42,207,409	38,689,384	44,285,765	47,865,284
Jun	3,021,227	2,496,348	2,493,813	2,007,656	3,341,362	32,306,082	35,143,715	38,134,530	44,180,416	46,593,319
Jul	3,164,192	2,503,758	2,521,515	1,877,805	3,046,611	36,559,231	37,457,809	35,325,538	41,745,891	41,189,358
Aug	2,735,954	2,559,751	2,604,023	1,897,808	3,515,701	39,904,266	42,249,947	40,504,859	48,799,214	51,114,582
Sep	2,632,667	2,233,019	2,475,799	1,869,688	2,915,635	41,145,630	47,238,730	38,069,391	45,579,429	45,510,256
Oct	2,580,866	2,448,227	2,525,320	3,454,004	3,149,594	39,497,002	39,677,041	35,434,920	41,473,322	44,395,796
Nov	2,619,155	2,293,280	2,130,633	3,285,666	3,209,916	33,514,057	35,519,087	34,179,401	40,459,443	41,906,715
Dec	2,713,761	3,179,389	2,191,616	3,357,417	3,504,659	35,118,153	32,621,419	31,050,927	33,405,741	41,392,029
<b>Total</b>	<b>35,167,569</b>	<b>31,716,287</b>	<b>30,599,615</b>	<b>29,558,926</b>	<b>39,458,561</b>	<b>454,482,719</b>	<b>479,927,241</b>	<b>454,301,803</b>	<b>511,991,586</b>	<b>543,346,530</b>
<b>Sour Cream &amp; Sour Cream Dressing</b>						<b>Other Cream</b>				
	<i>Gallons</i>					<i>Gallons</i>				
Jan	1,585,155	1,769,144	1,512,230	1,696,310	1,805,929	1,046,899	1,401,636	1,521,955	1,434,818	1,608,802
Feb	1,537,993	1,455,945	1,512,212	1,764,284	1,750,295	1,134,352	1,301,676	1,762,631	1,490,106	1,522,118
Mar	1,733,171	1,692,586	1,963,642	2,004,546	2,024,067	1,183,765	1,501,759	2,066,768	1,764,562	1,761,424
Apr	1,601,188	1,744,350	1,609,397	1,773,816	1,916,551	1,308,088	1,817,613	1,971,269	1,675,638	1,658,459
May	1,852,195	1,635,354	1,651,602	2,058,141	2,154,381	1,693,132	1,635,631	1,784,896	1,700,598	1,722,453
Jun	1,704,598	1,686,374	1,783,813	2,070,682	2,022,783	1,576,077	1,652,729	1,955,841	1,544,562	1,677,950
Jul	1,685,571	1,636,223	1,487,796	1,748,981	1,990,987	1,558,507	1,828,657	1,881,642	1,434,907	1,491,904
Aug	1,683,432	1,645,375	1,765,686	2,115,922	2,313,532	1,364,650	1,582,713	1,834,544	1,681,938	1,868,779
Sep	1,559,469	1,630,292	1,554,475	1,747,548	1,754,983	1,480,830	1,692,896	1,765,626	1,635,428	1,844,761
Oct	1,805,672	1,775,309	1,746,639	1,928,282	2,106,279	1,530,672	1,862,840	1,954,841	1,705,056	1,683,777
Nov	1,879,305	1,801,789	2,289,992	2,850,813	2,470,940	1,872,439	2,125,780	2,528,052	2,019,021	2,156,306
Dec	1,892,251	1,887,113	1,829,323	2,075,275	1,984,724	1,731,974	2,128,962	2,158,274	2,093,294	1,824,565
<b>Total</b>	<b>20,520,000</b>	<b>20,359,854</b>	<b>20,706,807</b>	<b>23,834,600</b>	<b>24,295,451</b>	<b>17,481,385</b>	<b>20,532,892</b>	<b>23,186,339</b>	<b>20,179,928</b>	<b>20,821,298</b>

## Class 2 Products in 2006



## California Dairy Processing Plant Locations (by Product Category)





## Class 3 Production

## Production of Class 3 Products in California, 2002-2006

Month	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
<b>Ice Cream</b>					<b>Ice Milk <sup>1/</sup></b>					
	<i>Gallons</i>					<i>Gallons</i>				
Jan	8,207,325	7,830,808	6,216,956	5,978,457	7,932,440	2,426,217	2,255,752	1,899,195	1,443,580	1,422,577
Feb	9,375,092	9,092,266	8,074,961	8,032,103	9,056,050	2,343,469	2,121,337	2,164,457	1,781,536	1,449,836
Mar	12,096,037	10,697,273	11,919,064	11,607,076	13,117,685	2,880,657	2,102,387	2,556,875	2,130,684	1,725,833
Apr	11,540,287	11,236,086	10,310,028	10,902,800	11,332,952	2,684,144	2,790,182	2,432,082	1,957,578	1,710,850
May	12,801,718	11,249,690	11,634,865	11,820,532	11,733,169	2,715,434	2,876,657	2,617,310	2,262,103	2,198,796
Jun	13,204,516	13,323,661	12,040,903	14,263,631	15,053,890	3,327,584	3,156,812	2,528,381	2,293,390	2,603,089
Jul	12,466,101	11,491,340	10,017,929	12,310,430	13,070,230	3,292,316	3,160,369	2,729,662	2,259,434	2,033,039
Aug	11,642,564	11,211,824	10,835,323	15,204,138	13,808,858	2,953,478	2,875,896	2,660,236	2,241,451	1,980,610
Sep	10,507,723	10,785,922	10,914,981	12,705,775	12,270,851	2,640,847	2,911,671	2,153,555	1,816,604	1,640,586
Oct	8,832,147	9,275,876	8,922,157	10,505,448	9,220,502	2,464,073	2,418,027	1,849,254	1,977,868	1,442,809
Nov	7,624,816	8,369,462	8,101,543	9,974,988	8,846,511	1,687,546	2,007,827	1,734,899	1,717,968	1,174,957
Dec	6,673,571	6,864,096	6,713,785	7,082,226	7,550,760	2,228,472	1,921,412	1,732,232	1,308,243	1,142,316
<b>Total</b>	<b>124,971,897</b>	<b>121,428,304</b>	<b>115,702,496</b>	<b>130,387,603</b>	<b>132,993,899</b>	<b>31,644,238</b>	<b>30,598,329</b>	<b>27,058,138</b>	<b>23,190,440</b>	<b>20,525,299</b>
<b>Sherbet</b>					<b>Frozen Yogurt <sup>2/</sup></b>					
	<i>Gallons</i>					<i>Gallons</i>				
Jan	406,891	363,983	292,652	403,180	280,089	377,432	413,184	337,960	351,229	301,549
Feb	651,662	529,839	481,385	580,292	488,690	371,634	391,819	359,842	312,738	312,880
Mar	868,935	768,724	705,881	755,176	527,322	544,826	441,186	444,318	368,864	452,822
Apr	748,753	718,800	645,220	558,220	372,860	498,690	468,096	446,438	396,517	407,638
May	748,227	708,399	684,540	607,058	463,415	533,373	504,821	460,382	368,939	354,054
Jun	950,868	869,168	961,415	788,385	568,745	591,541	546,725	465,904	451,026	448,930
Jul	758,143	693,033	627,133	691,924	546,239	552,402	486,813	377,110	412,389	353,451
Aug	821,288	585,847	646,438	970,863	516,561	699,438	437,525	494,981	400,554	471,309
Sep	631,547	476,701	604,555	900,981	465,574	493,739	430,592	461,738	414,797	310,165
Oct	626,693	547,842	459,881	358,404	319,864	417,451	394,467	287,798	359,166	356,086
Nov	259,844	286,625	403,430	298,457	162,857	342,126	353,429	304,754	342,342	326,301
Dec	357,998	206,863	175,022	252,345	121,468	294,194	277,594	206,189	199,650	353,008
<b>Total</b>	<b>7,830,849</b>	<b>6,755,824</b>	<b>6,687,552</b>	<b>7,165,285</b>	<b>4,833,684</b>	<b>5,716,845</b>	<b>5,146,250</b>	<b>4,647,414</b>	<b>4,378,210</b>	<b>4,448,194</b>
<b>Total Frozen Products</b>										
	<i>Gallons</i>									
Jan	11,417,866	10,863,727	8,746,763	8,176,446	9,936,654					
Feb	12,741,857	12,135,262	11,080,645	10,706,669	11,307,456					
Mar	16,390,455	14,009,569	15,626,139	14,861,800	15,823,663					
Apr	15,471,874	15,213,164	13,833,769	13,815,114	13,824,301					
May	16,798,753	15,339,568	15,397,097	15,058,633	14,749,435					
Jun	18,074,508	17,896,365	15,996,604	17,796,432	18,674,653					
Jul	17,068,962	15,831,555	13,751,834	15,674,177	16,002,959					
Aug	16,116,768	15,111,091	14,636,978	18,817,005	16,777,338					
Sep	14,273,856	14,604,887	14,134,828	15,838,157	14,687,176					
Oct	12,340,363	12,636,212	11,519,090	13,200,886	11,339,262					
Nov	9,914,332	11,017,343	10,544,625	12,333,755	10,510,626					
Dec	9,554,235	9,269,965	8,827,228	8,842,463	9,167,552					
<b>Total</b>	<b>170,163,828</b>	<b>163,928,707</b>	<b>154,095,600</b>	<b>165,121,538</b>	<b>162,801,075</b>					

<sup>1/</sup> Includes Light Dairy Dessert and Nonfat Ice Cream.<sup>2/</sup> Includes nonfat and reduced fat yogurts.



## Class 4a/4b Production

## Production of Class 4a Products in California, 2002-2006

Month	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
<b>Butter</b>					<b>Nonfat Dry Milk for Human Consumption <sup>1/</sup></b>					
	<b>Pounds</b>					<b>Pounds</b>				
Jan	34,575,020	39,524,507	32,958,696	34,045,410	42,976,958	59,502,320	61,730,064	62,911,908	39,365,176	48,661,166
Feb	31,955,847	33,639,838	31,045,809	31,364,520	41,479,121	54,494,089	62,608,144	59,146,911	41,553,666	57,709,507
Mar	35,826,443	34,791,012	28,754,306	34,504,955	44,064,774	67,244,162	69,557,819	62,940,512	43,959,258	61,683,622
Apr	35,024,117	34,344,342	31,327,685	32,834,652	39,471,374	68,216,615	69,456,014	66,100,882	38,645,153	58,823,136
May	35,149,886	32,883,888	31,540,227	30,903,999	37,669,601	71,840,478	67,483,213	70,399,660	42,922,543	56,618,521
Jun	28,587,021	23,008,647	29,976,005	32,217,672	31,687,082	68,278,434	59,693,307	68,151,913	46,887,207	51,738,591
Jul	27,864,668	22,695,694	30,398,453	31,492,143	26,008,085	63,833,850	55,994,299	66,019,089	38,759,814	35,356,211
Aug	30,045,599	22,841,989	31,753,592	31,886,556	31,673,562	60,704,521	57,108,640	64,181,225	37,698,760	42,706,840
Sep	28,548,596	25,141,306	34,033,876	35,294,621	34,879,610	54,980,683	50,939,079	59,929,429	35,009,310	41,508,202
Oct	28,769,402	30,483,057	36,241,101	36,216,419	38,368,083	59,328,705	57,227,595	65,115,743	40,490,869	44,602,602
Nov	29,843,885	30,591,432	30,655,194	36,280,628	36,446,576	56,183,927	60,447,925	53,324,767	50,985,022	50,387,623
Dec	35,838,013	33,887,383	37,283,667	40,829,043	43,866,006	66,112,753	66,057,173	44,518,108	50,175,154	63,442,145
<b>Total</b>	<b>382,028,497</b>	<b>363,833,095</b>	<b>385,968,611</b>	<b>407,870,618</b>	<b>448,590,832</b>	<b>750,720,537</b>	<b>738,303,272</b>	<b>742,740,147</b>	<b>506,451,932</b>	<b>613,238,166</b>
<b>Dry Buttermilk</b>					<b>Condensed Skim &amp; Evaporated</b>					
	<b>Pounds</b>					<b>Pounds</b>				
Jan	3,234,182	3,333,687	2,765,335	2,783,041	3,733,798	100,737,967	92,331,811	93,126,531	79,841,241	79,508,529
Feb	2,680,133	3,019,985	2,529,740	2,388,937	3,388,404	95,276,956	85,743,632	88,961,542	69,135,566	90,061,748
Mar	3,183,103	2,804,469	2,264,019	2,633,229	3,429,064	114,319,566	106,459,184	126,452,840	92,018,049	107,849,405
Apr	3,232,022	3,141,076	2,472,322	2,748,742	3,611,540	104,096,048	110,416,044	135,166,212	90,928,272	101,021,219
May	2,954,448	2,955,085	2,488,797	2,380,685	3,065,794	114,096,820	121,391,284	111,419,357	98,691,476	114,552,077
Jun	2,442,383	2,113,979	2,348,327	2,305,127	2,945,634	116,028,741	117,085,064	77,443,231	94,465,800	100,560,953
Jul	2,501,576	1,873,013	2,402,384	2,459,263	2,195,761	118,445,073	120,330,993	83,357,040	96,188,516	99,793,181
Aug	2,490,142	1,977,990	2,372,633	2,209,467	2,434,615	123,955,988	126,924,497	87,712,555	101,399,559	108,946,661
Sep	2,218,416	1,911,146	2,458,319	2,770,524	2,810,372	111,265,648	123,876,744	83,852,756	95,332,534	102,179,656
Oct	2,483,883	2,547,904	2,486,073	2,856,311	3,195,198	111,829,811	124,928,764	79,286,157	97,952,590	100,022,093
Nov	2,290,158	2,329,159	2,489,350	2,857,722	2,867,755	117,487,929	107,183,728	77,040,517	88,052,647	86,894,901
Dec	3,084,189	3,165,432	2,984,288	3,286,566	3,847,257	105,773,819	97,103,228	69,848,390	81,844,673	79,802,438
<b>Total</b>	<b>32,794,635</b>	<b>31,172,925</b>	<b>30,061,587</b>	<b>31,679,614</b>	<b>37,525,192</b>	<b>1,333,314,366</b>	<b>1,333,774,973</b>	<b>1,113,667,128</b>	<b>1,085,850,923</b>	<b>1,171,192,861</b>

## Class 4b Production

<b>Whey Protein Concentrate</b>					<b>Dry Whey</b>					
	<b>Pounds</b>					<b>Pounds</b>				
Jan	7,460,450	10,533,521	10,984,322	9,716,646	12,841,227	12,099,935	12,688,455	9,610,338	8,671,410	9,346,594
Feb	7,448,481	9,671,641	9,215,720	8,743,731	11,806,581	10,506,795	11,019,153	9,159,882	8,952,569	8,389,160
Mar	7,563,080	9,437,340	9,628,836	9,861,419	12,977,833	13,195,396	11,708,223	9,074,380	9,361,189	9,871,806
Apr	7,931,290	10,219,822	10,284,379	11,071,330	12,906,630	11,706,131	8,978,847	10,977,687	10,264,480	8,263,379
May	7,990,085	10,084,098	10,066,934	9,059,775	12,739,604	12,639,907	9,816,089	9,314,681	10,497,231	9,961,968
Jun	8,140,750	9,166,048	9,698,222	10,002,308	11,925,091	12,838,590	10,589,029	9,205,123	10,033,074	8,366,087
Jul	8,849,847	9,612,127	10,447,163	10,300,351	11,306,691	11,641,747	9,745,289	9,978,013	9,968,362	8,582,072
Aug	9,091,394	10,030,360	9,237,671	8,808,018	11,732,005	12,466,556	8,290,558	11,526,875	10,799,895	8,060,445
Sep	8,540,712	10,021,768	9,770,009	11,011,534	11,197,309	13,284,773	9,309,363	10,491,413	10,140,739	9,297,803
Oct	9,526,660	9,205,126	9,686,104	11,574,329	11,698,892	13,991,157	10,370,988	9,441,830	10,400,200	9,649,876
Nov	9,457,730	8,910,963	9,556,228	10,305,296	10,504,073	13,279,544	10,269,285	9,347,184	12,050,010	8,489,388
Dec	10,589,306	10,102,902	10,040,027	11,741,344	12,300,293	13,228,953	11,192,319	10,201,677	8,077,107	8,784,238
<b>Total</b>	<b>102,589,785</b>	<b>116,995,716</b>	<b>118,615,615</b>	<b>122,196,081</b>	<b>143,936,229</b>	<b>150,879,484</b>	<b>123,977,598</b>	<b>118,329,083</b>	<b>119,216,266</b>	<b>107,062,816</b>

<sup>1/</sup> These totals do not include production of Skim Milk Powder (20-40% protein) and Skim Milk Powder Blends (previously referred to as Fat-Filled Powder, i.e. fortified with vitamins, minerals, or oils) as they do not meet the USDA definition of NFDM.







## Class 4b Production

## Production of Class 4b Products in California, 2002-2006

Month	2002	2003	2004	2005	2006	2002	2003	2004	2005	2006
<b>Monterey Jack Cheese</b>						<b>Cheddar Cheese</b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	17,646,585	18,744,265	23,645,344	25,586,498	23,827,769	46,678,458	48,766,405	47,149,028	47,382,324	42,830,923
Feb	15,502,465	18,235,431	22,746,477	22,595,503	25,015,588	42,863,614	42,121,033	43,940,944	43,097,647	38,771,796
Mar	17,467,780	23,311,289	25,654,134	27,591,069	30,714,265	49,300,637	44,983,742	44,063,698	46,316,541	42,838,322
Apr	17,052,277	21,917,485	21,223,316	27,952,247	27,723,883	47,292,894	43,401,005	50,615,324	45,900,799	43,732,844
May	18,682,452	20,944,238	22,904,777	30,283,577	28,412,176	49,491,155	47,706,166	47,780,102	46,373,809	42,551,592
Jun	18,797,095	21,766,513	23,262,366	28,231,850	26,919,248	46,795,952	44,094,721	43,304,356	45,070,934	40,958,410
Jul	21,273,206	23,463,798	23,383,176	27,971,863	25,415,360	43,710,138	42,230,827	44,251,785	41,135,299	40,344,095
Aug	19,317,717	20,934,198	25,198,498	29,892,900	26,633,643	45,754,271	45,504,347	40,425,579	40,322,325	40,762,882
Sep	18,783,551	22,839,170	24,348,566	26,611,124	26,438,578	50,666,001	40,389,613	41,813,575	41,423,154	44,602,796
Oct	20,836,157	24,901,648	26,380,514	28,675,401	31,211,900	44,548,815	40,292,906	43,791,071	41,661,625	36,720,862
Nov	19,052,089	24,790,032	24,809,744	28,461,066	24,927,749	45,610,493	39,256,133	44,344,402	41,799,744	38,868,517
Dec	19,564,436	24,066,080	27,099,827	28,226,696	25,487,286	48,856,156	44,969,125	46,838,113	42,138,738	43,400,850
<b>Total</b>	<b>223,975,810</b>	<b>265,914,147</b>	<b>290,656,739</b>	<b>332,079,794</b>	<b>322,727,445</b>	<b>561,568,584</b>	<b>523,716,023</b>	<b>538,317,977</b>	<b>522,622,939</b>	<b>496,383,889</b>
<b>Mozzarella Cheese</b>						<b>Provolone</b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	59,848,340	58,891,793	75,671,480	78,150,386	87,999,727	2,044,831	2,389,377	3,128,627	3,808,418	2,775,517
Feb	53,604,829	55,734,297	69,622,559	72,856,962	77,103,684	2,242,504	2,255,682	3,345,860	2,830,258	4,507,585
Mar	55,161,184	61,059,007	77,206,437	80,615,960	88,044,822	2,282,507	2,307,582	3,251,024	4,394,996	3,775,408
Apr	54,956,085	63,829,008	74,941,169	77,272,304	88,918,214	2,557,263	2,891,151	2,964,404	4,197,523	3,930,637
May	57,601,860	67,335,329	74,139,223	81,377,256	87,320,003	2,669,372	2,256,059	3,440,189	3,253,517	4,388,159
Jun	55,606,235	67,869,544	70,508,653	81,657,451	85,259,501	1,865,729	2,248,490	3,023,537	3,878,051	4,307,354
Jul	58,269,158	69,751,638	69,669,967	78,451,632	82,582,958	2,008,928	2,856,881	3,745,321	4,544,945	4,372,489
Aug	61,285,978	71,753,795	69,572,542	79,776,228	92,457,047	2,616,567	3,050,819	3,749,264	4,849,157	5,536,072
Sep	59,209,520	67,117,700	70,818,589	79,801,245	89,679,561	2,192,338	3,030,109	3,320,029	5,499,892	5,209,744
Oct	60,384,803	68,837,243	73,900,938	81,932,711	91,624,198	2,266,272	3,021,170	3,207,249	4,380,929	4,753,442
Nov	61,962,365	67,502,922	80,233,782	85,434,436	89,988,133	2,458,007	2,399,143	4,017,121	4,084,652	4,764,730
Dec	59,860,658	72,298,113	81,487,618	89,567,958	96,806,229	2,455,335	2,723,768	3,659,710	3,362,571	4,359,708
<b>Total</b>	<b>697,751,015</b>	<b>791,980,389</b>	<b>887,772,957</b>	<b>966,894,529</b>	<b>1,057,784,077</b>	<b>27,659,653</b>	<b>31,430,231</b>	<b>40,852,335</b>	<b>49,084,909</b>	<b>52,680,845</b>
<b>Hispanic Cheese</b>						<b>Other Cheese <sup>1/</sup></b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	6,880,962	6,204,845	6,605,563	7,294,458	8005898	5,756,716	6,256,861	5,616,841	11,419,371	7,101,457
Feb	6,047,172	5,953,047	7,427,612	7,599,143	8198611	6,460,304	5,585,948	6,486,085	7,554,066	5,627,999
Mar	6,302,742	6,940,761	7,827,739	8,533,100	9024927	7,219,126	5,928,362	8,458,422	7,727,624	9,791,217
Apr	6,901,859	7,159,100	7,592,470	8,159,988	8815667	7,782,800	5,801,644	6,496,983	12,712,512	8,020,270
May	6,723,962	7,093,065	6,674,170	8,181,357	8617062	6,981,611	6,027,555	6,155,512	12,119,340	9,478,176
Jun	6,028,650	6,504,447	7,545,345	8,092,426	8642017	6,115,960	7,698,549	7,231,939	11,088,830	9,923,208
Jul	6,656,387	7,383,293	7,559,174	7,811,211	8454482	6,858,697	7,666,639	6,684,389	9,289,618	7,895,944
Aug	6,784,594	6,875,512	7,488,268	8,432,484	9461121	6,771,151	6,106,607	6,047,900	7,522,519	7,795,708
Sep	6,644,162	7,285,681	7,646,121	8,392,191	9016871	5,115,141	6,207,452	6,385,665	6,167,666	7,841,137
Oct	7,050,888	7,150,377	7,613,686	8,087,630	8719107	5,414,238	5,669,571	5,689,725	6,951,448	9,941,402
Nov	6,253,106	6,485,912	7,455,611	7,881,606	8745679	4,990,233	7,853,539	10,316,473	6,912,732	12,957,280
Dec	6,394,936	7,269,658	7,640,484	7,883,410	8387615	5,584,816	6,712,973	14,080,774	6,983,118	9,807,163
<b>Total</b>	<b>78,669,420</b>	<b>82,305,698</b>	<b>89,076,243</b>	<b>96,349,004</b>	<b>104,089,057</b>	<b>75,050,793</b>	<b>77,515,700</b>	<b>89,650,708</b>	<b>106,448,844</b>	<b>106,180,961</b>
<b>Parmesan</b>						<b>Total Cheese</b>				
	<i>Pounds</i>					<i>Pounds</i>				
Jan	5,826,798	5,482,365	5,779,664	6,025,440	6,643,679	144,682,690	146,735,911	167,596,547	179,666,895	179,184,970
Feb	4,975,457	5,361,852	5,008,808	5,489,035	5,645,946	131,696,345	135,247,290	156,093,586	162,022,614	164,871,209
Mar	6,335,879	5,337,234	4,320,265	6,216,775	5,272,594	144,069,855	149,867,977	170,781,719	181,396,065	189,461,555
Apr	5,728,291	5,220,315	5,028,059	6,088,742	6,498,056	142,271,469	150,219,708	168,861,725	182,284,115	187,639,571
May	5,501,621	4,805,708	3,991,843	5,838,020	6,182,450	147,652,033	156,168,120	165,085,816	187,426,876	186,949,618
Jun	5,883,261	5,306,563	5,459,827	3,232,560	5,748,153	141,092,882	155,488,827	160,336,023	181,252,102	181,757,891
Jul	4,235,437	5,119,155	6,065,934	5,493,881	6,417,964	143,011,951	158,472,231	161,359,746	174,698,449	175,483,292
Aug	4,315,545	3,281,083	4,709,247	5,956,001	5,832,369	146,845,823	157,506,361	157,191,298	176,751,614	188,478,842
Sep	180,056	4,990,304	5,972,468	6,254,355	2,447,255	142,790,769	151,860,029	160,305,013	174,149,627	185,235,942
Oct	4,234,777	5,314,819	6,359,724	4,414,268	5,591,535	144,735,950	155,187,734	166,942,907	176,104,012	188,562,446
Nov	5,497,210	2,886,878	2,774,083	3,565,127	3,237,486	145,823,503	151,174,559	173,951,216	178,139,341	183,489,574
Dec	5,872,665	5,710,980	3,506,219	4,644,533	6,225,258	148,589,002	163,750,697	184,312,745	182,807,024	194,474,109
<b>Total</b>	<b>58,586,997</b>	<b>58,817,256</b>	<b>58,976,141</b>	<b>63,218,737</b>	<b>65,742,745</b>	<b>1,723,262,272</b>	<b>1,831,679,444</b>	<b>1,992,818,341</b>	<b>2,136,698,734</b>	<b>2,205,589,019</b>

<sup>1/</sup> Other cheese includes all cheeses not included in the cheese categories listed above

# Pricing / Costs

**C**alifornia saw increases in both total milk production and commercial milk production in 2006. The record high prices experienced in May and June of 2004 were not repeated in 2006, and Class 1 prices remained steady in the \$12-14 range, comparable with the lower 2002 price levels. Milk production in California and across most of the U.S. continued to grow at a steady rate, compared to previous years. The twelve-month average price paid to producers for 2006 was \$11.59 per hundredweight, a 17 percent drop from 2005, and slightly above the \$11.40 average price paid in 2003.

Wholesale prices for butter, nonfat dry milk (NFD), whey powder, and Cheddar cheese form the basis for California's regulated milk prices. The 2006 overall average per pound commodity prices when compared to 2005: butter averaged 3.4¢ lower; cheese averaged 25.6¢ lower; nonfat dry milk averaged 6.1¢ lower; and Western dry whey averaged 3.9¢ higher.

Traditionally, milk prices follow seasonal patterns. Prices are usually highest in the Fall, peaking with the holiday use of butter. Cheese sales typically remain strong through Super Bowl Sunday in late January. Milk prices normally decline as demand tapers off in mid-winter and the seasonal milk production flush occurs in the Spring.



## Selected Monthly Commodity Prices Used in the Calculation of California Class 4a & 4b Prices, 2006

Month	Chicago Mercantile Exchange		Dairy Market News	California Manufacturing Plants
	Grade AA Butter	Block Cheddar Cheese	Western Dry Whey	Nonfat Dry Milk
<i>Dollars Per Pound</i>				
January	1.3553	1.3581	0.3466	0.9359
February	1.2092	1.2146	0.3515	0.8737
March	1.1690	1.1586	0.3381	0.8480
April	1.1580	1.1667	0.3125	0.8363
May	1.1767	1.1775	0.3031	0.8173
June	1.1698	1.2011	0.2910	0.8063
July	1.1516	1.1643	0.2906	0.8149
August	1.2742	1.2091	0.3018	0.8329
September	1.3319	1.3041	0.3213	0.8383
October	1.3265	1.2383	0.3550	0.8676
November	1.2900	1.3490	0.3938	0.9224
December	1.2558	1.3318	0.4331	0.9762





## Minimum Class 1 Prices

Minimum Prices in California for Market Milk Used to Produce  
Class 1 Products, by Marketing Area, 2002-2006

Year & Month	Northern California				Southern California				Wtd. Avg. Basis <sup>2/</sup>
	Fat	SNF	Fluid	Equivalent	Fat	SNF	Fluid	Equivalent	
	Dollars Per Pound		Per Cwt. <sup>1/</sup>		Dollars Per Pound		Per Cwt. <sup>1/</sup>		Per Cwt. <sup>1/</sup>
<b>2002</b>									
Jan	1.4250	0.7693	0.0209	13.51	1.4250	0.7683	0.0209	13.78	13.64
Feb	1.4980	0.7615	0.0207	13.69	1.4980	0.7615	0.0238	13.96	13.82
Mar	1.3950	0.7566	0.0206	13.27	1.3950	0.7566	0.0237	13.54	13.40
Apr	1.3920	0.7568	0.0206	13.26	1.3920	0.7568	0.0237	13.54	13.39
May	1.3290	0.7552	0.0205	13.02	1.3290	0.7552	0.0236	13.30	13.16
Jun	1.1654	0.7581	0.0206	12.49	1.1654	0.7581	0.0237	12.76	12.62
Jul	1.1792	0.7562	0.0206	12.51	1.1792	0.7562	0.0237	12.79	12.65
Aug	1.1237	0.7565	0.0206	12.32	1.1237	0.7565	0.0237	12.60	12.46
Sep	1.1234	0.7568	0.0206	12.33	1.1234	0.7568	0.0237	12.60	12.46
Oct	1.0202	0.7575	0.0206	11.97	1.0202	0.7575	0.0237	12.24	12.10
Nov	1.0772	0.8472	0.0234	13.20	1.0772	0.8472	0.0265	13.47	13.33
Dec	1.1072	0.7622	0.0208	12.33	1.1072	0.7622	0.0239	12.60	12.46
<b>2003</b>									
Jan	1.2165	0.7570	0.0206	12.65	1.2165	0.7570	0.0237	12.93	12.79
Feb	1.2292	0.6962	0.0187	12.00	1.2292	0.6962	0.0218	12.27	12.13
Mar	1.1525	0.7101	0.0191	11.89	1.1525	0.7101	0.0222	12.17	12.02
Apr	1.1692	0.6823	0.0183	11.63	1.1692	0.6823	0.0214	11.91	11.77
May	1.1929	0.6829	0.0183	11.72	1.1929	0.6829	0.0214	12.00	11.85
Jun	1.1897	0.6895	0.0185	11.79	1.1897	0.6895	0.0216	12.06	11.92
Jul	1.2052	0.6821	0.0183	11.76	1.2052	0.6821	0.0214	12.03	11.89
Aug	1.2531	0.9036	0.0252	14.46	1.2531	0.9036	0.0283	14.73	14.59
Sep	1.3447	1.0221	0.0289	16.14	1.3447	1.0221	0.0320	16.41	16.27
Oct	1.2577	1.0544	0.0299	16.20	1.2577	1.0544	0.0330	16.47	16.33
Nov	1.3034	1.0413	0.0295	16.21	1.3034	1.0413	0.0326	16.48	16.34
Dec	1.3167	0.9412	0.0264	15.11	1.3167	0.9412	0.0295	15.39	15.25
<b>2004</b>									
Jan	1.3887	0.8115	0.0223	13.88	1.3887	0.8115	0.0254	14.15	14.01
Feb	1.5003	0.7303	0.0198	13.34	1.5003	0.7303	0.0229	13.62	13.47
Mar	1.7705	0.6826	0.0183	13.74	1.7705	0.6826	0.0214	14.01	13.87
Apr	2.3132	0.6945	0.0187	15.78	2.3132	0.6945	0.0218	16.05	15.91
May	2.3887	1.1510	0.0329	21.26	2.3887	1.1510	0.0360	21.53	21.39
Jun	2.4605	1.1963	0.0344	22.04	2.4605	1.1963	0.0375	22.31	22.17
Jul	2.1167	0.9799	0.0276	18.36	2.1167	0.9799	0.0307	18.63	18.49
Aug	2.1345	0.7091	0.0191	15.32	2.1345	0.7091	0.0222	15.59	15.45
Sep	1.7929	0.8417	0.0233	15.64	1.7929	0.8417	0.0264	15.92	15.78
Oct	1.9187	0.8349	0.0231	16.01	1.9187	0.8349	0.0262	16.28	16.14
Nov	1.9717	0.7889	0.0216	15.66	1.9717	0.7889	0.0247	15.93	15.79
Dec	1.9099	0.8464	0.0234	16.10	1.9099	0.8464	0.0265	16.38	16.23
<b>2005</b>									
Jan	2.2367	0.9488	0.0266	18.42	2.2367	0.9488	0.0297	18.69	18.55
Feb	1.7667	0.8129	0.0224	15.22	1.7667	0.8129	0.0255	15.49	15.35
Mar	1.8070	0.8760	0.0243	16.08	1.8070	0.8760	0.0274	16.35	16.21
Apr	1.7313	0.8699	0.0241	15.74	1.7313	0.8699	0.0272	16.02	15.88
May	1.7527	0.9182	0.0257	16.38	1.7527	0.9182	0.0288	16.65	16.51
Jun	1.5437	0.8408	0.0232	14.75	1.5437	0.8408	0.0263	15.03	14.89
Jul	1.6052	0.8596	0.0238	15.19	1.6052	0.8596	0.0269	15.46	15.32
Aug	1.9011	0.8256	0.0228	15.84	1.9011	0.8256	0.0259	16.11	15.97
Sep	1.8605	0.7839	0.0215	15.22	1.8605	0.7839	0.0246	15.49	15.35
Oct	1.9247	0.7938	0.0218	15.56	1.9247	0.7938	0.0249	15.83	15.69
Nov	1.8649	0.8091	0.0222	15.52	1.8649	0.8091	0.0253	15.79	15.65
Dec	1.6802	0.8189	0.0226	14.99	1.6802	0.8189	0.0257	15.26	15.12
<b>2006</b>									
Jan	1.5417	0.8182	0.0225	14.49	1.5417	0.8182	0.0256	14.76	14.62
Feb	1.5382	0.8170	0.0225	14.47	1.5382	0.8170	0.0256	14.74	14.60
Mar	1.3735	0.7552	0.0206	13.19	1.3735	0.7552	0.0237	13.46	13.32
Apr	1.2961	0.7215	0.0195	12.53	1.2961	0.7215	0.0226	12.80	12.67
May	1.2745	0.7112	0.0192	12.33	1.2745	0.7112	0.0223	12.61	12.48
Jun	1.3000	0.7043	0.0190	12.35	1.3000	0.7043	0.0221	12.62	12.49
Jul	1.2933	0.7086	0.0191	12.37	1.2933	0.7086	0.0222	12.64	12.51
Aug	1.2667	0.6872	0.0184	12.03	1.2667	0.6872	0.0215	12.30	12.17
Sep	1.3873	0.7020	0.0189	12.62	1.3873	0.7020	0.0220	12.89	12.77
Oct	1.5030	0.7498	0.0204	13.57	1.5030	0.7498	0.0235	13.85	13.72
Nov	1.4567	0.7209	0.0195	13.08	1.4567	0.7209	0.0226	13.35	13.23
Dec	1.4236	0.7533	0.0205	13.34	1.4236	0.7533	0.0236	13.61	13.48

<sup>1/</sup> Calculated based on 3.5 percent fat, 8.7 percent solids-not-fat, and 87.8 percent fluid carrier.<sup>2/</sup> Calculated for the State as a whole using market milk production in each marketing area for weighting.



# Average Retail Prices

## U.S. Retail Price Averages for Whole, Reduced Fat, Lowfat, and Skim Milk December 2004, 2005, 2006 Comparison

City	December 2004				December 2005				December 2006			
	Whole	Reduced Fat	Lowfat	Skim	Whole	Reduced Fat	Lowfat	Skim	Whole	Reduced Fat	Lowfat	Skim
<i>Weighted Average Prices in Dollars Per Gallon</i>												
Albany	3.04	2.97	2.99	2.91	2.92	2.79	2.80	2.68	2.80	2.69	2.69	2.58
Atlanta	3.12	2.98	2.85	2.96	3.36	3.28	3.19	3.25	3.26	3.19	3.11	3.20
Baltimore	3.22	3.19	3.06	2.99	3.27	3.19	3.08	3.00	3.22	3.14	3.00	3.07
Birmingham	3.34	3.24	3.25	3.24	3.44	3.34	3.30	3.30	3.38	3.21	3.17	3.20
Boston	3.04	3.01	3.06	3.08	3.05	3.00	3.02	3.03	3.04	3.01	3.05	3.04
Buffalo/Rochester	2.90	2.40	2.27	2.20	2.36	2.17	1.98	1.87	2.38	2.20	2.02	1.86
Charlotte	3.58	3.60	3.71	3.67	3.60	3.63	3.72	3.70	3.54	3.59	3.70	3.62
Chicago	2.70	2.55	2.56	2.66	2.93	2.78	2.79	2.82	2.35	2.26	2.23	2.39
Cincinnati	2.48	2.33	2.25	2.23	2.49	2.40	2.42	2.39	2.48	2.40	2.41	2.38
Cleveland	2.76	2.59	2.58	2.55	2.80	2.70	2.72	2.69	2.77	2.64	2.67	2.66
Columbus	2.49	2.47	2.49	2.51	2.70	2.67	2.68	2.69	2.54	2.48	2.41	2.41
Dallas	2.99	2.98	2.97	2.94	3.24	3.22	3.21	3.11	3.12	3.10	3.17	3.03
Denver	3.35	3.21	3.01	2.92	3.51	3.41	3.24	3.03	3.01	2.95	2.97	2.81
Des Moines	3.01	2.75	2.55	2.36	3.04	2.80	2.60	2.47	2.90	2.68	2.55	2.43
Detroit	2.75	2.66	2.66	2.70	2.85	2.77	2.81	2.80	2.68	2.63	2.59	2.62
Grand Rapids	2.52	2.43	2.44	2.44	2.67	2.51	2.72	2.58	2.58	2.45	2.53	2.46
Hartford-New Haven	3.72	3.69	3.72	3.73	3.61	3.65	3.63	3.67	3.58	3.63	3.64	3.74
Houston	3.34	3.20	2.97	2.84	3.35	3.20	3.05	2.85	3.33	3.20	3.18	3.02
Indianapolis	2.55	2.43	2.37	2.38	2.72	2.63	2.59	2.61	2.55	2.46	2.45	2.46
Jacksonville	3.37	3.36	3.34	3.34	3.46	3.47	3.47	3.49	3.43	3.35	3.35	3.35
Kansas City	3.22	2.98	2.88	2.67	3.29	3.08	2.97	2.79	3.11	2.92	2.91	2.69
Las Vegas	2.68	2.44	2.32	2.25	2.92	2.53	2.50	2.48	2.81	2.45	2.41	2.51
Little Rock	3.10	3.01	2.95	2.91	3.13	3.01	2.92	2.89	3.01	2.89	2.87	2.85
Los Angeles	2.83	2.60	2.68	2.27	2.83	2.62	2.74	2.29	2.66	2.45	2.60	2.19
Louisville	2.80	2.67	2.45	2.47	2.89	2.75	2.68	2.65	2.87	2.80	2.65	2.64
Memphis	3.10	2.85	2.57	2.62	3.19	3.04	2.71	2.77	3.03	2.89	2.65	2.70
Miami	3.40	3.42	3.31	3.35	3.58	3.59	3.46	3.54	3.44	3.45	3.31	3.37
Milwaukee	3.27	2.97	2.85	2.75	3.36	3.07	2.97	2.81	2.84	2.55	2.50	2.40
Minneapolis	3.46	3.54	3.49	3.48	3.51	3.46	3.46	3.42	3.45	3.23	3.17	3.08
Nashville	3.26	3.02	2.85	2.91	3.25	3.14	3.04	3.04	3.16	3.04	2.92	2.92
New Orleans-Mobile	3.55	3.51	3.54	3.46	3.62	3.55	3.50	3.58	3.61	3.54	3.50	3.59
New York	3.43	3.23	3.36	3.32	3.42	3.35	3.29	3.27	3.24	3.13	3.18	3.22
Oklahoma City-Tulsa	3.05	2.95	2.83	2.78	3.16	3.03	2.94	2.92	3.02	2.94	2.87	2.86
Omaha	3.04	2.76	2.58	2.39	3.07	2.72	2.57	2.47	2.95	2.66	2.55	2.47
Orlando	3.32	3.32	3.32	3.32	3.51	3.51	3.50	3.50	3.37	3.36	3.35	3.36
Philadelphia	3.28	3.08	2.95	2.84	3.36	3.22	3.10	3.01	3.33	3.19	3.06	3.05
Phoenix	2.30	2.12	2.12	2.08	2.36	2.36	2.35	2.28	2.13	2.12	2.16	2.13
Pittsburgh	3.07	2.89	2.81	2.73	3.09	2.91	2.83	2.83	2.98	2.84	2.78	2.78
Portland	2.78	2.43	2.44	2.38	3.06	2.58	2.56	2.55	2.42	2.21	2.23	2.22
Raleigh-Durham	3.61	3.61	3.66	3.65	3.84	3.82	3.86	3.85	3.83	3.78	3.79	3.75
Richmond- Norfolk	3.53	3.49	3.35	3.27	3.51	3.52	3.41	3.36	3.54	3.53	3.38	3.33
Sacramento	3.00	2.88	3.06	2.31	3.03	2.95	3.03	2.42	2.87	2.81	2.88	2.58
Salt Lake City-Boise	2.34	2.27	2.07	2.13	2.54	2.43	2.31	2.41	2.45	2.30	2.13	2.42
San Antonio	3.38	3.25	2.98	2.87	3.47	3.33	3.19	3.00	3.49	3.36	3.24	3.03
San Diego	2.77	2.53	2.67	2.32	2.85	2.58	2.72	2.24	2.63	2.45	2.56	2.16
San Francisco	3.00	2.78	3.36	2.34	3.11	2.95	3.43	2.48	2.94	2.79	3.33	2.66
Seattle	3.11	2.77	2.74	2.71	3.27	2.88	2.92	2.90	2.63	2.38	2.40	2.46
St Louis	3.00	2.81	2.65	2.59	3.02	2.78	2.62	2.52	2.95	2.81	2.76	2.66
Syracuse	2.88	2.53	2.52	2.51	2.72	2.45	2.39	2.32	2.59	2.36	2.24	2.19
Tampa	3.31	3.31	3.31	3.31	3.52	3.50	3.50	3.52	3.32	3.30	3.31	3.32
Washington DC	3.27	3.13	3.04	2.99	3.30	3.22	3.12	3.06	3.23	3.16	3.07	3.06
West Texas	3.03	2.95	2.83	2.81	3.03	2.98	2.93	2.81	2.95	2.84	2.78	2.66
Total US	3.07	2.93	2.88	2.80	3.14	3.01	2.97	2.88	3.00	2.88	2.85	2.80

Source: AC Nielsen Scantrack Reports on Refrigerated Milk. The average price per gallon represents the weighted averages for specific brands of milk within the specified market. Data includes organic milk. Data subject to revision.





## Average Retail Prices

## Class 1 "Farm" and "Average Retail" Prices for Selected Markets, 2005-2006

Month	Year	Class 1 Farm Price 1/				Average Whole Milk Retail Price Collected by AC Nielsen 2/				
		Southern California	Phoenix	Albuquerque	Amarillo	Los Angeles	San Diego	Las Vegas	Phoenix	Denver
		Dollars Per Gallon								
January	2005	1.61	1.63	1.63	1.64	3.01	2.94	2.85	2.52	3.42
February		1.33	1.39	1.39	1.39	2.87	2.82	2.81	2.52	3.16
March		1.41	1.53	1.53	1.53	2.87	2.79	2.89	2.40	3.30
April		1.38	1.42	1.42	1.42	2.86	2.78	2.90	2.44	3.27
May		1.43	1.47	1.47	1.48	2.89	2.81	2.88	2.52	3.36
June		1.29	1.37	1.37	1.38	2.83	2.76	2.89	2.46	3.24
July		1.33	1.40	1.40	1.40	2.76	2.75	2.85	2.45	3.29
August		1.39	1.44	1.44	1.45	2.80	2.79	2.86	2.44	3.30
September		1.33	1.38	1.38	1.38	2.79	2.78	2.88	2.47	3.35
October		1.36	1.43	1.43	1.43	2.80	2.79	2.88	2.48	3.38
November		1.36	1.45	1.45	1.46	2.82	2.84	2.91	2.51	3.34
December		1.31	1.37	1.37	1.37	2.83	2.84	2.95	2.29	3.24
January	2006	1.27	1.35	1.35	1.36	2.78	2.80	2.90	2.22	3.17
February		1.27	1.35	1.35	1.36	2.75	2.72	2.85	2.33	3.21
March		1.16	1.28	1.28	1.28	2.74	2.72	2.78	2.28	3.03
April		1.10	1.16	1.17	1.17	2.68	2.66	2.76	2.27	2.95
May		1.08	1.14	1.15	1.15	2.57	2.53	2.71	2.24	2.97
June		1.09	1.13	1.13	1.13	2.54	2.49	2.62	2.12	2.85
July		1.09	1.18	1.18	1.18	2.55	2.50	2.58	2.14	2.89
August		1.06	1.15	1.15	1.15	2.52	2.48	2.54	2.11	2.89
September		1.11	1.13	1.13	1.14	2.57	2.53	2.57	2.12	2.89
October		1.19	1.27	1.27	1.27	2.65	2.61	2.73	2.11	2.97
November		1.15	1.27	1.27	1.27	2.64	2.60	2.81	2.09	2.93
December		1.17	1.27	1.27	1.28	2.66	2.63	2.81	2.13	3.01

Month	Year	Class 1 Farm Price 1/				Average Whole Milk Retail Price Collected by AC Nielsen 2/				
		Northern California	Pacific Northwest	Las Vegas	Denver	Sacramento	San Francisco	Salt Lake City/Boise	Portland	Seattle
		Dollars Per Gallon								
January	2005	1.58	1.60	1.55	1.65	3.23	3.26	2.58	2.70	3.33
February		1.31	1.35	1.31	1.41	3.02	3.05	2.78	2.81	2.99
March		1.38	1.49	1.45	1.55	3.05	3.10	2.59	2.82	3.15
April		1.35	1.38	1.34	1.43	3.05	3.06	2.63	2.97	3.14
May		1.41	1.44	1.39	1.49	3.08	3.16	2.70	3.04	3.16
June		1.27	1.33	1.29	1.39	2.98	3.05	2.55	3.04	3.17
July		1.31	1.36	1.32	1.41	2.94	3.03	2.54	3.01	3.12
August		1.36	1.41	1.36	1.46	2.99	3.11	2.51	3.04	3.23
September		1.31	1.34	1.30	1.40	2.97	3.11	2.54	3.09	3.25
October		1.34	1.39	1.35	1.45	2.99	3.13	2.59	3.05	3.14
November		1.33	1.42	1.37	1.47	3.01	3.14	2.57	3.11	3.28
December		1.29	1.33	1.29	1.39	3.04	3.10	2.66	3.08	3.08
January	2006	1.25	1.31	1.27	1.37	2.97	3.01	2.56	2.84	2.97
February		1.24	1.31	1.27	1.37	2.94	3.02	2.48	2.68	2.97
March		1.13	1.24	1.20	1.29	2.90	2.97	2.49	2.50	2.87
April		1.07	1.12	1.08	1.18	2.80	2.89	2.41	2.42	2.92
May		1.06	1.10	1.06	1.16	2.72	2.87	2.36	2.44	2.86
June		1.06	1.09	1.05	1.14	2.72	2.86	2.20	2.42	2.76
July		1.06	1.14	1.10	1.19	2.76	2.87	2.26	2.34	2.85
August		1.03	1.11	1.06	1.16	2.68	2.84	2.21	2.45	2.71
September		1.09	1.10	1.05	1.15	2.76	2.85	2.25	2.47	2.67
October		1.17	1.23	1.19	1.29	2.82	2.92	2.33	2.44	2.66
November		1.12	1.23	1.23	1.23	2.83	2.93	2.40	2.48	2.64
December		1.15	1.23	1.19	1.29	2.87	2.94	2.45	2.42	2.63

1/ Class 1 farm prices depicted are minimum producer f.o.b. plant prices. They do not include either haul, deductions, or any over-order charges such as quality bonuses, service charges, premiums, etc.

2/ The Department has contracted with AC Nielsen to provide the retail price survey data on a monthly basis. Data subject to revision.

Source: Dairy Marketing Class 1 Price Letter – Selected Issues; AC Nielsen Scantrack Reports on Refrigerated Milk; Dairy Market News







# Minimum Class 2 Prices

## Minimum Prices in California for Market Milk Used to Produce Class 2 Products, by Marketing Area, 2002-2006

Year & Month	Northern California			Southern California		
	Fat	SNF	Equivalent	Fat	SNF	Equivalent
	Dollars Per Pound		Per Cwt. <sup>1/</sup>	Dollars Per Pound		Per Cwt. <sup>1/</sup>
2002						
Jan	1.5582	0.8460	12.81	1.5605	0.8718	13.05
Feb	1.4460	0.8143	12.14	1.4483	0.8401	12.38
Mar	1.4460	0.8143	12.14	1.4483	0.8401	12.38
Apr	1.3620	0.7983	11.71	1.3643	0.8241	11.94
May	1.3620	0.7983	11.71	1.3643	0.8241	11.94
Jun	1.2190	0.7993	11.22	1.2213	0.8251	11.45
Jul	1.2190	0.7993	11.22	1.2213	0.8251	11.45
Aug	1.1102	0.7983	10.83	1.1125	0.8241	11.06
Sep	1.1102	0.7983	10.83	1.1125	0.8241	11.06
Oct	1.0431	0.8001	10.61	1.0454	0.8259	10.84
Nov	1.0431	0.8001	10.61	1.0454	0.8259	10.84
Dec	1.1036	0.8068	10.88	1.1059	0.8326	11.11
2003						
Jan	1.1036	0.8068	10.88	1.1059	0.8326	11.11
Feb	1.1950	0.7353	10.58	1.1973	0.7611	10.81
Mar	1.1950	0.7353	10.58	1.1973	0.7611	10.81
Apr	1.1454	0.7031	10.13	1.1477	0.7289	10.36
May	1.1454	0.7031	10.13	1.1477	0.7289	10.36
Jun	1.1542	0.7187	10.29	1.1565	0.7445	10.52
Jul	1.1542	0.7187	10.29	1.1565	0.7445	10.52
Aug	1.2221	0.7199	10.54	1.2244	0.7457	10.77
Sep	1.2221	0.7199	10.54	1.2244	0.7457	10.77
Oct	1.2551	0.7197	10.65	1.2574	0.7455	10.89
Nov	1.2551	0.7197	10.65	1.2574	0.7455	10.89
Dec	1.2755	0.7245	10.77	1.2778	0.7503	11.00
2004						
Jan	1.2755	0.7245	10.77	1.2778	0.7503	11.00
Feb	1.4478	0.7211	11.34	1.4501	0.7469	11.57
Mar	1.4478	0.7211	11.34	1.4501	0.7469	11.57
Apr	2.1171	0.7199	13.67	2.1194	0.7457	13.91
May	2.1171	0.7199	13.67	2.1194	0.7457	13.91
Jun	2.4265	0.7339	14.88	2.4288	0.7597	15.11
Jul	2.4265	0.7339	14.88	2.4288	0.7597	15.11
Aug	2.0646	0.7517	13.77	2.0669	0.7775	14.00
Sep	2.0646	0.7517	13.77	2.0669	0.7775	14.00
Oct	1.8258	0.7619	13.02	1.8281	0.7877	13.25
Nov	1.8258	0.7619	13.02	1.8281	0.7877	13.25
Dec	1.9711	0.7649	13.55	1.9734	0.7907	13.79
2005						
Jan	1.9711	0.7649	13.55	1.9734	0.7907	13.79
Feb	1.8517	0.7904	13.36	1.8540	0.8162	13.59
Mar	1.8517	0.7904	13.36	1.8540	0.8162	13.59
Apr	1.7427	0.8078	13.13	1.7450	0.8336	13.36
May	1.7427	0.8078	13.13	1.7450	0.8336	13.36
Jun	1.5750	0.8210	12.66	1.5773	0.8468	12.89
Jul	1.5750	0.8210	12.66	1.5773	0.8468	12.89
Aug	1.7022	0.8277	13.16	1.7045	0.8535	13.39
Sep	1.7022	0.8277	13.16	1.7045	0.8535	13.39
Oct	1.8485	0.8589	13.94	1.8508	0.8847	14.17
Nov	1.8485	0.8589	13.94	1.8508	0.8847	14.17
Dec	1.6859	0.8855	13.60	1.6882	0.9113	13.84
2006						
Jan	1.6859	0.8855	13.60	1.6882	0.9113	13.84
Feb	1.4548	0.8703	12.66	1.4571	0.8961	12.90
Mar	1.4548	0.8703	12.66	1.4571	0.8961	12.90
Apr	1.2496	0.7761	11.13	1.2519	0.8019	11.36
May	1.2496	0.7761	11.13	1.2519	0.8019	11.36
Jun	1.2235	0.7420	10.74	1.2258	0.7678	10.97
Jul	1.2235	0.7420	10.74	1.2258	0.7678	10.97
Aug	1.2156	0.7258	10.57	1.2179	0.7516	10.80
Sep	1.2156	0.7258	10.57	1.2179	0.7516	10.80
Oct	1.3793	0.7479	11.33	1.3816	0.7737	11.57
Nov	1.3793	0.7479	11.33	1.3816	0.7737	11.57
Dec	1.3925	0.8033	11.86	1.3948	0.8291	12.09

<sup>1/</sup> Calculated on 3.5 percent fat and 8.7 percent solids-not-fat.


**Minimum Class 3 Prices****Minimum Prices in California for Market Milk Used  
to Produce Class 3 Products, by Marketing Area, 2002-2006**

Year & Month	Northern California			Southern California		
	Fat	SNF	Equivalent	Fat	SNF	Equivalent
	<i>Dollars Per Pound</i>		<i>Per Cwt.<sup>1/</sup></i>	<i>Dollars Per Pound</i>		<i>Per Cwt.<sup>1/</sup></i>
<b>2002</b>						
Jan	1.5582	0.8403	12.76	1.5605	0.8403	12.77
Feb	1.4460	0.8086	12.10	1.4483	0.8086	12.10
Mar	1.4460	0.8086	12.10	1.4483	0.8086	12.10
Apr	1.3620	0.7926	11.66	1.3643	0.7926	11.67
May	1.3620	0.7926	11.66	1.3643	0.7926	11.67
Jun	1.2190	0.7936	11.17	1.2213	0.7936	11.18
Jul	1.2190	0.7936	11.17	1.2213	0.7936	11.18
Aug	1.1102	0.7926	10.78	1.1125	0.7926	10.79
Sep	1.1102	0.7926	10.78	1.1125	0.7926	10.79
Oct	1.0431	0.7944	10.56	1.0454	0.7944	10.57
Nov	1.0431	0.7944	10.56	1.0454	0.7944	10.57
Dec	1.1036	0.8011	10.83	1.1059	0.8011	10.84
<b>2003</b>						
Jan	1.1036	0.8011	10.83	1.1059	0.8011	10.84
Feb	1.1950	0.7296	10.53	1.1973	0.7296	10.54
Mar	1.1950	0.7296	10.53	1.1973	0.7296	10.54
Apr	1.1454	0.6974	10.08	1.1477	0.6974	10.08
May	1.1454	0.6974	10.08	1.1477	0.6974	10.08
Jun	1.1542	0.7130	10.24	1.1565	0.7130	10.25
Jul	1.1542	0.7130	10.24	1.1565	0.7130	10.25
Aug	1.2221	0.7142	10.49	1.2244	0.7142	10.50
Sep	1.2221	0.7142	10.49	1.2244	0.7142	10.50
Oct	1.2551	0.7140	10.60	1.2574	0.7140	10.61
Nov	1.2551	0.7140	10.60	1.2574	0.7140	10.61
Dec	1.2755	0.7188	10.72	1.2778	0.7188	10.73
<b>2004</b>						
Jan	1.2755	0.7188	10.72	1.2778	0.7188	10.73
Feb	1.4478	0.7154	11.29	1.4501	0.7154	11.30
Mar	1.4478	0.7154	11.29	1.4501	0.7154	11.30
Apr	2.1171	0.7142	13.62	2.1194	0.7142	13.63
May	2.1171	0.7142	13.62	2.1194	0.7142	13.63
Jun	2.4265	0.7282	14.83	2.4288	0.7282	14.84
Jul	2.4265	0.7282	14.83	2.4288	0.7282	14.84
Aug	2.0646	0.7460	13.72	2.0669	0.7460	13.72
Sep	2.0646	0.7460	13.72	2.0669	0.7460	13.72
Oct	1.8258	0.7562	12.97	1.8281	0.7562	12.98
Nov	1.8258	0.7562	12.97	1.8281	0.7562	12.98
Dec	1.9711	0.7592	13.50	1.9734	0.7592	13.51
<b>2005</b>						
Jan	1.9711	0.7592	13.50	1.9734	0.7592	13.51
Feb	1.8517	0.7847	13.31	1.8540	0.7847	13.32
Mar	1.8517	0.7847	13.31	1.8540	0.7847	13.32
Apr	1.7427	0.8021	13.08	1.7450	0.8021	13.09
May	1.7427	0.8021	13.08	1.7450	0.8021	13.09
Jun	1.5750	0.8153	12.61	1.5773	0.8153	12.61
Jul	1.5750	0.8153	12.61	1.5773	0.8153	12.61
Aug	1.7022	0.8220	13.11	1.7045	0.8220	13.12
Sep	1.7022	0.8220	13.11	1.7045	0.8220	13.12
Oct	1.8485	0.8532	13.89	1.8508	0.8532	13.90
Nov	1.8485	0.8532	13.89	1.8508	0.8532	13.90
Dec	1.6859	0.8798	13.55	1.6882	0.8798	13.56
<b>2006</b>						
Jan	1.6859	0.8798	13.55	1.6882	0.8798	13.56
Feb	1.4548	0.8646	12.61	1.4571	0.8646	12.62
Mar	1.4548	0.8646	12.61	1.4571	0.8646	12.62
Apr	1.2496	0.7704	11.08	1.2519	0.7704	11.08
May	1.2496	0.7704	11.08	1.2519	0.7704	11.08
Jun	1.2235	0.7363	10.69	1.2258	0.7363	10.70
Jul	1.2235	0.7363	10.69	1.2258	0.7363	10.70
Aug	1.2156	0.7201	10.52	1.2179	0.7201	10.53
Sep	1.2156	0.7201	10.52	1.2179	0.7201	10.53
Oct	1.3793	0.7422	11.28	1.3816	0.7422	11.29
Nov	1.3793	0.7422	11.28	1.3816	0.7422	11.29
Dec	1.3925	0.7976	11.81	1.3948	0.7976	11.82

<sup>1/</sup> Calculated on 3.5 percent fat and 8.7 percent solids-not-fat.



# Minimum Class 4a/4b Prices

## Minimum Prices in California for Market Milk Used to Produce Class 4a and 4b Products, by Marketing Area, 2002-2006

Month	Fat	SNF	Equivalent	Fat	SNF	Equivalent
	Class 4a			Class 4b		
	Dollars Per Pound		Per Cwt. <sup>1/</sup>	Dollars Per Pound		Per Cwt. <sup>1/</sup>
<b>2002</b>						
Jan	1.4436	0.7370	11.46	1.4436	0.7314	11.42
Feb	1.3289	0.7347	11.04	1.3289	0.6610	10.40
Mar	1.3211	0.7332	11.00	1.3211	0.6413	10.20
Apr	1.2446	0.7329	10.73	1.2446	0.7164	10.59
May	1.1051	0.7313	10.23	1.1051	0.7311	10.23
Jun	1.0774	0.7312	10.13	1.0774	0.6688	9.59
Jul	1.0548	0.7309	10.05	1.0548	0.5987	8.90
Aug	1.0238	0.7319	9.95	1.0238	0.7016	9.69
Sep	0.9742	0.7338	9.79	0.9742	0.7489	9.93
Oct	1.0508	0.7376	10.10	1.0508	0.7754	10.42
Nov	1.0681	0.7416	10.19	1.0681	0.6016	8.97
Dec	1.1603	0.6914	10.08	1.1603	0.6174	9.43
<b>2003</b>						
Jan	1.1414	0.6447	9.60	1.1414	0.6422	9.58
Feb	1.0801	0.6361	9.31	1.0801	0.6418	9.36
Mar	1.1224	0.6356	9.46	1.1224	0.5643	8.84
Apr	1.1118	0.6521	9.56	1.1118	0.6119	9.21
May	1.1083	0.6508	9.54	1.1083	0.6203	9.28
Jun	1.1342	0.6523	9.64	1.1342	0.6357	9.50
Jul	1.2217	0.6531	9.96	1.2217	0.9561	12.59
Aug	1.2220	0.6516	9.95	1.2220	1.1213	14.03
Sep	1.2000	0.6534	9.88	1.2000	1.1426	14.14
Oct	1.2212	0.6553	9.98	1.2212	1.1415	14.21
Nov	1.2415	0.6593	10.08	1.2415	0.9374	12.50
Dec	1.3565	0.6555	10.45	1.3565	0.7882	11.61
<b>2004</b>						
Jan	1.4509	0.6523	10.75	1.4509	0.6922	11.10
Feb	1.7912	0.6515	11.94	1.7912	0.6285	11.74
Mar	2.3548	0.6538	13.93	2.3548	0.8418	15.57
Apr	2.4480	0.6616	14.32	2.4480	1.3001	19.88
May	2.3167	0.6718	13.95	2.3167	1.2908	19.34
Jun	2.1010	0.6833	13.30	2.1010	1.0338	16.35
Jul	1.9399	0.6856	12.75	1.9399	0.6858	12.76
Aug	1.6774	0.6937	11.91	1.6774	0.9358	14.01
Sep	1.8860	0.6957	12.65	1.8860	0.8543	14.03
Oct	1.8253	0.6976	12.46	1.8253	0.8291	13.60
Nov	2.0287	0.6978	13.17	2.0287	0.9246	15.14
Dec	1.9264	0.7163	12.97	1.9264	0.9479	14.99
<b>2005</b>						
Jan	1.6888	0.7301	12.26	1.6888	0.9729	14.38
Feb	1.7303	0.7365	12.46	1.7303	0.9050	13.93
Mar	1.6669	0.7446	12.31	1.6669	0.9241	13.87
Apr	1.6001	0.7487	12.11	1.6001	1.0048	14.34
May	1.4616	0.7589	11.72	1.4616	0.9512	13.39
Jun	1.5694	0.7528	12.04	1.5694	0.9344	13.62
Jul	1.7468	0.7681	12.80	1.7468	0.9080	14.01
Aug	1.7784	0.7854	13.06	1.7784	0.7775	12.99
Sep	1.8304	0.7980	13.35	1.8304	0.8995	14.23
Oct	1.7498	0.8162	13.23	1.7498	0.8725	13.72
Nov	1.5338	0.8204	12.51	1.5338	0.8417	12.69
Dec	1.4164	0.8223	12.11	1.4164	0.9526	13.25
<b>2006</b>						
Jan	1.4050	0.7839	11.74	1.4050	0.8788	12.56
Feb	1.2296	0.7217	10.58	1.2296	0.7853	11.14
Mar	1.1814	0.6960	10.19	1.1814	0.7307	10.49
Apr	1.1682	0.6843	10.04	1.1682	0.7285	10.43
May	1.1906	0.6653	9.96	1.1906	0.7259	10.48
Jun	1.1824	0.6543	9.83	1.1824	0.7485	10.65
Jul	1.1605	0.6629	9.83	1.1605	0.7143	10.28
Aug	1.3076	0.6809	10.5	1.3076	0.7152	10.80
Sep	1.3769	0.6863	10.79	1.3769	0.8107	11.87
Oct	1.3704	0.7156	11.02	1.3704	0.7592	11.40
Nov	1.3406	0.7624	11.32	1.3406	0.8767	12.32
Dec	1.2996	0.8162	11.65	1.2996	0.8989	12.37

<sup>1/</sup> Calculated based on 3.5 percent fat and 8.7 percent solids-not-fat




# Quota, Base, and Overbase Prices

## Pool Prices for Quota, Base, and Overbase 2002-2006

Year & Month	Quota			Base and Overbase <sup>1/</sup>		
	Fat	SNF	Equivalent	Fat	SNF	Equivalent
	<i>Dollars Per Pound</i>		<i>Per Cwt. <sup>2/</sup></i>	<i>Dollars Per Pound</i>		<i>Per Cwt. <sup>2/</sup></i>
<b>2002</b>						
Jan	1.458	0.928	13.18	1.458	0.733	11.48
Feb	1.361	0.892	12.53	1.361	0.697	10.83
Mar	1.346	0.880	12.37	1.346	0.685	10.67
Apr	1.275	0.913	12.41	1.275	0.718	10.71
May	1.163	0.918	12.06	1.163	0.723	10.36
Jun	1.108	0.887	11.60	1.108	0.692	9.90
Jul	1.093	0.857	11.28	1.093	0.662	9.58
Aug	1.044	0.899	11.48	1.044	0.704	9.78
Sep	1.006	0.926	11.58	1.006	0.731	9.88
Oct	1.047	0.939	11.84	1.047	0.744	10.14
Nov	1.089	0.876	11.44	1.089	0.681	9.74
Dec	1.149	0.857	11.48	1.149	0.662	9.78
<b>2003</b>						
Jan	1.134	0.854	11.40	1.134	0.659	9.70
Feb	1.107	0.831	11.11	1.107	0.636	9.41
Mar	1.134	0.800	10.93	1.134	0.605	9.23
Apr	1.120	0.816	11.02	1.120	0.621	9.32
May	1.121	0.819	11.05	1.121	0.624	9.35
Jun	1.139	0.826	11.17	1.139	0.631	9.47
Jul	1.205	0.977	12.72	1.205	0.782	11.02
Aug	1.224	1.112	13.96	1.224	0.917	12.26
Sep	1.214	1.160	14.34	1.214	0.965	12.64
Oct	1.227	1.167	14.45	1.227	0.972	12.75
Nov	1.247	1.057	13.56	1.247	0.862	11.86
Dec	1.345	0.963	13.09	1.345	0.768	11.39
<b>2004</b>						
Jan	1.426	0.887	12.71	1.426	0.692	11.01
Feb	1.722	0.838	13.32	1.722	0.643	11.62
Mar	2.115	0.923	15.44	2.115	0.728	13.74
Apr	2.375	1.139	18.23	2.375	0.944	16.53
May	2.283	1.230	18.69	2.283	1.035	16.99
Jun	2.164	1.136	17.46	2.164	0.941	15.76
Jul	2.009	0.919	15.03	2.009	0.724	13.33
Aug	1.761	0.985	14.74	1.761	0.790	13.04
Sep	1.904	0.982	15.21	1.904	0.787	13.51
Oct	1.830	0.966	14.81	1.830	0.771	13.11
Nov	2.001	1.004	15.74	2.001	0.809	14.04
Dec	1.924	1.035	15.74	1.924	0.840	14.04
<b>2005</b>						
Jan	1.755	1.076	15.50	1.755	0.881	13.80
Feb	1.753	1.014	14.96	1.753	0.819	13.26
Mar	1.700	1.038	14.98	1.700	0.843	13.28
Apr	1.621	1.078	15.06	1.621	0.883	13.36
May	1.522	1.065	14.60	1.522	0.870	12.90
Jun	1.575	1.039	14.56	1.575	0.844	12.86
Jul	1.711	1.034	14.99	1.711	0.839	13.29
Aug	1.777	0.969	14.65	1.777	0.774	12.95
Sep	1.815	1.024	15.26	1.815	0.829	13.56
Oct	1.774	1.018	15.07	1.774	0.823	13.37
Nov	1.597	1.007	14.35	1.597	0.812	12.65
Dec	1.463	1.067	14.41	1.463	0.872	12.71
<b>2006</b>						
Jan	1.442	1.018	13.91	1.442	0.823	12.21
Feb	1.272	0.953	12.75	1.272	0.758	11.05
Mar	1.226	0.907	12.19	1.226	0.712	10.49
Apr	1.187	0.890	11.90	1.187	0.695	10.20
May	1.207	0.882	11.90	1.207	0.687	10.20
Jun	1.199	0.885	11.90	1.199	0.690	10.20
Jul	1.182	0.870	11.71	1.182	0.675	10.01
Aug	1.292	0.874	12.13	1.292	0.679	10.43
Sep	1.357	0.925	12.80	1.357	0.730	11.10
Oct	1.384	0.922	12.87	1.384	0.727	11.17
Nov	1.355	0.984	13.31	1.355	0.789	11.61
Dec	1.317	1.022	13.50	1.317	0.827	11.80

<sup>1/</sup> Base and Overbase prices have been combined. They have been the same since January 1994.

<sup>2/</sup> Calculated based on 3.5 percent fat and 8.7 percent solids-not-fat.





# Average Prices Paid to Producers

## Average Prices Paid to Producers in California For All Bulk Milk (Grade A and Grade B), By Month, 2001-2006 <sup>1/2/</sup>

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
<i>Dollars Per Hundredweight</i>													
2001	12.03	12.27	13.04	13.76	14.65	15.35	15.25	15.67	16.07	13.84	12.90	12.30	13.93
2002	12.52	11.73	11.47	11.38	10.98	10.42	10.07	10.34	10.48	10.86	10.53	10.61	10.95
2003	10.53	10.15	9.92	9.97	9.95	9.99	11.52	12.77	13.31	13.52	12.80	12.37	11.40
2004	11.94	12.55	14.63	17.29	17.63	16.26	13.85	13.64	14.27	14.01	15.18	15.17	14.70
2005	14.87	14.14	14.03	14.08	13.47	13.38	13.77	13.47	14.32	14.31	13.62	13.68	13.93
2006	13.17	11.86	11.31	10.91	10.73	10.71	10.46	10.92	11.79	11.97	12.47	12.73	11.59

<sup>1/</sup> Prices are F.O.B. plant, at actual test.

## Average Prices Paid to Producers in California For Market Milk (Grade A), By Month, 2001-2006 <sup>1/2/</sup>

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
<i>Dollars Per Hundredweight</i>													
2001	12.03	12.28	13.04	13.76	14.64	15.34	15.25	15.66	16.06	13.85	12.90	12.30	13.93
2002	12.52	11.73	11.47	11.38	10.97	10.43	10.07	10.34	10.48	10.85	10.53	10.60	10.95
2003	10.53	10.15	9.92	9.97	9.95	9.99	11.51	12.76	13.31	13.53	12.80	12.37	11.40
2004	11.94	12.55	14.61	17.26	17.62	16.26	13.86	13.64	14.27	14.00	15.16	15.16	14.69
2005	14.86	14.12	14.01	14.06	13.46	13.35	13.75	13.44	14.29	14.29	13.60	13.65	13.91
2006	13.13	11.83	11.29	10.89	10.72	10.70	10.44	10.90	11.75	11.94	12.44	12.70	11.56

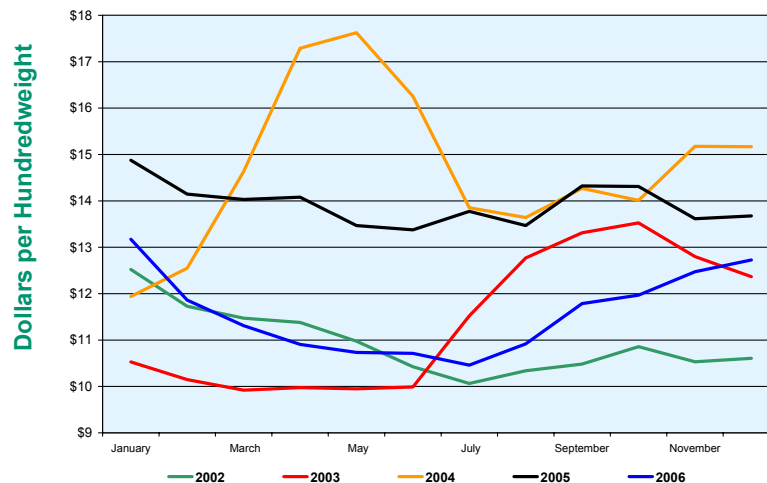
<sup>1/</sup> Prices are F.O.B. plant, at actual test.

## Average Prices Paid to Producers in California For Manufacturing Milk (Grade B), By Month, 2001-2006 <sup>1/2/</sup>

Year	January	February	March	April	May	June	July	August	September	October	November	December	Annual Average
<i>Dollars Per Hundredweight</i>													
2001	11.23	11.42	13.12	13.67	15.31	15.93	15.87	16.51	17.08	13.23	12.26	12.55	14.01
2002	12.88	11.43	11.28	11.38	11.33	10.24	9.80	10.51	10.75	11.46	10.35	10.87	11.02
2003	10.89	10.47	9.80	10.23	10.37	10.29	12.93	13.65	13.95	13.34	12.42	12.18	11.71
2004	11.94	12.57	16.20	19.30	18.10	16.23	13.43	14.04	14.49	14.50	15.97	15.50	15.19
2005	15.52	14.95	14.64	14.94	13.98	14.47	14.67	14.39	15.51	15.25	14.48	14.89	14.81
2006	14.85	13.23	12.28	11.67	11.36	11.46	11.03	11.54	13.15	12.99	13.98	14.02	12.63

<sup>1/</sup> Prices are F.O.B. plant, at actual test.

## Average Prices Paid to Producers, All Bulk Milk, 2002-2006





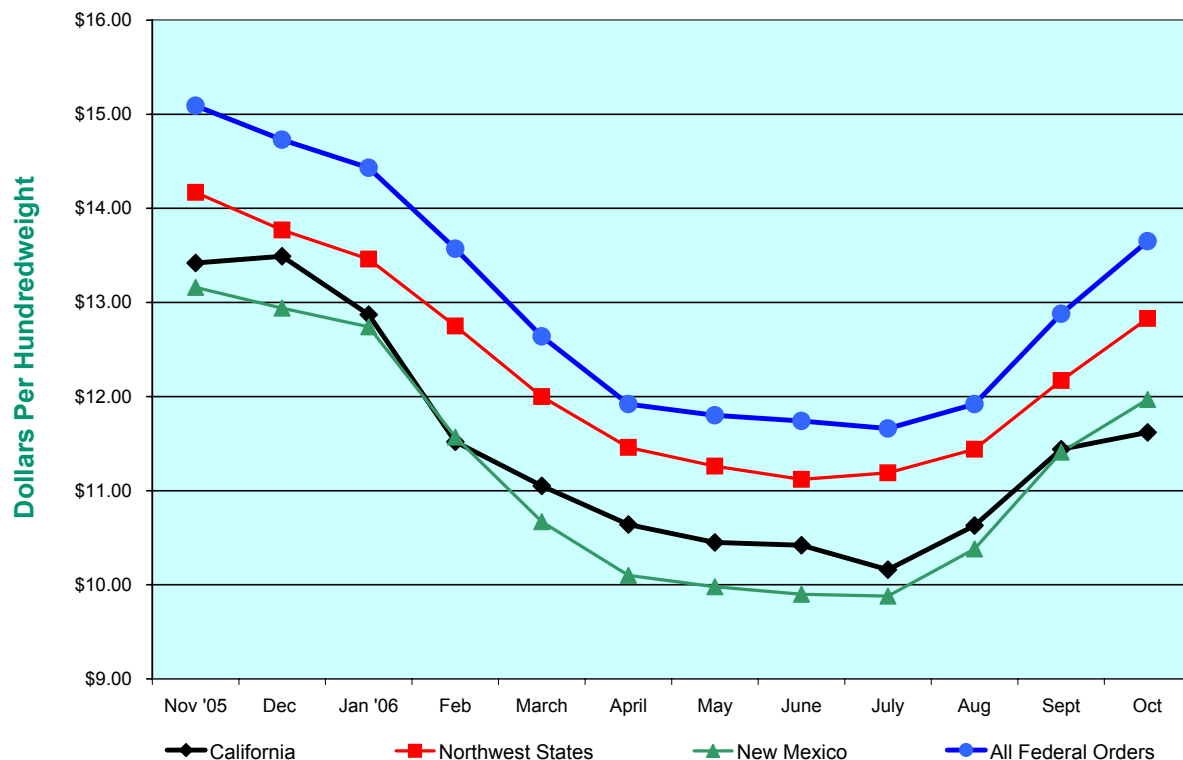


# Mailbox Milk Prices

## Mailbox Milk Prices for Selected Reported Areas in Federal Milk Orders and California, November 2005-October 2006

Reporting Areas	Nov '05	Dec	Jan '06	Feb	March	April	May	June	July	Aug	Sept	Oct
Dollars Per Hundredweight												
California	\$13.42	\$13.49	\$12.87	\$11.52	\$11.05	\$10.64	\$10.45	\$10.42	\$10.16	\$10.63	\$11.44	\$11.62
New England States	\$15.80	\$15.20	\$15.08	\$14.42	\$13.58	\$12.64	\$12.43	\$12.33	\$12.13	\$12.51	\$13.21	\$14.13
New York	\$15.36	\$14.75	\$14.55	\$13.93	\$13.14	\$12.21	\$12.12	\$11.99	\$11.87	\$12.15	\$12.85	\$13.78
Eastern Pennsylvania	\$15.81	\$15.28	\$14.96	\$14.32	\$13.47	\$12.54	\$12.40	\$12.28	\$12.22	\$12.47	\$13.21	\$14.18
Appalachian States	\$15.64	\$14.93	\$14.87	\$14.44	\$13.55	\$12.38	\$12.39	\$12.18	\$12.65	\$12.85	\$13.20	\$14.46
Southeast States	\$16.67	\$16.01	\$15.81	\$15.31	\$14.13	\$13.20	\$13.08	\$13.15	\$13.71	\$13.95	\$14.47	\$15.50
Southern Missouri	\$15.18	\$14.43	\$13.94	\$13.48	\$12.43	\$11.45	\$11.44	\$11.35	\$11.66	\$11.73	\$12.40	\$13.55
Florida	\$18.36	\$17.98	\$17.31	\$16.68	\$15.56	\$14.81	\$14.70	\$14.85	\$15.49	\$15.87	\$16.39	\$17.20
Western Pennsylvania	\$15.53	\$15.02	\$14.88	\$14.08	\$13.09	\$12.27	\$12.04	\$11.92	\$11.72	\$11.92	\$12.83	\$13.71
Ohio	\$15.23	\$14.88	\$14.64	\$13.88	\$12.95	\$12.16	\$12.00	\$11.92	\$11.82	\$12.01	\$12.89	\$13.81
Indiana	\$15.17	\$14.76	\$14.53	\$13.96	\$13.01	\$11.97	\$11.85	\$11.62	\$11.91	\$12.03	\$12.80	\$13.71
Michigan	\$15.12	\$14.70	\$14.48	\$13.56	\$12.60	\$11.78	\$11.62	\$11.54	\$11.48	\$11.68	\$12.52	\$13.32
Wisconsin	\$15.25	\$15.06	\$14.70	\$13.62	\$12.63	\$12.12	\$11.99	\$12.04	\$11.70	\$11.90	\$13.30	\$13.84
Minnesota	\$14.93	\$14.83	\$14.17	\$13.16	\$12.14	\$11.76	\$11.75	\$11.78	\$11.49	\$11.74	\$13.18	\$13.67
Iowa	\$15.21	\$14.88	\$14.43	\$13.47	\$12.52	\$11.85	\$11.85	\$11.81	\$11.59	\$11.82	\$12.93	\$13.68
Illinois	\$15.32	\$15.06	\$14.68	\$13.72	\$12.60	\$11.76	\$11.68	\$11.67	\$11.39	\$11.60	\$12.87	\$13.71
Corn Belt States	\$13.98	\$13.82	\$13.65	\$12.65	\$11.82	\$11.41	\$11.13	\$11.13	\$11.03	\$11.39	\$12.36	\$13.08
Western Texas	\$13.98	\$13.77	\$13.58	\$12.45	\$11.47	\$10.75	\$10.68	\$10.82	\$10.83	\$11.36	\$12.22	\$12.85
New Mexico	\$13.16	\$12.94	\$12.74	\$11.57	\$10.67	\$10.10	\$9.98	\$9.90	\$9.88	\$10.38	\$11.41	\$11.97
Northwest States	\$14.17	\$13.77	\$13.46	\$12.75	\$12.00	\$11.46	\$11.26	\$11.12	\$11.19	\$11.44	\$12.17	\$12.83
All Federal Order Areas	\$15.09	\$14.73	\$14.43	\$13.57	\$12.64	\$11.92	\$11.80	\$11.74	\$11.66	\$11.92	\$12.88	\$13.65

## Mailbox Milk Prices for Selected States and the All Federal Milk Order Prices, November 2005-October 2006



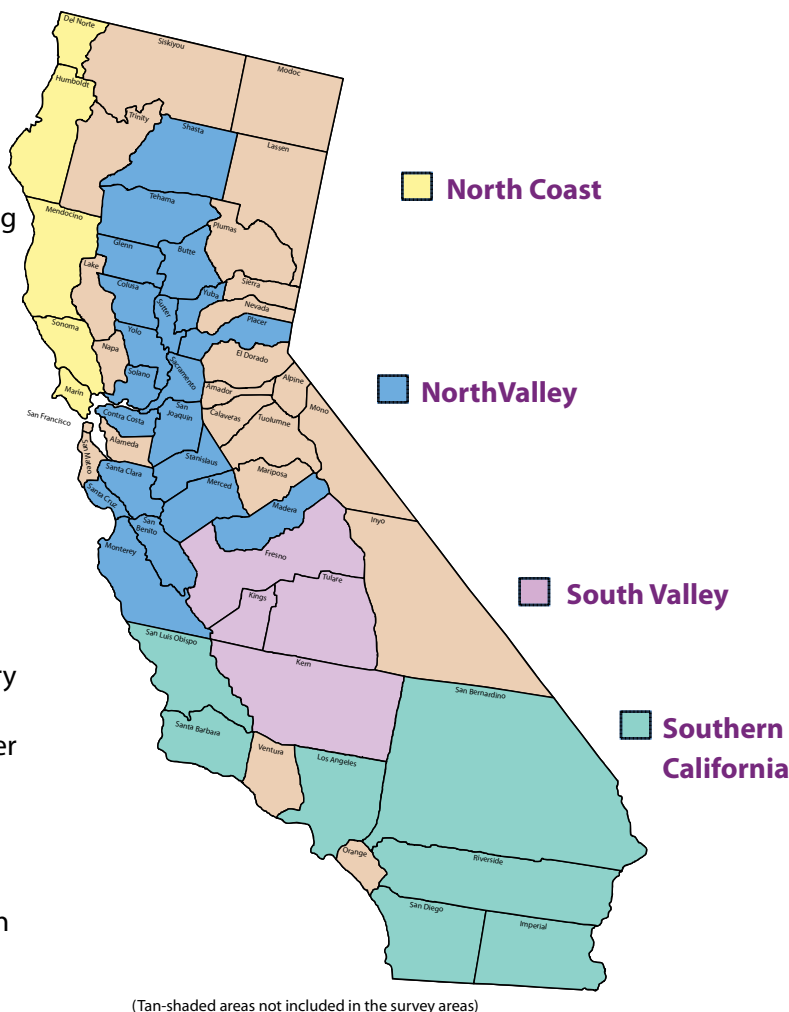


## Production Cost Summary



During the hearing process, the Department considers the cost of producing market milk in establishing minimum prices for the various classes of milk. Since 1955, the Department's Cost of Production Unit has been collecting and summarizing cost data from California dairy farms. The staff reviews dairy farm financial records on-site and works with dairy managers to determine allocations of dairy expenditures to produce milk.

In 2006 the cost of production unit changed their methodology in compiling information from monthly reports to quarterly reports. The new quarterly report provides a more comprehensive overview that is more representative of actual cost of production compared to the previous format. Available data at the time this publication went to press was for the first three quarters of 2006. The first three quarters are available on the Dairy Marketing website: [www.cdffa.ca.gov/dairy](http://www.cdffa.ca.gov/dairy) under dairy publications. In 2006 dairy producers experienced higher cost for fuel that increased by 26 percent comparing third quarter to first quarter. Higher fuel cost has had an impact on everything that is delivered to the dairy whether it is vet supplies or feed commodities. The fourth quarter not finalized will show an increase in grain prices compared to the first three quarters due to the demand for corn by ethanol plants. Overall 2006 will show that the cost of production will have increased with milk prices below the break even point of profitability. For more information on the cost of production in California, see the latest Cost of Production Annual.



(Tan-shaded areas not included in the survey areas)

### Feed: A Look At California's Alfalfa Hay Industry in 2006

For 2006, markets in California, the leading alfalfa hay producing state in the nation, and Nevada, where much of the alfalfa hay is shipped to California were down \$15.00 to \$30.00 per ton compared to 2005. Conversely, in many of the other nine Western States, alfalfa hay prices were steady to \$20.00 per ton higher than last year. Why the divergent trends? Part of this is due to the unprecedented upward surge in alfalfa hay prices in California in 2005 and the downward correction in 2006 as a result of challenging economic times for dairies. Due to drought conditions and growing dairy cow numbers in some of the eleven Western States in 2006, alfalfa hay supplies were tight, particularly supplies of higher quality milk cow hay. This pushed alfalfa hay prices higher in states like New Mexico and Idaho. Many dairies in California reduced the amount of alfalfa hay in rations or substituted with other types of hay. With the dramatic upward surge in grain prices, particularly

feed corn prices that began in 2005, and with uncertainties of irrigation water supplies in some Western States in 2007, growers could plant less than expected alfalfa acres in some areas of the West next year.

Alfalfa hay supplies in the West should be lower going into 2007 and demand could be good as many dairies will be in need of hay. The outlook for alfalfa hay acres and production in the West next year is mixed. Much will depend on irrigation water supplies and the number of acres converted to other crops. California growers, after a disappointing year in 2006 have many crop options for 2007 and may not follow the same year-to-year trend on alfalfa acres and production as some other States in the West. If alfalfa hay production is lower in California next year, alfalfa shipments from out of state may move higher, particularly if fuel prices hold at moderate levels.





# Manufacturing Cost Summary/Processing Plants

**T**

he Department's Manufacturing Cost Unit collects and summarizes data from California dairy manufacturing plants. Any plant that produces Class 4a or Class 4b products may be asked to participate in the cost studies. The butter, nonfat dry milk (NFD), skim whey powder, and Cheddar cheese study participants typically account

for over 97 percent of these respective products manufactured in California. The Department annually reviews the cost of manufacturing milk into butter, NFD, skim whey powder, and Cheddar cheese with other factors. These costs are considered when establishing the manufacturing cost allowances for the minimum pricing formulas during the hearing process. The table below shows

the weighted average manufacturing costs per pound for butter (salted and unsalted), NFD, Cheddar cheese, and skim whey powder. Costs included in this summary are packaging, processing labor, processing non-labor, general and administrative, return on investment and, for butter and Cheddar cheese, miscellaneous ingredients.

## Summary of Weighted Average Manufacturing Costs, Butter, Nonfat Powder, Skim Whey Powder, and Cheddar Cheese

Costs include processing labor, non-labor processing, packaging, other ingredients (for butter and Cheddar cheese only), general and administrative, and return on investments.

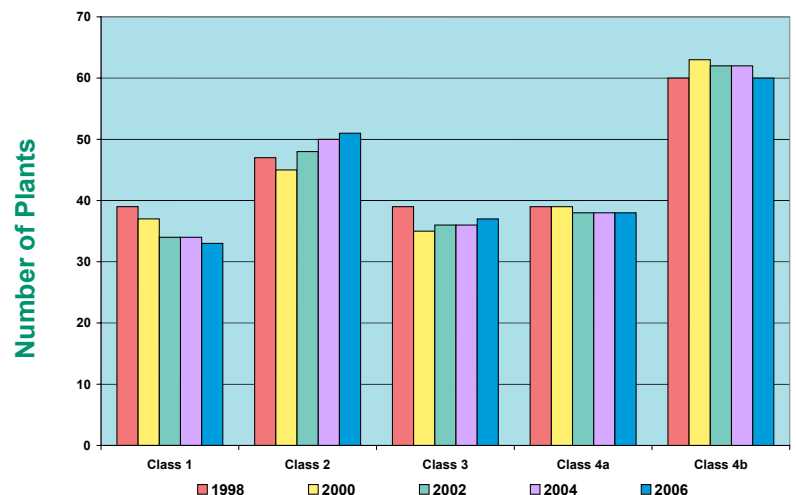
Study Period	Release Date	BUTTER		NONFAT POWDER		CHEDDAR CHEESE		SKIM WHEY POWDER	
		Cost Per Pound	Number of Plants	Cost Per Pound	Number of Plants	Cost Per Pound	Number of Plants	Cost Per Pound	Number of Plants
Study Periods Varied	Feb-00	\$0.0957	8	\$0.1356	10	\$0.1693	9	--	--
July 2000-Dec 2001	Nov-02	\$0.1208	7	\$0.1619	11	\$0.1775	9	--	--
Jan-Dec 2002	Nov-03	\$0.1235	7	\$0.1464	10	\$0.1632	9	--	--
Jan-Dec 2003	Nov-04	\$0.1299	7	\$0.1560	10	\$0.1706	9	\$0.2675	4
Jan-Dec 2004	Nov-05	\$0.1368	8	\$0.1543	10	\$0.1769	7	\$0.2673	3
Jan-Dec 2005	Nov-06	\$0.1408	8	\$0.1659	9	\$0.1914	7	\$0.2851	3

### Notes:

- Since 1996, the Cheddar cheese cost studies have included costs associated with Cheddar cheese plants producing 500-pound barrels and 640-pound blocks. However, costs for packaging labor and packaging expenses were replaced with the average of those costs associated with 40-lb. block plants.
- The cost studies for Skim Whey Powder originated with the study period January-December 2003.

## Categorization of California Milk Processing Plants Based Upon Classification of Processed Products

California milk processing plants are experiencing trends similar to what other dairy processing plants across the U.S. are experiencing: more milk processed at fewer dairy plants. From 1960 to 2006, the number of California processing plants decreased from about 600 to 116. The chart depicts the historical trend for the number of milk processing plants between 1998-2006. Note that the sum of all plants for 2006 exceeds the total of 116 plants because some plants are still multi-class. Interesting that while the pounds of milk produced has steadily increased, the number of plants handling the milk production has decreased.





# Classification of Dairy Products

## PRODUCT DESCRIPTION

## CLASSIFICATION

Acidified Half-and-Half	1
Fluid Milk Products:	
Acidophilus	1
Concentrated	1
Filled	1
Flavored	1
High Nutrient	1
Imitation	1
With Lactobacillus Acidophilus Culture	1
Lactose Reduced	1
Modified	1
Whole, Reduced Fat, Lowfat, Fat Free	1
Half-and-Half	1
Kefir and Fruit Kefir	1
Milk Drink	1
Milk Drink Mix	1
Acidified Buttermilk	2
Acidified Half-and-Half Dressing	2
Buttermilk	2
Clotted Cream	2
Condensed (Sweetened and Unsweetened)	2
Milk	2
Lowfat Milk	2
Fat Free Milk	2
Cottage Cheese:	
Acidified or directly set	2
Creamed	2
Creamed Spread	2
Lowfat	2
Fat free	2
Partially Creamed	2
Uncreamed	2
Cream	
Acidified Cream	2
Coffee Cream	2
Light Cream	2
Table Cream	2
Whipping Cream	2
Cream Dressing (Sour and Acidified Sour)	2
Dry Whey (from Cottage Cheese)	2
Egg Nog (all varieties)	2
Evaporated (Sweetened and Unsweetened):	
Cream	2
Milk	2
Lowfat Milk	2
Fat free Milk	2
Fromage Frais (Lowfat, Fat free)	2
Hoop Cheese	2
Sour Cream and Light Sour Cream	2
Sour Flavored Half-and-Half	2
Sour Half-and-Half Dressing	2
Ultra High Temperature (UHT) and	
Fluid Flavored Milk (Whole, Lowfat, Fat Free)	1
Fluid Milk (Whole, Lowfat, Fat Free)	1
Half-and-Half	1

These products are assigned to Class 2 if packaged in pre-sterilized containers to meet out-of-state requirements and sold outside California.

These products must be assigned to the classification of ultimate usage when utilized in bulk by handlers, but are assigned to Class 4a when sold to consumers.

These products are assigned to Class 4a if sold outside the U.S.

These products are assigned to the classification of ultimate usage when utilized in bulk by handlers, but are assigned to Class 4a when sold to consumers.

These products are assigned to Class 4a if sold outside the U.S.

These products are assigned to Class 2 if sold for use outside California and Class 4a if sold for use outside the 48 contiguous states.





# Classification of Dairy Products, Continued

## PRODUCT DESCRIPTION

## CLASSIFICATION

Cream	2	These products are assigned to Class 4a if sold outside the U.S.
Dairy Spread	2	
Egg Nog	2	
Flavored Cream	2	
Flavored Drink	2	
Lowfat Milk	2	
Milk	2	
Milk Drink Mix	2	
Sour Cream	2	
Sour Flavored Half-and-Half	2	
Ultrasteurized Half-and-Half (Hermetically)	2	These products are assigned to Class 4a if sold outside the U.S.
Whipped Cream (Cream Topping)	2	
Whipped Nonfat Yogurt Topping	2	
Yogurt (Flavored, Lowfat, Fat Free)	2	
Yogurt Drink (Lowfat, Fat Free)	2	
Yogurt Sherbet	2	
Frozen Dairy Dessert (Mix, Lowfat, Fat Free)	3	
Frozen Yogurt (Mix, Lowfat, Nonfat)	3	
Ice Cream and Ice Milk:		
Diabetic	3	
Dietetic	3	
Imitation	3	
Mix	3	
Nonfat	3	
Light Dairy Dessert	3	
Quiescently Frozen Confections	3	
Sherbet	3	
Butter	4a	
Dry Buttermilk	4a	
Nonfat Dry Milk	4a	
Whole Dry Milk	4a	
Cheese:		
Bakers	4b	
Blue	4b	
Brick	4b	
Cheddar	4b	
Colby	4b	
Cream	4b	
Full Skim	4b	
Gorgonzola	4b	
Limburger	4b	
Monterey Jack	4b	
Mozzarella	4b	
Muenster	4b	
Neufchatel	4b	
Parmesan	4b	
Part Skim	4b	
Provolone	4b	
Ricotta	4b	
Romano	4b	
Swiss	4b	
Dry Modified Whey	4b	
Dry Whey (from other Cheese)	4b	



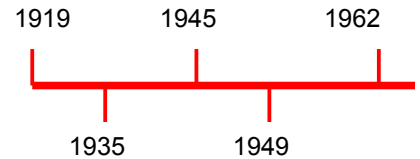




# California Historic Timeline



## CALIFORNIA DAIRY INDUSTRY HISTORIC TIMELINE (As Related to Government)

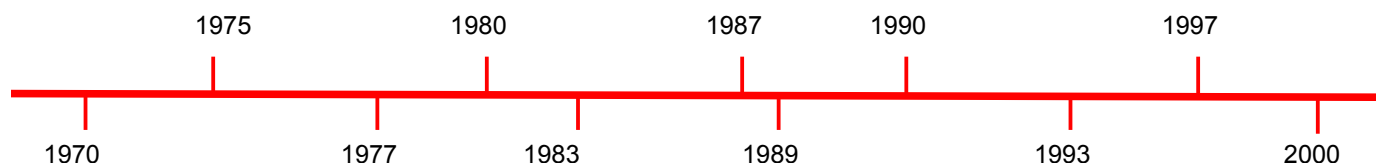


- 1919 California Department of Food and Agriculture established.  
Milk and Dairy Foods Control Branch established.
- 1932 Los Angeles Milk Arbitration Board: State-sponsored voluntary agreement among producers and handlers to set producer and resale prices.
- 1933 Federal license (order) established in Southern California – immediately enjoined by federal courts.
- 1935 Young Act - Establishes minimum producer pricing. Dairy Marketing
- 1937 Desmond Act - Establishes minimum wholesale and retail pricing (repealed 1978).  
Minimum producer prices extended to all classes of milk.
- 1945 Dairy Products Promotion Act - Establishes the Dairy Council of California to foster education and promotional programs.
- 1947 Unfair Practices Act - Regulates unfair dairy business practices.  
Prohibits sales below cost.
- 1949 Federal Price Support for dairy industry established.
- 1955 Major Amendment of Young Act: Basis for pricing changed.
- 1962 AB 2742 - Establishes component pricing for fluid milk products.  
(butterfat, solids-not-fat, and fluid carrier).  
California introduces reduced fat (2-10) milk.
- 1965 Component pricing for manufactured products begins, based solely on finished product prices for butter and nonfat dry milk.
- 1967 Gonsalves Milk Pooling Act - Establishes a statewide pooling of producer revenues, using a system of quota, base and overbase.
- 1969 Gonsalves Milk Pooling Act becomes effective.  
California Milk Advisory Board established.
- 1970 California Manufacturing Milk Advisory Board established.
- 1973 Quality assurance dating was extended to most dairy products.  
Forward pricing for Class 2 and 3 products began.  
Suspension of minimum wholesale pricing began.
- 1974 AB 1570 - Requires cottage cheese, buttermilk, and sour cream dressing be made from market grade milk.
- 1975 Minimum retail prices suspended in Zone 1 of the North-Central Valley area.
- 1977 Minimum retail and wholesale prices suspended in all areas.  
Market Milk Enforcement consolidated with Dairy Marketing.
- 1978 AB 1110 - Desmond Act repealed. All original quota equalized.  
Authority to establish formula pricing. Economic formula to determine Class 1 prices implemented. Established two-month pricing periods.
- 1981 Transportation credits (plant to plant)
- 1982 Transportation allowances (ranch to plant)





## California Historic Timeline



- 1983** Dairy and Tobacco Adjustment Act of 1983 - Dairy Diversion Program: first federal use of supply control in the dairy industry.
- 1984** AB 910 - Milk Pooling statutes revised relative to issuance of new quota. Quota allocated based on Class 1 growth above historic high. Implementation of \$0.15 per hundredweight national promotion assessment.
- 1985** 1985 Farm Bill - Dairy Termination Program
- 1987** SB 29 - Establishes Milk Producers Security Trust Fund.
- 1989** Class 4b prices based on cheese prices began. Two-month pricing for Classes 2 and 3 began.
- 1990** Lowfat (1-11) milk introduced.
- 1991** Fluid milk usage goes below both Class 4a and 4b usage
- 1993** SB 688 - Milk Pooling Statutes revised to temporarily provide a fixed Class 1 price differential of \$1.70, between quota and overbase, from January 1, 1994 to January 1, 1995 (became permanent in 1994), through AB 1285.  
SB 72 - Authorizes dairy product cross-promotion. Yogurt reclassified from Class 1 Class 2 milk product. Quota allocation now based on Class 1 and 2 SNF growth. Cost of Production and consumer purchasing power removed from Class 1 pricing formula. Now formula only uses Commodity Reference Price.  
California Milk Processors Board established.  
California Dairy Advisory Committee established.
- 1996** SB 1885 - Changes accounting for restricted use market milk. Eliminates producer's ability to de-pool their milk on a monthly basis by giving up their Grade A permit (became permanent in 1998), through AB 1058.
- 2000** As a result of changes to both systems, pricing in California and Federal Milk Marketing Orders become much more similar.
- 2002** Introduction of Federal Milk Income Loss Contract (MILC) program to supplement price support system.
- 2003** Major amendment to transportation credits and allowances, including establishing allowances within Southern California.  
Eliminated processor's ability to depool their milk on a monthly basis, effective January 1, 2004
- 2006** Minor amendments to transportation credits and allowances.
- 2006** Amendments to manufacturing cost allowances in the Class 4a/4b pricing formulas.
- 2007** Introduction of a whey factor to the Class 1 pricing formula.





# Contacts for the California Dairy Industry



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Dennis Manderfield, Glenn Yost



# 72

Percentage of calcium in the California food supply coming from dairy products

# 1914

Year the first tanker truck for transporting fluid milk was introduced

Percentage of whole milk that is water

# 88

# 1

California's rank in the U.S. in the production of milk, butter, nonfat dry milk, whey protein concentrate, and Mozzarella cheese

Number of gallons of milk consumed annually by each person living in California

# 25

# 2,205,589,019

Pounds of total cheese produced in California in 2006

# 1856

Discovery of Pasteurization by French scientist Louis Pasteur

# \$11.59

Average dollars per hundredweight paid to California dairy producers for milk produced in 2006

# 6

Number of miles away that cows can smell an object, made possible by their acute sense of smell

Cash receipts (in billions) from farm marketings of dairy products in California 2006

# \$4.5

# 43

Number of slices of pizza consumed every second in California

Percentage of households that purchase milk

# 99

Percentage of milk produced in California used to make cheese

California recorded net loss of 68 dairies in 2006

# 68

# 16

Number of seconds milk must be heated to 162° for pasteurization

# 1904

The year that the first ice cream cone made its debut at the 1904 World's Fair in St. Louis

Year the first cheese plant in the U.S. was established, in Oneida County, New York

# 1851

# 349

Approximate number of squirts from a cows' udder in one gallon of milk

Every 5° degree rise in temperature (above 35-40°) shortens milk shelf-life by 50% because of bacteria growth

# 5







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