

Pool Prices

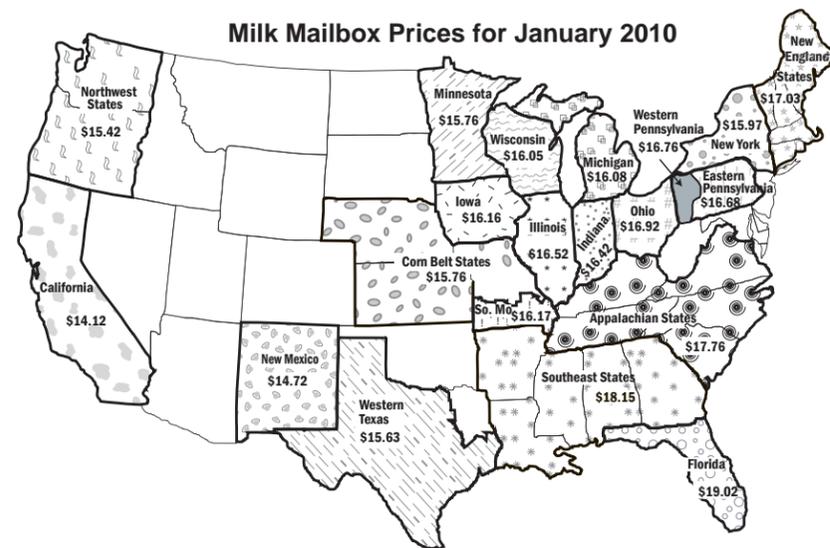
| Month | Quota | Overbase |
|-------------|---------|----------|
| October | \$17.14 | \$15.44 |
| November | \$15.97 | \$14.27 |
| December | \$14.11 | \$12.41 |
| January '09 | \$12.10 | \$10.40 |
| February | \$11.28 | \$ 9.58 |
| March | \$11.54 | \$ 9.84 |
| April | \$11.57 | \$ 9.87 |
| May | \$11.46 | \$ 9.76 |
| June | \$11.32 | \$ 9.62 |
| July | \$11.30 | \$ 9.60 |
| August | \$12.18 | \$10.48 |
| September | \$12.74 | \$11.04 |
| October | \$13.61 | \$11.91 |
| November | \$14.83 | \$13.13 |
| December | \$16.17 | \$14.47 |
| January '10 | \$15.18 | \$13.48 |
| February | \$14.81 | \$13.11 |
| March | \$14.11 | \$12.41 |

Milk Mailbox Prices

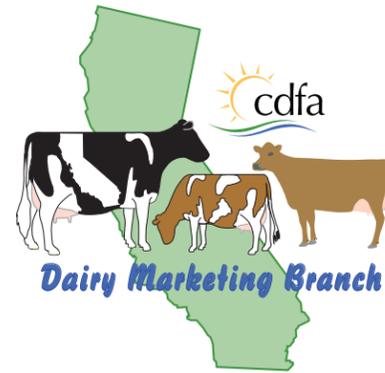
Milk Mailbox Prices in Dollars per Hundredweight

| | July '09 | August | September | October | November | December | January '10 |
|-------------------------|----------|---------|-----------|---------|----------|----------|-------------|
| California ¹ | \$ 9.60 | \$10.51 | \$11.20 | \$12.30 | \$13.78 | \$15.33 | \$14.12 |
| USDA ² | \$11.30 | \$12.04 | \$12.98 | \$14.29 | \$15.37 | \$16.37 | \$16.16 |

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



In January 2010, mailbox milk prices for selected reporting areas in Federal milk orders averaged \$16.16 per cwt., down \$0.21 from the previous month average, but up \$2.39 from January 2009. The component tests of producer milk in January 2010 were: butterfat, 3.76%; protein, 3.11%; and other solids, 5.73%. On an individual reporting area basis, mailbox prices increased in Appalachian States, Southeast States, Southern Missouri, Florida, Western Pennsylvania, Ohio, Indiana, Western Texas, and New Mexico; unchanged in Eastern Pennsylvania and decreased in all other Federal milk order reporting areas. Mailbox prices ranged from \$19.02 in Florida to \$14.72 in New Mexico.



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California Dairy Quality Assurance Program Launches Workshops

The California Dairy Quality Assurance Program (CDQAP) has launched a series of workshops available to all dairy producers designed to assist in the preparation for the national animal care and well-being program. This National Farmers Assuring Responsible Management (FARM) Program has been endorsed by Dairy Cares and California dairy producers are among the first in the nation to adopt the effort.

(CDQAP will conduct the educational workshops that are informational in nature and will address how the FARM program works, how to best prepare for an on-farm evaluation, and what to expect during an evaluation. There are two sets of workshops, the first set of workshops will cover an introduction and overview

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PLEASE NOTE:

The California Dairy Review is a publication designed for California dairy producers in order to provide information and data relevant to California milk production. The interest and popularity of this publication has increased the monthly mailings to well over the 1,750 California producers. The increasing cost of paper, printing and mail service for this monthly publication is financed by the monthly assessments that California dairy farmers and dairy processors pay. In an effort to reduce these costs to publish & mail this information, effective July 1, 2010, we will make the information available to the public only via the Branch's website at: http://www.cdfa.ca.gov/dairy/ca_dairyrev_newsletter.html

We will continue to mail a hard copy to the California producers and California processors whom still prefer and absolutely need a hard copy of the California Dairy Review. We ask that you simply contact us by phone (916 341- 5988), email (dairy@cdfa.ca.gov), or mail (1220 N Street, Sacramento, CA 95814) and let us know of your desire for the hard copy. Prior to making this request, we ask that you carefully consider your need for a hard copy and the fact that everyone will be able to access the information via our website. **If you would like an email notice of when the newsletter is posted to the website, please let us know.**

We appreciate your assistance in helping us provide the information in the most cost effective manner possible. If you have any questions regarding this change please contact Karen or Lu at (916) 341-5988.



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

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



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Minimum Class Prices

California Hundredweight Prices

| Class | March | April | May |
|--------------|---------|---------|---------|
| 1 No. Calif. | \$16.44 | \$14.37 | \$15.37 |
| So. Calif. | \$16.71 | \$14.64 | \$15.64 |
| 2 No. Calif. | \$14.88 | \$13.16 | \$13.16 |
| So. Calif. | \$15.12 | \$13.40 | \$13.40 |
| 3 | \$14.83 | \$13.11 | \$13.11 |
| 4a | \$12.84 | N/A | N/A |
| 4b | \$11.13 | N/A | N/A |

Federal Order and California Minimum Class 1 Prices

Hundredweight Prices

| Regions | March | April | May |
|---------------------|---------|---------|---------|
| Phoenix, Arizona | \$16.69 | \$15.57 | N/A |
| Southern California | \$16.71 | \$14.64 | \$15.64 |
| Portland, Oregon | \$16.24 | \$15.12 | N/A |
| Northern California | \$16.44 | \$14.37 | \$15.37 |
| Boston (Northeast) | \$17.59 | \$16.47 | N/A |

Quota Transfer Summary

| Quota Transfers | Feb. | Mar. | Apr. |
|--------------------------------------|-------|-------|-------|
| Number of Sellers | 1 | 1 | 3 |
| Pounds of SNF Quota Transferred | 150 | 291 | 3,093 |
| Average Price Per Pound of SNF Quota | \$400 | \$400 | \$415 |

Weekly Average Commodity Prices

| Week Ending | Chicago Mercantile Exchange | | California Manufacturing Plants | Dairy Market News |
|--------------------------|-----------------------------|----------------------|---------------------------------|-------------------|
| | Grade AA Butter | Block Cheddar Cheese | Nonfat Dry Milk | Western Dry Whey |
| <i>Dollars per Pound</i> | | | | |
| 3/12 | \$1.4710 | \$1.2745 | \$1.0196 | \$0.4038 |
| 3/19 | \$1.4560 | \$1.2680 | \$1.0298 | \$0.4038 |
| 3/26 | \$1.4800 | \$1.2870 | \$1.0310 | \$0.4000 |
| 4/2 | \$1.4919 | \$1.3813 | \$1.0501 | \$0.4000 |
| 4/9 | \$1.4970 | \$1.4875 | \$1.0704 | \$0.4000 |
| 4/16 | \$1.5370 | \$1.4295 | \$1.1112 | \$0.4000 |
| 4/23 | \$1.5700 | \$1.3705 | N/A | \$0.4000 |

Dairy Cow Culling Activity (Weekly)

| Week Ending | Region 9 ¹ Dairy Cows | U.S. Dairy Cows | West Region ² Price Range |
|-------------|----------------------------------|-----------------|--------------------------------------|
| | <i>Head</i> | | <i>\$/cwt.</i> |
| 02/19/10 | 18,500 | 20,800 | \$39-\$49 |
| 02/26/10 | 17,400 | 19,900 | \$50-\$52 |
| 03/05/10 | 18,700 | 21,100 | \$46-\$54 |
| 03/12/10 | 18,300 | 20,900 | \$47-\$54 |
| 03/19/10 | 18,800 | 21,100 | \$48-\$56 |
| 03/26/10 | 16,900 | 19,200 | \$48-\$54 |
| 04/02/10 | 16,600 | 18,700 | \$51-\$55 |
| 04/09/10 | 17,100 | 19,700 | \$48-\$54 |

¹ Region 9 includes AZ, CA, HI and NV

² West region includes AZ, NV, UT, CA, ID, OR and WA

Source: USDA Market News: Report LM_CT168 and ML_LS795

National Dairy Situation and Outlook – USDA Estimates

Milk Production

Monthly: Compared to 2009, USDA estimates overall milk production across the U.S. was up by 0.6% in March 2010. USDA reports that California milk production was down 0.7% (on 63,000 less cows and 55 more pounds per cow), compared to March 2009. Among other western states, Arizona was down 7.0%; New Mexico was down 3.8%; and Washington was up 7.9%. Three of the top 10 states reported a production decrease. The largest increase was reported by Washington State at 7.9% growth in milk production (on 10,000 more cows and 70 more pounds per cow).

Quarterly: For the first quarter of 2010 compared to the fourth quarter of 2009, U.S. milk cow numbers dropped to 9.085 million, milk production per cow increased to 5,200 pounds; the net effect was increased milk production to 47.2 billion pounds. USDA projects that for the second quarter of 2010 compared to the first quarter of 2010, U.S. milk cow numbers will decrease to 9.075 million cows, production per cow will increase to 5,385 pounds; the net effect would be increased milk production to 48.9 billion pounds.

Milk Prices

Comparing the first quarter of 2010 to the fourth quarter of 2009, U.S. average milk prices increased to \$15.70/cwt. USDA projects that for the second quarter of 2010, U.S. average all-milk prices will be \$14.65-15.05/cwt.; Class 4b prices will be \$13.52-13.92/cwt.; and Class 4a prices will be \$13.30-13.80/cwt.

Utility Cow Prices

Comparing the first quarter of 2010 to the fourth quarter of 2009, average U.S. utility cow prices were up \$8.14/cwt. to a national average of \$52.57/cwt. USDA projects that utility cow prices will average \$51-55/cwt. in the second quarter of 2010.

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

Animal Care - Continued from Page 1

of the Dairy FARM Program, and the second set of workshops, "Performance Monitoring of Animal Well-Being" will cover scoring cattle for locomotion, hocks, body condition and hygiene.

The workshops are free of charge and are offered on a first-come, first-served basis. Reservations are not required. The following are the scheduled workshops for late April and May, 2010.

WORKSHOP SCHEDULE

Workshop #1 - Introduction to Dairy FARM Program

Glenn County • Monday, April 26, 9:00am-12:00pm
County Farm Bureau, 831 Fifth Street, Orland

Stanislaus County • Tuesday, April 27, 9:00am-12:00pm
County Ag Center, 3800 Cornucopia, Modesto

Workshop #2 - Performance Monitoring of Animal Well-Being

Fresno County • Wednesday, May 5, 1:00pm-4:00pm
Memorial Hall, 3085 W Mt Whitney, Riverdale

Tulare County • Thursday, May 6, 9:00am-12:00pm
County Ag Center, 4437 Laspina Street, Tulare

Stanislaus County • Monday, May 10, 9:00am-12:00pm
County Ag Center, 3800 Cornucopia, Modesto

Glenn County • Wednesday, May 12, 9:00am-12:00pm
County Farm Bureau, 831 Fifth Street, Orland

March Milk Production in the Top 23 States (% Change from 2009)

March Milk Production

USDA estimates U.S. milk production for March 2010 in the top 23 milk producing states at 15.4 billion pounds, up 0.9 percent from March 2009. Production per cow in the top 23 milk producing states averaged 1,846 pounds for March, 51 pounds above March 2009.

For the U.S. overall, comparing March 2010 to March 2009:

- The number of cows on farms was 9.090 million head, down 193,000 head
- Production per cow averaged 1,824 pounds, 48 pounds more than March 2009
- Nine of the top twenty-three milk producing states showed a decrease in milk production

