



December 16, 2009

TO ALL INTERESTED PARTIES:

Having carefully weighed the contents of the hearing records from the November 9, 2009 milk pricing hearing, the Department has decided to amend the Class 1, 2, 3, 4a and 4b pricing formulas on a temporary basis for the period January 1, 2010 to March 31, 2010 by:

- Increasing the Class 1 price approximately \$0.35/cwt. by adding:
 - \$0.0035 per pound to the milk fat price.
 - \$0.0298 per pound to the milk solids-not-fat price.
 - \$0.0009 per pound to the milk fluid carrier price.
- Increasing the Class 2 and 3 prices approximately \$0.25/cwt. by adding:
 - \$0.0205 per pound to both the milk fat and milk solids-not-fat prices.
- Increasing the Class 4a and 4b prices approximately \$0.10/cwt. by adding:
 - \$0.0082 per pound to both the milk fat and milk solids-not-fat prices.

The effect of these changes will, on average, increase the monthly pool prices for the three months by approximately \$0.155/cwt.

The temporary changes to the Class 1, 2, 3, 4a and 4b pricing formulas will be reflected in the amendments to the Stabilization and Marketing Plans for Market Milk for the Northern California and Southern California Marketing Areas (Stab Plans), Order Numbers 54 and 69, respectively. The adjustments to the Stab Plans will take effect for milk delivered to processing plants on or after January 1, 2010.

The Hearing Determinations, Panel Report, Stab Plans and more detailed explanation of the Department's decision can be obtained on the Dairy Marketing home page at www.cdfa.ca.gov/dairy by clicking on [Hearing Matrix]. To access the Stab Plans, click on [Dairy Marketing], located in the middle of the dairy home page and then on [Stabilization Plans].





CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

A. G. Kawamura, Secretary

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Should you have any questions or desire further information, please contact Annie AcMoody or Hyrum Eastman at (916) 341-5988.

Media contacts and publication staff are asked to contact the Department's Public Affairs Office by e-mail at officeofpublicaffairs@cdfa.ca.gov or by phone at (916) 654-0462.

Sincerely,

Original signed by

David K. Ikari, Chief
Dairy Marketing Branch

