



June 10, 2010

RE: ANNOUNCEMENT OF MINIMUM PRICES FOR CLASS 1 MARKET MILK

TO ALL INTERESTED PARTIES:

On the reverse side of this page are the minimum prices for Class 1 market milk for July 2010. All prices are f.o.b. milk processing plant. As provided in the Stabilization and Marketing Plans for Market Milk (Plans), milk handlers shall pay producers the minimum prices for market milk components sold or used for all Class 1 purposes as specified on the reverse side of this page.

If market milk components are purchased f.o.b. producer's dairy location, haul deductions may be made as provided in the Plans.

Equivalent hundredweight prices shown in the right-hand column are based upon milk that is 3.5% fat and 8.7% solids-not-fat (SNF). These classified minimum prices that processors must pay for milk received from producers are calculated based upon mathematical formulas. The formulas are established and amended as needed through a public hearing process. These formulas include commercial prices for manufactured dairy products (butter, Cheddar cheese, Western dry whey and nonfat dry milk). These commercial prices are also listed on the reverse side of this page.

You can access class price information over the Internet on the Department's dairy homepage at <http://www.cdfa.ca.gov/dairy>. From the main menu, select the [Dairy Prices] link and then the [Minimum Class Price Letters] link. Once there, be sure to make a bookmark for future reference. Current class price information is also available on a recorded message. Please call (800) 503-3490 to hear the recording. If you are calling from Sacramento, or from outside of California, please call (916) 442-MILK.

For more information, please contact us at the telephone number or e-mail address below.

Sincerely,

(Original signed by Candace Gates for)

David K. Ikari, Chief
Dairy Marketing Branch

Please note:

The Minimum Class Price Announcements are available on our website at: http://www.cdfa.ca.gov/dairy/min_priceletters_main.html and available on our Toll-Free Milk Information Phone Line at: 916-442-MILK or 800-503-3490.

This is the last and final issuance of the Minimum Class Price Letter for Class 1 Market Milk that will be printed and mailed in hard copy format. The publication is posted to our website and the prices are put on the toll-free phone line on the same day the price is announced, much timelier than mail delivery.

We appreciate your cooperation. If you have any questions please contact Karen or Lu at (916) 341-5988 or via email at: dairy@cdfa.ca.gov.



**MINIMUM PRICES FOR CLASS 1 MARKET MILK
F.O.B. PROCESSING PLANT**

Released: June 10, 2010

CLASS 1: For July 2010	LB. FAT	LB. SNF	LB. FLUID	EQUIVALENT PER CWT.
Northern California	\$1.7275	\$0.9930	\$0.0280	\$17.14
Southern California	\$1.7275	\$0.9930	\$0.0311	\$17.42
Statewide Average CWT Price:				
Based Upon Production				\$17.17
Based Upon Utilization				\$17.30

COMMODITY MARKET PRICES:	\$ PER LB.
Chicago Mercantile Exchange Grade AA Butter - Daily Simple Average (May 26th to June 10th)	\$1.5711
Chicago Mercantile Exchange Block Cheddar Cheese - Daily Simple Average (May 26th to June 10th)	\$1.4186
California Extra Grade & Grade A Nonfat Dry Milk - Weighted Average (For Weeks Ending May 28th and June 4th)	\$1.2792
Western Dry Whey (Mostly) - Simple Average (For Weeks Ending May 28th and June 4th)	\$0.3950

COMMODITY REFERENCE PRICE FOR JULY CLASS 1 PRICING: \$17.6164

The August 2010 Class 1 price letter is tentatively scheduled to be released on July 9, 2010. If the statewide furloughs were to extend beyond the June 30, 2010 expiration date, then the price letter will be released on Monday, July 12, 2010.

The August 2010 Class 1 prices will be announced no later than 4:00 p.m. on July 9, 2010.
The August and September 2010 Class 2 and 3 prices will be announced no later than 4:00 p.m. on August 2, 2010.
The June 2010 Class 4a and 4b prices will be announced no later than 4:00 p.m. on July 1, 2010.