Background Materials for the Class 4b Hearing

In Preparation for the June 3, 2015 Hearing

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Summary Analysis of Estimated Impacts of the
Alternative Proposals on California Class and Pool Prices

Alternative Proposals Received from
California Dairy Campaign (CDC)/Milk Producers Council (MPC)/Western United Dairymen (WUD)
and Dairy Institute (Institute)
In Preparation for the June 3, 2015 Hearing

Using historic commodity prices, estimates assume that the alternative proposals and current formulas were in effect from April 2010 through March 2015.

- Table 1 shows the impacts of the alternative proposals on class and pool prices relative to current prices, from April 2010 through March 2015.

Table 1 - Estimates of Proposals less Current Class 4b and Pool Prices
12-Month Averages: April-March and 5-Year Averages: April 2010 - March 2015
(Dollars per Hundredweight)

CLASS 4b PRICES	**2010-11**	**2011-12**	**2012-13**	**2013-14**	**2014-15**	**5-Year Average**
CDC/MPC/WUD	$0.76	$1.69	$1.51	$1.64	$1.68	$1.46
Institute	$0.20	$0.55	$0.37	$0.51	$0.42	$0.41
POOL PRICES: QUOTA & OVERBASE						
CDC/MPC/WUD	$0.33	$0.76	$0.69	$0.76	$0.80	$0.67
Institute	$0.09	$0.25	$0.17	$0.24	$0.20	$0.19

Please Note: Historic Prices are not necessarily a good predictor of future prices.

Estimated Impact on the Relationship between the California Class 4b Price and Federal Order Class III Price

- Table 2 shows the estimated impact on the relationship between the California Class 4b price and the Federal Order Class III price from April 2010 through March 2015, using historical commodity prices and assuming that the current and alternative formulas had been in effect for that period.
  - **Please note: plants in federal orders can avoid the minimum Class III price by depooling; plants in California are always subject to the minimum Class 4b price.**

Table 2 - Estimates of Relationship Between California Class 4b and Federal Class III Prices
12-Month Averages: April-March and 5-Year Averages: April 2010 - March 2015
(Dollars per Hundredweight)

California Class 4b less Federal Class III	2010-11	2011-12	2012-13	2013-14	2014-15	5-Year Average
Current	-$0.94	-$2.10	-$1.82	-$1.58	-$2.57	-$1.80
CDC/MPC/WUD	-$0.17	-$0.41	-$0.30	$0.07	-$0.89	-$0.34
Institute	-$0.74	-$1.55	-$1.45	-$1.06	-$2.15	-$1.39

Frequency of Occurrence of the Whey Factor Value Floor and Ceiling in the Current Formula and the Alternative Proposals

Table 3 - Months in which the Whey Factor reached its minimum or maximum value for the current and proposed sliding scales during the 60-Month period, April 2010 to March 2015

	Minimum Whey Value		Maximum Whey Value	
Scale	Number of Months	Percent of Months	Number of Months	Percent of Months
Current	**0**	0%	**19**	32%
CDC/MPC/WUD	0	0%	0	0%
Institute	0	0%	28	47%

PRODUCTION OF CHEESE, WHEY PROTEIN CONCENTRATE AND DRY WHEY
California and the U.S., Annual Totals, 2001 to 2014 [1]

YEAR	PRODUCTION ALL CHEESE U.S. (lb)	PRODUCTION ALL CHEESE CA (lb)	PRODUCTION ALL CHEESE CA (%)	PRODUCTION WHEY PROTEIN CONCENTRATE FOR HUMANS (25.0-89.9%) U.S. (lb)	PRODUCTION WHEY PROTEIN CONCENTRATE FOR HUMANS (25.0-89.9%) CA (lb)	PRODUCTION WHEY PROTEIN CONCENTRATE FOR HUMANS (25.0-89.9%) CA (%)	PRODUCTION DRY WHEY FOR HUMANS U.S. (lb)	PRODUCTION DRY WHEY FOR HUMANS CA (lb)	PRODUCTION DRY WHEY FOR HUMANS CA (%)
2001	8,129,094,000	1,643,333,996	20%	275,112,000	93,813,009	34%	978,853,000	130,550,306	13%
2002	8,547,267,000	1,723,262,272	20%	274,180,000	102,589,785	37%	1,040,977,000	150,879,484	14%
2003	8,597,976,000	1,831,679,444	21%	305,558,000	116,995,716	38%	992,480,000	123,977,598	12%
2004	8,848,786,000	1,992,818,341	23%	299,189,000	118,615,615	40%	948,915,000	118,329,083	12%
2005	9,149,322,000	2,136,698,734	23%	343,462,000	122,196,081	36%	958,586,000	119,216,266	12%
2006	9,534,331,000	2,207,739,773	23%	378,618,000	140,281,615	37%	1,049,139,000	107,062,816	10%
2007	9,776,785,000	2,287,250,312	23%	357,376,000	125,974,061	35%	1,072,553,000	89,510,745	8%
2008	9,912,828,000	2,113,238,203	21%	404,352,000	128,010,404	32%	1,024,252,000	[2]	
2009	10,074,199,000	2,057,518,336	20%	375,336,000	105,341,249	28%	950,654,000	[2]	
2010	10,443,397,000	2,197,903,067	21%	393,251,000	108,238,405	28%	960,680,000	[2]	
2011	10,595,006,000	2,245,906,027	21%	398,862,000	110,200,593	28%	950,863,000	[2]	
2012	10,886,241,000	2,247,142,022	21%	430,844,000	123,253,792	29%	946,011,000	[2]	
2013	11,101,669,000	2,313,528,655	21%	488,549,000	149,087,159	31%	916,067,000	[2]	
2014	11,450,117,000	2,444,741,568	21%	531,116,000	160,761,001	30%	856,003,000	[2]	
13 Year Avg. Change	*2.7%*	*3.1%*		*5.2%*	*4.2%*		*-1.0%*		

[1] All California data are from CDFA and all U.S. data are from USDA-AMS

[2] Data not released due to confidentiality rules.

All data subject to revision.

California Dry Products Production
For the Years 2007-2014
(In Pounds of Product)

Year	Dry Whey (Human)	Dry Whey (Animal)	WPC (Human) 0-100.0% Protein (Includes Isolates)	WPC (Animal) 0-100% Protein	Lactose Powder (Human & Animal)
2007	89,510,745	11,791,328	130,155,473	2,271,428	228,430,659
2008	*	*	135,138,434	2,717,660	224,078,941
2009	*	*	111,928,117	3,203,074	212,059,287
2010	*	*	116,063,378	2,294,573	297,596,018
2011	*	*	119,609,687	1,861,534	330,823,642
2012	*	*	134,275,292	855,373	339,203,035
2013	*	*	160,569,527	884,017	345,914,387
2014	*	*	173,334,069	1,701,713	359,546,929

* Data cannot be published due to confidentiality rules.
All data subject to revision.

POUNDS OF MILK PROCESSED INTO CHEESE[1]

Milk Pooling Data Sorted by Plant Size; Averages for January, February and March 2015

	Average Monthly Pounds From (1000 lbs)	to (1000 lbs)	# of Plants	# of Plants that Process Whey [3]	Average Monthly Pounds by Group [2] (lb)	Average Monthly Pounds per Plant [2] (lb)	% of Total Production by Group
Group 1	0	100	17	0	561,232	33,014	0.0%
Group 2	100	500	8	0	2,472,313	309,039	0.2%
Group 3	500	1,000	5	0	3,926,890	785,378	0.2%
Group 4	1,000	5,000	6	0	10,692,754	1,782,126	0.7%
Group 5	5,000	10,000	4	1	31,314,275	7,828,569	2.0%
Group 6	10,000	25,000	3	1	65,228,058	21,742,686	4.1%
Group 7	25,000	50,000	6	4	186,514,833	31,085,806	11.8%
Group 8	50,000	100,000	5	4	387,403,495	77,480,699	24.6%
Group 9	Over 100,000		3	3	889,873,590	296,624,530	56.4%
		Total	**57**	**13**	**1,577,987,440**	**27,683,990**	**100.0%**

[1] This is on a milk equivalent basis. These figures are pounds of milk, not separated by components, for plants with reported cheese production.

[2] Monthly average for the three months of January, February and March 2015.

[3] Plants that manufactured at least one of the following whey products during the first three months of 2015: Dry Whey (Animal/Human), WPC 25%-90% (Animal/Human), Whey Protein Isolate, Deproteinized Whey, Delactose Permeate Whey, and Concentrated Whey (Animal/Human).

Commodity Prices Used in California Class 4a/4b and Federal Class III/IV Formulas

		BUTTER PRICES				NFDM PRICES				CHEESE PRICES			
		USDA AMS BUTTER	USDA AMS BUTTER	CME BUTTER GRADE AA	CME BUTTER GRADE AA	USDA AMS NFDM	USDA AMS NFDM	CALIFORNIA PLANTS NFDM	CALIFORNIA PLANTS NFDM	USDA AMS 40# & BARREL 38% CHEDDAR	USDA AMS 40# & BARREL 38% CHEDDAR	CME BLOCK 40# CHEDDAR	CME BLOCK 40# CHEDDAR
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)
2007	January	1.1991	1.1905	1.2153	1.2015	1.0677	1.0461	1.0266	0.9993	1.3366	1.3279	1.3161	1.3330
	February	1.2129	1.2148	1.2250	1.2357	1.1021	1.0960	1.0702	1.0472	1.3454	1.3529	1.3376	1.3418
	March	1.2676	1.2782	1.3048	1.2948	1.1902	1.1655	1.1353	1.1078	1.3732	1.3656	1.3715	1.3663
	April	1.3416	1.3193	1.3580	1.3368	1.4354	1.3692	1.2574	1.2023	1.4296	1.4177	1.4381	1.4132
	May	1.4290	1.4090	1.4657	1.4359	1.6670	1.6024	1.3753	1.3448	1.5946	1.5333	1.6835	1.6393
	June	1.4916	1.5125	1.5088	1.5389	1.9012	1.9084	1.4727	1.4203	1.8505	1.8555	1.9824	1.9178
	July	1.4627	1.4544	1.4871	1.4800	2.0180	2.0358	1.8065	1.5936	2.0002	2.0188	1.9427	1.9788
	August	1.4429	1.4854	1.4618	1.5013	2.0545	2.0383	1.9753	1.9327	1.9100	1.9014	1.9242	1.8960
	September	1.3786	1.3876	1.3996	1.4250	2.0557	2.0494	2.0533	2.0528	2.0250	2.0214	2.0170	2.0753
	October	1.2945	1.3134	1.3045	1.3159	2.0615	2.0699	2.0639	2.0614	1.9227	1.9438	1.8724	1.8820
	November	1.2933	1.2969	1.3471	1.3255	1.9562	1.9131	1.9680	2.0370	1.9652	1.9648	2.0649	2.0170
	December	1.3159	1.3146	1.3351	1.3384	1.8031	1.8304	1.8151	1.8407	2.0976	2.1328	2.0381	2.1457
2008	January	1.2301	1.2585	1.2320	1.2390	1.5090	1.6931	1.5505	1.7009	1.9998	2.0126	1.8730	2.0308
	February	1.2044	1.2150	1.2080	1.2223	1.3331	1.3398	1.3188	1.4868	1.8403	1.8092	1.9350	1.8348
	March	1.2539	1.2438	1.3188	1.2803	1.2512	1.2537	1.2738	1.2482	1.9575	2.0190	1.8748	1.9605
	April	1.3492	1.3421	1.3811	1.3679	1.2506	1.2456	1.2387	1.2498	1.8164	1.8038	1.8598	1.8242
	May	1.4170	1.4223	1.4670	1.4425	1.2985	1.3006	1.2973	1.2614	1.9525	1.9527	2.0448	1.9595
	June	1.4669	1.4607	1.4892	1.4820	1.3508	1.3479	1.3351	1.3421	2.1609	2.2156	2.0900	2.1905
	July	1.5180	1.5205	1.5394	1.5418	1.4053	1.3957	1.3647	1.3528	1.9585	1.9792	1.9561	1.9140
	August	1.5713	1.5711	1.6148	1.5993	1.3840	1.3790	1.3477	1.3585	1.8699	1.9041	1.7943	1.8553
	September	1.6365	1.6125	1.6727	1.6427	1.2131	1.2628	1.2357	1.3301	1.7773	1.7279	1.8430	1.7489
	October	1.6997	1.6899	1.7389	1.7298	0.9987	1.0452	0.9769	1.1214	1.9065	1.9323	1.8418	1.8559
	November	1.6356	1.6517	1.6451	1.6791	0.8701	0.8617	0.8684	0.9174	1.7511	1.7420	1.6950	1.6467
	December	1.2448	1.3262	1.2266	1.2939	0.8425	0.8460	0.8349	0.8639	1.7544	1.7989	1.5788	1.7853
2009	January	1.0868	1.0914	1.1165	1.1275	0.8318	0.8333	0.8161	0.8146	1.2961	1.2895	1.0907	1.1178
	February	1.0750	1.0731	1.1047	1.1008	0.8215	0.8195	0.8074	0.8106	1.1518	1.1414	1.1992	1.1456
	March	1.1289	1.1211	1.1728	1.1594	0.8166	0.8152	0.8058	0.8036	1.2611	1.2545	1.2321	1.1900
	April	1.1665	1.1640	1.1961	1.1870	0.8195	0.8181	0.8082	0.8069	1.2771	1.3030	1.2279	1.2723
	May	1.2159	1.2051	1.2449	1.2313	0.8318	0.8314	0.8124	0.8084	1.1553	1.1562	1.1418	1.1503
	June	1.2073	1.2187	1.2337	1.2550	0.8461	0.8443	0.8203	0.8212	1.1466	1.1459	1.1397	1.1483
	July	1.1986	1.1747	1.2263	1.1965	0.8422	0.8416	0.8198	0.8152	1.1334	1.1339	1.1268	1.1125
	August	1.2030	1.2158	1.2172	1.2414	0.8666	0.8695	0.8458	0.8296	1.2605	1.2311	1.3157	1.2623
	September	1.1811	1.1658	1.2068	1.1698	0.9664	0.9541	0.9514	0.9355	1.3522	1.3802	1.3261	1.3189
	October	1.2245	1.2245	1.2575	1.2405	1.0270	1.0299	0.9793	0.9577	1.4110	1.4155	1.4541	1.4428
	November	1.3817	1.3532	1.4700	1.4196	1.1120	1.1147	1.0627	0.9980	1.5169	1.5113	1.5588	1.5269
	December	1.4459	1.4823	1.4182	1.4683	1.2858	1.2701	1.2718	1.2271	1.5969	1.5764	1.6867	1.6986
2010	January	1.3610	1.3350	1.3871	1.3303	1.1929	1.3201	1.1598	1.2775	1.5374	1.5578	1.4462	1.4492
	February	1.3609	1.3701	1.3555	1.3446	1.0812	1.1431	1.0697	1.0757	1.5110	1.5174	1.4691	1.5033
	March	1.4388	1.4249	1.4559	1.4453	1.0454	1.0459	1.0213	1.0192	1.3632	1.4049	1.2883	1.3089
	April	1.4773	1.4861	1.5239	1.4943	1.1208	1.1250	1.0750	1.0409	1.3827	1.3900	1.4144	1.4288
	May	1.5801	1.5881	1.5947	1.6009	1.2520	1.2459	1.0936	1.0952	1.4257	1.4115	1.4231	1.3834
	June	1.5946	1.5620	1.6139	1.5711	1.2631	1.3037	1.2345	1.2792	1.4475	1.4726	1.4065	1.4186
	July	1.7375	1.7321	1.7643	1.7447	1.2277	1.2333	1.2041	1.2165	1.4567	1.4497	1.5189	1.4564

Commodity Prices Used in California Class 4a/4b and Federal Class III/IV Formulas

		BUTTER PRICES				NFDM PRICES				CHEESE PRICES			
		USDA AMS BUTTER	USDA AMS BUTTER	CME BUTTER GRADE AA	CME BUTTER GRADE AA	USDA AMS NFDM	USDA AMS NFDM	CALIFORNIA PLANTS NFDM	CALIFORNIA PLANTS NFDM	USDA AMS 40# & BARREL 38% CHEDDAR	USDA AMS 40# & BARREL 38% CHEDDAR	CME BLOCK 40# CHEDDAR	CME BLOCK 40# CHEDDAR
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)
	August	1.8508	1.8269	1.9153	1.8346	1.1557	1.1542	1.1387	1.1520	1.6031	1.6008	1.6191	1.6046
	September	2.1570	2.1198	2.2170	2.2107	1.1383	1.1351	1.0984	1.1183	1.7016	1.6747	1.7260	1.7123
	October	2.1893	2.1942	2.1990	2.2145	1.1674	1.1755	1.1118	1.1103	1.7666	1.7695	1.7436	1.7613
	November	2.0230	2.0995	2.0123	2.1075	1.1953	1.1903	1.1662	1.1501	1.6152	1.7063	1.4942	1.5406
	December	1.6539	1.6328	1.6154	1.5848	1.1848	1.2148	1.1667	1.1924	1.4606	1.4841	1.4058	1.4758
2011	January	1.8428	1.7407	1.9323	1.7798	1.2530	1.2423	1.2221	1.1470	1.4076	1.3757	1.4308	1.3434
	February	2.0680	2.0820	2.0710	2.1000	1.3728	1.3467	1.3149	1.2648	1.7449	1.6386	1.8689	1.7952
	March	2.0591	2.0363	2.0930	2.0967	1.4945	1.4733	1.4409	1.3875	1.9722	1.9735	1.8529	2.0081
	April	1.9975	1.9869	1.9971	1.9993	1.5680	1.5698	1.5320	1.5067	1.6983	1.6768	1.6136	1.6115
	May	2.0292	2.0460	2.0518	2.0618	1.6120	1.6065	1.5612	1.5358	1.6534	1.6413	1.6526	1.6284
	June	2.1287	2.1343	2.1325	2.1434	1.6520	1.6462	1.6199	1.6081	1.8999	1.7934	2.0542	1.9932
	July	2.0304	2.0291	2.0330	2.0328	1.6159	1.6571	1.5852	1.6025	2.1243	2.1308	2.1100	2.1219
	August	2.0695	2.0852	2.0868	2.0902	1.5739	1.5804	1.5775	1.5706	2.1402	2.1529	2.0360	2.1390
	September	1.9886	1.9893	1.9443	2.0288	1.5439	1.5461	1.5570	1.5618	1.8592	1.8347	1.7716	1.7895
	October	1.7893	1.7552	1.8055	1.7634	1.5109	1.5328	1.5095	1.5480	1.7471	1.7437	1.7184	1.7309
	November	1.7824	1.8388	1.7727	1.8444	1.4522	1.4783	1.4573	1.4922	1.8415	1.7788	1.8582	1.8206
	December	1.6119	1.6079	1.6228	1.6448	1.4201	1.4419	1.4022	1.4145	1.8070	1.8102	1.6551	1.7335
2012	January	1.5900	1.5893	1.5964	1.6070	1.3942	1.4155	1.3676	1.3913	1.6097	1.6052	1.5654	1.5808
	February	1.4712	1.5220	1.4511	1.4840	1.3792	1.3930	1.3604	1.3690	1.5410	1.5553	1.4854	1.4902
	March	1.4347	1.4299	1.4734	1.4353	1.3310	1.3334	1.3293	1.3537	1.5248	1.5186	1.5200	1.4778
	April	1.4634	1.4624	1.4403	1.4657	1.2514	1.2642	1.2749	1.3075	1.5361	1.5431	1.4969	1.4895
	May	1.3657	1.3506	1.3477	1.3311	1.1551	1.1460	1.1735	1.2416	1.5215	1.5243	1.5147	1.5227
	June	1.3991	1.3766	1.4565	1.4039	1.1023	1.1008	1.0891	1.1187	1.5846	1.5703	1.6221	1.6089
	July	1.5386	1.5246	1.5571	1.5283	1.1744	1.1588	1.0781	1.0456	1.6857	1.6781	1.6746	1.6445
	August	1.6859	1.6877	1.7350	1.6902	1.2543	1.2518	1.2113	1.1754	1.7682	1.7545	1.7992	1.7529
	September	1.8269	1.8237	1.8589	1.8463	1.3768	1.3708	1.2913	1.2609	1.8647	1.8542	1.8850	1.8393
	October	1.9168	1.9197	1.9164	1.9352	1.4636	1.4503	1.4184	1.3843	2.0479	2.0186	2.0692	2.0911
	November	1.8410	1.8860	1.8526	1.8873	1.5143	1.5112	1.4840	1.4643	2.0146	2.0717	1.9755	2.0718
	December	1.5981	1.6126	1.5894	1.6102	1.5384	1.5442	1.5199	1.5020	1.7925	1.8250	1.7607	1.7836
2013	January	1.5066	1.5280	1.4871	1.4830	1.5601	1.5603	1.5245	1.5085	1.7485	1.7535	1.7156	1.7436
	February	1.5438	1.5393	1.5663	1.5450	1.5559	1.5644	1.5580	1.5397	1.6623	1.6480	1.6488	1.6460
	March	1.6146	1.5909	1.6281	1.5847	1.5208	1.5219	1.5125	1.5400	1.6467	1.6402	1.6101	1.5819
	April	1.6766	1.6542	1.7133	1.6770	1.5312	1.5021	1.4887	1.4822	1.7310	1.6803	1.7983	1.7311
	May	1.6483	1.6579	1.6237	1.6577	1.6374	1.6367	1.5564	1.5500	1.8274	1.8388	1.8261	1.8795
	June	1.5422	1.5590	1.5282	1.5415	1.6878	1.6826	1.6552	1.5741	1.7810	1.7806	1.7289	1.7390
	July	1.4674	1.4902	1.4768	1.4873	1.7272	1.7131	1.6879	1.6730	1.7142	1.7201	1.6879	1.6595
	August	1.4187	1.4448	1.4020	1.4245	1.7706	1.7679	1.7345	1.7116	1.7731	1.7778	1.7555	1.7780
	September	1.4263	1.3876	1.4883	1.4284	1.8085	1.8008	1.7804	1.7686	1.7961	1.7739	1.7878	1.7702
	October	1.5454	1.5551	1.5452	1.5927	1.8366	1.8358	1.8146	1.7995	1.8025	1.7938	1.8042	1.7636
	November	1.5205	1.4916	1.5845	1.5268	1.8892	1.8856	1.8681	1.8301	1.8612	1.8774	1.8513	1.8850
	December	1.6308	1.6406	1.6130	1.6489	1.9537	1.9423	1.9153	1.8994	1.8761	1.8583	1.9237	1.8878
2014	January	1.6475	1.5939	1.7005	1.5945	2.0335	2.0270	1.9844	1.9576	2.0838	2.0308	2.1496	2.0743
	February	1.8320	1.8476	1.8246	1.8693	2.0783	2.0718	2.0339	2.0178	2.2864	2.3213	2.2249	2.3111

Commodity Prices Used in California Class 4a/4b and Federal Class III/IV Formulas

		BUTTER PRICES				NFDM PRICES				CHEESE PRICES			
		USDA AMS BUTTER	USDA AMS BUTTER	CME BUTTER GRADE AA	CME BUTTER GRADE AA	USDA AMS NFDM	USDA AMS NFDM	CALIFORNIA PLANTS NFDM	CALIFORNIA PLANTS NFDM	USDA AMS 40# & BARREL 38% CHEDDAR	USDA AMS 40# & BARREL 38% CHEDDAR	CME BLOCK 40# CHEDDAR	CME BLOCK 40# CHEDDAR
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)
	March	1.8562	1.8308	1.8845	1.8583	2.0897	2.1007	2.0380	2.0341	2.2689	2.2211	2.3260	2.2469
	April	1.9227	1.9708	1.9470	1.9808	2.0191	2.0040	2.0005	2.0140	2.3547	2.3695	2.2826	2.3383
	May	2.0477	2.0176	2.1114	2.0570	1.8768	1.8768	1.8363	1.9627	2.1703	2.2029	2.0445	2.0915
	June	2.1874	2.1845	2.2461	2.2566	1.8633	1.8526	1.8431	1.8727	2.0358	2.0334	2.0172	2.0116
	July	2.3473	2.3379	2.4483	2.4038	1.8617	1.8763	1.8072	1.8179	2.0482	2.0445	1.9938	1.9795
	August	2.5206	2.4319	2.5439	2.4405	1.7887	1.8020	1.7902	1.8133	2.1074	2.0666	2.1185	2.0325
	September	2.8525	2.7652	2.9341	2.8373	1.4718	1.4766	1.4742	1.5430	2.3472	2.3062	2.3577	2.3355
	October	2.5255	2.8318	2.5251	2.8882	1.4900	1.5052	1.5315	1.4651	2.2914	2.3001	2.2157	2.1839
	November	1.9891	1.9828	1.9624	1.9311	1.3902	1.4517	1.4169	1.4916	2.1305	2.1872	2.0032	2.1545
	December	1.9049	1.9706	1.8180	1.9692	1.2554	1.2826	1.3053	1.3581	1.7362	1.8141	1.6149	1.6325
2015	January	1.5633	1.5521	1.5474	1.5475	1.0202	1.0253	1.0360	1.1777	1.5807	1.5857	1.5264	1.5513
	February	1.6823	1.6585	1.7161	1.7313	1.0308	1.0213	0.9969	0.9881	1.5446	1.5408	1.5286	1.5200
	March	1.6945	1.6944	1.7063	1.7306	1.0217	1.0577	0.9979	1.0202	1.5750	1.5617	1.5540	1.5533
	April	1.7355	1.7381	1.7737	1.7477	0.9684	0.9705	0.9582	0.9761	1.6122	1.6142	1.5785	1.5695
Jan-Dec 07 Average		1.3441	1.3481	1.3677	1.3691	1.6927	1.6770	1.5850	1.5533	1.7376	1.7363	1.7490	1.7505
Jan-Dec 08 Average		1.4356	1.4429	1.4611	1.4601	1.2256	1.2476	1.2202	1.2694	1.8954	1.9081	1.8655	1.8839
Jan-Dec 09 Average		1.2096	1.2075	1.2387	1.2331	0.9223	0.9201	0.9001	0.8857	1.2966	1.2949	1.2916	1.2822
Jan-Dec 10 Average		1.7020	1.6976	1.7212	1.7069	1.1687	1.1906	1.1283	1.1439	1.5226	1.5366	1.4963	1.5036
Jan-Dec 11 Average		1.9498	1.9443	1.9619	1.9655	1.5058	1.5101	1.4816	1.4700	1.8246	1.7959	1.8019	1.8096
Jan-Dec 12 Average		1.5943	1.5988	1.6062	1.6020	1.3279	1.3283	1.2998	1.3012	1.7076	1.7099	1.6974	1.6961
Jan-Dec 13 Average		1.5451	1.5449	1.5547	1.5498	1.7066	1.7011	1.6747	1.6564	1.7683	1.7619	1.7615	1.7554
Jan-Dec 14 Average		2.1361	2.1471	2.1622	2.1739	1.7682	1.7773	1.7551	1.7790	2.1551	2.1581	2.1124	2.1160
Jan-Apr 15 Average		1.6689	1.6608	1.6859	1.6893	1.0103	1.0187	0.9973	1.0405	1.5781	1.5756	1.5469	1.5485

Source: CDFA, USDA AMS, DAIRY MARKET NEWS

** As published by DMN, the monthly average based on calendar month and consist of weekly prices time-weighted according to the number of workdays in the month.

		DRY WHEY PRICES				OTHER WHEY STREAM PRICES	
		USDA AMS DRY WHEY	USDA AMS DRY WHEY	WESTERN DRY WHEY	WESTERN DRY WHEY	CENTRAL & WESTERN WPC-34% MOSTLY**	CENTRAL & WESTERN LACTOSE MOSTLY**
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	($/lb)	($/lb)
2007	January	0.4680	0.4539	0.4781	0.4675	0.9958	0.5505
	February	0.6005	0.5986	0.5680	0.5625	1.1751	0.5934
	March	0.7060	0.7021	0.6700	0.6375	1.3380	0.7272
	April	0.7789	0.7709	0.7388	0.7300	1.4706	0.9232
	May	0.7578	0.7623	0.8038	0.7863	1.5353	0.9300
	June	0.7617	0.7595	0.8238	0.8238	1.6146	0.9300
	July	0.7329	0.7428	0.7809	0.8106	1.6343	1.0117
	August	0.6197	0.6429	0.6175	0.6375	1.5838	0.9496
	September	0.4762	0.4885	0.4419	0.4713	1.4521	0.7975
	October	0.4175	0.4111	0.4025	0.3975	1.3546	0.5382
	November	0.4345	0.4385	0.4295	0.4250	1.2808	0.4574
	December	0.4516	0.4568	0.4406	0.4425	1.2438	0.4195
2008	January	0.3992	0.4380	0.3780	0.4275	1.2032	0.2776
	February	0.2736	0.2673	0.2588	0.2750	1.1623	0.2600
	March	0.2435	0.2454	0.2394	0.2350	1.1300	0.2636
	April	0.2560	0.2528	0.2730	0.2650	1.1175	0.2682
	May	0.2700	0.2686	0.2813	0.2825	1.0955	0.2750
	June	0.2758	0.2774	0.2800	0.2800	0.9473	0.2775
	July	0.2642	0.2690	0.2800	0.2800	0.7367	0.2559
	August	0.2470	0.2487	0.2756	0.2800	0.5217	0.2415
	September	0.2183	0.2241	0.2338	0.2488	0.4098	0.2152
	October	0.1945	0.1970	0.1860	0.1850	0.3886	0.1825
	November	0.1895	0.1896	0.1663	0.1700	0.3968	0.1678
	December	0.1730	0.1716	0.1588	0.1600	0.4359	0.1650
2009	January	0.1696	0.1701	0.1495	0.1500	0.5241	0.1354
	February	0.1567	0.1545	0.1519	0.1488	0.5397	0.1275
	March	0.1662	0.1632	0.1747	0.1644	0.5435	0.1320
	April	0.1949	0.1852	0.2200	0.2150	0.5470	0.1437
	May	0.2317	0.2323	0.2563	0.2488	0.5543	0.1536
	June	0.2693	0.2649	0.2925	0.2825	0.5684	0.1742
	July	0.2912	0.2873	0.3170	0.3175	0.6096	0.2008
	August	0.2925	0.2938	0.3200	0.3200	0.6374	0.2458
	September	0.2979	0.2942	0.3210	0.3200	0.6624	0.2652
	October	0.3183	0.3186	0.3350	0.3313	0.7395	0.3181
	November	0.3471	0.3452	0.3581	0.3525	0.8237	0.3370
	December	0.3668	0.3629	0.3860	0.3756	0.8605	0.3518
2010	January	0.3880	0.3893	0.4059	0.4044	0.9271	0.3568
	February	0.3925	0.3928	0.4050	0.4050	0.9307	0.3500
	March	0.3761	0.3821	0.4041	0.4044	0.9130	0.3484
	April	0.3643	0.3636	0.4000	0.4000	0.9102	0.3358
	May	0.3645	0.3631	0.3972	0.3981	0.9238	0.3313
	June	0.3688	0.3698	0.3915	0.3950	0.9432	0.3295
	July	0.3641	0.3618	0.3859	0.3863	0.9444	0.3277

		DRY WHEY PRICES				OTHER WHEY STREAM PRICES	
		USDA AMS DRY WHEY	USDA AMS DRY WHEY	WESTERN DRY WHEY	WESTERN DRY WHEY	CENTRAL & WESTERN WPC-34% MOSTLY**	CENTRAL & WESTERN LACTOSE MOSTLY**
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	($/lb)	($/lb)
	August	0.3590	0.3586	0.3775	0.3788	0.9555	0.3249
	September	0.3615	0.3607	0.3725	0.3725	0.9662	0.3213
	October	0.3676	0.3634	0.3828	0.3800	0.9845	0.3343
	November	0.3736	0.3716	0.3888	0.3875	0.9950	0.3350
	December	0.3789	0.3783	0.3925	0.3925	0.9950	0.3350
2011	January	0.3935	0.3915	0.4047	0.3988	1.0233	0.3521
	February	0.4234	0.4146	0.4425	0.4181	1.0597	0.3603
	March	0.4578	0.4618	0.4831	0.4775	1.2404	0.3820
	April	0.4808	0.4775	0.4859	0.4856	1.3686	0.4464
	May	0.4929	0.4915	0.5031	0.4963	1.5043	0.4640
	June	0.5233	0.5201	0.5355	0.5306	1.5570	0.4700
	July	0.5494	0.5470	0.5666	0.5606	1.5650	0.5540
	August	0.5691	0.5639	0.5866	0.5838	1.5376	0.5952
	September	0.5926	0.5900	0.6078	0.6056	1.4900	0.6086
	October	0.6152	0.6121	0.6300	0.6263	1.4363	0.7503
	November	0.6380	0.6342	0.6403	0.6344	1.4458	0.7598
	December	0.6538	0.6549	0.6606	0.6550	1.4600	0.7684
2012	January	0.6876	0.6915	0.6959	0.6806	1.5239	0.8552
	February	0.6400	0.6531	0.6693	0.6813	1.5271	0.8600
	March	0.6107	0.6117	0.5431	0.5425	1.5091	0.8600
	April	0.5921	0.6022	0.5153	0.5213	1.4195	0.9126
	May	0.5389	0.5355	0.4950	0.4963	1.3010	0.9100
	June	0.5013	0.5052	0.4834	0.4838	1.1977	0.8783
	July	0.5023	0.4944	0.4931	0.4888	1.1401	0.8383
	August	0.5352	0.5350	0.5355	0.5269	1.1272	0.8261
	September	0.5846	0.5804	0.5897	0.5825	1.1862	0.8250
	October	0.6205	0.6130	0.6091	0.6038	1.2283	0.7850
	November	0.6480	0.6450	0.6238	0.6225	1.2358	0.7850
	December	0.6610	0.6588	0.6338	0.6338	1.2483	0.7718
2013	January	0.6503	0.6536	0.6145	0.6275	1.2606	0.7314
	February	0.6393	0.6399	0.5788	0.5831	1.2472	0.7187
	March	0.6048	0.6094	0.5622	0.5638	1.2150	0.6838
	April	0.5741	0.5797	0.5619	0.5600	1.2378	0.6439
	May	0.5765	0.5741	0.5753	0.5738	1.2786	0.6450
	June	0.5738	0.5710	0.5856	0.5831	1.3172	0.6450
	July	0.5804	0.5769	0.5919	0.5919	1.3518	0.6310
	August	0.5778	0.5752	0.5873	0.5875	1.3670	0.6393
	September	0.5791	0.5791	0.5706	0.5769	1.3983	0.6400
	October	0.5731	0.5757	0.5706	0.5638	1.5439	0.6500
	November	0.5831	0.5749	0.5666	0.5638	1.6046	0.6430
	December	0.5706	0.5669	0.5809	0.5775	1.6908	0.6362
2014	January	0.6025	0.5939	0.5990	0.5963	1.7663	0.5952
	February	0.6314	0.6238	0.6156	0.6113	1.7799	0.5950

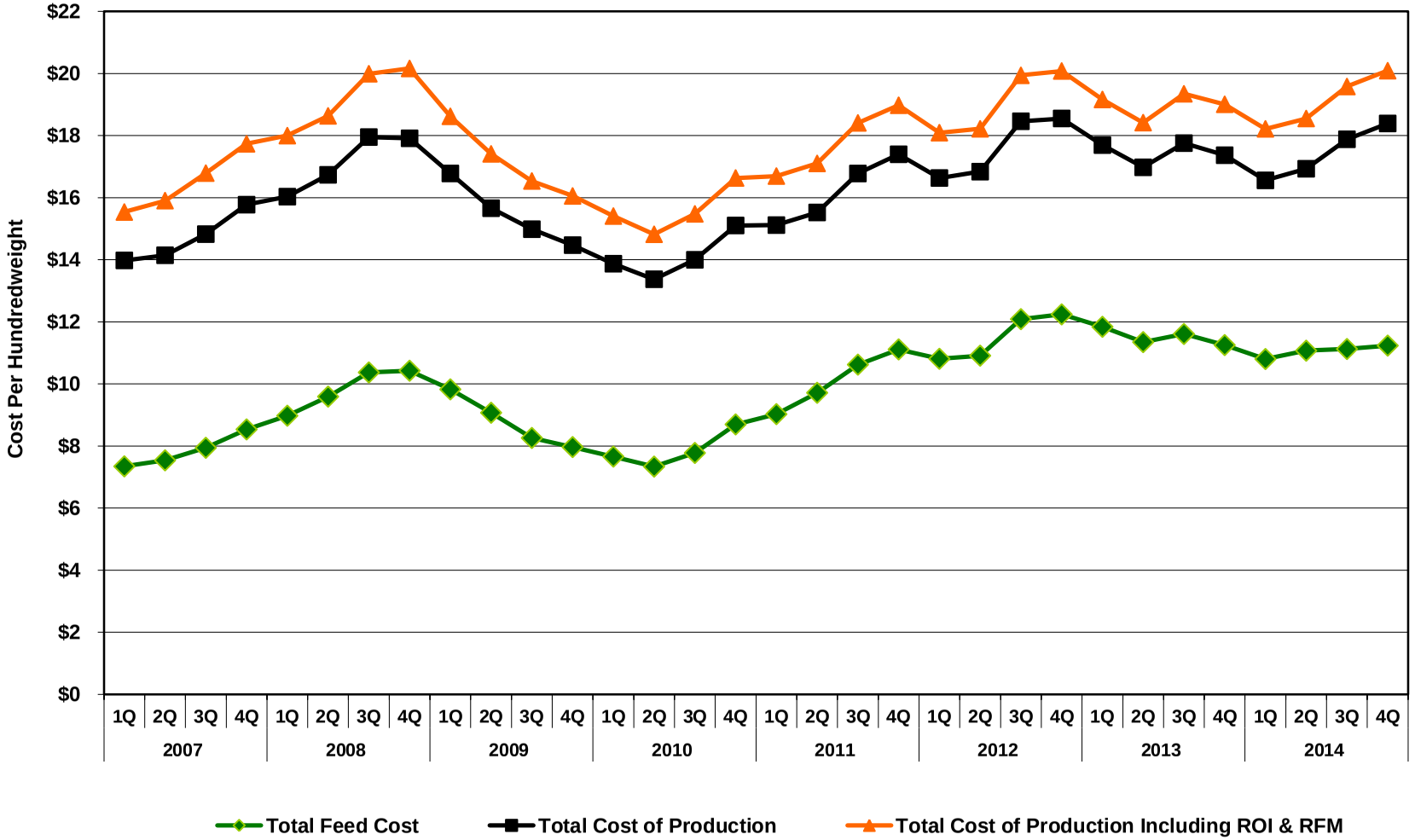
		DRY WHEY PRICES				OTHER WHEY STREAM PRICES	
		USDA AMS DRY WHEY	USDA AMS DRY WHEY	WESTERN DRY WHEY	WESTERN DRY WHEY	CENTRAL & WESTERN WPC-34% MOSTLY**	CENTRAL & WESTERN LACTOSE MOSTLY**
YEAR	MONTH	4/5 Week ($/lb.)	Two Week ($/lb.)	26th-25th ($/lb.)	26th-10th ($/lb.)	($/lb)	($/lb)
	March	0.6554	0.6495	0.6384	0.6300	1.7694	0.5983
	April	0.6774	0.6751	0.6493	0.6456	1.7682	0.6175
	May	0.6745	0.6724	0.6650	0.6656	1.7530	0.5959
	June	0.6789	0.6767	0.6575	0.6600	1.6612	0.5699
	July	0.6890	0.6873	0.6625	0.6575	1.6089	0.5473
	August	0.6880	0.6926	0.6700	0.6700	1.5549	0.5349
	September	0.6725	0.6747	0.6344	0.6525	1.4355	0.4693
	October	0.6525	0.6590	0.6020	0.6025	1.3358	0.4218
	November	0.6365	0.6441	0.5900	0.5931	1.2751	0.4050
	December	0.5871	0.5847	0.5713	0.5825	1.2326	0.3880
2015	January	0.5875	0.5903	0.4800	0.4850	1.1727	0.3210
	February	0.5169	0.5415	0.4538	0.4575	1.0970	0.2870
	March	0.4824	0.4935	0.4463	0.4475	1.0031	0.2472
	April	0.4610	0.4600	0.4415	0.4425	0.9439	0.2370
Jan-Dec 07 Average		0.6004	0.6023	0.5996	0.5993	1.3899	0.7357
Jan-Dec 08 Average		0.2504	0.2541	0.2509	0.2574	0.7954	0.2375
Jan-Dec 09 Average		0.2585	0.2560	0.2735	0.2689	0.6342	0.2154
Jan-Dec 10 Average		0.3716	0.3713	0.3920	0.3920	0.9491	0.3358
Jan-Dec 11 Average		0.5325	0.5299	0.5456	0.5394	1.3907	0.5426
Jan-Dec 12 Average		0.5935	0.5938	0.5739	0.5720	1.3037	0.8423
Jan-Dec 13 Average		0.5902	0.5897	0.5789	0.5794	1.3761	0.6589
Jan-Dec 14 Average		0.6538	0.6528	0.6296	0.6306	1.5784	0.5282
Jan-Apr 15 Average		0.5120	0.5213	0.4554	0.4581	1.0542	0.2731

Source: CDFA, USDA AMS,DAIRY MARKET NEWS

** As published by DMN, the monthly average based on calendar month and consist of weekly prices time-weighted according to the number of workdays in the month.

California Cost of Production, by Quarter

Based on California Cost of Production Survey
January 2007 through December 2014

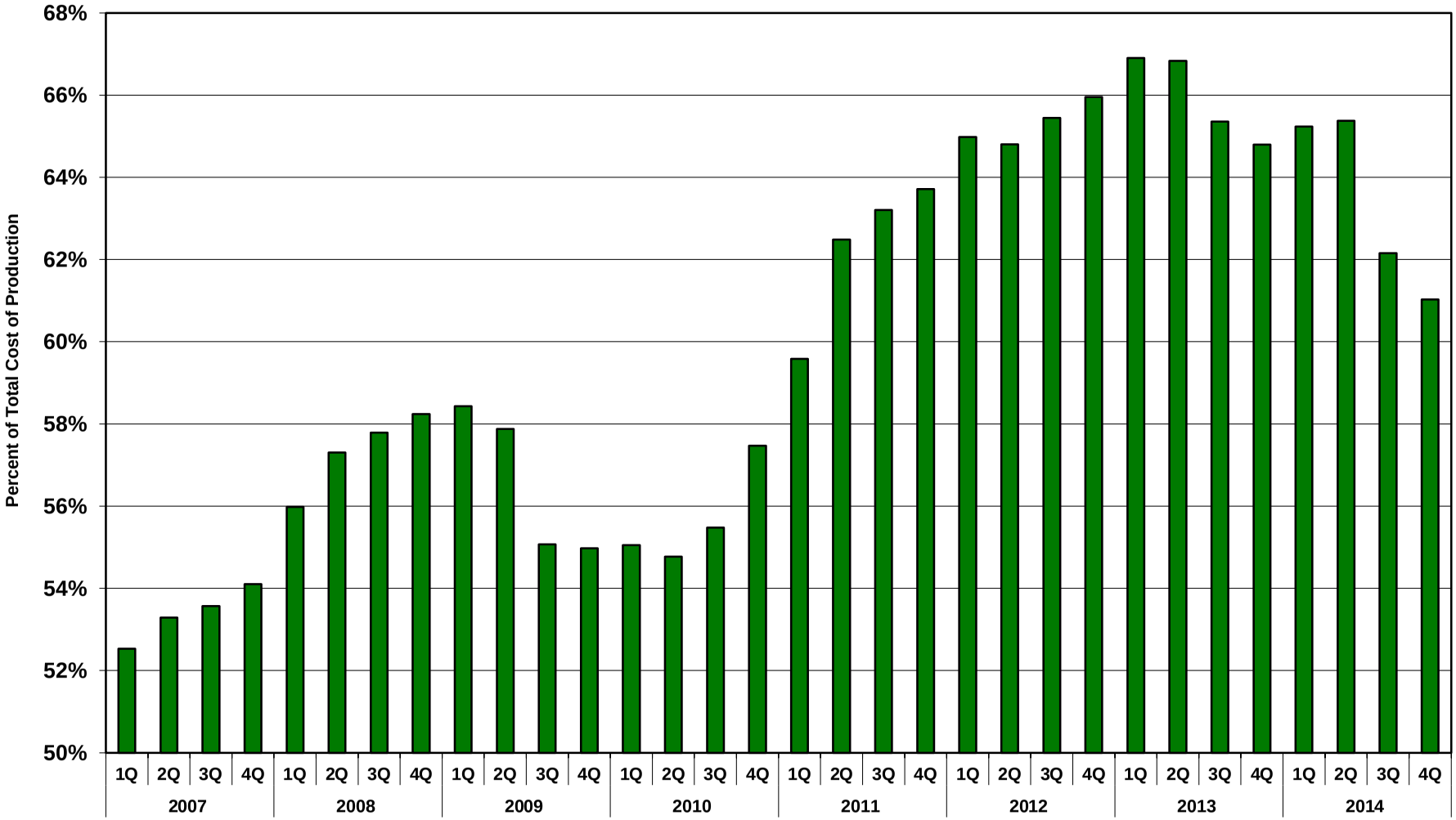


ROI - Return on Investment
RFM - Return For Management

Data Source: CDFA Dairy Marketing Branch

Total Feed Cost as Percentage of Total Cost of Production

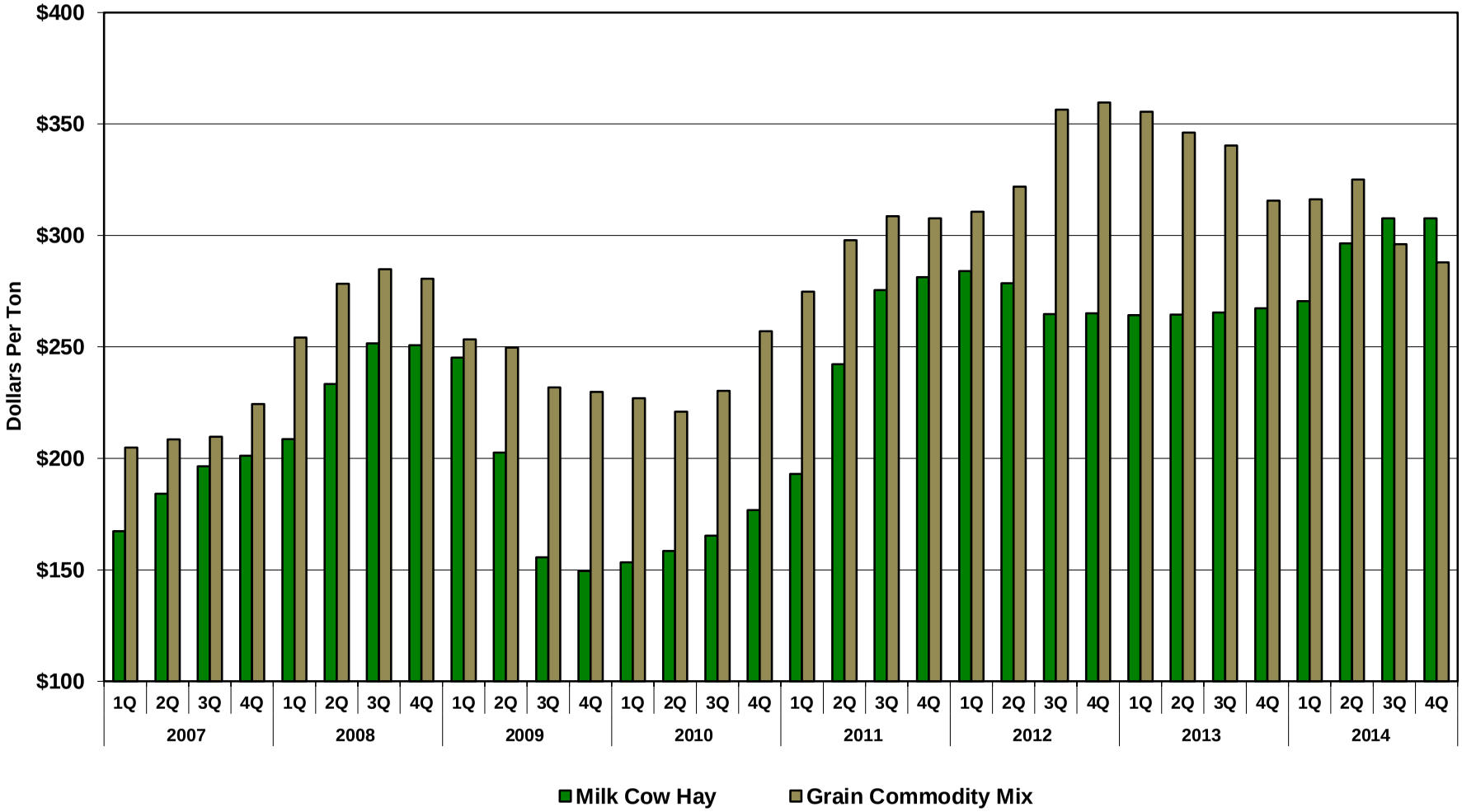
Based on California Cost of Production Survey
January 2007 through December 2014



Data Source: CDFA Dairy Marketing Branch

California Milk Cow Hay and Grain Mix Prices [1]

Based on California Cost of Production Survey
January 2007 through December 2014



[1] Survey of average price for hay and grain mix, fed by California producers.

Data Source: CDFA Dairy Marketing Branch