

The Market Administrator's

BULLETIN

NORTHEAST MARKETING AREA

John D. Marcucci, Acting Market Administrator

May 2025

Federal Order No. 1

To contact the Northeast Marketing Area offices:
 Boston, MA: phone (617) 737-7199, Albany, NY: phone (518) 452-4410, Alexandria, VA: phone (703) 549-7000;
 e-mail address: NortheastOrder@fedmilk1.com
 website address: www.fmmone.com

May Pool Price Calculation

The May 2025 statistical uniform price (SUP) for the Northeast Marketing Area was announced at \$19.59 per hundredweight for milk delivered to plants located in Suffolk County, Massachusetts (Boston), the pricing point for the Northeast Order. The statistical uniform price is calculated at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. If reported at the average tests of producer pooled milk, the SUP would be \$22.26 per hundredweight. The May statistical uniform price was 13 cents per hundredweight below the April price. The May producer price differential (PPD) at Suffolk County was \$1.02 per hundredweight, a decrease of \$1.22 from the previous month.

Product Prices Effect

Commodity prices for May: the butter price rose 2 cents, the nonfat dry milk price increased 2 cents, dry whey was up 1 cent, and the cheese price increased 10 cents with the block price rising 11 cents and the barrel price climbing 10 cents, all on a per pound basis. The commodity price changes translated to a 2-cent increase in the butterfat price, a 2-cent increase in the nonfat solids price, a 1-cent increase in the other solids price, and a 31-cent jump in the protein price, all on a per pound basis.

Class Prices for May: Class I, based on prices in April, dropped \$1.20; Class II decreased 50 cents; Class III rose \$1.09; and Class IV increased 21 cents, all on a per hundredweight basis. Drops in the Class I and Class II prices, and only a moderate increase in the Class IV price resulted in a decrease in the PPD from April. An increase in the Class III price offset the decrease in PPD and resulted in a moderate drop in the statistical uniform price. The Class IV was the lowest price for May.

Selected Statistics

The average daily delivery per producer for May 2025 was the highest volume since the creation of the Order. Class II utilization was the second highest volume ever in the Northeast Order. The total receipts of producer milk and Class III utilization were the third largest volumes for their category in Northeast Order history. The average producer butterfat, protein, and other solids tests all set new record highs for the month of May. ❖

Pool Summary

- A total of 7,255 producers were pooled under the Order with an average daily delivery per producer of 10,733 pounds.
- Pooled milk receipts totaled 2.414 billion pounds, an increase of 0.4 percent from last month on an average daily basis.
- Class I usage (milk for bottling) accounted for 27.0 percent of total milk receipts, down 0.6 percentage points from April.
- The average butterfat test of producer receipts was 4.26 percent.
- The average true protein test of producer receipts was 3.24 percent.
- The average other solids test of producer receipts was 5.80 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	27.0	653,260,833
Class II	26.4	636,376,685
Class III	30.5	735,503,435
Class IV	16.1	388,684,572
Total Pooled Milk		2,413,825,525

Producer Component Prices

	2025	2024
	\$/lb	
Protein Price	2.4810	1.7349
Butterfat Price	2.6627	3.4636
Other Solids Price	0.3222	0.2181

Class Prices

	2025	2024
	\$/cwt	
Class I	21.62	21.71
Class II	18.72	21.50
Class III	18.57	18.55
Class IV	18.13	20.50

Top Pool Counties - Northeast Milkshed

The top ten milk pooling counties of the Northeast Order produced a combined 10.2 billion pounds of milk, contributing 37.8 percent to the 26.9 billion pounds pooled on the Northeast Order in 2024. Compared to 2023, the top ten counties in the Northeast Order decreased total annual volume of pooled milk by 177.2 million pounds (-2.0 percent on an average daily basis). This decrease in volume combined with the decrease in the total pooled pounds in 2024 by 256.3 million pounds, resulted in the decrease in the contribution of the top ten counties to total milk pooled by 0.3 percentage points. Not all milk produced in the northeast is contained in these numbers; milk not pooled in the Northeast Order – specifically milk shipped to other federal orders, state orders, or unregulated areas – is not reflected in this article.

The accompanying table shows the top ten ranked counties for 2024 based on their volume pooled on the Order. The accompanying map presents the change in pounds pooled, farms pooled, and daily deliveries per

producer (DDP) from 2023 to 2024 for the top ten counties. It also includes the counties' prior year rank.

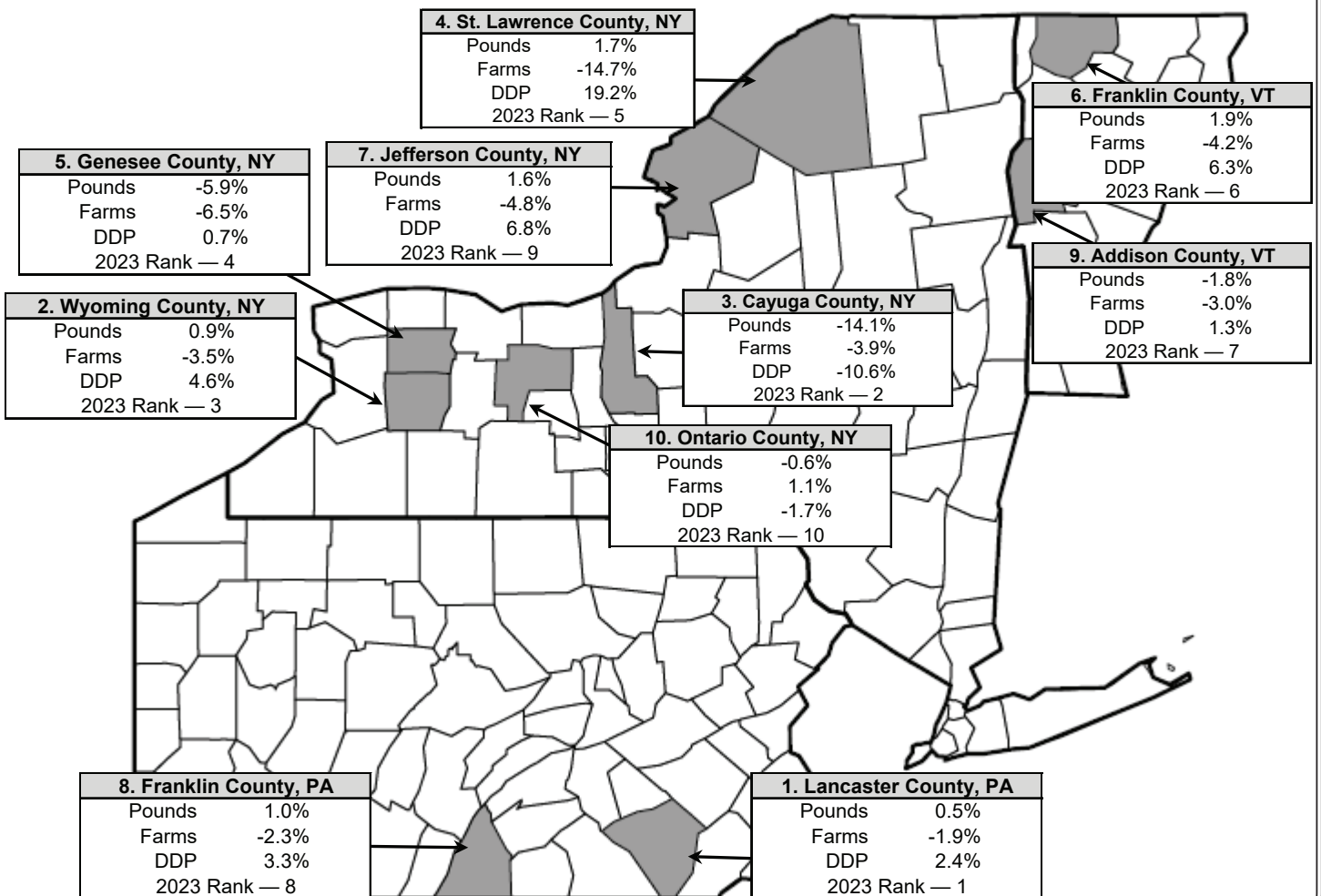
Top Spot

Lancaster County, PA, has continued to hold the top spot of pooled milk production in the Northeast Order and, alone, accounted for 7.9 percent of milk pooled in the Northeast Order in 2024 (an increase of 0.1 percentage point from 2023). Lancaster County pooled over 904.2 million pounds more than second place Wyoming County, NY. The county also contained the largest number of pooled farms in 2024 in the Northeast milkshed with 1,160 farms, a total of 921 more pooled farms than the county with the second highest number of pooled farms (Yates County, NY).

Change in Rankings

Four counties changed in the ranking when compared to 2023. Wyoming County, NY, climbed to second place

**Top Ten Counties Year to Year Percent Change in Pounds, Farms Pooled, and DDP, 2023-2024
(Pool Pounds Rank Indicated)**



Top Pool Counties - Northeast Milkshed *(continued from page 2)*

from third with a 0.9 percent increase on an average daily basis of pooled milk in 2024, and Cayuga County, NY, fell to third place from second, with a 14.1 percent decrease on an average daily basis from the previous year. St. Lawrence County, NY, rose to fourth place from fifth with a 1.7 percent increase on an average daily basis in 2024 and bumped Genesee County, NY, to fifth place. Addison County, VT, and Jefferson County, NY, swapped ranking reported when comparing 2024 to 2023; Addison County, VT, fell two spots to ninth and Jefferson County, NY, had a 1.6 percent increase on an average daily basis in pooled milk to place seventh.

Proportion of Farms and DDP

The proportion of pooled farms in the Northeast Order accounted for by the top ten counties decreased from 26.5 percent in 2023 to 24.6 in 2024. All top ten counties reported a decrease in the number of farms from the previous year except Ontario County, NY, that reported a 1.1 percent increase from 2023. St. Lawrence and Genesee counties in New York lost more than 6.0 percent of their pooled dairy farms from 2023. As mentioned before, Lancaster County, PA, had the largest number of pooled farms even though it lost the second largest number of pooled farms between 2024 and 2023 with 22 farms.

Once again, the DDP record in the top ten counties

pooling on the Northeast Order was broken from the previous year, increasing by 189 pounds. In contrast to having the least number of farms of the top ten, Genesee County, NY, reported the highest DDP of the highest producing counties. ❖

Rank	County	State	Volume Pooled On (1,000 lbs)	Number of Farms	DDP
1	Lancaster	PA	2,134,315	1,160	5,027
2	Wyoming	NY	1,230,108	82	40,987
3	Cayuga	NY	1,226,909	73	45,921
4	St Lawrence	NY	908,143	151	16,432
5	Genesee	NY	898,239	43	57,075
6	Franklin	VT	791,884	92	23,518
7	Jefferson	NY	756,577	99	20,880
8	Franklin	PA	752,472	216	9,518
9	Addison	VT	742,409	64	31,694
10	Ontario	NY	731,515	93	21,491
Top Ten Total			10,172,571	2,073	13,408
Total Pool			26,897,982	7,780	9,446
Top Ten Proportion (%)			37.8	26.6	

Source: Northeast Order audited producer payroll reports.

June 2025 Implementation of Uniform Pricing Formula Amendments

On July 2, 2025, the June 2025 *Announcement of Class and Component Prices* will be released. This will be the first month of implementation for four of the five pricing formula amendments. December 2025 will be when the fifth and final pricing formula amendment will be implemented.

Make Allowances

Make allowances represent the cost of manufacturing dairy products from raw milk and the recent updates are meant to account for modern manufacturing costs. Changes to the butterfat recovery and butterfat yield factor in cheese also will take place to reflect current manufacturing performance. Since these changes are occurring at the component price level, all prices will be impacted.

Removal of 500-pound Barrels from Cheese Price

Prior to June 2025, the cheese price was calculated as the weighted average of 40-pound block and 500-pound barrel cheddar cheese. However, due to the divergence in the price relationship between the two in recent years, 500-pound barrels will be removed from the cheese price calculation. This change will impact the protein price,

Class III price, and statistical uniform price (SUP).

Class I Mover and Extended Shelf Life (ESL) Adjustment

Class I skim milk price will return to the higher-of the advanced Class III or Class IV skim milk pricing factors and ESL milk will have the ESL adjustment applied in addition. These changes will impact the Class I skim milk price.

Class I Differentials

To account for the increased costs of servicing fluid milk demand and the changing milk landscape, Class I differentials have been updated. This will impact the Class I skim milk and butterfat price, Class I price, producer price differential, and SUP. The Northeast Marketing Order will still announce prices at the Suffolk County, MA, location, but the announced differential location has increased from \$3.25 per hundredweight (cwt) to \$5.10 per cwt. Updated Federal Milk Marketing Order Class I differentials can be found here: https://fmmone.com/Order_Language/USDAClassIDifferentialsAmendedforFRUUpdated5-5-25.pdf ❖

RETURN SERVICE REQUESTED

FIRST CLASS MAIL

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410 or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

COMPUTATION OF PRODUCER PRICE DIFFERENTIAL					
		Product Pounds	Price per cwt. / lb.	Component Value	Total Value
Class I	Skim Milk	638,073,707	\$12.70	\$81,035,360.79	
	Butterfat	15,187,126	2.6766	40,649,861.45	
Less:	Location Adjustment to Handlers			(2,878,561.70)	\$118,806,660.54
Class II	Butterfat	37,606,058	2.6697	100,396,893.12	
	Nonfat Solids	56,568,839	1.0800	61,094,346.12	161,491,239.24
Class III	Butterfat	33,239,181	2.6627	88,505,967.27	
	Protein	23,833,231	2.4810	59,130,246.13	
	Other Solids	42,583,273	0.3222	13,720,330.58	161,356,543.98
Class IV	Butterfat	16,716,651	2.6627	44,511,426.58	
	Nonfat Solids	35,110,795	1.0145	35,619,901.52	80,131,328.10
Total Classified Value					\$521,785,771.86
Add:	Overage - All Classes				95,137.07
	Inventory Reclassification - All Classes				171,358.14
	Other Source Receipts	265,797			7,707.56
Total Pool Value					\$522,059,974.63
Less:	Value of Producer Butterfat	102,749,016	2.6627	(273,589,804.97)	
	Value of Producer Protein	78,165,426	2.4810	(193,928,421.98)	
	Value of Producer Other Solids	139,955,051	0.3222	(45,093,517.46)	(512,611,744.41)
Total PPD Value before Adjustments					\$9,448,230.22
Add:	Location Adjustment to Producers				15,144,325.32
	One-half Unobligated Balance - Producer Settlement Fund				1,047,065.72
Less:	Producer Settlement Fund - Reserve				(1,016,185.53)
Total Pool Milk & PPD Value					\$24,623,435.73
	Producer Price Differential		\$1.02		
	Statistical Uniform Price		\$19.59		