



Agricultural Marketing Service  
Dairy Programs

# FEDERAL MILK ORDER No. 1

## Northeast Marketing Area

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### ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>November 2002</u>	
	dollars	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat <sup>1/</sup>	13.85	per hundredweight
Processor Assessment <sup>1/2/</sup>	0.20	per hundredweight
Total Class I price <sup>1/</sup>	14.05	per hundredweight
<b>Class II price @ 3.5 % butterfat</b>	11.26	per hundredweight
<b>Class II butterfat price</b>	1.0993	per pound
Class II skim price <sup>1/</sup>	7.68	per hundredweight
Class II nonfat solids price <sup>1/</sup>	0.8533	per pound
<b>Class III price @ 3.5 % butterfat</b>	9.84	per hundredweight
<b>Class III skim price</b>	6.23	per hundredweight
<b>Class IV price @ 3.5 % butterfat</b>	10.58	per hundredweight
<b>Class IV skim milk price</b>	7.00	per hundredweight
<b>Component prices:</b>		
Butterfat price	1.0923	per pound
Nonfat solids price	0.7777	per pound
Protein price	1.8469	per pound
Other solids price	0.0850	per pound

Product price monthly averages:	dollars	
Butter	1.0107	per pound
Nonfat dry milk	0.9177	per pound
Cheese	1.1111	per pound
Dry whey	0.2223	per pound

### Estimated Utilization Percentages of Producer Milk for December 2002<sup>3/</sup>

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	23	77
Skim Milk	44	56

<sup>1/</sup> Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*.

<sup>2/</sup> The processor assessment is an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.). The Order requires that all persons who process and market commercially more than 3,000,000 pounds of fluid milk products in consumer-type packages in the 48 contiguous states and District of Columbia on a monthly basis, excluding those fluid milk products delivered to a residence of a consumer, be assessed 20 cents per hundredweight on all marketings of such packaged fluid milk products during the month.

<sup>3/</sup> Utilization percentages for assigning bulk receipts at pool distributing plants from other federal order markets, Section 1000.45(a) of the Order.

\* **These prices were computed using the formulas in the U.S. District Court's preliminary injunction order dated January 31, 2001.**

**Note: Price formulas are available at [www.ams.usda.gov/dairy/price\\_formula.htm](http://www.ams.usda.gov/dairy/price_formula.htm).**

(Class I prices by location and Regional Milk Production Costs on reverse side)

**November 2002**  
**Class I Price Information for the Northeast Order**

Selected locations	Differential*	Adjustment	Prices		
			Skim	Butterfat	Class I#
			per cwt.	per pound	per cwt.
Class I Mover Factor:			7.20	1.0423	10.60
Boston, MA	3.25	0.00	10.45	1.0748	13.85
Newport News/Portsmouth, VA	3.20	(0.05)	10.40	1.0743	13.80
New York, NY	3.15	(0.10)	10.35	1.0738	13.75
Long Valley, NJ	3.10	(0.15)	10.30	1.0733	13.70
Philadelphia, PA	3.05	(0.20)	10.25	1.0728	13.65
Agawam, MA/Baltimore, MD	3.00	(0.25)	10.20	1.0723	13.60
Frederick, MD/New Holland, PA	2.90	(0.35)	10.10	1.0713	13.50
Mt. Holly Springs, PA	2.80	(0.45)	10.00	1.0703	13.40
Albany/Binghamton, NY	2.70	(0.55)	9.90	1.0693	13.30
Middlebury, VT	2.60	(0.65)	9.80	1.0683	13.20
Syracuse, NY	2.50	(0.75)	9.70	1.0673	13.10
St. Albans/Swanton, VT	2.40	(0.85)	9.60	1.0663	13.00
Watertown/Rochester, NY	2.30	(0.95)	9.50	1.0653	12.90
Buffalo, NY	2.20	(1.05)	9.40	1.0643	12.80
Jamestown, NY	2.10	(1.15)	9.30	1.0633	12.70

\* Differentials listed apply to states included in the Northeast marketing area. Outside of this area, differentials may be above or below this range. Cities listed are for reference purposes only. Differentials apply on a county basis.

# Price at 3.5% butterfat. Does not include the 20 cent per hundredweight processor assessment, an obligation under the Fluid Milk Promotion Order (7CFR§1160.101 et seq.).

### Regional Milk Production Costs

USDA's Economic Research Service (ERS) has discontinued calculating estimated monthly Cost of Production (COP) for milk effective with data provided on 5/31/02. ERS has recently developed a new approach for computing milk COP estimates using data from the 2000 Agricultural Resource Management Study of dairy farmers. This COP information can be found at [www.ers.usda.gov/data/costsandreturns/testpick.htm](http://www.ers.usda.gov/data/costsandreturns/testpick.htm) under the "milk" selection. For additional information contact Sara Short (202) 694-5588, Jim Johnson (202) 694-5560, or Bill McBride (202) 694-5577.