



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

89 South Street, Boston, MA 02111-2671
 Mailing Address:
 P.O. Box 51478
 Boston, MA 02205-1478
 Tel.: (617) 737-7199 — Fax: (617) 737-8002
 email: MABoston@fedmilk1.com
 website: www.fmmone.com

Albany:
 One Columbia Circle
 Albany, NY 12203-6379
 Tel.: (518) 452-4410
 Fax: (518) 464-6468
 email: MAAlbany@fedmilk1.com

Alexandria:
 P.O. Box 25828
 Alexandria, VA 22313-5828
 Tel.: (703) 549-7000
 Fax: (703) 549-7003
 email: MAAlexandria@fedmilk1.com

ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>March 2003</u>	
	<u>dollars</u>	
Class I price @ Suffolk County, MA (Boston) at 3.5% butterfat ^{1/}	13.06	per hundredweight
Processor Assessment ^{1/2/}	0.20	per hundredweight
Total Class I price ^{1/}	13.26	per hundredweight
Class II price @ 3.5 % butterfat	10.54	per hundredweight
Class II butterfat price	1.1529	per pound
Class II skim price ^{1/}	6.74	per hundredweight
Class II nonfat solids price ^{1/}	0.7489	per pound
Class III price @ 3.5 % butterfat	9.11	per hundredweight
Class III skim price	5.28	per hundredweight
Class IV price @ 3.5 % butterfat	9.79	per hundredweight
Class IV skim milk price	5.99	per hundredweight
Component prices:		
Butterfat price	1.1459	per pound
Nonfat solids price	0.6651	per pound
Protein price	1.6648	per pound
Other solids price	0.0206	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.0546	per pound
Nonfat dry milk	0.8051	per pound
Cheese	1.0780	per pound
Dry whey	0.1599	per pound

Estimated Utilization Percentages of Producer Milk for April 2003^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	20	80
Skim Milk	35	65

^{1/} Previously announced in *Announcement of Class I Price and Advanced Pricing Factors*.

^{2/} 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.

^{3/} 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.

(Class I prices by location on reverse side)

Erik F. Rasmussen
Market Administrator

March 2003
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:			6.04	1.1374	9.81
Boston, MA	3.25	0.00	9.29	1.1699	13.06
Newport News/Portsmouth, VA	3.20	(0.05)	9.24	1.1694	13.01
New York, NY	3.15	(0.10)	9.19	1.1689	12.96
Long Valley, NJ	3.10	(0.15)	9.14	1.1684	12.91
Philadelphia, PA	3.05	(0.20)	9.09	1.1679	12.86
Agawam, MA/Baltimore, MD	3.00	(0.25)	9.04	1.1674	12.81
Frederick, MD/New Holland, PA	2.90	(0.35)	8.94	1.1664	12.71
Mt. Holly Springs, PA	2.80	(0.45)	8.84	1.1654	12.61
Albany/Binghamton, NY	2.70	(0.55)	8.74	1.1644	12.51
Middlebury, VT	2.60	(0.65)	8.64	1.1634	12.41
Syracuse, NY	2.50	(0.75)	8.54	1.1624	12.31
St. Albans/Swanton, VT	2.40	(0.85)	8.44	1.1614	12.21
Watertown/Rochester, NY	2.30	(0.95)	8.34	1.1604	12.11
Buffalo, NY	2.20	(1.05)	8.24	1.1594	12.01
Jamestown, NY	2.10	(1.15)	8.14	1.1584	11.91

* 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 under the "milk" selection. For additional information contact Sara Short (202) 694-5588, Jim Johnson (202) 694-5560, or Bill McBride (202) 694-5577.