



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:*  
 302A Washington Avenue Ext.  
 Albany, NY 12203-7303  
 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*

## AUGUST 2013 POOL PRICE ANNOUNCEMENT

| Producer Milk       | Percent | Pounds        | Minimum Class Price |
|---------------------|---------|---------------|---------------------|
| Class I             | 36.9    | 786,016,780   | \$22.13             |
| Class II            | 27.7    | 589,945,869   | 19.27               |
| Class III           | 25.9    | 551,689,909   | 17.91               |
| Class IV            | 9.5     | 203,130,168   | 19.07               |
| Total Producer Milk | 100.0   | 2,130,782,726 |                     |

| Computation of Uniform Price (per cwt @ Suffolk County, MA - Boston) |                | Class III & Producer Component Prices |              |
|--|----------------|---------------------------------------|--------------|
| Producer Price Differential  | <b>\$2.37</b>  | Protein Price                         | \$3.4775 /lb |
| Class III Price (@ 3.5% Butterfat)                                   | <b>\$17.91</b> | Butterfat Price                       | 1.5104 /lb   |
| Statistical Uniform Price (@ 3.5% Butterfat)                         | <b>\$20.28</b> | Other Solids Price                    | 0.3901 /lb   |
| Statistical Uniform Price (@ Average Pool Component Tests)           | <b>\$20.60</b> | Nonfat Solids Price                   | 1.5868 /lb   |

| COMPUTATION OF PRODUCER PRICE DIFFERENTIAL                       |                               |                    |                 |                         |
|--|-------------------------------|--------------------|-----------------|-------------------------|
|  | Product Pounds                | Price per cwt./lb. | Component Value | Total Value             |
| Class I— Skim  | 770,738,925                   | \$17.02            | 131,179,765.04  |                         |
| Butterfat  | 15,277,855                    | 1.6294             | 24,893,736.94   |                         |
| Less: Location Adjustment to Handlers                            |                               |                    | (2,651,910.86)  | \$153,421,591.10        |
| Class II— Butterfat  | 31,101,251                    | 1.5174             | 47,193,038.25   |                         |
| Nonfat Solids  | 50,704,868                    | 1.6078             | 81,523,286.75   | 128,716,325.00          |
| Class III— Butterfat   | 23,201,956                    | 1.5104             | 35,044,234.29   |                         |
| Protein  | 16,598,580                    | 3.4775             | 57,721,562.01   |                         |
| Other Solids   | 31,416,672                    | 0.3901             | 12,255,643.74   | 105,021,440.04          |
| Class IV— Butterfat  | 8,261,228                     | 1.5104             | 12,477,758.77   |                         |
| Nonfat Solids  | 17,643,540                    | 1.5868             | 27,996,769.28   | 40,474,528.05           |
| <b>Total Classified Value</b>                                    |                               |                    |                 | <b>\$427,633,884.19</b> |
| Add: Overage—All Classes   |                               |                    |                 | 31,480.38               |
| Inventory Reclassification—All Classes                           |                               |                    |                 | (138,997.31)            |
| Other Source Receipts  | 312,801 Pounds                |                    |                 | 11,511.22               |
| <b>Total Pool Value</b>  |                               |                    |                 | <b>\$427,537,878.48</b> |
| Less: Producer Component Valuations @ Class III Component Prices |                               |                    |                 | (388,542,305.65)        |
| <b>Total PPD Value Before Adjustments</b>                        |                               |                    |                 | <b>\$38,995,572.83</b>  |
| Add: Location Adjustment to Producers                            |                               |                    |                 | 11,408,653.74           |
| One-half Unobligated Balance—Producer Settlement Fund            |                               |                    |                 | 1,030,066.60            |
| Less: Producer Settlement Fund—Reserve                           |                               |                    |                 | (927,329.17)            |
| <b>Total Pool Milk &amp; PPD Value</b>                           | 2,131,095,527 Producer pounds |                    |                 | <b>\$50,506,964.00</b>  |
| <b>Producer Price Differential</b>                               |                               | <b>\$2.37</b>      |                 |                         |
| <b>Statistical Uniform Price</b>                                 |                               | <b>\$20.28</b>     |                 |                         |

(Selected pool and price statistics on reverse side)

Erik F. Rasmussen, Market Administrator

## Payment Schedule

|   |                    |
|---|--------------------|
| <u>Payment Dates for the Month of:</u>                              | <u>AUGUST 2013</u> |
| Payments <b>TO</b> the Producer Settlement Fund due on:             | September 16, 2013 |
| Payments <b>FROM</b> the Producer Settlement Fund made on:          | September 17, 2013 |
| Final payments <b>TO</b> a Cooperative Association must be made on: | September 17, 2013 |
| Final payments to Producers must be <b>RECEIVED</b> by:             | September 18, 2013 |

## Producer Price Differential and Statistical Uniform Price, by Location

| Selected Locations            | Differential*             | Adjustment | Producer Price Differential | Statistical # Uniform Price |
|-------------------------------|---------------------------|------------|-----------------------------|-----------------------------|
|                               | dollars per hundredweight |            |                             |                             |
| Boston, MA                    | 3.25                      | 0.00       | 2.37                        | 20.28                       |
| Newport News/Portsmouth, VA   | 3.20                      | (0.05)     | 2.32                        | 20.23                       |
| New York, NY                  | 3.15                      | (0.10)     | 2.27                        | 20.18                       |
| Long Valley, NJ               | 3.10                      | (0.15)     | 2.22                        | 20.13                       |
| Philadelphia, PA              | 3.05                      | (0.20)     | 2.17                        | 20.08                       |
| Agawam, MA/Baltimore, MD      | 3.00                      | (0.25)     | 2.12                        | 20.03                       |
| Frederick, MD/New Holland, PA | 2.90                      | (0.35)     | 2.02                        | 19.93                       |
| Mt. Holly Springs, PA         | 2.80                      | (0.45)     | 1.92                        | 19.83                       |
| Albany/Binghamton, NY         | 2.70                      | (0.55)     | 1.82                        | 19.73                       |
| Middlebury, VT                | 2.60                      | (0.65)     | 1.72                        | 19.63                       |
| Syracuse, NY                  | 2.50                      | (0.75)     | 1.62                        | 19.53                       |
| St. Albans/Swanton, VT        | 2.40                      | (0.85)     | 1.52                        | 19.43                       |
| Watertown/Rochester, NY       | 2.30                      | (0.95)     | 1.42                        | 19.33                       |
| Buffalo, NY                   | 2.20                      | (1.05)     | 1.32                        | 19.23                       |
| Jamestown, NY                 | 2.10                      | (1.15)     | 1.22                        | 19.13                       |

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

# Prices apply on a county basis. Prices at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.

## Selected Pool Statistics

|                                    |              |        |
|------------------------------------|--------------|--------|
| Average test of producer receipts: | Butterfat    | 3.65 % |
|                                    | True Protein | 3.01 % |
|                                    | Other Solids | 5.72 % |

Estimated Marketwide Utilization for SEPTEMBER 2013:

|                       | Skim | Butterfat |
|-----------------------|------|-----------|
| Class I               | 41%  | 20%       |
| Classes II, III, & IV | 59%  | 80%       |