



Agricultural Marketing Service
Dairy Programs

FEDERAL MILK ORDER No. 1

Northeast Marketing Area

30 Winter Street, Boston, MA 02108
Mailing Address:
 P.O. Box 51478 (Fort Point Station)
 Boston, MA 02205-1478
 Tel.: (617) 542-8966 — Fax: (617) 542-0105
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>February 2002</u>	
	<u>dollars</u>	
Class I price @ <i>Suffolk County, MA (Boston)</i> at 3.5% butterfat ^{1/}	15.20	per hundredweight
Processor Assessment ^{1/2/}	<u>0.20</u>	per hundredweight
Total Class I price ^{1/}	15.40	per hundredweight
Class II price @ 3.5 % butterfat	12.28	per hundredweight
Class II butterfat price	1.3887	per pound
Class II skim price ^{1/}	7.69	per hundredweight
Class II nonfat solids price ^{1/}	0.8544	per pound
Class III price @ 3.5 % butterfat	11.63	per hundredweight
Class III skim price	7.04	per hundredweight
Class IV price @ 3.5 % butterfat	11.54	per hundredweight
Class IV skim milk price	6.95	per hundredweight
Component prices:		
Butterfat price	1.3817	per pound
Nonfat solids price	0.7721	per pound
Protein price	2.0884	per pound
Other solids price	0.0965	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	<u>1.2480</u>	per pound
Nonfat dry milk	0.9121	per pound
Cheese	1.2895	per pound
Dry whey	0.2334	per pound

Estimated Utilization Percentages of Producer Milk for March 2002^{3/}

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	21	79
Skim Milk	41	59

^{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.*).

^{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 and Regional Milk Production Costs on reverse side)

FEBRUARY 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:			6.99	1.4860	11.95
Boston, MA	3.25	0.00	10.24	1.5185	15.20
Newport News/Portsmouth, VA	3.20	(0.05)	10.19	1.5180	15.15
New York, NY	3.15	(0.10)	10.14	1.5175	15.10
Long Valley, NJ	3.10	(0.15)	10.09	1.5170	15.05
Philadelphia, PA	3.05	(0.20)	10.04	1.5165	15.00
Agawam, MA/Baltimore, MD	3.00	(0.25)	9.99	1.5160	14.95
Frederick, MD/New Holland, PA	2.90	(0.35)	9.89	1.5150	14.85
Mt. Holly Springs, PA	2.80	(0.45)	9.79	1.5140	14.75
Albany/Binghamton, NY	2.70	(0.55)	9.69	1.5130	14.65
Middlebury, VT	2.60	(0.65)	9.59	1.5120	14.55
Syracuse, NY	2.50	(0.75)	9.49	1.5110	14.45
St. Albans/Swanton, VT	2.40	(0.85)	9.39	1.5100	14.35
Watertown/Rochester, NY	2.30	(0.95)	9.29	1.5090	14.25
Buffalo, NY	2.20	(1.05)	9.19	1.5080	14.15
Jamestown, NY	2.10	(1.15)	9.09	1.5070	14.05

* 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, January and February 2002*

Region	Total cash expenses		Total economic cost	
	January**	February	January**	February
	dollars per hundredweight			
Northeast	14.01	14.12	19.14	19.32
Southeast	13.92	14.02	17.64	17.84
Upper Midwest	12.95	13.02	17.86	18.02
Corn Belt	13.80	13.89	19.88	20.05
Southern Plains	12.25	12.33	15.67	15.80
Pacific	9.17	9.22	10.96	11.04

* United States Department of Agriculture, Economic Research Service. For further information, contact Sara Short, (202) 694-5588. Regions are defined as: Northeast—New York, Pennsylvania, and Vermont; Southeast—Florida and Georgia; Upper Midwest—Michigan, Minnesota, and Wisconsin; Corn Belt— Iowa, Missouri, and Ohio; Southern Plains—Texas; Pacific—Arizona, California, and Washington.

** Revised from last month due to changes in milk production, producer price indexes, corn market price, and economic indicators for the U.S. economy.