



Agricultural Marketing Service  
Dairy Programs

# FEDERAL MILK ORDER No. 1

## Northeast Marketing Area

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### ANNOUNCEMENT OF CLASS AND COMPONENT PRICES

	<u>September 2003</u>	
	<u>dollars</u>	
Class I price @ Suffolk County, MA (Boston) at 3.5% butterfat <sup>1/</sup>	16.96	per hundredweight
Processor Assessment <sup>1/ 2/</sup>	0.20	per hundredweight
Total Class I price <sup>1/</sup>	17.16	per hundredweight
<b>Class II price @ 3.5 % butterfat</b>	10.76	per hundredweight
<b>Class II butterfat price</b>	1.2288	per pound
Class II skim price <sup>1/</sup>	6.69	per hundredweight
Class II nonfat solids price <sup>1/</sup>	0.7433	per pound
<b>Class III price @ 3.5 % butterfat</b>	14.30	per hundredweight
<b>Class III skim price</b>	10.39	per hundredweight
<b>Class IV price @ 3.5 % butterfat</b>	10.05	per hundredweight
<b>Class IV skim milk price</b>	5.98	per hundredweight
<b>Component prices:</b>		
Butterfat price	1.2218	per pound
Nonfat solids price	0.6644	per pound
Protein price	3.3180	per pound
Other solids price	0.0170	per pound

Product price monthly averages:	<u>dollars</u>	
Butter	1.1332	per pound
Nonfat dry milk	0.8111	per pound
Cheese	1.5940	per pound
Dry whey	0.1755	per pound

### Estimated Utilization Percentages of Producer Milk for October 2003<sup>3/</sup>

	<u>Class I</u>	<u>Class II, III and IV</u>
Butterfat	25	75
Skim Milk	49	51

<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§1160.101et 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.

**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 on reverse side)

Erik F. Rasmussen  
Market Administrator

**September 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:			9.51	1.2944	13.71
Boston, MA	3.25	0.00	12.76	1.3269	16.96
Newport News/Portsmouth, VA	3.20	(0.05)	12.71	1.3264	16.91
New York, NY	3.15	(0.10)	12.66	1.3259	16.86
Long Valley, NJ	3.10	(0.15)	12.61	1.3254	16.81
Philadelphia, PA	3.05	(0.20)	12.56	1.3249	16.76
Agawam, MA/Baltimore, MD	3.00	(0.25)	12.51	1.3244	16.71
Frederick, MD/New Holland, PA	2.90	(0.35)	12.41	1.3234	16.61
Mt. Holly Springs, PA	2.80	(0.45)	12.31	1.3224	16.51
Albany/Binghamton, NY	2.70	(0.55)	12.21	1.3214	16.41
Middlebury, VT	2.60	(0.65)	12.11	1.3204	16.31
Syracuse, NY	2.50	(0.75)	12.01	1.3194	16.21
St. Albans/Swanton, VT	2.40	(0.85)	11.91	1.3184	16.11
Watertown/Rochester, NY	2.30	(0.95)	11.81	1.3174	16.01
Buffalo, NY	2.20	(1.05)	11.71	1.3164	15.91
Jamestown, NY	2.10	(1.15)	11.61	1.3154	15.81

\* 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.