



United States
Department of Agriculture
Agricultural Marketing Service
Dairy Program

CALIFORNIA MARKETING AREA FEDERAL MILK ORDER NO. 51

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ESTIMATED Federal Order Minimum Value for Selected California Products/Containers

Value reflects Federal order minimum cost of raw skim and butterfat in milk products at the base zone of the order (Los Angeles County, \$2.10) and effect of Processor Assessment (See Note 1) and certain other assumptions. Not included in these costs are the expenses of standardization, pasteurization, processing, packaging, labor, delivery, etc.

<u>Type of Milk</u>		<u>Container Size Price</u>					
		Gallon	Half Gallon	Quart	Pint	1/3 Quart	Half Pints
Whole 3.50%	August 2020	\$1.9014	\$0.9507	\$0.4754	\$0.2377	\$0.1585	\$0.1188
	September 2020	\$1.7853	\$0.8927	\$0.4463	\$0.2232	\$0.1488	\$0.1116
	October 2020	\$1.5065	\$0.7533	\$0.3766	\$0.1883	\$0.1255	\$0.0942
	November 2020	\$1.7516	\$0.8758	\$0.4379	\$0.2190	\$0.1460	\$0.1095
Reduced Fat 2.00%	August 2020	\$1.7263	\$0.8632	\$0.4316	\$0.2158	\$0.1439	\$0.1079
	September 2020	\$1.6479	\$0.8240	\$0.4120	\$0.2060	\$0.1373	\$0.1030
	October 2020	\$1.3780	\$0.6890	\$0.3445	\$0.1723	\$0.1148	\$0.0861
	November 2020	\$1.6267	\$0.8134	\$0.4067	\$0.2034	\$0.1356	\$0.1017
Lowfat 1.00%	August 2020	\$1.6322	\$0.8161	\$0.4081	\$0.2040	\$0.1360	\$0.1020
	September 2020	\$1.5792	\$0.7896	\$0.3948	\$0.1974	\$0.1316	\$0.0987
	October 2020	\$1.3165	\$0.6583	\$0.3291	\$0.1646	\$0.1097	\$0.0823
	November 2020	\$1.5694	\$0.7847	\$0.3924	\$0.1962	\$0.1308	\$0.0981
Nonfat 0.10%	August 2020	\$1.3656	\$0.6828	\$0.3414	\$0.1707	\$0.1138	\$0.0854
	September 2020	\$1.3355	\$0.6678	\$0.3339	\$0.1670	\$0.1113	\$0.0835
	October 2020	\$1.0718	\$0.5359	\$0.2680	\$0.1340	\$0.0893	\$0.0670
	November 2020	\$1.3144	\$0.6572	\$0.3286	\$0.1643	\$0.1095	\$0.0822

<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
Whole	September 2020	(\$0.1161)	(\$0.0580)	(\$0.0291)	(\$0.0145)	(\$0.0097)	(\$0.0072)
	October 2020	(\$0.2788)	(\$0.1394)	(\$0.0697)	(\$0.0349)	(\$0.0233)	(\$0.0174)
	November 2020	\$0.2451	\$0.1225	\$0.0613	\$0.0306	\$0.0205	\$0.0153
Reduced Fat	September 2020	(\$0.0784)	(\$0.0392)	(\$0.0196)	(\$0.0098)	(\$0.0066)	(\$0.0049)
	October 2020	(\$0.2699)	(\$0.1350)	(\$0.0675)	(\$0.0338)	(\$0.0225)	(\$0.0169)
	November 2020	\$0.2487	\$0.1244	\$0.0622	\$0.0311	\$0.0208	\$0.0156
Lowfat	September 2020	(\$0.0530)	(\$0.0265)	(\$0.0133)	(\$0.0066)	(\$0.0044)	(\$0.0033)
	October 2020	(\$0.2627)	(\$0.1313)	(\$0.0657)	(\$0.0328)	(\$0.0219)	(\$0.0164)
	November 2020	\$0.2529	\$0.1264	\$0.0633	\$0.0316	\$0.0211	\$0.0158
Nonfat	September 2020	(\$0.0301)	(\$0.0150)	(\$0.0075)	(\$0.0038)	(\$0.0025)	(\$0.0019)
	October 2020	(\$0.2637)	(\$0.1319)	(\$0.0659)	(\$0.0330)	(\$0.0220)	(\$0.0165)
	November 2020	\$0.2426	\$0.1213	\$0.0606	\$0.0303	\$0.0202	\$0.0152

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
August 2020	\$15.64	\$1.9973		\$7.12
September 2020	\$15.32	\$1.7005		\$7.13
October 2020	\$12.27	\$1.6163		\$7.45
November 2020	\$15.08	\$1.6546		\$8.00

Conversion Factors for Pricing Units

<u>Whole 3.5%/8.7% Gal.</u> 8.61	<u>Reduced 2%/10% Gal.</u> 8.66	<u>Lowfat 1%/11% Gal.</u> 8.70	<u>Nonfat 0.10%/9% Gal.</u> 8.63
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Estimation Assumptions : Incoming milk tests 3.80% butterfat (BF) and 9.00% milk solids not fat (MSNF). Fortification is accomplished with condensed milk testing 33.5% MSNF. White milk products are fortified to California State Standards (BF/MSNF): Whole Milk 3.5%/8.7%; Reduced fat 2%/10%; Lowfat 1%/11%; Nonfat (skim) 0.10%/9%. In lieu of the final Class IV skim price which is not available before the 24th of the month, the advanced Class IV skim price is used. Pounds per gallon factors are based on the formula: $(100 / (100 + (BF\% \times 0.04811) - (MSNF\% \times 0.38556))) \times 8.3341$.

Note 1: All prices include the \$0.20 per cwt. Processor Assessment (Fluid Milk Promotion Order, 7 CFR, 1160.101 et seq.). These prices do not include any other assessments or costs associated with bottling milk.

Note 2: Prices were determined by a set of calculations which can be found on the FO 51 website (Sample Fortification Calculation).