



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.

Type of Milk		Container Size Price					
		Gallon	Half Gallon	Quart	Pint	1/3 Quart	Half Pints
<b>Whole</b> <b>3.50%</b>	July 2021	\$1.6982	\$0.8491	\$0.4246	\$0.2123	\$0.1415	\$0.1061
	August 2021	\$1.6528	\$0.8264	\$0.4132	\$0.2066	\$0.1377	\$0.1033
	September 2021	\$1.6262	\$0.8131	\$0.4066	\$0.2033	\$0.1355	\$0.1016
	October 2021	\$1.6690	\$0.8345	\$0.4173	\$0.2086	\$0.1391	\$0.1043
<b>Reduced Fat</b> <b>2.00%</b>	July 2021	\$1.5435	\$0.7718	\$0.3859	\$0.1930	\$0.1286	\$0.0965
	August 2021	\$1.5031	\$0.7516	\$0.3758	\$0.1879	\$0.1253	\$0.0939
	September 2021	\$1.4834	\$0.7417	\$0.3709	\$0.1854	\$0.1236	\$0.0927
	October 2021	\$1.5168	\$0.7584	\$0.3792	\$0.1896	\$0.1264	\$0.0948
<b>Lowfat</b> <b>1.00%</b>	July 2021	\$1.4725	\$0.7363	\$0.3681	\$0.1841	\$0.1227	\$0.0920
	August 2021	\$1.4351	\$0.7176	\$0.3588	\$0.1794	\$0.1196	\$0.0897
	September 2021	\$1.4202	\$0.7101	\$0.3551	\$0.1775	\$0.1184	\$0.0888
	October 2021	\$1.4478	\$0.7239	\$0.3620	\$0.1810	\$0.1207	\$0.0905
<b>Nonfat</b> <b>0.10%</b>	July 2021	\$1.1594	\$0.5797	\$0.2899	\$0.1449	\$0.0966	\$0.0725
	August 2021	\$1.1288	\$0.5644	\$0.2822	\$0.1411	\$0.0941	\$0.0706
	September 2021	\$1.1163	\$0.5582	\$0.2791	\$0.1396	\$0.0930	\$0.0698
	October 2021	\$1.1343	\$0.5672	\$0.2836	\$0.1418	\$0.0945	\$0.0709

Type of Milk		Container Size Price Changes from the Previous Months					
<b>Whole</b>	August 2021	(\$0.0454)	(\$0.0227)	(\$0.0114)	(\$0.0057)	(\$0.0038)	(\$0.0028)
	September 2021	(\$0.0266)	(\$0.0133)	(\$0.0066)	(\$0.0033)	(\$0.0022)	(\$0.0017)
	October 2021	\$0.0428	\$0.0214	\$0.0107	\$0.0053	\$0.0036	\$0.0027
<b>Reduced Fat</b>	August 2021	(\$0.0404)	(\$0.0202)	(\$0.0101)	(\$0.0051)	(\$0.0033)	(\$0.0026)
	September 2021	(\$0.0197)	(\$0.0099)	(\$0.0049)	(\$0.0025)	(\$0.0017)	(\$0.0012)
	October 2021	\$0.0334	\$0.0167	\$0.0083	\$0.0042	\$0.0028	\$0.0021
<b>Lowfat</b>	August 2021	(\$0.0374)	(\$0.0187)	(\$0.0093)	(\$0.0047)	(\$0.0031)	(\$0.0023)
	September 2021	(\$0.0149)	(\$0.0075)	(\$0.0037)	(\$0.0019)	(\$0.0012)	(\$0.0009)
	October 2021	\$0.0276	\$0.0138	\$0.0069	\$0.0035	\$0.0023	\$0.0017
<b>Nonfat</b>	August 2021	(\$0.0306)	(\$0.0153)	(\$0.0077)	(\$0.0038)	(\$0.0025)	(\$0.0019)
	September 2021	(\$0.0125)	(\$0.0062)	(\$0.0031)	(\$0.0016)	(\$0.0011)	(\$0.0008)
	October 2021	\$0.0180	\$0.0090	\$0.0045	\$0.0023	\$0.0015	\$0.0011

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
July 2021	\$13.25	\$1.9820		\$9.83
August 2021	\$12.90	\$1.9280		\$9.67
September 2021	\$12.76	\$1.8783		\$9.75
October 2021	\$12.96	\$1.9651		\$9.93

**Conversion Factors for Pricing Units**

<u>Whole 3.5%/8.7% Gal.</u>	<u>Reduced 2%/10% Gal.</u>	<u>Lowfat 1%/11% Gal.</u>	<u>Nonfat 0.10%/9% Gal.</u>
8.61	8.66	8.70	8.63

# **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).