



The Market Administrator's

BULLETIN

CALIFORNIA MARKETING AREA

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November 2024

Federal Order No. 51

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November Pool Price Calculation

The November 2024 Statistical Uniform Price (SUP) for the California Marketing Area decreased by \$0.19 per hundredweight (cwt) from the previous month, settling at \$21.28 per cwt for milk delivered to plants located in Los Angeles County, California, the pricing point for the California Federal Marketing Order. The SUP is announced at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. When reported at the average tests of pooled milk (4.35 percent butterfat, 3.49 percent protein, and 5.76 percent other solids), the November SUP was \$25.06 per cwt, which is \$0.44 higher than in October. The November Producer Price Differential (PPD) in Los Angeles County was \$1.33 per cwt, \$2.71 higher than the previous month.

Product Prices Effect

In the November 2024 National Dairy Product Sales Report, average product prices showed mixed changes from October to November. Butter and cheese prices declined, with butter dropping by 2 cents to \$2.7002 per pound and cheese decreasing by 32 cents to \$1.9198 per pound. Dry whey and nonfat dry milk rose by 3 cents each, reaching \$0.5922 and \$1.3773 per pound, respectively.

Component prices experienced similar trends in the month of November. The butterfat price saw a small decrease of 2 cents, dropping to \$3.0623 per pound, while the protein price experienced a substantial decrease of \$1.01 per pound, declining from \$3.3238 to \$2.3160 per pound. The other solids and nonfat solids prices rose by 3 cents to \$0.4049 and \$1.1974 per pound, respectively.

Class prices showed mixed changes from October to November. The Class I price fell by \$0.64, settling at \$24.63 per cwt. Meanwhile, the Class III price declined by the largest margin of \$2.90 to \$19.95 per cwt. The Class II and Class IV prices both increased by \$0.51 and \$0.22, to \$21.52 and \$21.12 per cwt, respectively.

Selected Statistics

The November 2024 pool set a new record for butterfat and protein tests at 4.35 and 3.49 percent, respectively. The Other Solids price continues to climb increasing to \$0.4049 per pound, the highest price since June 2022. ❖

Pool Summary

- A total of 796 producers were pooled with an average daily delivery per producer of 72,977 pounds, an increase of 0.37 percent from October.
- Pooled milk receipts totaled 1.74 billion pounds, an increase of 10.81 percent on an average daily basis.
- Class I usage (milk for bottling) accounted for 22.6 percent of total pooled milk receipts.
- The average butterfat test of producer receipts was 4.35 percent.
- The average true protein test of producer receipts was 3.49 percent.
- The average other solids test of producer receipts was 5.76 percent. ❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	22.6	393,711,682
Class II	5.6	97,109,556
Class III	54.0	941,430,990
Class IV	17.8	310,444,690
Total Pooled Milk		1,742,696,918

Producer Component Prices

	2024	2023
	\$/lb	
Protein Price	2.3160	1.3238
Butterfat Price	3.0623	3.4608
Other Solids Price	0.4049	0.1895

Class Price Factors

	2024	2023
	\$/cwt	
Class I	24.63	21.85
Class II	21.52	21.21
Class III	19.95	17.15
Class IV	21.12	20.87

Milk Marketings by County May 2024

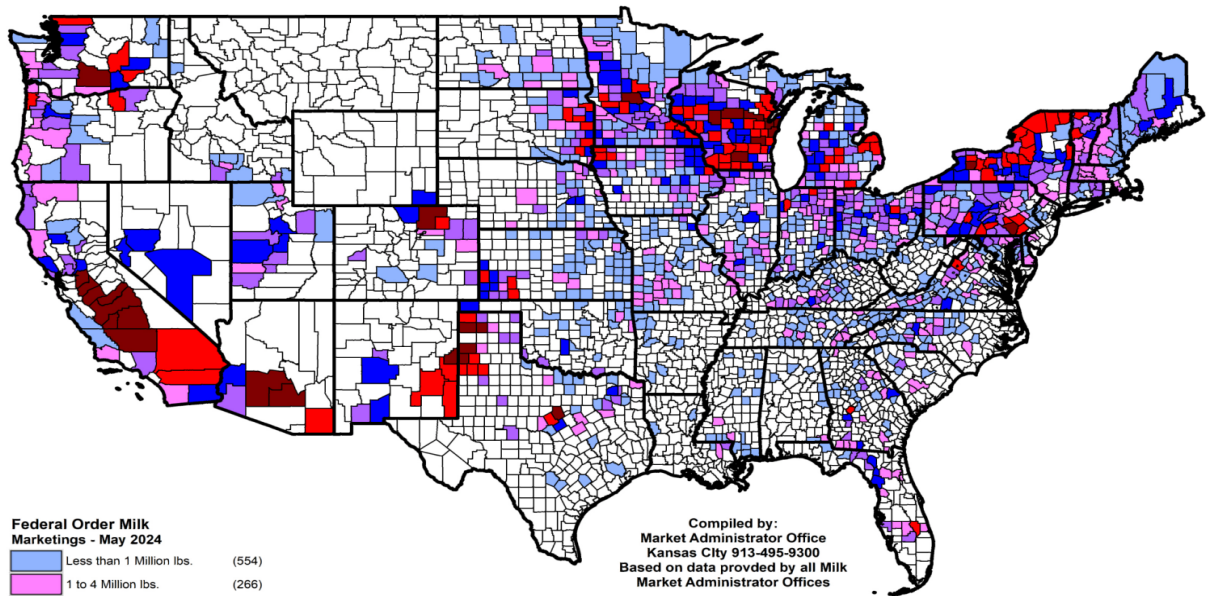
Twice a year in May and December, Federal Order (FO) 32 publishes maps illustrating milk marketings by county across the country.

National Shifts in Milk Marketings

In May 2024, 53 of 1,298 counties marketed half of all FO milk with each marketing at least 68 million pounds. This number of counties is down from the 56 in May 2019. There were approximately 457 counties with increased FO milk marketings in May 2024 compared to May 2019, totaling 10.370 billion pounds, with 46 counties increasing by over 10 million pounds.

Twelve counties accounted for 25% of the total milk marketings, producing 4.242 billion pounds – a 66-million-pound (1.6%) increase compared to May 2019. Ranking all counties in ascending order, it would take marketings from the smallest 875 counties (67.4% of the 1,298 total) to equal the production of the top county which is Tulare County in FO 51.

Federal Order Milk Marketings by County May 2024



Less than 1 Million lbs.	(554)
1 to 4 Million lbs.	(266)
4 to 12 Million lbs.	(212)
12 to 32 Million lbs.	(139)
32 to 100 Million lbs.	(98)
Greater than 100 Million lbs.	(29)

Table 1: Top FO 51 Milk Producing Counties, May 2023 and 2024

COUNTY	MAY 2023 MARKETINGS	MAY 2024 MARKETINGS	PERCENT CHANGE
TULARE	986,585,085	1,004,633,784	1.83%
MERCED	599,285,471	582,426,421	-2.81%
KINGS	405,916,175	396,799,127	-2.25%
KERN	365,122,286	369,367,600	1.16%
STANISLAUS	355,862,865	333,302,031	-6.34%
FRESNO	259,706,549	248,876,285	-4.17%
SAN JOAQUIN	197,445,360	189,172,914	-4.19%
TOTAL	3,169,923,791	3,124,578,162	-1.43%
FO TOTAL	17,639,078,049	16,896,562,519	

Table 2: Contribution of the Top FO 51 Milk Producing Counties to the FO Total

COUNTY	MAY 2023 Share of FO Total	MAY 2024 Share of FO Total	YOY Change
	Percentage		
TULARE	5.59	5.95	0.36
MERCED	3.4	3.45	0.05
KINGS	2.3	2.35	0.05
KERN	2.07	2.19	0.12
STANISLAUS	2.02	1.97	-0.05
FRESNO	1.47	1.47	-
SAN JOAQUIN	1.12	1.12	-
TOTAL	17.97	18.5	

Milk Marketings in FO 51 Counties

Seven California counties accounted for 18.5 percent of all FO milk marketed in May 2024. Table 1 displays the milk marketing statistics of these counties in May 2024 compared to May 2023. The seven counties collectively marketed 3.1 billion pounds in May 2024, slightly down 1.43 percent from May 2023. Tulare County leads the nation in milk production, marketing over 1 billion pounds in May 2024 – 422 million pounds more than Merced County, the second highest producing county. Tulare and Kern County both

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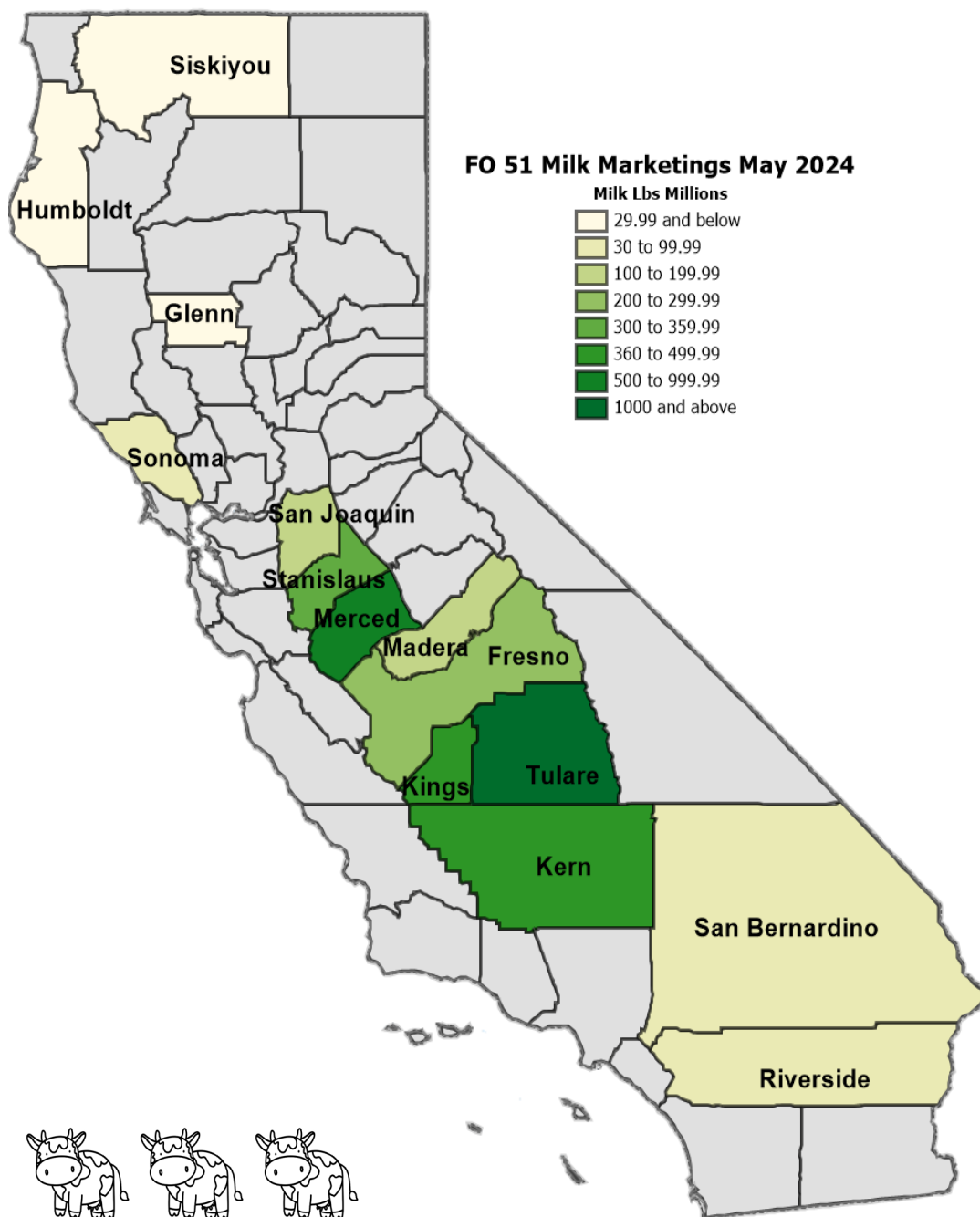
Milk Marketings by Count May 2024 *(continued from page 2)*

experienced gains in production during this period increasing by 1.83 and 1.16 percent, respectively.

Table 2, on page 2, displays the contribution percentage to the FO total milk marketings for the top seven California counties. These counties accounted for 18.5 percent of all FO milk marketed in May 2024, an increase from 17.9 percent in May 2023. Tulare and Merced County accounted for 5.95 and 3.45 percent of the FO total, respectively.

The map displayed here illustrates the milk marketings by FO 51 counties in May 2024 (counties with two or less producers are not shown due to confidentiality). As seen on the map, Tulare, Merced, and Kern County account for 55.6 percent of milk marketed in FO 51.

The most recent publication detailing statistics from May 2024 can be found on FO 32's November 2024 bulletin at https://www.fmmcentral.com/monthly_news_letter.html. ❖



Update on Price Formula Hearing Referendum

Following the announcement of the Final Decision, a referendum is being conducted through December 31, 2024, in each Federal Milk Marketing Order (FMMO) for all eligible dairy producers to vote to approve individual FMMO as amended. In Federal Order 51, ballots have already been sent out to eligible producers.

If at least two-thirds of the producers voting or two-thirds of the milk volume represented in the vote approve of an FMMO as proposed to be amended, AMS would issue a final rule to implement the changes. A final rule would be published in the Federal Register in early 2025 and would include implementation timelines. If the approval threshold is not met, USDA would proceed to terminate the respective FMMO(s).

For more information on the California referendum process, please email market.admin@cafmmo.com. For more information on the referendum process visit the AMS website at <https://www.ams.usda.gov/rules-regulations/moa/dairy/hearings/national-fmmo-pricing-hearing/faq-final-decision> or tune into the recorded webinar at https://www.youtube.com/watch?v=PFuEBmy6_uM. ❖



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Computation of Producer Price Differential and Statistical Uniform Price*

	<u>Product Pounds</u>	<u>Price per cwt./lb.</u>	<u>Component Value</u>	<u>Total Value</u>
Class I— Skim	383,547,343	\$14.41	\$55,269,172.13	
Butterfat	10,164,339	3.0636	31,139,468.96	
Less: Location Adjustment to Handlers			(824,057.45)	\$85,584,583.64
Class II— Butterfat	13,210,736	3.0693	40,547,712.01	
Nonfat Solids	8,062,349	1.2411	10,006,181.34	50,553,893.35
Class III— Butterfat	35,140,355	3.0623	107,610,309.10	
Protein	33,525,306	2.3160	77,644,608.69	
Other Solids	54,573,078	0.4049	22,096,639.27	207,351,557.06
Class IV— Butterfat	17,247,366	3.0623	52,816,608.90	
Nonfat Solids	28,277,317	1.1974	33,859,259.38	86,675,868.28
Total Classified Value			<i>Total value of milk in the pool</i> →	\$430,165,902.33
Add: Overage—All Classes				25,528.75
Inventory Reclassification—All Classes				13,577.68
Other Source Receipts	100,532			4,695.53
Total Pool Value				\$430,209,704.29
Less: Value of Producer Butterfat	75,762,796	3.0623	(232,008,410.19)	
Value of Producer Protein	60,860,786	2.3160	(140,953,580.38)	
Value of Producer Other Solids	100,396,557	0.4049	(40,650,565.93)	(413,612,556.50)
Total PPD Value Before Adjustments			<i>Total Class III value of producer components</i> ↗	\$16,597,147.79
Add: Location Adjustment to Producers				6,605,665.66
One-half Unobligated Balance—Producer Settlement Fund				771,237.46
Less: Producer Settlement Fund—Reserve				(794,844.78)
Total Pool Milk & PPD Value	1,742,797,450			\$23,179,206.13
Producer Price Differential		\$ 1.33		
Statistical Uniform Price		\$ 21.28		

Value from which PPD per hundredweight is calculated

* Price at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids.