



# The Market Administrator's

# BULLETIN

## CALIFORNIA MARKETING AREA

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December 2025

Federal Order No. 51

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### December Pool Price Calculation

The December 2025 Statistical Uniform Price (SUP) for the California Marketing Area increased by \$0.57 per hundredweight (cwt) from last month to \$15.33 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, 3.18 percent protein, and 5.79 percent other solids. When reported at the average tests of pooled milk (4.35 percent butterfat, 3.45 percent protein, and 5.76 percent other solids), the December SUP was \$17.30 per cwt, \$0.05 lower than November. The December Producer Price Differential (PPD) in Los Angeles County was (\$0.53) per cwt, \$1.89 higher than the month prior.

### Product Prices Effect

Prices in the National Dairy Product Sales Report experienced mostly downward trends in December. The butter price decreased roughly 11 cents to \$1.5287 per pound. The nonfat dry milk price declined less than a cent to \$1.1541 per pound. The cheese price declined 21 cents to \$1.5271 per pound. The dry whey price had the only increase in December, rising just under 5 cents to \$0.6893 per pound.

Component prices experienced similar trends to the product prices in December. The butterfat price decreased 13 cents to \$1.5761 per pound. The nonfat solids price decreased less than a cent to \$0.9057 per pound and the protein price decreased by 56 cents to \$2.4563 per pound. Meanwhile, the other solids price increased nearly 5 cents, reaching \$0.4352 per pound.

Most Class prices decreased into December. The Class I price gained \$1.46, reaching \$21.01 per cwt. The Class II price declined only \$0.13 to \$14.41 per cwt. The Class III price declined by the largest margin of \$1.32 to \$15.86 per cwt. Lastly, the Class IV price decreased by 25 cents to \$13.64 per cwt.

### Selected Statistics

Class I utilization, 414.8 million pounds, was the highest for the month of December since 2021. Class II utilization reached 136.8 million pounds in December 2025, just below December 2019's 141.4 million. ❖

### Pool Summary

- A total of 695 producers were pooled with an average daily delivery per producer of 88,593 pounds, an increase of 3.10 percent from November.
- Pooled milk receipts totaled 1.909 billion pounds, an increase of 21.7 percent on an average daily basis.
- Class I usage (milk for bottling) accounted for 21.7 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 3.45 percent.
- The average other solids test of producer receipts was 5.76 percent. ❖

#### Class Utilization

| Pooled Milk       | Percent | Pounds        |
|-------------------|---------|---------------|
| Class I           | 21.7    | 414,754,072   |
| Class II          | 7.2     | 136,755,517   |
| Class III         | 3.3     | 62,333,562    |
| Class IV          | 67.8    | 1,294,894,955 |
| Total Pooled Milk |         | 1,908,738,106 |

#### Producer Component Prices

|                    | 2025   | 2024   |
|--------------------|--------|--------|
|                    | \$/lb  |        |
| Protein Price      | 2.4563 | 1.9637 |
| Butterfat Price    | 1.5761 | 2.9104 |
| Other Solids Price | 0.4352 | 0.4493 |

#### Class Price Factors

|                 | 2025   | 2024  |
|-----------------|--------|-------|
|                 | \$/cwt |       |
| Class I         | 21.01  | 23.53 |
| Class I ESL Adj | -0.91  | N/A   |
| Class II        | 14.41  | 21.28 |
| Class III       | 15.86  | 18.62 |
| Class IV        | 13.64  | 20.74 |

# 7 Years in Review

## SUP at Average Tests

The 2025 average Statistical Uniform Price (SUP) at average tests for FO 51 was \$20.76 per hundredweight (cwt), down from 2024's average of \$22.67 per cwt. The record high in FO 51 occurred in April 2022 at \$27.88 per cwt, and the highest yearly average price of \$25.82 per cwt was observed that same year. The lowest price was observed in May 2020 at \$15.95 per cwt, and 2020 had the smallest yearly average at \$12.69 per cwt. While the SUP declined in 2025, the average protein price and other solids prices reached \$2.4495 and \$0.3677 per pound, respectively, highs not seen since 2022. The average protein price in 2025 increased about 55 cents from 2024's average of \$1.8961, while the average other solids price increased roughly 7 cents from \$0.3010 per pound. The average butterfat price declined to \$2.4416 per pound. Since producers in FO 51 are paid on actual components, the SUP at average tests is published for informational purposes only. Figure 1 illustrates the SUP announced at average component tests for FO 51 from 2021 to 2025.

## Pool Volume

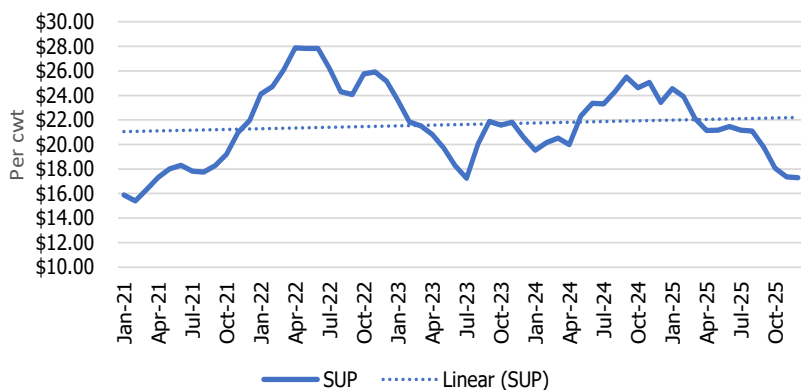
The 2025 total pool volume for FO 51 was 26.7 billion pounds, the highest ever recorded since the Order began, roughly 3.5 billion pounds higher than the 2024 total of 23.2 billion pounds. In April 2025, a new high was set under FO 51 at 3.27 billion pounds, while in March 2025 the second highest volume record was set at 3.08 billion pounds. These high volumes are partially attributed to Class III and IV milk being pooled due to Class price relationships. According to the National Agricultural Statistics Service, California milk production has been increasing since June 2025. Figure 2 illustrates FO 51 pool volume from 2021 to 2025.

## Class I Utilization

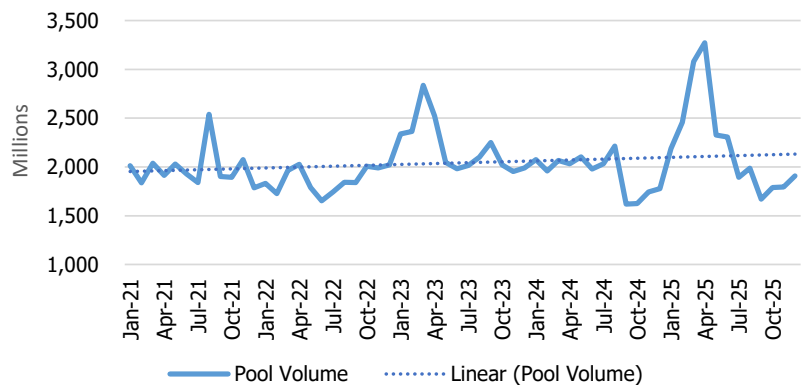
Nationally, Class I pool utilizations have continued to decline year to year, but California's volume has declined at a slower rate than previous years. From 2023 to 2024, Class I utilization experienced a minor decline in FO 51 dropping only 561 thousand pounds to 390.9 million pounds. From 2024 to 2025, the average Class I volume observed a small decrease of 814 thousand pounds to 2025's average of 390.0 million pounds.

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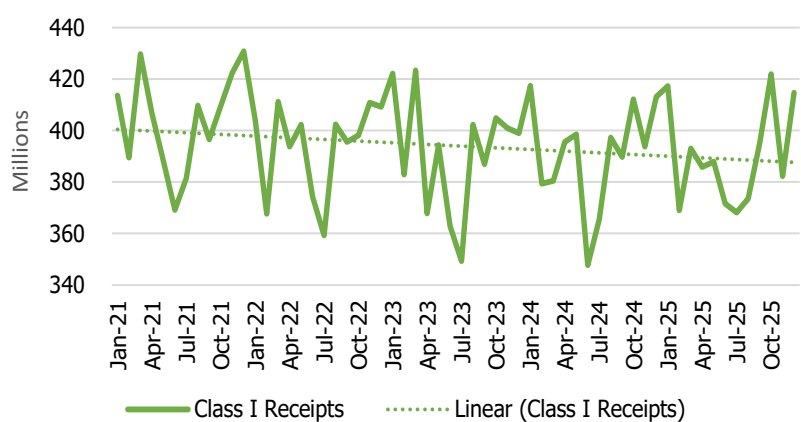
**Figure 1: FO 51 SUP at Average Tests, 2021 to 2025**



**Figure 2: FO 51 Pool Receipts, 2021 to 2025**



**Figure 3: FO 51 Class I Utilization, 2021 to 2025**



(continued on page 3)

## 7 Years in Review *(continued from page 2)*

Figure 3 illustrates FO 51's Class I utilization over the last five years.

### Component Tests

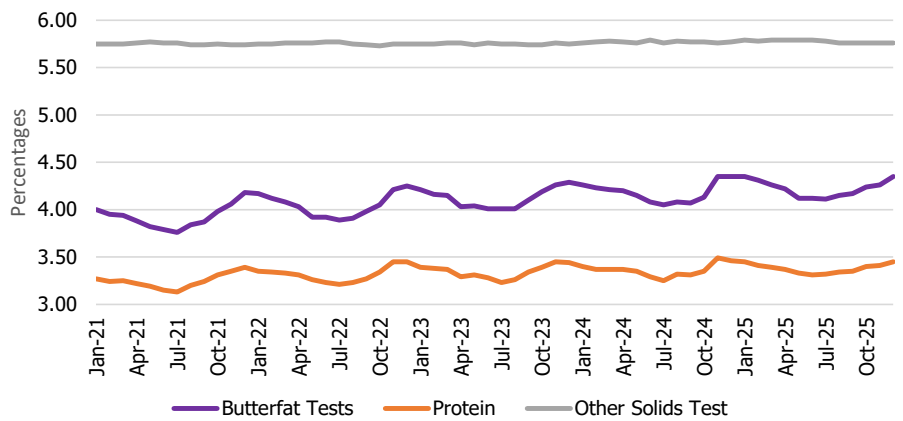
The FO 51 average pooled butterfat, protein, and other solids tests have continued to increase each year since FO 51 began, as seen in Figures 4. The 2025 FO 51 average butterfat test was the highest at 4.22 percent, while the lowest was 3.87 percent in 2020. The highest monthly butterfat tests under FO 51 were 4.35 and 4.31 which occurred in late 2024 and 2025. The 2025 average protein test was 3.38 percent, the highest average under FO 51, and the lowest occurred in 2020 at 3.19 percent. The highest monthly protein test in 2025 occurred in December at 3.45 percent, 0.04 percentage points lower than November 2024's 3.49 percent, FO 51's highest monthly protein test since the Order began.

From 2021 to 2023 the average yearly other solids test remained constant at 5.75 percent. In 2024 the average other solids test increased to 5.77 percent and in 2025 it gained an additional percentage point to 5.78 percent. The highest monthly test was 5.79 percent for multiple months in 2024 and 2025.

### National Hearing

The National Federal Milk Marketing Order Pricing Formula Hearing, which started in late 2024 and concluded in early 2025, led to changes to the Class I differentials, make allowances, cheese commodity prices, Base Class I Skim Milk Price formula, and the addition of an Extended Shelf Life adjustor that all went into effect in June 2025. The final amendment, the update to the milk composition factors, went into effect in December 2025. More information on the hearing and its Final Decision can be found at <https://www.ams.usda.gov/rules-regulations/moa/dairy/hearings/national-fmmo-pricing-hearing>. ❖

**Figure 4: FO 51 Pooled Component Tests, 2021 and 2025**



**Pool Summary for All Federal Orders, 2025**

| Federal Order        |                   | Total Producer Milk   |                       |             | Average Producer Price Differential* |                             | Average Statistical Uniform Price* |              |
|----------------------|-------------------|-----------------------|-----------------------|-------------|--------------------------------------|-----------------------------|------------------------------------|--------------|
| Number               | Name              | 2024                  | 2025                  | Change      | 2024                                 | 2025                        | 2024                               | 2025         |
|                      |                   | Pounds                |                       |             | Percent                              | Dollars per Hundredweight** |                                    |              |
| 1                    | Northeast         | 26,948,712,351        | 27,624,405,809        | 0.03        | 2.55                                 | 1.73                        | 21.44                              | 19.74        |
| 5                    | Appalachian***    | 5,300,667,946         | 5,088,339,140         | (0.04)      | N/A                                  | N/A                         | 22.92                              | 22.19        |
| 6                    | Florida***        | 2,524,345,055         | 2,510,990,711         | (0.01)      | N/A                                  | N/A                         | 24.86                              | 23.64        |
| 7                    | Southeast***      | 3,497,490,523         | 3,434,853,878         | (0.02)      | N/A                                  | N/A                         | 23.47                              | 22.61        |
| 30                   | Upper Midwest     | 28,285,111,239        | 24,807,603,242        | (0.12)      | 0.20                                 | 0.21                        | 19.09                              | 18.22        |
| 32                   | Central           | 14,607,816,361        | 13,959,995,647        | (0.04)      | 0.87                                 | 0.51                        | 19.76                              | 18.52        |
| 33                   | Mideast           | 18,182,080,614        | 20,705,236,081        | 0.14        | 1.35                                 | 0.91                        | 20.25                              | 18.79        |
| <b>51</b>            | <b>California</b> | <b>23,223,944,567</b> | <b>26,675,467,132</b> | <b>0.15</b> | <b>0.85</b>                          | <b>0.06</b>                 | <b>19.74</b>                       | <b>18.07</b> |
| 124                  | Pacific Northwest | 7,230,698,879         | 6,759,499,417         | (0.07)      | 1.06                                 | 0.18                        | 19.95                              | 18.19        |
| 126                  | Southwest         | 12,641,415,510        | 12,959,604,891        | 0.03        | 1.48                                 | 0.87                        | 20.37                              | 18.88        |
| 131                  | Arizona***        | 4,186,100,891         | 4,223,996,551         | 0.01        | N/A                                  | N/A                         | 20.87                              | 18.89        |
| All Federal Orders** |                   | 146,628,383,936       | 148,749,992,499       | 0.01        | 1.19                                 | 0.64                        | 21.16                              | 19.79        |

\*Price at principal location differential in each Order at 3.5 percent butterfat, 2.99 percent protein, and 5.69 percent other solids. In December 2025 components were changed to 3.18 percent protein and 5.79 percent other solids.

\*\*Weighted averages for PPD and SUP prices and totals for producer milk.

\*\*\*These orders are priced on Skim and Butterfat.

N/A = Not applicable



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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   | 403,952,695           | \$15.54                   | \$62,774,248.80                                       |                          |
| Butterfat   | 10,801,377            | 1.7194                    | 18,571,887.61   |                          |
| Less: Location Adjustment to Handlers                 |                       |                           | (1,164,413.91)  | \$80,181,722.51          |
| Class II— Butterfat                                   | 13,566,692            | 1.5831                    | 21,477,430.09   |                          |
| Nonfat Solids   | 11,885,594            | 0.9882                    | 11,745,344.00   | 33,222,774.09            |
| Class III— Butterfat                                  | 2,271,338             | 1.5761                    | 3,579,855.83  |                          |
| Protein   | 2,290,242             | 2.4563                    | 5,625,521.43  |                          |
| Other Solids  | 3,610,270             | 0.4352                    | 1,571,189.51  | 10,776,566.77            |
| Class IV— Butterfat                                   | 56,354,802            | 1.5761                    | 88,820,803.44   |                          |
| Nonfat Solids   | 119,324,127           | 0.9057                    | 108,071,861.85  | 196,892,665.29           |
| <b>Total Classified Value</b>                         |                       |                           | <i>Total value of milk in the pool</i> →              | <b>\$321,073,728.66</b>  |
| Add: Value for 60 (f) through 60(j)                   |                       |                           |   | (570,711.72)             |
| Other Source Receipts                                 | 91,212                |                           |   |                          |
| <b>Total Pool Value</b>                               |                       |                           |   | <b>\$320,503,016.94</b>  |
| Less: Value of Producer Butterfat                     | 82,994,209            | 1.5761                    | (130,807,172.80)                                      |                          |
| Value of Producer Protein                             | 65,828,905            | 2.4563                    | (161,695,539.35)                                      |                          |
| Value of Producer Other Solids                        | 110,019,933           | 0.4352                    | (47,880,674.84)                                       | (340,383,386.99)         |
| <b>Total PPD Value Before Adjustments</b>             |                       |                           | <i>Total Class III value of producer components</i> → | <b>(\$19,880,370.05)</b> |
| Add: Location Adjustment to Producers                 |                       |                           |   | 9,894,110.86             |
| One-half Unobligated Balance—Producer Settlement Fund |                       |                           |   | 666,641.15               |
| Less: Producer Settlement Fund—Reserve                |                       |                           |   | (797,177.33)             |
| <b>Total Pool Milk &amp; PPD Value</b>                | 1,908,829,318         |                           |   | <b>(\$10,116,795.37)</b> |
| Producer Price Differential                           |                       | \$ (0.53)                 |   |                          |
| Statistical Uniform Price                             |                       | \$ 15.33                  |   |                          |

Value from which PPD per hundredweight is calculated

\* Price at 3.5 percent butterfat, 3.18 percent protein, and 5.79 percent other solids.