



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
Whole 3.50%	September 2019	\$1.7352	\$0.8676	\$0.4338	\$0.2169	\$0.1446	\$0.1085
	October 2019	\$1.7344	\$0.8672	\$0.4336	\$0.2168	\$0.1445	\$0.1084
	November 2019	\$1.7599	\$0.8800	\$0.4400	\$0.2200	\$0.1467	\$0.1100
	December 2019	\$1.8620	\$0.9310	\$0.4655	\$0.2328	\$0.1552	\$0.1164
Reduced Fat 2.00%	September 2019	\$1.4714	\$0.7357	\$0.3679	\$0.1839	\$0.1226	\$0.0920
	October 2019	\$1.4870	\$0.7435	\$0.3718	\$0.1859	\$0.1239	\$0.0929
	November 2019	\$1.5358	\$0.7679	\$0.3840	\$0.1920	\$0.1280	\$0.0960
	December 2019	\$1.6530	\$0.8265	\$0.4133	\$0.2066	\$0.1378	\$0.1033
Lowfat 1.00%	September 2019	\$1.3200	\$0.6600	\$0.3300	\$0.1650	\$0.1100	\$0.0825
	October 2019	\$1.3470	\$0.6735	\$0.3368	\$0.1684	\$0.1123	\$0.0842
	November 2019	\$1.4130	\$0.7065	\$0.3533	\$0.1766	\$0.1178	\$0.0883
	December 2019	\$1.5418	\$0.7709	\$0.3855	\$0.1927	\$0.1285	\$0.0964
Nonfat 0.10%	September 2019	\$0.9861	\$0.4931	\$0.2465	\$0.1233	\$0.0822	\$0.0616
	October 2019	\$1.0213	\$0.5107	\$0.2553	\$0.1277	\$0.0851	\$0.0638
	November 2019	\$1.0908	\$0.5454	\$0.2727	\$0.1364	\$0.0909	\$0.0682
	December 2019	\$1.2195	\$0.6098	\$0.3049	\$0.1525	\$0.1016	\$0.0762

Type of Milk		Container Size Price Changes from the Previous Months					
Whole	October 2019	(\$0.0008)	(\$0.0004)	(\$0.0002)	(\$0.0001)	(\$0.0001)	(\$0.0001)
	November 2019	\$0.0255	\$0.0128	\$0.0064	\$0.0032	\$0.0022	\$0.0016
	December 2019	\$0.1021	\$0.0510	\$0.0255	\$0.0128	\$0.0085	\$0.0064
Reduced Fat	October 2019	\$0.0156	\$0.0078	\$0.0039	\$0.0020	\$0.0013	\$0.0009
	November 2019	\$0.0488	\$0.0244	\$0.0122	\$0.0061	\$0.0041	\$0.0031
	December 2019	\$0.1172	\$0.0586	\$0.0293	\$0.0147	\$0.0098	\$0.0073
Lowfat	October 2019	\$0.0270	\$0.0135	\$0.0068	\$0.0034	\$0.0023	\$0.0017
	November 2019	\$0.0660	\$0.0330	\$0.0165	\$0.0083	\$0.0055	\$0.0041
	December 2019	\$0.1288	\$0.0644	\$0.0322	\$0.0161	\$0.0107	\$0.0081
Nonfat	October 2019	\$0.0352	\$0.0176	\$0.0088	\$0.0044	\$0.0029	\$0.0022
	November 2019	\$0.0695	\$0.0347	\$0.0174	\$0.0087	\$0.0058	\$0.0044
	December 2019	\$0.1287	\$0.0644	\$0.0322	\$0.0161	\$0.0107	\$0.0080

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
September 2019	\$11.17	\$2.6785		\$7.76
October 2019	\$11.59	\$2.5600		\$7.84
November 2019	\$12.41	\$2.4185		\$8.32
December 2019	\$13.91	\$2.3438		\$8.73

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).