



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>	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
	December 2020	\$1.9092	\$0.9546	\$0.4773	\$0.2387	\$0.1591	\$0.1193
	January 2021	\$1.5018	\$0.7509	\$0.3755	\$0.1877	\$0.1252	\$0.0939
<b>Reduced Fat</b> <b>2.00%</b>	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
	December 2020	\$1.7964	\$0.8982	\$0.4491	\$0.2246	\$0.1497	\$0.1123
	January 2021	\$1.3846	\$0.6923	\$0.3462	\$0.1731	\$0.1154	\$0.0865
<b>Lowfat</b> <b>1.00%</b>	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
	December 2020	\$1.7478	\$0.8739	\$0.4370	\$0.2185	\$0.1457	\$0.1092
	January 2021	\$1.3337	\$0.6669	\$0.3334	\$0.1667	\$0.1111	\$0.0834
<b>Nonfat</b> <b>0.10%</b>	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
	December 2020	\$1.4949	\$0.7475	\$0.3737	\$0.1869	\$0.1246	\$0.0934
	January 2021	\$1.0767	\$0.5384	\$0.2692	\$0.1346	\$0.0897	\$0.0673

Type of Milk		Container Size Price Changes from the Previous Months					
<b>Whole</b>	November 2020	\$0.2451	\$0.1225	\$0.0613	\$0.0306	\$0.0205	\$0.0153
	December 2020	\$0.1576	\$0.0788	\$0.0394	\$0.0197	\$0.0131	\$0.0098
	January 2021	(\$0.4074)	(\$0.2037)	(\$0.1018)	(\$0.0509)	(\$0.0339)	(\$0.0254)
<b>Reduced Fat</b>	November 2020	\$0.2487	\$0.1244	\$0.0622	\$0.0311	\$0.0208	\$0.0156
	December 2020	\$0.1697	\$0.0848	\$0.0424	\$0.0212	\$0.0141	\$0.0106
	January 2021	(\$0.4118)	(\$0.2059)	(\$0.1029)	(\$0.0515)	(\$0.0343)	(\$0.0258)
<b>Lowfat</b>	November 2020	\$0.2529	\$0.1264	\$0.0633	\$0.0316	\$0.0211	\$0.0158
	December 2020	\$0.1784	\$0.0892	\$0.0446	\$0.0223	\$0.0149	\$0.0111
	January 2021	(\$0.4141)	(\$0.2070)	(\$0.1036)	(\$0.0518)	(\$0.0346)	(\$0.0258)
<b>Nonfat</b>	November 2020	\$0.2426	\$0.1213	\$0.0606	\$0.0303	\$0.0202	\$0.0152
	December 2020	\$0.1805	\$0.0903	\$0.0451	\$0.0226	\$0.0151	\$0.0112
	January 2021	(\$0.4182)	(\$0.2091)	(\$0.1045)	(\$0.0523)	(\$0.0349)	(\$0.0261)

<u>Class I Prices</u>	<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>	<u>Skim</u>
October 2020	\$12.27	\$1.6163		\$7.45
November 2020	\$15.08	\$1.6546		\$8.00
December 2020	\$17.18	\$1.5986		\$8.21
January 2021	\$12.33	\$1.5839		\$8.33

**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).