The Market Administrator's

BULLETIN

CALIFORNIA MARKETING AREA

Peter Fredericks, Market Administrator

April 2025 Federal Order No. 51

To contact the California Marketing Area office:
Tel.: (916) 702-6455 — Fax: (833) 673-3751
Mailing Address: 181 Blue Ravine Rd Suite 120 Folsom, CA 95630
e-mail address: market.admin@cafmmo.com — website address: www.cafmmo.com

April Pool Price Calculation

The April 2025 Statistical Uniform Price (SUP) for the California Marketing Area decreased by $0.71 per hundredweight (cwt) last month to $18.37 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 (4.22 percent butterfat, 3.37 percent protein, and 5.79 percent other solids), the April SUP was $21.13 per cwt, $0.99 lower than March. The April Producer Price Differential (PPD) in Los Angeles County was $0.89 per cwt, $0.43 higher than the month prior.

Product Prices Effect

In the latest National Dairy Product Sales Report, all product prices experienced declines into April except for butter which increased 1 cent to $2.3520 per pound. The cheese and dry whey prices decreased by 9 and 5 cents to $1.7361 and $0.4988 per pound, respectively. The nonfat dry milk price declined by the smallest margin of 4 cents to $1.1773.

Component prices experienced similar trends. The butterfat price increased by the 2 cents to $2.6406 per pound. The protein price decreased by the largest margin of 29 cents down to $2.1682 per pound. The other solids and the nonfat solids prices declined by 6 and 4 cents to $0.3087 and $0.9994, respectively.

All Class prices observed declines in April. The Class I price decreased by the largest margin, falling $1.45 to $21.67 per cwt. The Class II price fell by 90 cents to $19.22 per cwt. Class III price decreased by $1.14 to $17.48 per cwt. Lastly, the Class IV price declined by $0.29 to $17.92 per cwt.

Selected Statistics

For two consecutive months the pool volume in FO 51 has reached record highs. The pool volume in April 2025 reached 3.27 billion pounds, increasing 6.2 percent from last month's previous record of 3.08 billion pounds. ❖

Pool Summary

- A total of 917 producers were pooled with an average daily delivery per producer of 118,917 pounds, an increase of 11.02 percent from March.
- Pooled milk receipts totaled 3.27 billion pounds, an increase of 9.71 percent on an average daily basis.
- Class I usage (milk for bottling) accounted for 11.8 percent of total pooled milk receipts.
- The average butterfat test of producer receipts was 4.22 percent.
- The average true protein test of producer receipts was 3.37 percent.
- The average other solids test of producer receipts was 5.79 percent.❖

Class Utilization

Pooled Milk	Percent	Pounds
Class I	11.8	385,897,096
Class II	3.7	119,666,820
Class III	46.5	1,521,136,792
Class IV	38.1	1,244,705,041
Total Pooled Milk		3,271,405,749

Producer Component Prices

	2025	2024
	$/lb	
Protein Price	2.1682	0.8345
Butterfat Price	2.6406	3.3309
Other Solids Price	0.3087	0.2367

Class Price Factors

	2025	2024
	$/cwt	
Class I	21.67	21.28
Class II	19.22	21.23
Class III	17.48	15.50
Class IV	17.92	20.11

Area Sales from Other Orders

March 2025's bulletin discussed the disposition of packaged fluid milk products from processing plants sold directly to consumers in Federal Order (FO) 51, other federal orders, and unregulated markets. Nationwide, fluid milk sales increased by 0.8 percent in 2024, while sales from FO 51 pool plants rose by 0.2 percent. This article analyzes total area sales into FO 51 from unregulated plants and plants regulated in other FOs. More information on the data can be found in the annual bulletin at: https://www.cafmmo.com/publications/monthly-newsletter/.

Route Dispositions into California

In 2024, total sales from other Federal Orders (FOs) and unregulated plants into FO 51 reached 514.6 million pounds, marking a 3.8 percent increase from 2023. Several factors contributed to this rise. Handlers from other orders with large-scale operations often maintain nationwide contracts, which can direct sales to FO 51 outlets. Additionally, large quantities of organic and extended shelf-life milk products from other order distributing plants and unregulated sources meet the demand for these products in California's market.

Table 1: Sales of Packaged Milk Distributed in Federal Order 51 from Other FOs and Unregulated Plants, 2023 and 2024

Year	FO 32	FO 33[i]	FO 124[iii]	FO 131	All Other Orders[i,iii]	Exempt and Producer Handlers	PRDP[ii]	Total
2023	140,318,823	28,132,096	15,037,939	205,390,347	6,615,030	11,433,677	88,718,135	495,646,047
2024	139,096,087	40,299,645	8,140,591	205,936,763	22,239,115	12,301,342	86,664,880	514,678,423
YOY Change	-0.9%	43.3%	-45.9%	0.3%	236.2%	7.6%	-2.3%	3.8%

[i] All Other Orders includes Order No. 1-Northeast, No. 30-Upper Midwest, and No. 126-Southwest

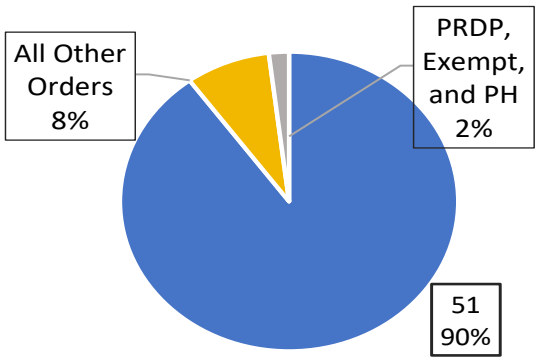
[ii] Partially Regulated Distributing Plants: These values fluctuate as plant status for some handlers varies month to month

[iii] FO 33, FO 124, and FO 126's large increases/decreases in sales are due to plants switching regulatory status in some months of 2023 and 2024

Area sales from Exempt[1] and Producer-Handler[2] plants increased by 7.6 percent to 12.3 million pounds in 2024, as shown in Table 1. In contrast, sales from Partially Regulated Distributing Plants[3] (PRDPs) decreased year-over-year by 2.3 percent to 86.6 million pounds. The volume contributed by PRDPs can fluctuate, as plant status may vary from month to month due to switching regulatory status.

The Arizona Milk Marketing Area (FO 131) had the most sales into FO 51 at 205.9 million pounds in 2024. The Central Milk Marketing Area (FO 32) has the second highest amount of sales into the California Order with 139 million pounds in 2024, a decrease of 0.9 percent from the year prior. The large fluctuation in the total sales from the Mideast Marketing Area (FO 33) and the Pacific Northwest Milk Marketing Area (FO 124), up 43.3 and down 45.9 percent respectively, is attributed to some handlers changing regulatory status in certain months throughout the period.

Figure 1: Distribution of Out of Area Sales into FO 51, 2024



1 Exempt plants have packaged fluid milk sales in the marketing area totaling less than 150,000 pounds.

2 Producer Handler plants own and operate both a distributing plant and a dairy farm with less than 3 million pounds of packaged fluid milk sales into the marketing area.

3 Partially Regulated Distributing Plants have packaged fluid milk sales in the marketing area but do not meet the 25 percent requirement to be fully regulated.

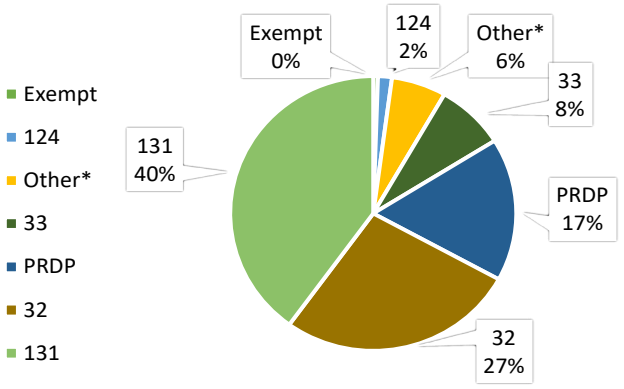
(continued on page 3)

Area Sales from Other Orders *(continued from page 2)*

Distribution

In 2024, area sales from FO 51 plants accounted for 90 percent of total sales, plants from other orders accounted for only 8 percent and all other plants accounted for 2 percent, as shown in Figure 1. Figure 2 displays the distribution of sales from plants in other Orders and unregulated markets into FO 51 for 2024. Route dispositions from FO 131 contributed 40 percent, approximately 205.9 million pounds, of the 2024 total sales from other markets not regulated by FO 51, representing a slight increase of less than 1 percent from 2023. FO 32 followed, contributing 27 percent (139 million pounds), though its sales volume declined by 0.87 percent from 2023 to 2024. Sales from Partially Regulated Distributing Plants (PRDPs) accounted for 17 percent of the 2024 unregulated total. FO 33 experienced the largest increase, rising by 43.25 percent to nearly 40.3 million pounds and contributing 8 percent to total unregulated sales. This is attributed to a plant switching regulated status in certain months. ❖

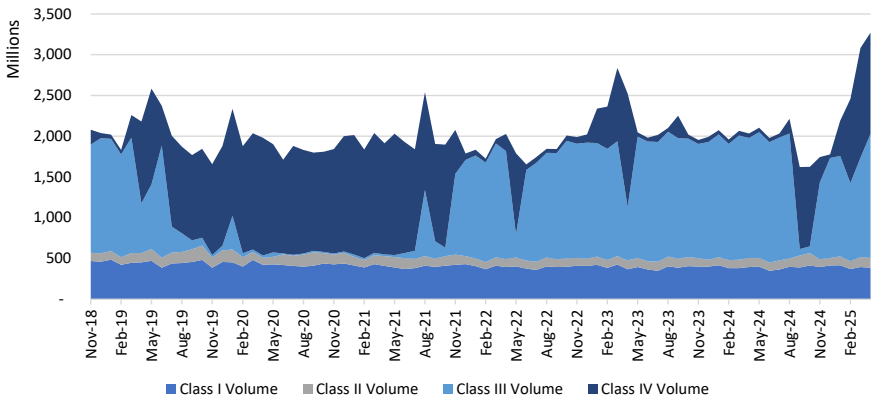
Figure 2: Distribution of Out of Area Sales into FO 51, 2024



*Other includes FO 1, 30, 126, and FO 51's Producer Handlers

Federal Order 51 Pool Volumes

Figure 3: FO 51 Pool Volume, November 2018 to Present



New Record Pool Volume

Previously, the largest Federal Order (FO) 51 pool volume was recorded in March 2023 at nearly 2.84 billion pounds. In 2025, that record was surpassed first in March with a pool volume of 3.08 billion pounds, then followed by nearly 3.3 billion pounds in April, as pooling trends prompted handlers to pool both Class III and IV milk. These incentives were attributed to the smaller differences between Class III and IV prices. In March 2025, the Class IV of $18.21 was lower than the Class III price by 41 cents while in April 2025, the Class III price of $17.48 was lower than the Class IV price by 44 cents. In addition, the average daily deliveries per producer statistic reached a record high in April under the FO at 118,917 pounds. The Class IV volume for March 2025, at 1.34 billion pounds, was the highest recorded since April 2023.❖

New Federal Order Amendments Go Into Effect June 2025

Beginning with the June 2025 Advanced Class I Price announcement, the amendment to adjust the Class I price formulas go into effect. The first includes returning to the higher-of the Class III and IV advanced skim prices to determine the base Class I Skim Price, and new Class I differentials. The new base zone at Los Angelese for FO 51 is now $2.80 per hundredweight compared to the previous $2.10. Also, the addition of a new Class I ESL adjustment. For more information on the new ESL adjustment please visit https://www.youtube.com/watch?v=9e4mT3JLqQY. To access additional information on all changes please visit https://www.ams.usda.gov/rules-regulations/moa/dairy/hearings/national-fmmo-pricing-hearing.❖

MARKET ADMINISTRATOR
181 Blue Ravine Suite 120
Folsom, CA 95630

RETURN SERVICE REQUESTED

FIRST CLASS MAIL

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410 or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.

Computation of Producer Price Differential and Statistical Uniform Price*

		Product Pounds	Price per cwt./lb.	Component Value	Total Value
Class I—	Skim	376,274,286	$12.85	$48,351,245.75	
	Butterfat	9,622,810	2.6494	25,494,672.81	
Less:	Location Adjustment to Handlers			(815,961.87)	$73,029,956.70
Class II—	Butterfat	16,917,015	2.6476	44,789,488.92	
	Nonfat Solids	9,774,439	1.1456	11,197,597.33	55,987,086.25
Class III—	Butterfat	56,988,590	2.6406	150,484,070.77	
	Protein	52,297,837	2.1682	113,392,170.20	
	Other Solids	88,525,573	0.3087	27,327,844.37	291,204,085.34
Class IV—	Butterfat	54,498,236	2.6406	143,908,041.96	
	Nonfat Solids	113,500,246	0.9994	113,432,145.87	257,340,187.83
Total Classified Value				*Total value of milk in the pool* →	**$677,561,316.12**
Add:	Overage—All Classes				54,216.33
	Inventory Reclassification—All Classes				43,039.50
	Other Source Receipts	158,214			6,648.17
Total Pool Value					**$677,665,220.12**
Less:	Value of Producer Butterfat	138,026,651	2.6406	(364,473,174.62)	
	Value of Producer Protein	110,318,046	2.1682	(239,191,587.34)	
	Value of Producer Other Solids	189,521,761	0.3087	(58,505,367.61)	(662,170,129.57)
Total PPD Value Before Adjustments				*Total Class III value of producer components*	**$15,495,090.55**
Add:	Location Adjustment to Producers				13,725,733.13
	One-half Unobligated Balance—Producer Settlement Fund				1,262,054.93
Less:	Producer Settlement Fund—Reserve				(1,365,959.42)
Total Pool Milk & PPD Value		3,271,563,963			**$29,116,919.19**
	Producer Price Differential		**$ 0.89**		
	Statistical Uniform Price		**$ 18.37**		

Value from which PPD per hundredweight is calculated

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