



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.

<u>Type of Milk</u>		<u>Container Size Price</u>					
		<u>Gallon</u>	<u>Half Gallon</u>	<u>Quart</u>	<u>Pint</u>	<u>1/3 Quart</u>	<u>Half Pints</u>
Whole 3.50%	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
	January 2020	\$1.8344	\$0.9172	\$0.4586	\$0.2293	\$0.1529	\$0.1147
Reduced Fat 2.00%	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
	January 2020	\$1.6453	\$0.8227	\$0.4113	\$0.2057	\$0.1371	\$0.1028
Lowfat 1.00%	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
	January 2020	\$1.5493	\$0.7747	\$0.3873	\$0.1937	\$0.1291	\$0.0968
Nonfat 0.10%	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
	January 2020	\$1.2271	\$0.6136	\$0.3068	\$0.1534	\$0.1023	\$0.0767
<u>Type of Milk</u>		<u>Container Size Price Changes from the Previous Months</u>					
Whole	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
	January 2020	(\$0.0276)	(\$0.0138)	(\$0.0069)	(\$0.0035)	(\$0.0023)	(\$0.0017)
Reduced Fat	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
	January 2020	(\$0.0077)	(\$0.0038)	(\$0.0020)	(\$0.0010)	(\$0.0007)	(\$0.0005)
Lowfat	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
	January 2020	\$0.0075	\$0.0038	\$0.0018	\$0.0010	\$0.0006	\$0.0004
Nonfat	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
	January 2020	\$0.0076	\$0.0038	\$0.0019	\$0.0010	\$0.0007	\$0.0005
<u>Class I Prices</u>		<u>Skim</u>	<u>Butterfat</u>	<u>Adv Class IV Prices</u>		<u>Skim</u>	
		October 2019	\$11.59	\$2.5600			\$7.84
		November 2019	\$12.41	\$2.4185			\$8.32
		December 2019	\$13.91	\$2.3438			\$8.73
		January 2020	\$14.01	\$2.2245			\$9.28

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).