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### **United States Department of Agriculture**

#### AGRICULTURE MARKETING SERVICE

## DAIRY PROGRAMS

# Milk Market Administrator SOUTHWEST MILK MARKETING AREA

Federal Order No. 126

Mailing Address:

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September 10, 2004

#### August 2004

### **Computation of Producer Price Differential**

|       |   | Pounds      | Price      | Value            |
|-------|---|-------------|------------|------------------|
| Add:  | Class I Differential                              |             |            | \$240,255.64     |
|       | Class I Butterfat 60(a)                           | 8,144,978   | \$ 2.1252  | \$17,309,707.26  |
|       | Class I Skim Per Cwt                              | 346,775,651 | \$10.5500  | \$36,584,831.20  |
|       | Class II Butterfat 60(b)                          | 9,538,636   | \$ 1.8011  | \$17,180,037.33  |
|       | Class II Nonfat Solids                            | 9,106,177   | \$ 0.7856  | \$7,153,812.67   |
|       | Class III Butterfat 60(c)                         | 8,075,220   | \$ 1.7941  | \$14,487,752.21  |
|       | Class III Protein                                 | 6,045,705   |            | \$14,910,522.25  |
|       | Class III Other Solids                            | 11,654,738  |            | \$787,860.30     |
|       | Class IV Butterfat 60(d)                          | 1,738,407   | \$ 1.7941  | \$3,118,875.99   |
|       | Class IV Nonfat Solids                            | 9,517,880   | \$ 0.7112  | \$6,769,116.28   |
|       | Class II, III, & IV Somatic Cell Adjustment 60(e) |             |            | \$81,660.81      |
|       | Total Producer Milk- Product Pounds and Value     | 777,939,056 |            | \$118,624,431.94 |
| Add:  | Value as for 60(f) thru 60(j)                     |             |            | \$19,581.04      |
| Less: | Total Protein Pounds 61(b)                        | 23,311,809  | \$ 2.4663  | \$57,493,914.58  |
|       | Total Other Solids Pounds                         | 44,370,223  | \$ 0.0676  | \$2,999,427.10   |
|       | Total Butterfat Pounds                            | 27,497,241  | \$ 1.7941  | \$49,332,800.13  |
|       | Total Value of Somatic Cell Adjustment            |             |            | \$73,984.08      |
|       | Total Milk and Value                              | 777,939,056 |            | \$8,743,887.09   |
| Add:  | Location Differential Adjustments 61(c)           |             |            | \$2,482,324.22   |
|       | Producer - Settlement Fund Reserve 61(d)          |             |            | \$399,978.37     |
|       | Total Product Milk/URSP and Value                 | 777,939,056 | \$ 1.49448 | \$11,626,189.68  |
| Less: | Producer - Settlement Fund Reserve 61(f)          |             | \$ 0.04448 | \$346,073.37     |
|       | Producer Price Differential (Dallas County)       |             | \$1.45     | \$11,280,116.31  |

Estimated Market Wide Utilization in Class 2, 3, & 4

Skim Percentage 60.00 Butterfat Percentage 72.00

# **Southwest Marketing Order Price Data**

# August 2004

| Producer Price Differential                               | \$1.45  |
|---|---------|
| Class III Price   | \$14.04 |
| Statistical Uniform Price of Milk (3.5% Butterfat-Dallas) | \$15.49 |

| Producer Milk Utilization Percentages |                   |         |                     |         |                     |         |
|---------------------------------------|-------------------|---------|---------------------|---------|---------------------|---------|
|                                       | Product<br>Pounds | Percent | Butterfat<br>Pounds | Percent | Skim Milk<br>Pounds | Percent |
| Class I                               | 354,920,629       | 45.62   | 8,144,978           | 29.62   | 346,775,651         | 46.21   |
| Class II                              | 110,290,758       | 14.18   | 9,538,636           | 34.69   | 100,752,122         | 13.43   |
| Class III                             | 205,559,453       | 26.42   | 8,075,220           | 29.37   | 197,484,233         | 26.31   |
| Class IV                              | 107,168,216       | 13.78   | 1,738,407           | 6.32    | 105,429,809         | 14.05   |
| Total                                 | 777,939,056       | 100.00  | 27,497,241          | 100.00  | 750,441,815         | 100.00  |

| Producer Milk Component Utilization Percentages |                   |         |                        |         |                         |         |  |
|---|-------------------|---------|------------------------|---------|-------------------------|---------|--|
|   | Protein<br>Pounds | Percent | Other Solids<br>Pounds | Percent | Nonfat Solids<br>Pounds | Percent |  |
| Class I   | 10,861,265        | 46.60   | 20,496,264             | 46.19   | 31,357,529              | 46.34   |  |
| Class II  | 3,143,544         | 13.48   | 5,962,635              | 13.44   | 9,106,177               | 13.45   |  |
| Class III                                       | 6,045,705         | 25.93   | 11,654,738             | 26.27   | 17,700,446              | 26.15   |  |
| Class IV  | 3,261,295         | 13.99   | 6,256,586              | 14.10   | 9,517,880               | 14.06   |  |
| Total   | 23,311,809        | 100.00  | 44,370,223             | 100.00  | 67,682,032              | 100.00  |  |

| Average Butterfat Test     | 3.534%  |
|----------------------------|---------|
| Average Protein Test       | 2.996%  |
| Average Other Solids Test  | 5.703%  |
| Average Nonfat Solids Test | 8.700%  |
| Average Somatic Cell Count | 337,000 |
| Total Number of Producers  | 822     |

#### LIST OF HANDLERS ON SOUTHWEST ORDER 126 August 2004

| NAME                                | LOCATION               | POOL<br>PLANT | 1000.9(c)<br>MILK |
|-------------------------------------|------------------------|---------------|-------------------|
| Creamland Dairies                   | Albuquerque, NM        | X             |                   |
| DairiConcepts, L.P.                 | Portales, NM           | X a/          |                   |
| Dairy Farmers of America, Inc.      | El Paso, TX            | X a/          |                   |
| Dairy Farmers of America, Inc.      | Grapevine, TX          |               | X                 |
| Dairy Farmers of America, Inc.      | Knoxville, TN          |               | X                 |
| Dairy Farmers of America, Inc.      | Lovington, NM          | X a/          |                   |
| Dairy Farmers of America, Inc.      | Salt Lake City, UT     |               | X                 |
| Dairy Farmers of America, Inc.      | b/ Sulphur Springs, TX | X a/          |                   |
| David's Supermarket, Inc.           | Grandview, TX          | X             |                   |
| Farmers Dairies                     | El Paso, TX            | X             |                   |
| Gandy's Dairy Products              | Lubbock, TX            | X             |                   |
| H. E. Butts Grocery Co.             | San Antonio, TX        | X             |                   |
| H. E. Butts - H. R. S. C.           | Houston, TX            | X             |                   |
| Just Jersey Cooperative, Inc.       | Artesia, NM            |               | X                 |
| Lilly Dairy Products, Inc.          | Bryan, TX              | X             |                   |
| Lone Star Milk Producers, L.C.      | Como, TX               | X a/          |                   |
| Lone Star Milk Producers, L.C. East | Windthorst, TX         |               | X                 |
| Lone Star Milk Producers, L.C. West | Windthorst, TX         |               | X                 |
| Milk Products, L.P.                 | Austin, TX             | X             |                   |
| Milk Products, L.P.                 | Conroe, TX             | X             |                   |
| Milk Products, L.P.                 | Dallas, TX             | X             |                   |
| Morningstar Specialty Foods         | Sulphur Springs, TX    | X             |                   |
| Oak Farms Dairy                     | Dallas, TX             | X             |                   |
| Oak Farms Dairy                     | Houston, TX            | X             |                   |
| Oak Farms Dairy                     | San Antonio, TX        | X             |                   |
| Oak Farms Dairy                     | Waco, TX               | X             |                   |
| Plains Dairy Products               | Amarillo, TX           | X             |                   |
| Price's Creameries                  | El Paso, TX            | X             |                   |
| Promised Land Dairy                 | Floresville, TX        | X             |                   |
| Schepps Dairy                       | Dallas, TX             | X             |                   |
| Select Milk Producers, Inc.         | Artesia, NM            |               | X                 |
| Southwest Dairy                     | Tyler, TX              | X             |                   |
| United Dairymen of Arizona          | Tempe, AZ              |               | X                 |
| Vandervoort's                       | Ft. Worth, TX          | X             |                   |
| Western Quality Foods               | Cedar City, UT         | X             |                   |
| Zia Milk Producers, Inc.            | Roswell, NM            |               | X                 |

#### PARTIALLY REGULATED PLANTS AND PRODUCER-HANDLERS WITH DISTRIBUTION IN THE SOUTHWEST MARKETING AREA

| NAME                              | LOCATION             | PARTIALLY<br>REGULATED | PRODUCER<br>HANDLER | EXEMPT<br>HANDLER |
|-----------------------------------|----------------------|------------------------|---------------------|-------------------|
| Alta Dena Dairy                   | City of Industry, CA | X                      |                     |                   |
| Braums Ice Cream                  | Tuttle, OK           |                        | X                   |                   |
| Cacique Inc.                      | City of Industry, CA | X                      |                     |                   |
| Dannon                            | Ft. Worth, TX        | X                      |                     |                   |
| Gossner Foods                     | Logan, UT            | X                      |                     |                   |
| Jasper Products, L.L.C.           | Joplin, MO           | X                      |                     |                   |
| Kohler Mix Specialties            | Sulphur Springs, TX  | X                      |                     |                   |
| Lane's Dairy                      | El Paso, TX          |                        | X                   |                   |
| Mickey's Drive-In Dairy           | Albuquerque, NM      |                        | X                   |                   |
| Mountain Gold Dairy               | Carrizozo, NM        |                        |                     | X                 |
| Nature's Dairy                    | Roswell, NM          |                        | X                   |                   |
| Rasband Dairy                     | Albuquerque, NM      |                        | X                   |                   |
| Select No. 5                      | Dexter, NM           | X                      |                     |                   |
| Stremick's Heritage Foods, L.L.C. | Santa Ana, CA        | X                      |                     |                   |
| WestFarm Foods                    | Boise, ID            | X                      |                     |                   |
|                                   |                      |                        |                     |                   |

a/ Designated plant pursuant to Section 1126.7(d).
b/ Handler failed to submit its report on time pursuant to Section 1126.30.