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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

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November 12, 2018

October 2018

Computation of Producer Price Differential

| | | Pounds | Price | Value |
|-------|---|---------------|------------|------------------|
| Add: | Class I Differential | | | \$448,749.42 |
| | Class I Butterfat 60(a) | 8,306,636 | \$ 2.5693 | \$21,342,239.90 |
| | Class I Skim Per Cwt | 375,647,707 | \$10.7100 | \$40,231,869.42 |
| | Class II Butterfat 60(b) | 12,654,141 | \$ 2.5621 | \$32,421,174.68 |
| | Class II Nonfat Solids | 8,169,114 | \$ 0.7567 | \$6,181,568.57 |
| | Class III Butterfat 60(c) | | | \$67,085,435.69 |
| | Class III Protein | 20,866,017 | \$ 1.7185 | \$35,858,250.23 |
| | Class III Other Solids | 36,638,663 | \$ 0.2553 | \$9,353,850.65 |
| | Class IV Butterfat 60(d) | 6,507,027 | \$ 2.5551 | \$16,626,104.70 |
| | Class IV Nonfat Solids | 19,137,996 | \$ 0.6990 | \$13,377,459.20 |
| | Class II, III, & IV Somatic Cell Adjustment 60(e) | | | \$879,486.34 |
| | Total Producer Milk- Product Pounds and Value | 1,324,811,495 | | \$243,806,188.80 |
| Add: | Value as for 60(f) thru 60(j) | | | \$184,811.55 |
| Less: | Total Protein Pounds 61(b) | 43,699,859 | \$ 1.7185 | \$75,098,207.72 |
| | Total Other Solids Pounds | 76,475,319 | \$ 0.2553 | \$19,524,148.96 |
| | Total Butterfat Pounds | 53,723,307 | \$ 2.5551 | \$137,268,421.72 |
| | Total Value of Somatic Cell Adjustment | | | \$1,144,895.01 |
| | Total Milk and Value | 1,324,811,495 | | \$10,955,326.94 |
| Add: | Location Differential Adjustments 61(c) | | | \$6,866,259.19 |
| | Producer - Settlement Fund Reserve 61(d) | | | \$386,277.91 |
| | Total Product Milk/URSP and Value | 1,324,811,495 | \$ 1.37437 | \$18,207,864.04 |
| Less: | Producer - Settlement Fund Reserve 61(f) Producer - Price Priferential (Paller County) | 1 | \$ 0.04437 | \$587,871.16 |
| | Producer Price Differential (Dallas County) | | \$1.33 | \$17,619,992.88 |

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

72.00 Butterfat Percentage 85.00 Skim Percentage

Southwest Marketing Order Price Data October 2018

| Producer Price Differential | \$1.33 |
|---|---------|
| Class III Price | \$15.53 |
| Statistical Uniform Price of Milk (3.5% Butterfat-Dallas) | \$16.86 |

| Average Somatic Cell Count | 239,000 |
|----------------------------|---------|
| Total Number of Producers | 527 |

| Producer Milk Utilization Percentages | | | | | | | |
|---------------------------------------|---------------|---------|------------|---------|---------------|---------|--|
| | Product | | Butterfat | | Skim Milk | | |
| | Pounds | Percent | Pounds | Percent | Pounds | Percent | |
| Class I | 383,954,343 | 28.98 | 8,306,636 | 15.46 | 375,647,707 | 29.55 | |
| Class II | 99,287,019 | 7.49 | 12,654,141 | 23.55 | 86,632,878 | 6.82 | |
| Class III | 634,618,338 | 47.91 | 26,255,503 | 48.88 | 608,362,835 | 47.86 | |
| Class IV | 206,951,795 | 15.62 | 6,507,027 | 12.11 | 200,444,768 | 15.77 | |
| Total | 1,324,811,495 | 100.00 | 53,723,307 | 100.00 | 1,271,088,188 | 100.00 | |

| Producer Milk Components | | | | | |
|--------------------------|------------|------------|--------------|---------------|--|
| | Butterfat | Protein | Other Solids | Nonfat Solids | |
| Total Pounds | 53,723,307 | 43,699,859 | 76,475,319 | 120,175,178 | |
| Average Test | 4.055% | 3.298% | 5.772% | 9.071% | |

List of Handlers on Southwest Federal Order No. 126

| Distributing Plants - Sec 1126.7 (a) or (b) or (e) | | Supply Plants - Sec 1126.7(c) & (d) | | |
|--|---------------------|--|-------------------|--|
| Plant Name | Location | Plant Name | Location | |
| Borden Dairy Company | Austin, TX | Dairy Farmers of America, Inc. | Portales, NM | |
| Borden Dairy Company | Conroe, TX | FairLife | Dexter, NM | |
| Borden Dairy Company | Dallas, TX | GSA-Southwest Cheese | Clovis, NM | |
| Coca Cola | Waco, TX | Lone Star Dairy Products | Canyon, TX | |
| Creamland Dairies | Albuquerque, NM | Lone Star Milk Producers, L.C. | Dalhart, TX | |
| Gandy's Dairy Products | Lubbock, TX | | | |
| GH Dairy | El Paso, TX | | | |
| H. E. Butt - H. R. S. C. | Houston, TX | | | |
| H. E. Butt Grocery Co. | San Antonio, TX | Coops As Handlers - Sec 1000.9 (c) | | |
| Hiland Dairy Foods Co., LLC | Tyler, TX | Plant Name | Location | |
| Oak Farms Dairy | Houston, TX | Cooperative Regions of Organic Producer | La Farge, WI | |
| Oak Farms Dairy | San Antonio, TX | Dairy Farmers of America, Inc. | Kansas City, KS | |
| Oak Farms Dairy - East | Dallas, TX | Lone Star Milk Producers, Inc. | Wichita Falls, TX | |
| Plains Dairy Products | Amarillo, TX | Select Milk Producers, Inc. | Artesia, NM | |
| Price's Creameries | El Paso, TX | Zia Milk Producers, Inc. | Roswell, NM | |
| Saputo Dairy Foods USA, LLC | Sulphur Springs, TX | | | |
| Vandervoort's | Ft. Worth, TX | | | |
| WhiteWave Foods | Dallas, TX | | | |
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