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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, 2010

August 2010

Computation of Producer Price Differential

| | | Pounds | Price | Value |
|-------|---|-------------|------------|------------------|
| Add: | Class I Differential | | | \$380,586.24 |
| | Class I Butterfat 60(a) | 7,973,035 | \$ 1.9199 | \$15,307,429.90 |
| | Class I Skim Per Cwt | 357,901,280 | \$12.4900 | \$44,701,869.87 |
| | Class II Butterfat 60(b) | 6,494,517 | \$ 2.0406 | \$13,252,711.40 |
| | Class II Nonfat Solids | 4,027,313 | \$ 1.1322 | \$4,559,723.77 |
| | Class III Butterfat 60(c) | 14,261,053 | \$ 2.0336 | \$29,001,277.39 |
| | Class III Protein | 12,175,983 | \$ 2.3788 | \$28,964,228.36 |
| | Class III Other Solids | 23,992,602 | \$ 0.1647 | \$3,951,581.56 |
| | Class IV Butterfat 60(d) | 1,137,899 | \$ 2.0336 | \$2,314,031.43 |
| | Class IV Nonfat Solids | 2,855,410 | \$ 0.9780 | \$2,792,591.00 |
| | Class II, III, & IV Somatic Cell Adjustment 60(e) | | | \$332,622.83 |
| | Total Producer Milk- Product Pounds and Value | 867,704,830 | | \$145,558,653.75 |
| Add: | Value as for 60(f) thru 60(j) | | | \$54,647.68 |
| Less: | Total Protein Pounds 61(b) | 25,565,526 | \$ 2.3788 | \$60,815,273.27 |
| | Total Other Solids Pounds | 49,818,129 | \$ 0.1647 | \$8,205,045.88 |
| | Total Butterfat Pounds | 29,866,504 | \$ 2.0336 | \$60,736,522.54 |
| | Total Value of Somatic Cell Adjustment | | | \$493,328.87 |
| | Total Milk and Value | 867,704,830 | | \$15,363,130.87 |
| | | , , | ' | . , , |
| Add: | Location Differential Adjustments 61(c) | | | \$3,528,888.55 |
| | Producer - Settlement Fund Reserve 61(d) | | | \$466,557.51 |
| | Total Product Milk/URSP and Value | 867,704,830 | \$ 2.23100 | \$19,358,576.93 |
| Less: | Producer - Settlement Fund Reserve 61(f) | | \$ 0.04100 | \$355,841.15 |
| | Producer Price Differential (Dallas County) | | \$2.19 | \$19,002,735.78 |

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

Skim Percentage 64.00 Butterfat Percentage

77.00

Southwest Marketing Order Price Data

August 2010

| Producer Price Differential | \$2.19 |
|---|---------|
| Class III Price | \$15.18 |
| Statistical Uniform Price of Milk (3.5% Butterfat-Dallas) | \$17.37 |

| Producer Milk Utilization Percentages | | | | | | |
|---------------------------------------|-------------------|---------|---------------------|---------|---------------------|---------|
| | Product Pounds | Percent | Butterfat Pounds | Percent | Skim Milk Pounds | Percent |
| Class I | 365,874,315 | 42.17 | 7,973,035 | 26.70 | 357,901,280 | 42.72 |
| Class II | 51,165,542 | 5.90 | 6,494,517 | 21.75 | 44,671,025 | 5.33 |
| Class III | 417,784,484 | 48.14 | 14,261,053 | 47.74 | 403,523,431 | 48.16 |
| Class IV | 32,880,489 | 3.79 | 1,137,899 | 3.81 | 31,742,590 | 3.79 |
| Total | 867,704,830 | 100.00 | 29,866,504 | 100.00 | 837,838,326 | 100.00 |

| Producer Milk Component Utilization Percentages | | | | | | |
|---|-------------------|---------|------------------------|---------|-------------------------|---------|
| | Protein Pounds | Percent | Other Solids Pounds | Percent | Nonfat Solids Pounds | Percent |
| Class I | 11,056,278 | 43.25 | 21,276,067 | 42.71 | 32,332,350 | 42.89 |
| Class II | 1,371,347 | 5.36 | 2,655,963 | 5.33 | 4,027,313 | 5.34 |
| Class III | 12,175,983 | 47.63 | 23,992,602 | 48.16 | 36,168,582 | 47.98 |
| Class IV | 961,918 | 3.76 | 1,893,497 | 3.80 | 2,855,410 | 3.79 |
| Total | 25,565,526 | 100.00 | 49,818,129 | 100.00 | 75,383,655 | 100.00 |

| Average Butterfat Test | 3.442% |
|----------------------------|---------|
| Average Protein Test | 2.946% |
| Average Other Solids Test | 5.741% |
| Average Nonfat Solids Test | 8.687% |
| Average Somatic Cell Count | 279,000 |
| Total Number of Producers | 577 |

LIST OF HANDLERS ON SOUTHWEST ORDER 126 August 2010

Ft. Worth, TX

NAME LOCATION

Distributing Plants - Sec 1126.7 (a) or (b)

Creamland Dairies Albuquerque, NM David's Supermarket, Inc. Grandview, TX Gandy's Dairy Products Lubbock, TX **GH** Dairy El Paso, TX H. E. Butts - H. R. S. C. Houston, TX H. E. Butts Grocery Co. San Antonio, TX Milk Products, L.L.C. Austin, TX Milk Products, L.L.C. Conroe, TX Milk Products, L.L.C. Dallas, TX

Sulphur Springs, TX Morningstar Foods Oak Farms Dairy Dallas, TX Oak Farms Dairy Houston, TX Oak Farms Dairy San Antonio, TX Oak Farms Dairy Waco, TX Plains Dairy Products Amarillo, TX Price's Creameries El Paso, TX Promised Land Dairy, L.L.C. Floresville, TX Schepps Dairy Dallas, TX Southwest Dairy Tyler, TX

Supply Plants - Sec 1126.7(c) & (d)

Vandervoort's

DairiConcepts, L.P. Portales, NM

Coops As Handlers - Sec 1000.9 (c)

Dairy Farmers of America, Inc. Grapevine, TX Knoxville, TN Dairy Farmers of America, Inc. Just Jersey Cooperative, Inc. Artesia, NM Lone Star Milk Producers, L.C. East Windthorst, TX Lone Star Milk Producers, L.C. West Windthorst, TX Select Milk Producers, Inc. Artesia, NM Upstate Niagara Cooperative, Inc. Batavia, NY Zia Milk Producers, Inc. Roswell, NM