



UPPER MIDWEST DAIRY NEWS

H. Paul Kyburz, Market Administrator

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USDA Donates Nonfat Dry Milk

Agriculture Secretary Ann M. Veneman recently announced USDA's plan to donate nonfat dry milk (NFDM) to non-profit, faith-based and community organizations for use in meal services or for distribution to needy recipients.

One of President Bush's first official acts as President was to create the White House Office of Faith-Based and Community Initiatives. The Office is leading a "determined attack on need" by strengthening and expanding the role of faith-based and community organizations in addressing the nation's social problems.

The NFDM will be provided to qualified nonprofit charitable organizations, including many that did not previously participate in the distribution of USDA commodities. The USDA Commodity Credit Corporation (CCC) accepted orders during September 17-30, 2003, for this one-time initiative. All deliveries will be completed by September 30, 2004.

The CCC made available a total of 48 million pounds of instantized NFDM, which is suitable for drinking. Additionally, 35 million pounds of non-fortified NFDM, which

is appropriate for cooking or baking, will also be available.

USDA has a long history of establishing partnerships with faith-based organizations in many of its programs. USDA administers 15 Federal nutrition programs.

For more information about USDA's nutrition programs visit: www.usda.gov. For more information on President Bush's Faith-Based and Community Initiatives visit: www.whitehouse.gov.

Increase in Administrative Assessment Rate

The Administrative Assessment for the Upper Midwest Federal Milk Order as provided for in §1030.85 of the order, will increase from 4¢ to 5¢ per cwt. effective with milk produced on or after October 1, 2003. This increased rate will remain in effect until further notice. The Administrative Assessment is used to fund the operation of the order.

Pool Summary

- In September, 8,874 producers delivered to the market with an average daily delivery of 3,972 pounds.
- Producer milk totaled 644 million pounds, down 0.1 million pounds from August. Because of class price relationships, handlers elected not to pool a significant volume of Class III diverted milk for the third consecutive month.
- Class I utilization totaled 347 million pounds, up 10% from August on a daily basis. Class I usage accounted for 54.0% of producer milk.
- The September Producer Price Differential (PPD) is (\$1.07) per cwt.
- The Statistical Uniform Price is \$13.23 per cwt., up \$1.01 from August and \$2.77 above September 2002.
- Market statistics for September are shown on Pages 4 and 5.

September 2003 Producer Milk by Class

	Percent	Product Pounds	Price \$/cwt.
Class I	54.0	347,432,609	15.51
Class II	17.6	113,574,285	10.76
Class III	5.7	36,931,207	14.30
Class IV	22.7	146,096,868	10.05
Total		644,034,969	

Class III Milk Prices

Class III milk prices under the Federal milk order system since 1990 are shown in the table below. The prices are also shown graphically for the last four years.

Class III is primarily milk used to make hard cheese, and is often referred to as

the manufacturing milk price. (Class III milk also included butter until January 2000.)

The September 2003 Class III price is \$14.30 per cwt., its highest level in nearly two years.

Based on the Class III milk futures market on the Chicago Mercantile Exchange in mid-October, the price is expected to remain relatively unchanged for October before beginning its seasonal decline in November, possibly dropping below \$13.00.

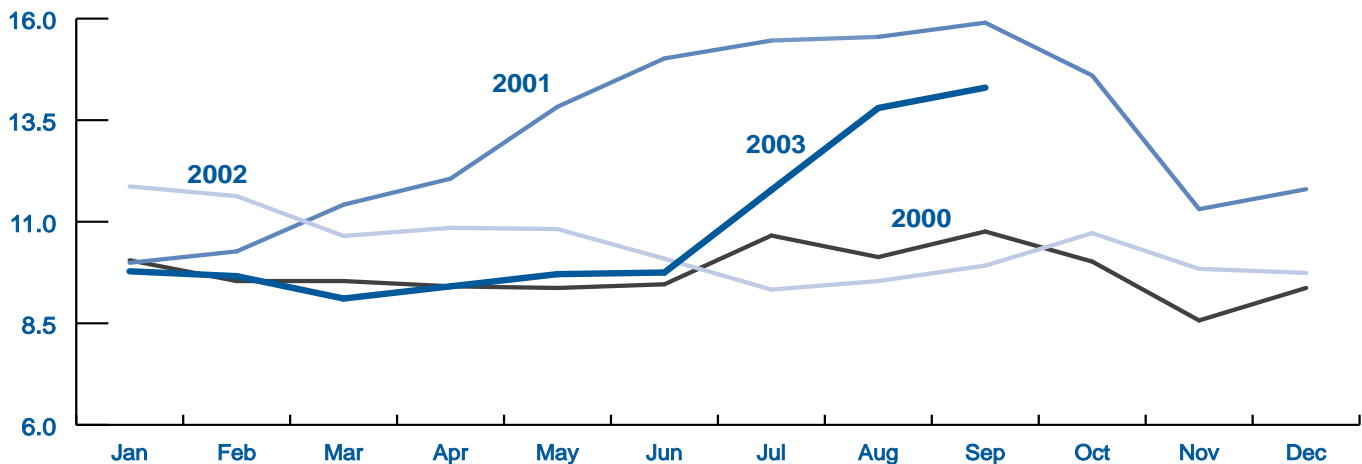
Federal Order Class III Milk Prices - January 1990 through September 2003

3.5 % Butterfat -- Dollars Per Cwt.

	<u>Jan</u>	<u>Feb</u>	<u>Mar</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>Aug</u>	<u>Sep</u>	<u>Oct</u>	<u>Nov</u>	<u>Dec</u>	<u>Simple Average</u>
1990	13.94	12.22	12.02	12.32	12.78	13.28	13.43	13.09	12.50	10.48	10.25	10.19	12.21
1991	10.16	10.04	10.02	10.04	10.23	10.58	10.99	11.50	12.02	12.50	12.48	12.10	11.06
1992	11.71	11.21	10.98	11.46	12.06	12.46	12.59	12.54	12.28	12.05	11.84	11.34	11.88
1993	10.89	10.74	11.02	12.15	12.52	12.03	11.42	11.17	11.90	12.46	12.75	12.51	11.80
1994	12.41	12.41	12.77	12.99	11.51	11.25	11.41	11.73	12.04	12.29	11.86	11.38	12.00
1995	11.35	11.79	11.89	11.16	11.12	11.42	11.23	11.55	12.08	12.61	12.87	12.91	11.83
1996	12.73	12.59	12.70	13.09	13.77	13.92	14.49	14.94	15.37	14.13	11.61	11.34	13.39
1997	11.94	12.46	12.49	11.44	10.70	10.74	10.86	12.07	12.79	12.83	12.96	13.29	12.05
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34	14.20
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63	12.43
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37	9.74
2001	9.99	10.27	11.42	12.06	13.83	15.02	15.46	15.55	15.90	14.60	11.31	11.80	13.10
2002	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74	10.42
2003	9.78	9.66	9.11	9.41	9.71	9.75	11.78	13.80	14.30				10.81

Federal Order Class III Milk Prices - January 2000 through September 2003

3.5 % Butterfat -- Dollars Per Cwt.



Invitation for Proposals Issued for Possible Merger

Southern Marketing Agency, Inc. (SMA), has requested that the Department of Agriculture (USDA) hold a public hearing to consider a proposal to merge the Appalachian and Southeast Federal milk marketing areas.

Copies of the SMA proposal may be obtained from Antoinette Carter of USDA by telephone at: (202) 690-3465, or by e-mail at: Antoinette.Carter@usda.gov.

Before deciding whether a hearing should be held, USDA is providing interested parties an opportunity to submit additional proposals regarding the pro-

posed merger of the Appalachian and Southeast Federal milk marketing areas.

Proposals should be mailed to: Deputy Administrator, USDA/AMS/Dairy Programs, STOP-0225-Room 2968, 1400 Independence Avenue, SW, Washington, DC 20250-0225, by **November 14, 2003**. Each proposal should be accompanied by a brief but comprehensive statement on the need for the proposal.

A hearing would be limited to proposals included in the hearing notice. However, appropriate modifications of the proposals included in the notice also may be considered at the hearing if the modifi-

cations would not enlarge the marketing area or regulate persons not now subject to the order. Any proposals that would extend regulation should be accompanied by the names and addresses of persons who proponents believe would be affected by the proposed extension, and an estimate of the number of additional dairy farmers involved.

If USDA concludes that a hearing should be held, all known interested persons will be mailed a copy of the hearing notice. Anyone who desires to present evidence on proposals set forth in the hearing notice will have an opportunity to do so at the hearing.

Time Extended for Earlier Invitation for Proposals

Interested parties have requested that the Department of Agriculture (USDA) extend the time for submitting additional proposals to be considered in connection with a hearing request currently under review that would amend the fluid milk product definition in all Federal milk marketing orders. The deadline for submitting proposals has been extended to **January 30, 2004**.

The request for hearing was submitted by Dairy Farmers of America (DFA).

Copies of the DFA hearing proposal may be obtained from Antoinette Carter of USDA by telephone at: (202) 690-3465,

or by e-mail at: Antoinette.Carter@usda.gov.

Proposals should be mailed to: Deputy Administrator, USDA/AMS/Dairy Programs, STOP-0225-Room 2968, 1400 Independence Avenue, SW, Washington, DC 20250-0225 by the new deadline. Each proposal should be accompanied by a brief but comprehensive statement on the need for the proposal.

A hearing would be limited to proposals included in the hearing notice. However, appropriate modifications of the proposals included in the notice also may be considered at the hearing if the modifi-

cations would not enlarge the marketing area or regulate persons not now subject to the order. Any proposals that would extend regulation should be accompanied by the names and addresses of persons who proponents believe would be affected by the proposed extension, and an estimate of the number of additional dairy farmers involved.

If USDA concludes that a hearing should be held, all known interested persons will be mailed a copy of the hearing notice. Anyone who desires to present evidence on proposals set forth in the hearing notice will have an opportunity to do so at the hearing.

Upper Midwest Pool Statistics - September 2003

Market Class I Differential Rate	Pool Plants	Received at Pool Plants	Diverted to Pool and Nonpool Plants	Total	Location Adjustment to Producers	Class I Differential to Handlers	
<i>Cwt.</i>	<i>Number</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Pounds</i>	<i>Value</i>	<i>Pounds</i>	<i>Value</i>
\$1.80	5	49,092,579	2,189,774	51,282,353	\$ 0	45,143,197	\$ 812,578
\$1.75	39	166,799,367	62,604,188	229,403,555	114,702	144,444,536	2,527,779
\$1.70	36	196,575,921	17,173,017	213,748,938	213,749	132,458,407	2,251,793
\$1.65	5	28,979,104	1,678,854	30,657,958	45,987	25,386,469	418,877
Other	0	0	118,942,165	118,942,165	237,670	0	0
Total	85	441,446,971	202,587,998	644,034,969	\$612,108	347,432,609	\$6,011,027

Computation of Producer Price Differential - September 2003

	Utilization Percentage	Product Pounds	Component Pounds	Rate	Value
Class I					
Differential Value					\$ 6,011,026.61
Product	54.0%	347,432,609			
Skim Milk			341,978,915	\$ 9.5100	32,522,194.83
Butterfat			5,453,694	1.2944	7,059,261.50
Class II					
Product	17.6%	113,574,285			
Nonfat Solids			9,415,823	0.7433	6,998,781.23
Butterfat			9,315,275	1.2288	11,446,609.99
Class III					
Product	5.7%	36,931,207			
Protein			1,059,445	3.3180	3,515,238.50
Other Solids			2,015,327	0.0170	34,260.60
Butterfat			2,725,658	1.2218	3,330,208.97
Class IV					
Product	22.7%	146,096,868			
Nonfat Solids			12,664,207	0.6644	8,414,099.16
Butterfat			5,884,443	1.2218	7,189,612.49
SCC Adjustment (Class II, III, and IV)					101,912.96
Total Producer Milk *		644,034,969			\$ 86,623,206.84
Add:					
Overage					21,456.55
Inventory Reclassified					55,849.19
Other Source Milk \$.60(h)					0.00
Other Source Milk \$.60(i)					0.00
Subtract:					
Transportation Credit					261,139.71
Assembly Credit					276,481.36
Credit for Reconstituted FMP					0.00
Producer Milk Protein					64,377,528.13
Producer Milk Other Solids					622,414.11
Producer Milk Butterfat					28,564,547.79
Producer Milk SCC Adjustment					165,666.05
Total Milk and Value		644,034,969			\$ (7,567,264.57)
Add:					
Location Adjustment -- Producer and Unregulated Supply Plant Milk					612,108.33
One-Half Unobligated Balance Producer Settlement Fund					345,423.81
Total Value				(1.026300)	\$ (6,609,732.43)
Subtract:					
Producer Settlement Fund Reserve				0.043700	281,441.74
Producer Price Differential **				\$ (1.07)	\$ (6,891,174.17)

* An estimated 1.2 billion pounds of milk was not pooled.

** Producer Price Differential is dollars per cwt. at the Base Zone of Cook County, Illinois.



Utilization and Classification

	September 2003		August 2003	September 2002
	Product Pounds	Butterfat Pounds	Product Pounds	Product Pounds
Class I Utilization:				
Packaged Disposition				
Milk	52,936,899	1,704,667	56,625,398	53,460,658
Flavored Milk	6,171,569	193,053	5,730,644	5,613,677
Reduced Fat Milk	125,933,889	2,461,427	127,911,067	125,825,895
Lowfat Milk	45,136,481	437,775	44,307,617	45,200,616
Fat Free Milk	81,538,232	81,867	81,041,168	81,950,831
Flavored Reduced and Fat Free Milk	30,870,250	272,080	16,714,208	29,050,165
Buttermilk	2,608,220	30,735	2,685,898	2,404,952
Total Packaged Disposition	345,195,540	5,181,604	335,016,000	343,506,794
Total Ending Inventory	28,205,905	458,605	25,554,006	28,462,137
Bulk to Nonpool Plants	1,750,169	37,270	1,757,085	976,728
Shrinkage	1,372,126	228,379	1,671,210	2,150,633
Total Class I Utilization	376,523,740	5,905,858	363,998,301	375,096,292
Other Order Plants	(3,081,460)	(56,326)	(9,425,124)	(6,178,379)
Beginning Inventory	(25,665,532)	(386,600)	(28,212,135)	(28,297,022)
Reused Products	0	0	0	0
Other Source Milk	(261,656)	(6,737)	(203,467)	(380,202)
Overage	--	--	--	--
Interhandler Adjustment	(82,483)	(2,501)	(2,889)	(197,446)
Class I Producer Milk	347,432,609	5,453,694	326,154,686	340,043,243
Class II Utilization:				
Total Class II Utilization	127,704,029	9,985,089	139,929,824	58,365,834
Other Order Plants	(733,885)	(27,058)	(2,125,688)	(1,011,574)
Beginning Inventory	(3,073,101)	(174,775)	(3,130,065)	(1,769,908)
Reused Products	(9,859,296)	(4,519)	(14,663,451)	(9,916,900)
Other Source Milk	(463,462)	(463,462)	(1,112,223)	(280,358)
Overage	0	0	(154,916)	--
Class II Producer Milk	113,574,285	9,315,275	118,743,481	45,387,094
Class III Utilization:				
Total Class III Utilization	43,432,033	2,948,378	57,104,505	1,292,942,017
Other Order Plants	(5,173,205)	(185,715)	(1,252,508)	(38,150,400)
Beginning Inventory	(675,346)	(23,506)	(809,160)	(4,086,892)
Reused Products	0	0	0	0
Other Source Milk	(644,198)	(9,198)	(1,014,448)	(3,273,118)
Overage	(8,077)	(4,301)	(268,462)	(37,416)
Class III Producer Milk	36,931,207	2,725,658	53,759,927	1,247,394,191
Class IV Utilization:				
Total Class IV Utilization	197,166,111	8,068,357	189,920,580	42,878,224
Other Order Plants	(6,218,318)	(236,839)	(7,239,481)	(7,049,721)
Beginning Inventory	(19,851,789)	(942,345)	(10,861,655)	(9,609,364)
Reused Products	0	0	--	0
Other Source Milk	(24,975,708)	(992,509)	(26,248,175)	(8,297,617)
Overage	(23,428)	(12,221)	(107,666)	(79,748)
Class IV Producer Milk	146,096,868	5,884,443	145,463,603	17,841,774
Total Producer Milk -- All Classes	644,034,969	23,379,070	644,121,697	1,650,666,302

-- Restricted Information

Commodity Prices

Month/Year	Weighted Monthly Average NASS Prices *						Weighted Two-Week Average NASS Prices *					
	Cheddar Cheese			Nonfat			Cheddar Cheese			Nonfat		
	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey	Blocks	Barrels	Average	Butter	Dry Milk	Dry Whey
	<i>Dollars per Pound</i>						<i>Dollars per Pound</i>					
Sep 2002	1.1412	1.1155	1.1438	0.9431	0.9096	0.1755	1.1367	1.1159	1.1427	0.9297	0.9080	0.1703
Oct	1.2431	1.1391	1.2020	0.9945	0.9165	0.2131	1.2239	1.1366	1.1921	0.9697	0.9159	0.2081
Nov	1.1211	1.0733	1.1111	1.0107	0.9177	0.2223	1.1085	1.0610	1.0985	0.9991	0.9172	0.2234
Dec	1.1075	1.0991	1.1203	1.0926	0.8682	0.1965	1.1061	1.0993	1.1195	1.0813	0.8813	0.2038
Jan 2003	1.2225	1.1153	1.1370	1.0872	0.8207	0.1728	1.1175	1.1163	1.1358	1.1099	0.8287	0.1787
Feb	1.1508	1.0825	1.1299	1.0476	0.8111	0.1632	1.1549	1.0808	1.1304	1.0477	0.8108	0.1641
Mar	1.0725	1.0519	1.0780	1.0546	0.8051	0.1599	1.0640	1.0435	1.0697	1.0506	0.8048	0.1594
Apr	1.0924	1.0750	1.0997	1.0736	0.8030	0.1582	1.0804	1.0568	1.0842	1.0702	0.8032	0.1589
May	1.1227	1.1225	1.1394	1.0743	0.8040	0.1450	1.1264	1.1250	1.1420	1.0733	0.8043	0.1448
Jun	1.1400	1.1214	1.1464	1.0797	0.8040	0.1396	1.1330	1.1132	1.1387	1.0808	0.8040	0.1372
Jul	1.3177	1.3466	1.3497	1.1196	0.8072	0.1470	1.2435	1.2625	1.2685	1.1028	0.8062	0.1452
Aug	1.5332	1.5321	1.5496	1.1578	0.8105	0.1615	1.5237	1.5226	1.5396	1.1937	0.8118	0.1599
Sep	1.5786	1.5762	1.5940	1.1332	0.8111	0.1755	1.5745	1.5793	1.5943	1.1156	0.8094	0.1716

Month/Year	Chicago Mercantile Exchange							
	Butter	Cheddar Cheese		Nonfat Dry Milk (Low/Medium Heat)		Whey Powder		
	Grade AA	Blocks	Barrels	Central & East	West	Central	West	
	<i>Dollars per Pound</i>							
Sep 2002	0.9635	1.2041	1.1100	0.9468	0.9239	0.2051	0.1722	
Oct	1.0315	1.1950	1.0970	0.9563	0.9263	0.2426	0.2043	
Nov	1.0425	1.0891	1.0705	0.9578	0.9149	0.2245	0.2151	
Dec	1.1198	1.1311	1.1055	0.9075	0.8715	0.1818	0.2112	
Jan 2003	1.0815	1.1507	1.0929	0.8562	0.8532	0.1594	0.1870	
Feb	1.0405	1.0920	1.0430	0.8347	0.8444	0.1587	0.1648	
Mar	1.0915	1.0817	1.0469	0.8375	0.8380	0.1602	0.1574	
Apr	1.0906	1.1225	1.0902	0.8375	0.8377	0.1555	0.1495	
May	1.0919	1.1421	1.1161	0.8375	0.8388	0.1407	0.1418	
Jun	1.1142	1.1864	1.1562	0.8338	0.8395	0.1416	0.1400	
Jul	1.1985	1.5123	1.4668	0.8419	0.8391	0.1558	0.1535	
Aug	1.1708	1.6000	1.5736	0.8480	0.8414	0.1690	0.1762	
Sep	1.1731	1.6000	1.5640	0.8500	0.8423	0.1836	0.1845	

Market Statistics

Month/Year	Distributing Plants	Supply Plants	Coop .9(c) Handlers	Producers	Total Producer Milk	Estimated Average Daily Delivery	Class I Utilization	Butterfat Test	Protein Test	Other Solids Test	Weighted Average SCC
					Mil. lbs.	Pounds	Percent	Percent	Percent	Percent	
										(000)	
Sep 2002	27	60	12	14,614	1,651	3,885	20.6	3.65	3.01	5.69	355
Oct	27	60	12	14,806	1,574	3,821	23.5	3.82	3.09	5.70	322
Nov	27	60	12	14,660	1,679	3,882	20.9	3.84	3.10	5.69	307
Dec	27	59	12	14,949	1,825	4,090	18.8	3.80	3.07	5.68	296
Jan 2003	27	59	12	14,963	1,846	4,164	19.7	3.77	3.04	5.71	307
Feb	27	59	13	14,994	1,729	4,220	18.5	3.76	3.04	5.71	313
Mar	27	60	13	15,912	1,937	4,147	17.5	3.74	3.02	5.73	323
Apr	26	58	14	15,621	1,863	4,216	18.2	3.71	2.99	5.75	315
May	26	57	14	15,602	1,937	4,266	17.9	3.66	2.97	5.74	321
Jun	27	56	14	15,553	1,933	4,424	15.6	3.60	2.95	5.74	326
Jul	29	33	15	9,689	660	4,310	49.7	3.53	2.91	5.70	332
Aug	31	56	15	9,425	644	4,025	50.6	3.53	2.91	5.69	341
Sep	30	55	15	8,874	644	3,972	54.0	3.63	3.01	5.69	318

* NASS = National Agricultural Statistics Service, USDA.

Class Prices

Month/Year	Class I Price Mover			Class I Price at Cook County, IL			Class II Price			
	Butterfat	Skim Milk	3.50%	Butterfat	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Sep 2002	1.0805	6.92	10.46	1.0985	8.72	12.26	1.0169	0.8467	7.62	10.91
Oct	0.9935	6.91	10.15	1.0115	8.71	11.95	1.0796	0.8456	7.61	11.12
Nov	1.0423	7.20	10.60	1.0603	9.00	12.40	1.0993	0.8533	7.68	11.26
Dec	1.0782	6.99	10.52	1.0962	8.79	12.32	1.1992	0.8544	7.69	11.62
Jan 2003	1.1784	6.67	10.56	1.1964	8.47	12.36	1.1926	0.8189	7.37	11.29
Feb	1.2133	6.20	10.23	1.2313	8.00	12.03	1.1443	0.7667	6.90	10.66
Mar	1.1374	6.04	9.81	1.1554	7.84	11.61	1.1529	0.7489	6.74	10.54
Apr	1.1227	5.92	9.64	1.1407	7.72	11.44	1.1573	0.7356	6.62	10.44
May	1.1462	5.91	9.71	1.1642	7.71	11.51	1.1582	0.7344	6.61	10.43
Jun	1.1500	5.92	9.74	1.1680	7.72	11.54	1.1646	0.7356	6.62	10.46
Jul	1.1590	5.92	9.77	1.1770	7.72	11.57	1.2125	0.7356	6.62	10.63
Aug	1.1854	7.07	10.97	1.2034	8.87	12.77	1.2584	0.7378	6.64	10.81
Sep	1.2944	9.51	13.71	1.3124	11.31	15.51	1.2288	0.7433	6.69	10.76
Oct	1.2007	10.43	14.27	1.2187	12.23	16.07		0.7400	6.66	

Month/Year	Class III Price					Class IV Price			
	Butterfat	Protein	Other Solids	Skim Milk	3.50%	Butterfat	Nonfat Solids	Skim Milk	3.50%
	<i>lb.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>	<i>lb.</i>	<i>lb.</i>	<i>cwt.</i>	<i>cwt.</i>
Sep 2002	1.0099	2.0646	0.0367	6.62	9.92	1.0099	0.7696	6.93	10.22
Oct	1.0726	2.1839	0.0755	7.22	10.72	1.0726	0.7765	6.99	10.50
Nov	1.0923	1.8469	0.0850	6.23	9.84	1.0923	0.7777	7.00	10.58
Dec	1.1922	1.7506	0.0584	5.77	9.74	1.1922	0.7282	6.55	10.49
Jan 2003	1.1856	1.8164	0.0339	5.83	9.78	1.1856	0.6807	6.13	10.07
Feb	1.1373	1.8538	0.0240	5.89	9.66	1.1373	0.6711	6.04	9.81
Mar	1.1459	1.6648	0.0206	5.28	9.11	1.1459	0.6651	5.99	9.79
Apr	1.1503	1.8006	(0.0008) *	5.58	9.41	1.1503	0.6564	5.91	9.73
May	1.1512	1.9275	(0.0144) *	5.89	9.71	1.1512	0.6574	5.92	9.74
Jun	1.1576	1.9434	(0.0200) *	5.91	9.75	1.1576	0.6574	5.92	9.76
Jul	1.2055	2.5480	(0.0124) *	7.83	11.78	1.2055	0.6605	5.94	9.95
Aug	1.2514	3.1438	0.0026	9.76	13.80	1.2514	0.6638	5.97	10.14
Sep	1.2218	3.3180	0.0170	10.39	14.30	1.2218	0.6644	5.98	10.05

Producer Prices

Month/Year	Producer Price Differential	Statistical Uniform Price (at 3.50%)	Butterfat Price	Protein Price	Other Solids Price	SCC Adjustment Rate	Producer Mailbox Price (at test)
	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per lb.</i>	<i>\$ per cwt.</i>	<i>\$ per cwt.</i>
Jul 2002	0.80	10.13	1.0929	1.8095	0.0150	0.00055	10.61
Aug	0.66	10.20	1.0701	1.9021	0.0177	0.00056	10.91
Sep	0.54	10.46	1.0099	2.0646	0.0367	0.00057	11.42
Oct	0.31	11.03	1.0726	2.1839	0.0755	0.00060	12.27
Nov	0.59	10.43	1.0923	1.8469	0.0850	0.00056	11.74
Dec	0.59	10.33	1.1922	1.7506	0.0584	0.00056	11.65
Jan 2003	0.58	10.36	1.1856	1.8164	0.0339	0.00057	11.53
Feb	0.47	10.13	1.1373	1.8538	0.0240	0.00056	11.07
Mar	0.54	9.65	1.1459	1.6648	0.0206	0.00054	10.64
Apr	0.46	9.87	1.1503	1.8006	(0.0008) *	0.00055	10.85
May	0.40	10.11	1.1512	1.9275	(0.0144) *	0.00057	10.92
Jun	0.38	10.13	1.1576	1.9434	(0.0200) *	0.00057	10.89
Jul	(0.41)	11.37	1.2055	2.5480	(0.0124) *	0.00067	12.40
Aug	(1.58)	12.22	1.2514	3.1438	0.0026	0.00077	
Sep	(1.07)	13.23	1.2218	3.3180	0.0170	0.00080	

* The average wholesale price of dry whey was less than the make allowance contained in the other solids price formula.

Summary of Federal Order Data - September 2003

Federal Order Number / Name	Producer Deliveries <i>— Thousand Pounds —</i>	Class I Producer Receipts <i>— Thousand Pounds —</i>	Class I Utilization <i>Percent</i>	Class I Price <i>— Dollars per Cwt. —</i>	Producer Price Differential <i>— Dollars per Cwt. —</i>	Uniform or Statistical Uniform Price at 3.5% Butterfat		
						FOB Market <i>— Dollars per Cwt. —</i>	FOB Cook Cty. Illinois <i>— Dollars per Cwt. —</i>	Change From Previous Year
1 Northeast	1,882,435	924,519	49.1	\$ 16.96	\$ 0.71	\$ 15.01	\$ 13.56	\$2.81
5 Appalachian	481,866	373,915	77.6	16.81	n/a	15.57	14.27	2.81
6 Florida	196,411	177,207	90.2	17.71	n/a	16.99	14.79	3.02
7 Southeast	537,648	387,525	72.1	16.81	n/a	15.65	14.35	3.09
30 Upper Midwest	644,035	347,433	54.0	15.51	(1.07)	13.23	13.23	2.77
32 Central	710,663	406,163	57.2	15.71	(0.38)	13.92	13.72	3.18
33 Mideast	1,006,232	550,838	54.8	15.71	(0.37)	13.93	13.73	2.84
124 Pacific Northwest	371,686	173,468	46.7	15.61	(1.76)	12.54	12.44	1.88
126 Southwest	530,840	347,280	65.4	16.71	0.18	14.48	13.28	2.56
131 Arizona-Las Vegas	222,015	79,545	35.8	16.06	n/a	13.98	13.43	2.95
135 Western	168,058	94,670	56.3	15.61	(0.90)	13.40	13.30	2.85
All Market Average or Total *	6,751,891	3,862,561	57.2					

n/a = Not applicable. * May not add due to rounding.

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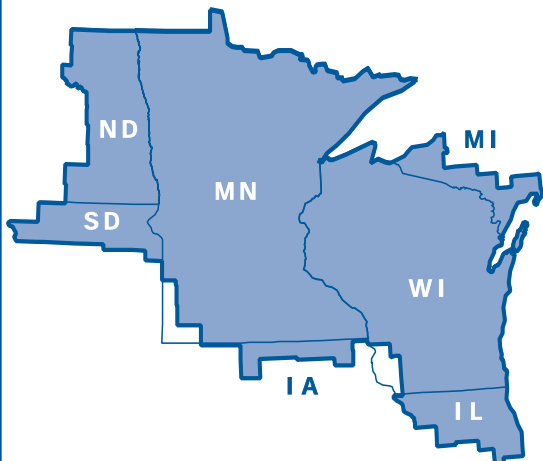
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