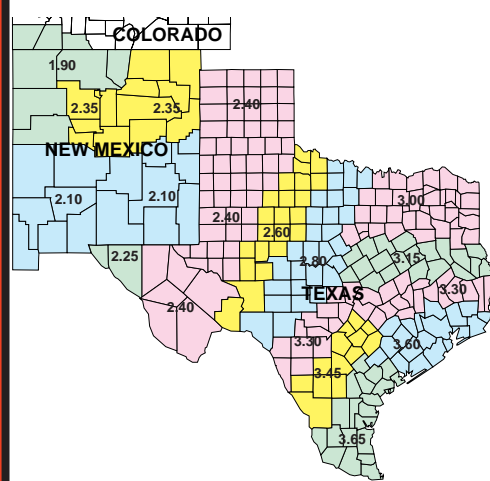


# THE MARKET ADMINISTRATOR'S REPORT



## SOUTHWEST MARKETING AREA

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## MARKET SUMMARY FOR MAY

The Producer Price Differential (P.P.D.) for milk delivered to handlers located in Dallas/Tarrant counties (TX) of the Southwest Milk Market Order was (\$1.91) for May. Butterfat price decreased \$0.0731 per pound from \$2.5013 in April to the level of \$2.4282 in May. Protein price increased \$0.3174 per pound from \$3.4465 in April to \$3.7639 in May. May's Other Solids price increased \$0.0402 per pound from \$0.1042 in April to \$0.1444 in May. The Somatic Cell Count adjustment rate factor for May was .00106 per thousand (difference from 350).

For comparison in hundredweights, producers who delivered milk to handlers located in Dallas/Tarrant counties (TX) received a May statistical uniform price of \$18.67 per hundredweight for milk testing 3.5% butterfat, 2.99% true protein, 5.69% other solids and 350,000 SCC. This is an increase of \$2.49 in comparison to the statistical blend price of \$16.18 in April.

The May Class I price increased \$6.01 from \$16.64 in April to the May level of \$22.65. The Class II price for May of \$15.03 per hundredweight decreased \$0.18 from \$15.21 in April. May's Class III price increased \$0.92 from \$19.66 in April to \$20.58 in May. The Class IV price decreased \$0.07 from \$14.57 in April to \$14.50 in May.

In May 893 producers delivered a total of 671,978,646 pounds of milk. On a daily basis this represents an increase of 2.56 percent from the producer receipts level in April but it represents a decrease of 29.52 percent when compared to the producer receipts level of May 2003.

Producer milk classified as Class I during May amounted to 47.27 percent of total producer receipts. This figure is down from 55.24 percent in April but it is up from 35.59 percent in May 2003. The average butterfat test of producer milk pooled during May was 3.545 percent, average protein test was 2.999 percent, average other solids test was 5.711 percent and the average somatic cell count was 288,000.

| Federal Order     | Statistical Uniform Price |              | Producer Price Differential |               | Class I Utilization |              |
|-------------------|---------------------------|--------------|-----------------------------|---------------|---------------------|--------------|
|                   | May 04                    | Apr 04       | May 04                      | Apr 04        | May 04              | Apr 04       |
| Appalachian       | 20.18                     | 16.76        | -----                       | -----         | 64.17               | 76.38        |
| Arizona-Las Vegas | 19.36                     | 17.29        | -----                       | -----         | 29.32               | 32.67        |
| Central           | 18.40                     | 15.64        | (2.18)                      | (4.02)        | 50.62               | 60.62        |
| Florida           | 22.23                     | 17.74        | -----                       | -----         | 75.70               | 90.57        |
| Mideast           | 18.99                     | 15.88        | (1.59)                      | (3.78)        | 54.60               | 62.30        |
| Northeast         | 19.84                     | 17.28        | (0.74)                      | (2.38)        | 44.80               | 48.50        |
| Pacific Northwest | 17.40                     | 15.34        | (3.18)                      | (4.32)        | 38.40               | 43.24        |
| Southeast         | 20.27                     | 16.72        | -----                       | -----         | 57.62               | 69.46        |
| <b>Southwest</b>  | <b>18.67</b>              | <b>16.18</b> | <b>(1.91)</b>               | <b>(3.48)</b> | <b>47.27</b>        | <b>55.24</b> |
| Upper Midwest     | 18.61                     | 15.55        | (1.97)                      | (4.11)        | 53.20               | 62.80        |

## **CATTLE TUBERCULOSIS (TB) TESTING LAGS, COULD IMPACT REINSTATEMENT OF TEXAS' TB-FREE STATUS**

Dairy and purebred beef cattle owners must complete the task that we agreed to accomplish by stepping forward to have herds tested for cattle tuberculosis (TB), if Texas is to regain Class "Free" status for TB eradication, warns Dr. Bob Hillman, Texas' state veterinarian. As of mid May, 381 Texas dairies and 115 purebred beef herds have been tested for the bacterial disease since November 2003. While the dairy industry is making significant progress, it still falls far short of testing necessary to assure the U.S. Department of Agriculture (USDA) and other states that Texas has conducted adequate disease surveillance to find any remaining infected herds. Texas' TB plan, developed in 2002 by a joint industry and regulatory working group, calls for testing the state's 850+ dairies and at least 2,500 of its beef seed stock herds by the end of August 2004. The plan was submitted to the USDA, along with a commitment to comply with the program.

Since 1983, cattle TB has been detected in 15 Texas dairies and six purebred beef herds. In 2000, Texas attained the TB-free status under the National Tuberculosis Eradication Program, but lost it in 2002, after two infected herds were detected. Dairy and purebred beef cattle are no more susceptible to TB than commercial cattle, but they usually are maintained in a herd much longer, due to their value for milking or breeding. Once exposed to cattle TB bacteria, it may be several years before dairy or purebred cattle are tested, or are culled and sent to slaughter, where carcasses are examined. (Milk is safe to drink, because required, routine pasteurization kills TB bacteria.)

"The U.S. Department of Agriculture (USDA) could deny a bid for Texas to regain TB-free status, citing lack of disease surveillance, if we don't meet our testing objectives," explained Dr. Hillman, who heads the Texas Animal Health Commission (TAHC), the state's livestock and poultry health regulatory agency. "The TAHC, through a cooperative agreement with the USDA, is funding 'fee-basis' payments to private, certified veterinarians who conduct herd tests, eliminating out-of-pocket expense for the cattle owner. Unless we are granted an extension, this federal money will not be available after the end of August, so it's crucial that producers take action to schedule a test now."

"The herd test must include all cattle 24 months of age or older (including dry cows in dairies). Testing of purchased replacement animals is optional, but the cost is covered by the program and should be considered," said Dr. Hillman. "To conduct a test, the certi-

fied or regulatory veterinarian will inject cattle with a small amount of tuberculin in the skin of the caudal fold, an area on the underside of the tail. Seventy-two hours later, the veterinarian will visually and manually examine the injection site for a reaction, such as a thickening of the skin. A response is an indication the animal may have been exposed to TB bacteria."

Around three to four percent of dairy cattle and about two percent of beef animals will respond to the caudal fold skin test. Until recently, a second 72-hour skin test, called the 'comparative cervical test,' was needed to differentiate between an animal's exposure to cattle TB bacteria, or to avian TB, which is not a danger to herd health. The recent approval of the Gamma Interferon test has greatly simplified this follow-up testing process. Now state or federal regulatory personnel collect blood samples from 'caudal fold' responder cattle so Gamma Interferon tests can be run at the State-Federal Laboratory in Austin. Of more than 3,800 Gamma tests run during this testing program, about .34 percent—or 132—have been in the suspect or reactor range.

"Animals also positive on Gamma test will be purchased by the USDA for slaughter and necropsy. Internal organs will be examined for lesions compatible with TB, and tissue samples will be submitted for confirmation to the National Veterinary Services Laboratory in Ames, Iowa," said Dr. Hillman. He noted that the USDA's indemnity is based on the fair market value of the animal. For adult dairy animal, agricultural economists have determined the standard appraisal to be \$1,425. Beef animals are appraised individually by a certified appraiser.

If infection in the herd is confirmed, the owner has two options. The herd can be quarantined and undergo a series of retests, until all infected animals have been removed, and subsequent repeated testing assures that infection has been eliminated. Or, the USDA will negotiate a purchase price for the herd and depopulate the animals, allowing the owner to return to normal business practices more quickly.

"Clearly, cattle TB must be addressed in Texas—and in other states where infected herds also have been detected. This currently includes California, New Mexico, Arizona, Kansas and Michigan. In Texas, we need the support of dairy and purebred beef producers to find infection, if additional infected herds are present; prevent further spread of disease; and regain our ability to move breeding cattle across state lines without a TB test," Dr. Hillman noted. "Allowing cattle TB to gain a 'hoof-hold' would be extremely costly, in terms of credibility with consumers, and in our ability to trade freely with our interstate and international trading partners."

For info, contact Carla Everett, information officer at 1-800-550-8242, ext 710, or [ceverett@tahc.state.tx.us](mailto:ceverett@tahc.state.tx.us)

**TOP TEN TEXAS COUNTIES a/ – MAY 2004**

| <u>County</u> | <u>Number of Producers</u> | <u>Pounds</u> | <u>% Change From 2003b/</u> | <u>County</u>        | <u>Number of Producers</u> | <u>Pounds</u>      | <u>% Change From 2003b/</u> |
|---------------|----------------------------|---------------|-----------------------------|----------------------|----------------------------|--------------------|-----------------------------|
| 1. Erath      | 114                        | 112,401,347   | - 0.45                      | 7. Hale              | 4                          | 19,953,303         | + 139.58                    |
| 2. Hopkins    | 151                        | 48,343,974    | - 3.98                      | 8. Deaf Smith        | 5                          | 18,691,031         | + 20.24                     |
| 3. Comanche   | 32                         | 40,260,835    | - 1.19                      | 9. Parmer            | 5                          | 18,652,684         | + 37.21                     |
| 4. Lamb       | 8                          | 31,700,710    | + 11.50                     | 10. El Paso          | 5                          | 16,062,418         | - 23.77                     |
| 5. Castro     | 7                          | 20,555,060    | + 191.89                    | Ten County Total     | 384                        | 346,852,416        | + 4.86 b/                   |
| 6. Archer     | 53                         | 20,231,054    | - 3.26                      | Other Counties Total | 417                        | 196,556,581        | + 8.77                      |
|               |                            |               |                             | <b>Texas Total</b>   | <b>801</b>                 | <b>543,408,997</b> | <b>+ 6.24</b>               |

a/ Includes all known Grade "A" milk produced on farms located in Texas.

b/ Compared to top ten counties for the month in the previous year.

**Class Prices at 3.5%, for Federal Orders 126      Formula Prices and Price Quotations**

| Class Prices & P.P.D. |                               |       |       |       |          | Component Prices     |              |              |                 | NASS Product Prices |                |             |          |
|-----------------------|-------------------------------|-------|-------|-------|----------|----------------------|--------------|--------------|-----------------|---------------------|----------------|-------------|----------|
|                       | I a/                          | II    | III   | IV    | P.P.D.a/ | BF                   | Other Solids | True Protein | SCC c/ Adj Rate | Grade AA Butter     | Cheddar Cheese | NFDM Powder | Dry Whey |
| Month                 | Dollars Per Hundred Wt. ----- |       |       |       |          | Cents Per Pound----- |              |              |                 |                     |                |             |          |
| March 2003            | 12.81                         | 10.54 | 9.11  | 9.79  | 1.99     | 114.59               | 2.06         | 166.48       | .00054          | 105.46              | 107.80         | 80.51       | 15.99    |
| April                 | 12.64                         | 10.44 | 9.41  | 9.73  | 1.78     | 115.03               | - 0.08       | 180.06       | .00055          | 107.36              | 109.97         | 80.30       | 15.82    |
| May                   | 12.71                         | 10.43 | 9.71  | 9.74  | 1.59     | 115.12               | - 1.44       | 192.75       | .00057          | 107.43              | 113.94         | 80.40       | 14.50    |
| June                  | 12.74                         | 10.46 | 9.75  | 9.76  | 1.58     | 115.76               | - 2.00       | 194.34       | .00057          | 107.97              | 114.64         | 80.40       | 13.96    |
| July                  | 12.77                         | 10.63 | 11.78 | 9.95  | 0.23     | 120.55               | - 1.24       | 254.80       | .00067          | 111.96              | 134.97         | 80.72       | 14.70    |
| August                | 13.97                         | 10.81 | 13.80 | 10.14 | - 0.87   | 125.14               | 0.26         | 314.38       | .00077          | 115.78              | 154.96         | 81.05       | 16.15    |
| September             | 16.71                         | 10.76 | 14.30 | 10.05 | 0.18     | 122.18               | 1.70         | 331.80       | .00080          | 113.32              | 159.40         | 81.11       | 17.55    |
| October               | 17.27                         | 10.84 | 14.39 | 10.16 | 0.50     | 125.53               | 3.11         | 328.15       | .00080          | 116.11              | 159.36         | 81.09       | 18.92    |
| November              | 17.37                         | 10.99 | 13.47 | 10.30 | 1.06     | 128.77               | 3.68         | 292.67       | .00075          | 118.81              | 149.41         | 81.30       | 19.47    |
| December              | 16.84                         | 11.30 | 11.87 | 10.52 | 1.99     | 136.88               | 3.62         | 229.97       | .00066          | 125.57              | 132.60         | 80.70       | 19.41    |
| Averages 2003 b/      | 14.39                         | 10.76 | 11.42 | 10.00 | 1.16     | 120.99               | 1.29         | 237.70       | .00065          | 111.94              | 130.31         | 80.90       | 16.67    |
| January 2004          | 14.85                         | 11.67 | 11.61 | 10.97 | 1.68     | 149.78               | 2.17         | 208.75       | .00065          | 136.32              | 130.23         | 80.62       | 18.01    |
| February              | 14.59                         | 12.90 | 11.89 | 12.21 | 1.78     | 185.18               | 0.90         | 179.11       | .00066          | 165.82              | 132.60         | 80.64       | 16.77    |
| March                 | 14.94                         | 14.79 | 14.49 | 14.10 | 0.73     | 238.13               | 2.34         | 201.33       | .00078          | 209.94              | 156.80         | 81.01       | 18.17    |
| April                 | 16.64                         | 15.21 | 19.66 | 14.57 | - 3.48   | 250.13               | 10.42        | 344.65       | .00103          | 219.94              | 205.20         | 81.71       | 26.02    |
| May                   | 22.65                         | 15.03 | 20.58 | 14.50 | - 1.91   | 242.82               | 14.44        | 376.39       | .00106          | 213.85              | 212.66         | 83.83       | 29.92    |

a/ Subject to location adjustments.    b/ Simple averages    c/ SCC adjustment rate is per 1,000 difference.

**TOP NEW MEXICO COUNTIES a/ – MAY 2004**

| <u>County</u> | <u>Number of Producers</u> | <u>Pounds</u> | <u>% Change From 2003b/</u> | <u>County</u>           | <u>Number of Producers</u> | <u>Pounds</u>      | <u>% Change From 2003b/</u> |
|---------------|----------------------------|---------------|-----------------------------|-------------------------|----------------------------|--------------------|-----------------------------|
| 1. Chaves     | 39                         | 160,440,871   | - 0.50                      | 7. Valencia             | 9                          | 15,943,633         | + 48.97                     |
| 2. Roosevelt  | 42                         | 107,562,072   | - 0.68                      | 8. Socorro              | 7                          | 11,571,366         | - 34.17                     |
| 3. Curry      | 23                         | 106,254,883   | + 5.94                      | 9. Sierra               | 3                          | 7,942,515          | + 23.10                     |
| 4. Dona Ana   | 23                         | 91,378,696    | + 1.94                      |                         |                            |                    |                             |
| 5. Lea        | 15                         | 36,376,355    | - 23.85                     | Nine County Total       | 169                        | 567,673,627        | - 0.80 b/                   |
| 6. Eddy       | 8                          | 30,203,236    | - 0.98                      | Other Counties Total    | 8                          | 15,705,376         | - 7.33                      |
|               |                            |               |                             | <b>New Mexico Total</b> | <b>177</b>                 | <b>583,379,003</b> | <b>- 0.98</b>               |

a/ All known Grade "A" milk produced on farms located in New Mexico.

b/ Compared to top counties for the month in the previous year.

**POUNDS OF GRADE A MILK MARKETING BY  
PRODUCERS LOCATED IN TEXAS BY MONTHS:  
JANUARY 2002 THROUGH MAY 2004, WITH PRODUCTION PERCENTAGE COMPARISONS**

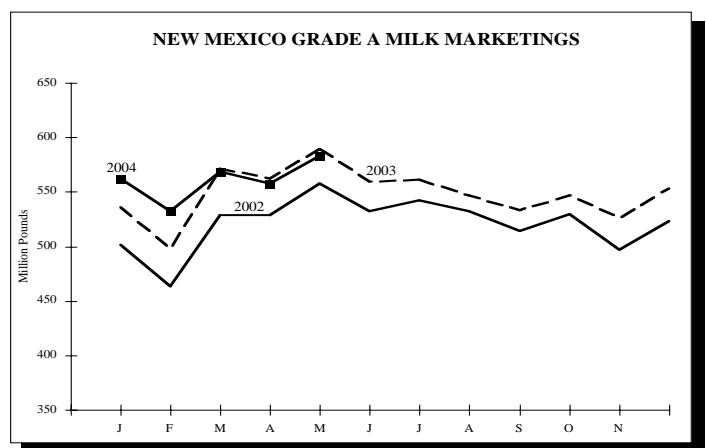
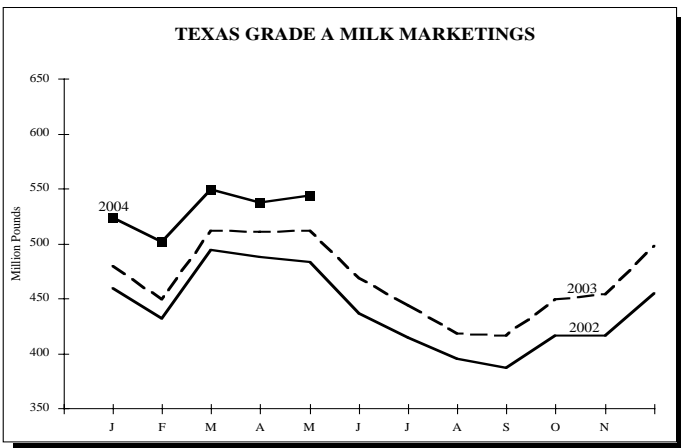
| MONTH       | 2002<br>POUNDS     | Number of<br>Producers | 2003<br>POUNDS     | Number of<br>Producers | 2004<br>POUNDS | Number of<br>Producers | PERCENT CHANGE<br>2003/02 | 2004/03 |
|-------------|--------------------|------------------------|--------------------|------------------------|----------------|------------------------|---------------------------|---------|
| January     | 459,850,238        | 897                    | 480,011,354        | 845                    | 523,723,796    | 816                    | + 4.38                    | + 9.11  |
| February    | 431,807,361        | 894                    | 449,362,000        | 840                    | 501,204,456    | 819                    | + 4.07                    | + 7.69* |
| March       | 494,608,931        | 893                    | 512,243,241        | 841                    | 548,941,459    | 814                    | + 3.57                    | + 7.16  |
| April       | 487,475,741        | 889                    | 510,466,950        | 838                    | 537,141,283    | 803                    | + 4.72                    | + 5.23  |
| May         | 482,994,330        | 875                    | 511,474,552        | 840                    | 543,408,997    | 801                    | + 5.90                    | + 6.24  |
| June        | 435,698,971        | 872                    | 468,387,455        | 838                    |                |                        | + 7.50                    |         |
| July        | 414,700,943        | 862                    | 444,115,237        | 834                    |                |                        | + 7.09                    |         |
| August      | 395,468,644        | 851                    | 417,817,794        | 833                    |                |                        | + 5.65                    |         |
| September   | 386,732,687        | 859                    | 416,649,423        | 836                    |                |                        | + 7.74                    |         |
| October     | 415,984,319        | 846                    | 449,267,689        | 835                    |                |                        | + 8.00                    |         |
| November    | 415,537,665        | 847                    | 453,593,349        | 826                    |                |                        | + 9.16                    |         |
| December    | <u>454,863,992</u> | 843                    | <u>497,718,548</u> | 815                    |                |                        | <u>+ 9.42</u>             |         |
| Years Total | 5,275,723,822      |                        | 5,611,107,592      |                        |                |                        | + 6.36                    |         |

\* Based on average daily delivery.

**POUNDS OF GRADE A MILK MARKETING BY  
PRODUCERS LOCATED IN NEW MEXICO BY MONTHS:  
JANUARY 2002 THROUGH MAY 2004, WITH PRODUCTION PERCENTAGE COMPARISONS**

| MONTH       | 2002<br>POUNDS     | Number of<br>Producers | 2003<br>POUNDS     | Number of<br>Producers | 2004<br>POUNDS | Number of<br>Producers | PERCENT CHANGE<br>2003/02 | 2004/03 |
|-------------|--------------------|------------------------|--------------------|------------------------|----------------|------------------------|---------------------------|---------|
| January     | 501,275,998        | 174                    | 535,741,056        | 177                    | 562,516,031    | 178                    | + 6.66                    | + 5.00  |
| February    | 463,667,936        | 173                    | 498,218,526        | 176                    | 532,156,355    | 176                    | + 7.45                    | + 3.13* |
| March       | 528,830,087        | 175                    | 570,901,632        | 177                    | 568,504,219    | 178                    | + 7.96                    | - 0.42  |
| April       | 528,467,048        | 175                    | 562,338,380        | 177                    | 557,482,116    | 176                    | + 6.41                    | - 0.86  |
| May         | 557,746,887        | 176                    | 589,176,775        | 177                    | 583,379,003    | 177                    | + 5.64                    | - 0.98  |
| June        | 532,178,000        | 178                    | 559,442,259        | 177                    |                |                        | + 5.12                    |         |
| July        | 542,546,821        | 176                    | 560,883,275        | 178                    |                |                        | + 3.38                    |         |
| August      | 532,685,705        | 176                    | 547,114,145        | 178                    |                |                        | + 2.71                    |         |
| September   | 513,773,496        | 178                    | 533,648,709        | 180                    |                |                        | + 3.87                    |         |
| October     | 529,524,800        | 178                    | 546,904,202        | 178                    |                |                        | + 3.28                    |         |
| November    | 496,802,059        | 178                    | 526,000,891        | 176                    |                |                        | + 5.88                    |         |
| December    | <u>523,409,272</u> | 178                    | <u>553,271,605</u> | 179                    |                |                        | <u>+ 5.71</u>             |         |
| Years Total | 6,250,908,109      |                        | 6,583,641,455      |                        |                |                        | + 5.32                    |         |

\* Based on average daily delivery.



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## TEXAS AND NEW MEXICO MARKET COMPONENT TEST

| Month         | Butterfat |      | Protein |      | Other Solids |      | S-N-F |      | SCC <sup>a/</sup> |     |
|---------------|-----------|------|---------|------|--------------|------|-------|------|-------------------|-----|
|               | TX        | NM   | TX      | NM   | TX           | NM   | TX    | NM   | TX                | NM  |
| May 2003      | 3.55      | 3.49 | 2.98    | 2.93 | 5.72         | 5.75 | 8.70  | 8.68 | 328               | 251 |
| June          | 3.57      | 3.45 | 2.98    | 2.92 | 5.71         | 5.74 | 8.69  | 8.65 | 368               | 273 |
| July          | 3.56      | 3.44 | 2.98    | 2.90 | 5.69         | 5.73 | 8.67  | 8.63 | 395               | 290 |
| August        | 3.58      | 3.44 | 3.01    | 2.92 | 5.67         | 5.70 | 8.67  | 8.62 | 406               | 306 |
| September     | 3.65      | 3.50 | 3.09    | 3.01 | 5.68         | 5.72 | 8.77  | 8.72 | 389               | 278 |
| October       | 3.73      | 3.58 | 3.13    | 3.07 | 5.67         | 5.70 | 8.81  | 8.78 | 366               | 272 |
| November      | 3.75      | 3.64 | 3.15    | 3.11 | 5.69         | 5.71 | 8.83  | 8.82 | 333               | 248 |
| December      | 3.78      | 3.68 | 3.15    | 3.10 | 5.72         | 5.72 | 8.87  | 8.83 | 305               | 246 |
| Averages 2003 | 3.66      | 3.57 | 3.06    | 3.00 | 5.70         | 5.72 | 8.76  | 8.72 | 351               | 275 |
| January 2004  | 3.77      | 3.66 | 3.11    | 3.06 | 5.72         | 5.72 | 8.83  | 8.78 | 300               | 253 |
| February      | 3.76      | 3.64 | 3.11    | 3.05 | 5.73         | 5.74 | 8.84  | 8.79 | 302               | 262 |
| March         | 3.68      | 3.58 | 3.06    | 3.02 | 5.72         | 5.72 | 8.78  | 8.74 | 318               | 280 |
| April         | 3.64      | 3.53 | 3.05    | 2.99 | 5.73         | 5.74 | 8.77  | 8.73 | 311               | 292 |
| May           | 3.59      | 3.43 | 3.02    | 2.94 | 5.70         | 5.71 | 8.72  | 8.66 | 316               | 262 |

a/ In thousands.

### MAY 2004 COMPUTATION OF PRODUCER PRICE DIFFERENTIAL

|  |       | Pounds      | Price           | Value             |
|--|-------|-------------|-----------------|-------------------|
| Add: Class I Differential                          |       |             |                 | \$322,288.48      |
| Class I Butterfat                                  | 60(a) | 7,268,082   | \$2.4737        | \$17,979,054.47   |
| Class I Skim Per Cwt                               |       | 310,407,903 | \$14.5000       | \$45,009,146.01   |
| Class II Butterfat                                 | 60(b) | 8,291,719   | \$2.4352        | \$20,191,994.10   |
| Class II Nonfat Solids                             |       | 9,885,226   | \$0.7489        | \$7,403,045.76    |
| Class III Butterfat                                | 60(c) | 1,739,311   | \$2.4282        | \$4,223,394.98    |
| Class III Protein                                  |       | 160,809     | \$3.7639        | \$605,269.00      |
| Class III Other Solids                             |       | 305,465     | \$0.1444        | \$44,109.15       |
| Class IV Butterfat                                 | 60(d) | 6,527,866   | \$2.4282        | \$15,850,964.24   |
| Class IV Nonfat Solids                             |       | 20,161,553  | \$0.6913        | \$13,937,681.61   |
| Class II, III & IV Somatic Cell Adj.               | 60(e) |             |                 | \$246,304.86      |
| Total Producer Milk-Product Lbs & Value            |       | 671,978,646 |                 | \$125,813,252.66  |
| Add: Value as for 60(f) Thru 60(j)                 |       |             |                 | \$109,623.94      |
| Less: Total Protein Pounds                         | 61(b) | 20,155,732  | <b>\$3.7639</b> | \$75,864,159.69   |
| Total Other Solids Pounds                          |       | 38,379,664  | <b>\$0.1444</b> | \$5,542,023.49    |
| Total Butterfat Pounds                             |       | 23,826,978  | <b>\$2.4282</b> | \$57,856,667.99   |
| Total Value of Somatic Cell Adjustment             |       |             |                 | \$444,236.23      |
| <b>Total Milk and Value</b>                        |       | 671,978,646 |                 | (\$13,784,210.80) |
| Add: Location Differential Adjustments             | 61(c) |             |                 | \$1,045,901.43    |
| Producer-Settlement Fund                           | 61(d) |             |                 | \$224,251.46      |
| <b>Total Producer Milk/URSP and Value</b>          |       | 671,978,646 | (\$1.86227)     | (\$12,514,057.91) |
| Less: Producer-Settlement Fund                     | 61(f) |             | \$0.04773       | \$320,734.23      |
| <b>Producer Price Differential (Dallas County)</b> |       |             | <b>(\$1.91)</b> | (\$12,834,792.14) |



# THE MARKET ADMINISTRATOR'S *REPORT*

## **SOUTHWEST MARKETING AREA**

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PRSRST STD  
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Carrollton, TX  
Permit No. 343

RETURN SERVICE REQUESTED

MAY 2004

## **PRODUCER MILK AND COMPONENT UTILIZATION PERCENTAGES**

| Producer Milk Utilization Percentages |                   |         |                     |         |                     |         |
|---------------------------------------|-------------------|---------|---------------------|---------|---------------------|---------|
|                                       | Product<br>Pounds | Percent | Butterfat<br>Pounds | Percent | Skim Milk<br>Pounds | Percent |
| Class I                               | 317,675,985       | 47.27   | 7,268,082           | 30.50   | 310,407,903         | 47.89   |
| Class II                              | 117,589,329       | 17.50   | 8,291,719           | 34.80   | 109,297,610         | 16.86   |
| Class III                             | 6,900,396         | 1.03    | 1,739,311           | 7.30    | 5,161,085           | 0.80    |
| Class IV                              | 229,812,936       | 34.20   | 6,527,866           | 27.40   | 223,285,070         | 34.45   |
| Total                                 | 671,978,646       | 100.00  | 23,826,978          | 100.00  | 648,151,668         | 100.00  |

| Producer Milk Component Utilization Percentages |                   |         |                           |         |                            |         |
|---|-------------------|---------|---------------------------|---------|----------------------------|---------|
|   | Protein<br>Pounds | Percent | Other<br>Solids<br>Pounds | Percent | Nonfat<br>Solids<br>Pounds | Percent |
| Class I   | 9,664,535         | 47.95   | 18,357,811                | 47.82   | 28,022,341                 | 47.87   |
| Class II  | 3,416,277         | 16.95   | 6,468,950                 | 16.86   | 9,885,226                  | 16.89   |
| Class III                                       | 160,809           | 0.80    | 305,465                   | 0.80    | 466,276                    | 0.80    |
| Class IV  | 6,914,111         | 34.30   | 13,247,438                | 34.52   | 20,161,553                 | 34.44   |
| Total   | 20,155,732        | 100.00  | 38,379,664                | 100.00  | 58,535,396                 | 100.00  |