

1998 Dairy Product Plant Costs, USDA/Cooperative Programs Technical Assistance Project¹ (California plants not included)

	Simple average		
	Cheese ²	Butter	Powder ³
<i>Cost items:</i>	<i>Cents per pound of product</i>		
Wages and benefits	4.275	5.469	4.626
Electricity	0.437	0.787	0.898
Fuels	0.460	0.386	1.852
Water and sewer	0.445	0.466	0.482
Packaging materials ⁴	1.389	2.975	1.397
Ingredients	1.284	0.219	0.038
Cleaning supplies	0.308	0.567	0.416
Plant and lab supplies	0.536	0.715	0.732
Laundry	0.036	0.059	0.052
Repair and Maintenance	0.742	0.669	1.076
Depreciation	1.162	1.208	1.603
Equipment rentals	0.216	0.063	0.067
Taxes	0.130	0.341	0.316
Insurance	0.070	0.109	0.103
Miscellaneous	0.933	0.904	2.216
Total simple average cost ⁵	<u>12.422</u>	<u>14.938</u>	<u>15.876</u>
Pounds of product per plant	52,761,901	19,584,223	29,180,911
Average cheese yield/cwt milk (11 plants)	10.3		
Average percent print butter		54.5%	
Number of plants	12	5	5
Total weighted average cost (cents per pound) ⁶	12.916	11.271	14.457

¹Data for one plant in each product category were for 1999.

²Mostly Cheddar cheese in 40-pound, 640-pound, or 500-pound packages; some Italian and other cheeses.

³Mostly nonfat dry milk; some dry whole milk, dry buttermilk and powder for animal feed.

⁴Cost of packaging materials was likely affected by variation in packages across plants.

⁵Individual cost items may not add to total due to rounding.

⁶Using each plant's product volume as the weight.