



# Marketing Order Statistics Price Formulas 2017

United States Department of Agriculture

Agricultural Marketing Service

Dairy Programs

Market Information Branch

April 6, 2017

**Note: Milk prices are per 100 pounds or cwt., rounded to the nearest cent. Component prices are per pound, rounded to nearest one-hundredth cent. Cheese, dry whey, butter, and nonfat dry milk prices are weighted monthly averages of weekly NASS survey prices, rounded to the nearest one-hundredth cent.**

### **Class I:**

Class I price = (Class I skim milk price x 0.965) + (Class I butterfat price x 3.5).

Class I Skim Milk Price = Higher of advanced Class III or IV skim milk pricing factors + applicable Class I differential.

Class I Butterfat Price = Advanced butterfat pricing factor + (applicable Class I differential divided by 100).

Note: Advanced pricing factors are computed using applicable price formulas listed below, except that product price averages are for two weeks.

### **Class II:**

Class II Price = (Class II skim milk price x 0.965) + (Class II butterfat price x 3.5).

Class II Skim Milk Price = Advanced Class IV skim milk pricing factor + \$0.70.

Class II Butterfat Price = Butterfat price + \$0.007.

Class II Nonfat Solids Price = Class II skim milk price divided by 9.

### **Class III:**

Class III Price = (Class III skim milk price x 0.965) + (Butterfat price x 3.5).

Class III Skim Milk Price = (Protein price x 3.1) + (Other solids price x 5.9).

Protein Price = ((Cheese price - 0.2003) x 1.383) + (((Cheese price - 0.2003) x 1.572) - Butterfat price x 0.9) x 1.17).

Other Solids Price = (Dry whey price - 0.1991) times 1.03.

Butterfat Price = (Butter price - 0.1715) times 1.211.

**Class IV:**

Class IV Price = (Class IV skim milk price x 0.965) + (Butterfat price x 3.5).

Class IV Skim Milk Price = Nonfat solids price x 9.

Nonfat Solids Price = (Nonfat dry milk price – 0.1678) times 0.99.

Butterfat Price = See Class III.

**Somatic Cell Adjustment Rate** = Cheese price x 0.0005, rounded to fifth decimal place. Rate is per 1,000 somatic cell count difference from 350,000.

**Information Contacts**

Listed below are the specialists in the Agricultural Marketing Service, Dairy Program, Market Information Branch to contact for additional information. E-mail inquiries may be sent to [dpp@ams.usda.gov](mailto:dpp@ams.usda.gov)

Lorie Warren, Chief, Market Information..... (202) 720-4405

**Dairy Products Mandatory Reporting Program**

Patsy Emmons, Dairy Products Marketing Specialist, Coordinator..... (202) 720-6491  
Kerry Siekmann, Dairy Products Marketing Specialist ..... (952) 277-2363  
Jessica Crum, Dairy Products Marketing Specialist ..... (202) 260-9091

**Federal Milk Order Information Program**

Kerry Siekmann, Dairy Products Marketing Specialist, Coordinator ..... (952) 277-2363  
Randal Stoker, Dairy Products Marketing Specialist ..... (202) 690-1932  
Daniel Manzoni, Dairy Products Marketing Specialist..... (202) 720-2352

For the most current release, visit AMS Dairy Program ([Dairy Products Mandatory Reporting Program's page](#)) or Cornell University's Mann Library ([National Dairy Products Sales Report page](#)).

To receive e-mail notification for AMS Dairy Program publications, visit [Cornell University's Mann Library](#) and follow the instructions.



The United States Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, political beliefs, genetic information, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of discrimination, write to USDA, Assistant Secretary for Civil Rights, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, S.W., Stop 9410, Washington, DC 20250-9410, or call toll-free at (866) 632-9992 (English) or (800) 877-8339 (TDD) or (866) 377-8642 (English Federal-relay) or (800) 845-6136 (Spanish Federal-relay). USDA is an equal opportunity provider and employer.