



MARKETING SERVICE

B U L L E T I N

2002 Milk Production

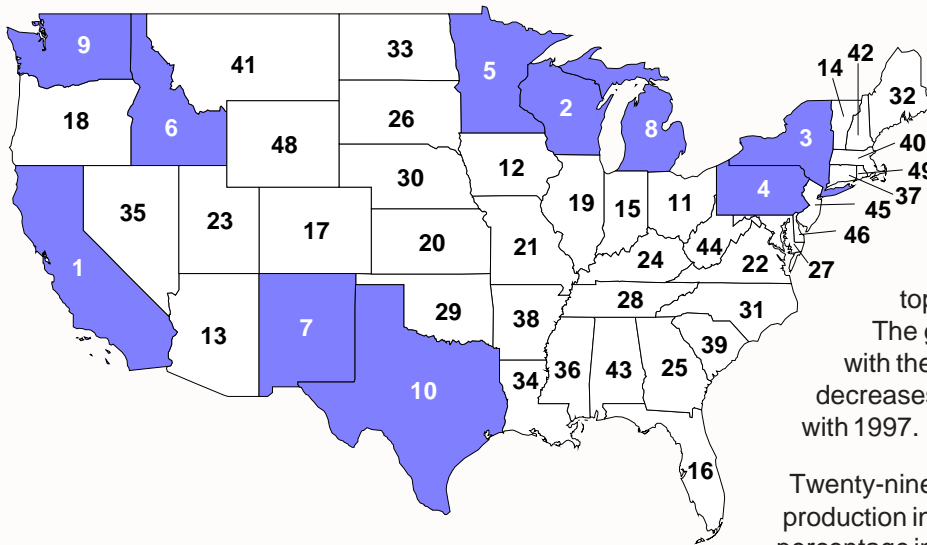
U.S. milk production during 2002 increased 2.6% compared with 2001, climbing to a record 169.8 billion pounds. The 2002 total is 1.3% greater than the previous record of 167.6 billion pounds produced during 2000. Milk production has exceeded

year earlier levels during five of the last six years, with the lone exception occurring during 2001. Production in the U.S. has increased by 13.7 billion pounds over the past five years (2002 versus 1997), a gain of 8.8%.

Kansas, Alaska and Oregon recorded the largest annual percentage gains compared with 2001, with milk production increasing by 24.8, 23.1, and 21.9%, respectively. New Mexico (+13.6%), Arizona (+11.6%), Colorado (+9.6%), Idaho (+5.1%), and California (+5.0%) were the other states that registered annual milk production increases of 5.0% or more.

Conversely, 6 states reported annual decreases of 5.0% or more, with South Dakota's 11.1% decrease being the largest milk production loss. Other states posting declines of more than 5% were North Dakota (-9.2%), Arkansas (-9.0%), Hawaii (-8.5%), Louisiana (-8.1%), and Alabama (-7.7%).

2002 Milk Production Ranking Top Ten States Highlighted



The map on this page ranks milk production by state for 2002, with the top ten milk producing states shaded. The graphics on page 4 depict the states with the largest percentage increases and decreases in milk production comparing 2002 with 1997.

Twenty-nine states registered annual milk production increases during 2002, with the percentage increases averaging 5.2%. Twenty

states posted production decreases, with the percentage decreases averaging 4.0%. Nevada was the only state with 2002 milk production identical to 2001. Fourteen states recorded increases greater than 2.0%, while twelve states recorded milk production decreases of 2.0% or more during 2002.

Twenty-five states recorded milk production increases comparing 2002 with 1997. The average percentage increase for these states was 16.0%; however, only nine states posted increases larger than the 25-state percentage average. These nine were New Mexico (+57.5%), Idaho (+57.0%), Kansas (+56.4%), Oregon (+30.0%), Arizona (+28.7%), Colorado (+28.6%), California (+26.5%), Indiana (+18.8%), and Alaska (+17.9%). The only other states to post double digit increases compared with 1997 were Montana (+15.6%) and Nebraska (+12.5%).

Twenty-four states recorded production decreases between 1997 and 2002, with an average percentage decline of 15.6%. New Hampshire was the lone state to record identical milk production during 1997 and 2002. Twelve states recorded decreases greater than the average percentage loss. These were:

Arkansas	-38.1%	Alabama	-33.7%	Rhode Island	-28.2%	Louisiana	-26.8%
Mississippi	-24.6%	Wyoming	-24.3%	Hawaii	-21.3%	New Jersey	-21.1%
Tennessee	-18.3%	North Dakota	-18.0%	Missouri	-17.6%	Massachusetts	-16.8%

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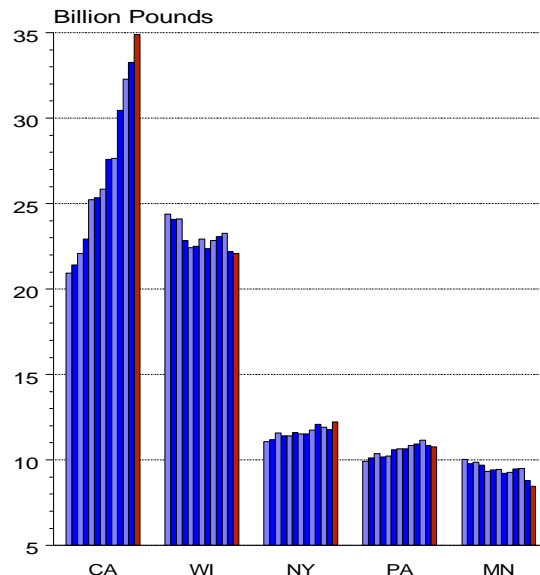


The graph at the right depicts annual milk production since 1990 for the nation's top five milk producing states. California (+5.0%) and New York (+3.7%) posted increases during 2002 compared with the previous year, while Wisconsin (-0.6%), Pennsylvania (-0.7%), and Minnesota (-4.0%) all registered production losses. California was the only state to record a production increase each year during this period—increasing production by 66.5% compared with 1990. New York (+10.4%) and Pennsylvania (+8.5%) also posted increases compared with 1990, while Wisconsin (-9.5%) and Minnesota (-15.7%) both recorded decreases in milk production during this time period.

The map on page 6 provides a ranking of states based on 2002 milk production per cow. California, Idaho, Michigan, New Mexico, and Washington are the only states ranked in the top ten in both total milk production and production per cow. California's 2002 per cow production of 21,180 pounds ranked fourth in the U.S., making it the only top five state with production per cow above the 2002 national average of 18,571 pounds. Pennsylvania's 18,419 pounds per cow production fell just short of the national milk per cow average.

Annual Milk Production

Top Five Dairy States



1990 through 2002

2002 Per Capita Milk Production

Per capita milk production is a data series presented annually in this Bulletin. A comparison of this series to per capita consumption data may reflect the aggregate supply and demand balance for individual states and regions throughout the U.S. The table on page 7 details and compares per capita milk production by state for 2002, 2001, and 1997. This table lists the states in descending order based on 2002 per capita production. The states with per capita production of more than 600 pounds are inside the shaded area of the table. Six of the top ten states in total production are also in the top ten in per capita production. These six are California, Idaho, Minnesota, New Mexico, Washington, and Wisconsin.

Data used in these calculations indicates that per capita production for 2002 was up 8.7 pounds (+1.5%) compared with 2001. Twenty-three states reported annual per capita increases during 2002, the largest being Kansas with a gain of 24.2%. Alaska (+21.2%), Oregon (+20.2%), New Mexico (+12.1%), Arizona (+8.5%), and Colorado (+7.8%) were the only other states with increases of five percent or greater. South Dakota recorded the largest per capita production decline during 2002, with a loss of 11.5%. Hawaii (-9.8%), Arkansas (-9.5%), North Dakota (-8.8%), Louisiana (-8.3%), Alabama (-8.0%), and Florida (-5.2%) were the other states with decreases of five percent or more compared with 2001.

Per capita production for the U.S. increased by 5.7 pounds, or +1.0%, between 1997 and 2002. Fourteen states recorded increases in per capita milk production, led by Kansas's gain of 49.8%. New Mexico (+46.3%), Idaho (+41.6%), Oregon (+19.7%), California (+15.9%), Indiana (+13.2%), Montana (+11.7%), Alaska (+11.6%), and Colorado (+11.1%) were the other states to post per capita increases of ten percent or more comparing 2002 with 1997. Arkansas, Alabama, and Rhode Island recorded the largest decreases, with per capita production falling by 42.4, 36.2, and 33.8%, respectively. Ten additional states posted declines of more than 20%, while 9 states reported decreases between 10 and 20%.

The map on the top of page 3 depicts per capita milk production by state for 2002. The 300 and 600 pound levels of per capita production are arbitrary divisions selected for this map. These levels reflect average annual fluid and total per capita dairy consumption, plus reserve requirements. A cursory analysis of regional milk supply conditions can be performed by examining the shading patterns prevalent in the individual regions.

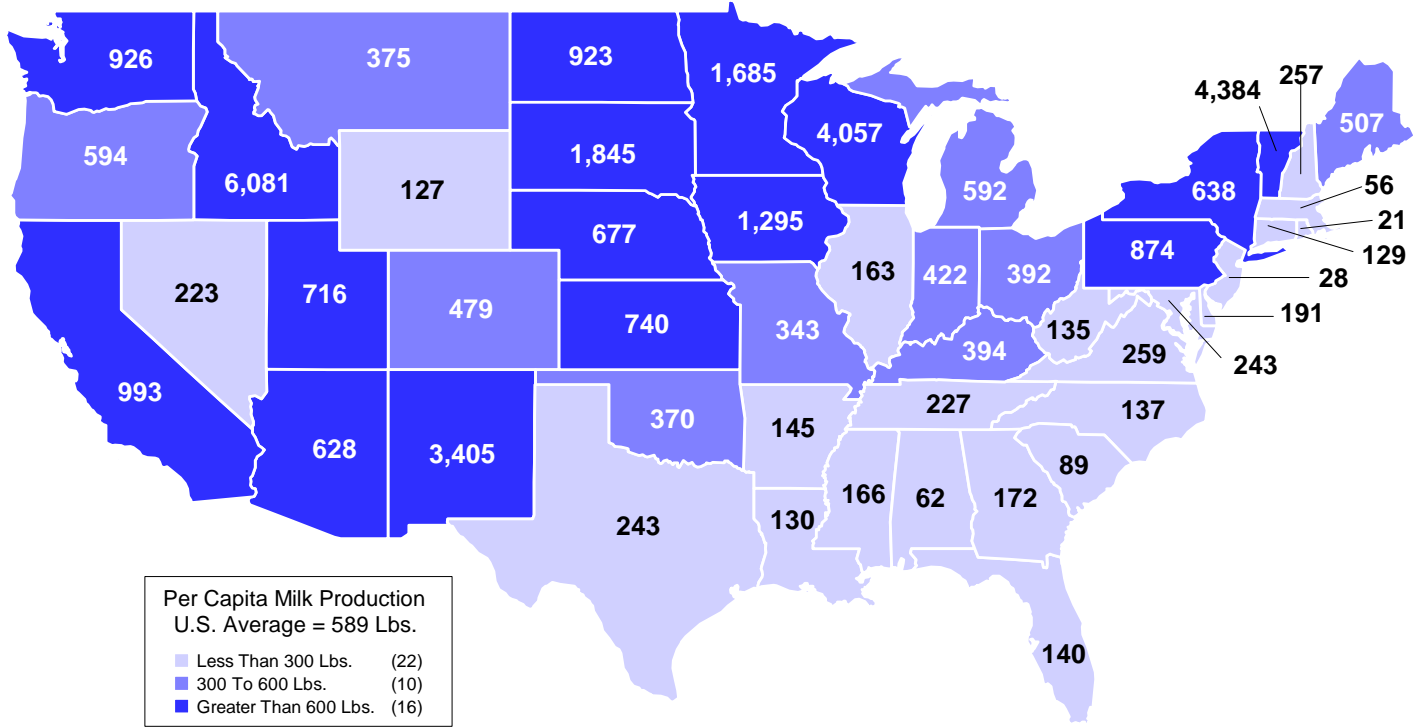
The map at the bottom of page 3 displays the percentage change in per capita milk production by state between 1997 and 2002. The data represented by this map reflects changes in production combined with population changes. The graphics on page 5 depict the states with the largest percentage increases and decreases from 1997 to 2002.

The graph on page 6 provides a ranking of the top five milk producing states in total milk production, production per cow, and production per capita. The graph on the last page of this Bulletin depicts milk production per capita for the U.S. over the last 23 years.

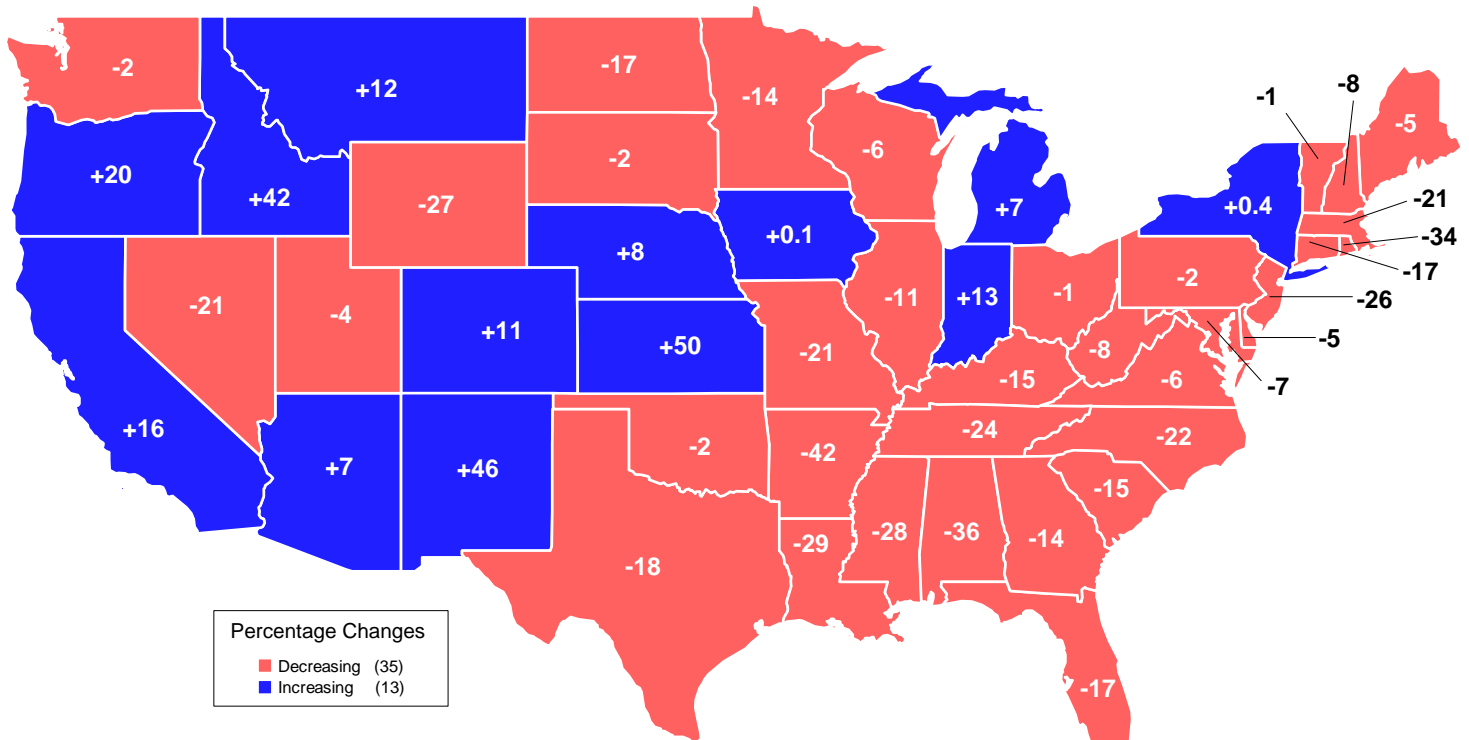
Percentage Of 2002 U.S. Totals

	Milk Production	Population
California	20.55	12.18
Wisconsin	13.00	1.89
New York	7.20	6.64
Pennsylvania	6.35	4.28
Minnesota	4.98	1.74
5-State Total	52.08	26.73

2002 Per Capita Milk Production



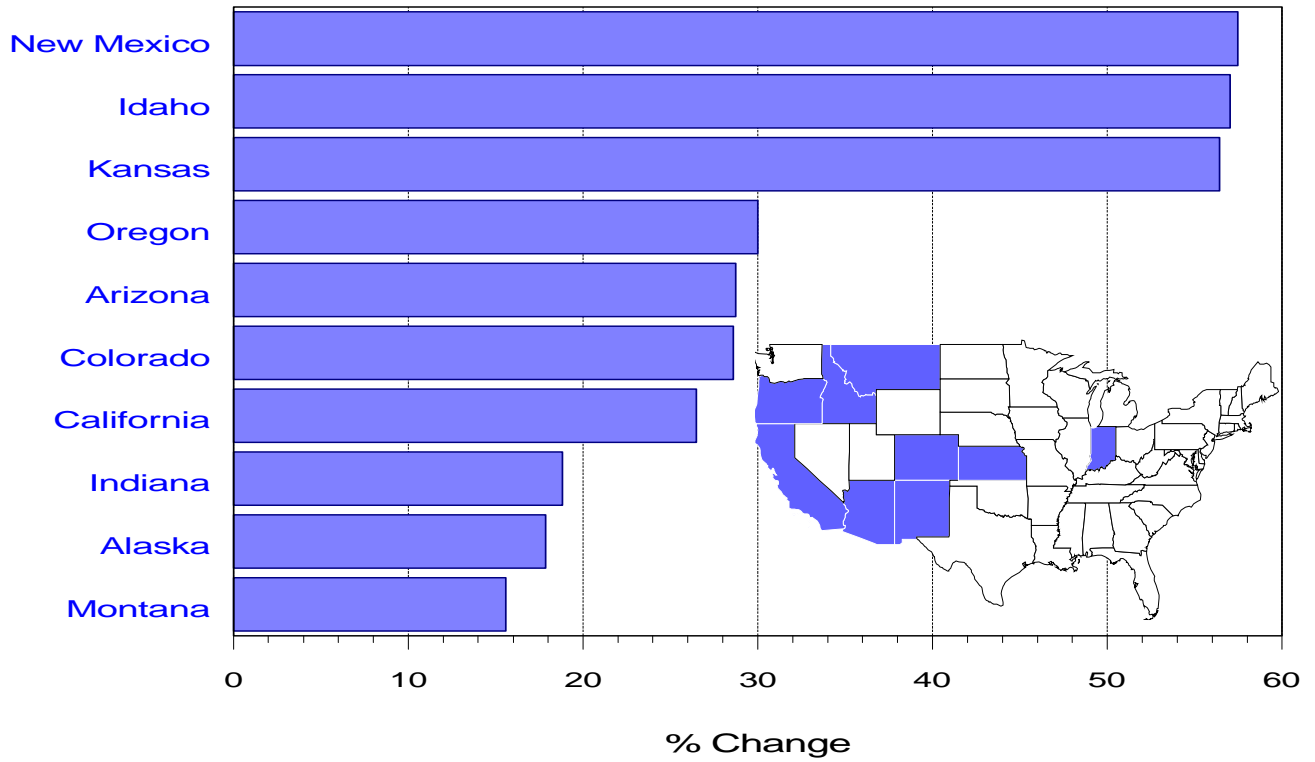
Percent Change In Per Capita Milk Production 2002 vs 1997



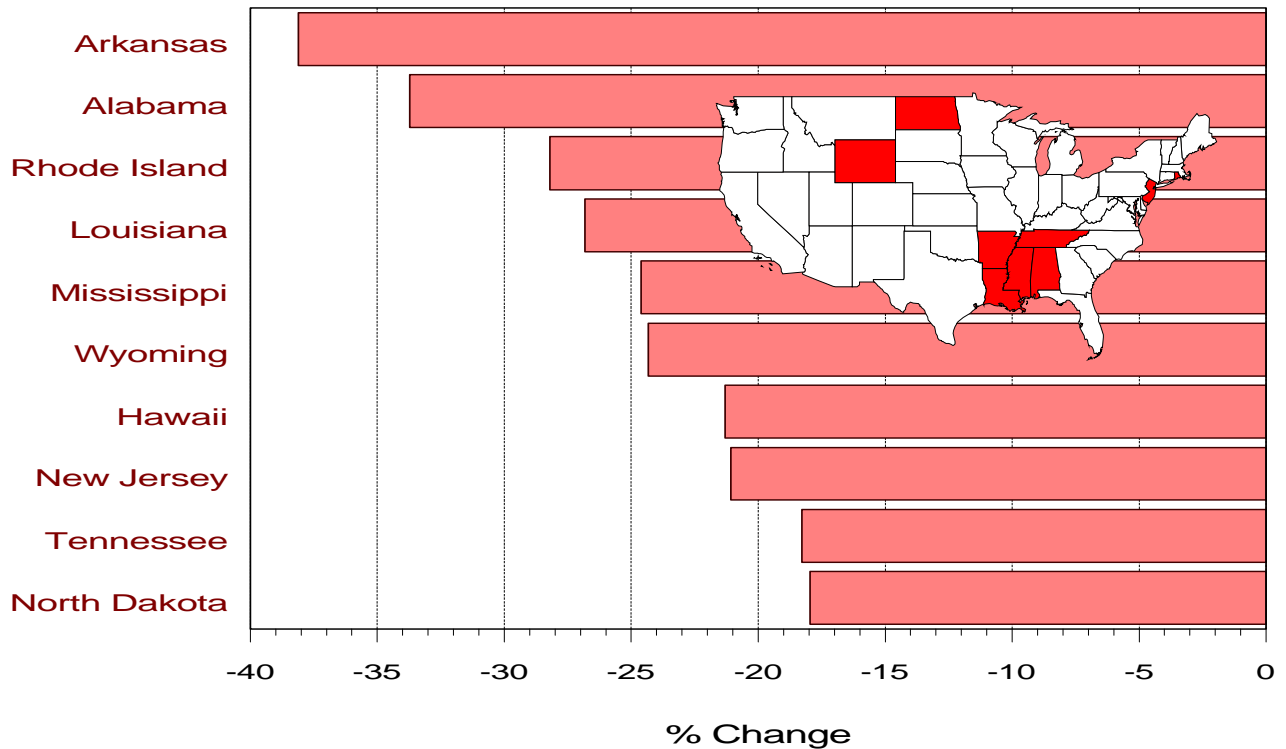
U.S. Milk Production: 2002 vs 1997

U.S. Average = +8.8%

Largest Production Increases



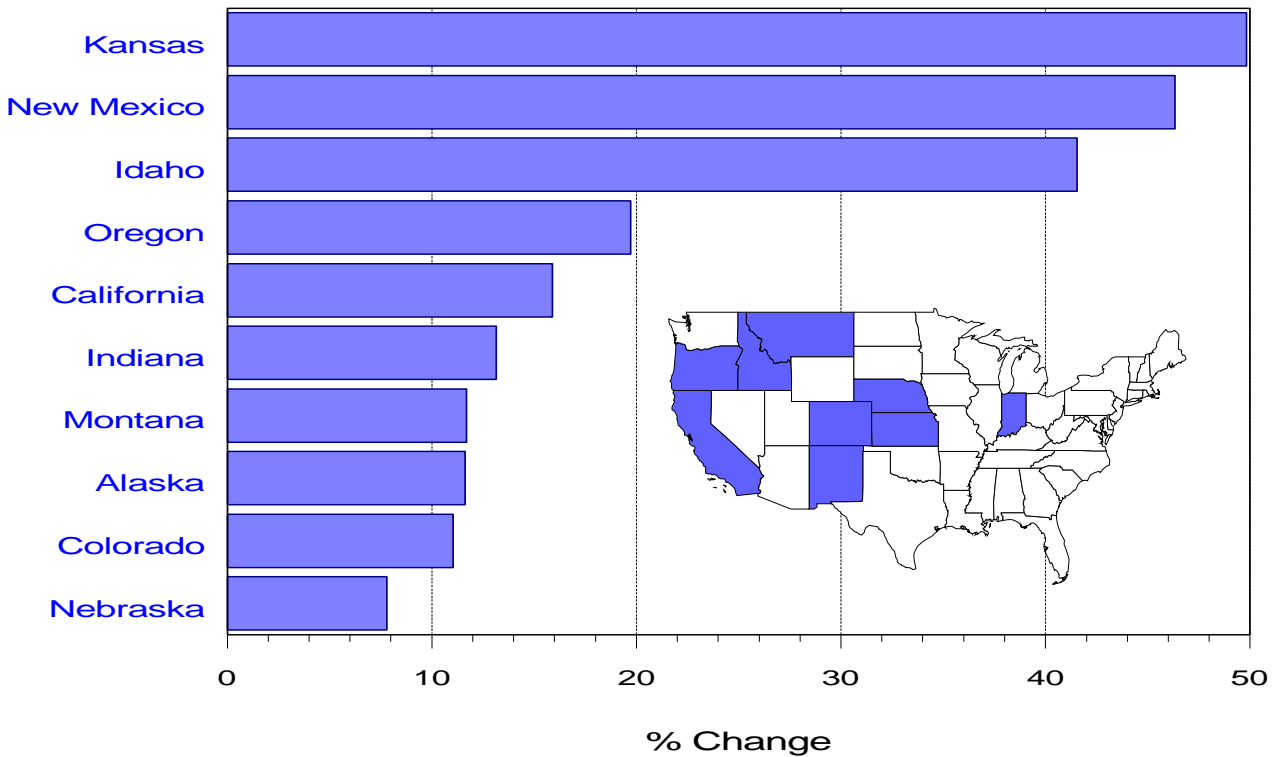
Largest Production Decreases



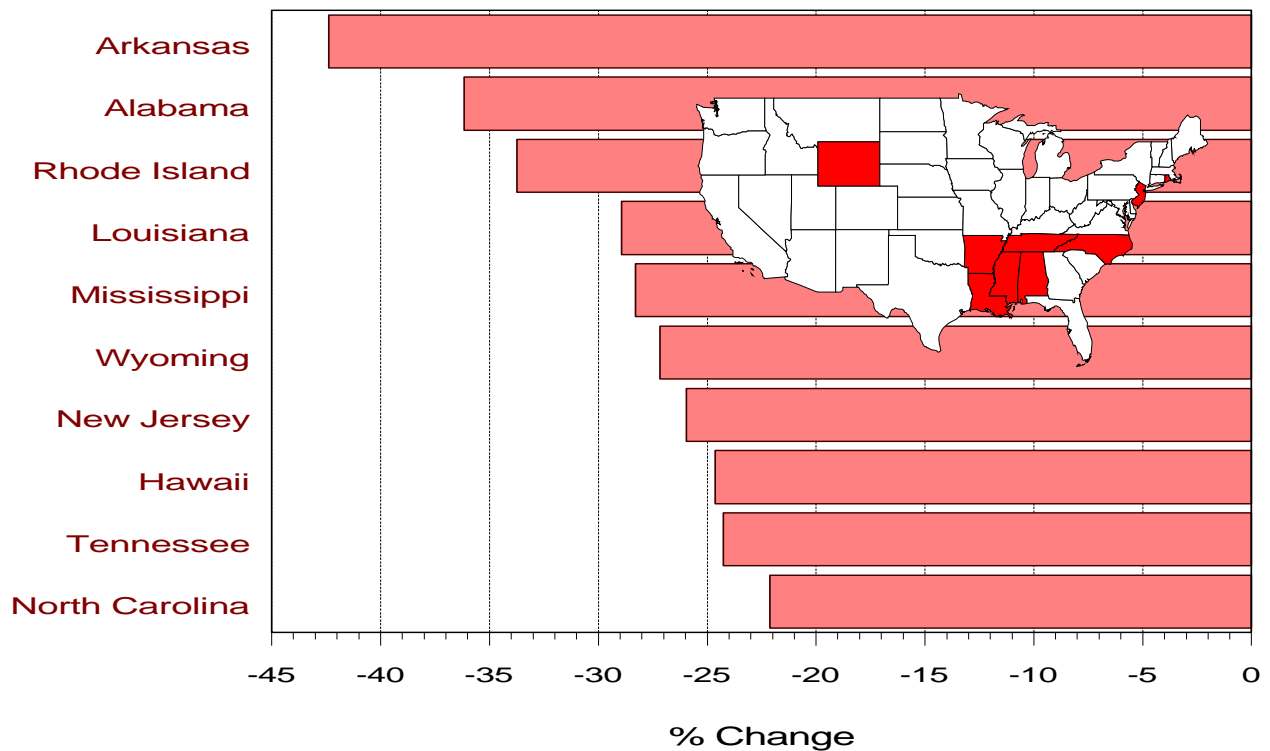
U.S. Per Capita Milk Production: 2002 vs 1997

U.S. Average = +1.0%

Largest Per Capita Increases

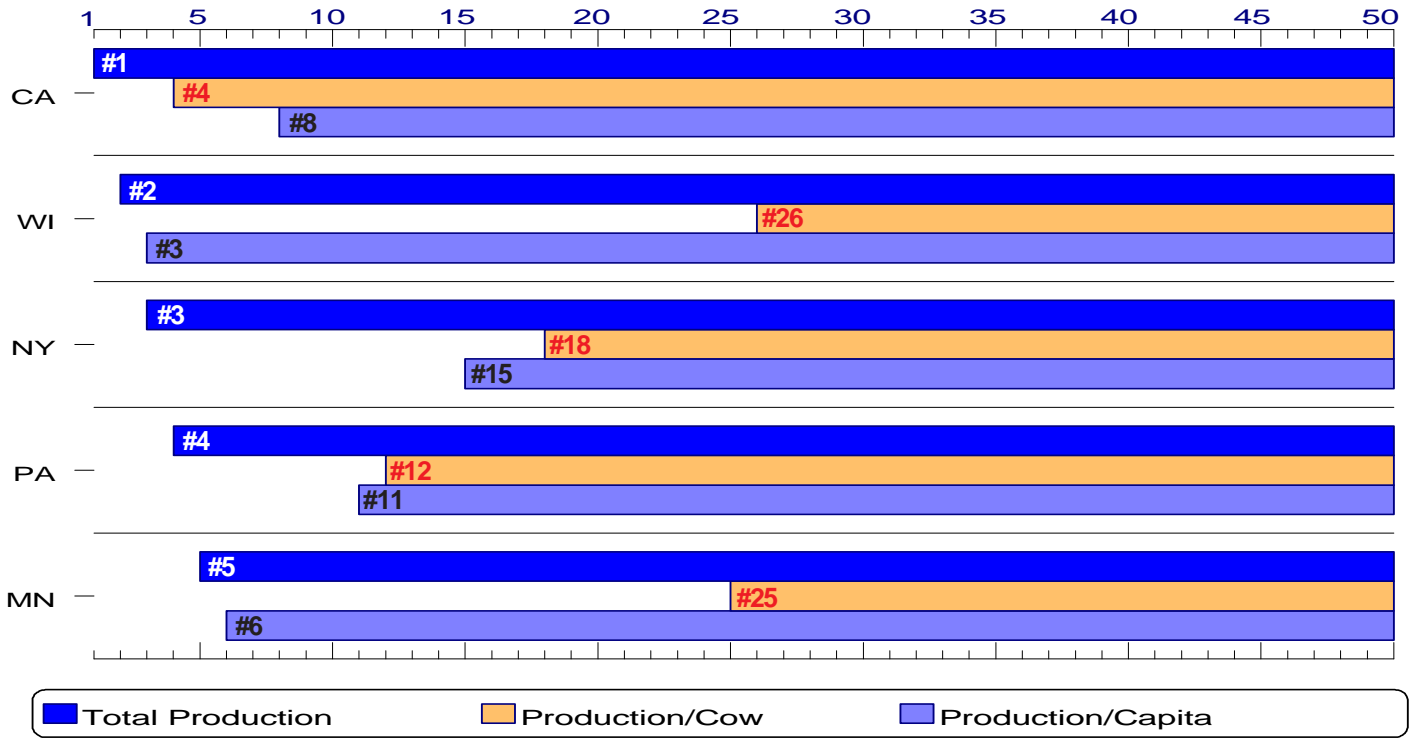


Largest Per Capita Decreases

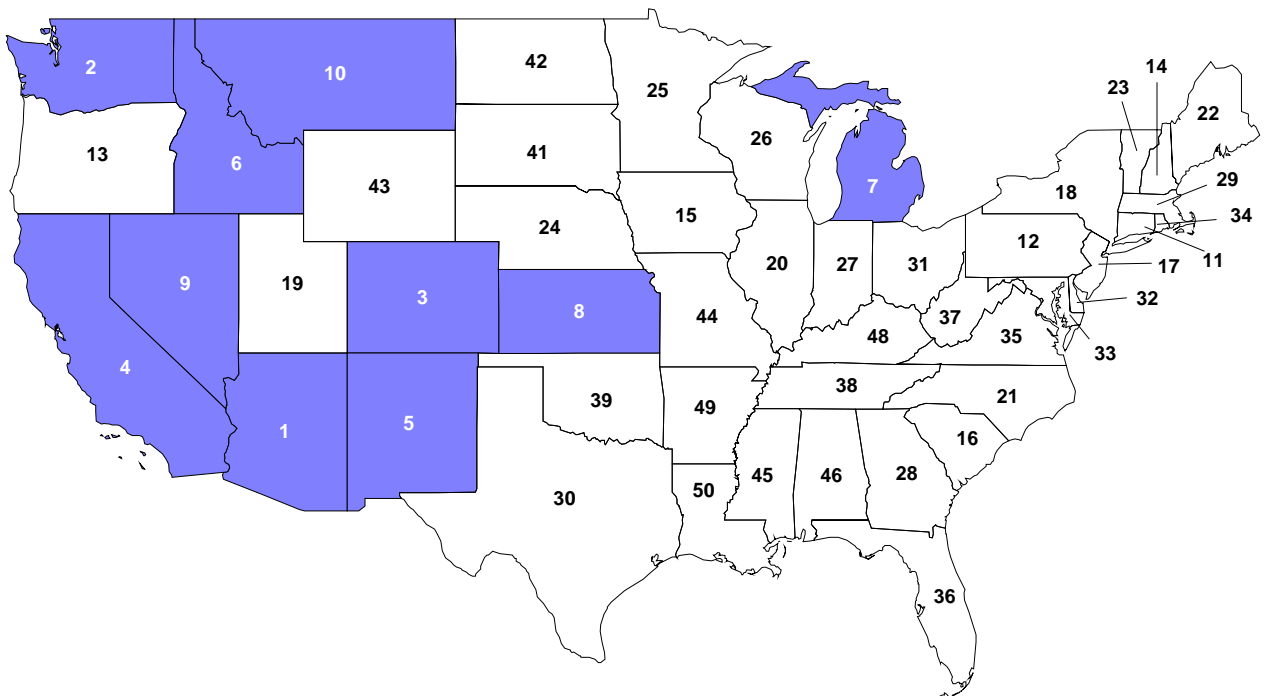


2002 Milk Production - Top 5 States

State Rankings



2002 Milk Production Per Cow Ranking Top Ten States Highlighted



Per Capita Milk Production

2002 versus 2001 & 1997 - By State

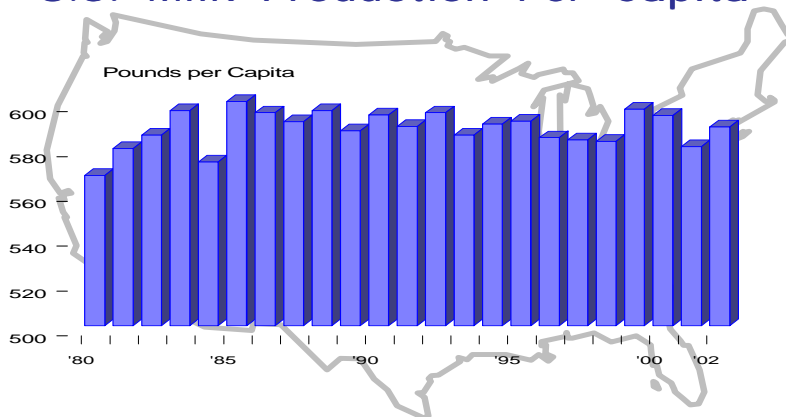
States	Per Capita Milk Production			Change In Per Capita Milk Production			
	2002	2001	1997	2002 vs 2001		2002 vs 1997	
				Pounds	Percent	Pounds	Percent
1 Idaho	6,080.7	5,873.9	4,295.8	206.8	3.5	1,784.9	41.6
2 Vermont	4,383.8	4,354.2	4,417.0	29.6	0.7	(33.2)	(0.8)
3 Wisconsin	4,056.8	4,106.4	4,300.5	(49.6)	(1.2)	(243.7)	(5.7)
4 New Mexico	3,404.7	3,037.2	2,326.6	367.5	12.1	1,078.1	46.3
5 South Dakota	1,844.8	2,083.5	1,876.0	(238.8)	(11.5)	(31.2)	(1.7)
6 Minnesota	1,685.0	1,767.9	1,964.8	(82.9)	(4.7)	(279.9)	(14.2)
7 Iowa	1,295.3	1,290.9	1,293.8	4.4	0.3	1.5	0.1
8 California	993.4	960.0	857.1	33.4	3.5	136.3	15.9
9 Washington	926.0	920.0	944.9	6.0	0.7	(18.9)	(2.0)
10 North Dakota	922.6	1,011.7	1,112.4	(89.2)	(8.8)	(189.8)	(17.1)
11 Pennsylvania	873.5	881.8	887.7	(8.3)	(0.9)	(14.1)	(1.6)
12 Kansas	740.1	595.8	494.0	144.3	24.2	246.1	49.8
13 Utah	716.2	717.5	745.8	(1.3)	(0.2)	(29.5)	(4.0)
14 Nebraska	676.6	677.9	627.6	(1.3)	(0.2)	49.0	7.8
15 New York	637.7	617.3	635.4	20.5	3.3	2.3	0.4
16 Arizona	628.4	579.1	585.1	49.4	8.5	43.4	7.4
17 Oregon	594.3	494.3	496.4	100.0	20.2	97.9	19.7
18 Michigan	591.5	586.6	553.2	4.9	0.8	38.3	6.9
19 Maine	506.8	509.2	533.1	(2.4)	(0.5)	(26.3)	(4.9)
20 Colorado	479.1	444.6	431.4	34.5	7.8	47.7	11.1
21 Indiana	422.3	419.0	373.2	3.3	0.8	49.1	13.1
22 Kentucky	394.3	408.0	464.2	(13.6)	(3.3)	(69.8)	(15.0)
23 Ohio	391.8	377.1	394.4	14.7	3.9	(2.6)	(0.7)
24 Montana	375.0	382.2	335.7	(7.2)	(1.9)	39.2	11.7
25 Oklahoma	370.4	372.7	376.0	(2.3)	(0.6)	(5.6)	(1.5)
26 Missouri	343.1	345.7	436.7	(2.7)	(0.8)	(93.7)	(21.4)
27 Virginia	259.3	261.9	275.8	(2.7)	(1.0)	(16.5)	(6.0)
28 New Hampshire	257.2	255.7	279.8	1.6	0.6	(22.6)	(8.1)
29 Texas	243.3	238.9	297.5	4.4	1.9	(54.2)	(18.2)
30 Maryland	243.1	240.2	260.3	2.9	1.2	(17.1)	(6.6)
31 Tennessee	226.8	232.2	299.5	(5.4)	(2.3)	(72.7)	(24.3)
32 Nevada	223.1	231.2	284.1	(8.1)	(3.5)	(61.0)	(21.5)
33 Delaware	190.7	188.3	201.3	2.4	1.3	(10.6)	(5.3)
34 Georgia	171.7	170.5	198.7	1.2	0.7	(26.9)	(13.6)
35 Mississippi	166.4	173.8	232.1	(7.3)	(4.2)	(65.6)	(28.3)
36 Illinois	162.8	161.3	183.7	1.4	0.9	(21.0)	(11.4)
37 Arkansas	145.0	160.3	251.7	(15.3)	(9.5)	(106.7)	(42.4)
38 Florida	139.5	147.3	168.7	(7.7)	(5.2)	(29.2)	(17.3)
39 North Carolina	136.7	140.6	175.5	(4.0)	(2.8)	(38.8)	(22.1)
40 West Virginia	134.9	138.3	146.5	(3.4)	(2.5)	(11.7)	(8.0)
41 Louisiana	129.6	141.4	182.4	(11.8)	(8.3)	(52.8)	(28.9)
42 Connecticut	129.2	132.8	155.8	(3.6)	(2.7)	(26.6)	(17.1)
43 Wyoming	127.1	127.6	174.6	(0.5)	(0.4)	(47.4)	(27.2)
44 South Carolina	88.6	90.3	104.8	(1.7)	(1.9)	(16.2)	(15.4)
45 Hawaii	77.8	86.2	103.2	(8.5)	(9.8)	(25.4)	(24.6)
46 Alabama	61.7	67.1	96.7	(5.4)	(8.0)	(35.0)	(36.2)
47 Massachusetts	56.2	55.8	71.0	0.4	0.7	(14.8)	(20.9)
48 New Jersey	27.5	27.4	37.1	0.1	0.4	(9.6)	(26.0)
49 Alaska	27.5	22.7	24.6	4.8	21.2	2.9	11.6
50 Rhode Island	21.4	21.9	32.3	(0.5)	(2.2)	(10.9)	(33.7)
U.S. Totals	588.7	580.0	583.0	8.7	1.5	5.7	1.0

Data Sources:

Milk Production : Milk Production, February 2003, National Agricultural Statistics Service, Agriculture Statistics Board, USDA.
Population : U.S. Census Bureau, Department of Commerce. (July 1st population estimates for each year.)

	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	1/2003	12/2002	1/2003	12/2002	1/2003	12/2002
Pacific Northwest	10.76	10.81	0.98	1.07	30.46	27.45
Western	10.49	10.50	0.71	0.76	18.74	22.94
Arizona-Las Vegas	10.97	11.07	----	----	32.36	32.53
Central	10.67	10.67	0.89	0.93	26.07	25.33
Southwest	11.88	11.92	2.10	2.18	44.31	42.26
Upper Midwest	10.36	10.33	0.58	0.59	19.63	18.79
Southeast	12.68	12.76	----	----	64.29	64.98
Mideast	11.05	11.12	1.27	1.38	40.77	40.39
Appalachian	12.94	12.96	----	----	71.39	67.20
Northeast	12.19	12.24	2.41	2.50	45.28	44.61
Florida	14.18	14.15	----	----	88.91	84.62

U.S. Milk Production Per Capita



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