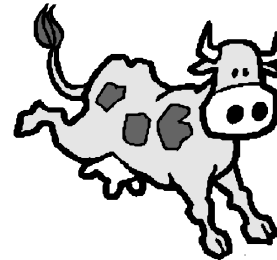


# MARKETING SERVICE

## BULLETIN

### Where's The Milk.....???

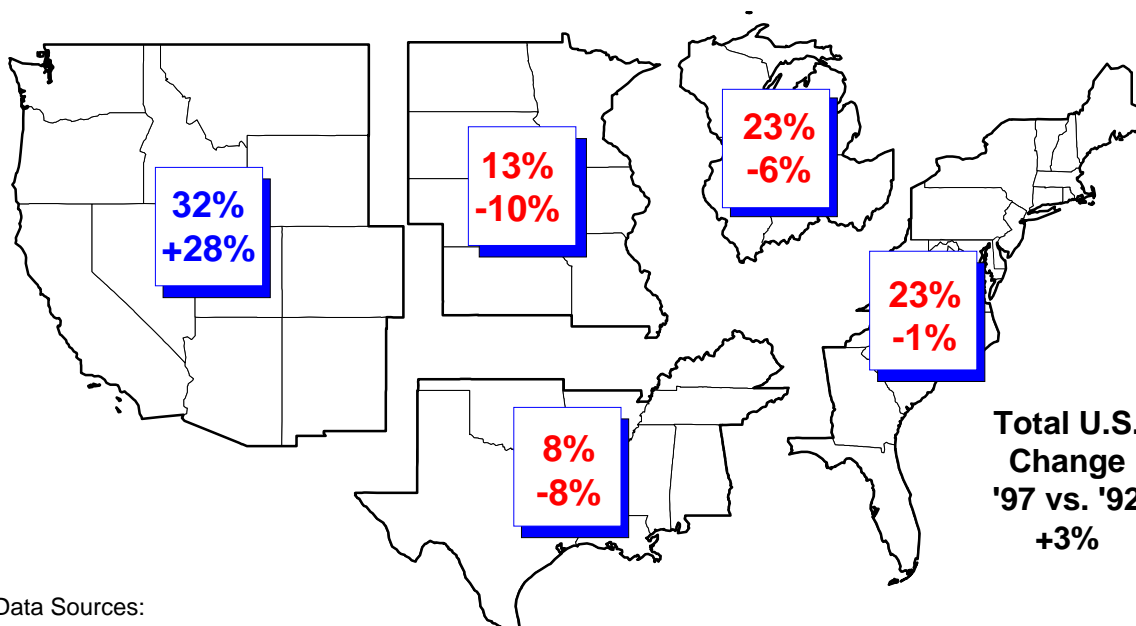
The dairy industry is no stranger to a myriad of opinions about where milk should be produced and where milk is produced or about where it is utilized and in what products. The discussion can be confusing.



The map graphics and data tables illustrate the regional production of milk and selected dairy products. The top number shown in each map region provides the percentage of the total 1997 U.S. production for the product depicted by the respective map. The bottom number with each region provides the percentage change in the production of the product comparing 1997 with 1992. As indicated below, the western region accounted for 32% of the 1997 U.S. milk production which was up 28% from 1992 levels. The data table for milk production can be found on the back page.

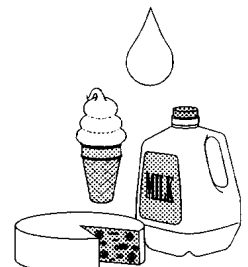
Production data for cheese, butter, nonfat dry milk, and ice cream are provided on the following pages.

### Regional Milk Production As A Percent Of 1997 Total U.S. Production With Percent Change In Production: 1997 vs 1992



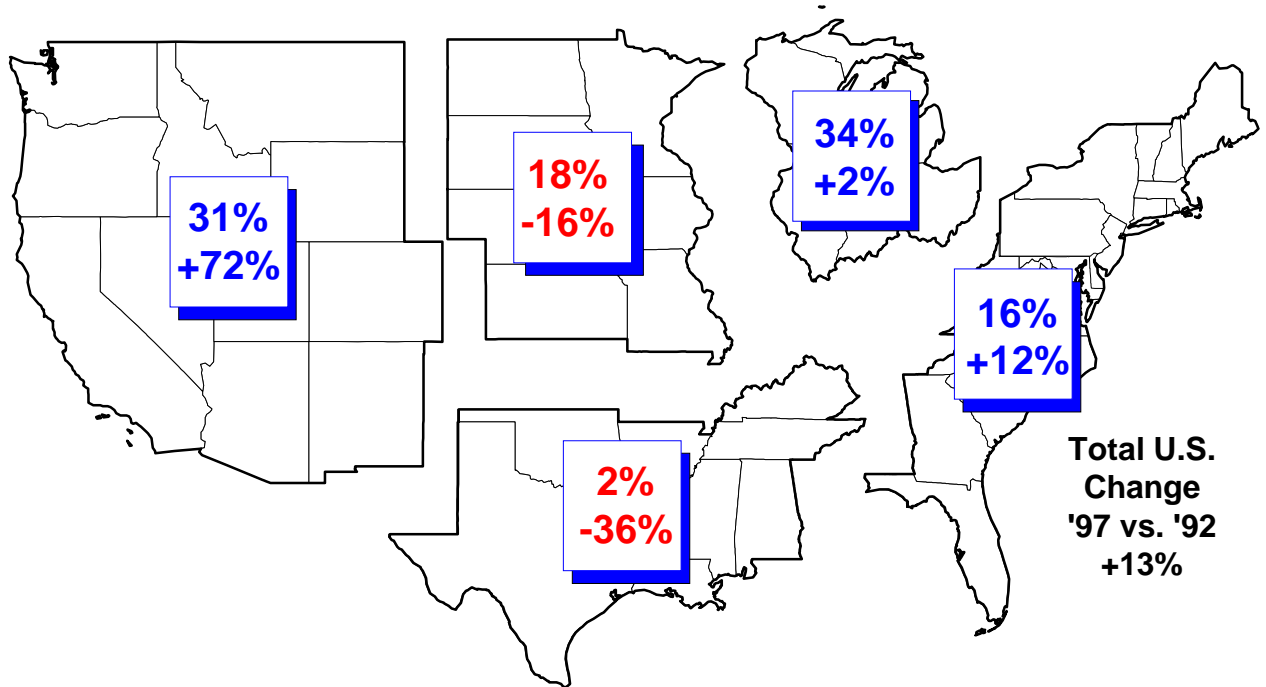
Data Sources:  
Dairy Products. NASS, USDA, April 1998.  
Milk Production. NASS, USDA, February 1998.

A  
P  
R  
I  
L  
  
1  
9  
9  
8



Total U.S. cheese production continues to grow - with yearly increases during the time period listed. Cheese production totaled 7.329 billion pounds during 1997 up 1.54% from 1996 and 12.96% from the 1992 total of 6.488 billion pounds. As depicted by the map, three of the five regions noted increases ('97 vs. '92) while two noted decreases.

## Regional Cheese Production As A Percent Of 1997 Total U.S. Production With Percent Change In Production: 1997 vs 1992



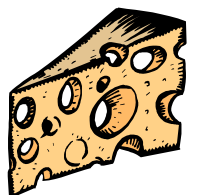
The western region noted the largest percentage increase -- up 71.77%. The western region presently accounts for 31.12% of the total U.S. cheese production compared with 20.47% of the total during 1992.

### Total U.S. Cheese Production By Region (Thousand Lbs.)

	Atlantic	East-North Central	West-North Central	South Central	West	Total
1992	1,015,657	2,390,659	1,572,094	182,031	1,327,850	6,488,291
1993	1,035,724	2,355,356	1,491,234	175,731	1,470,127	6,528,172
1994	1,075,703	2,360,056	1,465,560	177,246	1,656,126	6,734,691
1995	1,100,865	2,433,768	1,385,852	166,210	1,830,201	6,916,896
1996	1,149,242	2,441,523	1,369,217	145,750	2,111,812	7,217,544
1997	1,138,139	2,469,629	1,323,811	116,576	2,280,863	7,329,018

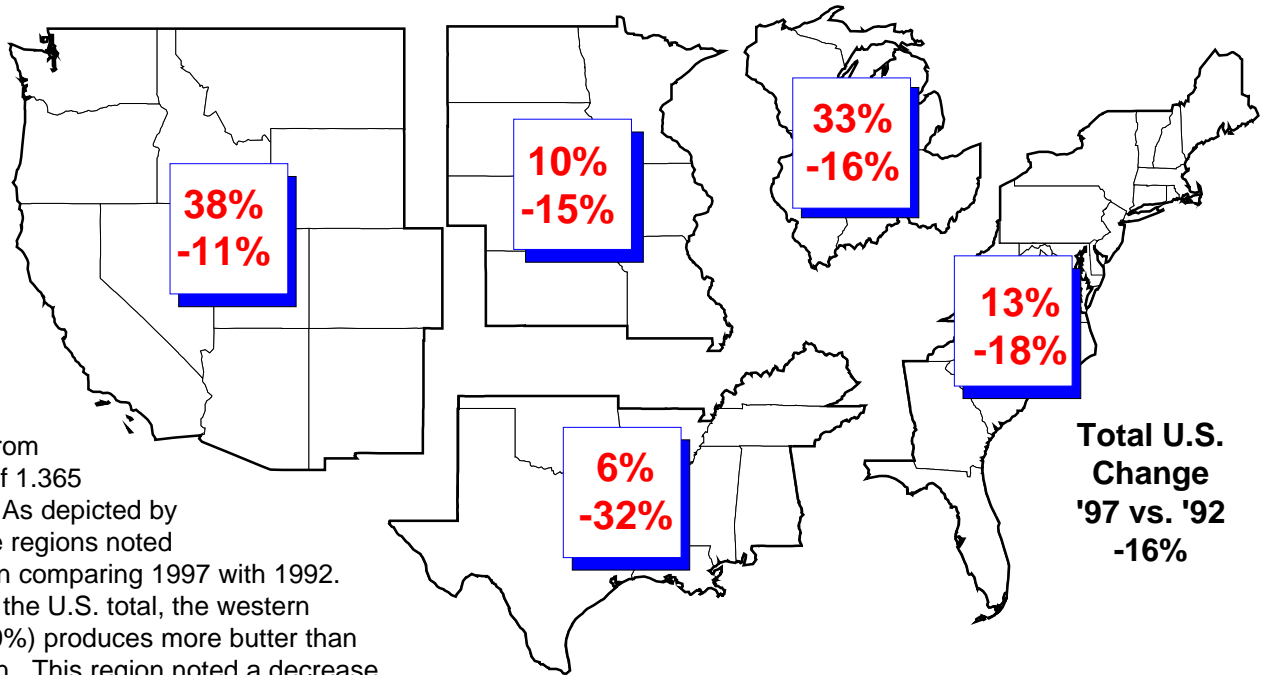
### As A Percent Of Total Production

	Atlantic	East-North Central	West-North Central	South Central	West
1992	15.65	36.85	24.23	2.81	20.47
1993	15.87	36.08	22.84	2.69	22.52
1994	15.97	35.04	21.76	2.63	24.59
1995	15.92	35.19	20.04	2.40	26.46
1996	15.92	33.83	18.97	2.02	29.26
1997	15.53	33.70	18.06	1.59	31.12



## Regional Butter Production As A Percent Of 1997 Total U.S. Production With Percent Change In Production: 1997 vs 1992

Total U.S. butter production continues to fall - with yearly decreases during the time period listed. Butter production totaled 1.151 billion pounds during 1997 down 1.98% from 1996 and down 15.67% from the 1992 total of 1.365 billion pounds. As depicted by the map, all five regions noted decreases when comparing 1997 with 1992. As a percent of the U.S. total, the western region (at 37.79%) produces more butter than any other region. This region noted a decrease of 10.85% from 1992 which was the smallest percentage decrease of the five regions.

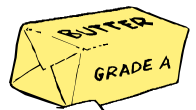


### Total U.S. Butter Production By Region (Thousand Lbs.)

	Atlantic	East-North Central	West-North Central	South Central	West	Total
1992	178,794	458,480	139,466	100,347	488,077	1,365,164
1993	164,730	421,624	140,668	101,263	486,913	1,315,198
1994	173,957	383,601	138,565	92,388	507,431	1,295,942
1995	167,905	370,691	147,200	87,613	487,327	1,260,736
1996	167,160	379,351	120,167	76,557	431,240	1,174,475
1997	146,734	383,237	117,984	68,184	435,111	1,151,250

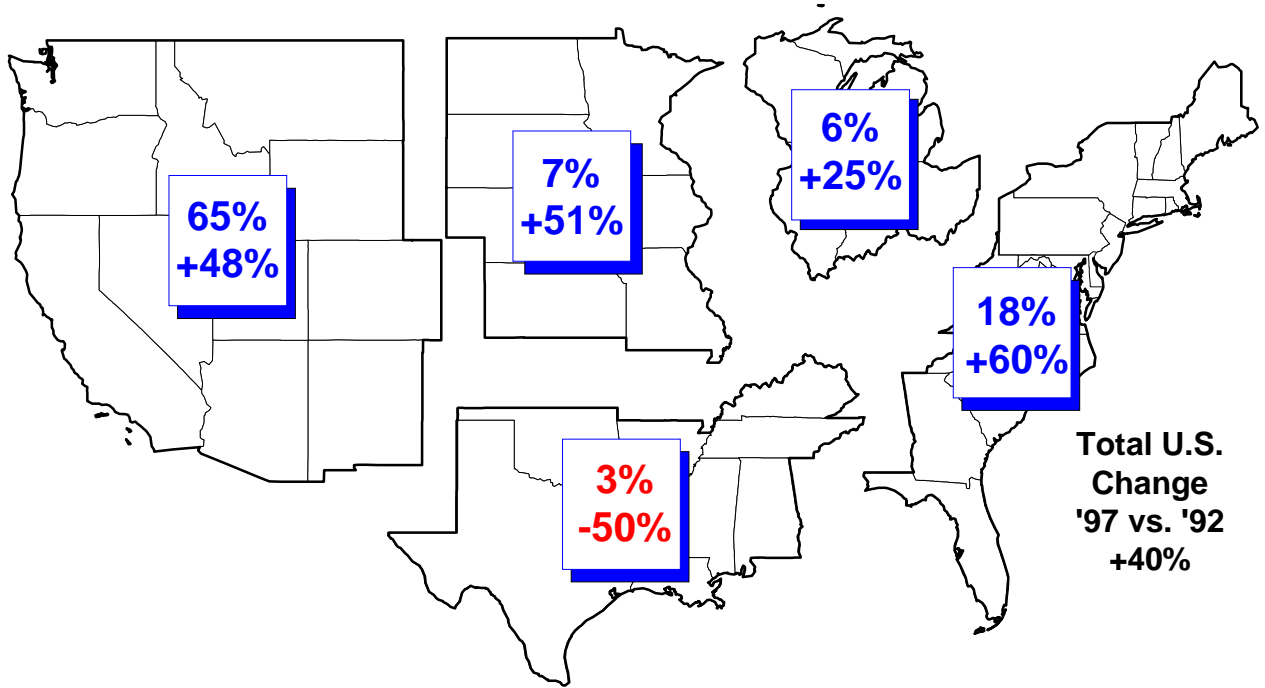
### As A Percent Of Total Production

	Atlantic	East-North Central	West-North Central	South Central	West
1992	13.10	33.58	10.22	7.35	35.75
1993	12.53	32.06	10.70	7.70	37.02
1994	13.42	29.60	10.69	7.13	39.16
1995	13.32	29.40	11.68	6.95	38.65
1996	14.23	32.30	10.23	6.52	36.72
1997	12.75	33.29	10.25	5.92	37.79



## Regional NFDM Production As A Percent Of 1997 Total U.S. Production With Percent Change In Production: 1997 vs 1992

Total U.S. nonfat dry milk production increased 39.61% when comparing 1997 with 1992. NFDM production totaled 1.218 billion pounds during 1997 up from 0.872 billion pounds in 1992. As depicted by the map, four of the five regions noted increases ('97 vs. '92) while one noted a decrease. The western region accounts for the greatest percentage of NFDM produced at 65.21% of the U.S. total. However, the four regions with NFDM increases all noted large increases of 25% to 60%.



## Total U.S. Nonfat Dry Milk Production By Region (Thousand Lbs.)

	Atlantic	East-North Central	West-North Central	South Central	West	Total
1992	138,688	57,170	58,771	81,934	535,560	872,123
1993	141,405	57,492	71,291	102,783	575,146	948,117
1994	166,502	111,130	138,560	121,649	677,737	1,215,578
1995	193,797	109,851	140,674	96,013	693,503	1,233,838
1996	161,811	73,501	109,444	54,710	662,305	1,061,771
1997	222,796	71,406	88,790	40,632	793,938	1,217,562

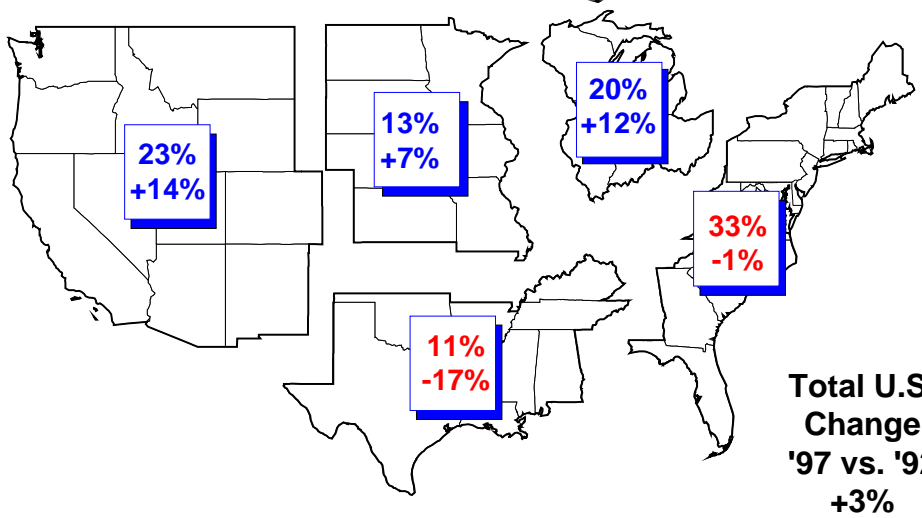
### As A Percent Of Total Production

	Atlantic	East-North Central	West-North Central	South Central	West
1992	15.90	6.56	6.74	9.39	61.41
1993	14.91	6.06	7.52	10.84	60.66
1994	13.70	9.14	11.40	10.01	55.75
1995	15.71	8.90	11.40	7.78	56.21
1996	15.24	6.92	10.31	5.15	62.38
1997	18.30	5.86	7.29	3.34	65.21



**Regional Ice Cream Production As A Percent  
Of 1997 Total U.S. Production  
With Percent Change In Production: 1997 vs 1992**

Total U.S. ice cream production increased 3.46% when comparing 1997 with 1992. Ice Cream production totaled 905.6 million pounds during 1997 up from 875.3 million pounds in 1992. As depicted by the map, three of the five regions noted increases ('97 vs. '92) while two noted decreases. The western region accounted for the largest percentage increase (+14.04%) during the '97 vs. '92 time period while the South Central region noted the largest percentage decrease of -16.67%.



**Total U.S.  
Change  
'97 vs. '92  
+3%**

**Total U.S. Ice Cream Production  
By Region (Thousand Lbs.)**

	Atlantic	East-North Central	West-North Central	South Central	West	Total
1992	301,616	160,227	114,368	118,049	181,018	875,278
1993	308,175	171,893	105,614	102,083	178,483	866,248
1994	310,354	165,172	111,134	103,849	185,925	876,434
1995	299,624	157,784	108,556	103,771	187,201	856,936
1996	302,961	163,078	115,999	96,065	200,469	878,572
1997	299,804	178,966	122,009	98,374	206,437	905,590

**As A Percent Of Total Production**

	Atlantic	East-North Central	West-North Central	South Central	West
1992	34.46	18.31	13.07	13.49	20.68
1993	35.58	19.84	12.19	11.78	20.60
1994	35.41	18.85	12.68	11.85	21.21
1995	34.96	18.41	12.67	12.11	21.85
1996	34.48	18.56	13.20	10.93	22.82
1997	33.11	19.76	13.47	10.86	22.80



**A comparison  
of Blend Prices  
for milk of 3.5%  
butterfat content  
is provided  
for selected  
Federal milk  
marketing  
orders:**

	Mar 1998	Feb 1998	Mar 1997
Southeast (Zone 7)	\$15.56	\$15.72	\$14.26
Chicago Regional (Zone I)	13.33	13.75	12.81
Greater Kansas City	14.95	14.99	13.68
Indiana	14.42	14.59	13.31
Iowa (Zone I)	13.49	13.85	12.87
Southwest Plains (Zone I)	14.58	14.87	13.67
Central Illinois (Zone I)	14.39	14.63	13.35
Southern Illinois - Eastern Missouri (Base Zone)	14.24	14.47	13.20

# Total U.S. Milk Production

## By Region (Million Lbs.)

	Atlantic	East-North Central	West-North Central	South Central	West	Total
1992	36,727	39,166	22,155	14,155	39,444	151,647
1993	36,330	37,707	21,329	14,196	41,021	150,582
1994	36,171	37,323	20,739	14,426	45,020	153,679
1995	36,498	37,783	20,863	14,010	46,374	155,528
1996	36,052	36,674	20,227	13,472	47,886	154,311
1997	36,368	36,688	20,031	12,970	50,602	156,659

### As A Percent Of Total Production

	Atlantic	East-North Central	West-North Central	South Central	West
1992	24.22	25.83	14.61	9.33	26.01
1993	24.13	25.04	14.16	9.43	27.24
1994	23.54	24.29	13.50	9.39	29.29
1995	23.47	24.29	13.41	9.01	29.82
1996	23.36	23.77	13.11	8.73	31.03
1997	23.21	23.42	12.79	8.28	32.30



FIRST CLASS U.S. POSTAGE PAID TULSA, OK PERMIT NO. 784
--

**FEDERAL MILK MARKET ADMINISTRATOR**  
 P.O. BOX 701440  
 TULSA, OKLAHOMA 74170-1440

**FIRST CLASS**

ADDRESS CORRECTION REQUESTED