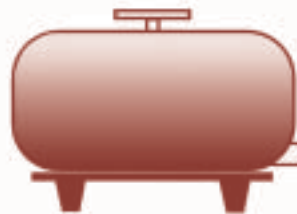


# MARKETING SERVICE

## BULLETIN



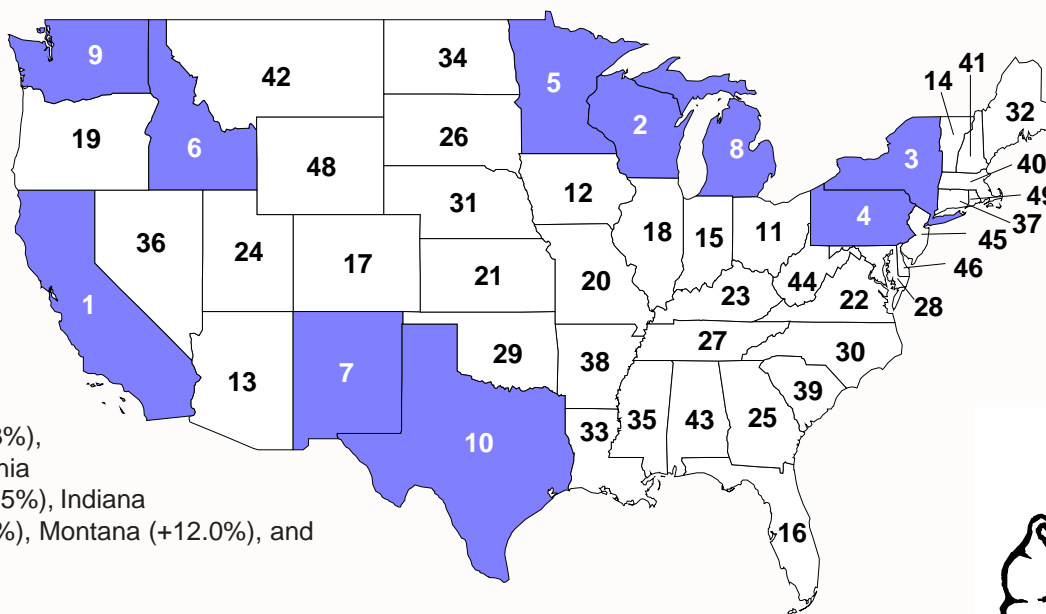
U.S. milk production during the first six months of 2002 totaled 86.2 billion pounds -- a 2.7% increase compared with the previous year's 83.9 billion pound total. Oregon recorded the largest percentage gain during the first six months of 2002 with an increase of 26.7%. Kansas, Alaska, and New Mexico also posted double-digit percentage gains with first half milk production increasing 23.5, 19.2, and 15.7%, respectively. An additional eight states posted increases between five and ten percent. Conversely, only six states recorded milk production decreases of 5.0% or more, with Hawaii's 11.7% drop the lone double-digit decline.

The map on this page details the state ranking in milk production for the first half of 2002. The top ten milk producing states are shaded. The graphics on page 4 depict the states with the largest percentage increases and decreases comparing the first half of 2002 with the comparable period of 1997.

Twenty-eight states registered milk production increases comparing the first six months of 2002 with first half production during 2001. The average percentage increase for these 28 states was 6.0%. Four states registered milk production gains of more than 15.0% during the first six months of 2002, while 12 states recorded increases of 5.0% or more. Eighteen states recorded production decreases, with an average percentage decrease of 4.2%. Eleven of these states registered losses of more than 2.0%. Four states recorded no change in milk production comparing the first half of 2002 with the same period of the previous year.

Comparing January through June 2002 with the same period of 1997, milk production in the United States increased by 6.6 billion pounds, or 8.2%. Twenty-six states reported milk production increases led by Idaho's 61.1% gain. The average percentage increase for these 26 states was 14.4%, with ten states posting increases of more than 10.0%. These ten states were Idaho (+61.1%), New Mexico (+56.5%), Kansas (+49.3%), Oregon (+28.6%), California (+27.2%), Colorado (+24.5%), Indiana (+20.9%), Alaska (+15.7%), Montana (+12.0%), and Arizona (+11.8%).

### 2002 First Half Milk Production Ranking Top Ten States Highlighted



AUGUST

2002



Twenty-four states recorded production declines comparing the first six months of 2002 with 1997. The average percentage decline for these states was 15.0%. Twelve of these states recorded percentage decreases greater than the average loss. These states were:

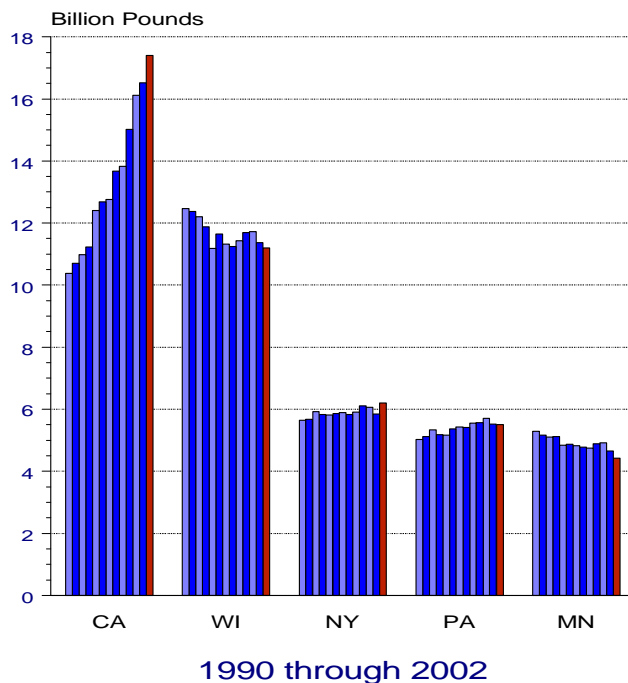
Arkansas	-34.7%	Alabama	-32.6%	Rhode Island	-28.1%
Louisiana	-25.0%	Mississippi	-23.8%	Hawaii	-23.5%
New Jersey	-22.6%	Wyoming	-22.1%	North Dakota	-19.1%
Missouri	-17.5%	Tennessee	-17.3%	Massachusetts	-16.3%

The graph at the right depicts January through June milk production during the last 13 years for the nation's top five milk producing states. While California and New York recorded increases during the first half of 2002, California was the only state to record an increase every year during this period. California's milk production for the first six months of 2001 increased by 27.2% compared with the same period of 1997. New York (+6.2%), and Pennsylvania (+1.5%) also posted increases compared with 1997. Minnesota (-7.6%) and Wisconsin (-0.4%) both recorded decreased milk production versus the first six months of 1997.

The map on page 6 provides a ranking of states based on milk production per cow during the first six months of 2002. California, Idaho, New Mexico, Michigan, and Washington rank in the top ten in total milk production and milk production per cow.

## January - June Milk Production

### Top Five Dairy States



### 2002 1st Half Per Capita Milk Production

A comparison of per capita milk production to per capita consumption may provide insight into the aggregate supply and demand balance for individual

states and regions throughout the United States. The table on page 7 details and compares per capita milk production by state for the first six months of 2002, 2001, and 1997. This table lists the states in descending order based on January through June 2002 per capita production. States with per capita production of more than 300 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, Wisconsin, Minnesota, Idaho, New Mexico, and Washington.

Per capita production for the first half of 2002 was up by 7.9 pounds (+2.7%) compared with 2001. Twenty-eight states reported per capita increases during this time period, with 12 states posting increases of 5.0% or more. The largest percentage increases were reported by Oregon at 26.7%, and Kansas with a 23.5% gain. Alaska (+18.9%), New Mexico (+15.7%), and Colorado (+9.8%) were other states to post substantial gains. Hawaii recorded the largest per capita production decline during the first half of 2002 with a loss of 11.7%. Arkansas (-9.5%), North Dakota (-7.4%), Louisiana (-7.3%), Alabama (-7.2%), and Nebraska (-6.7%) were the only other states to post declines of more than 5.0%.

Per capita milk production increased by 5.1 pounds (+1.7%) comparing the first half of 2002 with 1997. Fourteen states recorded increases during this time frame, with New Mexico's gain of 48.0% (+558 pounds) being the largest percentage increase. The largest per capita pound increase was recorded by Idaho, however, with a gain of 976 pounds (+47.6%). Ten states recorded declines of more than 20.0% led by Arkansas' decrease of 38.8%. Twelve additional states posted declines of 10.0% or more compared with 1997. Minnesota (-12.9%), North Dakota (-18.3%), and Wisconsin (-4.7%) reported the largest per capita pound losses with declines of 132, 106, and 102 pounds, respectively.

The map on the top of page 3 depicts per capita milk production by state for the first six months of 2002. The 150- and 300-pound levels of per capita production are arbitrary divisions selected for the categories used in this map. These levels reflect approximately one-half of the 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.

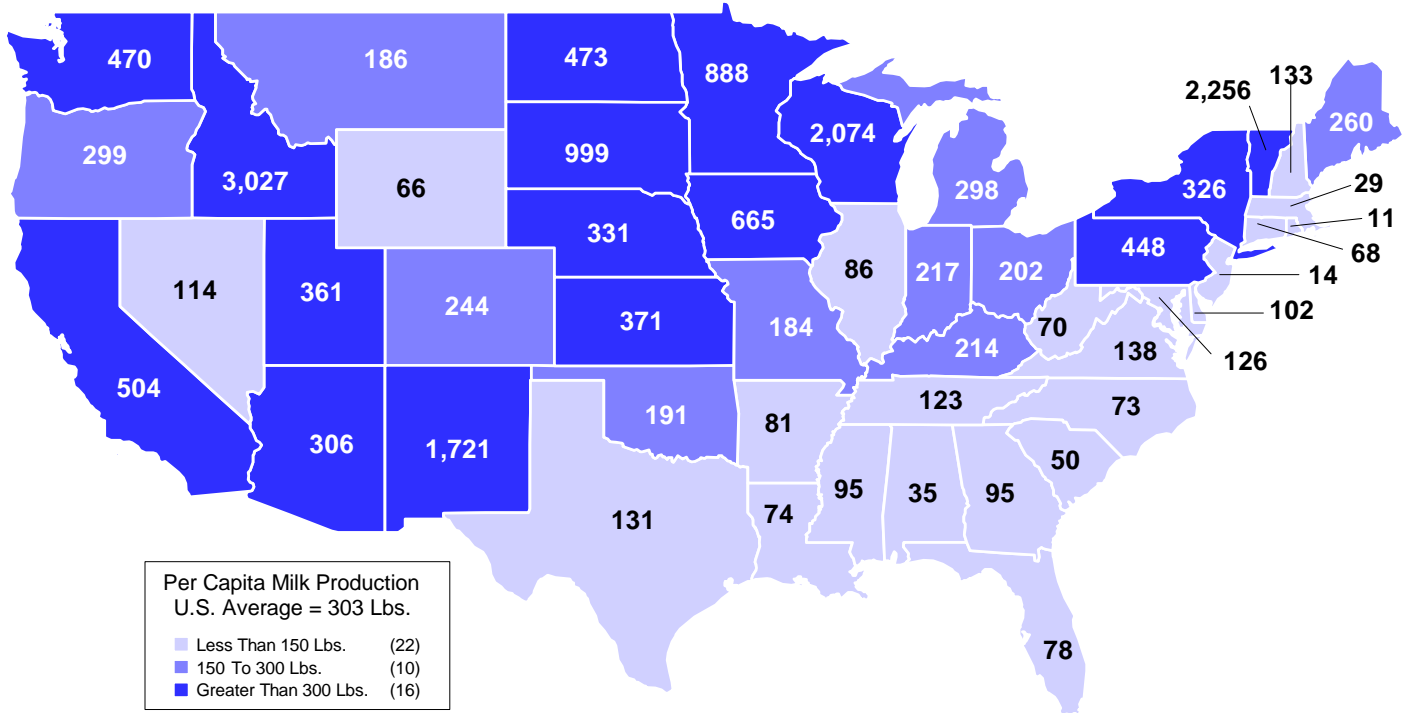
( narrative continued on page 8 )

### Percentage Of 1st Half Year Totals

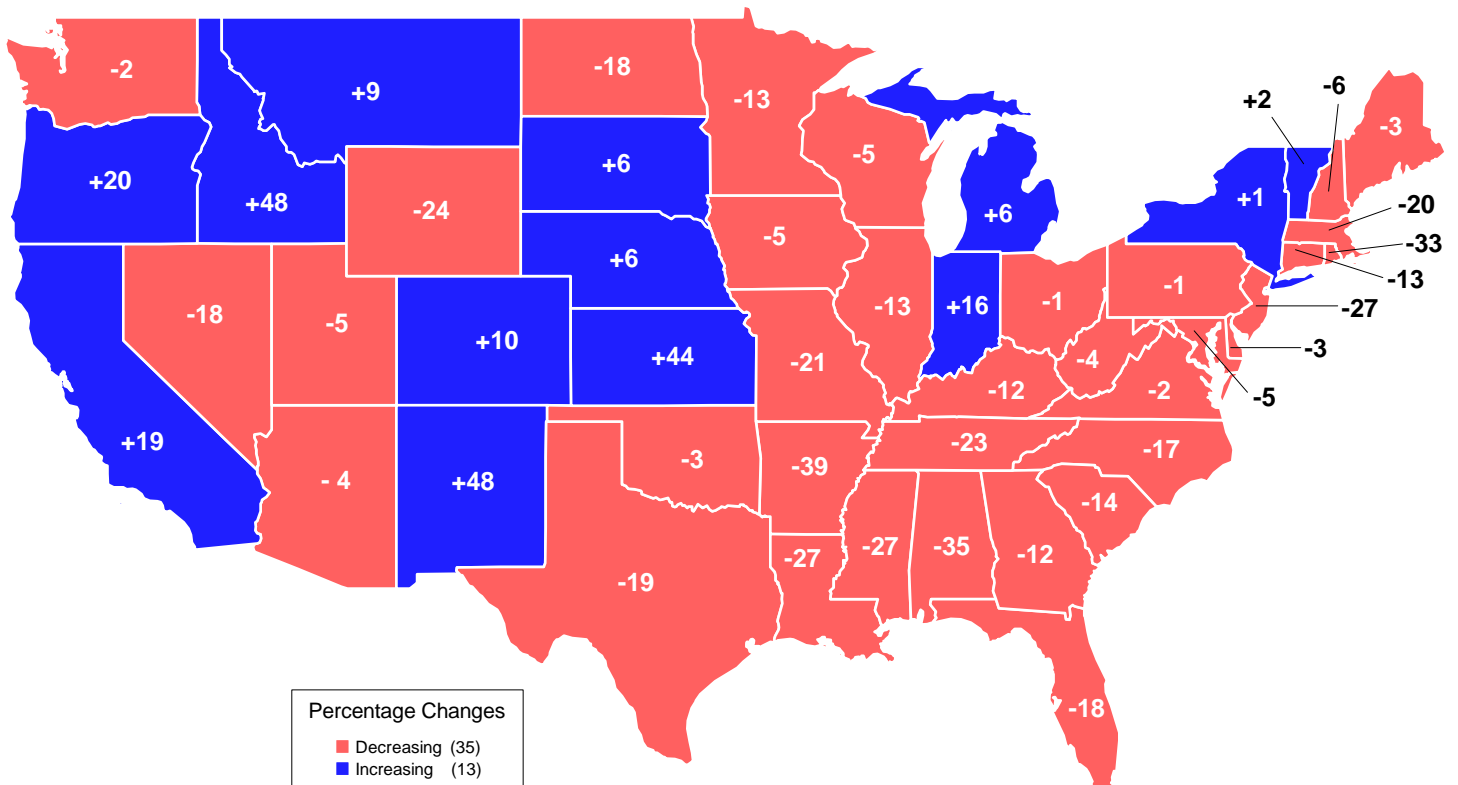
	2002 U.S. Milk Production	U. S. Population Estimate*
California	20.18	12.11
Wisconsin	12.99	1.90
New York	7.19	6.68
Pennsylvania	6.38	4.31
Minnesota	5.12	1.75
<b>5-State Total</b>	<b>51.86</b>	<b>26.75</b>

\* Population estimates are the most recent ones available from the U.S. Bureau of the Census, Department of Commerce, and represent the number of persons living in an area (resident population) as of July 1, 2001.

## 2002 First Half Per Capita Milk Production



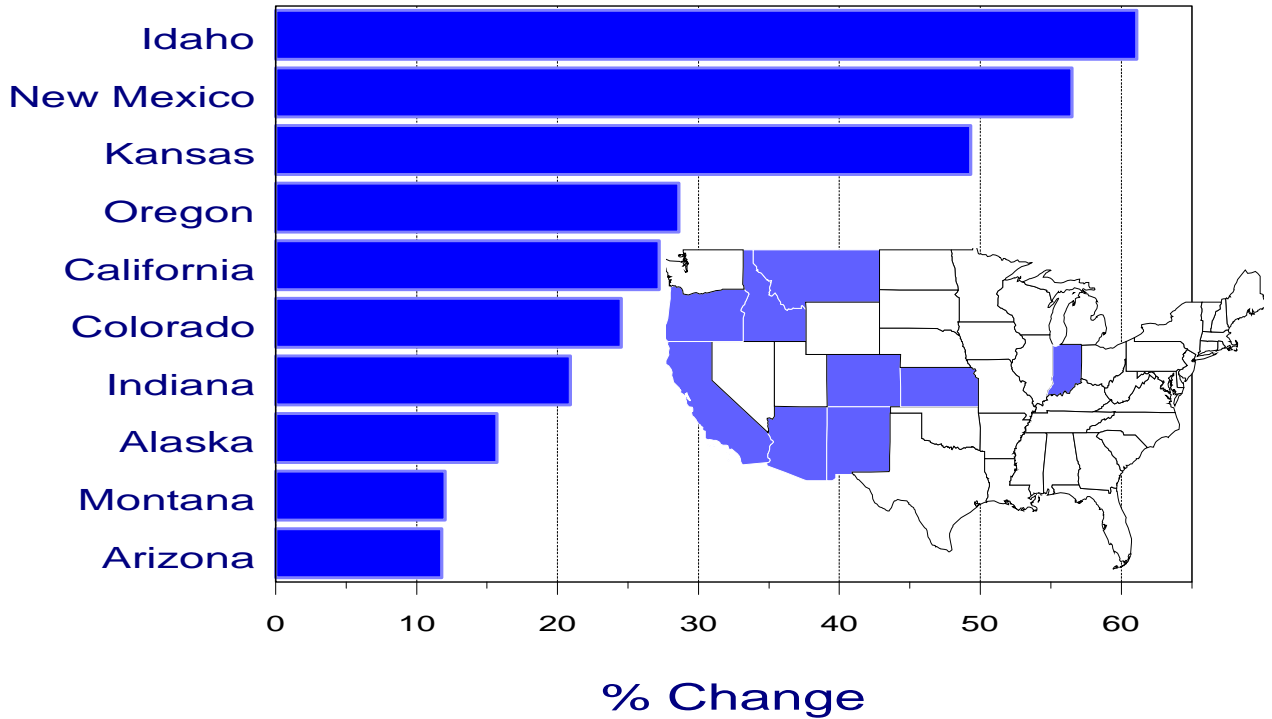
## Percent Change In Per Capita Milk Production First Half: 2002 vs 1997



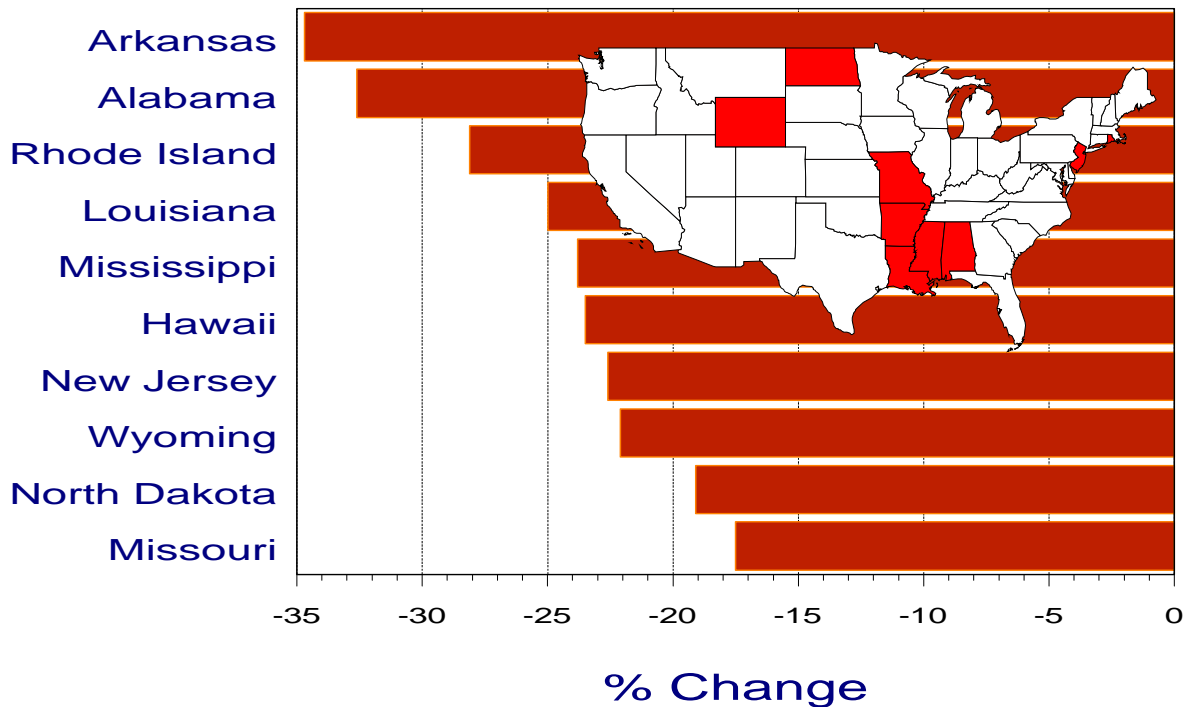
# January-June Milk Production: 2002 vs 1997

U.S. Average = +8.2%

## Largest Production Increases



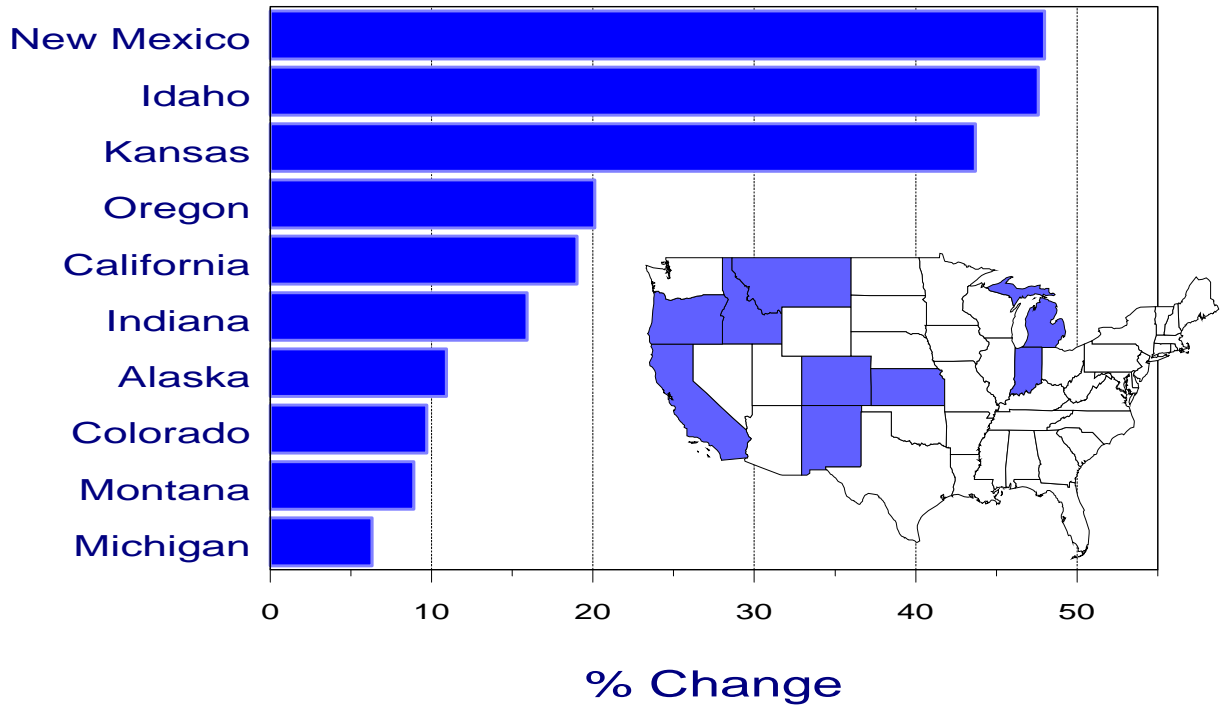
## Largest Production Decreases



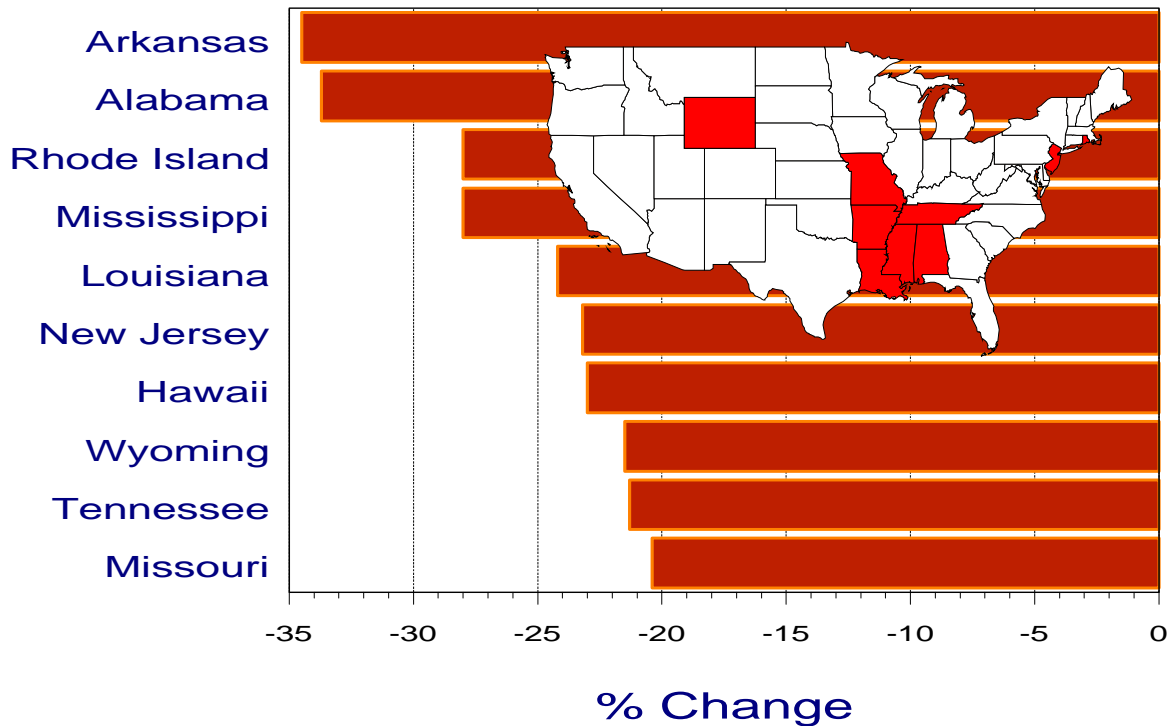
# January-June Per Capita Milk Production: 2002 vs 1997

U.S. Average = +1.7%

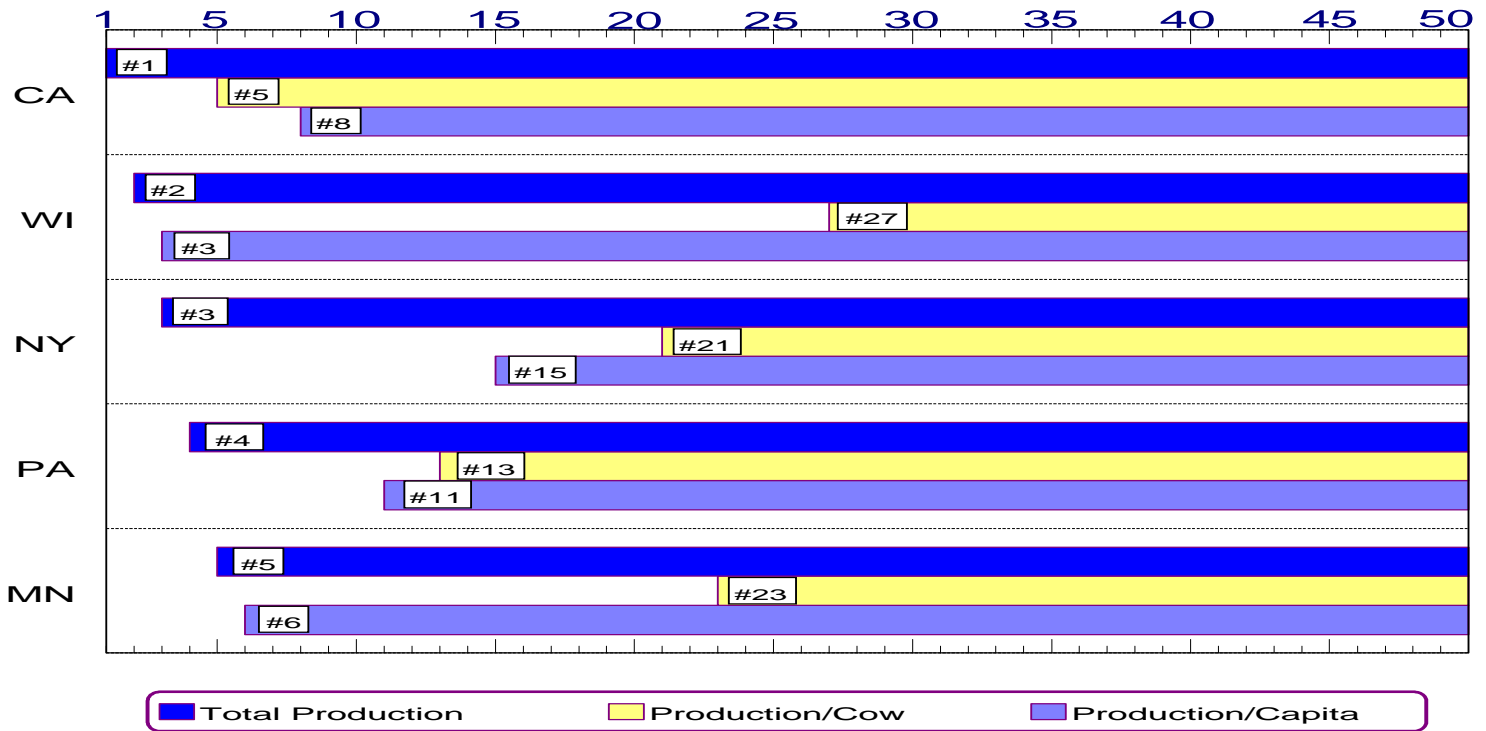
## Largest Per Capita Increases



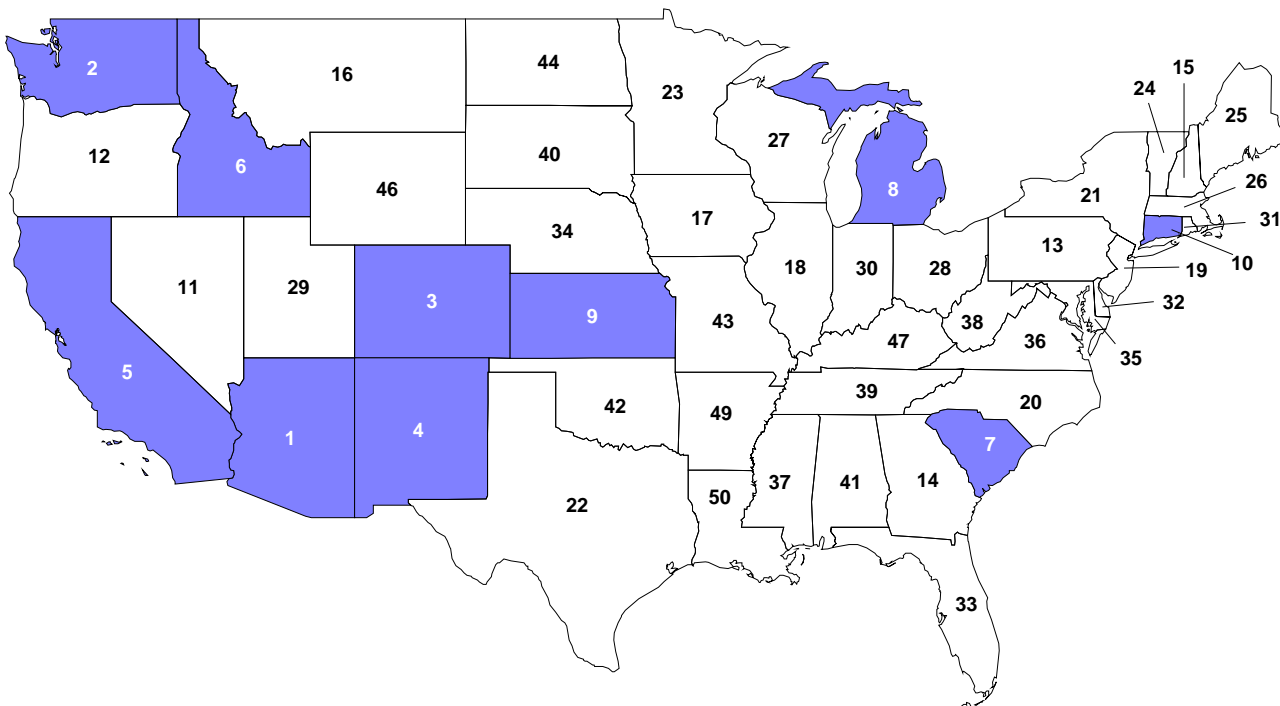
## Largest Per Capita Decreases



## 2002 January thru June Milk Production: Top Five States State Rankings



## 2002 First Half Milk Production Per Cow Ranking Top Ten States Highlighted



# Per Capita Milk Production

2002 versus 2001 & 1997 - By State

- January through June Data -

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	3,027.2	2,850.9	2,050.8	176.3	6.2	976.4	47.6
2 Vermont	2,255.8	2,174.2	2,208.9	81.6	3.8	46.9	2.1
3 Wisconsin	2,073.5	2,102.6	2,175.0	-29.1	-1.4	-101.5	-4.7
4 New Mexico	1,720.5	1,487.0	1,162.6	233.5	15.7	557.9	48.0
5 South Dakota	999.2	1,049.4	943.1	-50.2	-4.8	56.1	5.9
6 Minnesota	887.9	926.7	1,019.7	-38.8	-4.2	-131.8	-12.9
7 Iowa	665.4	666.1	697.7	-0.7	-0.1	-32.3	-4.6
8 California	504.3	480.0	423.9	24.3	5.1	80.4	19.0
9 North Dakota	472.9	510.7	578.9	-37.8	-7.4	-106.0	-18.3
10 Washington	469.6	457.9	477.5	11.7	2.6	-7.9	-1.7
11 Pennsylvania	447.6	449.1	450.8	-1.5	-0.3	-3.2	-0.7
12 Kansas	371.1	300.6	258.2	70.5	23.5	112.9	43.7
13 Utah	361.3	356.0	378.8	5.3	1.5	-17.5	-4.6
14 Nebraska	331.0	354.9	313.2	-23.9	-6.7	17.8	5.7
15 New York	326.1	308.5	321.8	17.6	5.7	4.3	1.3
16 Arizona	306.2	285.3	319.0	20.9	7.3	-12.8	-4.0
17 Oregon	299.5	236.4	249.4	63.1	26.7	50.1	20.1
18 Michigan	297.5	295.1	280.3	2.4	0.8	17.2	6.1
19 Maine	260.4	253.4	267.3	7.0	2.8	-6.9	-2.6
20 Colorado	243.6	221.8	222.0	21.8	9.8	21.6	9.7
21 Indiana	217.0	212.4	187.2	4.6	2.2	29.8	15.9
22 Kentucky	214.2	214.2	244.4	0.0	0.0	-30.2	-12.4
23 Ohio	201.5	191.1	202.7	10.4	5.4	-1.2	-0.6
24 Oklahoma	191.3	191.3	197.5	0.0	0.0	-6.2	-3.1
25 Montana	185.8	189.1	170.7	-3.3	-1.7	15.1	8.8
26 Missouri	184.0	186.3	232.3	-2.3	-1.2	-48.3	-20.8
27 Virginia	138.0	134.3	140.2	3.7	2.8	-2.2	-1.6
28 New Hampshire	133.4	130.2	142.4	3.2	2.5	-9.0	-6.3
29 Texas	131.4	129.8	162.2	1.6	1.2	-30.8	-19.0
30 Maryland	125.8	122.2	132.5	3.6	2.9	-6.7	-5.1
31 Tennessee	122.8	123.7	158.7	-0.9	-0.7	-35.9	-22.6
32 Nevada	114.4	115.4	140.1	-1.0	-0.9	-25.7	-18.3
33 Delaware	102.2	96.7	105.0	5.5	5.7	-2.8	-2.7
34 Mississippi	95.2	98.7	130.7	-3.5	-3.5	-35.5	-27.2
35 Georgia	94.9	92.3	107.8	2.6	2.8	-12.9	-12.0
36 Illinois	85.8	84.8	98.9	1.0	1.2	-13.1	-13.2
37 Arkansas	81.0	89.5	132.4	-8.5	-9.5	-51.4	-38.8
38 Florida	78.4	82.0	95.1	-3.6	-4.4	-16.7	-17.6
39 Louisiana	73.9	79.7	101.1	-5.8	-7.3	-27.2	-26.9
40 North Carolina	73.3	73.0	88.6	0.3	0.4	-15.3	-17.3
41 West Virginia	69.9	69.4	72.7	0.5	0.7	-2.8	-3.9
42 Connecticut	68.0	69.5	78.3	-1.5	-2.2	-10.3	-13.2
43 Wyoming	66.3	61.9	87.8	4.4	7.1	-21.5	-24.5
44 South Carolina	49.5	49.0	57.7	0.5	1.0	-8.2	-14.2
45 Hawaii	40.8	46.2	55.1	-5.4	-11.7	-14.3	-26.0
46 Alabama	34.7	37.4	53.3	-2.7	-7.2	-18.6	-34.9
47 Massachusetts	29.0	28.4	36.1	0.6	2.1	-7.1	-19.7
48 New Jersey	14.1	14.1	19.2	0.0	0.0	-5.1	-26.6
49 Alaska	13.2	11.1	11.9	2.1	18.9	1.3	10.9
50 Rhode Island	11.3	11.3	16.9	0.0	0.0	-5.6	-33.1
<b>U.S. Totals</b>	<b>302.7</b>	<b>294.8</b>	<b>297.6</b>	<b>7.9</b>	<b>2.7</b>	<b>5.1</b>	<b>1.7</b>

**Data Sources:**

Milk production Data: [Milk Production](#), July 2002, National Agricultural Statistics Service, Agriculture Statistics Board, USDA.  
 Population Data : U.S. Census Bureau, Department of Commerce. (July 1st population estimates for each year.)

	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	7/2002	6/2002	7/2002	6/2002	7/2002	6/2002
Pacific Northwest	10.66	11.00	1.33	0.91	25.55	22.38
Western	10.26	10.87	0.93	0.78	20.57	15.96
Arizona-Las Vegas	10.87	11.22	-----	-----	32.44	28.02
<b>Central</b>	<b>10.44</b>	<b>11.00</b>	<b>1.11</b>	<b>0.91</b>	<b>24.38</b>	<b>22.13</b>
Southwest	11.81	12.11	2.48	2.02	39.26	36.00
Upper Midwest	10.13	10.72	0.80	0.63	21.24	19.05
Southeast	12.55	12.69	-----	-----	62.60	54.08
Mideast	10.85	11.24	1.52	1.15	36.57	29.24
Appalachian	12.88	12.83	-----	-----	69.57	57.26
Northeast	12.05	12.38	2.72	2.29	39.40	38.10
Florida	14.19	14.44	-----	-----	90.14	86.19

The map at the bottom of page 3 displays the percentage change in per capita milk production by state for the first six months of 2002 compared with 1997. The data represented by this map reflects changes in production combined with population changes that have transpired since 1997. The only states that recorded an increase in production per capita comparing the first six months of 2002 with 1997 located outside of either the West or Midwest regions were Vermont and New York with increases of +2.1 and +1.3%, respectively.

The graphics on page 5 depict the states with the largest percentage increases and decreases comparing the first six months of 2002 with 1997. The graph on page 6 ranks the top five milk producing states in total milk production, production per cow, and production per capita during the first six months of 2002.

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