

# MARKETING SERVICE

B U L L E T I N

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

United States milk production in 2009 **decreased** 0.35% compared with 2008 to 189.3 billion pounds, the second largest total on record. The 2009 total was 662.0 million pounds less than 2008's record 190.0 billion pounds. Milk production has exceeded prior year levels in eleven of the last thirteen years, with 2009 and 2001 being the two exceptions. Since 1991, there has only been four years where total milk production had decreased from prior year levels -- 1993, 1996, 2001, and 2009.



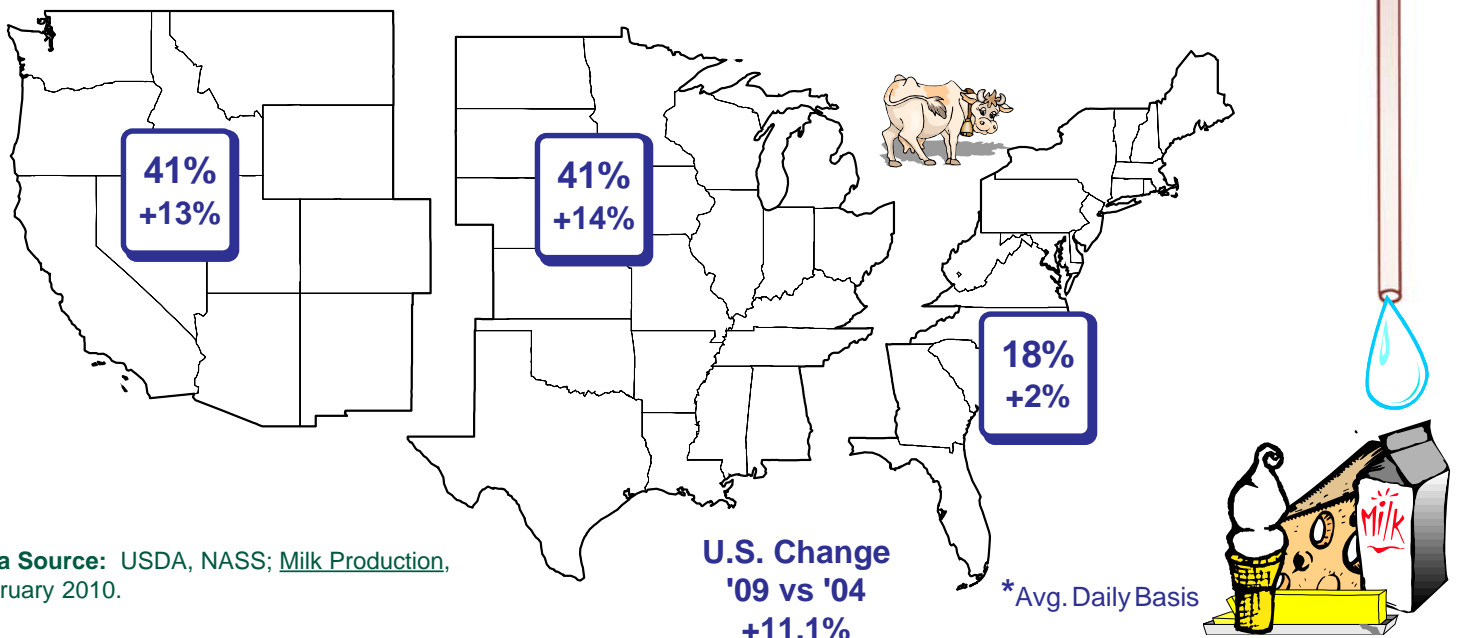
This bulletin addresses the question, "**Where's The Milk ?**", by examining raw milk production and dairy product manufacturing on a regional basis. The map graphics and data tables contained in this bulletin depict the production of milk, cheese, butter, nonfat dry milk, and ice cream for three production regions: Atlantic, Central, and West. The top number shown in each region provides the proportion of total 2009 U.S. production for the product depicted by the respective map. The bottom number provides the percentage change in production comparing 2009 with 2004, *on an average daily basis*.

The **Central, West,** and **Atlantic Regions** **increased** milk production by 13.86%, 12.96%, and 1.70%, respectively, from 2004 levels on an average daily basis. The **Central Region** accounted for 40.90% of U.S. milk production in 2009, **up** 1.01 percentage points compared with 2004. The **West Region** accounted for 40.72% of total U.S. production, **up** 0.68 percentage points compared with 2004. The **Atlantic Region** accounted for the smallest proportion of the 2009 total at 18.38%, and this proportion was **down** 1.69 percentage points compared with 2004. The data table for milk production can be found on the back page of this bulletin.

U.S. milk production in 2009 increased by 18.4 billion pounds compared with 2004. The additional milk required to meet increased cheese production during the same period was approximately 12.3 billion pounds.

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### Regional Milk Production as a Percentage of 2009 Total U.S. Milk Production with Percentage Change\* in Production: 2009 vs. 2004

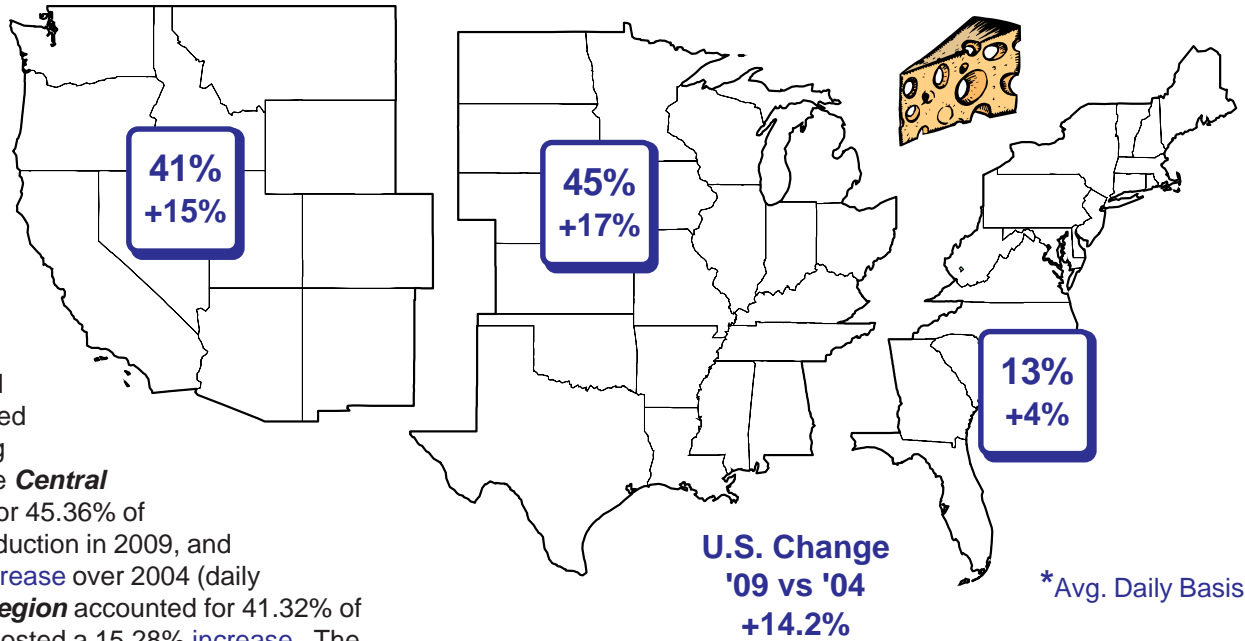


Data Source: USDA, NASS; [Milk Production](#), February 2010.

## Regional Cheese Production as a Percentage of 2009 Total U.S. Cheese Production with Percentage Change\* in Production: 2009 vs. 2004

U.S. cheese production totaled 10.109 billion pounds during 2009. On a daily basis, the 2009 total was an increase of 2.26% compared with 2008, and it is 14.20% greater than the amount produced in 2004.

As depicted by the map on this page, all three regions recorded increases comparing 2009 with 2004. The **Central Region** accounted for 45.36% of the U.S. cheese production in 2009, and posted a 16.66% increase over 2004 (daily basis). The **West Region** accounted for 41.32% of the 2009 total, and posted a 15.28% increase. The **Atlantic Region** accounted for 13.32% of the U.S. total in 2009, and this region's cheese production increased by 3.76% comparing 2009 average daily production with 2004.



**Data Source:** USDA, NASS; Dairy Products 2009 Summary, April 2010.

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

	Atlantic	Central	West	Total
2004	1,301,021	3,941,572	3,633,870	8,876,463
2005	1,282,696	4,001,075	3,843,336	9,127,107
2006	1,298,811	4,030,765	4,194,991	9,524,567
2007	1,413,604	4,081,402	4,281,779	9,776,785
2008	1,351,426	4,342,613	4,218,789	9,912,828
2009	1,346,200	4,585,555	4,177,538	10,109,293

### As a Percent of Total Production

	Atlantic	Central	West
2004	14.66	44.40	40.94
2005	14.05	43.84	42.11
2006	13.64	42.32	44.04
2007	14.46	41.75	43.80
2008	13.63	43.81	42.56
2009	13.32	45.36	41.32

Data May Not Add  
Due To Rounding

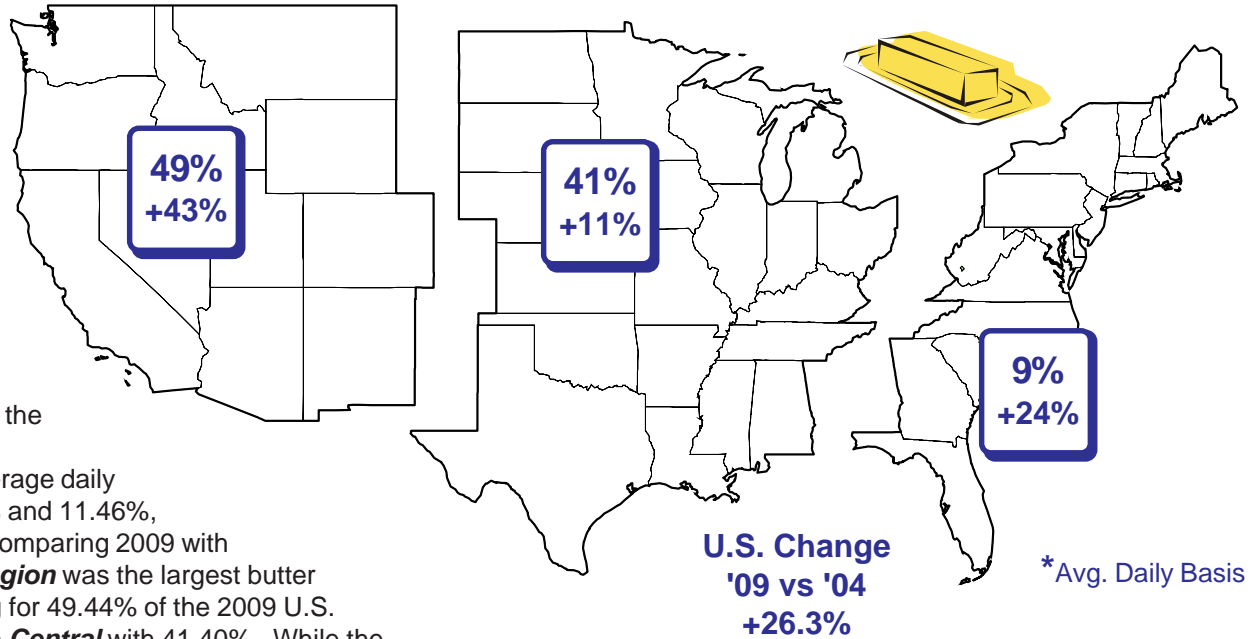
**The Atlantic  
Region's share of  
total U.S. cheese  
production has  
decreased in nine  
out of the last ten  
years.**



## Regional Butter Production as a Percentage of 2009 Total U.S. Butter Production with Percentage Change\* in Production: 2009 vs. 2004

U.S. butter production increased by 26.26% on a daily basis comparing 2009 with 2004. Butter production totaled 1.573 billion pounds during 2009 -- **down** 4.03% from 2008 on an average daily basis.

As depicted by the accompanying map, the **West** and **Central** **Regions** posted average daily increases of 42.61% and 11.46%, respectively, when comparing 2009 with 2004. The **West Region** was the largest butter producer accounting for 49.44% of the 2009 U.S. total, followed by the **Central** with 41.40%. While the **Atlantic Region** accounted for only 9.16% of the U.S. total, butter production in this region **increased** by 23.88% on a daily basis, comparing 2009 with 2004.



**Data Source:** USDA, NASS; *Dairy Products 2009 Summary*, April 2010.

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

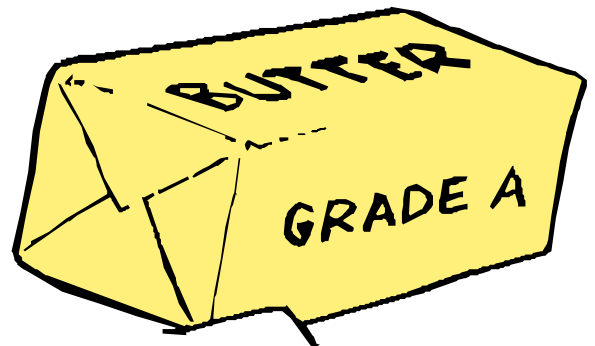
	Atlantic	Central	West	Total
2004	116,703	586,022	546,953	1,249,678
2005	120,407	623,401	603,419	1,347,227
2006	131,667	645,339	671,422	1,448,428
2007	126,243	663,357	743,117	1,532,717
2008	132,140	686,399	825,537	1,644,076
2009	144,171	651,417	777,893	1,573,481

The Central Region's share of U.S. butter production declined from 46.89% in 2004 to 41.40% in 2009, while the West Region increased its proportion from 43.77% to 49.44% during that time frame.

Data May Not Add Due To Rounding

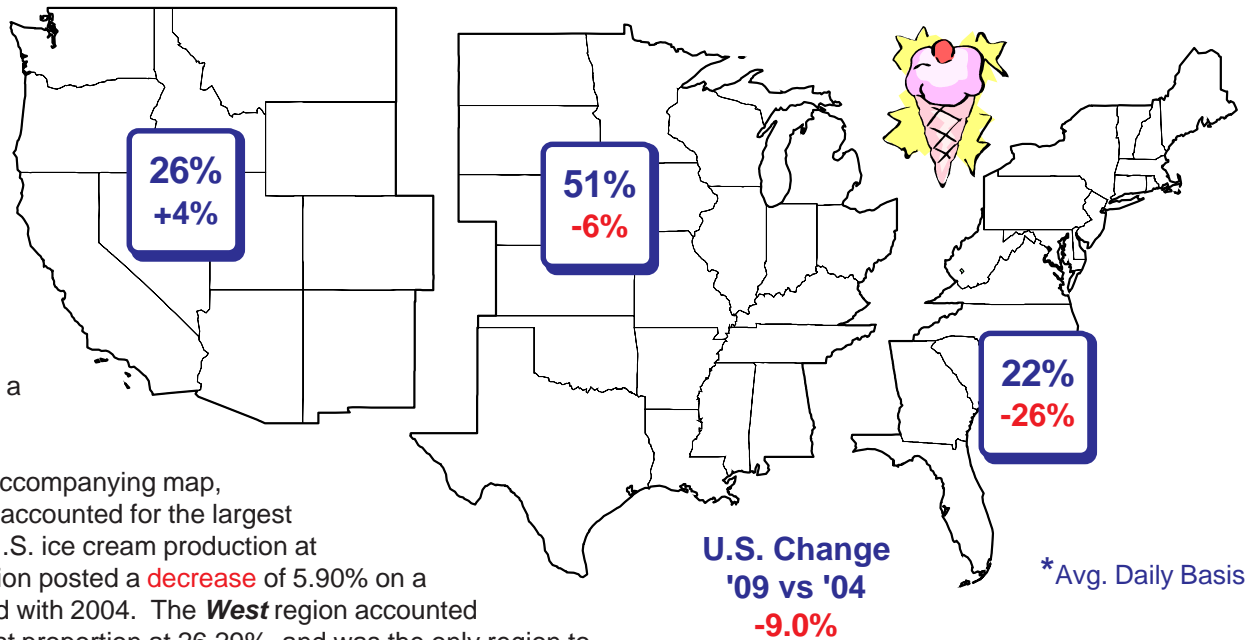
### As a Percent of Total Production

	Atlantic	Central	West
2004	9.34	46.89	43.77
2005	8.94	46.27	44.79
2006	9.09	44.55	46.36
2007	8.24	43.28	48.48
2008	8.04	41.75	50.21
2009	9.16	41.40	49.44



## Regional Ice Cream Production\*\* as a Percentage of 2009 Total U.S. Ice Cream Production with Percentage Change\* in Production: 2009 vs. 2004

U.S. ice cream production\*\* decreased by 8.97% on a daily basis comparing 2009 with the 0.944 billion gallons produced in 2004. Ice cream production totaled 0.857 billion gallons during 2009, down 1.98% (-0.020 billion gallons) from the previous year on a daily basis.



As depicted by the accompanying map, the **Central Region** accounted for the largest proportion of 2009 U.S. ice cream production at 51.34%, but this region posted a decrease of 5.90% on a daily basis compared with 2004. The **West** region accounted for the second largest proportion at 26.29%, and was the only region to record an increase with a gain of 4.32% on a daily basis comparing 2009 with 2004. The **Atlantic Region** posted the largest percentage decrease with a decline of 25.66%. This region accounted for the smallest proportion with 22.37% of the 2009 U.S. total.

\* Avg. Daily Basis

Data Source: USDA, NASS; Dairy Products 2009 Summary, April 2010.

## Total U.S. Ice Cream Production\*\*

### By Region (Thousand Gallons)

	Atlantic	Central	West	Total
2004	258,495	468,698	216,466	943,659
2005	254,297	475,453	223,280	953,030
2006	229,422	478,522	206,795	914,739
2007	215,259	466,725	208,985	890,969
2008	206,814	459,050	210,515	876,379
2009	191,653	439,843	225,207	856,703

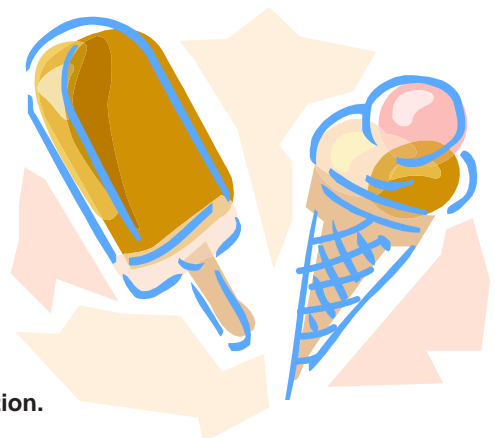
U.S. ice cream production\*\* has declined in six out of the last seven years. However, production had increased in six out of the previous seven years (1996-2002). Over the last five years the Central Region has accounted for 51.64% of total U.S. ice cream production.

Data May Not Add Due To Rounding

### As a Percent of Total Production

	Atlantic	Central	West
2004	27.39	49.67	22.94
2005	26.68	49.89	23.43
2006	25.08	52.31	22.61
2007	24.16	52.38	23.46
2008	23.60	52.38	24.02
2009	22.37	51.34	26.29

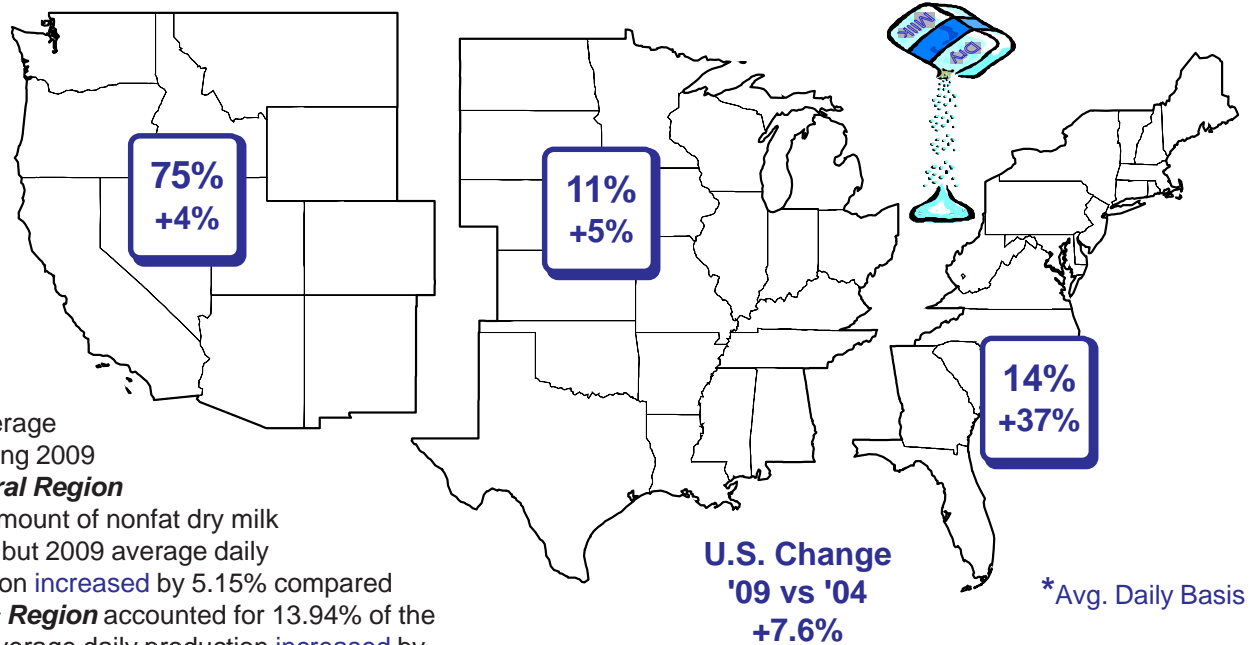
\*\* Regular (hard) ice cream production.



## Regional NFDM Production as a Percentage of 2009 Total U.S. NFDM Production with Percentage Change\* in Production: 2009 vs. 2004

U.S. nonfat dry milk (NFDM) production increased by 7.60% on a daily basis, comparing 2009 with 2004. Production totaled 1.509 billion pounds in 2009, which was 0.39% less than 2008 on a daily basis.

The **West Region**, which accounted for the largest proportion of production at 75.33% of the U.S. total, posted an increase of 3.78% in average daily production comparing 2009 versus 2004. The **Central Region** produced the smallest amount of nonfat dry milk with 10.73% of the total, but 2009 average daily production from this region increased by 5.15% compared with 2004. The **Atlantic Region** accounted for 13.94% of the U.S. total in 2009, and average daily production increased by 37.40% compared with 2004. This region increased by the largest percentage compared with 2004.



**Data Source:** USDA, NASS; Dairy Products 2009 Summary, April 2010.

The West Region's NFDM production accounted for 75.11% of the U.S. total since 2000, and 73.35% over the last 5 years (2005 through 2009). In the 5 years preceding 2000, the West Region accounted for 63.70% of the U.S. total.

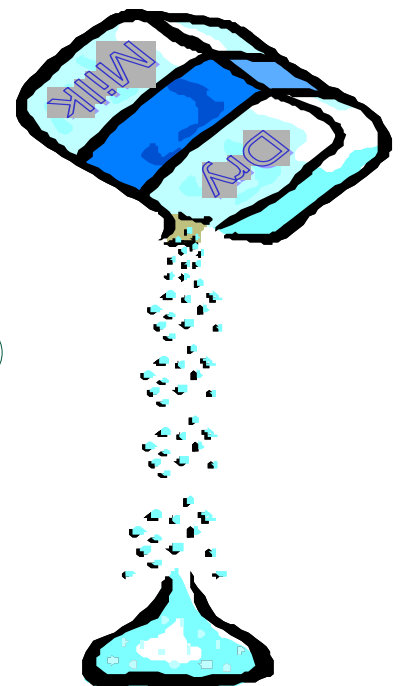
### Total U.S. Nonfat Dry Milk Production By Region (Thousand Lbs.)

	Atlantic	Central	West	Total
2004	153,478	154,461	1,098,451	1,406,390
2005	180,817	194,323	810,964	1,186,104
2006	171,698	159,271	912,603	1,243,572
2007	141,266	160,544	996,670	1,298,480
2008	229,620	190,615	1,098,938	1,519,173
2009	210,306	161,972	1,136,833	1,509,111

### As a Percent of Total Production

	Atlantic	Central	West
2004	10.91	10.98	78.10
2005	15.24	16.38	68.37
2006	13.81	12.81	73.39
2007	10.88	12.36	76.76
2008	15.11	12.55	72.34
2009	13.94	10.73	75.33

Data May Not Add Due To Rounding





	Statistical Uniform Price		Producer Price Differential		Class I Utilization	
	May '10	Apr '10	May '10	Apr '10	May '10	Apr '10
Northeast	15.91	15.11	2.53	2.19	39.74	41.75
Appalachian	16.64	15.86	-----	-----	64.85	64.73
Florida	18.73	18.20	-----	-----	84.93	88.75
Southeast	16.59	16.03	-----	-----	59.90	62.18
Upper Midwest	13.77	13.28	0.39	0.36	11.87	12.78
<b>Central</b>	<b>14.46</b>	<b>13.80</b>	<b>1.08</b>	<b>0.88</b>	<b>31.58</b>	<b>34.00</b>
Mideast	14.76	14.03	1.38	1.11	37.24	37.10
Pacific Northwest	14.60	13.79	1.22	0.87	27.20	29.02
Southwest	15.45	14.76	2.07	1.84	32.96	38.28
Arizona	15.03	14.14	-----	-----	30.20	32.95

### Total U.S. Milk Production By Region

	Million Lbs.				% of Total		
	Atlantic	Central	West	Total	Atlantic	Central	West
2004	34,305	68,193	68,436	170,934	20.07	39.89	40.04
2005	35,218	70,321	71,389	176,928	19.91	39.75	40.35
2006	35,075	72,319	74,402	181,796	19.29	39.78	40.93
2007	34,862	73,731	77,009	185,602	18.78	39.73	41.49
2008	34,967	75,589	79,426	189,982	18.41	39.79	41.81
2009	34,794	77,435	77,091	189,320	18.38	40.90	40.72

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E-mail: [market.administrator@fmmacentral.com](mailto:market.administrator@fmmacentral.com)  
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