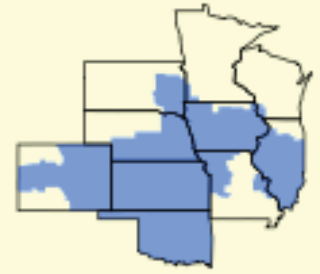


OCTOBER 2015

Marketing Service

Bulletin

Facilitating the efficient marketing of milk and dairy products.



CENTRAL MARKETING AREA

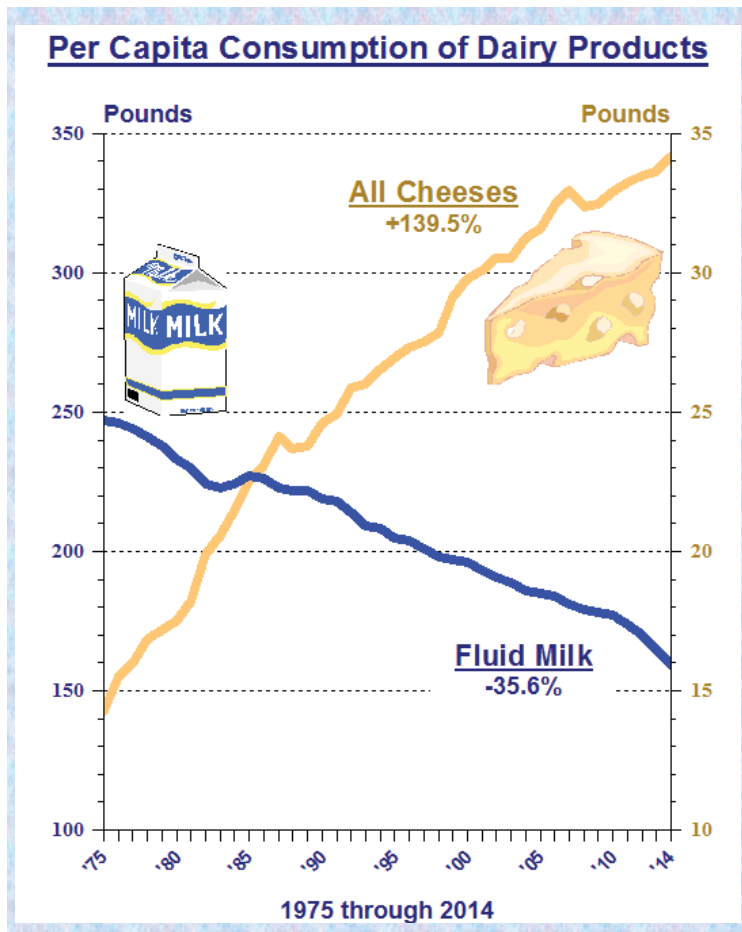


Per Capita Consumption of Selected Dairy Products

Dairy product consumption has changed substantially over the past several decades. These changes have important implications for all involved in the production, processing, and marketing of milk and milk-based products. Particularly noteworthy are the trends in per capita consumption. The graphs in this bulletin depict per capita consumption data for various dairy products from 1975 through 2014*.

A persistent downward trend in per capita consumption of fluid milk products is depicted by the graph below and the upper right graph on page two. Fluid milk consumption decreased by 35.6% per person comparing 2014 with 1975, and has declined by 18.9% since 2000. Per capita consumption of fluid milk during 2014 was 159 pounds, which is 3.6% lower than 2013 and the lowest amount recorded during the 1975 through 2014 time frame.

The downward trend in fluid milk consumption is in sharp contrast to the strong upward trend in cheese consumption indicated by the graph below. To emphasize this point, the milk equivalent of cheese consumption has been greater than fluid milk since the mid 1980's. Cheese consumption per capita in 2014 was 139.5% greater than it was in 1975, and is up 14.6% compared with 2000. Per capita consumption has increased in twenty-four of the last twenty-six years, and has declined only three times since 1975. Italian cheese varieties have posted the largest consumption gains comparing 2014 with 1975, increasing by approximately 340% on a per capita basis.



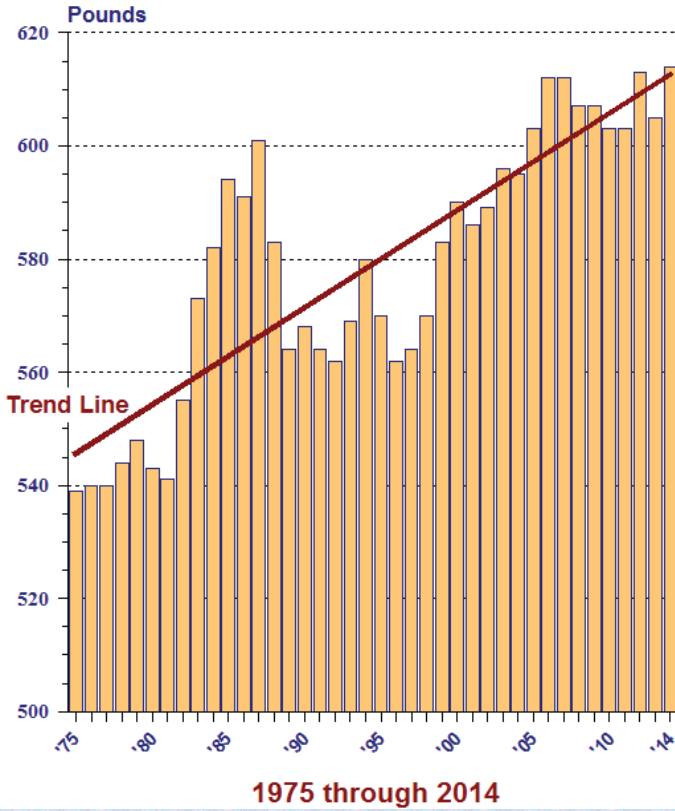
A strong positive trend in per capita consumption of all dairy products is depicted by the top left graph on page two. Consumption of all dairy products on a milk equivalent basis grew by 75 pounds per person (+13.9%), increasing from 539 pounds in 1975 to 614 pounds in 2014. The remaining graphs on pages two and three depict per capita consumption for selected dairy products. Mozzarella posted the largest gain among hard cheeses (+433.3%), with consumption rising from 2.1 pounds per person in 1975 to 11.2 pounds during 2013. Per capita consumption of miscellaneous cheese varieties has also grown substantially, increasing from 2.9 pounds in 1975 to 6.3 pounds during 2014.

Yogurt also posted significant per capita consumption gains during this time frame, as indicated by the bottom left graph on page three. Yogurt consumption increased from 2.0 pounds per person in 1975 to 14.9 pounds in 2014 (+645.0%). Butter consumption, depicted in the bottom right graph on page three, has posted a strong upward trend in recent years. Since 1997, consumption of butter has increased from 4.2 to 5.5 pounds per capita, an increase of approximately 31%.

* The source for data in this bulletin is: United States Department of Agriculture, Economic Research Service, Dairy Data Overview. (<http://www.ers.usda.gov/data-products/dairy-data.aspx>) All 2014 data is preliminary.

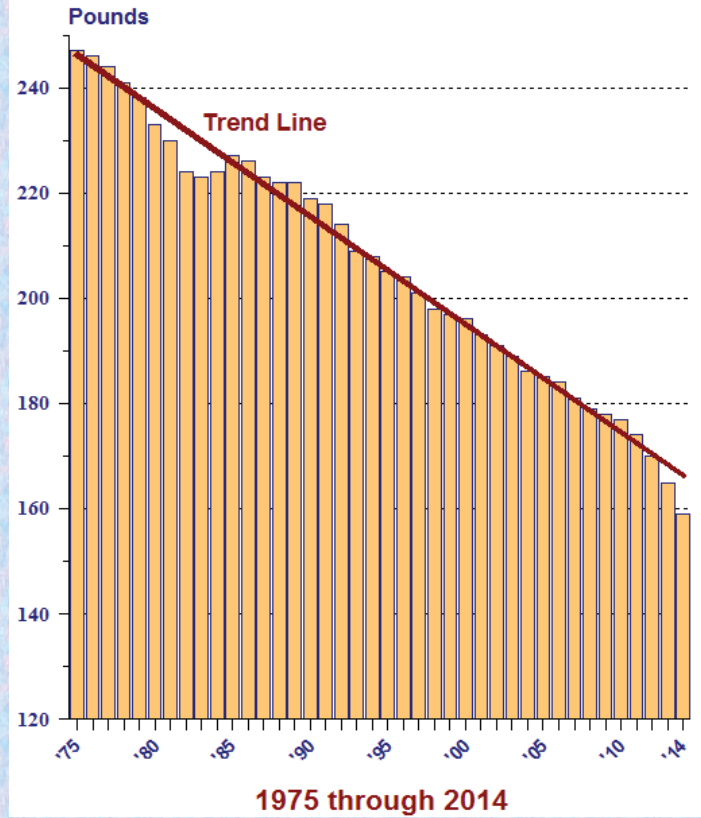
All Dairy Products

Per Capita Consumption: Milk Equivalent,
Milkfat Basis

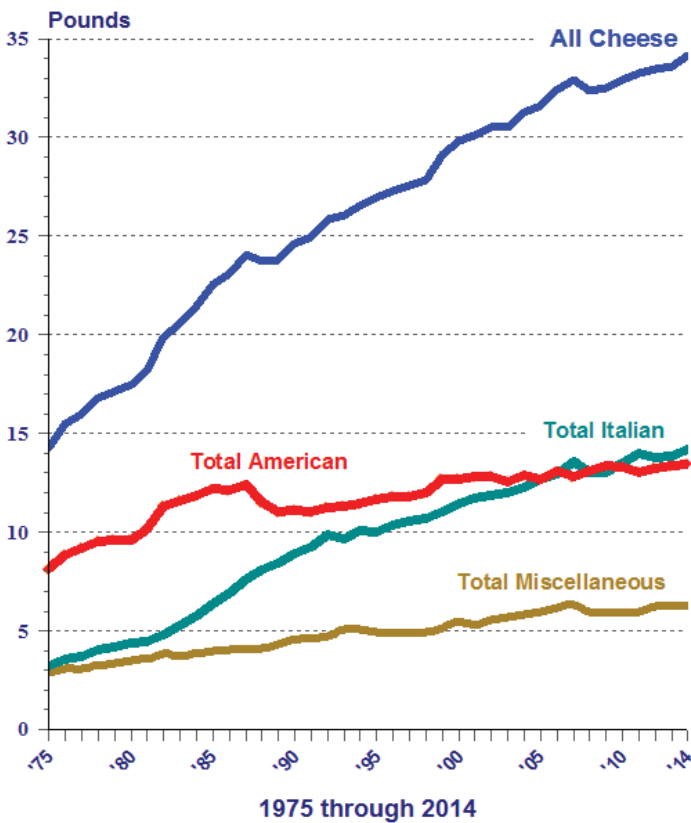


Fluid Milk

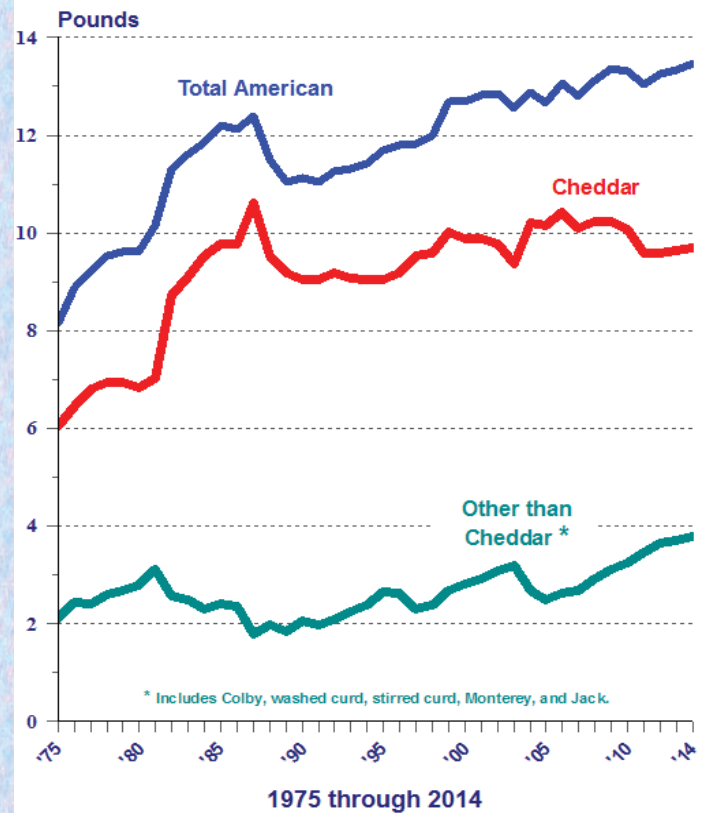
Per Capita Consumption



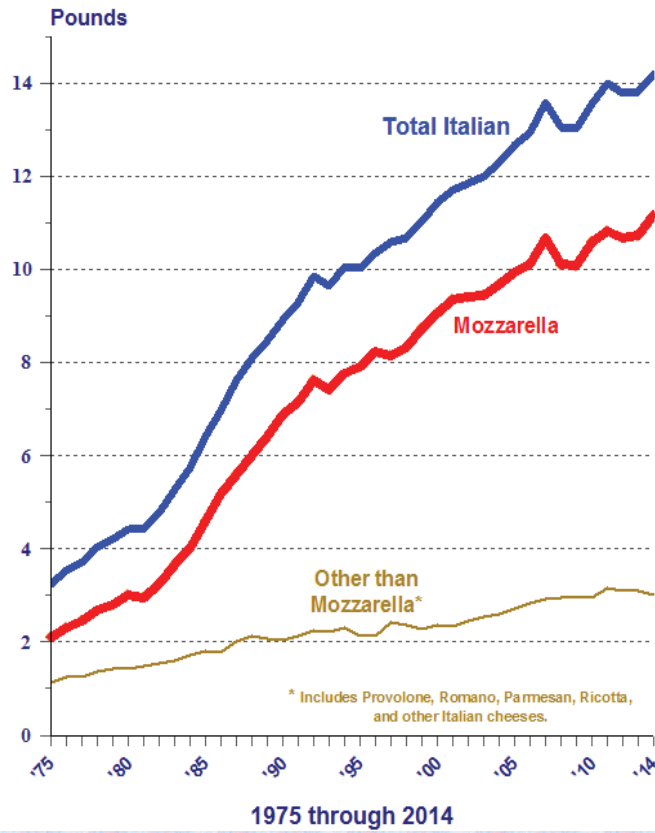
Per Capita Consumption of Cheese



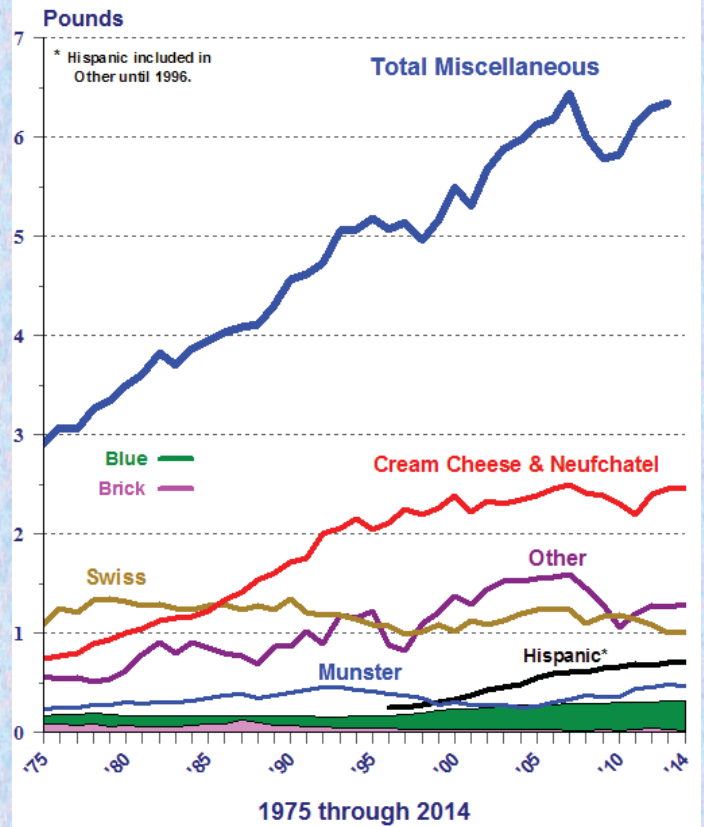
Per Capita Consumption of American Cheese



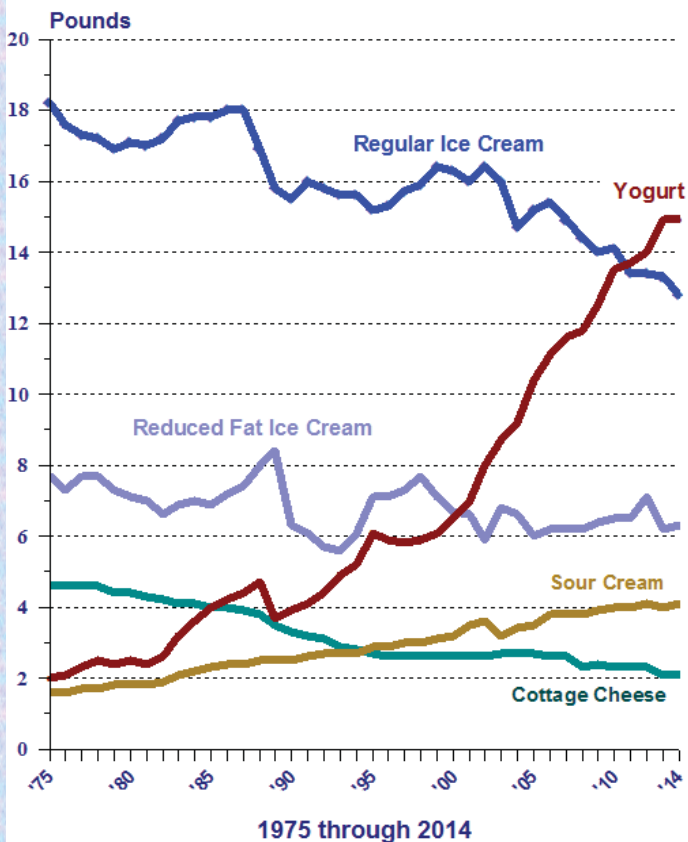
Per Capita Consumption of Italian Cheese



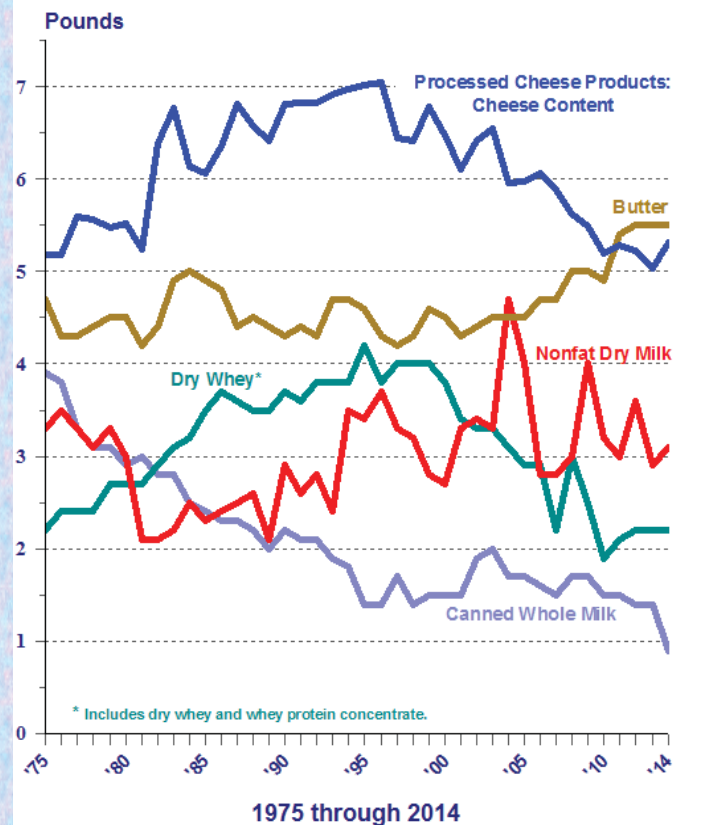
Per Capita Consumption of Miscellaneous Cheeses



Per Capita Consumption of Selected Class II Products



Per Capita Consumption of Miscellaneous Dairy Products





**United States
Department of
Agriculture**

FIRST CLASS
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OLATHE, KS
PERMIT NO. 377

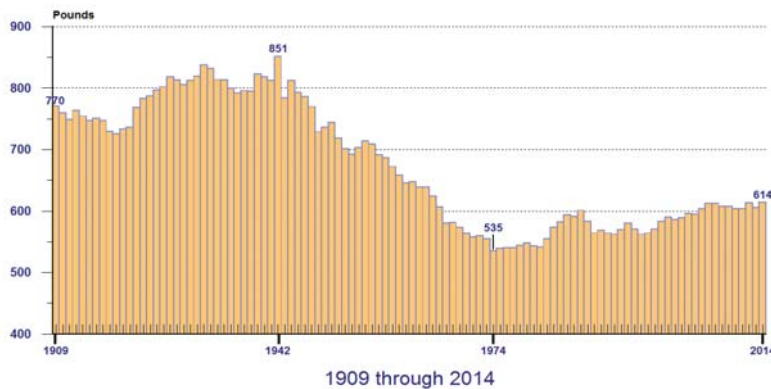
FEDERAL MILK MARKET ADMINISTRATOR
P.O. BOX 14650
SHAWNEE MISSION, KANSAS 66285-4650

FIRST CLASS

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E-mail: market.administrator@fmmacentral.com
Phone: 913-495-9300

U.S. Per Capita Consumption

All Dairy Products - Milk Equivalent, Milk-Fat Basis



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**Statistical
Uniform Price**

**Producer Price
Differential**

**Class I
Utilization**

	<u>Sep '15</u>	<u>Aug '15</u>	<u>Sep '15</u>	<u>Aug '15</u>	<u>Sep'15</u>	<u>Aug '15</u>
Northeast	17.68	16.90	1.86	0.63	35.24	32.24
Appalachian	19.44	18.37	-----	-----	72.35	69.20
Florida	21.66	20.62	-----	-----	85.50	83.01
Southeast	20.19	19.18	-----	-----	80.14	77.00
Upper Midwest	16.20	16.25	0.38	-0.02	11.91	13.84
Central	16.68	16.27	0.86	0.00	33.01	34.85
Mideast	16.77	16.05	0.95	-0.22	33.41	36.63
Pacific Northwest	16.36	14.85	0.54	-1.42	35.74	34.58
Southwest	17.49	17.27	1.67	1.00	30.49	29.32
Arizona	16.80	15.88	-----	-----	29.65	30.28