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February 5, 2001

Office of the Hearing Clerk
USDA, Room 1081, South Building
1400 Independence Ave., S. W.
Washington, D.C., 20250

FAX: 202-720-9776

RE: Milk in the Northeast and Other Marketing Areas
Industry Comments on Tentative Decision

Please find attached the following document:

Industry Comments on Class III Butterfat and Protein Pricing Formulas
Docket Number (AO-14-A69, et. al.: DA-00-03)

The Original Copy of this document will be following by overnight carrier. Please let me know if you have any questions regarding this document.

Sincerely,



Michael Brown
General Manager
National All-Jersey Inc.

CC: Connie Brenner, Order Formulation Branch, Dairy Division, AMS, USDA
(FAX: 202-690-0552)
Richard McKee, Director, Dairy Division, AMS, USDA
(FAX: 202-690-3410)

Attachment (21 Pages)

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**Milk in the Northeast and Other Marketing Areas; Tentative Decision
Docket Number (AO-14-A69, et. al.: DA-00-03)
Industry Comments on Class III Butterfat and Protein Pricing Formulas**

The following unified comments on Class III Butterfat and Protein pricing formulas are submitted on behalf of the following dairy organizations, representing a significant portion of US milk production.

Agri-Mark Inc.
Alto Dairy Cooperative
Associated Milk Producers, Inc.
Beatrice Group
Brookshire Grocery Company
Chicago Mercantile Exchange
Cloverland/Green Spring Dairy
Continental Milk Producers, Inc.
Dairy Farmers of America
Dairy Producers of New Mexico
Dairylea Cooperative Inc.
Dannon Company, Inc. (The)
Davis & Sons Dairy Company
Davisco Foods International, Inc.
Dean Foods
Eberhard's Dairy Products
Elite Milk Producers Inc.
F&A Dairy Products, Inc.
Family Dairies USA
Farr, Assel & Sons, Co.
First District Association
Friendly Ice Cream Corporation
Galliker Dairy Company
Galloway Company
Glanbia Foods Inc.
Goshen Dairy Company
Grande Cheese Company
Great Lakes Cheese Co.
Hershey Creamery Company
Hilmar Cheese Company, Inc.
Holmes Cheese Co., Alpine Cheese Co.
Ice Cream Partners USA
Idaho Dairymen's Association
Jack & Jill Ice Cream
Kraft Foods
The Kroger Co.
Kwik Trip, Inc.
Land O' Lakes Inc.
Level Valley Creamery, Inc.
Magic Valley Milk Producers
Manitowoc Milk Producers Cooperative
Marathon Cheese Corporation
Marigold Foods, Inc.
MCT Dairies, Inc.
MD & VA Milk Producers Assn.
Midwest Dairy Coalition
Mid-West Dairymen's Company
Milk Producers Council of CA
Milkco, Inc.
Milwaukee Co-op Milk Producers
Mother's Kitchen, Inc.
National All-Jersey Inc.
Northwest Dairy Association (West Farm Foods)
Prairie Farms Dairy, Inc.
Publix Super Markets, Inc.
Raskas Foods, Inc.
Reed's Dairy Inc.
Roberts Dairy Co.
Rondele Specialty Foods
Rosenburger's Dairies, Inc.
Royal Crest Dairy
Safeway, Inc.
Sargento Foods, Inc.
Schneiders Dairy, Inc.
Schreiber Foods Inc.
Select Milk Producers Inc.
Southeast Milk, Inc.
St. Albans Cooperative Creamery, Inc.
Suiza Foods Corp
Sunshine Dairy Foods, Inc.
Umpqua Dairy Products Co.
Upstate Farms Cooperative, Inc.
Valley Queen Cheese Factory, Inc.
Western States Dairy Producers Trade Assn.
Weyauwega Milk Products, Inc.
Wilcox Farms Inc.
Wisconsin Cheese Makers Association
Wisconsin Farm Bureau Federation
Wohlt Cheese Corporation

The above organizations do not support USDA's Tentative Final Rule for Class III butterfat and protein pricing, and believe that USDA must return to the general format of the Class III butterfat and protein formulas originally implemented with Federal Milk Marketing Order Reform. This group of organizations represents a wide range of producer and processor groups. We do not support USDA's changes because they will result in disorderly marketing of milk, provide significant incentives for processors to find alternate ingredient sources for Class III products, and could cause significant reductions in producer revenue.

We appreciate USDA's efforts to develop the best milk pricing system possible. We understand that USDA faced significant challenges when developing Class III component prices that relate both to the value of milk components in cheese as well as other products. We know that USDA wanted to address the occasional problems of relatively high butter and low protein prices and shifts in the 3.5% reference price due to butterfat price jumps. We understand the time constraints that USDA faced in developing their tentative decision. However, we believe that USDA's Tentative Decision creates larger every-day problems for milk procurement and movement that create significant problems for milk producers and processors alike.

As individual organizations, many of us intend to submit separate comments with respect to make allowances, yield factors and other small changes to the following formulas. However, we are unified in our support for returning to one butterfat price for Class III and IV as determined by the following general formula implemented with Federal Milk Marketing Order Reform:

Class III / IV Butterfat:

$$(\text{Butter Price} - \text{USDA Make Allowance}) / 0.82$$

In addition, we support returning to the following general protein price formula implemented with Federal Milk Marketing Order Reform:

Class III Protein:

$$(\text{Cheese Price} - \text{USDA Make Allowance}) \times 1.405 + \\ [(\text{Cheese Price} - \text{USDA Make Allowance}) \times 1.582 - \text{Class III Butterfat Price}] \times 1.28$$

In addition to changing the Class III butterfat and protein formulas to their previous general format, we believe USDA should re-adopt the Class III component values as the producer component values in markets with multiple component pricing. That method has worked well and makes forward contracting more accurate and easier to understand by producers. This occurs because the Class III component prices equal producer component prices at any given test level.

We believe USDA must return the Class III butterfat and protein formulas to the general format originally implemented with Federal Milk Marketing Order Reform for the following reasons.

1. While no testimony supported the changes made by USDA, ample testimony presented at the hearing supported retaining of the Class III butterfat and protein formulas in the general form included in the original reforms and in effect at the time of the hearing.
2. The new formulas overvalue fat and undervalue protein in most types of cheese most of the time, especially in relation to sources of dairy ingredients for cheese. It sends a distorted signal to producers on the relative value of fat and protein in most dairy products, and the cost alternative sources of fat and protein, such as unsalted butter or nonfat dry milk. The Van Slyke cheese yield formula only provides a fat component value related to full-fat cheddar yield, not all cheese yields.
3. The new formulas provide significant incentive for cheese processors (especially process or non-standard cheese) to turn away from FMMO Class III fat and towards alternative dairy or non-dairy fat sources (imported or domestic) in cheese. Furthermore, the cost advantage of using alternatives to Class III butterfat sources provides a significant incentive to cheese manufacturers to move away from manufacturing standardized products towards non-standard cheeses. Table Two provides an example of

this phenomenon. Under the tentative final rule, butterfat priced at the "AA" butter price would have been lower cost than fresh Class III cream for 21 months during 1999 and 2000, providing significant incentives to use alternative sources to fresh cream in cheese, when possible. The difference was as wide as 85 cents. Table 2 shows the price relationship between Class III butterfat and NASS "AA" butter prices, under both the tentative final rule and original reform pricing.

4. The new formulas create significant bookkeeping challenges for FMMO-regulated plants that sell cream, because the value of that cream varies significantly from one use (Class IV) to another (Class III). The potential liabilities to cream sellers resulting from these changes are very significant. Class I handlers account to the pool for the excess butterfat that they sell at the class price of the handler to whom they sell it. With separate butterfat prices for Class III and Class IV, before cream sellers can price cream to potential buyers they must be positive whether the cream will be used in Class III or Class IV. This is particularly problematic in the situation where the cream buyer manufactures both Class III and Class IV or Class II products. It may be impossible to guarantee that the butterfat will be used in one class and not the other. This clearly will result in disorderly marketing of excess cream. Table 3A shows that the average difference in Class III and Class IV butterfat under the new formulas would have averaged \$0.4192 per pound for the 1999-2000 period – a 32.1% difference. The cream value per cwt. for the two year period would have differed by \$16.77 per cwt, 29.5% higher for Class III than Class IV.
5. The price of Class I fat and skim components can fluctuate wildly, depending on the whether the Class I component mover is Class III or Class IV milk. This greatly complicates pricing of fluid milk products. Because fluid products vary in fat content, pricing of these products (3.25%, 2%, 1% and fat free) is based on the relative values of butterfat and skim contained in the fluid product. The increased volatility of Class I butterfat and skim prices resulting from the tentative rule will be very disruptive to the wholesale and retail fluid milk markets, and send inconsistent signals to buyers, based on regulation.
6. The impacts on Class I skim and butterfat prices are particularly troublesome for dairy producers. When the advance Class III price moves above the advance Class IV price, the Class I fat price will increase significantly, while the Class I skim price will drop accordingly. Because Class I milk in Federal Orders averages about 2% butterfat and 98% skim milk, the total value of Class I milk will decrease, often dramatically. This creates a situation when the value of cheese milk rises above the Class IV milk price, and the Class I mover increases, Class I revenues to producers actually decrease.

Table 4A, 4B, and 4C and Tables 5A and 5B evaluate the impact of the new mover formulas on Class I, Class III and their impacts on the producer pool. For these tables, the new tentative rule component prices are compared with the new rule manufacturing allowances and yield factors, but with the original reform butterfat and protein price formulas.

Tables 5A shows the milk and milk component use for Class I and III, by month. For comparative purposes, 2000 Class I and III milk and component utilizations are used for both years. Table 5B calculates the producer impacts of the new rule, based on 1999 and 2000 federal order prices. Table 5b shows a gross producer loss of \$480 million for the two year period.

Tables 4A, 4B, and 4C show the impacts on the change in mover may have had in the past for the three Southeastern orders: Florida, Southeast, and Appalachian. The tables show average losses for the two years ranging from 25 cents to 33 cents per cwt. in the three Southeastern orders.

7. The new Federal Order Formulas set a precedent where the sum value of Class III components is significantly greater than the component values paid to producers for the first time ever. This will make it harder than ever to move high solids milk into cheese plants, and diffuses the signal to producers to produce the milk components highest in demand by cheese makers. It is no secret that cheese is far and away the fastest growing product category in the US dairy industry, and cheese with higher protein:fat ratios, such as Italian cheeses, lead all growth.

8. Risk management efforts by producers, including hedging risks with dairy product futures and options, will be made more difficult because of the interim rule. For producers and cooperatives who have sought to manage risks with existing commodity options or futures and cash forward contracts, the interim rule throws into disarray many of the financial planning expectations of the relationship between fat revenue of farmers and the butter price, and between nonfat or protein revenue and the NFDM or cheese price, upon which existing contracts are predicated. The rule creates, among other things, much wider fluctuations in Class I and producer fat, skim and component values. These fluctuations are due to the decoupling of Class III fat prices from Class IV fat and the resulting fluctuations in Class I and producer butterfat, skim and producer price differentials. The changes make basis more difficult to determine, and result in a reduced ability for producers to accurately use forward contracting, futures, options, and other risk management tools.

For these reasons, the aforementioned companies request that USDA return to the general format for the Class III butterfat and protein component prices previously-adopted as part of Federal Order Reform, and that the Class III component prices be used as the producer component prices.

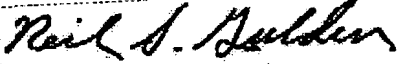
These comments are respectfully submitted on behalf of the 79 organizations listed above. Signatures of representatives from these companies are included on the following pages.



Larry Lemmenes
President & General Manager
Alto Dairy Cooperative



Richard W. Stammer
Executive Vice-President & COO
Agri-Mark Inc.



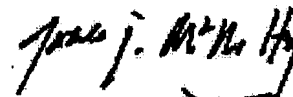
Neil S. Gulden
Director, Fluid Marketing
Associated Milk Producers, Inc.



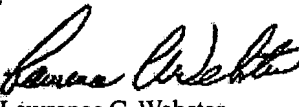
Richard G. Scalise
President and CEO
Beatrice Group



Fred Calvert
Sr. VP - Manufacturing
Brookshire Grocery Company



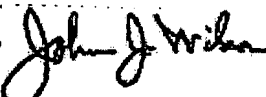
James J. McNulty
President & CEO
Chicago Mercantile Exchange



Lawrence C. Webster
General Manager
Cloverland/Green Spring Dairy



Michael J. McCloskey
CEO
Continental Milk Producers, Inc.



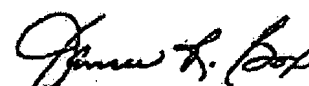
John J. Wilson
Corporate Vice President, Marketing, Economic Analysis
Dairy Farmers of America



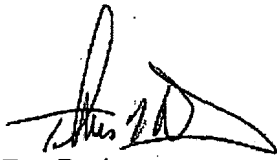
Ken Miller
President
Dairy Producers of New Mexico



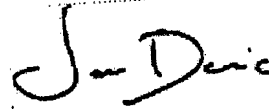
Edward W. Gallagher
Vice President, Planning & Regulatory Policy
Dairylea Cooperative Inc.



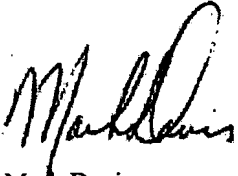
James R. Box
Manager, Dairy Procurement
Dannon Company, Inc. (The)



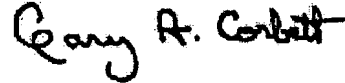
Tom Davis
CEO
Davis & Sons Dairy Company



Jon Davis
General Manager - Jerome Cheese
Davisco Foods International, Inc.



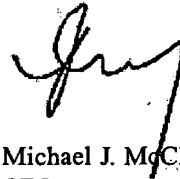
Mark Davis
President
Davisco Foods International, Inc.



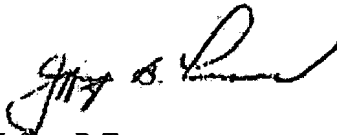
Gary A. Corbett
VP Governmental and Dairy Industry Relations
Dean Foods



Bob Eberhard
Owner
Eberhard's Dairy Products



Michael J. McCloskey
CEO
Elite Milk Producers Inc.



Jeffrey B. Terranova
President
F & A Dairy Products, Inc.



Gary G. Gran
General Manager
Family Dairies USA



Dexter D. Farr
CEO
Farr, Assel & Sons, Co.



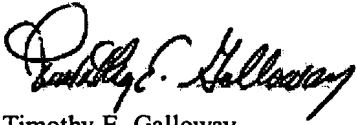
Clint Fall
President/CEO
First District Association



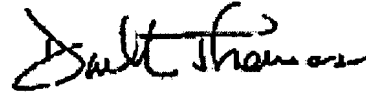
Gerald E. Sinsigalli
President, Food Service Division
Friendly Ice Cream Corporation



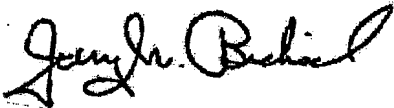
Louis G. Galliker
President
Galliker Dairy Company



Timothy E. Galloway
CEO
Galloway Company



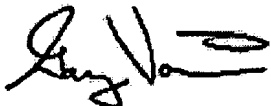
David L. Thomas
President
Glanbia Foods Inc.



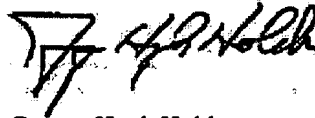
Jerry N. Bichsel
President
Goshen Dairy Company



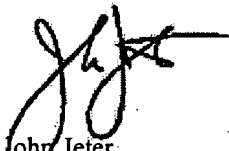
John Fridirici
VP, Milk Marketing & Procurement
Grande Cheese Company



Gary Vanic
President
Great Lakes Cheese Co.



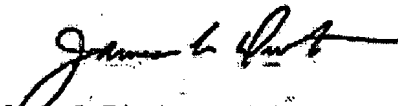
George Hugh Holder
President
Hershey Creamery Company




John Jeter
CEO & President
Hilmar Cheese Company, Inc.



R. J. Ramseyer
President
Holmes Cheese Co., Alpine Cheese Co.



James L. Dintaman
CEO
Ice Cream Partners USA



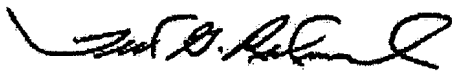
Kenneth A. Schwartz
VP
Jack & Jill Ice Cream



Mary Kay Haben
Group VP
Kraft Foods



Michael F. Nosewicz
Vice President - Dairy East Group
Kroger Co. (The)



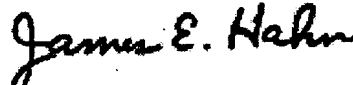
Theodore G. Redmond
Vice President - Dairy West Group
Kroger Co. (The)



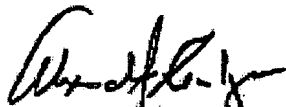
John C. Hitchell
General Manager of Milk Procurement & Regulation
Kroger Co. (The)



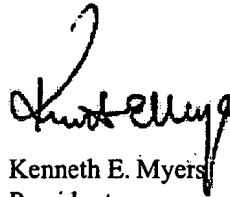
Richard A. Carr Sr
Director of Dairy Operations
Kwik Trip, Inc.



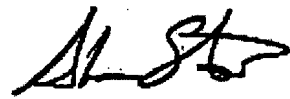
James E. Hahn
Director of Dairy Policy
Land O'Lakes, Inc.



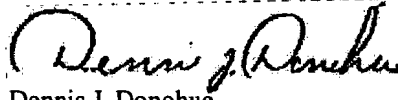
Alexander J. Costigan
President & CEO
Level Valley Creamery, Inc.



Kenneth E. Myers
President
MCT Dairies, Inc.



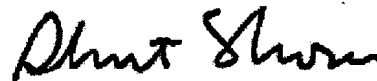
Alan Stutzman
Manger
Magic Valley Quality Milk Producers Inc.



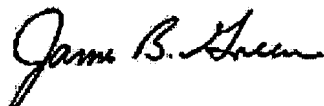
Dennis J. Donohue
General Manager
Manitowoc Milk Producers Cooperative



D. F. Menzner
Chairman & CEO
Marathon Cheese Corporation



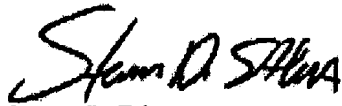
Robert Shore
General Manager
MD & VA Milk Producers Coop Assn Inc.



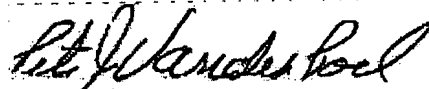
James B. Green
President & CEO
Marigold Foods, Inc.



Dennis Tonak
Manager
Mid-West Dairymen's Company



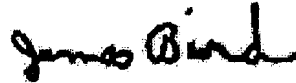
Steven D. Etko
Legislative Coordinator
Midwest Dairy Coalition




Pete Vander Poel
Chairman
Milk Producers Council of CA



Charles L. Guthier
President
Milkco, Inc.



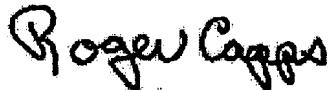
James Bird
General Manager
Milwaukee Co-op Milk Producers



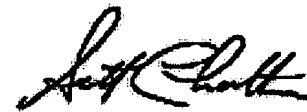
Donald A. Butte
President
Mother's Kitchen, Inc.



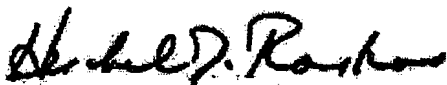
Douglas C. Marshall
Sr. Vice President
Northwest Dairy Association (West Farm Foods)



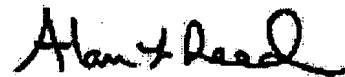
Roger D. Capps
Executive Vice President/CEO
Prairie Farms Dairy, Inc.



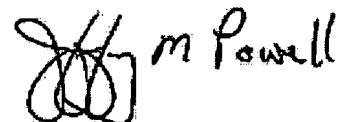
Scott Charton
Vice President, Manufacturing
Publix Super Markets, Inc.



Heschel J. Raskas
President
Raskas Foods, Inc.



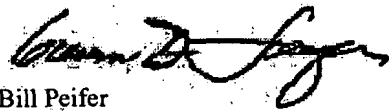
Alan L. Reed
President
Reed's Dairy Inc.



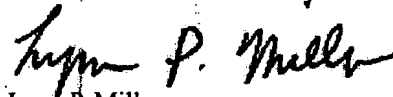
Jeffrey M. Powell
President & General Manager
Roberts Dairy Co.



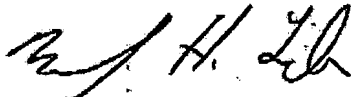
Bill Davis
Owner
Rondele Specialty Foods



Bill Peifer
President & CEO
Rosenburger's Dairies, Inc.



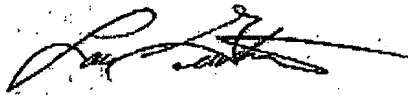
Lynn P. Miller
President
Royal Crest Dairy




Michael H. Leb
Vice President, Manufacturing
Safeway, Inc.



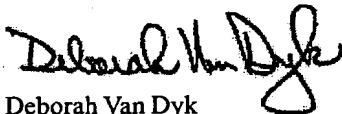
Leon J. Berthiaume
General Manager
St. Albans Cooperative Creamery, Inc.



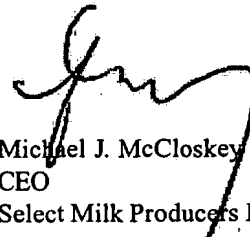
Louis P. Gentine
Chairman & CEO
Sargento Foods, Inc.



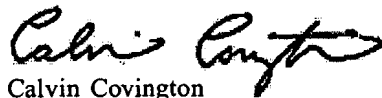
William J. Schneider
President
Schneiders Dairy, Inc.



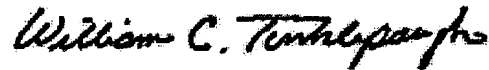
Deborah Van Dyk
Vice President, Industry & Regulatory Affairs
Schreiber Foods Inc.



Michael J. McCloskey
CEO
Select Milk Producers Inc.



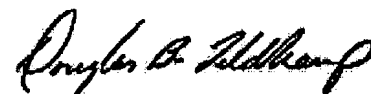
Calvin Covington
CEO
Southeast Milk, Inc.



William C. Tinklepaugh
Senior VP, Government Relations
Suiza Foods Corp



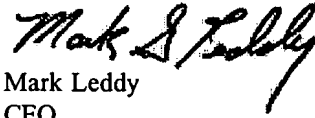
Paul Arbuthnot
President
Sunshine Dairy Foods, Inc.



Douglas B. Feldkamp
President & CEO
Umpqua Dairy Products Co.



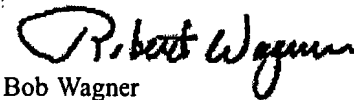
Kim Pickard-Dudley
Market Analyst
Upstate Farms Cooperative, Inc.



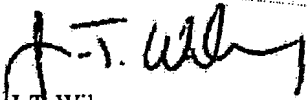
Mark Leddy
CEO
Valley Queen Cheese Factory, Inc.



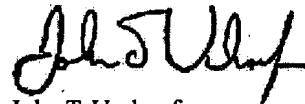
Dennis Vander Stelt
President
Western States Dairy Producers Trade Association



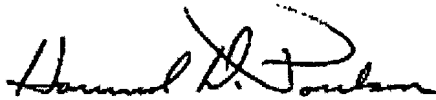
Bob Wagner
President
Weyauwega Milk Products, Inc.



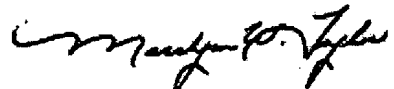
J. T. Wilcox
Director of Operations
Wilcox Farms Inc.



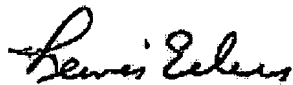
John T. Umhoefer
Executive Director
Wisconsin Cheese Makers Association



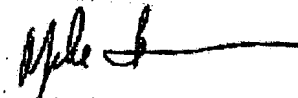
Howard D. Poulson
President
Wisconsin Farm Bureau Federation



Marilyn W. Taylor
President
Wohlt Cheese Corporation



Lewis Eilers
Executive Director
Idaho Dairymen's Association



Michael L. Brown
General Manager
National All-Jersey Inc.

Table One. Federal Order Component Price Comparisons

Mo/Year	<u>Federal Order Butterfat Prices</u>					<u>Federal Order Class III Protein & Other Solids Prices</u>				<u>Federal Order Class III 3.5%F, 2.99P, 5.79%OS</u>	
	<u>Tentative Decision</u>			<u>Final Reform</u>		<u>Class III Protein</u>		<u>Class III Other Solids</u>		<u>Tentative Decision</u>	<u>Final Reform</u>
	<u>Class II</u>	<u>Class III</u>	<u>Class IV</u>	<u>Class II</u>	<u>Class III / IV</u>	<u>Tent Dec.</u>	<u>Final Reform</u>	<u>Tent Dec.</u>	<u>Final Reform</u>		
Jan-99	\$1.5929	\$2.4909	\$1.5859	\$1.5941	\$1.5871	\$2.2122	\$3.2928	\$0.0761	\$0.0792	\$15.77	\$15.86
Feb-99	\$1.4502	\$1.8043	\$1.4432	\$1.4514	\$1.4444	\$1.6024	\$2.0006	\$0.0513	\$0.0544	\$11.40	\$11.35
Mar-99	\$1.4544	\$1.8272	\$1.4474	\$1.4557	\$1.4487	\$1.6228	\$2.0428	\$0.0534	\$0.0565	\$11.55	\$11.50
Apr-99	\$1.1058	\$1.8377	\$1.0988	\$1.1070	\$1.1000	\$1.6320	\$2.5104	\$0.0460	\$0.0491	\$11.58	\$11.64
May-99	\$1.1815	\$1.7377	\$1.1745	\$1.1827	\$1.1757	\$1.5433	\$2.1984	\$0.0350	\$0.0381	\$10.90	\$10.91
Jun-99	\$1.6483	\$1.7847	\$1.6413	\$1.6496	\$1.6426	\$1.5850	\$1.6992	\$0.0321	\$0.0352	\$11.17	\$11.03
Jul-99	\$1.5488	\$2.0719	\$1.5418	\$1.5500	\$1.5430	\$1.8401	\$2.4431	\$0.0335	\$0.0366	\$12.95	\$12.92
Aug-99	\$1.5354	\$2.4812	\$1.5284	\$1.5366	\$1.5296	\$2.2036	\$3.3421	\$0.0424	\$0.0455	\$15.52	\$15.61
Sep-99	\$1.4829	\$2.4693	\$1.4759	\$1.4841	\$1.4771	\$2.1931	\$3.3853	\$0.0508	\$0.0539	\$15.49	\$15.60
Oct-99	\$1.2415	\$1.9667	\$1.2345	\$1.2427	\$1.2357	\$1.7467	\$2.6138	\$0.0562	\$0.0593	\$12.43	\$12.48
Nov-99	\$1.1640	\$1.6663	\$1.1570	\$1.1652	\$1.1582	\$1.4799	\$2.0696	\$0.0534	\$0.0565	\$10.56	\$10.57
Dec-99	\$0.9868	\$1.5565	\$0.9798	\$0.9880	\$0.9810	\$1.3824	\$2.0597	\$0.0508	\$0.0539	\$9.87	\$9.90
Jan-00	\$0.9424	\$1.5793	\$0.9354	\$0.9436	\$0.9366	\$1.4026	\$2.1677	\$0.0472	\$0.0503	\$9.99	\$10.05
Feb-00	\$0.9646	\$1.5065	\$0.9576	\$0.9658	\$0.9588	\$1.3380	\$1.9849	\$0.0401	\$0.0432	\$9.50	\$9.54
Mar-00	\$1.0249	\$1.5114	\$1.0179	\$1.0261	\$1.0191	\$1.3423	\$1.9166	\$0.0393	\$0.0424	\$9.53	\$9.54
Apr-00	\$1.1410	\$1.4977	\$1.1340	\$1.1422	\$1.1352	\$1.3301	\$1.7399	\$0.0377	\$0.0408	\$9.44	\$9.41
May-00	\$1.2911	\$1.5007	\$1.2841	\$1.2924	\$1.2854	\$1.3328	\$1.5514	\$0.0372	\$0.0403	\$9.45	\$9.37
Jun-00	\$1.4186	\$1.5195	\$1.4116	\$1.4198	\$1.4128	\$1.3495	\$1.4278	\$0.0407	\$0.0438	\$9.59	\$9.47
Jul-00	\$1.2749	\$1.6851	\$1.2679	\$1.2761	\$1.2691	\$1.4966	\$1.9726	\$0.0526	\$0.0557	\$10.67	\$10.66
Aug-00	\$1.2716	\$1.5996	\$1.2646	\$1.2729	\$1.2659	\$1.4206	\$1.7952	\$0.0546	\$0.0577	\$10.16	\$10.13
Sep-00	\$1.2765	\$1.7041	\$1.2695	\$1.2777	\$1.2707	\$1.5135	\$2.0137	\$0.0471	\$0.0502	\$10.76	\$10.76
Oct-00	\$1.2502	\$1.5909	\$1.2432	\$1.2514	\$1.2444	\$1.4129	\$1.8028	\$0.0440	\$0.0471	\$10.05	\$10.02
Nov-00	\$1.5803	\$1.3741	\$1.5733	\$1.5815	\$1.5745	\$1.2204	\$0.9149	\$0.0534	\$0.0565	\$8.76	\$8.57
Dec-00	\$1.6592	\$1.4789	\$1.6522	\$1.6604	\$1.6534	\$1.3134	\$1.0378	\$0.0798	\$0.0829	\$9.56	\$9.36
1999 Average	\$1.3660	\$1.9745	\$1.3590	\$1.3673	\$1.3603	\$1.7536	\$2.4715	\$0.0484	\$0.0515	\$12.43	\$12.45
2000 Average	\$1.2579	\$1.5457	\$1.2509	\$1.2592	\$1.2522	\$1.3727	\$1.6938	\$0.0478	\$0.0509	\$9.79	\$9.74
1999-2000 Averag	\$1.3120	\$1.7601	\$1.3050	\$1.3132	\$1.3062	\$1.5632	\$2.0826	\$0.0481	\$0.0512	\$11.11	\$11.09

Table Two.
Comparison of Fat Costs from Class III Fat and Grade "AA" Butter Under
The Tentative Final Rule and the Reform Class III Fat Calculations

	Tentative Final Rule Formula				FMMO Final Reform Formula			
	<u>Class III</u> Fat	<u>NASS AA Butter</u>		<u>Comparison:</u> Class III vs. NASS Butter	<u>Class III</u> Fat	<u>NASS AA Butter</u>		<u>Comparison:</u> Class III vs. NASS Butter
		<u>Butter</u> Per Lb.	<u>Butterfat</u> Per Lb.1/			<u>Butter</u> Per Lb.	<u>Butterfat</u> Per Lb.1/	
		(\$ per Pound)				(\$ per Pound)		
Jan-99	\$2.4909	\$1.4154	\$1.7261	-\$0.7648	\$1.5871	1.4154	\$1.7261	-\$0.1390
Feb-99	\$1.8043	\$1.2984	\$1.5834	-\$0.2209	\$1.4444	1.2984	\$1.5834	-\$0.1390
Mar-99	\$1.8272	\$1.3019	\$1.5877	-\$0.2395	\$1.4487	1.3019	\$1.5877	-\$0.1390
Apr-99	\$1.8377	\$1.0160	\$1.2390	-\$0.5987	\$1.1000	1.0160	\$1.2390	-\$0.1390
May-99	\$1.7377	\$1.0781	\$1.3148	-\$0.4229	\$1.1757	1.0781	\$1.3148	-\$0.1391
Jun-99	\$1.7847	\$1.4609	\$1.7816	-\$0.0031	\$1.6426	1.4609	\$1.7816	-\$0.1390
Jul-99	\$2.0719	\$1.3793	\$1.6821	-\$0.3898	\$1.5430	1.3793	\$1.6821	-\$0.1391
Aug-99	\$2.4812	\$1.3683	\$1.6687	-\$0.8125	\$1.5296	1.3683	\$1.6687	-\$0.1391
Sep-99	\$2.4693	\$1.3252	\$1.6161	-\$0.8532	\$1.4771	1.3252	\$1.6161	-\$0.1390
Oct-99	\$1.9667	\$1.1273	\$1.3748	-\$0.5919	\$1.2357	1.1273	\$1.3748	-\$0.1391
Nov-99	\$1.6663	\$1.0637	\$1.2972	-\$0.3691	\$1.1582	1.0637	\$1.2972	-\$0.1390
Dec-99	\$1.5565	\$0.9184	\$1.1200	-\$0.4365	\$0.9810	0.9184	\$1.1200	-\$0.1390
Jan-00	\$1.5793	\$0.8820	\$1.0756	-\$0.5037	\$0.9366	0.8820	\$1.0756	-\$0.1390
Feb-00	\$1.5065	\$0.9002	\$1.0978	-\$0.4087	\$0.9588	0.9002	\$1.0978	-\$0.1390
Mar-00	\$1.5114	\$0.9497	\$1.1582	-\$0.3532	\$1.0191	0.9497	\$1.1582	-\$0.1391
Apr-00	\$1.4977	\$1.0449	\$1.2743	-\$0.2234	\$1.1352	1.0449	\$1.2743	-\$0.1391
May-00	\$1.5007	\$1.1680	\$1.4244	-\$0.0763	\$1.2854	1.1680	\$1.4244	-\$0.1390
Jun-00	\$1.5195	\$1.2725	\$1.5518	\$0.0323	\$1.4128	1.2725	\$1.5518	-\$0.1390
Jul-00	\$1.6851	\$1.1547	\$1.4082	-\$0.2769	\$1.2691	1.1547	\$1.4082	-\$0.1391
Aug-00	\$1.5996	\$1.1520	\$1.4049	-\$0.1947	\$1.2659	1.1520	\$1.4049	-\$0.1390
Sep-00	\$1.7041	\$1.1560	\$1.4098	-\$0.2943	\$1.2707	1.1560	\$1.4098	-\$0.1391
Oct-00	\$1.5909	\$1.1344	\$1.3834	-\$0.2075	\$1.2444	1.1344	\$1.3834	-\$0.1390
Nov-00	\$1.3741	\$1.4051	\$1.7135	\$0.3394	\$1.5745	1.4051	\$1.7135	-\$0.1390
Dec-00	\$1.4789	\$1.4698	\$1.7924	\$0.3135	\$1.6534	1.4698	\$1.7924	-\$0.1390
1999 Average	\$1.9745	\$1.2294	\$1.4993	-\$0.4753	\$1.3603	\$1.2294	\$1.4993	-\$0.1390
2000 Average	\$1.5457	\$1.1408	\$1.3912	-\$0.1545	\$1.2522	\$1.1408	\$1.3912	-\$0.1390
1999-2000 Average	\$1.7601	\$1.1851	\$1.4452	-\$0.3149	\$1.3062	\$1.1851	\$1.4452	-\$0.1390

Table 3-A
Estimated 1999-2000 Class III and IV Cream & Butterfat
Costs Under The Tentative Final Rule

	<u>40% BF Cream / 48,000 lb. Tanker</u>			<u>40% BF Cream / cwt</u>			<u>Class III & IV Butterfat per Lb.</u>		
	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>
	(\$ / 48,000 Lb. Tanker)			(\$ per Cwt.)			(\$ per Pound)		
Jan-99	\$50,141	\$32,846	\$17,294	\$104.46	\$68.43	\$36.03	\$2.4909	1.5859	\$0.9008
Feb-99	\$36,154	\$30,096	\$6,058	\$75.32	\$62.70	\$12.62	\$1.8043	1.4432	\$0.3155
Mar-99	\$36,629	\$30,024	\$6,605	\$76.31	\$62.55	\$13.76	\$1.8272	1.4474	\$0.3440
Apr-99	\$36,821	\$23,390	\$13,430	\$76.71	\$48.73	\$27.98	\$1.8377	1.0988	\$0.6995
May-99	\$34,877	\$24,802	\$10,075	\$72.66	\$51.67	\$20.99	\$1.7377	1.1745	\$0.5248
Jun-99	\$35,798	\$33,763	\$2,035	\$74.58	\$70.34	\$4.24	\$1.7847	1.6413	\$0.1060
Jul-99	\$41,582	\$31,843	\$9,739	\$86.63	\$66.34	\$20.29	\$2.0719	1.5418	\$0.5073
Aug-99	\$50,342	\$31,598	\$18,744	\$104.88	\$65.83	\$39.05	\$2.4812	1.5284	\$0.9763
Sep-99	\$49,776	\$30,619	\$19,157	\$103.70	\$63.79	\$39.91	\$2.4693	1.4759	\$0.9978
Oct-99	\$39,936	\$26,002	\$13,934	\$83.20	\$54.17	\$29.03	\$1.9667	1.2345	\$0.7258
Nov-99	\$33,398	\$24,485	\$8,914	\$69.58	\$51.01	\$18.57	\$1.6663	1.1570	\$0.4643
Dec-99	\$31,258	\$21,082	\$10,176	\$65.12	\$43.92	\$21.20	\$1.5565	0.9798	\$0.5300
Jan-00	\$31,738	\$20,218	\$11,520	\$66.12	\$42.12	\$24.00	\$1.5793	0.9354	\$0.6000
Feb-00	\$30,187	\$20,645	\$9,542	\$62.89	\$43.01	\$19.88	\$1.5065	0.9576	\$0.4970
Mar-00	\$30,288	\$21,797	\$8,491	\$63.10	\$45.41	\$17.69	\$1.5114	1.0179	\$0.4423
Apr-00	\$30,019	\$24,024	\$5,995	\$62.54	\$50.05	\$12.49	\$1.4977	1.1340	\$0.3123
May-00	\$30,067	\$26,899	\$3,168	\$62.64	\$56.04	\$6.60	\$1.5007	1.2841	\$0.1650
Jun-00	\$30,442	\$29,357	\$1,085	\$63.42	\$61.16	\$2.26	\$1.5195	1.4116	\$0.0565
Jul-00	\$33,773	\$26,597	\$7,176	\$70.36	\$55.41	\$14.95	\$1.6851	1.2679	\$0.3738
Aug-00	\$32,112	\$26,539	\$5,573	\$66.90	\$55.29	\$11.61	\$1.5996	1.2646	\$0.2903
Sep-00	\$34,301	\$26,645	\$7,656	\$71.46	\$55.51	\$15.95	\$1.7041	1.2695	\$0.3988
Oct-00	\$32,189	\$26,131	\$6,058	\$67.06	\$54.44	\$12.62	\$1.5909	1.2432	\$0.3155
Nov-00	\$27,475	\$32,477	-\$5,002	\$57.24	\$67.66	(\$10.42)	\$1.3741	1.5733	-\$0.2605
Dec-00	\$29,746	\$33,994	-\$4,248	\$61.97	\$70.82	(\$8.85)	\$1.4789	1.6522	-\$0.2213
1999 Average	\$39,726	\$28,379	\$11,347	\$82.76	\$59.12	\$23.64	\$1.9745	\$1.3590	\$0.5910
2000 Average	\$31,028	\$26,277	\$4,751	\$64.64	\$54.74	\$9.90	\$1.5457	\$1.2509	\$0.2475
1999-2000 Average	\$35,377	\$27,328	\$8,049	\$73.70	\$56.93	\$16.77	\$1.7601	\$1.3050	\$0.4192

Cream Cost = 0.4 x Class Butterfat Price + 0.6 x Class Skim Price

Cream Cost / # Butterfat not Adjusted for Skim Content

Table 3-B
Estimated 1999-2000 Class III and IV Cream & Butterfat
Costs Under Original Federal Order Reform

	<u>40% BF Cream / 48,000 lb. Tanker</u>			<u>40% BF Cream / cwt</u>			<u>Cream Cost per Pound Butterfat</u>		
	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>
	(\$ / 48,000 Lb. Tanker)			(\$ per Cwt.)			(\$ per Pound)		
Jan-99	\$33,542	\$32,827	\$715.20	\$69.88	\$68.39	\$1.49	\$1.5871	\$1.5871	\$0.0000
Feb-99	\$29,669	\$30,082	(\$412.80)	\$61.81	\$62.67	(\$0.86)	\$1.4444	\$1.4444	\$0.0000
Mar-99	\$29,698	\$30,010	(\$312.00)	\$61.87	\$62.52	(\$0.65)	\$1.4487	\$1.4487	\$0.0000
Apr-99	\$23,491	\$23,381	\$110.40	\$48.94	\$48.71	\$0.23	\$1.1000	\$1.1000	\$0.0000
May-99	\$24,605	\$24,792	(\$187.20)	\$51.26	\$51.65	(\$0.39)	\$1.1757	\$1.1757	\$0.0000
Jun-99	\$33,120	\$33,749	(\$628.80)	\$69.00	\$70.31	(\$1.31)	\$1.6426	\$1.6426	\$0.0000
Jul-99	\$31,867	\$31,829	\$38.40	\$66.39	\$66.31	\$0.08	\$1.5430	\$1.5430	\$0.0000
Aug-99	\$32,621	\$31,584	\$1,036.80	\$67.96	\$65.80	\$2.16	\$1.5296	\$1.5296	\$0.0000
Sep-99	\$31,478	\$30,605	\$873.60	\$65.58	\$63.76	\$1.82	\$1.4771	\$1.4771	\$0.0000
Oct-99	\$26,184	\$25,992	\$192.00	\$54.55	\$54.15	\$0.40	\$1.2357	\$1.2357	\$0.0000
Nov-99	\$24,182	\$24,470	(\$288.00)	\$50.38	\$50.98	(\$0.60)	\$1.1582	\$1.1582	\$0.0000
Dec-99	\$20,779	\$21,067	(\$288.00)	\$43.29	\$43.89	(\$0.60)	\$0.9810	\$0.9810	\$0.0000
Jan-00	\$20,006	\$20,208	(\$201.60)	\$41.68	\$42.10	(\$0.42)	\$0.9366	\$0.9366	\$0.0000
Feb-00	\$20,256	\$20,630	(\$374.40)	\$42.20	\$42.98	(\$0.78)	\$0.9588	\$0.9588	\$0.0000
Mar-00	\$21,350	\$21,782	(\$432.00)	\$44.48	\$45.38	(\$0.90)	\$1.0191	\$1.0191	\$0.0000
Apr-00	\$23,419	\$24,010	(\$590.40)	\$48.79	\$50.02	(\$1.23)	\$1.1352	\$1.1352	\$0.0000
May-00	\$26,136	\$26,890	(\$753.60)	\$54.45	\$56.02	(\$1.57)	\$1.2854	\$1.2854	\$0.0000
Jun-00	\$28,474	\$29,342	(\$868.80)	\$59.32	\$61.13	(\$1.81)	\$1.4128	\$1.4128	\$0.0000
Jul-00	\$26,222	\$26,582	(\$360.00)	\$54.63	\$55.38	(\$0.75)	\$1.2691	\$1.2691	\$0.0000
Aug-00	\$26,006	\$26,525	(\$518.40)	\$54.18	\$55.26	(\$1.08)	\$1.2659	\$1.2659	\$0.0000
Sep-00	\$26,280	\$26,630	(\$350.40)	\$54.75	\$55.48	(\$0.73)	\$1.2707	\$1.2707	\$0.0000
Oct-00	\$25,584	\$26,117	(\$532.80)	\$53.30	\$54.41	(\$1.11)	\$1.2444	\$1.2444	\$0.0000
Nov-00	\$31,142	\$32,467	(\$1,324.80)	\$64.88	\$67.64	(\$2.76)	\$1.5745	\$1.5745	\$0.0000
Dec-00	\$32,813	\$33,979	(\$1,166.40)	\$68.36	\$70.79	(\$2.43)	\$1.6534	\$1.6534	\$0.0000
1999 Average	\$28,436	\$28,366	\$70.80	\$59.24	\$59.10	\$0.15	\$1.3603	\$1.3603	\$0.0000
2000 Average	\$25,641	\$26,264	(\$622.80)	\$53.42	\$54.72	(\$1.30)	\$1.2522	\$1.2522	\$0.0000
1999-2000 Average	\$27,039	\$27,315	(\$276.00)	\$56.33	\$56.91	(\$0.58)	\$1.3062	\$1.3062	\$0.0000

Cream Cost = 0.4 x Class Butterfat Price + 0.6 x Class Skim Price

Table 3-C
Difference in Class III and IV Cream & Butterfat Costs
Between The Tentative Decision and Federal Order Reform

	<u>40% BF Cream / 48,000 lb. Tanker</u>			<u>40% BF Cream / cwt</u>			<u>Cream Cost per Pound Butterfat</u>		
	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>	<u>Class III</u>	<u>Class IV</u>	<u>Difference</u>
	(\$ / 48,000 Lb. Tanker)			(\$\$ per Cwt.)			(\$\$ per Pound)		
Jan-99	\$16,598	\$19	\$16,579	\$34.58	\$0.04	\$34.54	\$0.9038	-\$0.0012	\$0.9050
Feb-99	\$6,485	\$14	\$6,470	\$13.51	\$0.03	\$13.48	\$0.3599	-\$0.0012	\$0.3611
Mar-99	\$6,931	\$14	\$6,917	\$14.44	\$0.03	\$14.41	\$0.3785	-\$0.0013	\$0.3798
Apr-99	\$13,330	\$10	\$13,320	\$27.77	\$0.02	\$27.75	\$0.7377	-\$0.0012	\$0.7389
May-99	\$10,272	\$10	\$10,262	\$21.40	\$0.02	\$21.38	\$0.5620	-\$0.0012	\$0.5632
Jun-99	\$2,678	\$14	\$2,664	\$5.58	\$0.03	\$5.55	\$0.1421	-\$0.0013	\$0.1434
Jul-99	\$9,715	\$14	\$9,701	\$20.24	\$0.03	\$20.21	\$0.5289	-\$0.0012	\$0.5301
Aug-99	\$17,722	\$14	\$17,707	\$36.92	\$0.03	\$36.89	\$0.9516	-\$0.0012	\$0.9528
Sep-99	\$18,298	\$14	\$18,283	\$38.12	\$0.03	\$38.09	\$0.9922	-\$0.0012	\$0.9934
Oct-99	\$13,752	\$10	\$13,742	\$28.65	\$0.02	\$28.63	\$0.7310	-\$0.0012	\$0.7322
Nov-99	\$9,216	\$14	\$9,202	\$19.20	\$0.03	\$19.17	\$0.5081	-\$0.0012	\$0.5093
Dec-99	\$10,478	\$14	\$10,464	\$21.83	\$0.03	\$21.80	\$0.5755	-\$0.0012	\$0.5767
Jan-00	\$11,731	\$10	\$11,722	\$24.44	\$0.02	\$24.42	\$0.6427	-\$0.0012	\$0.6439
Feb-00	\$9,931	\$14	\$9,917	\$20.69	\$0.03	\$20.66	\$0.5477	-\$0.0012	\$0.5489
Mar-00	\$8,938	\$14	\$8,923	\$18.62	\$0.03	\$18.59	\$0.4923	-\$0.0012	\$0.4935
Apr-00	\$6,600	\$14	\$6,586	\$13.75	\$0.03	\$13.72	\$0.3625	-\$0.0012	\$0.3637
May-00	\$3,931	\$10	\$3,922	\$8.19	\$0.02	\$8.17	\$0.2153	-\$0.0013	\$0.2166
Jun-00	\$1,968	\$14	\$1,954	\$4.10	\$0.03	\$4.07	\$0.1067	-\$0.0012	\$0.1079
Jul-00	\$7,550	\$14	\$7,536	\$15.73	\$0.03	\$15.70	\$0.4160	-\$0.0012	\$0.4172
Aug-00	\$6,106	\$14	\$6,091	\$12.72	\$0.03	\$12.69	\$0.3337	-\$0.0013	\$0.3350
Sep-00	\$8,021	\$14	\$8,006	\$16.71	\$0.03	\$16.68	\$0.4334	-\$0.0012	\$0.4346
Oct-00	\$6,605	\$14	\$6,590	\$13.76	\$0.03	\$13.73	\$0.3465	-\$0.0012	\$0.3477
Nov-00	-\$3,667	\$10	-\$3,677	-\$7.64	\$0.02	-\$7.66	-\$0.2004	-\$0.0012	-\$0.1992
Dec-00	-\$3,067	\$14	-\$3,082	-\$6.39	\$0.03	-\$6.42	-\$0.1745	-\$0.0012	-\$0.1733
1999 Average	\$11,290	\$14	\$11,276.00	\$23.52	\$0.03	\$23.49	\$0.6143	(\$0.0012)	\$0.6155
2000 Average	\$5,387	\$13	\$5,374.00	\$11.22	\$0.03	\$11.20	\$0.2935	(\$0.0012)	\$0.2947
1999-2000 Average	\$8,338	\$13	\$8,325.00	\$17.37	\$0.03	\$17.34	\$0.4539	(\$0.0012)	\$0.4551

Cream Cost = 0.4 x Class Butterfat Price + 0.6 x Class Skim Price

Table 4A: III-IV TENTATIVE RULE: ESTIMATED CLASS I POOL IMPACTS: FLORIDA

Month & Year	Tentative Final Rule Separate CI III Fat		Tentative Final Rule Same Class III-IV Fat		Class I Mover Value		Class III Value		Pool Change from Butterfat Switch		
	Class I Mover		Class I Mover		Separate CI. III Fat	With Same CI. III-IV Fat	Separate CI. III Fat	With Same CI. III-IV Fat	Total Pool Change	Total Producer Lbs	Pool Change Per Cwt.
	Butterfat	Skim	Butterfat	Skim							
Jan-99	\$ 2.6739	\$ 8.00	\$ 1.4511	\$ 12.85	\$32,713,835	\$37,773,333	\$2,992,561	\$2,331,402	-\$4,398,339	288,320,614	\$ (1.53)
Feb-99	\$ 2.6453	\$ 7.78	\$ 1.5872	\$ 11.98	\$31,436,768	\$35,796,522	\$993,478	\$934,963	-\$4,301,239	279,543,107	\$ (1.54)
Mar-99	\$ 1.4399	\$ 8.11	\$ 1.4399	\$ 8.11	\$28,112,153	\$28,112,153	\$1,123,848	\$1,046,689	\$77,159	309,623,059	\$ 0.02
Apr-99	\$ 1.4984	\$ 7.90	\$ 1.4984	\$ 7.90	\$25,255,598	\$25,255,598	\$906,594	\$836,194	\$70,401	295,054,995	\$ 0.02
May-99	\$ 1.8419	\$ 5.34	\$ 1.0832	\$ 8.35	\$21,631,606	\$24,530,844	\$1,296,682	\$1,142,549	-\$2,745,105	295,202,409	\$ (0.93)
Jun-99	\$ 1.0744	\$ 7.79	\$ 1.0744	\$ 7.79	\$22,103,452	\$22,103,452	\$719,893	\$710,145	\$9,748	267,197,853	\$ 0.00
Jul-99	\$ 1.6100	\$ 7.80	\$ 1.6100	\$ 7.80	\$25,074,322	\$25,074,322	\$932,189	\$884,856	\$47,333	266,727,411	\$ 0.02
Aug-99	\$ 2.0669	\$ 5.89	\$ 1.5311	\$ 8.01	\$24,409,203	\$26,454,912	\$1,065,020	\$1,022,751	-\$2,003,440	277,596,133	\$ (0.72)
Sep-99	\$ 2.4323	\$ 6.92	\$ 1.5924	\$ 10.26	\$28,096,114	\$31,261,682	\$1,526,034	\$1,311,407	-\$2,950,942	269,644,990	\$ (1.09)
Oct-99	\$ 2.6174	\$ 7.49	\$ 1.4846	\$ 11.99	\$30,611,584	\$34,843,767	\$1,242,034	\$1,073,520	-\$4,063,669	271,485,062	\$ (1.50)
Nov-99	\$ 2.0354	\$ 5.92	\$ 1.2548	\$ 9.02	\$21,850,282	\$24,435,048	\$900,921	\$758,047	-\$2,441,893	231,820,454	\$ (1.05)
Dec-99	\$ 1.1640	\$ 7.91	\$ 1.1640	\$ 7.91	\$22,984,559	\$22,984,559	\$815,837	\$756,587	\$59,250	253,075,929	\$ 0.02
Jan-00	\$ 0.9841	\$ 7.85	\$ 0.9841	\$ 7.85	\$23,582,709	\$23,582,709	\$1,897,040	\$1,425,835	\$471,206	288,320,614	\$ 0.16
Feb-00	\$ 0.9290	\$ 7.84	\$ 0.9290	\$ 7.84	\$22,869,632	\$22,869,632	\$828,341	\$741,255	\$87,086	279,543,107	\$ 0.03
Mar-00	\$ 0.9701	\$ 7.83	\$ 0.9701	\$ 7.83	\$24,830,819	\$24,830,819	\$927,452	\$828,777	\$98,675	309,623,059	\$ 0.03
Apr-00	\$ 0.9977	\$ 7.83	\$ 0.9977	\$ 7.83	\$22,601,339	\$22,601,339	\$739,220	\$702,367	\$36,853	295,054,995	\$ 0.01
May-00	\$ 1.1546	\$ 7.83	\$ 1.1546	\$ 7.83	\$23,721,355	\$23,721,355	\$1,122,675	\$1,061,407	\$61,268	295,202,409	\$ 0.02
Jun-00	\$ 1.2183	\$ 7.83	\$ 1.2183	\$ 7.83	\$22,910,974	\$22,910,974	\$616,946	\$609,029	\$7,918	267,197,853	\$ 0.00
Jul-00	\$ 1.4343	\$ 7.84	\$ 1.4343	\$ 7.84	\$24,263,218	\$24,263,218	\$766,294	\$728,323	\$37,971	266,727,411	\$ 0.01
Aug-00	\$ 1.2901	\$ 7.82	\$ 1.2901	\$ 7.82	\$24,749,408	\$24,749,408	\$696,023	\$678,804	\$17,219	277,596,133	\$ 0.01
Sep-00	\$ 1.2579	\$ 7.82	\$ 1.2579	\$ 7.82	\$24,055,280	\$24,055,280	\$1,057,298	\$961,775	\$95,523	269,644,990	\$ 0.04
Oct-00	\$ 1.2554	\$ 7.89	\$ 1.2554	\$ 7.89	\$24,386,306	\$24,386,306	\$1,004,040	\$922,052	\$81,988	271,485,062	\$ 0.03
Nov-00	\$ 1.2423	\$ 7.87	\$ 1.2423	\$ 7.87	\$22,027,157	\$22,027,157	\$745,200	\$798,045	-\$52,845	231,820,454	\$ (0.02)
Dec-00	\$ 1.3271	\$ 7.88	\$ 1.3271	\$ 7.88	\$23,774,284	\$23,774,284	\$786,220	\$799,704	-\$13,484	253,075,929	\$ (0.01)
1999	\$ 1.9250	\$ 7.24	\$ 1.3976	\$ 9.33	\$26,189,956	\$28,218,849	\$ 1,209,591	\$ 1,067,426	\$(1,886,728)	275,441,001	\$ (0.69)
2000	\$ 1.1717	\$ 7.84	\$ 1.1717	\$ 7.84	\$23,647,707	\$23,647,707	\$ 932,229	\$ 854,781	\$ 77,448	275,441,001	\$ 0.03
99-00	\$ 1.5484	\$ 7.54	\$ 1.2847	\$ 8.59	\$24,918,832	\$25,933,278	\$ 1,070,910	\$ 961,104	\$(904,640)	275,441,001	\$ (0.33)

1999 Pool Impacts estimated based on 2000 Class I and Pool Milk and Milk Component Statistics.

Sources: USDA and National All-Jersey Inc.

02/05/01

TABLE 4B: III-IV TENTATIVE RULE: ESTIMATED CLASS I POOL IMPACTS: APPALACHIAN

Month & Year	Tentative Final Rule Separate CI III Fat Class I Mover		Tentative Final Rule Same Class III-IV Fat Class I Mover		Class I Mover Value		Class III Value		Pool Change from Butterfat Switch		
	Butterfat	Skim	Butterfat	Skim	Separate CI. III Fat	With Same CI. III-IV Fat	Separate CI. III Fat	With Same CI. III-IV Fat	Total Pool Change	Total Producer Lbs	Pool Change Per Cwt.
Jan-99	\$ 2.6739	\$ 8.00	\$ 1.4511	\$ 12.85	\$52,034,118	\$60,377,824	\$4,434,628	\$3,763,708	-\$7,672,786	506,004,976	\$ (1.52)
Feb-99	\$ 2.6453	\$ 7.78	\$ 1.5872	\$ 11.98	\$45,069,803	\$51,675,838	\$2,045,595	\$1,967,235	-\$6,527,675	492,333,161	\$ (1.33)
Mar-99	\$ 1.4399	\$ 8.11	\$ 1.4399	\$ 8.11	\$41,484,524	\$41,484,524	\$3,451,456	\$3,250,377	\$201,080	593,201,208	\$ 0.03
Apr-99	\$ 1.4984	\$ 7.90	\$ 1.4984	\$ 7.90	\$36,927,694	\$36,927,694	\$6,293,769	\$6,186,236	\$107,533	565,671,293	\$ 0.02
May-99	\$ 1.8419	\$ 5.34	\$ 1.0832	\$ 8.35	\$32,921,025	\$37,878,915	\$8,132,816	\$7,999,592	-\$4,824,666	582,988,699	\$ (0.83)
Jun-99	\$ 1.0744	\$ 7.79	\$ 1.0744	\$ 7.79	\$34,491,755	\$34,491,755	\$7,846,484	\$7,785,400	\$61,084	557,820,284	\$ 0.01
Jul-99	\$ 1.6100	\$ 7.80	\$ 1.6100	\$ 7.80	\$37,683,614	\$37,683,614	\$5,158,639	\$4,784,494	\$374,145	490,476,558	\$ 0.08
Aug-99	\$ 2.0669	\$ 5.89	\$ 1.5311	\$ 8.01	\$38,139,772	\$41,714,125	\$5,367,624	\$4,685,112	-\$2,891,841	500,316,576	\$ (0.58)
Sep-99	\$ 2.4323	\$ 6.92	\$ 1.5924	\$ 10.26	\$42,384,360	\$47,828,669	\$5,910,610	\$4,754,179	-\$4,287,877	469,034,164	\$ (0.91)
Oct-99	\$ 2.6174	\$ 7.49	\$ 1.4846	\$ 11.99	\$47,006,527	\$54,422,790	\$4,504,714	\$3,915,192	-\$6,826,742	503,975,712	\$ (1.35)
Nov-99	\$ 2.0354	\$ 5.92	\$ 1.2548	\$ 9.02	\$37,970,432	\$42,887,001	\$4,435,751	\$3,954,731	-\$4,435,548	497,762,871	\$ (0.89)
Dec-99	\$ 1.1640	\$ 7.91	\$ 1.1640	\$ 7.91	\$38,267,987	\$38,267,987	\$5,272,597	\$5,110,853	\$161,744	558,221,939	\$ 0.03
Jan-00	\$ 0.9841	\$ 7.85	\$ 0.9841	\$ 7.85	\$37,681,039	\$37,681,039	\$2,810,957	\$2,331,844	\$479,112	506,004,976	\$ 0.09
Feb-00	\$ 0.9290	\$ 7.84	\$ 0.9290	\$ 7.84	\$33,035,806	\$33,035,806	\$1,705,225	\$1,590,503	\$114,722	492,333,161	\$ 0.02
Mar-00	\$ 0.9701	\$ 7.83	\$ 0.9701	\$ 7.83	\$36,753,447	\$36,753,447	\$2,847,808	\$2,591,755	\$256,054	593,201,208	\$ 0.04
Apr-00	\$ 0.9977	\$ 7.83	\$ 0.9977	\$ 7.83	\$33,161,178	\$33,161,178	\$5,132,289	\$5,061,227	\$71,062	565,671,293	\$ 0.01
May-00	\$ 1.1546	\$ 7.83	\$ 1.1546	\$ 7.83	\$36,570,825	\$36,570,825	\$7,050,344	\$6,980,389	\$69,955	582,988,699	\$ 0.01
Jun-00	\$ 1.2183	\$ 7.83	\$ 1.2183	\$ 7.83	\$35,699,722	\$35,699,722	\$6,728,193	\$6,675,330	\$52,863	557,820,284	\$ 0.01
Jul-00	\$ 1.4343	\$ 7.84	\$ 1.4343	\$ 7.84	\$36,535,052	\$36,535,052	\$4,235,821	\$3,937,803	\$298,018	490,476,558	\$ 0.06
Aug-00	\$ 1.2901	\$ 7.82	\$ 1.2901	\$ 7.82	\$39,100,724	\$39,100,724	\$3,495,849	\$3,247,019	\$248,830	500,316,576	\$ 0.05
Sep-00	\$ 1.2579	\$ 7.82	\$ 1.2579	\$ 7.82	\$36,783,705	\$36,783,705	\$4,091,724	\$3,580,823	\$510,902	469,034,164	\$ 0.11
Oct-00	\$ 1.2554	\$ 7.89	\$ 1.2554	\$ 7.89	\$37,956,386	\$37,956,386	\$3,641,488	\$3,354,268	\$287,220	503,975,712	\$ 0.06
Nov-00	\$ 1.2423	\$ 7.87	\$ 1.2423	\$ 7.87	\$38,614,571	\$38,614,571	\$3,672,852	\$3,840,941	-\$168,089	497,762,871	\$ (0.03)
Dec-00	\$ 1.3271	\$ 7.88	\$ 1.3271	\$ 7.88	\$39,508,425	\$39,508,425	\$5,091,253	\$5,108,003	-\$16,750	558,221,939	\$ (0.00)
1999	\$ 1.9250	\$ 7.24	\$ 1.3976	\$ 9.33	\$40,365,134	\$43,803,395	\$ 5,237,890	\$ 4,846,426	\$ (3,046,796)	526,483,953	\$ (0.60)
2000	\$ 1.1717	\$ 7.84	\$ 1.1717	\$ 7.84	\$36,783,407	\$36,783,407	\$ 4,208,650	\$ 4,024,992	\$ 183,658	526,483,953	\$ 0.04
99-2000	\$ 1.5484	\$ 7.54	\$ 1.2847	\$ 8.59	\$38,574,270	\$40,293,401	\$4,723,270	\$4,435,709	\$ (1,431,569)	526,483,953	\$ (0.28)

1999 Pool Impacts estimated based on 2000 Class I and Pool Milk and Milk Component Statistics.

Sources: USDA and National All-Jersey Inc.

02/05/01

TABLE 4C: III-IV TENTATIVE RULE: ESTIMATED CLASS I POOL IMPACTS: SOUTHEAST

Month & Year	Tentative Final Rule Separate CI III Fat		Tentative Final Rule Same Class III-IV Fat		Class I Mover Value		Class III Value		Pool Change from Butterfat Switch		
	Class I Mover Butterfat	Skim	Class I Mover Butterfat	Skim	Separate CI. III Fat	With Same CI. III-IV Fat	Separate CI. III Fat	With Same CI. III-IV Fat	Total Pool Change	Total Producer Lbs	Pool Change Per Cwt.
Jan-99	\$ 2.6739	\$ 8.00	\$ 1.4511	\$ 12.85	\$64,124,342	\$74,115,209	\$22,028,424	\$20,527,771	-\$8,490,213	746,009,902	\$ (1.14)
Feb-99	\$ 2.6453	\$ 7.78	\$ 1.5872	\$ 11.98	\$58,755,978	\$66,891,025	\$13,223,903	\$12,945,118	-\$7,856,262	704,967,953	\$ (1.11)
Mar-99	\$ 1.4399	\$ 8.11	\$ 1.4399	\$ 8.11	\$52,512,361	\$52,512,361	\$15,938,780	\$15,655,170	\$283,609	763,319,778	\$ 0.04
Apr-99	\$ 1.4984	\$ 7.90	\$ 1.4984	\$ 7.90	\$47,504,936	\$47,504,936	\$15,429,222	\$15,185,410	\$243,812	749,149,882	\$ 0.03
May-99	\$ 1.8419	\$ 5.34	\$ 1.0832	\$ 8.35	\$41,867,022	\$47,726,705	\$15,792,308	\$15,720,219	-\$5,787,594	758,565,140	\$ (0.76)
Jun-99	\$ 1.0744	\$ 7.79	\$ 1.0744	\$ 7.79	\$43,228,234	\$43,228,234	\$14,734,792	\$14,635,320	\$99,472	683,727,735	\$ 0.01
Jul-99	\$ 1.6100	\$ 7.80	\$ 1.6100	\$ 7.80	\$47,533,131	\$47,533,131	\$13,400,954	\$13,170,318	\$230,636	645,407,754	\$ 0.04
Aug-99	\$ 2.0669	\$ 5.89	\$ 1.5311	\$ 8.01	\$48,169,076	\$52,352,205	\$14,264,481	\$13,831,398	-\$3,750,045	662,001,994	\$ (0.57)
Sep-99	\$ 2.4323	\$ 6.92	\$ 1.5924	\$ 10.26	\$56,053,386	\$62,829,935	\$15,280,908	\$14,713,609	-\$6,209,250	658,332,701	\$ (0.94)
Oct-99	\$ 2.6174	\$ 7.49	\$ 1.4846	\$ 11.99	\$60,872,830	\$69,914,858	\$14,422,207	\$13,853,190	-\$8,473,011	710,671,561	\$ (1.19)
Nov-99	\$ 2.0354	\$ 5.92	\$ 1.2548	\$ 9.02	\$43,373,452	\$48,613,668	\$11,872,039	\$11,525,612	-\$4,893,788	608,003,199	\$ (0.80)
Dec-99	\$ 1.1640	\$ 7.91	\$ 1.1640	\$ 7.91	\$42,879,798	\$42,879,798	\$11,053,553	\$10,404,541	\$649,011	619,493,096	\$ 0.10
Jan-00	\$ 0.9841	\$ 7.85	\$ 0.9841	\$ 7.85	\$46,268,221	\$46,268,221	\$13,961,648	\$12,881,787	\$1,079,861	746,009,902	\$ 0.14
Feb-00	\$ 0.9290	\$ 7.84	\$ 0.9290	\$ 7.84	\$42,734,443	\$42,734,443	\$11,021,665	\$10,629,296	\$392,369	704,967,953	\$ 0.06
Mar-00	\$ 0.9701	\$ 7.83	\$ 0.9701	\$ 7.83	\$46,390,429	\$46,390,429	\$13,142,244	\$12,804,375	\$337,869	763,319,778	\$ 0.04
Apr-00	\$ 0.9977	\$ 7.83	\$ 0.9977	\$ 7.83	\$42,545,161	\$42,545,161	\$12,581,868	\$12,417,260	\$164,608	749,149,882	\$ 0.02
May-00	\$ 1.1546	\$ 7.83	\$ 1.1546	\$ 7.83	\$46,125,319	\$46,125,319	\$13,692,356	\$13,626,888	\$65,469	758,565,140	\$ 0.01
Jun-00	\$ 1.2183	\$ 7.83	\$ 1.2183	\$ 7.83	\$44,791,856	\$44,791,856	\$12,636,047	\$12,548,056	\$87,991	683,727,735	\$ 0.01
Jul-00	\$ 1.4343	\$ 7.84	\$ 1.4343	\$ 7.84	\$46,027,620	\$46,027,620	\$11,035,230	\$10,841,681	\$193,549	645,407,754	\$ 0.03
Aug-00	\$ 1.2901	\$ 7.82	\$ 1.2901	\$ 7.82	\$49,006,471	\$49,006,471	\$9,325,689	\$9,140,994	\$184,695	662,001,994	\$ 0.03
Sep-00	\$ 1.2579	\$ 7.82	\$ 1.2579	\$ 7.82	\$48,332,977	\$48,332,977	\$10,603,719	\$10,332,792	\$270,926	658,332,701	\$ 0.04
Oct-00	\$ 1.2554	\$ 7.89	\$ 1.2554	\$ 7.89	\$48,841,077	\$48,841,077	\$11,655,539	\$11,353,223	\$302,316	710,671,561	\$ 0.04
Nov-00	\$ 1.2423	\$ 7.87	\$ 1.2423	\$ 7.87	\$43,811,252	\$43,811,252	\$9,846,263	\$9,906,527	-\$60,263	608,003,199	\$ (0.01)
Dec-00	\$ 1.3271	\$ 7.88	\$ 1.3271	\$ 7.88	\$44,318,953	\$44,318,953	\$10,659,279	\$10,793,038	-\$133,759	619,493,096	\$ (0.02)
1999	\$ 1.9250	\$ 7.24	\$ 1.3976	\$ 9.33	\$50,572,879	\$54,675,172	\$14,786,798	\$14,347,306	\$ (3,662,802)	692,470,891	\$ (0.52)
2000	\$ 1.1717	\$ 7.84	\$ 1.1717	\$ 7.84	\$45,766,148	\$45,766,148	\$11,680,129	\$11,439,660	\$ 240,469	692,470,891	\$ 0.03
99-2000	\$ 1.5484	\$ 7.54	\$ 1.2847	\$ 8.59	\$48,169,514	\$50,220,660	\$13,233,463	\$12,893,483	\$ (1,711,166)	692,470,891	\$ (0.25)

1999 Pool Impacts estimated based on 2000 Class I and Pool Milk and Milk Component Statistics.

Sources: USDA and National All-Jersey Inc.

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**Table 5A: Class I, & III Pool Utilizations
Due to Order Reform, 1999 Utilizations Assumed for 2000**

	US Class I Utilization			US Class III Utilization		US Class III Utilization	
	2000 Data		Percent Butterfat	2000 Data		2000 Data	
	Fat <i>(All Orders)</i>	Skim		Fat <i>(All Orders)</i>	Protein <i>(MCP Orders)</i>	OS	Skim <i>(Fat-Skim Orders)</i>
Jan-99	80,151,947	3,996,928,711	2.01%	157,894,737	117,008,164	217,505,835	214,415,063
Feb-99	75,059,415	3,778,079,072	1.99%	149,192,624	112,712,730	209,805,729	204,148,080
Mar-99	81,170,904	4,078,417,203	1.99%	165,258,539	122,666,193	232,167,496	234,769,029
Apr-99	72,604,431	3,668,804,480	1.98%	162,594,077	123,330,730	235,031,038	257,202,235
May-99	77,266,394	3,868,143,521	2.00%	165,355,940	124,983,662	240,865,809	292,672,517
Jun-99	74,933,610	3,653,903,343	2.05%	154,554,212	119,445,796	231,655,556	263,675,286
Jul-99	73,993,611	3,596,727,769	2.06%	156,622,839	121,801,669	238,388,772	203,756,204
Aug-99	80,613,563	3,945,838,613	2.04%	146,996,048	114,347,417	221,228,145	187,366,959
Sep-99	79,047,873	3,955,188,205	2.00%	144,087,232	110,228,302	207,543,891	201,538,259
Oct-99	81,222,190	4,004,914,658	2.03%	152,598,431	116,607,644	215,271,780	223,157,131
Nov-99	82,428,228	3,925,859,978	2.10%	152,501,720	115,392,104	211,384,250	213,359,597
Dec-99	84,009,584	3,927,076,195	2.14%	160,427,204	121,679,155	221,833,828	227,176,017
Jan-00	80,151,947	3,996,928,711	2.01%	157,894,737	117,008,164	217,505,835	214,415,063
Feb-00	75,059,415	3,778,079,072	1.99%	149,192,624	112,712,730	209,805,729	204,148,080
Mar-00	81,170,904	4,078,417,203	1.99%	165,258,539	122,666,193	232,167,496	234,769,029
Apr-00	72,604,431	3,668,804,480	1.98%	162,594,077	123,330,730	235,031,038	257,202,235
May-00	77,266,394	3,868,143,521	2.00%	165,355,940	124,983,662	240,865,809	292,672,517
Jun-00	74,933,610	3,653,903,343	2.05%	154,554,212	119,445,796	231,655,556	263,675,286
Jul-00	73,993,611	3,596,727,769	2.06%	156,622,839	121,801,669	238,388,772	203,756,204
Aug-00	80,613,563	3,945,838,613	2.04%	146,996,048	114,347,417	221,228,145	187,366,959
Sep-00	79,047,873	3,955,188,205	2.00%	144,087,232	110,228,302	207,543,891	201,538,259
Oct-00	81,222,190	4,004,914,658	2.03%	152,598,431	116,607,644	215,271,780	223,157,131
Nov-00	82,428,228	3,925,859,978	2.10%	152,501,720	115,392,104	211,384,250	213,359,597
Dec-00	84,009,584	3,927,076,195	2.14%	160,427,204	121,679,155	221,833,828	227,176,017

AVERAGE CLASS I & III UTILIZATIONS FOR CLASSES I and III - ALL ORDERS:

1999	76,974,234	3,823,355,339	2.01%	157,308,627	119,537,045	228,331,048	232,250,672
2000	78,541,812	3,866,656,812	2.03%	155,673,634	118,350,297	223,556,844	226,936,365
99-2000	77,914,781	3,849,336,223	2.02%	156,327,631	118,824,996	225,466,525	229,062,088

TOTAL CLASS I & III UTILIZATIONS FOR CLASSES I and III - ALL ORDERS

1999	942,501,749	46,399,881,749	2.03%	1,868,083,603	1,420,203,566	2,682,682,129	2,723,236,377
2000	942,501,749	46,399,881,749	2.03%	1,868,083,603	1,420,203,566	2,682,682,129	2,723,236,377
99-2000	1,885,003,498	92,799,763,498	2.03%	3,736,167,205	2,840,407,132	5,365,364,258	5,446,472,755

1999 Pool Impacts estimated based on 1999 Prices and 2000 Class I and Pool Milk and Milk Component Statistics.
Sources: USDA and National All-Jersey Inc.

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Table 5B: Class I, III, and Producer Pool Impacts
Tentative Rule versus Old Butterfat Formula with 16.5 cent Make Allowance

Month & Year	Tentative Final Rule Separate CI III Fat		Tentative Final Rule Same Class III-IV Fat		Class I Mover Value		Class III Milk Value		Total Pool Change
	Class I Mover Butterfat	Skim	Class I Mover Butterfat	Skim	Separate CI. III Fat	With Same Cl. III-IV Fat	Separate Cl. III Fat	With Same Cl. III-IV Fat	
Jan-99	\$ 2.6739	\$ 8.00	\$ 1.4511	\$ 12.85	\$534,072,588	\$629,913,829	\$684,371,395	\$682,493,321	-\$93,963,167
Feb-99	\$ 2.6453	\$ 7.78	\$ 1.5872	\$ 11.98	\$492,489,221	\$571,748,176	\$471,320,768	\$470,342,821	-\$78,281,008
Mar-99	\$ 1.4399	\$ 8.11	\$ 1.4399	\$ 8.11	\$447,637,620	\$447,637,620	\$525,980,987	\$524,064,523	\$1,916,464
Apr-99	\$ 1.4984	\$ 7.90	\$ 1.4984	\$ 7.90	\$398,626,034	\$398,626,034	\$524,595,194	\$526,300,439	-\$1,705,245
May-99	\$ 1.8419	\$ 5.34	\$ 1.0832	\$ 8.35	\$348,875,835	\$406,684,942	\$503,260,964	\$504,376,274	-\$58,924,417
Jun-99	\$ 1.0744	\$ 7.79	\$ 1.0744	\$ 7.79	\$365,147,741	\$365,147,741	\$486,038,071	\$485,026,332	\$1,011,739
Jul-99	\$ 1.6100	\$ 7.80	\$ 1.6100	\$ 7.80	\$399,674,479	\$399,674,479	\$568,641,752	\$570,279,530	-\$1,637,778
Aug-99	\$ 2.0669	\$ 5.89	\$ 1.5311	\$ 8.01	\$399,030,069	\$439,489,100	\$639,348,216	\$643,701,895	-\$44,812,710
Sep-99	\$ 2.4323	\$ 6.92	\$ 1.5924	\$ 10.26	\$465,967,166	\$531,678,143	\$622,388,738	\$625,265,388	-\$68,587,627
Oct-99	\$ 2.6174	\$ 7.49	\$ 1.4846	\$ 11.99	\$512,559,067	\$600,771,730	\$528,723,716	\$530,560,190	-\$90,049,138
Nov-99	\$ 2.0354	\$ 5.92	\$ 1.2548	\$ 9.02	\$400,185,326	\$457,543,511	\$446,624,930	\$446,329,121	-\$57,062,376
Dec-99	\$ 1.1640	\$ 7.91	\$ 1.1640	\$ 7.91	\$408,418,883	\$408,418,883	\$439,610,745	\$439,816,064	-\$205,320
Jan-00	\$ 0.9841	\$ 7.85	\$ 0.9841	\$ 7.85	\$392,636,435	\$392,636,435	\$433,672,501	\$431,719,840	\$1,952,661
Feb-00	\$ 0.9290	\$ 7.84	\$ 0.9290	\$ 7.84	\$365,931,595	\$365,931,595	\$392,923,216	\$392,565,417	\$357,800
Mar-00	\$ 0.9701	\$ 7.83	\$ 0.9701	\$ 7.83	\$398,083,961	\$398,083,961	\$433,857,129	\$432,090,905	\$1,766,224
Apr-00	\$ 0.9977	\$ 7.83	\$ 0.9977	\$ 7.83	\$359,704,832	\$359,704,832	\$427,608,321	\$427,237,414	\$370,907
May-00	\$ 1.1546	\$ 7.83	\$ 1.1546	\$ 7.83	\$392,087,416	\$392,087,416	\$436,419,346	\$435,394,659	\$1,024,687
Jun-00	\$ 1.2183	\$ 7.83	\$ 1.2183	\$ 7.83	\$377,392,248	\$377,392,248	\$417,120,055	\$415,814,951	\$1,305,104
Jul-00	\$ 1.4343	\$ 7.84	\$ 1.4343	\$ 7.84	\$388,112,493	\$388,112,493	\$468,838,706	\$469,629,778	-\$791,072
Aug-00	\$ 1.2901	\$ 7.82	\$ 1.2901	\$ 7.82	\$412,564,138	\$412,564,138	\$418,518,333	\$418,639,571	-\$121,238
Sep-00	\$ 1.2579	\$ 7.82	\$ 1.2579	\$ 7.82	\$408,730,037	\$408,730,037	\$432,161,356	\$432,264,675	-\$103,318
Oct-00	\$ 1.2554	\$ 7.89	\$ 1.2554	\$ 7.89	\$417,954,103	\$417,954,103	\$427,350,234	\$427,040,558	\$309,676
Nov-00	\$ 1.2423	\$ 7.87	\$ 1.2423	\$ 7.87	\$411,365,768	\$411,365,768	\$370,412,800	\$367,498,620	\$2,914,180
Dec-00	\$ 1.3271	\$ 7.88	\$ 1.3271	\$ 7.88	\$420,942,723	\$420,942,723	\$425,085,325	\$422,039,763	\$3,045,562

AVERAGE POOL CHANGES FOR CLASSES I and III - ALL ORDERS:

1999	\$ 1.9250	\$ 7.24	\$ 1.3976	\$ 9.33	\$431,057,002	\$471,444,516	\$536,742,123	\$537,379,658	\$ (41,025,049)
2000	\$ 1.1717	\$ 7.84	\$ 1.1717	\$ 7.84	\$395,458,812	\$395,458,812	\$423,663,943	\$422,661,346	\$ 1,002,598
99-2000	\$ 1.5484	\$ 7.54	\$ 1.2847	\$ 8.59	\$413,257,907	\$433,451,664	\$480,203,033	\$480,020,502	\$ (20,011,225)

TOTAL POOL CHANGES FOR CLASSES I and III - ALL ORDERS

1999	--	--	--	--	\$5,172,684,029	\$5,657,334,188	\$6,440,905,475	\$6,448,555,899	-\$492,300,583
2000	--	--	--	--	\$4,745,505,749	\$4,745,505,749	\$5,083,967,322	\$5,071,936,150	\$12,031,172
99-2000	--	--	--	--	\$9,918,189,778	\$10,402,839,937	\$11,524,872,797	\$11,520,492,049	-\$480,269,411

1999 Pool Impacts estimated based on 1999 Prices and 2000 Class I and Pool Milk and Milk Component Statistics.

Sources: USDA and National All-Jersey Inc.

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