

BEFORE THE UNITED STATES DEPARTMENT  
OF AGRICULTURE  
AGRICULTURE MARKETING SERVICE

In the Matter of Milk in California  
Notice of Hearing on a Proposal to  
Establish a Federal Milk Marketing  
Order

7 CFR Part 1051  
Docket No.: AO-15-0071  
AMS-DA-14-0095

Clovis, California, October 2015

Figures and Tables for  
Testimony of Dr. William Schiek  
Part 1

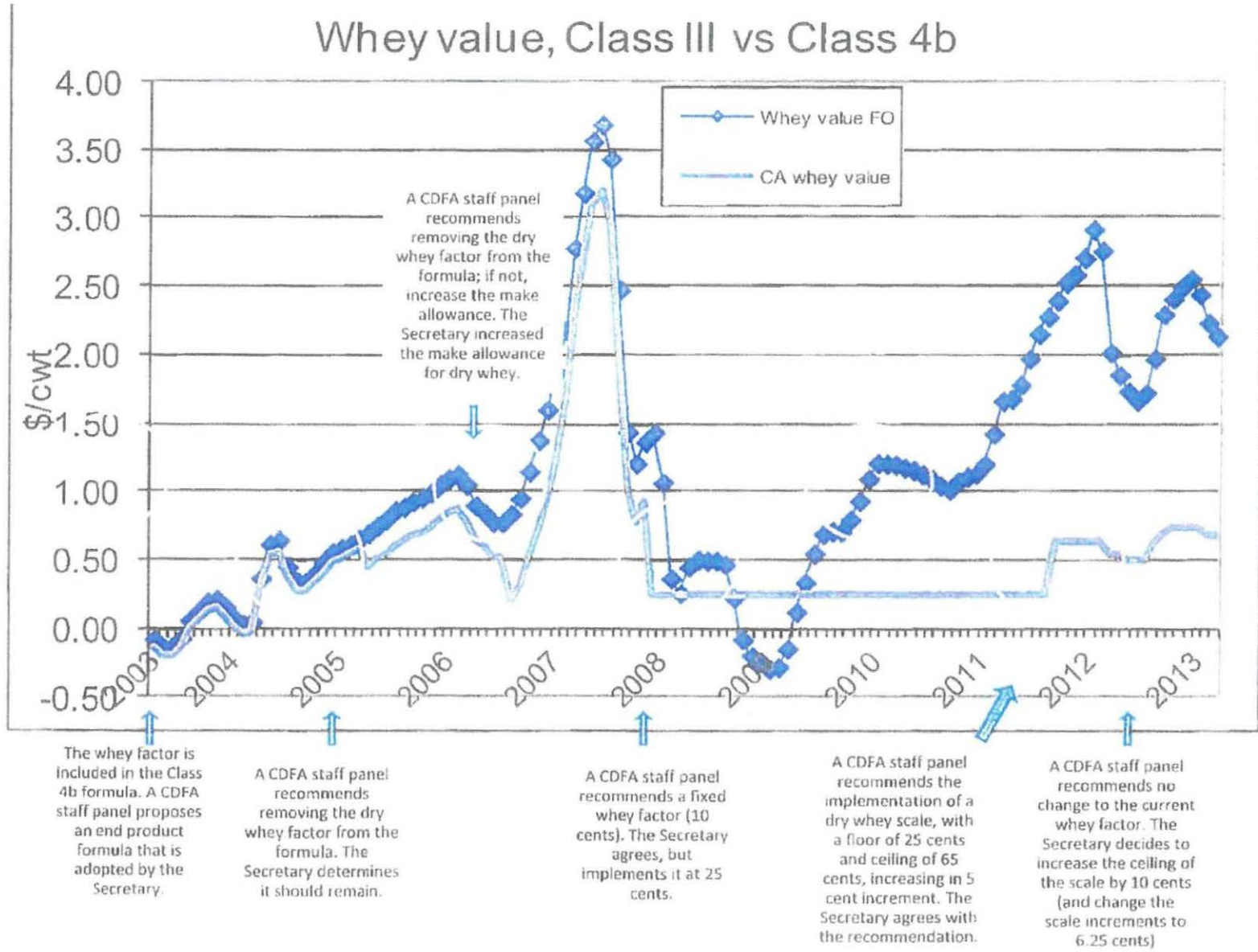
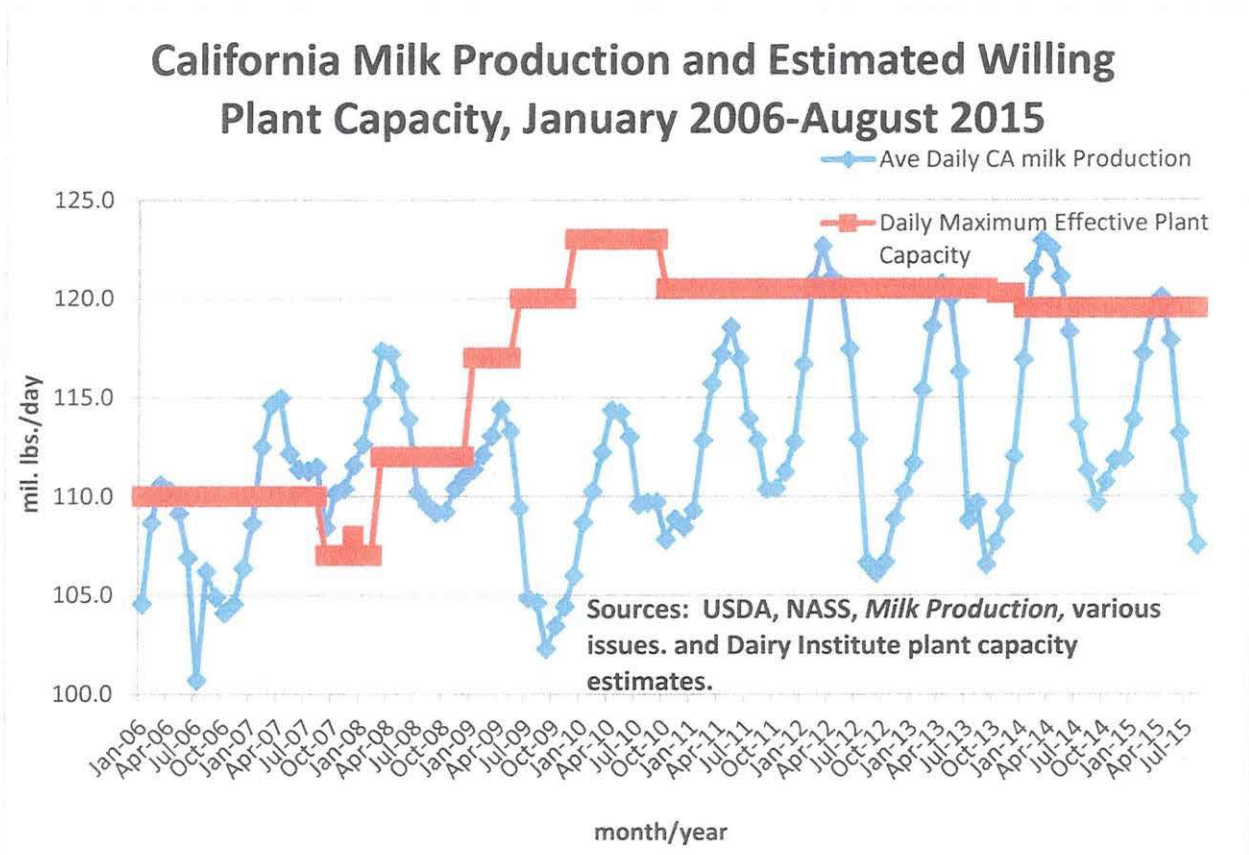


Figure 1.

Figure 2



Source: See Table 1.

Table 1.

Estimates of Effective Daily Milk Processing and Manufacturing Capacity in California, January 2006-August 2015.

	CA Ave Daily Milk Production thousand lbs	Milk Production Y-O-Y change	CA Ave Daily Milk Production million lbs	Daily Effective CA Plant Capacity million lbs	
Jan-06	104,548.4		104.5	110	
Feb-06	108,642.9		108.6	110	
Mar-06	110,580.6		110.6	110	In March and April 2006, USDA Dairy Market News first reported milk leaving CA to find processing homes. Given, that outflows of distressed milk were not reported in February and May, we estimated that the available plant capacity at that time was @110 million pounds per day
Apr-06	110,300.0		110.3	110	
May-06	109,129.0		109.1	110	
Jun-06	106,866.7		106.9	110	
Jul-06	100,709.7		100.7	110	
Aug-06	106,193.5		106.2	110	
Sep-06	104,900.0		104.9	110	
Oct-06	104,096.8		104.1	110	
Nov-06	104,533.3		104.5	110	
Dec-06	106,354.8		106.4	110	
Jan-07	108,612.9	3.9%	108.6	110	
Feb-07	112,500.0	3.6%	112.5	110	
Mar-07	114,612.9	3.6%	114.6	110	
Apr-07	114,966.7	4.2%	115.0	110	
May-07	112,161.3	2.8%	112.2	110	
Jun-07	111,366.7	4.2%	111.4	110	
Jul-07	111,290.3	10.5%	111.3	110	
Aug-07	111,483.9	5.0%	111.5	110	
Sep-07	108,400.0	3.3%	108.4	107	Golden Cheese Cutback -- minus 3 million per day (Sept '07)
Oct-07	110,161.3	5.8%	110.2	107	
Nov-07	110,400.0	5.6%	110.4	107	
Dec-07	111,580.6	4.9%	111.6	108	Provisions foods + ~ 1 million pounds per day (fall of 2007)
Jan-08	112,645.2	3.7%	112.6	107	Golden Cheese Closes -- minus additional 2 million per day (Jan '08)
Feb-08	114,827.6	2.1%	114.8	107	DFA Hughson -- added 1 million pounds capacity January 2008
Mar-08	117,354.8	2.4%	117.4	112	CDI Visalia 1 -- add 5 million per day (Mar '08)
Apr-08	117,166.7	1.9%	117.2	112	
May-08	115,580.6	3.0%	115.6	112	
Jun-08	113,900.0	2.3%	113.9	112	
Jul-08	110,225.8	-1.0%	110.2	112	
Aug-08	109,580.6	-1.7%	109.6	112	
Sep-08	109,166.7	0.7%	109.2	112	
Oct-08	109,225.8	-0.8%	109.2	112	
Nov-08	110,400.0	0.0%	110.4	112	
Dec-08	111,000.0	-0.5%	111.0	112	
Jan-09	111,387.1	-1.1%	111.4	117	CDI Visalia 2 -- add another 5 million per day (@Jan 2009)
Feb-09	112,107.1	-2.4%	112.1	117	
Mar-09	113,064.5	-3.7%	113.1	117	
Apr-09	114,433.3	-2.3%	114.4	117	
May-09	113,290.3	-2.0%	113.3	117	
Jun-09	109,433.3	-3.9%	109.4	120	LOL Tulare Butter-powder expansion (@June '09)
Jul-09	104,838.7	-4.9%	104.8	120	-- add three million per day
Aug-09	104,612.9	-4.5%	104.6	120	
Sep-09	102,300.0	-6.3%	102.3	120	

Table 1.

Estimates of Effective Daily Milk Processing and Manufacturing Capacity in California, January 2006-August 2015.

	CA Ave Daily Milk Production thousand lbs	Milk Production Y-O-Y change	CA Ave Daily Milk Production million lbs	Daily Effective CA Plant Capacity million lbs	
Oct-09	103,451.6	-5.3%	103.5	120	
Nov-09	104,433.3	-5.4%	104.4	120	
Dec-09	106,000.0	-4.5%	106.0	123	
Jan-10	108,666.0	-2.4%	108.7	123	Leprino Expansion -- add 3 million per day net at Lemoore (Dec '09)
Feb-10	110,257.0	-1.7%	110.3	123	
Mar-10	112,228.0	-0.7%	112.2	123	
Apr-10	114,372.0	-0.1%	114.4	123	
May-10	114,213.0	0.8%	114.2	123	
Jun-10	113,024.0	3.3%	113.0	123	
Jul-10	109,588.0	4.5%	109.6	123	
Aug-10	109,694.0	4.9%	109.7	123	
Sep-10	109,716.0	7.2%	109.7	123	
Oct-10	107,800.0	4.2%	107.8	120.5	LOL Tulare Cheese Idled announced -- minus 2.5 million per day (Oct 2010)
Nov-10	108,848.0	4.2%	108.8	120.5	
Dec-10	108,434.0	2.3%	108.4	120.5	
Jan-11	109,304.0	0.6%	109.3	120.5	
Feb-11	112,839.0	2.3%	112.8	120.5	
Mar-11	115,727.0	3.1%	115.7	120.5	
Apr-11	117,173.0	2.4%	117.2	120.5	
May-11	118,552.0	3.8%	118.6	120.5	
Jun-11	116,946.0	3.5%	116.9	120.5	
Jul-11	113,938.0	4.0%	113.9	120.5	
Aug-11	112,823.0	2.9%	112.8	120.5	
Sep-11	110,376.0	0.6%	110.4	120.5	
Oct-11	110,404.0	2.4%	110.4	120.5	
Nov-11	111,251.0	2.2%	111.3	120.5	
Dec-11	112,774.2	4.0%	112.8	120.5	
Jan-12	116,677.4	6.7%	116.7	120.5	
Feb-12	120,896.6	7.1%	120.9	120.5	
Mar-12	122,645.2	6.0%	122.6	120.5	
Apr-12	121,066.7	3.3%	121.1	120.5	
May-12	120,709.7	1.8%	120.7	120.5	
Jun-12	117,433.3	0.4%	117.4	120.5	
Jul-12	112,871.0	-0.9%	112.9	120.5	
Aug-12	106,645.2	-5.5%	106.6	120.5	
Sep-12	106,133.3	-3.8%	106.1	120.5	
Oct-12	106,677.4	-3.4%	106.7	120.5	
Nov-12	108,866.7	-2.1%	108.9	120.5	
Dec-12	110,256.1	-2.2%	110.3	120.5	
Jan-13	111,677.4	-4.3%	111.7	120.5	
Feb-13	115,392.9	-4.6%	115.4	120.5	
Mar-13	118,580.6	-3.3%	118.6	120.5	
Apr-13	120,733.3	-0.3%	120.7	120.5	
May-13	120,000.0	-0.6%	120.0	120.5	
Jun-13	116,300.0	-1.0%	116.3	120.5	

Table 1.

Estimates of Effective Daily Milk Processing and Manufacturing Capacity in California, January 2006-August 2015.

	CA Ave Daily Milk Production thousand lbs	Milk Production Y-O-Y change	CA Ave Daily Milk Production million lbs	Daily Effective CA Plant Capacity million lbs	
Jul-13	108,806.5	-3.6%	108.8	120.5	
Aug-13	109,677.4	2.8%	109.7	120.5	
Sep-13	106,566.7	0.4%	106.6	120.5	
Oct-13	107,709.7	1.0%	107.7	120.25	Closure of Mozzarella Fresca estimated at 0.25 million pounds per day
Nov-13	109,233.3	0.3%	109.2	120.25	
Dec-13	112,032.3	1.6%	112.0	120.25	
Jan-14	116,903.2	4.7%	116.9	119.5	Closure of Imperial Cheese estimated capacity of 0.75 million pounds per day
Feb-14	121,428.6	5.2%	121.4	119.5	
Mar-14	122,935.5	3.7%	122.9	119.5	
Apr-14	122,533.3	1.5%	122.5	119.5	
May-14	121,096.8	0.9%	121.1	119.5	
Jun-14	118,300.0	1.7%	118.3	119.5	
Jul-14	113,612.9	4.4%	113.6	119.5	
Aug-14	111,322.6	1.5%	111.3	119.5	
Sep-14	109,700.0	2.9%	109.7	119.5	
Oct-14	110,741.9	2.8%	110.7	119.5	
Nov-14	111,833.3	2.4%	111.8	119.5	
Dec-14	111,967.7	-0.1%	112.0	119.5	
Jan-15	113,903.2	-2.6%	113.9	119.5	
Feb-15	117,214.3	-3.5%	117.2	119.5	
Mar-15	119,354.8	-2.9%	119.4	119.5	
Apr-15	120,066.7	-2.0%	120.1	119.5	
May-15	117,871.0	-2.7%	117.9	119.5	
Jun-15	113,200.0	-4.3%	113.2	119.5	
Jul-15	109,838.7	-3.3%	109.8	119.5	
Aug-15	107,548.4	-3.4%	107.5	119.5	

Production Data is from USDA "Milk Production" National Agricultural Statistics Service, September 2015 and earlier issues.

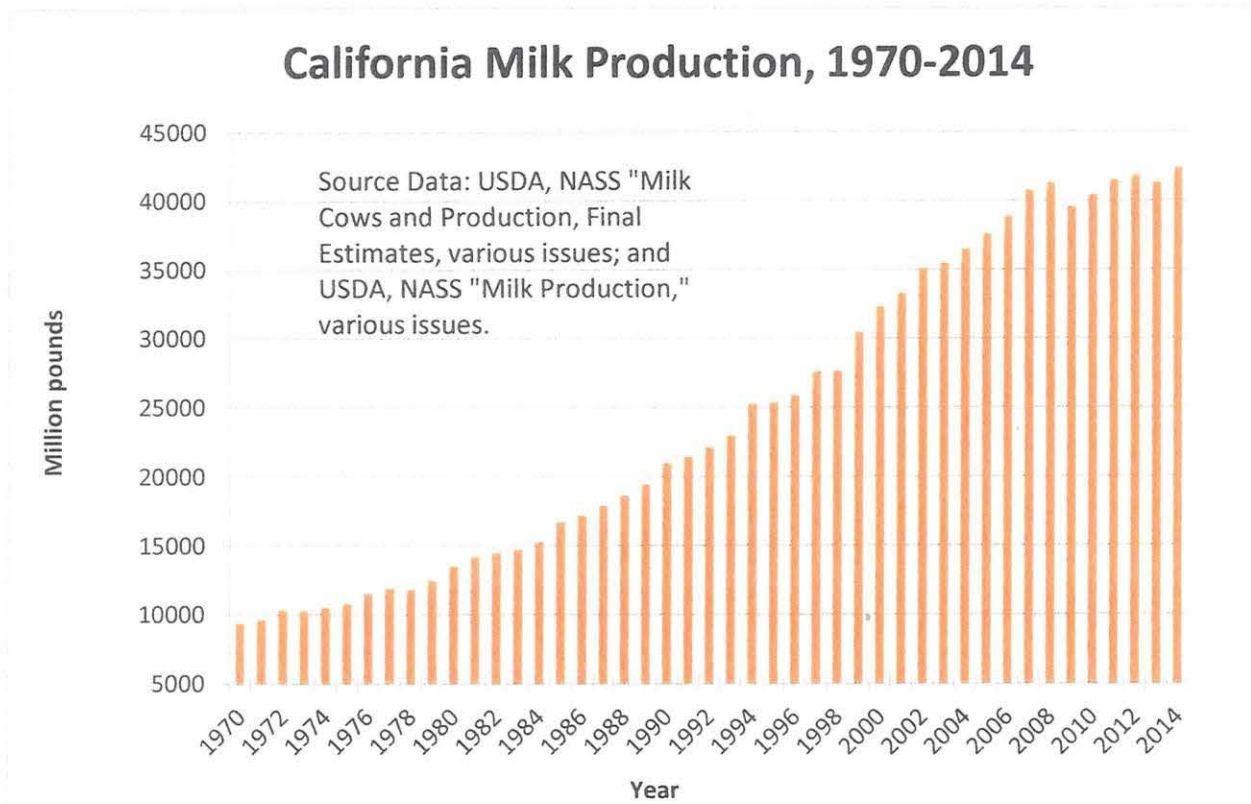
**Table 2.**  
**Total Bulk Milk Imports Into California**

Year	Annual Pounds
1996	546,852,288
1997	643,300,763
1998	540,894,368
1999	605,681,763
2000	582,025,504
2001	840,655,575
2002	1,208,974,364
2003	1,187,717,085
2004	1,277,479,980
2005	1,220,251,161
2006	1,145,693,903
2007	963,038,315
2008	847,054,163
2009	756,829,216
2010	633,955,918
2011	681,803,429
2012	700,448,357
2013	651,822,179
2014	546,733,599

Source: Hearing Exhibit 61, Table CDFA-X

Note: Monthly CDFA data were aggregated by calendar year.

Figure 3.



Source: See Table 3.

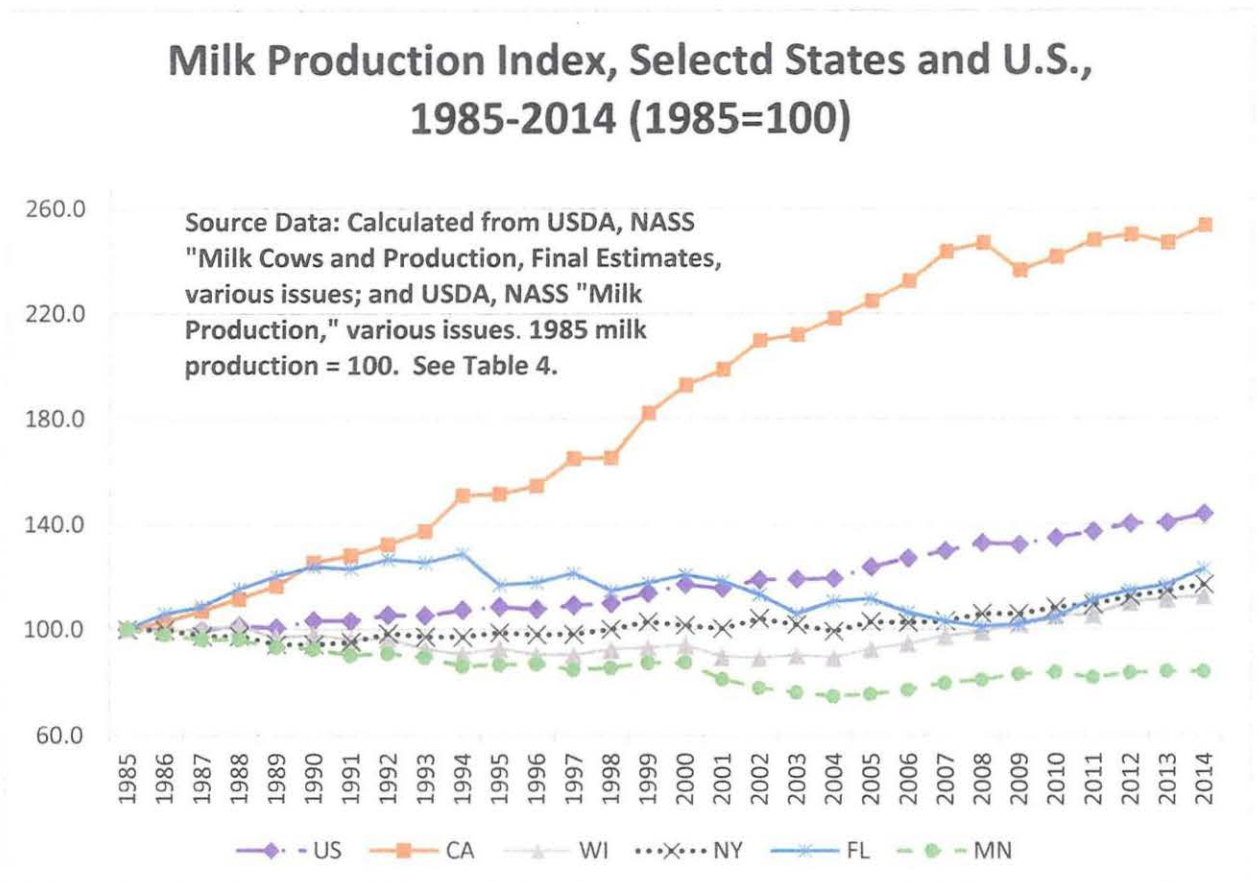


**Table 3.**  
**U.S. and California Milk Production Trends, 1969-1994.**

	California Milk Production	California Milk Production % Change per year	U.S. Milk Production	U.S. % Change per year	Rest of U.S. Milk Production	Rest of US % Change per year	California Production Change Per Year	US Production Change Per Year	Rest: of US Production Change per year
	<i>Mil lbs.</i>		<i>Mil. Lbs.</i>		<i>Mil. Lbs.</i>		<i>Mil lbs.</i>	<i>Mil lbs.</i>	<i>Mil lbs.</i>
1969	8898		116104		107206				
1970	9346	5.03	117007	0.78	107661	0.42	448	903	455
1971	9590	2.61	118566	1.33	108976	1.22	244	1559	1315
1972	10300	7.40	120025	1.23	109725	0.69	710	1459	749
1973	10230	0.68	115491	-3.78	105261	-4.07	70	-4534	4464
1974	10500	2.64	115586	0.08	105086	0.17	270	95	-175
1975	10760	2.48	115398	-0.16	104638	-0.43	260	188	-448
1976	11490	6.78	120180	4.14	108690	3.87	730	4782	4052
1977	11890	3.48	122654	2.06	110764	1.91	400	2474	2074
1978	11780	-0.93	121461	-0.97	109681	-0.98	-110	1193	-1083
1979	12490	6.03	123350	1.56	110860	1.07	710	1889	1179
1980	13516	8.21	128406	4.10	114890	3.64	1026	5056	4030
1981	14187	4.96	132770	3.40	118583	3.21	671	4364	3693
1982	14467	1.97	135505	2.06	121038	2.07	280	2735	2455
1983	14693	1.56	139588	3.01	124895	3.19	226	4083	3857
1984	15235	3.69	135351	3.04	120116	-3.83	542	-4237	4779
1985	16705	9.65	143012	5.66	126307	5.15	1470	7661	6191
1986	17170	2.78	143124	0.08	125954	-0.28	465	112	-353
1987	17866	4.05	142709	0.29	124843	-0.88	696	-415	1111
1988	18607	4.15	145034	1.63	126480	1.31	741	2325	1584
1989	19420	4.37	143893	-0.79	124526	-1.54	813	-1141	1954
1990	20947	7.86	147721	2.66	126814	1.84	1527	3828	2301
1991	21407	2.20	147697	0.02	126330	0.38	460	24	-484
1992	22092	3.20	150882	2.16	128835	1.98	685	3185	2500
1993	22924	3.77	150636	0.16	127743	0.85	832	246	1078
1994	25234	10.08	153602	1.97	128417	0.53	2310	2966	656
1995	25327	0.37	155292	1.10	129999	1.23	93	1690	1597
1996	25848	2.06	154006	0.83	128194	-1.39	521	1286	1807
1997	27582	6.71	156091	1.35	128534	0.27	1734	2085	351
1998	27620	0.14	157267	0.75	129678	0.89	38	1171	1133
1999	30444	10.22	162589	3.39	132145	1.90	2824	5327	2503
2000	32245	5.92	167393	2.95	135148	2.27	1801	4804	3003
2001	33217	3.01	165332	-1.23	132115	-2.24	972	2061	-3033
2002	35065	5.56	170063	2.86	134998	2.18	1848	4731	2883
2003	35437	1.06	170348	0.17	134911	-0.06	372	285	-87
2004	36465	2.90	170832	0.28	134367	-0.40	1028	484	-544
2005	37564	3.01	176931	3.57	139367	3.72	1099	6099	5000
2006	38830	3.37	181782	2.74	142952	2.57	1266	4851	3585
2007	40683	4.77	185654	2.13	144971	1.41	1853	3872	2019
2008	41203	1.28	189978	2.33	148775	2.62	560	4324	3764
2009	39512	4.10	189202	0.41	149690	0.62	-1731	776	955
2010	40385	2.21	192877	1.94	152492	1.87	843	3675	2832
2011	41462	2.67	196255	1.75	154793	1.51	1073	3378	2305
2012	41801	0.82	200642	2.24	158841	2.62	337	4387	4050
2013	41256	1.30	201231	0.29	159975	0.71	-509	589	1098
2014	42337	2.62	206046	2.39	163709	2.33	1081	4815	3734

Sources: U.S. Department of Agriculture. "Milk: Final Estimates 1988-92" and prior issues, National Agricultural Statistics Service, Agricultural Statistics Board, Statistical Bulletin Number 909, Washington DC: 1995.  
U.S. Department of Agriculture. "Milk Cows and Production: Final Estimates 2008-2012" and prior issues, National Agricultural Statistics Service, Statistical Bulletin Number 1036, Washington, DC: 2014.  
U.S. Department of Agriculture. "Milk Production" February 2015 and prior issues, National Agricultural Statistics Service, Washington, DC: 2015

Figure 4.



**Table 4.  
U.S. and Selected State Annual Milk Production and Milk Production Indices, 1969-2014**

	US		CA		WI		NY		FL		MN	
	Milk		Milk		Milk		Milk		Milk		Milk	
	Production Mil. Lbs.	Production Mil. lbs.	Production Mil. Lbs.	Production Mil. lbs.	Production Mil. Lbs.	Production Mil. lbs.	Production Index 1985=100	Production Index 1985=100	Production Index 1985=100	Production Index 1985=100	Production Index 1985=100	Production Index 1985=100
1969	116104	8898	18051	10351	1559	9727	81.2	53.3	73.1	88.2	76.5	89.8
1970	117007	9346	18436	10341	1641	9636	81.8	55.9	74.6	88.1	80.5	88.9
1971	119566	9590	18849	10431	1785	9618	87.9	57.4	76.3	88.9	87.6	88.8
1972	120025	10300	19226	10306	1867	9580	83.9	61.7	77.8	87.8	91.6	88.4
1973	115491	10230	18442	9778	1843	9271	80.8	61.2	74.7	82.9	90.4	85.6
1974	115586	10500	18717	9827	1875	9382	80.8	62.9	75.8	83.7	92.0	86.6
1975	115398	10760	18899	9964	1956	9946	80.7	64.4	76.5	84.9	96.0	82.6
1976	120180	11490	20296	10198	2023	9239	84.0	68.8	82.2	86.9	99.3	85.3
1977	122654	11890	21040	10224	1993	9483	85.8	71.2	85.2	87.1	97.8	87.5
1978	121461	11780	21252	10493	1948	9089	84.9	70.5	86.0	89.4	95.6	83.9
1979	123350	12490	21850	10630	1996	9145	86.3	74.8	88.5	90.6	97.9	84.4
1980	128406	13516	22381	10974	2028	9535	89.8	80.9	90.6	93.5	99.5	88.0
1981	132770	14187	23000	11069	2082	10061	92.8	84.9	93.1	94.3	102.2	92.9
1982	135505	14467	23229	11097	2109	10341	94.8	86.6	94.0	94.6	103.5	95.4
1983	139588	14693	23801	11648	2113	10913	97.6	88.0	96.4	99.3	103.7	100.7
1984	135351	15235	23501	11443	1898	10331	94.6	91.2	95.1	97.5	93.1	95.4
1985	143012	16705	24699	11732	2038	10835	100.0	100.0	100.0	100.0	100.0	100.0
1986	143124	17170	24500	11718	2157	10614	100.1	102.8	99.2	99.9	105.8	98.0
1987	147709	17866	24800	11439	2209	10470	99.8	107.0	100.4	97.5	108.4	96.2
1988	145034	18607	25000	11444	2350	10413	101.4	111.4	101.2	97.5	115.3	96.1
1989	143893	19470	23898	11071	2447	10109	100.6	116.3	96.8	94.4	120.1	93.3
1990	147721	20947	24187	11067	2526	10030	103.3	125.4	97.9	94.3	123.9	97.6
1991	147697	21407	23770	11179	2508	9775	103.3	128.1	96.2	95.3	123.1	90.2
1992	150882	22092	23844	11557	2579	9858	105.5	132.2	96.5	98.5	126.6	91.0
1993	150636	22924	22844	11415	2558	9693	105.3	137.2	92.5	97.3	125.5	89.5
1994	153602	25234	22412	11400	2623	9342	107.4	151.1	90.7	97.2	128.7	86.2
1995	155292	25327	22942	11600	2381	9409	108.6	151.6	92.9	98.9	116.8	86.8
1996	154006	25848	22376	11510	2401	9440	107.7	154.7	90.6	98.1	117.8	87.1
1997	156091	27582	22368	11530	2476	9210	109.1	165.1	90.6	98.3	121.5	85.0
1998	157262	27620	22842	11750	2337	9275	110.0	165.3	92.5	100.2	114.7	85.6
1999	162589	30444	23071	12082	2398	9478	113.2	182.2	93.4	103.0	117.7	87.5
2000	167393	32245	23259	11921	2463	9493	117.0	193.0	94.2	101.6	120.9	87.6
2001	165332	33217	22199	11780	2411	8812	115.6	198.8	89.9	100.4	118.3	81.3
2002	170063	35065	22074	12218	2308	8458	118.9	209.9	89.4	104.1	113.3	78.1
2003	170348	35437	22266	11952	2161	8258	119.1	212.1	90.1	101.9	106.0	76.2
2004	170832	36465	22085	11650	2253	8102	119.5	218.3	89.4	99.3	110.6	74.8
2005	176931	37564	22866	12078	2273	8195	123.7	224.9	92.6	102.9	111.5	75.6
2006	181782	38830	23398	12045	2171	8369	127.1	232.4	94.7	102.7	106.5	77.2
2007	185654	40683	24080	12103	2104	8656	129.8	243.5	97.5	103.2	103.2	79.9
2008	189978	41203	24472	12432	2061	8782	132.8	246.7	99.1	106.0	101.1	81.1
2009	189202	39512	25239	12424	2080	9019	132.3	236.5	102.2	105.9	102.1	83.2
2010	197877	40385	26035	12713	2133	9102	134.9	241.8	105.4	108.4	104.7	84.0
2011	196255	41462	26085	12838	2269	8890	137.2	248.2	105.6	109.4	111.3	82.1
2012	200642	41801	27224	13190	2340	9073	140.3	250.2	110.2	112.4	114.8	83.2
2013	201231	41256	27572	13463	2383	9138	140.7	247.0	111.6	114.8	116.9	84.3
2014	206046	42337	27795	13733	2507	9127	144.1	253.4	112.5	117.1	123.0	84.2

Sources: U.S. Department of Agriculture. "Milk: Final Estimates 1988-92" and prior issues, National Agricultural Statistics Service, Agricultural Statistics Board, Statistical Bulletin Number 909, Washington DC: 1995.  
 U.S. Department of Agriculture. "Milk Cows and Production: Final Estimates 2008-2012" and prior issues, National Agricultural Statistics Service, Statistical Bulletin Number 1036, Washington, DC: 2014.  
 U.S. Department of Agriculture. "Milk Production" February 2015 and prior issues, National Agricultural Statistics Service, Washington, DC: 2015.

Table 5.

Milk Production Growth Rates for the U.S., California, and the U.S. Excluding California

Years	California Milk Production Ave.% change per year	U.S. Milk Production Ave.% change per year	U.S. Except California Milk Production Ave.% change per year
1970-1979	3.5	0.6	0.4
1980-1989	4.5	1.6	1.2
1990-1999	4.7	1.2	0.6
2000-2009	2.7	1.5	1.3
2010-2014	1.4	1.7	1.8

Calculated from Source Data: USDA, NASS "Milk Cows and Production, Final Estimates, various issues; and USDA, NASS "Milk Production," various issues. See Table 3.

**Table 6.**  
**California Feed Prices, August 2012-June 2015**

Month/Yr.	North San Joaquin Valley	North San Joaquin Valley	Central California, Regions 3&4	f.o.b. San Joaquin Valley
	No. 2 Yellow Corn Price \$ per 100 lbs.	No. 2 Yellow Corn Price \$ per ton	Supreme/Premium Alfalfa f.o.b. from grower \$ per ton	Canoia Meal
Aug-12	16.70	334.00	240.00	420.50
Sep-12	16.38	327.50	245.00	402.50
Oct-12	16.11	322.20	255.00	365.00
Nov-12	15.88	317.50	247.50	374.75
Dec-12	16.04	320.80	255.00	373.00
Jan-13	15.08	301.60	285.00	380.00
Feb-13	16.10	322.00	240.00	372.50
Mar-13	15.74	314.80	250.00	381.00
Apr-13	14.40	288.00	252.50	365.00
May-13	15.32	306.40	242.50	365.00
Jun-13	15.00	300.00	249.00	380.00
Jul-13	15.00	300.00	241.00	376.00
Aug-13	13.88	277.50	252.50	372.50
Sep-13	12.55	251.00	255.00	395.50
Oct-13	10.89	217.80	260.00	395.00
Nov-13	10.85	217.00	243.00	365.00
Dec-13	10.35	207.00	255.00	365.00
Jan-14	10.30	206.00	260.00	385.00
Feb-14	10.80	216.00	300.00	396.00
Mar-14	11.15	223.00	300.00	411.00
Apr-14	12.05	240.90	300.00	416.50
May-14	12.10	242.00	322.50	432.50
Jun-14	11.25	225.00	341.50	427.50
Jul-14	10.03	200.60	350.00	343.50
Aug-14	9.19	183.80	341.00	290.00
Sep-14	8.87	177.40	310.00	299.50
Oct-14	8.85	177.00	290.00	281.50
Nov-14	9.04	180.80	270.00	360.00
Dec-14	9.28	185.60	302.50	
Jan-15	9.18	183.60	280.00	347.00
Feb-15	9.11	182.20	285.00	307.50
Mar-15	9.19	183.80	290.00	296.50
Apr-15	9.01	180.12	297.50	
May-15	8.69	173.80	260.00	
Jun-15	8.54	170.80	262.50	315.00

Source: U.S. Department of Agriculture, Agricultural Marketing Service Market News, *California Grain and Feed Report*, various issues.

Notes: Data from the first weekly *California Grain and Feed Report* of each month. Alfalfa price is first reported price nearest to 1st week of month.  
Data reported as the midpoint of the published price range.  
Hay regions 3 and 4 include the counties in the North, Central and Southern San Joaquin Valley  
June 2015 prices reported are actually most recent end of May reported prices from the *California Grain, Feedstuffs, and Hay Reports*

**Table 7.****California Milk Production, Cow Numbers and Milk Per Cow, 1996-2014 and 2015 Year to Date**

Year	California Milk Production <i>Mil lbs.</i>	% Change from prior year	Ave. CA Cow Numbers <i>(1000s)</i>	% Change from prior year	Annual Milk Per Cow <i>lbs.</i>	% Change from prior year
1996	25848		1349		19161	
1997	27582	6.7%	1391	3.1%	19829	3.5%
1998	27620	0.1%	1420	2.1%	19451	-1.9%
1999	30444	10.2%	1465	3.2%	20781	6.8%
2000	32245	5.9%	1526	4.2%	21130	1.7%
2001	33217	3.0%	1589	4.1%	20904	-1.1%
2002	35065	5.6%	1648	3.7%	21277	1.8%
2003	35437	1.1%	1688	2.4%	20993	-1.3%
2004	36465	2.9%	1725	2.2%	21139	0.7%
2005	37564	3.0%	1755	1.7%	21404	1.3%
2006	38830	3.4%	1780	1.4%	21815	1.9%
2007	40683	4.8%	1813	1.9%	22440	2.9%
2008	41203	1.3%	1844	1.7%	22344	-0.4%
2009	39512	-4.1%	1796	-2.6%	22000	-1.5%
2010	40385	2.2%	1754	-2.3%	23025	4.7%
2011	41462	2.7%	1769	0.8%	23438	1.8%
2012	41801	0.8%	1782	0.8%	23457	0.1%
2013	41256	-1.3%	1780	-0.1%	23178	-1.2%
2014	42337	2.6%	1780	0.0%	23785	2.6%
2014 Jan-Aug	28787		1780		16175	
2015 Jan-Aug	27904	-3.1%	1779	-0.1%	15690	-3.0%

Sources:

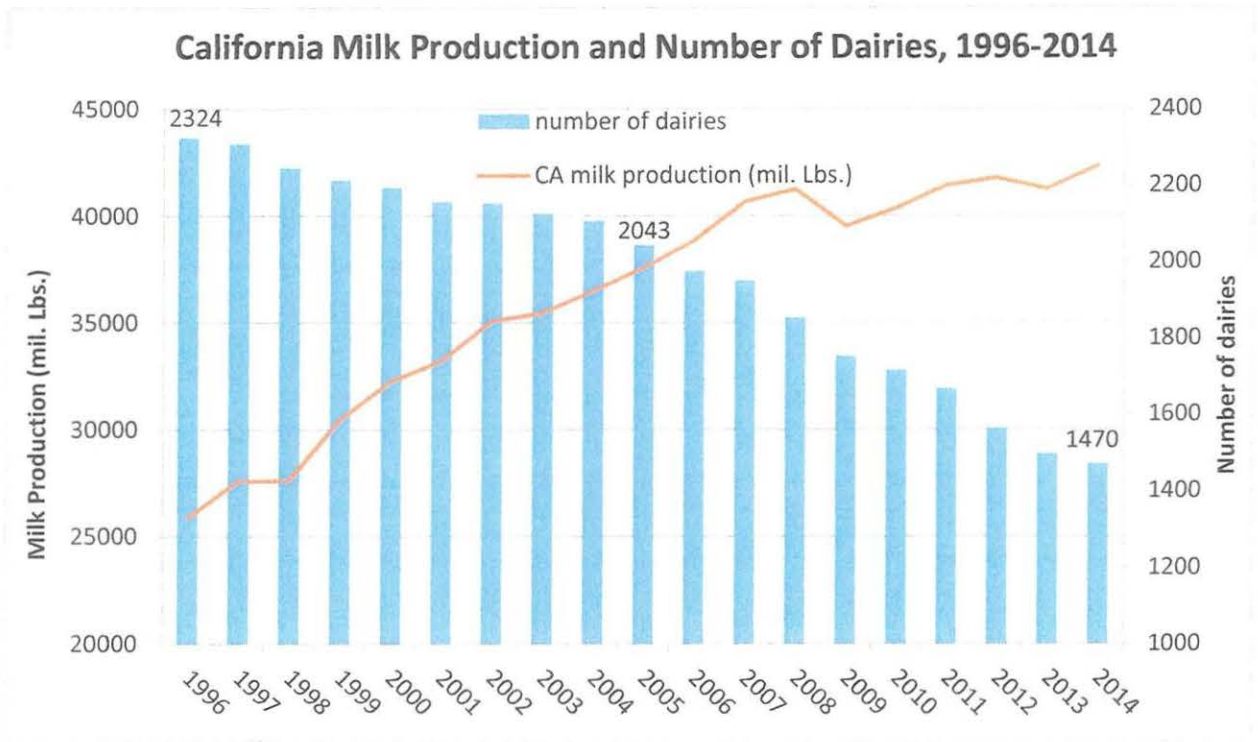
U.S. Department of Agriculture. "Milk Cows and Production: Final Estimates 2008-2012" and prior issues,

National Agricultural Statistics Service, Statistical Bulletin Number 1036, Washington, DC: 2014.

U.S. Department of Agriculture. "Milk Production" February 2015 and prior issues, National Agricultural Statistics

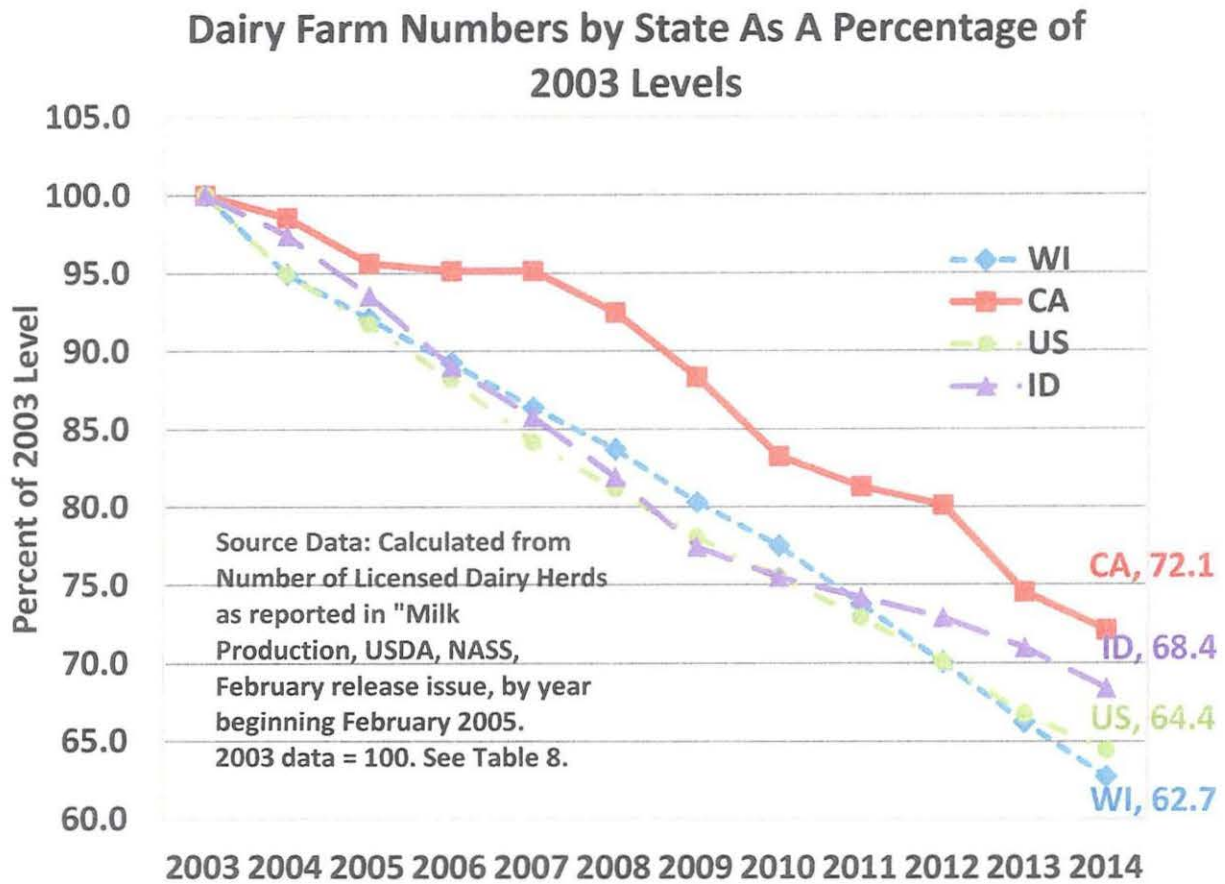
Service, Washington, DC: 2015.

Figure 5.



Sources: Data from Tables 2 and Table 8.

Figure 6.





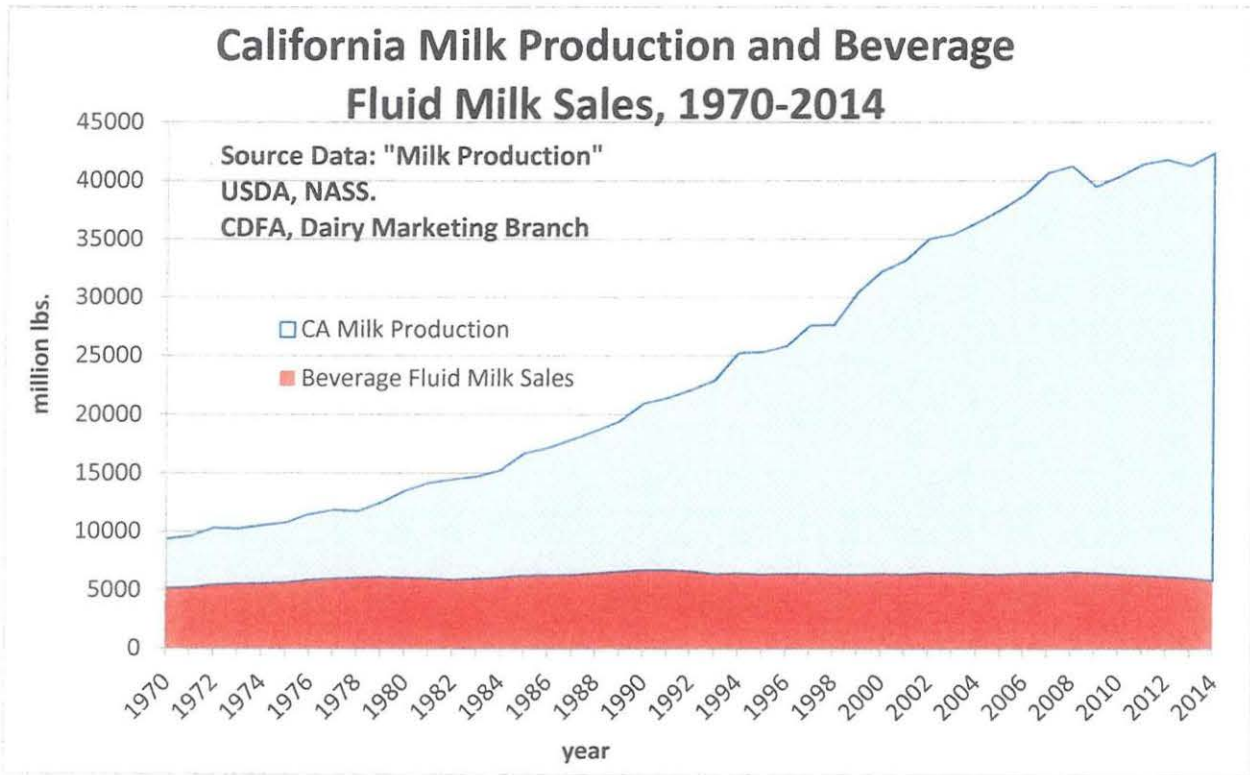
**Table 8.****Number of Licensed Dairy Herds, U.S. and Selected States, 2003-2014**

	CA	ID	WI	US	CA	ID	WI	US
	<i>Number of Herds</i>				<i>Index 2003=100</i>			
2003	2060	775	16400	70375	100.0	100.0	100.0	100.0
2004	2030	755	15570	66825	98.5	97.4	94.9	95.0
2005	1970	725	15100	64540	95.6	93.5	92.1	91.7
2006	1960	690	14640	62070	95.1	89.0	89.3	88.2
2007	1960	665	14170	59230	95.1	85.8	86.4	84.2
2008	1905	635	13730	57127	92.5	81.9	83.7	81.2
2009	1820	600	13170	54932	88.3	77.4	80.3	78.1
2010	1715	585	12710	53132	83.3	75.5	77.5	75.5
2011	1675	575	12100	51291	81.3	74.2	73.8	72.9
2012	1650	565	11490	49331	80.1	72.9	70.1	70.1
2013	1535	550	10860	46975	74.5	71.0	66.2	66.7
2014	1485	530	10290	45344	72.1	68.4	62.7	64.4

Source: U.S. Department of Agriculture. "Milk Production." February 2015 and earlier issues, National Agricultural Statistics Service, Washington, DC: 2015

Note: Beginning with 2003 data, USDA began reported the "number of licensed dairy herds", as opposed to the number of "farms with milk cows" that were previously reported.

Figure 7.



Source Data: See Table 3 and Table 12.

Table 9

California Transportation Allowance Areas, October 2013 - April 2015 <sup>1</sup>

BAY AREA RECEIVING AREA: For plants located in the Bay Area receiving area, which shall consist of the counties of Alameda, Contra Costa, Santa Clara, Santa Cruz, San Francisco, and San Mateo:																				
Haul Regions (colors coordinate with map)	October 2013					April 2014					October 2014					April 2015				
	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>
From zero through 78 miles	\$0.41	998	49,694,453	67	\$0.7679	\$0.41	854	42,716,155	67	\$0.7026	\$0.41	926	46,319,331	67	\$0.7642	\$0.41	1,009	50,461,046	65	\$0.7417
Over 78 miles through 199 miles	\$0.47	678	33,913,473	94	\$0.8555	\$0.47	704	35,192,444	89	\$0.8032	\$0.47	732	36,581,950	91	\$0.9298	\$0.47	471	23,563,224	90	\$0.7553
Over 199 miles	\$0.65	0	0	0	\$0.0000	\$0.65	0	0	0	\$0.0000	\$0.65	0	0	0	\$0.0000	\$0.65	0	0	0	\$0.0000
<b>Total</b>		1,676	83,607,926		\$0.8034		1,558	77,898,599		\$0.7480		1,658	82,901,281		\$0.8373		1,480	74,024,270		\$0.7460
Increments of 50 miles																				
From zero through 50 miles	56	2,779,353	44	\$0.7869	60	3,005,049	44	\$0.6447	101	5,029,821	46	\$0.6732	108	5,408,252	41	\$0.6803				
Over 51 miles through 100 miles	1,484	74,186,075	74	\$0.7863	1,410	70,482,878	76	\$0.7374	1,426	71,302,562	77	\$0.8425	1,314	65,681,165	74	\$0.7491				
Over 101 miles through 150 miles	102	5,106,931	118	\$0.9362	88	4,410,872	114	\$0.9883	119	5,955,312	109	\$0.8840	58	2,882,377	108	\$0.7896				
Over 151 miles through 200 miles	35	1,735,567	153	\$1.1688	0	0	0	\$0.0000	12	613,586	153	\$1.3209	1	52,476	164	\$1.2735				
200 miles +	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
<b>Total</b>		1,676	83,607,926		\$0.8034		1,558	77,898,599		\$0.7480		1,658	82,901,281		\$0.8373		1,480	74,024,270		\$0.7460
SACRAMENTO RECEIVING AREA: For plants located in the Sacramento receiving area, which shall consist of the County of Sacramento:																				
Haul Regions (colors coordinate with map)	October 2013					April 2014					October 2014					April 2015				
	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>
From zero through 59 miles	\$0.17	299	14,933,461	30	\$0.5146	\$0.17	343	17,166,579	29	\$0.4996	\$0.17	364	18,182,433	31	\$0.5306	\$0.17	305	15,235,453	29	\$0.5651
Over 59 miles	\$0.23	0	0	0	\$0.0000	\$0.23	7	369,855	85	\$0.7587	\$0.23	0	0	0	\$0.0000	\$0.23	0	0	0	\$0.0000
<b>Total</b>		299	14,933,461	30	\$0.5146		351	17,536,434		\$0.5050		364	18,182,433		\$0.5306		305	15,235,453		\$0.5651
Increments of 50 miles																				
From zero through 50 miles	299	14,933,461	30	\$0.5146	343	17,166,579	29	\$0.4996	364	18,182,433	31	\$0.5306	305	15,235,453	29	\$0.5651				
Over 51 miles through 100 miles	0	0	0	\$0.0000	7	369,855	85	\$0.7587	0	0	0	\$0.0000	0	0	0	\$0.0000				
Over 101 miles through 150 miles	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
Over 151 miles through 200 miles	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
200 miles +	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
<b>Total</b>		299	14,933,461		\$0.5146		351	17,536,434		\$0.5050		364	18,182,433		\$0.5306		305	15,235,453		\$0.5651
NORTH BAY RECEIVING AREA: For plants located in the North Bay receiving area, which shall consist of the counties of Marin, Napa <sup>6</sup> , Solano, and Sonoma:																				
Haul Regions (colors coordinate with map)	October 2013					April 2014					October 2014					April 2015				
	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>	Transportation Allowance <sup>2</sup>	Approximate No. of Loads <sup>3</sup>	Pounds Shipped	Average Miles <sup>4</sup>	Rate Per Cwt. <sup>5</sup>
From zero through 45 miles	\$0.23	466	23,320,269	20	\$0.5233	\$0.23	405	20,239,830	20	\$0.5340	\$0.23	404	20,183,465	20	\$0.5104	\$0.23	430	21,478,778	19	\$0.5640
Over 45 miles through 96 miles	\$0.37	185	9,236,215	74	\$0.7682	\$0.37	305	15,230,525	75	\$0.7931	\$0.37	279	13,971,977	77	\$0.7686	\$0.37	304	15,192,951	70	\$0.7452
Over 96 miles	\$0.46	38	1,881,151	117	\$0.9206	\$0.46	98	4,875,947	117	\$1.0611	\$0.46	123	6,172,493	113	\$0.9872	\$0.46	79	3,959,458	112	\$0.8089
<b>Total</b>		689	34,437,655		\$0.6107		807	40,346,302		\$0.6955		807	40,327,935		\$0.6728		813	40,631,187		\$0.6558
Increments of 50 miles																				
From zero through 50 miles	466	23,473,286	20	\$0.5244	409	20,386,538	20	\$0.5364	407	20,374,930	21	\$0.5140	435	21,759,918	19	\$0.5678				
Over 51 miles through 100 miles	182	9,083,218	75	\$0.7896	303	15,131,128	75	\$0.7918	280	14,006,064	78	\$0.7689	298	14,824,895	71	\$0.7430				
Over 101 miles through 150 miles	38	1,881,151	117	\$0.9206	97	4,826,638	117	\$1.0655	119	5,946,641	113	\$0.9809	79	3,946,374	112	\$0.8088				
Over 151 miles through 200 miles	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
200 miles +	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000	0	0	0	\$0.0000				
<b>Total</b>		689	34,437,655		\$0.6107		807	40,346,302		\$0.6955		807	40,327,935		\$0.6728		813	40,631,187		\$0.6558

Table 9

California Transportation Allowance Areas, October 2013 - April 2015 <sup>1/</sup>

SOUTHERN CALIFORNIA RECEIVING AREA:																				
For plants located in the Southern California receiving area, which shall consist of the counties of Los Angeles, Orange, Riverside, San Bernardino and Ventura:																				
October 2013					April 2014					October 2014					April 2015					
1/ For shipments from the counties of Riverside and San Bernardino:	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>
a. From zero through 93 miles	\$0.15	2,161	108,041,410	37	\$0.4394	\$0.15	2,486	124,299,342	38	\$0.4397	\$0.15	2,240	111,980,574	38	\$0.4438	\$0.15	2,246	112,312,720	38	\$0.4219
b. Over 93 miles	\$0.46	253	12,694,146	106	\$0.7563	\$0.46	290	14,512,869	106	\$0.7553	\$0.46	186	9,277,382	108	\$0.7465	\$0.46	215	10,744,987	109	\$0.6942
(2) For shipments from all other counties																				
a. From zero through 79 miles	\$0.15	0	0	0	\$0.0000	\$0.15	1	30,980	74	\$0.7650	\$0.15	0	0	0	\$0.0000	\$0.15	0	0	0	\$0.0000
b. Over 79 miles through 99 miles	\$0.46	30	1,486,168	94	\$0.7813	\$0.46	10	505,500	95	\$1.0578	\$0.46	3	152,720	95	\$1.0714	\$0.46	43	2,164,521	94	\$0.7833
c. Over 99 miles through 119 miles	\$0.67	1,314	65,684,268	111	\$0.9851	\$0.67	1,129	66,451,010	112	\$0.9097	\$0.67	1,160	59,003,442	111	\$0.9685	\$0.67	1,139	58,970,787	111	\$0.9414
d. Over 119 miles through 155 <sup>7/</sup>	\$0.84	2,399	119,937,520	133	\$1.0393	\$0.84	1,938	96,787,977	135	\$1.0478	\$0.84	2,303	115,165,164	134	\$1.0212	\$0.84	2,128	106,409,436	134	\$0.9712
e. Over 155 miles	\$0.91	617	40,668,594	173	\$1.3106	\$0.91	1,920	95,984,324	183	\$1.2912	\$0.91	1,990	99,493,614	184	\$1.2874	\$0.91	1,670	83,513,840	181	\$1.1624
<b>Total</b>		<b>6,974</b>	<b>348,692,106</b>		<b>\$0.8636</b>		<b>7,771</b>	<b>388,572,002</b>		<b>\$0.8624</b>		<b>7,901</b>	<b>395,073,096</b>		<b>\$0.9097</b>		<b>7,442</b>	<b>372,116,285</b>		<b>\$0.8347</b>
Increments of 50 miles																				
From zero through 50 miles		1,860	94,008,362	32	\$0.4329		2,113	105,638,104	32	\$0.4313		1,825	91,239,947	33	\$0.4302		1,882	94,124,721	33	\$0.4121
Over 51 miles through 100 miles		392	19,592,853	76	\$0.5976		417	20,842,596	71	\$0.5235		424	21,207,134	65	\$0.5111		413	20,672,337	61	\$0.5086
Over 101 miles through 150 miles		3,555	177,752,094	122	\$0.9885		3,082	154,077,605	123	\$0.9650		3,334	166,681,275	123	\$0.9892		3,234	161,687,213	123	\$0.9347
Over 151 miles through 200 miles		1,119	55,932,055	168	\$1.2717		1,776	88,818,735	173	\$1.2377		2,013	100,643,010	175	\$1.2158		1,755	87,770,474	174	\$1.1376
200 miles +		26	1,396,742	205	\$1.3313		384	19,194,762	208	\$1.4475		396	15,301,730	211	\$1.4423		157	7,861,540	210	\$1.3125
<b>Total</b>		<b>6,974</b>	<b>348,692,106</b>		<b>\$0.8636</b>		<b>7,771</b>	<b>388,572,002</b>		<b>\$0.8624</b>		<b>7,901</b>	<b>395,073,096</b>		<b>\$0.9097</b>		<b>7,442</b>	<b>372,116,285</b>		<b>\$0.8347</b>
SAN DIEGO RECEIVING AREA:																				
For plants located in the San Diego receiving area, which consists of the county of San Diego:																				
October 2013					April 2014					October 2014					April 2015					
Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	Transportation Allowance <sup>2/</sup>	Approximate No. of Loads <sup>3/</sup>	Pounds Shipped	Average Miles <sup>4/</sup>	Rate Per Cwt. <sup>5/</sup>	
From zero through 79 miles	\$0.15	231	11,556,605	54	\$0.5223	\$0.15	204	10,183,064	55	\$0.5185	\$0.15	207	10,351,439	54	\$0.5350	\$0.15	171	8,534,153	58	\$0.4948
Over 79 miles through 119 miles	\$0.46	2	102,177	85	\$0.6000	\$0.46	0	0	\$0.0000	\$0.46	0	0	0	\$0.0000	\$0.46	0	0	0	\$0.0000	
Over 119 miles	\$0.84	0	0	0	\$0.0000	\$0.84	0	0	\$0.0000	\$0.84	0	0	0	\$0.0000	\$0.84	0	0	0	\$0.0000	
<b>Total</b>		<b>233</b>	<b>11,659,082</b>		<b>\$0.5258</b>		<b>204</b>	<b>10,183,064</b>		<b>\$0.5185</b>		<b>207</b>	<b>10,351,439</b>		<b>\$0.5350</b>		<b>171</b>	<b>8,534,153</b>		<b>\$0.4948</b>
Increments of 50 miles																				
From zero through 50 miles		46	2,313,056	22	\$0.5200		36	1,796,157	20	\$0.5404		36	1,823,700	16	\$0.5354		19	926,377	26	\$0.5425
Over 51 miles through 100 miles		187	9,346,026	62	\$0.5273		168	8,388,907	62	\$0.5139		171	8,527,739	62	\$0.5349		152	7,607,776	62	\$0.4890
Over 101 miles through 150 miles		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000
Over 151 miles through 200 miles		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000
200 miles +		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000		0	0	0	\$0.0000
<b>Total</b>		<b>233</b>	<b>11,659,082</b>		<b>\$0.5258</b>		<b>204</b>	<b>10,183,064</b>		<b>\$0.5185</b>		<b>207</b>	<b>10,351,439</b>		<b>\$0.5350</b>		<b>171</b>	<b>8,534,153</b>		<b>\$0.4948</b>
SHASTA RECEIVING AREA: <sup>6/</sup>																				
For plants located in the Shasta receiving area, which consists of the county of Shasta:																				

1/ These are the transportation allowance areas defined in the Pool Plan.  
 2/ The current transportation allowances rates and mileage brackets specified by the Pool Plan.  
 3/ The approximate number of loads is calculated by taking total pounds shipped divided by 50,000 pounds.  
 4/ The average miles traveled from ranch-to-plant (one way destination) is weighted on pounds shipped.  
 5/ Haul rate includes flat charge (rate per cwt.), fuel surcharges, and stop charges.  
 6/ No ranch to plant milk movement into Shasta receiving area.  
 7/ New mileage brackets for Southern California Receiving Area starting June 1, 2013.  
 8/ Napa County added to North Bay Receiving Area starting June 1, 2013.

Sources: California Processing Plants, CDFA

Released October 2015



Figure 8.

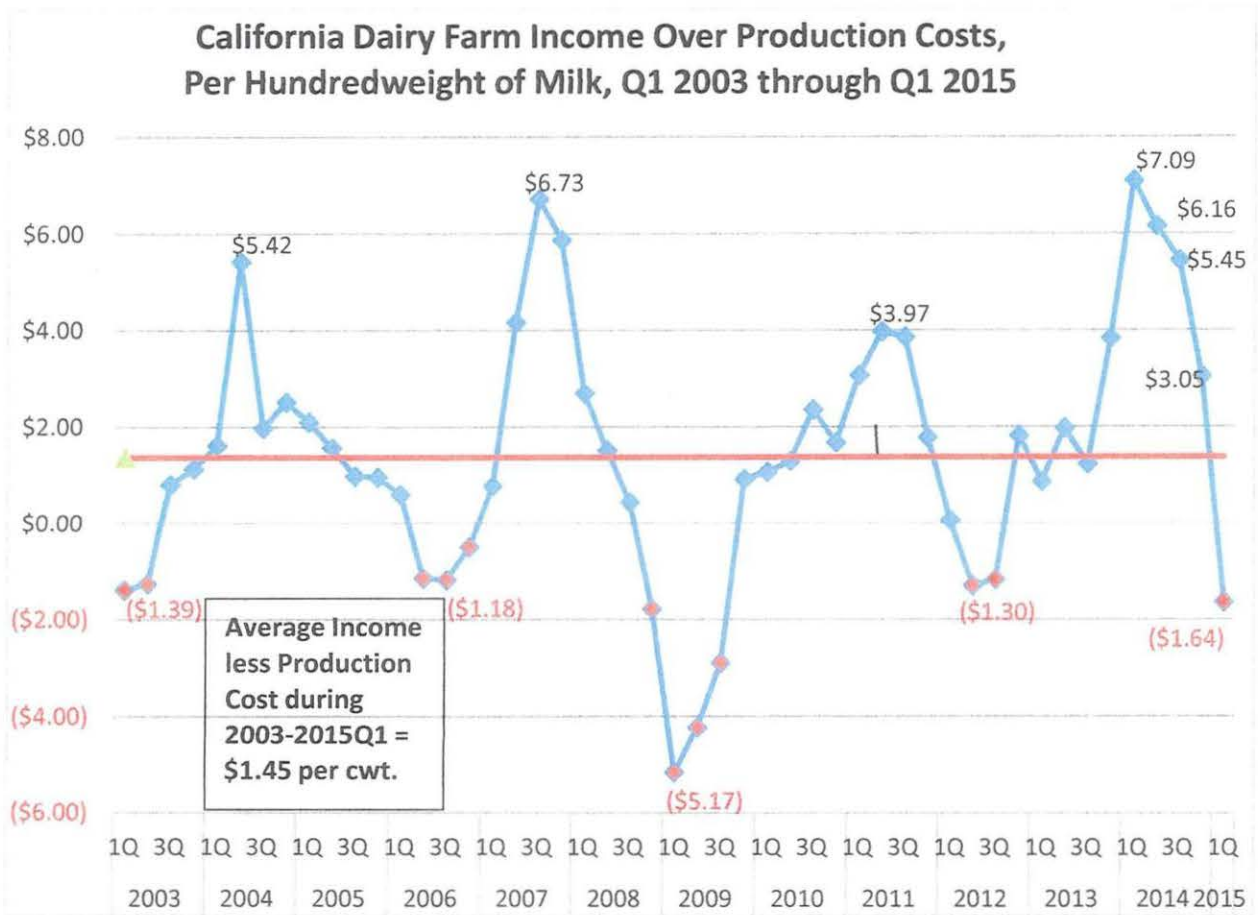


Table 10.

California Statewide Average Milk Cost of Production by Quarter, 2003 Q1-2015 Q1.

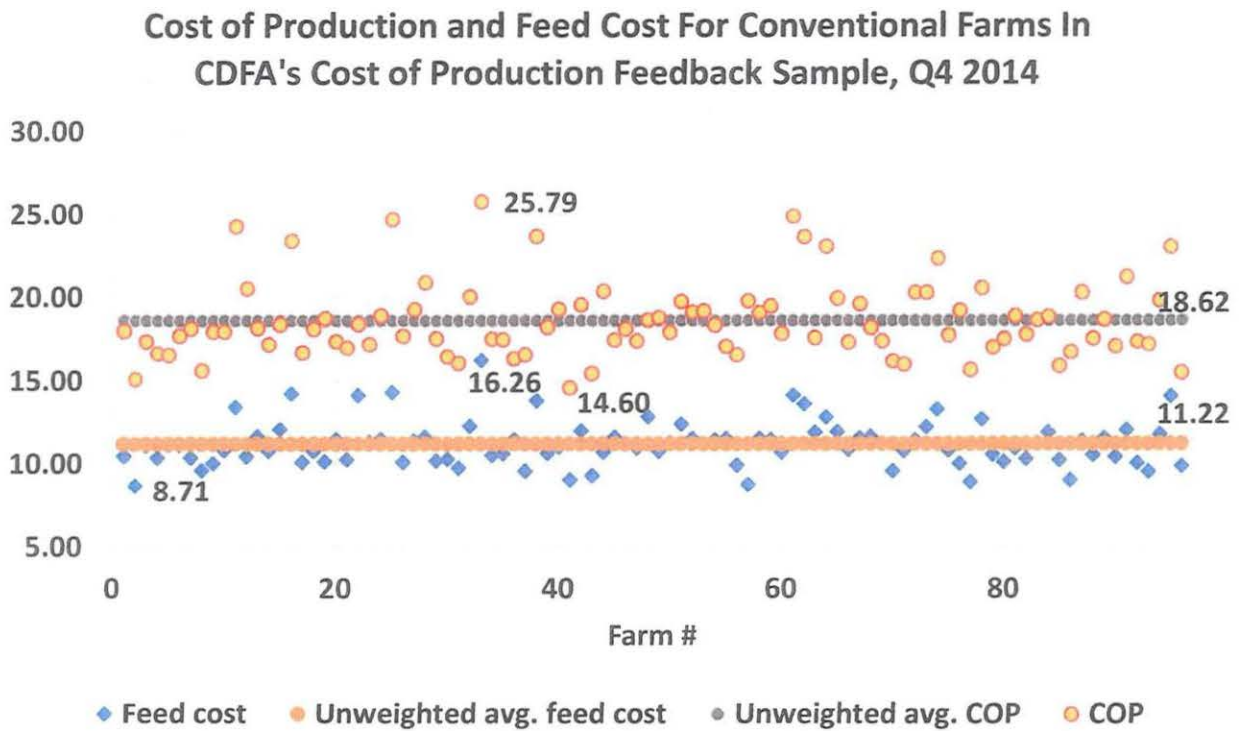
Year	Quarter	Income Over Feed Cost	Feed Cost	Total Costs	Calculated Dairy Farm Income 1/	Marketing Costs	Dairy Farm Income less Total Costs
<i>per hundredweight of milk</i>							
2003	1Q	\$4.29	\$5.98	\$12.11	\$10.72	\$0.45	(\$1.39)
	2Q	\$4.25	\$5.92	\$11.88	\$10.62	\$0.45	(\$1.26)
	3Q	\$6.50	\$5.96	\$12.11	\$12.91	\$0.45	\$0.80
	4Q	\$6.82	\$6.12	\$12.26	\$13.39	\$0.45	\$1.13
2004	1Q	\$7.05	\$6.09	\$12.00	\$13.61	\$0.47	\$1.61
	2Q	\$10.83	\$6.21	\$12.09	\$17.51	\$0.47	\$5.42
	3Q	\$7.60	\$6.38	\$12.48	\$14.45	\$0.47	\$1.97
	4Q	\$8.25	\$6.57	\$12.78	\$15.29	\$0.47	\$2.51
2005	1Q	\$7.86	\$6.48	\$12.72	\$14.82	\$0.48	\$2.10
	2Q	\$7.27	\$6.40	\$12.58	\$14.15	\$0.48	\$1.57
	3Q	\$7.13	\$6.70	\$13.33	\$14.31	\$0.48	\$0.98
	4Q	\$7.17	\$6.82	\$13.52	\$14.47	\$0.48	\$0.95
2006	1Q	\$5.46	\$6.66	\$12.01	\$12.61	\$0.49	\$0.60
	2Q	\$4.11	\$6.67	\$12.43	\$11.28	\$0.50	(\$1.15)
	3Q	\$4.31	\$6.71	\$12.71	\$11.53	\$0.51	(\$1.18)
	4Q	\$5.07	\$7.33	\$13.41	\$12.91	\$0.51	(\$0.50)
2007	1Q	\$6.23	\$7.34	\$13.31	\$14.08	\$0.51	\$0.77
	2Q	\$9.60	\$7.54	\$13.49	\$17.65	\$0.51	\$4.16
	3Q	\$12.29	\$7.94	\$14.01	\$20.74	\$0.51	\$6.73
	4Q	\$11.85	\$8.53	\$15.03	\$20.90	\$0.52	\$5.87
2008	1Q	\$8.52	\$8.98	\$15.34	\$18.03	\$0.53	\$2.69
	2Q	\$7.51	\$9.59	\$16.14	\$17.65	\$0.55	\$1.51
	3Q	\$6.68	\$10.37	\$17.17	\$17.61	\$0.56	\$0.44
	4Q	\$4.57	\$10.43	\$17.33	\$15.55	\$0.55	(\$1.78)
2009	1Q	\$1.16	\$9.82	\$16.67	\$11.50	\$0.52	(\$5.17)
	2Q	\$1.55	\$9.07	\$15.37	\$11.14	\$0.52	(\$4.23)
	3Q	\$2.95	\$8.26	\$14.62	\$11.73	\$0.52	(\$2.89)
	4Q	\$6.47	\$7.97	\$14.05	\$14.96	\$0.52	\$0.91
2010	1Q	\$6.36	\$7.66	\$13.48	\$14.54	\$0.52	\$1.06
	2Q	\$6.42	\$7.34	\$12.98	\$14.27	\$0.51	\$1.29
	3Q	\$7.71	\$7.78	\$13.65	\$16.00	\$0.51	\$2.35
	4Q	\$7.26	\$8.70	\$14.81	\$16.48	\$0.52	\$1.67
2011	1Q	\$8.31	\$9.03	\$14.79	\$17.86	\$0.52	\$3.07
	2Q	\$8.94	\$9.71	\$15.21	\$19.18	\$0.53	\$3.97
	3Q	\$9.12	\$10.62	\$16.41	\$20.27	\$0.53	\$3.86
	4Q	\$7.16	\$11.11	\$17.02	\$18.80	\$0.53	\$1.78
2012	1Q	\$5.35	\$10.81	\$16.63	\$16.69	\$0.53	\$0.06
	2Q	\$4.09	\$10.91	\$16.84	\$15.54	\$0.54	(\$1.30)
	3Q	\$4.66	\$12.09	\$18.46	\$17.29	\$0.54	(\$1.17)
	4Q	\$7.59	\$12.24	\$18.55	\$20.37	\$0.54	\$1.82
2013	1Q	\$6.17	\$11.84	\$17.69	\$18.55	\$0.54	\$0.86
	2Q	\$7.07	\$11.35	\$16.98	\$18.95	\$0.53	\$1.97
	3Q	\$6.83	\$11.61	\$17.76	\$18.99	\$0.55	\$1.23
	4Q	\$9.41	\$11.25	\$17.37	\$21.20	\$0.54	\$3.83
2014	1Q	\$12.30	\$10.80	\$16.56	\$23.65	\$0.55	\$7.09
	2Q	\$11.47	\$11.07	\$16.93	\$23.09	\$0.55	\$6.16
	3Q	\$11.64	\$11.12	\$17.88	\$23.33	\$0.57	\$5.45
	4Q	\$9.65	\$11.23	\$18.39	\$21.44	\$0.56	\$3.05
2015	1Q	\$4.69	\$10.83	\$17.71	\$16.07	\$0.55	(\$1.64)

1/ Calculated Dairy Farm Income = Income over Feed Costs plus Feed Costs and Marketing Costs

Source: CDFA. "Cost of Production Cost Comparison." 2005 Q1 and earlier issues, Dairy Marketing Branch, Sacramento, CA: 2015.

<https://www.cdfa.ca.gov/dairy/uploader/postings/copcostcomp/Default.aspx>

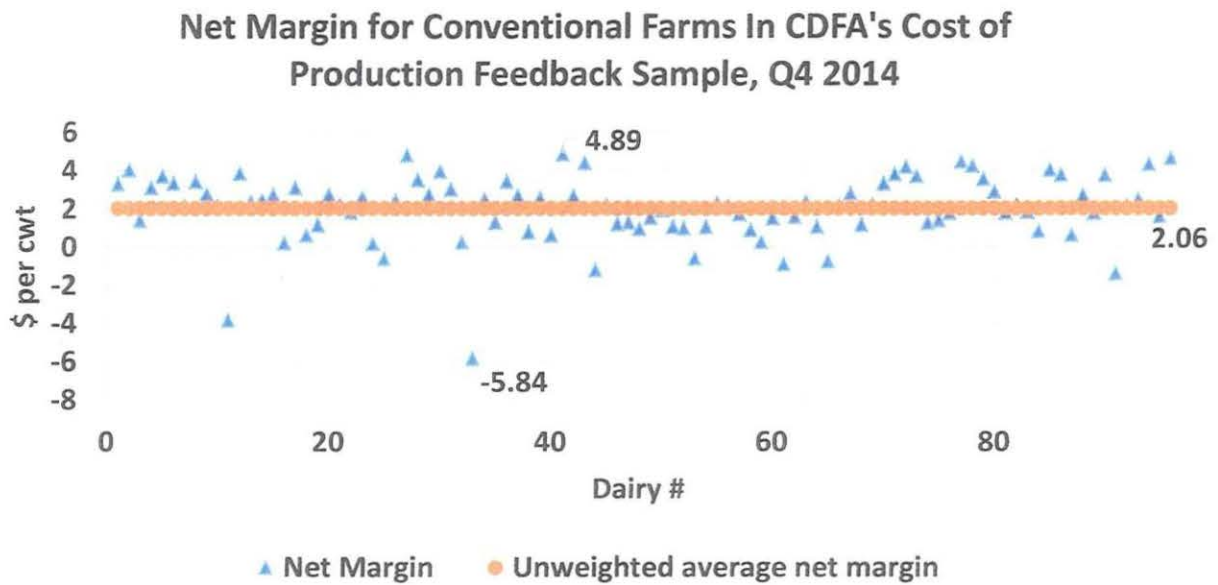
Figure 9.



Source Data: CDFA, "Cost of Production Feedback: 2014 Fourth Quarter Feedback." Dairy Marketing Branch, Sacramento, CA: 2015.

<https://www.cdfa.ca.gov/dairy/uploader/postings/copfeedback/>

Figure 10.

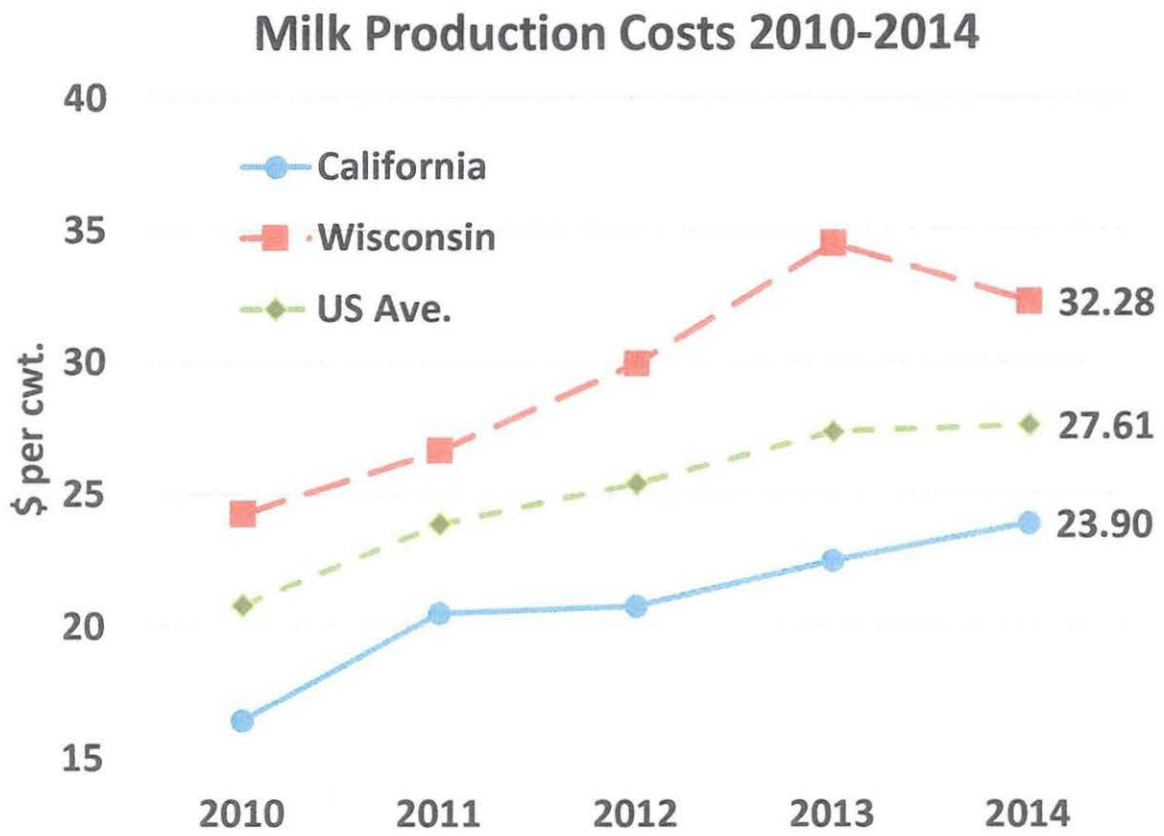


Source Data: CDFA, "Cost of Production Feedback: 2014 Fourth Quarter Feedback." Dairy Marketing Branch, Sacramento, CA: 2015.

<https://www.cdfa.ca.gov/dairy/uploader/postings/copfeedback/>



Figure 11.



Source Data: See Table 11.

**Table 11.**  
**USDA Milk Production Costs, California, Wisconsin**  
**and U.S. Average, 2010 - 2014.**

Year	California	Wisconsin	US Ave.	California Less Wisconsin	California Less U.S. Ave.
<i>dollars per hundredweight</i>					
2010	16.44	24.25	20.82	-7.81	-4.38
2011	20.51	26.65	23.88	-6.14	-3.37
2012	20.77	29.94	25.39	-9.17	-4.62
2013	22.49	34.48	27.36	-11.99	-4.87
2014	23.90	32.28	27.61	-8.38	-3.71
Average Difference 2010-2014				-8.70	-4.19

Source U.S. Department of Agriculture "Milk Production Costs by State,  
Economic Research Service, 2010 Base Year, updated October 1, 2015

<http://www.ers.usda.gov/data-products/milk-cost-of-production-estimates.aspx>

**Table 12.**

**U.S. and California Population and Sales of Beverage Fluid Milk, 1970-2014.**

YEAR	U.S. HUMAN POPULATION	CA HUMAN POPULATION	SALES FLUID WHOLE	SALES FLUID 2% LOWFAT	SALES FLUID 1% LOWFAT	SALES FLUID SKIM	SALES FLUID ALL	SALES FLUID ALL	CA PER CAPITA FLUID SALES
	JULY 1 OF YEAR	JULY 1 OF YEAR	CA	CA	CA	CA	CA	CA	FLUID
	April 1 of census year	US	Excludes Half and Half and Buttermilk						
	Census Bureau	Census Bureau	8.60	8.65	8.69	8.63			
		(TH.GAL.)	(TH.GAL.)	(TH.GAL.)	(TH.GAL.)	(TH.GAL.)	(MIL. LBS)	(Pounds)	
1970	203,302,031	19,971,069	487,564	79,381		34,529	601,474	5,178	259.3
1971	205,626,048	20,340,739	474,227	93,805		36,220	604,252	5,202	255.8
1972	207,950,065	20,710,408	482,498	110,183		39,738	632,419	5,446	262.9
1973	210,274,083	21,080,078	477,248	122,414		41,523	641,185	5,522	261.9
1974	212,598,100	21,449,747	461,884	139,564		43,639	645,087	5,556	259.0
1975	214,922,117	21,819,417	453,293	156,034		46,263	655,590	5,647	258.8
1976	217,246,134	22,189,086	460,463	173,829		46,540	680,832	5,865	264.3
1977	219,570,151	22,558,756	454,320	191,740		47,312	693,372	5,974	264.8
1978	221,894,169	22,928,425	451,868	202,916		46,097	700,881	6,039	263.4
1979	224,218,186	23,298,095	446,636	216,125		45,046	707,807	6,099	261.8
1980	226,542,203	23,667,764	426,295	228,974		44,694	699,963	6,032	254.9
1981	228,767,075	24,282,130	411,348	239,618		44,170	695,136	5,991	246.7
1982	230,991,947	24,896,497	395,474	245,009		42,429	682,912	5,887	236.4
1983	233,216,820	25,510,863	393,018	255,664		42,768	691,450	5,961	233.6
1984	235,441,692	26,125,229	388,098	269,293		47,406	704,797	6,076	232.6
1985	237,666,564	26,739,596	386,906	284,976		52,662	724,544	6,247	233.6
1986	239,891,436	27,353,962	374,481	296,246		56,110	726,837	6,267	229.1
1987	242,116,308	27,968,328	366,017	303,762		59,770	729,549	6,291	224.9
1988	244,341,181	28,582,694	364,111	312,311		67,544	743,966	6,416	224.5
1989	246,566,053	29,197,061	354,737	326,395		79,916	761,048	6,564	224.8
1990	248,790,925	29,811,427	344,466	298,525	51,235	81,808	776,034	6,696	224.6
1991	252,153,092	30,414,114	340,695	289,990	63,442	81,884	776,011	6,696	220.2
1992	255,029,699	30,875,920	333,938	277,689	70,331	84,224	766,182	6,612	214.1
1993	257,782,608	31,147,208	316,658	266,095	68,904	87,142	738,799	6,376	204.7
1994	260,327,021	31,317,179	316,262	264,565	70,522	92,669	744,018	6,421	205.0
1995	262,803,276	31,493,525	307,036	248,230	78,693	102,511	736,470	6,356	201.8
1996	265,228,572	31,780,829	306,642	246,615	79,007	108,436	740,700	6,393	201.2
1997	267,783,607	32,217,708	299,163	242,075	86,129	113,979	741,346	6,399	198.6
1998	270,248,003	32,682,794	294,670	230,819	94,754	114,546	734,789	6,343	194.1
1999	272,690,813	33,145,121	294,421	229,581	97,947	113,678	735,627	6,350	191.6
2000	281,421,906	33,871,648	297,815	229,455	102,128	110,539	739,937	6,387	188.6
2001	285,039,803	34,501,130	294,777	227,821	103,897	107,892	734,387	6,340	183.8
2002	287,726,647	34,916,495	298,109	234,507	106,735	106,946	746,297	6,443	184.5
2003	290,210,914	35,307,398	297,683	236,836	103,869	108,250	746,638	6,446	182.6
2004	292,892,127	35,629,666	282,484	243,138	102,679	108,372	736,673	6,360	178.5
2005	295,560,549	35,885,415	272,716	246,527	103,370	113,838	736,451	6,359	177.2
2006	298,362,973	36,121,296	269,328	251,145	103,853	120,117	744,443	6,428	177.9
2007	301,290,332	36,377,534	257,661	258,598	105,459	122,720	744,438	6,428	176.7
2008	304,059,724	36,756,666	247,618	271,720	109,847	123,349	752,533	6,499	176.8
2009	307,006,550	36,961,664	242,147	278,652	112,724	118,650	752,173	6,496	175.8
2010	308,745,538	37,253,956	225,185	286,418	110,892	116,674	739,169	6,385	171.4
2011	311,591,917	37,691,912	215,126	290,571	105,717	115,034	726,449	6,275	166.5
2012	313,936,053	38,041,430	213,481	287,608	102,562	108,171	711,822	6,149	161.6
2013	316,128,639	38,430,000	211,349	287,672	98,759	102,720	700,500	6,051	157.4
2014	321,195,023	38,802,500	208,239	271,097	101,460	93,679	674,476	5,826	150.1

Sources Population Data From U.S. Census Bureau.

California Milk Sales from Unpublished Data from CDFA and CDFA, Dairy Information Bulletin, selected issues.

U.S. Milk Sales Data from IDFA, "Dairy Facts" selected years and USDA, AMS Dairy Market News, selected issues

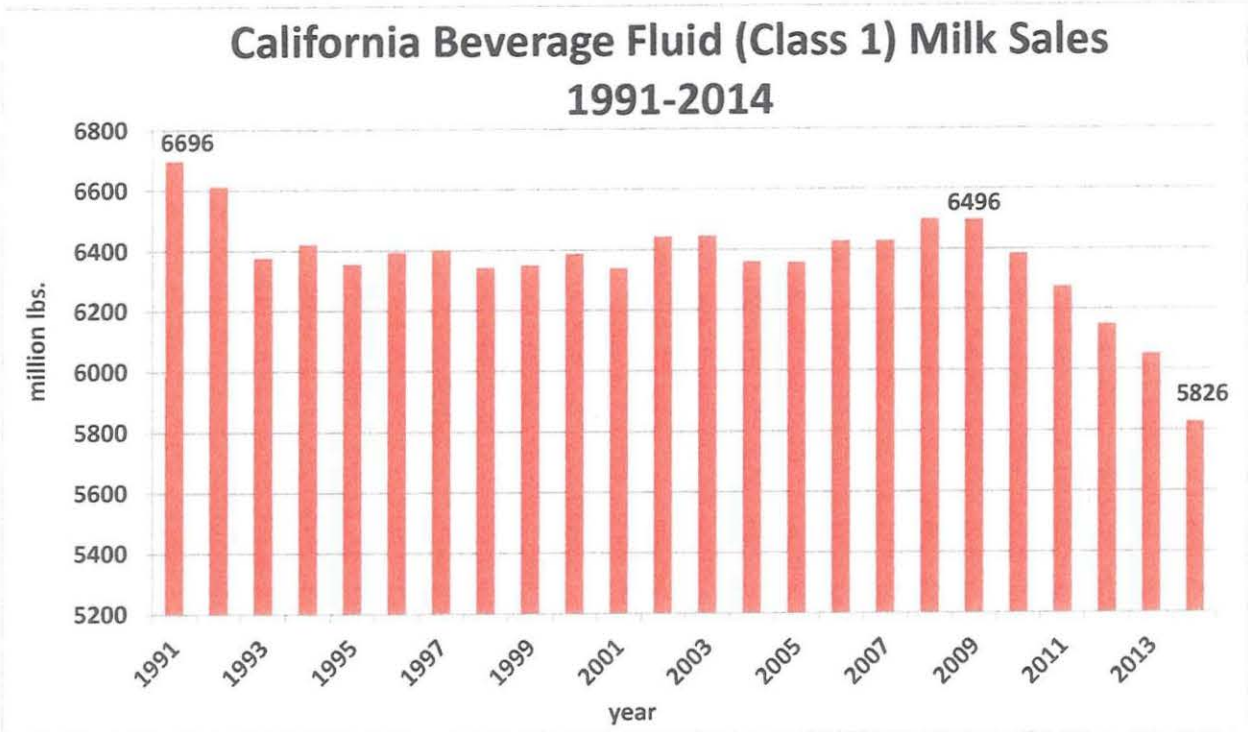
**Table Table 12.**

**U.S. a U.S. and California Population and Sales of Beverage Fluid Milk, 1970-2014.**

YEAR	US Beverage Milk (MIL. LBS)	US Buttermilk Sales (MIL. LBS)	US Milk Sales less Buttermilk (MIL. LBS)	US Milk Sales less CA Milk Sales less (MIL. LBS)	US w/o CA Per Capita Beverage Milk Sales less (Pounds)
1970	52,698	1,130	51,568	46,390	228.2
1971	53,594	1,153	52,441	47,239	229.7
1972	53,983	1,131	52,852	47,406	228.0
1973	53,679	1,065	52,614	47,092	224.0
1974	52,475	988	51,487	45,931	216.0
1975	53,232	1,011	52,221	46,574	216.7
1976	53,556	1,021	52,535	46,670	214.8
1977	53,594	1,007	52,587	46,613	212.3
1978	53,467	983	52,484	46,445	209.3
1979	53,431	939	52,492	46,393	206.9
1980	53,006	927	52,079	46,047	203.3
1981	52,699	926	51,773	45,782	200.1
1982	51,780	950	50,830	44,943	194.6
1983	52,112	1,006	51,106	45,145	193.6
1984	52,791	1,020	51,771	45,695	194.1
1985	53,939	1,046	52,893	46,646	196.3
1986	54,222	1,017	53,205	46,938	195.7
1987	53,918	1,040	52,878	46,587	192.4
1988	54,336	1,006	53,330	46,914	192.0
1989	54,864	910	53,954	47,390	192.2
1990	54,771	879	53,892	47,196	189.7
1991	55,054	855	54,199	47,503	188.4
1992	55,020	808	54,212	47,600	186.6
1993	54,375	780	53,595	47,219	183.2
1994	54,676	760	53,916	47,495	182.4
1995	54,580	739	53,841	47,485	180.7
1996	55,028	711	54,317	47,924	180.7
1997	54,782	691	54,091	47,692	178.1
1998	54,516	676	53,840	47,497	175.8
1999	54,907	668	54,239	47,889	175.6
2000	54,490	622	53,868	47,481	168.7
2001	53,980	592	53,388	47,048	165.1
2002	54,216	576	53,640	47,197	164.0
2003	54,364	547	53,817	47,371	163.2
2004	54,072	528	53,544	47,184	161.1
2005	53,865	512	53,354	46,995	159.0
2006	54,687	504	54,183	47,755	160.1
2007	54,606	508	54,098	47,670	158.2
2008	54,554	547	54,007	47,508	156.2
2009	55,486	590	54,896	48,400	157.7
2010	54,673	479	54,194	47,809	154.9
2011	53,739	477	53,262	46,987	150.8
2012	52,854	481	52,373	46,224	147.2
2013	51,505	525	50,980	44,929	142.1
2014	50,118	489	49,629	43,803	136.4

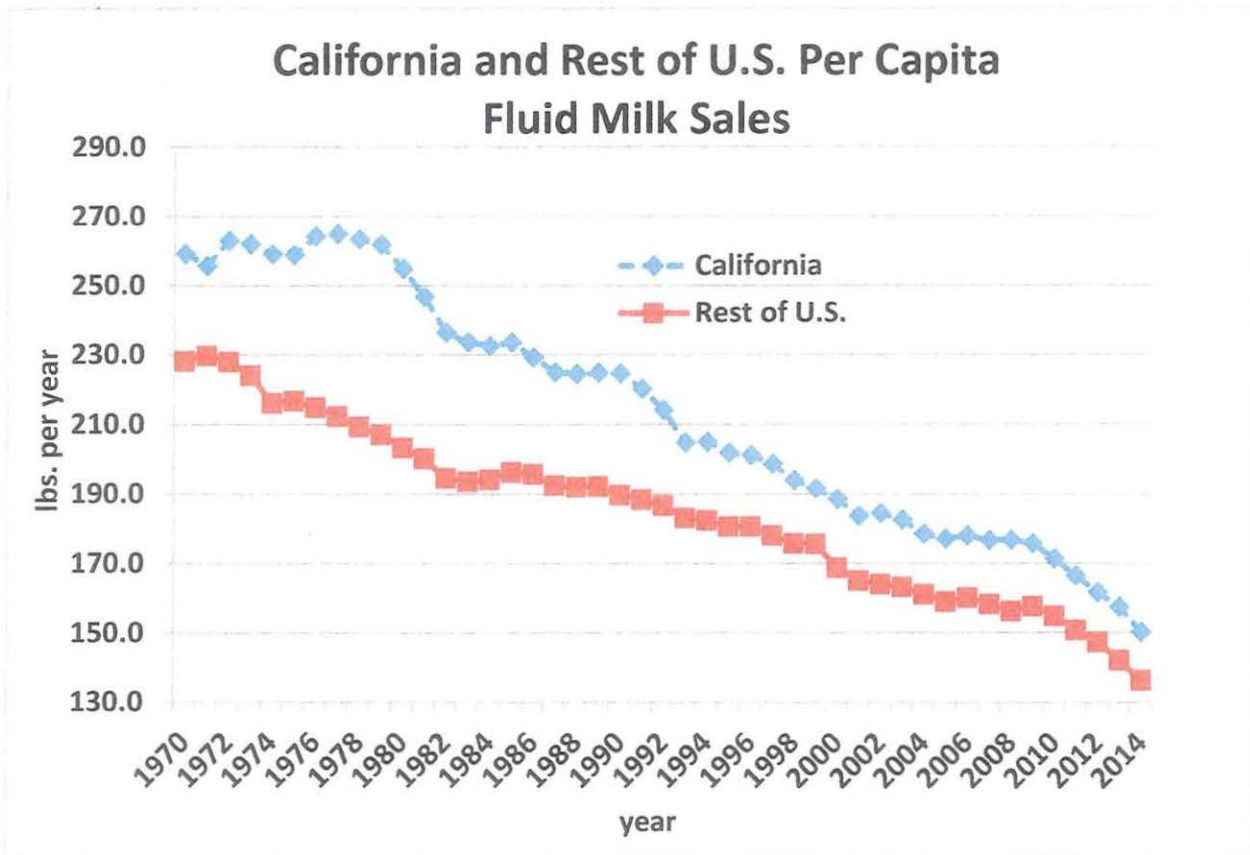
Sources

Figure 12.



Source Data: See Table 12.

Figure 13.



Source Data: See Table 12.

Figure 14.



Source Data: See Table 13.

**Table 13. 2015 January - May US Retail Price Average for Whole Milk**  
*(Simple Average of Monthly Weighted Average Prices In Dollars Per Gallon)*

Product	Whole Milk	2% Milk	1% Milk	Nonfat (skim) Milk
City	5-Month Simple Average of Monthly Weighted Average Prices in Dollars Per Gallon			
Chicago	3.00	2.75	2.85	2.88
New York	4.07	3.93	4.00	3.98
Miami	3.96	3.99	3.76	3.88
New Orleans	4.25	4.21	4.21	4.55
Sacramento	4.28	4.11	4.22	4.05
San Francisco	4.68	4.54	4.76	4.63
San Diego	3.62	3.50	3.65	3.44
Los Angeles	3.25	3.16	3.33	3.12
Portland	3.39	3.18	3.21	3.14
Kansas City	3.86	3.72	3.70	3.54
Phoenix	2.43	2.32	2.34	2.33
Total US	3.47	3.35	3.34	3.33

Source: Calculated from AC Nielsen Scantrack Reports on Refrigerated Milk. The average price per gallon represents the weighted averages for specific brands of milk within the specified market. Data includes organic milk. Data subject to revision.

5-month averages calculated from AC Nielsen data as reported by CDFA [http://www.cdfa.ca.gov/dairy/retail\\_prices\\_main.html](http://www.cdfa.ca.gov/dairy/retail_prices_main.html)