

MILK MARKET NEWS

HARRISBURG — According to a recent Crop Reporting Service bulletin, Pennsylvania manufacturers produced 79.9 million gallons of ice cream during 1980, up 8 percent from 1979, and ranked second in the nation in total ice cream production. California was the largest ice cream producing State with a total production of 90.7 million gallons.

Ice milk production in Pennsylvania during 1980 totaled 15.2 million gallons, down 2 percent from 1979. Pennsylvania ranked fifth in the nation in 1980 ice milk production following California, Ohio, Illinois, and Florida.

Milk sherbet production at 3.6 million gallons was up 28 percent from the previous year and ranked second in the Nation following California. Other frozen products manufactured totaled 1.2 million gallons, an increase of 15 percent over 1979.

Dairy product plants in the Commonwealth produced 59.2 million pounds of butter during 1980, up 21 percent from 1979. Creamed cottage cheese production at 45.4 million pounds was down 2 percent from the previous year while lowfat cottage cheese production at 16.9 million pounds was down less than 1 percent.

Pennsylvania's total production of cheese during 1980, excluding cottage cheese, totaled 101.3 million pounds, up 8 percent from the previous year. Mozzarella production at 24.9 million pounds was down 2 percent, while other types of Italian cheeses totaled 16.6 million pounds, up 16 percent from

1979. Swiss cheese production was 7.0 million pounds, down 21 percent from the previous year.

Production of dry and condensed milk during 1980 and the changes from 1979 were: whole unsweetened condensed — 43.2 million pounds, up 2 percent; skim unsweetened condensed — 57.7 million pounds, up 2 percent; nonfat dry milk for human food — 48.3 million pounds, up 131 percent.

During 1980 a total of 3.71 billion pounds of whole milk was used in manufactured dairy products in Pennsylvania with 34 percent of this total used for the production of butter, 20 percent for cheese, 32 percent for frozen products, and 14 percent for other milk products.

U.S. CHEESE

OUTPUT UP 7 PERCENT

Total cheese production, excluding cottage cheese, continued its upward trend in 1980, reaching a record high 3.98 billion pounds, 7 percent above 1979.

The largest percentage increase was registered in American cheese. Wisconsin was the leading producing State with 37 percent, followed by Minnesota with 13 percent, and New York with 8 percent.

Ice cream production totaled 830 million gallons, up 2 percent from the 811 million gallons produced in 1979. Ice milk declined 1 percent to 293 million gallons.

Milk sherbet showed a slight increase while other frozen dairy products declined 15 percent. Mellorine production was down 16 percent from 1979.

Manufactured dairy products used 58.8 percent of all milk

marketed in the United States during 1980 compared with 56.6 percent in 1979. Whole milk used for manufacturing products based on milk-fat content totaled 74.1 billion pounds, 10 percent more than the previous year.

ORDER NO. 4 BASE

MILK PRICE FOR JUNE

ALEXANDRIA, VA. — Middle Atlantic Order Market Administrator Joseph D. Shine, last Thursday, announced a June 1981 base milk price of \$13.89 per hundredweight and an excess milk price of \$12.37.

The weighted average June price was \$13.86 and the butterfat differential for the month was 17.0 cents. The base milk price declined two cents from May, while the weighted average price was up three cents.

The advertising withholding rate, which is deducted from the base and excess milk price and not the weighted average price, was 13 cents a hundredweight and the amount withheld totaled nearly \$640 thousand.

The gross value of producer milk during June was \$68.0 million, compared to \$59.9 million a year ago.

Mr. Shine said that producer receipts totaled 491.8 million pounds during June, a sharp drop of 5.6 percent from May, on a daily basis. Milk production this June was up over 29 million pounds or 6.3 percent from a year ago.

Class 1 producer milk totaled 223.6 million pounds and accounted for 45.47 percent of total receipts. A year ago Class 1 producer milk

totaled 219.2 million pounds and 47.39 percent of total receipts.

Base milk accounted for 89.36 percent of total monthly production. There were 7,497 producers supplying pool handlers during the month, an increase of 171 from last June.

The average daily delivery per producer was 2,187 pounds in June, a drop of 136 pounds from May, but 82 pounds or 3.9 percent above last year. The average butterfat test of producer milk was 3.55 percent compared to 3.62 in May and 3.86 last June.

Middle Atlantic order pool handlers reported Class 1 in-area milk disposition of 190.0 million pounds during June, a drop of 1.9 percent from a year earlier, after adjustment to eliminate variation due to calendar composition.

Utilization

Butter output during January-April was up about 11 percent from a year earlier, and the highest since 1965, reports a recent USDA bulletin.

The January-April increases reflected the larger milk supply available for manufacturing during 1980 and 1981.

For May, preliminary weekly data show output unchanged to up slightly from a year ago.

With large amounts of skim milk available from butter production, nonfat dry milk output during January-April increased almost 18 percent from last year.

American cheese production during January-April was up about 14 percent, compared with a gain last year of about 7 percent. However, there is some indication

that additional resources have been added to the industry to overcome last year's capacity problem during flush.

American cheese production during April was the largest on record and preliminary weekly data show May output up about 3 percent from last year.

Meanwhile, manufacture of other varieties of cheese was up 3.5 percent in April, but for the year is down slightly. Production of evaporated and condensed milk for the January-April period was off about 5 percent, while ice cream was nearly unchanged, and dry whole milk was up about 4 percent.

During the first four months of the year, almost 8 percent (1.9 billion pounds) more milk was used in making manufactured dairy products than a year ago. This reflects the fact that manufacturing use is the residual claimant of milk supplies.

Furthermore, a sharp decline in Wisconsin spot out-of-state shipments of milk was indicative of the excessively large supply of milk available, as little additional fluid supplies were needed in other markets.

With continued heavy supplies of milk expected through this summer, butter-powder output should continue to be large, but may abate relative to a year ago.

The additional American cheese capacity may contribute to this slowing as more milk relative to a year ago goes into cheese production.

AeroDryTM

COMPUTERIZED GRAIN MANAGEMENT

The biggest improvement in grain drying since the corn crib!

Nature and the latest computer technology work in perfect harmony to give you better grain at greatly reduced costs!

- Up to 90% energy savings over heat drying.
- 50% less grain shrinkage.
- Increased feed value over heat drying.
- 25% investment tax credit.

For more information contact:

Millford Mast
Elverson, PA. 215-286-9118

Ken Sauder
Brownstown, PA. 717-656-6519

Paul F. Detweiler
Newville, PA. 717-776-3288

DISTRIBUTED EXCLUSIVELY BY



Advanced Ag Systems Inc.

Dealer inquiries invited

AeroDryTM
COMPUTERIZED GRAIN MANAGEMENT

The biggest improvement in grain drying since the corn crib!

