



**Commonwealth of Pennsylvania**  
Milk Marketing Board  
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Official General

Posted:

December 4, 2019

Order No. A-962 (CRO 10)

Effective:

January 1, 2020

**COST REPLACEMENT ORDER FOR THE  
NORTHEASTERN MILK MARKETING AREA, AREA NO. 3**

NOW, this 4<sup>th</sup> day of December 2019, the Commonwealth of Pennsylvania, Milk Marketing Board, issues this official general order pursuant to the authority conferred by the Milk Marketing Law, 31 P.S. §§ 700j-101 – 700j-1204. This order will become effective at 12:01 a.m. on January 1, 2020.

**SECTION A  
INCORPORATION**

The attached Findings of Fact, Conclusions of Law, and Attachments are incorporated herein by this reference as though fully set forth in this order.

**SECTION B  
SCOPE**

(a) The costs adopted by the Board in this order will replace the costs embodied in Official General Order (OGO) A-962 (CRO 9) and will be incorporated into the wholesale and retail prices of price-controlled packaged products sold in Milk Marketing Area 3, as defined in Section B of OGO A-962.


(b) The rate of return for dealers is 3.4%.

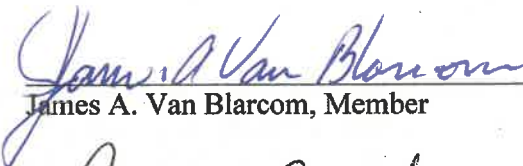
(c) The rate of return to retailers is 2.7%.

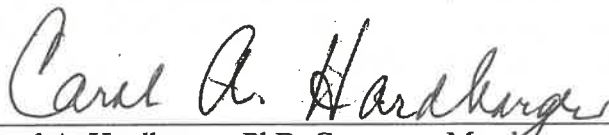
**SECTION C**  
**EFFECTIVENESS OF OFFICIAL GENERAL ORDER A-962**

All parts of Official General Order A-962 not inconsistent with Section B of this order continue in effect.

PENNSYLVANIA MILK MARKETING BOARD

  
\_\_\_\_\_  
Robert N. Barley, Chairman

  
\_\_\_\_\_  
James A. Van Blarcom, Member

  
\_\_\_\_\_  
Carol A. Hardbarger, PhD, Consumer Member

Date: December 4, 2019

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**FINDINGS OF FACT AND CONCLUSIONS OF LAW**  
**COST REPLACEMENT HEARING FOR MILK MARKETING AREA NO. 3**  
**NOVEMBER 6, 2019**

I. FINDINGS OF FACT

1. On November 6, 2019, the Pennsylvania Milk Marketing Board ("Board") held a cost replacement hearing for Milk Marketing Area No. 3.

2. Notice of the hearing was published at 49 Pennsylvania Bulletin 3985 dated July 27, 2019. It was also mailed to those who have requested mailed notice of Board hearings via Board Bulletin No. 1563, dated July 11, 2019. The hearing notice enumerated the scope of evidence that the Board would receive.

3. The dealer cross section used by both Board Staff and the Area 3 milk dealers ("Dealers"), the only parties to present dealer cost information, consisted of Clover Farms Dairy Company; Dan Ed Corp. T/A Guers Dairy; Dean Dairy Holdings LLC DBA Swiss Premium Dairy; Monroe County Milk Producers Coop Association DBA Pocono Mountain Dairy; Turkey Hill LP; Tuscan/Lehigh Valley Dairies, Inc. (Lansdale); Tuscan/Lehigh Valley Dairies, Inc. (Schuylkill Haven) and Valley Farms Dairy LLC.

4. Clifford Ackman, appearing on behalf of Board Staff as an expert in milk statistics, testified that the dealer cross section was representative of the dealers doing business in Area 3. Mr. Ackman testified that the reported product sales ratios of the cross-section dealers are very much like the reported product sales ratios of all dealers in Area 3, observing that the comparison of product sales ratios fell within statistically acceptable limits using the Chi-square goodness of fit test. Mr. Ackman further testified that the cross section dealers were reflective of all dealer sales into Area 3 when comparing sizes of deliveries, types of deliveries, and customers served. Ron Mong, appearing on behalf of Dealers as an expert in cost accounting and milk cost accounting, agreed that the cross section was representative. Based on the factors outlined by Mr. Ackman, the Board finds that the dealer cross section used by both Board Staff and Dealers is representative of dealers doing business in Area 3.

5. Gary Gojsovich testified on behalf of Board Staff as an expert in milk industry cost accounting and regulation. Mr. Gojsovich and Mr. Mong testified that the cross-section dealers incurred a cost of \$0.2662 per point for processing, packaging, and delivering milk in 2018. Based on this uncontradicted and concurring testimony, the Board finds that the cross section dealers incurred a cost of \$0.2662 per point for processing, packaging, and delivery, and further finds that \$0.2662 is the processing, packaging, and delivery cost that should be used in this order.

6. Mr. Gojsovich and Mr. Mong testified to the following 2019 ingredient costs, based on year 2018 pounds: Standard Milk - \$0.0000/lb; Reduced Fat Milk - \$0.0001/lb; Low Fat Milk - \$0.0001/lb; Non-Fat Milk - \$0.0006/lb; Flavored Milk - \$0.0442/lb; Flavored

Reduced Fat Milk - \$0.0337/lb; Flavored Non-Fat Milk - \$0.0265/lb; Buttermilk - \$0.0061/lb; Egg Nog - \$0.1631/lb. The Board finds that these ingredient costs should be used in this order.

7. Mr. Gojsovich and Mr. Mong presented concurring evidence regarding the cost update for labor, insurance, and utility costs of \$0.0030 per point between the first halves of 2018 and 2019. We find that \$0.0030 should be used in this order.

8. Mr. Gojsovich and Mr. Mong recommended that the area-specific adjustments to minimum wholesale and retail prices to account for monthly changes in diesel fuel costs continue in Area 3. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 8 and attached to this order as Attachment 1.

9. Mr. Gojsovich and Mr. Mong recommended that the area-specific adjustments to minimum wholesale and retail prices to account for monthly changes in heating fuel costs continue in Area 3. The Board finds that the adjustment should continue, based on the methodology presented by Mr. Gojsovich in Staff Surrebuttal Exhibit 9 and attached to this order as Attachment 2.

10. Mr. Gojsovich and Mr. Mong presented concurring evidence regarding the cost of shrinkage and sales of bulk products of \$(0.0010) per pound. Based on the uncontradicted and concurring testimony, the Board finds that the cost of shrinkage and sales of bulk products to be used in this order should be \$(0.0010) per pound.

11. Based on the container costs evidence presented by Mr. Gojsovich and Mr. Mong, the Board finds that the following base container costs should be adopted for this order: Gallon - \$0.2089; Half Gallon - \$0.1456; Quart - \$0.1180; Pint (combined) - \$0.0803; Half Pint (paper) - \$0.0260; Half Pint (plastic) - \$0.0693; 12 Ounce - \$0.0630; 10 Ounce - \$0.0587; 4 Ounce - \$0.0232; Bulk Per Quart - \$0.0353. Both Mr. Gojsovich and Mr. Mong testified that container costs should continue to be updated monthly; the Board agrees and finds that container costs should continue to be updated monthly, based on the base weighted costs and weighted units testified to by Mr. Gojsovich and as listed above. The Board also finds that the weighted shrinkage factor should continue to be applied to container costs.

The Board further finds that minimum resale prices for products sold in half pint containers should be calculated using the paper container cost for products sold in paper containers and by applying a plastic add-on to the paper container cost for products sold in rigid plastic containers. Based on the testimony of Mr. Gojsovich and Mr. Mong, we find the plastic add-on is \$0.0433 and that the add-on should be adjusted monthly based on the monthly container cost surveys.

12. Both Mr. Gojsovich and Mr. Mong testified that the container efficiency adjustment should be updated.

Based on 2018 container sales and 2018 costs per point for the bottling, cold room, and delivery cost centers, Mr. Gojsovich and Mr. Mong arrived the following container efficiency adjustments:

Gallon	\$(0.0741)
Half Gallon	\$(0.0259)
Quart	\$0.0489
Pint	\$0.0256
Half Pint	\$0.0158
4 ounce	\$0.0209
Bulk (per quart)	\$0.0200

The Board finds that the container efficiency adjustments should be updated as presented by Mr. Gojsovich and Mr. Mong.

13. Mr. Mong recommended that the Board maintain the rate of return at 3.4%. He testified that milk dealers in Area 3 and across Pennsylvania are facing a serious battle for profitability as fluid milk demand continues to decline year-over-year.

Mr. Mong testified that three of the eight cross section dealers had operating losses in 2018 and that four of the cross section dealers that had operating profits in 2018 were significant processors of non-price-controlled drinks and teas. He testified that removing the four profitable cross section dealers that sell significant amounts of drinks and teas resulted in a weighted average rate of return for the remaining cross section members of -3.3%, despite the rate of return being set at 3.4%. Mr. Mong testified that among the causes for the negative rate of return was the fact that cost replacement lags the period when the operating costs were incurred.

Based on Mr. Mong's persuasive and credible testimony, the Board finds that the rate of return should remain at 3.4%.

14. No party presented evidence regarding Class II products. Mr. Mong recommended that the Board continue using the existing methodology to price Class II products. Since there was no proposal by any party to change Class II pricing, the Board finds that the current Class II pricing methodology shall continue until a Class II hearing is called and the results memorialized in an Official General Order.

15. An in-store handling costs hearing is pending. Therefore, no evidence was presented at this hearing regarding retail prices. Since no evidence was presented, the Board finds that the current retail rate of return of 2.7% should remain in place and further finds that the monthly CPI adjustment to current in-store handling costs remain in effect.

## II. CONCLUSIONS OF LAW


1. The November 6, 2019, cost replacement hearing for Milk Marketing Area No. 3 was held pursuant to authority granted to the Board in section 801 of the Milk Marketing Law (Law), 31 P.S. § 700j-801.

2. The hearing was held following adequate notice, and all interested persons were given a reasonable opportunity to be heard.


3. The cross-section used to establish dealer costs met the requirement of representativeness of section 801 of the Law.

4. In establishing the attached order, the Board has considered the entire record and has concluded that the adoption of this order is supported by a preponderance of the evidence and is reasonable and appropriate under section 801 of the Law, subject to any revisions or amendments the Board may make in the manner set forth in the Law.

### PENNSYLVANIA MILK MARKETING BOARD

  
Robert N. Barley, Chairman

  
James A. Van Blarcom, Member

  
Carol A. Hardbarger, PhD, Consumer Member

Date: December 4, 2019

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**PENNSYLVANIA MILK MARKETING BOARD**  
**MILK MARKETING AREA 3**

**Diesel Fuel Costs Adjustment**

Update of Diesel Fuel Costs from YEAR 2018 to AUGUST 2019

1. Weighted Diesel Fuel Costs - YEAR 2018	\$ 1,570,161
2. Average On-Highway Diesel Price per Gallon - YEAR 2018 (1)	\$ 3.361
3. On-Highway Diesel Price per Gallon - AUGUST 2019 (1)	\$ 3.208
4. Percent Change In Diesel Fuel Price per Gallon ((Line 3 - Line 2) ÷ Line 2)	-4.55%
5. Presumed Diesel Fuel Costs - AUGUST 2019 ((Line 1 X Line 4) + Line 1)	\$ <u>1,498,684</u>
6. Change in Diesel Fuel Costs from YEAR 2018 to AUGUST 2019 (Line 5 - Line 1)	\$ (71,477)
7. Weighted Delivery Points - YEAR 2018	<u>112,796,626</u>
8. Change in Diesel Fuel Costs per Delivery Point (Line 6 ÷ Line 7)	<b>\$ <u><u>(0.0006)</u></u></b>

Footnote:

1. Source: 'Weekly Retail On-Highway Diesel Prices' per Energy Information Administration website.  
web address = [https://www.eia.gov/dnav/pet/pet\\_pri\\_gnd\\_dcus\\_r1y\\_w.htm](https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_r1y_w.htm)

**PENNSYLVANIA MILK MARKETING BOARD**  
**MILK MARKETING AREA 3**

**Heating Fuel Costs Adjustment**

Update of Heating Fuel Costs from YEAR 2018 to JUNE 2019

1. Weighted Heating Fuel Costs - YEAR 2018	\$	201,371
2. Pennsylvania Average Natural Gas Price - Industrial - YEAR 2018 (1)	\$	8.68
3. Pennsylvania Average Natural Gas Price - Industrial - JUNE 2019 (1)	\$	8.35
4. Percent Change In Natural Gas Price ((Line 3 - Line 2) ÷ Line 2)		-3.80%
5. Presumed Heating Fuel Costs - JUNE 2019 ((Line 1 X Line 4) + Line 1)	\$	<u>193,719</u>
6. Change in Heating Fuel Costs from YEAR 2018 to JUNE 2019 (Line 5 - Line 1)	\$	(7,652)
7. Weighted Standardization & Pasteurization (S&P) Points - YEAR 2018		<u>147,361,657</u>
8. Change in Heating Fuel Costs per S&P Point (Line 6 ÷ Line 7)	<b>\$</b>	<b><u>(0.0001)</u></b>

Footnote:

1. Source: Pennsylvania Natural Gas Industrial Price per Energy Information Administration website.  
web address = <http://tonto.eia.doe.gov/dnav/ng/hist/n3035pa3m.htm>



**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 3**

**MILK COSTS BEFORE PACKAGING  
OCTOBER 2019 MILK COSTS**

Class I	
Skim Rate	\$ 13.46
Butterfat Rate	\$ 2.5787

Product Description	A Product Pounds	B Pounds	C (B+A)		D (A-B) Skim Pounds	E (B X BF Rate) Butterfat Value	F (D X Skim Rate) Skim Value	G (E + F) Total Value	H (G + A) Cost per Pound	I (EX. 4) Ingredient Cost	J (EX. 5) Bulk Sale (Profit)/Loss	K (H + I + J) Total Cost per Pound
			Butterfat Pounds	Percentage								
Standard (Whole) Milk	60,920,196	1,995,108		3.2750%	58,925,088	\$ 5,144,785	\$ 7,931,317	\$ 19,076,102	\$ 0.2146	\$ -	\$ (0.0010)	\$ 0.2136
Reduced Fat (2%) Milk	45,791,745	908,518		1.9940%	44,883,227	\$ 2,342,795	\$ 6,041,282	\$ 8,384,077	\$ 0.1831	\$ 0.0001	\$ (0.0010)	\$ 0.1822
Low Fat (1%) Milk	23,808,228	232,577		0.9769%	23,575,651	\$ 599,746	\$ 3,173,283	\$ 3,773,029	\$ 0.1595	\$ 0.0001	\$ (0.0010)	\$ 0.1576
Non Fat (Skim) Milk	16,087,895	12,635		0.0785%	16,075,260	\$ 32,582	\$ 2,163,730	\$ 2,196,312	\$ 0.1365	\$ 0.0008	\$ (0.0010)	\$ 0.1361
Flavored Milk	3,751,679	123,152		3.2826%	3,628,527	\$ 317,572	\$ 488,400	\$ 805,972	\$ 0.2148	\$ 0.0442	\$ (0.0010)	\$ 0.2580
Flavored Reduced Fat Milk	12,532,694	148,697		1.1885%	12,383,997	\$ 383,445	\$ 1,666,866	\$ 2,050,331	\$ 0.1636	\$ 0.0337	\$ (0.0010)	\$ 0.1963
Flavored NONFAT Milk	7,014,432	6,889		0.0982%	7,007,543	\$ 17,765	\$ 943,215	\$ 960,980	\$ 0.1370	\$ 0.0265	\$ (0.0010)	\$ 0.1625
Buttermilk	838,887	17,484		2.0842%	821,403	\$ 45,086	\$ 110,561	\$ 155,647	\$ 0.1855	\$ 0.0061	\$ (0.0010)	\$ 0.1906
Egg Nog	823,928	58,112		7.0530%	765,816	\$ 149,853	\$ 103,079	\$ 252,932	\$ 0.3070	\$ 0.1631	\$ (0.0010)	\$ 0.4691

**PENNSYLVANIA MILK MARKETING BOARD**  
**MILK MARKETING AREA 3**

**WHOLESALE PRICE BUILDUP**  
**OCTOBER 2019 MILK PRICES**

Container Size	A	B	C	D	E	F	G	H	I	J	K	L	M
	EX. 6 Milk Cost	EX. 3 Container Cost	EX. 7, 8 & 9 (1) Cost Update & Energy Add-On Adjustments	EX. 10 Container Efficiency Adjustment	EX. 2 Processing Cost	(A+B+C+D+E) Average Delivered Cost	Profit at 3.40%	(F+G) Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	(H+I+J) Proposed Wholesale Price	Current Wholesale Price	(K-L) Increase (Decrease)
<b>STANDARD (WHOLE) MILK</b>													
GALLON	\$ 1.8370	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 3.0785	\$ 0.1084	\$ 3.1869	\$ (0.4992)	\$ 0.9448	\$ 3.6325	\$ 3.6681	\$ (0.0356)
1/2 GALLON	\$ 0.9185	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.5906	\$ 0.0560	\$ 1.6466	\$ (0.2496)	\$ 0.4724	\$ 1.8694	\$ 1.8670	\$ 0.0024
QUART	\$ 0.4592	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.9119	\$ 0.0321	\$ 0.9440	\$ (0.1248)	\$ 0.2362	\$ 1.0554	\$ 1.0630	\$ (0.0076)
PINT	\$ 0.2296	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4751	\$ 0.0167	\$ 0.4918	\$ (0.0624)	\$ 0.1181	\$ 0.5475	\$ 0.5496	\$ (0.0021)
1/2 OUNCE	\$ 0.1722	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0998	\$ 0.3379	\$ 0.0119	\$ 0.3498	\$ (0.0468)	\$ 0.0886	\$ 0.3916	\$ 0.3940	\$ (0.0024)
10 OUNCE	\$ 0.1435	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2878	\$ 0.0101	\$ 0.2979	\$ (0.0390)	\$ 0.0738	\$ 0.3327	\$ 0.3347	\$ (0.0020)
1/2 PINT	\$ 0.1148	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.2287	\$ 0.0081	\$ 0.2368	\$ (0.0312)	\$ 0.0591	\$ 0.2647	\$ 0.2650	\$ (0.0003)
4 OUNCE	\$ 0.0574	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1362	\$ 0.0048	\$ 0.1410	\$ (0.0156)	\$ 0.0295	\$ 0.1549	\$ 0.1485	\$ 0.0064
Bulk per Quart	\$ 0.4592	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.7890	\$ 0.0278	\$ 0.8168	\$ (0.1248)	\$ 0.2362	\$ 0.9282	\$ 0.9378	\$ (0.0096)
<b>REDUCED FAT (2%) MILK</b>													
GALLON	\$ 1.5706	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.8121	\$ 0.0990	\$ 2.9111	\$ (0.4992)	\$ 0.9448	\$ 3.3567	\$ 3.3915	\$ (0.0348)
1/2 GALLON	\$ 0.7853	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.4574	\$ 0.0513	\$ 1.5087	\$ (0.2496)	\$ 0.4724	\$ 1.7315	\$ 1.7287	\$ 0.0028
QUART	\$ 0.3926	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.8453	\$ 0.0298	\$ 0.8751	\$ (0.1248)	\$ 0.2362	\$ 0.9885	\$ 0.9838	\$ (0.0073)
PINT	\$ 0.1963	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4418	\$ 0.0156	\$ 0.4574	\$ (0.0624)	\$ 0.1181	\$ 0.5131	\$ 0.5149	\$ (0.0018)
1/2 OUNCE	\$ 0.1472	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0998	\$ 0.3129	\$ 0.0110	\$ 0.3239	\$ (0.0468)	\$ 0.0886	\$ 0.3657	\$ 0.3681	\$ (0.0024)
10 OUNCE	\$ 0.1227	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2670	\$ 0.0094	\$ 0.2764	\$ (0.0390)	\$ 0.0738	\$ 0.3112	\$ 0.3131	\$ (0.0019)
1/2 PINT	\$ 0.0982	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.2121	\$ 0.0075	\$ 0.2196	\$ (0.0312)	\$ 0.0591	\$ 0.2475	\$ 0.2477	\$ (0.0002)
4 OUNCE	\$ 0.0491	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1279	\$ 0.0045	\$ 0.1324	\$ (0.0156)	\$ 0.0295	\$ 0.1463	\$ 0.1399	\$ 0.0064
Bulk per Quart	\$ 0.3926	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.7224	\$ 0.0254	\$ 0.7478	\$ (0.1248)	\$ 0.2362	\$ 0.8592	\$ 0.8688	\$ (0.0094)
<b>LOW FAT (1%) MILK</b>													
GALLON	\$ 1.3585	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.6000	\$ 0.0915	\$ 2.6915	\$ (0.4992)	\$ 0.9448	\$ 3.1371	\$ 3.1773	\$ (0.0402)
1/2 GALLON	\$ 0.6793	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.3514	\$ 0.0476	\$ 1.3990	\$ (0.2496)	\$ 0.4724	\$ 1.6218	\$ 1.6216	\$ 0.0002
QUART	\$ 0.3396	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.7923	\$ 0.0279	\$ 0.8202	\$ (0.1248)	\$ 0.2362	\$ 0.9316	\$ 0.9403	\$ (0.0087)
PINT	\$ 0.1698	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4153	\$ 0.0146	\$ 0.4299	\$ (0.0624)	\$ 0.1181	\$ 0.4858	\$ 0.4882	\$ (0.0026)
1/2 OUNCE	\$ 0.1274	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0998	\$ 0.2931	\$ 0.0103	\$ 0.3034	\$ (0.0468)	\$ 0.0886	\$ 0.3452	\$ 0.3480	\$ (0.0028)
10 OUNCE	\$ 0.1061	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2504	\$ 0.0088	\$ 0.2592	\$ (0.0390)	\$ 0.0738	\$ 0.2940	\$ 0.2963	\$ (0.0023)
1/2 PINT	\$ 0.0849	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.1988	\$ 0.0070	\$ 0.2058	\$ (0.0312)	\$ 0.0591	\$ 0.2337	\$ 0.2343	\$ (0.0006)
4 OUNCE	\$ 0.0425	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1213	\$ 0.0043	\$ 0.1256	\$ (0.0156)	\$ 0.0295	\$ 0.1395	\$ 0.1332	\$ 0.0063
Bulk per Quart	\$ 0.3396	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.6894	\$ 0.0236	\$ 0.6930	\$ (0.1248)	\$ 0.2362	\$ 0.8044	\$ 0.8151	\$ (0.0107)
<b>NON FAT (SKIM) MILK</b>													
GALLON	\$ 1.1745	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.4160	\$ 0.0850	\$ 2.5010	\$ (0.4992)	\$ 0.9448	\$ 2.9466	\$ 2.9904	\$ (0.0438)
1/2 GALLON	\$ 0.5873	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.2594	\$ 0.0443	\$ 1.3037	\$ (0.2496)	\$ 0.4724	\$ 1.5265	\$ 1.5282	\$ (0.0017)
QUART	\$ 0.2936	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.7463	\$ 0.0263	\$ 0.7726	\$ (0.1248)	\$ 0.2362	\$ 0.8840	\$ 0.8935	\$ (0.0095)
PINT	\$ 0.1468	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.3923	\$ 0.0138	\$ 0.4061	\$ (0.0624)	\$ 0.1181	\$ 0.4618	\$ 0.4648	\$ (0.0030)
1/2 OUNCE	\$ 0.1101	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0998	\$ 0.2758	\$ 0.0097	\$ 0.2855	\$ (0.0468)	\$ 0.0886	\$ 0.3273	\$ 0.3305	\$ (0.0032)
10 OUNCE	\$ 0.0918	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2361	\$ 0.0083	\$ 0.2444	\$ (0.0390)	\$ 0.0738	\$ 0.2792	\$ 0.2817	\$ (0.0025)
1/2 PINT	\$ 0.0734	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.1873	\$ 0.0066	\$ 0.1939	\$ (0.0312)	\$ 0.0591	\$ 0.2218	\$ 0.2226	\$ (0.0006)
4 OUNCE	\$ 0.0367	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1155	\$ 0.0041	\$ 0.1196	\$ (0.0156)	\$ 0.0295	\$ 0.1335	\$ 0.1274	\$ 0.0061
Bulk per Quart	\$ 0.2936	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.6234	\$ 0.0219	\$ 0.6453	\$ (0.1248)	\$ 0.2362	\$ 0.7567	\$ 0.7683	\$ (0.0116)

Footnote:  
1. per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0055 per quart equivalent.

PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 3

WHOLESALE PRICE BUILDUP  
OCTOBER 2019 MILK PRICES

Container Size	A EX. 6 Milk Cost	B EX. 3 Container Cost	C EXS. 7, 8 & 9 <sup>(1)</sup> Cost Update & Energy Add-On Adjustments	D EX. 10 Container Efficiency Adjustment	E EX. 2 Processing Cost	F (A+B+C+D+E) Average Delivered Cost	G Profit at 3.40%	H (F+G) Price with Profit	I Less: Average Delivery	J Plus: High Cost Delivery	K (H+I+J) Proposed Wholesale Price	L Current Wholesale Price	M (K-L) Increase (Decrease)
<b>FLAVORED MILK</b>													
GALLON	\$ 2.0640	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 3.3055	\$ 0.1163	\$ 3.4218	\$ (0.4992)	\$ 0.9448	\$ 3.8674	\$ 3.8838	\$ (0.0164)
1/2 GALLON	\$ 1.0320	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.7041	\$ 0.0600	\$ 1.7641	\$ (0.2496)	\$ 0.4724	\$ 1.9869	\$ 1.9749	\$ 0.0120
QUART	\$ 0.5160	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.9687	\$ 0.0341	\$ 1.0028	\$ (0.1248)	\$ 0.2362	\$ 1.1142	\$ 1.1169	\$ (0.0027)
PINT	\$ 0.2580	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.5035	\$ 0.0177	\$ 0.5212	\$ (0.0624)	\$ 0.1181	\$ 0.5769	\$ 0.5765	\$ 0.0004
12 OUNCE	\$ 0.1935	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0988	\$ 0.3592	\$ 0.0126	\$ 0.3718	\$ (0.0468)	\$ 0.0886	\$ 0.4136	\$ 0.4143	\$ (0.0007)
10 OUNCE	\$ 0.1613	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.3056	\$ 0.0108	\$ 0.3164	\$ (0.0390)	\$ 0.0738	\$ 0.3512	\$ 0.3516	\$ (0.0004)
1/2 PINT	\$ 0.1290	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.2429	\$ 0.0086	\$ 0.2515	\$ (0.0312)	\$ 0.0591	\$ 0.2794	\$ 0.2765	\$ 0.0009
4 OUNCE	\$ 0.0645	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1433	\$ 0.0050	\$ 0.1483	\$ (0.0156)	\$ 0.0295	\$ 0.1622	\$ 0.1552	\$ 0.0070
Bulk per Quart	\$ 0.5160	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.8458	\$ 0.0298	\$ 0.8756	\$ (0.1248)	\$ 0.2362	\$ 0.9870	\$ 0.9917	\$ (0.0047)
<b>FLAVORED REDUCED FAT MILK</b>													
GALLON	\$ 1.5704	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.8119	\$ 0.0990	\$ 2.9109	\$ (0.4992)	\$ 0.9448	\$ 3.3565	\$ 3.3960	\$ (0.0395)
1/2 GALLON	\$ 0.7852	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.4573	\$ 0.0513	\$ 1.5086	\$ (0.2496)	\$ 0.4724	\$ 1.7314	\$ 1.7310	\$ 0.0004
QUART	\$ 0.3926	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.8453	\$ 0.0298	\$ 0.8751	\$ (0.1248)	\$ 0.2362	\$ 0.9865	\$ 0.9949	\$ (0.0084)
PINT	\$ 0.1963	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4418	\$ 0.0156	\$ 0.4574	\$ (0.0624)	\$ 0.1181	\$ 0.5131	\$ 0.5155	\$ (0.0024)
12 OUNCE	\$ 0.1472	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0988	\$ 0.3129	\$ 0.0110	\$ 0.3239	\$ (0.0468)	\$ 0.0886	\$ 0.3657	\$ 0.3685	\$ (0.0028)
10 OUNCE	\$ 0.1227	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2670	\$ 0.0094	\$ 0.2764	\$ (0.0390)	\$ 0.0738	\$ 0.3112	\$ 0.3135	\$ (0.0023)
1/2 PINT	\$ 0.0982	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.2121	\$ 0.0075	\$ 0.2196	\$ (0.0312)	\$ 0.0591	\$ 0.2475	\$ 0.2480	\$ (0.0005)
4 OUNCE	\$ 0.0491	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1279	\$ 0.0045	\$ 0.1324	\$ (0.0156)	\$ 0.0295	\$ 0.1463	\$ 0.1400	\$ 0.0063
Bulk per Quart	\$ 0.3926	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.7224	\$ 0.0254	\$ 0.7478	\$ (0.1248)	\$ 0.2362	\$ 0.8592	\$ 0.8698	\$ (0.0106)
<b>FLAVORED NONFAT MILK</b>													
GALLON	\$ 1.3000	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.5415	\$ 0.0895	\$ 2.6310	\$ (0.4992)	\$ 0.9448	\$ 3.0766	\$ 3.1310	\$ (0.0544)
1/2 GALLON	\$ 0.6500	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.3221	\$ 0.0465	\$ 1.3686	\$ (0.2496)	\$ 0.4724	\$ 1.5914	\$ 1.5985	\$ (0.0071)
QUART	\$ 0.3250	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.7777	\$ 0.0274	\$ 0.8051	\$ (0.1248)	\$ 0.2362	\$ 0.9165	\$ 0.9287	\$ (0.0122)
PINT	\$ 0.1625	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4080	\$ 0.0144	\$ 0.4224	\$ (0.0624)	\$ 0.1181	\$ 0.4781	\$ 0.4824	\$ (0.0043)
12 OUNCE	\$ 0.1219	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0988	\$ 0.2876	\$ 0.0101	\$ 0.2977	\$ (0.0468)	\$ 0.0886	\$ 0.3395	\$ 0.3437	\$ (0.0042)
10 OUNCE	\$ 0.1016	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2459	\$ 0.0087	\$ 0.2546	\$ (0.0390)	\$ 0.0738	\$ 0.2894	\$ 0.2928	\$ (0.0034)
1/2 PINT	\$ 0.0813	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.1952	\$ 0.0069	\$ 0.2021	\$ (0.0312)	\$ 0.0591	\$ 0.2300	\$ 0.2314	\$ (0.0014)
4 OUNCE	\$ 0.0408	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1194	\$ 0.0042	\$ 0.1236	\$ (0.0156)	\$ 0.0295	\$ 0.1375	\$ 0.1317	\$ 0.0058
Bulk per Quart	\$ 0.3250	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.6548	\$ 0.0230	\$ 0.6778	\$ (0.1248)	\$ 0.2362	\$ 0.7892	\$ 0.8035	\$ (0.0143)
<b>BUTTERMILK</b>													
GALLON	\$ 1.6430	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 2.8845	\$ 0.1015	\$ 2.9860	\$ (0.4992)	\$ 0.9448	\$ 3.4316	\$ 3.4695	\$ (0.0379)
1/2 GALLON	\$ 0.8215	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 1.4936	\$ 0.0526	\$ 1.5462	\$ (0.2496)	\$ 0.4724	\$ 1.7690	\$ 1.7677	\$ 0.0013
QUART	\$ 0.4107	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 0.8634	\$ 0.0304	\$ 0.8938	\$ (0.1248)	\$ 0.2362	\$ 1.0052	\$ 1.0134	\$ (0.0082)
PINT	\$ 0.2054	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.4509	\$ 0.0159	\$ 0.4668	\$ (0.0624)	\$ 0.1181	\$ 0.5225	\$ 0.5247	\$ (0.0022)
12 OUNCE	\$ 0.1540	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0988	\$ 0.3197	\$ 0.0113	\$ 0.3310	\$ (0.0468)	\$ 0.0886	\$ 0.3728	\$ 0.3754	\$ (0.0026)
10 OUNCE	\$ 0.1284	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.2727	\$ 0.0096	\$ 0.2823	\$ (0.0390)	\$ 0.0738	\$ 0.3171	\$ 0.3192	\$ (0.0021)
1/2 PINT	\$ 0.1027	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0666	\$ 0.2166	\$ 0.0076	\$ 0.2242	\$ (0.0312)	\$ 0.0591	\$ 0.2521	\$ 0.2525	\$ (0.0004)
4 OUNCE	\$ 0.0513	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1301	\$ 0.0046	\$ 0.1347	\$ (0.0156)	\$ 0.0295	\$ 0.1486	\$ 0.1423	\$ 0.0063
Bulk per Quart	\$ 0.4107	\$ 0.0358	\$ 0.0078	\$ 0.0200	\$ 0.2662	\$ 0.7405	\$ 0.0261	\$ 0.7668	\$ (0.1248)	\$ 0.2362	\$ 0.8780	\$ 0.8882	\$ (0.0102)

Footnote:  
1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0055 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 3**

**WHOLESALE PRICE BUILDUP  
OCTOBER 2019 MILK PRICES**

Container Size	A EX. 6	B EX. 3	C EX. 7, 8 & 9 <sup>1)</sup>	D EX. 10	E EX. 2	F (A+B+C+D+E)	G	H (F+G)	I	J	K (H+I+J)	L	M (K-L)
	Milk Cost	Container Cost	Cost Update & Energy Add-On Adjustments	Container Efficiency Adjustment	Processing Cost	Average Delivered Cost	Profit at 3.40%	Price with Profit	Less: Average Delivery	Plus: High Cost Delivery	Proposed Wholesale Price	Current Wholesale Price	Increase (Decrease)
GALLON	\$ 3.7528	\$ 0.2196	\$ 0.0312	\$ (0.0741)	\$ 1.0648	\$ 4.9943	\$ 0.1758	\$ 5.1701	\$ (0.4992)	\$ 0.9448	\$ 5.6157	\$ 5.3778	\$ 0.2379
1/2 GALLON	\$ 1.8764	\$ 0.1500	\$ 0.0156	\$ (0.0259)	\$ 0.5324	\$ 2.5485	\$ 0.0897	\$ 2.6382	\$ (0.2496)	\$ 0.4724	\$ 2.8610	\$ 2.7219	\$ 0.1391
QUART	\$ 0.9382	\$ 0.1298	\$ 0.0078	\$ 0.0489	\$ 0.2662	\$ 1.2909	\$ 0.0490	\$ 1.4399	\$ (0.1248)	\$ 0.2362	\$ 1.5513	\$ 1.4904	\$ 0.0609
PINT	\$ 0.4691	\$ 0.0829	\$ 0.0039	\$ 0.0256	\$ 0.1331	\$ 0.7146	\$ 0.0252	\$ 0.7398	\$ (0.0624)	\$ 0.1181	\$ 0.7955	\$ 0.7633	\$ 0.0322
12 OUNCE	\$ 0.3518	\$ 0.0630	\$ 0.0029	\$ -	\$ 0.0998	\$ 0.5175	\$ 0.0182	\$ 0.5357	\$ (0.0468)	\$ 0.0886	\$ 0.5775	\$ 0.5543	\$ 0.0232
10 OUNCE	\$ 0.2932	\$ 0.0587	\$ 0.0024	\$ -	\$ 0.0832	\$ 0.4375	\$ 0.0154	\$ 0.4529	\$ (0.0390)	\$ 0.0738	\$ 0.4877	\$ 0.4682	\$ 0.0195
1/2 PINT	\$ 0.2346	\$ 0.0295	\$ 0.0020	\$ 0.0158	\$ 0.0686	\$ 0.3485	\$ 0.0123	\$ 0.3608	\$ (0.0312)	\$ 0.0591	\$ 0.3887	\$ 0.3719	\$ 0.0168
4 OUNCE	\$ 0.1173	\$ 0.0236	\$ 0.0010	\$ 0.0209	\$ 0.0333	\$ 0.1961	\$ 0.0069	\$ 0.2030	\$ (0.0156)	\$ 0.0295	\$ 0.2169	\$ 0.2019	\$ 0.0150
Bulk per Quart	\$ 0.9382	\$ 0.0356	\$ -0.0078	\$ 0.0200	\$ 0.2662	\$ 1.2680	\$ 0.0446	\$ 1.3126	\$ (0.1248)	\$ 0.2362	\$ 1.4240	\$ 1.3652	\$ 0.0588

Footnote:  
1, per O.G.O. A-972, also includes an adjustment for the 'Discount Effect' in the amount of +\$0.0055 per quart equivalent.

**PENNSYLVANIA MILK MARKETING BOARD**  
**MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP**  
**OCTOBER 2019 PRICES**

Container Size	A EX. 11	B	C	D	E (A+B+C+D)	F	G (E - F)	
	Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1386	Store Profit 2.7%	Proposed Retail Price	Current Retail Price	Increase (Decrease)	
STANDARD (WHOLE) MILK	GALLON	\$ 3.6325	\$ (0.4722)	\$ 0.5544	\$ 0.1031	\$ 3.82	\$ 3.85	\$ (0.03)
	1/2 GALLON	\$ 1.8694	\$ (0.2430)	\$ 0.2772	\$ 0.0528	\$ 1.96	\$ 1.95	\$ 0.01
	QUART	\$ 1.0554	\$ (0.1372)	\$ 0.1386	\$ 0.0293	\$ 1.09	\$ 1.09	\$ -
	PINT	\$ 0.5475	\$ (0.0712)	\$ 0.0693	\$ 0.0151	\$ 0.56	\$ 0.56	\$ -
	12 OUNCE	\$ 0.3916	\$ (0.0509)	\$ 0.0520	\$ 0.0109	\$ 0.40	\$ 0.41	\$ (0.01)
	10 OUNCE	\$ 0.3327	\$ (0.0433)	\$ 0.0433	\$ 0.0092	\$ 0.34	\$ 0.34	\$ -
	1/2 PINT	\$ 0.2647	\$ (0.0344)	\$ 0.0347	\$ 0.0074	\$ 0.27	\$ 0.27	\$ -
	4 OUNCE	\$ 0.1549	\$ (0.0201)	\$ 0.0173	\$ 0.0042	\$ 0.16	\$ 0.15	\$ 0.01
	Bulk per Quart	\$ 0.9282	\$ (0.1207)	\$ 0.1386	\$ 0.0263	\$ 0.97	\$ 0.98	\$ (0.01)
	REDUCED FAT (2%) MILK	GALLON	\$ 3.3567	\$ (0.4364)	\$ 0.5544	\$ 0.0964	\$ 3.57	\$ 3.60
1/2 GALLON		\$ 1.7315	\$ (0.2251)	\$ 0.2772	\$ 0.0495	\$ 1.83	\$ 1.83	\$ -
QUART		\$ 0.9865	\$ (0.1282)	\$ 0.1386	\$ 0.0277	\$ 1.02	\$ 1.03	\$ (0.01)
PINT		\$ 0.5131	\$ (0.0687)	\$ 0.0693	\$ 0.0143	\$ 0.53	\$ 0.53	\$ -
12 OUNCE		\$ 0.3657	\$ (0.0475)	\$ 0.0520	\$ 0.0103	\$ 0.38	\$ 0.38	\$ -
10 OUNCE		\$ 0.3112	\$ (0.0405)	\$ 0.0433	\$ 0.0087	\$ 0.32	\$ 0.32	\$ -
1/2 PINT		\$ 0.2475	\$ (0.0322)	\$ 0.0347	\$ 0.0069	\$ 0.26	\$ 0.26	\$ -
4 OUNCE		\$ 0.1463	\$ (0.0190)	\$ 0.0173	\$ 0.0040	\$ 0.15	\$ 0.14	\$ 0.01
Bulk per Quart		\$ 0.8592	\$ (0.1117)	\$ 0.1386	\$ 0.0246	\$ 0.91	\$ 0.92	\$ (0.01)
LOW FAT (1%) MILK		GALLON	\$ 3.1371	\$ (0.4078)	\$ 0.5544	\$ 0.0911	\$ 3.37	\$ 3.41
	1/2 GALLON	\$ 1.6218	\$ (0.2108)	\$ 0.2772	\$ 0.0468	\$ 1.74	\$ 1.73	\$ 0.01
	QUART	\$ 0.9316	\$ (0.1211)	\$ 0.1386	\$ 0.0263	\$ 0.98	\$ 0.98	\$ -
	PINT	\$ 0.4856	\$ (0.0631)	\$ 0.0693	\$ 0.0136	\$ 0.51	\$ 0.51	\$ -
	12 OUNCE	\$ 0.3452	\$ (0.0449)	\$ 0.0520	\$ 0.0098	\$ 0.36	\$ 0.36	\$ -
	10 OUNCE	\$ 0.2940	\$ (0.0382)	\$ 0.0433	\$ 0.0083	\$ 0.31	\$ 0.31	\$ -
	1/2 PINT	\$ 0.2337	\$ (0.0304)	\$ 0.0347	\$ 0.0066	\$ 0.24	\$ 0.25	\$ (0.01)
	4 OUNCE	\$ 0.1395	\$ (0.0181)	\$ 0.0173	\$ 0.0038	\$ 0.14	\$ 0.14	\$ -
	Bulk per Quart	\$ 0.8044	\$ (0.1046)	\$ 0.1386	\$ 0.0233	\$ 0.86	\$ 0.87	\$ (0.01)
	NON FAT (SKIM) MILK	GALLON	\$ 2.9466	\$ (0.3831)	\$ 0.5544	\$ 0.0865	\$ 3.20	\$ 3.24
1/2 GALLON		\$ 1.5265	\$ (0.1984)	\$ 0.2772	\$ 0.0445	\$ 1.65	\$ 1.65	\$ -
QUART		\$ 0.8840	\$ (0.1149)	\$ 0.1386	\$ 0.0252	\$ 0.93	\$ 0.94	\$ (0.01)
PINT		\$ 0.4618	\$ (0.0600)	\$ 0.0693	\$ 0.0131	\$ 0.48	\$ 0.49	\$ (0.01)
12 OUNCE		\$ 0.3273	\$ (0.0425)	\$ 0.0520	\$ 0.0093	\$ 0.35	\$ 0.35	\$ -
10 OUNCE		\$ 0.2792	\$ (0.0363)	\$ 0.0433	\$ 0.0079	\$ 0.29	\$ 0.30	\$ (0.01)
1/2 PINT		\$ 0.2218	\$ (0.0288)	\$ 0.0347	\$ 0.0063	\$ 0.23	\$ 0.23	\$ -
4 OUNCE		\$ 0.1335	\$ (0.0174)	\$ 0.0173	\$ 0.0037	\$ 0.14	\$ 0.13	\$ 0.01
Bulk per Quart		\$ 0.7567	\$ (0.0984)	\$ 0.1386	\$ 0.0221	\$ 0.82	\$ 0.83	\$ (0.01)

**PENNSYLVANIA MILK MARKETING BOARD**  
**MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP**  
**OCTOBER 2019 PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)	F	G (E - F)	
Container Size	Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1386	Store Profit 2.7%	Proposed Retail Price	Current Retail Price	Increase (Decrease)	
FLAVORED MILK	GALLON	\$ 3.8674	\$ (0.5028)	\$ 0.5544	\$ 0.1087	\$ 4.03	\$ 4.04	\$ (0.01)
	1/2 GALLON	\$ 1.9869	\$ (0.2583)	\$ 0.2772	\$ 0.0557	\$ 2.06	\$ 2.05	\$ 0.01
	QUART	\$ 1.1142	\$ (0.1448)	\$ 0.1386	\$ 0.0307	\$ 1.14	\$ 1.14	\$ -
	PINT	\$ 0.5769	\$ (0.0750)	\$ 0.0693	\$ 0.0159	\$ 0.59	\$ 0.59	\$ -
	12 OUNCE	\$ 0.4136	\$ (0.0538)	\$ 0.0520	\$ 0.0114	\$ 0.42	\$ 0.42	\$ -
	10 OUNCE	\$ 0.3512	\$ (0.0457)	\$ 0.0433	\$ 0.0097	\$ 0.36	\$ 0.36	\$ -
	1/2 PINT	\$ 0.2794	\$ (0.0363)	\$ 0.0347	\$ 0.0077	\$ 0.29	\$ 0.28	\$ 0.01
	4 OUNCE	\$ 0.1622	\$ (0.0211)	\$ 0.0173	\$ 0.0044	\$ 0.17	\$ 0.16	\$ 0.01
	Bulk per Quart	\$ 0.9870	\$ (0.1283)	\$ 0.1386	\$ 0.0277	\$ 1.03	\$ 1.03	\$ -
FLAVORED REDUCED FAT MILK	GALLON	\$ 3.3565	\$ (0.4363)	\$ 0.5544	\$ 0.0964	\$ 3.57	\$ 3.61	\$ (0.04)
	1/2 GALLON	\$ 1.7314	\$ (0.2251)	\$ 0.2772	\$ 0.0495	\$ 1.83	\$ 1.83	\$ -
	QUART	\$ 0.9865	\$ (0.1282)	\$ 0.1386	\$ 0.0277	\$ 1.02	\$ 1.03	\$ (0.01)
	PINT	\$ 0.5131	\$ (0.0667)	\$ 0.0693	\$ 0.0143	\$ 0.53	\$ 0.53	\$ -
	12 OUNCE	\$ 0.3657	\$ (0.0475)	\$ 0.0520	\$ 0.0103	\$ 0.38	\$ 0.38	\$ -
	10 OUNCE	\$ 0.3112	\$ (0.0405)	\$ 0.0433	\$ 0.0087	\$ 0.32	\$ 0.32	\$ -
	1/2 PINT	\$ 0.2475	\$ (0.0322)	\$ 0.0347	\$ 0.0069	\$ 0.26	\$ 0.26	\$ -
	4 OUNCE	\$ 0.1463	\$ (0.0190)	\$ 0.0173	\$ 0.0040	\$ 0.15	\$ 0.15	\$ -
	Bulk per Quart	\$ 0.8592	\$ (0.1117)	\$ 0.1386	\$ 0.0246	\$ 0.91	\$ 0.92	\$ (0.01)
FLAVORED NONFAT MILK	GALLON	\$ 3.0766	\$ (0.4000)	\$ 0.5544	\$ 0.0897	\$ 3.32	\$ 3.37	\$ (0.05)
	1/2 GALLON	\$ 1.5914	\$ (0.2069)	\$ 0.2772	\$ 0.0461	\$ 1.71	\$ 1.71	\$ -
	QUART	\$ 0.9165	\$ (0.1191)	\$ 0.1386	\$ 0.0260	\$ 0.96	\$ 0.97	\$ (0.01)
	PINT	\$ 0.4781	\$ (0.0622)	\$ 0.0693	\$ 0.0135	\$ 0.50	\$ 0.50	\$ -
	12 OUNCE	\$ 0.3395	\$ (0.0441)	\$ 0.0520	\$ 0.0096	\$ 0.36	\$ 0.36	\$ -
	10 OUNCE	\$ 0.2894	\$ (0.0376)	\$ 0.0433	\$ 0.0082	\$ 0.30	\$ 0.31	\$ (0.01)
	1/2 PINT	\$ 0.2300	\$ (0.0299)	\$ 0.0347	\$ 0.0065	\$ 0.24	\$ 0.24	\$ -
	4 OUNCE	\$ 0.1375	\$ (0.0179)	\$ 0.0173	\$ 0.0038	\$ 0.14	\$ 0.14	\$ -
	Bulk per Quart	\$ 0.7892	\$ (0.1026)	\$ 0.1386	\$ 0.0229	\$ 0.85	\$ 0.86	\$ (0.01)
BUTTERMILK	GALLON	\$ 3.4316	\$ (0.4461)	\$ 0.5544	\$ 0.0982	\$ 3.64	\$ 3.67	\$ (0.03)
	1/2 GALLON	\$ 1.7890	\$ (0.2300)	\$ 0.2772	\$ 0.0504	\$ 1.87	\$ 1.87	\$ -
	QUART	\$ 1.0052	\$ (0.1307)	\$ 0.1386	\$ 0.0281	\$ 1.04	\$ 1.05	\$ (0.01)
	PINT	\$ 0.5225	\$ (0.0679)	\$ 0.0693	\$ 0.0145	\$ 0.54	\$ 0.54	\$ -
	12 OUNCE	\$ 0.3728	\$ (0.0485)	\$ 0.0520	\$ 0.0104	\$ 0.39	\$ 0.39	\$ -
	10 OUNCE	\$ 0.3171	\$ (0.0412)	\$ 0.0433	\$ 0.0089	\$ 0.33	\$ 0.33	\$ -
	1/2 PINT	\$ 0.2521	\$ (0.0328)	\$ 0.0347	\$ 0.0070	\$ 0.26	\$ 0.26	\$ -
	4 OUNCE	\$ 0.1486	\$ (0.0193)	\$ 0.0173	\$ 0.0041	\$ 0.15	\$ 0.15	\$ -
	Bulk per Quart	\$ 0.8780	\$ (0.1141)	\$ 0.1386	\$ 0.0250	\$ 0.93	\$ 0.94	\$ (0.01)

**PENNSYLVANIA MILK MARKETING BOARD  
MILK MARKETING AREA 3**

**RETAIL PRICE BUILDUP  
OCTOBER 2019 PRICES**

	A EX. 11	B	C	D	E (A+B+C+D)	F	G (E - F)	
Container Size	Proposed Wholesale Price	Deepest Discount 13.00%	In-Store Handling \$ 0.1388	Store Profit 2.7%	Proposed Retail Price	Current Retail Price	Increase (Decrease)	
<b>EGG NOG</b>	GALLON	\$ 5.6157	\$ (0.7300)	\$ 0.5544	\$ 0.1510	\$ 5.63	\$ 5.38	\$ 0.25
	1/2 GALLON	\$ 2.8610	\$ (0.3719)	\$ 0.2772	\$ 0.0768	\$ 2.87	\$ 2.73	\$ 0.14
	QUART	\$ 1.5613	\$ (0.2017)	\$ 0.1386	\$ 0.0413	\$ 1.56	\$ 1.50	\$ 0.06
	PINT	\$ 0.7955	\$ (0.1034)	\$ 0.0693	\$ 0.0211	\$ 0.81	\$ 0.77	\$ 0.04
	12 OUNCE	\$ 0.5775	\$ (0.0751)	\$ 0.0520	\$ 0.0154	\$ 0.59	\$ 0.56	\$ 0.03
	10 OUNCE	\$ 0.4877	\$ (0.0634)	\$ 0.0433	\$ 0.0130	\$ 0.50	\$ 0.48	\$ 0.02
	1/2 PINT	\$ 0.3887	\$ (0.0505)	\$ 0.0347	\$ 0.0103	\$ 0.40	\$ 0.38	\$ 0.02
	4 OUNCE	\$ 0.2169	\$ (0.0282)	\$ 0.0173	\$ 0.0057	\$ 0.23	\$ 0.21	\$ 0.02
	Bulk per Quart	\$ 1.4240	\$ (0.1851)	\$ 0.1386	\$ 0.0382	\$ 1.43	\$ 1.38	\$ 0.05

