

### ORGANIC DAIRY FLUID OVERVIEW

**Milk Product Sales:** AMS reports Total Organic Milk Products sales for November 2012, 191 million pounds, were up 9.0% from November 2011.

Organic Whole Milk sales for November 2012, 49 million pounds, were up 16.0% compared with November 2011.

Organic Fat-Reduced Milk sales for November 2012, 142 million pounds, were up 6.8% compared with November 2011.

This contrasts with a 1.7% November 2012 decline for Total Fluid Milk Products Adjusted (which includes organic and non-organic) compared with one year ago. This total Fluid Milk products data is adjusted for calendar year composition.

Total Conventional Milk Products, which does not include organic, has a 0.9% decrease in sales comparing November 2012 with November, 2011, and a -1.5% decline comparing November 2011 with the same year to date.

Total Fluid Milk Products Adjusted (which includes organic and non-organic) milk, has a 0.9% decrease in sales comparing November 2012 with November, 2011, and a -1.5% decline comparing November 2011 with the same year to date.

Total Fluid Milk Products Adjusted (which includes organic and non-organic) milk, has a 0.9% decrease in sales comparing November 2012 with November, 2011, and a -1.5% decline comparing November 2011 with the same year to date.

### ESTIMATED TOTAL U.S. SALES OF FLUID MILK PRODUCTS, NOVEMBER 2012, WITH COMPARISONS 1/

<table>
<thead>
<tr>
<th>Product Name</th>
<th>Sales</th>
<th>Change from: 2/</th>
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<tbody>
<tr>
<td></td>
<td>November</td>
<td>Prev Yr. Y-T-D</td>
</tr>
<tr>
<td>Whole Milk</td>
<td>1,140</td>
<td>12,290</td>
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<tr>
<td>Flavored Whole Milk</td>
<td>50</td>
<td>477</td>
</tr>
<tr>
<td>Reduced Fat Milk (2%)</td>
<td>1,513</td>
<td>16,387</td>
</tr>
<tr>
<td>Low Fat Milk (1%)</td>
<td>605</td>
<td>6,585</td>
</tr>
<tr>
<td>Fat-Free Milk (Skim)</td>
<td>594</td>
<td>6,672</td>
</tr>
<tr>
<td>Flavored Fat-Reduced Milk</td>
<td>345</td>
<td>3,475</td>
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<tr>
<td>Buttermilk</td>
<td>46</td>
<td>438</td>
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<tr>
<td>Tot. Conv. Milk Products</td>
<td>4,342</td>
<td>46,427</td>
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</table>

**Organic Whole Milk**
- 49 million pounds, up 16.0% from November 2011.

**Organic Reduced Fat Milk**
- 55 million pounds, up 4.6% from November 2011.

**Organic Low Fat Milk**
- 41 million pounds, up 9.2% from November 2011.

**Organic Fat-Free Milk (Skim)**
- 37 million pounds, up 2.0% from November 2011.

**Organic Flavored Milk**
- 6 million pounds, up 4.1% from November 2011.

**Organic Reduced Fat Milk**
- 142 million pounds, up 6.8% from November 2011.

**Organic Whole Milk**
- 191 million pounds, up 9.0% from November 2011.

**Tot. Fluid Milk Prod.**
- 4,533 million pounds, down 0.5% from November 2011.

**Tot Fluid Milk Prod Adj**
- 4,478 million pounds, down 1.7% from November 2011.

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1/ These figures are representative of the consumption of fluid milk products in Federal milk order marketing areas and California, which accounts for approximately 92 percent of total fluid milk sales in the United States. An estimate of total U.S. fluid milk sales is derived by interpolating the remaining 8 percent of sales from the Federal milk order and California data.  2/ Percent changes, as well as sales volumes, unless otherwise noted, are shown on an unadjusted basis; 3/ Total of organic reduced fat, lowfat, skim, flavored, and miscellaneous milk products combined.  4/ Total fluid milk products include the products listed price plus miscellaneous products and eggnog.  5/ Sales volumes and percent changes have been adjusted for calendar composition; see [http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3023272](http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3023272)

### ORGANIC DAIRY RETAIL OVERVIEW

#### NATIONALLY ADVERTISED PRICE COMPARISON

**Organic Dairy Overview.** Organic dairy advertising volume strengthened to a level not reached since mid-September. Organic milk ads are the greatest factor in overall ad numbers this period, supplemented by higher organic butter ad numbers than during the last several months. Organic milk ads included ads for organic flavored milk, a relatively infrequent occurrence. Organic milk ads comprised 62% of all organic ads, followed by organic butter, 18%; organic yogurt, 15%; and organic cheese, 5%. A very few ads for organic cottage cheese and sour cream appeared, enough below 1% each so as not to affect rounded percentages. Some organic butter ads continued to offer prices below the highest prices of advertised conventional butter. Organic cheese in 8 ounce blocks and 8 ounce shredded had weighted average advertised prices only a few cents higher than for conventional cheese counterparts.

Advertising information presented is compiled from nearly 16,000 surveyed newspaper supermarket ads for the period January 12, 2013, to January 25, 2013, identifying weekly “specials” and containing organic dairy content. Surveyed ads reflect advertised “specials” and not the range of non-advertised supermarket cooler prices.

**Regional Organic Dairy Ad Trends.** The heaviest concentration of organic dairy ads occurred in the South Central Region, 24.2%, and the Southwest, 24.0%. Ads in the Northeast are 19.4% of total ads, 16.2% in the Southeast, 11.7% in the Midwest, and 4.6% in the Northwest.

#### Organic Dairy Ads Regionally As A Percentage of Surveyed Organic Dairy Ads

**Week 04, 2013**

![Organic Dairy Ads Regionally As A Percentage of Surveyed Organic Dairy Ads](http://www.ams.usda.gov/AMSv1.0/getfile?dDocName=STELDEV3023272)

- **Organic Milk.** The Northeast returned as the region with the most ads for organic milk, 36.3%, after ceding that position for the last two periods to the Southwest and South Central Regions. This period the South Central is number 2, with 20.0%, followed by the Southwest, 16.8%; Midwest, 12.6%; Southeast, 9.4%; and Northwest, 4.9%.

The vast majority of the organic milk ads, 62.1%, are for non-flavored half gallons, with 33.8% for 8 ounce containers and 4.1% for flavored half gallons.
Organic Milk Half Gallons. The national weighted average advertised price of organic milk half gallons, $3.57, is 28 cents higher than two weeks ago. The price range is $2.99 to $4.99, increased 40 cents on the bottom of the price range and was unchanged on the top. This period, slightly over 60% of ads are for national brands and slightly under 40% for store brands. Both store brands and national brands had the lowest price in the price range while national brands alone had the highest. The weighted average advertised price for national brands is $3.82 and for store brands, $3.19.

Organic Yogurt. Organic yogurt ads appeared only for 32 ounce organic yogurt as well as 4-6 ounce Greek yogurt. There are no ads for 4-6 ounce organic yogurt. The South Central Region has the greatest percentage of ads, 43.8%, followed by the Southwest, 28.0%; Southeast, 18.2%; and Midwest, 10.1%. The majority of ads, slightly over 78%, are for 32 ounce organic yogurt with the balance for 4-6 ounce organic Greek yogurt.

Organic Yogurt Features

32 Ounce Organic Yogurt. Ads for organic yogurt in 32 ounce containers range in price from $2.99 to $3.29, resulting in a national weighted average price of $3.03. The majority of ads, over 84%, are for store brands with the remaining ads for national brands.

4-6 Ounce Organic Greek Yogurt. Ads for Greek Yogurt in 4-6 ounce containers range from $1.00 to $1.50 in price, with a national weighted average advertised price of $1.34. All ads represent national brands.
CONTINUED FROM PAGE 8-A

4-6 OUNCE ORGANIC GREEK YOGURT ADS
REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

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<thead>
<tr>
<th>REGION</th>
<th>%</th>
<th>WTD. AV. ADV. PRICE $</th>
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</thead>
<tbody>
<tr>
<td>NE</td>
<td>00.0</td>
<td>1.34</td>
</tr>
<tr>
<td>SE</td>
<td>00.0</td>
<td>1.34</td>
</tr>
<tr>
<td>MW</td>
<td>00.0</td>
<td>1.34</td>
</tr>
<tr>
<td>SC</td>
<td>47.6</td>
<td>1.17</td>
</tr>
<tr>
<td>SW</td>
<td>52.4</td>
<td>1.50</td>
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<tr>
<td>NW</td>
<td>00.0</td>
<td>1.34</td>
</tr>
<tr>
<td>US</td>
<td>00.0</td>
<td>1.34</td>
</tr>
</tbody>
</table>

1 Pound Organic Butter. Organic butter ads occurred in four of the six regions. The weighted average advertised price is $3.99, down from $4.07 two weeks ago. Prices ranged from $3.79 to $3.99, with so few ads priced $3.79 that the overwhelming numbers of stores priced $3.99 kept the weighted average advertised price $3.99, notwithstanding a relatively few ads priced $3.79.

1 POUND ORGANIC BUTTER ADS
REGIONAL % and WEIGHTED AVERAGE ADVERTISED PRICE

<table>
<thead>
<tr>
<th>REGION</th>
<th>%</th>
<th>WTD. AV. ADV. PRICE $</th>
</tr>
</thead>
<tbody>
<tr>
<td>NE</td>
<td>00.0</td>
<td>3.96</td>
</tr>
<tr>
<td>SE</td>
<td>15.0</td>
<td>3.96</td>
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<tr>
<td>MW</td>
<td>10.3</td>
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<tr>
<td>NW</td>
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<td>3.99</td>
</tr>
<tr>
<td>US</td>
<td>00.0</td>
<td>3.99</td>
</tr>
</tbody>
</table>

The lowest price for organic butter, $3.79, is 20 cents below the highest price for conventional butter this period.

Organic Cheese. Ads for organic cheese, both 8 ounce shredded and 8 ounce blocks, appeared only in the Southeast. All prices are $2.50, only slightly higher than the weighted average price for conventional shredded 8 ounce cheese, $2.44, or conventional 8 ounce blocks, $2.40.

Organic Cottage Cheese. All ads for organic cottage cheese in 16 ounce containers appeared in the Northwest, with a price of $3.99. All ads are for a national brand.

Organic Cottage Cheese. All ads for organic sour cream in 16 ounce containers appeared in the Northwest, with a price of $2.99. All ads are for a national brand.

SUPERMARKET PRICE COMPARISON:
Madison, Wisconsin Prices. Non-advertised organic milk, yogurt, butter and cheese prices in a range of food stores in Madison, Wisconsin are compared for this two week period. Stores included a big-box sized local supermarket; 2 regional chain supermarkets; a smaller but full product line food market; and 2 natural food stores; a national discount big box chain store also selling food; and a large local cooperative grocery store. Organic milk available included 2 national brands, 4 private label store brands, and 3 small local or nearby creamery brands, one featuring non-homogenized milk. Cheese available included 2 national brands, 2 store brands, and cheese from 5 other cheese makers.

INFORMATION GATHERED 01/14/2013 - 01/25/2013
ORGANIC MILK, YOGURT, CHEESE, BUTTER PRICE RANGE
2013 REPORTING WEEK 04

<table>
<thead>
<tr>
<th>REGION</th>
<th>LOW</th>
<th>HIGH</th>
<th>RANGE</th>
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Madison, Wisconsin

FLUID MILK
MILK - gallon
Whole 5.59 6.79 1.20
Reduced fat (2%) 5.59 6.79 1.20
Low fat (1%) 5.59 6.79 1.20
Nonfat (Skim) 5.59 6.79 1.20

MILK - half gallon
Whole 3.79 4.89 1.10
Reduced fat (2%) 3.79 4.89 1.10
Low fat (1%) 3.79 4.89 1.10
Nonfat (Skim) 3.79 4.89 1.10

FLAVMILK - half gallon
All fat tests 3.09 5.69 2.60

YOGURT
Yogurt - 4-6 oz
Yogurt 0.79 1.29 0.50

CHEESE
Cheese - 8 oz block
Mozzarella 3.40 5.75 2.35
Mild Cheddar 3.79 5.99 2.20
Monterey Jack 3.79 5.99 2.20
Pepper Jack 3.89 5.99 2.10

Cheese - 6 oz string
Mozzarella 3.99 5.09 1.10
Colby Jack 3.89 4.99 1.10

BUTTER
Butter - 1 Pound 3.99 6.19 2.20

* = Price change from prior reporting period.

ORGANIC GRAIN AND FEEDSTUFF MARKETS:
Market activity was moderate to active on feed grade corn and food grade wheat items. Majority of the movement consisted of farmers delivering and end-users accepting delivery of previously contracted inventories. Buyers were reluctant to purchase spot delivery supplies until they work through their current inventory. End-users continued to keep a close eye on competing countries and their projected supplies. Price levels this period were mostly weak to lower, with some steadiness in areas. Farmers turned their attention to moisture levels or lack of moisture, so they can manage their planting intentions. This has caused farmers to consider moving away from crops that require ample amount of moisture and consider drier climate crops. Note: Spelt moved this traded trading period at $20 cents/lb and White corn at 24.00 per bushel. Oregon Alfalfa/Orchard Grass large square Good $265.00; Mixed grass Large Squares Good $245.00. Additional livestock and grain market news information is available at: www.ams.usda.gov/LSMarketNews