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EVAPORATED, CONDENSED, AND DRIED MILK REPORT

(September 1942)

EVAPORATED AND CONDENSED MILK

The production of evaporated and condensed whole milk (case goods) during September dropped sharply below the production of a year earlier but was still well above the September 1936-40 average. Stocks held by manufacturers on October 1, however, were far below their usual levels and manufacturers' selling prices reached the highest level for September in more than a decade.

The output of the major condensery product -- unsweetened evaporated whole milk (case goods) -- estimated at 227 million pounds for September, was 22 percent smaller than the September 1941 production but is 37 percent larger than average for September 1936-40. Stocks of evaporated milk (case goods) held by manufacturers on October 1 totaled only 137 million pounds, or 60 percent below a year earlier and 47 percent lower than the October 1, 1936-40 average. The selling price of evaporated milk by manufacturers averaged \$3.86 per case in September, compared with \$3.65 in September last year. This was the highest September selling price since 1929.

Sweetened condensed milk (case goods) production during September was estimated at 8,589,000 pounds -- a decrease of 15 percent from the production in the same month a year ago but an increase of 91 percent from the 5-year (1936-40) average for September. Stocks on October 1 of only 4,124,000 pounds were at the lowest level for the date in 23 years of records, and were 59 percent smaller than on October 1 last year. Manufacturers' selling prices averaged \$5.83 per case, which was the highest average for any month since March 1931.

Production of plain condensed milk (bulk goods) in September showed no change compared with the production of a year earlier. The output of the plain condensed whole milk product, however, was 16 percent above the September 1936-40 average, while the manufacture of the skimmed product was 61 percent above average. The September output of sweetened condensed whole milk (bulk goods) was 16 percent greater than in September a year ago and was 46 percent above average for September 1936-40. Condenseries reported an increase of 55 percent in the manufacture of sweetened condensed skim milk (bulk goods) as compared with a year earlier and an increase of 31 percent from the September average. Manufacturers' selling prices of all condensed bulk goods were higher than in August and had advanced sharply from a year ago.

DRIED MILK

Production of dried skim milk in September -- estimated at 44 million pounds -- was about a third greater than in September a year ago and  $1\frac{1}{2}$  times the 1936-40 average for the month. However, the decline of 20 percent in production from August to September was much greater than usual for the season and the percentage increase over the same month of 1941 was the smallest since May. Output of dried skim milk for human consumption was 50 percent above that last year and about double the 5-year average for the month. Spray process dried skim milk -- especially desired for lend-lease operations -- made up about three-fifths of the 40.6 million pounds produced for human consumption. Production by the spray process is estimated at 24.6 million pounds in September, compared with 30.2 million in August and 15.8 million pounds in September a year ago. Dried skim milk for animal feed continued at a production level well below last year and the 5-year average.

Production of dried whole milk, instead of dropping seasonally, increased, and for September is estimated at 5.9 million pounds. The percentage gain over the same month of 1941 was more than double that of any previous month this year.

The U. S. Department of Agriculture in September purchased  $14\frac{1}{2}$  million pounds of dried skim milk, and in the first 3 weeks of October, bought 4 million pounds of dried skim and 100,000 pounds of dried whole milk. The Agricultural Marketing Administration recently requested production of an additional 44 million pounds of spray process dried skim milk before the end of the year. Purchases have been shifted from a semi-monthly to a weekly basis.

Stocks of dried skim milk held by manufacturers on October 1 were about a fifth larger than a year earlier, but not far from the 5-year average for the date. Stocks of dried whole milk, however, were 38 percent larger than on October 1 last year and about double the 5-year average holdings on that date.

Manufacturers' wholesale selling prices of dried milk products strengthened somewhat in September. On the basis of sales totaling nearly 48 million pounds, dried skim milk for human

The wholesale prices given below are based upon reports from manufacturers covering actual sales to jobbers, wholesale grocers and similar buyers for goods F.O.B. factory on the basis of cash or short-time credit. Wide ranges in prices may be in part attributed to differences in quality or grade of product sold.

| DRIED SKIM MILK<br>(Bulk goods) |               |                | DRIED WHOLE MILK<br>(Bulk goods)     |           | DRIED BUTTERMILK<br>(Bulk goods)     |               |                |
|---------------------------------|---------------|----------------|--------------------------------------|-----------|--------------------------------------|---------------|----------------|
| Reported Sales                  |               |                | Reported Sales                       |           | Reported Sales                       |               |                |
| Pounds                          |               |                |                                      |           | Pounds                               |               |                |
| Price                           | Human<br>food | Animal<br>feed | Price                                | Pounds    | Price                                | Human<br>food | Animal<br>feed |
| 4 - 4 $\frac{1}{2}$ ¢           | -             | 300            | 10 $\frac{1}{2}$ -11¢                | 1,710     | 4 - 4 $\frac{1}{2}$ ¢                | -             | 50             |
| 4 $\frac{1}{2}$ - 5             | -             | 7,275          | 22 $\frac{1}{2}$ -23 $\frac{1}{2}$ ¢ | 130,000   | 5 $\frac{1}{2}$ - 6 $\frac{1}{2}$ ¢  | -             | 400            |
| 5 $\frac{1}{2}$ - 6             | -             | 18,836         | 23 $\frac{1}{2}$ -24 $\frac{1}{2}$ ¢ | 370,277   | 6 $\frac{1}{2}$ - 7 $\frac{1}{2}$ ¢  | -             | 234,580        |
| 6 - 6 $\frac{1}{2}$ ¢           | -             | 85,279         | 24 $\frac{1}{2}$ -25 $\frac{1}{2}$ ¢ | 115,410   | 7 $\frac{1}{2}$ - 8 $\frac{1}{2}$ ¢  | 100           | 1,624,985      |
| 6 $\frac{1}{2}$ - 7             | -             | 11,884         | 25 $\frac{1}{2}$ -26 $\frac{1}{2}$ ¢ | 2,524,517 | 8 $\frac{1}{2}$ - 9 $\frac{1}{2}$ ¢  | -             | 50,438         |
| 7 - 7 $\frac{1}{2}$ ¢           | -             | 50,324         | 26 $\frac{1}{2}$ -27 $\frac{1}{2}$ ¢ | 239,436   | 9 $\frac{1}{2}$ - 10 $\frac{1}{2}$ ¢ | -             | 7,050          |
| 7 $\frac{1}{2}$ - 8             | -             | 1,807,955      | 29 $\frac{1}{2}$ -30 $\frac{1}{2}$ ¢ | 17,400    | 11 $\frac{1}{2}$ -12 $\frac{1}{2}$ ¢ | 1,518,020     | -              |
| 8 - 8 $\frac{1}{2}$ ¢           | -             | 1,282,405      | 30 $\frac{1}{2}$ -31 $\frac{1}{2}$ ¢ | 1,093,535 | 12 $\frac{1}{2}$ -13 $\frac{1}{2}$ ¢ | 31,600        | -              |
| 8 $\frac{1}{2}$ - 9             | -             | 510,800        |                                      |           | 13 $\frac{1}{2}$ -14 $\frac{1}{2}$ ¢ | 2,800         | -              |
| 9 - 9 $\frac{1}{2}$ ¢           | -             | 97,731         |                                      |           | 15 $\frac{1}{2}$ -16 $\frac{1}{2}$ ¢ | 1,600         | -              |
| 9 $\frac{1}{2}$ - 10            | -             | 53,100         |                                      |           |                                      |               |                |
| 10 - 10 $\frac{1}{2}$ ¢         | 423,531       | 3,181          |                                      |           |                                      |               |                |
| 10 $\frac{1}{2}$ -11            | 642,968       | 500            |                                      |           |                                      |               |                |
| 11 - 11 $\frac{1}{2}$ ¢         | 4,735,829     | 2,400          |                                      |           |                                      |               |                |
| 11 $\frac{1}{2}$ -12            | 4,946,120     | -              |                                      |           |                                      |               |                |
| 12 - 12 $\frac{1}{2}$ ¢         | 1,335,202     | 60             |                                      |           |                                      |               |                |
| 12 $\frac{1}{2}$ -13            | 6,799,106     | 2,910          |                                      |           |                                      |               |                |
| 13 - 13 $\frac{1}{2}$ ¢         | 6,725,745     | -              |                                      |           |                                      |               |                |
| 13 $\frac{1}{2}$ -14            | 6,127,981     | -              |                                      |           |                                      |               |                |
| 14 - 14 $\frac{1}{2}$ ¢         | 10,946,588    | -              |                                      |           |                                      |               |                |
| 14 $\frac{1}{2}$ -15            | 3,699,274     | -              |                                      |           |                                      |               |                |
| 15 - 15 $\frac{1}{2}$ ¢         | 60,000        | -              |                                      |           |                                      |               |                |
| 15 $\frac{1}{2}$ -16            | 1,220,123     | -              |                                      |           |                                      |               |                |
| 16 - 16 $\frac{1}{2}$ ¢         | -             | -              |                                      |           |                                      |               |                |
| 19 - 19 $\frac{1}{2}$ ¢         | 250           | -              |                                      |           |                                      |               |                |
| TOTAL                           | 47,662,717    | 3,934,940      |                                      | 4,492,285 |                                      | 1,554,120     | 1,917,503      |
| GRAND TOTAL                     |               | 51,597,657     |                                      | 4,492,285 |                                      |               | 3,471,623      |
| AVERAGE PRICE                   | 13.11¢        | 7.99¢          |                                      |           |                                      | 12.33¢        | 7.85¢          |
| September 1942                  |               | 12.72¢         |                                      | 25.93¢    |                                      |               | 9.85¢          |
| August 1942                     |               | 12.50¢         |                                      | 25.58¢    |                                      |               | 9.72¢          |
| September 1941                  |               | 10.26¢         |                                      | 22.18¢    |                                      |               | 8.02¢          |

food averaged 13.11 cents per pound, compared with 12.87 cents in August. Some 4 million pounds of dried skim for animal feed, sold at an average of 7.99 cents per pound, brought the average manufacturers' selling price of all dried skim milk in September down to 12.72 cents per pound or about 2 $\frac{1}{2}$  cents above the price in September last year. Dried whole milk, amounting to nearly 4 $\frac{1}{2}$  million pounds, was sold by manufacturers in September at an average wholesale price of 25.93 cents, a slight increase over the August price and 3-3/4 cents above the September price a year ago.

|   | Unit    | September   |             | 5-year average<br>1936-40 |
|---|---------|-------------|-------------|---------------------------|
|   |         | 1942        | 1941        |                           |
| Purchases, reported total.....                          | Pounds  | 474,572,000 | 462,482,000 | 336,957,000               |
| Producers, number.....                                  | Number  | 153,000     | 148,000     | 117,000                   |
| Average daily purchases<br>per producer.....            | Pounds  | 103.4       | 104.3       | 96.0                      |
| Changes in purchases per<br>producer 1942 and 1941..... | Percent | - 0.9       | XXXXXX      | XXXXXX                    |
| 1942 from 5-year average.....                           | "       | + 7.7       | XXXXXX      | XXXXXX                    |

\* These figures represent milk purchases primarily for the manufacture of evaporated and condensed milk.

AVERAGE WHOLESALE SELLING PRICES EVAPORATED AND CONDENSED MILK  
BY GEOGRAPHIC SECTIONS, SEPTEMBER 1942\*

| Geographic<br>Section | Case Goods                                     |   | Bulk Goods                       |         |                     |         |
|-----------------------|--|---|----------------------------------|---------|---------------------|---------|
|                       | Evaporated<br>(48 14 1/2-oz. cans)<br>Per case | Condensed<br>(48 14-oz. cans)<br>Per case | Plain Condensed<br>(Unsweetened) |         | Sweetened Condensed |         |
|                       |  |   | Whole                            | Skimmed | Whole               | Skimmed |
|                       | Dollars  |   | Dollars per hundredweight        |         |                     |         |
| New England           | 3.70   | 5.82                                      | -                                | 3.88    | 12.37               | 8.54    |
| Mid. Atlantic         | 3.66   | 5.82                                      | 9.00                             | 3.63    | 12.17               | 8.34    |
| South Atlantic        | 3.69   | 5.80                                      | -                                | 4.20    | -                   | 8.03    |
| E. N. Central         | 3.58   | 5.80                                      | 9.36                             | 3.30    | 11.10               | 7.55    |
| W. N. Central         | 3.60   | -   | 7.52                             | 3.86    | 10.90               | 8.02    |
| South Central         | 3.64   | 5.88                                      | 7.90                             | 4.06    | 10.75               | 8.25    |
| North Western         | 3.76   | -   | -                                | -       | -                   | -       |
| South Western         | 3.76   | -   | -                                | 4.49    | 12.08               | 8.64    |
| U. S. Sept. 1942      | 3.66   | 5.83                                      | 8.59                             | 3.81    | 11.55               | 8.15    |
| U. S. Aug. 1942       | 3.50   | 5.65                                      | 8.01                             | 3.67    | 11.46               | 8.12    |
| U. S. Sept. 1941      | 3.65   | 5.30                                      | 7.40                             | 2.81    | 9.37                | 5.96    |

\* Wholesale prices are based upon the reports made by manufacturers covering actual sales of goods delivered at manufacturers' distributing points on the basis of cash or short-time credit.

PRICES PAID PRODUCERS FOR 3.5% MILK F.O.B. FACTORY FOR SEPTEMBER 1942  
8 Geographic Sections

| Geographic<br>Section | Number of factories<br>reporting | Price per cwt.   |                    |
|-----------------------|----------------------------------|------------------|--------------------|
|                       |                                  | Range<br>Dollars | Average<br>Dollars |
| New England           | 1                                | -                | -                  |
| Mid. Atlantic         | 9                                | 2.00 - 2.22      | 2.19               |
| South Atlantic        | 7                                | 1.97 - 2.60      | 2.11               |
| E. N. Central         | 94                               | 2.02 - 2.62      | 2.10               |
| W. N. Central         | 12                               | 1.97 - 2.15      | 2.05               |
| South Central         | 12                               | 1.82 - 1.97      | 1.88               |
| North Western         | 11                               | 2.10 - 2.37      | 2.27               |
| South Western         | 23                               | 2.08 - 2.52      | 2.36               |
| U. S. Sept. 1942      | 168                              | 1.97 - 2.62      | 2.13               |
| U. S. Aug. 1942       | 168                              | 1.75 - 2.50      | 2.01               |
| U. S. Sept. 1941      | 161                              | 1.75 - 2.47      | 2.06               |

6 EVAPORATED MILK MARKETING AGREEMENT SECTIONS

| Section       | September 1942 | August 1942 | September 1941 |
|---------------|----------------|-------------|----------------|
|               | Dollars        | Dollars     | Dollars        |
| 1             | 2.10           | 1.97        | 2.11           |
| 2             | 2.23           | 2.09        | 2.22           |
| 3             | 1.97           | 1.85        | 1.82           |
| 4             | 2.16           | 2.05        | 1.95           |
| 5             | 2.28           | 2.08        | 2.07           |
| 6             | 2.47           | 2.36        | 2.10           |
| U. S. Average | 2.13           | 2.01        | 2.06           |

Reports not received from 7 factories in these areas which base prices on formula in evaporated milk market agreements. Formula price for this area in September \$2.09.

Prices paid at Midwest condenseries promulgated officially under the New York and Chicago Marketing Milk Order for September, New York City \$2.10665; Chicago \$2.107.

EVAPORATED MILK MARKETING AGREEMENT MINIMUM PRICES FOR SEPTEMBER

Section 1 - \$2.023 Section 2 - \$2.093 Section 3 - \$1.873  
Section 4 - \$1.751 Section 5 - \$1.773 Section 6 - \$1.952

| Commodity                            | September<br>1942 1/ | September<br>1941 2/ | Change in 1942<br>from |                    | Cumulative Total     |                                 |
|--------------------------------------|----------------------|----------------------|------------------------|--------------------|----------------------|---------------------------------|
|                                      |                      |                      | 1941                   | Average<br>1936-40 | Jan. - Sept.<br>1942 | Change fr<br>Jan.-Sept.<br>1941 |
|                                      | Thousand pounds      |                      | Percent                |                    | Thousand pounds      | Percent                         |
| <b>Evaporated and Condensed Milk</b> |                      |                      |                        |                    |                      |                                 |
| Evaporated (case goods)              | 223,695              | 290,634              | - 22                   | + 37               | 2,985,070            | + 23                            |
| Condensed (case goods)               | 8,529                | 10,105               | - 15                   | + 21               | 58,304               | - 36                            |
| Plain Condensed Whole (bulk)         | 11,479               | 11,490               | 0                      | + 15               | 109,690              | + 1                             |
| " " Skimmed "                        | 30,513               | 30,452               | 0                      | + 61               | 252,805              | + 3                             |
| Sweetened Condensed Whole (bulk)     | 6,356                | 5,738                | + 16                   | + 46               | 64,666               | + 7                             |
| " " Skimmed "                        | 16,644               | 10,738               | + 55                   | + 31               | 181,963              | + 30                            |
| <b>Dried Milk</b>                    |                      |                      |                        |                    |                      |                                 |
| Dried Whole                          | 5,300                | 3,352                | + 76                   | + 240              | 44,360               | + 28                            |
| Dried Skim (human food)              | 40,300*              | 26,993*              | + 50                   | + 103              | 470,214              | + 62                            |
| " " (animal feed)                    | 3,402                | 5,986                | - 43                   | - 65               | 44,786               | - 55                            |
| Total Dried Skim                     | 44,000               | 32,979               | + 33                   | + 49               | 515,000              | + 32                            |
| Dried Buttermilk                     | 6,500                | 5,036                | + 29                   | + 58               | 50,242               | 0                               |

1/ Estimated. Subject to revision when the final report is available for 1941. 2/ Preliminary figures. \*Estimated production Spray Process September 1942 - 24,640,000 pounds. Estimated production Spray Process September 1941 - 15,929,000 pounds.

STOCKS OF EVAPORATED, CONDENSED AND DRIED MILK  
October 1, 1942

| Commodity                     | 1942            | 1941 1/ | Average<br>1936-40 | Change in 1942 from |             |
|-------------------------------|-----------------|---------|--------------------|---------------------|-------------|
|                               |                 |         |                    | 1941                | Av. 1936-40 |
|                               | Thousand pounds |         | Percent            |                     |             |
| Evaporated (case goods)       | 136,985         | 339,716 | 350,472            | - 60                | - 47        |
| Condensed (case goods)        | 4,124           | 10,062  | 9,105              | - 59                | - 55        |
| Dried whole milk              | 9,689           | 7,046   | 4,630              | + 38                | +109        |
| Dried skim milk (human food)  | 28,084          | 23,883  | 27,427             | + 18                | + 2         |
| Dried skim milk (animal feed) | 5,333           | 3,092   | 6,617              | + 27                | - 41        |
| Total dried skim milk         | 32,017 2/       | 26,975  | 34,044             | + 19                | - 6         |
| Dried buttermilk              | 6,677           | 3,721   | 4,374              | + 79                | + 37        |

1/ Revised figures include late reports. 2/ Equivalent to approximately 24 days' supply compared with 21 days' supply on October 1, 1941.

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