

Appendix 1

Revised Calculation of % Marketing Costs

Federal Orders	original parameter estimate used by USDA	lbs per region*	% lbs of total	parameter estimate weighted
FO 1	91.2%	26881.6	20.8%	19.0%
FO 5	96.7%	5420.5	4.2%	4.1%
FO 6	92.5%	2482.9	1.9%	1.8%
FO 7	101.1%	3912.7	3.0%	3.1%
FO 30	91.9%	31837.4	24.6%	22.6%
FO 32	90.3%	15637.7	12.1%	10.9%
FO 33	93.7%	16796	13.0%	12.2%
FO 124	94.5%	7582.9	5.9%	5.5%
FO 126	95.4%	13713.9	10.6%	10.1%
FO 131	99.3%	4909.6	3.8%	3.8%
Straight Average				Weighted Average
% FMMO/NASS differential	94.7%			93.1%
% Marketing Costs	5.3%			6.9%

*Source: Table 6 - 2020 receipts of producer milk

<https://www.ams.usda.gov/sites/default/files/media/2022AnnualPriceandPoolReport.pdf>

Revised Calculation of Organic Milk Price*

Program	Year	Period	Geo Level	State	Commodity	Data Item	Domain	Domain Category	Value	CV (%)
CENSUS	2021	YEAR	NATIONAL	US TOTAL	MILK	MILK, ORGANIC - SALES, MEASURED IN \$	ORGANIC STATUS	ORGANIC STATUS: (NOP USDA CERTIFIED)	\$1,632,652,418	14.4
CENSUS	2021	YEAR	NATIONAL	US TOTAL	MILK	MILK, ORGANIC - SALES, MEASURED IN LB	ORGANIC STATUS	ORGANIC STATUS: (NOP USDA CERTIFIED)	5,196,491,771	14.2
Average Organic Milk Price per lb									\$0.3142	
Average Organic Milk Price per CWT									\$31.42	

*Source: NASS 2021 Organic Census: <https://quickstats.nass.usda.gov/results/3AA9AF76-961D-3745-950E-89F7D7812605>

Revised Calculation of Organic Milk Price

$$\$31.42/\text{CWT} * 6.9\% = \$2.17/\text{CWT}$$

Small Business Size*

$$\$3,750,000 \div \$0.3142/\text{lb} = 11.94 \text{ million lbs}$$

Source: <https://www.ecfr.gov/current/title-13/chapter-I/part-121#121.201>