



United States
Department of
Agriculture

INFORMATIONAL BULLETIN

Farm and Foreign
Agricultural Services

Date: August 10, 2009

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Farm Service
Agency

To: Dairy Industry

1400 Independence
Avenue, SW
Stop 0550
Washington, DC
20250-0550

Subject: CCC Purchase Prices for Surplus Dairy Products

The Dairy Product Price Support Program (DPPSP) provides for the Commodity Credit Corporation (CCC) to purchase from dairy manufacturers nonfat dry milk (NDM), cheddar cheese, and butter.

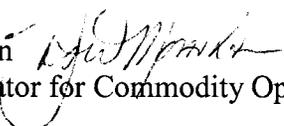
The Food, Conservation, and Energy Act of 2008 provides per pound purchase prices for dairy products under DPPSP at "not less than": \$0.80 for NDM; \$1.13 for blocks of cheddar cheese; \$1.10 for barrels of cheddar cheese, and \$1.05 for butter.

Agriculture Secretary Vilsack announced on July 31 price increases on NDM and cheese purchased under DPPSP, which will be in place from August 2009 through October 2009, to provide immediate relief to dairy farmers around the country. Vilsack indicated that raising the price for NDM and cheese under DPPSP increases the price that dairy farmers receive for their milk.

The increased prices are applicable to NDM and cheese produced from August through October. NDM and cheese produced prior to August 1 may be offered to CCC within 60 days of manufacture, at the July purchase prices. NDM and cheese produced from August 1 through October 31 may be offered to CCC within 60 days of manufacture at the increased prices.

The following table indicates purchase prices through October 31, 2009. All other terms and conditions of Program Announcement Dairy-6 remain unchanged.

Product	CCC Purchase Price for Product Produced (all prices are dollars per pound)	
	Before August 1, 2009	August 1, 2009 thru October 31, 2009
Nonfat Dry Milk	\$0.80	\$0.92
40-lb Blocks Cheddar	\$1.13	\$1.31
500-lb Barrels Cheddar	\$1.10	\$1.28
Butter	\$1.05	\$1.05

James W. Monahan 
Deputy Administrator for Commodity Operations