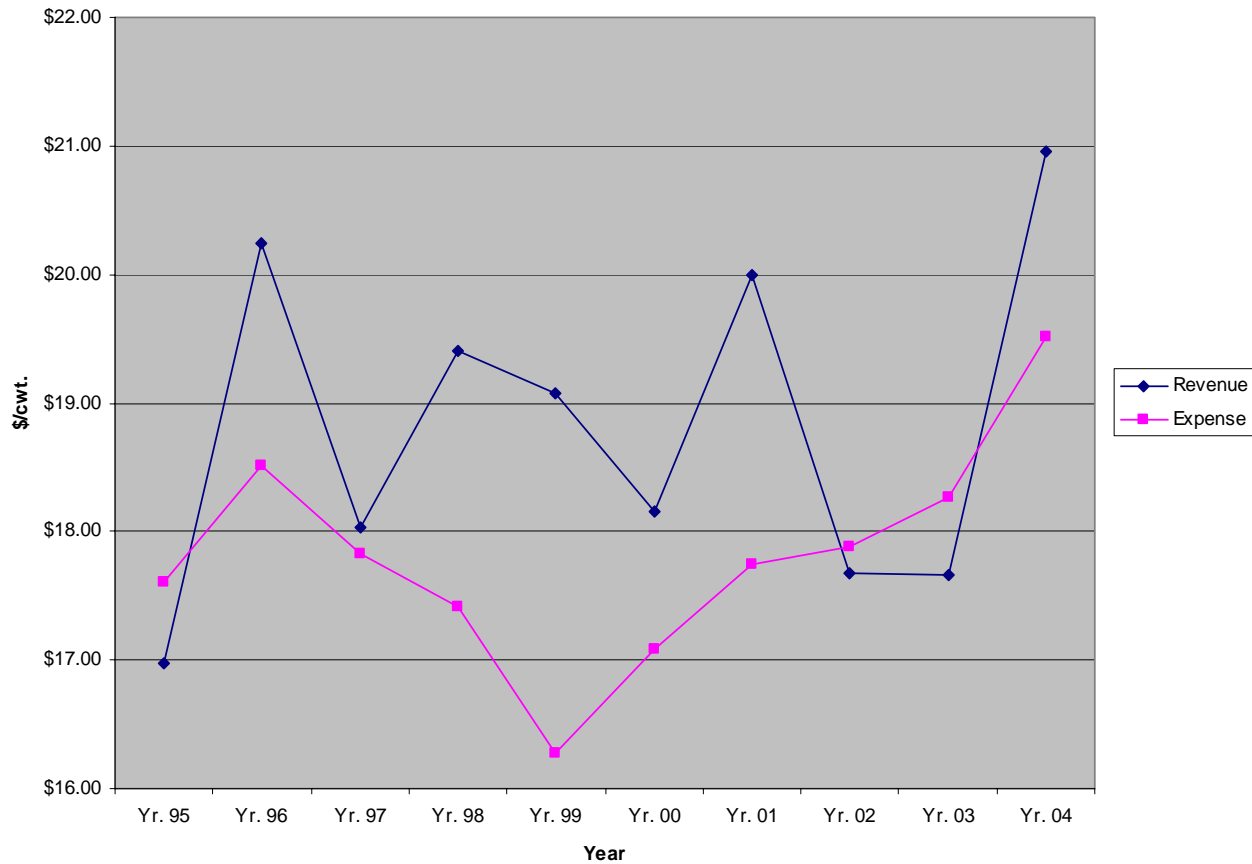


# What Are We Doing to Increase Producer Mailbox Prices?

Calvin Covington  
Southeast Milk, Inc.  
Bellevue, Florida

# Producer Revenue and Expenses



# The Mailbox Price

		% of total
<b>Class I Mover (other class prices)</b>	<b>\$14.40</b>	<b>84.6%</b>
<b>Differentials (utilization)</b>	<b><u>\$3.17</u></b>	<b>18.6%</b>
<b>Federal Order 6 Blend Price</b>	<b>\$17.57</b>	
<b>Over-order premiums</b>	<b>\$1.67</b>	<b>9.8%</b>
<b>Marketing cost</b>	<b><u>(\$0.99)</u></b>	<b>-5.8%</b>
<b>Gross producer pay price</b>	<b>\$18.25</b>	
<b>Average dues</b>	<b>(\$0.10)</b>	<b>-0.6%</b>
<b>Average equity</b>	<b>(\$0.02)</b>	<b>-0.1%</b>
<b>Average hauling</b>	<b>(\$0.95)</b>	<b>-5.6%</b>
<b>Promotion</b>	<b>(\$0.15)</b>	<b>-0.9%</b>
<b>Average Producer Mailbox Price</b>	<b>\$17.03</b>	

Above numbers are 2005 average SMI Central Florida producer prices