

1998 Dairy Product Plant Costs, USDA/RBS/CS Technical Assistance Project¹

	Simple average		
	Cheese ²	Butter	Powder ³
<i>Cost items:</i>	<i>Cents per pound of product</i>		
Wages and benefits	4.275	4.461	4.054
Electricity	0.437	0.698	0.953
Fuels	0.460	0.358	1.731
Water and sewer	0.445	0.402	0.389
Packaging materials ⁴	1.389	2.770	1.388
Ingredients	1.284	0.184	0.027
Cleaning supplies	0.308	0.501	0.372
Plant and lab supplies	0.536	0.659	0.621
Laundry	0.036	0.050	0.049
Repair and Maintenance	0.742	0.796	1.304
Depreciation	1.162	1.181	1.812
Equipment rentals	0.216	0.045	0.048
Taxes	0.130	0.308	0.363
Insurance	0.070	0.100	0.128
Miscellaneous	0.933	1.089	1.484
Total simple average cost ⁵	<u>12.422</u>	<u>13.603</u>	<u>14.723</u>
Pounds of product per plant	52,761,901	23,826,049	38,838,633
Average cheese yield/cwt milk (11 plants)	10.3		
Average percent print butter		53.3%	
Number of plants	12	7	7
Total weighted average cost (cents per pound) ⁶	12.916	10.622	12.709

¹ Data for one plant in each product category were for 1999.² Mostly Cheddar cheese in 40-pound, 640-pound, or 500-pound packages; some Italian and other cheeses.³ Mostly nonfat dry milk; some dry whole milk, dry buttermilk and powder for animal feed.⁴ Cost of packaging materials was likely affected by variations in packages across plants.⁵ Individual cost items may not add to total due to rounding.⁶ Using each plant's product volume as the weight.