

Table 1: Milk qualities for May 2017

	Good	Average	Below average
Butterfat	4.15	3.90	3.71
Protein	3.33	3.19	2.96
Lactose	4.92	4.70	4.55
TBC	under 10	11 to 20	26 to 50
SCC	under 100	101 to 200	201 to 400

Table 2: 350,000 litre producer for May 2017

Net price (p/litre) for various milk qualities - assuming alternate day collection (brackets include ranking by price paid)

Milk buyer	Good quality		Average quality		Below quality	
Aurivo	27.86	(1)	26.40	(3)	25.10	(1)
Dale Farm Red Tractor	27.35	(6)	26.12	(7)	24.48	(6)
Fivemiletown	27.82	(2=)	26.54	(1=)	24.84	(3=)
Glanbia Cheese RT	27.43	(5)	26.33	(4)	24.99	(2)
Glanbia Milk	27.82	(2=)	26.54	(1=)	24.84	(3=)
LacPatrick	27.06	(8)	25.77	(8)	23.97	(8)
Lakeland	27.69	(4)	26.19	(5)	24.19	(7)
Strathroy	27.11	(7)	26.14	(6)	24.77	(5)

Table 3: 1,000,000-litre producer for May 2017

Net price (p/litre) for various milk qualities, assuming alternate day collection (brackets include ranking by price paid)

Milk buyer	Good quality		Average quality		Below average	
Aurivo	28.17	(1)	26.71	(2)	25.41	(2)
Dale Farm Red Tractor	27.81	(6)	26.58	(5)	24.94	(6)
Fivemiletown	27.98	(3=)	26.70	(3=)	25.00	(4=)
Glanbia Cheese	27.93	(5)	26.83	(1)	25.49	(1)
Glanbia Milk	27.98	(3=)	26.70	(3=)	25.00	(4=)
LacPatrick	27.47	(7)	26.18	(8)	24.38	(8)
Lakeland	27.99	(2)	26.49	(6)	24.49	(7)
Strathroy	27.36	(8)	26.39	(7)	25.02	(3)

Footnotes

- ➔ **Transport costs:** The prices in Tables 2 and 3 are after deduction of milk transport charges shown in Table 4. Note that Glanbia Cheese has suspended transport charges since November 2014.
- ➔ **Volume bonuses/allowances:** Apart from reduced transport charges per litre for the higher volumes, there are various volume bonus payments added to prices paid for milk from the larger producers, based on litres supplied in the month or in the year. These are included where applicable in the prices shown in Tables 2 and 3 on the NI average seasonal supply pattern. Examples below.
- ➔ **Aurivo:** Prices include 0.1p/l for a 350,000-litre supplier; and 0.3p/l for a 1m litre supplier.
- ➔ **Glanbia Cheese:** Prices paid to a supplier of 1m litres per year (Table 3) include volume bonus of 0.5p/l.
- ➔ **LacPatrick:** Volume bonuses are 0.1p/l for 30,000 to 45,000 litres in the month; 0.25p/l for 45,000 to 60,000 litres; 0.3p/l for 60,000 to 125,000 litres; 0.5p/l for 125,000 to 250,000 litres; and 0.75p/l for above 250,000 litres in the month.
- ➔ **Lakeland Dairies:** Volume bonuses are 0.1p/l for 25,000 to 50,000 litres in the month; 0.3p/l for 50,001 to 100,000 litres; 0.4p/l for 100,001 to 160,000 litres; 0.5p/l for 160,001 to 200,000 litres; 0.75p/l for 200,001 to 300,000 litres; and 1.0p/l for 300,001 to 400,000 litres in the month.
- ➔ **Dale Farm Red Tractor:** A loyalty bonus of 0.3p/l is included in the Dale Farm prices shown above and a cost rebate of 0.1p/l is included for a supplier of one million litres per year shown in Table 3 above, although not payable until around six months after the end of the milk year. Higher rebates are available to larger producers.
- ➔ **Other Red Tractor bonuses not included in the above tables:** LacPatrick pays a Red Tractor bonus of 0.2p/l on top of basic price. Glanbia Cheese bonus for Red Tractor milk is 0.4p/l. In both cases, the Red Tractor bonus is paid on slightly more than half of the milk they currently buy.
- ➔ **Glanbia Milk:** Prices in Tables 2 and 3 include term bonus (0.3p/l) and group bonus (0.3p/l for groups supplying over 10 million litres per year). The prices shown don't include top-ups that have been paid to suppliers who are shareholders in Glanbia Co-op.
- ➔ **Fivemiletown:** Prices in Tables 2 and 3 include a "Fermanagh bonus" of 0.6p/l, which applies on top of the base price that is set by Glanbia each month (the milk is sold to Glanbia Ingredients Ireland Ltd).

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Based on: average sized supplier (650,000 litres/year); average seasonality of supply; average quality milk; 3.29% protein; 3.92% butterfat; 4.74% lactose; TBC 17,000/ml; somatic cell count 206,000/ml

MILK BUYER (net price - p/litre)	Alternate day collection	Daily collection	Est. share of total milk (%)
Aurivo	26.72	26.72	4
Dale Farm RT	26.58	26.17	31
Strathroy Dairy RT	26.57	26.33	1
Fivemiletown	26.56	26.36	1
Glanbia Milk	26.56	26.36	3
LacPatrick RT	26.54	26.34	15
Lakeland Dairies	26.47	25.99	28
Glanbia Cheese RT	26.43	26.43	11
Strathroy Dairy	26.37	26.13	1
LacPatrick	26.34	26.14	5

Table 4: May transport charges (p/litre)

	350,000L producer			1,000,000L producer		
	Every day	Alternate day	Diff	Every day	Alternate day	Diff
Aurivo	0.22	0.22	0.00	0.22	0.11	0.11
Dale Farm	1.26	0.60	0.66	0.59	0.24	0.35
Fivemiletown	0.63	0.24	0.39	0.22	0.08	0.14
Glanbia Cheese	0.00	0.00	0.00	0.00	0.00	0.00
Glanbia Milk	0.63	0.24	0.39	0.22	0.08	0.14
LacPatrick	0.63	0.32	0.32	0.22	0.11	0.11
Lakeland	0.79	0.00	0.79	0.28	0.00	0.28
Strathroy	0.79	0.39	0.39	0.28	0.14	0.14

Footnote: These transport charges per litre are based on daily collections of 1,267 litres from a 350,000-litre producer and 3,620 litres (1,000,000-litre producer) or alternate-day collections of double these volumes.

Table 5: Base prices used in May milk price comparison

Butterfat: Standard 3.8% - 3.84%
LacPatrick, Lakeland & Dale Farm, 3.85%

Protein: Standard 3.15% - 3.19%
LacPatrick & Dale Farm, 3.18%; Lakeland 3.19%

Lactose: Glanbia Cheese 4.6% - 4.64%;
LacPatrick 4.80%; Lakeland 4.80%; others do not adjust for lactose

Aurivo	26.00
Dale Farm RT	26.00
Fivemiletown*	25.40
Glanbia Cheese RT	25.75
Glanbia Milk*	25.40
LacPatrick**	25.50
Lakeland	25.50
Strathroy Dairy***	26.00

*Glanbia Milk & Fivemiletown Base excludes regular bonuses totaling 0.6p/l.

**LacPatrick's RT bonus is 0.2p/l.

***Strathroy's RT bonus is 0.2p/l.