



The Council of the City of New York

Hon. Christine C. Quinn  
Speaker

*Milk Money: Price Gouging and  
New York City Milk Prices*

A Staff Report To:

The Committee on Oversight and Investigations

Hon. Eric Gioia

Chair

Hon. Letitia James

June 2008



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THE COUNCIL OF  
THE CITY OF NEW YORK

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Hon. Christine C. Quinn  
Speaker

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# Executive Summary

Every month, pursuant to New York State's milk price-gouging law, the State Department of Agriculture and Markets (AGMKT) sets a threshold for the price of milk as a guideline to retailers.<sup>1</sup> However, investigations by former Attorney General Elliot Spitzer between 1999 and 2003 indicated that a significant number of food retailers in the state charged their customers a price over the threshold, with potential price gouging in New York City by an average of 38 cents per gallon.<sup>2</sup> After the Attorney General's 1999 investigation became public, some stores lowered their milk prices by an average of 50 cents per gallon.<sup>3</sup>

According to the U.S. Department of Agriculture (USDA), the average American consumed nearly 23 gallons of milk in 2000.<sup>4</sup> In a nationwide study, milk was found to be the second most commonly consumed beverage and the most heavily consumed beverage among children 4-8 years of age.<sup>5</sup> Not surprisingly, this study found milk, above all beverages, to be the primary source of key vitamins and minerals.<sup>6</sup> Included among the health benefits that milk can provide are strong, healthy bones and teeth, a healthy blood pressure, and a diet that is rich in nutrients while being relatively low in fat.<sup>7</sup>

Unfortunately, milk consumption has dropped significantly over the past half century. In its place consumers are opting towards less nutritious (and often less expensive) soft drinks,

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<sup>1</sup>The New York State Department of Agriculture and Markets Division of Milk Control and Dairy Services. "Milk Price Gouging Law, Retail Price Survey and Oversight." <http://www.agmkt.state.ny.us/DI/Diprograms.html> (last accessed October 4, 2007).

<sup>2</sup>Office of the New York State Attorney General. "Dozens of Retailers have failed to Pass on a Major Price Drop," and "Investigation Reveals Apparent Mild Price Gouging," News Releases, May 3, 1999 and July 4, 2003. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

<sup>3</sup>"AG Says Most Retailers Have Reduced Milk Prices But Some Continue to Sell Produce at Inflated Prices," News Release, June 30, 1999. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

<sup>4</sup>U.S. Department of Agriculture. Office of Communications. Agriculture Fact Book 2001-2002. Chapter 2: Profiling Food Consumption in America. (2001-2002). <http://www.usda.gov/factbook/chapter2.htm> (last accessed October 5, 2007).

<sup>5</sup>Murphy, Mary M. and Douglass, Judith Spungen. "What America Drinks: How Beverages Relate to Nutrient Intakes and Body Weight" ENVIRON International Corporation. <http://www.2424milk.com/drinks.php> (last accessed October 5, 2007).

<sup>6</sup>Ibid.

<sup>7</sup>U.S. Department of Agriculture. The Center for Nutrition Policy and Promotion. MyPyramid.gov: Inside the Pyramid. <http://www.mypyramid.gov/pyramid/milk.html> (last accessed October 5, 2007).

fruit juice, coffee and tea.<sup>8</sup> Meanwhile, the price that consumers must pay for milk as well as other commonly consumed items (e.g., eggs, produce, bread, etc.) is increasing drastically.<sup>9</sup>

In November 2007, investigators from the New York City Policy and Investigations Division (PID) conducted a survey of milk prices at 50 retailers throughout the city, including ten per borough. Once the surveys were completed, PID compared the milk prices at stores around the city to the respective thresholds that AGMKT set for the month of November to determine whether retailers in New York City were charging prices that might be classified as gouging.<sup>10</sup> This investigation found:

- Forty-three of the 50 stores surveyed (86%) charged a price that was higher than the threshold for at least one unit of milk.
- The 43 surveyed retailers that charged above the threshold for at least one unit of milk charged an average of \$0.40 per unit above the threshold.
- Twelve (63.2%) of the 19 supermarkets surveyed charged above the threshold for at least one unit of milk.
- A total of 458 units of milk were surveyed,<sup>11</sup> with 238 (51.9%) units priced above the threshold.

These findings suggest that oversight and enforcement of the State Milk Price Gouging Law by AGMKT and subsequently, the Attorney General – to whom cases requiring enforcement are referred by AGMKT – has been reduced significantly. As a result, retailers are essentially unencumbered by the law and able to set milk prices almost as if the law does not exist.

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<sup>8</sup> Putnam J. and Gerrior S. “Trends in the U.S. Food Supply.” In: Frazao E, ed. America’s Eating Habits: Changes and Consequences. Washington, DC: U.S. Department of Agriculture, 1999; 133-160.

<sup>9</sup> Hurley, S., Burke, C. and Geller, A. “Eat It & Weep.” The New York Post, January 21, 2008. [http://www.nypost.com/seven/01212008/news/regionalnews/eat\\_it\\_weep\\_445569.htm](http://www.nypost.com/seven/01212008/news/regionalnews/eat_it_weep_445569.htm) (last accessed January 31, 2008).

<sup>10</sup> A determination of compliance with the MPGL requires the acquisition of financial information specific to each retailer. The following findings present a comparison of retail milk prices at a small number of retailers across the city but does not assert that any of the retailers were in violation of the law.

<sup>11</sup> Because investigators were instructed to document the price of whole, 2%, 1% and skim milk in gallon, half-gallon, and quart size, each store had 12 possible units of milk to be surveyed. However, as some stores either did not carry a specific variation of milk, or an investigator was unable to find out the price for a particular variation, the number of units actually surveyed (458) represents 76.3% of the possible sample (600).

## **Recommendations**

1. The New York State Department of Agriculture and Markets (AGMKT) should recommence its oversight efforts by conducting more regular price-gouging enforcement.
2. The New York City Department of Consumer Affairs (DCA) and AGMKT should work together to increase public awareness of the MPGL and the monthly milk threshold.
3. AGMKT should implement a more comprehensive system of notifying milk retailers of the upcoming month's price threshold.
4. Milk retailers should stay abreast of changes to the monthly price threshold and adhere to the MPGL when setting their prices.

## **Background**

In 1991, the Milk Price Gouging Law was enacted to protect consumers from food retailers who sell milk at a price that is “unconscionably excessive.”<sup>12</sup> In May 1991, the New York State Legislature found that although the farm gate price for milk had decreased by 27% between January 1990 and January 1991, those price reductions were not being passed on to consumers.<sup>13</sup> Legislators were concerned that while dairy farmers were struggling to make ends meet, milk vendors were lining their pockets.

The State's response was the Milk Price Gouging Law, which put measures in place to ensure that farmers remain viable and consumers continue to have ready access to fresh milk.<sup>14</sup> The threshold, or highest amount that a retailer is allowed to charge without being subject to an inquiry from AGMKT, is 200% of the price paid to farmers for 100 pounds of

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<sup>12</sup> General Business Law §396-rr.

<sup>13</sup> General Business Law §396-rr. McKinney's Consolidated Laws of New York Annotated. [http://www.ncsl.org/programs/press/2005/price\\_gouging.htm](http://www.ncsl.org/programs/press/2005/price_gouging.htm) (last accessed October 10, 2007).

<sup>14</sup> *Ibid.*

Class 1 fluid milk (whole, low fat or skim milk).<sup>15</sup> The threshold is calculated for two broad regions in the state: Upstate New York and the Metropolitan New York area.<sup>16</sup> AGMKT posts the threshold for the upcoming month on its website and mails the notice of the new threshold to retailers that are on their mailing list.

The Division of Milk Control and Dairy Services at AGMKT is responsible for enforcing the Milk Price Gouging Law. Historically, AGMKT has enforced the law by conducting monthly surveys of 100 supermarkets and 90 small stores in the New York Metropolitan area, including seven regions within New York City and through random visits to retailers.<sup>17</sup> Within the past year, a cut in resources has resulted in the reduction of AGMKT's oversight and enforcement efforts in New York City. To save time and resources, the department has limited its price-gouging enforcement effort to supermarkets and only after significant decreases in the threshold price. Additionally, AGMKT conducts monthly surveys of the same supermarkets, aiming to obtain a measure of milk prices over time.<sup>18</sup>

AGMKT determines that a retailer appears to be gouging if the retailer's gross margin (retail price minus invoice price for milk) exceeds the retail margin standard (RMS), or total in-store handling cost plus net profit, for at least one large-volume brand of milk.<sup>19</sup> If the department believes a retailer is price gouging, AGMKT sends a letter to the retailer giving the store the opportunity to either lower its price, or to provide proof that the price is not "unconscionably excessive" (e.g., the price reflects additional charges to suppliers or other charges that are beyond the retailer's control).<sup>20</sup> If the price cannot be justified and the

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<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> NYS Department of Agriculture and Markets. Division of milk control and Dairy Services. Survey of Retail Milk Prices for Selected Markets in NYS. (September 2007).

<http://www.agmkt.state.ny.us/DI/RetailSurvey2007-09.pdf> (last accessed October 11, 2007). NYC regions covered by AGMKT are the Bronx, Lower East Side, East New York and Williamsburg, Borough Park and South Brooklyn, Jamaica, Brighton Beach and Coney Island, and Staten Island.

<sup>18</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk Control and Dairy Services. October 12, 2007.

<sup>19</sup> Huff, Charles. August 19, 2003. "Presentation to the 67<sup>th</sup> IAMCA Annual Conference." (Harrisburg, Pennsylvania). The New York State Department of Agriculture and Markets. Division of Milk Control and Dairy Services. <http://www.fmpc.uconn.edu/research/milk/NYAG81903.pdf> (last accessed October 7, 2007).

<sup>20</sup> Ibid.

retailer does not lower its price, the case is referred to the Attorney General's office for enforcement, which may include a civil and/or monetary penalty.<sup>21</sup>

In the past, both U.S. Senator Charles Schumer and former Attorney General Elliot Spitzer have commented on the disparity between the price farmers are paid for their milk and the price that consumers pay at the stores. The former Attorney General's investigations between 1999 and 2003 indicated that a significant number of food retailers in the state charged their customers a price over the threshold, with potential price gouging in New York City by an average of 38 cents per gallon.<sup>22</sup>

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<sup>21</sup> *Ibid.*

<sup>22</sup> Office of the New York State Attorney General, "Dozens of Retailers have failed to Pass on a Major Price Drop," and "Investigation Reveals Apparent Mild Price Gouging," News Releases, May 3, 1999 and July 4, 2003. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

# Background

Every month, pursuant to New York State's milk price-gouging law, the State Department of Agriculture and Markets (AGMKT) sets a threshold for the price of milk as a guideline to retailers.<sup>23</sup> However, investigations by former Attorney General Elliot Spitzer between 1999 and 2003 indicated that a significant number of food retailers in the state charged their customers a price over the threshold, with potential price gouging in New York City by an average of 38 cents per gallon.<sup>24</sup> After former Attorney General Spitzer's 1999 investigation became public, some stores lowered their milk prices by an average of 50 cents per gallon.<sup>25</sup>

According to the U.S. Department of Agriculture (USDA), the average American consumed nearly 23 gallons of milk in 2000.<sup>26</sup> In a nationwide study, milk was found to be the second most commonly consumed beverage and the most heavily consumed beverage among children 4-8 years of age.<sup>27</sup> Not surprisingly, this study found milk, above all beverages, to be the primary source of key vitamins and minerals.<sup>28</sup> Included among the health benefits that milk can provide are strong, healthy bones and teeth, a healthy blood pressure, and a diet that is rich in nutrients while being relatively low in fat.<sup>29</sup>

Unfortunately, milk consumption has dropped significantly over the past half century, with consumers opting towards less nutritious (and often less expensive) soft drinks, fruit juice,

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<sup>23</sup> The New York State Department of Agriculture and Markets Division of Milk Control and Dairy Services. "Milk Price Gouging Law, Retail Price Survey and Oversight." <http://www.agmkt.state.ny.us/DI/Diprograms.html> (last accessed October 4, 2007).

<sup>24</sup> Office of the New York State Attorney General. "Dozens of Retailers have failed to Pass on a Major Price Drop," and "Investigation Reveals Apparent Milk Price Gouging," News Releases, May 3, 1999 and July 4, 2003. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

<sup>25</sup> "AG Says Most Retailers Have Reduced Milk Prices But Some Continue to Sell Produce at Inflated Prices," News Release, June 30, 1999. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

<sup>26</sup> U.S. Department of Agriculture. Office of Communications. Agriculture Fact Book 2001-2002. Chapter 2: Profiling Food Consumption in America. (2001-2002). <http://www.usda.gov/factbook/chapter2.htm> (last accessed October 5, 2007).

<sup>27</sup> Murphy, Mary M. and Douglass, Judith Spungen. "What America Drinks: How Beverages Relate to Nutrient Intakes and Body Weight" ENVIRON International Corporation. <http://www.2424milk.com/drinks.php> (last accessed October 5, 2007).

<sup>28</sup> Ibid.

<sup>29</sup> U.S. Department of Agriculture. The Center for Nutrition Policy and Promotion. MyPyramid.gov: Inside the Pyramid. <http://www.mypyramid.gov/pyramid/milk.html> (last accessed October 5, 2007).

coffee and tea.<sup>30</sup> Meanwhile, the price that consumers must pay for milk as well as other commonly consumed items (e.g., eggs, produce, bread, etc.) is increasing drastically.<sup>31</sup> According to the most recent survey of retail milk prices by AGMKT, the cost of a gallon of whole milk in the New York metropolitan area increased nearly a third between December 2006 and December 2007.<sup>32</sup>

Factors that determine the price of milk are many and tend to be complicated:

- International trade policy;
- Negotiations between milk processors and cooperatives of dairy farmers; and
- Distributors' and retailers' own costs, such as labor, fuel for transport, and other operating expenses.<sup>33</sup>

Government policies can also impact prices; such is the case with the 2007 New York State Dairy Assistance Program administered by AGMKT. The program's intent is to encourage farmers to maintain production by paying them 35 cents for every one hundred pounds of milk produced on their farms.<sup>34</sup>

## New York State Price Gouging Law

In 1991, the Milk Price Gouging Law was enacted to protect consumers from food retailers who sell milk at a price that is "unconscionably excessive."<sup>35</sup> As a general rule, price gouging laws are designed to provide stability during "abnormal disruptions of the market" by

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<sup>30</sup> Putnam J. and Gerrior S. "Trends in the U.S. Food Supply." In: Frazao E, ed. *America's Eating Habits: Changes and Consequences*. Washington, DC: U.S. Department of Agriculture, 1999; 133-160.

<sup>31</sup> Hurley, S., Burke, C. and Geller, A. "Eat It & Weep." *The New York Post*, January 21, 2008. [http://www.nypost.com/seven/01212008/news/regionalnews/eat\\_it\\_weep\\_445569.htm](http://www.nypost.com/seven/01212008/news/regionalnews/eat_it_weep_445569.htm) (last accessed January 31, 2008).

<sup>32</sup> New York State Department of Agriculture and Markets. Division of Milk Control and Dairy Services. *Survey of Retail Milk Prices For Selected Markets in NYS*. (September 2007). <http://www.agmkt.state.ny.us/DI/RetailSurvey2007-12.pdf> (last accessed January 17, 2008). The survey of retailers in the metropolitan area included seven areas or zones in New York City, one in Westchester and one in Nassau/Suffolk.

<sup>33</sup> U.S. Government Accountability Office. *Dairy Industry Information on Milk Prices, Factors Affecting Prices, and Dairy Policy Options*. December 2004. <http://www.gao.gov/new.items/d0550.pdf> (last accessed October 9, 2007).

<sup>34</sup> New York State Department of Agriculture and Markets, "Commissioner Announces \$30 Million for Dairy Assistance," News Release, April 13, 2007. <http://www.agmkt.state.ny.us/AD/release.asp?ReleaseID=1604> (last accessed May 30, 2008).

<sup>35</sup> General Business Law §396-rr.

protecting the price of goods and services that are vital to the health and well being of the public.<sup>36</sup> In May 1991, the New York State Legislature found that although the farm gate price for milk had decreased by 27% between January 1990 and January 1991, those price reductions were not being passed on to consumers.<sup>37</sup>

The State's response was the Milk Price Gouging Law, which put measures in place to ensure that farmers remain viable and consumers continue to have ready access to fresh milk.<sup>38</sup> The threshold, or highest amount that a retailer is allowed to charge without being subject to an inquiry from AGMKT, is 200% of the price paid to farmers for 100 pounds of Class 1 fluid milk (whole, low fat or skim milk).<sup>39</sup> The threshold is calculated for two broad regions in the state: Upstate New York and the Metropolitan New York area.<sup>40</sup> AGMKT posts the threshold for the upcoming month on its website and mails the notice of the new threshold to retailers that are on their mailing list. AGMKT acknowledges that not all milk retailers are on their mailing list but that some retailers may receive information on monthly price thresholds from their milk dealers.<sup>41</sup>

## Milk Price Survey and Enforcement

The Division of Milk Control and Dairy Services at AGMKT is responsible for enforcing the Milk Price Gouging Law. Historically, AGMKT has enforced the law by conducting monthly surveys of 100 supermarkets and 90 small stores in the New York Metropolitan area, including seven regions within New York City.<sup>42</sup> Within the past year, a cut in resources has resulted in the reduction of AGMKT's oversight and price-gouging enforcement efforts in New York City. To save time, the department conducts monthly surveys of the same supermarkets, aiming instead to obtain a measure of milk prices over

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<sup>36</sup> General Business Law §396-r.

<sup>37</sup> General Business Law §396-rr. McKinney's Consolidated Laws of New York Annotated. [http://www.ncsl.org/programs/press/2005/price\\_gouging.htm](http://www.ncsl.org/programs/press/2005/price_gouging.htm) (last accessed October 10, 2007).

<sup>38</sup> *Ibid.*

<sup>39</sup> *Ibid.*

<sup>40</sup> *Ibid.*

<sup>41</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk Control and Dairy Services. October 12, 2007.

<sup>42</sup> NYS Department of Agriculture and Markets. Division of milk control and Dairy Services. Survey of Retail Milk Prices for Selected Markets in NYS. (September 2007). <http://www.agmkt.state.ny.us/DI/RetailSurvey2007-09.pdf> (last accessed May 30, 2008). NYC regions covered by AGMKT are the Bronx, Lower East Side, East New York and Williamsburg, Borough Park and South Brooklyn, Jamaica, Brighton Beach and Coney Island, and Staten Island.

time.<sup>43</sup> Supermarkets are typically able to purchase milk in larger quantities and therefore at lower prices; as such, they are less likely than smaller stores (which have neither the space nor the demand of supermarkets) to compensate for their own costs with higher milk prices.<sup>44</sup>

AGMKT determines that a retailer appears to be gouging if the retailer's gross margin (retail price minus invoice price for milk) exceeds the retail margin standard (RMS), or total in-store handling cost plus net profit, for at least one large-volume brand of milk.<sup>45</sup> If the department believes a retailer is price gouging, AGMKT sends a letter to the retailer giving the store the opportunity to either lower its price, or to provide proof that the price is not "unconscionably excessive" (e.g., the price reflects additional charges to suppliers or other charges that are beyond the retailer's control).<sup>46</sup> If the price cannot be justified and the retailer does not lower its price, the case is referred to the Attorney General's office for enforcement, which may include a civil and/or monetary penalty.<sup>47</sup> However, AGMKT says that very few cases are referred to the Attorney General because most stores either lower their price or are able to provide justification for the high price upon receiving a letter.<sup>48</sup>

## Off the Farm vs. Off the Shelf

In the past, both U.S. Senator Charles Schumer and former Attorney General Elliot Spitzer have commented on the disparity between the price farmers are paid for their milk and the price that consumers pay at the stores. Following a survey Senator Schumer conducted comparing retail milk prices against prices paid to farmers, the Senator noted, "Too many of New York's dairy farmers are struggling to make ends meet as farm milk prices go down and retail milk prices stay high."<sup>49</sup>

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<sup>43</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk Control and Dairy Services. October 12, 2007.

<sup>44</sup> Ibid

<sup>45</sup> Huff, Charles. August 19, 2003. "Presentation to the 67<sup>th</sup> IAMCA Annual Conference." (Harrisburg, Pennsylvania). The New York State Department of Agriculture and Markets. Division of Milk Control and Dairy Services. <http://www.fmpc.uconn.edu/research/milk/NYAG81903.pdf> (last accessed October 7, 2007).

<sup>46</sup> Ibid.

<sup>47</sup> Ibid.

<sup>48</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk Control and Dairy Services. October 12, 2007.

<sup>49</sup> Schumer, Senator Charles E., "Schumer: Why are NY Dairy Farmers Losing Revenue While Milk Prices For Consumers Remain High?" News Release, September 29, 2004.

Predictably, the price gouging law has nurtured a relationship between the retail price of milk and the farm price of milk that is more symmetrical when fluctuations in farm prices occur than it was before the law was passed in 1991.<sup>50</sup> Still, following the release of an investigation into milk price-gouging in 1999, then Attorney General Spitzer remarked, “Retailers can react with remarkable speed when producer prices rise, but when the producer price declines...stores set a leisurely pace for making changes that are mandated by law and benefit consumers.”<sup>51</sup> Former Attorney General Spitzer’s investigations between 1999 and 2003 indicated that a significant number of food retailers in the state charged their customers a price over the threshold, with potential price gouging in New York City by an average of 38 cents per gallon.<sup>52</sup>

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<http://schumer.senate.gov/SchumerWebsite/pressroom/pressrelease/2004/PR02971.DairyConfcall092904.htm>. (last accessed October 9, 2007).

<sup>50</sup> U.S. Government Accountability Office. Dairy Industry: Information on Mild Prices, Factors Affecting Prices, and Dairy Policy Options. December 2004. <http://www.gao.gov/new.items/d0550.pdf> (last accessed October 9, 2007).

<sup>51</sup> Office of the New York State Attorney General, “Dozens of Retailers have Failed to Pass On a Major Price Drop,” News Release. May 3, 1999. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

<sup>52</sup> Office of the New York State Attorney General, “Dozens of Retailers have failed to Pass on a Major Price Drop,” and “Investigation Reveals Apparent Mild Price Gouging,” News Releases, May 3, 1999 and July 4, 2003. <http://www.oag.state.ny.us/press/agpress07.html> (last accessed October 4, 2007).

# Methodology

In November 2007, investigators from the New York City Council Policy and Investigations Division (PID) conducted a survey of milk prices at 50 retailers throughout the city, including ten per borough. Once the surveys were completed, PID compared the milk prices at stores around the city to the respective thresholds that AGMKT set for the month of November to determine whether retailers in New York City were charging prices that might be classified as gouging.<sup>53</sup>

## Selection of Milk Retailers

PID used Internet search engines such as [www.yellowpages.com](http://www.yellowpages.com) and [www.maps.google.com](http://www.maps.google.com) to select ten retailers per borough. Because PID's sample of 50 milk retailers represents only a small fraction of the total number of retailers in New York City, PID set parameters from which to select retailers in order to ensure that the findings were relevant to as many New Yorkers as possible. The parameters were established with the goal of yielding multiple layers of viable analysis (e.g., pricing trends among a certain types of stores, volumes, or within neighborhoods with similar economic profiles). Prior to selecting specific retailers, PID considered the size and type of milk retailers (e.g., supermarkets, local grocery stores, convenience stores, etc.) as well as the median household incomes of ZIP code in which the retailer was located.

## *Median Income & Geographical Representation*

PID documented milk prices throughout the city, surveying stores in 30 different ZIP codes and 22 City Council districts represented. PID used Census data on household income to identify six ZIP codes per borough that represent the highest and lowest median household incomes in each respective borough, and searched for milk retailers within these ZIP codes.<sup>54</sup>

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<sup>53</sup> See Appendix A for a copy of the survey form.

<sup>54</sup> U.S. Bureau of the Census. "Census 2000 Demographic Profile Highlights." American Fact Finder. [http://factfinder.census.gov/home/saff/main.html?\\_lang=en](http://factfinder.census.gov/home/saff/main.html?_lang=en) (last accessed February 6, 2008). In limited instances, PID was not able to locate a retailer in one of the originally select ZIP codes. In such instances, PID selected another ZIP code with the next highest or lowest median income.

## *Size & Type of Milk Retailers*

Given the diverse and often disproportionate offering of food retailers in the city, PID set out to evaluate milk prices at a variety of retail venues to look for a correlation between the size and variety of certain types of retailers and adherence to the State's threshold. PID surveyed the following categories of stores:<sup>55</sup>

- 19 supermarkets
- 14 convenience stores / bodegas
- 7 chain pharmacies
- 6 local grocery stores
- 4 “other”
  - 3 delis
  - 1 gas station

## A Survey of Milk Prices

Investigators documented the price, brand and expiration date of the lowest-priced brand (LPB) of milk in gallon, half-gallon and quart-size units of whole milk, 2% milk, 1% milk and skim milk. If a retailer carried two units of the same size and fat content of the LPB milk, investigators were instructed to document both prices. The State's milk price gouging law does not regulate the price of “specialty” milk (e.g., non-dairy, soy, organic, lactose-free, etc.); therefore, investigators surveyed only the cost of basic milk in the volume and varieties of fat content that AGMKT regulates.

## Data Analysis

Once all the surveys were completed, PID investigators analyzed the data for the following information:

- The number of stores that charged above the threshold for at least one unit of milk;
- Of the stores that exceeded the threshold for at least one unit of milk, the average dollar amount by which the threshold was surpassed, including:
  - By volume (Gallon, Half-Gallon and Quart)

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<sup>55</sup> See Appendix B for a complete list of surveyed retailers. One investigator identified a store as both a “bodega” and a “convenience store.” PID called the store and spoke to an employee, who identified the type of store as a “bodega.”

- By retail type (Supermarkets vs. Other Types of Stores)
- The extent to which large retailers, such as supermarkets, exceeded the threshold;<sup>56</sup>
- The extent to which retailers charge above the threshold based on volume; and
- Pricing and availability among high-income and low-income neighborhoods.

Note: A determination of compliance with the MPGL requires the acquisition of financial information specific to each retailer. The following section presents a comparison of retail milk prices at a small number of retailers across the city but does not assert that any of the retailers were in violation of the law.

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<sup>56</sup> The impetus for PID's targeted analysis of milk prices at supermarkets was based on AGMKT's claim that small retailers are more likely to be legally justified in pricing above the threshold than large retailers. However, PID cannot determine if any of the retailers, regardless of size, actually violated the MGPL.

# Findings

Forty-three of the 50 stores surveyed (86%) charged a price that was higher than the threshold for at least one unit of milk.

- Nine of the ten stores surveyed in the Bronx charged above the threshold for at least one unit of milk.
- Eight of the ten stores surveyed in Brooklyn charged above the threshold for at least one unit of milk.
- Nine of the ten stores surveyed in Manhattan charged above the threshold for at least one unit of milk.
- All of the ten stores surveyed Queens charged above the threshold for at least one unit of milk.
- Seven of the ten stores surveyed in Staten Island charged above the threshold for at least one unit of milk.

## Average Amount Over Threshold

All but seven of the 50 surveyed retailers charged above the threshold for at least one unit of milk, averaging \$0.40 per unit above the threshold.

Gallon	Half-gallon	Quart
\$0.42 above threshold	\$0.47 above threshold	\$0.35 above threshold

## Types of Retailers

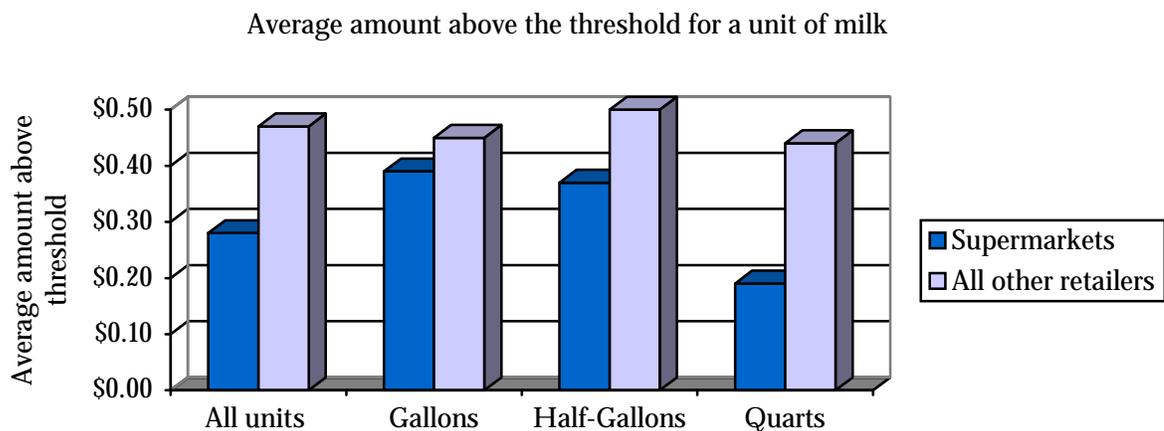
Twelve (63.2%) of the 19 supermarkets surveyed charged above the threshold for at least one unit of milk. As noted in the background section of this report, smaller retailers such as local grocers and bodegas are more likely to have a basis for charging above the threshold for a gallon of milk than larger retailers such as supermarkets.<sup>57</sup> Still, more than half of the supermarkets surveyed were found to be charging above the threshold for at least one unit of milk.

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<sup>57</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk control and Dairy Services. October 12, 2007.

### *Supermarkets versus Other Retailers*

The average amount that stores charged over the threshold was significantly lower in supermarkets when compared to all other types of stores.<sup>58</sup> For example, the supermarkets that PID surveyed charged an average of \$0.19 above the threshold for a quart of milk, compared with an average of \$0.44 above the threshold by all other types of retailers that were surveyed, representing a 56.8% difference in the average amount being charged above what the threshold allows.



### Above Threshold: Gallons vs. Half-Gallons & Quarts

PID analyzed the survey results to see if retailers were more likely to charge above the threshold for a particular variation of milk. While stores did not vary their price for milk based on the fat content PID did discover that retailers were far more likely to charge above the threshold for milk sold in half-gallon or quart sizes, while few retailers charged above the threshold for milk sold by the gallon. Of the 50 stores that were surveyed:

- Seven stores charged above the threshold for a one-gallon unit of milk
- 31 stores charged above the threshold for a half-gallon unit of milk
- 37 stores charged above the threshold for a quart-sized unit of milk

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<sup>58</sup> While patterns of charging above the threshold were observed among stores in all categories, PID was not able to survey enough stores in each category to issue a meaningful comparison that would be based solely on the practice of charging above the threshold.

In addition, a total of 458 units of milk were surveyed,<sup>59</sup> with 238 (51.9%) units priced above the threshold. Of the 238 units of milk priced above the threshold:

- 16 units (6.8%) of milk were gallons
- 99 units (42.4%) of milk were half-gallons
- 118 units (50.6%) were quarts

## Other Findings

- Overall, stores surveyed in low-income neighborhoods were out of stock of a certain selection of milk approximately 10% more frequently than were stores in high-income neighborhoods. This was especially prevalent for the lowest-fat options: 1% and skim. It should be noted that the New York State WIC Program rules changed as of January 1, 2008 allowing WIC Milk Checks only to purchase 1% low-fat milk or non-fat milk.<sup>60</sup>
- No significant difference between high-income neighborhoods and low-income neighborhoods with respect to retailers charging above the threshold price for milk was observed. Overall, 22 stores in low-income neighborhoods charged above the threshold for at least one unit of milk compared to 20 stores in high-income neighborhoods.

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<sup>59</sup> Because investigators were instructed to document the price of whole, 2%, 1% and skim milk in gallon, half-gallon, and quart size, each store had 12 possible units of milk to be surveyed. However, as some stores either did not carry a specific variation of milk, or an investigator was unable to find out the price for a particular variation, the number of units actually surveyed (458) represents 76.3% of the possible sample (600).

<sup>60</sup> “Change in WIC Milk Checks, Effective January, 2008,” NYS WIC Program Vendor Bulletin, VB (2007-#8), NYS Department of Health.

# Conclusion

Due to limited resources, oversight and enforcement of the State Milk Price Gouging Law by AGMKT and subsequently, the Attorney General – to whom cases requiring enforcement are referred by AGMKT – has been reduced significantly. Once a practice in direct oversight vis-à-vis an unannounced monthly survey of retailers, AGMKT now relies on consumers to report potential offenders. As a result, retailers are essentially unencumbered by the law and able to set milk prices almost as if the law does not exist.

The findings presented in this investigative report have tremendous implications – not only for the State agencies responsible for enforcing the Milk Price Gouging Law, but also for consumers. By equipping consumers with the proper information we better enable them to purchase milk from retailers who price in accordance with the threshold. A more knowledgeable consumer is more likely to report potential offending retailers to AGMKT, encouraging compliance amongst retailers. To this end, the City Council is issuing a set of recommendations to promote compliance with the Milk Price Gouging Law among retailers.

Finally, it must be recognized that rising rents, high operating costs and slim margins have made it difficult for supermarkets to thrive in New York City. In discussions with a number of retailers and industry experts it was mentioned that the New York State Legislature should consider amending the MPGL in order to allow AGMKT to update its methodology for setting the threshold price in order better reflect all of the costs to retailers and decrease volatility in the market. Ensuring the accuracy of the price threshold methodology would allow for more effective and efficient enforcement of the MPGL by both AGMKT and the Attorney General. However, even more importantly, government needs to work with the food-retail industry to identify strategies that will encourage the growth and development of supermarkets and other food-retailers within New York City without unnecessarily passing the on costs to consumers.

# Recommendations

1. The New York State Department of Agriculture and Markets (AGMKT) should recommence its oversight efforts by conducting more regular price-gouging enforcement. AGMKT has discontinued monitoring stores for compliance to the Milk Price Gouging Law (MPGL), instead conducting a monthly survey of the same set of supermarkets to gauge milk prices over time. Due to a lack of adequate resources, AGMKT's price-gouging enforcement has been limited to supermarkets at times when there is a significant drop in the threshold price.<sup>61</sup> AGMKT should recommence its oversight of the MPGL by regular price-gouging enforcement at a variety of milk retailers.
2. The New York City Department of Consumer Affairs (DCA) and AGMKT should work together to increase public awareness of the MPGL and the monthly milk threshold. As a result of AGMKT's diminished oversight of milk retailers, the onus is completely on the consumer to report potentially offending milk retailers to AGMKT. However, little is done to make sure that consumers in New York City actually know about the monthly threshold. A boost in public awareness would not only empower consumers to be more selective with the retailers they patronize, but it would also help share the burden of oversight with AGMKT, as consumers would be more inclined to report retailers who charge above the threshold. A posting on DCA's website of the monthly threshold – updated diligently as the threshold changes – would provide another way for consumers and retailers in New York City to stay informed about their respective rights and legal obligations.
3. AGMKT should implement a more comprehensive system of notifying milk retailers of the upcoming month's price threshold. Currently, AGMKT sends out monthly notifications to retailers about the upcoming month's threshold. However, AGMKT acknowledges that their mailing list is incomplete, and while some retailers may receive the updated threshold from their individual distributors, other retailers may not receive any notice at all. AGMKT should use other departmental resources, such as their own list of food retailers, and work with appropriate

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<sup>61</sup> Personal communication with Charles Huff, New York State Department of Agriculture and Markets, Division of Milk control and Dairy Services. June 4, 2008.

trade, labor and community organizations to develop a streamlined method of notifying all retailers of monthly changes in the threshold.

4. Milk retailers should stay current on changes to the monthly price threshold and adhere to the MPGL when setting their prices. While relevant State and City agencies can play a part in notifying retailers about regular changes to the threshold, it is ultimately the responsibility of the retailers to know the laws under which they operate. On the 22<sup>nd</sup> of each month, AGMKT announces the threshold for the upcoming month and posts it on their website. All retailers should be diligent about knowing what the threshold is and making sure that they adhere to the MPGL when setting their milk prices.

Appendix A  
Survey Form

## Cost of Milk Survey

Document prices for the lowest-priced brand of milk. Please be sure to note the brand name of the milk for each entry. If the store does not carry a particular unit of milk in each volume or fat content, write "N/A" in the respective box. Please write legibly.

**\*\*IMPORTANT: DO NOT note prices for soy, lactose-free, or organic milk!**

### TYPE OF STORE – PLEASE CHECK ONE

- Bodega                       Supermarket                       Local grocery                       Chain pharmacy  
 Gas station                       Convenience store                       Other: \_\_\_\_\_

LOWEST PRICED-BRAND (LPB) OF MILK				
FAT CONTENT	BRAND OF MILK	VOLUME	PRICE	EXPIRATION DATE
<b>Whole Milk</b> If two brands of milk are priced equally (and are both the LPB) please note them both here. Otherwise only include the LPB.		Plastic gallon	\$	
			\$	
		Paper ½ gallon	\$	
			\$	
		Paper quart	\$	
			\$	
<b>1% Milk</b> If two brands of milk are priced equally (and are both the LPB) please note them both here. Otherwise only include the LPB.		Plastic gallon	\$	
			\$	
		Paper ½ gallon	\$	
			\$	
		Paper quart	\$	
			\$	
<b>2% Milk</b> If two brands of milk are priced equally (and are both the LPB) please note them both here. Otherwise only include the LPB.		Plastic gallon	\$	
			\$	
		Paper ½ gallon	\$	
			\$	
		Paper quart	\$	
			\$	
<b>Skim Milk</b> If two brands of milk are priced equally (and are both the LPB) please note them both here. Otherwise only include the LPB.		Plastic gallon	\$	
			\$	
		Paper ½ gallon	\$	
			\$	
		Paper quart	\$	
			\$	
			\$	

**Appendix B**  
**Surveyed Retailers**  
**(Name, Type of Retailer, Zip Code, Median Income)**

Store Code	Name of Store	Type of Retailer	ZIP	Median Income
<b>BRONX</b>				
Bx-1	IGA Supermarket	Local Grocery	10464	\$57,458
Bx-2	Food Village	Local Grocery	10471	\$56,488
Bx-3	Deli Grocery	Convenience Store/Bodega	10471	\$56,488
Bx-4	Food Emporium	Supermarket	10471	\$56,488
Bx-5	S&W Super Market	Supermarket	10465	\$45,650
Bx-6	BP	Gas Station	10454	\$14,271
Bx-7	Pioneer	Supermarket	10454	\$14,271
Bx-8	Project Deli & Grocery	Convenience Store/Bodega	10454	\$14,271
Bx-9	Faille Grocery	Convenience Store/Bodega	10474	\$16,339
Bx-10	Metfoods	Supermarket	10456	\$16,664
<b>BROOKLYN</b>				
Bk-1	Key Food Supermarket	Supermarket	11201	\$56,293
Bk-2	Lawrence Deli & Grocery	Local Grocery	11201	\$56,293
Bk-3	Associated Market	Supermarket	11215	\$53,313
Bk-4	Key Food Supermarket	Supermarket	11234	\$51,446
Bk-5	7Eleven	Convenience Store	11234	\$51,446
Bk-6	CVS Pharmacy	Chain Pharmacy	11239	\$16,919
Bk-7	Target	Supermarket	11239	\$16,919
Bk-8	Associated Market	Supermarket	11206	\$18,661
Bk-9	Varet St. Market	Other (Deli)	11206	\$18,661
Bk-10	Billy's Deli Grocery	Convenience Store	11212	\$20,839
<b>MANHATTAN</b>				
Mn-1	Duane Reade	Chain Pharmacy	10007	\$112,947
Mn-2	Best of the Best Deli	Other (Deli)	10007	\$112,947
Mn-3	Gristedes	Supermarket	10280	\$108,536
Mn-4	JJ Fresh Produce	Local Grocery	10280	\$108,536
Mn-5	Riverside Market	Local Grocery	10004	\$101,868
Mn-6	Pathmark of Harlem	Supermarket	10035	\$14,896
Mn-7	Duane Reade	Chain Pharmacy	10035	\$14,896
Mn-8	Compare	Supermarket	10039	\$17,370
Mn-9	True Blue Deli Grocery	Convenience Store	10039	\$17,370
Mn-10	Pioneer Supermarket	Supermarket	10030	\$17,970
<b>QUEENS</b>				
Qns-1	Floral Park Deli & Grocery	Convenience Store/Bodega	11001	\$71,295
Qns-2	Douglaston Gourmet Deli	Convenience Store/Bodega	11363	\$67,550
Qns-3	7Eleven	Convenience Store	11366	\$62,325
Qns-4	Fresh Meadows Food Mart	Convenience Store/Bodega	11366	\$62,325
Qns-5	Rite Aid	Chain Pharmacy	11366	\$62,325
Qns-6	CVS Pharmacy	Chain Pharmacy	11691	\$27,820
Qns-7	C-Town	Supermarket	11691	\$27,820
Qns-8	67 Superfood Corp.	Supermarket	11692	\$29,059
Qns-9	Corner Mini Food Mart	Convenience Store/Bodega	11101	\$28,812

Store Code	Name of Store	Type of Retailer	ZIP	Median Income
Qns-10	Associated Market	Supermarket	11101	\$28,812
	STATEN ISLAND			
SI-1	Walgreens	Chain Pharmacy	10312	\$67,728
SI-2	Waldbaums	Supermarket	10312	\$67,728
SI-3	Richmond Deli	Other (Deli)	10312	\$67,728
SI-4	Waldbaums	Supermarket	10309	\$65,397
SI-5	Convenient Food Mart	Convenience Store/Bodega	10307	\$64,159
SI-6	Day and Night Grocery Store	Local Grocery	10304	\$41,041
SI-7	Tepeyac Grocery Store	Convenience Store/Bodega	10304	\$41,041
SI-8	Pathmark Supermarket	Supermarket	10302	\$42,452
SI-9	7Eleven	Convenience Store	10302	\$42,452
SI-10	CVS Pharmacy	Chain Pharmacy	10303	\$42,463

## Appendix C Findings

**Table 1: Survey of Bronx Retailers**

	Bx-1	Bx-2	Bx-3	Bx-4	Bx-5	Bx-6	Bx-7	Bx-8	Bx-9	Bx-10
GALLON WHOLE (Threshold)	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49
Store price	\$3.99	\$4.39	\$4.50	\$4.49	\$4.39	\$3.69	\$3.59	\$4.39	\$3.99	\$4.49
Difference	\$ (0.50)	\$ (0.10)	\$ 0.01	\$ -	\$ (0.10)	\$ (0.80)	\$ (0.90)	\$ (0.10)	\$ (0.50)	\$ -
HALF-GALLON WHOLE (Threshold)	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Store price	\$2.49	\$2.39	\$3.99	\$2.29	\$2.89	Price N/A	\$2.19	\$2.49	\$2.59	\$2.49
Difference	\$ 0.20	\$ 0.10	\$ 1.70	\$ -	\$ 0.60	N/A	\$ (0.10)	\$ 0.20	\$ 0.30	\$ 0.20
QUART WHOLE (Threshold)	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18
Store price	\$1.29	\$1.29	\$1.89	\$1.18	\$1.89	\$1.49	\$1.19	\$1.49	\$1.39	\$1.29
Difference	\$ 0.11	\$ 0.11	\$ 0.71	\$ -	\$ 0.71	\$ 0.31	\$ 0.01	\$ 0.31	\$ 0.21	\$ 0.11
GALLON 2% (Threshold)	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49
Store price	\$3.99	\$4.39	Price N/A	\$4.49	\$4.39	\$3.69	Price N/A	\$4.39	\$3.99	\$4.49
Difference	\$ (0.50)	\$ (0.10)	N/A	\$ -	\$ (0.10)	\$ (0.80)	N/A	\$ (0.10)	\$ (0.50)	\$ -
HALF-GALLON 2% (Threshold)	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Store price	\$2.49	\$2.39	\$3.99	\$2.29	\$2.89	\$2.39	\$2.19	\$2.49	\$2.59	\$2.49
Difference	\$ 0.20	\$ 0.10	\$ 1.70	\$ -	\$ 0.60	\$ 0.10	\$ (0.10)	\$ 0.20	\$ 0.30	\$ 0.20
QUART 2% (Threshold)	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18
Store price	\$1.29	\$1.29	Price N/A	\$1.18	\$1.89	\$1.49	\$1.19	\$1.49	Price N/A	\$1.29
Difference	\$ 0.11	\$ 0.11	N/A	\$ -	\$ 0.71	\$ 0.31	\$ 0.01	\$ 0.31	N/A	\$ 0.11
GALLON 1% (Threshold)	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49
Store price	\$3.99	\$4.39	Price N/A	\$4.49	\$4.39	Price N/A	\$3.59	Price N/A	\$3.99	\$4.49
Difference	\$ (0.50)	\$ (0.10)	N/A	\$ -	\$ (0.10)	N/A	\$ (0.90)	N/A	\$ (0.50)	\$ -
HALF-GALLON 1% (Threshold)	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Store price	\$2.49	\$2.39	\$3.99	\$2.29	\$2.89	Price N/A	Price N/A	\$2.49	\$2.59	\$2.49







	Mn-1	Mn-2	Mn-3	Mn-4	Mn-5	Mn-6	Mn-7	Mn-8	Mn-9	Mn-10
Store price	\$4.39	\$3.49	\$5.29	\$5.29	Price N/A	\$4.49	Price N/A	\$4.69	Price N/A	\$4.49
Difference	\$ (0.10)	\$ (1.00)	\$ 0.80	\$ 0.80	N/A	\$ -	N/A	\$ 0.20	N/A	\$ -
<b>HALF-GALLON 1% (Threshold)</b>	<b>\$2.29</b>									
Store price	\$2.79	Price N/A	\$2.94	Price N/A	Price N/A	\$2.29	\$2.79	\$2.49	\$2.69	\$2.19
Difference	\$ 0.50	N/A	\$ 0.65	N/A	N/A	\$ -	\$ 0.50	\$ 0.20	\$ 0.40	\$ (0.10)
<b>QUART 1% (Threshold)</b>	<b>\$1.18</b>									
Store price	\$1.99	Price N/A	\$1.59	\$1.79	\$1.75	\$1.18	\$1.99	\$1.39	Price N/A	\$1.19
Difference	\$ 0.81	N/A	\$ 0.41	\$ 0.61	\$ 0.57	\$ -	\$ 0.81	\$ 0.21	N/A	\$ 0.01
<b>GALLON SKIM (Threshold)</b>	<b>\$4.49</b>									
Store price	\$4.39	\$3.49	\$5.29	\$5.29	Price N/A	\$4.49	Price N/A	\$4.69	Price N/A	\$4.49
Difference	\$ (0.10)	\$ (1.00)	\$ 0.80	\$ 0.80	N/A	\$ -	N/A	\$ 0.20	N/A	\$ -
<b>HALF-GALLON SKIM (Threshold)</b>	<b>\$2.29</b>									
Store price	\$2.79	Price N/A	\$2.94	\$3.49	Price N/A	\$2.29	\$2.79	\$2.49	Price N/A	\$2.19
Difference	\$ 0.50	N/A	\$ 0.65	\$ 1.20	N/A	\$ -	\$ 0.50	\$ 0.20	N/A	\$ (0.10)
<b>QUART SKIM (Threshold)</b>	<b>\$1.18</b>									
Store price	\$1.99	\$1.29	\$1.59	\$1.79	\$1.75	\$1.18	\$1.99	\$1.39	Price N/A	\$1.19
Difference	\$ 0.81	\$ 0.11	\$ 0.41	\$ 0.61	\$ 0.57	\$ -	\$ 0.81	\$ 0.21	N/A	\$ 0.01

**Table 4: Survey of Queens Retailers**

Name of Store	Qns-1	Qns-2	Qns-3	Qns-4	Qns-5	Qns-6	Qns-7	Qns-8	Qns-9	Qns-10
<b>GALLON WHOLE (Threshold)</b>	<b>\$4.49</b>									
Store price	\$4.25	Price N/A	\$4.49	\$4.00	\$4.09	\$3.99	\$3.99	\$4.59	\$4.50	\$4.49
Difference	\$ (0.24)	N/A	\$ -	\$ (0.49)	\$ (0.40)	\$ (0.50)	\$ (0.50)	\$ 0.10	\$ 0.01	\$ -
<b>HALF-GALLON WHOLE (Threshold)</b>	<b>\$2.29</b>									
Store price	\$2.75	\$2.35	\$2.29	\$3.00	Price N/A	\$2.49	\$2.29	\$2.89	\$3.00	\$2.29
Difference	\$ 0.46	\$ 0.06	\$ -	\$ 0.71	N/A	\$ 0.20	\$ -	\$ 0.60	\$ 0.71	\$ -





Name of Store	SI-1	SI-2	SI-3	SI-4	SI-5	SI-6	SI-7	SI-8	SI-9	SI-10
Store price	\$2.19	\$2.29	\$3.29	\$2.29	\$2.79	Price N/A	\$2.49	\$2.29	\$2.39	\$2.49
Difference	\$ (0.10)	\$ -	\$ 1.00	\$ -	\$ 0.50	N/A	\$ 0.20	\$ -	\$ 0.10	\$ 0.20
QUART 1% (Threshold)	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18
Store price	\$1.39	\$1.18	\$2.69	\$1.18	\$1.69	\$1.19	\$1.19	\$1.18	Price N/A	Price N/A
Difference	\$ 0.21	\$ -	\$ 1.51	\$ -	\$ 0.51	\$ 0.01	\$ 0.01	\$ -	N/A	N/A
GALLON SKIM (Threshold)	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49	\$4.49
Store price	Price N/A	\$4.49	Price N/A	\$4.49	Price N/A	\$3.99	Price N/A	\$4.49	Price N/A	Price N/A
Difference	N/A	\$ -	N/A	\$ -	N/A	\$ (0.50)	N/A	\$ -	N/A	N/A
HALF-GALLON SKIM (Threshold)	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29	\$2.29
Store price	Price N/A	\$2.29	Price N/A	\$2.29	Price N/A					
Difference	N/A	\$ -	N/A	\$ -	N/A	N/A	N/A	N/A	N/A	N/A
QUART SKIM (Threshold)	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18	\$1.18
Store price	Price N/A	\$1.18	Price N/A	\$1.18	Price N/A	\$1.19	Price N/A	\$1.18	Price N/A	Price N/A
Difference	N/A	\$ -	N/A	\$ -	N/A	\$ 0.01	N/A	\$ -	N/A	N/A