



APRIL IS THE 40TH CONSECUTIVE MONTH MILK PRODUCTION HAS INCREASED

According to USDA, April milk production was 2% higher than last April. Cow numbers are up as well. USDA estimates the nation's dairy herd at 9.39 million head. This is 8,000 more cows than the previous month, and 69,000 more than a year ago. Texas and New Mexico continue to lead the way with April production 12.8% and 7.5%, respectively, greater than last April.

Production remains strong in Michigan (up 4.2%), and New York (up 3.9%). California remains down in production (-1.1%) and Wisconsin is only up 0.6%. In the two southeastern reporting states, Florida is up 1.3% and Virginia up 2.0%.

(Source: Calvin Covington, *Dixie Dairy Report*, June 2017)

USDA SEEKS NOMINATIONS FOR PROMOTION BOARD

USDA is seeking nominations for the National Dairy Promotion and Research Board. Nominations must be submitted by July 10, 2017.

The Secretary of Agriculture will appoint 12 dairy producers and one importer to serve 3-year terms beginning Nov. 1, 2017, and ending Oct. 31, 2020.

Region 10 (Alabama, District of Columbia, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Puerto Rico, South Carolina, Tennessee, and Virginia) will have one position vacant.

For nominating forms, contact Jill Hoover via email at jill.hoover@ams.usda.gov.



Congratulations to the Carter Family of Brand C Dairy in Eatonton! They were named the 2017 Dairy Farm Family of the Year at the Putnam Dairy Festival on June 3!!

THIS ISSUE

Checkoff for GA Beef Commission Passes

Fluid Sales Down Slightly

June Dairy month Ads Placed in Local Papers

Drug Testing Changes

Dixie Dairy Report

Kicking off June Dairy Month in Georgia at the 2017 Putnam Dairy Festival

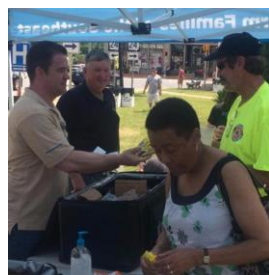
National Dairy Month started out as National Milk Month in 1937 as a way to promote drinking milk. According to the International Dairy Foods Association, it was initially created to stabilize the dairy demand when production was at a surplus, but has now developed into an annual tradition that celebrates the contributions the dairy industry has made to the world. After the National Dairy Council stepped in to promote the cause, the name soon changed to "Dairy Month."



Each year, Georgia kicks off dairy month with The Putnam Dairy Festival. The Putnam Dairy Festival is an event hosted by the Pilot Club of Eatonton to celebrate Putnam County's status as a leading producer of dairy in Georgia. The first dairy festival was held in 1952.

The Putnam Dairy Festival includes a 10K road race, arts and food vendors, a parade (*Commissioner Black participated – see picture to left*) and a "Dairy Festival Queen" pageant. Event organizers also honor a local dairy farm family each year for their contribution to the community. This year the Carter Family of Brand C Dairy was named the 2017 Dairy Farm Family of the Year. Congratulations!!

Milk and ice cream sandwiches sponsored by the Georgia Agricultural Commodity Commission for Milk were handed out to the public. Festival goers also enjoyed learning about dairy farming and dairy nutrition from SUDIA, Georgia's Mobile Dairy Classroom and the Georgia Milk Producers. Special thanks to Heck Davis, Eatonton dairy farmer, for his part in organizing the event.



GEORGIA MILK PRODUCERS BOARD OF DIRECTORS

Everett Williams, Madison
President
706-818-0311

Adam Graft, Americus
Vice President
229-942-0508

Marvin Yoder, Montezuma
Treasurer
478-472-4533

Matt Johnson, Climax
Secretary
229-220-1577

Harry Allison, Clermont
770-519-3647

Dave Clark, Madison
706-342-2923

Ed Coble, Waynesboro
706-554-3672

Chad Davis, Eatonton
706-318-0243

Scott Glover, Clermont
770-539-4906

Kenneth Murphy
Luthersville
770-927-9210

Calvin Moody, Valdosta
229-263-2369

Daniel Payne, Rome
706-897-9905

Jeff Smith, Comer
706-783-5018

Earnest Turk, Eatonton
706-485-5971

James Yoder, East Dublin
912-367-9160

Troy Yoder, Montezuma
478-244-2172

GA Beef Producers Overwhelming Approve Continuation of Georgia Beef Commission Check-Off



Georgia beef producers overwhelmingly voted to continue the \$1 per head assessment for beef animals through the renewal of the Beef Commission Marketing Order. The vote to support the Georgia Agriculture Commodity Commission for Beef was approved with an 80.7 percent favorable vote of the ballots returned.

The marketing order was first approved in 2014 and requires an assessment to be collected on all animals sold for beef in Georgia with a value of more than \$100. The marketing order must be voted on every three years for continuation.

Funds from the assessment are used to fund research, education and promotion projects for Georgia cattle producers. In the three years since the assessment began, over \$1 million has been committed to research projects with the University of Georgia and in-state education and promotion efforts focusing on nutritional qualities of beef.

Total fluid milk sales in the three southeastern orders down slightly - *Written by Calvin Covington, Dixie Dairy Report*

Total fluid milk sales, in the three southeastern orders for the first quarter of 2017 versus 2016, are down only 0.4%. Nationwide, first quarter fluid sales are down 1.3%. Examining the national fluid numbers shows whole milk sales continue to grow, up 2.2% for the first quarter. Flavored whole milk sales are up 7.4%. Reduced fat and skim milk sales continue to decline. Organic sales are up 2.7%.

FIRST QUARTER AVERAGE DAILY FLUID MILK SALES

<u>Order</u>	<u>First Quarter 2016</u>	<u>First Quarter 2017</u>	<u>% Change</u>
	<i>(million pounds)</i>		
Appalachian	9.11	9.07	-0.5%
Florida	7.95	7.96	+0.1%
Southeast	12.68	12.61	-0.6%
Total Southeastern Orders	29.74	29.63	-0.4%
Nationwide	130.81	129.09	-1.3%

GA Milk Runs Ads in Local Newspapers for Dairy Month

During June Dairy Month, Georgia Milk Producers is running advertisements in local papers across the state to highlight our industry's economic impact of more than \$1 Billion in 2016 and tackling some common milk misconceptions. The ads will run in at least 15 papers, covering the major dairy counties of Georgia. The newspapers are: Athens Banner Herald, Americus Times, Bainbridge Post Searchlight, Baxley News Banner, Citizen Georgian Montezuma, Morgan County Citizen, Gainesville Times, Lake Oconee News, Newnan Times Herald, Quitman Free Press, Rome News Tribune, The News and Farmer (Jefferson Co.), The News Reporter (Wilkes Co) and the True Citizen (Burke Co.). If a dairyman would like to run an ad in their local paper, please contact our office at 706-310-0020.



Be Aware of Drug Testing Changes

*By Gabe Middleton, From Dairy Herd Management
June 2017 Edition*

Preventing drug residues in milk continues to be a key area that dairy producers should focus on, but starting on July 1, 2017, that prevention will develop another layer. The tetracycline screening pilot program will begin, and no less than 1 out of 15 tanker loads of milk will be tested for oxytetracycline, chlortetracycline, and tetracycline. The tolerance level for the drug will be 300 ppb.



This testing pilot program represents an opportunity for dairy producers to re-evaluate how the tetracycline class of drugs is used on the farm. Oxytetracycline injectable is labeled for the treatment of bacterial pneumonia and infectious bovine keratoconjunctivitis (pinkeye).

Many producers may use oxytetracycline in an extra-label indication for treatment of mastitis, metritis, or topically for the treatment of digital dermatitis (hairy heel warts). Under the direction of your veterinarian, extra-label drug use is legal as long as established withdrawal periods are adjusted when necessary.

Many producers, veterinarians, and hoof trimmers use the tetracycline class of drugs to wrap feet affected by digital dermatitis. This represents a risk of milk residue under the upcoming tetracycline screening pilot program. Wrapping a foot with tetracycline (powder or injectable) and not withholding milk puts the producer at risk for a milk residue violation.



FARAD (Food Animal Drug Residue Avoidance Databank) recommends a 24-hour milk withhold when a cow's foot is wrapped with tetracycline. While tetracycline foot wraps aren't directly affected by the veterinary feed directive legislation, the powder tetracycline product switched from over-the-counter to prescription status on January 1, 2017.

Tetracycline powders are only available with a veterinary prescription and a valid veterinary/client/patient relationship.

Anyone applying tetracycline to a foot wrap should pay close attention to the amount of the drug they apply. More drug creates more risk for milk residue. Only a small amount should be applied directly to the lesion. Experts have suggested that a 2 gram dose is the maximum that should be applied to a wrap.

Small herds more vulnerable

Smaller herds need to be even more diligent in monitoring and obeying milk withhold guidelines due to the lack of dilution factor. While larger herds may be at less risk, they should still obey the withhold guidelines on all tetracycline products to maintain the integrity of the milk they sell. Ultimately, the dairy industry can't justify improper drug withholds based simply on dilution.

This program should also renew the producers' commitment to lameness in general and digital dermatitis specifically. This is an excellent time to review footbath protocols and scrutinize heifer facilities. We know that it's critical to prevent hairy heel warts prior to first calving. Often times, cleanliness is a critical step in preventing digital dermatitis in heifer facilities.

While producers may view this new testing protocol as additional level of regulation, consider it another step in improving the quality and safety of the product that the dairy industry has to offer. Antibiotic use needs to be transparent on our dairies.

This program is another way for the industry to open the blinds and let the public see what we are doing to care for cows and provide a safe product. As long as the tetracycline class of drugs is used properly, the dairy industry will have nothing to hide.

Dixie Dairy Report – June 2017

Calvin Covington

Higher commodity prices. The month of May saw both, CME block and barrel cheese increase in price. Blocks went from \$1.48/lb. at the beginning of the month to \$1.745/lb. at month's end. Barrels increased as well, going from \$1.4175/lb. to \$1.545/lb. However, prices are retreating so far in June. Blocks closed at \$1.665/lb. and barrels \$1.4575/lb. on June 5. On the other hand, butter keeps climbing. Butter at the CME was \$2.09/lb. on May 1, and it closed at \$2.5150/lb. on June 5. The May AMS nonfat dry milk powder price was about \$0.03/lb. higher than April, while the May dry whey price was about a penny and half lower than April.

MONTHLY AVERAGE COMMODITY PRICES (January-May 2017)

Month	CME Block Cheddar	CME Barrel Cheddar	CME Butter	AMS Nonfat Dry Milk Powder	AMS Dry Whey
	(\$/lb.)				
January 2017	\$1.6866	\$1.5573	\$2.2393	\$1.0220	\$0.4421
February	\$1.6199	\$1.6230	\$2.1534	\$0.9926	\$0.4894
March	\$1.4342	\$1.4072	\$2.1392	\$0.8493	\$0.5239
April	\$1.4976	\$1.4307	\$2.0992	\$0.8396	\$0.5243
May	\$1.6207	\$1.4806	\$2.2684	\$0.8704	\$0.5094

There is an abundance of milk. Milk is being dumped in parts of the country because there are no markets. Midwest cheese plants are paying up to \$6.00/cwt. below class price for surplus milk. Cheese inventories are almost 14% higher than a year ago. With a strong supply, then what is the reason for higher commodity prices? There is not one good reason, but a combination of the following:

- The American cheese inventory is heavily barrel, not block cheddar. It is reported warehouse space for barrel cheese is reaching capacity. However, the block cheddar supply is reported as tight, especially in the West.
- Lower milk production in the European Union, along with increasing commodity prices in that part of the world, is making the U.S. more attractive and competitive in the global market.
- Every month since October, monthly cheese exports have exceeded the same month a year earlier. Through April of this year, cheese exports are up 15% compared to last year.
- The butter inventory is lower than a year ago. May butter production was 4% lower than last May. Buyers are concerned about butter availability this fall, thus increasing their purchases.
- Butter exports are still relatively low compared to past years, but for the first four months of the year butter exports are almost 40% higher than last year.
- Nonfat and skim milk powder exports are almost 19% higher, through the first four months of the year, compared to a year ago.

Demand is the key indicator. There are no strong indications U.S. milk supply will decline in the near future. Compared to a year ago, average margins are over \$2.00/cwt. higher. Dairy product demand, both domestic, and especially global, is the main driver of farm milk prices for the foreseeable future.

May lowest blend price for the year. May blend prices, in the three southeastern orders, are projected as the lowest price for the year. The Florida blend price for May is projected at \$19.62/cwt.; Southeast at \$17.79/cwt. and Appalachian's blend at \$17.49/cwt. All projections are at the order's base zone and 3.5% fat. As shown below, June blend prices are projected about \$0.75/cwt. higher than May, with July blend prices about another \$0.75/cwt. higher than June.