

WEEKLY UPDATE
November 15, 2018

How to Prepare for Animal Rights Activists

As the domestic terrorist threat of animal rights activists continue to increase throughout the State, it's important to make you aware that multiple County Sheriff's Departments have begun to adopt a **ZERO TOLERANCE POLICY** for these triggered terrorists. This is an important step in adopting uniform compliance across the state so we thank those law enforcement agencies who have acted with precision and appropriateness in adopting this policy. In December of this year, we know there will be increasing "days of action" coming. In light of that, the Sheriff's Department of Stanislaus County suggests the following protocols for preparing your facility:

DO's:

- Post No Trespassing Signs **VISIBLY** every 3 miles of and at every entrance (3 on each side if you have a section) *contact WUD for "No Trespass" signs*
- Reduce all unnecessary Right Of Way (ROW) Access. Contact your local county sheriff's office and they can help you determine if this is possible *WUD can also facilitate this for you if requested*
- Designate an **ACTIVIST AGENT** of your operations at **EVERY** shift. If a suspicious person is identified, your agent needs to be trained to know exactly what to do and to know your rights
- Report it to local Law Enforcement immediately for assistance Keep your Local Sheriff's Phone/Dispatch/Watch Commander Contact in Your Phone and Posted at Your Facility
contact WUD if you need this information for your county
- Learn who they are and what their concerns are respectfully
- Notify them that they are on private property and ask them to leave
- Get license plate numbers, take pictures or film their vehicles
- Contact your cooperative, trade association, or milk handler
- Be aware that they will have cameras and/ or recorders possibly hidden
- Film the activists and their drones; you are legally allowed to do so and they will DEFINITELY be filming you. Protect your operation with counter-filming

DON'Ts:

- Be combative or use force
- Have a large group approach the activists
- Touch or shoot down drones –that's illegal
- Bring more attention to their cause

Do Not Be Used in Their Methods :

They want to gain attention for their cause, gain supporters, and receive funding through donations. They appeal to the emotions of their followers, create controversy, and record it for promotion and publication through Social Media. The more comments and shares on Social Media the more attention they receive. They do not care about reason. **UNDER NO CIRCUMSTANCES SHARE, RE-POST, or ENGAGE THEIR CONTENT –EVER.** It only creates more internet traffic for them and never helps us.

They need you to lose your cool, get emotional, angry, speak out, and act out. The larger the crowd, the bigger the spectacle. That is free publicity ... Don't give it to them. For any of the information above, please email Katelyn Lewis at

klewis@westernuniteddairy-men.com or (209) 769-3884

CONTACT US @

1315 K Street, Modesto, CA
95354 Telephone: 209.527.6453
Fax: 209.527.0630
info@westernuniteddairy-men.com

WEEKLY UPDATE DELIVERY OPTIONS

Send change of address or request for Update delivery to WUD by phone or fax, or email to info@westernuniteddairy-men.com

LIKE US ON FACEBOOK!

Western United Dairymen has a Facebook page. "Like us" today and join in on the conversation about California dairy families.

GET INVOLVED

For more information on how to get involved in WUD's political machine, visit WUD's website www.westernuniteddairy-men.com Or californiaagaction.com to see how you can be part of the action.

MEMBER PORTAL

As a member of WUD, you have access to exclusive pricing and labor information in the Member Portal on the WUD website. If you need your information to access the member portal, please contact your field rep.

Check Your Mailbox— Ballots have been mailed!

Ballots have been mailed out for the 2019 “Grass Roots” election! This is your chance to participate in deciding who represents you and your neighboring dairymen. These elected candidates will guide the WUD staff on what action to take on major issues the dairy industry will face in the coming years. Open your ballots, mark your desired candidates and return to the WUD office by Friday, December 14th, 2018.

For questions and concerns, please contact Katelyn Lewis, South State Field Rep. at klew-is@westernuniteddairymen.com or call the Western United Dairymen office (209) 527-6453.

What's up and what's not—your weekly market update

By Annie AcMoody, Director of Economic Analysis

A similar scenario to last week, gains were hard to find this week. Two commodities managed an increase but the improvement was not substantial. Still, we'll take an increase any day, so the gain of 0.11 cent for butter and 1.24 cents for nonfat dry milk were welcomed. This brought the prices to \$2.2633 and \$0.8944/lb, respectively. Dairy Market News (DMN) reports “stocks are steadily building, prompted by higher regional farm milk production”. This piece of negative information is balanced by reports that the European Union is making progress in depleting their intervention stocks. Slowly but surely powder is getting out of intervention storage and compared to where stocks were at the peak, they are close to half of it now being committed.

There's no need for a recount: with the small gain this week, butter maintains its status of leading dairy commodity. It has been a few years of elevated prices but even compared with recent years the current price dominates: the five-year average for November is \$2.10/lb. Despite high prices, US consumers have not been deterred. Domestic consumption for the third quarter of 2018 was up 1% from the same period a year ago.

Dry whey did not move much, declining by 0.6 cent to \$0.4625/lb. The uncertainty eluded to in DMN's report last week may be playing out as market participants either wait for lower prices or try to take advantage of current offers. A considerable pressure is coming from outside our borders as Chinese buyers are assessing options elsewhere due to trade tariffs.

Cheese continues to go down like a scuba diver in search of bottom feeders. The descent this week took blocks 4.78 cents lower, to \$1.5675/lb. Barrels dipped 1.5 cents to \$1.3284/lb. Block prices at the CME have been averaging \$1.42/lb since the beginning of November so there is a possibility we will see more price softening next week. CME prices do not mean anything directly for producers' milk check but it is important to note that the NDPSR price reporting has a bit of a lag (announced this week for the week ended November 3). NDPSR as a reminder stands for National Dairy Products Sales Report and is the data set used to calculate FMMO prices. There is positive information within the US borders regarding cheese consumption: according to USDA's Economic Research Service, cheese consumption was up 3% during the third quarter of 2018 compared to the same period last year.

REMINDER: The first WUD winter meetings are less than two weeks away!

November 28 th	5:30pm Social 6:00pm Dinner	Hermann Sons Hall 860 Western Ave, Petaluma
November 29 th	5:30pm Social 6:00pm Dinner	Ridgetop Cafe 623 Fernbridge Dr, Ferndale
December 3 rd	5:30pm Social 6:00pm Dinner	I-5 Café & Creamery 1165 Hoff Way, Orland

WUD thanks its Gold sponsors!



There will be no Update next Thursday. WUD wishes you and your family a wonderful Thanksgiving holiday!

CDQAP Quality Assurance Update

New well installation since 2008?

By Deanne Meyer, Ph.D., Livestock Waste Management Specialist, UC Davis, Department of Animal Science

Many new wells have been installed throughout the Central Valley to address diminishing groundwater depths. Here are a few quick reminders about these wells and your Dairy General Order. First, be sure to include new wells on your facility map. Take water samples from them annually and include the results in your annual report. Second, if the pipelines for these wells connect anywhere in the system to a pipeline that carries liquid manure or fertilizer, then backflow prevention is required. Include a comment in the notes section of your next annual report to indicate there is a new well. If the new well uses the same backflow prevention measures as wells that have been previously certified by an expert (July, 2009), state that in the notes section. If a different method of backflow prevention is used, identify what that is and maintain a document from a certified specialist with your farm's Waste Management Plan indicating the alternative backflow prevention method is appropriate.

Remember your lagoons

By Deanne Meyer, Ph.D., Livestock Waste Management Specialist, UC Davis, Department of Animal Science

As daylight hours get shorter, it's time to take photos and check lagoons more regularly. From October through April, it's important to be sure lagoons have ample storage capacity to hold rain and facility water without an unmanaged release of water. Weekly observations and documentation are important for both Central Valley and North Coast dairies. For facilities in the North Coast or San Francisco Bay area, now is the time to take lagoon photos, prior to winter rains, to demonstrate adequate storage capacity. Dairies in the Central Valley need to take photos of lagoons on or near the first of the month throughout the year. Remember to include the lagoon depth marker in the photos.

“Sustainability” Summit Will Help Farms Live On

Join more than 120 dairy farmers at the inaugural California Dairy Sustainability Summit

By Denise Mullinax, Assistant Director, CDQAP

Sustainability means more than simply protecting the environment. It's about the ability of your facility to survive into the future. For dairy farmers, sustainability means making decisions today by considering how those choices will serve consumers, animals, the environment, and their families and communities well into the future. With California's increasingly challenging environmental policies, this means carefully planning ahead and implementing cost-effective technologies and strategies.

That's why the California dairy industry has united to host the first-ever California Dairy Sustainability Summit, to take place November 27-28 at the Sacramento Convention Center. **More than 400 people have registered to attend, including more than 120 dairy producers.** The two-day summit will highlight information, technology, and strategies that can support dairy farmers' efforts to meet continuing challenges, further improve efficiency, and ensure economic and environmental sustainability. Speakers will include dairy farmers, state officials, technology providers, researchers, food and nutrition experts, and others.

At this inaugural event, we will also celebrate what our industry has achieved to date. California's dairy farmers are truly world leaders in sustainable dairy farm practices. We will recognize successful partnerships with researchers, state agencies, innovative companies, and non-governmental organizations. This will include a "milk toast" to the 20th-year-anniversary of the California Dairy Quality Assurance Program (CDQAP), the longest-running, successful dairy continuing education program in the country. We will continue to strengthen these valuable partnerships. We recognize our dairy farmers continue to face many challenges, so we must be diligent in finding cost-effective solutions that are good for the environment and can help sustain our family farms.

The California Dairy Sustainability Summit will bring together experts and visionary leaders, including dairy families who aim to pass their farms to the next generation. Attendees will be a part of the discussion, as California continues its efforts to lead the world in sustainable dairy farm practices. To see the full speaker agenda and to register, visit CADCairySummit.com. Value registration rates will continue now through November 23.

Latest commodity prices

Average (\$/lb)	AA Butter	NFDM	40# Blocks	Barrels	Dry Whey
October	\$2.2814	\$0.8739	\$1.5686	\$1.5686	\$0.4470
November	\$2.2633	\$0.8884	\$1.5919	\$1.3658	\$0.4657
November 10	\$2.2637	\$0.8944	\$1.5675	\$1.3284	\$0.4625
From last week	+0.11 cent	+1.24 cents	-4.78 cents	-1.5 cents	-0.6 cent

While this table may look the same as last month, the data source is different. FMMO class price formulas use data from the National Dairy Product Survey Report and this is what this table will include in the future. Announced cheese prices are an average of blocks and barrels, therefore those two will be the same once USDA announces monthly prices.

Latest class prices—Order 51

Price (\$/cwt)	Class I LA	Class II	Class III	Class IV	PPD
September	\$16.95	\$15.13	16.09	\$14.81	-
October	\$20.37	\$15.54	\$15.53	\$15.01	-
November	\$17.62	\$15.21	\$14.72	\$15.06	

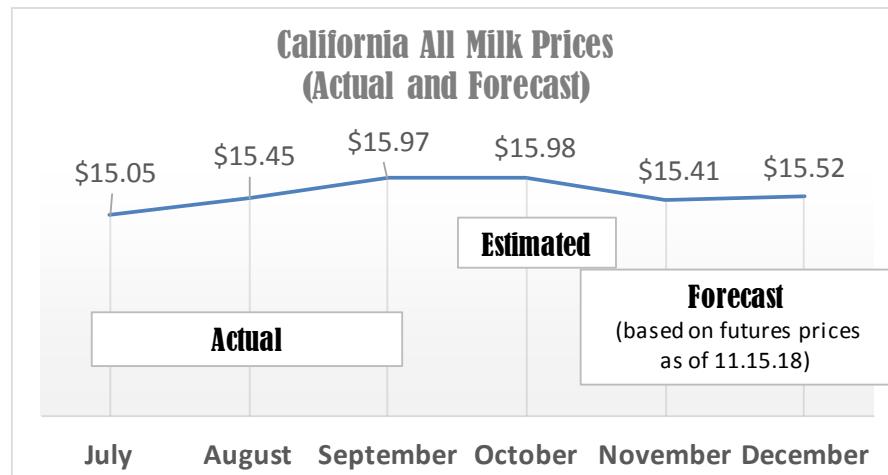
Prices in bold are announced prices.

The timing of class price release will differ slightly under the FMMO. Class I will be announced the month prior like under CDFA. Class II, III and IV will be announced a bit later, by the 5th of the following month. The first PPD will be announced by December 14.

CA quota prices

Price (\$/cwt)	# of buyers	# of sellers	# sales	Low end	Average	High end	Quota SNF transferred
September	8	8	7	\$490	\$512	\$530	9,080.71
October	7	8	6	\$468	\$483	\$490	6,643.59
November	5	7	5	\$425	\$456	\$490	12,245.74

CDFA will no longer mail out quota sales price information each month. We will include it on this page to allow our interested members to keep track.



This forecast is for informational purposes only and should not be used as a price guarantee. It is subject to change as market conditions change.

Under the California system, this chart included actual, estimated and forecasted overbase prices. Since overbase prices are no longer relevant under the FMMO, this chart will focus on the California all-milk price forecast. Since we have historical data on the all-milk price and will continue to get such data, it seems an appropriate measure to show price trends in the state as we move through the transition.

Dairy-RP quotes as of November 15, 2019

	Q1 2019	Q2 2019	Q3 2019
Expected Class III	\$15.21	\$15.71	\$16.34
Expected Class IV	\$15.22	\$15.71	\$16.16
Net producer premium*	\$704	\$1,600	\$2,334

*the estimated producer premium listed here includes the government subsidy and are for 1 million lbs to insure. Premium listed is based on 50% Class III and 50% Class IV, 95% coverage. If you are interested in seeing component pricing or different percentages of III vs IV, please contact me at annie@westernuniteddairymen.com