

# GEORGIA MILK REVIEW

MONTHLY NEWSLETTER FOR GEORGIA MILK PRODUCERS, INC.

## NOMINATIONS OPEN FOR FRIEND OF THE 2018 DAIRY INDUSTRY AWARD



Georgia Milk Producers will award the "Friend of the Dairy Industry" Award to an individual or company that served as a strong advocate for Georgia's dairy industry in 2018 at the GA Dairy Conference in January. We would like Georgia dairy producers to send in nominations for this award to our office by December 9, 2018.

This award is open to any individual who is involved with the dairy industry (Cooperative officials/field representatives, feed/supply companies or salesperson, veterinarian, etc.). Please call our office with your nomination at 706-310-0020, fax at 706-310-0025 or email to [gamilkproducers@gmail.com](mailto:gamilkproducers@gmail.com).

## TWO NEW DIRECTORS ELECTED TO GMP BOARD OF DIRECTORS



Two Georgia dairy farmers were recently elected to serve as District Directors on the Georgia Milk Producers Board of Directors. Steven Addis from Rocky Face, Georgia, will represent District 1 and Charlie Lane from Monticello, Georgia, will represent District 5.

GA Milk district directors serve terms of two years and can be reappointed for additional terms. All Board meetings are open to Georgia dairy farmers.



## THIS ISSUE

[Friend of Dairy Industry Award](#)

[GA Grown Baby Barn](#)

[Hurricane Michael Impacts SE](#)

[2019 GDC Hotel Reservation Information](#)

[GA Ag Labor Forum](#)

[Dixie Dairy Report](#)

## GA National Fairgoers witness miracle of birth

*Reprinted from the GA Farm Bureau News Alert*

There's no doubt the Georgia Grown Baby Barn has been the must-see sight at this year's Georgia National Fair! Crowds have flocked to the new addition to the Georgia Grown Building to watch Holstein cows give birth to calves. Newborn piglets are also on display with their mama sows.

"This is a great experience for young people to witness live or by video," Gov. Nathan Deal said of the Baby Barn while speaking at the Georgia National Fair opening ceremony. "It's also a great experience for would-be fathers to experience. Watching an animal give birth teaches people compassion and empathy."

Calf Fairchild was delivered in the barn before the fair officially opened Oct. 4, followed by twins, Cotton and Candy, Perry, Peaches, Rosalie, Bullet, Stella, Georgia, Lilly, Buttercup and Ferris. Fair goers watching the calves' births suggested names for each calf.

Audience members then used their smart phones to vote for their favorite name. The person who suggested the winning name for each calf received a certificate from a veterinarian who helped with the delivery.

"Because of a great team effort, the public can come witness the miracle of life and meet agriculture," Georgia Agriculture Commissioner Gary Black said. "I'm convinced this is the best investment ever made by the taxpayers of Georgia. We're going to see youngsters come see a calf born or baby pigs and maybe they will become the ones in the next generation motivated to grow our food and fiber."



*Baby "Bullet" was 6<sup>th</sup> calf born at GA Grown Baby Barn*

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# Hurricane Michael Still Impacting Dairy in SE

Written by Dave Natzke, *Progressive Dairyman*

Southeast U.S. dairy producers and processors continue recovery efforts following Hurricane Michael, while damage assessment and a return to normalcy are ongoing following Hurricane Florence.

Hurricane Michael hit Florida and Georgia on Oct. 10, before moving north. It struck a month after Hurricane Florence, with the most intense damage occurring in South Carolina and North Carolina.

As of last week, milk truck access to some dairy farms remained a problem due to downed trees on roads and driveways in the aftermath of Hurricane Michael, according to Jim Sleper, Southeast Milk Inc. (SMI) chief executive officer. While he hoped the situation would be resolved soon, some SMI members had no choice but to dump milk, resulting in several days of lost production.

SMI, a dairy cooperative with about 150 members in six states, handles most of the milk marketed into Florida. A majority of its members are in Florida and Georgia.



Power outages also remained an issue, both in the Florida Panhandle and southern Georgia, and some farms could be without power for up to two weeks, Sleper said. Of dairy farms relying on generators, finding fuel to operate them was another challenge.

SMI made three standby generators available to members under the cooperative's Hurricane Preparedness Plan.

"If farmers are unable to power their parlors, even more milk will be lost," he said. "If they are unable to power their fans, the heat and humidity of the South can bring a lot of stress on the cows. Thankfully, temperatures have started to dip down a bit as fall continues to approach."

Thus far, minimal loss of dairy animals has been reported.

"Unfortunately, we have received reports from some of our members who have lost some cows and/or calves, mostly due to fallen trees, but the losses could have been so much worse given the strength of this storm," Sleper said.

Prior to Hurricane Michael, the co-op's Hurricane Preparedness Plan also included distribution of satellite phones in the event cellular phone towers were taken out, as well as providing chain saws to help clear roads and driveways of fallen trees. Milk truck fuel tanks were topped off, and key SMI employees used a special app to keep co-op leaders up to date on storm happenings.

From the cooperative standpoint, SMI continues to experience delays and other challenges in delivering milk to the Southeast, Sleper said. On top of the hurricane, a nationwide shortage of truck drivers continues to cause headaches delivering milk to customers in a timely manner.

Sleper said the dairy community in the region has rallied to support each other. In addition to support provided by the co-op, farmers are providing assistance to each other, including sending employees, chainsaws, front-end loaders and other equipment to areas suffering damage.



Providence Dairy in Bainbridge, GA, hit hard by Hurricane Michael



## Make Your Hotel Reservation for GDC by Dec. 30

*Take advantage of special room rates for the 2019 Georgia Dairy Conference by making your reservations before Sunday, Dec. 30!*

The Savannah Riverfront Marriott is offering room rates for those attending the Georgia Dairy Conference from Saturday, January 19, until Thursday, January 24, at \$130.00/room for single and double occupancy rooms. There will be a \$7 parking fee per day for our group at the hotel.

Individuals are requested to call the hotel at 912-233-7722 or 800-285-0398 for reservations or follow a link our conference website at <http://www.gadairyconference.com/accomodations>. Please mention that you are with the "2019 Georgia Dairy Conference" when making your reservation to ensure that you receive the discounted room rate.

**PLEASE NOTE:** Any reservation received after the cut-off date will be accepted on a space and rate-available basis. Availability and pricing cannot be guaranteed after the cut-off date.

**GEORGIA DAIRY PRODUCERS:** Georgia Milk Producers will deduct \$100/night for two nights from each Georgia dairy farm's hotel bill at checkout. It's our way to show our appreciation for your support and to encourage you to attend your annual dairy conference! Registration for the conference is also free for Georgia dairy producers. Please register online at [www.gadairyconference.com](http://www.gadairyconference.com) or call our office at 706-310-0020.



## Register for the 2018 AG Labor Relations Forum

*Tuesday, November 13 - Wednesday, November 14*

*UGA Tifton Conference Center*

Georgia Milk Producers is pleased to join the Georgia Fruit and Vegetable Growers Association and other Ag interest groups to sponsor the 2018 Georgia Agricultural Labor Relations Forum on November 13-14 at the UGA Tifton Campus Conference Center.

It is no secret the U.S. Department of Labor's Wage and Hour division has been increasing investigations in the southeast over the past few years and enacting some of the highest fines allowable. The labor industry in Georgia will soon be the focus of many of these investigations. Come to the 2018 Ag Labor Forum to hear from the labor experts about how the current political climate may impact your workforce and how to take steps to make sure your operation is not the focus of any U.S. DOL investigation.

Registration is just \$175 for the 2 day conference and includes lunch on day one. For more information visit their website at <http://www.georgiaaglaborforum.com/>.



**MILK PRODUCTION BACK UP IN AUGUST:** After only being up 0.5% in July, milk production in August was 1.4% higher than a year ago. The gain in production was all due to more milk per cow. Cow numbers in August were 4,000 head below last month and a year ago. Of the 23 reporting states, milk production was higher in 14 states. Texas led the way with production up a strong 9.5%. Texas reports 20,000 more cows this August compared to last August. Production was higher in the nation's number one and two milk producing states. California was up 1.2% and Wisconsin up 1.4%. Of the states with lower production, Florida was the lowest followed by Virginia. August production was down 7.3% in Florida, and down 5.7% in Virginia. Production is down in both states due to a combination of fewer cows (5,000 less in Florida and 4,000 less in Virginia); and less milk per cow (down 50 lbs. per month in Florida and 25 lbs. in Virginia.) *Source: October 2018 Dixie Dairy Report*

# Dixie Dairy Report – October 2018

*Calvin Covington*

**Domestic demand flat, exports up almost 20%.** Domestic demand for all dairy products, on a total solids basis, was up 1.2% in July, a much needed improvement after being down the previous four months. Butterfat continues to drive domestic sales with year-to-date butterfat demand up 1.5% while skim demand is down 0.5%. Combined, year-over-year domestic demand is flat. Dairy exports continue to set record highs. Through the end of July, dairy exports (total solids basis) are 19.1% higher than the same period a year ago. So far this year exports represent 16.2% of total dairy demand. Combining domestic and exports sales, total solids demand is up 2.8% so far this year. Skim solids account for over 90% of total export sales.

**Fluid demand.** Nationwide, July fluid milk sales (most recent month available) were down 2.6% for conventional, and down 2.1% for organic milk. For the year-to-date, combined, fluid sales are down 2.1%. Whole milk continues to be a bright spot with year-to-date sales up 1.3%.

## SOUTHEASTERN PACKAGED FLUID MILK SALES January-July 2018 vs. 2017

Order-Commission	2017 (January-July)	2018 (January – July)	2018 vs. 2017
			(% change)
Appalachian	1,826	1,859	1.8
Florida	1,599	1,565	-2.1
Southeast	2,548	2,477	-2.8
Virginia Milk Commission	500	486	-2.7
<b>Total</b>	<b>6,473</b>	<b>6,387</b>	<b>-1.3%</b>

July was a poor month for packaged fluid milk sales in the three southeastern federal orders. July fluid sales were down 2.3% and 4.6% in the Florida and Southeast orders, respectively, while sales were up 0.4% in the Appalachian order. As shown above, year-to-date fluid sales in the three orders, plus Virginia Milk Commission are down 1.3%.

## PROJECTED BLEND PRICES-BASE ZONES – SOUTHEASTERN FEDERAL ORDERS

Month	Appalachian	Florida	Southeast
(\$ /cwt.) – 3.5% butterfat			
September	\$17.48	\$19.22	\$17.74
October	\$18.65	\$20.27	\$18.93
November	\$18.31	\$20.40	\$18.79
December	\$17.89	\$20.52	\$18.65

price is \$16.09/cwt., up \$1.14/cwt. from August. Both prices are still a few pennies below the same month a year ago. September Class II and Class IV saw small increases, \$0.20/cwt. and \$0.18/cwt., respectively. September blend prices are projected \$0.25-\$0.40/cwt. higher than August. Due to the \$1.48/cwt. increase in the October Class I Mover, October blend prices are projected to increase about \$1.00/cwt. from September. For the last quarter of the year, blend prices are projected to decline in the Appalachian and Southeast orders, and remain relatively steady in the Florida order.

**Per capita consumption.** Recently USDA released its annual per capita consumption of dairy products report. The data tells us what dairy products consumers are eating, and provides further insight into today's milk prices. As summarized below we see the following: 1) **after increasing for**

**several years total dairy product consumption declined last year;** 2) consumers continue to eat more cheese, consumption is up 25% since 2000; 3) yogurt consumption has leveled off; 4) ice cream consumption is trending downward; 5) consumers are eating about an additional pound of butter today, compared to ten years ago; and 6) the decline in fluid milk consumption is not slowing down, at the current rate of decline per capita consumption could be below 100 lbs. by 2035.

**Milk prices.** For the first time in 2018, both the Class I Mover and Class III prices are over \$16.00/cwt. The October Class I price is \$16.33/cwt. which is \$1.48/cwt. higher than September. The September Class III

PER CAPITA CONSUMPTION of SELECTED DAIRY PRODUCTS (2000-2017)						
Year	Fluid Milk	Butter	Cheese	Yogurt	Ice Cream	All Dairy Products
2000	197	4.5	29.5	6.5	22.7	591
2005	186	4.5	31.3	10.3	21.1	604
2010	178	4.9	32.7	13.4	20.4	605
2015	156	5.6	35.1	14.4	19.3	630
2016	154	5.7	36.4	13.7	19.3	645
2017	149	5.7	36.9	13.7	19.4	643

Source: USDA-ERS