

GEORGIA MILK REVIEW

MONTHLY NEWSLETTER FOR GEORGIA MILK PRODUCERS, INC.

**GEORGIA DAIRY
PRODUCERS: REGISTER
ONLINE FOR THE 2018 GA
DAIRY CONFERENCE**



Registration fees and conference meals are free to Georgia dairy producers and their families. Please let us know if you will be attending the 2018 GA Dairy Conference! All information regarding the conference can be found online at www.gadairyconference.com.

Georgia Milk Producers will ALSO 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!

PUBLIX ANNOUNCES EXPANSION OF GA DAIRY PLANT



Publix Super Markets plans to expand its Georgia dairy plant, located in Gwinnett County, by 40,000 sq. ft., bringing the total square footage of the facility to approximately 240,000. Located in Dacula, the plant expansion will bring a projected 44 new jobs, along with a capital investment of \$48.7 million, to the area.

Publix's plans for the expansion project include installation of equipment to produce an Extended Shelf Life (ESL) product line.



Ferdia Farms, Garfield

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Activists Target Dairies with Protests Across U.S. and Release Undercover Videos Filmed on Florida Farms

Earlier this month an animal activist group, Animal Recovery Mission (ARM), released two undercover videos depicting animal abuse on two Florida dairy farms. These farms may be the first of several to be targeted as part of a new strategy of ARM to force retailers to stop purchasing milk from the farms involved in the videos.



Both videos generated widespread media coverage in Florida, including the NBC and FOX affiliates, Miami Herald and Sun Sentinel. Coverage outside of Florida has been limited to an Associated Press story on the first video release.

ARM is an activist group that focuses on getting their representatives hired by farms for the sole purpose of capturing undercover video. This group owns an "undercover training facility" equipped with milking stations and gestation crates. There they train volunteers and organization members on ways to gain access to farms and slaughterhouses.

Other activists groups, like Direct Action Everywhere and Mercy for Animals, have also been active this fall with on-farm protests and strong Facebook campaigns. In California, activists staged a protest, took a calf from a farm and asked the dairy to give them the calf's mother during the demonstration.

These groups are also posting jobs openings online that direct applicants to apply for and obtain employment in the animal agriculture industry, including farms, hatcheries, livestock markets and slaughterhouses. While employed, they are asked to wear hidden cameras and transmit footage back to activist group leaders.

The recent events serve as a reminder for all dairy farmers to remain diligent about the people visiting or working on their farms, as this is a strategy that activist groups will likely continue. A farm's response to a crisis needs to be quick in order to do as much damage control as possible.

**GEORGIA MILK PRODUCERS
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Dairy producers should contact Georgia Milk Producers, Southeast United Dairy Industry Association and their cooperatives for assistance immediately.

Animal Agriculture organizations have teamed up to provide producers with many tools to use to encourage and empower those working on your farm to immediately report any signs of deliberate animal abuse, neglect, harm or mishandling without retribution.

Also, producers must thoroughly search the background of those hired on their farm, including all social media outlets.

Georgia Milk Producers will continue to keep producers updated on this situation. For resource materials and employee contracts, visit the See It Stop It website at <http://www.seeitstopit.org/>.

Martin and Wooten Appointed to Serve on GMP Board of Directors

Jason Martin of Hart County and Jeffery Wooten of Putnam County were recently appointed to serve on the Georgia Milk Producers board of directors until September 2018. These new directors will fill two vacated seats held by Ernest Turk of Putnam County and Harry Allison of Hall County. Both recently stepped down from the Board.

"Earnest Turk and Harry Allison were valued Board members and will be missed greatly. We are pleased to welcome Jason and Jeffery to the board," said Everett Williams, president of Georgia Milk Producers, Inc. "They each will bring a unique perspective, knowledge, and wisdom that will further enhance the strength of our existing board of directors."

Special thank you to Earnest Turk and Harry Allison for your many years of service on the Georgia Milk Producers Board of Directors. Serving on a Board as a dairy producer is an "add on" to the many other things that dairymen do day in and day out. We appreciate their willingness to serve and value their time and input. Best wishes to your next adventure in life!



Harry Allison
Clermont, GA



Earnest Turk
Eatonton, GA

The next Board of Directors meeting will be held during the Georgia Dairy Conference in Savannah on Monday, January 15, 2018 at noon. All Board meetings are open to Georgia dairy producers.



New OSHA Ag-30 Course Offered By Asmark

Understanding OSHA's requirements will save your company money - but more importantly, it will reduce the number of injuries and it may even save lives. **This highly popular training has been developed specifically for agribusiness** and is designed for facility managers or assistant managers, safety and health coordinators, EHS staff and personnel with responsibilities for safety and health at the facility. To learn more about the training and to register, visit their website at: <https://www.asmark.org/TrainingCourses/osha-ag-30.cgi>

Make Your Hotel Reservation for GDC by Dec. 24



*Take advantage of special room rates for the 2018 Georgia Dairy Conference by making your reservations before **Sunday, Dec. 24!***



The Savannah Riverfront Marriott is offering room rates for those attending the Georgia Dairy Conference from Saturday, Jan. 13, until Wednesday, Jan. 17, at \$127.00/room for single and double occupancy rooms. Individuals are requested to call the hotel at 912-233-7722 or 800-285-0398 for reservations. Please mention you are with the "GA DAIRY CONFERENCE 2018" when making your reservation to ensure that you receive the discounted room rate. A link to online reservations can be found on our website at www.gadairyconference.com. Parking at the Savannah Riverfront Marriott has

been reduced to \$5 per day for those attending the Georgia Dairy Conference.

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 or call our office at 706-310-0020.

Send in Your Nomination for the GMP Friend of the 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 2017 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 8, 2017. 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 or email it to gamilkproducers@gmail.com.



*Cheryl Hayn
2017 FODIA Recipient*

Milk Production Down Slightly in 3rd Quarter - *Written by Calvin Covington*

Milk production for the third quarter of the year is 1.7% higher compared to the third quarter of last year. This is down slightly from the 1.8% increase during the second quarter. Cow numbers continue to increase with the nation's dairy herd estimated at 9.402 million head. For the year-to-date, production is up 1.5%. The Southwest leads year-to-date growth with milk production up 9.5%. Production in the Midwest and Northeast is up 1.5% and 1.3%, respectively, while production is down 1.9% in California.

In the ten southeastern states, production is down 0.4% for the nine months of the year. Three states did increase production: Florida +0.2%, Georgia +1.1%, and Virginia +0.3%. The USDA report shows higher cow numbers in both Florida and Georgia, but 11,000 total less cows in the ten southeastern states.

Quarterly Milk Production and Cow Numbers (2016 vs. 2017)

Quarter	2016 (million lbs.)	2017 (million lbs.)	Change (%)	2016 (1,000 head)	2017 (1,000 head)	Change
First	52,998	53,568	1.1	9,312	9,370	58
Second	54,331	55,314	1.8	9,323	9,398	75
Third	52,590	53,495	1.7	9,331	9,402	71
Total YTD	159,919	162,377	1.5	9,322	9,390	68
Southeast YTD	7,178	7,146	-0.4	488	477	-11

Dixie Dairy Report – November 2017

Calvin Covington

Dairy product prices mixed. Prices for the four dairy products used to calculate federal order class prices, as reported in the National Dairy Product Sales Report (NDPSR), are mixed. Butter and cheese are higher than a year ago, but nonfat dry milk powder is lower, as shown below.

National Dairy Products Sales Report Prices			
Product	October 2016	September 2017	October 2017
	(\$/lb.)		
Butter	\$1.8637	\$2.5298	\$2.3718
Cheese (block & barrel)	\$1.5830	\$1.6608	\$1.7254
Nonfat Dry Milk Powder	\$0.9222	\$0.8499	\$0.8099
Dry Whey	\$0.3303	\$0.4167	\$0.3790

October butter is lower than September even with domestic sales up 2.6% and exports up 29%, for the year-to-date. Plus, the U.S. butter price is about \$0.30/lb. lower than the Oceania price. However, butter imports increased during the past two months, and the normal seasonal decline in butter inventories is lower than usual. October cheese gained \$0.06/lb. from September. Domestic cheese sales are flat so far this year, but cheese exports are 25% higher. With most retailers, having completed the bulk of their cheese holiday buying, and cheese inventories building, look for cheese prices to start retreating.

Both nonfat dry milk powder and dry whey continue to move downward in price. October powder is down \$0.04/lb. from September, and about \$0.12/lb. lower than a year ago. Since its peak at over \$0.52/lb. in April, dry whey has declined \$0.14/lb. Exports of both products have declined in recent months, and inventories of both products are building. At the end of August, the powder inventory was 35% higher than last August and dry whey almost 70%. The European Union's backlog of powder is displacing some U.S. exports.

Class I utilization down. Combined, Class I pounds in the southeastern federal orders, are down 1.1% for the first three quarters of the year compared to a year ago. However, there is a large variation among the three orders. Class I pounds are up 2.0% in the Appalachian order, but down 5.3% in Florida and down 1.6% in the Southeast order. Total producer milk in all three orders, for the first nine months of the year, is little changed from 2016, about 10.34 billion lbs.

Southeastern Federal Orders Utilization (January – September: 2016 vs. 2017)						
Order	Class I			(Total Producer Milk)		
	2016	2017	Change	2016	2017	Change
	(million lbs.)		(%)	(million lbs.)		(%)
Appalachian	2,898.1	2,954.7	2.0	4,221.5	4,308.2	2.1
Florida	1,706.2	1,615.4	-5.3	2,029.4	1,938.7	-4.5
Southeast	2,860.9	2,816.5	-1.6	4,082.1	4,093.1	0.3
Total	7,465.2	7,386.6	-1.1	10,332.9	10,340.8	0.1
Total Class I %	72.25%	71.43%				

Projected Blend Prices –Base Zones – Southeastern Federal Orders

Quarter	Appalachian	Florida	Southeast
	(dollars /cwt.) – 3.5% butterfat		
2017 –Fourth	\$18.61	\$20.73	\$19.23
2017 – Year Average	\$18.81	\$20.91	\$19.19
2018-First	\$18.54	\$20.50	\$18.58
Second	\$18.16	\$20.20	\$18.37
Third	\$19.03	\$20.94	\$19.43
Fourth	\$19.08	\$21.09	\$19.65
2018 – Year Average	\$18.70	\$20.68	\$19.01
2018 vs. 2017	-\$0.11	-\$0.23	-\$0.18

compared to this year. The major challenge in 2018 is enough demand to handle the additional milk production. Domestic demand is slowing. Even though world dairy demand is growing, the U.S. faces strong competition from the European Union and New Zealand to fill that demand. On the supply side we all know just a small change in milk production results in a much larger change in milk prices. Instead of a forecasted 2% growth in milk supply, if the growth is only 1.0-1.25%, milk prices will move higher. However, there is yet to be anything on the horizon to indicate lower milk production, nationally.

2018. USDA's October dairy outlook report forecasts about 2% more milk in 2018 compared to this year. Their current all-milk price forecast is \$17.45/cwt. to \$18.35/cwt. which is \$0.55/cwt. higher to \$0.35/cwt. lower than this year. USDA projects higher cheese prices in 2018, butter prices similar to this year, and lower nonfat dry milk powder and dry whey prices. Our current 2018 blend price projections, shown here, projects blend prices slightly lower in 2018