

NOVEMBER 2021

GEORGIA MILK REVIEW

MONTHLY NEWSLETTER FOR
GEORGIA MILK PRODUCERS, INC.

Georgia Milk Producers to Host Dairy Conference in January

Dairy farm families and industry leaders of the Southeast dairy community will gather Jan. 17-19 for the 2022 Georgia Dairy Conference at the Riverfront Marriott in Savannah.

This three-day conference provides attendees the chance to listen to nationally known educators and engage with the nation's leading industry suppliers at the tradeshow.

With 81 dairies and over 120,000 cows represented at the 2020 GDC, the 2022 event will build on the success of previous years. The agenda features speakers who will present on topics ranging from milk quality management, nutrition, sustainability opportunities, and milk promotion.

Veterinarians, animal nutritionists, and certified waste operators attending the 2022 Georgia Dairy Conference can earn continuing education credit hours. Registration and certificate of proof can be found at the registration table.

A tradeshow featuring industry sponsors and exhibitors is held in conjunction with the Conference and provides representatives with the opportunity to spark conversations with dairy producers. Last year, the GDC featured more than 80 exhibitor booths.

Due to the ongoing challenges of COVID, we are navigating the decisions for the event day by day and we take the safety, health, and well-being of dairy farmers and attendees seriously. Like many other events, our conference is in an unpredictable position. We will continue to stay abreast of the situation moving forward providing regular updates on our website.

Sponsorships and exhibit space are available and early reservations are recommended for prime options. For more information visit our website at www.gadairyconference.com.

We look forward to seeing you at our event in January!



FEATURED ARTICLES

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Dixie Dairy Report



Dairy Wins Big at 2021 Sunbelt Ag Expo

The Dairy Pavilion at the 2021 Sunbelt Ag Expo was busy serving delicious milk and yogurt, donated by Dale McClellan and M & B Products, and ice cream sandwiches sponsored by the GA ACC for Milk last month in Moultrie.

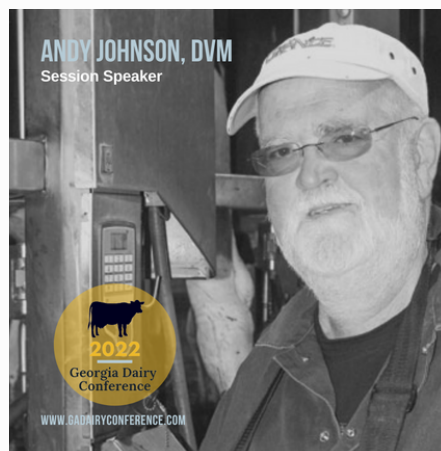
On Tuesday the most highly-anticipated Sunbelt event, the annual Cow Milking Contest, was held among the agriculture deans of the University of Georgia, the University of Florida and Auburn University. UGA blew away the competition with Dean Place milking each cow at record pace!

Throughout the week, Georgia's Mobile Dairy Classroom held milking demonstrations for the public to learn from and provided calves for children to pet. UGA dairy science faculty provided valuable dairy talks and hands-on activities. The Dairy Alliance offered recipes, nutritional dairy information and promotional items as well.

Many thanks to Chip Blalock, Steve Blackburn and Expo staff for making this a great event! We appreciate partnering with The Dairy Alliance, Georgia's Mobile Dairy Classroom and the University of Georgia Animal and Dairy Science Department to tell our dairy story at the Sunbelt Ag Expo! See you next year!



Congrats to UGA's Dean Place (middle) for winning the 2021 Sunbelt Milking Competition



REGISTRATION NOW OPEN FOR 2022 GA DAIRY CONFERENCE

Visit online at gadairyconference.com



@GADairyConference

GMP Seeking Nominations for the 2022 Bobby Walker Award

Georgia Milk Producers will award the "2022 Bobby Walker Award" to an individual or company that served as a strong advocate for Georgia's dairy industry in 2021 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 10, 2021. 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 to gamilkproducers@gmail.com.



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Blend Prices Move Higher, Cautious Optimism for 2022

From Calvin Covington, November 2021 Dixie Dairy Report

Blend prices. October blend prices are projected \$0.30-\$0.40/cwt. higher than September. November blend prices are projected to move up another \$0.80-\$1.00/cwt. December blend prices are projected to be the highest for the year, with the Florida blend around \$23.00/cwt. and the Appalachian and Southeast orders' blend close to \$21.00/cwt. 2022 blend price

projections are higher than last month based on improving butter and NDM prices. Currently, I project 2022 blend prices averaging about \$1.50-\$1.75/cwt. higher than 2021. My forecast is not as optimistic as current futures prices indicate. I see both domestic and export demand a major challenge next year due to inflation, supply chain issues, and China importing less due to their strong inventory levels and economic issues. Plus, strong cheese inventories and production will keep a lid on cheese prices.

PROJECTED* BLEND PRICES – Base Zones – SOUTHEASTERN FEDERAL ORDERS

Month	Appalachian	Florida	Southeast
(\$/cwt. at 3.5% butterfat – base zone)			
August 2021	\$19.24	\$21.11	\$19.60
September	\$19.37	\$21.22	\$19.70
October	\$19.79	\$21.68	\$20.02
November	\$20.80	\$22.74	\$20.87
December	\$21.20	\$23.05	\$21.23
January 2022	\$20.94	\$22.85	\$21.00

*Projections in bold

Make Your Hotel Reservation for the 2022 GA Dairy Conference by Dec. 27



Georgia Dairy
Conference

Take advantage of special room rates for the 2022 Georgia Dairy Conference by making your reservations before Monday, December 27, 2021! The Savannah Riverfront Marriott is offering room rates for those attending the Georgia Dairy Conference from Saturday, January 15, until Wednesday, January 19, at \$139.00/room for single and double occupancy rooms. There will be a \$10 parking fee per day for our group at the hotel. Individuals are requested to call the hotel at 800-285-0398 for reservations or visit our website at <https://www.gadairyconference.com/accommodations>.

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 Georgia dairy producers is ALWAYS free!!



Phil Harvey Recognized for Years of Service as ACCM Director

Phil Harvey, longtime Georgia dairy farmer, was recognized for his service as a director for Georgia's Agricultural Commodity Commission for Milk during the GMP Fall District Meeting in Buckhead.

Earlier this year, Harvey determined it was time to focus more on family and his businesses, and decided not to seek re-election as a director.

Georgia Milk Producers and the Georgia dairy community would like to thank Harvey for serving on the Board for close to a decade and providing leadership and direction for our state dairy checkoff promotion program.

Georgia Agricultural Commodity Commission for Milk, or GA ACCM, was established in 1961 under the Georgia Commodities Promotion Act. The GA ACCM Board of Directors consists of five Georgia dairy producers and one representative to vote on behalf of Commissioner Gary Black. The purpose of the GA ACCM is to fund research, education, and promotion programs that increase awareness and raise demand for Georgia milk and dairy products.

GA ACCM engages in numerous projects promoting milk and educating the consumer on the importance and nutritional value of dairy products in their diets.

Georgia's MDC Coordinator, Nicole Duvall, Graduates from AGL Program

Georgia Milk Producers would like to congratulate Nicole Duvall, Georgia's Mobile Dairy Classroom Coordinator, for graduating from the Advancing Georgia's Leaders in Agriculture and Forestry (AGL) 2019-2021 Class.

AGL is a two-year leadership program that educates, empowers, and connects today's professionals in agriculture, forestry, and natural resources. Individuals within AGL become more effective spokespeople for their industries, establish strong allegiances across the state and nation, and further develop their leadership skills.



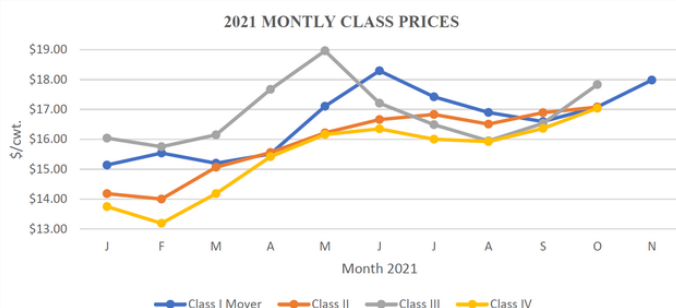
Duvall says "AGL provided me the opportunity to develop lasting relationships with others who share a passion for agriculture. Through my experience, I learned to focus on my strengths and lead with them. The program challenged me and pushed me beyond my comfort zone. I am thankful for the experiences gained and the opportunity to complete my leadership project. The kindness and support felt from the agriculture industry is something I will never forget."



DIXIE DAIRY REPORT

CALVIN COVINGTON
DECEMBER 2021

Class prices. All October federal order class prices were higher than September which means higher blend prices. The October Class I Mover advanced \$0.49/cwt., Class II \$0.19/cwt., Class III \$1.30/cwt. and Class IV \$0.68/cwt. The Class II and IV prices are the highest October prices since 2014. The November Class I Mover, which uses advanced pricing and is based on October dairy product prices, is \$17.98/cwt. This is \$.98/cwt. higher than October.



As the chart shows here, Class IV (butter + powder) has steadily moved higher this year. Going from a low of \$13.19/cwt. in February to \$17.04/cwt. in October. Strong exports, lower production in the European Union and New Zealand, lower domestic butter and nonfat dry milk powder (NDM) production, are all lifting the Class IV price. Looking ahead, the Class IV price is projected to exceed the Class III price in the coming months, with a Class IV price between \$18.00 - \$19.00/cwt.

The CME butter price at the beginning of October was \$1.7475/lb. On November 5, butter closed at

\$1.9350/lb., the highest in almost two years. Strong demand for cream products, higher cheese and lower NDM production which results in less cream for churning, a major butter plant off-line due to a fire, along with seasonal butter demand are, combining, to move butter prices upward.

Declining cheese prices will push the Class III price lower in November. Record high cheese production and building inventories (September American cheese inventory over 9% above a year ago) are moving cheese prices lower. At the CME on November 5, blocks were down to \$1.5850/lb. and barrels at \$1.5025/lb. Blocks and barrels a month ago, were at \$1.8500 and \$1.7450, respectively.

Fluid milk sales. In the three southeastern federal orders, third quarter Class I producer milk volume is mixed. In the Florida order, it is 2.3% higher than the same quarter a year ago. However, in the Southeast order, third quarter Class I producer milk volume is 3.4% and the Appalachian order 5.4% lower than last year. Nationwide, in all federal orders, Class I producer milk is 2.8% lower for the third quarter compared to the same quarter last year. Class I producer milk volume provides a quick and accurate method to track fluid milk sales, plus it is what producers are paid for.

REGIONAL CHANGE in MILK PRODUCTION & COW NUMBERS
and SHARE of TOTAL MILK PRODUCTION
(First Nine Months of 2021 vs. 2020)

Region	Milk Production (Percent Change)	2021 vs. 2020 (Change in number of Dairy Cows)	Share of Total Milk (Percent)
Midwest	3.7%	66,000	31.7%
California	1.6%	-1,000	18.5%
Northwest	0.4%	-8,000	15.2%
Northeast	0.2%	-2,000	13.6%
Southwest	3.2%	11,000	12.8%
Plains	4.9%	17,000	4.6%
Southeast	-3.2%	-12,000	3.6%
Total	1.9%	75,000	

Milk production. September marks the fourth consecutive month for a lower monthly increase in milk production. According to USDA, September production was only 0.2% higher than last September. USDA also revised August numbers, resulting in August production only 0.6% higher than a year earlier. Fewer cows and less milk produced per cow is slowing milk production growth. Each month since May, the nation's dairy herd has declined. More dairy cows are going to slaughter each month. For the second

consecutive month, milk produced per cow was lower than a year earlier.

In the 24 milk reporting states, September production was higher in eleven states, and flat or lower in the other thirteen states. South Dakota reported the highest increase (+14.6%), followed by Georgia (+3.8%) and Wisconsin (+3.3%). New Mexico posted the largest milk production decline (-12.5%), followed by Washington (-7.9%) and Florida (-6.8%). The Southeast, as shown below, is the only region of the country reporting a milk production decline for the year-to-date. In the ten Southeast states, only two states show production increases for the first nine months of the year, Georgia +1.1% and North Carolina +2.7%.

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