

## GA DAIRY COW GIVES BIRTH TO 12TH CALF



Meet "Granny", a milk cow from a dairy in Northeast Georgia. This is her 11th calf and she calls Martin Dairy home. During the past 11 years, she has had 12 calves (one set of twins) and only one of those calves has been a bull. Granny is a good mama cow and has treated her babies and farm just as well as her farm has treated her.

## MFP PAYMENTS COMING BEFORE THANKSGIVING



According to a USDA news release, the second tranche of 2019 Market Facilitation Program payments will begin the week before Thanksgiving.

MFP for 2019 is providing \$14.5 billion in direct payments to producers, meaning the second tranche will be for about \$7.8 billion.

Under MFP2, USDA so far has paid out \$6.69 billion to 564,181 producers. USDA reports the top five states for payments are Illinois, Iowa, Kansas, Nebraska, and Minnesota.

Producers of MFP-eligible commodities will now be eligible to receive 25% of the total payment expected, in addition to the 50% they have already received from the 2019 MFP. MFP signup at Farm Service Agency offices will run through Dec. 6, 2019. *Source: DTN*



## THIS ISSUE

Meet "Granny"

MFP Payments Coming Before Thanksgiving

Dean Foods Files Bankruptcy

Damian Mason Added as Keynote for 2020 GDC

USDA Backs Off RFID Mandate for Livestock

Reserve Your Hotel Room for the 2020 GDC

Dixie Dairy Report

## Dean Foods Files for Chapter 11 Bankruptcy

*From Progressive Dairy and Dean Foods*



Dean Foods, the nation's largest processor of fluid milk, filed Chapter 11 Bankruptcy in the Southern District of Texas this month. According to a company news release, Dean Foods intends to use this process to protect and support its ongoing business operations and address debt and unfunded pension obligations while it works toward an orderly and efficient sale of the Company.

On November 14th, the Court granted Dean Foods permission to pay direct dairy farmers for their milk delivered in October 2019. The court also granted Dean Foods interim approval

to access up to \$475 million of the \$850 million in committed debtor-in-possession (DIP) financing from its lenders, which along with cash on hand and operating cash flows is expected to be sufficient to support the company's continued operations during this process.

Dean will also continue to pay employee wages and benefits without interruption and make payments to suppliers and vendors in full under normal terms for goods and services provided on or after Nov. 12, 2019.

"We appreciate the swift action by the court to approve these motions, which will enable us to continue operating as normal," said Eric Beringause, president and CEO of Dean Foods.

As of November 18, more than 205 legal dockets had been filed in the court. Court filings and other information related to the proceedings are available on a separate website administered by the company's claims agent, Epiq Corporate Restructuring LLC. Additional information is available on the restructuring page of the company's website at <https://deanfoodsrestructuring.com/>.

Dean Foods has engaged advanced discussions with Dairy Farmers of America regarding a potential sale of substantially all or some of their assets. If they ultimately reach an agreement on the terms of a sale, the transaction would be subject to regulatory approval.

**GEORGIA MILK PRODUCERS  
BOARD OF DIRECTORS**

**Jason Martin, Bowersville**  
*President* - 678-233-8321  
martindairy@gmail.com

**Matt Johnson, Climax**  
*Vice President* - 229-220-1577  
mattjohnson195@att.net

**Adam Graft, Americus**  
*Secretary* - 229-942-0508  
jgraft@bellsouth.net

**Marvin Yoder, Montezuma**  
*Treasurer* - 478-472-4533  
marvinpyoder@gmail.com

**Steven Addis, Rocky Face**  
706-463-2303  
stevenaddis01@gmail.com

**Ed Coble, Waynesboro**  
706-554-3672  
lrcoble@gmail.com

**Chad Davis, Eatonton**  
706-318-0243  
cwdavis22@gmail.com

**Scott Glover, Clermont**  
770-539-4906  
gcdairy@gmail.com

**Charlie Lane, Monticello**  
706-468-6037  
charlielane@bellsouth.net

**Kenneth Murphy, Luthersville**  
770-927-9210  
Udderspecialist@aol.com

**Calvin Moody, Valdosta**  
229-263-2369  
moodybcd@aol.com

**Jeff Smith, Comer**  
706-783-5018  
milkman17@windstream.net

**Everett Williams, Madison**  
706-818-0311  
e@wdairy.net

**James Yoder, East Dublin**  
478-304-2857  
jtyoderclan@gmail.com

**Troy Yoder, Montezuma**  
478-244-2172  
tramildaholsteins@gmail.com

## Damian Mason Added As 2020 Keynote Speaker for GA Dairy Conference



Georgia Milk Producers is excited to announce that Damian Mason will be the Monday Keynote speaker at the 2020 Georgia Dairy Conference this January in Savannah, Georgia.

From growing up on a dairy farm in Indiana to now speaking to over 1,600 audiences in 50 states and 8 foreign countries Damian Mason is a professional speaker with a message for the people of agriculture. His presentation at the upcoming GDC will focus on "Agriculture: Trends, Topics and Tomorrow," will be an intelligent, provocative commentary on the issues impacting the agriculture industry that will be delivered in an entertaining manner.

Damian Mason understands agriculture, he had his first job at age 8, bottle feeding calves on the Indiana dairy farm like many children of agriculture. He was involved in FFA and was also ten year 4-H member. With his background and history Damian understands the business of food, fuel, and fiber production because he's lived it!

He has a degree from Purdue University in Agricultural Economics, and currently owns and manages a farm in Indiana. He stays up-to-date on issues impacting the industry of food, fuel, and fiber to deliver entertaining, provocative dialogue to agricultural audiences. He engages audiences by giving them food for thought with regards to how they should view their customers, their business, and how they should look at transforming what they do today.

The Georgia Dairy Conference is hosted by Georgia Milk Producers and will be held January 20-22, 2019. For more information please visit <http://www.gadairyconference.com/> or contact our office at 706-310-0020.

## USDA Backs Off RFID Mandate for Livestock From GA Farm Bureau

The USDA's Animal and Plant Health Inspection Service (APHIS), citing presidential executive orders and industry feedback, announced on Oct. 25 it was pulling back the reins on its radio frequency identification (RFID) requirements in its animal disease traceability program.

The move came three weeks after independent ranchers sued APHIS over the rule.

In a statement posted on its website, APHIS indicated it would revisit the RFID guidelines. The agency has removed an RFID fact sheet from its website.

"Recent executive orders have highlighted the need for transparency and communication on the issues set forth in the Factsheet before placing any new requirements on American farmers and ranchers. See Executive Orders 13891 and 13892. Consistent with these orders, APHIS has decided not to implement the requirements outlined in the April 2019 Factsheet regarding the type of identification devices that USDA-APHIS will regard as official eartags and the dates by which they must be applied to cattle," the APHIS statement said, noting that it will reconsider traceability and make a new proposal.

## UGA Dairy Dawgs Represent State Well at NAILE

*Congratulations to our UGA Dairy Judging Team on placing first in the Holstein contest at the 2019 North American International Livestock Exposition! Team members were: Dawson Fields, Abby Smith, Hunter Swartz, and Alyssa Rauton. The team was coached by Dr. Bill Graves.*



**ONLINE PRODUCER & GUEST  
 REGISTRATION  
 IS OPEN**

[www.gadairyconference.com](http://www.gadairyconference.com)



**Make Your Reservation for GDC by Dec. 30**  
*Take advantage of special room rates for the 2020 Georgia Dairy Conference before Monday, Dec. 30!*

The Savannah Riverfront Marriott is offering room rates for those attending the 2020 Georgia Dairy Conference from Wednesday, January 15, until Thursday, January 23, at \$132.00/room for single and double occupancy rooms. There will be a \$8 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/accommodations>. Please mention that you are with the “2020 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 farmers and their families. Please register online at <http://www.gadairyconference.com/registration> or call our office at 706-310-0020.

## Southeast States Continue to Lead the Nation in Declining Milk Production - *From Calvin Covington, November Dixie Dairy Report*

August milk production was 1.3% higher than last August. This is the largest month over month increase this year. The August gain was due to higher per cow production. In addition, 13,100 less dairy cows were slaughtered in August compared to the previous August. On a quarterly basis, third quarter milk production was 0.5% higher than the same quarter last year. For the year-to-date, the nation’s dairy herd has declined 101,000 head. As shown below, production is higher in the western half of the country, but lower in the east. Production is up 2.6% in the Northwest states (mainly Idaho and Oregon), 2.3% in the Southwest states (mainly Texas), and 1.9% in California. Higher production in the Northwest and Southwest is due to more cows while in California it is due to more milk per cow. Cow numbers are down 48,000 and 42,000 head in the Northeast and Midwest, respectively.

The Southeast states continue to lead the nation in declining milk production, 4.8% lower in the third quarter. For the year to-date, the Southeast is down 6.1% in production. At the end of September, the Southeast reported 425,000 dairy cows. This is 41,000 fewer head than at the end of last year. Third quarter production was lower in all Southeast states, except for Florida the largest Southeast milk producing state, which was 1.1% higher due to more milk per cow. Third quarter production in the second largest state, Georgia, was down 1.7%.

**U.S. MILK PRODUCTION by REGION – Third Quarter (2019 versus 2018)**

Region	2018	2019	Change
	(million lbs.)		(%)
<b>Southeast</b>	<b>2,047</b>	<b>1,949</b>	<b>-4.8</b>
<b>Midwest</b>	17,140	17,119	-0.1
<b>California</b>	9,820	10,003	1.9
<b>Northwest</b>	8,298	8,517	2.6
<b>Northeast</b>	7,724	7,568	-2.0
<b>Southwest</b>	6,613	6,768	2.3
<b>Plains</b>	2,326	2,337	0.5
<b>Total</b>	<b>53,969</b>	<b>54,261</b>	<b>0.5%</b>

# Dixie Dairy Report – November 2019

Calvin Covington

**Dairy product prices.** October was a strong month for cheese, especially barrels. October saw barrel cheese at the CME increase almost \$0.60/lb from \$1.6900/lb. to \$2.2875/lb. Reasons for the barrel increase according to Dairy Market News are: inventory of process cheese (primary use of barrels) is tight, increased demand from Mexico, increased government purchases, and process/barrels are oversold in some markets. Block cheddar also gained in October going from \$1.9575/lb. to \$2.1750./lb. These are the highest cheese prices since 2014. Dairy Market News also reports cheese manufacturers are shifting their production to cheddar cheese. We do not expect cheese, especially barrels, to sustain these price levels, supply will eventually meet needed demand, but hopefully will remain above \$2.00/lb. for some time. At these cheese prices the November Class III price should be around \$20.00/cwt.

Turning to Class IV products, butter continues to inch downward, with the October CME butter average at \$2.1071/lb. Since its peak in July, butter has declined about \$0.30/lb. Reports indicate cream is available, inventories are more than adequate, and the domestic price is higher than the international butter price. On the other hand, the nonfat dry milk powder price continues to move upward. The October DPSR powder price is almost a nickel higher than September. October should increase another three to five cents per lb. Increased export demand, especially from Mexico and China, along with the U.S.'s competitive price is fueling higher powder prices. We anticipate higher powder prices will offset lower butter prices, thus leading to higher Class IV prices.

**DAIRY PRODUCTS SALES REPORT (DPSR) PRICES \* and CLASS I MOVER**

Product	October 2019	September 2019	October 2018	October 2017
	(\$/lb.)			
Butter	\$2.1559	\$2.2344	\$2.2814	\$2.3718
Cheese (block)	\$2.0569	\$1.9843	\$1.6795	\$1.7170
Cheese (barrel)	\$1.8379	\$1.7913	\$1.4366	\$1.7032
Cheese weighted avg.	\$1.9694	\$1.9053	\$1.5686	\$1.7254
Nonfat Dry Milk Powder	\$1.0957	\$1.0519	\$0.8739	\$0.8099
Dry Whey	\$0.3396	\$0.3698	\$0.4470	\$0.3790
	November 2019	October 2019	November 2018	November 2017
	(\$/cwt.)			
Class I Mover (3.5% fat)	\$18.14	\$17.84	\$15.52	\$16.41
Class I Mover (2.0% fat)	\$14.70	\$14.18	\$11.79	\$12.49

\*Dairy product prices used to calculate federal order class prices

**CLASS I USAGE by in SOUTHEASTERN FEDERAL ORDERS Third Quarter (2019 vs. 2018)**

Order	2018	2019	Change
	(million lbs.)		(%)
Appalachian	1,065	1,036	-2.7
Florida	538	540	0.3
Southeast	998	931	-6.7
<b>Total</b>	<b>2,601</b>	<b>2,507</b>	<b>-3.6</b>

**Southeast milk sales.** Total Class I usage, by pool plants in the three Southeastern federal orders during the third quarter of this year, was 3.6% lower than a year ago. As shown below, Class I usage was up 0.3% in the Florida order, but down in the other two orders. A higher percent of total fluid milk sales

by Florida based plants is helping increase Florida pool plant usage. In August of this year, Florida based plants generated 84.29% of total Florida fluid sales, last August it was 81.27%

Order blend prices. Due to higher cheese prices we project blend prices in the three southeastern orders to continue increasing through January. We need to point out, due to the new method of calculating the Class I Mover; the December Mover will not reap all the gains from higher cheese prices. We project the December Mover about \$1.00/cwt. lower compared to the previous "higher of" method. All of the projected blend price increase will be on the skim portion of milk, with butterfat's share declining.

**PROJECTED BLEND PRICES—BASE ZONES—SOUTHEASTERN FEDERAL ORDERS**

Month	Appalachian	Florida	Southeast
	(\$ /cwt. 3.5% butterfat)		
September 2019	\$20.04	\$21.85	\$20.52
<b>October</b>	<b>\$20.11</b>	<b>\$22.06</b>	<b>\$20.69</b>
<b>November</b>	<b>\$20.64</b>	<b>\$22.63</b>	<b>\$21.24</b>
<b>December</b>	<b>\$20.95</b>	<b>\$23.16</b>	<b>\$21.62</b>
<b>January 2020</b>	<b>\$21.14</b>	<b>\$23.24</b>	<b>\$21.63</b>

RETURN SERVICE REQUESTED

Georgia Milk Producers, Inc.  
1641 New High Shoals Road  
Suite 5  
Watkinsville, GA 30677