

# GA House Ag Committee Hearing *Continued*

The Director of Food Safety for Georgia Department of Agriculture, Natalie Adan, then spoke to the safety and regulatory side of the issue. Ms. Adan first detailed how the Dairy Program currently functions with regular inspections and testing. Currently, there are 71 operating raw milk licenses for "pet food" within the state and the products sold under those licenses are not routinely inspected and subject to other dairy products. The director detailed the regulatory system that South Carolina uses including mechanized bottling, retail sale only, quarterly inspections, and regular sample testing.

In response to the complexity of raw milk, Chairman Dickey created a subcommittee headed by Chairman Clay Pirkle to further research and discuss the topic. GAC supports Georgia Milk Producers, Inc. in their effort to increase safety measures to raw milk sales as well as marketing opportunities for small dairies and we look forward to engaging with the sub-committee throughout the year to find a safe and profitable solutions for these dairy farmers.

To watch the video from the hearing, visit:  
<https://livestream.com/accounts/25225474/events/8729747/videos/218564762>

## Williams Honored at State Livestock Show



Longtime dairy farmer and dairy youth supporter, Carol Williams, was recently honored for her impact on the lives of dairy exhibitors for the last 20 years. During the 2021 Georgia Junior National Livestock Show, state 4-H and FFA officials dedicated the show catalog to her lifelong work. Williams is the first female to receive this honor.

Williams was presented with a plaque commemorating the book dedication and flowers from Morgan County Extension Coordinator Lucy Ray and Morgan County 4-H Youth Americorps Member Jay Moon during a presentation at the end of the GA Jr. National Commercial Dairy Heifer Show on Feb. 19.

Carol, her husband, Everett, and children Justin, Daniel, Katie and Michelle, operate a 1,700 cow dairy farm in Morgan County. Along with the pride of producing high-quality milk, Carol works in her community to develop and support youth development programs within the Morgan County 4-H program.

In the late 1990s, Carol, along with others, launched Georgia's first Commercial Dairy Heifer Show Program. This allowed youth to borrow or lease dairy heifers from local farmers and to exhibit them at livestock shows throughout Georgia. Students involved in 4-H and FFA build relationships with farmers in their local communities while having experiences in the agriculture industry that were not available before the start of the heifer program.

Williams serves as president of the Georgia Dairy Youth Foundation (GDYF). A non-profit organization that promotes dairy projects and events in Georgia for students



in 4-H and FFA. With her leadership, the group raises funds to support dairy events and educational programs across the state. In addition to GDYF, Carol serves on the board of directors for the Georgia Junior Livestock Foundation and the Georgia Cattlewomen Association, giving the dairy industry a face and voice. Within her local community, Williams serves as the Chairman of the Local Agricultural Center Authority as well. Congratulations to Carol Williams on this well-deserved honor!

Source - Jennifer Whittaker, GA Farm Bureau

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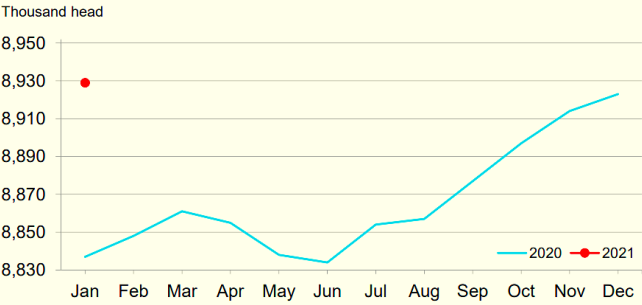
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# More and More Cows *From Calvin Covington Dixie Dairy Report*

January milk production, according to USDA, was 1.4% higher than last January. Higher production was due to a combination of 85,000 more cows and 0.6% more milk per cow, compared to a year ago. Dairy farmers continue to send fewer cows to the butcher with January dairy cattle slaughter down 7.1% or 21,200 cows less than last January. Of the 24 reporting states, January production was up in 15 states. The highest production increases were in the center of the country. Indiana up 10.1%, South Dakota up 9.6%, Texas up 5.3%, Minnesota up 5.7%, Michigan up 4.3%, and Wisconsin up 3.1%. On the west coast, January production was 0.7% lower in California and down 1.9% in Washington. Lower production in both states was due to less milk per cow. Turning to the three Southeast reporting states, January was the eighth consecutive month with lower production in Florida, down 5.1%. Georgia production remains flat. While Virginia, after showing production increases in 11 of the past 12 months, was 3.0% lower in January.

Monthly Milk Cows – 24 Selected States



Milk production will continue above year ago levels until there is a significant reduction in cow numbers. The Dairy Margin Coverage program's January gross margin was only \$7.14/cwt. This is \$3.58/cwt. lower than last January, and the lowest January margin since 2013. One would expect low margins will result in more cows going to slaughter, thus reducing milk production, but time will tell.

## 11th Annual GDYF Golf Tournament is March 26

Spring is here and the 11th Annual GDYF Golf Tournament is a great way to enjoy the warmer temperatures. Join us for a fun-filled afternoon on March 26th at the Lane Creek Golf Club in Bishop.



Sponsor support from this event is greatly appreciated each year. With their help and other fundraising activities, GDYF is able to fund many 4-H and FFA activities from year-to-year, including dairy judging, dairy quiz bowl, dairy youth conferences and dairy heifer shows.

The tournament is played in memory of Mr. Bud Wiley, a longtime Georgia dairy farmer and breeder of registered Holsteins at Rose Creek Farm in Watkinsville for over 20 years. He served on the board of the Atlanta Dairies Cooperative, the Georgia Milk Producers Board, and the Board of Directors of Walton EMC and of Oglethorpe Power. He served as a strong supporter for 4-H and FFA dairy youth programs and was pivotal in organizing the first two golf tournament for GDYF.

For more information on the tournament, visit the GDYF website at [www.gadyf.com](http://www.gadyf.com). Lunch will begin at 11 a.m. and tee time will begin at noon.

## DMC'S January Payout Exceeds Annual Premium Costs

*From National Milk Producers Federation*

The margin in January for the Dairy Margin Coverage program, the main federal dairy safety-net initiative, was \$7.14 per cwt, down from \$8.78 per cwt in December.



That generated a payment of \$2.36 per cwt for \$9.50 per cwt coverage for January – which, by itself, was already more than enough to repay the full cost of signing up for the program at the maximum coverage level for the entire year.

The January all-milk price dropped another dollar from December to \$17.50 per cwt. Meanwhile, the remaining \$0.64 per cwt monthly drop in the margin was generated almost entirely by increases in corn and soybean meal costs. The one-month increase in the margin's feed cost was the highest for the DMC as well as for its predecessor, the Margin Protection Program, which was initiated in 2014.

With current futures prices indicating that the all-milk price won't rise above January's level for several months and that corn will keep rising and soybean meal will not get much cheaper over the same period, the program is expected to generate substantial payments in 2021.

**Correction from March GA Milk Review:** Addis Dairy located in Rocky Face received the **1st** place quality award with a SCC average of 130,000 cells/ml during the 2021 GA Dairy Conference. Congratulations!

OOPS!

# DIXIE DAIRY REPORT

CALVIN COVINGTON  
MARCH 2021

**2020 total dairy consumption up over 2019.** Dairy consumption (total solids) in 2020 was 1.6% higher than 2019. Exports were responsible for all of the increase. Exports increased 12.9% and accounted for 15.7% of total demand. On the other hand, domestic demand declined 0.2%. Looking at individual dairy products, commercial disappearance of American cheese in 2020 compared to 2019 was flat. Other cheese disappearance was 1% lower and butter was up 2.5%. Total estimated fluid milk sales in 2020 were only 0.1% lower than 2019. Conventional fluid sales were down 1%, but organic sales were up a strong 10%. Conventional whole milk sales were up 2.6% while reduced fat sales were down 4.5%. The impact of the Food Box program on 2020 dairy sales cannot be overlooked. Our estimates show the program utilized at least 1.65% of total milk production in 2020 which includes about 5% of total American cheese production and at least 2% of fluid milk sales. In the three Southeastern federal orders, estimated packaged fluid milk sales were almost 1.0% higher in 2020 compared to 2019. As the table shows, all of the sales increase was in the Appalachian order.

THREE SOUTHEASTERN FEDERAL ORDERS PACKAGED FLUID MILK SALES (2015-2020)				
Year	Appalachian	Florida	Southeast	Total
(average daily packaged fluid milk sales – million lbs.) *				
2016	8.80	7.59	12.34	28.79
2017	8.81	7.55	12.17	28.53
2018	8.81	7.40	11.81	28.02
2019	8.61	7.33	11.32	27.26
2020	9.14	7.33	11.04	27.51
Change 2020 vs. 2019	6.20%	-0.09%	-2.47%	0.91%
*average daily adjusts for Leap Year				
Source: Agricultural Marketing Service				

The table above shows sales of packaged fluid milk within the respective federal order, not packaged milk processed by plants pooled in each order. For example, plants in the Appalachian order process and package more milk than is sold in the Appalachian order. Florida order plants process and package only about 80% of the total fluid milk sold in the Florida order. The other 20% comes from plants outside the Florida order. Southeast order plants process about 70% of their order's packaged milk sales, but supply about 5% of Florida order sales. We estimate fluid milk plants in all three orders combined, process and package about 90% of the total packaged fluid milk sold in the three orders. Most of the remaining 10% of sales are varieties of fluid milk not processed and packaged by Southeast plants.

**Milk prices.** Last month our January blend prices projections were lower than actual due to a large decline in Class I usage, and a lower Class I utilization. January Class I producer milk, compared to last January, was 8.7% lower in Florida, 10.2% lower in the Southeast, and 5.6% lower in the Appalachian order. Producer milk in all three orders declined as well, but not as much as the decline in Class I milk, thus lowering Class I utilization. Florida January Class I utilization was only 79%, it was 68% in the Southeast order and 71% in the Appalachian order. Our current projections show January as the lowest blend prices for the year. Blend prices are projected a little higher in February due to the February Mover \$0.40/cwt.

PROJECTED* BLEND PRICES – Base Zones – SOUTHEASTERN FEDERAL ORDERS			
Month	Appalachian	Florida	Southeast
(\$/cwt. at 3.5% butterfat – base zone)			
January 2021	\$17.42	\$19.26	\$17.59
<b>February</b>	<b>\$17.45</b>	<b>\$19.59</b>	<b>\$17.82</b>
<b>March</b>	<b>\$17.66</b>	<b>\$19.79</b>	<b>\$18.19</b>
<b>April</b>	<b>\$17.94</b>	<b>\$20.21</b>	<b>\$18.36</b>
<b>May</b>	<b>\$18.46</b>	<b>\$20.46</b>	<b>\$18.69</b>
<b>June</b>	<b>\$18.64</b>	<b>\$20.80</b>	<b>\$19.08</b>

\*Projections in bold

higher than January, and assuming Class I sales recover from January. Blend prices are projected to slowly increase through the remainder of the year. The first quarter of 2021 will be a challenge, with blend prices averaging about \$2.50/cwt. lower than the first quarter of last year.

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Georgia Milk Producers, Inc.



MARCH 2021

# GEORGIA MILK REVIEW

MONTHLY NEWSLETTER FOR  
GEORGIA MILK PRODUCERS, INC.

## GMP Executive Director Presents Raw Milk Info to House Ag Committee From GA Agribusiness Council



During a House Ag Committee Meeting on March 10, Chairman Robert Dickey invited experts within the dairy and food safety sector to speak to raw milk marketing in Georgia. Farrah Newberry, Executive Director of Georgia Milk Producers Inc, began the conversation indicating the organizations evolving opinion on allowing raw milk sales. The organization debated this issue among its diverse dairy members, and staff researched raw milk programs throughout the Southeast to develop a safe and reasonable path forward before ultimately voting to support the regulation and sale of raw milk for human consumption. Newberry noted that raw milk sales are currently operating under a "pet food" label that is well known to be used for human consumption instead. Ms. Newberry detailed a 78% decline in the state dairy industry numbers, attributing high regulatory standards, many milk product competitors, and urban growth as key factors to the decline. Pasteurized Milk is currently subjected to rigorous quality and food safety procedures as it is tested four times before reaching consumers. In Georgia, a gallon of milk averages between \$2.99 and \$3.99, whereas raw milk- currently sold under a misleading "pet food" license - triples this average, seeing prices as high as \$8 to \$12 per gallon. Georgia Milk Producers, Inc is concerned with liability issues with the sale of raw milk as pet food as it is not tested or subjected to any regulations currently. Ms. Newbery expressed their desire to work with the Department of Agriculture to develop regulations and open the market up letting smaller farms access to competitive markets at the same time as adding inspection protection to a product that is commonly consumed by many Georgians.

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Dixie Dairy Report