

REGISTER TODAY FOR THE
2019 FLORIDA DAIRY
PRODUCTION CONFERENCE



Producers are invited to attend the 2019 Florida Dairy Production Conference, Wednesday September 18, 2019, at the Straughn IFAS Extension Center (UF Campus), Gainesville, Florida. The program starts at 9 AM and some of the topics discussed include dairy calf and heifer management, selecting replacement heifers critical aspects for improving reproductive success, nutritional manipulations to improve health and fertility, along with addressing animal welfare concerns in dairy farming and engaging and educating the public about dairy practices. They also will have a session talking about dairy farming and social media. For registration and further details visit the UF website: <http://dairy.ifas.ufl.edu/index.shtml>

Online Registration is now
open for the 2020
GA Dairy Conference at
www.gadairyconference.com



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Fall District Meetings Begin September 9th

Dairy producers across Georgia are invited to take part in the annual Fall District meetings for Georgia Milk Producers and The Dairy Alliance. The meetings will be held in seven locations across the state.

These organizations will hold elections; report on industry issues and promotional efforts; and announce upcoming events. Dinner or lunch will be served at each location depending on the time the meeting is set to begin. The meetings will be held on:

Sept. 9	Monday	Maguire's, Senoia at 7 PM 42 Main St, Senoia, GA
Sept. 10	Tuesday	The Plaza Restaurant, Thomasville at NOON 217 S Broad St, Thomasville
Sept. 10	Tuesday	Oasis Coffee House, Montezuma at 7 PM 310 Spaulding Rd, Montezuma, GA
Sept. 12	Thursday	Burke Co. Extension Office, Waynesboro at 7 PM 715 West 6th St., Waynesboro
Sept. 13	Friday	McGill Ag Bldg., Washington at Noon 136 N by Pass Washington
Sept. 16	Monday	Bonner's Restaurant, Buckhead at 7 PM 1500 Bonner Ln, Buckhead
Sept. 17	Tuesday	Western Sizzlin', Dalton at NOON 501 Legion Dr., Dalton

To preregister for the district meeting of your choice, please contact The Dairy Alliance at 1-800-343-4693. Meetings are open to dairy producers, family members, farm managers and industry partners. We look forward to seeing you soon and value the input you share at our meetings!!



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

Meet our new GMP President, Jason Martin



Newly elected President of Georgia Milk Producers, Jason Martin, is a third generation dairy farmer from Bowersville, Georgia. For the last eleven years, he has farmed with his parents, Max and Rebecca Martin. In addition to milk production, the family also grows and harvests feed for their herd.

Martin has served as a District 2 Director on the Board for the Georgia Milk Producers for the last two years.

"Since joining the Board, I have learned that there is a great deal of passion and concern the future of the dairy business" said Martin. "The men and women who work daily to produce milk in Georgia are some of the best around."

Martin also serves as the Southeast representative on the Board for the American Dairy Coalition, which is a non-profit organization that focuses on industry issues at the federal level. "I think it is important to foster productive conversation about our future, as well as facilitate the generation of ideas that could help us continue to strengthen the dairy industry."

A goal for Martin as President this year is to improve how the public perceives food animal production practices. "My focus will be to use our resources and stories to combat the negativity and false information that is being presented to the public."

"It is our responsibility to be good stewards of our time to ensure opportunity for younger generations. With growing concerns about the production of food and animal welfare, I believe it is more important than ever to join together to creatively address these concerns. We cannot ignore them and expect a positive outcome."

Jason and his wife, Amy, have three kids: Max (11), Adelyn (8) and Slate (6). Martin is a founding pastor of Impact Church in Hartwell and currently serves as an elder. He also serves on the School Governance Team for North Hart Elementary and the Hart County Ag Education and Outreach Team.



Make Your Hotel Reservation for GDC by Dec. 30

Take advantage of special room rates for the 2020 Georgia Dairy Conference by making your reservations before Monday, Dec. 30!

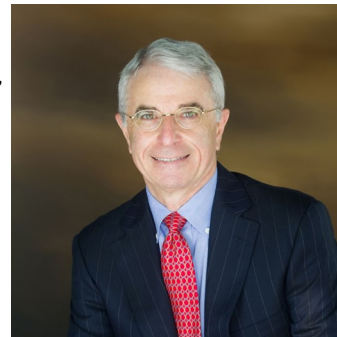
Take advantage of special room rates for the 2020 Georgia Dairy Conference by making your reservations before Monday, December 30, 2019! The Savannah Riverfront Marriott is offering room rates for those attending the Georgia Dairy Conference from Wednesday, January 15, until Thursday, January 23, at \$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 online at: <http://www.gadairyconference.com/accomodations>. **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!

Eric Beringause named CEO of Dean Foods

Dean Foods Company announced last month that Eric Beringause has been appointed President and Chief Executive Officer and a member of the Dean Foods Board of Directors, effective July 29, 2019. Beringause succeeds Ralph Scozzafava, who has stepped down as CEO and resigned from his position on the Board.

Beringause brings to Dean Foods more than 30 years of transformational leadership and operational experience at a broad range of blue-chip brands in the food, beverage and consumer products industries, including expertise in food processing and branded and contract manufacturing. Most recently, he served as CEO of Gehl Foods, LLC, a market-leading producer of dairy-based beverages and food products. (Source: Dean Foods)



Nearly 17,000 Dairy Operations Enrolled in Dairy Margin Coverage Program

According to the U.S. Department of Agriculture, nearly 17,000 dairy operations have signed up for the Dairy Margin Coverage (DMC) program since signup opened June 17. Producers interested in 2019 coverage must sign up before Sept. 20, 2019. DMC offers protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

USDA's Farm Service Agency (FSA) began issuing program payments to producers on July 11. DMC provides coverage retroactive to Jan. 1, 2019. The producers who have signed up to date will receive more than \$219.7 million in payments for January through June, when the income over feed cost margin was \$8.63 per hundredweight (cwt.), triggering the sixth payment for eligible dairy producers who purchased the \$9 and \$9.50 levels of coverage under DMC.

To view weekly enrollment, production and payment reports visit FSA's DMC webpage at <https://www.fsa.usda.gov/programs-and-services/dairy-margin-coverage-program/index>.

Milk Production Down for the Second Consecutive Month

From Calvin Covington, August Dixie Dairy Report

June is the second consecutive month with milk production below the same month a year earlier. The last time this happened was back in 2013. For the first six months of this year, as shown below, production is almost identical to the same period last year. However, due to milk component levels continuing to increase, we estimate total milk solids production, for the first half of the year, is up about one-half % over last year. More milk solids means more pounds of manufactured products, thus one of the reasons "flat" milk production is not having a greater impact on milk prices.

Looking at production by regions, we see the Southeast continues to lead the way in lower production, down 6.9%. Lower milk production in the Southeast is primarily due to 31,000 fewer cows than a year ago. Year to-date production is lower in each of the ten Southeast states with Georgia having the lowest production decline of only 1.5%. In the Southeast's largest milk producing state, Florida, production is down 5.9% for the first half of the year. At the current rate, total 2019 milk production will be below 9 billion lbs. in the Southeast, the lowest annual milk volume since record keeping. Cow numbers must increase in the Southeast before any significant turnaround in milk production.

Nationally, besides the Southeast, first half milk production is lower in the Northeast and Midwest; but higher in California, Northwest, and Southwest.

Higher production in California is due to more milk per cow. In the other two regions it is due to more cows. Currently, USDA is projecting slightly higher milk production during the last half of 2019 compared to last year. For 2020, they project production to increase about 1.6%.

U.S. MILK PRODUCTION by REGION – 1st Half 2019 versus 1st Half 2018

Region	2018	2019	Change
	(billion lbs.)		(%)
Southeast	4,833	4,501	-6.9
Midwest	34,459	34,394	-0.2
California	20,596	20,824	1.1
Northwest	16,087	16,391	1.9
Northeast	15,732	15,429	-1.9
Southwest	13,783	13,930	1.1
Plains	4,740	4,733	-0.1
Total	110,230	110,202	0.0%

Dixie Dairy Report – August 2019

Calvin Covington

Milk demand. May was a strong month for domestic demand, 4.9% higher than last May, on a total solids basis. May dairy exports were stronger than April, but still 14.4% lower than a year ago, but still higher than two years ago. Combining both domestic and export, May total solids demand was 1.6% higher than last May. June was a poor month for Class I sales in the Southeast, based on producer milk used in Class I. For all three southeast federal orders combined, June Class I producer milk usage was 9.9% lower than last June. For individual orders; Appalachian was down 12.1%, Southeast down 11.4% order, and Class I usage was 3.5% lower in the Florida order.

June Class I utilization in the Southeast order was only 57.17%. Last June it was almost 68%, and in May it was 65.82%. This is the lowest June Class I utilization in the Southeast order since 2013. We estimate over 35 million lbs. of additional milk was pooled on the Southeast order in June, compared to what would be normally expected. This additional milk doubled the Class III and IV usage, thus significantly lowering Class I utilization and the order blend price. We will watch to see if this continues in July.

Dairy commodity prices. July was a strong month for the cheese price, the highest monthly average since 2014. However, based on current CME activity, July may be this year's peak cheese price. Butter gained a couple of cents in July over June, but weaker international butter prices are starting to push the domestic price lower. Through May of this year, butter imports are 43% higher than a year ago. Weaker powder exports, a stronger dollar and competition from other countries are impacting the nonfat dry milk powder price, lowering it about a half a penny in July.

Blend prices. July blend prices are projected higher than June, with a larger increase projected in August. The August Class I Mover is the highest since January 2015. Compared to last month, our projections for the remainder of 2019 are lower, based on declining dairy commodity prices. Please note our blend price projections are based on historical utilizations. If the Southeast order July Class I %, is similar to June, the July blend will be about \$0.30/cwt. lower than the projection below.

DAIRY PRODUCTS SALES REPORT PRICES and CLASS I MOVER				
Product	July 2019	June 2019	July 2018	July 2017
	(\$/lb.)			
Butter	\$2.3893	\$2.3663	\$2.2596	\$2.6039
Cheese (block & barrel)	\$1.8238	\$1.6910	\$1.4868	\$1.5430
Nonfat Dry Milk Powder	\$1.0393	\$1.0431	\$0.7824	\$0.8991
Dry Whey	\$0.3631	\$0.3643	\$0.3372	\$0.4514
	August 2019	July 2019	August 2018	August 2017
	(\$/cwt.)			
Class I Mover (3.5% fat)	\$17.89	\$17.18	\$14.15	\$16.72
Class I Mover (2.0% fat)	\$14.00	\$13.31	\$10.42	\$12.36

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PROJECTED BLEND PRICES—BASE ZONES—SOUTHEASTERN FEDERAL ORDERS			
Month	Appalachian	Florida	Southeast
	(\$ /cwt. 3.5% butterfat)		
June 2019 (actual)	\$19.44	\$21.62	\$19.58
July	\$19.76	\$21.68	\$20.33
August	\$20.34	\$22.34	\$20.88
September	\$20.06	\$22.09	\$20.72
October	\$20.26	\$22.25	\$20.88

Retail milk prices and Class I Mover. The Class I Mover for the first six months of 2019 averaged \$1.52/cwt. or about \$0.13/gallon more, compared to the same period in 2018. With raw milk accounting for about 80% of processed fluid milk's wholesale value, one would expect retail milk prices to show a similar change. However, this has not occurred. According to USDA, the national average retail price of a gallon of whole milk averaged \$3.28/gallon during the first half of 2019, the same as in 2018. For the three reporting Southeast cities of Atlanta, Louisville, and Miami we see slightly different results. In Atlanta the retail price declined from \$3.77/gallon in 2018 to \$3.48/gallon in 2019. In Miami, the average retail price has remained almost unchanged, \$3.94 in 2018 versus \$3.93/gallon this year. While in Louisville the retail milk price remains extremely low, \$1.86 in 2018 versus \$1.94/gallon this year. Today, more factors than just the raw milk price impact the retail milk price. One of these factors is increased competition between retail grocers. A decrease or increase in the Class I milk price does not necessarily result in a similar change in the retail milk price.

RETURN SERVICE REQUESTED

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