

UF/UGA CORN SILAGE FIELD AND FORAGE FIELD DAY



The 2018 Corn Silage and Forage Field Day sponsored by the University of Georgia and University of Florida will be held at the Plant Science Research and Education Unit in Citra, Florida on May 24th.

This field day is an extension and education program that offers the latest educational techniques and resources for forage producers to improve forage yield and quality, and methods of forage conservation.

For additional information, visit the field day website at: http://animal.ifas.ufl.edu/corn_silage_forage_field_day_extension/2017/index.shtml or contact Dr. Jose Santos at the University of Florida by email at jepsantos@ufl.edu or by phone at 352-392-1931.



**Congratulations to
Carol Williams of
WDairy in Madison
2018 GA Cattlewoman
of the Year!!**



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Request Filed with USDA for MCP Pricing in Southeast - *Farrah Newberry, GMP Executive Director*

On April 3, 2018, the National All Jersey Association filed a formal request on behalf of 14 dairy cooperatives and several dairy trade associations for a hearing to implement multiple component pricing (MCP) for Federal Milk Marketing Orders 5 (Appalachian) and 7 (Southeast).

The U.S. Department of Agriculture (USDA) has 30 days from the date the request was filed to either issue an action plan to complete the hearing within 120 days; request additional information; or to deny the request.

This request would convert the pricing systems in FMMOs 5 and 7 to MCP and leave only the Florida and Arizona Orders with a pricing system based off of skim-butterfat pricing.

Co-ops filing the request were: Cobblestone Milk Cooperative, Cooperative Regions of Organic Producer Pools, Dairy Farmers of America, Erie Cooperative Association, Foremost Farms USA, LANCO-Pennland Quality Milk Producers Association, Lone Star Milk Producers, Maryland and Virginia Milk Producers Cooperative Association, Michigan Milk Producers, Prairie Farms Dairy, Premier Milk, Scioto Co-Operative Milk Producers Association, Southeast Milk and White Eagle Cooperative Association.

Producer trade associations supporting the request were: National All-Jersey (NAJ), Kentucky Dairy Development Council, Georgia Milk Producers and North Carolina Dairy Producers Association.

According to the request submitted by the National All Jersey Association, adoption of MCP would save on marketing, transportation, transaction and regulatory costs, and leave more revenue available to pay pool producers and advance the public policy objective of marketing efficiency.

In the long run, research from the University of Wisconsin-Madison shows that MCP could result in more money being paid out to producers. First, producers could enhance the solids content of their milk through feeding and cattle selection practices. Second, MCP should encourage high solids milk to gravitate to cheese and other manufacturing plants. Third, increased revenue could possibly occur through improved consumer image of milk and milk products because of stressing components other than fat, hopefully increasing demand and paying relatively higher prices.

To view a copy of the formal request to USDA, go online to <https://www.ams.usda.gov/sites/default/files/media/NationalAllJerseyHearingRequest.pdf>

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SE Milk Deficit is Declining - Calvin Covington, Dixie Dairy Report

The difference between milk produced in the ten (10) southeastern states and milk needed for fluid consumption has steadily declined. Comparing per capita production to per capita fluid consumption makes this clearer. See below. From 2010 to 2017, population in the ten (10) southeastern states increased about 5 million people, from 73.8 to 78.9 million. During the same time period, milk production increased from about 9 billion to 9.4 billion lbs. On a per capita basis, milk production only declined slightly from 122 lbs. in 2010 to 119 lbs. in 2017. From 2010 to 2017, estimated per capita fluid milk sales declined much more, from 177 lbs. to 148 lbs. Per capita production was 55 lbs. below consumption in 2010. By 2017 this deficit was cut almost in half to 29 lbs.

**SOUTHEASTERN STATES ESTIMATED PER CAPITA MILK PRODUCTION and
FLUID MILK CONSUMPTION (2010 -2017)**

Year	Production	Consumption	Production-Consumption
(lbs. per capita)			
2010	122	177	-55
2011	122	172	-50
2012	124	168	-46
2013	122	163	-41
2014	124	157	-33
2015	125	154	-29
2016	121	152	-31
2017	119	148	-29

Data sources: USDA - ERS, NASS, and U.S. Census

Looking at per capita milk production by state (see below) helps better see which southeastern states have increased or decreased milk production. From 2010 to 2017, per capita production increased in Florida, Georgia, and North Carolina, and declined in the other seven states. It is interesting to note, the three states with increased production are also the three states with the largest increases in population. Not accounting for additional production needed to balance a fluid market, three states, Georgia, Kentucky, and Virginia have sufficient milk production to meet fluid demand within their respective states.

SOUTHEASTERN STATES ESTIMATED PER CAPITA MILK PRODUCTION (2010 vs. 2017)

State	2010	2017	2017 versus 2010
(lbs. per capita)			
Alabama	33	18	-15
Florida	113	119	6
Georgia	144	177	33
Kentucky	266	234	-32
Louisiana	52	34	-18
Mississippi	75	46	-29
North Carolina	90	93	3
South Carolina	62	49	-13
Tennessee	134	103	-31
Virginia	214	205	-9
Total	122	119	-3

Data sources: USDA - NASS and U.S. Census

UGA Extension to host Tax Workshops in May

University of Georgia Cooperative Extension will host a series of tax law workshops in counties across the state focused on the implementation of the Tax Cuts and Jobs Act and its effect on farming operations. Farmers and landowners will learn tax planning techniques and review how to correctly report income. The workshops will also cover individual tax changes like standard deductions, business tax changes and comparisons of corporation tax statuses. For more information about the workshops, contact Regina Fitzpatrick at 706-542-5046 or email regina@uga.edu.

The workshops will be held:

- Tuesday, May 15, Carroll County Agriculture Center in Carrollton
- Wednesday, May 16, Oglethorpe County Extension office in Lexington
- Thursday, May 17, Colquitt County Extension office in Moultrie
- Friday, May 18, Bulloch County Extension office in Statesboro

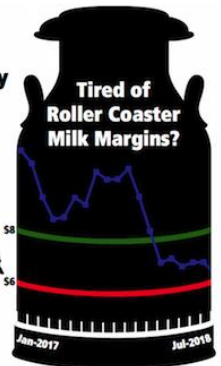
MPP Registration in Underway – Tools to Aid Producers

In February, Congress passed significant changes to the Margin Protection Program for dairy producers in the Bipartisan Budget Act of 2018. Earlier this month, the Farm Service Agency announced new implementation rules to accommodate the changes and opened the sign-up period on April 9. The signup period will remain open until June 1, 2018.

Need assistance with MPP – Here are several options:

- Mark Stephenson, University of Wisconsin, and Andrew Novakovic, Cornell University, conducted a webinar early this week to walk through these changes and to assess impacts on producers who participate. The webinar and slides were s co-sponsored by Farm Credit East and can be found online at <https://youtu.be/MPJuDTIwyUs>
- USDA has a web tool to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, smartphone, tablet or any other platform. To access the live Decision Tool, visit <https://dairymarkets.org/MPP/Tool/>

Sign up for the Margin Protection Program for Dairy by June 1, 2018.



➔ **GA MPP Informational Meetings:** UGA Extension is offering classes next month to review the significant changes made to the MPP-Dairy program in the Bipartisan Budget Act of 2018. Dr. Levi Russell will explain the changes and provide some examples of how the new program will work for producers in Georgia. They meetings will be held:

- **May 7 – Noon - MPP Producer Webinar for Northwest GA dairy farms: Coweta Co Extension Office, Newnan**
- **May 10 - Noon - MPP Producer Information Session at Burke Co. Extension Office, Waynesboro**
- **May 11 - 11 AM - MPP Producer Information at Macon Co. Extension Office, Oglethorpe**
- **May 14 - 11 AM - MPP Producer Information at Putnam Co. Extension Office, Eatonton**

Once the webinar for Coweta County is complete, UGA Extension will post it online for dairy producers to view at their convenience.

GA Grown Baby Barn Coming Soon!

State officials, members of Georgia's livestock industries and the Georgia National Fair Board of directors gathered on April 11th for the Georgia Department of Agriculture's groundbreaking event for the GA Grown Baby Barn in Perry! The barn will feature birthing center where visitors at the Georgia National Fair can witness live births of cows and pigs each day of the fair.

We are looking forward to this exciting adventure and working with our industry partners to promote Georgia's animal production industries at the GA National Fair this October!!



Dixie Dairy Report – April 2018

Calvin Covington

Class I demand higher.

Through the first two months of 2018, total Class I utilization by pool plants in the three southeastern orders is 1.1% higher than the same time period in 2017.

SOUTHEASTERN FEDERAL ORDERS AVERAGE DAILY CLASS I UTILIZATION

Order	2017 (January-February)	2018 (January – February)	2018 vs. 2017
	(average million lbs. per day)		(% change)
Appalachian	12.17	12.64	3.8
Florida	6.76	6.65	-1.6
Southeast	11.72	11.70	– 0.1
Total	30.65	30.99	1.1

Source: Market Administrator reports

Dairy commodity prices. Butter, cheese, and nonfat dry milk powder all traded in a narrow range at the CME during March. Butter began the month at \$2.18/lb. and ended at \$2.215/lb. Block cheddar began and ended the month at \$1.53/lb. while barrels increased from \$1.475/lb. to \$1.56/lb. Nonfat dry milk is holding around \$0.69/lb. Higher March cheese prices compared to February increased the March Class III price \$0.82/cwt. from \$13.40 to \$14.22/cwt., but it is still almost \$1.60/cwt. lower than last March.

Blend prices. March blend prices are projected \$0.25-\$0.40/cwt. lower than February. Our current projections show March as the lowest blend price for the year. Blend prices are projected to start in April. However, it will be a slow upward climb. It will be the last half of the year before the Florida blend exceeds \$19.00 and Appalachian and Southeast past \$17.00/cwt.

PROJECTED BLEND PRICES—BASE ZONES – SOUTHEASTERN FEDERAL ORDERS

Month	Appalachian	Florida	Southeast
	(dollars /cwt.) – 3.5% butterfat		
March 2018	\$16.15	\$18.11	\$16.33
April	\$16.33	\$18.47	\$16.52
May	\$16.51	\$18.54	\$16.66
June	\$16.54	\$18.70	\$16.93
July	\$16.81	\$18.99	\$17.28

Another strong month for milk production. According to USDA, February milk production is 1.8% higher than last February. Milk production in January was also 1.8% higher than a year earlier. The February increase is due to 45,000 more cows than a year ago, and 24 more lbs. of milk per cow. The nation's dairy herd is estimated at 9.41 million head. This is the largest dairy herd in over ten (10) years. The number of dairy cows continues to increase even though more dairy cows are going to slaughter. Seventeen (17) of the 23 reporting states increased milk production in February. For the second consecutive month, production increased in California, up 2.4%. Dairy Market News reports challenges finding adequate plant capacity for increased California production. On the other hand production increases are slowing in the Upper Midwest and the Northeast. Wisconsin production was only up 0.1% and Michigan up 0.9%. New York showed a 2.3% decline and Pennsylvania was only up 0.3%. Florida reported the largest February milk decline of any state at 2.8%. According to the USDA report, the Florida decline is due to less milk per cow. The Florida production decline equates to over four less tankers of milk per day this February compared to last February. Production is down 0.7% in Virginia, the other southeast reporting state.