

# GEORGIA MILK REVIEW

MONTHLY NEWSLETTER FOR GEORGIA MILK PRODUCERS, INC.

## GA AG FORECAST SERIES HELD ACROSS GA NEXT MONTH

### 2019 Georgia AG FORECAST



Predicting markets and preparing for the next growing season can be a tough job, but that's where we can help. Join UGA Ag economists as they provide an outlook of agricultural markets for the coming year at their annual Georgia Ag Forecast Series in January.

Participants will network with UGA faculty and UGA Cooperative Extension agents, local producers and other stakeholders, and will leave the meeting with a copy of the 2019 Georgia Ag Forecast book, which is designed to provide detailed analyses of major commodities produced in the state.

The 2019 seminar series will be held Jan. 22 – Feb. 1 in Carrollton, Lyons, Bainbridge, Tifton, Watkinsville, and Macon, Georgia. Registration for the series is now open at <http://agforecast.caes.uga.edu/>.

## *Peaches and Cream Dairy, Bartow*



## THIS ISSUE

GA Ag Forecast Series to be held in January

GMP to Host GA Dairy Conference Next Month

DairyAmerica Lawsuit Reaches Settlement

2019 GDC Hotel Information and Other updates

Dixie Dairy Report

## Georgia Milk Producers to Host Georgia Dairy Conference in January



Dairy farm families and industry leaders of the Southeast dairy community will gather Jan. 21-23, 2019, for the Georgia Dairy Conference at the Savannah Riverfront Marriott in Savannah, Georgia.

This three-day conference provides attendees the chance to listen to nationally known dairy educators, to hear updates from their dairy organizations and to engage with the nation's leading industry suppliers at the tradeshow.

"We are looking forward to listening to informative presentations from our speakers, sharing ideas with fellow dairymen and meeting new industry representatives during our 2019 conference," said Everett Williams, president of the GMP board of directors.

With 81 dairies and over 89,000 cows represented at the 2018 GDC, the 2019 event will build on the success of previous years.



This year's GDC agenda includes a unique keynote speaker, Mr. Howard Wasdin, who is a former SEAL Team Six member. Wasdin was a top sniper on SEAL Team Six and was awarded a Silver Star and Purple Heart for his involvement in the Battle of Mogadishu in 1993 known as Black Hawk Down. Wasdin who now lives in Georgia and is a practicing Chiropractor will speak on Monday, Jan. 21 at 2 p.m.

The agenda also features 15 other speakers who will present on topics ranging from feed efficiency to heifer housing to robotic milking and

*continued on page 2*



**THERE'S  
STILL TIME**

TO REGISTER FOR THE  
GA DAIRY CONFERENCE!

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

**GEORGIA MILK PRODUCERS  
BOARD OF DIRECTORS**

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

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

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

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

**Steven Addis, Rocky Face**  
706-897-9905  
stevenaddis01@gmail.com

**Dave Clark, Madison**  
706-342-2923  
clarmoo@aol.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

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

**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

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

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

## **GMP to Host Georgia Dairy Conference in January**

*(continued from page one)*

business management. 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 70 exhibitor booths and will continue in growth this year.



The Southeast Dairy Student Symposium will take place during the GDC, welcoming dairy science students from Southeastern universities to learn about employment opportunities and practices in the dairy industry. Last year, over 40 students attended from the University of Georgia, University of Florida, Virginia Tech, Berry College, Abraham Baldwin Agricultural College and North Carolina State University.

Updates and announcements about the 2019 Georgia Dairy Conference will be posted at [www.gadairyconference.com](http://www.gadairyconference.com). Sponsorships and exhibit space are available and early reservations are recommended for prime options.

## **DairyAmerica class action lawsuit claim form deadline is Jan. 28, 2019**



Eligible dairy farmers have until Jan. 28, 2019, to return a claim form for their share of a class action lawsuit settlement stemming from nonfat dry milk (NFDm) sales more than a decade ago.

A \$40 million settlement was recently reached in the lawsuit *Carlin, et al. v. DairyAmerica Inc., et al.*, case number 1:09-cv-00430-AWI-EP. Qualified producers should have received a letter regarding the settlement from Rust Consulting, which contained individual producer milk volume marketings compiled from Federal Milk Marketing Order (FMMO) data. Producers can accept the milk volume listed in the letter, or dispute it and provide their own documentation to substantiate the milk volume they marketed.

Some producers may receive more than one claim form, with partial milk volume totals. Those include producers who may have switched co-ops during the specified period, and/or those who marketed milk in different FMMOs during the period. In that case, both claim forms should be submitted.

As in other class action lawsuits, attorneys' fees may take up to one-third of the total settlement, leaving about \$27 million to be distributed to eligible dairy producers. In addition to the volume of milk marketed, individual payments will be based on the number of dairy farmers who submit valid claim forms.

Qualified dairy producers are those who sold raw milk through a FMMO during the period of Jan. 1, 2002, through April 30, 2007. Producers who believe they are eligible for the settlement but did not receive a claim form by Dec. 11, 2018, can download a form online.

Producers can also opt out of the settlement, leaving options open for other legal action.

A one-page summary of the case is available at [www.milkpowdercase.com](http://www.milkpowdercase.com). This website has all forms, announcements and documents supporting the case available for download. (SOURCE: PROGRESSIVE DAIRYMAN: <https://www.progressivedairy.com/news/industry-news/dairyamerica-class-action-lawsuit-claim-form-deadline-is-jan-28-2019>)



## Make Your Hotel Reservation for GDC by Dec. 30

*Take advantage of special room rates for the 2019 Georgia Dairy Conference by making your reservations before Sunday, Dec. 30!*

The Savannah Riverfront Marriott is offering room rates for those attending the Georgia Dairy Conference from Saturday, January 19, until Thursday, January 24, at \$130.00/room for single and double occupancy rooms. There will be a \$7 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 on our conference website at <http://www.gadairyconference.com/accomodations>. Please mention that you are with the "2019 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 dairy producers. Please register online at [www.gadairyconference.com](http://www.gadairyconference.com) or call our office at 706-310-0020.

**CONTINUING EDUCATION HOURS:** Certified waste operators can receive one (1) certified waste operator continuing education credit hour during the Georgia Dairy Conference. To obtain your attendance certificate, you must attend Dr. Rebecca Larson's presentation, titled *Manure Irrigation: Controlling Odor On-Farm* on Tuesday, January 22 at 3:45 p.m. **Vet** and **ARPAS** CEs are also available for those interested, registration for these CEs will be available at the GDC registration desk.

**DAIRY SPOUSES TOUR AND ICE CREAM SOCIAL:** This year, our spouses will participate in a trolley tour of Savannah and will enjoy an ice cream social featuring a special treat from Savannah's historic Leopold's Ice Cream., Please let us know if you plan to participate at the registration table or by email at [gadairyconference@gmail.com](mailto:gadairyconference@gmail.com)!

**DAIRY GIRL NETWORK EVENT:** The Dairy Girl Network will host a networking event on Monday, Jan. 21, in conjunction with the Georgia Dairy Conference. The reception will be an informational session and networking event for ladies involved in dairy in the southeast. All women - students, industry professionals and dairy producers - are invited to the event which will be held at 5:30 p.m. in the Academy room of the Savannah Riverfront Marriott.

## Slower Growth in Milk Production

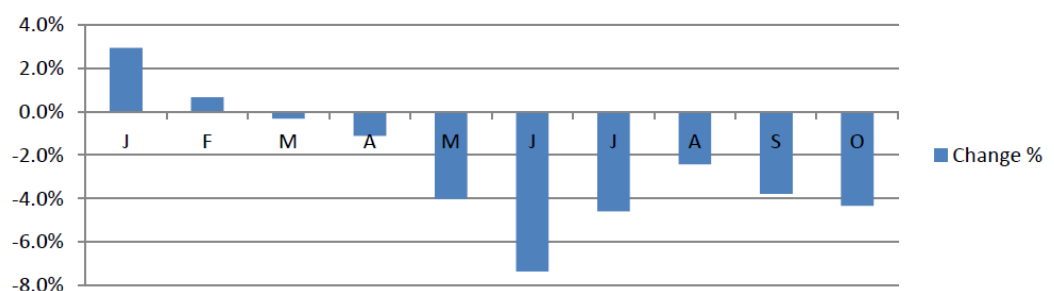
*Written by Calvin Covington, Dixie Dairy Report December 2018*

USDA reports October milk production was only 0.8% higher compared to a year ago. Slower growth in production is mainly due to declining cow numbers. October is the third month with cow numbers lower than the same month a year earlier. USDA estimates 30,000 less dairy cows this October compared to last October. October saw dairy cattle slaughter 10.4% higher than last October. For the year to-date, dairy cow slaughter is 5.1% higher than last year. Of the 23 reporting states, production was up in 10 states, down or no change in the other thirteen states. All of the 10 states with increased production are west of the Mississippi, except New York (up 1.0%). These states include Texas with production up 7.5% and California up 3.2

Florida and Virginia, the two Southeast milk reporting states, saw October production down 5.5% and 10.6%, respectively. At the end of October, Florida reported 10,000 less cows, and Virginia 15,000 less cows compared to last October. Comparing monthly producer milk in the three southeastern federal orders, in 2018 versus 2017, shows what is happening to production throughout the Southeast. See graph to right. Since March,

the combined producer milk in all three orders is below the same month of the previous year. Total producer milk in all three orders down 2.4% for the year to-date. Dairy herds dispersing, continuing herds not replenishing or growing their herds, and seasonal production plans; are primary reasons for declining milk production in the southeast states.

**2018 vs. 2017 Monthly Producer Milk % Change in the Three Southeastern Federal Orders**





# Dixie Dairy Report – December 2018

*Calvin Covington*

**Total demand.** Through the first nine months of 2018, domestic demand (total solids basis) remains basically unchanged, up 0.33%. Flat demand is also evident with the current butter inventory 6%, and American cheese inventory 10% higher than last year. On the other hand, exports continue strong, 17.65% higher than a year ago. So far this year, exports represent 16.0% of total dairy sales. Skim solids, mainly in the form of milk powder and whey, account for over 90% of exports.

**Fluid milk sales.** September was a poor month for fluid sales. Nationwide, conventional sales were down 5.9%, and organic fluid sales down 1.2%. Combined, September fluid sales in the three southeastern federal orders were a little better, only down 4.6%. Looking at individual orders, Florida was down 2.7%, Southeast order down 6.7%, and Appalachian down 3.3%. For the year to-date, combined fluid sales in the three orders are down 1.7%. Fluid milk packaged outside of Florida, but sold in Florida continues to account for about 20% of total Florida sales.

**Commodity prices.** Normally, butter and cheese prices are the highest during the last quarter of the year when demand is the greatest. (About 40% of butter sales and 35% of American cheese sales occur during the 4th quarter of the year.) However, the reverse is happening this year. Butter has declined about \$0.10/lb. since its peak for the year in June. Cheese has dropped about \$0.20/lb. since its September peak. Explanations for the price drops include: lackluster demand, adequate inventories, more product produced, and weaker international prices. Nonfat dry milk powder and dry whey prices are higher than a year ago. Stronger international demand and softening inventories are helping to lift these prices.

**DAIRY PRODUCTS SALES REPORT (DPSR) PRICES**

Product	November 2017	October 2018	November 2018
		(\$/lb.)	
Butter	\$2.2810	\$2.2814	\$2.2677
Cheese (block & barrel)	\$1.7617	\$1.5686	\$1.4463
Nonfat Dry Milk Powder	\$0.7553	\$0.8739	\$0.8860
Dry Whey	\$0.3587	\$0.4470	\$0.4626

**Blend prices.** October saw the highest blend prices in the three southeastern federal orders in over a year. This is due to the highest Class I Mover for the year and above average Class I utilization. As discussed earlier, even though fluid sales are down, production is down even more, thus raising Class I utilization.

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

Month	Appalachian	Florida	Southeast
	(\$ /cwt.) – 3.5% butterfat		
October (actual)	\$18.76	\$20.87	\$19.39
November	\$18.12	\$20.20	\$18.62
December	\$17.43	\$19.91	\$18.13
January 2019	\$17.37	\$19.82	\$17.81
February	\$17.34	\$19.44	\$17.57

Unfortunately, blend prices are projected to start declining next month, and continue so through April.

**Next year.** For all of 2019, we currently project order blend prices to average about \$0.75/cwt. higher than 2018. However, if current trends (lower balancing costs) continue in the Florida and Southeast orders, we expect 2019 mailbox prices to be up more than \$0.75/cwt. For example, through August of this year, mailbox prices in the Florida order are averaging \$2.18/cwt. below federal order blend prices. In 2017, Florida mailbox prices were averaging \$2.73/cwt. below the order blend price.

**Something better is coming.** The story is told of an elderly lady who decided to sit down with her preacher and make her funeral preparations. She told the preacher when her body was laying in the casket open for viewing she wanted a fork place in her right hand. The preacher asked her, "Why do you want a fork in your hand?" She responded by saying that in her life time she had been invited to eat many meals at the homes of family and friends. When the main meal was finished, if she was told to keep her fork, she knew something better was coming. Such as a piece of delicious chocolate or coconut cake or some warm pecan or pumpkin pie. The elderly lady said, "Preacher, when people ask why the fork is in my hand. You tell them something better is coming." During this Christmas season may we all celebrate and remember the birth of Jesus Christ, the One who came to provide the Way and give us the assurance that, "Something Better is Coming." To all of our readers our sincere wishes for a joyous Christmas season, and a blessed New Year.