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Dairy

FDA study finds little evidence of antibiotics in milk

WASHINGTON (AP) — In an encouraging development for consumers worried about antibiotics in their milk, a new Food and Drug Administration study showed little evidence of drug contamination after surveying almost 2,000 dairy farms.

In response to concerns, the agency in 2012 took samples of raw milk from the farms and tested them for 31 drugs, almost all of them antibiotics. Results released by the agency Thursday show that less than 1 percent of the total samples showed illegal drug residue.

Antibiotics and other drugs can end up in milk when they are used on dairy cows to keep them healthy. Small levels of some drugs are allowed in milk, but residues that go beyond certain thresholds are illegal.

“Overall this is very encouraging and reinforces the idea that the milk supply is safe,” said the FDA’s William Flynn, who led the study. He said the agency will use the findings to try and reduce the drug contamination even more.

Public health groups are concerned about the levels of animal antibiotics that make it into food because consuming the drugs could potentially be harmful to humans. Repeated exposure to antibiotics can lead germs to become resistant to the drugs so that they are no longer effective. Drug residues can also be harmful if they prompt allergies or other reactions.

The industry does regular testing for some of the drugs the FDA tested, but public health advocates had expressed particular concern about milk that had come from dairy farms that had repeatedly tried to sell older cows for slaughter with illegal levels of antibiotic residue in their tissue. So the FDA study focused on those farms with previous violations, with about half of the samples coming from them and half from a control group.



Courtesy of United Dairymen of Idaho

The first participants in the new United Dairymen of Idaho dairy ambassadors program pose for a photo during their first session in Boise on March 2. From left to right are Pete Doornenbal of Caldwell, Ted VanderSchaaf of Kuna, Craig Vanderham of Wendell, Clint Jackson of Meridian and Josh Webb of Declo.

Idaho dairy group prepares future leaders

By CAROL RYAN DUMAS
Capital Press

United Dairymen of Idaho is helping the newest generation of dairy leaders to be informed, prepared and effective in representing their industry and keeping it on a sustainable course.

The organization is breathing new life into its Ambassador Program, adding structured leadership training and industry speakers to its board-member shadowing program.

“We’re really excited about making this a benefit for the future leaders of the dairy industry,” said Cindy Miller, UDI senior director of producer relations and consumer confidence.

The program focuses on providing information and training to build leadership and communication skills and knowledge of the dairy industry, she said.

“It’s a unique opportunity for dairy farmers,” she said.

Ambassadors’ sessions are held quarterly over a year and include programming to inspire, challenge, engage and equip participants to take on leadership roles, according to the program’s mission.

In addition to leadership training and communication skills, the sessions are devoted to understanding the current business environment and future trends affecting consumer demand in the U.S. and worldwide. It will also include sessions on the dairy checkoff, program initiatives and strategies.

“Many (farmers) are focused on the dairy industry on a micro level — things affecting their own operations. What we are doing is giving dairy farmers interested in taking a leadership role a broader perspective and access to national leaders to present big ideas as to what is happening on the global stage,” Miller said.

“Much of our milk in Idaho gets sent outside of our borders, so understanding exports and the global market is very important to our farmers and our industry partners,” she added.

The program kicked off last week with the first five ambassadors meeting in Boise to get a deeper understanding of UDI and hear presentations from national speakers. They also participated in a UDI board meeting.

February benchmark milk price down \$7.89 from 2014

By LEE MIELKE
For the Capital Press

The Agriculture Department announced the February Federal Order Class III milk price at \$15.46 per hundredweight. That’s down 72 cents from January, \$7.89 below February 2014, \$1.68 above the comparable California Class 4b cheese milk price, and equates to about \$1.33 per gallon, down from \$1.39 in January.

It is the lowest Class III price since May 2012’s \$15.23.

Class III futures indicate this will not be the bottom for 2015, as the March contract settled Tuesday at \$15.42, April settled at \$15.47, and May at \$15.40. The turnaround begins in June at \$16.03 and peaks in October at \$17.40 per cwt., \$7.20 per cwt. less than the 2014 peak that occurred in September.

The two-month Class III average now stands at \$15.82, down from \$22.25 at this time a year ago and compares to \$17.70 in 2013.

The February Class IV price is \$13.82, up 59 cents from January but \$9.64 below a year ago. The Class IV average, at \$13.53, is down from \$22.88 a year ago and compares to \$17.69 in 2013.

Cash cheese inches higher

The 40-pound Cheddar block cheese closed the first Friday of March at \$1.56 per pound, up 1 1/2-cents on the week but 73 1/4-cents below a year ago. It inched up a half-cent Monday but was unchanged Tuesday, holding at \$1.5650 per pound, the highest price since Jan. 13.

The 500-pound Cheddar barrels closed Friday at \$1.4950, up a quarter-cent on the week, 75 1/2-cents below a year ago, and a larger than normal 6 1/2-cents below the blocks. The barrels jumped 3 cents Monday and ticked up another 2 cents Tuesday, hitting \$1.5450, reducing the spread to a more typical 2 cents. Four cars of block traded hands last week and none of barrel.

Cash butter jumped 8 1/2-cents Monday, then lost 3 cents Tuesday, and closed Friday

Dairy Markets

Lee Mielke



at \$1.75, up 5 1/2-cents on the week but 13 cents below a year ago. Thirty-two cars were sold on the week. Spot butter lost 2 cents Monday and gave up another penny and a half Tuesday, slipping to \$1.7150 per pound.

Cash Grade A nonfat dry milk didn’t fare quite so well, finishing last week at \$1.0250 per pound, down 13 cents on the week, with 31 cars finding new homes. The powder was unchanged Monday and Tuesday.

Dairy blackmail threatened

Police have revealed a threat to poison New Zealand milk products in an apparent protest over pest control. Our thanks to HighGround Trading’s Eric Meyer, who reported, “It was revealed that Fonterra and Federated Farmers received threatening letters last November, along with milk packages that tested positive for the poison. While police did say this threat could be a hoax, the New Zealand government made very clear that all potential threats like this are taken seriously.”

Prior to the announcement, trading of dairy securities and derivatives on New Zealand listed exchanges were halted. Both Fonterra and Federated Farmers issued press releases acknowledging the criminal threat to their organizations while stating safety testing and precautions have and are being taken. Fonterra CEO Theo Spierings was quoted saying in a press conference that the criminal threat was “blackmail against New Zealand, and as an industry we won’t tolerate it.”

“We can fully assure our customers and consumers that all of our milk and products are safe and of high quality, and our supply chain continues to be secure and world-class. We are playing our part in helping the government manage the criminal threat, as is the rest of the dairy industry. We have taken immediate and decisive steps to give

Online

Federated’s press release:
<http://mailer.gate39passport.com/t/r-l-qisjd-thjjfadh-c/>

Fonterra’s press release:
<http://mailer.gate39passport.com/t/r-l-qisjd-thjjfadh-q/>

our customers and consumers added confidence — including increased testing and security measures.”

USDA lowers 2015 milk estimate

The Agriculture Department lowered its 2015 milk production forecast for the third time in a row in its latest World Agricultural Supply and Demand Estimates report issued Tuesday, blaming slower growth in output per cow more than offsetting faster herd expansion.

The report shows 2015 production and marketings projected at 211.1 billion pounds and 210.1 billion pounds, respectively. Both estimates are down 400 million pounds from a month ago. If realized, 2015 production and marketings would be up about 2.5 percent from 2014.

Both fat and skim-solids exports for 2015 were reduced as export demand is hampered by a strong dollar and increased competition from other exporters. Fat basis imports are higher on expectations of greater but-terfat imports. However, robust domestic demand is expected to support increased product use. Product price forecasts for butter and nonfat dry milk are higher, supported by demand and price strength to date. Cheese prices are unchanged at the midpoint but the range is narrowed. They are lower on weaker demand.

The Class III milk price was lowered on reduced whey prices. Look for a range of \$15.95-\$16.55 per cwt., down from the \$16.30-\$17.00 expected a month ago, and compares to \$22.34 in 2014. The Class IV price is higher due to higher nonfat dry milk prices and butter prices. It is projected to average \$15.30-\$16.00, up from the \$15.10-\$15.90 expected last month and compares to a \$22.09 average in 2014.

Davisco increases production capacity at Idaho plant

By CAROL RYAN DUMAS
Capital Press

JEROME, Idaho — Davisco Foods, a business unit of Agropur Inc., has completed a significant increase in production capacity for alpha-lactalbumin at its Jerome Cheese facility.

Alpha-lactalbumin is a

whey protein isolate with specific attributes and is in high demand with infant formula companies and mothers who want it included in their babies’ formulas, Davisco President Jon Davis said in a telephone interview.

It contributes to the health benefits parents want

for their children, such as weight gain, muscle gain and the ability to fight off infections, he said.

The biggest part of Davisco’s self-developed proprietary extraction process is the level of purity it is able to extract from whey, a byproduct of the company’s cheese manufacturing, he said.

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