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Bastian new VP for industry relations at UDI

By CAROL RYAN DUMAS Capital Press

United Dairymen of Idaho has hired Eric Bastian as the organization's new vice president of industry relations to serve as a link between Idaho's dairy farm families, dairy food processors and regional research universities.

"Eric brings an unmatched passion for the importance of product innovation and research to the success of dairy food and ingredient sales,'



United Dairymen of Idaho CEO Karianne Fallow said in a press release on Thursday. "His expe-

Eric Bastian

rience and expertise in dairy food science and his knowledge of dairy food processing and university research systems will complement our goals of inspiring trust

and building demand for the

dairy industry," she said.

Before joining UDI, Bastian served as vice president of research and development for Glanbia Nutritionals and Glanbia Foods, where he built a world-class team of dairy food researchers and innovation experts, accord-

ing to UDI. Prior to his role at Glanbia, he was instrumental in building the Midwest Dairy Research Center at the University of Minnesota, where he led a research team focused on milk protein and enzyme chemistry, processed cheese functionality and milk protein fraction-

Bastian was born in central Utah and raised on a dairy farm. He earned a bachelor's degree in dairy science and a master's degree and doctorate in nutrition and food sciences at Utah State University.

He spent one year as a research fellow with the Danish Government Research Institute for the Dairy Industry in Hillerod, Denmark. Subsequently, he returned to post-doctoral work at Utah State University, which he completed in 1992.

"I am passionate about dairy food science, product innovation and building a strong, sustainable workforce of future dairy scientists in the Northwest," Bastian said.

"By working directly for our dairy farm families, I can correlate their investment in research with real results that bring them value," he said.





Cash dairy prices mixed

By LEE MIELKE For the Capital Press

The Agriculture Department's bearish April Cold Storage report didn't seem to have much impact on the cash dairy markets the week before the Memorial Day holiday.

40-pound The block Cheddar cheese closed Friday at \$1.38 per pound, up 6 1/2-cents on the week but 31 1/2-cents below a year ago. The 500-pound Cheddar barrels finished at \$1.44, up 8 1/2-cents on the week and 23 cents below a year ago but 6 cents above the blocks.

Nine cars of block traded hands on the week and 15 of barrel.

The markets were closed Monday for Memorial Day but the blocks lost a penny Tuesday on an offer and slipped to \$1.37 per pound, as traders anticipated Wednesday's Global Dairy Trade auction. The barrels were down 2 cents to \$1.42 but still a nickel above the blocks.

The Central region is at the peak of spring flush and cheese manufacturers are running full schedules to manage high levels of milk intakes, according to Dairy Market News. A few manufacturers report small decreases in sales outside con-

However, they are optimistic for sales in upcoming weeks. DMN says, "Even though sales are helping move cheese out of stocks, high production levels are filling inventory spaces right back up. Some industry contacts believe a lower price could help move a considerable amount of cheese out of storage while others believe buyers are holding off on making purchases to see where cheese prices will

move in the near future.'

WSDA looks at big jump in livestock inspection fees

Department points to budget hole

By DON JENKINS

To erase a budget deficit, the Washington State Department of Agriculture may ask the Legislature next year to more than double fees that cattlemen and auction yards pay for livestock inspections.

The services of a brand inspector could increase from \$17 to \$42 an hour under a tentative fee scale the department developed.

Instead of a flat \$100 per day fee, auction yards could pay inspectors by the new hourly rate, plus mileage.

In both cases, WSDA projects the fees would generate about 2 1/2 times the revenue it now receives.

The higher fees would not add services, but would pull the inspection program out of a budget hole that reached \$120,373 last fall, said WSDA Assistant Director for Animal Services Lynn Briscoe.



Courtesy of Washington State Department of Agriculture

Washington State Department of Agriculture livestock brand inspector Steve Brown checks on cattle. WSDA is considering more than doubling inspection fees to erase a budget deficit.

to do," she said. "There is that initial sticker shock."

The state checks cattle transactions to verify ownership and to create a record for tracing an animal's movements in case of a disease out-

Inspection fees were last "It's not something we like raised in 2006. Since then

state costs have climbed, and fees in some cases recoup less than half the actual cost of performing the inspections, according to WSDA.

Every four years, producers must re-register brands and those fees boost the inspection fund. But the number of registered brands has declined to 5,335 from 8,416 over the past 20 years.

WSDA has limited authority to raise fees, so it will need permission from legislators to raise hourly inspection fees.

"In talking to producers, people kind of grumble, but the ones I've talked to understand the need for it," Wash-

Jack Field said.

The Washington State Dairy Federation is waiting for the department to present a plan, said the federation's policy director, Jay Gordon.

ington Cattlemen's Associa-

tion Executive Vice President

"I think they need to get their proposal out there and explain it," he said. "It's a pretty significant jump — two and a half times. It seems a little abrupt."

Brand inspectors earn \$13 to approximately \$17 an hour. Their pay won't increase if the state raises their services to \$42 an hour, Briscoe said.

The fee would equal what the state spends — including wages, benefits, equipment and administration — to provide the inspector, she said.

Without fee increases, WSDA may end inspection fee waivers for small private sales and special sales by youth groups, according to the department.

Briscoe said WSDA has already trimmed program costs by holding the line on wages and using surplus vehicles and equipment.

CDFA permanently raises whey value in milk pricing

By CAROL RYAN DUMAS Capital Press

California dairymen welcome a permanent increase in the whey value in milk used to manufacture cheese, but they say it still falls short of closing the gap between their price and those paid to producers in most of the country.

California Secretary of Agriculture Karen Ross has permanently adopted the temporary increases in the whey value she put in place last August, when she raised the former cap of \$0.75 per hundredweight of milk to \$2.005 per hundredweight.

Dairymen organizations, supported by the state's three largest dairy co-ops, had proposed a permanent cap of \$4, while processors backed a proposal for a cap of \$1.25 not to exceed six months. A hearing panel recommended a permanent cap of \$1.55.

A permanent higher cap is good news, but it won't stem the tide of dairymen exiting the business, according to the California Dairy Campaign, one of the producer groups that have for years challenged the whey value in Class 4b pric-

"California dairies are go-



Tim Hearden/Capital Press File Cows are milked at Vander-Woude Dairy near Merced, Calif. The California Department of Food and Agriculture has made permanent a higher cap for whey in milk that goes into cheese.

ing out of business at an alarming rate," said Lynne McBride, CDC executive director.

Cost of production is approaching \$20 per hundredweight of milk, and producers are only being paid about \$12 per hundredweight, she said.

"There's a lot of concern among the producer community," she said.

Losses are mounting, and even longstanding, multi-generational dairies can't afford to stay in business, she said.

Thirty-two dairies went out of business last year, when the average mailbox milk price trailed the cost of production by \$1.84 per hundredweight, according to the California

"As agriculture intensifies towards high yields and quality, Agriculturalist will have to expand their concepts and appreciation of Balanced Nutrition" ~Dr. Thomas Yamashita, Plant Pathologist

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Department of Food and Agriculture.

Strong global milk production, high levels of U.S. inventories and decreased export sales are challenging dairymen across the U.S. But inequitable milk pricing in California's 4b pricing system is continuing to harm California producers in particular, dairymen contend.

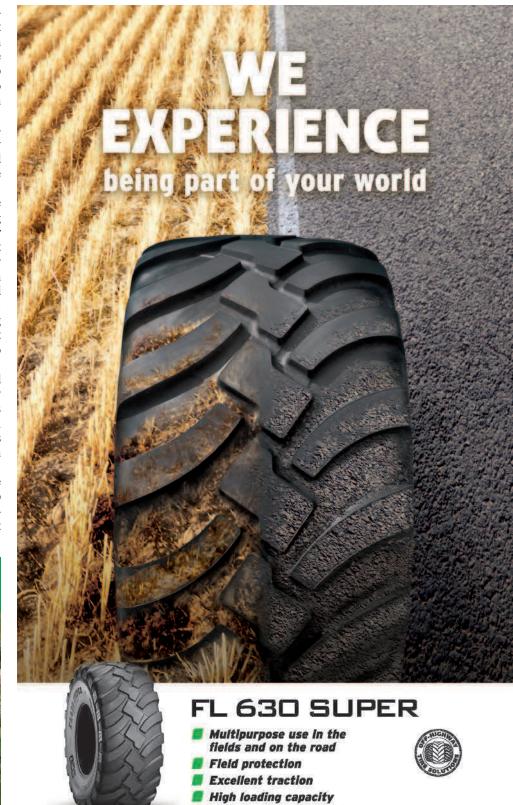
"Prices paid to California dairymen are routinely the lowest of any reported milk-producing state in the nation," McBride said.

Dairymen pin a lot of the blame on the state's pricing of 4b milk, which accounts for 46 percent of production. That price is currently \$0.92 below the average Class III price in federal orders, but has lagged Class III by as much as \$3.25 in recent years — representing more than \$2 billion in lost revenue since the gap began to

widen in 2010, she said. Depressed whey prices and the increase in the 4b whey value since last August has narrowed the gap, but it still exists — and that 92 cents would make a big difference in

California right now, she said. Ross' decision to make the increase permanent will help when prices recover but given the current whey market, it won't have any immediate impact and still doesn't align Cal-

ifornia's milk prices with the rest of the country, she said.



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