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## Dairy/Livestock

### Dairy Markets

Lee Mielke



## Butter still strong, but cheese weakens

By LEE MIELKE  
For the Capital Press

Cash cheese prices slipped last week but the spread narrowed a little. The blocks closed Friday at \$1.54 per pound, down 7 1/2-cents on the week and the fourth week in a row of decline, but were still 2 3/4-cents above a year ago.

History was made Monday as the cheese moved to the electronic spot call at the CME. The blocks lost a penny and a half but were unchanged Tuesday, holding at \$1.5250, the lowest spot price since May 4, 2017.

The barrels rolled to \$1.3375 last Tuesday, the lowest price since May 16, 2016, but rallied and finished Friday at \$1.37, down just a penny on the week and 16 1/2-cents below a year ago.

Thirteen cars of block traded hands last week at the CME and a whopping 63 of barrel. The last time barrel volume was over 60 loads was in September 2000, according to FC Stone.

The barrels inched a quarter-cent lower Monday and stayed there Tuesday, at \$1.3675, a still too-high 15 3/4-cents below the blocks.

More milk will be shifting from the carton to the cheese vat as schools close for the summer but temperatures may, pardon the pun, temper milk output per cow.

Milk continues to be available for cheese producers in the Midwest, according to Dairy Market News.

"However, cheese-makers report the flush milk availability of previous weeks has noticeably decreased," DMN says. Cheese production has edged back. Some producers are trying to manage heavy inventories, and "some contacts suggest export sales, which are scheduled for future shipment dates, have not been accounted for, thus cheese inventories are not as heavy as widely believed."

Central cheese producers report varied sales activity but the large block-to-barrel price variance "is at loggerheads with a stable market, according to Central cheese contacts," says DMN.

Western cheesemakers report continued strong production as milk supplies are readily available. Contacts describe demand as good, but not great. Export inquiries seem to vacillate along with the variance between current U.S. market prices and international prices. Inventories are long.

Cash butter continued to ride a roller coaster last week but closed 3 cents higher, at \$2.59 per pound, 24 1/2-cents above a year ago, with 17 cars sold last week.

The spot was up 3 1/2-cents Monday and inched a quarter-cent higher Tuesday, to \$2.6250.

"Butter's performance, in retail and food service, is outperforming previous years and continues to keep production facilities busy," says DMN. "Buttermakers are reportedly "attempting to focus production on late summer-early fall expectations, whenever not fulfilling current orders," but cream supplies are tightening.



Associated Press File

A clerk checks her phone near a display advertising beef and lamb at a supermarket in Beijing. A Nebraska company, Greater Omaha Packing, has air freighted 5,000 pounds of beef to China, the first shipment since the nation lifted its ban against U.S. beef.

## Nebraska packer first to ship beef to China

By CAROL RYAN DUMAS  
Capital Press

Greater Omaha Packing was ready to roll when the USDA last week announced the final eligibility details for U.S. beef exports to China after a 13-year hiatus.

In the first of many orders from Chinese buyers, the company on June 21 air-shipped about 5,000 pounds of steak — including rib-eye and tenderloin — to its newest customers, said Angelo Fili, Greater Omaha executive vice president of sales.

In one day, the company put together a representative shipment of its products — not a huge shipment but enough to initially supply three or four grocery stores, he said.

The Chinese market is ripe for U.S. beef, with a long history of buying grain-fed beef from numerous countries, he said.

"The market is already established. I think they're going to add U.S. beef to their offerings," Fili said.

In 2016, China imported

about 600,000 metric tons of beef valued at \$2.6 billion, according to the U.S. Meat Export Federation.

But U.S. beef wasn't part of the mix, having been banned from the country since December 2003, when bovine spongiform encephalopathy was discovered in a Washington state dairy cow.

Greater Omaha already ships to 68 countries and tends to trade with niche customers, such as high-end steakhouses. A large volume of its production is set up to meet the importing criteria of those countries and individual customers, he said.

The company fills hundreds of orders daily, shipping 2.5 million to 3 million pounds a day. With product available and the ability to trace product through the plant, it was prepared to fill China's first order and is prepared to fill many more, he said.

The company doesn't raise cattle, but its producers have always been able to meet the required criteria for its customers, he said.

China's requirements in-

clude animal traceability and a prohibition against the use of growth promotants.

"I think those animals will definitely be available. Our producers in Nebraska and Iowa are pretty quick to get things done and ready to go," Fili said.

Buyers will dictate which type of products they want but with high-end producers and high-end products, Greater Omaha will be able to supply whatever they're looking for, he said.

"We think this is a great opportunity. It's obviously the largest market open to American agricultural products," he said.

Beef consumption in China is far larger than it was when the market was closed to U.S. beef, and it provides a good opportunity for Greater Omaha products, he said.

"We think that good demand will go on for quite a while," he said.

USDA has not replied to queries from Capital Press about how many U.S. companies are approved or have applied for approval to ship beef to China.

## Grazing can reduce damage from wildfires

By DOUG WARNOCK  
For the Capital Press

Wildfires are a crucial threat to rangelands and both range scientists and land managers are looking for ways to reduce potential fire damage. Arid landscapes in the western United States, especially the sagebrush steppe areas, have had major fires in recent years, which have resulted in significant negative economic impact to those involved.

The heavier precipitation received this year has stimulated cheat-grass and medusahead resulting in higher than normal amounts of fire fuel on rangelands. With dry, hot weather expected soon, the fire hazard will be high this summer.

"Cattle can be a valuable tool to aid in wildfire suppression," says Chris Schachtschneider, Oregon State University Animal and Rangeland Extension specialist serving Umatilla and Morrow counties in Oregon. "As cattle go about their day, they remove, trample and flatten the very vegetation that becomes fuel in a wildland fire event," he says. This activity of cattle is an aid in suppressing fires and improving the effectiveness of firebreaks.

Schachtschneider was a member of a team that did a study to quantify how cattle activity affect fire behavior metrics (flame height and rate of spread) compared to no grazing. In this study, heifers grazed 60 treatment plots over the course of two years in the Reynolds Creek Watershed of southwestern Idaho.

Evaluations were made at two time periods: (1) the beginning of the fire season and (2) immediately before the fire; and at two utilization levels: (1) low

### Greener Pastures

Doug Warnock



vegetation removal and (2) moderate vegetation removal. Prescribed burns were done in September of 2015, three weeks after the Soda Fire, which was in Owyhee County, Idaho, southwest of Boise.

The study showed that livestock grazing does affect fire behavior metrics and can be an effective tool in wildfire suppression. The study also found that grazing was not always effective and that as shrub canopy cover increased, the benefits of grazing decreased to a point where at 25-30 percent canopy cover, there was no difference in flame height between grazed and ungrazed treatments. This result indicates that shrub cover must be addressed in a fire brake before livestock grazing will have any benefit.

The study indicated there was no difference in grazing benefit between the two time periods, which means that grazing at the beginning of the fire season can alter fuel for the remainder of the season.

Livestock can be an effective tool in wildfire suppression, Schachtschneider concluded. He said that communication between ranchers and firefighters is necessary to take full advantage of livestock grazing's potential benefits in fire suppression.

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## More than 500 people attend tour of Idaho dairy

By SEAN ELLIS  
Capital Press

MERIDIAN, Idaho — While serving as tour guide of his dairy during a hay ride, Clint Jackson delivered a quick "Dairy 101" class while cracking a few jokes about chocolate milk cows and not wanting to swim in the manure lagoon.

Jackson was in his element during what has become an annual community event in Meridian: a tour of the Jackson Family Farm, a 400-cow operation with 300 acres of cropland.

This year's free event June 22 attracted more than 500 people, and participants were taken on a hay ride around the dairy, got to pet calves and were free to wander around.

Three generations of Jacksons, as well as United Dairymen of Idaho employees, were on hand to answer questions.

"This event is so much fun," Jackson told Capital Press between hay rides. "We love to have people come out to the farm and to visit with them. We love to hear their questions and joke around with them a little bit."

He said he likes to think of the tour as half-educational and half-entertainment. "I think you learn better if you have some fun while you're doing it."

About 25 percent of attendees filled out a survey, and all the comments were positive, said UDI Executive Director Karianne Fallow.

"Without having run a measured analysis, the majority of highlights centered



Sean Ellis/Capital Press

Paden, 3, looks at dairy cows June 22 while on a tractor hay ride during a tour of the Jackson Family Farm in Meridian, Idaho. More than 500 people attended the free event.

around: animal care, meeting a dairy farmer and learning how the farm is sustainable," she said in an email. "In several open-ended responses, we 'exceeded expectations' (and) we were also told the event was 'highly educational' and 'fun.'"

UDI spokeswoman Cindy Miller said in an email that she didn't receive any negative comments "and quite a few people walked away saying, 'I had no idea.' I think that's the point — to give people an experience along with valuable information. Some remarked how sophisticated and complex dairy farming is; the nutrition of cows alone was surprising."

Many of the questions the Jacksons and IDA staff fielded centered on how well the cows are cared for.

Jackson said one of the biggest benefits of the tour is that everything is so trans-

parent and people can see for themselves how the animals are treated.

"People are concerned about that," he said. "They want to know that the animals are being taken care of, that they are being treated humanely, and we want to show that off to them."

As she and her husband left the event, Justina Solonker said she was impressed by how well the cows are taken care of.

"All the cows look healthy and clean," she said. "It looks like they have a good system going here."

If participants take one message with them, Jackson said, he wants it to be that "dairy is really a family business. All of the dairies in Idaho are family-owned and -operated. That personal family attention goes into putting milk on their table. That's what I hope they realize."

## UI research initiatives support animal agriculture

By CAROL RYAN DUMAS  
Capital Press

JACKPOT, Nev. — Over the past 15 to 20 years, Idaho agriculture has moved from primarily plant-based production to embrace thriving animal industries, including dairy and beef production.

To meet the research and education needs of animal agriculture, the university is shifting some of its focus — led by the College of Agricultural and Life Sciences dean, Michael Parrella, who's been on the job a little over a year.

Parrella brought forth an effort to transform the college, leading to several cattle-centric initiatives, Mark McGuire, the college's associate dean of research, told cattle producers during the Idaho Cattle Association Summer Round-Up on Wednesday.

The college has nine research and extension centers, with 66,000 experiment units focused on plant-based work and only 700 focused on animal research — 400 beef, 200 sheep and 100 dairy.

"We need to better help address animal issues," he said.

Environmental health and public opinion associated with animal production are becoming increasingly important, he said.

That has led to renewed efforts to build an animal-research facility in the Magic Valley, where the majority of the state's animal agriculture exists. The Center for Agriculture, Food and the Environment is a \$45 million project that will focus



Carol Ryan Dumas/Capital Press

Mark McGuire, University of Idaho associate dean of research for the College of Agricultural and Life Sciences, tells cattle producers about the university's efforts to advance the cattle industry during the Idaho Cattle Association summer conference at Jackpot, Nev., on June 21.

on environmental sustainability.

"It's critical, I think, to address the issues out there," he said.

The facility will house a 2,000-cow dairy and probably a feedlot, with 1,000 to 2,000 acres for research on alfalfa and corn production. It's planned to be within 30 miles of Twin Falls.

"We're really going to try to put Idaho on the map with the largest research/education/outreach dairy in the U.S. It will really be focused on environmental science," he said.

The facility will operate through public-private partnerships and, hopefully, federal grants. The university is already moving ahead with educational partnerships with the College of Southern Idaho, BYU-Idaho and Boise State University to offer unique courses for undergraduates and hopefully attract more graduate students to the University of Idaho.