

Subscribe to our weekly dairy or livestock email newsletter at CapitalPress.com/newsletters

Dairy/Livestock

Review board signs off on quota proposal

By CAROL RYAN DUMAS
Capital Press

California dairy farmers are one step closer to having a critical component in place to move ahead with their efforts to join the federal milk marketing order system.

That component is a stand-alone quota program to continue the long-standing, producer-funded state program that pays premiums to producers holding quota certificates. The Milk Pooling Producer Review Board last week finalized a plan that would operate much like the current program.

The main difference is that producers will be directly assessed to fund the program, where currently the program is funded by the milk pool.

But a couple of other items are substantially different from the current program. One brought widespread concern and the other is specific to the



Capital Press File

Cows are milked at VanderWoude Dairy near Merced, Calif. The Milk Pooling Producer Review Board has finalized a quota plan that would operate much like the current program once the federal milk marketing order is in place.

state's four producer-handlers.

The first was language that hinged continuation of the program on producers' desire.

The original proposal stated continuation was "subject to a producer survey every five years" to be evaluated by an independent party selected by

the Producer Review Board.

Western United Dairymen did not immediately respond to requests for comment on Tuesday but Annie AcMoody, the organization's director of economic analysis, stated its concerns in public comment on the proposal.

While the survey might not be a direct referendum trigger, it adds uncertainty and is a potential new challenge to quota and a departure from the current program, she said.

The three co-ops that petitioned USDA to establish a federal marketing order for California also objected.

Through public comment, California Dairies Inc., Dairy Farmers of America and Land O'Lakes said the survey could serve as a "mandatory mini-referendum" and "that kind of peril will destabilize the California quota program and diminish producers' long-term faith in its reliability and thus its overall value."

The program pays quota certificate holders \$1.70 per hundredweight above the state blend price for the amount of milk covered by their certificate. Those certificates are

worth \$1.2 billion, an asset that can be transferred or sold.

While producers support abandoning the state marketing system and establishing a federal marketing order — hoping to put their milk prices on par with milk prices across the country — they contend loss of quota value in that pursuit would be a deal-breaker.

The mandatory producer survey was not removed from the final proposal but the language of continuation of the program being "subject" to a producer survey was abandoned.

The other significant change in the stand-alone proposal is that producer-handlers will have to pay the quota assessment on milk that was previously exempt from the milk pool.

The plan is now in the hands of the CDFA secretary for review.

Dairy Markets

Lee Mielke



Dairy prices remain unsettled

By LEE MIELKE
For the Capital Press

Dairy prices weakened the week of 9/11. The cheddar blocks closed 3 1/4-cents lower, at \$1.61 per pound, 4 cents below a year ago.

The barrels were down 9 cents, at \$1.45, 16 cents below the blocks and 3 cents below a year ago when they plunged 12 1/2-cents.

The blocks lost a penny and a quarter Monday, as traders anticipated Tuesday morning's Global Dairy Trade auction and Tuesday afternoon's August Milk Production report. They were down another half-cent Tuesday, to \$1.5925.

The barrels were down three-quarters Monday but regained 4 1/4-cents Tuesday, hitting \$1.4850, 10 3/4-cents below the blocks.

Milk supplies for Midwest cheesemakers varied, according to Dairy Market News. Some report fairly balanced milk supplies while others state that school pipelines are pulling from their usual availability. Southern and Southeastern bottlers, following the flurry of severe weather, have also dipped into the milk supplies of Midwestern cheese plants.

Western cheese output is active, with most facilities are running at or near full capacity.

Spot butter fell to \$2.41 per pound last Monday, lowest price since June 1, 2017, but closed the week at \$2.4475, down a penny but 44 3/4-cents above a year ago.

It was up a penny and a half Monday and a half-cent Tuesday, inching to \$2.4675.

DMN reports that demand for butter, primarily in the retail sector, remains healthy for Central region producers. European exports and purchases have picked up. Cream remains available for seasonally active butter production.

Grade A nonfat dry milk closed Friday at 82 1/4-cents per pound, down a quarter-cent on the week and 8 3/4-cents below a year ago.

The powder was unchanged Monday but gained 1 1/4-cents Tuesday, climbing to 83 1/2-cents per pound.

Nonfat dry milk is flowing well to Mexico but the Mexican market is mostly interested in lower priced product so competition with European skim milk powder remains "intense."

August milk up

U.S. milk is flowing, plentifully. Preliminary Agriculture Department data reports August output in the top 23 producing states at 17 billion pounds, up 2.1 percent from August 2016. The 50-state total is 18.1 billion pounds, up 2 percent. Revisions added 31 million pounds to the original July 23-state estimate, now put at 17.2 billion pounds, up 2.1 percent from a year ago.

Milk cow numbers totaled 8.73 million head in the 23 states, unchanged from July but 66,000 more than a year ago. The 50-state total, at 9.41 million head, is also unchanged from July but 71,000 above a year ago. Output per cow averaged 1,948 pounds in the 23 states, up an impressive 26 pounds.

California output was off 0.7 percent from a year ago, the seventh consecutive month it has trailed, largely due to 13,000 fewer cows milked. Output per cow was unchanged. Wisconsin was up 1.8 percent, thanks to a 35-pound gain per cow, but cow numbers were unchanged.

Utah saw the biggest increase at 10.2 percent, but Texas remains up there as well, up 9.2 percent, driven by 30,000 more cows and a 55-pound gain per cow.

Dairymen fuel student health

By CAROL RYAN DUMAS
Capital Press

The Idaho Dairy Council is giving 38 Idaho schools grants to support their Fuel Up to Play 60 initiatives. This round of grants totaled \$123,317.

Fuel Up to Play 60 is designed to engage and empower youth to take action for their own health by implementing long-term, positive changes for themselves and their schools.

The national program is designed to help prevent childhood obesity and help youth develop life-long healthy eating and daily physical activity habits.

As part of the program, student teams work with adult leaders in each school to make kid-appelling, good-tasting, nutrient-rich foods more available. They also create opportunities for daily physical activity, such as noon walking clubs and after-school sports and dance clubs.

Fuel Up to Play 60 encourages students to get involved and make changes that will help make their schools healthier places. The program reaches youth directly and engages their help in leading and inspiring their friends.

The USDA, NFL and National Dairy Council are partners in the program, and it is further supported by several national health and nutrition organizations.

Dairy West communication team expands

By CAROL RYAN DUMAS
Capital Press

Melinda Petersen has joined Dairy West, a partner of United Dairymen of Idaho, as its producer and community relations manager.

She will play a role in supporting dairy farm family outreach, partner outreach, community events and integrated communication efforts.

"Melinda's experience and personal dedication to the dairy community is something we truly value, and we believe she will be able to make an immediate impact at Dairy West," said Cindy Miller, vice president of integrated communications for Dairy West.

Petersen brings a foundation of personal and professional experience to Dairy West.

She grew up on a dairy farm in northeastern Oregon and received a bachelor's degree in agricultural education, communication and technology from the University of Arkansas-Fayetteville.

She comes to Dairy West after two years in a similar role with the Oregon Dairy and Nutrition Council in Portland, Ore.

Before returning to the dairy industry, she served in various communications and alumni/donor relations roles for higher education in Washington and Oregon.

Visit IdahoDairy.com for more details.

Livestock truckers seek flexibility in electronic log device rules

By CAROL RYAN DUMAS
Capital Press

Cattle, pork, fish and bee organizations have petitioned the U.S. Department of Transportation for a one-year exemption from compliance with a rule that will require electronic logging devices for truckers to track their time behind the wheel.

The rule is set to go into effect Dec. 18.

In conjunction with the ELD exemption, they are also asking for increased flexibility for livestock haulers in the hours of service rules that restrict how long truckers can stay behind the wheel.

Drivers required to use ELDs would be limited to the hours of service rules, which restrict a driver to no more than 11 active driving hours. Once a driver hits those maximum hour allotments, he must stop and rest for 10 consecutive hours.

The groups contend the livestock-hauling industry is not prepared to use ELDs and the hours of service rules would be problematic when transporting livestock.

They also point out that current ELDs aren't compatible with the needs of livestock haulers and question whether the devices can accommodate agricultural exemptions to hours of service.

Pulling off the road for 10 hours isn't an issue when hauling items such as furniture, but animals can't just be left sitting. It's an animal-health issue, said Michael Formica, assistant vice president and counsel for domestic policy with the National Pork Producers Council.



Courtesy of Tim O'Byrne/Working Ranch magazine

The livestock industry wants an exemption to a new regulation that would require truckers to use an electronic logging device and limit the hours a driver can work.

In addition, the available ELDs would automatically log miles without regard to exemptions in place for hauling livestock and agricultural commodities in general, arbitrarily triggering a violation. If a driver gets enough violations, he loses his commercial driver license, he said.

"It's become a big brother situation. It's frustrating, but we could deal with it as long as the underlying rules we have to follow are compatible" with the unique needs of the livestock industry, he said.

NPPC is asking for the exemption because livestock truckers "have a moral obligation to care for the animals they're hauling regardless of what some bureaucratic rule says," said Ken Maschoff, NPPC president.

"Unfortunately, confusion and possible misunderstanding over enforcement and how ELDs operate are causing significant concern within the livestock industry over apparent in-

compatible HOS rules and the realities of livestock handling," the petition states.

Many drivers are concerned they will be arbitrarily penalized for choosing the proper care of animals because of an arbitrary cut-off in the hours of service rules, the groups said.

"The lack of effective industry outreach and education compounds these concerns. As a result, we are hearing increased reports of drivers choosing to stop hauling livestock altogether to avoid this potential dilemma," the petition stated.

National Cattlemen's Beef Association contends more time is needed to address the concerns and educate all stakeholders to avoid disruption in an industry that already has concerns with driver shortages.

"A limited exemption from ELDs will allow for our haulers to continue to safely transport livestock while providing the livestock industry time to

continue working with DOT to find workable solutions within the HOS rules..." said Craig Uden, NCBA president.

The American Farm Bureau Federation, North American Meat Institute, U.S. Cattlemen's Association, Livestock Marketing Association, National Aquaculture Association and American Beekeeping Association joined in the petition.

The petition also pointed out the lack of awareness of the ELD rule among livestock haulers and the livestock industry and lack of DOT outreach.

The groups also cited a lack of understanding among vendors in the ELD marketplace of the unique needs of the livestock industry and essential design features for their products.

They also noted the older average age of livestock haulers, who are less familiar with using new technology and require more time to train on ELD use.

Study: Puberty delayed in penned heifers

By MATEUSZ PERKOWSKI
Capital Press

Keeping young beef heifers penned over winter tends to delay puberty compared to letting them out on pasture, according to a new study.

Slowing a cow's reproductive maturity may impair her ability to get pregnant in the first breeding season, which is economically undesirable for ranchers.

Only 32 percent of heifers kept in pens over winter reached puberty by late spring, compared to 67 percent that remained on pasture, the Oregon State University study found.

Among the cows that did reach puberty, those in pens achieved maturity 33 days later than those on pasture and they were 100 pounds heavier on average.

The stress of being kept penned was likely the reason that fewer heifers timely reached puberty and their maturity was delayed, said Reinaldo Cooke, who co-wrote the study.

"That may be taking a toll on the reproductive devel-



Mateusz Perkowski/Capital Press

Cows kept in pens over winter tended to reach puberty later than those remaining on pasture, likely due to stress, according to an Oregon State University study.

opment of those females," he said. "They like to walk around and graze and they don't have that in the pen."

Cows kept on pasture got more physical activity, averaging 20,000 steps a week, compared to 3,100 steps for penned heifers. Their hair also had lower levels of cortisol, a hormone associated with stress in cattle.

Pens probably make young heifers uncomfortable be-

cause they've spent their early lives on rangeland before weaning and are accustomed to being confined, said Cooke.

"That abrupt change in environment is pretty stressful," he said.

Ranchers often keep young heifers in pens over winter because they're easier to feed and check on, Cooke said. In some cases, cattle producers may not have enough proper-

ty available to keep them on pasture.

"I'm not saying confinement is bad," he said. "Many times it's necessary. It's the only option."

However, ranchers should keep in mind that pens may prevent timely puberty, so they can try to reduce negative effects by avoiding overcrowding.

The half-year study compared 30 Angus and Hereford cows kept in pens with 30 heifers of the same breeds left out on pasture, with all of the animals being fed the same diet.

Cooke was an animal scientist at OSU when the research was conducted in late 2015 and early 2016 but was recently hired as an associate professor of beef cattle production at Texas A&M University.

Researchers decided to conduct the study after noticing that penned heifers generally had poorer reproductive performance compared to those on pasture, Cooke said.

"Wow, maybe there's something going on here," he said.