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# Dairy/Livestock



Carol Ryan Dumas/Capital Press

Michael Parrella, center, dean of the University of Idaho College of Agricultural and Life Sciences, talks with Bob Ohlensehien, left, a certified nutrient management planner, and Bill Hazen, retired U of I county extension educator, following a Jan. 25 listening session in Twin Falls about the university's plans for the Center for Agriculture, Food and Environment research facility.

## UI seeks outside funding for dairy research center

By CAROL RYAN DUMAS  
Capital Press

TWIN FALLS, Idaho — The University of Idaho is doubling down on attracting support for a new world-class research facility to address the environmental and economic sustainability of animal agriculture and food processing.

Michael Parrella, dean of the university's College of Agricultural and Life Sciences, welcomed the public to a recent listening session to present the scope of the project, the need for the research and the benefit to Idaho and the community.

The Center for Agriculture, Food and the Environment — known as CAFE — would be the largest research dairy in the U.S. and the only one addressing milk production in an arid climate, he said.

"It is going to support not just dairy but the huge swath of everything that is dairy," he said.

The research will address environmental issues, including water quality and efficiency, nutrient management and soil health. In addition to research, the facility will have a strong education and outreach component.

"The list goes on and on..." he said.

CAFE will be transformational for the university, the College of Southern Idaho, the community, the state and the industry, he said.

The \$45 million project will include a 2,000-cow dairy and 1,000 acres of associated cropland to grow feed and perform research on soil and water issues.

It will also include a food-processing pilot plant on the CSI campus to reinforce vocational training to support regional processing.

CAFE's research, education and outreach will involve several colleges within the university — such as engineering, natural resources and business and economics — all with plans for educational programs at the facility.

It will provide enhanced opportunities for students from the University of Idaho and students from collaborating universities — including developing four-year degrees in animal science and food science at the center, which would help revamp the university's graduate programs.

The outreach component will consider the environmental footprint to mitigate public concerns, and the facility will include an outreach and education center for the public and schoolchildren.

The state Legislature has appropriated \$10 million for the project, and the university is hoping for another \$5 million. The university is selling some of its assets to supply another \$15 million. The remaining \$15 million needs to come from outside sources.

"We are doubling down on raising outside funding," Parrella said.

"That's some heavy lifting. We've never tried anything of this magnitude," he said.

But the university is engaging Idaho companies, such as Glanbia, Chobani and Simplot, as well as companies outside the state — which would benefit from the center's ability to do unique replicated studies — and food retailers that are intent on sustainability.

CAFE "matches the framework of many companies," he said.

Parrella said he has no doubt the one-of-a-kind, world-class facility would be successful in obtaining federal matching grants for research.

"I'm excited about it. I'm passionate about it. I think we can make it happen," he said.

But the clock is ticking, the university really needs to secure funding commitments by the end of June, he said.

## CDFA denies hearing on milk prices

By CAROL RYAN DUMAS  
Capital Press

The California Department of Food and Agriculture has denied a request for a hearing to temporarily raise milk prices, citing the pending federal milk marketing order for California.

In a letter to petitioners, the department said, "It is inappropriate to hold a hearing while California dairy producers are exercising self-determination with regards to implementing a federal milk marketing order in California."

Western United Dairymen and California Milk Campaign filed the petition on Jan. 18, proposing increases to all classes of milk for 12 months. Those increases would raise the blend price to producers by 35 cents per hundredweight.

The groups pointed out the severe economic hardship dairy producers are facing and have faced for the past three years. They also noted that if approved by producers, implementation of a federal milk marketing order could be a year away.

"We are disappointed by the decision as we continue to hear from our members how dire the pricing situation is," said Annie AcMoody, director of economic policy for Western United Dairymen.

Producer unity has been a key factor in recent years in implementing positive



Capital Press File

The California Department of Food and Agriculture has denied a hearing on a petition filed by dairy groups asking for a temporary increase in milk prices.

changes in the state system, but it fell short this time. The third producer group, Milk Producers Council, didn't join WUD and CDC in the petition, she said.

"We were disappointed to learn that the California Department of Food and Agriculture denied our request for a hearing," said Lynne McBride, executive director of the California Dairy Campaign.

The CDC board voted to petition CDFA for an emergency price increase due to the fact that milk prices are well below average milk production costs, she said.

California dairy producers continue to be paid some of the lowest milk prices in the country, and CDC strongly supports the effort to establish a federal milk marketing order in California to bring California producer prices in line with the federal order system," she said.

"Until a federal order is

adopted, CDC will continue to call for any possible action to improve producer prices," she said.

USDA has not yet released its final decision on how a federal order would operate in California, which would be followed by a producer referendum on joining the federal system.

In its letter, CDFA said it is acutely aware of the impact to dairy families of sustained low milk prices and is also aware that processors are under financial pressure.

"The entire California dairy sector is currently facing financial stress," the department stated.

The December blend price for milk was \$13.73, while average cost of production was \$17.78 in the fourth quarter of 2017, according to the latest CDFA reports.

WUD had not replied to a request for comment by Capital Press as of Monday morning.

## Global Dairy Trade auction up 5.9 percent

By LEE MIELKE  
For the Capital Press

Cash dairy prices saw little change last week as traders absorbed the December Dairy Products report. Block Cheddar closed Friday at \$1.4625 per pound, down a penny on the week and 27 3/4-cents below a year ago. The barrels finished a half-cent higher at \$1.3250, 38 1/4-cents below a year ago.

The blocks jumped 5 1/2-cents Monday and stayed there Tuesday at \$1.5175, as results of Tuesday's Global Dairy Trade were analyzed. The barrels were up 4 cents Monday and added a half-cent Tuesday, inching to \$1.37, 14 3/4-cents below the blocks.

Dairy Market News reports that Midwest cheese production varies by plant but cheese sales are "generally meeting expectations."

Ample milk supplies are keeping many Western facilities at or near capacity.

Cash butter closed Friday at \$2.1150 per pound, down 1 1/2-cents on the week and 4 1/4-cents below a year ago.

The butter dropped 3 1/2-cents Monday, slipping to \$2.08, the lowest price since April 24, 2017, but regained a half-cent Tuesday.

Butter sales are seasonally quiet but meeting seasonal expectations. Cream remains available from within and outside the Midwest.

Western output is heavier due to plentiful cream supplies.

Cash powder closed Friday at 72 1/4-cents per pound, up 1 1/4-cents but 21 3/4-cents below a year ago. Monday took the powder up a penny and a half and it gained another half-cent Tuesday, to 74 1/4-cents per pound, the highest since Nov. 16, 2017.

### Dairy Markets

Lee Mielke

### GDT up 5.9 percent

Hopes got another lift in Tuesday's Global Dairy Trade auction, when the weighted average of all products offered shot up 5.9 percent, the biggest rise since Nov. 1, 2016, and up from the 4.9 percent gain on Jan. 16.

Butter was up 7.9 percent, after leading the gains last time with an 8.8 percent advance. Whole milk powder was up 7.6 percent, skim milk powder and Cheddar cheese were both up 7.2 percent and anhydrous milkfat was up 0.5 percent.

FC Stone equated the GDT 80 percent butterfat butter price to \$2.3351 per pound U.S. CME butter closed Tuesday at \$2.0850. GDT Cheddar equated to \$1.6960 per pound U.S. and compares to Tuesday's CME block Cheddar at \$1.5175. GDT skim milk powder averaged 87.62 cents per pound and whole milk powder averaged \$1.4634 U.S. CME Grade A nonfat dry milk closed Tuesday at 74 1/4-cents per pound.

### Benchmark drops

The first Federal order benchmark milk price of 2018 was not good news for farmers. The Class III price fell to \$14.00 per hundredweight, down \$1.44 from December 2017 and \$2.77 below January 2017, the lowest Class III price since June 2016, but is 63 cents above California's comparable 4b price. The Class III price equates to \$1.20 per gallon, down from \$1.33 in December and \$1.44 a year ago.

Monday's Class III futures portended a February price at \$13.74; March, \$13.73; and April at \$13.87, with a peak at only \$15.78 in October.

The January Class IV price is \$13.13, down 38 cents from December, \$3.06 below a year ago, and the lowest Class IV since May 2016.

### California down

California's January 4b cheese milk price is \$13.37 per cwt., down 15 cents from December, \$2.62 below a year ago and the lowest 4b price since June 2016.

The 4a butter-powder price is \$12.93, down 43 cents from December, \$2.74 below a year ago, and the lowest 4a price since May 2016.



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JD 9670  
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\$150,500



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\$362,000



JD S680  
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