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## Dairy

# Export picture promising, but tariffs loom, analyst says

By CAROL RYAN DUMAS  
Capital Press

TWIN FALLS, Idaho — Global milk production is slowing, and prices among the major exporting countries have started to converge over the last few months.

U.S. producers are struggling a little, but U.S. products have become more competitive in global markets, Aga Dobrowolska-Perry, dairy analyst with RaboResearch said during a Rabo AgriFinance client dinner on Thursday.

"I think milk prices are going to do a little better," she said.

Buyers will be coming back into the market and taking pressure off prices. The holiday season will also provide some support, she said.

"There are a lot of opportunities in the market," she said.

The U.S. is still pretty much the lowest-cost market for cheese, whey and milk powder, and the U.S. dollar is a little weaker than it was last year. Global dairy imports are up 5 percent year over year, and U.S. exports are moving at a record pace, she said.

Domestically, foodservice



Carol Ryan Dumas/Capital Press

Aga Dobrowolska-Perry, left, an analyst with RaboResearch, talks with Maria Ziebarth, Rabo AgriFinance senior customer relationship specialist, during a client dinner in Twin Falls, Idaho.

sales keep growing and consumers continue to be excited about dairy products. The U.S. is sitting on more stocks, but it's also producing more product, she said.

"There are more products to go around, but that's not necessarily a bad deal," she said.

What's concerning is the tariff situation. The U.S. has alienated its three largest cus-

tomers — Mexico, Canada and China — which account for 45 to 50 percent of all U.S. dairy exports, she said.

Historically, tariff spats have been a show of power that causes a little pain for three to six months until countries sit down and work things out, she said.

But the current U.S. administration appears to have a longer-term strategy, and

the affected trading partners are taking a strong position of not backing down, she said.

"I'm afraid we're preparing for a 12- to 24-month stretch of impacts from the trade disputes, she said.

The implications for trade with Mexico are particularly concerning because Mexico accounts for 30 percent of U.S. dairy exports. The

country's rhetoric has gotten tougher, and it's looking for other suppliers, she said.

While U.S. exports to Mexico continue to grow as the total pie has gotten bigger, the U.S. share of that pie is decreasing, she said.

Cheese plays a major role in exports and one bright spot is that even with the added tariffs, U.S. cheese prices are still low compared with other exporting countries that face even higher tariffs. Another is the likelihood that other buyers would act as export middlemen, she said.

"I think ultimately if we can't do trade directly, third parties would be willing to help us out — with a little sliver from both ends going to that middleman," she said.

"Mexico and China depend on our product; they'll find a way to get it in. Ultimately, economics win out over politics, she said.

Another thing to watch in export markets is the bacterial mycoplasma bovis disease in New Zealand, which could create new channels for U.S. exports in filling the void in that country's exports, she said.

## Oregon, California farmers reappointed to dairy board

By DESIREE BERGSTROM  
Capital Press

Warren L. Chamberlain of Oregon and Brad J. Scott and Pauline Tjaarda of California were reappointed to their seats on the National Dairy Promotion and Research Board in an announcement from Agriculture Secretary Sonny Perdue.

Michael R. Oosten of California, has also been appointed to fill an open seat.

The new terms begin in November and will last three years. Oosten, however, will only serve until October of 2019.

The National Dairy Promotion and Research Board, known as the Dairy Checkoff Program, promotes dairy products and provides funding for research.

Dairy farmers pay a 15 cent-per-hundredweight assessment on their milk, and importers pay 7.5 cents a hundred-weight to fund the program.

Purdue said the new appointees will aid in the "promotion and research to maintain and expand" dairy markets. He also said that the individuals will serve the dairy industry well.

The board is made up of 37 individuals from 12 regions.

Each member is selected by the secretary after nominations are submitted by various dairy and farm organizations.

**Dairy Markets**  
Lee Mielke



# Washington 2017 dairy ambassador killed in vehicle collision



Washington State Dairy Women  
Anna Teachman, the 2017-18 Washington state dairy ambassador, was killed along with her father, Michael Teachman, in a two-vehicle collision that occurred July 9 in Oklahoma.

## Father also dies in Oklahoma crash

Capital Press

The Washington dairy industry is mourning the deaths of Anna Teachman, the 2017-18 state dairy ambassador, and her father, Michael Teachman, who were killed in a vehicle crash Sunday in Oklahoma.

Anna Teachman, 19, and her father, 57, both of SeaTac, were traveling in the Tulsa area. A pickup towing a trailer crossed the centerline of a state highway and

collided with the car driven by Michael Teachman, according to the Oklahoma Highway Patrol.

Anna Teachman planned to enroll in the fall at Oklahoma State University and major in agricultural communications and was attending an orientation, according to the Dairy Farmers of Washington.

She was selected state dairy ambassador in June 2017 and represented the industry at public events the following year.

"I feel so blessed to have spent the last year with this outstanding young lady,"

Dairy Farmers of Washington CEO Scott Kinney said in a statement. "Thank you, Anna. Even though you were with us for just a short time, you made an immeasurable difference to so many lives."

Anna Teachman did not grow up on a dairy farm, but was interested in dairy cows from an early age, according to Dairy Farmers of Washington. She joined a 4-H club and exhibited projects at county and state fairs and was a delegate to the national 4-H dairy conference.

She spoke to House

members in January on Dairy Day in Olympia. According to the ambassador program, she told lawmakers that she grew up six minutes from the Sea-Tac Airport. "No matter if we grew up in rural agriculture or in the city, we can work together to strengthen and protect dairy farming and agriculture in Washington state," she said.

The pickup driver, Timothy M. Mullin, 57, of Cleveland, Okla., was treated for injuries at a hospital, according to the highway patrol. The accident is under investigation.



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