

Falling milk prices, lower premiums boost MPP participation

By CAROL RYAN DUMAS
Capital Press

Signing up for the Margin Protection Program and buying up-coverage has become a no-brainer for many dairy producers struggling with low milk prices and high feed costs.

Markets made it clear the insurance program would pay out this year, and an estimated 21,274 dairy farms signed up. That's a 5 percent increase from enrollment last year and represents 53 percent of all licensed U.S. dairy operations.

"Dairy operations found the improved Margin Protection Program would be a worthwhile choice in 2018," John Newton, director of market intelligence for American Farm Bureau Federation, said.

Congress substantially reduced premiums on the first 5 million pounds of milk insured, making the program more attractive.

Those premiums to cover an \$8 margin between milk prices and feed costs dropped from 47.5 cents per hundred-weight of milk to 14.2 cents.

USDA made participation even more attractive by extending signup through June and making the program retroactive to the first of the year.

It was already a given that producers opting to insure an \$8 margin would see indemnity checks in the mail for February through April, and



Don Jenkins/Capital Press File

Participation in the federal Margin Protection Plan has increased as premiums have decreased.

USDA's forecasts held the promise of additional payouts through the summer.

USDA's Farm Service Agency is crunching the numbers on enrollment and hasn't released a breakdown of participation or coverage levels, but Newton said the agency has told him 95 percent of participants bought higher coverage than the free catastrophic protection levels. In addition, 95 percent of buy-up coverage was at the \$8 margin, he said.

That's a stark difference from 2017 when only 8 percent of the farms enrolled opted for buy-up coverage. Most producers had been

burned in the first two years of the program, seeing little to no payout despite tough times and paying millions in premium.

In addition to lower premiums at the first tier, there was more assurance that USDA's margin calculation would pay out this year. The agency's calculated margin was \$6.88 in February, \$6.77 in March, \$6.62 in April and \$6.78 in May.

Looking ahead, the agency is forecasting margins of \$7.44 in June, \$6.98 in July, \$7.27 in August and \$7.90 in September. Estimated margins for October through December are above \$8.

Group questions FDA on limiting use of dairy terms

By CAROL RYAN DUMAS
Capital Press

While dairy groups are encouraged to hear Food and Drug Administration Commissioner Scott Gottlieb announce he intends to enforce existing labeling regulations that protect the identity of milk, others don't think preventing companies from using such terms as "almond milk" will pass muster.

The FDA chief said he intends to enforce FDA's standard of identity that milk comes from a lactating animal but he does expect the agency to be sued because some definitions of milk hold that it can be derived from a nut.

The Good Food Institute, which promotes plant-based alternatives to animal products, filed a petition with FDA in March 2017 asking the agency to clarify that common sense modifiers — such as almond milk — are allowed when naming new foods.

GFI on Wednesday said it is pleased FDA will look into the issue of dairy products and labeling.

Its petition asserts that producers of plant-based dairy alternatives have a First Amendment right to use labels that consumers recognize and that clearly describe their products, such as almond milk.

"Once FDA has considered all of their options, we believe they will grant our rulemaking petition," Bruce Friedrich, GFI executive director, said in

FDA chief takes stand on imitation dairy products

By CAROL RYAN DUMAS
Capital Press

Dairy producers say they are encouraged that the federal Food and the Drug Administration will finally crack down on companies using dairy nomenclature to market their plant-based products.

Speaking last week at the Politico Pro Summit, which was live-streamed from Washington, D.C., FDA Commissioner Scott Gottlieb said he will start the process of enforcing FDA's standard of identity for milk "very soon."

"This has been a bit of a bugaboo to the dairy industry because you see the proliferation of products like soy milk and almond milk calling themselves milk," he said.

FDA's standard of identity for milk references a lac-

tating animal, he said.

"An almond doesn't lactate, I confess. So the question becomes: Have we been enforcing our own standard of identity? And the answer is probably not," he said.

National Milk Producers Federation, which has been pushing labeling enforcement on imitation dairy products for 20 years to little avail, would agree.

"Time and time again, FDA has cited lack of personnel and resources to address the flagrant and ever-escalating labeling violations. But to be frank, that excuse has never rung true," Jim Mulhern, NMPF president and CEO, stated in a letter to Gottlieb last October.

NMPF said Gottlieb's statements at the summit were an indication that the organization's requests for FDA action are being heard.

an email response to a Capital Press request for comment. Given Commissioner Gottlieb's record of combining an understanding of scientific nuance with common sense practicality, GFI is optimistic the FDA will make the right call — allowing plant-based producers to continue to clearly label their products as

what they are, he said.

The government is only allowed to restrict commercial speech if there is a substantial risk of consumer harm and the solution is narrowly tailored to solve the harm, he said.

If FDA were to ban the use of dairy terms on plant-based products, GFI would sue, he said.



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Goats a Popular 4-H Project

SALEM, Ore. — Dairy and meat goat numbers are on the rise in Oregon, and the apparent surge in production has created an unexpected increase in county fair 4-H entries.

"Dairy goat entries have more than doubled from 24 in 2017 to 61 this year, and meat goat entries have increased by about 50 percent," said Melanie McCabe, Extension 4-H Youth Development faculty for Marion County.

Andrea Kraemer, a veteran 4-H volunteer leader from Turner, Ore., isn't surprised at the expansion.

"Goats are fun and easy animals to raise, and their food is reasonable in cost," she explained. Her daughter Hanna, a sixth-grader at Cascade Middle School, has raised and shown Boer meat goats for seven years as a member of the 4M Livestock Club.

This year, the family is adding a pair of Alpine dairy goats as a trial run.

"Meat goat does will make enough milk to feed two kids, but if they have three or four babies, you end up bottle feeding some of them," says Kraemer. "We plan to breed the two dairy doelings and produce milk to feed any extra Boer babies that pop out."

Hanna is a daily caretaker of the 4-H goat herd. She has learned to stay alert to a range of needs — nutrition, training, medicine, and safe housing. "We had to create a separate shelter and pasture for the dairy goats because they jumped over the concrete barrier in the barn," she said.

"I like goats because they have so much personality, and it's obvious if they like you," Hanna Kraemer said as her dairy doeling, aptly named Mischief, playfully untied her shoe laces.

There are many breeds of goats raised and enjoyed in Oregon. The primary meat goat breed is the Boer, which commonly sports a red "hood" on a white "bullet-shaped" body, but also appears with a solid red-brown coat.

Another popular meat goat breed is the Kiko, which was developed in New Zealand. The seven top dairy goat breeds include Alpine, American Lamancha, Anglo-Nubian, Saanen, Toggenburg, Oberhasli and Nigerian Dwarf. Pygmy goats are considered pets and not a production breed.

Research shows that goat numbers are indeed growing in Oregon. Jenifer Cruickshank, OSU Extension Dairy Management faculty member, confirmed dairy goat numbers in Oregon increased 3 percent and meat goat numbers increased 7 percent in the past year. The research was conducted by U.S. Department of Agriculture's National Agricultural Statistics Service.

According to Cruickshank, goats have many uses, including the following:

- Meat
- Milk and milk value-added products, and to feed other animals.



Hanna Kraemer with a Boer goat kid.



Hanna with her dairy doeling named Mischief.

- Fiber (mohair and cashmere)
- Vegetation control
- Packing
- Companionship for other livestock
- Companionship for people

"The life skills learned by working with a 4-H animal project are numerous, including responsibility, record-keeping, time management and team work," said McCabe. "You can contact your local Oregon State University Extension Service office to be connected with a 4-H livestock club in your area."

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