

Subscribe to our weekly dairy or livestock email newsletter at [CapitalPress.com/newsletters](https://www.CapitalPress.com/newsletters)

Dairy

Dairy processors share lessons learned in pandemic

By CAROL RYAN DUMAS
Capital Press

Dairy producers dumping milk in the spring of 2020 in the early days of the pandemic made headlines across the country. But dairy processors also had their share of challenges, which they say continue.

"That first month, really late March and into April was a time of complete upheaval in the markets," said John Umhoefer, executive director of the Wisconsin Cheese Makers Association.

Foodservice sales dropped off right away, and cheese processors were getting phone calls from distributors saying they weren't taking any product, he said during the



Associated Press File

Wheels of cheese age at the Emmi Roth USA production plant in Monroe, Wis. Processors describe the pandemic as "problem whack-a-mole."

latest "DairyLivestream" webinar. "Product backed up immediately last spring in the dairy industry. And so the first learning people had was what are we going to do

with product that wasn't meant to be held, and what are we going to do with this milk?" he said.

Processors pivoted and did things they hadn't done before such as freezing mozzarella in bulk and shifting to products that could be cured instead of held as fresh cheeses, he said.

"They switched their make procedures. They switched their product mix. And they looked for new markets," he said.

Some cheese makers found new markets in retail and the frozen pizza industry.

"So that ability to pivot in the marketplace was another early finding. And what struck me as I look back on last year is how quickly these things happened," he said.

Some cheese makers switched from one cheese to another just days after states and restaurants started shutting down, he said.

The cheese distribution market was also in chaos. Contracts went from year-long and six months to monthly, then biweekly and then weekly, he said.

That shift is unprecedented, and it's continuing, he said. There's a tighter pipeline between milk coming in and product going out, and any disruption is magnified.

"Just the slightest hiccup at a good-sized cheese plant these days can cause a ripple effect across the entire milk shed," he said.

Bryan Weller, director of procurement and sourcing for Agri-

Mark, described the last year as a "problem whack-a-mole."

The foodservice shutdown halted demand for the cooperative's cultured products such as sour cream, which has no shelf life and can't be frozen or aged.

"Luckily we've got a balance between foodservice and retail, but there were certain lines we had to shutter," he said.

There just wasn't demand for products such as 10-pound loaves of cheese. In addition, the pandemic brought a forecast roller coaster, he said.

After the holidays, February and March are kind of tumbleweed months for 8 ounce bars of cheese. But the pandemic brought a second Christmas demand, he said.

Global dairy market demands sustainability

By CAROL RYAN DUMAS
Capital Press

The U.S. Dairy Export Council works for dairy farmers and the dairy industry to open markets for U.S. dairy products worldwide. But it's not just about market access, it's also about reputation.

With today's focus on sustainability, that narrative has to include U.S. dairy's environmental stewardship goals.

A lot of folks around the world, and sometimes even in the U.S., have a dated image of dairy, said Krista Harden, president and CEO of the U.S. Dairy Export Council.

"They don't see that modern farmer today, that commitment to technology, that one who makes investment in science and is making changes on their farms every day to make sure they're more productive, but they're also more efficient," she said during the latest "Dairy Defined" podcast.

Those farmers are also caring about natural resources, water use, where their feed comes from — all the different elements of a farm, she said.

"So, I really think that part of what we've got to do is make sure that we're a little more transparent. We talk about what we do. We talk about what we don't know," she said.

Admitting that U.S. dairy



Krysta Harden

doesn't have all the answers can be a hard thing to do, and it can make farmers feel vulnerable, she said.

"We have to say, 'we don't have all the answers today, but we're committed to finding them' and that we are going to find them. We are going to work to make sure that we do," she said.

"That's the story I want to make sure that the rest of the world understands, and sees U.S. dairy as a leader when it comes to sustainability," she said.

Throughout the chain, the U.S. dairy industry is committed to this set of goals and has the opportunity to be able to do that, she said.

"We are productive, we are efficient, we are an effective partner. That's what we've got to continue to tell and to help us really explain to our customers and to consumers," she said.

The stated goal of the United Nations Food Systems Summit is to radically change how food is produced, processed and consumed, she said.

That should make people wake up and think "we better be involved and we need to make sure that U.S. dairy's voice is heard and understood," she said.

Rising feed prices squeeze dairy farmers

By LEE MIELKE
For the Capital Press

U.S. dairy farmers are feeling the squeeze.

Average feed costs are up more than \$5 per hundredweight compared to a year ago, according to the April 23 Dairy and Food Market Analyst.

"A low-cost dairy farmer that broke-even at \$15 per cwt milk in 2020 will now need \$20 to make money," the DFMA stated.

"That means many milk producers, especially those that are buying spot feed and are receiving a milk price that is close to Class IV, are deep in the red."

Margin still slipping

A small rise in the all milk price could not offset sharply rising feed costs and USDA's latest Ag Prices report shows the March milk feed ratio at 1.75, down from 1.78 in February, and compares to 2.24 in March 2020.

The index is based on the current milk price in relationship to feed prices for a dairy ration consisting of 51% corn, 8% soybeans and 41% alfalfa hay.

In other words, one pound of milk could only purchase 1.75 pounds of dairy feed of that blend in March.

The U.S. All-Milk price averaged \$17.40 per hun-

Dairy Markets

Lee Mielke



dredweight, up 30 cents from February but 50 cents below the March 2020 average.

California's All Milk price slipped to \$17.10, down 70 cents from February and 20 cents below a year ago. Wisconsin's, at \$17.50, was up 30 cents from February but 60 cents below a year ago.

The national average corn price hit \$4.89 per bushel, up 14 cents per bushel from February, which followed a 51-cent rise the month before, and was priced \$1.21 per bushel above March 2020.

Soybeans averaged \$13.20 per bushel, up 50 cents per bushel from February, which followed a \$1.80 rise from January. The March soybean price was priced \$4.73 per bushel above March 2020.

Alfalfa hay climbed higher as well, averaging \$181 per ton, up \$6 from February and \$9 above a year ago.

The March cull price for beef and dairy combined averaged \$67.10 per cwt., up \$1.50 from February, 40 cents below March 2020, and \$4.50 below the 2011 base average of \$71.60 per cwt.

GF 102 / 1002 SERIES | Rotary Tedders
8'6" - 56'5" working widths

DRY WITH THE SPEED OF LIGHT

Exclusive DigiDrive® couplers provide low maintenance and long life

Reduce drying time with steep pitch angles and asymmetrical tines

Hydraulic folding prows easy transport between work and field

Multiple options and adjustments for tedding in various crop conditions

<p><i>California</i></p> <p>Marble Mountain Machinery Fort Jones</p> <p>Papé Machinery Fall River Mills Fortuna</p>	<p><i>Idaho</i></p> <p>Campbell Tractor & Implement Fruitland Glenns Ferry Homedale Nampa Wendell</p>	<p><i>Oregon</i></p> <p>Papé Machinery Aurora Central Point Cornelius Gresham Harrisburg Madras McMinnville Merrill Roseburg Salem Tangent</p>	<p><i>Washington</i></p> <p>Robbins Farm Equipment Baker City Burns La Grande</p> <p>Campbell Tractor & Implement Ontario</p> <p>Boyd's Implement Tillamook</p>	<p>Farmer's Equipment Burlington Lynden</p> <p>Papé Machinery Chehalis Ellensburg Longview Lynden Mount Vernon Okanogan Quincy</p> <p>Papé Machinery cont. Sumner Walla Walla Yakima</p> <p>Watkins Tractor & Supply Kelso</p> <p>Okanogan Truck & Tractor Okanogan</p> <p>Central Machinery Sales Pasco</p>
---	---	--	---	--

INVEST IN QUALITY®
www.kuhn.com
Visit your local KUHN hay and forage dealer today!

We have a new crop of materials for the Worker Protection Standard.

Keep your workers safe from pesticide exposure. Pick the WPS. We have a bushelful of materials: **brochures, posters and more.**

To learn everything that applies, go to [EPA.gov/pesticide-worker-safety](https://www.EPA.gov/pesticide-worker-safety)

United States Environmental Protection Agency