



News & Views

The latest dairy news

March Class III Price Up 91 Cents

The March Class III is \$15.09, up 91 cents from February, and up \$3.85 from a year ago. This is the highest price since December 2004. The March Class IV Price is \$13.71, up \$1.00 from a month ago and up \$3.03 from last year.

MMPA Exports Butter to Turkey with CWT

The Cooperatives Working Together program recently accepted a bid from Michigan Milk Producers Association to export 95 metric tons of butter to Turkey. This is the first time MMPA has utilized the CWT program for export of its dairy products.

Appointments Announced to Dairy Marketing Program

Governor Granholm announced the following appointments to the Michigan Dairy Marketing Program Committee on Thursday, March 29: Timothy Hood of Paw Paw, Daniel Javor of Hastings, Gerald Neyer of Shepherd, Ken Nobis of St. Johns and John Pell of Fremont. All appointments expire in December of 2009. The Michigan Dairy Marketing Program Committee focuses on research and promotion of the dairy market within the state.

Federal Order Price Hearing Extended Again

On April 13, USDA concluded the second week of its hearing on the Class III and IV price formulas, with a third week of hearings to come this summer. Most testimony at the meeting in Indianapolis involved adjusting manufacturing cost allowances and yield factors, using CME dairy product prices instead of (or in combination with) USDA's product price survey, or applying all Class III skim component values to protein prices.

During the first week of the hearing, in February, NMPF presented its proposal to use energy cost indexing to automatically adjust make allowances. The proceeding is tentatively scheduled to reconvene in Pittsburgh on July 9, with at least one proposal not yet fully presented and several opposing witnesses yet to speak.

Monsanto Takes Aim at Milk Labels

Monsanto Co. is asking federal authorities to crack down on dairies that make "deceptive" claims that the use of Posilac bovine growth hormone leads to unhealthy milk.

Since Posilac was introduced to the market in 1994, Monsanto has been fighting a growing tide of marketing claims and public sentiment that its use is unhealthy for cows, human consumers, or both. The Food and Drug Administration and many academic researchers say all milk is the same, regardless of whether the cows that gave it received Posilac injections.

Nevertheless, several major dairies last year began asking milk suppliers not to use Posilac so they could add "hormone-free" claims to labels and charge premium prices. In January, Starbucks Coffee said it would begin selling only dairy products produced without rBST.

Monsanto provided regulators several examples of labels and ads it finds objectionable. They run the gamut from a claim by California's Alta Dena Dairy that no rBST "means better health and happier cows," to a label used by Louisiana's Kleinpeter Dairy that links the synthetic hormone's use to premature puberty in children.

Monsanto late last year began asking dairy producers and others to sign off on letters objecting to misleading labels, he said. The company compiled more than 500 of these letters.

Upcoming Events

June

26-27

MMPA/4-H Milk Marketing Tour – Novi

Agriculture Commission approves Anhydrous Ammonia Safety and Security Practices

The Michigan Agriculture Commission recently approved the Anhydrous Ammonia Safety and Security Practices (AASSPs), which are voluntary recommendations addressing the storage and handling practices of agricultural use of anhydrous ammonia. Sellers and end users implementing the AASSPs are granted immunity from personal injury and property damage claims caused by anhydrous ammonia theft or unlawful use.

Anhydrous ammonia is a key ingredient in the illegal production of the drug methamphetamine. The wrongful use of anhydrous ammonia is of great concern to the agriculture community since it is widely used as a low-cost form of nitrogen fertilizer which is directly applied to farmland and used to make other types of fertilizers.

“The adoption of AASSPs by Michigan producers and the fertilizer industry helps protect anhydrous ammonia fertilizer for its agricultural use and curb its theft in Michigan for illegal use,” said Michigan Department of Agriculture Director Mitch Irwin.

The AASSPs recommend farmers and fertilizer companies implement the following:

- Store anhydrous ammonia in a tank equipped with a functioning tank or valve lock.
- Store anhydrous ammonia with a substance that is or contains a dye that will, on release from the container, stain objects it comes in contact with, including skin and clothing, in a highly visible manner.
- Nurse tank stewardship including removing tank hoses when

not in use, parking tanks downwind of sensitive areas, not leaving tanks sitting in a field overnight and not keeping full tanks on site any longer than absolutely necessary.

The AASSPs were developed in response to the Anhydrous Ammonia Security Act, Public Act 417 of 2006. This Act directed the Agriculture Commission to develop and issue AASSPs by March 29, 2007 with input from MDA, Michigan State State Police, Michigan State University Extension, producer groups, fertilizer industry and local law enforcement. A workgroup with these partners was organized last fall to identify the safety and security practices.

The AASSPs are available at www.michigan.gov/mda or by calling MDA at (517) 241-2979.

Dean Foods Won't Use Cloned Cows' Milk

The nation's largest fluid milk processor, Dean Foods Co., said recently it won't purchase milk from cloned animals.

“Based on the desire of our customers and consumers, Dean Foods will not accept milk from cows that have been cloned,” according to a Dean statement that was first made public on a food-oriented blog and was later confirmed by the Dallas-based dairy processor.

“If the FDA does approve the sale of milk from cloned cows,” the statement said, “we will work with our dairy farmers to implement protocols to ensure that the milk they supply to Dean Foods does not come from cloned cows.”

The U.S. Food and Drug Administration is currently accepting comments on its draft risk assessment, released late last year, which found that the meat and milk from cloned cattle and their offspring “are as safe to eat as food from conventionally bred animals.”

Direct, Counter-Cyclical Program Enrollment Deadline Extended to August 3

Problems with FSA's Web-based computer system caused agency officials to extend the sign-up deadline for the 2007 Direct and Counter-cyclical Program (DCP) to August 3.

Enrollment in DCP for the 2007 contract period began on October 1, 2006, and was scheduled to end this year on June 1. The August extension applies only to the enrollment time frame, and does not extend the DCP contract period

Although the sign-up deadline is extended, the cut-off for participation remains September 30. Those producers who fail to sign up by August 3, but do so before September 30 will pay a late-file fee.