



# News & Views

The latest dairy news

## April Class III Price Up 14 Cents

The April Class III price is \$12.92, up 14 cents from March and up \$2.14 from last year. The April Class IV price is \$13.73, up 81 cents from the previous month and up \$3.91 from a year ago.

## CWT Assists in Exports Equal to 220 Million Pounds of Milk

During the first five weeks that CWT reactivated its Export Assistance program, it assisted member cooperatives in making sales overseas that totaled nearly 22 million pounds of Cheddar cheese and Monterey Jack cheese. Using the milk to Cheddar cheese yield factor of 10 pounds of milk to make one pound of cheese, it will take 220 million pounds of milk to make the 22 million pounds of cheese. Put another way, the milk equivalent of those sales is the annual milk production of nearly 10,000 cows.

Using the Export Assistance program to build sales overseas can arguably have a greater and longer term impact than retiring cows. Independent analysis showed that the impact of retiring cows can last three years but at a steadily declining rate. Building markets for U.S. dairy products overseas with the help of CWT export assistance can have a longer term impact at a constant or growing rate.

## New Producer-Handler Rules in Effect

The new rules for producer-handlers were published in the Federal Register on April 23, following successful producer referenda in all Federal Order markets, and took effect on June 1. Under the new rule, vertically integrated bottlers with over three million pounds of fluid milk sales will be required to participate in the Federal Order pool just like any other large bottler.

Before this, subject to certain conditions, a large bottler with its own farm production could avoid contributing to the Federal Order pool in its market, and thus received a significant pricing advantage against other bottlers. The new rules are based on proposals made by the National Milk Producers Federation and the International Dairy Foods Association last year. A successful result on this issue was one of NMPF's major goals of 2009. This change will add millions of dollars to the Federal Order producer pools. More importantly, it will prevent further erosion of producer prices through what had become a loophole for large producer-handlers.

## MMPA Ovid Open House

MMPA will host an open house at their newly expanded and renovated Ovid manufacturing plant on Wednesday, June 30 from 10 a.m. to 2 p.m. with a brief program at noon.

Information on the open house was mailed to all MMPA members in May. The event is by invitation only.

## Upcoming Events

### June

- 17-18 MMPA/4-H Milk Marketing Tour – *Novi*
- 30 MMPA Ovid Open House – *Ovid*

### July

- 6 MMPA Advisory Committee Meeting – *Novi*
- 15-20 Michigan Livestock Expo – *East Lansing*
- 19-23 Michigan Dairy Expo – *East Lansing*
- 20 Michigan Agriculture Sale-Abatement – *East Lansing*
- 20-22 Ag Expo – *East Lansing*

## FDA Should Stop Imitation Products from Milking Dairy Terms

A decade after it first asked the federal Food and Drug Administration to crack down on the misappropriation of dairy terminology on imitation milk products, NMPF recently sent another petition to the FDA, asserting that the practice has gotten worse in the past 10 years.

In its petition, NMPF contended that not only have the terms “soy milk” and “soymilk” continued to proliferate, but also other dairy-specific terms like “yogurt,” “cheese,” and “ice cream” are now being used by products made out of a wide variety of non-dairy ingredients.

“The FDA has allowed the meaning of ‘milk’ to be watered down to the point where many products that use the term have never seen the inside of a barn,” said Jerry Kozak, President and CEO of NMPF. “You don’t got milk if it comes from a hemp plant, you can’t say cheese if it’s made from rice, and faux yogurt can’t be made from soy and still be called yogurt,” he said.

This matter was originally brought to the attention of the FDA in February 2000, when NMPF sent a letter asking that the agency make clear to manufacturers of imitation dairy products that product names permitted by federal standards of identity, including dairy terms such as “milk,” are to be used only on foods actually made from milk from animals like cows, goats, and

sheep. The FDA has failed to act on that petition, so NMPF “is again asking our regulators to defend the letter and the spirit of regulations intended to prevent false and misleading labeling on consumer products,” Kozak said.

NMPF’s petition cites examples including imitation milks made from hemp, rice, almonds, and other plants, legumes and vegetables; yogurts made from soybeans and rice; and cheeses made from soy, rice, and nuts. In some cases, marketers use superficial word changes, such as “cheeze,” in an apparent attempt to skirt the standards of identity regulations.

Non-dairy products “can vary wildly in their composition and are inferior to the nutrient profile of those from dairy milk – although they are marketed as replacements for foods that consumers are familiar with and which have a healthful image,” Kozak said. “Although some phony dairy foods may have a passing resemblance to their authentic counterparts, they are very different in nutritional value, composition, and performance from standardized dairy products.”

Examples of products that exploit the lax enforcement of dairy product labeling can be found here: [www.facebook.com/theydontgotmilk](http://www.facebook.com/theydontgotmilk). Consumers who have examples of what they believe are improperly-labeled imitation dairy products can post examples at

that Facebook page. Additionally, consumers can use a webform on the NMPF website to send examples directly to the Food and Drug Administration and/or urge the agency to take action on the matter at: [www.nmpf.org/fda-form](http://www.nmpf.org/fda-form).

### Producers scoring 95 percent or more on Grade A Surveys and Federal Check Ratings

#### MMPA Marquette BTU

April 2010

Bosanic Dairy Farm of Manistique Inc.  
 Alfred Gareau  
 MSU UP Experiment Station  
 Galen & Elizabeth Vandresse  
 Iho Farms  
 Michael Rondeau  
 Keranen Farms LLC  
 Jacob Jahfetson  
 Gary Palosaari

#### MMPA Northeastern BTU

April 2010

Ronald, Connie & Brentt Lucas  
 Godfrey Farms Inc.  
 John & Janelle Herrick  
 Owen Beachy  
 Richard & June Oliver  
 Charles & Susan Zbytowski  
 Steven & Jennifer Domrase  
 Melvin Mullet  
 Joseph Miller  
 Jamey Allen  
 Risky Endeavor Dairy

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