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CME Block Price Rises Above $2.00 For First Time Since Mar. 28

Block Price Was Still Below $1.50 On July 17; Butter Hits $2.70; Spot Milk Availability Dwindling

Chicago—The CME spot (cash) market price for 40-pound Cheddar blocks rose above $2.00 per pound on Tuesday, the first time it's been above that level since Mar. 28, when it was $2.0325.

The block price closed Tuesday at $2.0150 per pound on an unfilled bid at that price. The following day, one car of blocks was sold at $2.0175, which raised the price. One car of blocks was sold Thursday at $2.0250, which again raised the price.

And today, one car of blocks was sold at $2.0275, which set the price.

Barrels, meanwhile, headed in two different directions this week. After settling at $1.8500 per pound Tuesday on an unfilled bid for two cars at that price, barrels declined Wednesday on the sale of one car at $1.8350 per pound, then fell Thursday on the sale of one car at $1.7500 per pound. No barrels were sold Friday; the price increased on an unfilled bid for two cars at $1.8075.

USDA's Dairy Market News on Wednesday reported that cheese makers continue to say milk availability is vastly different than it was just a few weeks ago. Spot milk offers, and trading, have dwindled. Cheese makers are running regular schedules on internally sourced/contracted milk volumes or spot milk loads priced at or just above Class III.

On Thursday, Dairy Market News noted that Class I plants are busy bottling milk for school districts in the southern states. Heat and dry weather in the southern US have really put a squeeze on milk supplies in those states. Slighter milk supplies in those states have milk handlers routing trucks southbound from the Upper Midwest and northeastern areas of the region, where milk isn't necessarily abundant, but more available than in the South/Southeast.

Spot prices of milk into midwestern cheese plants ranged from class to $2.50 per hundredweight over Class III, Dairy Market News reported Thursday. A majority of cheese maker contacts say milk offers, which have been prevalent throughout most weeks of the year, "have simply gone mum."

Last Thursday, Dairy Market News reported that cheese makers in the Midwest, for the first time in 2023, reported no spot milk prices below class.

Most cheese maker contacts said offers had simply stopped coming in. Some were still taking in spot milk, but at Class III or higher.

Throughout 2023, and even into the last weeks of 2022, spot milk prices in the Midwest were regularly reported at double-digit prices below Class III, Dairy Market News noted earlier this month. Milk output declines in the Midwest and milk loads moving into southern states have thinned milk's overall availability.

Farm level milk outputs are mixed in the eastern states, Dairy Market News reported Wednesday. In the Northeast, cool nighttime temperatures have improved

• See **Blocks Top $2.00,** p. 16

USDA Proposes Change To Butter Plant Butterfat Tests; Comments Due Oct. 16

Washington—USDA's Agricultural Marketing Service (AMS) is inviting comments on a proposed amendment to the plant records requirement for the AMS Dairy Grading and Inspection Program.

The proposal would allow butterfat tests to be performed at an in-house or approved third party laboratory and add a requirement for butter plants to maintain and make such records available for examination by a USDA inspector.

The change would increase efficiency by conforming to current industry practice, AMS said.

Comments on the proposed changes must be received by Monday, Oct. 16, 2023. Comments may be submitted through the federal e-rulemaking portal at *www.regulations.gov*; the document number is AMS-DA-22-0064.

USDA is authorized by the Agricultural Marketing Act of 1946 to provide voluntary federal dairy inspection and grading services to facilitate the orderly marketing of, and enable consumers to purchase, high quality dairy products.

Plants participating in the voluntary, fee-based AMS Dairy Grading and Inspection Program process milk into dairy products that enter commerce as retail

• See **Butterfat Tests,** p. 7

Koch Separation Solutions To Be Acquired By Private Investment Firm

Boca Raton, FL—Sun Capital Partners, Inc., a private investment firm, on Monday announced its affiliate has reached a definitive agreement with various subsidiaries of Koch Engineered Solutions, LLC, a subsidiary of Koch Industries, Inc., to acquire Koch Separation Solutions (KSS).

Founded in 1963 and headquartered in Wilmington, MA, KSS has more than 700 employees and decades of experience providing separation technologies.

The company offers membrane filtration, proprietary cheesemaking technology, ion exchange, evaporators, and dryers to the dairy, food, beverage, industrial,

• See **KSS To Be Acquired,** p. 5

Seven Secretaries Of State Oppose Proposed Kroger-Albertsons Merger

FTC Challenge To Merger Unlikely To Prevail In Court, ICLE Believes

Washington—Secretaries of state representing seven states with a total of 4,996 potentially affected stores this week told Lina Khan, chair of the Federal Trade Commission (FTC), that they oppose the Kroger Company's proposed $24.6 billion acquisition of Albertsons Companies, Inc.

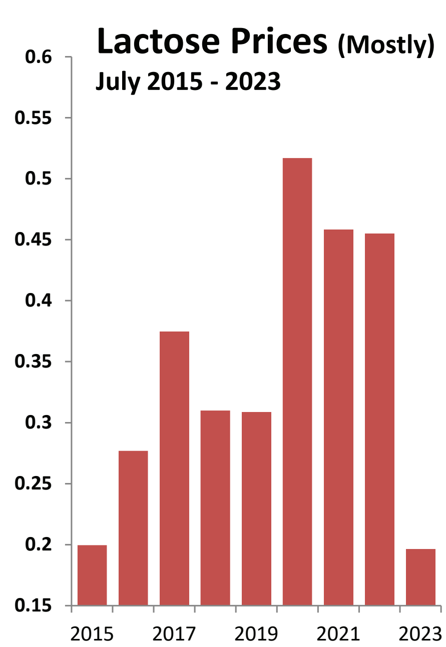
"The merger would result in Kroger-Albersons controlling nearly a quarter of the entire US food retail market — a significant consolidation of the already limited competition within the market," said the letter to Khan, which was signed by the secretaries of state in Colorado, Arizona, Vermont, Minnesota, Rhode Island, Maine and New Mexico.

Kroger itself has projected the merger would generate a household "savings" of $5.88 per year, not accounting for inflation, the letter noted.

"However, once there is such consolidation in the market, many consumers will no longer have choice," the letter stated. "Kroger-Albertsons will have no competitive incentive to bring down prices and — despite what Kroger-Albertsons' claims — consumers will be powerless to hold the company accountable to promises of keeping prices low."

It is the government's responsibility to ensure that corporate

• See **Kroger-Albertsons,** p. 4



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EDITORIAL COMMENT

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the 2022 House Ag Committee hearing took place in June when, among other things, milk prices were at or close to record highs, and dairy exports were setting records almost on a monthly basis. Needless to say, a lot has changed in the dairy markets since that hearing was held...

A Farm Bill Without Dairy Hearings?

Congress is currently in recess until early September, which means it will have less than four weeks to finish its work on the 2023 farm bill. The current farm bill, which was passed by Congress back in 2018, expires at the end of September, so Congress is truly waiting until the last minute to pass a new farm bill.

There is also the very real possibility that the current farm bill will simply be extended for a few months, which will give Congress more time to come to an agreement on a new farm bill.

The agriculture community itself is obviously well aware that the farm bill expires in a few short weeks. Several weeks ago, 20 groups representing agricultural, environmental, forestry, wildlife, nutrition and hunger advocates launched the "Farm Bill for America's Families: Sustaining Our Future" campaign to urge passage of the 2023 farm bill this year.

Both the House and Senate Agriculture Committees are also obviously aware of this situation. Both panels have been holding hearings on various aspects of the farm bill, but as of this week no actual legislation has emerged from either panel.

Speaking of farm bill hearings, when looking over the hearing schedules for both ag committees, we couldn't help but notice that there hasn't been a single hearing devoted to dairy policy this year. And that strikes us as a bit odd, given the importance of the dairy industry in the overall business of agriculture.

For its part, the House Ag Committee and its subcommittees have held roughly 19 hearings thus far in 2023. Several of these hearings have dealt with various aspects of the farm bill, including a couple hearings, both conducted by the subcommittee on conservation, research, and biotechnology, on Title VII of the farm bill (one of these hearings focused on USDA implementation of research programs; the other on university perspectives on research and extension programs).

The subcommittee on livestock, dairy, and poultry has held a couple of hearings this year, one of which reviewed USDA animal disease prevention and response efforts and the other of which reviewed animal agriculture stakeholder priorities.

That latter hearing included witnesses from the National Cattlemen's Beef Association, National Pork Producers Association, National Turkey Federation, North American Meat Institute, American Sheep Industry Association, and Intertribal Agriculture Council.

Meanwhile, the Senate Ag Committee or its subcommittees have held roughly 15 hearings so far in 2023, and several of these hearings have focused on various aspects of the farm bill, including SNAP and other nutrition assistance, specialty crop producers, trade and horticulture, commodity programs, crop insurance, credit, and conservation and forestry programs.

Only at a May 4th subcommittee hearing entitled "Commodity Programs, Credit, and Crop Insurance — Part 1: Producer Perspectives on the Farm Safety Net," was there a witness testifying specifically on dairy issues. That witness, Blake Gendebien, is a New York dairy farmer and vice chairman of Agri-Mark dairy cooperative; he testified on behalf of the National Milk Producers Federation.

There are at least a couple of caveats to this lack of dairy input at farm bill hearings. First, in addition to its formal hearings held in Washington, DC, the House Ag Committee has held several farm bill "listening sessions" around the US this year, including in California, Texas, New York, Florida, Oregon, Maine and Minnesota. Given the location of some of these hearings, it's safe to say that the committee heard a fair amount of testimony about dairy policy at these hearings.

Also, while there have been no dairy-specific hearings here in 2023, and only limited testimony specifically on dairy issues, both ag committees have held hearings on dairy-related issues in the not-too-distant past. In June of 2022, the House Ag Committee held a hearing to review farm bill dairy provisions. And in September of 2021, the Senate Ag Committee held a hearing on milk pricing.

But there are at least a couple of problems with those hearings. First, the 2022 House Ag Committee hearing took place in June when, among other things, milk prices were at or close to record highs, and dairy exports were setting records almost on a monthly basis.

Needless to say, a lot has changed in the dairy markets since that hearing was held, and it's possible, even likely, that testimony on the dairy safety net would be different today than it was back in June of 2022.

Also, both of these hearings took place long before the federal milk marketing order hearing activity here in 2023. The hearing that gets underway next week in Carmel, IN, will address a number of important federal order issues, but several issues, including such things as giving USDA the authority and funding to conduct regular, audited dairy product cost studies, need to be addressed by Congress, and the farm bill would seem to be the ideal opportunity to address such issues.

Regardless of whether Congress passes a farm bill yet this year, it seems like the dairy industry has been short-changed when it comes to providing input for that key legislation.

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Global Dairy Trade Price Index Drops 7.4%; Cheddar Price Increases 5.8%

Auckland, New Zealand—The price index on this week's semi-monthly Global Dairy Trade (GDT) dairy commodity auction declined 7.4 percent from the previous auction, held two weeks ago.

That's the fourth consecutive decline in the GDT price index, and the sixth decline in the last seven auctions. The index was unchanged in the second auction in June.

In this week's auction, which featured 159 participating bidders and 125 winning bidders, prices were higher for Cheddar and lower for skim milk powder, whole milk powder, butter, and anhydrous milkfat. Results from this week's GDT auction, with comparisons to the auction held two weeks ago, were as follows:

Cheddar cheese: The average winning price was $4,127 per metric ton ($1.87 per pound), up 5.8 percent. Average winning prices were: Contract 1 (September, $4,290 per ton, up 12.9 percent; Contract 2 (October) $4,054 per ton, up 4.6 percent; Contract 3 (November), $4,142 per ton, up 6.0 percent; Contract 4 (December), $4,110 per ton, up 5.2 percent; Contract 5 (January 2024), $4,090 per ton, unchanged; and Contract 6 (February 2024), $4,230 per ton, up 10.3 percent.

Skim milk powder: The average winning price was $2,333 per ton ($1.06 per pound), down 5.2 percent. Average winning prices were: Contract 1, $2,365 per ton, down 2.7 percent; Contract 2, $2,320 per ton, down 5.2 percent; Contract 3, $2,289 per ton, down 6.4 percent; Contract 4, $2,375 per ton, down 4.9 percent; and Contract 5, $2,416 per ton, down 4.4 percent.

Whole milk powder: The average winning price was $2,548 per ton ($1.16 per pound), down 10.9 percent. Average winning prices were: Contract 1, $2,520 per ton, down 13.1 percent; Contract 2, $2,515 per ton, down 11.2 percent; Contract 3, $2,512 per ton, down 11.1 percent; Contract 4, $2,633 per ton, down 8.9 percent; and Contract 5, $2,752 per ton, down 8.8 percent.

Butter: The average winning price was $4,539 per ton ($2.06 per pound), down 3.0 percent. Average winning prices were: Contract 1, $4,552 per ton, down 3.8 percent; Contract 2, $4,555 per ton, down 2.0 percent; Contract 3, $4,545 per ton, down 2.6 percent; Contract 4, $4,475 per ton, down 4.4 percent; Contract 5, $4,540 per ton, down 4.9 percent; and Contract 6, $4,570 per ton, down 1.9 percent.

Anhydrous milkfat: The average winning price was $4,452 per ton ($2.02 per pound), down 5.3 percent. Average winning prices were: Contract 1, $4,420 per ton, down 13.8 percent; Contract 2, $4,401 per ton, down 4.0 percent; Contract 3, $4,451 per ton, down 3.4 percent; Contract 4, $4,471 per ton, down 6.1 percent; Contract 5, $4,494 per ton, down 8.2 percent; and Contract 6, $4,612 per ton, down 4.7 percent.

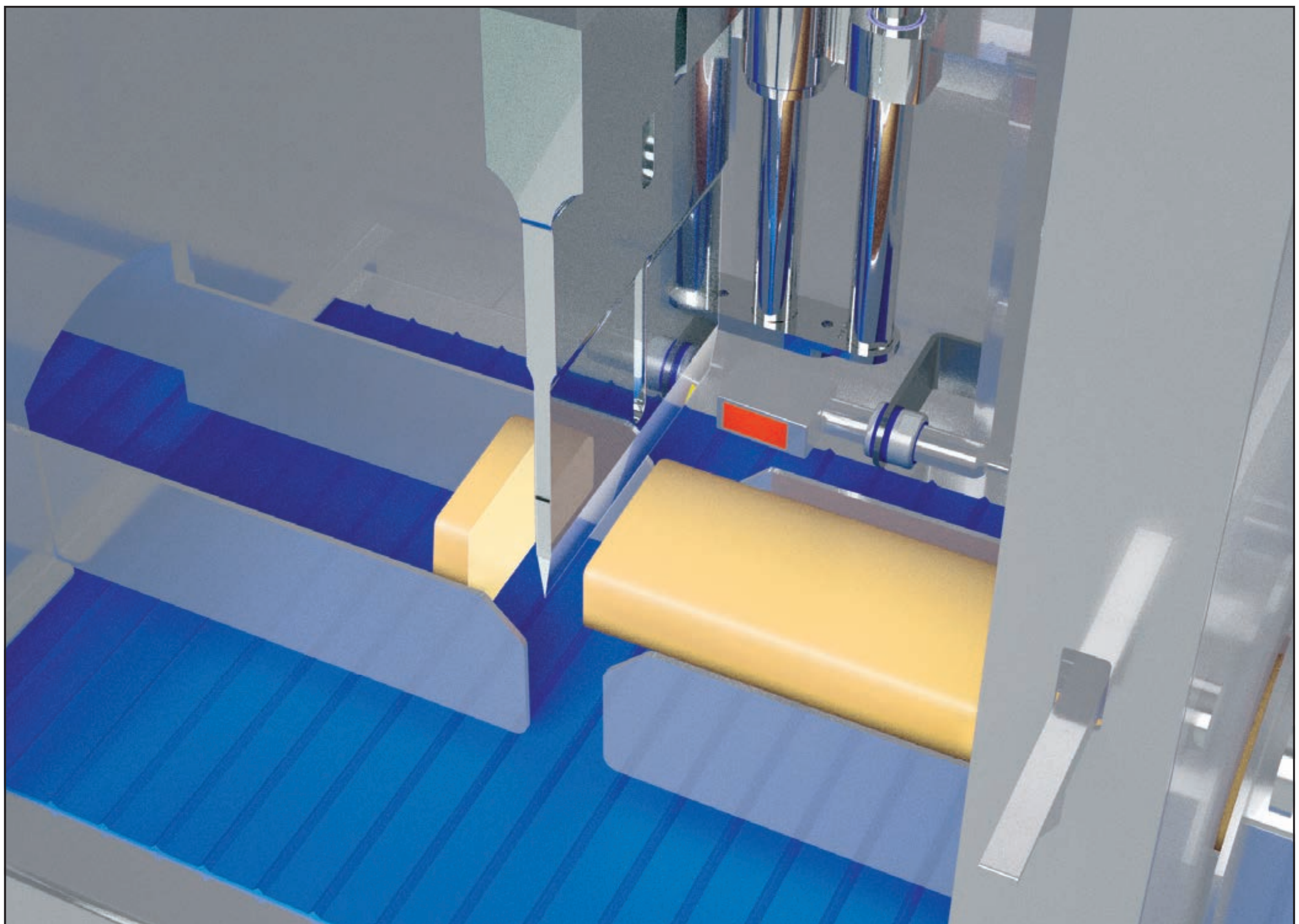
The catalyst for the price slump on this week's GDT auction was a sudden increase in auction volumes on offer, according to Nathan Penny, senior agri economist at Westpac. Ahead of the auction, Fonterra announced an 11.1 percent increase in whole milk powder volumes for this week's auction compared to what it had previously signaled. Fonterra also announced a 5.6 percent increase in auction volumes over the next 12 months.

"We speculate that buyers see an opportunity to purchase at lower prices on the auction platform," Penny noted in a "Westpac Dairy Update. "To this end, these buyers may have signaled to Fonterra that they no longer want to buy direct from Fonterra on a contracted basis. As a result, Fonterra has had to shift this product that would have sold on contract to the auction platform."

Following this week's GDT auction, Fonterra reduced its 2023/24 season forecast farmgate milk price range from $6.25 to $7.75 per kilogram of milk solids, with a midpoint of $7.00 per kilogram of milk solids, to $6.00 to $7.50 per kilogram of milk solids, with a midpoint of $6.75 per kilogram of milk solids.

Miles Hurrell, Fonterra CEO, noted that GDT prices have continued to fall since Fonterra revised its farmgate milk price earlier this month, requiring the cooperative to reduce its midpoint by a further 25 cents.

"GDT prices have fallen sharply since we released our opening forecast for the season in May, with the overall index down 16 percent over that period," Hurrell said. "While our wide forecast range assumed movement in GDT prices, whole milk powder prices fell 10.9 percent in the most recent trading event requiring us to revise our position again.



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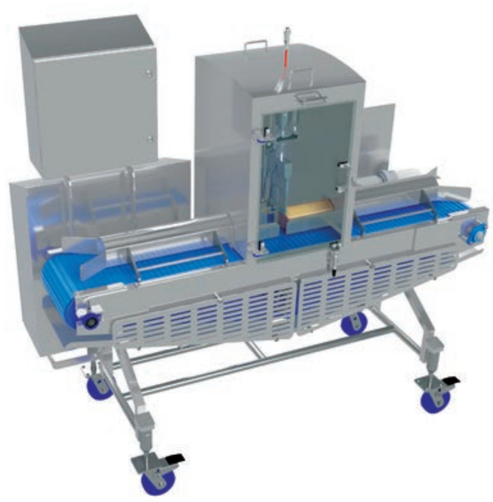

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Kroger-Albertsons

(Continued from p. 1)

monopolies do not cheat hard-working Americans into paying artificially high prices, so executives and shareholders can line their own pockets, the letter continued.

Under the terms of the merger, Kroger and Albertsons will also need to divest up to 400 stores, the letter said.

It is likely the corporations will target the lowest performing stores, often those in low-income communities.

This "will certainly exacerbate issues of food accessiblity and affordability that already exist," the letter said.

Further, a Kroger-Albertsons merger "may also have implications for local suppliers, farmers, and small businesses that rely on a competitive grocery market," the letter added. If the merger goes through, the lack of competition gives Kroger-Albertsons substantial power to dictate prices that harm growers and shippers who will be forced to cut wages for their own workers.

Challenge Unlikely To Succeed

While it remains unclear whether the Federal Trade Commission will move to block the proposed Kroger-Albertsons merger, a new issue brief from the International Center for Law & Economics (ICLE) argues that any such challenge is unlikely to prevail in court, and would likely fail to account for the dramatic changes in the retail food and grocery landscape since the last litigated supermarket merger.

Written by ICLE's Brian C. Albrecht, Dirk Auer, Eric Fruits and Geoffrey A. Manne, "Five Problems with a Potential FTC Challenge to the Kroger/Albertsons Merger" anticipates that the merger will likely be challenged, given the Federal Trade Commission's increasingly aggressive enforcement stance against mergers and acquisitions, and that the merging parties' apparent willingness to litigate the case makes the likelihood of a protracted legal battle high.

Such a challenge would, however, quickly find itself "on a collision course with the law as it is currently enforced by US courts," the authors wrote.

They noted that the few market overlaps between the merging parties could be resolved by straightforward divestitures, which are routinely accepted by courts, and that the Federal Trade Commission's likely market definition and potential theories of harm pertaining to labor monopsony and purchasing power are speculative, at best.

"The upshot is that the food and grocery industry is arguably as competitive as it has ever been."

—Brian C. Albrecht, Dirk Auer, Eric Fruits and Geoffrey A. Manne

The issue brief lists five problems with a potential FTC challenge to the merger:

The Federal Trade Commission's **merger-enforcement policy is on a collision course with the law.** The Kroger-Albertsons merger proceeds against a backgrop of tough merger-enforcement rhetoric and actions from the FTC. But the Federal Trade Commission's ambition to remake US merger law is likely to falter before the courts.

The product market is broader than supermarkets. Because of recent changes in market dynamics, it no longer makes sense to limit the relevant market to supermarkets alone.

Rather, consumer behavior in the face of omnipresent wholesale clubs, e-commerce, and local delivery platforms significantly constraints supermarkets' pricing decisions.

Today, Kroger is only the fourth-largest food and grocery retailer in the US, behind Walmart, Amazon, and Costco. If the merger goes through, the combined firm will move into third place in market share, but would still account for just 9 percent of nationwide sales.

"The upshot is that the food and grocery industry is arguably as competitive as it has ever been," the authors noted.

Labor monopsony concerns are unlikely to hold up in court. More than in any previous retail merger, opponents of the Kroger/Albertsons deal have raised the specter of potential monopsony power in labor markets. But these concerns reflect a "manifestly unrealistic conception of labor-market competition," the authors stated. Fundamentally, the market for labor in the retail sector is "extremely competitive."

The alleged "waterbed effect" s not borne out by evidence. Some critics of the merger have speculated that the merged company would be able to exercise monopsony power against its food and grocery suppliers, often invoking an economic concept called the "waterbed effect." The intuition is that the largest buyers may use their monopsony power to negotiate lower input prices from suppliers, leading the suppliers to make up the lost revenue by raising prices for their smaller, weaker buyers.

"But these arguments are far from compelling," the four authors wrote in their arguement. "Much of the discussion of the waterbed effect focuses on harm to competing retailers, rather than consumers. But this is not the harm that US antitrust law seeks to prevent. It is thus not surprising that at least one US court has rejected waterbed-effect claims on grounds that there was no harm to consumers."

Divestitures historically have proven an appropriate and adequate remedy. Historically, the Federal Trade Commission has allowed most grocery-store transactions to proced with divestitures. The extent of the remedies sought depends on the extent of post-merger competition in the relevant local markets, as well as the likelihood of significant entry by additional competitors into the relevant markets.

For more information, visit www.qualtechgroup.com

FROM OUR ARCHIVES

50 YEARS AGO

Aug. 17, 1973: Washington—Meatless pizzas processed for interstate sale through groceries or restaurants which don't do their own baking must contain at least 12 percent cheese, according to a new USDA proposed rule. Under current regulations, pizza made with meat must contain at least 15 percent meat, but there is no standard for cheese content.

Washington—Just before Congress closed its work session for a one-month recess, it passed a bill that would raise the minimum wage to $2.20 an hour and extend its protection to another seven million workers. However, it's predicted President Nixon will veto the bill as inflationary.

25 YEARS AGO

Aug. 14, 1998: Glenbeulah, WI—Vilas Butler, 93, a longtime executive with the Cheese Division of Borden Foods and a longtime leader in cheese industry organizations, passed away this week.

Madison—Mary Falk of Lovetree Farms, Grantsburg, WI, captured Best of Show honors in the American Cheese Society's annual cheese judging for her Trade Lake Cedar, an aged sheep's milk cheese. The Reserve title went to Karen Galayda of Blythedale Farm, Corinth, VT, for Jersey Blue.

10 YEARS AGO

Aug. 16, 2013: Madison—Sartori Company, Plymouth, WI, took top honors as Cheese & Butter Grand Champion of the World Dairy Expo Championship Dairy Product Contest with Reserve Bellavitano Gold. Upstate Niagara Co-op, Buffalo, NY, is the Grade A Grand Champion for its Bison Dill Dip, and Gifford's Dairy, Skowhegan, ME, is the Ice Cream Grand Champion with a Vanilla Bean entry.

Sun Valley, ID—Anthony Ford of Beehive Cheese, Uintah, UT, earned the Grand Champion titled in the 18th annual IMPA dairy products contest. Ford's winning Sharp Cheddar entry scored 99.50 in the final round of judging, contest coordinator Julie Winans announced.

KSS To Be Acquired

(Continued from p. 1)

and other markets.

Once the transaction is completed, KSS will operate as a standalone business that includes all its current operations and will continue under the existing management team. The vision of KSS is to transform the global landscape of separations and become a preferred partner to its customers by driving value creation and sustainability across the food and beverage, dairy, life science, and industrial markets.

KSS has been a leading manufacturer of membrane filtration since its inception, primarily serving industrial markets with water and wastewater treatment. Over the next several decades, the business evolved into new markets, offering innovative solutions to the most demanding in-process separation challenges.

Through the acquisitions of ion exchange equipment provider – Eco-Tec – and thermal separation technology provider – RELCO – the business has transformed into the complete, integrated solutions provider that customers around the world rely on, Sun Capital noted.

“Sun Capital and KSS share a common vision of innovation and continuous improvement to best serve our customers,” said Manny Singh, president of KSS, who will continue to lead the management team. “KSS has an established history in the separations space, with over half a century’s worth of experience providing innovative solutions to customers worldwide.

“We are excited about this opportunity as it positions KSS to build upon longstanding relationships while growing our capabilities as a complete solutions provider,” Singh continued. “We remain committed to delivering the same level of service that our customers expect when working with us.”

“Koch is proud to have founded and grown KSS into an industry leader in the separation solutions space,” said Dave Dotson, president of Koch Engineered Solutions. “Through our recent work with the Sun Capital team, it became apparent that there is an aligned vision with KSS that will take the company to its next level of success.”

“We are very excited to enter into this agreement and look forward to working with the KSS team to support the business as a strong standalone enterprise,” said Jeremy Stone, senior managing director, Sun Capital. “Sun Capital has a long history of successfully partnering with outstanding management teams in industrial businesses across multiple sectors.

Cellars At Jasper Hill, Cabot Are Part Of ‘Yellow Barn’ Redevelopment In VT

Hardwick, VT—Evernorth Rural Ventures and Massachusetts Housing Investment Corporation (MHIC) this week announced the closing of $11.4 million in New Markets Tax Credit (NMTC) allocation for the redevelopment of the iconic “Yellow Barn” in Hardwick, VT.

The NMTC funding supports the construction of a new 25,137-square-foot food business accelerator building and the adaptive reuse of the vacant, historic 4,762-square-foot yellow dairy barn for use as a retail shop, collectively called the Yellow Barn Business Accelerator.

The project will preserve and renovate the historic Yellow Barn and construct a new building next door with two anchor tenants: Greensboro, VT, cheese maker The Cellars at Jasper Hill, and the Hardwick-based nonprofit Center for an Agricultural Economy (CAE).

The Cellars at Jasper Hill will centralize order fulfillment and storage from multiple locations, improving efficiency and setting the company up for continued growth. CAE will operate much-needed community cold storage for local farmers and food producers, while scaling up Farm Connex, a delivery service for small and medium farms and food businesses that would otherwise not have a way to get their products to market.

Once renovated, the historic barn will become a retail destination operated by Cabot Creamery for its signature dairy products and to showcase other local agricultural products.

The overarching vision of this agricultural-economic campus is to create a place where food businesses can grow and a point of interest where visitors can learn about Vermont’s agricultural products, which will be enhanced by its location in the Lamoille Valley Rail Trail, which is said to be the longest rail trail in New England, connecting 18 towns from St. Johnsbury to Swanton.

The Yellow Barn renovation project is a public/private partnership, the culmination of a six-year effort spearheaded by the town of Hardwick, the Northeast Kingdom Development Corporation, and the Northeast Vermont Development Association.

Situated on 4.7 acres of land in the Northeast Kingdom (NEK), the Accelerator project aims to be a catalyst for innovation, sparking growth of the region’s farms, small-scale and larger food manufacturing, and job creation in one of Vermont’s historically poorest regions.

The groundbreaking event for the Hardwick Yellow Barn Business Accelerator was scheduled to take place today. The business accelerator is scheduled to open in spring 2024.

Capital One is investing in NMTC equity to help finance the expansion. The complex financing package includes the Vermont Economic Development Authority, the US Economic Development Administration, the Northern Borders Regional Commission, Vermont Agency of Commerce and Community Development, the US Small Business Administration, Vermont Agency of Environmental Conservation, Vermont Community Foundation, and Preservation Trust of Vermont.

“We are proud to be a part of this project that supports farmers, agriculturally based businesses, and food processing to create economies of scale and reach markets outside of the NEK and Vermont,” said Beth Boutin, vice president of Evernorth Rural Ventures.

“This investment not only supports the individuals who will work here and their families, but the entire community and beyond,” Boutin added.

“MHIC appreciates the opportunity to work with Evernorth and the community leaders who shaped this project over many years to meet the region’s needs, creating the conditions for lasting growth in the agricultural and tourism sectors, adding jobs and preserving the working landscape,” commented Deborah Favreau, chief development officer of Massachusetts Housing Investment Corporation.

The Northeast Kingdom Development Corporation is a non-profit 501 (c) (3) that serves as a catalyst for economic development efforts in the NEK, especially those built on public-private partnerships such as the Yellow Barn.

It is the primary entity to secure bridge financing during the development of the project and the construction period.

“It is with great excitement that we witness the start of construction at the Yellow Barn project site,” said Eric Remick, chair of the Town of Hardwick Select Board. “Yellow Barn will add much needed commercial and retail space, providing a very positive impact in our rural town.

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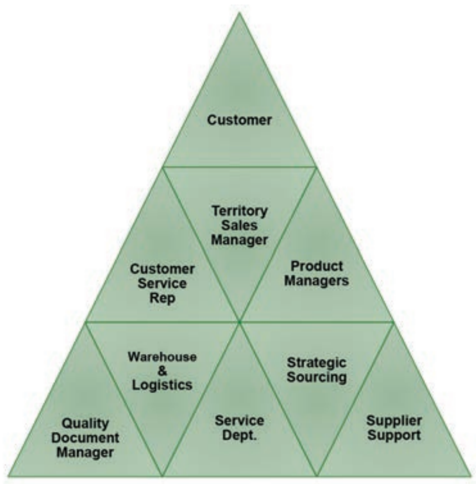

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Beehive Cheese Wins IMPA Dairy Contest; Auction Smashes Record

Sun Valley, ID— Beehive Cheese, BLLC, Unitah, UT, earned the Grand Champion title in the 27th annual Idaho Milk Processors Association (IMPA) dairy product contest here last week.

Tim Welsh's Barely Buzzed, won the contest with an entry in the Flavored Class, scoring a 99.47 in the final round of judging, Julie Winans, contest coordinator, commented.

Lactalis American Group's Antonio Angiano was named First Reserve Champion with his Mascarpone in the Open Class. Lactalis' Mascarpone was the 2022 IMPA Contest Champion.

Brush Creek Creamery's marinated Labneh won the Second Reserve Champion prize for its entry in the Artisan Class.

There were 143 entries in this year's contest.

Auction Sets New Record

The 17 contest classes in the auction raised $89,750, smashing the previous record of $70,450 set in 2022.

Custom Filtration Resources' purchase of Glanbia Nutritionals' Colby entry was the highest auctioned item at $12,500.

Established in 1998, the IMPA dairy product contests through the years have raised $485,656 for scholarships to students interested in dairy and food science programs at the University of Idaho and the Utah State University. Subsequentally, Washington State, South Dakota State and also Brigham Young University students became eligible.

Winners in each category and auction buyers, were as follows:

Class 1 - Current Cheddar

First Place: Beehive Cheese, BLLC, Eulogio Martinon, Unitah, UT
Second: Glanbia Nutritionals, David Martinez, Twin Falls, ID
Third Place: Glanbia Nutritionals, Ben Parlov, Twin Falls, ID

Evans Grain Feed & Seed purchased the winner for $3,500.

Class 2 - Medium Cheddar

First Place: Glanbia Nutritionals, Veronica Reyes, Blackfoot, ID.
Second Place: Glanbia Nutritionals, Juan Gomez, Twin Falls, ID
Third Place: Glanbia Nutritionals, Nathan Jennings, Blackfoot

Advanced Process Technologies (APT) bought the winning Glanbia cheese for $4,750.

Sharp Cheddar: 6 - 12 months

First Place: Darigold, Glocelyn Mulkins, Sunnyside, WA
Second: Glanbia Nutritionals, Brice Neimeyer, Twin Falls, ID
Third: Agropur, Team 1, Jerome

Darigold's winning cheese was purchased by Nelson-Jameson, Inc. for $4,250.

Class 4 - Aged Cheddar: 1 - 2 yrs

First Place: Glanbia Nutritionals, Derrick Coates, Twin Falls, ID
Second: Agropur, Team 3, Jerome
Third Place: Ballard Cheese LLC, Travis Ballard, Gooding, ID.

dsm-firmenich purchased Glanbia's winning entry for $6,000

Class 5 - Aged Cheddar>24 mths

First Place: Gossner Foods, Team D, Logan, UT
Second: Beehive Cheese, BLLC, Eduardo Yanez, Unitah, UT
Third: Agropur, Team 1, Jerome

Food Safety Net Services purchased the Gossner winning cheese entry for $4,500.

Evans Grain Feed & Seed purchased Beehive Cheese's Barely Buzzed, which was named the Grand Champion during the the Idaho Milk Processors Association's annual dairy contest and auction last week in Sun Valley, ID. In the photo (left to right): Brad Kapple, Evans Grain; Julie Winans, Chr. Hansen and IMPA contest chairperson; J.C. Ashby, Evans Grain; Britton Welsh and Tim Welsh, Beehive Cheese; and Nathan Kapple and Johnny Miller, also with Evans Grain.

Class 6 - Washed Curd

First: Glanbia Nutritionals, Francisco Sanchez, Twin Falls, Colby
Second: Agropur, Team 5, Jerome, ID, Muenster
Third Place: Glanbia Nutritionals, Phil Barringer, Twin Falls, Colby

Complete Filtration Resources bought the cheese for $12,500.

Class 7 - Hard Italian

First: Ballard Cheese, Travis Ballard, Parmesan/Romano
Second: Glanbia Nutritionals, Joe Davis, Blackfoot, ID, Parmesan
Third: Glanbia Nutritionals, Tommy LeFevre, Blackfoot, Parmesan

Orkin Pest Control purchased the winning cheese for $3,250.

Class 8 - Soft/Semi Soft/Italian

First Place: Agropur, QA Team 1, Jerome, ID
Second Place: Lactalis American Group, Kegan Calixtro, Nampa
Third: Agropur, QA Team 2

Nelson Jameson purchased the winning cheese for $4,000.

Class 9 - Spiced Cheese

First: Dairy Farmers of America (DFA), Traven Gale, Beaver, UT
Second Place: DFA, Tevan Erickson, Beaver, UT
Third: Beehive Cheese, Dustin Stoddard, Unitah, UT

Harry Davis Auctioneers purchased the winner for $3,250.

Class 10 - Flavored Cheese

First Place: Beehive Cheese, Tim Welsh, Unitah, UT, Barely Buzzed
Second: Beehive Cheese, Ben Gunther, Queen Bee Porcini
Third: DFA, Tevan Erickson, Beaver, UT, Green Onion Cheddar Style

Evans Feed & Grain bought the winner for $8,000.

Class 11 - Reduced Fat

First Place: Gossner Foods, Team B, Swiss cheese, Heyburn, ID
Second: Gossner Foods, Team A, Swiss cheese, Heyburn, ID
Third Place: Agropur, Team 4, Jerome, ID, Monterey Jack

Chr. Hansen bought Gossner's winning cheese for $4,000.

Class 12 - Open Class

First: Lactalis American, Antonio Angiano, Nampa, Mascarpone
Second: Lactalis American Group, Aaron Price, Nampa, Mascarpone
Third: Gossner Foods, Carrie Sargent, Logan, UT, Dill Spread

Kelley Supply purchased the winner for $4,500.

Class 13 - Swiss

First: Gossner Foods, Team B, Heyburn, ID, Swiss
Second: Gossner Foods, Team A, Logan, UT, Swiss
Third: Glanbia Nutritionals, Jeff Jones, Twin Falls, ID, Gruyere

Harry Davis Auctioneers purchased the cheese for $4,250.

Class 14 - Farmstead Cheese

First Place: Heber Valley Artisan Cheese, Stewart Hunsaker, Midway, UT, Mustard Herb Cheddar
Second: Heber Valley Artisan, Russel Kohler, Queso Fresco
Third: Heber Valley Artisan, Grant Kohler, Sharp Cheddar

Chr. Hansen bought the first place cheese for $3,000.

Class 15 - Artisan Cheese

First Place: Brush Creek Creamery, Marinated Labneh, Dreary, ID
Second: Ballard Cheese, Travis Ballard, Gooding, Halloumi style
Third: Park City Creamery, Corinne Zinn, Heber City, UT, Brie

Chobani paid $3,000 in auction.

Class 16 - Cultured Products

First: Chobani, Twin Falls, ID
Second: Chobani, Twin Falls, ID
Third: Chobani, Twin Falls, ID

The winner was bought by Nelson-Jameson for $9,000.

Class 17 - Butter

First: High Desert Milk, Burley, ID
Second: High Desert Milk

Custom Filtration Resources bought the butter for $8,000.

Class 18 - Granular Cheese for Mfg

First Place: Glanbia Nutritionals, Tim Hesby, Gooding, ID
Second: Agropur, Team 3, Jerome
Third Place: Glanbia Nutritionals, Jeff Bard, Gooding, ID

For more information, visit www.nelsonjameson.com

Butterfat Tests

(Continued from p. 1)

products, ingredients for further processing, purchases for federal food assistance programs, and exports to other countries.

Services provided by the program enhance the marketability and add value to dairy and foods that contain dairy, USDA noted.

Currently, USDA inspectors or designated plant personnel perform tests of butter samples that have been selected by a USDA inspector for quality control on randomized batches of finished product. Testing frequency varies by the volume of butter processed and whether a batch is randomly selected. Typically, USDA conducts monthly or weekly testing depending on the volume of butter processed.

It is also current industry practice for plants to perform routine internal tests on their butter products to ensure quality and compliance with composition standards, USDA pointed out.

During manufacturing, it is normal to have fluctuations in butterfat composition at different stages in buttermaking, and so test results may not be consistent throughout the process, USDA noted. Therefore, butter processing facilities continually monitor butterfat composition throughout production and make necessary adjustments to maintain the 80 percent butterfat required for butter. The facility maintains these monitoring records as part of its internal quality program and testing requirements.

Under the current Dairy Grading and Inspection Program, USDA conducts a single butterfat test at the time of grading, which provides a limited perspective on overall butterfat composition of butter manufactured by the plant.

The proposed amendments would exempt plants from butterfat testing administered by a USDA inspector and allow in-plant quality control testing to satisfy butterfat testing requirements. The proposal would replace testing performed by a USDA inspector at the time of grading with a review of a plant's testing records.

A records review of a plant's routine testing rather than a single-point test would provide a more accurate picture of whether the plant's butter products meet quality standards, USDA explained. It would also reduce costs to a facility by eliminating duplicate butterfat testing by a USDA inspector that it currently must pay for.

Currently, the final butter product must contain a minimum of 80 percent butterfat by weight for it to comply with the regulations. That would not change as a result of the proposed amendment.

However, under the proposed rule, AMS would annually review each plant's butterfat test records to gauge the facility's compliance with the regulations.

Butterfat tests are already conducted as a normal, standard business operating procedure by plants engaged in the manufacture of butter, USDA noted. If a facility is out of compliance, AMS would perform more frequent reviews to see what preventative and corrective actions are being taken. Failure to rectify the problem could result in ineligibility to use the USDA Grade Label shield on products produced by the facility.

Records inspected would include plant records of butterfat tests performed, and analysis of records. The change to the recordkeeping requirements would apply to records kept in the regular course of business by the plant. As records would be reviewed on-site by USDA inspectors, plants would not be required to submit information to the agency.

AMS estimates the cost to plants for meeting current USDA butterfat testing requirements ranges from $5,000 to $32,000.

The significant cost difference depends on whether the plant has an approved on-site laboratory or must ship samples to an outside AMS laboratory, and the frequency of butterfat samples submitted for testing.

The proposed change would replace the USDA-inspector's test with a review of records of butterfat tests that manufacturers currently conduct in the normal course of business to ensure quality and compliance with composition standards. The plants would be charged for the inspectors' time to conduct the records review, estimated to take four hours annually.

At an hourly rate of $110, a records review would cost the plant approximately $440. This results in annual net saving to plants ranging from $4,560 to $31,560.

The proposed rule was published in Tuesday's *Federal Register.*

Philadelphia Intros Plant-Based Spread Nationally

Pittsburgh, PA, and Chicago—Philadelphia® recently announced the nationwide rollout of its first plant-based spread offering.

Prior to Philadelphia entering the category, less than half of consumers that tried plant-based spreads became repeat customers, according to the Kraft Heinz Company, which owns the Philadelphia brand.

The nationwide launch comes on the heels of a successful regional test market in the Southeast US last year, with 70 percent of purchasers saying the product exceeded their expectations, the company said.

Philadelphia's new plant-based spread is available in three flavors: Original, Strawberry, and Chive and Onion.

Ingredients in the Original flavor include water, coconut oil, modified potato starch, and faba bean protein; the product also contains less than 2 percent of salt, xanthan gum, carob bean gum, guar gum, lactic acid, sorbic acid as a preservative, citric acid and natural flavor.

For more information, visit *www.creamcheese.com.*

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IDFA Honors 25 Dairy Companies For Worker Safety

Washington—The International Dairy Foods Association (IDFA) recently announced 25 dairy operations that have earned the IDFA Dairy Industry Safety Recognition Awards for outstanding achievements and improvements in worker safety.

This is the 20th year IDFA has sponsored the program, highlighting exemplary workplace safety achievements of US dairy companies.

The program includes categories for both processing facilities and trucking operations.

The application process includes occupational injury and illness performance rates from the Occupational Safety and Health Administration (OSHA), along with a detailed essay on safety and training efforts at the facility.

Judging this year was conducted by IDFA's Danielle Quist and Alex Cutillo, and Pete VanDerlyke, Peco Foods, Inc.

IDFA 2023 Outstanding Awards For Worker Safety

Agri-Mark/Cabot Creamery Cooperative, Montpelier, VT; **Crystal Farms Dairy Company**, Lake Mills, WI; **Fairlife, LLC**, Fair Oaks, IN; Dexter, NM; and Coopersville, MI; **HP Hood**, LLC, Vernon Transportation, Vernon, NY; and Philadelphia Transportation, Philadelphia, PA; **The Kroger Company**, Kroger Springdale, Cincinnati, OH; Kroger Layton Dairy, Layton, UT; Kroger Pace Dairy, Crawfordsville, IN, and Rochester, MN; Kroger Centennial Farms, Atlanta, GA; Kroger Mountain View, Denver, CO; Kroger Riverside, Riverside, CA; Kroger Tamarack Farms, Newark, OH; and Kroger Tolleson Dairy, Tolleson, AZ; **Lactalis American Group**, Nampa, ID; **Michigan Milk Producers Association, Constantine**, MI; and **Nelson-Jameson, Inc.**, Amarillo, TX; Twin Falls, ID; Turlock, CA; York, PA; and Marshfield, WI.

HP Hood/Vernon Transportation, Vernon, NY; and The Kroger Company, Springdale, OH, each earned Most Improved Worker Safety Awards.

"Each awardee is a shining example of how to implement innovative and proactive approaches to workplace safety," said IDFA president and CEO Michael Dykes. "Year after year, dairy companies go above and beyond to provide a safe and productive work environment." Dykes said.

"The dairy industry continues to demonstrate that the safety of our people and our food is the dairy industry's number one priority," said Dykes continued.

The International Dairy Foods Association (IDFA) also announced that is seeking nominations for its annual top four awards recognizing leaders in the dairy industry.

The three top awards include:

The fifth annual **IDFA Laureate Award**, given to an outstanding leader in the dairy industry who has made significant, prolonged contributions to the development and growth of the dairy industry. Candidates from all segments of the dairy industry – milk, cheese, ice cream, yogurt and cultured products, ingredients – as well as suppliers and academia are eligible for the award.

The winner will be chosen by a panel of industry professionals based on the nominee's overall career achievements.

Full details on each of the awards, important dates and nomination forms are now online at *www.idfa.org*.

For more information, visit www.qualtechgroup.com

Mike Pederson Celebrated For 31-Plus Years At DATCP

Mike Pederson was honored at the Wisconsin State Fair Blue Ribbon Dairy Products Auction in West Allis, WI, last week for his 31-plus years at the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP). Pederson, who recently retired, had served as a multiple products grader for the DATCP since 1991 and, prior to that, worked as a quality control and production line supervisor. Pederson served as chief judge for the Wisconsin State Fair Dairy Products Contest from 2012 through 2022. He has also judged in numerous other contests. He also worked extensively with the Wisconsin Center for Dairy Research and its popular cheese grading short courses.

OBITUARIES

WCMA Life Member Bob Streeter, 83, Passes Away

Lake Havasu City, AZ—Robert "Bob" Streeter, 83, Life Member of the Wisconsin Cheese Makers Association (WCMA), passed away July 8 at his home here.

Originally from southwest Wisconsin, Streeter grew up in his parents' factory in Cummings, WI.

Bob Streeter

While pursuing an aeronautical engineering degree at the University of Minnesota, Streeter returned to take over operations at the family-owned Liberty Pole Cheese factory, which eventually expanded to five factories in southwestern Wisconsin.

Streeter attended WCMA meetings with his father, Rex, and became the Southwest regional association director on the WCMA board of directors.

At age 28, he would become the youngest man ever to be elected WCMA president. He served on the WCMA board from 1968 to 1972. He also spent two terms as president, one term as vice president, and two terms as treasurer.

In 2011, the WCMA honored Streeter with its Life Member Award for his exceptional service to the cheese industry and to the WCMA.

There is a Celebration of Life scheduled September 2, from 1:00 - 3:00 at Eagles Club, Viroqua, WI.

Vern Wickstrom, 90, vice chair of Hilmar Cheese Company for more than 30 years, died June 24, 2023 in Turlock, CA. Wickstrom was one of 12 original founders and owners of Hilmar Cheese.

He grew up on his family dairy farm in Hilmar, CA, before earning his dairy science degree at University of California-Davis.

Throughout his lifelong career at Hilmar, he served as president of Merced County Farm Bureau, president of the Hilmar Chamber of Commerce, director of the Dairy Employers Association of California, district chairman for Western United Dairymen, and served on the California Milk Advisory Board.

Class IV Volume On Seven Federal Orders In July: 829.8 Million Pounds

Washington—The volume of milk pooled in Class IV in July on the seven federal milk marketing ordres that pay dairy farmers a producer price differential (PPD) totaled 829.8 million pounds, up 54.1 million pounds from June but down 58.6 million pounds from July 2022, according to the uniform price announcements for those orders.

That's the second consecutive month in which Class IV volume on those seven orders was below 1.0 billion pounds. Class IV volume on the seven orders had reached a 2023 high of 3.4 billion pounds in April.

Class III volume on the seven orders in July totaled 7.28 billion pounds, up 140 million pounds from June and up 496 million pounds from July 2022. That's the third straight month in which Class III volume on the seven orders topped 7.0 billion pounds.

Positive PPDs were reported by all seven orders in July; those PPDs ranged from 41 cents per hundredweight on the Upper Midwest order to $4.46 per hundred on the Northeast order.

On the California order in July, Class III volume totaled 1.47 billion pounds, up 329,027 pounds from June and up 254.3 million pounds from July 2022. That's the third straight month in which Class III volume on the California order topped 1.4 billion pounds.

Class III utilization on the California order in July was 72.8 percent, down from 74.1 percent in June but up from 69.7 percent in July 2022.

Class IV volume on the California order in July totaled 87.2 million pounds, up 41 million pounds from June and up 17.8 million pounds from July 2022. That's the third straight month in which Class IV volume on the California order was under 100 million pounds.

July Class IV utilization on the California order was 4.3 percent, up from 2.3 percent in June and up from 4.0 percent in July 2022.

A total of 2.02 billion pounds of milk was pooled on the California order in July, up 35 million pounds from June and up 273 million pounds from July 2022.

Class III volume on the Upper Midwest order in July totaled 2.6 billion pounds, up 51 million pounds from June and up 221 million pounds from July 2022. That's the third straight month in which Class III volume on the order topped 2.5 billion pounds.

July Class III utilization on the Upper Midwest order was 93.0 percent, unchanged from June but up from 91.9 percent in July 2022.

Class IV volume on the Upper Midwest order in July totaled 18.3 million pounds, up 1.3 million pounds from June but down 12.2 million pounds from July 2022. Class IV utilization was 0.6 percent, unchanged from June but down from 1.1 percent in July 2022.

In July, a total of 2.79 billion pounds of milk was pooled on the Upper Midwest order, up 55 million pounds from June and up 207 million pounds from July 2022.

On the Southwest order, Class III volume totaled 722.3 million pounds, up 19.7 million pounds from June and up 2.3 million pounds from last year. Utilization was 66.6 percent, up from 65.6 percent in June but down from 66.8 percent in July 2022.

Class IV volume on the Southwest order totaled 11.8 million pounds, up 2.7 million pounds from June but down 2.6 million pounds from July 2022. Class IV utilization was 1.1 percent, up from 0.9 percent in June but down from 1.3 percent in July 2022.

A total of 1.08 billion pounds of milk was pooled on the Southwest order in July, up 13 million pounds from June and up 6.0 million pounds from July 2022.

Class III volume on the Central order in July totaled 712.2 million pounds, up 10.9 million pounds from June but down 41.5 million pounds from July 2022. Class III utilization was 56.6 percent, unchanged from June but up from 56.4 percent in July 2022.

July Class IV volume on the Central order totaled 143.4 million pounds, up 17.3 million pounds from June but down 16.3 million pounds from July 2022. Class IV utilization was 11.4 percent, up from 10.2 percent in June but down from 11.9 percent in July 2022.

In July, a total of 1.26 billion pounds of milk was pooled on the Central order, up 20 million pounds from June but down 78 million pounds from July 2022.

On the Mideast order in July, Class III volume totaled 750.7 million pounds, up 43.9 million pounds from June and up 40.7 million pounds from July 2022. Class III utilization was 53.8 percent, up from 52.3 percent in June but down from 54.0 percent in July 2022.

July Class IV volume on the Mideast order totaled 55.0 million pounds, down 1.8 million pounds from June but up 26.5 million pounds from July 2022. Class IV utilization was 3.9 percent, down from 4.2 percent in June but up from 2.2 percent in July 2022.

A total of 1.39 billion pounds of milk was pooled on the Mideast order in July, up 43 million pounds from June and up 81 million pounds from July 2022.

Class III volume on the Northeast order in July totaled 708.0 million pounds, up 10.5 million pounds from June and up 20.9 million pounds from July 2022. Class III utilization was 30.5 percent, unchanged from June and up from 30.1 percent in July 2022.

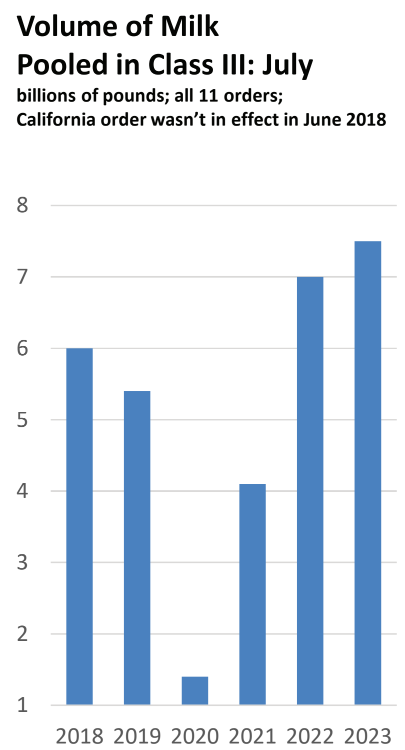
July Class IV volume on the Northeast order totaled 378.3 million pounds, down 18.3 million pounds from June and down 48.9 million pounds from July 2022. Class IV utilization was 16.3 percent, down from 17.3 percent in June and down from 18.7 percent in July 2022.

A total of 2.32 billion pounds of milk was pooled on the Northeast order, up 37 million pounds from June and also up 37 million pounds from July 2022.

On the Pacific Northwest order, Class III volume totaled 327.5 million pounds, up 3.2 million pounds from June but down 1.6 million pounds from July 2022. Class III utilization was 52.8 percent, down from 53.8 percent in June but up from 50.6 percent in July 2022.

Class IV volume on the Pacific Northwest order in July totaled 135.8 million pounds, up 11.8 million pounds from June but down 24.2 million pounds from July 2022. Class IV utilization was 21.9 percent, up from 20.6 percent in June but down from 24.6 percent in July 2022.

A total of 620.9 million pounds of milk was pooled on the Pacific Northwest order in July, up 18 million pounds from June but down 47 million pounds from July 2022.



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Canadian Government's Grant Boosts Quebec Cheese, Butter Maker

Trois-Rivieres, Quebec—The Canadian government is granting a total of up to $1,077,100 in financial assistance to Fromagerie L'Ancetre, a manufacturer of organic cheeses and butters.

This support will enable Fromagerie L'Ancetre to acquire cutting-edge ripening, cutting, and packaging facilities and new packaging equipment to improve the quality of its products, reduce the use of plastic film, have access to eco-friendly packaging, and become more energy efficient in its aging process.

Thanks to these investments, the company will be able to increase its productivity, reduce its production costs, and stimulate its growth, according to the Canadian government.

Government funding for the project is as follows:

•A repayable contribution of $450,000 from Canada Economic Development for Quebec Regions (CED) is provided under the Regional Economic Growth through Innovation (REGI) program. This program targets entrepreneurs leveraging innovation to grow their businesses and enhance their competitiveness, as well as regional economic stakeholders helping to create an entrepreneurial environment conducive to innovation and growth for all, across all regions.

•A contribution of up to $627,100 is provided by Agriculture and Agri-Food Canada (AAC) under the Supply Management Processing Investment Fund, which helps processors of supply-managed commodities to enhance their competitiveness and resilience in the face of evolving markets.

The Fund aligns with the Canadian government's commitment to support processors in these sectors as they face the repercussions of recent international trade agreements.

"The investments announced today in collaboration with the federal and provincial governments are, above all, a commitment to sustainable agriculture, helping in the fight against climate change and in the protection of biodiversity and farmland," said Pascal Desilets, president and CEO, Fromagerie L'Ancetre, which has invested over $12 million over 10 years to increase and improve its production of organic cheeses and butters for the Canadian and Quebec markets.

Grants Available To Minnesota Dairy, Value-Added Processors

St. Paul, MN—Minnesota's value-added businesses and dairy and livestock processors seeking to start up, modernize, or expand their operations are encouraged to apply for two funding opportunities currently available from the Minnesota Department of Agriculture (MDA).

Those programs are the Agricultural Growth, Research, and Innovation (AGRI) Value-Added Grant; and the Meat, Poultry, Egg, and Milk Processing (MPEM) Grant program.

The AGRI Value-Added Grant offers grants for value-added businesses to invest in equipment. The program is intended to increase sales of Minnesota agricultural products by investing in production capacity, market diversification, and market access for value-added products.

For the purposes of this grant, "value-added" is defined as the addition of value to an agricultural product through processing.

The AGRI MPEM Grant offers funds to facilitate the start-up, modernization, or expansion of milk processing businesses and other industries. The intent of the program is to increase sales of Minnesota-raised products by investing in equipment and physical improvements that support processing, capacity, market diversification, and market access.

For both of these grant programs, applicants must:

■ Intend to or be engaged in the processing of Minnesota agricultural products; or intend to or be engaged with livestock slaughter or processing, including milk.

■ Be an individual, business, cooperative, nonprofit, educational institution, unit of government, or tribal government.

■ Reside and be authorized to conduct business in Minnesota.

The MDA anticipates awarding up to $3 million between the two programs in fiscal year 2024 using a competitive review process. The maximum award is $150,000. Grantees are responsible for at least 50 percent of the total cost for the first $50,000 and 75 percent of the total cost for every dollar after as a cash match.

Grant applications will be accepted until 4:00 p.m. on Thursday, Oct. 12, 2023, and funding for both programs will be awarded in early 2024. For more information, visit *www.mda.state.mn.us.*

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Michigan Dairy Businesses Receive Value-Added Grants

Lansing, MI—The Michigan Department of Agriculture and Rural Development (MDARD) recently awarded Value-Added and Regional Food System grants to 24 Michigan producers, processors, and community development organizations, it was announced recently.

These grants are aimed at helping retain, expand, attract, or develop agricultural processing in Michigan through targeted investments in technology and equipment, feasibility studies, healthy food access, regional food systems, and urban agriculture.

The Michigan Department of Agriculture and Rural Development received 109 eligible proposals with requests totaling more than $8.6 million.

Each proposal was competitively reviewed by a joint evaluation committee that made recommendations to Tim Boring, the MDARD's director, for selection of award recipients, it was announced.

Of those, The Michigan Department of Agriculture and Rural Development awarded over $1.8 million for 24 projects, leveraging more than $1.8 million in matching funds.

Brinks Family Creamery and Zingerman's Ceramery were awarded grants.

Brinks Family Creamery, LLC, McBain, MI, is receiving a $78,700 grant to help market more value-added dairy products to families, increasing sales, and thus improving the viability of a smaller dairy farm.

Brinks Family Creamery produces cheese curds and fresh cream line milk.

Zingerman's Creamery LLC, Ann Arbor, MI, is receiving a $100,000 grant to help with construction of a receiving garage with running water, a garage door, and hard-line plumbing into the building to become a Grade A facility for dairy products.

Established in 2001, Zingerman's Creamery is dedicated to crafting handmade full-flavored cheeses and gelati using traditional methods.

"These investments highlight the unique opportunities available to our local food and agriculture businesses while allowing companies to increase capacity, secure supply chains, and implement climate-smart practices," Boring said.

ALDI To Acquire Winn-Dixie, Harveys Supermarket

Batavia, IL—ALDI on Wednesday announced it has entered into a definitive agreement to acquire Winn-Dixie and Harveys Supermarket as part of a larger divestiture of Southeastern Grocers to various entities.

This Southeast-focused acquisition includes approximately 400 Winn-Dixie and Harveys Supermarket locations across Alabama, Florida, Georgia, Louisiana and Mississippi, according to ALDI.

ALDI first established its presence in the Southeast US in the mid-1990s and since has invested $2.5 billion in the region, the company said. Most recently, ALDI deepened its roots in the region, opening its 26th regional headquarters and distribution center in Loxley, AL, to help support new stores, with plans to open 20 new ALDI locations in the area by the end of the year.

Southeastern Grocers, an omnichannel retailer, established its presence in the region nearly a century ago.

"Like ALDI, Winn-Dixie and Harveys Supermarket have long histories and many loyal customers in the Southeast and we look forward to serving them in the years to come," said Jason Hart, CEO, ALDI. "The time was right to build on our growth momentum and help residents in the Southeast save on their grocery bills.

"The transaction supports our long-term growth strategy across the United States, including plans to add 120 new stores nationwide this year to reach a total of more than 2,400 stores by year-end," Hart added.

"This merger agreement is a testament to our successful transformational journey and the tireless work of our dedicated associates who serve our communities," said Anthony Hucker, president and CEO, Southeastern Grocers. "ALDI shares our vision to provide exceptional quality, service and value, and this unique opportunity will evolve our business to benefit our customers, associates and neighbors throughout the Southeast."

"ALDI will operate Winn-Dixie and Harveys Supermarket stores with the same level of care and focus on quality and service, as we also evaluate which locations will convert to the ALDI format to better support the neighborhoods we'll now have the privilege of serving," Hart commented.

The transaction is expected to close in the first half of 2024, subject to regulatory approval and other customary closing conditions.

FDA Issues Direct Final Rule On Partially Hydrogenated Oils In Foods

Rule Revokes Prior Sanction For PHO Use In Margarine

Rockville, MD—The FDA last week issued a direct final rule to complete administrative actions that reflect the agency's June 2015 final determination that the use of partially hydrogenated oils (PHOs) in foods is no longer Generally Recognized As Safe (GRAS).

In its 2015 determination, FDA indicated that there were outdated references to PHOs in regulations that the agency would address separately.

With respect to removing PHOs from the food supply, FDA established Jan. 1, 2021, as the final compliance date to allow manufacturers time to reformulate foods and ensure an orderly transition in the marketplace.

FDA's actions regarding PHOs address artificial sources of trans fat, but trans fat will not be completely removed from the food supply because it occurs naturally in meat and dairy products and is present at very low levels in other edible oils, the agency explained.

The direct final rule issued by FDA this week will, among other things, revoke pre-1958 authorization for using PHOs in margarine, shortening, and bread, rolls and buns. FDA stated in its tentative determination that it was not aware that FDA or USDA had granted any explicit approval for any use of PHOs in food before the 1958 Food Additives Amendment to the Food, Drug & Cosmetic (FD&C) Act and requested comments on whether there was knowledge of an applicable prior sanction for the use of PHOs in food.

Some comments identified the pre-Sept. 6, 1958 standards of identity for margarine and for bread, rolls, and buns, and claimed that they constituted prior sanctions for PHOs. The comments acknowledged these standards did not explicitly list PHOs but argued that because the standards allow use of "shortening" (bread, rolls, and buns) and "oil" (margarine) in the standardized products, they were understood by both FDA and industry to include PHOs because shortening and oil can be hydrogenated.

Moreover, the comments acknowledged that, while there is no standard of identity for shortening that mentions PHOs specifically, historical evidence shows that shortening was generally understood to contain PHOs before 1958.

FDA issued the standard of identity for margarine in 1941. At that time, the standard of identity stated that oleomargarine is prepared with one or more of several optional fat ingredients, including the rendered fat, or oil, or stearin derived therefrom (any or all of which may be hydrogenated), of cattle, sheep, swine, or goats or any vegetable food fat or oil, or oil or stearin derived therefrom (any or all of which may be hydrogenated).

The standard of identity, as it existed in 1941, contained no specific limitations on these ingredients.

The current standard of identity states, in relevant part, that margarine may include edible fats and/or oils from animals, vegetables, or fish, or mixtures of these, which may have been subjected to an accepted process of physicochemical modification. The standard of identity for margarine also states that margarine "may contain small amounts of other lipids, such as phosphatides or unsaponifiable constituents, and of free fatty acids naturally present in the fat or oil".

Some comments to FDA's tentative determination also stated that the reference to hydrogenation in the pre-September 6, 1958, standard of identity for margarine was likely to have meant partially hydrogenated oils as a practical matter, based on the inherent difference in the functional characteristics of partially and fully hydrogenated oils and the history of use of PHOs in margarine products.

FDA has concluded that there are prior-sanctioned uses of partially hydrogenated oilsin margarine, shortening, and bread, rolls, and buns, and that these uses may be injurious to health and may adulterate food. Therefore, the agency is revoking the prior sanction for the uses of PHOs in margarine, shortening, and bread, rolls, and buns.

As for the standards of identity for margarine and bread,rolls, and buns, no corresponding revision to these regulations are necessary, FDA stated. Each standard, as currently written, is limited so that only "safe and suitable" ingredients may be used, and neither current standard expressly refers to hydrogeneration or partial hydrogenation.

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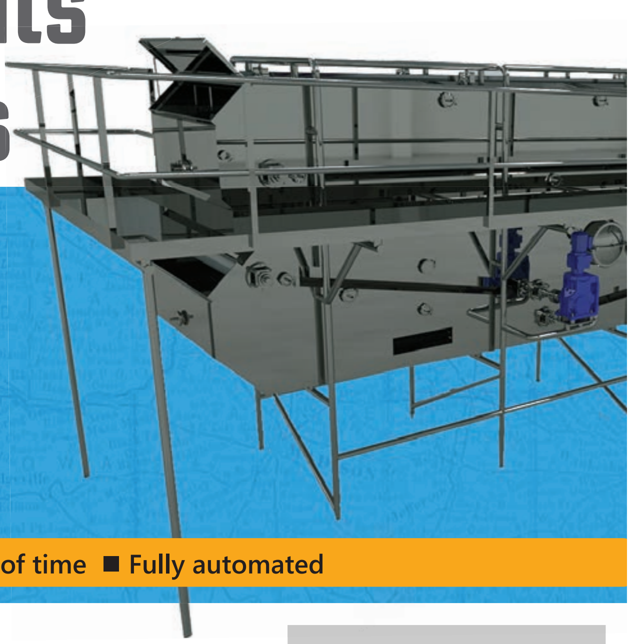

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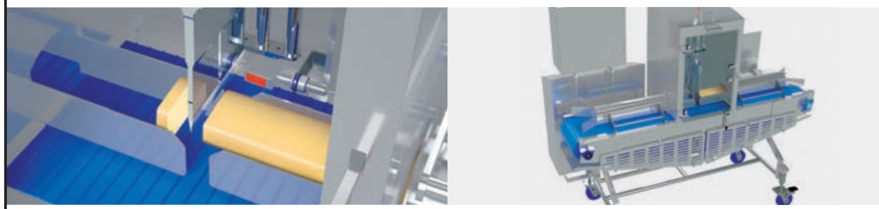

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Eighth Annual SF Cheese Fest Returns To Historic Ferry Building Sept. 23

San Francisco, CA—The California Artisan Cheese Guild (CACG) will host the SF Cheese Fest here Saturday, Sept. 23 at the Ferry Building Grand Hall.

Tickets for the event, which runs from 6 p.m. to 9 p.m. Pacific time, are available online. Early discounted rates run through the end of August.

General admission covers samples from artisan cheese makers and local specialty food purveyors, plus an open bar featuring California beer and wine.

A VIP ticket add-on includes a cheese tasting and libation pairing at 5 p.m. Eight California cheeses will be paired with mocktails and cocktails from Wheyward Spirit.

Attendees will also have the opportunity to meet and interact with cheese makers and purveyors to learn more about their products.

"I love connecting with cheese enthusiasts because it reminds me why this state has produced cheeses of impeccable quality for generations," said Ray Rumiano, CACG treasurer and fourth-generation co-owner of Rumiano Cheese Company.

"California's local and artisan cheeses are among the absolute best in the world," Rumiano said.

"Seeing our community enjoy what we make means a lot to cheese makers."

Attendees can receive an Early Bird Discount of two tickets for $176 through the end of August.

After the deadline, general admission tickets are $98 per person. Tickets for the VIP tasting event are an additional $50.

For more information and to purchase tickets online, visit *www.sfcheesefest.com/tickets*.

PLANNING GUIDE

Pack Expo Las Vegas: Sept. 11-13, Las Vegas Convention Center, Las Vegas, NV. Registration open at www.packexpolasvegas.com.

•

ADPI Dairy Ingredients Seminar: Sept. 25-27, Santa Barbara, CA. Registration now open at www.adpi.org/events.

•

NCCIA Annual Conference: Oct. 10-12, Best Western/Ramkota, Sioux Falls, SD. Visit www.northcentralcheese.org for more information as well as registration updates.

•

IDF World Dairy Summit: Oct. 16-19, Chicago, IL. Visit www.idf-wds2023.com to register online.

•

Process Expo: Oct. 23-25, McCormick Place, Chicago. Online registration is available at www.fpsa.org/process-expo.

•

NDB, NMPF, UDIA Joint Annual Meeting: Oct. 23-26, Orlando, FL. Agenda will soon be available online at www.nmpf.org.

•

ADPI Dairy Purchasing & Management Risk Seminar: Nov. 1-2, Convene Willis Tower, Chicago. For more information, visit www.adpi.org.

•

Winter Fancy Food Show: Jan. 21-23, 2024, Las Vegas Convention Center, Las Vegas, NV. Check www.specialtyfood.com for updates.

•

Dairy Forum 2024: Jan. 21-24, J.W. Marriott Phoenix Desert Ridge, Phoenix, AZ. Details posted soon at www.idfa.org/dairy-forum.

•

World Championship Cheese Contest: March 5-7, Monona Terrace Convention Center, Madison. Visit www.worldchampioncheese.org for updates.

•

ADPI Global Ingredients Summit: March 11-13, 2024, Peppermill Resort, Reno, NV. Visit www.adpi.org for more information.

•

Cheese Expo: April 16-18, 2024, Baird Center, Milwaukee, WI. Registration now available online at www.cheeseexpo.org.

Meeting On USDA Purchase Programs Set For Sept. 7-8 In Kansas City, MO

Kansas City, MO—USDA's Agricultural Marketing Service (AMS) will host its 2023 Livestock, Poultry, Dairy, Grain & Oilseed Industry Meeting here Sept. 7-8 at the US Department of Agriculture (USDA) Farm Service Agency.

The free, two-day meeting will cover commodity purchase programs, giving attendees the opportunity to share new information and collaborate with other suppliers and stakeholders to improve the program.

Each day will begin with a general meeting, followed by breakout sessions with respective industries. This allows attendees time to discuss their industry specific issues and concerns in a smaller, more focused group.

General sessions will cover microbiological testing initiatives, formal web-based supply chain management (WBSCM) training, business management improvement, and proposed new contracting methods.

Breakout sessions will look at new product development, entitlement and bonus buy, economic outlook, complaints process, and changes to the master solicitation.

Reservations are required. Online registration is available at *www.ams.usda.gov*. Questions can be sent to: *CPIndustryMeeting@ams.usda.gov*.

Emerging Brands Summit Is Sept. 10 Prior To Pack Expo

Las Vegas, NV—The Association for Packaging & Processing Technologies (PMMI) will host the Emerging Brands Summit here Sunday, Sept. 10, one day before Pack Expo Las Vegas.

The event is designed for emerging brands looking to scale their manufacturing operations. Participants will hear from brands that have successfully scaled through both contract and in-house manufacturing.

Advisors will be available for discussions, along with suppliers eager to work with emerging brands. Cost to attend is $395 per person. Visit *www.emergingbrandsummit.com* for details.

2023 Pack Expo Las Vegas Slated To Be Largest In History

Las Vegas, NV—This year's installment of Pack Expo is set to be the largest in history, spanning nearly 1 million square feet of exhibit space.

Hosted by the Association for Packaging & Processing Technologies (PMMI), Pack Expo Las Vegas will take place here Sept. 11-13 at the Las Vegas Convention Center.

The three-day expo will feature more than 2,000 exhibitors showcasing the newest innovations for more than 40 markets. This year's event will include new features and pavilions, and over 100 educational sessions.

The new Logistics Pavilion and expanded Processing Zone will join Sustainability Central, where attendees will be offered a look into packaging sustainability and what it means to brands. The new Sustainability Central will feature the latest sustainable innovations in manufacturing, materials, and design.

Interactive sessions in The Forum will look at new ideas and solutions to widespread issues and trends such as digitalization, cyber-security, sustainability, automation, and integration of co-bots into manufacturing. Each 45-minute session begins with a presentation before participants are invited to discuss the issue further in small roundtables.

Networking events include Young Professionals and First-Time Attendee Events, Confectionery Industry Networking Reception, individual show floor receptions, and the Packaging & Processing Women's Leadership Network breakfast.

Cost to attend is $130 per person. For more information, agenda and registration, visit *www.packexpolasvegas.com*.

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Equipment for Sale

CHEESEMAKING EQUIPMENT FOR SALE: 3- 2002 30,000# Wincanton Vats • 3- 2016 Relco 3,500# Finishing Tables • 2016 Relco Curd take out system-Auger, Blower, Cyclone Scale / Prepress system • 20,000# Stoelting Horizontal Vat • 2018 3,000# Subana Prepress finishing table • MSA 90 Separator • 3, 4, and 5 tank CIP Systems. The above is the main equipment that is for sale but there are numerus items left like 40# block forms, carts, tables, racks and etc. No packaging equipment left. If you are interested in any of the items or if you are looking for something we may have, Please email paulr@wischeese.com

Equipment for Sale

SOLD: ALFA-LAVAL SEPARATOR: Model MRPX 518 HGV hermetic separator. **JUST ADDED: ALFA-LAVAL SEPARATOR:** Model MRPX 718. Call: Dave Lambert at **Great Lakes Separators,** (920) 863-3306 or e-mail *drlambert@dialez.net* for more information.

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Real Estate (New Listings)

FOR SALE OR RENT: Cold Storage, Dry Storage, and Cutting Facility. Located in Green County, WI. Please call 608-293-0055 for additional information.

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DAIRY PLANTS FOR SALE: https://dairyassets.weebly.com/m--a.html. Contact Jim at 608-835-7705; or by email at **jimcisler7@gmail.com**

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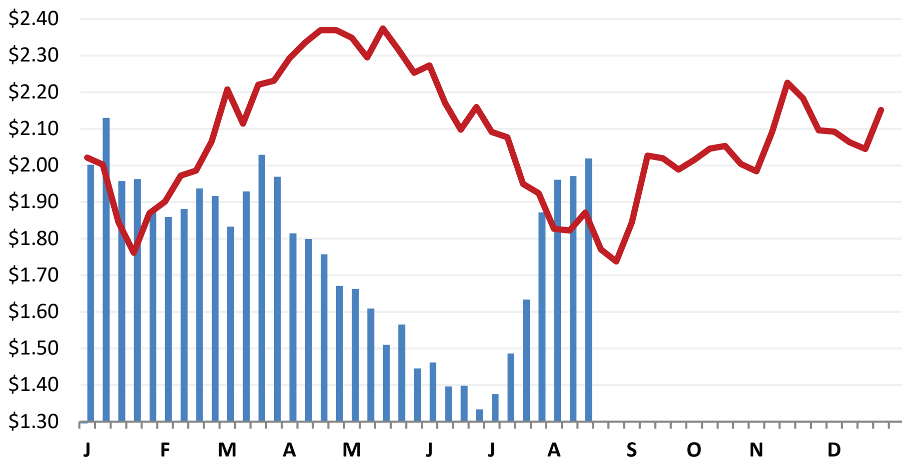
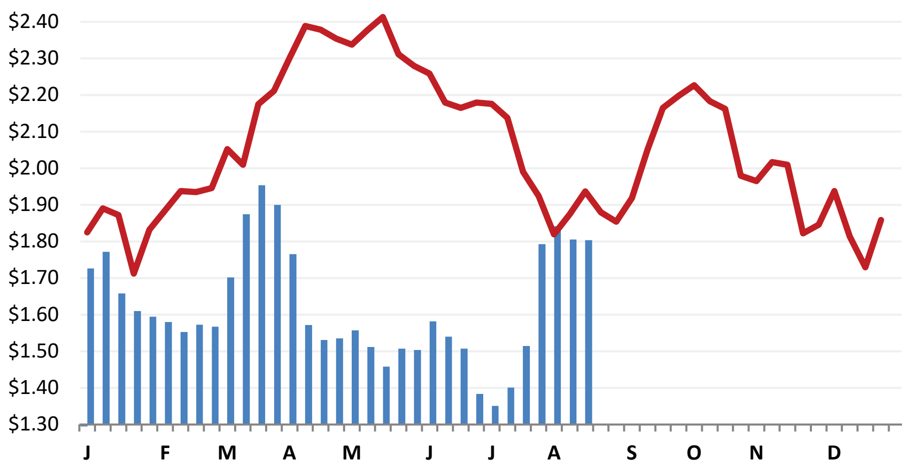


CME Barrel Price Tracker – 2022 vs 2023



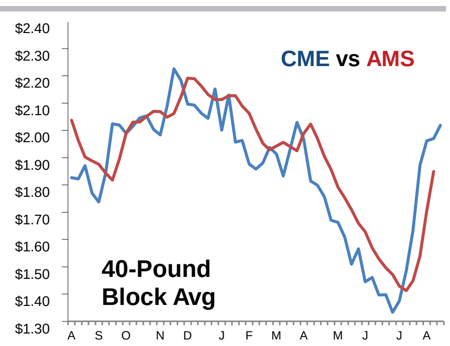
AVG MONTHLY LACTOSE MOSTLY PRICES: USDA

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
‘15	.3210	.2870	.2472	.2370	.2354	.2170	.1995	.1912	.1893	.1850	.1851	.1914
‘16	.2061	.2166	.2280	.2408	.2551	.2616	.2769	.2948	.3208	.3416	.3525	.3633
‘17	.3718	.3750	.3826	.4038	.4100	.3998	.3745	.3435	.2958	.2633	.2417	.2208
‘18	.2146	.2159	.2200	.2333	.2573	.2796	.3099	.3254	.3363	.3475	.3510	.3580
‘19	.3700	.3639	.3650	.3525	.3339	.3150	.3085	.2973	.2919	.2809	.2884	.2900
‘20	.2979	.3043	.3107	.3467	.4018	.4618	.5170	.5136	.5056	.5002	.4751	.4333
‘21	.4089	.4145	.4309	.4495	.4500	.4518	.4584	.4534	.4414	.4245	.4129	.4050
‘22	.4050	.4050	.4111	.4317	.4363	.4435	.4550	.4550	.4568	.4760	.4850	.4782
‘23	.4631	.4103	.3536	.2875	.2570	.2229	.1964					

DAIRY PRODUCT SALES

August 16, 2023—AMS’ National Dairy Products Sales Report. Prices included are provided each week by manufacturers. Prices collected are for the (wholesale) point of sale for natural, unaged Cheddar; boxes of butter meeting USDA standards; Extra Grade edible dry whey; and Extra Grade and USPH Grade A nonfortified NFDM.

•Revised



Week Ending	Aug. 12	Aug. 5	July 29	July 22
40-Pound Block Cheddar Cheese Prices and Sales				
Weighted Price		Dollars/Pound		
US	1.8492	1.7041	1.5391	1.4491
Sales Volume		Pounds		
US	11,544,856	12,638,097	12,921,405	11,095,521
500-Pound Barrel Cheddar Cheese Prices, Sales & Moisture Contest				
Weighted Price		Dollars/Pound		
US	1.8736	1.7357	1.5591	1.5009
Adjusted to 38% Moisture				
US	1.7871	1.6544	1.4844	1.4286
Sales Volume		Pounds		
US	10,861,404	11,646,662	13,378,902	14,676,786
Weighted Moisture Content		Percent		
US	35.00	34.95	34.88	34.86
AA Butter				
Weighted Price		Dollars/Pound		
US	2.6328	2.6351	2.5420	2.5232
Sales Volume		Pounds		
US	3,207,485	3,873,851	4,161,330	5,424,172
Extra Grade Dry Whey Prices				
Weighted Price		Dollars/Pound		
US	0.2630	0.2472•	0.2561•	0.2544
Sales Volume				
US	7,164,105	5,684,726•	6,904,598•	7,903,546•
Extra Grade or USPHS Grade A Nonfat Dry Milk				
Average Price		Dollars/Pound		
US	1.1357	1.1381•	1.1263•	1.1488•
Sales Volume		Pounds		
US	19,589,126	22,339,463•	24,417,405•	17,118,185•

DAIRY FUTURES PRICES

SETTLING PRICE *Cash Settled

Date	Month	Class III	Class IV	Dry Whey	NDM	Block Cheese	Cheese*	Butter*
8-11	Aug 23	17.32	18.95	26.000	114.150	1.870	1.8480	265.800
8-14	Aug 23	17.27	18.94	25.700	114.500	1.870	1.8480	265.500
8-15	Aug 23	17.33	18.94	25.700	114.500	1.872	1.8540	265.000
8-16	Aug 23	17.34	18.90	25.700	114.500	1.872	1.8530	266.025
8-17	Aug 23	17.27	18.90	25.700	114.250	1.874	1.8460	266.025
8-11	Sept 23	17.98	19.01	28.300	113.200	1.920	1.9080	267.100
8-14	Sept 23	17.83	19.01	27.750	113.250	1.920	1.8900	266.800
8-15	Sept 23	18.04	18.99	26.750	112.100	1.930	1.9180	266.750
8-16	Sept 23	17.91	19.05	26.575	112.975	1.930	1.9060	274.250
8-17	Sept 23	17.84	19.25	27.200	113.700	1.930	1.9010	278.000
8-11	Oct 23	18.22	18.92	31.500	114.200	1.926	1.9080	266.000
8-14	Oct 23	18.06	18.92	31.250	114.000	1.926	1.9040	266.000
8-15	Oct 23	18.11	18.68	30.725	111.700	1.925	1.9130	265.500
8-16	Oct 23	17.80	19.00	30.000	112.000	1.900	1.8800	273.000
8-17	Oct 23	17.63	19.06	29.850	113.500	1.875	1.8600	276.000
8-11	Nov 23	18.38	18.95	33.000	115.000	1.934	1.9160	265.000
8-14	Nov 23	18.17	18.95	31.900	114.950	1.930	1.9030	264.500
8-15	Nov 23	18.17	18.46	31.900	112.675	1.930	1.9100	262.750
8-16	Nov 23	18.00	18.86	31.900	113.550	1.930	1.8900	268.500
8-17	Nov 23	17.91	19.06	31.200	115.050	1.919	1.8830	271.000
8-11	Dec 23	18.25	18.72	34.750	116.500	1.930	1.9020	253.750
8-14	Dec 23	18.12	18.71	34.000	116.500	1.930	1.9020	253.500
8-15	Dec 23	18.14	18.37	33.500	113.500	1.930	1.9050	252.975
8-16	Dec 23	18.00	18.51	33.000	113.800	1.930	1.8900	258.000
8-17	Dec 23	17.93	18.74	32.500	116.000	1.917	1.8770	260.000
8-11	Jan 24	18.17	18.65	37.000	118.500	1.923	1.9000	246.500
8-14	Jan 24	18.17	18.64	36.500	118.500	1.923	1.9000	246.750
8-15	Jan 24	18.07	18.37	35.900	116.275	1.923	1.8930	246.725
8-16	Jan 24	17.99	18.37	35.900	117.550	1.909	1.8850	250.000
8-17	Jan 24	18.00	18.45	35.500	118.650	1.909	1.8760	251.000
8-11	Feb 24	18.17	18.73	37.000	119.825	1.922	1.8950	246.000
8-14	Feb 24	18.17	18.73	37.500	120.025	1.922	1.8980	245.850
8-15	Feb 24	18.17	18.50	36.250	118.500	1.922	1.9000	245.850
8-16	Feb 24	18.10	18.50	36.250	118.750	1.912	1.8880	248.000
8-17	Feb 24	18.05	18.61	36.250	121.050	1.912	1.8820	249.250
8-11	Mar 24	18.25	18.80	37.500	122.500	1.924	1.9040	245.975
8-14	Mar 24	18.25	18.80	37.500	122.500	1.924	1.9040	245.975
8-15	Mar 24	18.23	18.77	37.000	121.250	1.924	1.9040	245.975
8-16	Mar 24	18.22	18.60	37.000	121.250	1.924	1.8960	245.975
8-17	Mar 24	18.22	18.77	37.000	121.550	1.924	1.8850	248.500
8-11	April 24	18.20	18.99	37.000	124.825	1.910	1.9060	239.750
8-14	April 24	18.20	18.95	37.000	124.800	1.910	1.9060	239.750
8-15	April 24	18.19	18.77	37.000	124.000	1.910	1.9060	239.750
8-16	April 24	18.18	18.77	37.000	124.000	1.910	1.9000	240.000
8-17	April 24	18.13	18.80	37.000	124.350	1.910	1.8900	244.250
8-11	May 24	18.34	19.00	37.000	127.025	1.913	1.9120	239.000
8-14	May 24	18.33	18.95	37.000	127.000	1.913	1.9120	239.000
8-15	May 24	18.24	18.92	37.000	126.000	1.913	1.9120	239.000
8-16	May 24	18.24	18.90	37.000	126.250	1.913	1.9080	239.000
8-17	May 24	18.24	18.90	37.000	126.275	1.913	1.9000	241.500
8-11	June 24	18.30	18.96	37.000	128.875	1.924	1.9130	239.475
8-14	June 24	18.30	18.96	37.025	128.875	1.924	1.9130	239.475
8-15	June 24	18.29	18.95	37.025	128.500	1.924	1.9130	239.475
8-16	June 24	18.27	18.95	37.025	128.500	1.924	1.9080	239.475
8-17	June 24	18.27	18.95	37.025	128.500	1.924	1.9030	243.025
Aug. 17		**21,385**	**5,489**	**2,315**	**8,682**	**1,331**	**19,806**	**9,374**

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DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

WHOLESALE CHEESE MARKETS

NORTHEAST - AUG. 16: Milk volumes are flat in the Northeast. Contacts have shared that cooler nighttime temperatures have improved farm level milk volumes relative to recent weeks. As schools reopen, bottling orders have increased, and the volume of milk going into processing plants has declined. Cheese plant managers have relayed that labor issues and decreased milk volumes going into processing have slowed cheese production. Contacts have also shared that Cheddar continues to be in higher demand than other American-type cheeses and that Mozzarella demand from foodservice customers is strong. Cheese demand in retail stores is steady.

Wholesale prices, delivered, dollars per/lb:

Cheddar 40-lb block:	$2.4350 - $2.7225	Process 5-lb sliced:	$1.9075 - $2.3875
Muenster:	$2.4225 - $2.7725	Swiss Cuts 10-14 lbs:	$3.2650 - $5.5875

MIDWEST AREA - AUG. 16: Cheese makers continue to say milk availability is vastly different than it was just a few weeks ago. Spot milk offers and trading have dwindled. Cheese makers are running regular schedules on internally sourced/contracted milk volumes or spot milk loads priced at or just above Class III. Demand is generally steady. There were a few busy weeks as customers saw the writing on the wall regarding market bulls, but now that market tones have steadied, some cheese makers report a bit more stable demand, on par with previous years during mid-August. Cheese availability varies from plant to plant, but more contacts are saying it is on the snugger side of the supply spectrum.

Wholesale prices delivered, dollars per/lb:

Blue 5# Loaf :	$2.4775 - $.3.6875	Mozzarella 5-6#:	$2.0075 - $3.0950
Brick 5# Loaf:	$2.2075 - $2.7750	Muenster 5#:	$2.2075 - $2.7750
Cheddar 40# Block:	$1.9300 - $2.4725	Process 5# Loaf:	$1.7850 - $2.2525
Monterey Jack 10#:	$2.1825 - $2.5300	Swiss 6-9# Cuts:	$2.7800 - $2.8825

WEST - AUG. 16: Demand for varietal cheeses is steady in the West. Cash call prices on the CME finished today with some bullish movement for blocks. Industry sources indicate block cheese sustained more demand compared to barrel cheese. Export demand is on the light end. That said, less hesitation from Mexican purchasers compared to other international purchasers is relayed by stakeholders. Some stakeholders note sentiments that lighter overall export demand is moving more barrel cheese into the CME. Milk and cream volumes are tighter. However, cheese makers have enough Class III milk available to run steady production schedules. In some cases, manufacturers relay production is keeping ahead of demand.

Wholesale prices delivered, dollars per/lb:		Monterey Jack 10#:	$2.2975 - $2.5725
Cheddar 10# Cuts :	$2.3100 - $2.5100	Process 5# Loaf:	$1.9100 - $2.0650
Cheddar 40# Block:	$2.0625 - $2.5525	Swiss 6-9# Cuts:	$2.0725 - $3.5025

EEX Weekly European Cheese Indices (WECI): Price Per/lb (US Converted)

Variety	Date: 8/16	8/9	Variety	Date: 8/16	8/9
Cheddar Curd	$1.88	$1.93	Mild Cheddar	$1.91	$1.94
Young Gouda	$1.70	$1.71	Mozzarella	$1.67	$1.68

FOREIGN -TYPE CHEESE - AUG. 16: Milk output is declining, following seasonal trends in Europe. A heat wave, which has been adversely affecting parts of Europe, is spreading, and some contacts anticipate higher than typical temperatures will negatively impact cow comfort and milk production. Cheese makers continue to operate busy schedules as they try to keep pace with hearty demand. Industry sources say retail demand varies regionally, while foodservice sales are strong. Meanwhile, export cheese demand is steady in Europe. Contacts report cheese sales in Europe continue to outpace production and say warehouse inventories are light. European cheese prices are somewhat steady as cheese purchasers are, reportedly, hesitant to secure loads offered at elevated values.

Selling prices, delivered, dollars per/lb:	Imported	Domestic
Blue:	$2.6400 - 5.2300	$2.2925 - 3.7800
Gorgonzola:	$3.6900 - 5.7400	$2.8000 - 3.5175
Parmesan:	0	$2.6825 - 4.7700
Romano :	0	$3.4825 - 5.6375
Sardo Romano (Argentine):	$2.8500 - 4.7800	0
Reggianito (Argentine):	$3.2900 - 4.7800	0
Jarlsberg:	$2.9500 - 6.4500	0
Swiss:	0	$3.3000 -3.6250
Swiss Cuts Finnish:	$2.6700- 2.9300	

DRY PRODUCTS - AUGUST 17

LACTOSE CENTRAL/WEST: Contacts report a slight uptick in spot demand for lactose from domestic purchasers, though some note export demand remains lackluster. Some sellers have secured more Q4 contracts in recent weeks. Lactose loads from some preferred brands and loads that meet more rigorous end user requirements are more difficult to obtain on the spot market, while lactose that is more interchangeable remains available.

WPC CENTRAL/WEST: Some sellers of WPC 34% are offering fewer loads near the bottom of the price range this week. Contacts report steady demand for WPC 34% from purchasers in domestic markets, while export demand remains soft. Spot inventories of WPC 34% remain available, though loads of some preferred brands are somewhat tight. Production of WPC 34% remains somewhat light as manufacturers are focusing their production on higher whey protein concentrates.

NORTHEAST DRY WHEY: Farm level milk outputs remain tight throughout the East, and as bottling orders increase with school openings, smaller milk volumes are going into cheesemaking. As a result, there is less liquid whey available for drying. Contacts share that despite limited liquid whey supplies, drying is steady. Contacts also indicate that dry whey inventories are comfortable, but that many customers are having their ingredient needs met with contracted orders. Contacts suggest that high protein whey concentrate blends are more desirable than lower protein whey powders at the moment.

NATIONAL CASEIN: Prices for both acid and rennet casein were unchanged this week. Milk output is seasonally declining in Europe, and some stakeholders suggest this is impacting rennet casein production. Despite this decline, soft spot demand for rennet casein has prevented inventories from growing tight.

NATIONAL - CONVENTIONAL DAIRY PRODUCTS

Total conventional cheese ads fell by 23 percent, and organic cheese ads declined by 48 percent. The most advertised conventional cheese item was 6- to 8-ounce shred with an average price of $2.45, down 5 cents. Organic packages of 6- to 8-ounce block cheese was the most advertised organic cheese item this week, with an average price of $3.50.

The number of conventional dairy ads declined by 10 percent, while total organic ads increased by 6 percent. The total number of conventional milk ads increased by 50 percent, but organic milk ads declined by 55 percent. The most advertised conventional milk item was in gallon containers, with an average price that was up 60 cents from last week to $4.02. Half-gallon containers of organic milk were the only advertised organic milk item, while appearing in 47 percent fewer ads. Organic regular yogurt in 32-ounce containers increased by 253% this week, with an average advertised price of $4.23.

RETAIL PRICES - CONVENTIONAL DAIRY - AUGUST 18

Commodity	US	NE	SE	MID	SC	SW	NW
Butter 8 oz	3.41	NA	NA	NA	NA	NA	NA
Butter 1#	4.13	3.62	4.31	3.84	3.49	3.41	4.99
Cheese 6-8 oz block	2.58	2.48	2.66	2.45	2.57	3.20	1.70
Cheese 6-8 oz shred	2.45	2.25	2.58	2.37	2.56	2.76	1.94
Cheese 6-8 oz sliced	2.45	2.69	2.32	2.43	2.46	2.57	1.89
Cheese 1# block	3.07	NA	2.99	2.99	2.99	3.51	2.99
Cheese 1# shred	3.60	NA	4.07	NA	3.07	2.99	2.99
Cheese 1# sliced	2.99	NA	NA	NA	2.99	NA	NA
Cheese 2# block	7.27	NA	NA	NA	7.27	NA	NA
Cheese 2# shred	6.95	NA	7.99	NA	8.99	5.99	NA
Cottage Cheese 16 oz	1.96	NA	1.89	2.29	1.50	1.47	2.99
Cottage Cheese 24 oz	2.58	2.55	2.62	NA	2.38	2.45	NA
Cream Cheese 8 oz	2.25	2.63	2.99	1.91	2.12	2.40	NA
Ice Cream 14-16 oz	3.31	4.29	3.11	2.44	3.22	3.29	3.39
Ice Cream 48-64 oz	3.77	3.73	3.52	3.96	3.82	3.99	3.41
Milk ½ gallon	2.58	2.99	NA	NA	NA	2.47	1.54
Milk gallon	4.02	3.13	NA	3.99	5.75	3.27	NA
Flavored Milk ½ gal	2.65	3.19	NA	1.99	NA	NA	NA
Flavored Milk gallon	3.86	NA	NA	5.99	2.99	NA	NA
Sour Cream 16 oz	1.93	2.13	1.89	2.15	1.50	1.68	1.99
Sour Cream 24 oz	3.29	NA	3.29	NA	NA	NA	NA
Yogurt (Greek) 4-6 oz	1.06	1.14	0.68	1.06	1.13	0.98	1.02
Yogurt (Greek) 32 oz	5.09	5.35	5.19	5.09	4.78	5.09	NA
Yogurt 4-6 oz	0.60	0.59	0.68	0.54	0.67	0.24	0.75
Yogurt 32 oz	2.66	2.99	2.39	2.65	NA	3.25	2.99

ORGANIC DAIRY - RETAIL OVERVIEW

National Weighted Retail Avg Price:

Sour Cream 16 oz:	NA	Yogurt 4-6 oz:	$1.19
Butter 1 lb:	NA	Yogurt 32 oz:	$4.23
Cheese 2 lb block:	NA	Yogurt Greek 4 - 6 oz	NA
Cheese 2 lb shred:	NA	Yogurt Greek 32 oz	$4.46
Cottage Cheese 16 oz:	$5.12	Milk ½ gallon:	$4.69
Cheese shreds 6-8 oz:	NA	Milk gallon:	NA
Cheese 6-8 oz block:	$3.50	Ice Cream 14-16 oz	$5.19
Cheese 6-8 oz sliced:	$5.99	Ice Cream 48-64 oz	$7.99

WHOLESALE BUTTER MARKETS - AUGUST 16

NATIONAL: Cream availability remains tight across the country. In the Northeast, contacts say they're relying on contracted loads of cream and micro-fixing bulk butter that was frozen earlier in the season in order to meet demand. In the Central states, many butter processors relay that the cost of spot loads of cream is curtailing spot purchasing and that they, too,are relying on contracted loads of cream and micro-fixing. In the West, cream is tight albeit generally more available in the Pacific Northwest .

CENTRAL: Butter producers are finding a dearth of cream in the region in recent weeks. Some are taking on cream loads from western states. Bulk butter supplies are, and have been, somewhat snug, regionally. Producers and traders say availability has been on a downward trajectory in recent months. They say extra supplies are getting tougher to find. Bulk butter prices, therefore, continue to move higher. Demand is hearty. School district and seasonal retail ordering upticks have converged to keep contacts' assessments of near- to mid-term bullish market tones resolute.

NORTHEAST: Cream supplies are tight in the East. High humidity continues to adversely affect cow comfort. Butter plant managers say that they are reliant on contracted loads of cream to churn new butter stocks. Spot loads of cream are hard to come by, and multiples continue to increase week over week. Plant contacts also say that they continue to micro-fix large quantities of butter that was frozen in bulk earlier in the season. Both retail and foodservice demands are strong.

WEST: Cream is tightening throughout the region and is comparatively tighter in the southern parts of the region. Butter production is mixed. Some manufacturers relay steady production, while others relay churns are not running. Some butter makers are working to build further inventories for the holiday seasons still to come this year. Retail demand is steady. Stakeholders report foodservice demand is strong to steady. A few manufacturers indicate some draw down with unsalted bulk butter supplies and tighter spot sale inventory, as more cream is going to other butter types.

WEEKLY COLD STORAGE HOLDINGS

SELECTED STORAGE CENTERS IN 1,000 POUNDS - INCLUDING GOVERNMENT

DATE	BUTTER	CHEESE
08/14/23	55,967	83,956
08/01/23	65,210	85,881
Change	-9,243	-1,925
Percent Change	-14	-2

CME CASH PRICES - AUGUST 14 - 18, 2023

Visit www.cheesereporter.com for daily prices

	500-LB CHEDDAR	40-LB CHEDDAR	AA BUTTER	GRADE A NFDM	DRY WHEY
MONDAY August 14	$1.8250 (NC)	$1.9900 (NC)	$2.6900 (NC)	$1.1100 (NC)	$0.2675 (-¼)
TUESDAY August 15	$1.8500 (+2½)	$2.0150 (+2½)	$2.6925 (+¼)	$1.0950 (-1½)	$0.2625 (-½)
WEDNESDAY August 16	$1.8350 (-1½)	$2.0175 (+¼)	$2.7500 (+5¾)	$1.0850 (-1)	$0.2575 (-½)
THURSDAY August 17	$1.7500 (-8½)	$2.0250 (+¾)	$2.7700 (+2)	$1.0950 (+1)	$0.2650 (+¾)
FRIDAY August 18	$1.8075 (+5¾)	$2.0275 (+¼)	$2.7000 (-7)	$1.1050 (+1)	$0.2700 (+½)
Week's AVG $ Change	$1.8135 (+0.0080)	$2.0150 (+0.0445)	$2.7205 (+0.0515)	$1.0980 (-0.0220)	$0.2645 (-0.0085)
Last Week's AVG	$1.8055	$1.9705	$2.6690	$1.1200	$0.2730
2022 AVG Same Week	$1.9370	$1.8710	$2.9665	$1.5240	$0.4490

MARKET OPINION - CHEESE REPORTER

Cheese Comment: Monday's block market activity was limited to an uncovered offer of 1 car at $2.0300, which left the price unchanged at $1.9900. One car of blocks was sold Tuesday at $2.0050; an unfille bid for 1 car at $2.0150 then set the price. One car of blocks was Wednesday at $2.0175, which set the price. On Thursday, 1 car of blocks was sold at $2.0250, which set the price. One car of blocks was sold Friday at $2.0275, which set the price. The barrel price increased Tuesday on an unfilled bid at $1.8500, fell Wednesday on a sale at $1.8350, dropped Thursday on a sale at $1.7500, then rose Friday on an unfilled bid for 2 cars at $1.8075.

Butter Comment: The price rose Tuesday on a sale at $2.6925, jumped Wednesday on a sale at $2.7500 (49 cars of butter were sold Wednesday), increased Thursday on a sale at $2.7700, then dropped Friday on a sale at $2.7000. A total of 98 carloads of butter were sold this week at the CME.

Nonfat Dry Milk Comment: The price declined Tuesday on an uncovered offer at $1.0950, fell Wednesday on a sale at $1.0850, rose Thursday on a sale at $1.0950, and increased Friday on a sale at $1.1050.

Dry Whey Comment: The price declined Monday on a sale at 26.75 cents, fell Tuesday on a sale at 26.25 cents, dropped Wednesday on a sale at 25.75 cents, increased Thursday on a sale at 26.50 cents, and rose Friday on a sale at 27.0 cents.

WHEY MARKETS - AUGUST 14 - 18 , 2023

RELEASE DATE - AUGUST 17, 2023

Animal Feed Whey—Central: Milk Replacer: .1850 (NC) – .2000 (NC)

Buttermilk Powder:
Central & East: .8500 (NC) – .9950 (NC) West: .7600 (-1) –.9000 (-1)
Mostly: .8100 (-2) – .8800 (-2)

Casein: Rennet: 4.2500 (NC) – 4.7500 (NC) Acid: 4.2000 (NC) – 4.7000 (NC)

Dry Whey—Central (Edible):
Nonhygroscopic: .2100 (+2) – .2800 (NC) Mostly: .2450 (+½) – .2600 (NC)
Dry Whey–West (Edible):
Nonhygroscopic: .2500 (+1) – .3400 (NC) Mostly: .2900 (+2) – .3300 (+1)
Dry Whey—NE: .2250 (NC) – .2975 (-1¼)

Lactose—Central and West:
Edible: .1300 (+1) – .3600 (-½) Mostly: .1600 (+1) – .2600 (+1)

Nonfat Dry Milk —Central & East:
Low/Medium Heat: 1.0700 (-2) – 1.1500 (NC) Mostly: 1.0900 (-1) – 1.1400 (+½)
High Heat: 1.1950 (+2) – 1.3500 (+2½)
Nonfat Dry Milk —Western:
Low/Med Heat: 1.0500 (+1) – 1.1800 (+1) Mostly: 1.0800 (NC) – 1.1500 (NC)
High Heat: 1.2100 (-1) – 1.3700 (+2)

Whey Protein Concentrate—34% Protein:
Central & West: .6500 (NC) – 1.0500 (NC) Mostly: .6800 (+2) –.9600 (-4)

Whole Milk: 1.7400 (-2) – 2.1000 (+10)

HISTORICAL MONTHLY AVG BUTTER PRICES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
'09	1.1096	1.1097	1.1770	1.2050	1.2526	1.2235	1.2349	1.2000	1.2199	1.2830	1.5008	1.3968
'10	1.3950	1.3560	1.4641	1.5460	1.5896	1.6380	1.7787	1.9900	2.2262	2.1895	1.9295	1.6327
'11	2.0345	2.0622	2.0863	1.9970	2.0724	2.1077	2.0443	2.0882	1.8724	1.8295	1.7356	1.6119
'12	1.5077	1.4273	1.4895	1.4136	1.3531	1.4774	1.5831	1.7687	1.8803	1.9086	1.7910	1.4848
'13	1.4933	1.5713	1.6241	1.7197	1.5997	1.5105	1.4751	1.4013	1.5233	1.5267	1.6126	1.5963
'14	1.7756	1.8047	1.9145	1.9357	2.1713	2.2630	2.4624	2.5913	2.9740	2.3184	1.9968	1.7633
'15	1.5714	1.7293	1.7166	1.7937	1.9309	1.9065	1.9056	2.1542	2.6690	2.4757	2.8779	2.3318
'16	2.1214	2.0840	1.9605	2.0563	2.0554	2.2640	2.2731	2.1776	1.9950	1.8239	1.9899	2.1763
'17	2.2393	2.1534	2.1392	2.0992	2.2684	2.5688	2.6195	2.6473	2.4370	2.3293	2.2244	2.2078
'18	2.1587	2.1211	2.2011	2.3145	2.3751	2.3270	2.2361	2.3009	2.2545	2.2600	2.2480	2.2071
'19	2.2481	2.2659	2.2773	2.2635	2.3366	2.3884	2.3897	2.2942	2.1690	2.1071	2.0495	1.9736
'20	1.8813	1.7913	1.7235	1.1999	1.4710	1.8291	1.6925	1.5038	1.5163	1.4550	1.3941	1.4806
'21	1.3496	1.3859	1.7153	1.8267	1.8124	1.7758	1.6912	1.6815	1.7756	1.8002	1.9714	2.1536
'22	2.7203	2.6196	2.7346	2.7169	2.7514	2.9546	2.9506	3.0073	3.1483	3.1792	2.8634	2.6695
23	2.3553	2.4017	2.3692	2.3655	2.4293	2.3902	2.5598					

Blocks Top $2.00

(Continued from p. 1)

cow comfort over recent weeks. Instead of milk supplies trending downwards, they are trending flat. As Class I orders increase with school openings in the eastern region, smaller volumes of fluid milk are reaching cheese and powder plants for processing.

In the western US, California milk production is lower; persisting triple-digit temperatures are contributing to lower cow comfort and seasonal declines in milk output at the farm. Industry sources relay that milk component levels are continuing to decline. Availability of spot loads is tight, as some handlers indicate they are unable to accommodate beyond contracted obligations due to lower farm-level output.

After settling between $2.2675 per pound (Jan. 24-26) and $2.4975 per pound (July 12) through the first six-plus months of this year, the CME cash market price for butter has been above the $2.50 mark since July 13, and reached its highest level of the year this week.

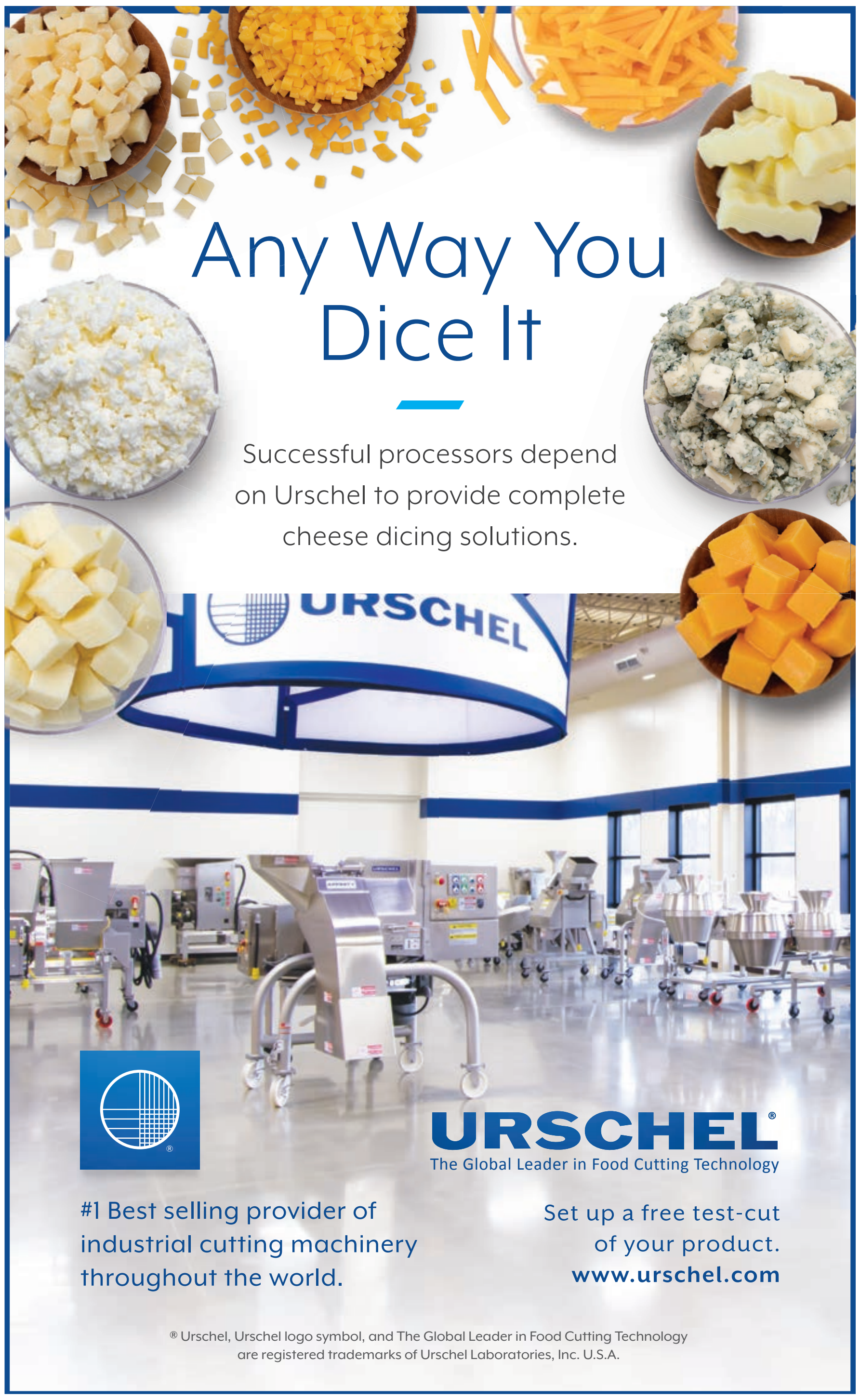
On Wednesday, the CME butter price settled at $2.7500 per pound, up 5.75 cents from Tuesday, on a sale at $2.7500 per pound. A total of 49 cars of butter were sold Wednesday, at prices between $2.7200 and $2.7800.

On Thursday, another 25 cars of butter were sold at the CME at prices between $2.7700 and $2.7925; last sale was one car at $2.7700, which set the price. Today, 17 cars were sold, the last at $2.7000, which set the price.

Butter producers are finding "a dearth of cream" in the central region in recent weeks, Dairy Market News noted Wednesday. Some are taking on cream loads from western states. Bulk butter supplies are, and have been, somewhat snug, regionally. Producers and traders say availability has been on a downward trajectory in recent months, and that extra supplies are getting tougher to find.

Cream supplies are tight in the East, Dairy Market News reported. Butter plant managers say that they are reliant on contracted loads of cream to churn new butter stocks; spot loads of cream are hard to come by, and multiples continue to increase week over week.

In the West, cream is tightening throughout the region and is comparatively tighter in the southern parts of the region. Some butter manufacturers relay steady production, while others relay churns are not running.



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