Serving the World's Dairy Industry Weekly
Since 1876

CHEESE REPORTER

Vol. 145, No. 37 • Friday, February 26, 2021 • Madison, Wisconsin

Senate Confirms Vilsack As Ag Secretary; Harden To Lead USDEC

Bipartisan Vote Is 92-7 To Confirm Vilsack; Dairy, Farm Groups Praise Returning Secretary

Washington—The US Senate on Tuesday voted 92 to 7 to confirm Tom Vilsack as the new secretary of agriculture.

Vilsack had previously served as secretary of agriculture during the Obama administration, from Jan. 20, 2009, through Jan. 13, 2017. He was the longest-serving secretary of agriculture since Orville Freeman, who served as the head of the US Department of Agriculture (USDA) from Jan. 21, 1961, until Jan. 20, 1969, under Presidents Kennedy and Johnson.

After leaving USDA in early 2017, Vilsack became president and CEO of the US Dairy Export Council (USDEC), a post he held until this week.

Vilsack becomes the first person to serve two separate stints as agriculture secretary.

Vilsack "has the knowledge and understanding to hit the ground running and make immediate progress on pressing issues facing food, agriculture and the rural economy," said Michael Dykes, president and CEO of the International Dairy Foods Association (IDFA). "He has seen first-hand the pandemic's impact on health and jobs, and we're hopeful that with his guidance, we can continue to protect our essential workforce so they can feed our nation.

"To that point, the nation's food security will be his top priority upon taking office, and IDFA offers our partnership in finding creative ways to reduce hunger and improve access to nutritious foods including dairy," Dykes continued.

IDFA looks forward to working with Vilsack and his team "to make dairy central to solutions. Together, we can enhance economic progress for food producing communities and strengthen export opportunities, unleash innovation to safeguard our food and advance nutrition solutions, and create a more sustainable footprint for our food and agriculture sector," Dykes added.

"All of US agriculture has an effective advocate in Tom Vilsack, and the nation will be well-served by his return to public service leading the US Department of Agriculture," commented Jim Mulhern, president and CEO of the National Milk Producers Federation (NMPF).

"We in the dairy community who have had the opportunity to work with him have seen first-hand his deep passion for rural America and his commitment to advancing agriculture and the communities it serves, from farmers and food-sector workers to the consumers and businesses that depend on USDA to meet their needs every day, in every way," Mulhern continued. "That's especially important in light of today's pressing challenges, which include a farm economy battered by the COVID-19 pandemic; climate change, sustainability and the environment; nutrition and food insecurity; international trade policies that limit US exports; labor shortages that are worsening with time; and the legacies of societal injustice that need to be addressed.

• See **Vilsack & Harden,** p. 12

Milk Production Rose 1.8% In January; 2020 Production Was Up 2.2% From 2019

Washington—US milk production in the 24 reporting states during January totaled 18.3 billion pounds, up 1.8 percent from January 2020, USDA's National Agricultural Statistics Service (NASS) reported Tuesday.

December 2020 milk production was revised down by 74 million pounds, so production was up 2.6 percent from December 2019, rather than up 3.2 percent, as initially estimated.

Production per cow in the 24 reporting states averaged 2,049 pounds for January, 15 pounds above January 2020.

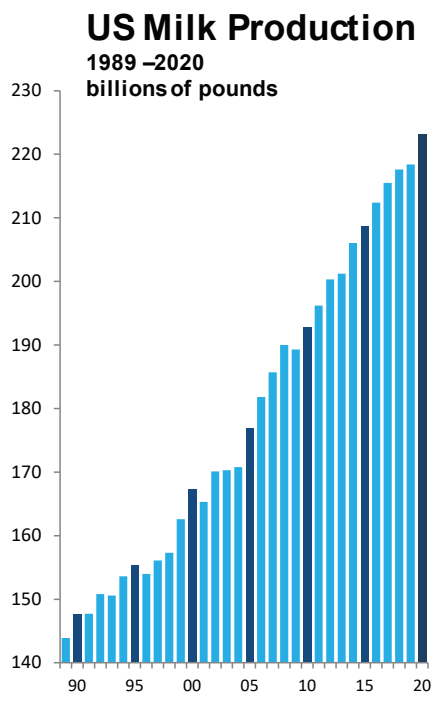
The number of milk cows on farms in the 24 reporting states in January was 8.93 million head, 92,000 head more than January 2020 and 6,000 head more than December 2020.

January milk production for the entire US totaled 19.17 billion pounds, up 1.6 percent from January 2020.

Annual US milk production in 2020 totaled a record 223.2 billion pounds, up 2.2 percent, or 4.8 billion pounds, from 2019. Revisions to 2019 production increased the annual total 59 million pounds. Revised 2020 production was up 165 million pounds from last month's estimate.

Prodution per cow in the US averaged a record 23,777 pounds

• See **Milk Output Up,** p. 8



AMPI, First District Association Form Common Marketing Agency To Benefit Customers, Members

New Ulm and Litchfield, MN—Associated Milk Producers, Inc. (AMPI) and First District Association on Wednesday announced the formation of a jointly owned Common Marketing Agency (CMA) of the two dairy cooperatives.

The CMA, known as the American Dairy Cooperative, will be led by a board of directors, comprised of AMPI and First District members.

The CMA will optimize operational and supply chain efficiencies to benefit members and customers, according to the announcement. This includes enhanced on-farm services, better utilizing manufac-

• See **CMA Formed,** p. 7

FDA Urged To Rethink List Of Cheeses Included In Its Traceability Proposal

Rockville, MD—The list of cheeses for which additional traceability records would be required under a rule proposed last year by the US Food and Drug Administration (FDA) has been criticized by several cheese and dairy organizations.

FDA last September published a proposed rule to establish additional traceability recordkeeping requirements for certain foods. The agency also published a draft Food Traceability List (FTL) which describes foods that would be subject to the proposed requirements.

The FTL includes cheeses, other than hard cheeses; that includes all cheeses made with either pasteurized or unpasteurized milk, other than hard cheeses. That specifically includes soft ripened/semi-soft cheeses (such as Mozzarella, Brie, Feta, Blue, Brick, Fontina, Monterey Jack and Muenster, among others), and soft unripened/fresh soft cheeses (such as cottage, cream, chevre/goat, Mascarpone, Ricotta, Queso Blanco, Queso Fresco, Queso de Crema and Queso de Puna).

If finalized, FDA's proposal would standardize the data elements and information companies must establish and maintain, and the information they would need to send to the next entity in the supply chain to facilitate rapid and accurate traceability.

The deadline to submit comments on FDA's proposed rule was Monday, Feb. 22.

In its comments, the International Dairy Foods Association

• See **List Of Cheeses,** p. 18

Past Issues Read this week's issue or past issues of Cheese Reporter on your mobile phone or tablet by scanning this QR code.

Cheese Reporter Publishing Co. Inc. ©2021

2810 Crossroads Drive, Suite 3000
Madison, WI 53718-7972
(608) 246-8430 • Fax (608) 246-8431
http://www.cheesereporter.com

DICK GROVES
Publisher/Editor
e-mail: dgroves@cheesereporter.com
608-316-3791

MOIRA CROWLEY
Specialty Cheese Editor
e-mail: mcrowley@cheesereporter.com
608-316-3793

KEVIN THOME
Advertising & Marketing Director
e-mail: kthome@cheesereporter.com
608-316-3792

BETTY MERKES
Classifieds/Circulation Manager
e-mail: info@cheesereporter.com
608-316-3790

REGULAR CONTRIBUTORS:
Jen Pino-Gallagher, Bob Cropp, Brandis Wasvick, Dan Strongin, John Umhoefer
You can e-mail our contributors at:
contributors@cheesereporter.com

The Cheese Reporter is the official publication of the following associations:

California Cheese & Butter Association
Lisa Waters,
1011 Pebble Beach Dr, Clayton, CA 94517

Central Wisconsin Cheesemakers' and Buttermakers' Association
Jim Mildbrand
jim.mildbrand@gmail.com

Cheese Importers Association of America
204 E St. NE, Washington, DC 20002

Eastern Wisconsin Cheesemakers' and Buttermakers' Association
Barb Henning, Henning's Cheese
21812 Ucker Road, Kiel, WI 53042

International Dairy-Deli-Bakery Association
8317 Elderberry Road, Madison, WI 53717

Missouri Butter & Cheese Institute
Terry S. Long, 19107 Factory Creek Road,
Jamestown, MO 65046

Nebraska Cheese Association
Ed Price, Fremont, NE 68025

New York State Cheese Manufacturer's Assn
Kathyrn Boor, 11 Stocking Hall,
Cornell University, Ithaca, NY 14853

North Central Cheese Industries Assn
Lloyd Metzger, SDSU, Box 2104,
Brookings, SD 57007

North Dakota Cheese Makers' Assn
Chuck Knetter, Medina, ND 58467

Ohio Swiss Cheese Association
Lois Miller, P.O. Box 445,
Sugar Creek, OH 44681

South Dakota State Dairy Association
Howard Bonnemann, SDSU, Box 2104,
Brookings, SD 57007

Southwestern Wisconsin Cheese Makers' Association
Myron Olson, Chalet Cheese Coop,
N4858 Cty Hwy N, Monroe, WI 53566

Wisconsin Association for Food Protection
Bob Wills
PO Box 620705, Middleton WI 53562

Wisconsin Cheese Makers' Association
John Umhoefer, 5117 W. Terrace Dr.,
Suite 402, Madison, WI 53718

Wisconsin Dairy Products Association
Brad Legreid, 8383 Greenway Blvd.,
Middleton, WI 53562

EDITORIAL COMMENT

DICK GROVES

Publisher / Editor
Cheese Reporter
e: dgroves@cheesereporter.com
tw: @cheesereporter

...as impressive as US cheese exports have been in recent years, they haven't broken the record high of 810 million pounds, set back in 2014.

History Provides Context For US Dairy Trade Statistics

Year-end US dairy trade statistics were released earlier this month by USDA's Foreign Agricultural Service, and as reported on our front page on both Feb. 5th and Feb. 12th, 2020 saw increases in the values of both US dairy exports and dairy imports, and at least a few records or near-records.

Those trade statistics also illustrate that history can be important for providing context to dairy export and import statistics. And not just very recent history, but also history dating back several years, and even decades.

In the dairy export arena, for example, US dairy exports in 2020 were valued at $6.5 billion, up 9 percent from 2019. The value of dairy exports was up almost $2 billion from just two years earlier.

But the value of US dairy exports last year still trailed two other years, 2014's record $7.1 billion as well as 2013's $6.7 billion.

Interestingly, last year was the first time ever that US dairy exports exceeded $500 million in value every month of the year; in both 2014 and 2013, they dipped below that level three times. But last year was also the sixth straight year in which dairy exports failed to reach $600 million in a single month; in both 2013 and 2014, dairy exports topped $600 million in multiple months.

What that illustrates, if nothing else, is that US dairy export values showed less volatility last year than in some previous years.

Among the leading US dairy export markets, US dairy exports to China last year were valued at $539.1 million, up an impressive 45 percent, or $167 million, from 2019. But exports to China remain well below their record level of $706.2 million, set in 2013, as well as their 2014 level of $695.2 million.

Thanks in part to that big increase in exports to China, US dairy exports topped $500 million in value to three countries last year: Mexico ($1.4 billion), Canada ($676 million), and China. In both 2018 and 2019, US dairy exports topped $500 million in value to only two countries, Mexico and Canada.

But exports did top $500 million in value to three countries in 2017, and also in 2013 and 2014. Mexico and Canada are the constants here, with exports to China fluctuating wildly, no doubt at least in part due to US trade policies.

US cheese exports declined slightly in 2020, dropping about 750,000 pounds from 2019. Still, last year marked the fourth straight year in which the US exported more than 700 million pounds of cheese, which is pretty impressive, considering that, prior to 2000, US cheese exports had never topped 100 million pounds, and prior to 2012, had never exceeded 500 million pounds in a single year.

But as impressive as US cheese exports have been in recent years, they haven't broken the record high of 810 million pounds, set back in 2014.

Last year saw an impressive increase in dry whey exports, up 40 percent from 2019, to 472.2 million pounds. But dry whey exports were higher than that as recently as two years ago, at 487.4 million pounds, and topped half a billion pounds as recently as 2014, when they reached 504.5 million pounds.

And that 2014 level ranks only fifth as far as US dry whey exports are concerned, trailing 2013's 521.5 million pounds, 2011's 550.6 million pounds, 2010's 557 million pounds and 2007's record 582.8 million pounds.

On the import side, US cheese imports last year totaled 365.6 million pounds, down 7 percent from 2019 and their lowest level since 2014.

With cheese imports, the 21st century can be split into two categories: years in which imports topped 400 million pounds, which includes every year from 2000 through 2007, as well as 2015 through 2017; and years in which imports fell below 400 million pounds, which includes 10 of the last 13 years.

As far as cheese imports from individual countries are concerned, there are numerous noteworthy trends that require some historical context.

As far as import declines are concerned, US cheese imports from Italy last year were at their lowest level since 2014; imports from France were at their lowest level since 2010; and imports from Spain, Germany and the United Kingdom were at their lowest level since 2013.

But when it comes to cheese import declines, Denmark and Norway really stood out last year. Imports from Norway, at 10.6 million pounds, were at their lowest level since...well, since at least the 1980s. The online FAS import database only goes back to 1989, and since then, the lowest level of cheese imports from Norway was 13.6 million pounds, in 2002 and again in 2015.

Similarly, cheese imports from Denmark last year, at 12.1 million pounds, were also at their lowest level since at least the 1980s. In a way, this is more noteworthy than the decline in imports from Norway, since imports from Denmark topped 30 million pounds several times, including a high of 33 million pounds in 2003. Imports from Norway, by comparison, have never topped 20 million pounds (at least not since 1989).

Meanwhile, cheese imports from a few countries reached new highs last year, including Switzerland, Nicaragua, Canada and Greece.

Volatility is usually discussed in the context of prices, particularly in 2020 with cheese and milk prices fluctuating wildly. But US dairy trade trends are also quite volatile, both in value terms and also in volume terms.

As with price volatility, we expect this dairy trade volatility to continue here in 2021 and in the years ahead.

CHEESE REPORTER (Publication Number: ISSN 0009-2142). Published weekly by Cheese Reporter Publishing Co. Inc., 2810 Crossroads Drive, Suite 3000, Madison, WI 53718-7972; Phone: (608) 246-8430; Fax: (608) 246-8431. Subscriptions: $140.00 per year in USA; Canada and Mexico: $195.00 per year; other foreign subscribers, please write for rates. Advertising and Editorial material are copyrighted material. Any use without publisher's consent is prohibited. Cheese Reporter does not endorse the products of any advertiser or any editorial material. POSTMASTER: If undeliverable, Form 3579 requested. Periodicals postage paid at Madison, WI. Address all correspondence to: Cheese Reporter, 2810 Crossroads Drive, Suite 3000, Madison, WI 53718-7972

Quantity Traded On Global Dairy Trade Auctions Declined 0.6% In 2020

Whole, Skim Milk Powder Accounted For 79% Of Total Quantity Traded

Auckland, New Zealand—The quantity of dairy products traded on Global Dairy Trade's (GDT) semi-monthly dairy commodity auction in 2020 totaled 678,076 metric tons (1.5 billion pounds), down 0.6 percent, according to GDT's 2020 annual report.

The main milk powders, whole milk powder and skim milk powder, accounted for 79 percent of the quantity traded on the GDT auction last year (58 percent whole milk powder, 21 percent skim milk powder), the report noted.

Anhydrous milkfat accounted for 9 percent of the quantity traded, butter for 7 percent, Cheddar cheese for 3 percent, and other dairy products (buttermilk powder, lactose, and rennet casein) for 2 percent (rennet casein was only offered on the GDT auctions through May 2020).

The most active contract period was Contract Period 2, which is the contract period used as settlement for NZX dairy derivatives (which include whole milk powder, skim milk powder, anhydrous milkfat and butter, along with milk prices). Contract Period 2 accounted for 40 percent of the quantity traded on GDT auctions last year, followed by Contract Period 3 at 23 percent, Contract Period 4 at 16 percent, Contract Period 1 at 11 percent, Contract Period 5 at 10 percent, and Contract Period 6 at 0.3 percent.

Quarterly participating bidders — unique bidders who placed a bid in round 1 of an auction — averaged 256 during 2020, down 5 percent from 2019. Quarterly winning bidders, those participating bidders who won product, averaged 222 during 2020, down 3.8 percent from 2019.

The number of registered bidders averaged across GDT auctions held during 2020 was 489. Consistent with previous years, North Asia and South East Asia and Oceania were the most represented regions, comprising over 55 percent of total registered bidders (28 percent each). Those regions were followed by Europe, 13 percent; Africa, 10 percent; Middle East, 9 percent; South and Central America, 8 percent; and North America, 4 percent.

Skim milk powder remains the most active product group for participating bidders; in 2020, 182 bidders actively bid on skim milk powder in at least one auction. Next was whole milk powder, with 177 bidders, followed by anhydrous milkfat, with 140 bidders, and butter, with 98 bidders.

Participation in lactose increased during 2020, to 24 bidders, while Cheddar participation declined to 57 bidders. There were 53 buttermilk powder bidders last year, unchanged from 2019.

North Asia and South East Asia and Oceania were the most active regions, comprising over 50 percent of total participating bidders. They were followed by Europe, at 13 percent; Africa, 10 percent; Middle East and South and Central America, 9 percent each; and North America, 3 percent.

The 12-month average prices for 2020 were mixed compared to 2019, with anhydrous milkfat down 21.9, butter down 12.2 percent, whole milk powder down 4.4 percent, and skim milk powder up 5.6 percent. Anhydrous milkfat reached a four-year low of $3,742 per metric ton in August 2020.

The 12-month average prices for Cheddar cheese and buttermilk powder were also mixed in 2020 compared to 2019, with Cheddar up 2 percent and buttermilk powder down 12 percent. BMP reached a 23-month low of $2,034 per ton in May 2020.

For 2020, the 12-month average price of lactose was 26 percent higher, reaching a record high of $1,349 per ton in August 2020, the highest since the launch of European lactose in 2015.

In 2020, 96 percent of the total quantity traded on the GDT auctions occurred in parcel sizes of 500 metric tons or less.

Over two-thirds of purchases occurred in the one to 50 metric ton category, indicating a wide variety of purchases across product groups and contract periods, the report noted.

The seasonal pattern shows peak shipment quantities around November, December and January of each calendar year, while shipment quantities bottom out in August. Last year, for example, the quantity shipped peaked at 82,644 metric tons in January, and was also above 70,000 tons in both November (71,576 tons) and December (73,374 tons). At the other extreme, just 24,639 metric tons were shipped in August and 33,531 tons were shipped in September.

Future Milk Prices Remain Uncertain by Dr. Bob Cropp

Dairy Situation & Outlook: *February 23, 2021*

February milk prices will end a little weaker than January. Class III will drop below $16 to around $15.60 compared to $16.04 in January. Class IV will be around $13.30 compared to $13.75.

Cheese prices have been moving up and down all month and will average lower for the month than the January average of $1.5141 per pound for Cheddar barrels and $1,7470 for 40-poind Cheddar blocks. Currently barrels are $1.3825 per pound and blocks $1.57. Dry whey continued to show strength since October when the price was in the high 30's per pound. Currently dry whey is $0.5475 per pound. This strength has added about $0.90 to the Class III price but not enough to offset lower cheese prices.

Butter averaged $1.3496 per pound in January. Butter reached a low of $1.21 per pound the start of February and increased to $1.55 on February 19th but has now fallen to $1.4875. While butter will average a little higher in February the NDM price weakened some from an average of $1.1808 per pound in January to the current price of $1.090 which explains a weaker Class IV price in February.

Where milk prices head for the remainder of the year remains uncertain and cannot be forecasted with a high degree of probability because milk prices can change a lot and quickly with any change in supply or demand. Crucial will be the level of milk production, and how soon COVID-19 comes under control and things start to return more to normal. The level of dairy exports will also be important.

Milk production was running 3 percent higher than a year ago in November and December. Milk production slowed to just a 1.6 percent increase in January. Milk cow numbers started to increase month to month back in July and increased another 8,000 December to January. Milk cows were 0.9 percent higher than a year ago. But the slowdown in production was due to just a 0.6 percent increase in milk per cow which in recent months was running 2 percent.

While milk production has slowed it is still at a level to put downward pressure on milk prices.

Milk production is likely to slow as we move through the year. Lower milk prices and higher feed costs will tighten margins over feed cost which could slow the increase in milk per cow. The January cattle inventory showed dairy replacements expected calve within the next 12 months 2 percent lower than a year before. So, cow numbers may stop increasing by second half of the year. USDA is forecasting cow numbers to average for the year 0.6 percent higher than 2020 with milk per cow up 1.4 percent resulting in 2021 milk production up 1.9 percent from 2020. That is a lot of milk and will keep pressure on milk prices.

It looks somewhat encouraging that new cases of the COVID-19 virus are slowing and more will be vaccinated by summer. If so, restaurants should become more fully open, and with the possibility of in-person learning in schools and sports returning coming this fall food service will strengthen improving butter and cheese sales. But the return to normal may be slow as consumers are reluctant to return fully to pre-virus consumption patterns.

The level of government purchases of dairy products is not likely to be at the level of last year. The Farmers to Families Food Box Program runs through April. It is uncertain if the program will be extended. There remain other government programs where dairy products will be purchased for school lunch and food banks. Anyway, the sale of milk and dairy products should strengthen as we move through the year.

Dairy exports were very positive for milk prices in 2020. Dairy exports on a milk solids equivalent volume basis were up 12.9 percent and set a record high. Exports were 16.0 percent of U.S. milk production compared to the previous record of 15.5 percent set back in 2013. For the year nonfat dry milk/skim milk powder exports were up 15.9 percent with strong sales to Southeast Asia, whey products up 23.9 percent as China resumed increased imports, butterfat exports up 7.0 percent and cheese exports down just 0.1 percent.

Dairy exports in 2021 could continue to be a favorable factor for milk prices. The price of nonfat dry milk/skim milk powder, cheese and butter are currently very price competitive on export markets. The dollar also remains weak to other currencies. Milk production in other major exporters is increasing but overall appears to be less than 1 percent.

So, there will be some additional product available to compete with the US. And COVID-19 has slowed economies of most countries. But USDA is forecasting for 2021 increased butter and whey product exports with continued strong exports of nonfat dry milk/skim milk powder.

Stock levels remain at a relatively high level and need to be drawn down for stronger milk prices.

Currently Class III futures are below $16 for February and March, returning to the low $16's by April and in the low to mid $17's May through December. Class IV dairy futures reach $14 by March, $15 by June and the low $16's October through December as butter prices are expected to increase.

Such a price pattern for now seems reasonable with improved milk prices the second half of the year as milk production slows, milk and dairy product sales improve, and dairy exports are positive. But the possibility that milk prices could end up higher or lower than this remains. BC

FROM OUR ARCHIVES

50 YEARS AGO

Feb. 26, 1971: Blue Mounds, WI—Specialty cheese manufacturer Stauffer & Sons announced this week the opening of its production plant and office headquarters here. The company was originally founded in 1880 in Hungary, and now makes specialty cheese for the North American market under its "Swiss Bear" brand.

Washington—President Nixon has created an Office of Consumer Affairs through executive order, and named Virginia Knauer to head up the initiative. Nixon chided Congress for inaction on consumer legislation he recommended last year, which he called the "buyers' bill of rights."

25 YEARS AGO

Feb. 23, 1996: Paris, France—Fromageries Bel here has agreed to purchase all assets of Kaukauna Cheese from the Kaukauna Cheese Wisconsin Limited Partnership. The transaction will include a manufacturing, distribution and retail facility in Little Chute, WI, as well as a warehouse in Neenah, WI.

Twin Falls, ID—Avonmore Foods, Kilkenny, Ireland, will invest a total of $20 million in expanding two of its processing plants located in Gooding and Twin Falls, ID, creating considerable economies of scale. Avonmore will increase cheese production at its two facilities – from the current 135 million pounds annually to 180 million pounds – in order to meet growing foodservice demand.

10 YEARS AGO

Feb. 25, 2011: Windsor, VT—The Vermont Farmstead Cheese Company, a community-owned artisan cheese and dairy operation, announced plans to build a cheese production and aging facility here. Headed up by VFC chairman Vince Galluccio, the plant will also offer aging, custom packaging and distribution to all Vermont cheese makers.

Rock Steam, NY—New York State's Finger Lakes Cheese Trail has welcomed a new farmstead cheese operation. Three-generation Shtayburne Farm here has just completed a production facility and will soon offer flavored Cheddars, Monterey Jack and cheese curds.

Claim Deadline Is Apr. 23 For Cheese, Butter Buyers In CWT Lawsuit

St. Louis, MO—The deadline is Apr. 23, 2021, for claims to be postmarked or received by the administrator in a case involving purchasers who bought cheese or butter directly from a Cooperatives Working Together (CWT) member between Dec. 6, 2008, and July 31, 2013, according to the US District Court for the Southern District of Illinois.

A $220 million settlement has been reached in the class action lawsuit brought against National Milk Producers Federation (NMPF), Agri-Mark, Inc., Dairy Farmers of America, and Land O'Lakes, the court noted. The lawsuit claims that Cooperatives Working Together (CWT) operated a herd retirement program that was a conspiracy to reduce milk production that violated the law.

The court has not decided who is right in the case.

On Apr. 27, 2020, the court granted final approval of this $220 million class action settlement and issued a final judgment, as well as a plan of distribution. The settlement is no longer subject to appeal because the period for appeals has passed.

The court decided that the class includes all persons and entities in the US that purchased butter and/or cheese directly from one or more members of defendant, CWT and/or their subsidiaries, during the period from Dec. 6, 2008, to July 31, 2013, who did not timely opt-out of the class. Those that are included are called "Class Members."

To be eligible for a payment, a Class Member must have purchased cheese or butter made by a CWT member. Class Members who are consumers must have purchased cheese or butter made by a CWT member at one of the dairy co-op stores.

The settlement does not include milk purchases.

The settlement provides that payments to Class Members will be allocated: 63 percent to the cheese sub-class and 37 percent to the butter sub-class. Total payments will be $220 million plus interest, minus: attorneys' fees and expenses; payments to the named plaintiffs; notice and administration costs; and taxes.

Class Members who would like to claim purchases of cheese and/or butter made by defendants must complete and submit the Submitted Documented Claim Form with proof of their purchases.

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

Managing Brine Systems For Artisan Cheese: Be Proactive, Not Reactive

Denver, CO—Cheese makers need to be proactive rather than reactive when it comes brining systems, which have a critical impact on the consistent manufacturing of safe, high quality cheese.

The American Cheese Society (ACS) hosted a webinar Wednesday on best practices for managing a brine system.

Jim Mueller of Mueller, LLC and artisan cheese consultant Larry Bell outlined different sizes and configurations of brine systems for a variety of cheese types and forms.

They also outlined best practices to ensure the safety of brining systems, along with tips for configuration and management in order to maintain product quality.

"Be proactive rather than reactive" Mueller advised.

Using the Food Safety Modernization Act (FSMA) model as a guide, the first step is to follow the current Good Manufacturing Practices (GMP) program and look at existing food safety plans covering the hazard analysis of four specific areas: process controls, supply chain, allergen control and sanitation control.

Speakers focused on brine management using static brine systems; specifically, controlling pathogens in brines for artisan cheese factories. Brine is a product contact surface that can serve as a reservoir of salt-tolerant pathogens such as Listeria monocytogenes, Mueller said.

"The bottom line is that Listeria can grow and survive in cheese brine because brine provides a good reservoir as an in-keeper for pathogens," he said. "It likes a wet, cool environment and salt."

"We can ask ourselves questions as we look at individual systems," Bell said. "First off, can pathogens survive in my brine? The answer is going to be "yes."

Listeria is salt-tolerant; it likes cold and wet conditions; it can survive, he added.

"How often do I need to change my brine? Is there a physical break somewhere in your brine system? Where is my brine tank located in my facility – are there barrier controls between my brine room and other areas of my plant," Bell said.

Brine rooms will be contaminated by poor practices, which is why barriers are so important to stop the transfer of microorganisms.

Are we following good hygiene and sanitation practices? These two factors are at the heart of preventing Listeria contamination, Bell said. Do we conduct environmental monitoring to track the effectiveness of hygienic and sanitation practices?

Cheese makers have a four-step process they can follow to safeguard their brine system.

The first step is to identify the potential hazard, and second, conduct a hazard assessment of the encountered risk. Step three is to look for any gaps in the system, and step four takes an action step to close any gaps.

There can be three types of hazards in a brine system: biological, chemical and physical, but we're looking at food safety concerns. The hazard is biological and specifically, Listeria monocytogenes.

Six Pillars Of Brine Management

The six pillars of a core brine management plan include the following: sanitary design of equipment; environmental sanitation practices; hygienic practices; managing a brine recipe; verification documentation, and training.

The take-home message here is that brine contamination is mitigated through core practices, Mueller said.

> **"There's no guarantee that the salinity level in your brine will combat Listeria's survival. That's why you need to employ a number of these intervention steps."**
>
> —Jim Mueller, Mueller, LLC

Cheese plants should begin with a risk assessment of the current brine system and identify hazards using the six pillars as a guide, he said. Then you document, train and deploy.

Mitigation steps to consider include correctly following current GMPs, strict adherence to sanitation practices and a master sanitation design plan for the brine area, Mueller said.

"If your program's been reviewed by a third party, you can use your chemical supply source as a subject matter expert and another set of eyes," he said.

Cheese makers also need to take a look at their sanitary design, and how it protects the brine tank and

• See **Brining Strategies**, p. 10

Kids In Washington, Wisconsin Study 'Farm To Table' With Virtual Farm Tour

Madison—Dairy trade associations in Washington state and Wisconsin have developed a series of lessons on how good nutrition and the dairy industry are linked with virtual farm tours for school children.

With millions of kids still learning at home, Dairy Farmers of Wisconsin (DFW) and the Wisconsin Department of Agriculture, Trade and Consumer Protection (DATCP) teamed to create an opportunity for kids to visit a farm without leaving the house.

Hosted by Wisconsin's 73rd Alice in Dairyland, Julia Nunes, the two groups launched a virtual farm tour of Scientific Holsteins in Chippewa Falls, WI. Scientific Holsteins is owned and operated by Nunes and her family.

"Kids enjoy seeing where their food comes from and who cares for the animals, so I'm excited to showcase my family's dairy farm and share our dairy story," Nunes said. "Dairy plays an essential role in a sustainable food system, and Wisconsin dairy farmers have dedicated their lives to feeding communities across the nation."

Each year, 90,000 fourth grade students study Wisconsin history as part of the social studies curriculum. Students learn about Wisconsin's heritage, culture, careers and communities, with an emphasis on the state's $45.6 billion dairy industry.

This virtual farm tour is an excellent tool for the fourth-grade curriculum, and we're thrilled to offer it as another learning opportunity from home, said Suzanne Fanning, DFW senior vice president and chief marketing officer.

The virtual tour is geared toward grades three, four and five, with an emphasis on fourth grade and is available for download at *WisconsinDairy.org/Farm-Tour*.

Washington State Virtual Farm Tours Emphasize Good Nutrition

Dairy Farmers of Washington also launched a new, interactive virtual farm tour created to help kids learn more about the local dairy farms.

Along with the tour, educators also have access to nutrition-related lesson plans, a calorie calculator and a farm-related lesson plan to accompany the short videos, explaining everything from cow care to milk processing.

"The virtual farm tour is versatile – it was created with teachers and educators in mind, but the average consumer interested in learning more about how milk is produced can also gain a lot from this resource," said Ivan Chu, senior director of integrated marketing and communications for Dairy Farmers of Washington.

"Consumers are more interested than ever in learning about where their food comes from and how it is produced, so it's important for us at Dairy Farmers of Washington to showcase the care that Washington dairy farmers take to bring nutritious dairy to you," Chu said.

The 10 video segments were filmed at four dairy farms across Washington, with some featuring multiple dairy farmers to showcase various farm practices. The interactive map connects students to where their food comes from and how dairy farms operate, including environmental sustainability practices and animal welfare.

"No two dairy farms are exactly alike and have all of the same farm practices, but we all share a passion for our cows and our environment," said dairy farmer Lynne Wheeler of Coldstream Farms in Deming.

"The average consumer is about four generations removed from the farm, and we're passionate about helping connect them with local dairy farms through this virtual farm tour," Wheeler continued.

The virtual farm tour and nutrition resources have been popular with teachers since they were released earlier this month, said Brianne Kappel, director of nutrition and wellness for Dairy Farmers of Washington/Washington State Dairy Council.

"Teachers have done an exceptional job adapting to the virtual learning environment and are doing their part to ensure our youth continue to receive a quality education during these challenging times," Kappel said.

To check out Washington State's online farm tour and lesson plans, visit *www.wadairy.org/on-our-farms/virtual-farm-tour*.

Laughing Cow Marks 100 Years With $75K Gift To ComedyCures

Chicago—Limited-edition packing, social media blitz and a global ad campaign are just some of the marketing efforts surrounding the 100th anniversary of Laughing Cow.

To celebrate, the company has committed $75,000 to support non-profit programs of The ComedyCures Foundation, helping to provide therapeutic entertainment to kids and grown-ups living with illness, depression, trauma, and disabilities.

The brand has also developed a free web experience at *100ytlc.com* where people from around the world can record and share their laughs in celebration with The ComedyCures Foundation. By participating, fans can enter to win a customizable, exclusive laugh box to re-record and replay their laughs.

"Inspiring people to choose to laugh at life brings people together, which has been at the core of The Laughing Cow brand for the past 100 years," said Laughing Cow USA brand director Zach Fatla.

Throughout February and March, consumers can share their laughs with us for a good cause, Fatla said.

Starting this week, Laughing Cow products will sport limited-edition packaging and the company will launch its 360-degree global ad campaign.

Each all-red package contains specially branded wedges with The Laughing Cow logo and a scannable QR code directing to the free *100ytlc.com* web experience. It also includes more details on the centennial anniversary.

Butter Consistency Issue Prompts Canadian Dairy Industry To Address Palm Oil In Feed

Ottawa, Ontario—Canadian dairy industry organizations are responding to concerns expressed by consumers in recent weeks over the use of animal feed supplements containing palm by-products.

The use of palm oil derived ingredients as a feed supplement on Canadian dairy farms has come to the attention of the Dairy Procesors of Canada (DPAC).

This discussion and concern has been raised within the context of butter consistency, according to the DPAC.

The Dairy Procesors of Canada said it does not have the necessary data to assess the extent to which this type of feed supplement is used on Canadian dairy farms and thus encourages dairy producer organizations to take steps to better understand its use.

The Dairy Procesors of Canada said it will work with dairy producer organizations and consult with experts to understand this situation, address consumers' concerns, and explore possible policy options.

In speaking to members, DPAC said it can confirm that the way in which butter is produced in Canada has not changed.

Butter is a very simple product and has a very short list of acceptable ingredients: cream and salt (for salted butter).

These are standardized by Canadian regulations, and require butter to contain at least 80 percent milkfat.

In light of the concerns over the use of animal feed supplements containing palm by-products, Dairy Farmers of Canada (DFC) had previously announced the formation of a working group of experts to assess current scientific literature, identify gaps in information, and look into issues that have been raised by consumers. Academics from different relevant areas along with sector experts will come together shortly to begin the work.

The Dairy Farmers of Canada will also seek the views of consumers as part of this exercise.

It is essential that decisions be made on a factual basis and that science guide the dairy sector, hence the creation of a working group of experts, DFC noted.

Pending completion of this work, DFC is asking dairy farmers to consider alternatives to palm supplements.

The Dairy Farmers of Canada stressed that all milk produced in Canada is as safe as always to consume and is subject to Canada's robust health and safety standards. DFC also noted that all animal feeds used on dairy farms are approved by the Canadian Food Inspection Agency and are safe for animals.

At the provincial level, Les Producteurs de lait du Quebec is asking producers to stop using products containing palm oil or its derivatives in dairy cattle feed. The producer organization is also asking feed manufacturers to adjust their recipes accordingly and feed consultants to support producers in making the necessary changes to their feed.

Also, Les Producteurs de lait du Quebec is demanding that the Canadian government and processors apply the reciprocity of standards to all imported dairy products and ingredients.

And the organization hopes that the entire food industry will also contemplate this issue since palm oil is widely used as an ingredient in human food.

Les Producteurs de lait du Quebec said it takes the use of palm oil by-products in the feed given to certain cows very seriously.

Although this by-product is used in a controlled manner and in accordance with government standards, the organization is aware that there are environmental concerns about palm oil production.

CMA Formed

(Continued from p. 1)

turing capacity and serving domestic and global customers with an expanded portfolio of products.

Together, the CMA members produce 7 billion pounds of milk annually. At its plant in Litchfield, MN, First District produces Cheddar and other cheeses, as well as WPC, lactose, and liquid products such as whey cream, sweet cream, and UF skim milk.

AMPI produces a variety of cheeses at plants located in Jim Falls and Blair, WI; Hoven, SD; Sanborn, IA; and Paynesville, MN. The co-op also has a powder plant in Freeman, SD, and operates secondary plants in Portage, WI, and New Ulm, MN. In addition to cheese, AMPI also produces butter, and powdered products including WPC, nonfat dry milk, lactose and buttermilk.

"We see endless opportunities to leverage our dairy farmer-owned assets," said Josh Barka, chairman of the First District board of directors. "The CMA exemplifies the cooperative principle of cooperation among cooperatives."

"The CMA is a natural progression for two like-minded cooperatives to better position themselves for long-term strength," said Steve Schlangen, chairman of AMPI's board board of directors.

Milk Output Up

(Continued from p. 1)

in 2020, 382 pounds above 2019. The average annual rate of milk production per cow has increased 11.5 percent from 2011.

The average number of milk cows on farms in the US during 2020 was 9.39 million head, up 0.5 percent from 2019.

California's January milk production totaled 3.5 billion pounds, down 0.7 percent from January 2020, due to 4,000 fewer milk cows and 10 less pounds of milk per cow, according to the NASS report.

In 2020, California's milk production totaled 41.3 billion pounds, up 1.7 percent from 2019 but more than 1.0 billion pounds below the state's production record of 42.3 billion pounds, set in 2014.

Wisconsin's January milk production totaled 2.66 billion pounds, up 3.1 percent from January 2020, due to 2,000 more milk cows and 60 more pounds of milk per cow.

Wisconsin's milk production last year totaled a record 30.73 billion pounds, up 0.5 percent from 2019. Wisconsin's milk production hasn't declined since 2004, and has reached new record highs every year since 2009, when output of 25.2 billion pounds broke the previous record of 25.0 billion pounds, set in 1988.

January milk production in Idaho totaled 1.34 billion pounds, down 0.3 percent from January 2020, due to 1,000 more milk cows but 10 less pounds of milk per cow.

In 2020, Idaho's milk production totaled a record 16.24 billion pounds, up 3.9 percent from 2019's record output. Idaho's milk production has more than doubled since 2001.

Milk production in Texas during January totaled 1.32 billion pounds, up 5.3 percent from January 2020, due to 30,000 more milk cows and five more pounds of milk per cow.

Texas's 2020 milk production totaled a record 14.8 billioin pounds, up 7.1 percent, or almost 1 billion pounds, from 2019. Milk production in Texas has more than doubled since 2007.

New York's January milk production totaled 1.3 billion pounds, up 0.7 percent from January 2020, due to unchanged milk cow numbers but 15 more pounds of milk per cow.

In 2020, New York's milk production totaled a record 15.3 billion pounds, up 1.4 percent from 2019's record output.

Michigan's January milk production totaled 1.02 billion pounds, up 4.3 percent from January 2020, due to 13,000 more milk cows and 30 more pounds of milk per cow, according to the NASS report.

Michigan's 2020 milk production totaled a record 11.7 billion pounds, up 2.6 percent from 2019. The state of Michigan's milk production has more than doubled since 2000.

January milk production in the state of Minnesota totaled 887 million pounds, up 5.7 percent from January 2020, due to 12,000 more milk cows and 55 more pounds of milk per cow.

In 2020, Minnesota's milk production totaled 10.15 billion pounds, up 2.3 percent from 2019 and the first time Minnesota's milk output has topped 10 billion pounds since 1990.

Minnesota's milk production record, 11.16 billion pounds, was set in 1964.

Pennsylvania's January milk production totaled 865 million pounds, down 0.1 percent from January 2020, due to 5,000 fewer milk cows but 15 more pounds of milk per cow.

Pennsylvania's 2020 milk production totaled 10.3 billion pounds, up 1.7 percent from 2019.

Milk production in New Mexico during January totaled 721 million pounds, up 1.4 percent from January 2020, due to 4,000 more milk cows and five more pounds of milk per cow.

In 2020, New Mexico's milk production totaled 8.17 billion pounds, down 0.2 percent from 2019.

Washington's January milk production totaled 566 million pounds, down 1.9 percent from January 2020, due to 4,000 fewer milk cows and 10 less pounds of milk per cow.

Washington's 2020 milk production totaled a record 6.8 billion pounds, up 0.5 percent from 2019 and the third straight year in which Washington has set a new milk production record.

All told for the 24 reporting states in January, compared to January 2020, milk production was higher in 14 states, with those production increases ranging from 0.7 percent in New York to 10.1 percent in Indiana; down in nine states, with those declines ranging from 0.1 percent in Pennsylvania to 5.1 percent in Florida; and unchanged in Georgia, according to the NASS report.

Among the 24 reporting states in 2020, compared to 2019, milk production was higher in 18 states, with those increases ranging from 0.1 percent in Georgia to 11 percent in South Dakota; and down in six states, with those decreases ranging from 0.2 percent in both New Mexico and Oregon to 3.5 percent in Vermont.

Milk Production by State

STATE	2019	2020	% Change	Change Cows
California	40,595	41,282	1.7	-4000
Wisconsin	30,588	30,730	0.5	-9000
Idaho	15,632	16,241	3.9	20000
New York	15,122	15,337	1.4	-1000
Texas	13,850	14,831	7.1	30000
Michigan	11,385	11,683	2.6	4000
Pennsylvania	10,108	10,276	1.7	-8000
Minnesota	9,922	10,149	2.3	-1000
New Mexico	8,187	8,169	-0.2	4000
Washington	6,783	6,817	0.5	NC
Ohio	5,426	5,618	3.6	3000
Iowa	5,291	5,374	1.6	NC
Colorado	4,807	5,150	7.1	11000
Arizona	4,771	4,889	2.5	1000
Indiana	4,076	4,330	6.2	5000
Kansas	3,819	4,028	5.5	7000
South Dakota	2,810	3,120	11	10000
Oregon	2,635	2,629	-0.2	-1000
Vermont	2,697	2,602	-3.5	-4000
Florida	2,346	2,289	-2.4	-3000
Utah	2,260	2,227	-1.5	-2000
Illinois	1,748	1,787	2.2	-1000
Georgia	1,771	1,772	0.1	-1000
Virginia	1,490	1,522	2.1	NC
Nebraska	1,409	1,460	3.6	1000
Missouri	1,100	1085	-1.4	-2000
Kentucky	942	938	-0.4	-2000
North Carol	902	895	-0.8	-1000
Maryland	840	878	4.5	-1000
Nevada	762	765	0.4	-2000
Oklahoma	731	733	0.3	1000
Maine	621	593	-4.5	-2000
Tennessee	551	542	-1.6	-2000
Connecticut	428	438	2.3	NC
North Dakot	326	328	0.6	NC
Montana	259	254	-1.9	NC
New Hamp	239	234	-2.1	NC
Massachu	193	199	3.1	NC
South Carol	206	189	-8.3	-2000
Wyoming	147	189	28.8	1500
Louisana	135	134	-0.7	NC
Mississippi	126	131	4.0	NC
New Jersey	100	99	-1.0	NC
West Virgin	90	89	-1.1	NC
Delaware	74	71	-4.3	300
Arkansas	67	64	-4.5	NC
Alabama	60	45	-25	-2000
Rhode Is	11	11	2.8	100
Alaska	NR	NR	NA	NR
Hawaii	NR	NR	NA	NR

millions of pounds 1,000 head

Weaker US Dollar Expected To Provide Tailwind For US Dairy Exports In 2021

Euro, New Zealand Dollar Projected To Be Stronger

Denver, CO—Both the euro and New Zealand dollar are projected to be stronger against the US dollar in 2021, giving US dairy "a tailwind into the global export market," according a report released this week by CoBank's Knowledge Exchange.

With the European Union (EU) and New Zealand being such dominant players in international dairy trade, the euro and New Zealand dollar factor heavily in the trade-weighted currency index for dairy, the report explained.

Combined, the EU and New Zealand account for 58 percent of world cheese exports, 51 percent of nonfat dry milk exports, and 77 percent of butter exports. By comparison, the report said, the US claims 17 percent of the world cheese trade, 31 percent of nonfat dry milk/skim milk pwoder exports, and 4 percent of butter exports.

The euro and New Zealand dollar being stronger against the US dollar this year will give US dairy a tailwind this year, especially into key markets like South Korea, Japan, and Australia for cheese, South East Asia for nonfat dry milk, and South Korea for butter, the report said.

With the US being a net importer of butter, especially from Ireland, a stronger euro will raise the cost to bring butter into the US and potentially support domestic demand for US butter, according to the report.

US dollar weakness commonly is inversely correlated with agricultural commodity markets, the report noted. A weaker dollar makes US agricultural products more competitive on the global export market.

However, the broad DXY index that is heavily weighted to the euro does not adequately detail the potential impact on US agricultural exports, the report continued. Notably, the foreign exchange (FX) rates of key agricultural countries that the US competes with lost considerably more value than the US dollar in 2020.

Using FX forecasts from Oxford Economics for each of the major competing agricultural exporting countries, CoBank research revealed a more nuanced effect of FX rates on US dairy, grain, livestock, tree nuts, and cotton exports.

Importantly, according to the report, fundamental factors like the rapid rebuilding of the Chinese hog herd, weather disruptions in key agricultural producing regions of the world, and trade wars also drive major differences in agricultural market behavior and may override the impacts of FX rates.

"US agricultural exports are largely expected to continue a faster pace in 2021 with help from weakness in the US dollar," said Tanner Ehmke, manager of CoBank's Knowledge Exchange. "But our research indicates that some agricultural commodities like grains, oilseeds, and cotton will face a currency headwind."

After a challenging currency environment in 2020 US animal protein exports are expected to benefit from a modest tailwind fueled by a weaker US dollar in 2021, the report said. The outlook for a stronger Australian dollar and euro should make US beef and pork exports the largest beneficiaries in the coming year.

Beyond currency, other drivers signaling a good year for US protein exports in 2021 include less disruption to US meat processing capacity, the rebound in global foodservice demand, and the upward trend in China's meat and poultry imports.

The United States trade weighted grain and oilseed index stands out relative to other agriculture commodities studied in the CoBank report. The index strengthened by 14 percent in 2020 and is expected to do so by another 4 to 5 percent in 2021, in contrast to other commodities' trade-weighted indices.

The further strengthening is driven by corn and soybeans and the US dollar's forecast strength relative to the currencies of Brazil, Argentina, and Ukraine.

It could be argued that corn and soybean exports will face headwinds in 2021 since index strength implies that US exports become less price competitive, the report said.

This was not the case in 2020 nor is it expected to be the case in 2021, due to Chinese demand.

China has been aggressively buying US grain for feed as it rebuilds its hog herd, leveraging its strong currency relative to the US dollar despite the dollar's strength in relation to other currencies, the report noted.

CoBank is a $159 billion cooperative bank serving industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of US agriculture, rural infrastructure and rural communities.

Brining Strategies

Continued from p. 5

surrounding areas, Mueller continued. Look for niches that can harbor undesirable bacteria. If you have a brine system made out of concrete, do you have any exposed aggregate?

If you have a stainless steel system, are there any rough welds? If it's fiberglass, you should be looking for any cracks or chips, he continued.

Regarding the brine recipe, there are some that feel as long as the brine is at saturation or beyond, no pathogens like listeria will grow or survive, Mueller said.

"I'm here to tell you that's not true," he said. "Past studies have shown that Listeria can actually grow at salinity levels of 13 percent, and survive at salinity levels of 19 percent or greater."

"We can ask ourselves questions as we look at individual systems. First off, can pathogens survive in my brine? The answer is going to be "yes."

—Larry Bell,
artisan cheese consultant

"There's no guarantee that the salinity level in your brine will combat Listeria's survival," Mueller continued. "That's why you need to employ a number of these intervention steps."

Cheese makers also need to remove organic substrate because it's a good medium for undesirable micro-growth, he continued. For static brines, one way is through manual skimming to pull the solids out.

A cocktail of options can also provide additional interventions. Mueller's "nuclear option" involves clean-in-place if the brine is beyond rescue and there's no available treatment.

The pasteurization and clean option provides a kill step, and is a good method for small operators, Mueller said.

You may only have to do this on a periodic basis, depending on test results.

Using ultra-violet light also has a kill step, primarily used in larger, 24/7 operations, he said. The cost to purchase and operate makes it difficult for smaller plants to implement.

Ultrafiltration is similar, and filters out the bacterial cells. This method is also used in larger-scale, continuous operations.

An alternative to brine is using dry salt, Mueller said. No brine or brining equipment is needed, but the process is somewhat labor intensive and works best with artisan manufacturers.

Oxidizing agents like ozone are also available, which is a kill step that disrupts the cell wall of the bacteria so it stops functioning. Ozone is also a better fit for larger operations.

A second oxidizing agent is chlorine and with no equipment costs, can easily be used in smaller plants. The downside, Mueller said, is if you get too aggressive with it and leave a chemical residual.

The third agent is hydrogen peroxide.

"We're pretty excited about conducting a set of hydrogen peroxide trials with cheese brine application, working with Kathy Glass at the UW-Madison Food Research Institute," Mueller said.

We worked with eight operations covering nine different cheeses, he said.

Hydrogen peroxide is a strong oxidizer; it's easy to use and test, has a relatively low cost, doesn't leave a chemical residual, and basically breaks down into water and oxygen. It works over a wide pH range as well, Jim Mueller continued.

The Wisconsin Cheese Makers Association, dairy farmers and the Innovation Center for US Dairy provided funding to do a science-based validation on the effectiveness of this process, Muller announced.

"We're hoping some time this summer, we'll have a summary available," he said. "Then we'll be able to review with regulatory and see if we get a 'no objection for use' statement."

If cheese makers use any of these oxidizing agents as an intervention step, we recommend doing shelf studies to ensure product quality and functionality of the agents on your cheese style, Mueller continued.

Last but not least, we need to employ a robust environmental monitoring program to verify the effectiveness of our steps, he said. We also need to document structured standard operating procedures (SOP) and work instructions, along with training to provide consistent implementation.

The ACS provides educational resources and networking opportunities, while encouraging the highest standards of cheesemaking focused on safety and sustainability. Fore more information, visit *www.cheesesociety.org*

El Abuelito Recalls Queso Fresco Products; Stops Making, Distributing All Products

Paterson, NJ—El Abuelito Cheese of Paterson, NJ, announced last Friday that it is recalling all Queso Fresco products because they have the potential to be contaminated with Listeria monocytogenes.

All Queso Freso products with sell by dates through Mar. 28, 2021, have been recalled, the company said. The products are sold as El Abuelito Cheese brand, distributed in Connecticut, New Jersey, Pennsylvania and New York; Rio Grande Food Products brand, distributed in Virginia, North Carolina and Maryland; and Rio Lindo, distributed in North Carolina and Maryland.

The products were distributed through Feb. 16, 2021, and were available in supermarkets, wholesale, and retail stores, El Abuelito Cheese noted.

The US Food and Drug Administration (FDA), along with the Centers for Disease Control and Prevention (CDC) and state and local partners, have been investigating a multistate outbreak of Listeria monocytogenes infections linked to Queso Fresco cheeses made by El Abuelito Cheese.

As part of this outbreak investigation, the Connecticut Department of Public Health collected product samples of El Abuelito-brand Hispanic-style fresh and soft cheeses from a store where a sick person bought cheese.

Last Friday, Whole Genome Sequencing (WGS) analysis conducted by the Connecticut State Laboratory determined that the Listeria monocytogenes found in the samples is a match to the outbreak strain.

That same day, El Abuelito Cheese recalled all Queso Freso products with sell by dates through Mar. 28, 2021.

As of Wednesday, El Abuelito Cheese has ceased production and distribution of all products, according to FDA.

Out of an abundance of caution, and due to the severity of Listeria infection, FDA is expanding its warning to include all El Abuelito brand cheeses until more information is known. According to the company's website, this includes Queso Fresco, Oaxaca cheese, Cotija cheese, and Crema.

FDA said it is working with the company to recall any additional products that could be contaminated and has initiated an on-site inspection of the company's plant.

As of Wednesday, there have been 10 illnesses, nine hospitalizations and no deaths tied to this case, according to FDA.

National Office Of Supply Chain Recommended To Boost Resiliency

Arlington, VA—A study released this week calls for the establishment of a national Office of Supply Chain to provide expertise, facilitate coordination across the federal government and encourage collaboration with the private sector.

The study, *US Supply Chain Priorities: The Case for a Federal Office of Supply Chain*, provides a roadmap for policymakers to enhance supply chain competitiveness and resilience, and remedy the current disjointed system.

The study, which was released by the Consumer Brands Association and the Council of Supply Chain Management Professionals (CSCMP), along with Iowa State University researchers, reflects input from 25 supply chain thought leaders and government and NGO research.

The purpose of the study was to identify key supply chain challenges, issues and opportunities for the consumer packaged goods (CPG) industry that are directly impacted by public policy and to delineate potential solutions and approaches for consideration by policy makers.

The coronavirus pandemic has drawn considerable public attention to supply chain management, particularly for materials critical to the health, safety and well-being of the country, the study noted. The pandemic exposed supply chain vulnerabilities as the US suffered from shortages or delays in the availability of essential products, such as food, cleaning and medical supplies, and revealed a heavy reliance upon foreign production of critical products and components.

The pandemic has impacted consumer behavior, some of which is likely to persist once the pandemic concludes. As consumers grow accustomed to the efficiency and convenience of online shopping, expectations for speed of delivery, consistent product quality and safety and the effecient handling of returns, they will continue to place greater pressure on supply chains, the study said.

Transportation cost and capacity optimization, supply chain visibility, emerging technologies and innovation, changing labor requirements and shortages, nonuniformity of state and federal regulations and urban freight logistics challenges were the dominant themes that emerged consistently from discussions with the thought leaders, according to the study.

These themes are not mutually exclusive, the study pointed out; for example, technological changes are requiring workers to possess new skill sets and labor (driver) shortages are impacting transportation cost and capacity.

According to the Federal Emergency Management Agency's (FEMA) 2019 *Supply Chain Resilience Guide*, the most effective way to deliver needed supplies to a disaster-impacted area is by re-establishing pre-disaster supply chains. Building resilience with, and providing for the rapid restoration of, supply chain systems is key to responding to any catastrophic incident.

The report proposes a number of policy recommendations to strengthen the response to catastrophic incidents such as the coronavirus pandemic, including the creation of a White House Office of Supply Chain to more effectively coordinate and integrate supply chain policies and liaise with the private sector; reforming immigration policies to build a talent pipeline; developing new funding mechanisms to meet the long-term needs of freight transportation; and establishing a framework to accommodate quickly emerging innovative vehicle technologies.

"The pandemic displayed just how fragile and essential supply chains are, especially for vulnerable populations where access, affordability and availability are paramount," said Geoff Freeman, president and CEO of the Consumer Brands Association.

"Supply chains deliver for millions of consumers every day, yet they don't receive the necessary coordinated attention from our policymakers," Freeman continued. "Greater federal leadership on supply chain policy will lead to a stronger economic recovery, growth and stability for future crises."

"Well-intentioned policy efforts are currently hindered by the disjointed nature of government and the lack of an overarching national strategy," said Chris Adderton, vice president of CSCMP. "Our report identifies dozens of opportunities for government to help improve the tremendous complexity and interconnected nature of modern supply chains."

"Between COVID-19, winter storms and more, there's mounting awareness that we need to take action to shore up our supply chains," said Tom Madrecki, vice president of supply chain and logistics at the Consumer Brands Association. "Strategic policymaking and strong government leadership is a critical piece of that."

Vilsack & Harden

(Continued from p. 1)

"Tom Vilsack's experience and leadership will be crucial to meeting these challenges, and more," Mulhern added.

Vilsack's "strong track record of leadership and previous experience at USDA will serve rural America well," said Zippy Duvall, president of the American Farm Bureau Federation. "We have a lot of work to do as we overcome obstacles created by the COVID-19 pandemic."

"No one is more qualified to lead the USDA than Tom Vilsack. After serving as secretary of agriculture for eight years, he knows the agency inside and out, giving him the insight he needs to get to work right away on behalf of family farmers, rural communities, and hungry Americans," said Rob Larew, president of National Farmers Union.

"Vilsack's leadership, experience and understanding of the value of state agriculture departments will contribute to real and lasting impacts for farmers, ranchers and communities across our nation," said Dr. Barb Glenn, CEO of the National Association of State Departments of Agriculture.

"NASDA is especially enthusiastic to work with the secretary on our shared priorities including protecting the food supply chain, advancing diversity, equity and inclusion in agriculture, building and maintaining markets that advance local and rural economies, and promoting science-based solutions to climate challenges," Glenn added.

Tom Gallagher, CEO of Dairy Management Inc. (DMI), USDEC's parent organization, congratulated Vilsack and thanked him "for the great work he has done for America's dairy farmers through his leadership" at USDEC.

Vilsack "has been a driving force in continuing to create viable global markets for dairy through USDEC, and he will continue to be a strong voice for agriculture in his role at USDA," Gallagher said.

Harden Promoted At USDEC

With Vilsack's departure, Gallagher announced the promotion of Krysta Harden from USDEC's chief operating officer to USDEC's president and CEO.

Harden had been named USDEC COO in 2020. During that time, she continued her role as executive vice-president of global environmental strategy for DMI.

Harden becomes only the third president and CEO to lead USDEC since its founding by DMI in 1995 and is its first female chief executive. Tom Suber headed up the organization from 1995 through 2016, and Vilsack from 2017 until this week.

Before joining DMI, Harden served as chief sustainability officer with Corteva and DuPont. Harden also spent seven years working with Vilsack at USDA, nearly three of those years as deputy secretary, following posts as Vilsack's USDA chief of staff and assistant secretary for congressional relations. At USDA, Harden helped shape policy and led the implementation of the 2014 farm bill.

Prior to joining USDA, Harden was CEO of the National Association of Conservation Districts, providing leadership for thousands of conservation districts in the US.

In her new role as USDEC's president and CEO, Harden will direct a staff of dairy trade specialists, trade policy professionals, a global marketing team, a strategy, and insights team, and oversee eight international offices working to facilitate dairy product and ingredient application knowledge, identify market opportunities, monitor regulatory activity and work toward improving the business climate for US dairy. She also will continue to be active in global organizations, including the World Economic Forum, Global Child Nutrition Foundation, and the upcoming UN World Food Systems Summit.

"Secretary Vilsack's USDEC leadership since 2017 fine-tuned the organization to reach record growth in US dairy exports, and I look to build on his legacy," Harden said. "I will continue his aggressive approach to engaging USDEC member companies, exporters, and dairy producers in export market development efforts.

"I'll also work with DMI leadership on issues critical to the dairy industry while leveraging USDEC's unique leadership role in promoting the United States' preeminent position as sustainably producing the highest quality dairy products and ingredients anywhere in the world," Harden added.

"Krysta has been an incredible addition to the DMI and USDEC staff and will do an excellent job for dairy farmers at USDEC," Gallagher said. "We are extremely fortunate to have someone with Krysta's background and experience in agriculture and with USDEC ready to step into this critical leadership role."

"The leadership collaboration between Secretary Vilsack and Krysta Harden this past year was exceptional and helped USDEC drive export gains for US dairy producers amid a very disruptive pandemic," said Larry Hancock, chairman of the USDEC board of directors.

Cayuga Milk, FrieslandCampina Partnering On Milk Protein Products

Amersfoort, Netherlands, and Auburn, NY—FrieslandCampina Ingredients has announced a new partnership with Cayuga Milk Ingredients for the production of its Refit™ milk proteins MPI 90 and MPC 85.

The partnership brings together two cooperatives to bring US customers a local source of premium milk proteins.

"Our Refit range, which includes MPI 90 milk protein isolate and MPC 85 milk protein concentrate, is designed to allow our customers to choose from a wide range of dairy proteins for performance and active nutrition," said Uwe Schnell, managing director North America for FrieslandCampina Ingredients.

"These ingredients ensure a more sustained release of protein than whey proteins do, so are ideal for recovery or endurance sports," Schnell said. "We're very happy to now offer our American customers a local, trusted source of milk proteins, while also ensuring customers achieve stable access to high quality, easily traceable solutions."

Cayuga Milk Ingredients collects all its milk from farms within 40 miles of its plant. The milk is then processed within 48 hours at a new state-of-the-art facility expressly designed for the purpose.

"Choosing the right partner has been crucial. We're proud to be working with Cayuga Milk Ingredients, an organization which mirrors our commitment to sustainable sourcing and quality, fueled by farmers themselves," said Guus Aerts, managing director FrieslandCampian Ingredients, Performance, Active & Medical Nutrition.

"We're excited to bring the value of our local milk and our transparent, high quality production process to FrieslandCampina Ingredients customers," said Kevin Ellis, CEO of Cayuga Milk Ingredients. "Our clean processing and minimal intervention methods ensure milk proteins of premium quality, ready to enhance both formulation quality and on-pack appeal for the finished product."

"Consumer needs for milk protein solutions are not only growing, but also diversifying. People are looking for nutritional support for a wider range of moments and needs, from a pre-exercise boost to a night-time recovery solution," Schnell noted. "We're excited to make it easier now for our US customers to meet the evolving needs of these smart shoppers, with a fresh, local solution that lives right at home."

Sports Hydration Beverage Made With Dairy Permeate Launched By GoodSport

Rosemont, IL—A shelf-stable sports hydration beverage made from dairy permeate has been launched by GoodSport Nutrition of Chicago.

Michelle McBride, founder and CEO of GoodSport Nutrition, conceived the concept for GoodSport after being frustrated with the sports drink category options.

"I didn't want my son drinking sports drinks filled with artificial ingredients that were being offered to him at his baseball games," McBride commented. "I gave him chocolate milk as a healthier alternative after his workouts and it provided the inspiration to look at milk as a source of hydration during physical activity."

Milk is a natural source of the essential electrolytes and carbohydrates needed to provide effective hydration. In fact, scientific studies have shown milk hydrates better than traditional sports drinks and water, according to the Center for Dairy Research (CDR) at the University of Wisconsin-Madison, which helped McBride develop GoodSport.

However, milk's consistency and protein content, which slowly digests, were barriers for athletes before and during exercise. GoodSport's patent-pending formula and process cracked the code to provide naturally powerful hydration in a clear and thirst-quenching beverage.

GoodSport delivers three times the electrolytes and 33 percent less sugar than traditional sports drinks, McBride said. All ingredients are from natural sources and the beverage provides a good source of calcium and an excellent source of B vitamins. It is lactose free and shelf stable.

McBride has applied for a patent for GoodSport. According to a description of the invention included in the application, the hydration beverage is scientifically formulated to meet the following six critical objectives of an effective sports drink: encourage voluntary fluid consumption; stimulate rapid fluid absorption; optimize hydration during exercise; speed rehydration after exercise; support cardiovascular function during physical activity; and supply carbohydrates for improved performance.

To bring her idea to life, McBride engaged experts in sports nutrition and from across the dairy industry. Dairy Management, Inc. (DMI), which manages the national dairy checkoff, assisted McBride with category insights and provided contacts to accelerate speed to market.

State and regional checkoff teams also offered support. Dr. Greg Miller of National Dairy Council serves on the company's scientific advisory council and McBride also participated in the Dairy Farmers of America (DFA) Accelerator for startups, a 90-day program that offers training, growth opportunities and mentorship.

McBride also worked with the CDR. There, KJ Burrington – dairy ingredient, cultured products and beverages coordinator – showed the GoodSport Nutrition team how ultrafiltration could harness milk's electrolytes, vitamins and carbohydrates and remove its protein to create a clear, light beverage with a mouthfeel that consumers expect from a sports drink.

GoodSport is available at *Amazon.com* and *www.goodsport.com*. Broader retail distribution is planned for later this year. GoodSport comes in four flavors in 16.9-ounce bottles: lemon lime, fruit punch, wild berry and citrus.

Burrington — who retired late last year from the CDR and is now director-training, education, and technical development at the American Dairy Products Institute — also helped the team source its main ingredient sustainably.

Dairy companies often ultrafilter milk and use its protein to make products such as cheese and are unable to use the nutrient-rich part of the milk – permeate, the CDR noted.

"GoodSport carries dairy's healthy halo," said Pennsylvania dairy farmer Marilyn Hershey, who chairs DMI. "It not only offers delicious refreshment and nutrition from dairy, but it supports our industry's sustainability mission."

McBride had hydration testing conducted at Penn State University. The findings, published in the journal *Nutrients*, shows GoodSport provides hydration two hours after it is consumed.

Dr. Bob Murray, co-founder and former director of the Gatorade Sports Science Institute, helped oversee GoodSport's formulation.

"Having spent my career in hydration and exercise performance research, I've known milk has the ingredients to provide superior hydration, but never before has anyone found a way to transform milk into an extremely effective and refreshing sports drink," Murray said.

Dairy Business Innovation Alliance To Open Next Grant Cycle On Mar. 1; Deadline Is Apr. 30

Madison—The Dairy Business Innovation Alliance (DBIA), a partnership between the Wisconsin Cheese Makers Association (WCMA) and the University of Wisconsin-Madison Center for Dairy Research (CDR), will open the application period for its next grant cycle on Mar. 1.

During this next grant cycle, DBIA will be distributing $1 million in grants.

Grant applications will be available for download on the DBIA website starting Mar. 1, 2021, and are due Apr. 30, 2021.

Applications will be scored and selected by June 1, 2021, and awardees will be notified by June 10, 2021.

The grant application will be posted at *www.cdr.wisc.edu/grant-program*.

Dairy enterprises (processors, farmers, entrepreneurs, etc.) in Wisconsin, Minnesota, Illinois, Iowa and South Dakota are eligible to apply.

Grants of up to $50,000 will be awarded through a competitive process.

Eligible project categories are:

- Dairy farm diversification through dairy product development, specialization, packaging and/or marketing strategies.
- Creation of value-added dairy products (use milk to manufacture cheese, yogurt, dairy-based beverages, etc.).
- Enhance the value of a dairy commodity or by-product through product development or alternate use (e.g., converting liquid whey permeate for animal feed into a product for human consumption).
- Creation or expansion of a program for exporting dairy products.

Last year, in its first phase, DBIA provided $230,000 to 13 dairy farms and business in all five of the participating states. Competition for grant dollars "was strong, with 77 applications requesting more than $1.5 million in support," according to John Umhoefer, WCMA executive director.

Interested applicants are encouraged to join DBIA staff for a free webinar on Tuesday, March 9.

The webinar will provide more information on the DBIA grant program, give tips about the grant application process and answer any questions.

More information will be made available on the Dairy Business Innovation Alliance website.

DBIA staff also encourage applicants to view the "Let's Get Started" webinar series on the DBIA website prior to applying for a grant. The webinars share state and federal resources that can be helpful for dairy and farm businesses who wish to apply for a DBIA grant.

For example, if an applicant needs help developing a business plan or a project budget, DBIA staff encourages them to contact their local Small Business Development Centers.

Business plans are required for the Dairy Business Innovation Alliance grant applications.

Announcements regarding Dairy Business Innovation Alliance grants and trainings can be found at *www.WisCheeseMakers.org* and *www.cdr.wisc.edu/dbia*.

ADPI Celebrates Leadership & Legacy Of Phil Tong With New Educational Scholarship

Elmhurst, IL—The American Dairy Products Institute (ADPI) announced Wednesday the creation of a new scholarship in honor of Phillip Tong for his leadership in the dairy science industry.

The Phillip Tong Educational Scholarship will join the Jim Page Memorial Scholarship as annual gifts made available through ADPI's Scholarship Program.

Tong plans to retire as ADPI's director of dairy science, education and research effective April 30, 2021. He will continue to be involved with the organizing task force for the Dairy Ingredient Technology Symposium, and remain a member of ADPI's Center of Excellence.

The new scholarship spotlights his contributions to the training, education and development of those in the dairy industry, particularly those in dairy science and technology, said ADPI president and CEO Blake Anderson.

This new scholarship, will ensure that Tong's work will continue to contribute to the success of our industry, Anderson said.

Tong has more than 35 years of research and development experience in the dairy science and technology sector.

He was instrumental in establishing and growing Cal Poly's Dairy Products Technology Center, and served as a professor and director for over 15 years prior to his retirement.

Tong is an internationally recognized expert in dairy food science and technology, and his work has involved a wide range of separation, concentration, purification and thermal processes, along with their applicability to improve the quality and functionality of dairy foods, ingredients and other food systems.

Tong has been an active member of ADPI's Center of Excellence since its inception, and helped initiate ADPI's annual webinar series, manages ADPI's research-related efforts and leads ADPI's Dairy Ingredient Technology Symposium, an event he founded in 1998 at Cal Poly.

He also serves as an independent consultant to the dairy and food industries, chair of the American Dairy Science Association (ADSA) Foundation board of trustees and is a member of the Scientific Expert Group for the NZ3M Program of Riddet Institute, Massey University.

Tong has served as board president of the American Dairy Science Association, and as past chair of the Dairy Foods Division of Institute of Food Technologists. From 2016 to 2020, Tong was executive director of the California Creamery Operators Association (CCOA).

Among his many awards, Tong earned the 2013 ADPI Award of Merit, and the 2006 International Dairy Foods Association (IDFA) Dairy Research Award.

We're honored and proud to have been able to work with and learn from Dr. Tong, and ADPI is stronger for having benefited from his wisdom, counsel and leadership, Anderson said.

Applications can be found online at *www.usdairy.com/about-us/dmi/scholarship*. Questions about the program can be submitted to: *ndbscholarships@dairy.org*.

Vermont Governor Issues Order Creating Commission On Future Of State's Agriculture

Montpelier, VT—Vermont Gov. Phil Scott last Friday signed an executive order creating the Governor's Commission on the Future of Vermont Agriculture.

The Commission's charge will focus on ensuring the viability and adaptability of the agriculture sector, including recommendations for more cross-sector collaboration, increasing production and promotion, reducing barriers to entry and increasing diversity within the sector, and continued progress on environmental issues.

The Vermont Agency of Agriculture, Food and Markets (VAAFM) and the Vermont Agency of Commerce and Community Development (VACCD) will lead the commission, which will be co-chaired by Anson Tebbetts, VAAFM secretary, and Lindsay Kurrle, VACCD secretary.

According to the executive order, the Governor's Commission on the Future of Vermont Agriculture will be comprised of no more than 14 members to be appointed by Scott from inside and outside of government.

Non-government commission members will include nine representatives from the industry sectors of dairy, value added food, maple, meat, produce, investor funding, retail and/or marketing, and supply chain and/or distribution; and three members with relevant policy or land use expertise to represent the areas of agriculture, education and/or the provision of business services; environmental conservation and/or climate change; and land use and/or succession planning.

The commission will be advisory to Scott and will report all findings and recommendations for an immediate action plan by Nov. 15, 2021. The commission will also provide advice to Scott as requested.

"This commission will lead to economic development in the agricultural sectors by helping farmers, producers and businesses create new markets and new jobs" Tebbetts said. "It's important we do this work today and for future generations."

"Developing the future of commerce for the agriculture sector is critical to our economic recovery," Kurrle said. "As we look to grow our economy, recruit new residents and businesses to the state, and build a better future for all Vermonters, we must ensure our agriculture sector remains nimble and innovative both in the long and short-term."

Program Aims To Help Build Stronger, Export-Ready Australian Industry

Canberra, Australia—Dairy Australia is partnering with Australia's Department of Agriculture, Drought and Emergency Management to deliver the Dairy Export Assurance Program's project deliverables, with a multidisciplinary team working collaboratively across the department an Dairy Australia.

David Littleproud, Australia's minister for agriculture, drought and emergency management, said the program would help build a stronger, export-ready Australian dairy sector.

"This program will identify the regulatory hurdles for domestic dairy manufacturers to become exporters, and reduce regulatory intervention through improved data collection," Littleproud said. "The program will work with industry to align food safety in regulatory and commercial assurance programs.

"Stronger demand for our products will maintain upwards pressure on farmgate milk prices, build greater confidence in the industry and create a more encouraging environment for capital investment at both the farm and processing steps in the dairy supply chain," Littleproud continued.

"The projects will work with industry to develop awareness training and increase capability for producers, exporters and state regulators to better understand the key differences in food safety and regulatory standards required to meet export and importing country requirements," Littleproud said.

"These initiatives also aim to reduce the audit burden by reviewing requirements and seeking recognition across audit compliance systems," Littleproud added.

"Exports are a vital part of the Australian dairy industry and account for around a third of annual production," David Nation, Dairy Australia's managing director, pointed out.

"In an increasingly competitive global market it is essential that Australian companies are able to access key export destinations," Nation said.

US Recycling System Is Broken; New Blueprint Aims For Circular Economy

Arlington, VA—The Recycling Leadership Council (RLC) recently released a report that provides a vision for ambitious policy action that will move the US toward a circular economy.

"Packaging and recycling are at a critical crossroads in the United States," stated the RLC's *Blueprint for America's Recycling System*. To address this, the RLC spent the past year bringing together aa diverse group of stakeholders, united by the common goal of fundamentally reimagining recycling in the US.

Packaging has a critical role to play, protecting product safety and quality as products are sold and delivered to consumers, the report noted. And in today's complex supply chain, packaging must meet an increasingly new set of delivery and product protection needs.

However, packaging's environmental footprint can improve, and consumer-facing industries can meet that challenge, the report continued. Investing in new materials, reusable or refillable packaging, fully recyclable or compostable and lighter packaging, companies are making major commitments and putting serious research and development resources behind reducing packaging's environmental footprint.

Despite these efforts, packaging too often ends up where it shouldn't, in landfills or, worse, in oceans and waterways, the report stated.

The current system has not effectively kept pace with innovations in packaging or recycling system technology, according to the report. While some programs are using the best possible technology, many remain outdated, unable to process the packaging in use today.

"Recycling alone cannot solve all of society's packaging challenges. However it is the foundation on which many packaging design and waste reduction efforts sit," the report said. "From increased recycled content to fully recyclable packaging, the system must function all across the United States to prevent valuable material from going to landfill and help meet our resource reduction goals."

The RLC believes that recycling needs federal action. Solutions at the national level are vital to improve and advance the system, so that more packaging and more types of packaging are recycled.

The RLC's blueprint outlines areas where the federal government can make a meaningful difference in America's recycling future:

- Create clear data collection and reporting requirements to further understand the problem and inform the creation of a system that works. There is a lack of standardized, quantifiable data across the US, leaving policymakers in the dark. "We cannot manage what we cannot measure."
- Develop national standards and definitions across the nation's nearly 10,000 recycling systems, providing clear guidance to states and municipalities and taking confusion out of the process for consumers and packaging producers. Through standardization and harmonization, more and different types of materials can be collected, processed and sold for value-added products or packaging.
- Support states with targeted infrastructure investments, tax credits and grants. Funding must be dedicated to the systems themselves, such as enhancing recycling infrastructure or educating consumers.

"Recycling in the United States is at a breaking point due to thousands of disparate systems, and the COVID-19 pandemic has only exacerbated the massive fractures in its foundation. The time is now to solve this crisis, and Americans overwhelmingly want federal leadership," said Geoff Freeman, president and CEO of the Consumer Brands Association.

The diverse members of the RLC, brought together by the Consumer Brands Association early last year, represent organizations from consumer-facing industries, packaging companies, NGOs and the recycling ecosystem, including the Consumer Brands Association, National Restaurant Association, National Retail Federation, FMI, The Food Industry Association, PMMI, The Association for Packaging and Processing Technologies, SNAC International, Council for Responsible Nutrition, American Beverage Association, Closed Loop Partners, Flexible Packaging Association, and Can Manufacturers Institute.

"Because of packaging's central role in our world, our industry has a responsibility to limit its environmental impact," said Glen Long, senior vice president, PMMI. "The *Blueprint for America's Recycling System* addresses the critical issue of recycling, by proposing ways to harmonize laws for clearer understanding, allowing consumers to do their part and the government to capitalize on technology and scale."

"Alongside reducing the extraction and consumption of virgin resources and scaling reuse models, recycling plays a critical role in building a more circular economy. This comprehensive report is a critical step toward a collaborative approach to transforming the recycling system in the United States, making it more effective and efficient," said Kate Krebs, director of industry affairs, Closed Loop Partners.

Additional Control Measures For Raw Milk Gouda Recommended In Canada

Ottawa, Ontario—A recent outbreak of Shiga toxin-producing Escherichia coli (STEC) provides further evidence rhat raw milk Gouda and Gouda-like cheese processed according to regulations in North America is at risk of containing STEC, and it is recommended that additional control measures for raw milk Gouda and Gouda-like cheese production be implemented to minimize the risk to the public.

That was the conclusion of an article in the January 2021 edition of the *Canada Communicable Disease Report (CCDR)*, which is published by the Public Health Agency of Canada.

The risk of STEC due to unpasteurized dairy products has been described in previous scientific journal articles, the CCDR article noted.

Between 2002 and 2013, three E. coli 0157 outbreaks associated with raw milk Gouda cheeses aged for at least 60 days were reported in North America, including one associated with a British Columbia dairy plant, the article said.

Following each outbreak, public health professionals recommended strengthening control measures to reduce the risk associated with raw milk Gouda cheeses. None of these changes had been implemented in Canada by 2018.

An investigation of a STEC outbreak involving seven cases was conducted in British Columbia between August and November 2018. Epidemiologic, laboratory and food safety investigations confirmed raw milk Gouda-like cheese to be the source of this outbreak. All seven outbreak cases reported consuming cheese, with five reporting consuming cheese from the same British Columbia dairy plant and four reporting consuming the same cheese product.

A sample of this cheese product tested positive for the same strain of E. coli 0121 as the cases. A single batch of this cheese could explain all the illnesses, the article explained; cheese from this batch was the only one that tested positive for the outbreak strain among the 16 tested and the implicated batch was available to all cases for consumption. All other cheese products and environment swabs tested negative for STEC.

The specific cheese product contained no pasteurization and no kill step for the raw protein, which is a known vehicle for transmission of pathogens, the article continued. Therefore, contaminated raw milk is believed to be the source of cheese contamination.

This outbreak was solved and controlled "very rapidly," according to the article. The outbreak investigation was launched on Nov. 1, 2018. The reporting of cheese consumption by four cases on Nov. 5 led to the hypothesis that cheese was the source.

Following re-interviews, cheese A, a raw milk Gouda-like cheese with added spices that was produced at dairy plant A, was hypothesized as the source of the outbreak on Nov. 9. The food safety investigation started on Nov. 9, a cheese A sample tested positive on Nov. 11 and the product was recalled on Nov. 12.

Dairy plant A was compliant with current Canadian regulattions and aged its raw milk Gouda-like cheese for over 60 days, the article noted. Nevertheless, three separate batches were found to be contaminated with STEC.

This is the third reported STEC outbreak caused by raw milk Gouda or Gouda-like cheese aged longer than the 60-day minimum, the article said. Several studies have shown that 60 days of aging is insufficient to inactivate pathogenic bacteria in Gouda cheese.

Gouda and Gouda-like cheese production involves a curd-washing step to reduce the amount of lactose in the cheese curds. The combined effects from the addition of hot water to the curds dilutes out the lactose in the whey, shrinks the curds to expel moisture and creates an osmotic gradient across the curd membrane to draw out lactose while reabsorbing water. This new state reduces the formation of lactic acid, thus increasing the pH and moisture of the curd. Higher pH and moisture increase the risk of survival and growth of microbial contaminants.

"This outbreak provides further evidence of the inherent risk of raw milk Gouda and Gouda-like cheeses," the article stated. "This is the fourth call to strengthen the regulatory requirements for such cheeses. At a minimum, we recommend enhancing milk and cheese-processing controls and increasing consumer awareness," the article continued. "As a result of this outbreak, we recommend the thermization of raw milk prior to production of Gouda and Gouda-like cheeses to decrease the risk of microbial contamination yet retain the appeal of unpasteurized milk cheese."

List Of Cheeses

(Continued from p. 1)

(IDFA) encouraged FDA "to refine the scope of cheeses included on the FTL based on science and risk. While we appreciate FDA's clarification of the types of cheeses it considers to be included on the FTL, we continue to have questions and concerns regarding the scope of cheeses included."

Also, when FDA identifies a particular variety of cheese for which a standard of identity exists as included on the FTL, "it is not clear whether FDA would consider a cheese to be included on the FTL if it meets the standard of identity, or whether the evaluation would be based on some other metric such as the moisture level of the cheese."

If it is the latter, IDFA's interpretation is that any cheese with a moisture content greater than 39 percent would be included on the FTL, "but not all such cheeses present a risk sufficient for inclusion on the FTL," IDFA continued. From a scientific, food safety standpoint, it is "widely recognized" that water activity, not percent moisture, is the more appropriate determinant of microbial activity and growth. It is also not clear whether retailers or other entities that receive cheese will be able to assess whether a cheese is or is not included on the FTL.

There are four categories of cheese that FDA should clarify are not included on the FTL, according to IDFA: low acid canned food (LACF) cheese; process cheese; cream cheese; and cottage cheese.

The proposed rule would apply both to listed foods, as well as foods that contain a listed food as an ingredient. IDFA agrees that Section 204 of the FSMA directed FDA to establish recordkeeping requirements for foods it designates as high risk, "but FDA does not have a basis for extending the recordkeeping requirements to commodities that do not present a significant public health or safety risk solely because they contain a listed food as an ingredient.

"Frozen pizza is a commodity that is separate and distinct from cheese, even if the frozen pizza contains a listed cheese as an ingredient," IDFA noted. FDA considered frozen pizza in its risk ranking assessment, and frozen pizza did not produce a high enough score to be considered "high risk."

Therefore, "FDA does not have a basis to identify frozen pizza as a high-risk food simply because it contains cheese as an ingredient," IDFA stated.

FSMA's direction for FDA to consider the "likelihood that consuming a particular food will result in foodborne illness due to contamination" does not mean that FDA should consider consumption rates, the National Milk Producers Federation (NMPF) noted. If anything, this factor speaks more to the sanitary or unsanitary conditions where the product is made or handled and the routine interplay between the food handler/consumer and the particular properties of a given food.

FDA's inclusion of consumption data "skews the risk ranking dramatically and returns, at times, absurd results," NMPF said. "Cheese and eggs are important staples of the American diet making consumption high. But high consumption does not mean high risk." Therefore, it is wrong for cheese and eggs to rise to the top of the high-risk list.

There is some uncertainty in the industry regarding the use of pasteurized milk in cheesemaking and whether that constitutes a "kill step" under one section of the proposed rule. NMPF believes it does.

"The confusion exists because certain individuals have asserted that cheese itself is not pasteurized, rather only the milk that goes into the cheese is pasteurized. We think that is shortsighted and is splitting hairs unnecessarily," NMPF said.

NMPF is "dumbfounded" that the Centers for Disease Control and Prevention (CDC) considers cottage cheese, cream cheese, and processed Mozzarella as "generally considered safe" while FDA labels these cheeses as high risk.

"These cheeses do not belong on the high-risk list, nor do most made with pasteurized milk," NMPF said. "That is not to say these cheeses are no-risk because other factors could lead to contamination, but that does not rise to the level of high risk."

Further, an FDA determination that the use of pasteurized milk in cheesemaking does not equate to a kill step in the finished cheese product "would render all of CDC's and FDA's advice to consumers about selecting only pasteurized milk and dairy foods made from pasteurized milk meaningless and create considerable consumer confusion," NMPF added.

NMPF also believes that the name/identity of the cheese products on the Food Traceability Lists should be Hispanic cheeses (or similar) made from raw milk and other raw milk cheeses.

> **"In the absence of clear definition or proposal for evaluating cheeses, we are concerned that the term 'soft cheese' would be used as a catch-all term, with the possibility that FDA inspectors could apply inconsistently."**
>
> —Oldways Cheese Coalition

The American Cheese Society (ACS) asked FDA to provide further information on how soft cheese is defined. The standards of identity define the composition for soft ripened cheese, semi-soft, and hard cheese, but not for soft, unriipened cheese. Further information on the definition of this category by FDA for the purpose of this rule "is essential."

Due to the wide variety of cheeses manufactured in and imported into the US, the Cheese Importers Association of America (CIAA) believes that FDA should tailor the scope of cheeses subject to the proposed rule "based upon risk and science."

The CIAA is concerned that the all cheeses, except hard cheeses, product category "is too broad to produce a meaningful risk analysis" of the cheeses that present a high risk. CIAA believes that if FDA uses a more precise evaluation of cheese categories, the agency will

• See **List Of Cheeses,** p. 19

List Of Cheeses

(Continued from p. 18)

better evaluate the risks associated with certain cheese categories and ensure that the proposed rule, when finalized, is not unduly burdensome on the cheese importing community.

The Oldways Cheese Coalition (OCC) "strongly believes that the proposed rule should include clarifications regarding several issues that may affect traditional and raw milk cheeses."

FDA has employed "soft cheese" as a category of products subject to the proposed rule, but the term "soft cheese" is not defined in the standards of identity, the OCC noted. "We fear that the current terminology is vague and could be subjectively expanded to reference moisture levels or aging times."

FDA released information last month on terminology used, but this information still doesn't clarify if the standard of identity would be used as a basis for defining which products will be subject to the proposed rule, the OCC said.

> **"FDA does not have a basis to identify frozen pizza as a high-risk food simply because it contains cheese as an ingredient."**
>
> —IDFA

"In the absence of clear definition or proposal for evaluating cheeses, we are concerned that the term 'soft cheese' would be used as a catch-all term, with the possibility that FDA inspectors could apply inconsistently," the OCC said. "This lack of predictable application of rules adds an unnecessary level of anxiety for small cheese producers, many of whose practices are already under strict scrutiny when using traditional cheesemaking practices like processing raw milk."

CTEs, KDEs And Records

FDA's proposed rule will have "far reaching effects" beyond those foods listed on the FTL, and "it is imperative that it be both simple and flexible to facilitate compliance and accommodate industry practices," IDFA noted.

The proposed rule would directly affect IDFA's members because certain cheeses are listed on the FTL and other dairy products like ice cream may contain nut butters as an inclusion and therefore would fall within the scope of the proposed rule, IDFA said. More broadly, the proposed rule likely will affect those commodities not on the FTL because entities will be forced to adopt the rule as a uniform standard.

There are numerous circumstances IDFA expects will cause the proposed rule to affect entities and foods technically outside the rule's scope. For example, the proposed partial exemption for foods that have undergone a kill step does not address how a subsequent recipient of the food will know that the food has undergone a kill step. If a cheese maker receives dried herbs for an herb cheese product and does not know whether the herbs have undergone radiation, the cheese maker may require all information from the herb supplier, even if technically exempt.

IDFA also anticipates that distributors, brokers, retailers, and restaurants may not be able to create different recordkeeping systems for receiving foods on the FTL and foods exempt from the rule. To ensure compliance, they likely will request information required for receivers from their suppliers, regardless of whether food or the supplier is exempt from the rule. As a result, manufacturers will be required to comply with the recordkeeping requirements for shipping.

The broad application of the proposed rule's recordkeeping system underscores the importance of ensuring the rule is flexible and simple, IDFA said. IDFA offered comments that focus on the ways FDA can ensure the rule includes enough flexibility to accommodate industry practices and is simple enough that it can be adopted easily by entities of all sizes.

Because each Critical Tracking Event (CTE) will trigger "voluminous" recordkeeping requirements, IDFA urged FDA to consider carefully those activities that will fall within the scope of each CTE and exclude activities where maintaining Key Data Elements (KDEs) is not necessary. IDFA "strongly" urged FDA to clarify that intracompany shipments do not constitute "shipping" or "receiving" even if the product changes location.

IDFA considers reducing the KDEs required for each CTE to be one of the best options for simplifying the proposed rule. In many cases the information in a KDE is not necessary to achieve the goals of the proposed rule and would be overly burdensome for entities to collect and maintain in records and subsequently produce to FDA in an electronic sortable spreadsheet within 24 hours.

Coming Events

www.cheesereporter.com/events.htm

ACS Virtual Education & Networking Event Planned For July 28-30; Contest Postponed

Denver, CO—The 38th annual American Cheese Society (ACS) conference has transitioned to a virtual educational and networking event set for July 28-30, 2021.

The annual Judging & Competition has been postponed to a later date. Alternative programming designed to provide cheese makers with technical and sensory feedback will take place instead.

ACS will send a survey to cheese makers next month for input on the alternative program.

"Our top priority is the health and safety of our community," said ACS board president Jeremy Stephenson.

"A virtual conference will help protect our members, while providing us with a unique opportunity to connect cheese industry professionals not just in North America, but from across the globe, to lend fresh perspective and insight to our conference programming," Stephenson said.

The virtual conference will host artisan cheese makers, industry professionals, purchasers and influencers from the US, Canada and Europe through seminars and workshops. This year's theme is "Moving Forward Together with Purpose."

Data from a 2020 ACS survey was used to shape conference programming. The survey found that 71 percent of respondents sought debt relief or financial assistance to stay afloat, and nearly a third laid off or furloughed employees.

Industry members were also taking advantage of opportunities to pause and improve business models, as well as explore new methods to package and distribute their products directly to consumers.

In response to these issues, 30 educational sessions will take place throughout the three-day conference.

Speakers will look at financial management for small businesses and reaching new channels through e-commerce and shipping.

Sessions on climate change, sustainability and advancements in science and academia will help cheese professionals drive brands forward with renewed purpose.

Other topics include navigating Covid-19 as a consumer-facing business, and dairy farming in a milk crisis.

The Certified Cheese Professional Exam (ACS CCP) will continue to be a key element of the conference.

"It's time to come together," said ACS board vice president Lynn Giacomini Stray.

For more details, membership inquiries, and updates on conference educational opportunities, *www.cheesesociety.org/conference*.

Registration Ends Mar. 7 For CDR Certificate In Dairy Processing Training Program

Madison, WI—The registration deadline for the Wisconsin Center for Dairy Research's (CDR) Certificate in Dairy Process online dairy industry training program is Mar. 7.

The program, which focuses on providing promising plant workers and operators with a clear understanding of dairy plant processes, gets underway on Wednesday, Mar. 17.

The program will use a practical applications approach to educate students on the basic aspects of dairy processing. In particular, the course features a 10-week series of modules covering key aspects of dairy processing through online sessions and other learning opportunities.

The 10 modules are as follows: understanding milk; dairy microbiology, testing and equipment 101; processing equipment; milk quality from farm to plant; food safety and sanitation; production of cheese; cheese ripening and defects; cheese usage, evaluation, and functionality; production, functionality, and applications of ingredients; and production of other dairy products.

For more information about the program, contact Pat Polowsky, at *ppolowsky@cdr.wisc.edu*.

Free Midwest Dairy Webinar Looks At Consumer Trends

Saint Paul, MN—The Midwest Dairy Association will host its first free webinar of 2021 on Tuesday, March 9, led by MDA consumer insights manager Megan Sheets.

She will talk about which consumer trends are having the greatest impact on dairy and how retailers and processors can make data-driven decisions to embrace the developing landscape and meet consumers' needs. Sheets will also discuss online grocery shopping and sustainability.

To register online, visit *www.midwestdairy.com*.

PLANNING GUIDE

March 4: Online Format - New York State Cheese Manufacturers Association. Registration is available at www.nyscheesemakers.com/event/

•

April 6-8: New Virtual Format - CheeseExpo Global Online. Registration now open at www.cheeseexpo.org.

•

June 6-8: IDDBA 2021, George R. Brown Convention Center, Houston, TX. For registration and show information, visit www.iddba.org.

•

June 22 - 24: International Pizza Expo, Las Vegas Convention Center, Las Vegas, NV. For show information, visit https://www.pizzaexpo.com

•

July 18-21: IAFP Food Safety Conference, Phoenix Convention Center, Phoenix, AZ. Details will be online at www.foodprotection.org.

•

July 18-21: IFT Annual Meeting & Food Expo, Chicago, IL. Details at www.iftevent.org.

•

July 28-30: New Date & Format - American Cheese Society Virtual Education & Networking Event. Visit www.cheesesociety.org for updates.

•

Aug. 12-13: Idaho Milk Processors Association Meeting, Sun Valley, ID. Visit www.impa.us.

•

Sept. 10-14: Tentative New Date - National Conference on Interstate Milk Shipments, Indianapolis, IN. Updates available online at www.ncims.org.

•

Sept. 27-29: New Date - Fancy Food Show 2021, Javits Convention Center, New York, NY. Visit www.specialtyfood.com.

•

Oct. 25-28: ADPI Dairy Technology Week, Peppermill Resort & Casino, Reno, NV. For details, visit www.adpi.org.

MARKET PLACE

Serving the World's Dairy Industry Weekly · Since 1876

CLASSIFIED ADVERTISING
phone: (608) 246-8430 fax: (608) 246-8431
e-mail: classifieds@cheesereporter.com

The "Industry's" Market Place for Products, Services, Equipment and Supplies, Real Estate and Employee Recruitment

Classified Advertisements should be placed by Thursday for the Friday issue. Classified ads charged at $0.75 per word. Display Classified advertisements charged at per column inch rate. For more information, call 608-316-3792 or email kthome@cheesereporter.com

1. Equipment for Sale

EQUIPMENT FOR SALE: Cryovac Rotary Chamber Vac. Model 8610-14. 4 chambers with 14" dual seal wire set-up. Chamber product size is 12"x14" or 6"x18". Machine is 460 volt 3 phase. Completely refurbished. Call 608-437-5598 x 2344 or email: **akosharek@dairyfoodusa.com**

WESTFALIA SEPARATORS: New arrivals! Great condition. Model number 418. Call **GREAT LAKES SEPARATORS** at (920) 863-3306 or e-mail drlambert@dialez.net.

MODIFIED ATMOSPHERIC PACKAGING MACHINE - PROMAX VT-400 220 volt, 3 phase 60 Hertz, 20 AMPS currently configured for 4 - 6 ounce ProKal cups. Dye can be changed to accommodate other packaging. $9,500 OBO. Call (360) 880-7782.

FOR SALE: 1500 and 1250 cream tanks. Like New. (800) 558-0112. (262) 473-3530.

FOR SALE: Car load of 300-400-500 late model open top milk tanks. Like new. (262) 473-3530

SEPARATOR NEEDS - Before you buy a separator, give Great Lakes a call. TOP QUALITY, reconditioned machines at the lowest prices. Call Dave Lambert, **GREAT LAKES SEPARATORS** at (920) 863-3306; drlambert@dialez.net for more information.

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** at (920) 863-3306 or e-mail drlambert@dialez.net.

2. Equipment Wanted

WANTED TO BUY: Westfalia or Alfa-Laval separators. Large or small. Old or new. Top dollar paid. Call Great Lakes Separators at (920) 863-3306 or email drlambert@dialez.net

3. Replacement Parts

REPLACEMENT PARTS: Spares for nearly all sanitary pumps, valves and sensors. Contact **GD PROCESS DESIGN** at Sales@gdprocessdesign.com or 262-361-4080.

5. Cheese Moulds, Hoops

WILSON HOOPS: *NEW!* 20 and 40 pound hoops available. Contact **KUSEL EQUIPMENT** at (920) 261-4112 email: *sales@kuselequipment.com*.

5. Cheese Moulds, Hoops

CHEESE FORMS, LARGEST SELECTION EVER: Includes perforated forms! **Rectangular sizes:** 11" x 4' x 6.5" • 10.5" x 4" 6.5" • 10" x 4" x 4" **Round sizes:** 4.75" x 18" • 7.25" x 5" • 7.25" x 6.75". Many new plastic forms and 20# and 40# Wilsons. Call **INTERNATIONAL MACHINERY EXCHANGE** for your cheese forms and used equipment needs. 608-764-5481 or email ***sales@imexchange.com*** for more information.

6. Interleave Paper, Wrapping

SPECIALTY PAPER MANUFACTURER specializing in cheese interleave paper, butter wrap, box liners, and other custom coated and wax paper products. Made in USA. Call Melissa at **BPM Inc.**, 715-582-5253 or visit **www.bpmpaper.com**.

7. Cheese & Dairy Products

KEYS MANUFACTURING: Dehydrators of scrap cheese for the animal feed industry. Contact us for your scrap at (217) 465-4001 or email keysmfg@aol.com.

8. Co-Packing, Manufacturing

CO-PACKER: Award-Winning manufacturer specializing in the co-packing and private label manufacture of yogurt, kefir, Swiss cheese and other varieties has extra production capacity. SQF certified, IMS Grade A Rating. Non-GMO project certified, organic, Kosher. Call Penn Dairy at 570-524-7700 or visit **www.penndairy.com**

9. Positions Wanted

10. Help Wanted

Have you recently lost your job or down-sized from your position? Would you like the ability to stay in touch with the latest job offerings? Apply for a free 3-month subscription to Cheese Reporter by calling 608-316-3792 or visit **www.cheesereporter.com** for all the latest listings.

11. Promotion & Placement

PROMOTE YOURSELF - By contacting **Tom Sloan & Associates.** Job enhancement thru results oriented professionals. We place cheese makers, production, technical, maintenance, engineering and sales management people. Contact Dairy Specialist David Sloan, Tom Sloan or Terri Sherman. **TOM SLOAN & ASSOCIATES, INC.,** PO Box 50, Watertown, WI 53094. Phone: (920) 261-8890 or FAX: (920) 261-6357; or by email: tsloan@tsloan.com.

13. Walls & Ceiling

EXTRUTECH PLASTICS *NEW!* Anti-microbial **POLY BOARD-AM** sanitary panels provide non-porous, easily cleanable, bright white surfaces, perfect for incidental food contact applications. CFIA and USDA accepted, and Class A for smoke and flame. Call **Extrutech Plastics** at **888-818-0118** or **www.epi-plastics.com for more information.**

14. Warehousing

COLD STORAGE SPACE AVAILABLE: Sugar River Cold Storage in Monticello, WI. has space available in it's refrigerated buildings. Temp's are 36, 35 and 33 degrees. We are SQF Certified and work with your schedule. Contact Kody at 608-938-1377 or visit our website **www.sugarrivercoldstorage.com.**

15. Real Estate

DAIRY PLANTS FOR SALE: http://dairyassets.webs.com/acquisitions-mergers-other. Contact Jim at 608-835-7705; or by email at **jimcisler7@gmail.com**

15. Consultants

SQF CONSULTANT + IMPLEMENTATION ASSISTANT: Do you wish to obtain SQF Certification for your facility? Could you benefit from the use of a local, industry experienced SQF Consultant? I have assisted many small and mid-sized cheese manufacturers, cold storage warehouses, and ingredient brokers in Wisconsin and Illinois to achieve their SQF Certification, and I want to help you too. I can navigate the process, provide various templates, training, and personalized guidance to make the process easier. I am based out of Madison, WI. Call Brandis Wasvick at 651-271-0822 or Email: **bluecompasscompliance@gmail.com** or visit **BlueCompass-Compliance.com** for more information, testimonials, and to see how you and I can get started today. **BRANDIS WASVICK, SQF AND FOOD SAFETY COMPLIANCE CONSULTANT AND ASSISTANT**

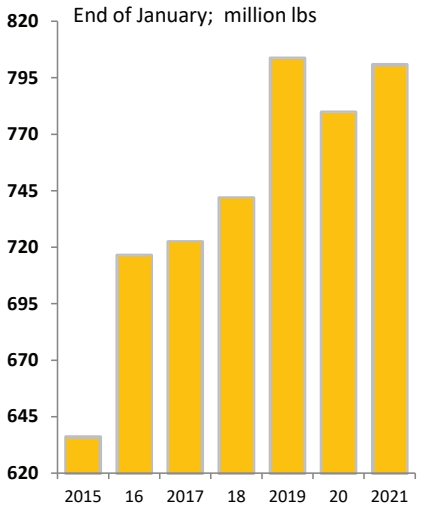
Dairy Product Stocks in Cold Storage

TOTAL STOCKS AS REPORTED BY USDA (in thousands of pounds unless indicated)

	Stocks in All Warehouses			January 31, 2021 as a % of		Public Warehouse Stocks
	Jan 31 2020	**Dec 31 2020**	**Jan 31 2021**	**Jan 31 2020**	**Dec 31 2020**	**Jan 31 2021**
Butter	247,376	273,805	328,434	133	120	306,034
Cheese						
American	779,672	801,720	800,768	103	100	
Swiss	22,902	19,851	21,362	93	108	
Other	551,044	574,740	576,344	105	100	
Total	1,353,618	1,396,311	1,398,474	103	100	1,082,642

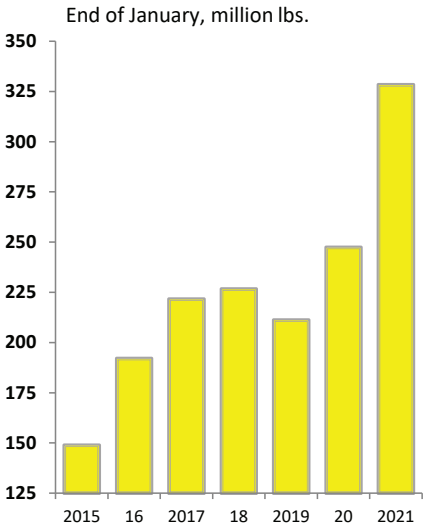
American-Type Cheese Stocks

End of January; million lbs



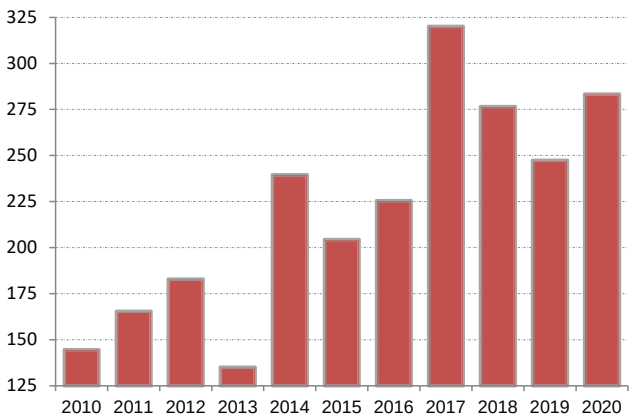
Butter Stocks

End of January, million lbs.



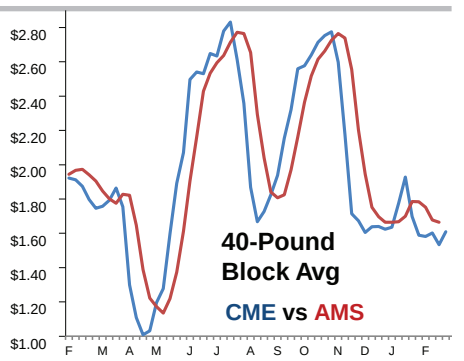
Manufacturers' Stocks of Nonfat Dry Milk - Human

End of December; 2010-2020 million lbs



DAIRY PRODUCT SALES

February 24, 2021—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.



Week Ending	Feb. 20	Feb. 13	Feb. 6	Jan. 30
40-Pound Block Cheddar Cheese Prices and Sales				
Weighted Price		**Dollars/Pound**		
US	1.6653	1.6782	1.7514	1.7845
Sales Volume		**Pounds**		
US	8,026,339	10,183,152	9,440,917	10,966,483
500-Pound Barrel Cheddar Cheese Prices, Sales & Moisture Contest				
Weighted Price		**Dollars/Pound**		
US	1.5705	1.5416	1.5567	1.6327
Adjusted to 38% Moisture				
US	1.4963	1.4658	1.4774	1.5533
Sales Volume		**Pounds**		
US	12,501,677	13,105,306	13,811,664	13,688,887
Weighted Moisture Content		**Percent**		
US	34.93	34.80	34.67	34.83
AA Butter				
Weighted Price		**Dollars/Pound**		
US	1.3631	1.3335•	1.3460	1.4278
Sales Volume		**Pounds**		
US	4,362,466	6,145,671•	4,597,857	5,553,672
Extra Grade Dry Whey Prices				
Weighted Price		**Dollars/Pounds**		
US	0.5096	0.5033	0.4955	0.4817
Sales Volume				
US	4,459,553	5,108,869•	5,513,387•	4,813,763
Extra Grade or USPHS Grade A Nonfat Dry Milk				
Average Price		**Dollars/Pound**		
US	1.1168	1.1281•	1.1496•	1.1445
Sales Volume		**Pounds**		
US	17,824,900	16,564,099•	19,469,002•	22,809,884

DAIRY FUTURES PRICES

SETTLING PRICE *Cash Settled

Date	Month	Class III	Class IV	Dry Whey	NDM	Block Cheese	Cheese*	Butter*
2-19	Feb 21	15.61	13.39	50.500	112.275	1.656	1.5810	137.000
2-22	Feb 21	15.61	13.28	50.475	111.425	1.658	1.5830	137.225
2-23	Feb 21	15.64	13.28	50.475	111.650	1.659	1.5830	137.000
2-24	Feb 21	15.59	13.28	50.475	111.850	1.659	1.5810	137.225
2-25	Feb 21	15.65	13.28	50.475	112.150	1.674	1.5830	137.2250
2-19	Mar 21	16.27	14.07	52.250	109.175	1.709	1.6300	160.350
2-22	Mar 21	16.36	14.07	52.075	108.900	1.709	1.6340	160.950
2-23	Mar 21	15.86	13.92	52.000	108.450	1.681	1.5900	158.500
2-24	Mar 21	16.03	13.85	52.275	108.000	1.681	1.6060	158.025
2-25	Mar 21	16.56	13.91	53.000	109.350	1.700	1.6480	160.950
2-19	Apr 21	16.76	14.64	50.550	112.000	1.745	1.6840	168.725
2-22	Apr 21	16.82	14.57	50.300	111.600	1.760	1.6900	167.000
2-23	Apr 21	16.45	14.47	50.275	111.425	1.745	1.6620	163.525
2-24	Apr 21	16.65	14.39	51.000	111.500	1.760	1.6740	163.100
2-25	Apr 21	17.40	14.67	52.250	114.000	1.810	1.7450	167.000
2-19	May 21	17.22	14.94	49.000	114.250	1.795	1.7400	172.050
2-22	May 21	17.30	14.86	49.000	113.700	1.795	1.7430	170.000
2-23	May 21	17.04	14.86	48.550	116.250	1.795	1.7190	167.500
2-24	May 21	17.25	14.79	49.525	113.750	1.805	1.7430	167.500
2-25	May 21	17.82	15.05	50.750	116.750	1.805	1.7890	171.000
2-19	June 21	17.54	15.19	48.250	116.275	1.826	1.7750	175.475
2-22	June 21	17.60	15.10	48.400	115.975	1.826	1.7750	173.000
2-23	June 21	17.40	15.10	48.000	115.500	1.826	1.7670	171.000
2-24	June 21	17.65	15.10	49.000	116.375	1.830	1.7810	170.000
2-25	June 21	17.93	15.40	50.825	119.500	1.839	1.8040	172.575
2-19	July 21	17.57	15.48	48.925	118.600	1.833	1.7840	176.650
2-22	July 21	17.57	15.48	48.925	118.250	1.833	1.7840	176.650
2-23	July 21	17.54	15.48	48.925	118.100	1.833	1.7840	173.550
2-24	July 21	17.66	15.42	48.925	118.025	1.833	1.7960	173.000
2-25	July 21	17.89	15.80	49.750	122.000	1.833	1.8010	175.025
2-19	Aug 21	17.69	15.73	48.725	121.000	1.834	1.7960	177.000
2-22	Aug 21	17.69	15.72	48.725	119.950	1.834	1.7960	177.000
2-23	Aug 21	17.65	15.70	48.725	120.500	1.834	1.7950	174.850
2-24	Aug 21	17.70	15.70	48.725	121.300	1.834	1.8010	174.000
2-25	Aug 21	17.95	16.19	48.725	124.225	1.836	1.8100	178.000
2-19	Sept 21	17.75	15.95	48.000	122.175	1.834	1.8050	179.000
2-22	Sept 21	17.75	15.94	48.000	122.000	1.834	1.8050	176.050
2-23	Sept 21	17.72	15.94	48.000	122.000	1.834	1.8050	176.050
2-24	Sept 21	17.84	15.89	48.000	122.025	1.836	1.8100	176.000
2-25	Sept 21	17.79	16.26	48.000	125.975	1.837	1.8200	179.000
2-19	Oct 21	17.82	16.13	48.000	122.700	1.839	1.8130	180.475
2-22	Oct 21	17.84	16.13	48.000	122.500	1.839	1.8130	180.150
2-23	Oct 21	17.80	16.13	48.000	122.175	1.839	1.8120	178.975
2-24	Oct 21	17.89	16.09	48.000	123.000	1.842	1.8170	178.000
2.25	Oct 21	17.99	16.34	48.000	127.450	1.847	1.8220	181.000
2-19	Nov 21	17.63	16.21	47.500	124.500	1.821	1.7950	180.950
2-22	Nov 21	17.63	16.15	47.500	124.000	1.821	1.7950	178.000
2-23	Nov 21	17.63	16.15	47.500	124.250	1.821	1.7950	178.000
2-24	Nov 21	17.68	16.15	47.500	125.000	1.824	1.7990	178.975
2-25	Nov 21	17.76	16.52	47.500	129.000	1.830	1.8050	181.500
2-19	Dec 21	17.28	16.32	48.000	125.750	1.800	1.7660	180.000
2-22	Dec 21	17.28	16.31	48.000	125.675	1.800	1.7660	179.850
2-23	Dec 21	17.30	16.31	48.000	125.675	1.800	1.7630	178.650
2-24	Dec 21	17.36	16.26	48.000	126.725	1.800	1.7700	178.650
2-25	Dec 21	17.48	16.54	48.000	129.500	1.800	1.7750	180.000
Interest - Feb. 25		**22,850**	**2,359**	**4,601**	**7,108**	**712**	**24,739**	**9,717**

DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

WHOLESALE CHEESE MARKETS

NATIONAL - FEB. 19: Milk remains ample for cheese production across all regions, and production rates are somewhat busy. That said, contacts in the Midwest and West reported varying weekly schedules. In the West, some cheese makers are undergoing pre-spring flush maintenance. Cheese demand notes are somewhat steady. Foodservice sales are mixed, as they have been. That said, some easing of restrictions in restaurants/bars has curd producers reporting heartier orders in recent weeks. Eastern contacts relayed inventories of fresh supplies are edging higher. Cheese market tones are somewhat vulnerable in recent weeks. Foodservice purchasing has not fully recovered from the pandemic, and questions regarding governmental awards and ample milk availability are weaving a thread of uncertainty.

NORTHEAST - FEB. 24: Cheese makers' healthy milk supplies are keeping operations at max capacity. Cheddar cheese makers are running strong production schedules. In addition, Mozzarella and Provolone cheese productions remain on stable output rates. Inventory levels are fairly stable and reportedly not burdensome. Cheese retail orders are firm for several grocers. Numerous educational institutions have a steady supply of cheese orders for the school year. Foodservice demands remain lower, although restaurants and eateries are ordering some supplies to meet their customers' needs.

Wholesale prices, delivered, dollars per/lb:

Cheddar 40-lb blocks:	$1.9875 - $2.2750	Process 5-lb sliced:	$1.5425 - $2.0225
Muenster:	$1.9750 - $2.3250	Swiss Cuts 10-14 lbs:	$4.0650 - $4.3875

MIDWEST AREA - FEB. 24: Cheese makers are reporting various production schedules. Some are scheduling four-day weeks, and six days the next. Others are still reporting robust production across the board. A growing number of cheese plant managers are scheduling plant cleaning/maintenance. Retail and some restaurant customer bases are somewhat active. Spot milk availability has tightened. Although some discounts were reported at near last week's mid point, prices of $2 under Class III were reported. Some contacts suggest this could be due to more milk loads being spread out to refill depleted pipelines being refilled in the southern portion of the country, following the havoc winter systems brought last week. There are a number of questions as to which direction markets will follow, including the potential of further government awards, retail/foodservice replenishment after most areas of the country begin to warm up, and continuously increasing milk availability.

Wholesale prices delivered, dollars per/lb:

Blue 5# Loaf :	$2.1725 - $3.2400	Mozzarella 5-6#:	$1.7025 - $2.6475
Brick 5# Loaf:	$1.9025 - $2.3275	Muenster 5# Loaf:	$1.9025 - $2.3275
Cheddar 40# Block:	$1.6250 - $2.0250	Process 5# Loaf:	$1.5275 - $1.8875
Monterey Jack 10#	$1.8775 - $2.0825	Grade A Swiss 6-9#:	$3.5800 - $3.6975

WEST - FEB. 24: Even as restrictions relax, cheese makers say foodservice demand has yet to return. Retail sales, while above previous year levels, are lackluster. Export demand is present, but the challenges within the ports and transport channels make it difficult to expedite shipments of cheese. As a result, cheese makers have heavy inventories and are making a lot of spot offers. Manufacturers also have ample amounts of milk on hand. Contacts suggest processing facilities are getting back to normal operations following strong winter storms. However, normal over the last few months has meant production that is variable. Some manufacturers are running full schedules, while others are trying to hold back. In some cases, cheese makers are scheduling routine maintenance ahead of the spring flush.

Wholesale prices delivered, dollars per/lb:

		Monterey Jack 10#:	$1.8500 - $2.1250
Cheddar 10# Cuts:	$1.8625 - $2.0625	Process 5# Loaf:	$1.5450 - $1.8000
Cheddar 40# Block:	$1.6150 - $2.1050	Swiss 6-9# Cuts:	$3.8725 - $4.3025

FOREIGN -TYPE CHEESE - FEB. 24: The Swiss Emmenthal consortium had requested trademark protection such that only Swiss product could be labeled "Emmenthal/ Emmenthaler". The EU Intellectual Property Office (EUIPO) rejected the application. Eucolait now reports that the rejection has been appealed to the Court of Justice of the EU.

Selling prices, delivered, dollars per/lb:	Imported	Domestic
Blue:	$2.6400 - 5.2300	$1.9950 - 3.4825
Gorgonzola:	$3.6900 - 5.7400	$2.5025 - 3.2200
Parmesan (Italy):	0	$3.3825 - 5.4725
Romano (Cows Milk):	0	$3.1850 - 5.3400
Sardo Romano (Argentine):	$2.8500 - 4.7800	0
Reggianito (Argentine):	$3.2900 - 4.7800	0
Jarlsberg (Brand):	$2.9500 - 6.4500	0
Swiss Cuts Switzerland:	0	$4.1000 - 4.4250
Swiss Cuts Finnish:	$2.6700- 2.9300	0

WHOLESALE BUTTER MARKETS - FEBRUARY 24

WEST: With plenty of cream on hand and low multiples, western butter makers are more interested in churning butter than selling off cream. Butter production is running heavy to produce the new crop butter needed by customers for the next few months. Industry contacts say retail sales are strong as shoppers look to fill store shelves ahead of the spring holiday baking season. Several processors note an increase in planned butter promotions by retailers. Manufacturers have also seen solid bulk butter demand, however this demand wavers as prices ebb and flow. Butter buyers are willing to jump at deals for old crop butter or to gain coverage for new crop butter needs into Q2 or Q3.

CENTRAL: Butter producers relay cream offers are aplenty. Suppliers are moving cream from the area hit hardest by the storms last week into the Midwest. Cream accessibility is and has been steady in the Midwest and West for a majority of the year. Regardless, butter plant managers are churning at full bore throughout the region. With the new crop rule coming into effect next week on the CME, market tones have stepped back from the mid $1.50s late last week. Domestic bulk butter demand is stepping up, as traders also report a strong interest from export markets for unsalted butter. Some contacts suggest this could lead to a potential shift from salted bulk production to unsalted 82% butterfat loads in the near term.

NORTHEAST: East butter production is strong. Heavy milk/cream supplies are keeping butter makers running at capacity. Some manufacturers are building their inventory levels with ample cream loads clearing to bulk butter. Market participants report butter orders from retailers are slightly down at this time. Foodservice demands are seasonally lower with numerous restaurants continuing to adjust to capacity restrictions/consumer safety demands.

NATIONAL - CONVENTIONAL DAIRY PRODUCTS

As weather cleared up across much of the US, total conventional dairy ads increased 23 percent, while organic ad numbers grew 46 percent. The number of conventional butter ads increased 104 percent weekly, while plain yogurt in 32-ounce containers saw the largest increase at over 500 percent. Organic cream cheese increased over 1,500 percent week to week, as the spring season draws near.

Conventional cheese ads decreased 5 percent, while the number of organic cheese ads more than doubled. The average advertised price for conventional cheese in 8-ounce blocks was $2.56, $0.15 higher than last week, but $1.61 less than the organic variety.

Conventional and organic milk ad numbers increased by 3 percent and 43 percent, respectively. Organic milk in half-gallon containers were the most advertised organic dairy item. The average advertised price for organic half-gallons of milk was $3.47, $0.12 lower than last week. Conventional and organic yogurt adv totals increased 58 percent and 5 percent, respectively. Greek yogurt in 4-to 6-ounce containers was the most advertised yogurt item.

RETAIL PRICES - CONVENTIONAL DAIRY - FEBRUARY 26

Commodity	US	NE	SE	MID	SC	SW	NW
Butter 1#	3.09	3.14	3.61	2.27	3.23	2.14	4.39
Cheese 8 oz block	2.56	2.39	2.65	2.10	2.91	2.84	2.23
Cheese 1# block	3.59	3.43	3.42	4.07	3.53	3.55	3.38
Cheese 2# block	7.36	NA	NA	NA	6.99	NA	7.51
Cheese 8 oz shred	2.55	2.43	2.61	2.56	2.70	2.64	2.20
Cheese 1# shred	3.79	4.06	3.57	3.50	3.99	NA	NA
Cottage Cheese	1.83	2.40	1.71	1.29	1.25	1.89	1.60
Cream Cheese	2.28	2.14	2.90	1.78	2.00	1.49	1.62
Flavored Milk ½ gallon	2.62	NA	2.49	3.79	NA	NA	NA
Flavored Milk gallon	3.84	4.49	NA	4.49	NA	NA	2.50
Ice Cream 48-64 oz	3.05	2.92	2.76	3.00	3.59	3.07	3.86
Milk ½ gallon	NA	NA	NA	NA	NA	NA	NA
Milk gallon	3.30	4.19	NA	2.39	2.50	2.99	1.36
Sour Cream 16 oz	1.71	1.92	1.85	1.37	1.45	1.53	1.49
Yogurt (Greek) 4-6 oz	.98	.95	1.00	1.03	.98	.97	1.00
Yogurt (Greek) 32 oz	4.50	4.57	NA	4.21	4.20	5.49	NA
Yogurt 4-6 oz	.59	.61	.57	.76	.47	.48	.42
Yogurt 32 oz	2.89	2.66	3.03	2.44	3.49	3.10	2.50

US: National **Northeast (NE):** CT, DE, MA, MD, ME, NH, NJ, NY, PA, RI, VT; **Southeast (SE):** AL, FL, GA, MD, NC, SC, TN, VA, WV; **Midwest (MID):** IA, IL, IN, KY, MI, MN, ND, NE, OH, SD, WI; **South Central (SC):** AK, CO, KS, LA, MO, NM, OK, TX; **Southwest (SW):** AZ, CA, NV, UT; **Northwest (NW):** ID, MT, OR, WA, WY

ORGANIC DAIRY - RETAIL OVERVIEW

National Weighted Retail Avg Price:			
Butter 1 lb:	$5.99	Yogurt 32 oz:	$2.99
Cheese 8 oz shred:	NA	Greek Yogurt 32 oz:	NA
Cheese 8 oz block:	NA	Milk UHT 8 oz:	NA
Cream Cheese 8 oz:	$2.00	Milk ½ gallon:	$4.36
Cottage Cheese 16 oz:	NA	Milk gallon:	$6.99
Yogurt 4-6 oz:	$1.06	Sour Cream 16 oz:	NA
		Ice Cream 48-64 oz:	NA

NDM PRODUCTS - FEBRUARY 25

NDM - CENTRAL: Prices of low/medium heat NDM shifted lower on the bottom of the range and on both sides of the mostly series. Trading was notably active this week, and prices were reported across the spectrum of the range, but more are beginning to fall at/around the $1.10 mark than above. Condensed skim is still somewhat available, and NDM drying is and has been very active. The volume of offers has increased in recent weeks. That said, a number of end users are either running off of their contracted intakes and/or waiting for potential downward pressure regarding prices.

NDM - WEST: Trading activities are moderately steady this week. From the intense winter storms, some bottling/balancing operations were shut down. This week there are reports operations have resumed receiving milk. Low/medium heat NDM production is strong as condensed skim supplies are keeping balancing plants full. The low/medium heat NDM market tone has slightly softened. High heat NDM prices are steady to higher, and available spot offers are fairly limited on the market. Some near-term buying demands strengthened this week. High heat NDM production continues to bear shorter schedules, with low/medium heat NDM receiving most drying time.

NDM - EAST: Low/medium heat NDM prices shifted lower this week in most facets. Trading in the region was more widely reported between $1.05 and $1.10 this week. Trading activity picked up quite a bit from recent weeks. Availability has grown in light of busy production schedules and available condensed skim, but customers are hesitant during a down market. High heat NDM prices moved up to $1.28 on the top of the range.

LACTOSE: Manufacturers report much of their lactose stocks is committed to customers, and they are working on contracts for Q2. The sales process seems to be moving well, but the challenges are to get lactose into containers for shipment. While some industry contacts suggest port issues may have improved slightly, others say there are multiple ships backed up at West Coast ports, and the time and labor needed to get shipments inspected, loaded, and unloaded are in short supply.

WEEKLY COLD STORAGE HOLDINGS

SELECTED STORAGE CENTERS IN 1,000 POUNDS - INCLUDING GOVERNMENT

DATE	BUTTER	CHEESE
02/22/21	59,594	82,868
02/01/21	56,492	84,788
Change	3,102	-1,920
Percent Change	5	-3

CME CASH PRICES - FEBRUARY 22 - 26, 2021

Visit www.cheesereporter.com for daily prices

	500-LB CHEDDAR	40-LB CHEDDAR	AA BUTTER	GRADE A NFDM	DRY WHEY
MONDAY February 22	$1.4125 (NC)	$1.5700 (+3¼)	$1.5100 (-4)	$1.0975 (+½)	$0.5475 (NC)
TUESDAY February 23	$1.3825 (-3)	$1.5700 (NC)	$1.4875 (-2¼)	$1.0900 (-¾)	$0.5475 (NC)
WEDNESDAY February 24	$1.3825 (NC)	$1.5900 (+2)	$1.4650 (-2¼)	$1.0950 (+½)	$0.5450 (-¼)
THURSDAY February 25	$1.4475 (+6½)	$1.6600 (+7)	$1.4975 (+3¼)	$1.1225 (+2¾)	$0.5475 (+¼)
FRIDAY February 26	$1.4200 (-2¾)	$1.6175 (-4¼)	$1.4700 (-2¾)	$1.1325 (+1)	$0.5575 (+1)
Week's AVG $ Change	**$1.4090 (-0.0329)**	**$1.6015 (+0.0677)**	**$1.4860 (-0.0128)**	**$1.1075 (+0.0044)**	**$0.5490 (+0.0015)**
Last Week's AVG	**$1.4419**	**$1.5338**	**$1.4988**	**$1.1031**	**$0.5475**
2020 AVG Same Week	**$1.5900**	**$1.7465**	**$1.7215**	**$1.0980**	**$0.3505**

MARKET OPINION - CHEESE REPORTER

Cheese Comment: Two cars of blocks were sold Monday, the last at $1.5700, which set the price. On Tuesday, 2 cars of blocks were sold, the last at $1.5700, which left the price unchanged. One car of blocks was sold Wednesday at $1.5900, which raised the price. On Thursday, 11 cars of blocks were sold, the last at $1.6600, which set the price. One car of blocks was sold Friday at $1.6175; an uncovered offer of 1 car at $1.6175 then set the price. The barrel price fell Tuesday on a sale at $1.3825, rose Thursday on a sale at $1.4475, then fell Friday on a sale at $1.4200.

Butter Comment: The price fell Monday on an uncovered offer at $1.5100, declined Tuesday on a sale at $1.4875, fell Wednesday on a sale at $1.4650, increased Thursday on an unfilled bid at $1.4975, then fell Friday on a sale at $1.4700.

Nonfat Dry Milk Comment: The price increased Monday on a sale at $1.0975, declined Tuesday on a sale at $1.0900, rose Wednesday on a sale at $1.0950, inceased Thursday on a sale at $1.1225, and rose Friday on a sale at $1.1325.

Dry Whey Comment: The price fell Wednesday on an uncovered offer at 54.50 cents, rose Thursday on a sale at 54.75 cents, and increased Friday on an unfilled bid at 55.75 cents.

WHEY MARKETS - FEBRUARY 22 - 26, 2021

RELEASE DATE - FEBRUARY 25, 2021

Animal Feed Whey—Central: Milk Replacer: .3800 (+1) – .4200 (+1)

Buttermilk Powder:
Central & East: 1.0400 (NC) – 1.1175 (+¼) West: 1.0600 (+2) – 1.1200 (-2)
Mostly: 1.0600 (NC) – 1.1000 (+1)

Casein: Rennet: 3.6150 (NC) – 3.6875 (NC) Acid: 3.8700 (+22) – 4.1500 (+20)

Dry Whey—Central (Edible):
Nonhygroscopic: .4950 (+½) – .5600 (+1) Mostly: .5000 (NC) – .5450 (+½)

Dry Whey–West (Edible):
Nonhygroscopic: .4925 (+¾) – .5800 (+1) Mostly: .5125 (+1¼) – .5700 (+4)

Dry Whey—NorthEast: .5000 (+1¾) – .5600 (+2½)

Lactose—Central and West:
Edible: .3300 (+2) – .5500 (NC) Mostly: .3800 (+1½) – .4600 (NC)

Nonfat Dry Milk —Central & East:
Low/Medium Heat: 1.0300 (-2) – 1.1500 (NC) Mostly: 1.1000 (-2) – 1.1300 (-1)
High Heat: 1.1875 (NC) – 1.2800 (+2)

Nonfat Dry Milk —Western:
Low/Medium Heat: 1.0300 (-2) – 1.1625 (-2) Mostly: 1.1000 (-2) – 1.1300 (-2)
High Heat: 1.2600 (NC) – 1.3800 (+8½)

Whey Protein Concentrate—Central and West:
Edible 34% Protein: .9700 (+2) – 1.1800 (+2¼) Mostly: .9900 (NC) – 1.0600 (+1)

Whole Milk—National: 1.6200 (+2) – 1.7000 (NC)

Visit www.cheesereporter.com for historical dairy, cheese, butter, & whey prices

HISTORICAL CME AVG BLOCK CHEESE PRICES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
'09	1.0883	1.2171	1.2455	1.2045	1.1394	1.1353	1.1516	1.3471	1.3294	1.4709	1.5788	1.6503
10	1.4536	1.4526	1.2976	1.4182	1.4420	1.3961	1.5549	1.6367	1.7374	1.7246	1.4619	1.3807
'11	1.5140	1.9064	1.8125	1.6036	1.6858	2.0995	2.1150	1.9725	1.7561	1.7231	1.8716	1.6170
'12	1.5546	1.4793	1.5193	1.5039	1.5234	1.6313	1.6855	1.8262	1.9245	2.0757	1.9073	1.6619
'13	1.6965	1.6420	1.6240	1.8225	1.8052	1.7140	1.7074	1.7492	1.7956	1.8236	1.8478	1.9431
'14	2.2227	1.2945	2.3554	2.2439	2.0155	2.0237	1.9870	2.1820	2.3499	2.1932	1.9513	1.5938
'15	1.5218	1.5382	$1.5549	1.5890	1.6308	1.7052	1.6659	1.7111	1.6605	1.6674	1.6175	1.4616
'16	1.4757	1.4744	1.4877	1.4194	1.3174	1.5005	1.6613	1.7826	1.6224	1.6035	1.8775	1.7335
'17	1.6866	1.6199	1.4342	1.4970	1.6264	1.6022	1.6586	1.6852	1.6370	1.7305	1.6590	1.4900
'18	1.4928	1.5157	1.5614	1.6062	1.6397	1.5617	1.5364	1.6341	1.6438	1.5874	1.3951	1.3764
'19	1.4087	1.5589	1.5908	1.6619	1.6799	1.7906	1.8180	1.8791	2.0395	2.0703	1.9664	1.8764
'20	1.9142	1.8343	1.7550	1.1019	1.6704	2.5620	**2.6466**	1.7730	2.3277	2.7103	2.0521	1.6249
'21	1.7470	1.5821										

Restaurant Performance Index Rose 0.5% In Jan.; Conditions Expected To Improve

Washington—The National Restaurant Association's Restaurant Performance Index, a composite index that tracks the health of and outlook for the US restaurant industry, stood at 99.1 in January, up 0.5 percent from December, the association reported today.

The RPI is constructed so that the health of the restaurant industry is measured in relation to a neutral level of 100. Index values above 100 indicate that key industry indicators are in a period of expansion, while index values below 100 represent a period of contraction.

The RPI consists of two components: the Current Situation Index and the Expectations Index. The Current Situation Index, which measures current trends in four industry indicators (same-store sales, traffic, labor and capital expenditures), stood at 96.0 in January, up 1.2 percent from December and the first increase in four months.

Restaurant operators continued to report negative same-store sales in January, though the overall results represented an improvement from November and December. Some 29 percent of operators reported a same-store sales increase between January 2020 and January 2021, up from 17 percent in December.

The vast majority of restaurant operators continued to report negative customer traffic in January.

The Expectations Index, which measures restaurant operators' six-month outlook for four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 102.2 in January, down 0.2 percent from December.

Restaurant operators have become more optimistic about sales growth, though that sentiment needs to be qualified by the fact that the year-ago comparisons are the dampened levels during the early months of the pandemic, the association noted. Some 49 percent of operators expect their sales volume in six months to be higher than it was during the same period in the previous year, compared to 54 percent who reported similarly in December.

For the third straight month, a majority of operators had a positive outlook for the economy. Some 56 percent of operators said they expect economic conditions will improve in six months.