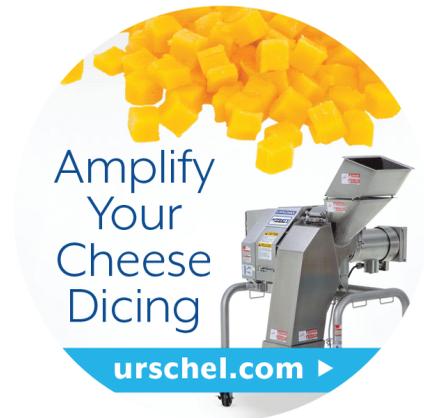




# CHEESE REPORTER

Vol. 146, No. 3 • Friday, July 2, 2021 • Madison, Wisconsin



## US Dairy Exports Increased 18% In May; Dairy Imports Rose 13%

### May Cheese Exports Fell 13%, Cheese Imports Rose 26%; NDM Exports Set Monthly Record

Washington—US dairy exports during May were valued at \$682 million, up 18 percent from May 2020, according to figures released today by USDA's Foreign Agricultural Service (FAS).

May was the third straight month in which US dairy exports topped \$670 million in value.

During the first five months of 2021, US dairy exports were valued at \$3.1 billion, up 13 percent from the first five months of 2019.

Dairy imports during May were valued at \$298.9 million, up 13 percent from May 2020. During the first five months of 2021, dairy imports were valued at \$1.34 billion, up 11 percent from the first five months of 2020.

Leading markets for US dairy exports during the January-May 2021 period, on a value basis, with comparisons to the same period in 2020, were: Mexico, \$667.4 million, up 16 percent; Canada, \$330.1 million, up 10 percent; China, \$283.8 million, up 49 percent; South Korea, \$183.3 million,

up 18 percent; Philippines, \$166.9 million, down 2 percent; Japan, \$142.2 million, up slightly; Vietnam, \$139.4 million, up 45 percent; and Indonesia, \$127 million, down 27 percent.

Cheese exports during May totaled 67.8 million pounds, down 13 percent from May 2020. The value of those exports, \$141.4 million, was up 1 percent.

Cheese exports during the first five months of 2021 totaled 359.9 million pounds, up 6 percent from the first five months of 2020. The value of those exports, \$726.9 million, was up 6 percent.

Leading markets for US cheese exports during the first five months of this year, on a volume basis, with comparisons to the first five months of last year, were: Mexico, 89.2 million pounds, down 0.3 percent; South Korea, 70.5 million pounds, up 8 percent; Japan, 37.7 million pounds, up 9 percent; Australia, 23.6 million pounds, down 14 percent; Chile, 13 million pounds, up 35 percent; Canada, 10.6 million

pounds, up 38 percent; and Saudi Arabia, 9.2 million pounds, up 71 percent.

Nonfat dry milk exports during May totaled 195.6 million pounds, up 11 percent from May 2020 and a new monthly record.

The previous record, 190.8 million pounds, was set in March of this year.

During the January-May 2021 period, nonfat dry milk exports totaled 856 million pounds, up 17 percent from the same period last year.

Dry whey exports during May totaled 46.9 million pounds, up 30 percent from May 2020. Dry whey exports during the first five months of 2021 totaled 227 million pounds, up 30 percent from the first five months of 2020.

Exports of whey protein concentrate during May totaled 23 million pounds, down 18 percent from May 2020. WPC exports during the January-May period totaled 129.7 million pounds, up 3 percent from a year earlier.

Lactose exports during May totaled 83.1 million pounds, up 4

• See **May Dairy Trade**, p. 4

## FDA May Publish Draft Guidance On Labeling Plant-Based Dairy Alternatives In Next Year

Silver Spring, MD—The US Food and Drug Administration's (FDA) Center for Food Safety and Applied Nutrition (CFSAN) on Tuesday released a list of draft and final guidance topics that are a priority for the FDA Foods Program to complete during the next 12 months.

The agency anticipates it will publish many of the documents on the list, which focuses on draft and final guidances, by June 2022.

FDA guidances are documents that explain the agency's interpretation of, or policy on, a regulatory issue. The agency prepares guidances primarily for industry, but also for other stakeholders and its own staff, and uses them to address such matters as the design, manufacturing, and testing of regulated products; scientific issues; content and evaluation of applications for product approvals; and inspection and enforcement policies.

FDA said it is releasing this list of guidance topics to provide stakeholders increased transparency and additional insights into the foods program priorities. Although the agency's intent is to publish all draft and final guidance topics on the list, changes in plans may be needed to support emerging issues and Biden administration priorities.

• See **FDA Guidance**, p. 4

## Darigold Planning \$500 Million Protein, Butter Operation Near Pasco, WA

Seattle, WA—Darigold, Inc., is building an approximately \$500 million specialized milk protein and butter plant near Pasco, WA that will feature a suite of technologies and strategies designed to reduce greenhouse gas emissions.

The plant will process roughly 8 million pounds of milk per day after construction is complete.

As well as investing approximately \$500 million in the project, Darigold is expecting to create over 1,000 onsite and indirect supply chain and services jobs. Initial site development is expected to start in early 2022 with full commercial production targeted for late 2023 or early 2024.

• See **Darigold Planning**, p. 5

## USDA Provides \$20.2 Million In Grant Funding For Dairy Business Innovation

### USDA To Award \$1.8 Million To At Least One New Innovation Initiative

Washington—The US Department of Agriculture (USDA) on Thursday announced \$20.2 million in grant funding for the Dairy Business Innovation (DBI) Initiatives.

DBI Initiatives provide direct technical assistance and make grants to dairy businesses. The three current DBI initiatives at the University of Wisconsin, University of Tennessee, and the Vermont Agency of Agriculture, Food and Markets are eligible for additional grant funding (up to \$18.4 million) to continue their work.

USDA this week released two fiscal year 2021 requests for applications. The first of those requests requests applications from the three existing DBI Initiatives programs, which serve to: diversify dairy product markets to reduce risk and develop higher-value uses for dairy products; promote business development that diversifies farmer income through processing and marketing innovation; and encourage the use of regional milk production.

Approximately \$18.4 million is available in fiscal 2021 to fund applications under this solicitation. Initiatives are expected to perform projects from fiscal 2021 through fiscal 2024 and submit a non-competing application for each fiscal year the DBI Initia-

• See **Dairy Innovation**, p. 6

### June Avg Prices - 2020 vs 2021

Average CME Prices\*\*  
Class 3 and Class 1 Milk Price x 10





**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](mailto:dgroves@cheesereporter.com)  
608-316-3791

MOIRA CROWLEY  
Specialty Cheese Editor  
e-mail: [mcrowley@cheesereporter.com](mailto:mcrowley@cheesereporter.com)  
608-316-3793

KEVIN THOME  
Advertising & Marketing Director  
e-mail: [kthome@cheesereporter.com](mailto:kthome@cheesereporter.com)  
608-316-3792

BETTY MERKES  
Classifieds/Circulation Manager  
e-mail: [info@cheesereporter.com](mailto: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](mailto: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](mailto: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**  
Kathryn 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**  
Ben Workman, Edelweiss Creamery LLC,  
W6117 Cty Hwy C, Monticello, 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](mailto:dgroves@cheesereporter.com)  
tw: @cheesereporter

### Despite Aircraft Truce, US-EU Dairy Trade Still Dysfunctional

While it was certainly good news that the United States and European Union recently reached a truce in their longstanding aircraft dispute, the dairy trade relationship between the two economic giants remains highly dysfunctional. And it's possible things will get worse, from a US perspective, before they get better.

As reported on our front page two weeks ago, the US and EU agreed that the tariffs that have been imposed by both sides over the past two years are being suspended for five years. The US had been applying 25 percent tariffs on a number of cheese and other dairy imports from the EU since October 2019, while the EU had been applying 25 percent tariffs on imports of several dairy products from the US since November 2020.

There are a number of ways to illustrate the dysfunctional nature of the US-EU dairy relationship, starting with the fact that it tends to be a bit one-sided. Specifically, over the past decade, US dairy exports to the EU have ranged in value from \$82.1 million in 2012 to \$128 million in 2013, while US dairy imports from the EU have ranged in value from \$1.16 billion in 2011 to \$1.7 billion in 2019.

It's also worth noting that, at about the same time the US and the EU were reaching a truce in their aircraft dispute, the EU was being criticized, both externally and internally, for its new entry certificate requirements for US dairy exports.

More specifically, Eucolait (the European Association for Dairy Trade) recently highlighted what it called a "serious sanitary barrier" to imports of dairy products into the EU, created by requirements in a new import health certificate and differences between the EU and third country regulatory frameworks for animal health and food safety.

The EU, Eucolait pointed out, is a "relatively minor" dairy importer,

due to its "considerable surplus" of milk and "high tariffs on dairy products from most origins." US authorities have indicated they won't be able to attest conformity of US dairy products and ingredients with the new EU provisions, "which would result in a non-tariff barrier to dairy imports from the United States," Eucolait said.

Shortly after Eucolait voiced its concerns over the EU's new dairy import certificates, four members of the US House voiced similar concerns in a letter to Stavros Lambrinidis, EU ambassador to the US.

A third way to illustrate the dysfunctional nature of the US-EU dairy trade relationship is to read through some recent reports from the Office of the US Trade Representative. The EU's dairy trade barriers seem to have an outsized presence in these reports.

For example, back in late March, US Trade Representative Katherine Tai released the 2021 *National Trade Estimate (NTE) Report*, which details foreign trade barriers limiting US exports of dairy and other products. This 574-page report is pretty detailed, to say the least, and covers trade barriers being imposed by US trading partners ranging from Algeria to Vietnam.

The report's chapters tend to be fairly short; for example, just over four pages are devoted to Algeria, while Vietnam gets 11 pages.

There are some other chapters that tend to be quite lengthy. For example, the chapter on China runs about 36 pages, while the chapter on India runs about 23 pages (dairy trade barriers are mentioned in both of these chapters).

But these chapters pale in comparison to the chapter on the European Union, which runs some 50 pages and includes several mentions of dairy trade barriers, including the aforementioned import certificates as well as somatic cell counts and geographical indications.

Thanks to the US tariffs imposed starting in late 2019, however, it is possible for the US to put a damper on EU dairy imports, which fell last year in value by 8 percent from 2019

Speaking of GIs, several weeks after it released the annual NTE report, the USTR released its annual *Special 301 Report* on the adequacy and effectiveness of US trading partners' protection and enforcement of intellectual property rights, including in the area of geographical indications.

The majority of that 90-page report is devoted to countries on the "priority watch list" or "watch list." The EU isn't on either of those lists.

However, the first section of the report (before the individual country chapters) covers developments in intellectual property rights, protection, enforcement and related market access. That section runs about 27 pages, almost three of which are devoted to the EU's GI agenda, which the report describes as "highly concerning."

Lest it appear that we're picking on the EU and ignoring US trade barriers here, it's safe to say the US is far from perfect in the trade barriers arena, whether you're talking dairy trade or pretty much any other trade category.

But when EU dairy exports to the US rise from under \$1.2 billion in 2012 to \$1.7 billion in 2019, it seems logical to conclude that these trade barriers aren't insurmountable. Thanks to the US tariffs imposed starting in late 2019, however, it is possible for the US to put a damper on EU dairy imports, which fell last year in value by 8 percent from 2019 (but still totaled \$1.57 billion).

What's the future look like for the US-EU dairy trade relationship? Our expectation is that the relationship will continue to be dysfunctional, and one-sided.

While the aircraft dispute tariffs have been suspended for five years, some of the EU's other dairy trade initiatives continue to threaten US exporters, probably most importantly in the area of geographical indications. Just looking at EU and US trade figures doesn't reveal the full impact of this EU policy.

## Trade Promotion Authority Expires; NMPF, USDEC Want It Renewed

Washington—Trade Promotion Authority (TPA), a legislative procedure through which Congress defines US negotiating objectives and spells out a detailed oversight and consultation process for trade negotiations, expired on July 1.

To foster further expansion of US dairy exports, the National Milk Producers Federation (NMPF) and US Dairy Export Council (USDEC) are calling upon the Biden administration to seek renewal of presidential Trade Promotion Authority.

TPA was most recently authorized/reauthorized in 2015 by the Bipartisan Congressional Trade Priorities and Accountability Act of 2015, which was signed by then-President Obama on June 29, 2015, according to a recent report from the Congressional Research Service (CRS). For the first 20 years of TPA's existence (1974-1994), it continually was in force. However, TPA lapsed from 1994-2002 and from 2007-2015.

TPA was used to implement and approve the United States-Mexico-Canada Agreement (USMCA), which went into effect a year ago, the CRS report noted.

Also, the Trump administration notified Congress in 2018 that it planned to enter negotiations with the European Union (EU), Japan, and the United Kingdom for potential trade agreements under TPA procedures, the report continued. In October 2019, the US and Japan signed two bilateral agreements that were not formally considered by Congress under TPA's expedited procedures.

Since 1974, Congress has enacted TPA legislation that defines US negotiating objectives and priorities for trade agreements and establishes consultation and notification requirements for the president to follow throughout the negotiation process, according to the Office of the United States Trade Representative (USTR).

At the end of the negotiation and consultation process, Congress gives the agreement an up or down vote, without amendment.

Key elements of TPA, the Office of the USTR explained, include:

- TPA outlines congressional guidance to the president on trade policy priorities and negotiating objectives.

- TPA establishes congressional requirements for the administration to notify and consult with Congress, with the private sector and other stakeholders and with the public during the negotiations of trade agreements.

- TPA defines the terms, conditions and procedures under which Congress allows the administration to enter into trade agree-

ments, and sets the procedures for congressional consideration of bills to implement the agreements.

For dairy, USMCA provisions established improvements to market access in Canada and set clear standards for trade with Mexico, and also established procedures to enforce the agreement, NMPF and USDEC pointed out. In late May, US Trade Representative Katherine Tai initiated a dispute settlement proceeding over Canada's administration of dairy tariff-rate quotas (TRQs) in order to preserve the market access expansion negotiated in the USMCA.

As the one-year anniversary of the USMCA is celebrated, "it's

heartening that the Biden administration has already sent a signal to our trading partners that its terms must be upheld by launching a dispute settlement case to defend US dairy market access rights in Canada," said Jim Mulhern, NMPF's president and CEO.

"If properly implemented, USMCA is a positive step in the right direction. But it is not enough alone for US dairy farmers and cooperatives to keep pace in global markets," Mulhern continued. "By standing still, we slip further backward as competitors in Europe and New Zealand advance their own trade agreements with key markets."

"One in six gallons of US milk is destined for export, meaning that our ability to retain foreign customers in an increasingly com-

petitive global dairy market is absolutely essential to farmers and dairy manufacturing facilities employing workers here at home," said Krysta Harden, USDEC's president and CEO. "To accomplish that, we need to catch up with trading partners who have been speeding ahead with trade deals that give them a leg up over us in foreign markets. USMCA is an example of how TPA can help the US expand trade opportunities, but that is only one advancement among many that are needed."

"Renewing our commitment to the global community and restoring American leadership starts with renewing TPA, so that US dairy can realize new opportunities in places such as southeast Asia, Africa, South America and the UK," Harden added.

## There's a reason we call it "Yieldmaster."



### Making every drop of milk count.

We designed the **Tetra Pak® Cheese Vat Yieldmaster 2** with dual shaft technology to produce a higher yield.

- Better fat retention than any other vat. Period.
- Dual shaft counter-rotating blades for efficient cutting and stirring to ensure curd gets the treatment it needs, when its needed.
- Durable construction and robust seals.
- Easy to operate, clean and maintain.

The Tetra Pak® Cheese Vat Yieldmaster 2 combines the latest technology with our more than 80 years of experience designing cheese processing equipment. We think you'll like the results.

Moving food forward. Together. [www.tetrapak.com/en-us](http://www.tetrapak.com/en-us)

**Tetra Pak®**  
PROTECTS WHAT'S GOOD

## FDA Guidance

(Continued from p. 1)

Among the list of guidance topics on the list: draft guidance for industry on the labeling of plant-based milk alternatives.

In September 2018, FDA invited interested parties to provide information on specific topics related to the labeling of plant-based products with names that include the names of dairy foods. The agency received over 13,000 comments by the time the comment period closed in January 2019.

FDA also plans to release guidance for industry on its voluntary sodium reduction goals. In mid-2016, the agency released draft guidance entitled “Voluntary Sodium Reduction Goals: Target Mean and Upper Bound Concentrations for Sodium in Commercially Processed, Packaged, and Prepared Foods,” which provided information to the food industry on sodium reduction, expressed as measurable voluntary goals for

sodium content in commercially processed, packaged, and prepared foods, including for several categories of cheese products, as well as butter and other dairy products.

FDA also plans to release several draft guidance documents for industry related to the Food Safety Modernization Act (FSMA) in the next year.

Those documents include the following:

**Hazard analysis and risk-based preventive controls for human food; Appendix 1:** Potential Hazards for Foods and Processes.

**Hazard analysis and risk-based preventive controls for human food; Chapter 11:** Food Allergen Controls.

**Hazard analysis and risk-based preventive controls for human food; Chapter 16:** Validation of Process Controls.

**Hazard analysis and risk-based preventive controls for human food; Chapter 17:** Classifying Food as Ready-to-Eat or Not Ready-to-Eat.

**Hazard analysis and risk-based preventive controls for human food; Chapter 18:** Acidified Foods.

**Questions and answers regarding the Accredited Third-Party Certification Program.**

Also in the area of the FSMA, FDA plans to issue guidance on its enforcement policy regarding certain provisions of current good manufacturing practice and preventive controls, Foreign Supplier Verification Programs, intentional adulteration, and/or produce safety regulations; refusal of inspection by a foreign food establishment or foreign government; and Foreign Supplier Verification Programs for importers of food for humans and animals.

FDA also plans to release draft guidance for FDA staff on Compliance Policy Guide Sec. 555.320: *Listeria monocytogenes* in human food.

And the agency plans to issue guidance for industry on best practices for convening a GRAS panel.

## FROM OUR ARCHIVES

### 50 YEARS AGO

**July 2, 1971: Faribault, MN**—Swift Dairy & Poultry Co. here has begun construction of an addition to its Treasure Cave Cheese plant that will greatly increase production capacity. The addition will house expanded packaging operations, enabling the company to enlarge drain and salt room capacities, said plant manager Martin Beneke.

**Washington**—The FDA issued a revised policy for product recalls under which it will make public only those recalls that present threats to consumer safety. The policy change was made due to the rapid expansion of recalls in recent years, which has “watered down” the sense of urgency.

### 25 YEARS AGO

**July 5, 1996: Madison**—The Wisconsin Master Cheese Maker board of directors announced this week 10 new candidates for its 1996 program. There are now a total of 19 cheese makers enrolled in the three-year program – several of which are expected to finish early next year – becoming the state’s first Master Cheese Makers.

**Madison**—Eric Liebetrau of Park Cheese Co., Fond du Lac, WI, was elected WCMA president here this week. Other officers include John Wright, Waterford Food Products, first vice president; Roger Krohn, Krohn Dairy Products, second vice president; Randy Krahenbuhl, Prima Kase, secretary; and Ken Heiman, Nasonville Dairy, treasurer.

### 10 YEARS AGO

**July 1, 2011: Paris, France**—General Mills completed its acquisition of a 51 percent controlling interest in Yoplait SAS and a 50 percent interest in a related entity that holds the worldwide Yoplait brands, from PAI Partners and Sodial in a \$1.2 billion transaction.

**Wisconsin Dells, WI**—Spring Brook Farm Tarentaise made by Farms for City Kids Foundation, Reading, VT, earned the title of Best North American Jersey Cheese here at the North American Jersey Cheese Awards. Calvander by Chapel Hill Creamery, Chapel Hill, NC; and Country Classic, Homestead Creamery, Jamesport, MO, earned second and third place, respectively.

## May Dairy Trade

(Continued from p. 1)

percent from May 2020. During the first five months of this year, lactose exports totaled 361.4 million pounds, down 2 percent from the first five months of last year.

Butter exports during May totaled 9.7 million pounds, up 195 percent from May 2020. Butter exports during the January-May period totaled 43.7 million pounds, up 170 percent from the same period last year.

May exports of ice cream totaled 17.8 million pounds, up 48 percent from May 2020. Ice cream exports during the first five months of 2021 totaled 73 million pounds, up 20 percent from the first five months of 2020.

Yogurt exports during May totaled 4.7 million pounds, up 118 percent from May 2020. Yogurt exports during the January-May period totaled 18.6 million pounds, up 63 percent from a year earlier.

During the January-May period, leading sources of US cheese and other dairy imports, on a value

basis, with comparisons to the same period in 2020, were: New Zealand, \$222 million, down 3 percent; Italy, \$178.2 million, up 40 percent; Ireland, \$152.2 million, up 11; Canada, \$97.4 million, up 8 percent; Netherlands, \$71.4 million, down 10; and Mexico, \$68.5 million, down 22 percent.

Cheese imports during May totaled 30.8 million pounds, up 26 percent from May 2020. The value of those imports, \$111.8 million, was up 50 percent.

During the first five months of this year, cheese imports totaled 148.7 million pounds, up 8 percent from the first five months of last year. The value of those imports, \$526.3 million, was up 17 percent.

Leading sources of US cheese imports during the January-May period, on a volume basis, with comparisons to the same period last year, were: Italy: 30.1 million pounds, up 9 percent; France: 14.5 million pounds, down 4 percent; Netherlands: 11.6 million pounds, down 7 percent; Switzerland: 8.5 million pounds, up 1; Ireland: 7.5 million pounds, up 55 percent;

Spain: 7 million pounds, down 16 percent; Nicaragua: 6.5 million pounds, up 6 percent; Australia: 6.3 million pounds, up 1,489 percent; Germany: 5.72 million pounds, up 2 percent; United Kingdom: 5.65 million pounds, up 27 percent; Canada: 5.4 million pounds, up 13 percent; Greece: 5.1 million pounds, up 24 percent; Lithuania: 4.8 million pounds, up 23 percent.

### Butter Exports Drop

During May, imports of butter and other butterfat-based products (primarily anhydrous milkfat) totaled 10.8 million pounds, down 24 percent from May 2020.

Butter imports during May totaled 8.1 million pounds, down 28 percent from a year earlier.

During the first five months of 2021, imports of butter and other butterfat-based products totaled 44.4 million pounds, down 15 percent from the first five months of 2020. Butter imports during this period totaled 34.5 million pounds, up 12 percent from a year earlier.

Casein imports during May totaled 9.4 million pounds, down 11 percent from May 2020. During the first five months of 2021, casein imports totaled 42.3 million pounds, up 15 percent from the first five months of 2020.

May imports of caseinates totaled 3.9 million pounds, down 29 percent from May 2020. Imports of caseinates during the January-May period totaled 18.4 million pounds, down 11 percent from the same period last year.

Imports of Chapter 4 MPCs during May totaled 9.4 million pounds, down 8 percent from May 2020. During the January-May period, imports of Chapter 4 MPCs totaled 44.4 million pounds, down 7 percent from a year earlier.

**CodeX-ing**  
Biotech Ingredients

(305) 888-5303

**LYOPRO® DAIRY CULTURES.**

FSSC 22000

[www.codex-ing.com](http://www.codex-ing.com)

For more information, visit [www.codex-ing.com](http://www.codex-ing.com)

## EU Bodies Reach Agreement On New Common Ag Policy For 2023-2027

**Brussels, Belgium**—A provisional political agreement reached last Friday by the European Parliament on the new Common Agricultural Policy (CAP) introduces a fairer, greener, more animal friendly and flexible CAP, according to the European Commission.

On Monday, EU farm ministers accepted the provisional deal struck with the European Parliament on the key elements of the CAP reform, thus bringing the proposal a step closer to becoming part of EU law.

Work will now take place at inter-institutional level on the remaining technical details of the proposed reform, following which it will be formally approved by both the European Parliament and the Council. The new CAP will cover the period 2023-2027; a transitional arrangement agreed in 2020 will continue to apply until then.

For the first time, the CAP will include social conditionality, meaning that CAP beneficiaries will have to respect elements of European social and labor law to receive CAP funds.

Redistribution of income support will be mandatory; EU member countries will redistribute at least 10 percent to the benefit of smaller farms, and must describe in their strategic plan how they plan to do this.

The new CAP will support the transition towards more sustainable agriculture with increased ambition for climate, environment, and animal welfare.

It will fully integrate European Union environmental and climate legislation.

Ecoschemes will be mandatory for EU member countries to offer. This new voluntary instrument will reward farmers for implementing climate and environmentally friendly practices, as well as animal welfare improvements.

At least 35 percent of rural development funds will be allocated to agri-environment commitments, which promote environmental, climate and animal welfare practices.

The new CAP maintains an overall market orientation, with EU farms operating according to market signals while taking advantage of opportunities outside the EU, the European Commission said.

It also reinforces the position of farmers in the food supply chain by expanding the possibilities for farmers to join forces, including by means of certain exceptions from competition law.

A new agricultural reserve will be introduced to fund market measures in times of crises, with

an annual budget of at least 450 million euros.

The new CAP covers three regulations: horizontal, strategic plan and Common Market Organization (CMO) regulations.

The European Dairy Association (EDA) has been in close contact in recent years with all relevant stakeholders in the CAP negotiations to ensure a good outcome on the essential dairy sections, especially in the CMO.

The CMO is “of utmost importance for the dairy sector. Its implementation is key to the competitiveness of the dairy sector in the different regions of the EU,” said Alexander Anton, EDA secretary general.

“Our preliminary analysis shows that today’s deal takes into account the need for a market orientated CAP while giving dairy farmers and processors the needed support to adapt to the new challenges. This is a significant step forward and good news for the dairy industry,” Anton added.

From the perspective of dairy trade, it was of utmost importance that the EU would not backtrack on the market orientation of the CAP, according to Eucolait (European Association of Dairy Trade).

Eucolait was therefore pleased to see that proposals which would have completely reversed the progress made in the last 20 years, such as raising the intervention prices or the reintroduction of mandatory supply limitations, do not appear in the final text of the CMO regulation.

“Changes to the CMO are thankfully quite minimal and the protection of dairy terms against misuse remains guaranteed,” Eucolait stated. “We also welcome the fact that issues pertaining primarily to food law and trade policy were not regulated as part of the package.”

The CAP reform agreement is an important step in the right direction, allowing for greater stability in different areas of the agricultural sector with its toolbox of crisis instruments, the European Milk Board (EMB) said.

However, it does not set forth any measures to ensure that costs for more sustainable production and producer prices actually go hand in hand.

With the voluntary volume reduction crisis instrument as well as the market observatories and their functions (like providing information on market disturbances, production, stocks, prices and, where possible, margins) for different agricultural sectors included in the CMO, there is now a legal framework for crises

to be identified early on and the reduction program to be activated in response, provided that the correct decisions are, in fact, taken in a timely fashion, the European Milk Board said.

This possibility to avoid surpluses and thus price collapses is a positive development.

The capping of producers with surplus output during the period of voluntary volume reduction also did not make its way into the form, the EMB said.

Another positive element of the CAP reform is the increase of the pooling threshold for dairy farmers to 4 percent, who together can thus negotiate or let negotiate a volume of up to 4 percent of the EU milk volume. However, when looking at processors, this is still not enough, the European Milk Board said.

There are already companies with a much higher market concentration, which makes it impossible for producers to negotiate on an equal footing.

Costs in the milk production sector are already not currently covered, the European Milk Board said.

Prices and subsidies are unable to match costs. More demanding sustainability requirements entail higher costs as well.

It will not be possible to cover this additional burden with raw milk prices nor through green subsidies, which is “bad news for both experienced producers as well as young farmers,” the European Milk Board said.

Even though they can be further supported through a mandatory minimum level of 3 percent direct payments, young farmers “will continue to be the losers in the agricultural sector as long as the cost of more sustainable production is not actually covered by market prices,” the EMB said.

## Darigold Planning

(Continued from p. 1)

Construction of the facility and the Port of Pasco agreement are contingent upon fair and equitable treatment under all new Washington state environmental legislation, which the company is currently assessing.

When operational, the strategies being employed at the plant will cut per unit emissions by 25 percent compared to Darigold’s existing baseline, the cooperative said. The agreement with the Port of Pasco in Washington marks another major milestone in implementing the co-op’s 2050 carbon neutral goals.

Part of Darigold’s wider transformation and trade-intensive growth plan, the specialized 400,000-square-foot protein and butter facility will incorporate a variety of innovative technologies and conservation strategies that combined could mitigate over 300,000 metric tons of CO<sub>2</sub>e per year, the co-op said.

Darigold will deploy anaerobic digestion technology as part of the on-site wastewater treatment strategy and use the extracted methane as a natural gas substitute, reducing fossil fuel use. This will be complemented by best-in-class machinery that enables heat and energy recovery and reuse.

Also, the new infrastructure is designed to accommodate future electric vehicles, including a potential conversion of Darigold’s large fleet of semi-trucks, further reducing greenhouse gas emissions associated with transportation.

“Our producers have been at the vanguard of the dairy sector for over 100 years, constantly building on their outstanding record of sustainability and stewardship practices,” said Stan Ryan, Darigold’s president and CEO. “



EST. 1849

# KUSEL

STAINLESS PRODUCTS

**TRUSTED SOLUTIONS**

Since the 1800s, Kusel has been manufacturing high quality cheese making equipment that’s built to last. That’s why large-scale industry leaders and smaller artisanal makers trust us time and again. With an established line of equipment, and our experienced team at your service, you can count on Kusel.

[KuselEquipment.com](http://KuselEquipment.com) 920.261.4112  
Sales@KuselEquipment.com



For more information, visit [www.kuselequipment.com](http://www.kuselequipment.com)

## Dairy Innovation

(Continued from p. 1)

tives are appropriated funds during this tenure.

Applications are due by Aug. 30, via [www.grants.gov](http://www.grants.gov).

The Wisconsin Cheese Makers Association (WCMA) and the Center for Dairy Research (CDR) at the University of Wisconsin-Madison are running one of the DBI Initiative programs, the Dairy Business Innovation Alliance (DBIA), which offers direct-to-business grants, free workshops and consultative services, as well as industry research for dairy farmers and processors in Wisconsin, Illinois, Iowa, Minnesota and South Dakota.

"Smart, targeted investments in farmstead dairy operations and in the development of new, value-added dairy products mean a stronger, more resilient agricultural economy," said John Umhoefer, WCMA executive director.

"Greater innovation is critical for a vibrant dairy industry, and this program is critical to support innovation both by dairy farmers and processors," said Dr. John Lucey, CDR director and food science professor at UW-Madison.

"This federal funding from USDA for the Dairy Business Innovation Initiatives will help Wisconsin dairy businesses grow their business, modernize their dairy plants and reach new markets," said US Sen. Tammy Baldwin (D-WI).

For more information on DBIA resources, and to learn about grant opportunities and recent recipients, visit [www.cdr.wisc.edu/dbia](http://www.cdr.wisc.edu/dbia).

### Tennessee Grants Still Available

After the first round of DBI Initiative program funding announced

in December 2020, some funds are still available for dairy businesses in Tennessee.

As part of its recent USDA grant, the University of Tennessee's department of animal science and the Center for Profitable Agriculture have teamed up with the Tennessee Department of Agriculture to support eligible Tennessee dairies as they seek to modernize and diversify their operations. Approximately \$62,000 of the original \$227,000 is still available for subawards to individual Tennessee dairy businesses, and the application period for the second round of grants is now open.

To qualify for a grant, dairy businesses must use the funds to improve their operations in one of the following three areas: modernization, specialization, and grazing transition on dairy farms; value chain and commodity innovation and facility and/or process updates for dairy processors; and dairy product development, packaging, and/or marketing.

Applicants can apply for a maximum of \$25,000 per application until all funds are awarded. Applicants may apply to receive training, create business or marketing plans, conduct feasibility studies, develop a food safety plan or purchase specialty equipment.

Applications will be accepted until July 15, 2021. For more information, contact UT Extension dairy specialist Liz Eckelkamp, who is leading the project, at [eckelka@utk.edu](mailto:eckelka@utk.edu); or Hal Pepper, financial specialist with the UT Center for Profitable Agriculture, at [hal.pepper@utk.edu](mailto:hal.pepper@utk.edu).

### Funding For New Initiative

Under the other fiscal 2021 request for applications released by USDA this week, \$1.8 million will be

competitively awarded to at least one new initiative.

The USDA will give priority to applications that serve a geographic area not covered by an existing initiative and that cover multiple states.

Initiatives must be able to draw upon existing dairy resources. Initiatives may serve a certain product niche, such as specialty cheese, or serve dairy businesses with dairy products derived from the milk of a specific type of dairy animal, including dairy products from cow milk, sheep milk, and goat milk.

Applications must be submitted electronically through [www.grants.gov](http://www.grants.gov) by Monday, Aug. 30, 2021.

To receive funding, the current initiatives will undergo an administrative review to ensure the proposed activities fulfill the purpose of DBI. To be considered as a new DBI initiative, applications will undergo external expert peer review as well as an administrative review.

USDA's Agricultural Marketing Service (AMS) is encouraging applications for initiatives that benefit smaller farms and ranches, new and beginning farmers, socially disadvantaged producers, veteran producers, and underserved communities.

"This program has already shown success in helping dairy farmers develop new business models and value-added products," said US Secretary of Agriculture Tom Vilsack.

For more information about grant eligibility and previously funded projects, visit the DBI webpage, at [www.ams.usda.gov/services/grants/dbi](http://www.ams.usda.gov/services/grants/dbi); or contact the agency at [IPPGGrants@usda.gov](mailto:IPPGGrants@usda.gov).

AMS is offering assistance for new applicants to help walk them through the process and provide tips on writing a successful application.

For additional assistance from grants management specialists, contact [IPPGGrants@usda.gov](mailto:IPPGGrants@usda.gov).

## Dairy.com Acquires ever.ag, Provider Of Commodity Brokerage, Other Dairy Services

Frisco, TX—Dairy.com on Monday announced that it has acquired ever.ag, a provider of commodity brokerage, crop insurance, technology and other services for the dairy, grain and livestock sectors.

The combined efforts of Dairy.com and ever.ag will offer customers an unrivaled portfolio of ag tech software, risk management resources, services, and market intelligence offerings, according to the announcement.

ever.ag and Dairy.com's Blimling and Associates division already serve several of the same customers, all of which will have direct access to the extended portfolio of solutions from the combined provider. With ever.ag and Blimling, Dairy.com will have 200 team members in 11 global locations, 65 of them supporting the risk management and market intelligence needs of thousands of farmers and hundreds of commercial firms.

Ultimately, the company's vision is to enable everyone involved in the agriculture industry, from farmers and cooperatives to processors and end-users, to leverage multiple options for powering their part of the agricultural supply chain.

"Today's announcement reinforces our commitment to helping our clients unlock higher potential and profitability in their businesses," said Scott Sexton, Dairy.com's chief executive officer.

"Over the last 30 years, Dairy.com, the Blimling companies, and ever.ag have constantly evolved and introduced innovative solutions to meet the unique needs of the agriculture industry," said Brian Rice, ever.ag principal.

For more information, visit [www.dairy.com/ever-ag-partnership](http://www.dairy.com/ever-ag-partnership).

## Natamycin is Now Available and Produced in America's Heartland!

- Produced in South Bend, IN
- Easy to use
- Improved Solubility



Contact us today to learn more about DelvoCid+ and our various cheesemaking solutions!

**NELSON JAMESON**  
INC.

1-800-826-8302 • [nelsonjameson.com](http://nelsonjameson.com)  
[sales@nelsonjameson.com](mailto:sales@nelsonjameson.com)

For more information, visit [www.nelsonjameson.com](http://www.nelsonjameson.com)

## Co-Packing & Private Label Manufacture In Our Award-Winning Tradition



We work with Private Label customers and partner in co-packing. Penn Dairy custom formulates or manufactures to specifications.



- Specializing in co-packing yogurt & kefir
- Known for our famous Swiss cheese, we also craft Cheddar, Colby, Jack, Mozzarella, Gouda, Muenster, Paneer & Labneh
- SQF Certified; IMS Grade A rating
- Non-GMO Project Verified, Organic, Halal Circle K Kosher, Super Kosher



**Penn Dairy**  
Honest, Dependable.

570-524-7700 • [Sales@penndairy.com](mailto:Sales@penndairy.com)  
[www.penndairy.com](http://www.penndairy.com) • Winfield, PA 17889

For more information, visit [www.penndairy.com](http://www.penndairy.com)

## Pennsylvania Governor Signs Bill Modifying Date Requirements For Fluid Milk Products

**Harrisburg, PA**—Pennsylvania Gov. Tom Wolf this week signed legislation that modifies “sell by” and “best by” date labeling for pasteurized fluid milk.

Currently, Pennsylvania regulations require milk to be labeled for sale within 17 days of pasteurization, according to State Sen. Elder Vogel, who introduced the legislation.

Only two other states have similar “fixed code” dates for milk regulations.

Senate Bill 434, which is supported by the Pennsylvania Association of Milk Dealers (PAMD), will allow milk processors to apply for Pennsylvania Department of Agriculture (PDA) approval to exceed the 17-day limitation by moving to a science-based “open code” format, Vogel said.

The legislation establishes testing requirements and standards, including dairy laboratory criteria, bacterial testing of samples and continued periodic testing, which must be met for milk processors to receive PDA approval, Vogel explained.

“Consumers rank freshness, as determined by the date code indicated, as the most important attribute when purchasing milk,” Vogel pointed out. “The current 17-day requirement is not realistic when it comes down to milk’s actual shelf life.

“In addition, it makes it impossible for processors to bid to provide milk to those who want to sell through national food suppliers and wholesalers. Those suppliers typically require a longer ‘sell by’ date interval, which prevents Pennsylvania farmers from receiving these contracts,” Vogel continued.

“It is important that we level the playing field to enable our dairy farmers to compete in the marketplace,” Vogel added.

The Pennsylvania Dairy Future Commission, in a report released last summer, recommended that the state of Pennsylvania move from the current 17-day milk code to an open code supported by product testing, as outlined by the Pasteurized Milk Ordinance (PMO).

The current 17-day milk code mandated by Pennsylvania regulations presents a competitive disadvantage for fresh fluid milk, the report noted.

Milk code is not considered a food safety issue by the US Food and Drug Administration (FDA) or state regulatory authorities, the report pointed out.

## Pacific Northwest Order Continues Reduction In Shipping Percentages

**Bothell, WA**—The Pacific Northwest federal milk marketing order will continue the reduction of the percentage of a cooperative association’s producer milk that must be delivered to pool distributing plants to qualify its manufacturing plant for pool status, according to Lisa K. Wyatt, market administrator.

The minimum shipping percentages applicable pursuant to this revision are 15 percent.

The order states that a specified percentage of producer milk must be delivered to pool distributing plants during either the current month or, on average, the immediately preceding 12-month period ending with the current month to qualify a co-op’s plant. The purpose of this standard is to assure an adequate supply of milk for fluid consumption while enabling the continued pooling of milk that currently is pooled without the need for uneconomic movements of milk, which would result in disorderly market, Wyatt explained.

The continued reduction in shipping percentages is a continuation of a request made in May 2019 and granted in June 2019, effective July 1, 2019. In May 2020, comments were requested to continue the reduced shipping percentage through June 30, 2021. That continuation was granted. Dairy Farmers of America (DFA) asked that the market administrator review the request annually.

The proposal was requested by Cooperative Regions of Organic Producer Pools (CROPP), a handler regulated under the Pacific Northwest order. CROPP requested the decrease in the percentage of producer milk that a

cooperative association must ship to pool distributing plants to qualify its manufacturing plant for pool status from 20 to 15 percent.

The request also stated that with Class I sales dropping, the handler has “struggled to meet this requirement without changing routes and moving milk around.”

Statistics from the Pacific Northwest order market administrator’s office show that, while the overall volume of milk pooled on the order over the past 20 years has grown, the volume of milk pooled in Class I has declined.

Specifically, in 2000, the volume of producer milk pooled on the order totaled 6.8 billion pounds, while the volume of producer milk pooled in Class I totaled 2.1 billion pounds. Class I utilization that year was 31 percent.

In 2020, the volume of milk pooled on the order totaled 7.8 billion pounds, while the volume of milk pooled in Class I totaled 1.7 billion pounds. Class I utilization in 2020 was 22.1 percent.

Last month, the market administrator’s office notified order handlers of a proposed continuation of the reduction in shipping percentages, and invited the submission of comments or views on the request by no later than June 25, 2021.

Three comments were received, and an analysis of the current and projected Pacific Northwest order marketing conditions was performed by the market administrator’s office.

CROPP and Northwest Dairy Association (NDA) submitted comments in favor of continuing the reduced shipping percentages.

DFA did not oppose the continued reduction in shipping percent-

ages, but does not support reducing the shipping percentages “until further notice.” DFA feels the change should be reviewed annually by the market administrator.

Current market conditions continue to indicate that, absent a reduction in shipping standards, the pool status of manufacturing plants in the order may not be maintained without costly and uneconomical movements of milk that would have to be made to maintain the pool status of producers who have historically supplied the market and to prevent disorderly marketing in the Pacific Northwest order, Wyatt said.

Therefore, continuing the reduction in the shipping standard “is reasonable and necessary to ensure that such producers’ milk will not have to be moved in an uneconomic and inefficient manner,” Wyatt stated. Also, the reduction in the shipping standard will serve to ensure orderly marketing conditions that may otherwise be eroded if the shipping standard is not lowered.

Based on the comments received and analysis of available information and data, Wyatt determined that the percentage of producer milk that a cooperative association must deliver to pool distributing plants during the current month or, on average, the immediately preceding 12-month period ending with the current month, be reduced to 15 percent through June 30, 2022, at which point, marketing conditions will be reviewed to determine if 15 percent continues to be appropriate.

As provided in the Pacific Northwest order regulations, the market administrator may review the need for any further adjustment on the market administrator’s own initiative or at the request of interested parties, Wyatt pointed out.



# ENTER TODAY

### 93 CONTEST CLASSES:

- CHEESE
- BUTTER
- ICE CREAM/SHERBET
- COTTAGE CHEESE
- FLUID MILK
- SOUR CREAM
- DAIRY DIPS
- WHEY PRODUCTS
- YOGURT
- CREATIVE/INNOVATIVE PRODUCTS

**All Marketers, Converters, Manufacturers, Suppliers and End-Users of Dairy Products are Eligible to Enter!**

**AUGUST 17-19 MATC, MADISON, WI**

**ENTRY DEADLINE: JULY 16**  
**ENTRIES DUE DATE: AUG 9-13**  
**CHEESE AUCTION: SEPT 28**

**TO ENTER: [WWW.WDPA.NET](http://WWW.WDPA.NET)**

## Entry Deadline For WDE Dairy Product Contest Is July 16

Madison—Registration forms and fees for the upcoming World Dairy Expo (WDE) Championship Dairy Product Contest must be submitted by July 16.

Over 1,500 cheese and dairy product entries from companies in North America and Europe were submitted in the last contest. This year's event is slated to be even larger, with 93 product classes.

Judging will be hosted by the Wisconsin Dairy Products Association (WDPA), and take place here Aug. 17-19 at the Madison College Culinary Arts department.

Judging day for cheese and butter entries will be Tuesday, Aug. 17. In the June 18 issue of *Cheese Reporter*, Aaron Miller of Vivolac Cultures was omitted from the cheese judging team. *Cheese Reporter* apologizes for the error.

Yogurt, Cottage cheese, fluid milk, dairy-based dips, whipping cream and other Grade A products will be judged on the following day.

Ice cream, sherbet, whey products, nonfat dry milk and creative/innovative technologies will be judged on Aug. 19.

A \$60 entry fee is required for each product. Entries must arrive between Aug. 9-13.

Cheese, butter, yogurt, sour cream, Cottage cheese, sour cream-based dips, buttermilk, whipping cream and fluid milk entries will be shipped to Midwest Refrigerated Services in McFarland, WI.

Ice cream, sherbet, whey products and creative/innovative technology entries will be shipped to Madison College.

Winning entries will be auctioned off here Tuesday, Sept. 28 during the World Dairy Expo at the Alliant Energy Center.

A portion of auction proceeds will be used to fund scholarships, which will be awarded to students pursuing careers in the industry.

Entries can be mailed to WDPA, 8383 Greenway Blvd., Suite 130, Middleton, WI 53562. They can also be sent via email to [info@wdpa.net](mailto:info@wdpa.net) by July 16.

If a company failed to receive an entry form, please contact WDPA at (608) 826-3336. Materials can be found online at [www.wdpa.net](http://www.wdpa.net).

## Brenntag To Acquire JM Swank From Platinum Equity

Essen, Germany—Brenntag, a global market leader in ingredients and chemicals distribution, recently announced the acquisition of Storm Chaser Holding Corporation (JM Swank) from Platinum Equity.

JM Swank, based in North Liberty, IA, is a leading distributor of food ingredients, including a wide variety of dairy ingredients, and reported sales of approximately \$500 million in 2020. JM Swank's product line complements Brenntag's existing portfolio in the nutrition industry.

Platinum Equity acquired JM Swank from ConAgra Foods in 2016.

The acquisition is a decisive step in expanding Brenntag's posi-

tion in the North American nutrition industry and a key acquisition aligned with Brenntag's merger and acquisition strategy, Brenntag stated.

"With JM Swank, we acquire a renowned leader in the North American market in the sector of food ingredients distribution," commented Christian Kohlpaintner, chief executive officer of Brenntag SE. "This strategic acquisition will double Brenntag's size in the nutrition business in the region and thus creates the leading food ingredients and food process chemicals distributor in North America with approximately one billion US dollars in revenue."

"JM Swank has significant potential for continued future growth," said Henri Nejade, member of Brenntag's management board and chief operating officer, Brenntag Specialties. "The company provides Brenntag Specialties

with an extended platform for strategic growth and strengthens our footprint in North America and the Americas as a region. With this acquisition we expand our portfolio, leverage logistics capabilities, and offer our customers an even more comprehensive range of services and products within the industry."

"Following the carve out from ConAgra, we executed a comprehensive transition and transformation program, providing the business with the tools needed to thrive as an independent company. We invested in JM Swank's national distribution infrastructure, optimized its operations, installed an outstanding management team, and built a scalable platform that is now well positioned for a new period of growth in the years ahead," said Adam Cooper, Platinum Equity's managing director.

## Smukowski, Smith Join ADPI Center Of Excellence Team

Elmhurst, IL—Marianne Smukowski and Karen Smith are joining the American Dairy Products Institute's Center of Excellence (COE) team, while COE team member Dean Tjornehoj stepped off the ADPI COE team effective June 30, 2021, ADPI announced this week.

Recently retired from her position as the dairy safety and quality coordinator at the Wisconsin Center for Dairy Research (CDR), Smukowski stepped into the role of COE subject matter expert on July 1, 2021.

Her areas of subject matter expertise include milkfat/butter, along with food safety/quality and regulatory matters.

During her time at the Wisconsin Center for Dairy Research, Smukowski coordinated the only butter makers workshop held in the US, ADPI noted.

Prior to joining the CDR, she worked for USDA-AMS-Dairy Division and Land O'Lakes, bringing over 35 years of experience in butter grading and manufacturing to the American Dairy Products Institute COE group.

Dr. Karen Smith, an expert in the processing of dairy ingredients, is also joining the COE group this month.

Smith is also recently retired from the CDR, where she helped organize and teach short courses and worked on applied research projects, such as the drying differences between various types of whey, acid whey utilization and membrane separations.

Smith's expertise in dairy processing and troubleshooting ability has also enabled her to act as a consultant and trainer on evaporators, dryers, lactose manufacture and membrane technology, ADPI noted.

She specializes in process development, scale-up and troubleshooting and research on milk/whey/whey byproduct separation, concentration and drying.

Prior to joining Wisconsin Center for Dairy Research, Smith held positions with Schreiber Foods, Dietrich's Milk Products and Wisconsin Whey.

"We are extremely pleased to welcome Marianne and Karen to the ADPI Center of Excellence," said Blake Anderson, ADPI's president and CEO.

The ADPI Center of Excellence is a group of experienced dairy industry professionals with diversity of expertise and thus a tangible resource of information for American Dairy Products Institute members on a wide range of topics.

"Their addition to the program reflects ADPI's commitment to provide our members with reliable, meaningful and useful information and access to the best in the business," Anderson said.

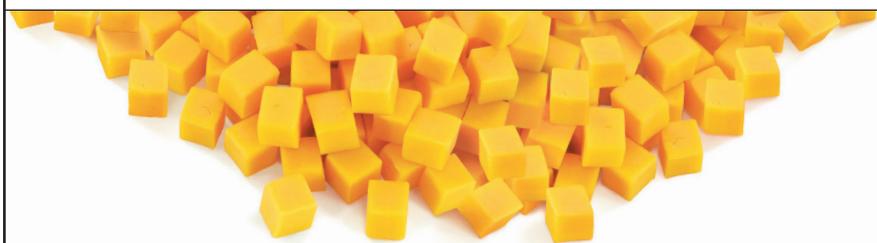
To learn more about the Center of Excellence members and their areas of expertise, visit [www.adpi.org](http://www.adpi.org).

## RECOGNITION

Co-CEOs DONN DeVELDER and SHERYL MESHKE of Associated Milk Producers, Inc., have been recognized by the **Cooperative Communicators Association (CCA)** for excellence in effectively integrating communication into their leadership style. They are the 25th honorees to receive the award, which recognizes leaders of a broad spectrum of cooperative businesses. DeVelder and Meshke assumed their roles as co-CEOs in 2014. DeVelder joined AMPI in 1985 as a field representative. He later served as executive senior vice president, responsible for fluid marketing, human resources and member services. Meshke joined AMPI in 1991, and during her tenure led communications, public affairs, human resources and strategic planning. Before becoming co-CEO, she was the executive senior vice president in charge of leading strategic initiatives to strengthen the cooperative's performance and value.

VERMONT CREAMERY has been ranked in the top 10 percent of most purposeful brands, according to the **2021 Purpose Power Index**. "Vermont Creamery was built on the concept of doing business for good and leaving a positive 'handprint' on everything we touch, which continues to be our North Star every day," said Vermont Creamery president Adeline Druart. "From the beginning, we've been an organization that has cared deeply for our people, our planet, and our community."

**We look at cheese differently.**



...because we don't just see cheese, we see the whole picture.

**DEVILLE**  
TECHNOLOGIES  
INDUSTRIAL FOOD CUTTING SOLUTIONS  
1.866.404.4545 [www.devilletechnologies.com](http://www.devilletechnologies.com)



# MARKET PLACE

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](mailto:kthome@cheesereporter.com)

## 1. Equipment for Sale

**FOR SALE: UV LIGHT SYSTEM FOR SANITIZING BRINE OR RECLAIMED WATER.** Email [smeister@meistercheese.com](mailto:smeister@meistercheese.com) for more information and a complete list of equipment.

**FOR SALE: Koch Ultra Vac 2000 Double Chamber Vacuum Machine;** Ultra Shrink Model 2818 shrink dip tank. Call 920-867-2337 ask for Robert.

**EQUIPMENT FOR SALE:** Two Dam-row curd drain tables with agitators and forkers. 200 feet of 4" stainless steel curd line and CIP line. Six 4" divert valves. Four Relco block forming towers. Eight Kusel deli horn presses with 16 carts and tubes. Email [smeister@meistercheese.com](mailto:smeister@meistercheese.com) for a complete list and interest.

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

**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](mailto:drlambert@dialez.net).

**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](mailto:drlambert@dialez.net) for more information.



### 3005-LD Tu-Way

GENMAC'S Model 3005-LD Tu-Way is designed to automatically cut cheese or wire cuttable product prior to packaging or further processing.



- ★ Stainless Steel Air Cylinders
- ★ Enhanced Sanitary Aspects
- ★ Formed Frame Eliminates Tubing!

**GENMAC** A Division of 5 Point Fabrication LLC.

1-888-243-6622  
Email: [sales@genmac.com](mailto:sales@genmac.com)  
[www.genmac.com](http://www.genmac.com)

## 1. Equipment for Sale

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

## 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](mailto:drlambert@dialez.net).

## 3. Products, Services

Trouble finding a piece of equipment, a product, or a service? Advertise here. Call 608-316-3792 or email: [info@cheesereporter.com](mailto:info@cheesereporter.com) for more information. Or visit our on-line supplier directory at [www.cheesereporter.com](http://www.cheesereporter.com)

## 4. Replacement Parts

**FBF HOMOGENIZERS:** For service, support, replacement parts or new homogenizers, contact **FBF NORTH AMERICA Sales and Service Center** at 262-361-4080; [info@fbfnorthamerica.com](mailto:info@fbfnorthamerica.com) or visit [www.fbfnorthamerica.com/](http://www.fbfnorthamerica.com/)



## 5. Reconditioning

**CRYOVAC ROTARY VALVE RESURFACING:** Oil grooves measured and machined to proper depth as needed. Faces of the steel and bronze plates are machined to ensure perfect flatness. Quick turnaround. Contact Dave Lambert, **GREAT LAKES SEPARATORS (GLS)** at 920-863-3306; or Rick Felchlin, **MARLEY MACHINE, A Division of GLS**, at [marleymachine2008@gmail.com](mailto:marleymachine2008@gmail.com) or call 920-676-8287.

## Gasket Material for the Dairy Industry



A New Product that is officially accepted\* for use in Dairy Plants inspected by the USDA under the Dairy Plant Survey Program.

**TC Strainer Gasket** \*USDA Project Number 13377



**G-M-I, INC.**

440-953-8811  
[gmiinc@msn.com](mailto:gmiinc@msn.com)  
[www.gmigaskets.com](http://www.gmigaskets.com)

## 6. Real Estate

**DAIRY PLANTS FOR SALE:** <https://dairyassets.weebly.com/m--a.html>.

Contact Jim at 608-835-7705; or by email at [jim-cisler7@gmail.com](mailto:jim-cisler7@gmail.com)



## 7. Cheese Moulds, Hoops

**WILSON HOOPS: NEW!** 20 and 40 pound hoops available. Contact **KUSEL EQUIPMENT** at (920) 261-

4112 email: [sales@kuselequipment.com](mailto:sales@kuselequipment.com).

## 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](mailto:sales@imexchange.com) for more information.

## 8. 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 [www.bmpaper.com](http://www.bmpaper.com).

## 9. 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.pennmilk.com](http://www.pennmilk.com)



## 11. 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 [keysmtfg@aol.com](mailto:keysmtfg@aol.com).

## 11. Cheese & Dairy Products

**UNDERGRADE CHEESE WANTED: International Ingredient Corporation** is looking to purchase undergrades for use in Animal Feed. Competitive prices, pick-up as needed; FSMA compliant. Contact Jason at [jhrdlicka@intcos.com](mailto:jhrdlicka@intcos.com) or 636-717-2100 ext. 1239

## 12. 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](mailto:tsloan@tsloan.com).

## 13. Walls & Ceiling

**EXTRUTECH PLASTICS NEW!** Antimicrobial **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.epiplastics.com](http://www.epiplastics.com) for more information.



## 14. Warehousing

**COLD STORAGE SPACE AVAILABLE: Sugar River Cold Storage in Monticello, WI.** has space available in its 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](http://www.sugarrivercoldstorage.com).

## 15. Help Wanted

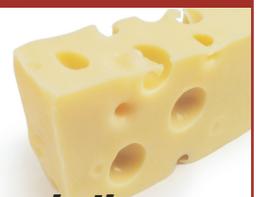
Have you recently lost your job or down-sized from your position? Would you like the ability to stay in touch with the latest job offerings? Apply for a free 3-month subscription to Cheese Reporter by calling 608-316-3792, or visit [www.cheesereporter.com](http://www.cheesereporter.com) for all the latest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

## Western Repack

*We Purchase Fines and Downgraded Cheese*

### Reclamation Services

- Cheese Salvage/Repacking
- 640# Block Cutting

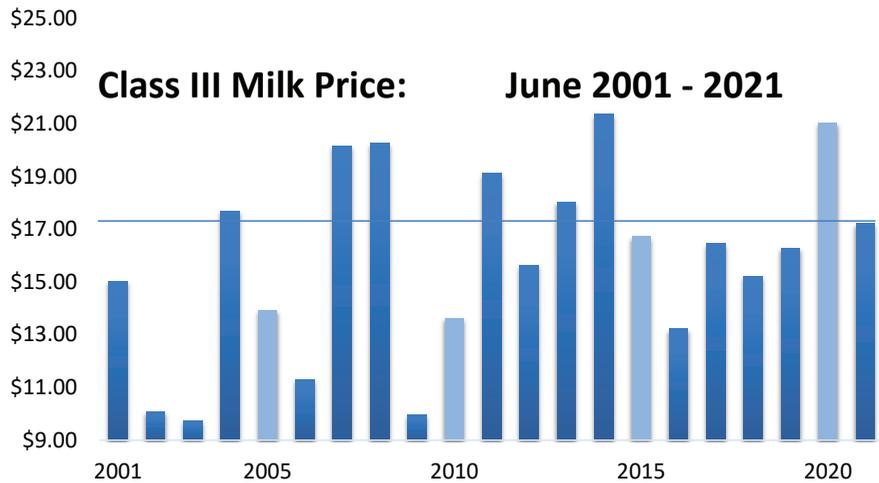


*Handling cheese both as a service and on purchase.*  
**Bring us your special projects**  
**Western Repack, LLC**  
**(801) 388-4861**

# Class Milk & Component Prices

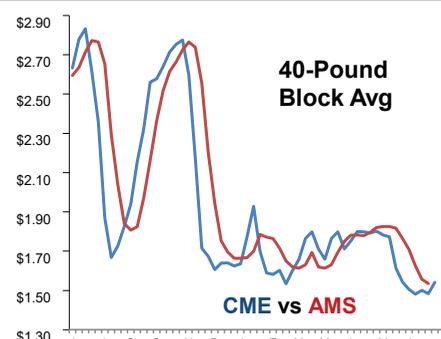
June 2021 with comparisons to June 2020

Class III - Cheese Milk Price	2020	2021
PRICE (per hundredweight)	\$21.04	\$17.21
SKIM PRICE (per hundredweight)	\$15.06	\$10.71
Class II - Soft Dairy Products	2020	2021
PRICE (per hundredweight)	\$12.99	\$16.66
BUTTERFAT PRICE (per pound)	\$1.8661	\$1.9711
SKIM MILK PRICE (per hundredweight)	\$6.69	\$10.12
Class IV - Butter, MP	2020	2021
PRICE (per hundredweight)	\$12.90	\$16.35
SKIM MILK PRICE (per hundredweight)	\$6.62	\$9.82
BUTTERFAT PRICE (per pound)	\$1.8591	\$1.9641
NONFAT SOLIDS PRICE (per pound)	\$0.7354	\$1.0908
PROTEIN PRICE (per pound)	\$4.5349	\$2.5834
OTHER SOLIDS PRICE (per pound)	\$0.1696	\$0.4579
SOMATIC CELL Adjust. rate (per 1,000 scc)	\$0.00111	\$0.00082
AMS Survey Product Price Averages	2020	2021
Cheese	\$2.2152	\$1.6439
Cheese, US 40-pound blocks	\$2.2566	\$1.6058
Cheese, US 500-pound barrels	\$2.1482	\$1.6506
Butter, CME	\$1.7067	\$1.7934
Nonfat Dry Milk	\$0.9106	\$1.2696
Dry Whey	\$0.3638	\$0.6437



## DAIRY PRODUCT SALES

July 1, 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 NFD. \*Revised



Week Ending	June 26	June 19	June 12	June 5
40-Pound Block Cheddar Cheese Prices and Sales				
<b>Weighted Price</b>	<b>Dollars/Pound</b>			
US	1.5349	1.5568	1.6256	1.7095
<b>Sales Volume</b>	<b>Pounds</b>			
US	12,480,821	13,560,336	12,310,536	12,495,086
500-Pound Barrel Cheddar Cheese Prices, Sales & Moisture Content				
<b>Weighted Price</b>	<b>Dollars/Pound</b>			
US	1.7267	1.7195*	1.7288	1.7601
<b>Adjusted to 38% Moisture</b>	<b>Dollars/Pound</b>			
US	1.6398	1.6365*	1.6471	1.6780
<b>Sales Volume</b>	<b>Pounds</b>			
US	12,252,962	13,120,054*	14,035,932	13,393,539
<b>Weighted Moisture Content</b>	<b>Percent</b>			
US	34.71	34.86	34.92	34.97
AA Butter				
<b>Weighted Price</b>	<b>Dollars/Pound</b>			
US	1.7972	1.7850*	1.7968	1.7954*
<b>Sales Volume</b>	<b>Pounds</b>			
US	3,601,430	3,186,438*	2,298,211	2,726,876*
Extra Grade Dry Whey Prices				
<b>Weighted Price</b>	<b>Dollars/Pounds</b>			
US	0.6421	0.6250	0.6579*	0.6530
<b>Sales Volume</b>	<b>Pounds</b>			
US	5,010,459	5,439,956	5,163,588*	3,961,239
Extra Grade or USPHS Grade A Nonfat Dry Milk				
<b>Average Price</b>	<b>Dollars/Pound</b>			
US	1.2682	1.2744*	1.2682	1.2678
<b>Sales Volume</b>	<b>Pounds</b>			
US	19,852,344	16,331,184*	19,018,869*	12,316,587

## DAIRY FUTURES PRICES

SETTLING PRICE

\*Cash Settled

Date	Month	Class III	Class IV	Dry Whey	NDM	Block Cheese	Cheese*	Butter*
6-25	June 21	17.18	16.40	64.325	127.325	1.610	1.6450	179.000
6-28	June 21	17.20	16.39	64.325	127.325	1.610	1.6450	179.000
6-29	June 21	17.19	16.39	64.325	127.325	1.610	1.6450	179.000
6-30	June 21	—	—	—	—	—	—	—
7-1	June 21	—	—	—	—	—	—	—
6-25	July 21	16.65	16.07	60.700	125.750	1.590	1.6060	174.000
6-28	July 21	16.78	16.13	60.750	126.650	1.595	1.6200	175.500
6-29	July 21	16.97	16.13	61.150	126.650	1.650	1.6440	175.450
6-30	July 21	16.91	16.13	60.775	126.500	1.650	1.6340	175.000
7-1	July 21	16.77	16.13	61.500	126.000	1.643	1.6200	175.025
6-25	Aug 21	16.63	16.14	55.750	126.500	1.637	1.6420	175.500
6-28	Aug 21	16.82	16.20	55.525	127.000	1.653	1.6580	176.500
6-29	Aug 21	17.22	16.17	56.000	126.000	1.686	1.6900	177.000
6-30	Aug 21	17.13	16.17	55.500	125.500	1.686	1.6800	175.500
7-1	Aug 21	16.84	16.09	55.500	124.675	1.690	1.6540	176.000
6-25	Sept 21	17.30	16.40	53.750	128.350	1.740	1.7200	176.250
6-28	Sept 21	17.30	16.47	53.750	129.000	1.740	1.7190	178.225
6-29	Sept 21	17.50	16.44	54.150	128.400	1.740	1.7300	178.500
6-30	Sept 21	17.34	16.33	53.200	127.250	1.740	1.7270	177.500
7-1	Sept 21	17.28	16.33	53.200	126.500	1.740	1.7230	177.500
6-25	Oct 21	18.15	16.60	52.500	129.975	1.800	1.8100	180.500
6-28	Oct 21	18.10	16.65	52.500	131.025	1.800	1.8050	181.550
6-29	Oct 21	18.27	16.72	52.800	130.050	1.800	1.8250	181.500
6-30	Oct 21	18.11	16.60	52.800	128.750	1.800	1.8000	180.025
7-1	Oct 21	18.03	16.56	52.800	128.675	1.800	1.8030	181.500
6-25	Nov 21	18.14	16.81	51.150	131.000	1.830	1.8280	181.550
6-28	Nov 21	18.10	16.81	51.725	131.150	1.830	1.8200	182.550
6-29	Nov 21	18.26	16.85	52.000	131.125	1.830	1.8200	183.500
6-30	Nov 21	18.10	16.76	52.000	129.975	1.830	1.8220	181.575
7-1	Nov 21	18.12	16.70	52.000	129.675	1.830	1.8220	183.500
6-25	Dec 21	17.85	16.88	50.125	131.500	1.830	1.8050	182.525
6-28	Dec 21	17.85	16.90	50.000	131.675	1.830	1.8000	183.700
6-29	Dec 21	17.95	16.90	50.000	131.675	1.830	1.8050	184.100
6-30	Dec 21	17.90	16.86	50.000	130.000	1.830	1.8040	184.100
7-1	Dec 21	17.88	16.83	50.000	129.475	1.830	1.7950	185.250
6-25	Jan 22	17.60	17.21	49.225	132.250	1.834	1.7840	184.475
6-28	Jan 22	17.60	17.18	49.225	131.975	1.834	1.7840	185.450
6-29	Jan 22	17.60	17.18	49.225	132.000	1.834	1.7900	185.600
6-30	Jan 22	17.60	17.13	49.225	131.275	1.834	1.7950	185.600
7-1	Jan 22	17.60	17.13	49.225	131.275	1.834	1.7820	185.600
6-25	Feb 22	17.61	17.35	47.500	133.500	1.848	1.7910	189.000
6-28	Feb 22	17.61	17.27	48.500	132.550	1.848	1.7900	189.000
6-29	Feb 22	17.61	17.27	48.500	132.650	1.848	1.7900	189.000
6-30	Feb 22	17.62	17.27	48.500	132.000	1.848	1.7890	189.000
7-1	Feb 22	17.62	17.27	48.500	132.000	1.848	1.7760	189.000
6-25	Mar 21	17.69	17.40	47.500	132.525	1.845	1.7930	190.000
6-28	Mar 21	17.69	17.40	48.500	132.825	1.845	1.7930	190.000
6-29	Mar 21	17.67	17.40	48.500	133.000	1.845	1.7930	190.000
6-30	Mar 21	17.67	17.40	48.500	132.275	1.845	1.7900	190.000
7-1	Mar 21	17.67	17.39	48.500	132.275	1.845	1.7820	190.000
6-25	April 21	17.66	17.40	47.000	133.900	1.851	1.7900	197.025
6-28	April 21	17.66	17.40	48.500	132.700	1.851	1.7910	197.025
6-29	April 21	17.69	17.40	48.500	132.700	1.851	1.7930	194.000
6-30	April 21	17.69	17.40	48.500	133.025	1.851	1.7900	194.000
7-1	April 21	17.69	17.40	48.500	133.025	1.851	1.7840	1974.000
<b>Interest - July 1</b>		<b>23,533</b>	<b>2,785</b>	<b>4,560</b>	<b>5,966</b>	<b>3,189</b>	<b>23,309</b>	<b>7,711</b>

## CHEESE REPORTER SUBSCRIBER SERVICE CARD

If changing subscription, please include your old and new address below

**New Subscriber Info**

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City/St/Zip \_\_\_\_\_

E-Mail Phone \_\_\_\_\_

**Old Subscriber Info**

Name \_\_\_\_\_

Title \_\_\_\_\_

Company \_\_\_\_\_

Address \_\_\_\_\_

City/St/Zip \_\_\_\_\_

E-Mail Phone \_\_\_\_\_

**TYPE OF BUSINESS:**

Cheese Manufacturer

Cheese Processor

Cheese Packager

Cheese Marketer (broker, distributor, retailer)

Other processor (butter, cultured products)

Whey processor

Food processing/Foodservice

Supplier to dairy processor

**JOB FUNCTION:**

Company Management

Plant Management

Plant Personnel

Laboratory (QC, R&D, Tech)

Packaging

Purchasing

Warehouse/Distribution

Sales/Marketing

Circle, copy and FAX to (608) 246-8431 for prompt response

# DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

## WHOLESALE CHEESE MARKETS

**NATIONAL - JUNE 25:** Milk remains plentiful for cheese producers nationwide. Cheese production, due in part to the remaining surpluses of milk, is active. To prevent cheese inventory buildups, western cheese contacts say producers are inclined to move spot loads quickly. They also report renewed/strengthened interest from Asian customers due to the value of domestic cheese prices. On cheese market tones, some contacts pass on a sense of relief that block and barrel prices have converged, following consecutive weeks of an "inverted" price gap, in which barrel prices were above block prices. Still, markets have yet to gain their footing.

**NORTHEAST - JUNE 30:** At the end of June, cheese manufacturers are receiving a substantial supply of milk loads. Mozzarella and Provolone production schedules are full. Cheddar output is strong with production operating near/at capacity. Some cheese manufacturers are working through the holiday. Regional inventory levels are fairly available for spot/contract agreements. On the CME Group, barrel cheese pricing is mixed, while block cheese pricing is near the low \$1.50s currently. Cheese sales in the retail sector are stable to a bit higher. Some grocery stores are promoting additional cheese ads for the holiday. Foodservice sales vary. Some restaurants are purchasing regular cheese supplies, while other restaurants have limited purchases.

**Wholesale prices, delivered, dollars per/lb:**

Cheddar 40-lb blocks: \$1.9350 - \$2.2225 Process 5-lb sliced: \$1.5850 - \$2.0650  
Muenster: \$1.9225 - \$2.2725 Swiss Cuts 10-14 lbs: \$3.2650 - \$3.5875

**MIDWEST AREA - JUNE 30:** Cheese production remains busy. Even as inventory growth concerns expand into the Midwest, the amount of milk has given cheese makers no other option than to take advantage of \$6 under Class III discounts. Spot milk purchasing was strong last week, but this week may be even busier, as spot offers flow in. Some contacts expect things to tighten up a bit following the holiday weekend. Cheese sales remain mixed, but steady when viewed week to week. Cheese market tones are also a little steadier, after falling into the \$1.50 area. Contacts consider the block-over-barrel price spread on the CME an indication of potential stability.

**Wholesale prices delivered, dollars per/lb:**

Blue 5# Loaf: \$2.1200 - \$3.1875 Mozzarella 5-6#: \$1.6500 - \$2.5950  
Brick 5# Loaf: \$1.8500 - \$2.2750 Muenster 5# Loaf: \$1.8500 - \$2.2750  
Cheddar 40# Block: \$1.5725 - \$1.9725 Process 5# Loaf: \$1.5700 - \$2.9300  
Monterey Jack 10# \$1.8250 - \$2.0300 Grade A Swiss 6-9#: \$2.7800 - \$2.8975

**WEST - JUNE 30:** In the West, demand for cheese is higher this week as contacts report increased purchasing in the lead up to the holiday. Demand for cheese to export is strong, as current lower market prices are favorable to international purchasers. Cheese market tones are steady to firming. Cheese block prices on the CME have risen by \$0.0625, while barrel prices have increased by \$0.0125. Cheese producers are running full schedules, as milk is readily available. Inventories of cheese are available for spot purchasing. Cheese barrel holdings, which were notably tight, near the beginning of June, have loosened in recent weeks. A shortage of truck drivers and port congestion are continuing to cause delays to loads in the region.

**Wholesale prices delivered, dollars per/lb:** Monterey Jack 10#: \$1.7925 - \$2.0725  
Cheddar 10# Cuts: \$1.8100 - \$2.0100 Process 5# Loaf: \$1.5875 - \$1.8425  
Cheddar 40# Block: \$1.5625 - \$2.0525 Swiss 6-9# Cuts: \$3.0725 - \$3.5025

**FOREIGN -TYPE CHEESE - JUNE 30:** Pricing is increasingly a concern for buyers of Western European cheese exports. Export buyers comment that freight costs are eclipsing freight delays as a matter of concern. Another cost concern centers around buyers seeking cheese exports for July. Many German and French cheese manufacturers seem to be enforcing higher prices for July cheese deliveries. Thus, buyers who waited to make deals are now enduring this July price increase. Buyers who can hold back until into August are moving toward that strategy.

Selling prices, delivered, dollars per/lb:	Imported	Domestic
Blue:	\$2.6400 - 5.2300	\$1.9425 - 3.4300
Gorgonzola:	\$3.6900 - 5.7400	\$2.4500 - 3.1675
Parmesan (Italy):	0	\$3.3300 - 5.4200
Romano (Cows Milk):	0	\$3.1325 - 5.2875
Sardo Romano (Argentine):	\$2.8500 - 4.7800	0
Reggianito (Argentine):	\$3.2900 - 4.7800	0
Jarlsberg (Brand):	0	0
Swiss Cuts Switzerland:	0	\$3.3000 - 3.6250
Swiss Cuts Finnish:	\$2.6700- 2.9300	0

## WHOLESALE BUTTER MARKETS - JUNE 30

**WEST:** Despite the high temperatures in the West, cream supplies are steady. However, most cream is staying relatively local as tanker shortages continue to curtail further movement. Because of this week's record-setting heat, some butter makers are running shortened production schedules. Inventories are fairly stable. Some contacts note tighter unsalted butter availability on the spot market, although salted butter remains widely available. Foodservice demand is strong but leveling off for now. However, a handful of full service outlets have not returned to pre-pandemic levels of operation yet. Some contacts expect that the food service sector may continue to see modest bumps in demand as these remaining outlets continue to increase service and return to full operation levels.

**CENTRAL:** Butter makers are finding cream at pre-holiday bargains. Cream has shown a spike in availability, as staff at

some manufacturing plants look ahead to a three-day weekend. Butter demand has seemingly taken a holiday, as well. Multiple producers relay buyers' interests have edged lower this week. Plant managers had more time to focus on fall inventory planning, as cream intakes increased. Butter market tones are uncertain. Steady inventory growth and unprecedented demand ebbs and flows in the past year have markets awaiting direction.

**NORTHEAST:** Butter makers are scheduling churns to run through the holiday. Butter production has been at the expected seasonal level/slightly lower for a few butter operations. Cream supplies are available for spot/contract needs. Multiples are somewhat mixed. Several spot loads are ranging around the high 1.20s to mid-1.30s. Manufacturers' butter inventories are stable. Butter foodservice sales are relatively level.

## NATIONAL - CONVENTIONAL DAIRY PRODUCTS

Following the first full week of summer, conventional ice cream in 48- to 64-ounce containers unsurprisingly remains the most advertised dairy item this week. The national average price is \$2.96, down \$0.10 from last week. The national average price for conventional 1-pound butter is \$3.07, up \$0.36 from last week. The national price for organic 1-pound butter is \$5.55, up \$0.26 from last week.

The average advertised price for 8-ounce cheese shreds is \$2.28, 23 cents below the price last week. The average price for 8-ounce cheese blocks is \$2.29, 29 cents lower than the price last week. Conventional cheese ads increased 40 percent, and organic cheese ad numbers increased.

Organic milk ads increased 104 percent and conventional milk ads increased more than 433 percent. The national average price for conventional half-gallon milk is \$2.65, up \$1.66 from last week. For organic half-gallons, the average price is \$4.63, up 49 cents from last week. The resulting organic price premium is \$1.98.

## RETAIL PRICES - CONVENTIONAL DAIRY - JULY 2

Commodity	US	NE	SE	MID	SC	SW	NW
Butter 1#	3.07	3.26	2.99	3.23	2.45	2.76	2.29
Cheese 8 oz block	2.29	2.31	2.35	2.11	2.53	2.03	2.50
Cheese 1# block	5.00	4.62	5.99	3.99	NA	NA	NA
Cheese 2# block	4.86	NA	NA	NA	NA	NA	4.86
Cheese 8 oz shred	2.28	2.29	2.29	2.20	2.45	2.16	2.50
Cheese 1# shred	3.73	3.08	NA	4.22	NA	NA	NA
Cottage Cheese	1.86	2.09	1.70	2.49	1.81	1.45	1.00
Cream Cheese	1.88	2.02	1.87	1.63	1.74	1.95	1.91
Flavored Milk 1/2 gallon	2.43	2.29	NA	2.29	2.88	NA	NA
Flavored Milk gallon	3.77	4.49	NA	4.49	NA	NA	NA
Ice Cream 48-64 oz	2.96	2.99	2.77	2.90	3.35	3.02	2.28
Milk 1/2 gallon	2.65	3.50	NA	2.08	NA	NA	NA
Milk gallon	3.82	3.93	NA	4.00	2.99	NA	NA
Sour Cream 16 oz	1.84	1.85	1.89	1.84	1.86	1.77	1.43
Yogurt (Greek) 4-6 oz	.99	1.03	.94	1.01	.99	1.05	.97
Yogurt (Greek) 32 oz	4.21	4.07	4.00	4.60	4.62	3.76	NA
Yogurt 4-6 oz	.50	.52	.43	.54	.33	.49	.49
Yogurt 32 oz	2.43	2.34	2.50	NA	2.79	NA	NA

**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:	Yogurt 32 oz:	\$3.37
Butter 1 lb:	Greek Yogurt 32 oz:	NA
Cheese 8 oz shred:	Milk UHT 8 oz:	NA
Cheese 8 oz block:	Milk 1/2 gallon:	\$4.14
Cream Cheese 8 oz:	Milk gallon:	\$5.99
Cottage Cheese 16 oz:	Sour Cream 16 oz:	\$2.99
Yogurt 4-6 oz:	Ice Cream 48-64 oz:	NA

## NDM PRODUCTS - JULY 1

**NDM - CENTRAL:** Low/medium heat NDM prices slipped a penny on the top of the range and half a cent on the bottom of the mostly series. Trading remains somewhat slow in general, but it picked up slightly from a slow previous week. Buyers are less-than-enticed at the \$1.30+ mark. Some say they are using contractually supplied loads, as markets are exhibiting softness. Manufacturers say condensed skim availability has spurred increased NDM drying, and near term outlooks are similar. High heat NDM prices shifted lower on the top of the range.

**NDM - WEST:** The low/medium heat NDM price range and mostly price series both shifted lower this week. Domestic demand is steady, while international demand for low/medium heat NDM has softened. Contacts report less interest in purchasing for export to Mexico. Plenty of milk is available in the region, allowing dryers to run full schedules. The ongoing shortage of truck drivers and port congestion are causing loads to back up, limiting available warehouse space. Low/medium heat NDM is available for spot purchasing. Tighter high heat NDM prices were

reported this week, as the bottom of the range held steady and the top moved lower. Contacts report looser inventories of high heat, while demand has remained limited. Drying time of high heat NDM is limited, as plant managers focus on the shorter drying times of low/medium heat.

**NDM - EAST:** Low/medium heat NDM prices slid on the top of the range and bottom of the mostly series. Trading in the East was steady from week to week. Last week, though, eastern trades held up the price range, but this week prices are more representative of the entire range from the region. NDM production is busy. There is plenty of condensed skim. Some end users say NDM is still a deal when compared to higher protein blends, particularly in the low/mid \$1.20s.

**LACTOSE:** As a few lower-priced sales cleared the market, the bottom of the lactose price range moved upwards. Manufacturers say active demand is present, especially within the standardization market. Quarter 3 contracting is mostly done, and in some cases, buyers are seeking price quotes for Q4 business.

## WEEKLY COLD STORAGE HOLDINGS

SELECTED STORAGE CENTERS IN 1,000 POUNDS - INCLUDING GOVERNMENT

DATE	BUTTER	CHEESE
06/28/21	76,788	84,066
06/01/21	73,033	81,679
Change	3,755	2,387
Percent Change	5	3

## CME CASH PRICES - JUNE 28 - JULY 2, 2021

Visit [www.cheesereporter.com](http://www.cheesereporter.com) for daily prices

	500-LB CHEDDAR	40-LB CHEDDAR	AA BUTTER	GRADE A NFD	DRY WHEY
<b>MONDAY</b> June 28	\$1.4850 (-½)	\$1.5150 (+2½)	\$1.7675 (+5)	\$1.2800 (+1½)	\$0.5800 (+¼)
<b>TUESDAY</b> June 29	\$1.5050 (+2)	\$1.5425 (+2¾)	\$1.7650 (-¼)	\$1.2700 (-1)	\$0.5650 (-1½)
<b>WEDNESDAY</b> June 30	\$1.5025 (-¼)	\$1.5525 (+1)	\$1.7400 (-2½)	\$1.2600 (-1)	\$0.5600 (-½)
<b>THURSDAY</b> July 1	\$1.4850 (-1¾)	\$1.5525 (NC)	\$1.7400 (NC)	\$1.2450 (-1½)	\$0.5500 (-1)
<b>FRIDAY</b> July 2	\$1.5000 (+1½)	\$1.5550 (+¼)	\$1.7400 (NC)	\$1.2575 (+1¼)	\$0.5500 (NC)
<b>Week's AVG \$ Change</b>	<b>\$1.4955 (+0.0095)</b>	<b>\$1.5435 (+0.0600)</b>	<b>\$1.7505 (+0.0110)</b>	<b>\$1.2625 (+0.0040)</b>	<b>\$0.5610 (-0.0290)</b>
<b>Last Week's AVG</b>	<b>\$1.4860</b>	<b>\$1.4835</b>	<b>\$1.7395</b>	<b>\$1.2585</b>	<b>\$0.5900</b>
<b>2020 AVG Same Week</b>	<b>\$2.40375</b>	<b>\$2.64375</b>	<b>\$1.75438</b>	<b>\$1.00813</b>	<b>\$0.32375</b>

## MARKET OPINION - CHEESE REPORTER

**Cheese Comment:** One car of blocks was sold Monday at \$1.5150, which raised the price. On Tuesday, 1 car of blocks was sold at \$1.5425, which raised the price. No blocks were sold Wednesday; the price increased on an unfilled bid for 1 car at \$1.5525. There was no block market activity at all on Thursday. No blocks were sold Friday; the price rose on an unfilled bid for 1 car at \$1.5550. The barrel price declined Monday on a sale at \$1.4850, rose Tuesday on an unfilled bid at \$1.5050, fell Wednesday on a sale at \$1.5025, declined Thursday on a sale at \$1.4850, then increased Friday on an unfilled bid at \$1.5000.

**Butter Comment:** The price increased Monday on a sale at \$1.7675, declined Tuesday on a sale at \$1.7650, and fell Wednesday on a sale at \$1.7400.

**Nonfat Dry Milk Comment:** The price rose Monday on a sale at \$1.2800, fell Tuesday on a sale at \$1.2700, declined Wednesday on a sale at \$1.2600, dropped Thursday on a sale at \$1.2450, then rose Friday on an uncovered offer at \$1.2575 (following a sale at %\$1.2600).

**Dry Whey Comment:** The price increased Monday on a sale at 58.0 cents, dropped Tuesday on an uncovered offer at 56.50 cents, fell Wednesday on an uncovered offer at 56.0 cents, and declined Thursday on a sale at 55.0 cents.

## WHEY MARKETS - JUNE 28 - JULY 2, 2021

RELEASE DATE - JULY 1, 2021

**Animal Feed Whey—Central:** Milk Replacer: .5000 (NC) – .5200 (-¼)

**Buttermilk Powder:**

Central & East: 1.2200 (NC) – 1.3050 (+2) West: 1.2000 (NC) – 1.2400 (-2)  
Mostly: 1.2100 (-1) – 1.2300 (-1)

**Casein:** Rennet: 4.6700 (+8) – 4.8700 (+11) Acid: 4.5300 (+2) – 4.9000 (+10)

**Dry Whey—Central (Edible):**

Nonhygroscopic: .5200 (NC) – .6600 (+1½) Mostly: .5750 (-½) – .6150 (+½)

**Dry Whey—West (Edible):**

Nonhygroscopic: .5400 (-1¼) – .6850 (-3¼) Mostly: .5950 (-½) – .6200 (-2)

**Dry Whey—NorthEast:** .5800 (NC) – .6575 (-¼)

**Lactose—Central and West:**

Edible: .4000 (+2) – .5500 (NC) Mostly: .4100 (NC) – .5000 (NC)

**Nonfat Dry Milk —Central & East:**

Low/Medium Heat: 1.2300 (NC) – 1.3100 (-1) Mostly: 1.2600 (-½) – 1.3000 (NC)  
High Heat: 1.3600 (NC) – 1.4000 (-2)

**Nonfat Dry Milk —Western:**

Low/Medium Heat: 1.2075 (-1½) – 1.3250 (-½) Mostly: 1.2250 (-1½) – 1.2700 (-3)  
High Heat: 1.4000 (NC) – 1.4525 (-1¾)

**Whey Protein Concentrate—Central and West:**

Edible 34% Protein: 1.0500 (-5) – 1.3200 (NC) Mostly: 1.1100 (NC) – 1.2025 (NC)

**Whole Milk—National:** 1.7500 (-2) – 1.8500 (NC)

Visit [www.cheesereporter.com](http://www.cheesereporter.com) for historical dairy, cheese, butter, & whey prices

## HISTORICAL MONTHLY AVG BARREL PRICES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
'08	1.8774	1.9560	1.7980	1.8010	2.0708	2.0562	1.8890	1.6983	1.8517	1.8025	1.6975	1.5295
'09	1.0832	1.1993	1.2738	1.1506	1.0763	1.0884	1.1349	1.3271	1.3035	1.4499	1.4825	1.4520
'10	1.4684	1.4182	1.2782	1.3854	1.4195	1.3647	1.5161	1.6006	1.7114	1.7120	1.4520	1.3751
'11	1.4876	1.8680	1.8049	1.5756	1.6902	2.0483	2.1124	1.9571	1.7010	1.7192	1.8963	1.5839
'12	1.5358	1.4823	1.5152	1.4524	1.4701	1.5871	1.6826	1.7889	1.8780	2.0240	1.8388	1.6634
'13	1.6388	1.5880	1.5920	1.7124	1.7251	1.7184	1.6919	1.7425	1.7688	1.7714	1.7833	<b>1.8651</b>
'14	2.1727	2.1757	2.2790	2.1842	1.9985	1.9856	1.9970	2.1961	2.3663	2.0782	1.9326	1.5305
'15	1.4995	1.4849	1.5290	1.6135	1.6250	1.6690	1.6313	1.6689	1.5840	1.6072	1.5305	1.4628
'16	1.4842	1.4573	1.4530	1.4231	1.3529	1.5301	1.7363	1.8110	1.5415	1.5295	1.7424	1.6132
'17	1.5573	1.6230	1.4072	1.4307	1.4806	1.3972	1.4396	1.5993	1.5691	1.6970	1.6656	1.5426
'18	1.3345	1.4096	1.5071	1.4721	1.5870	1.4145	1.3707	1.5835	1.4503	1.3152	1.3100	1.2829
'19	1.2379	1.3867	1.4910	1.5925	1.6278	1.6258	1.7343	1.7081	1.7463	2.0224	<b>2.2554</b>	1.8410
'20	1.5721	1.5470	1.4399	1.0690	1.5980	2.3376	2.4080	1.4937	1.6401	2.2213	1.8437	1.4609
'21	1.5141	1.4442	1.4811	1.7119	1.6923	1.5639						

## Restaurant Performance Index Fell 0.8% In May; Sales Growth Expected

Washington—The National Restaurant Association's Restaurant Performance Index (RPI), a monthly composite index that tracks the health of the US restaurant industry, stood at 105.5 in May, down 0.8 percent from April, the association reported Wednesday.

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 105.7 in May, down 1.0 percent from April's record high of 106.7.

A strong majority of restaurant operators reported higher same-store sales in May compared to the dampened early-pandemic levels, the association reported. Some 85 percent of restaurant operators said their same-store sales rose between May 2020 and May 2021, while

10 percent of operators reported a sales decline.

When compared to 2019 levels, same-store sales readings were a mixed bag. Some 45 percent of operators said their sales in May 2021 were higher than they were in May 2019, while 49 percent reported lower sales.

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 105.3 in May, down 0.6 percent from May.

A solid majority of restaurant operators are optimistic about sales growth in the months ahead, though that outlook continues to be qualified by the fact that the year-ago comparisons are pandemic levels that were dampened for many restaurants. Some 75 percent of restaurant operators expect their sales volume in six months to be higher than it was during the same period in the previous year.

In contrast to the positive sales expectations, restaurant operators' outlook for the overall economy waned in recent months. Some 48 percent of operators said they expect economic conditions to improve in six months.

**PLATINUM<sup>+</sup>**  
Thermoforming Films

**Performance enhanced for consistency, reduced downtimes, plus more.**

- + Wider operating window
- + Enhanced clarity
- + Exceptional formability



**FLAIR** / **BEYOND / PACKAGING**

1-888-202-3522 | [FlairPackaging.com](http://FlairPackaging.com) | [marketing@flairpackaging.com](mailto:marketing@flairpackaging.com)

For more information, visit [www.flairpackaging.com](http://www.flairpackaging.com)