

PREMIER PRESS

SEPTEMBER 2013

In Sympathy

We would like to express our condolences to the family of Imogene Johnson. Imogene passed away on August 30, 2013.

Farm Bill Update

Congress has until the end of September to pass a new farm bill. If they do not pass a new farm or an extension of the old farm bill, then the agriculture policy will revert to 1949 Permanent Law. The Obama Administration and the Senate do not want to extend the current farm bill. With all the other items that Congress has to deal with, it is likely that a new farm bill will not get done by Sept 30.

The biggest hurdle for a new farm bill is the food stamp program and the amount of cuts that the House of Representatives want to make. Dairy is also a dispute area between the House and Senate, but not nearly as much as the food stamp program. If the food stamp issue gets resolved, the dairy program will get resolved quickly and a new farm bill will get passed. Congress has to deal with funding Obamacare, new budgets for the new fiscal year, debt ceiling limits and the Syria issue, so it will be difficult for the farm bill to come ahead of those items.

MILC Payments

MILC payment rates:

February -- \$0.52/cwt
March -- \$0.75/cwt
April -- \$0.70/cwt
May -- \$0.74cwt
June -- \$0.22/cwt
July -- \$0.06/cwt

August and September are currently projected at \$0.00/cwt.



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Is Your Equipment Really Clean?

Technology that dairy manufacturing plants has used for over 20 years, is making its way to the farm to help find causes of high PI counts when the milking system looks clean to the naked eye. This technology uses light to read the level of Adenosine Triphosphate (ATP) on a surface. ATP is found in all living cells. Finding high concentrations of ATP on surfaces indicate that bacteria are growing there even though it is visibly clean to the naked eye. Elevated ATP levels will help find the source of high bacteria counts and PI Counts. It is the gold standard for making certain your equipment is clean.

To measure ATP, swab the suspected surface and insert the swab into a bioluminometer. The bioluminometer will evaluate the amount of ATP

Dairy Update

For every \$1 of Dairy Checkoff funds dairy farmers invest in promotion, there was a return of \$3.95 on enhancing fluid milk sales, \$4.43 for cheese, and \$6.26 for butter. Those were among the recent findings in USDA's latest report to Congress on the 15 cents per hundredweight that every dairy producer contributes toward dairy promotion efforts. In 2011, total collections netted \$98.4 million.

When looking at the full impact on consumption, beverage milk sales were 5.8 percent higher than it would have been without dairy promotion efforts. Meanwhile, cheese grew 2.8 percent during the same time while butter was up 1.4 percent. Some may rightfully argue that fluid milk sales

present. It is recommended to swab gaskets and hoses as well as the all the different areas of your milk system. Higher levels of ATP on gaskets and hoses will show up before the gaskets and hoses will look worn out to the visible eye. This test will help solve the tough to find problems of slightly elevated PI counts. A bioluminometer costs between \$1,500 - \$3,000 and each swab is approximately \$1.50 - 3.00.

This is a fast and accurate test that can protect the quality and integrity of the milk supply and help producers keep their quality premiums. Measuring ATP is a quick and easy tool for determining clean versus dirty when the naked eye can't. (*Hoard's Dairyman* - August 10, 2013 issue)

continue to follow a downward trend. However, this research estimates that lost sales would be even higher on the fluid front without promotion in what has become a very competitive beverage sector.

One other morsel of information contained in the exhaustive 150-page report was dairy farmers' take of the retail dollar. It was 50.3 percent for fluid milk, 30.8 percent for cheese, 41.7 percent on butter and 29.6 percent for all other dairy products. So, in the case of cheese, dairy producers received 30.8 cents of every dollar while the remainder went to processors and retailers. (*Hoard's Dairyman Intel*)

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MILK INC.
Where Premium Quality Comes Standard.



Premier Milk MARKET MINUTE

Commodity Prices	Jan	Feb	March	April	May	June	July	Aug	Current
Cheese - World Market	\$ 1.8144	\$ 1.8144	\$ 1.9164	\$ 2.0411	\$ 2.0865	\$ 2.0355	\$ 1.9675	\$ 1.9920	\$ 2.0185
Cheese - CME Block	\$ 1.6965	\$ 1.6420	\$ 1.6241	\$ 1.8225	\$ 1.8052	\$ 1.7140	\$ 1.7072	\$ 1.7493	\$ 1.8200
Cheese - CME Barrel	\$ 1.6388	\$ 1.5880	\$ 1.5952	\$ 1.7126	\$ 1.7251	\$ 1.7184	\$ 1.6919	\$ 1.7425	\$ 1.7900
Cheese - NASS	\$ 1.7485	\$ 1.6623	\$ 1.6467	\$ 1.7310	\$ 1.8274	\$ 1.7810	\$ 1.7142	\$ 1.7731	\$ 1.7683
Butter - World Market	\$ 1.7733	\$ 1.8017	\$ 1.9504	\$ 2.2000	\$ 2.1248	\$ 2.1078	\$ 2.1617	\$ 2.1631	\$ 2.1489
Butter - CME Cash	\$ 1.4933	\$ 1.5713	\$ 1.6421	\$ 1.7197	\$ 1.5997	\$ 1.5103	\$ 1.4751	\$ 1.4013	\$ 1.5200
Butter - NASS	\$ 1.5601	\$ 1.5438	\$ 1.6146	\$ 1.6766	\$ 1.6483	\$ 1.5422	\$ 1.4674	\$ 1.4187	\$ 1.3748
NFDM - World Market	\$ 1.5862	\$ 1.6118	\$ 1.6329	\$ 2.1631	\$ 1.9944	\$ 1.9278	\$ 1.9590	\$ 2.0223	\$ 2.0553
NFDM - Central A.O.M.	\$ 1.5700	\$ 1.5505	\$ 1.5200	\$ 1.6228	\$ 1.7091	\$ 1.7091	\$ 1.7556	\$ 1.7850	\$ 1.8200
NFDM - NASS	\$ 1.5601	\$ 1.5559	\$ 1.5208	\$ 1.5312	\$ 1.6374	\$ 1.6878	\$ 1.7272	\$ 1.7706	\$ 1.7950
Whey - Central A.O.M.	\$ 0.6344	\$ 0.6137	\$ 0.5638	\$ 0.5400	\$ 0.5397	\$ 0.5435	\$ 0.5444	\$ 0.5415	\$ 0.5388
Whey - NASS	\$ 0.6503	\$ 0.6393	\$ 0.6048	\$ 0.5741	\$ 0.5765	\$ 0.5738	\$ 0.5804	\$ 0.5778	\$ 0.5782
F. O. 6 Class I @ Tampa	\$ 24.37	\$ 23.61	\$ 23.20	\$ 23.06	\$ 23.16	\$ 24.33	\$ 24.31	\$ 24.28	\$ 24.56
Net Cl. I Prem. @ Tampa	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.25	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17	\$ 3.17
F.O. 6 Class I Utilization	86.0%	86.3%	85.2%	84.0%	83.8%	82.4%	86.0%	87.9%	
F. O. 6 Blend @ Tampa	\$ 23.32	\$ 22.90	\$ 22.59	\$ 22.50	\$ 22.47	\$ 23.27	\$ 23.44	\$ 23.56	
PMI - Average SCC	260,793	260,354	238,716	240,765	242,845	274,724	325,716	377,036	
PMI - Average SPC	6,606	5,147	5,150	5,446	4,964	8,281	9,583	11,268	
PMI - Average PIC	12,262	14,848	12,637	8,368	10,612	17,077	11,844	13,966	
Premiums Paid - PMI	\$ 0.50	\$ 0.46	\$ 0.51	\$ 0.54	\$ 0.54	\$ 0.49	\$ 0.46	\$ 0.35	

Class III Milk Futures	May	June	July	Aug	Current
Sep-13	\$ 18.91	\$ 18.29	\$ 18.71	\$ 17.83	\$ 18.18
Oct-13	\$ 18.78	\$ 18.27	\$ 18.69	\$ 18.19	\$ 18.19
Nov-13	\$ 18.47	\$ 18.15	\$ 18.01	\$ 17.53	\$ 17.78
Dec-13	\$ 18.00	\$ 17.85	\$ 17.32	\$ 16.90	\$ 17.05
Jan-14	\$ 17.50	\$ 17.37	\$ 16.64	\$ 16.51	\$ 16.56
Feb-14	\$ 17.30	\$ 17.20	\$ 16.44	\$ 16.41	\$ 16.41
Mar-14	\$ 17.15	\$ 17.10	\$ 16.46	\$ 16.40	\$ 16.37
Apr-14	\$ 17.20	\$ 17.13	\$ 16.46	\$ 16.35	\$ 16.39
May-14	\$ 17.10	\$ 17.15	\$ 16.55	\$ 16.40	\$ 16.39
Jun-14		\$ 17.20	\$ 16.93	\$ 16.69	\$ 16.67
Jul-14			\$ 17.20	\$ 16.99	\$ 16.95
Aug-14				\$ 17.16	\$ 17.07

Mailbox Price Comparison		
FL	USDA	PMI
Aug-13		\$ 23.05
Jul-13		\$ 23.05
Jun-13		\$ 22.05
May-13	\$ 21.67	\$ 21.43
Apr-13	\$ 21.73	\$ 20.97
Mar-13	\$ 21.96	\$ 20.90
Feb-13	\$ 22.60	\$ 22.40
Jan-13	\$ 23.22	\$ 23.14
Dec-12	\$ 24.04	\$ 24.87
Nov-12	\$ 24.04	\$ 25.16
Oct-12	\$ 23.83	\$ 22.79
Sep-12	\$ 22.39	\$ 21.58

Note: Class III milk futures prices are quoted at the close on the last day of the month.