FDA Couldn’t Always Ensure That Firms Initiated Recalls, Didn’t Always Evaluate Hazards In Timely Manner: OIG

Washington—A new review of the US Food and Drug Administration’s food-recall process identified deficiencies in the agency’s oversight of recall initiation, monitoring of recalls, and the recall information captured and maintained in FDA’s electronic recall data system.

The Office of Inspector General (OIG) reviews focused on FDA oversight of food recalls. At the time of those OIG reviews, FDA did not have statutory authority to require food companies to initiate recalls of most foods.

After those reviews, enactment of the Food Safety Modernization Act (FSMA) gave FDA new authority to order a mandatory recall and require firms to recall certain harmful foods.

The Office of Inspector General conducted the review it released this week to determine whether FDA is fulfilling its responsibility in safeguarding the US food supply now that it has mandatory recall authority.

A recall is a company’s removal or correction of a marketed product that FDA considers to be in violation of the Food, Drug, and Cosmetic Act and against which FDA would initiate a legal action, such as a seizure.

When FDA learns about a potentially hazardous product, the agency may inform the firm that the product violates the law and discuss the possibility of a recall with the firm without specifically requesting a recall. If the firm decides to recall the product, the firm’s action is considered a voluntary recall.

FDA will complete a health hazard evaluation (HHE) for each recall, which it uses to classify the recall and assess the firm’s recall strategy. A recall may be classified as Class I, II, or III, with Class I indicating the greatest health hazard.

The FDA monitoring district office then sends a notification letter to the firm with the recall’s classification, FDA’s assessment of the firm’s recall strategy, and any suggested strategy revisions.

If the firm fails to voluntarily recall the violative product or fails to demonstrate that the recall is ineffective, the agency may take appropriate regulatory action, including a mandatory recall.

The OIG audit covered 30 voluntary food recalls (23 Class I, seven Class II) judgmentally selected from the 1,557 food recalls reported to FDA between Oct. 1, 2012, and May 4, 2015. OIG selected recalls based on risk factors related to the timing of the recall and other risk factors.

Among other things, the OIG found that FDA could not always ensure that firms initiated recalls promptly.

The 30 voluntary recalls that the OIG reviewed had a median of 29 days to initiate, with an average of 57 days. Initiation of these recalls ranged from nine days before to 303 days after FDA learned that the product was potentially hazardous. The timeliness of recalls depended primarily on how quickly firms chose to act on information.

Coming Year Will See More Plant-Based Dairy Products, Upscale Mac N’ Cheese

Madison—Among the specialty food and culinary trend forecasts for 2018 is a proliferation of plant-based products like cheese, yogurt and frozen desserts; upmarket mac ‘n cheese and even greater transparency in product labeling.

With food innovation running at an all-time high, the Specialty Food Association’s (SFA) Trendspotter Panel predicted the coming year will bring more plant-based foods, especially in the convenience category.

SFA’s panel includes Ken Blanchette, FreshDirect; Jonathan Deutsch, Drexel University; Kara Nielsen, CCD Innovation; Perla Nieves and Alysia Vasquez, Midnight Market; Alison Tozzi Liu, James Beard Foundation; and Elly Truesdell, Whole Foods Market.

Plant-based diets are dominating the food world – especially now that the tech industry is using science to advance recipients’ and manipulate plant-based ingredients and proteins.

Whole Foods Market mentioned new production techniques creating “nut milks” and yogurts made from pili nuts, peas, bananas, macadamia nuts and pecans. Other popular dairy-free foods include vegan frosted brownies, ice cream, brioches and creme brulee.

San Francisco-based meal kit service Sun Basket also predicted a rise in alternative proteins and dairy. Soy products from tofu to tempeh remain popular, and consumers are increasingly turning to legumes, seeds, pseudocereals, whole grains and nuts for protein.

EU Expects To Supply 30% Of Increase In World Dairy Import Demand Through 2030

Brussels, Belgium—Global trade in cheese, butter, whole milk powder and skim milk powder is expected to grow on average by 1 million tons of milk equivalent per year through 2030, and the European Union (EU) expects to supply 30 percent of that increase, according to an EU agricultural outlook report published recently by the European Commission.

The report presents predictions for EU agricultural markets, including dairy, for 2017 to 2030.

The projected growth in global dairy trade is “significantly below” the average growth that’s been seen for almost all products in the last 10 years, the report said. The one exception is butter, for which trade will expand faster than in the last decade.

Including whey powder and fresh dairy products, EU dairy exports are expected to grow on average by around 400,000 tons of milk equivalent per year, mainly in cheese and skim milk powder.

Meanwhile, close to 900,000 tons of milk per year would be needed to satisfy the growth in EU domestic use, which will be mainly for cheese and for processing other dairy products such as dairy desserts, fat-filled milk powders (a mix between dairy proteins and vegetable-fat with around 25 percent protein content), infant milk formula, proteins and whey concentrates.

Alongside other comodities such as meat and tomatoes, more dairy products will be used as ingredients.

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EDITORIAL COMMENT

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2017 From a Dairy Perspective: The Year Of Trump

Trying to figure out some sort of dairy-related “theme” for any given year is seldom if ever an easy undertaking, save for the occasional year when prices reach record highs, such as in 2014, or historic lows, such as in 2009, or when a far-reaching farm bill is passed, such as in 2014 (there’s that year again), when the farm bill terminated the Dairy Product Price Support Program, the Milk Income Loss Contract program and the Dairy Export Incentive Program and created the Margin Protection Program for dairy farmers.

What about 2017? Was there an overriding theme this year? Well, we think so, this past year has clearly been the year of President Trump.

It’s difficult if not impossible to recall a President having more influence over the dairy industry in his first year in office. President Trump’s influence spanned the spectrum from domestic to international issues.

On the domestic front, Trump’s first year will be remembered for several regulatory initiatives. For one thing, back in August, the US Food and Drug Administration issued guidance to industry stating that it will exercise enforcement discretion regarding the use and labeling of fluid ultrafiltered milk to make standardized cheeses and related cheese products.

To say this was a long-awaited decision would be an understatement; FDA was first petitioned on the fluid UF milk issue some 20 years ago, during the Clinton administration. So the new FDA guidance represented some mighty welcome progress on an issue of great importance to the dairy industry.

Meanwhile, the Trump administration slowed the progress of at least a couple of FDA initiatives.

First, during President Obama’s final year in office, FDA had published final rules on the updated Nutrition Facts food label and on serving sizes. Compliance dates were set at July 2018 and July 2019, depending on the size of the food company.

Several months ago, FDA propose to extend the Nutrition Facts and serving size final rules by about a year and a half, to Jan. 1, 2020, for larger companies and to Jan. 1, 2021, for smaller companies.

Second, FDA last spring decided to extend the compliance date for menu labeling requirements from May 5, 2017, to May 7, 2018. Those menu labeling rules apply to restaurants or similar retail food establishments that, among other things, sell restaurant-type foods.

Finally on the domestic front, FDA has invited comments and information to help the agency identify existing regulations that could be modified, repealed, or replaced to achieve meaningful burden reduction while still allowing the agency to achieve its public health mission. Comments are due by Feb. 5, 2018, after which the agency might decide to scrap some of its less-popular regulations (of which there are probably many).

It is arguably on the international front that the Trump administration has had the most dairy-related impact this year, in both positive and negative ways.

Trump’s international activities began almost on day one of his administration. It was actually on Jan. 23, 2017, that Trump signed a memorandum directing the US Trade Representative to withdraw the US as a signatory to the Trans-Pacific Partnership.

The TPP, it may be recalled, included the US along with many dairy exporters such as New Zealand and Australia and major dairy importers such as Japan and Mexico. A 2016 report from the US International Trade Commission concluded that, under the TPP, US dairy exports to TPP member countries would increase $2.0 billion relative to the baseline, while dairy imports from all TPP member countries would increase $369 million after full implementation. Now, we’ll never know.

The TPP will continue without the US, and it can be expected that some US competitors will take advantage of reduced trade barriers in those countries. For example, New Zealand will gain new dairy market access to Japan, Mexico and Canada under the new Comprehensive and Progressive Agreement for TPP.

Several months after withdrawing from the TPP, the Trump administration announced its intention to renegotiate and modernize the North American Free Trade Agreement. This is of course huge for the US dairy industry, since Mexico and Canada are the two largest markets for US dairy exports (on a value basis).

Five rounds of NAFTA talks have taken place so far, with another round scheduled for January 2018. There is some speculation that the US would back out of the NAFTA, which would be a highly unfavorable development for a US dairy industry that is increasingly reliant on exports.

Specifically regarding Canada, Trump himself mentioned Canada’s dairy pricing policies on at least a couple of occasions last April, a real rarity for any President. The US is attempting to resolve this issue in the ongoing NAFTA negotiations, but Canada appears intent on keeping its Class 7 pricing policy.

While the US has backedpedaled on trade, many of its dairy competitors have continued to move forward. As noted earlier, the TPP (now the CPTPP) will move ahead without the US. Meanwhile, the European Union recently concluded trade talks with Japan, and just last week the EU and Mexico concluded the seventh round of talks on a new trade agreement.

President Trump and his administration generated many dairy and food-related headlines in 2017, and set the stage for much more to come. And he’s still got more than three years to go before his first term is finished.
Evidence Didn’t Support Recommendations To Limit Intake Of Dietary Fat, Saturated Fat

London—National dietary recommendations dating back to the late 1970s to reduce dietary fat and saturated fat intake lacked supporting evidence from randomized controlled trial (RCT) or prospective cohort studies, according to a review published in the British Journal of Sports Medicine.

US public health dietary advice was announced by the Select Committee on Nutrition and Human Needs in 1977 and was followed by UK public dietary advice issued by the National Advisory Committee on Nutritional Education in 1983.

Recommendations focused on reducing dietary fat intake; specifically, to reduce overall fat consumption to 30 percent of total energy intake (calories) and reduce saturated fat consumption to 10 percent of total energy intake. The recommendations were intended to address mortality from coronary heart disease (CHD).

This systematic review assessed if the published prospective cohort studies available to the dietary committees supported their recommendations on dietary fat. With this in mind, the review’s authors hypothesized that prospective cohort study evidence available to the dietary committees at the time of issuing recommendations did not support the contention that reducing dietary fat intake would contribute to a reduction in CHD risk or related mortality.

For this review, a search was undertaken to identify prospective cohort studies that examined the relationship between dietary fat intake, serum cholesterol and mortality from CHD. The period searched was up to Sept. 5, 1983, as this was the date of the UK dietary guideline committee publication.

The six identified prospective cohort studies included 31,445 male participants, all but 337 of whom were over the age of 40 years at baseline and were followed for a minimum of four years and a maximum of 20 years.

None of this six cohorts examined either of the introduced dietary guidelines: a total fat consumption of 30 percent or a saturated fat consumption of 10 percent, of energy intake. Three studies examined the total fat intake and the saturated fat intake, as a percentage of calorie intake, for men who died from CHD compared to men who remained alive.

None of the six studies found any significant relationship between CHD deaths and total dietary fat intake, while one of the six studies found a statistically significant relationship between CHD deaths and saturated dietary fat intake.

One of the studies found a statistically significant association between CHD incidence and mean serum cholesterol and another of the studies found a statistically significant association between CHD deaths and infarctions and median serum cholesterol.

The main finding of this systematic review is that “the epidemiological evidence available to the dietary committees did not support the introduction of dietary fat guidelines.” There were two prospective cohort studies available to the US committee; neither were referenced. An additional four were available to the UK committee, one of which was referenced.

“All available data was not taken into account by the dietary guideline committees and it would not have supported the introduced guidelines had it been considered.” One study alone provided support for the diet-heart hypothesis: the “Seven Countries Study,” which reported that CHD “tended to be related” to serum cholesterol values and that these in turn “tended to be related” to the proportion of calories provided by saturated fats in the diet. While the UK nutritional guidelines made reference to the Seven Countries Study, the US committee document did not.

The Seven Countries Study “suffered the most serious limitations,” according to the review: first of selection bias and second of not comparing the development of CHD against non-development of CHD in each cohort. Rather, it was an inter-country comparison, comparing the development of CHD in one cohort/country with the development of CHD in another cohort/country, “which therefore introduced many other confounders.” How might this review impact on clinical practice in the future? The US 2015 dietary guidelines excluded recommendations for total fat for the first time, but maintained the saturated fat advice.

“The pool of evidence does not support this recommendation,” the review stated. The UK advice has not changed since 1983. Dietary advice in the UK and the US at least need re-examination. Also, protein is present in all foods, except pure fats and sucrose, and thus tends to form around 15 percent of total calorie intake, the review pointed out. Restricting total fat intake to 30 percent concomitantly sets a carbohydrate intake of 55 percent.

“Diabetes and obesity have increased since guidelines to restrict fat intake. This association needs examination,” the review stated.
My first real opportunity to interact closely with Dan Carter took place in the late 1980s. I was the corporate chef and director of the foodservice delis at a cutting-edge supermarket chain at the time, based in Berkeley, CA. Dan called me out of the blue, as I remember. He had come across a few pallets of block Cheddar lost in the back of walk-in for eight years. He was offering a reasonable price. I asked how much would it be if I bought all of it. He offered me a better price. I purchased it all. He delivered it all. People in Berkeley enjoyed it all, at a lovely cost benefit.

Over time we became close, talking a few times every quarter, catching up at the American Cheese Society conference. He wrote a gracious letter thanking me for the work I had done organizing the annual conference in the wine country in 1994. He wrote in dramatic terms to all his friends about my physical condition at the time, having just completed brain surgery a few weeks before the conference, and still managing to act as host with the bandages still on my head. He made me sound so heroic; even I started to think I was a hero.

When I assumed the presidency of the Cheese Society when it was in deep financial trouble, the Carters, Dan and Jane, were among my most vocal supporters, along with Andrea Neu and the Wisconsin Milk Marketing Board, whose generosity helped save the Society at the time.

Our friendship, as well as our professional collaboration, grew. A decade later Dan grabbed me at the Cheese Society conference, having heard I was no longer consulting for the California Milk Advisory Board. With Laurie Greenberg, he had written a grant to create a Dairy Business Innovation Center in the state of Wisconsin, whose dairy industry was under pressure after decades of depending solely on providing cheese to mass manufacturers of block Cheddar. Margins were declining to less than a penny profit per pound, and the industry had lost its way at a time when the rising renaissance in American Artisan Cheese was finally winning space again on the shelves from the slick European specialty cheese marketing machine.

I was one of the first he invited to join. Together, the DBIC team did amazing things. In the five years I was involved, before the Feds cut the funding, due to a change in the priorities of government from public service to increasing private wealth, what we accomplished was mind-boggling. In the most glowing letter of recommendation I have ever received, Dan wrote, in those first five years, when I was helping lead the DBIC (with others Mr. Carter…), I nurtured:
- 43 New Cheese Plants
- 54 New Varieties of Cheese and other innovative dairy products
- $1.2 billion reinvested in Wisconsin Cheese
- Which went on to win top international product awards
- And Wisconsin grew to produce 46 percent of all specialty cheese in the US.

Incredible accomplishments by any standard, and in the ensuing years, as my former teammates continued their valuable work as best they could, under constant threat of losing their funding, even more was accomplished.

People say Dan was the greatest promoter I, and everyone else who knew him, ever had. Dan Carter truly embodied the meaning of lifetime achievement.

Cheesemarketing Practice

Our Friend — Dan Carter

Dan was like that; he always supported. Always spoke loudly of his support. He was a dynamic bundle of positive energy. There was nothing unusual in his treatment of me. He was like this with everyone. It was not flattery. It came from his heart. Of all the people I have known in my six and a half plus decades of life, Dan Carter was the essence of what is meant by: be interested to be interesting.

Mr. Carter was the greatest promoter I, and everyone else who knew him, ever had. Dan Carter truly embodied the meaning of lifetime achievement.

FROM OUR ARCHIVES

50 YEARS AGO
Dec. 29, 1967: Chicago—New controversy over pesticide residues in milk and dairy products may affect dairy industry sales in the coming year. New FDA data found that the majority of milk and other dairy products marketed in the US contains minute but detectable quantities of one or more pesticides — about one-tenth of permissible levels.

Washington—A new federal milk marketing order that would merge five nearby milk order markets in a three-state area has been recommended by USDA. The new order would include Milwaukee, Madison, Rock River Valley, northeastern Wisconsin and northwestern Indiana as part of the Chicago market.

25 YEARS AGO
Jan. 1, 1993: Washington—President-elect Bill Clinton rounded out his Cabinet this week by announcing several appointments, including that of US Rep. Mike Espy (D-MS) as the next US secretary of agriculture. Espy was described as a major Clinton campaign supporter and member of the centrist Democratic Leadership Council.


10 YEARS AGO
Dec. 28, 2007: Ottawa, Ontario—The Canadian Food Inspection Agency this week published revised cheese identity and compositional standards that are expected to boost revenues to milk producers, but increase costs to cheese processors and consumers. The main purpose of these standards is to describe the basic requirements for cheese for consistent composition and characteristics.

Appleton, WI—WOW Logistics is moving into its 31st year of business after transforming from a single warehouse to a leader in third-party logistics with 25 locations in three states. Founder and co-owner Harold Schiefel established WOW in 1977.
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EU Dairy Exports
(Continued from p. 1)

EU increased by close to 20 percent ready meals manufactured in the report said. The volume of use on the EU and export markets, the report said. The projected level of EU butter production is 2.6 million tons in 2030, an annual increase of 1 percent per year. This growth will be supported by an anticipated small increase in milkfat content of 0.2 percent in 13 years, to 4.08 percent.

Cheese Consumption To Grow
The main driver of cheese consumption growth is its processing use on the EU and export markets, the report said. The volume of ready meals manufactured in the EU increased by close to 20 percent between 2010 and 2016. More specifically, retail sales and the use of Mozzarella in catered increased by more than 10 percent over the same period, mainly for pizzas. Also, for exports, Mozarella now represents more than 10 percent of EU cheese exports, according to the report.

Per capita EU cheese consumption is expected to further grow by two kilograms (4.4 pounds) to 20.4 kilograms (44.9 pounds) by 2030. The highest increase is expected in the EU-N13. On the cheese export market, besides China, other main growing markets for the EU are Japan, South Korea, the US and the Middle East. Export of Cream cheeses and Cheddar are growing the fastest. Cheddar exports are growing particularly strongly to Saudi Arabia and Egypt. The EU is expected to export close to 1.2 million tons (2.65 billion pounds) of cheese by 2030 and to supply close to 40 percent of world import demand.

The unitary value (value of exports divided by quantities) of EU cheese exports is higher than the EU’s main competitors (60 percent higher than New Zealand and 30 percent higher than the US in 2016), the report said. This difference highlights the diversity of EU cheese exports, composed of a higher share of hard cheeses and of several geographical indications.

Global Butter Demand Growing
The market situation with butter prices “skyrocketing” above 5,000 euros per ton is not expected to last over the medium term, the report said. Sustained demand for dairy fats will remain, but with New Zealand resuming its regular milk production level and with the expected higher milk production in the EU, prices will ease. Over the medium term, the relationship between butter and skim milk powder (SMP) prices is expected to come closer to previous levels. On top of higher retail sales, butter, and dairy fat more generally, is increasingly used for processing, particularly in bakery manufacturing. Therefore, global import demand is expected to increase faster than in the past, by close to 30,000 tons each year. Still, less than 10 percent of world butter production will be traded by 2030.

This increased demand will drive higher EU butter exports, projected at 250,000 tons in 2030. Given the dominant position of New Zealand producing cheaper butter, the EU should be able to supply 20 percent of world demand.

On the EU market, per capita butter consumption is expected to reach 4.6 kilograms (10.1 pounds) in 2030, which is a continuation of the increasing trend but slightly slowed down. The projected level of EU butter production is 2.6 million tons in 2030, an annual increase of 1 percent per year.

This growth will be supported by an anticipated small increase in milkfat content of 0.2 percent in 13 years, to 4.08 percent.

SMP Exports Jump 40%
The strong and fast increase in EU milk production between 2013 and 2015 coincided with the introduction of the Russian import ban and with a significant drop in Chinese purchases. Therefore, large quantities of milk were processed into storable products, namely SMP and butter.

As a result, SMP prices dropped to intervention price level and SMP public purchases in 2013-15 led to an intervention stock of 375,000 tons by the end of 2017, or around three months of SMP production. In 2017, after several years of strong increases, SMP production dropped by 5 percent, while exports jumped by close to 40 percent, boosted by low prices. Domestic SMP use also steadily increased, which is why private stocks should be very low by the end of 2017.

For the following years, one working assumption is that public stocks would be released in the next three years, with no additional purchases taking place. In 2018, SMP demand is expected to be sustained and the production increase will be small because cheese production will remain more profitable. EU and global demand is expected to support the SMP market, the long-term trend leads to recovery in the average price to over 2,500 euros a ton after 2020.

Global SMP imports are expected to grow annually on average by 45,000 tons over the outlook period, while EU domestic use should steadily increase (plus 1.5 percent per year). EU exports are projected at 1 million tons in 2030, while production should almost double. In total, the EU should supply more than 30 percent of world SMP demand.

The whole milk powder market is projected to grow slowly to 900,000 tons of production in 2030, half of which will be exported and half consumed domestically (to produce chocolate in particular). The EU is less competitive on the WMP market; by 2030, it is expected to supply less than 15 percent of the world import demand.

The EU market share was much higher in the past, standing at around 30 percent 10 years ago, the report pointed out.

ICTE Expanded Exhibit Floor Featuring 295 Companies Now Completely Sold Out
Milwaukee, WI—After a major expansion of the exhibit floor at the International Cheese Technology Expo (ICTE), event organizers announced recently that all booth space has now been filled.

The three-day expo will take place here April 17-19 at the Wisconsin Center.

“Demand has never been stronger for space, once again proving the value our industry places in ICTE,” said Judy Keller, events director for ICTE co-host, the Wisconsin Cheese Makers Association (WCMA).

“We’re pleased to connect cheese makers, butter makers, and whey processors with the trusted companies that can supply them with the technology, goods, and services needed to make the world’s best dairy products,” Keller said.

ICTE 2018’s exhibit floor will feature 295 companies offering everything from air and water treatment to cheesemaking equipment, and from ingredients to robotics. The complete list of exhibitors and a show floor plan is now available online.

Dairy manufacturing and processing personnel have free access to ICTE 2018 exhibits, tasting product samples, and receptions, organizers stated.

“The goal of ICTE 2018 is to bring the industry together, both for exhibits and for education,” Keller said.

“Our impressive array of seminars, offered in partnership with the world-renowned Center for Dairy Research, is designed to offer something of interest and value to everyone from the CEO to the packaging line lead,” she continued.

ICTE 2018 seminars focus on challenges in global trade, pathogen control and food safety, cheese quality issues and solutions, growth opportunities in specialty cheese, and on whey and dairy proteins.

Two limited tracks are also being offered for artisan cheese makers and for human resources and managerial staff, Judy Keller explained.

For full details or to register online, visit www.CheeseExpo.org.
FDA Is Committed To Continuously Improving Recall Policy, Practices, Commissioner Says

Washington—The US Food and Drug Administration (FDA) is committed to “continuously improving our policies and practices” to ensure that food recalls are initiated, overseen, and completed promptly and effectively to best protect consumers, according to FDA Commissioner Scott Gottlieb.

He made his comments in response to a review of FDA’s recall policies and procedures that was released Tuesday by the Office of Inspector General (OIG).

“Making sure the FDA has effective recall practices in place, and that we take immediate action to address unsafe foods, are high priorities for the Administration and for me,” Gottlieb said. FDA has authority to act in a variety of ways when it is made aware of an unsafe food product, but “often the fastest and most efficient way to ensure unsafe foods are recalled quickly is by working directly with the involved companies while simultaneously providing the public with timely, accurate information that they can act on,” Gottlieb noted.

“During this time, the firm’s owner agreed with FDA to suspend manufacturing and temporarily halt its distribution of cheese, OIG noted. However, the owner then had multiple trays of cheese, which had been held in processing, packaged and distributed.

FDA did not always evaluate health hazards in a timely manner. For 14 of the 30 recalls for which FDA did not rely on a precedent HHE, the median working days to complete the HHE after learning of a planned or in-progress recall was 27 working days, with an average of 47 working days. Completion of the HHE ranged from eight working days before learning of a planned or in-progress recall to 209 working days after learning of a planned or in-progress recall. FDA did not always issue audit check assignments consistent with the level in the proposed audit program.

For 19 of the 27 recalls (for three of the 30 recalls, FDA determined that it was not necessary to assign audit checks), the FDA monitoring district office issued audit check assignments at the level of the proposed audit program. For the remaining eight recalls, the FDA monitoring district office issued fewer audit check assignments than what was required for the level of the proposed audit program.

FDA did not always complete audit checks in accordance with procedures. FDA conducted audit checks at 25 of the 30 firms with recalls in the OIG’s sample. For four of the 25 recalls, FDA completed the last audit check within 20 days of issuance of the firm’s recall communication. For the remaining 21 recalls, FDA did not complete the audit check within 20 days of the issuance of the firm’s recall communication.

FDA did not always collect timely and complete status reports from recalling firms. For 11 of the 30 recalls, FDA either did not request or did not collect status reports. For the remaining 19 recalls, the median days for FDA to collect the first status report was 122 days (with an average of 143 days and a range of 14 to 605 days) after the recalls were initiated.

FDA did not track key recall data in the electronic Recall Enterprise System (RES). The RES is an electronic data system used by FDA recall personnel to submit, update, classify, and terminate recalls. For 11 of the 30 recalls OIG sampled, the RES contained an inaccurate recall initiation date. Without an accurate recall initiation date documented in the RES, FDA could not use the RES to determine the length of time it took a firm to initiate a recall. The OIG recommended, among other things, that FDA:

- Establish set timeframes, through its Strategic Coordinated Oversight of Recall Execution (SCORE) initiative, for: FDA to discuss the possibility of a voluntary recall with a firm; and FDA initiate use of its mandatory recall authority after it has made the determination that the legal standard for use of that authority has been met and a firm is not willing to voluntarily conduct a recall;
- Include in its recall audit plan a step to monitor when the recall alert was submitted to the RES;
- Finalize its interim mandatory recall procedures and consider issuing guidance for FDA staff on those factors that staff should consider when determining whether there is a reasonable probability that a food could cause serious adverse health consequence or death;
- Ensure, through its recall audit plan, that audit checks are issued at the level specified in the FDA audit program;
- Develop procedures to determine whether a reconciliation of distribution lists to shipping records is necessary to ensure that FDA uses complete and accurate distribution lists when assigning audit checks;
- Increase the use of third-party audit checks through its recall strategic plan;
- Improve audit check tracking and monitoring using the RES or another FDA system;
- Develop a policy for defining a procedure for identifying retrospectively the date that FDA learns of a potentially hazardous product; and
- Establish measures for the amount of time between the date FDA learns of a product and a date a firm initiates a voluntary recall.

FDA Recall Process (Continued from p. 1)

they received from FDA or other sources indicating that their products were potentially hazardous.

When firms acted promptly by voluntarily initiating a recall, FDA did not need to take further action to recall the product.

By contrast, when FDA and a firm disputed the lawfulness of a product or when firms were reluctant to initiate timely recalls, FDA’s food-recall initiation process could not always ensure that the food supply was protected from hazardous products, OIG noted.

As an example cited in the review, which involved a series of recalls of various cheese products contaminated with Listeria monocytogenes, 81 days passed from the date FDA became aware of the adulterated product and the date the firm had voluntarily recalled all affected products (Oasis Brands, Inc.; Class I).

During that time, the firm’s owner agreed with FDA to suspend manufacturing and temporarily halt its distribution of cheese, OIG noted. However, the owner then had multiple trays of cheese, which had been held in processing, packaged and distributed. The OIG audit also found that:

- FDA did not always evaluate health hazards in a timely manner.
- For 14 of the 30 recalls for which FDA did not rely on a precedent HHE, the median working days to complete the HHE after learning of a planned or in-progress recall was 27 working days, with an average of 47 working days. Completion of the HHE ranged from eight working days before learning of a planned or in-progress recall to 209 working days after learning of a planned or in-progress recall.
- FDA did not always issue audit check assignments consistent with the level in the proposed audit program.
- For 19 of the 27 recalls (for three of the 30 recalls, FDA determined that it was not necessary to assign audit checks), the FDA monitoring district office issued audit check assignments at the level of the proposed audit program. For the remaining eight recalls, the FDA monitoring district office issued fewer audit check assignments than what was required for the level of the proposed audit program.
- FDA did not always complete audit checks in accordance with procedures. FDA conducted audit checks at 25 of the 30 firms with recalls in the OIG’s sample. For four of the 25 recalls, FDA completed the last audit check within 20 days of issuance of the firm’s recall communication. For the remaining 21 recalls, FDA did not complete the audit check within 20 days of the issuance of the firm’s recall communication.
- FDA did not always collect timely and complete status reports from recalling firms. For 11 of the 30 recalls, FDA either did not request or did not collect status reports. For the remaining 19 recalls, the median days for FDA to collect the first status report was 122 days (with an average of 143 days and a range of 14 to 605 days) after the recalls were initiated.
- FDA did not track key recall data in the electronic Recall Enterprise System (RES). The RES is an electronic data system used by FDA recall personnel to submit, update, classify, and terminate recalls. For 11 of the 30 recalls OIG sampled, the RES contained an inaccurate recall initiation date. Without an accurate recall initiation date documented in the RES, FDA could not use the RES to determine the length of time it took a firm to initiate a recall. The OIG recommended, among other things, that FDA:

- Establish set timeframes, through its Strategic Coordinated Oversight of Recall Execution (SCORE) initiative, for: FDA to discuss the possibility of a voluntary recall with a firm; and FDA initiate use of its mandatory recall authority after it has made the determination that the legal standard for use of that authority has been met and a firm is not willing to voluntarily conduct a recall;
- Include in its recall audit plan a step to monitor when the recall alert was submitted to the RES;
- Finalize its interim mandatory recall procedures and consider issuing guidance for FDA staff on those factors that staff should consider when determining whether there is a reasonable probability that a food could cause serious adverse health consequence or death;
- Ensure, through its recall audit plan, that audit checks are issued at the level specified in the FDA audit program;
- Develop procedures to determine whether a reconciliation of distribution lists to shipping records is necessary to ensure that FDA uses complete and accurate distribution lists when assigning audit checks;
- Increase the use of third-party audit checks through its recall strategic plan;
- Improve audit check tracking and monitoring using the RES or another FDA system;
- Develop a policy for defining a procedure for identifying retrospectively the date that FDA learns of a potentially hazardous product; and
- Establish measures for the amount of time between the date FDA learns of a product and a date a firm initiates a voluntary recall.
2018 Food Trends

(Continued from p. 1)

Nuts in particular continue to gain popularity as a source for alternative dairy products, Sun Basket reported, from milk to cream sauces and even aged cheeses.

For the year 2017, it will also be the year of cleaner eating, more Sun Basket continued. Younger consumers are less focused on “being on a diet” and more in search of foods that make them feel more energized, improve digestion and reduce inflammation.

For some, it’s a move toward more plant-focused eating – either vegan or vegetarian, sometimes with the occasional animal-based product.

Pescatarians, flexitarians, reduc-
tarians and “chegans” – vegans who cheat – are indicators of this trend.

Food Labels: More Transparency

More is more when it comes to product labeling, according to SFA’s Trendspotter Panel.

Consumers will seek greater on-
labelling visibility into the farms, ingredients sources, and supply chain of each item in their shop-
ing basket.

GMO transparency is among the most prioritized details, but shoppers want new depths of information across the spectrum, including Fair Trade certification, responsible production, and no animal testing.

The FDA’s deadline for nutri-
tion labeling is among the first regulatory steps for greater trans-
parency, but industry members should expect consumers and brand to continue leading the way into a new era of product intel.

Consumers become more aware of how much food is wasted in the US, upcycled products made of ingredients and scraps that would have otherwise been dis-
carded, will also hold bigger appeal – juice made from imperfect fruit, chips made from fruit pulp, and snack bars made from spent grain from the beermaking process.

Culinary Trends Feature Brown Butter, Mac n’ Cheese, Goth Food

Among the culinary trends predicted for 2018 is mac n’ cheese “outside the box,” according to market research firm Packaged Facts.

The popular comfort food is being adapted and re-adapted into signature entrees and premium side-dishes – marketed as socially-
shareable for the Millennial set.

Restaurant menus will show-
case mac n’ cheese as a fried bite-
sized snack, bar food, alternative to French fries, mashed on top of sandwiches and poured into poute-
ning.

Another culinary trend germane to the dairy industry will be an increase in the use of brown but-
ter – regular butter that has been cooked just long enough to toast the milk solids.

Brown butter will be used in baking – apple pie, brownies, choco-
late chip cookies; as an ingredient in ice cream; and as an upscale top-
ing on desserts.

Possibly a reaction to the 2017’s deluge of rainbow and unicorn foods, black is the new black, according to SFA’s Trendspotter Panel.

Activated charcoal – produced by heating coconut shells to extremely high temperatures until they are carbonized – is gaining superfood status for its reported detoxifying attributes and is being used in everything from pizza crust to lemonade to ice cream.

As far as the top concept trends are concerned, the National Restau-
rant Association (NRA), “hyper-local – restaurant garden, on-site beer brewing, house-made items – landed in the top spot, identified as hot by 74 percent of those surveyed.

Chef-driven fast casual con-
cepts, natural ingredients/clean label emphasis and veggie-centric/vegetable-forward cuisine – fresh produce is star of the dish – round out the top five trends.

“Local, vegetable-forward, and ethnic inspired menu items will reign supreme in the upcoming year,” Hudson Riehle, National Restaurant Association senior vice president of research.

“Guests are implementing these trends in their own lifestyles and want to see them reflected on restau-
rant menus,” Riehle said. “In response, chefs are creating more items in-house and turning to global flavors.”

NRA: Artisan Cheese, Ice Cream Trend Losing Steam

NRA also collected a list of “Trends Cooling Up” and “Trends Cooling Down,” with the artisan cheese trend topping the Cooling Down list.

Other trends losing favor accord-
ing to NRA include heirloom fruit and vegetables; house-made char-
cuterie; house-made/artisan ice cream; house-made sausage; meal kits; nutrition; protein-rich grains/seeds; savory desserts; and whole grain items in kids’ meals.

NRA’s list of “Heating Up” trends include doughnuts with nontraditional filling; ethnic- inspired kids’ dishes; farm/state-
branded items; heritage-breed meats; Peruvian cuisine; Thai-
rolled ice cream with uncommon herbs; vegetable carb substitutes; and veggie-centric/vegetable-forward
cuisine.

NRA’s “Perennial Favorites” feature milk or juice in kids’ meals, gelato and comfort food. It’s list of “Yesterday’s News” includes meals in Mason jars, flavored popcorn, and pumpkin spice.
1. Equipment for Sale

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 or e-mail drlambert@dialez.net for more information.

MSA 200 WESTFALIA SEPARATOR. Just arrived. Perfect Bowl condition - NO PITTING. Two for sale. Call Great Lakes Separators at (920) 863-3306 or e-mail drlambert@dialez.net.

HIGH CAPACITY SEPARATOR: Alfa-Laval hmxr 718 HGV hermetic separator. 77,000 pounds per hour separation/110,000 pounds per hour standardization. Call Great Lakes Separator at (920) 863-3306 or e-mail drlambert@dialez.net.

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

FOR SALE: 1500 and 1250 cream tanks. Like New. (800) 538-0112. (262) 473-3530.

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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.

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EPOXY OR FIBERGLASS floors, walls, tank linings, and tile grouting. Installed by M&W Protective Coating Co. LLC. For more information, please call (715) 234-2251.

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5. Real Estate

6. 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., P.O. Box 50, Watertown, WI 53094. Phone: (920) 261-8890 or FAX: (920) 261-6357 or by email: tsloan@tsloan.com.

7. Positions Wanted

CHEESE PLANT SUPERVISOR

JOB SUMMARY

The Plant Supervisor is responsible for improving production operations at the facility. This individual will work closely with all departments to establish process methods that ensure operational effectiveness and production adherence. The Plant Supervisor is responsible for the development, implementation and maintenance of the job training program. Strong collaboration is needed across the plant and the entire AMPI organization.

ESSENTIAL RESPONSIBILITIES

- Monitor production cleanliness. Provide analytical input to improve labor utilization and efficiencies during sanitation processes.
- Work jointly with maintenance to identify equipment issues, establish day to day operational priorities and improve machine uptime.
- Create Production expectations with plant personnel; ensuring that goals are met on a day to day, month to month basis.
- Ensure that production equipment setups are completed in the timeframe required to meet department expectations and efficiencies.
- Establish training procedures and processes that provide strategic action plans to improve job knowledge and training.
- Build strong working relationships with plant personnel, providing leadership, teaching and effective communication methods, that ensure enforcement of company policies and procedures.
- Will be the liaison for the production floor software which will include addressing system performance issues and training.
- Provide direct support to the Safety Coordinator by assisting with changes and updates to various policies and procedures of the safety program.
- Review and approve cheese department payroll.
- Provide absentee coverage for the Production Coordinator.

EDUCATION/EXPERIENCE

3 plus years cheese making experience; 5 plus years supervisory experience; 4 year college degree or equivalent experience.

Apply online at: www.ampi.com

AMPI is an EEO employer – Veterans/Disabled and other protected categories.

December 29, 2017

CLASSIFIED ADVERTISING

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

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KEYS MANUFACTURING: Dehydrators of scrap cheese for the animal feed industry. Contact us for your scrap at (217) 485-4001; email keysmb@aol.com.

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17. Help Wanted

Looking for qualified candidates for your dairy operation? Advertise here to reach a targeted, qualified reader on current employees. Contact info@cheesereporter.com or call 608-246-8430 for details. And visit www.cheesereporter.com for the latest postings.
**Year-End Block Cheese Prices**

Since 2001

<table>
<thead>
<tr>
<th>Cheese Type</th>
<th>Price ($/cwt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>American Type</td>
<td>1.15 - 1.75</td>
</tr>
<tr>
<td>Butter</td>
<td>1.40 - 1.85</td>
</tr>
</tbody>
</table>

**DAIRY PRODUCTS SALES**

December 27, 2017 - AMS National Dairy Products Sales Report. Prices included are 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 extra dry whey, and Extra Grade and USPH Grade A nonfat dry milk.

- **Weighted Price US**: 1,544.30
- **Weighted Price Adjusted to 38% Moisture US**: 1,489.90
- **Weighted Moisture Content US**: 34.81
- **USPH Dry Wheat Prices**: 1,906.60
- **Average Price US**: 1,762.60
- **Nonfat Dry Milk Average Price US**: 14,926.58

**Dairy Futures Prices**

- **Cash-Settled**:
  - 12-22 December 17, 15.45
  - 12-25 December 17, 15.45
  - 12-26 December 17, 15.41
  - 12-27 December 17, 15.42
  - 12-28 December 17, 15.42
  - 12-29 December 17, 15.42
  - 12-30 December 17, 15.42
  - 12-31 December 17, 15.42

**CME/Barrel Price Tracker - 2016 vs. 2017**

**CME vs AM S**

**Page 10**

Cheese Reporter Reader Response Card

**Name** ____________________________

**Title** ____________________________

**Company** ____________________________

**Address** ____________________________

**City/State/Zip** ____________________________

**E-Mail** ____________________________

**Cheese Reporter**

**Recipient Reference Books**

**Other**

**Type of Business**

**Job Function**

<table>
<thead>
<tr>
<th>Cheese Manufacturer</th>
<th>Company Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheese Processor</td>
<td>Plant Management</td>
</tr>
<tr>
<td>Cheese Packager</td>
<td>Plant Personnel</td>
</tr>
<tr>
<td>Cheese Marketer/broker</td>
<td>Laboratory (GC, HPLC, Test)</td>
</tr>
<tr>
<td>dairy processor</td>
<td>Purchasing</td>
</tr>
<tr>
<td>Butter, cultured products</td>
<td>Warehouses/Distribution</td>
</tr>
<tr>
<td>Whey processor</td>
<td>Sales/Marketing</td>
</tr>
<tr>
<td>Food processing/Service</td>
<td>Other</td>
</tr>
<tr>
<td>Supplier to dairy processors</td>
<td>Other</td>
</tr>
</tbody>
</table>

**Please Send More Information on:**

- Subscribing to Cheese Reporter
- Cheese Reporter's Reference Books
- Other Material to advertise in Cheese Reporter

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

Page 10 December 29, 2017
WHOLESALE CHEESE MARKETS

NATIONAL - DEC. 22: Milk volumes are available nationwide, with some cheese producers in the Midwest receiving spot milk at marked discount prices. Spot milk prices into cheese production range from $1.6275 - $2.5675. Most prices have been held steady to strong as a number of cheese plant managers report they have enough milk coming into their intakes. Inventories are steady to increasing. There was a buzz that hits parts of the Northeast causing slower travel during the holiday. Cheese prices on the spot market have decreased compared to recent weeks as some brokers and end users have sufficient supplies and do not need to purchase any more for Q4 2017.

Wholesale prices, delivered, dollars per lb:

<table>
<thead>
<tr>
<th>Cheese Type</th>
<th>Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheddar 40# Block</td>
<td>$1.9920 - $2.0950</td>
</tr>
<tr>
<td>Monterey Jack 5# Loaf</td>
<td>$1.8275 - $2.2525</td>
</tr>
<tr>
<td>Brick/Muen 5# Loaf</td>
<td>$1.8275 - $2.2525</td>
</tr>
<tr>
<td>Muenster</td>
<td>$1.9200 - $2.2050</td>
</tr>
<tr>
<td>Cheddar 10# Cuts</td>
<td>$1.5475 - $1.9075</td>
</tr>
<tr>
<td>Brick/Muen 10# Block</td>
<td>$1.5050 - $1.9900</td>
</tr>
<tr>
<td>Blue 5# Loaf</td>
<td>$2.0950 - $3.0825</td>
</tr>
<tr>
<td>Grade A Swiss 6-9#</td>
<td>$2.7825 - $2.9000</td>
</tr>
<tr>
<td>Grade A Swiss 12-16#</td>
<td>$3.1625 - $3.3125</td>
</tr>
<tr>
<td>Grade A Swiss 18-24#</td>
<td>$3.8425 - $4.2275</td>
</tr>
</tbody>
</table>

WEST - DEC. 27: Western cheese contacts report cheese inventories are heavy. While cheese demand has been stable, it has not been enough to absorb the abundant supply of cheese. As a result, several producers and buyers are not met expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the winter holidays. Dairy market observers say higher than normal numbers of cows are being put into the new year should provide a handle yet, for slowing the supply of milk moving into cheese vats. Cheese manufacturers know an early lactation grass cheese pizza and grilling season may be critical to set a positive tone for cheese in 2018.

Wholesale prices, delivered, dollars per lb:

<table>
<thead>
<tr>
<th>Cheese Type</th>
<th>Price Range</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cheddar 40# Block</td>
<td>$1.5300 - $1.7925</td>
</tr>
<tr>
<td>Cheddar 10# Cuts</td>
<td>$1.7675 - $1.9875</td>
</tr>
<tr>
<td>Grade A Swiss 6-9#</td>
<td>$2.6450 - $3.1275</td>
</tr>
<tr>
<td>Grade A Swiss 12-16#</td>
<td>$3.8425 - $4.2275</td>
</tr>
</tbody>
</table>

FOREIGN -CHEESE DEC. 27: January-October 2017 EU exports of cheese included 10% more Cheddar, 14% more Mozzarella and 12% more Gouda than the US, Japan, Switzerland and South Korea. In Germany, sliced cheese demand is stable and the strongest sector of the dairy industry. The butter market tone is softening a bit. Pressure from weaker EU prices is a factor. AT GDT Event 2012 on December 19, the butter all milk price, $4.474, decreased 2.3 percent. The January contract, $4.955, decreased 3.3 percent. This outcome greatly surprised a number of people involved in the New Zealand dairy industry, who believed butter had already adjusted lower and would likely bounce up a bit. A few traders are being stretched as people seem to see some reconciliation between expectations and outcomes. 82% BUTTERFAT: 4,450 - 4,495

OVERVIEW - DEC. 21: At this time of year in Australia demand for feed is low, as pastures are green and at their prime. Looking forward, concerns are increasing as to availability, particularly for heavy milky feed. Some reports point to a lack of rain in the region. Recent patchy rains in Northern Australia have ended, leaving good conditions for hay.

CHEDDAR - DEC. 21: Cheddar cheese prices in Oceania weakened. Buyers feel there is a lot of cheese for sale globally. This week’s news about higher milk production in New Zealand compared with last year led many possible buyers to step back to better assess options. This took a toll on prices. 39% MAXIMUM MOISTURE: 3,325 - 3,525

BUTTER - DEC. 21: Butter prices in Oceania continue the recent pattern of softening. Pressure from weaker EU prices is a factor. AT GDT Event 2012 on December 19, the butter all milk price, $4.474, decreased 2.3 percent. The January contract, $4.955, decreased 3.3 percent. This outcome greatly surprised a number of people involved in the New Zealand dairy industry, who believed butter had already adjusted lower and would likely bounce up a bit. A few traders are being stretched as people seem to see some reconciliation between expectations and outcomes. 82% BUTTERFAT: 4,450 - 4,495

WHOLESALE BUTTER MARKETS

NATIONAL - DEC. 22: Cream for butter production continues to be abundant in the Midwest. The majority of milk is destined for other processing plants as closures for the holiday weekend. Butter production remains active as producers are pushing to fill remaining wholesale contracts for the holiday orders. Some manufacturers have been focusing on more unsalted butter. A few dairy contacts said that they have begun to aim some churning time towards the cream volumes. Much of the new make is being mixed, balanced, and sold during the holiday. In the mostly series in an unsettled and inconstant market. There are still plenty of supplies of condensed skim curb the production of butter. Sales to Class II plants are not met expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior. In this way, the tone of the market is changing from neutral to bullish, as some end users take a holiday break. The butter market tone is not meeting the expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior. In this way, the tone of the market is changing from neutral to bullish, as some end users take a holiday break. The butter market tone is not meeting the expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior. In this way, the tone of the market is changing from neutral to bullish, as some end users take a holiday break. The butter market tone is not meeting the expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior. In this way, the tone of the market is changing from neutral to bullish, as some end users take a holiday break. The butter market tone is not meeting the expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior. In this way, the tone of the market is changing from neutral to bullish, as some end users take a holiday break. The butter market tone is not meeting the expectations for the year. Furthermore, demand for blocks and barrels has slowed greatly during the holiday season. Availability of standard cheese has increased due to hesitant purchasing behavior.
CME CASH PRICES - DECEMBER 25 - 29, 2017

Visit www.cheesereporter.com for daily prices

<table>
<thead>
<tr>
<th></th>
<th>CHEDDAR 500-LB. BARRELS</th>
<th>CHEDDAR 40-LB. BLOCKS</th>
<th>AA BUTTER</th>
<th>GRADE A NFDM</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>MONDAY</strong></td>
<td>No Trading</td>
<td>No Trading</td>
<td>No Trading</td>
<td>No Trading</td>
</tr>
<tr>
<td><strong>TUESDAY</strong></td>
<td>$1.4200</td>
<td>$1.4875</td>
<td>$2.1700</td>
<td>$0.6500</td>
</tr>
<tr>
<td><strong>Wednesday</strong></td>
<td>$1.4400</td>
<td>$1.5075</td>
<td>$2.2025</td>
<td>$0.6600</td>
</tr>
<tr>
<td><strong>Thursday</strong></td>
<td>$1.4400</td>
<td>$1.5275</td>
<td>$2.2075</td>
<td>$0.6700</td>
</tr>
<tr>
<td><strong>Friday</strong></td>
<td>$1.4425</td>
<td>$1.5400</td>
<td>$2.2075</td>
<td>$0.6777</td>
</tr>
</tbody>
</table>

**MARKET OPINION - CHEESE REPORTER**

Cheese Comment: Eight cars of blocks were sold Tuesday, all on bids, the last at $1.4925; an uncovered offer of 1 car at $1.4875 then set the price. Two cars of blocks were sold Wednesday, both on offers, the last at $1.5075, which raised the price. Two cars of blocks were sold Thursday, both on offers, the last at $1.5275, which raised the price. On Friday, 1 car of blocks was sold on an offer at $1.5275; an unfilled bid for 1 car at $1.5400 then set the price. The barrel price increased Tuesday on bid-based sales of 3 cars at $1.4200, rose Wednesday on an offer-based sale of 1 car at $1.4400, and increased Friday on an offer-based sale of 1 car at $1.4425 (that was the last of 13 cars of barrels sold Friday).

Butter Comment: The butter price declined Tuesday on an offer-based sale of 1 car at $2.1700, increased Wednesday on a bid-based sale of 1 car at $2.2025, and rose Thursday on an unfilled bid for 1 car at $2.2075.

NDM Comment: The nonfat dry milk price fell Tuesday on an offer-based sale of 1 car at $2.1700, rose Wednesday on an offer-based sale of 1 car at $2.2025, rose Thursday on an offer-based sale of 1 car at $2.2075, rose Wednesday on an offer-based sale of 1 car at $2.2025, rose Thursday on an offer-based sale of 1 car at $2.2075, rose Wednesday on an offer-based sale of 1 car at $2.2025, rose Thursday on an offer-based sale of 1 car at $2.2075, rose Wednesday on an offer-based sale of 1 car at $2.2025, rose Thursday on an offer-based sale of 1 car at $2.2075, rose Wednesday on an offer-based sale of 1 car at $2.2025, rose Thursday on an offer-based sale of 1 car at $2.2075.

**WHEY MARKETS - DECEMBER 25 - 29, 2017**

**RELEASE DATE - DECEMBER 28, 2017**

| Animal Feed Whey—Central: Milk Replacer: | .1500 (NC) | .2500 (NC) |
| Buttermilk Powder: | | |
| Central & East: | .7500 (NC) | .8200 (NC) |
| Mostly: | .6700 (-3) | .7500 (NC) |
| Casein: | 2.0200 (NC) | 2.3200 (NC) |
| Acid: | 3.0000 (NC) | 3.3200 (NC) |
| Dry Whey—Central (Edible): | 2.2000 (NC) | 3.2000 (NC) |
| Mostly: | 2.4000 (-1) | 2.9000 (NC) |
| Dry Whey—West (Edible): | 2.2000 (NC) | 3.2000 (NC) |
| Mostly: | 2.5000 (1-) | 2.9000 (NC) |
| Dry Whey—NE: | 3.2000 (NC) | 4.2000 (-1) |
| Lactose—Central and West: | .1600 (NC) | .3500 (NC) |
| Mostly: | .1800 (NC) | .2600 (NC) |
| Nonfat Dry Milk—Central & East: | .6500 (NC) | .7500 (NC) |
| High Heat: | .8100 (-1) | .9200 (-3) |
| Mostly: | .6900 (NC) | .7300 (NC) |
| Nonfat Dry Milk—Western: | .5950 (+1) | .7500 (NC) |
| High Heat: | .8300 (-2) | .9300 (NC) |
| Mostly: | .6700 (-2) | .7300 (NC) |
| California Weighted Average NFDM: | | |
| Price: | $0.7248 | 12.565.997 |
| Total Sales: | $0.7615 | 13.164.799 |
| Whey Protein Concentrate—Central and West: | .34% Protein: | .6300 (NC) | .9400 (NC) |
| Mostly: | .6500 (NC) | .8250 (NC) |
| Whole Milk—National: | | |
| | | 1.3500 (NC) | 1.4500 (NC) |

**Restaurant Performance Index Rose Slightly In November; Operators Are More Optimistic**

Washington—The National Restaurant Association’s Restaurant Performance Index (RPI) stood at 101.1 in November, up slightly from October.

Although the overall RPI increase was modest in November some key indicators registered notable improvements. Restaurant operators reported their strongest same-store sales performance since June. And almost one-half of operators expect their sales to be higher in six months, while their outlook for the overall economy improved to its strongest level in three years.

The RPI is constructed so that the health of the restaurant industry is measured in relation to a steady-state 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 for key indicators.

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 99.6 in November, up slightly from October.

Restaurant operators reported stronger same-store sales results in November. Some 48 percent of operators reported a same-store sales increase between November 2016 and November 2017 up from 38 percent in October.

However, in November, operators reported a net decline in customer traffic for the eighth consecutive month.

The Expectations Index, which measures current trends in four industry indicators (same-store sales, employees, capital expenditures and business conditions), stood at 102.6 in November, up 0.3 percent from October and its highest level in nine months.

Operators are becoming more optimistic that business conditions will improve in the months ahead. Some 46 percent of operators expect to have higher sales in six months (compared to the same period in the previous year), up from 44 percent in October. Only 9 percent of operators expect their sales volume in six months to be lower than it was a year earlier.

Restaurant operators are also increasingly optimistic about the economy’s direction. Some 37 percent of operators said they expect economic conditions to improve in six months, while just 6 percent think conditions will worsen.

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**Sovlama Acquired**

(Continued from p. 1)

Fibred two years earlier. That had marked International Fiber’s first transaction since its acquisition by Arsenal Capital, which occurred earlier in 2013.

Niagara Fiber, a supplier of insoluble fiber products for food and other applications and a portfolio company of Arsenal Capital Partners, acquired Allied Blending in 2014.

Based in Rosenberg, Germany, J. Rettenmaier & Söhne (JRS) processes and markets plant fiber products, including anti-caking agents. The owner-run JRS Group is active with more than 2,500 employees at more than 50 production and sales locations around the world. J. Rettenmaier USA LP is based in Schoolecraft, MI.