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# CHEESE REPORTER

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# FDA Moves Closer To Finalizing Voluntary Salt Reduction Guides

## Agency's Draft Guidelines, Released In 2016, Were Criticized By Dairy Groups, Companies

**Washington**—The US Food and Drug Administration (FDA) has submitted its Voluntary Sodium Reduction Guidelines for packaged and restaurant foods to the White House Office of Management and Budget (OMB) for review, which is the final step toward finalizing the guidelines, the Center for Science in the Public Interest (CSPI) reported this week.

FDA had, in mid-2016, released draft guidance that provides voluntary sodium reduction targets for a variety of cheese, butter and other food products. The draft short-term (two-year) targets sought to reduce sodium intake to about 3,000 milligrams per day, while the long-term (10-year) targets sought to cut sodium intake to 2,300 milligrams per day.

"It's encouraging that the FDA has moved a step closer to finalizing these long-awaited sodium reduction guidelines, and we hope that though they are voluntary, many in the industry will act quickly to adopt them," said Dr. Peter G. Lurie, CSPI's president, who previously served as associate commissioner for public health strategy and analysis at FDA.

"While the two-year sodium reduction targets are an important start, FDA needs to finalize the even more ambitious 10-year sodium reduction targets," Lurie added.

At the time it released its draft sodium reduction guidelines, FDA noted that it was not conducting rulemaking with regard to sodium, and the reduction goals are voluntary.

The agency believes that the voluntary goals can be an effective means to achieve significant benefits to public health through sodium reduction in commercially processed, packaged, and prepared foods.

FDA's draft guidance did not: recommend specific methods and technologies for sodium reduction; prescribe how much of a sodium-containing ingredient, such as salt, should be used in a formulation (the agency focused on the total amount of sodium in a given food); focus on foods that contain only naturally occurring sodium (e.g., milk); or address salt that consumers add to their food.

In its 2016 draft guidance, FDA organized foods into about 150 categories on the basis of contribution to sodium intake, the amount of sodium added to the food (rather than naturally occurring), similar functional roles for sodium-containing ingredients, similar technical potential for reduction in sodium content, and compatibility with existing industry and regulatory categories.

For that 2016 guidance, FDA determined baseline levels of sodium in each food category using food label and restaurant nutrition data primarily from 2010. Those served as a starting point for measuring sodium levels in the food supply, and for crediting companies on the sodium reduction progress already made.

FDA's draft guidance included baselines (sales-weighted mean) for numerous cheese and other

• See **Sodium Reduction,** p. 3

# Cheese Production Rose 3.5% In July; Cheddar Output Fell 0.3%; Parm Output Jumped 41.8%

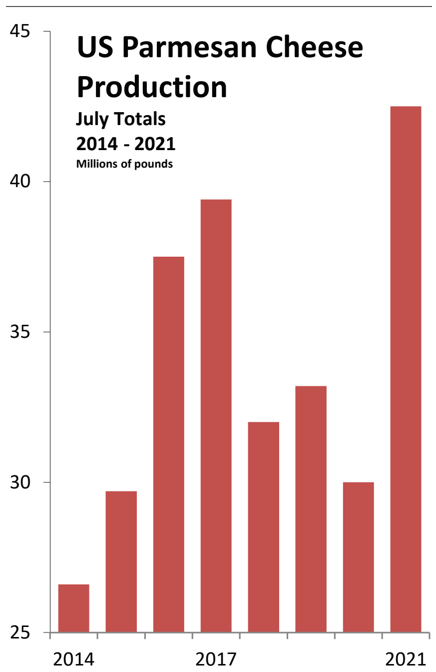
**Washington**—US cheese production during July totaled 1.15 billion pounds, up 3.5 percent from July 2020, USDA's National Agricultural Statistics Service (NASS) reported last Friday.

Cheese production during the first seven months of 2021 totaled 7.9 billion pounds, up 3.3 percent from the first seven months of 2020.

Regional cheese production in July, with comparisons to July 2020, was: Central, 555.1 million pounds, up 8.7 percent; West, 460.2 million pounds, up fractionally; and Atlantic, 133.7 million pounds, down 4.1 percent.

July cheese production in the states broken out by NASS, with comparisons to July 2020, was: Wisconsin, 292.2 million pounds, up 3.5 percent; California, 203 million pounds, up 0.2 percent; Idaho, 86.1 million pounds, down 3.8 percent; New Mexico, 80.1 million pounds, down slightly; New York, 71.1 million pounds, down 5.5 percent; Minnesota, 62.8 million pounds, up 1.9 percent; South Dakota, 42.8 million pounds, up 17.5 percent; Pennsylvania, 34.5 million pounds, down 2.5 percent; Iowa, 28.5 million pounds, down 5 percent; Ohio, 20.7 million pounds, up 7.4 percent; Oregon, 19 million pounds, down 0.2 percent;

• See **Parm Output Jumps,** p. 6




# USDA Reduces 2021, 2022 Milk Production Forecasts, Raises Most Dairy Product Price Forecasts

**Washington**—The US Department of Agriculture (USDA), in its monthly supply-demand estimates released today, lowered its milk production forecasts for both 2021 and 2022 and raised most of its dairy product and milk price forecasts for both years.

Milk production forecasts for 2021 and 2022 are reduced from last month on smaller dairy cow numbers and lower milk per cow. USDA now expects 2021 milk production to total 227.8 billion pounds, up 4.6 billion pounds from 2020's record output but down 300 million pounds from last month's forecast; and 2022 milk production

• See **Higher Prices,** p. 16

# Global Milk Supply Expected To Continue Growing, But At Slower Pace

**Utrecht, Netherlands**—Global milk supply has been on an extended run of uninterrupted growth, which is expected to continue, but at a slower pace, according to the latest dairy report from Rabobank.

The milk supply growth rate has been sustainable without becoming overly burdensome on markets so far, but any slowdown in global demand would quickly lead to inventory build, the report noted.

Milk prices are mostly higher, but farm margins around the world are mixed, the report said. High feed prices and general input cost inflation are a common thread, but the ability to withstand the cost pressures depends on the milk price.

Much of the world is experiencing high enough milk prices to offset higher costs, but the US market has experienced heavier milk supplies that continue to weigh on milk prices, and European Union (EU) milk prices are barely keeping up with the rising input costs.

Feed costs are generally higher, without much hope on the horizon for a turnaround, the report continued. Drought-stricken corn crop conditions in the US are bleak and keeping prices elevated, though demand destruction limits additional upside. Brazil's safrinha crop failure will provide no relief to global markets. US soybean yields are also expected to disappoint.

Logistics disruptions continue, and transportation costs have skyrocketed, the report pointed

• See **Supply Growth,** p. 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.



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# EDITORIAL COMMENT

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> **what has happened since March, when the Airbus tariffs were suspended? Quite simply, US imports of cheese from the EU have surged.**

## Airbus Tariffs Clearly Impacted US Cheese Imports From EU

US cheese imports through the first seven months of 2021 are running well ahead of the same period in 2020, prompting us to wonder if the tariffs imposed almost two years ago on cheese and other dairy product imports from the European Union, and halted earlier this year, had some impacts on US cheese imports. And our initial review does indicate that they did indeed.

It may be recalled that the US began imposing additional tariffs of 25 percent on those EU dairy imports on Oct. 18, 2019, in a long-running dispute over EU subsidies to Airbus. Those additional tariffs, as well as tariffs being imposed by the EU due to a long-running dispute over US subsidies to Boeing, were suspended for four months back in March of this year, and then in June were suspended for five years.

Overall US cheese imports during the first seven months of 2021 totaled 224.2 million pounds, up 18 percent from the first seven months of 2020. And, notably, US cheese imports from the EU during the first seven months of this year totaled 157 million pounds, up 19 percent, or 24.6 million pounds, from the first seven months of 2020.

The first seven months of 2021 included roughly two months in which the additional 25 percent tariffs were being applied, and slightly less than five months after those tariffs were suspended.

Looking over trade statistics dating back roughly two years, it seems that the impact of these 25 percent tariffs on US cheese imports from the EU can be divided into three periods.

The first period is the period leading up to when the tariffs were initially imposed. The Office of the US Trade Representative had begun its process under Section 301 of the Trade Act of 1974 to identify EU products to which additional duties may be applied until the EU removes its Airbus subsidies back in April of 2019, or about six months before those tariffs were actually imposed. The USTR held hearings in both early July and early August of 2019 on the proposed tariffs, and announced in early October 2019 that the tariffs would be imposed starting later that month.

So what happened over that six-month period in 2019, leading up to when the US imposed the tariffs on cheese imports from the EU? Well, in anticipation of the tariffs, US imports from the EU surged, particularly in August and September of 2019, when they were about 4 million pounds and 10.5 million pounds higher, respectively, than the corresponding month in 2018.

And even in October, when the tariffs were being imposed during the last two weeks of the month, cheese imports from the EU were almost 1 million pounds higher than in October 2018.

Overall, US cheese imports from the EU during the April-October 2019 period totaled 193 million pounds, up 11 percent, or 18.2 million pounds, from the same period in 2018. In fact, US cheese imports from the EU during that six-month period in 2019 were higher than during that same six-month period every year this century.

What about the period during which those 25 percent additional tariffs were being imposed; that is, the period of November 2019 through February 2021? Here, comparisons can get a bit tricky, for at least three reasons.

First, comparisons between the April-October 2020 period with the April-October 2019 period will of course include the surge in cheese imports during 2019, particularly in September, when US cheese imports from the EU rose from 22.2 million pounds in 2018 to 32.7 million pounds in 2019 and then fell back to 23 million pounds in 2020.

Second, cheese import statistics starting in around March of 2020 reflect imports that took place during a global pandemic, so it's not necessarily easy differentiating between a decline in imports due to tariffs and a decline in imports due to the pandemic and its supply-chain-related problems.

And third, February of 2020 included an extra day due to leap year. In the overall scheme of things, that's perhaps not all that significant, but it is notable in light of the fact that US imports of cheese from the EU in February 2020 totaled 26.5 million pounds, up more than 6 million pounds from February 2019 and the only time during the first 10 months of 2020 in which cheese imports were higher than the same month in 2019. Cheese imports from the EU in November and December 2020 were higher than during the same months in 2019.

So what has happened since March, when the Airbus tariffs were suspended? Quite simply, US imports of cheese from the EU have surged.

Specifically, over the April-July 2021 period, US cheese imports from the EU totaled 100.6 million pounds, up an eye-opening 43.7 percent, or 30.6 million pounds, from the same period in 2020. In addition, cheese imports from the EU during June, at 30.5 million pounds, were the highest ever for that month, according to figures from USDA's Foreign Agricultural Service that date back to 1989, while imports during July, at 25.4 million pounds, were the second-highest ever for the month, trailing only 2001's 25.6 million pounds.

From these (albeit limited) statistics, we can conclude that US cheese imports from the EU have increased significantly since the 25 percent additional tariffs were terminated back in March.

And, more broadly, we can conclude that tariffs do impact trade, including the periods before the tariffs are imposed or increased, during the period when they are in effect, and after they are terminated or reduced. No wonder tariffs are almost always controversial.

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# USDA Seeks 75.8 Million Pounds Of Mozzarella For 2022 Delivery; Also Seeks To Buy Butter

**Washington—**The US Department of Agriculture (USDA) on Thursday issued a solicitation for a maximum of 75,767,510 pounds of Mozzarella cheese for delivery during 2022.

Estimated monthly and total maximum quantities being sought by USDA for 2022 are as follows:

**Chilled low moisture part skim processor pack (totes):** a total of 53,873,750 pounds, with a low of 123,375 pounds in November and a high of 7,320,250 pounds in January.

**Frozen LMPS 8/6-pound loaves:** a total of 10,241,280 pounds, with a low of 201,600 pounds in May and a high of 1,411,200 pounds in August.

**Frozen shredded LMPS 30-pound box:** a total of 8,144,640 pounds, with a low of 40,320 pounds in April and a high of 1,411,200 pounds in January.

**Frozen shredded Lite Mozzarella, 30-pound box:** a total of 3,507,840 pounds, with a low of 120,960 pounds in February, April, May, June and November and a high of 564,480 pounds in August.

The maximum contract amount stated in the solicitation is not guaranteed to be purchased, USDA noted.

Offers should be submitted as a differential price per pound to the CME Group 40-pound block Cheddar cheese cash market price.

The contract price for a delivery month will be the total of the accepted differential price, plus the previous week average (PWA) of the cash 40-pound Cheddar block price.

The weekly average for the PWA is a simple average of all the daily closing prices for 40-pound blocks during the calendar week of the CME Group cash trading. Previous week means the first full calendar week before the first day of the delivery period on the contract delivery order.

Offers under this solicitation are due by 1:00 p.m. Central time on Tuesday, Sept. 21.

For more information, contact Caroline Russell, at (202) 720-8764; email *Caroline.Russell@usda.gov*.

USDA also recently issued a solicitation for a total of 738,720 pounds of salted print butter, 36/1-pound cartons, for delivery in December. Offers are due on Tuesday, Sept. 14, at 9:00 a.m. Central time.

For more information on selling dairy and other products to USDA, visit *www.ams.usda.gov/selling-food*.

## Sodium Reduction

(Continued from p. 1)

dairy products, along with short-term and long-term sales-weighted target means. Products covered by the draft guidance included Blue/Blue-Veined cheese, Gouda and Edam, processed cheese/cheese food, Monterey Jack and other semi-soft cheeses, Cream cheese, cheese spreads, Brie and other mold-ripened cheese, Pasta Filata cheese such as Mozzarella (but not fresh Mozzarella), Feta (salted in brine), cottage cheese and other soft cheeses, Cheddar and Colby, Swiss and Swiss-type cheeses, Parmesan and other hard chess, butter, cheese-based sauces, and cheese-based dips.

### Industry Criticizes Guidance

FDA accepted comments on the draft guidance for several months after the guidance was released, and received numerous comments from dairy industry organizations and companies.

In comments filed jointly in October of 2016, the International Dairy Foods Association (IDFA) and National Milk Producers Federation (NMPF) encouraged FDA "in the strongest way possible" to remove the entire cheese category from the agency's sodium reduction guidance, and also asked that the butter category be removed from the sodium reduction guidance.

In those comments, NMPF and IDFA said they have "serious concerns about the appropriateness, accuracy and impact of the voluntary sodium reduction targets for cheese, butter, and cream-based dips as proposed. Not only might they reduce consumer demand for these products through adverse impacts on quality, but in some cases the safety of the product may be seriously adversely affected."

IDFA and NMPF stated in those comments that they believe FDA "needs to go back to the drawing board on cheese standards, thoroughly revisiting its categories and reassessing the wisdom of applying a blanket percentage reduction to all cheeses, including those that are already relatively low in sodium."

Sargento Foods also asked that natural cheeses be excluded from the food categories in FDA's guidance and not be considered in any sodium reduction initiatives and policies in the short and the long term.

In December 2016, in comments submitted on FDA's long-term sodium reduction targets, NMPF and IDFA again emphasized the need to remove the entire cheese category, as well as butter, from the sodium reduction guidance.

The American Cheese Society (ACS) also "strongly" urged FDA to remove the entire cheese category from any sodium reduction targets, goals, or guidance, noting that salt "is simply too integral to the cheesemaking process, and to the safety and quality of cheese."

Due to the technical challenges of sodium reduction in cheese, achievement of the short-term proposed reduction goals for the cheese categories "is unlikely," the National Dairy Council (NDC) told FDA in December 2016. "Achievement of both the short- and long-term goals will require significant time and investment in research."

While FDA identified 13 categories of cheese for assignment of sodium reduction goals, achievement of the goals for many of these categories "will have a minimal impact on sodium intake in the US population," NDC noted. Despite the sodium content, clinical evidence supports a neutral or beneficial effect of cheese on blood pressure, indicating the sodium content alone "may be a poor predictor of the adverse impact of a particular food on blood pressure."

The American Frozen Food Institute stated that it would be "particularly difficult" for frozen mixed dishes that contain significant amounts of cheese to meet FDA's proposed voluntary sodium reduction targets unless a "major breakthrough" occurs in cheesemaking technology.

### CSPI's Sodium Reduction Efforts

In July 1978, CSPI (with Georgetown University School of Law's Institute for Public Interest Representation doing the legal work) filed two petitions that called on FDA to set ceilings for sodium in processed foods, to reclassify salt (sodium chloride) from generally recognized as safe (GRAS) to food additive status, and to require sodium labeling on packaged foods. CSPI also suggested that the agency require a special symbol on the labels of high-sodium foods.

In March 1981, CSPI sent to the secretary of health and human services an informal petition from 5,769 health professionals and students urging FDA to limit sodium in processed foods. In 2005, CSPI formally petitioned FDA to revoke the GRAS status of salt, to amend any prior sanctions for salt, to require food manufacturers to reduce the amount of sodium in all processed foods — both packaged foods sold at retail and foods sold directly to restaurants — and to reduce the Daily Value for sodium.

# FDA Issues Guidance On Using Recycled Plastics In Food Packaging

**Silver Spring, MD—**The US Food and Drug Administration (FDA) has issued a guidance document that highlights the chemistry issues that the agency recommends a manufacturer of recycled plastic consider during the manufacturer's evaluation of a recycling process for producing material suitable for food-contact applications.

The guidance document supersedes a December 1992 "Points to Consider for the Use of Recycled Plastics in Food Packaging: Chemistry Considerations" document.

Manufacturers of food-contact articles made from recycled plastic are responsible for ensuring that, like virgin material, recycled material is of suitable purity for its intended use and will meet all existing specifications for the virgin material.

Several general methodologies exist by which plastic packaging can be recycled, and each presents distinct issues regarding the contaminant residues that may be present in post-consumer material.

In the guidance, FDA presents a preliminary discussion of the basic types of recycling and identifies specific concerns associated with each type. The guidance then describes a recommended approach for estimating the maximum level of a chemical contaminant in the recycled material that would result in an estimated daily intake (EDI) that does not exceed 1.5 micrograms/person/day dietary concentration (DC), the level that FDA would generally consider to be of negligible risk for a contaminant migrating from recycled plastic.

Finally, the guidance recommends a protocol for developing chemistry data that would be useful for evaluating the adequacy of a recycling process to remove chemical contaminants.

As explained in the guidance, the different approaches to the recycling of plastic packaging materials can be categorized into three distinct processes:

- Primary recycling is the recycling of industrial scrap produced during the manufacture of food-contact articles and is not expected to pose a hazard to the consumer. The recycling of this scrap is acceptable, provided good manufacturing practices are followed. If this scrap is collected from several different manufacturers, however, FDA recommends that the recycler consider whether the level and type of adjuvants in the recycled plastic would comply with existing approvals.
- Physical reprocessing involves grinding, melting, and reforming plastic packaging material. The basic polymer is not altered during the process. Prior to melting and reforming, the ground, flaked, or pelletized polymer is generally washed to remove contaminants.

Recyclers should be able to demonstrate that contaminant levels in the reformed plastic are reduced to sufficiently low levels to ensure that the resulting packaging is of a purity suitable for its intended use. To produce a polymer with the desired qualities, however, additional antioxidants, processing aids, or other adjuvants may need to be added to the recycled polymer.

A secondary recycling process presents some unique challenges that might cause it to be inappropriate for the production of food-contact articles, particularly if the recycler had little or no control over the waste stream entering the recycling facility (e.g., commingling of food-contact and non-food-contact materials). Where effective source control or sorting procedures can be established, however, the potential for post-consumer food-contact materials to be recycled together with other post-consumer plastics will be minimized or eliminated.

- The primary goal of teritiary recycling is the regeneration of purified starting materials. Chemical reprocessing may involve depolymerization of the used packaged material with subsequent regeneration and purification of resulting monomers (or oligomers). The monomers are then repolymerized and the regenerated or reconstituted polymer is formed into new packaging.

FDA believes that acute consumer exposure to chemical contaminants from food containers produced from plastic that was processed by secondary or tertiary recycling will be extremely low because of the low concentrations of contaminant residues in the recycled polymers. It is possible, however, that traces of a toxic contaminant could be carried through a secondary or tertiary recycling process, become a part of the packaging, and migrate into food in contact with the packaging.

To recommend a maximum acceptable level for chemical contaminants in recycled food-contact articles that can form the basis of Good Manufacturing Practice with respect to recycled material, FDA determined the residual concentration of a contaminant that corresponds to an acceptable upper limit of dietary exposure.

# FROM OUR ARCHIVES

## 50 YEARS AGO

**Sept. 3, 1971: Chicago —**John Butterbrodt of Burnett, WI, was elected to a third consecutive term as president of Associated Milk Producers, Inc. Dwight Morris of Siloam Springs, AR, was re-elected secretary, and Avery Vose, Antioch, IL, was re-elected treasurer.s

**Chicago—**William Scully, president of the American Blue Cheese Association, announced that better marketing techniques throughout distribution channels has contributed to increased demand for Blue cheese. In 1970, the US produced a record 23.3 million pounds of Blue cheese. If demand extends through the holidays, that record could be broken this year, Scully said.

## 25 YEARS AGO

**Sept. 13, 1996: Monroe, WI—**Gary Grossen of Prairie Hill Cheese has been named Grand Champion Cheese Maker in the biennial Monroe Cheese Days cheese contest. Grossen's Muenster entry was the highest-scoring product among the 92 cheeses entered this year.

**Modesto, CA—**Awareness among California consumers for "Real California Cheese" has increased sharply in just over a year, the California Milk Advisory Board reported this week. Now in its second year, the campaign's success is prompting supermarkets to increase availability of cheese bearing the "Real California Cheese" label.

## 10 YEARS AGO

**Sept. 9, 2011: Albany, NY—**Farmers in several Northeast states continue to recover from the damaging flood and winds of Hurricane Irene, which recently struck the region. Officials are working to get milk trucks to dairy farms, and some milk dumping occurred in several locations. New York Gov. Andrew Cuomo said ag losses are expected to exceed $45 million.

**Auckland, New Zealand—**Fonterra and UK-based First Milk this week announced a strategic joint venture to produce premium whey proteins for Fonterra's growing food ingredients business. The venture will add value to the whey streams at First Milk's Lake District creamery in Cumbria, England.

# Global Dairy Trade Price Index Climbs 4%; Prices Rise For All Products Traded

**Auckland, New Zealand—**The price index on this week's semi-monthly Global Dairy Trade (GDT) dairy commodity auction increased 4.0 percent from the auction, held three weeks ago.

That was the second straight increase in the GDT price index. Prior to these two increases, the index had posted eight consecutive declines.

In this week's GDT auction, which featured 187 participating bidders and 114 winning bidders, prices were higher for Cheddar cheese, skim milk powder, whole milk powder, butter, anhydrous milkfat, lactose and buttermilk powder. Sweet whey powder wasn't offered on this week's auction.

Results from this week's GDT auction, with comparisons to the previous auction, were as follows:

**Cheddar cheese:** The average winning price was $4,328 per metric ton ($1.96 per pound), up 3.6 percent. Average winning prices were: Contract 1 (October), $4,335 per ton, up 4.5 percent; Contract 2 (November), $4,310 per ton, up 6.9 percent; Contract 3 (December), $4,330 per ton, up 2.7 percent; Contract 4 (January 2022), $4,332 per ton, up 2.2 percent; Contract 5 (February), $4,353 per ton, up 2.3 percent; and Contract 6 (March), $4,328 per ton, up 2.2 percent.

**Skim milk powder:** The average winning price was $3,274 per ton ($1.48 per pound), up 7.3 percent. Average winning prices were: Contract 1, $3,303 per ton, up 8.5 percent; Contract 2, $3,239 per ton, up 7.5 percent; Contract 3, $3,242 per ton, up 6.3 percent; Contract 4, $3,359 per ton, up 8.2 percent; and Contract 5, $3,312 per ton, up 6.9 percent.

**Whole milk powder:** The average winning price was $3,691 per ton ($1.67 per pound), up 3.3 percent. Average winning prices were: Contract 1, $3,763 per ton, up 2.6 percent; Contract 2, $3,697 per ton, up 3.6 percent; Contract 3, $3,666 per ton, up 1.8 percent; Contract 4, $3,655 per ton, up 4.6 percent; and Contract 5, $3,670 per ton, up 4.3 percent.

**Butter:** The average winning price was $4,948 per ton ($2.24 per pound), up 3.7 percent. Average winning prices were: Contract 1, $4,956 per ton, up 2.5 percent; Contract 2, $4,905 per ton, up 2.6 percent; Contract 3, $4,995 per ton, up 4 percent; Contract 4, $4,955 per ton, up 2.9 percent; Contract 5, $4,970 per ton, up 6 percent; and Contract 6, $4,970 per ton, up 7.5 percent.

**Anhydrous milkfat:** The average winning price was $5,970 per ton ($2.71 per pound), up 3.1 percent. Average winning prices were: Contract 1, $5,986 per ton, up 3.4 percent; Contract 2, $5,993 per ton, up 3.5 percent; Contract 3, $5,974 per ton, up 3.4 percent; Contract 4, $5,947 per ton, up 3.2 percent; Contract 5, $5,946 per ton, up 1.8 percent; and Contract 6, $5,952 per ton, up 1.8 percent.

**Lactose:** The average winning price was $1,167 per ton (52.9 cents per pound), up 6.4 percent. That was for Contract 2.

**Buttermilk powder:** The average winning price was $3,287 per ton ($1.49 per pound), up 3.0 percent. Average winning prices were: Contract 2, $3,061 per ton, down 1 percent; Contract 3, $3,575 per ton, up 2.9 percent; Contract 4, $3,565 per ton, up 5.3 percent; and Contract 5, $3,605 per ton, up 15.9 percent.

According to ASB Bank, the most interesting dynamic in this week's GDT auction was the shift in demand away from China. Indeed, North Asia bought far less than at previous auctions, with Southeast Asia hot on its heels.

ASB Bank doesn't think it's a worry that Chinese buyers appear to be taking their foot off the gas, given Fonterra's statements over recent months that it's been selling a lot of product off auction. If anything, it's positive to see volume spread a bit more broadly.

Whole milk powder prices are looking strong and stable across the contract curve, ASB Bank noted. WMP prices a little north of the $3,700 mark, below their levels at the beginning of winter (in the Southern Hemisphere), but ahead of the last couple of auctions. Prior to this week's auction, WMP prices hadn't increased since the second GDT auction in May. The stability in prices suggests this auction's gains weren't just a near-term rush of post-lockdown anxiety. It's a signal buyers expect dairy demand to remain solid and are keen to avoid missing out given the tighter WMP supply lately.

ASB Bank is retaining its milk price forecast of $7.90 per kilogram of milk solids for the season. While it cautioned against placing too much emphasis on the auction-to-auction churn, this event has a particular significance as the first auction of the spring and the first good signal on where the market lies in three weeks.

## Parm Output Jumps

(Continued from p. 1)

Vermont, 11.5 million pounds, down 6 percent; Illinois, 5.4 million pounds, up 13.8 percent; and New Jersey, 4.7 million pounds, down 7.8 percent.

American-type cheese production during July totaled 463.6 million pounds, up 2.3 percent from July 2020. American-type cheese output during the January-July 2021 period totaled 3.25 billion pounds, up 5.5 percent from the same period in 2020.

American-type production, with comparisons to July 2020, was: Wisconsin, 91.9 million pounds, up 6.1 percent; Minnesota, 51.9 million pounds, down 5.5; Idaho, 50.4 million pounds, down 9.4 percent; California, 45.8 million pounds, down 8.6 percent; Oregon, 18.9 million pounds, down 0.1 percent; Iowa, 14.5 million pounds, down 26.6 percent; and New York, 12.1 million pounds, up 0.4 percent.

Cheddar production totaled 321.8 million pounds, down 0.3 percent from July 2020. Cheddar output during the first seven months of 2021 totaled 2.3 billion pounds, up 4.7 percent from the first seven months of 2020.

Production of other American-type cheeses during July totaled 141.9 million pounds, up 8.9 percent from July 2020.

### Italian & Other Cheeses

July production of Italian-type cheeses totaled 484.4 million pounds, up 6.5 percent from July 2020. Production of Italian-type cheeses during the first seven months of 2021 totaled 3.35 billion pounds, up 1.6 percent from the first seven months of 2020.

July production of Italian cheeses in the states broken out by NASS, with comparisons to July 2020, was: Wisconsin, 141.9 million pounds, up 4.4 percent; California, 135.7 million pounds, up 5 percent; Idaho, 29.8 million pounds, up 5; New York, 24.4 million pounds, down 15.4 percent; Pennsylvania, 22.9 million pounds, up 13.3; Minnesota, 10.6 million pounds, up 62.9 percent; and New Jersey, 2.4 million pounds, up 3.1.

Mozzarella production during July totaled 377.7 million pounds, up 3.5 percent from July 2020. Mozzarella output during the January-July period totaled 2.6 billion pounds, up 0.1 percent from the same period last year.

Production of other Italian cheese varieties, with comparisons to July 2020, was: Parmesan, 42.5 million pounds, up 41.8 percent; Provolone, 34.3 million pounds, up 7.7 percent; Ricotta, 16.6 million pounds, down 10.4 percent; Romano, 5.9 million pounds, up 32.7 percent; and other Italian types, 7.4 million pounds, up 37.9.

Production of other cheese varieties, with comparisons to July 2020, was:

***Swiss cheese:*** 28.7 million pounds, up 8.9 percent.

***Cream and Neufchatel:*** 86.2 million pounds, down 4.3 percent.

***Brick and Muenster:*** 16.1 million pounds, down 1.1 percent.

***Hispanic cheese:*** 30.3 million pounds, up 2.8 percent.

***Blue and Gorgonzola:*** 6.7 million pounds, down 12.7 percent.

**Feta:** 14.4 million pounds, down 0.4 percent.

***Gouda:*** 5 million pounds, up 26.6 percent.

***All other types of cheese:*** 13.5 million pounds, down 1.3 percent.

### Whey Products Production

Production of dry whey, human, during July totaled 76 million pounds, down 6.2 percent from July 2020. Manufacturers' stocks of dry whey, human, at the end of July totaled 65.3 million pounds, down 24.3 percent from a year earlier but up 7.5 percent from a month earlier.

Lactose production, human and animal, during July totaled 98 million pounds, down 1.9 percent from July 2020. Manufacturers' stocks of lactose, human and animal, at the end of July totaled 128.3 million pounds, up 31.3 percent from a year earlier and 2.2 percent higher than a month earlier.

July production of whey protein concentrate, human, totaled 37.9 million pounds, down 3.6 percent from July 2020. Manufacturers' stocks of WPC, human, at the end of July totaled 60.1 million pounds, down 7.2 percent from a year earlier and 3.2 percent lower than a month earlier.

Production of whey protein isolates during July totaled 11 million pounds, up 13.3 percent from July 2020. Manufacturers' stocks of whey protein isolates at the end of July totaled 12.9 million pounds, down 29.1 percent from a year earlier and down 4.9 percent from a month earlier.

### Butter And Dry Milk Products

July butter production totaled 151.7 million pounds, down 0.8 percent from July 2020. Butter output during the first seven months of 2021 totaled 1.28 billion pounds, down 2 percent from the first seven months of 2020.

Regional butter production in July, with comparisons to July 2020, was: West, 80.7 million pounds, down 7.2 percent; Central, 60.6 million pounds, up 13.3 percent; and Atlantic, 10.4 million pounds, down 16.9 percent.

Nonfat dry milk production during July totaled 157.3 million pounds, down 5.3 percent from July 2020. NDM output during the January-July period totaled 1.3 billion pounds, up 9.3 percent from a year earlier.

Manufacturers' shipments of nonfat dry milk during July totaled 172.2 million pounds, up 25.2 percent from July 2020. Manufacturers' stocks of NDM at the end of July totaled 322.3 million pounds, up 2.7 percent from a year earlier but down 7.8 percent from a month earlier.

July production of other dry milk products, with comparisons to July 2020, was: skim milk powder, 51.1 million pounds, down 16.8 percent; dry whole milk, 12 million pounds, up 17.2 percent; milk protein concentrate, 11.7 million pounds, down 35.6 percent; and dry buttermilk, 9.2 million pounds, up 3.5 percent.

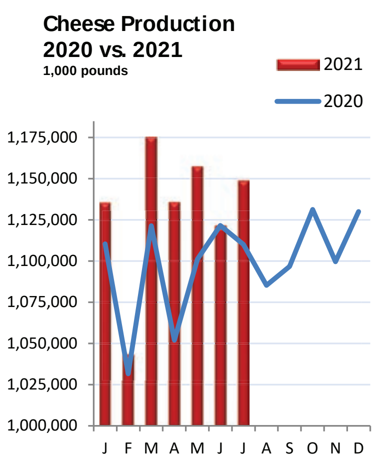
### Yogurt And Other Dairy Products

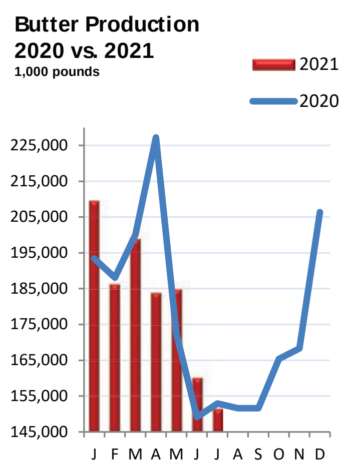
July production of yogurt, plain and flavored, totaled 394.2 million pounds, up 7.9 percent from July 2020. Yogurt output during the first seven months of 2021 totaled 2.8 billion pounds, up 4.4 percent from the first seven months of 2020.

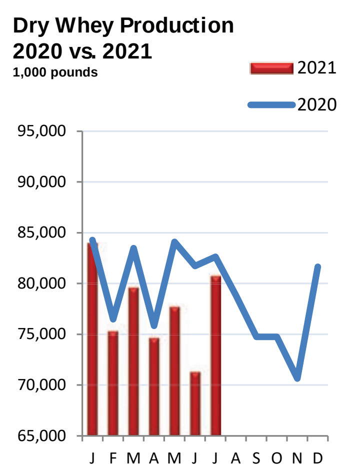
Sour cream production during July totaled 118.1 million pounds, up 4.8 percent from July 2020. Sour cream output during the January-July period totaled 844 milioin pounds, up 2.8 percent from the same period in 2020.

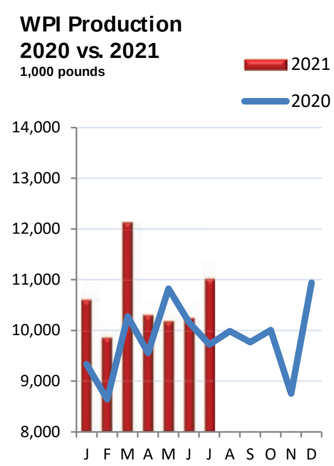
Cream cottage cheese production during July totaled 28.9 million pounds, down 7 percent from July 2020. Lowfat cottage cheese output during July totaled 27.2 million pounds, down 0.7 percent from a year earlier.

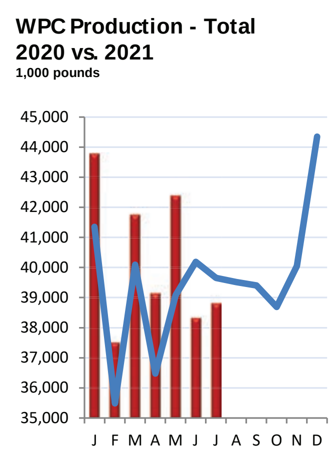
Regular ice cream production during July totaled 65.5 million gallons, down 11 percent from July 2020. Lowfat ice cream output during July totaled 44.4 million gallons, down 2.5 percent from a year earlier.

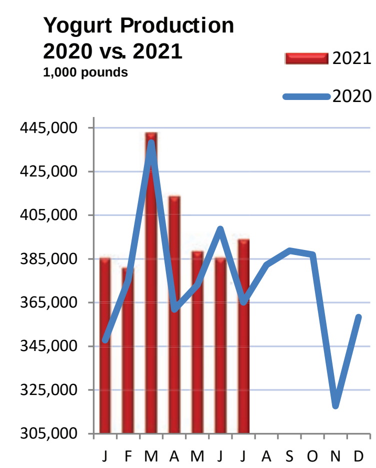


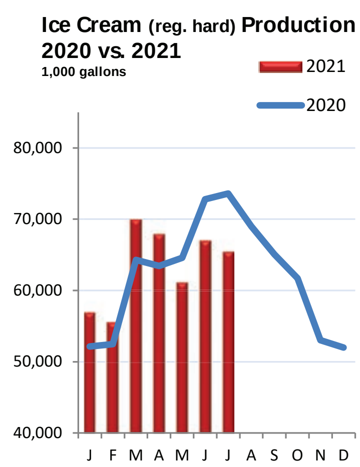



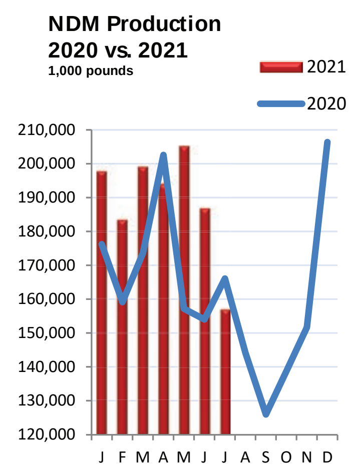



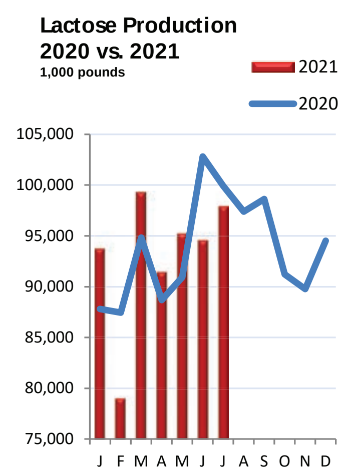



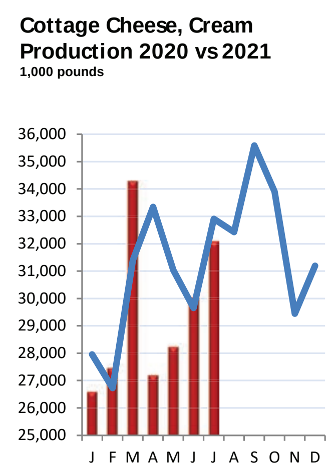



# Pennsylvania County Seeks Proposals To Build, Operate A Processing Plant

**Honesdale, PA—**Wayne county, PA, has issued a Request for Proposals from prospective private dairy plant operators who would lease a facility built to suit by a private developer on private land but packaged with certain public incentives.

Wayne county is located on the Northeast corner of Pennsylvania, bordering the state of New York.

Wayne county, with the assistance of USDA Rural Development, financed the preparation of a Feasibility Study and Business Plan for development of a dairy processing facility in the county that would utilize milk produced in the region.

The feasibility study, conducted by Shepstone Management Company, Inc., found that a Wayne county plant is financially feasible and, while there are risks, they are mitigated by the potential availability of county land and access to grants and low-cost capital.

The mission of this plant is to support the retention and possible expansion of the Wayne county dairy industry as a fundamental aspect of the county's economy and rural character.

Specifically, the goals of the stakeholders are: growing milk demand within Wayne county; enhancing milk pricing and farm income for Wayne county farmers; and supporting agri-tourism and retention of rural character as economic assets.

Given that hauling costs are likely to be most impactful with respect to bulk quantities of raw product, a processing plant located between New York City and large milk-producing areas can attract dairy producers, while positioning the processor to also get the finished product to market more economically.

The marketing plan for this venture is based on analyses of regional consumer demographics/profiles, consumer preferences and demand trends for dairy products, analysis of marketing/promotion outlets, and evaluations of regional competitors' annual advertising and marketing budgets.

The primary, secondary, and tertiary market region comprises 36 counties in Pennsylvania, New York, New Jersey and Connecticut — representing approximately 24 million people.

The demographics of the area's consumers are diverse but consist primarily of urban/suburban dwellers.

Cheese represents the greatest market potential for dairy products in the region, according to the marketing plan.

Wayne county offers a guaranteed supply of milk from a minimum of eight 75-cow dairies (roughly 40,000 pounds per day). However, Shepstone found in the study, with the Wayne dairies, neighboring counties offer a milkshed to support a large processing facility.

The county has identified a potential site in Waymart, PA, the study reported.

This proposed site is especially advantageous for siting a milk processing plant because it possesses wastewater treatment capacity required from the Waymart Area Authority and can accommodate the project efficiently due to the lessened need for pre-treatment of the whey.

It is anticipated Wayne county will solicit proposals from prospective private dairy operators who will lease a facility built to suit on private land but packaged with public incentives.

Those incentives will include but not necessarily be limited to the following:

- The county will seek assistance for equipment purchases. The Wayne county intends to apply for $250,000 of financial aid from the Appalachian Regional Commission to purchase certain selected equipment for the processing plant.
- Wayne county will, through the auspices of the Wayne Industrial Authority and/or the Wayne Economic Development Corporation, assist the selected processing plant operator with securing other financing as may be necessary or available through state and federal programs.
- The county, through its Workforce Development Program, will provide workforce training for employees and assist in the recruitment of this workforce. This can be accomplished by providing access to temporary financial assistance for that purpose.
- The county will provide product branding and marketing support to help position the operators' products in the marketplace.
- The county will assist the selected operator in securing zoning approvals.

Delivery of the incentives will be dependent on the availability of grant funds and other conditions that may be out of its control, stakeholders stated.

Requests for Proposals should be submitted to Wayne County Chief Clerk, Andrew Seder, at *aseder@waynecountypa.gov* by October 8. For concerns or with questions, call Seder at 570-253-5970 ext. 4050.

To view the Wayne county feasibility report, visit *www.waynecountypa.gov/CivicAlerts.aspx?AID=739*

## FDA Sets Oct. 19-21 Virtual Summit On Ensuring Safety Of Foods Ordered Online

**Silver Spring, MD—**The US Food and Drug Administration (FDA) is announcing that a virtual public meeting on ensuring the safety of foods ordered online will be held Oct. 19 through Oct. 21, 2021.

The purpose of the public meeting, entitled "FDA New Era of Smarter Food Safety Summit on E-Commerce: Ensuring the Safety of Foods Ordered Online and Delivered Directly to Consumers," is to engage with stakeholders and invite input on various topics pertaining to the implementation of Core Element 3.1 of the New Era of Smarter Food Safety Blueprint, which is ensuring the safety of food produced or delivered using new business models.

FDA is specifically inviting discussion and input on human and animal foods sold through business to consumer (B2C) e-commerce. B2C e-commerce is the manufacturing, packaging, labeling, storage, and delivery of human and animal foods sold directly to consumers through commercial transactions conducted electronically on the internet.

The summit will address a variety of topics related to human and animal foods sold through B2C e-commerce, including:

Types of B2C e-commerce models (e.g., produce and meal kit subscription services, ghost kitchens, dark stores); Safety risks associated with foods sold through B2C e-commerce; Standards of care used by industry to control these risks; Types of delivery models (e.g., third-party delivery, autonomous delivery models); Regulatory approaches to food sold through B2C e-commerce, including challenges and gaps that need to be addressed; and Labeling of foods sold through B2C e-commerce.

During the summit, experts from FDA, industry, academia, consumer and public health organizations, domestic and foreign governments will be asked to address these topics.

Each day, there will also be an opportunity for registered participants to ask questions and engage with these experts, as well as to offer open public comment.

Before the meeting date, FDA will post the agenda and additional background materials on its website (*www.fda.gov*).

Registration for this virtual public meeting is free and will be open through the day of the meeting. Comments may also be submitted through Nov. 20, at regulations.gov; the docket number is FDA-2021-N-0929.

## Biden Seeks To Require Firms With 100 Or More Workers To Require Vaccination Or Test

**Washington—**President Biden on Thursday announced that the US Department of Labor is developing an emergency rule to require all employers with 100 or more employees to ensure their workforces are fully vaccinated against COVID-19 or show a negative COVID test at least once a week.

"We're going to protect vaccinated workers from unvaccinated co-workers," Biden said. "We're going to reduce the spread of COVID-19 by increasing the share of the workforce that is vaccinated in businesses all across America."

The Department of Labor will require employers with 100 or more workers to give those workers paid time off to get vaccinated, Biden added.

While the consumer packaged goods industry supports efforts to vaccinate as many Americans as possible, Biden's announcement "prompts critical questions that require immediate clarification," said Geoff Freeman, president and CEO of the Consumer Brands Association. "As with other mandates, the devil is in the details. Without additional clarification for the business community, employee anxieties and questions will multiply.

"Our country's ability to increase vaccination rates hinges on federal agencies offering clear, detailed and timely guidance in hours, not weeks," Freeman continued. "Across the federal government, we will need to see a degree of coordination, rapid response and private sector engagement to be successful.

"We look forward to working with the administration to increase vaccination rates of essential workers throughout the country," Freeman added.

"We look forward to working with the administration to ensure any vaccine requirements are structured in a way that does not negatively impact the operations of manufacturers that have been leading through the pandemic to keep Americans safe," said Jay Timmons, president and CEO of the National Association of Manufacturers (NAM).

## Felice Thorpe Launches Specialty Food Consultancy

**Sausalito, CA—**Specialty food expert Felice Thorpe has announced the launch of Felice Foods, which focuses on creative problem solving, moving business with strategic ingenuity and understanding that great work is less about title and more about talent.

Thorpe's record has included building and scaling CPG brands and national product launches into Kroger, Whole Foods, and Sprouts. She also served as the Good Food Awards cheese chair.

Her experience also includes a past role as director of sales and marketing for O Olive Oil, where she launched an organic olive oil into Target and Walmart. She was then hired as national sales director for Point Reyes Farmstead Cheese. Also, Thorpe was the Northern California sales and cheese specialist for Chefs Warehouse.

"Your brand extends far beyond its products; it consists of a voice, a viewpoint, a target market, and a story," said Thorpe, who served as president of the California Artisan Cheese Guild in 2020.

Thorpe's consulting services include: go-to-market strategy; retail and food service distribution guidance; UPC and packaging transitions; sales and broker hiring and management; menu cost planning; research and development; category management; sales-product training; import/export; promotional management; e-commerce strategy; 12-month sales roadmap; sales meetings, tastings and demos; and partnerships and collaborations.

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

# In 2020, Protein Was The Most Valuable Component On Upper Midwest Order

## Butterfat Had Been Most Valuable Component From 2015 Through 2019

**Minneapolis, MN—**Last year, for the first time since 2014, protein was the most valuable component on the Upper Midwest federal milk marketing order, according to a recent study.

*Analysis of Component Levels and Somatic Cell Count in Individual Herd Milk at the Farm Level, 2020,* was written by Dr. Corey Freije, an agricultural economist with the Upper Midwest market administrator's office.

The study analyzes the component levels and values comprising milk production for the Upper Midwest order for 2020. The payroll data for producers who were associated with the Upper Midwest order were examined. On average, 9,865 dairy producers were associated with the market every month.

Multiple component pricing on the Upper Midwest order allows for component levels to be viewed in terms of the value of producer milk given its composition, the study explained. Milk values, for the purpose of this study, were calculated on an annual basis using monthly federal order component prices applied to producer milk associated with the Upper Midwest order during 2020.

These values reflect the aggregated value of butterfat, protein and other solids only. Other solids, for purposes of federalorder pricing, are defined as solids-not-fat (SNF) minus protein. Therefore, other solids consist primarily of lactose and ash.

The values do not include monthly producer price differentials (PPDs) for the Upper Midwest order, or premiums and/or deductions that handlers pooling milk under the order may apply to producer pay prices.

The cumulative value of butterfat, protein, other solids, with an adjustment for somatic cell count (SCC), averaged $19.84 per hundredweight. The value of each component was $6.79 for butterfat, $11.92 for protein, and 97 cents for other solids. The SCC adjustment for the year amounted to 16 cents.

At $11.92 per hundredweight, last year's protein value was at its highest level since 2014, when it was $11.79 per hundred. Since then, it never topped $8.00 per hundred from 2015 through 2019, falling as low as $5.16 per hundred in 2018, its lowest level since 2000, when it was $5.08 per hundred.

Meanwhile, at $6.79 per hundred, 2020's butterfat value was at its lowest level since 2013, when it was $6.35 per hundred. The butterfat value had reached a record high of $10.07 per hundred in 2017.

During the first 15 years that the Upper Midwest order was in effect (2000-2014), butter contributed more to the value of milk than protein just once, in 2001, when the butterfat value was $6.83 and the protein value was $5.92.

### Seasonal Variations

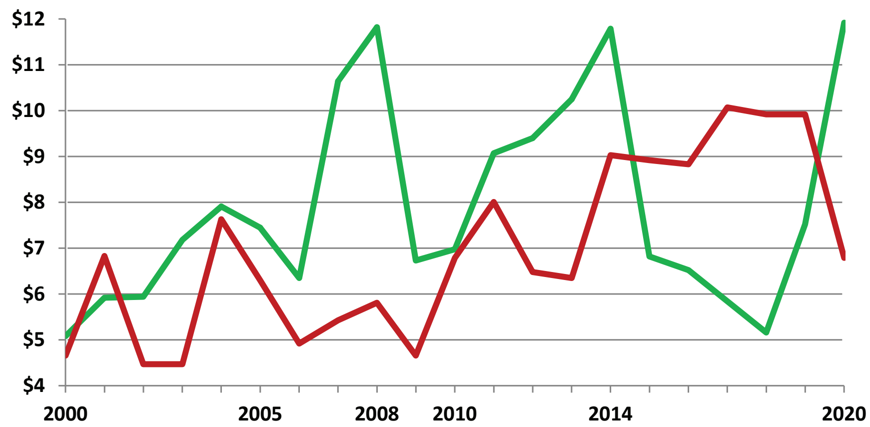
While widespread use of artificial insemination, freestall barns, and total mix rations have reduced milk production swings, seasonality is still present, the study noted. Seasonal production "spring flush" and the winter drop in production also lead to seasonal movements in component tests.

Butterfat, protein, and SNF tests generally have their lowest levels in July and peak in December. Somatic cell counts peak in the warm summer months and reach a low point in November. Other solids tests show little variation but usually peak in the spring or summer months.

Seasonal changes in component levels for 2020 appeared to be relatively normal, the study pointed out. During the year, butterfat levels rose from 4.03 percent in January to 4.04 percent in February, gradually fell to 3.80 percent in July, then gradually rose to 4.18 percent in December. The weighted average butterfat level for 2020 was 3.99 percent.

Protein levels increased from 3.21 percent in January to 3.22 percent in February, gradually declined to 3.01 percent in July, then gradually rose to 3.27 percent in December. The weighted average protein level for 2020 was 3.16 percent.

**Protein, Butterfat Values:**
**for Milk on the Upper Midwest Federal Order**
**Value per cwt: Source; Upper Midwest market**




Other solids rose from 5.73 percent in January to 5.80 percent in August, then fell to 5.78 percent in December. The weighted average other solids level last year was 5.77 percent.

SNF varied between 8.97 percent in February to 8.90 percent in May before falling to 8.79 percent in July and then rising to 9.05 percent in December. The weighted average SNF level in 2020 was 8.94 percent.

SCC fell from 173,000 in January to 168,000 in April before rising to a high of 202,000 in August and then falling to 164,000 in November.

The simple averages for butterfat, protein, other solids, and SNF were lower than the weighted averages for the respective components, indicating that larger producers (in terms of monthly milk deliveries) tended to have higher levels of these components than smaller producers. This is the first year this has been true for butterfat.

The simple average SCC of 232,000 was higher than the weighted average of 178,000, indicating that larger producers on average tended to have lower SCC than their smaller counterparts, the study found. Moreover, the median SCC level of 207,000 was also lower than the simple average, indicating that the distribution of SCC levels for the market was skewed toward higher levels.

Monthly average individual producer butterfat levels were as low as 0.78 percent and as high as 6.55 percent; protein levels ranged from 0.01 percent to 5.58 percent; other solids levels ranged from 2.46 percent to 6.95 percent; SNF levels ranged from 2.47 percent to 12.53 percent; and SCC ranged from 14,000 to 4,307,000.

### Components, SCC By State

Milk component levels and SCC were examined in the study for the seven states in the Upper Midwest marketing area: Wisconsin, Minnesota, Iowa, South Dakota, Illinois, North Dakota, and Michigan's Upper Peninsula.

Of the states that are wholly or partially located in the Upper Midwest marketing area, South Dakota had the highest weighted average butterfat test (4.28 percent), protein test (3.32 percent), and SNF test (9.11 percent).

Iowa had the highest weighted average other solids test (5.81 percent). Wisconsin had the lowest weighted average SCC (170,000), and Michigan's Upper Peninsula had the highest (237,000).

## Supply Growth

(Continued from p. 1)

out. Container availability woes continue to cause headaches for exporters.

Despite logistics problems, dairy commodities have continued to move through global markets, the report said. Global dairy import demand improved by 6 percent in product volume terms year over year across January through May.

China, the largest importer of global dairy commodities, posted a 31 percent year-over-year increase in import volume across the first half of the year, the report said. China is expected to reduce imports starting in 2021's second half. Global markets may be able to absorb lost sales through 2021, but pressure will be felt in 2022.

The near-term peak in global dairy commodity prices "is likely behind us," the report said. "Prices cooled in the second quarter and will be heavily dependent on import demand for the rest of this year, with all eyes on China as a source of risk to the downside."

Rabobank's report listed six things to watch in the second half of 2021:

—Inflation is straining supply chains and margins. Dairy and food companies are experiencing inflationary prices beyond dairy inputs. Costs and disruptions are being felt in everything from energy to packaging to labor. As these prices move to the consumer, demand may be negatively impacted.

—Regional differences in pandemic response. The timing of COVID-variant outbreaks and vaccine availability differs by region, and future flare-ups remain a risk. While consumers and supply chains have adapted well to varying degrees of lockdown in the US and EU, port disruptions and school and workplace closures remain a wild card.

—Chinese import appetite. A slowdown in China's import needs, at some point in the second half of 2021, seems likely. If Chinese import demand slows, inventory build and downward price pressure on milk powders will weigh on global dairy markets. Any deviations from expectations out of China will be watched closely by market participants.

—Milk price correction. Global dairy commodity prices headed downward during the second quarter of 2021 with the potential of further downside risk through the end of the year.

—New Zealand spring peak. New Zealand's season is off to a strong start and well-positioned for a strong and profitable year.

—Waning government support. Government support, ranging from fiscal stimulus to commodity purchases or storage aid, was prominent in the initial wave of COVID-19. As additional outbreaks occur, government aid is expected to be less forthcoming.

# New Products

**NEW DAIRY PRODUCTS, PACKAGING, PROMOTIONS**

## Pine River Launches Single Serve Spread

**Newton, WI**—Award-winning Pine River Pre-Pack, Inc. has just introduced its popular Cold Pack Cheese Spread in single-serve cups for added convenience and individual snacking.

The 2.5-ounce, single-serve portions are currently available in two flavors: Sharp Cheddar and Spicy Beer.

Sharp Cheddar, one of the company's top-selling flavors, is made with Wisconsin Aged Cheddar, blended to create a buttery Cheddar spread.

Spicy Beer is a blend of creamy Cheddar, cayenne pepper, garlic, and the bold flavor of artisanal beer.

Pine River's new line is ideal for grab-and-go bins at supermarkets, delis, cafeterias, and convenience stores.


Consumers can pair either flavor with pretzels or crackers, or go keto-friendly snack by pairing the spread with vegetables.

Each cup of contains 11 grams of protein and 240 calories.

For more information, list of retail outlets or to shop online, visit *www.pineriver.com*.

## Bloomy Rind Quinta Marks Point Reyes Cheese's 20 Years

**Point Reyes Station, CA**—When Point Reyes Farmstead Cheese opened its doors 20 years ago with Original Blue, its long-term goal was to offer a variety of styles that represented the region's exceptional milk supply.

Since then, Point Reyes has enjoyed the successful launch of aged, flavored and semi-hard cheeses, and has recently introduced a new soft-ripened, bloomy rind cheese: Quinta.

Originally called Project X, Quinta is the result of trial and error over several years. Product development staff worked out different variations before it finalized the perfect combination of milky, tangy, woodsy, herbaceous, sweet, savory, and spoon-able.

Its close variation is L'Edel de Cléron from the Jura mountain region along the French-Swiss border.

The name is representative of being the fifth core cheese in the company's line-up, honors its predominately Latinx workforce, and pays tribute to family ties from Portugal.

For more details, visit *www.pointreyescheese.com*.

# USDA Launches Separate Relief Programs For Farm And Food Workers, Small Ag Firms

**Washington**—US Secretary of Agriculture Tom Vilsack on Tuesday announced that $700 million in competitive grant funding will be available through the new Farm and Food Workers Relief (FFWR) grant program to help farmworkers and meatpacking workers with pandemic-related health and safety costs.

Also, to recognize the essential role and costs borne by front-line grocery workers, $20 million of the $700 million has been set aside for at least one pilot program to support grocery workers and test options for reaching them in the future.

The program will provide relief to farmworkers, meatpacking workers, and front-line grocery workers for expenses incurred due to the coronavirus pandemic. This relief is intended to defray costs for reasonable and necessary personal, family, or living expenses related to the pandemic, such as costs for personal protective equipment (PPE), dependent care, and expenses associated with quarantines and testing related to the pandemic.

A Request for Application (RFA) will be announced in early fall and will be open for 60 days. Additional information and technical assistance for applying for these grants and program updates will be provided by USDA when the application period opens.

Funds will be awarded through grants to state agencies, Tribal entities, and non-profit organizations serving farmworkers and meatpacking workers ranging from $5 million to $50 million. USDA is setting aside $20 million for at least one pilot to provide targeted support to front-line grocery workers.

Applications must be submitted electronically through *www.grants.gov*.

On Thursday, USDA announced it will soon publish Requests for Applications (RFAs) for new grant programs — the Pandemic Response and Safety (PRS) Grant program and the Seafood Processors Pandemic Response and Safety Block Grant program — to support agricultural stakeholders who haven't yet received substantial federal financial assistance in responding to the pandemic. These grant programs will provide assistance to small businesses in certain commodity areas, including small scale specialty crop producers and processors, meat and other processors, distributors, and farmers markets. About $650 million is available through the PRS.

# NE-DBIC To Study Level Of Interest In Producing Milk For Specialty Cheese

**Montpelier, VT**—The Northeast Dairy Business Innovation Center (NE-DBIC) has selected Karen Karp & Partners (KK&P) of Southold, NY, to study the level of interest from dairy farmers located in parts of Vermont and Massachusetts in producing milk specifically for specialty cheese production.

The assessment will include outreach to up to three cheese makers in Vermont and Massachusetts to identify their criteria for suppliers.

Information gathered from these cheese makers will likely include: milk quality, chemical, and technical specifications; flavor profile and cattle breed preferences; required on-farm and transportation-related food safety practices; desired farm management procedures, upstream supply and sourcing practices, organic and animal welfare certifications; production volume, frequency of delivery needs and distribution/transportation capacities; as well as pricing and other purchasing relationship considerations.

Following outreach to cheese makers, KK&P will develop a dairy farmer outreach strategy to develop a cohort of 10 to 12 dairy farmers to participate in interviews where they will identify challenges, incentives, and economic forces which may impact farmers' desire and/or ability to participate in the development and expansion of specialty cheese makers' fluid milk supply chains.

They will also assess interviewees' suitability and readiness to supply milk to the engaged cheese makers in conformity with the technical specifications and preferences that the cheese makers defined.

Based on the results, KK&P will report on the interest identified from farmers engaged during project outreach, their relative technical and organizational suitability to supply specialty cheese makers with milk, the ability of interested farmers identified to meet demand for milk amongst specialty cheese makers both within existing frameworks and future production projections, specific technical support required in order to reach a state of "readiness", and additional qualitative data as relevant.

The assessment will set the stage for NE-DBIC to help facilitate localized supply-chain relationships within the Northeast region's specialty cheese sector. Results will be made available in spring 2022.

Meanwhile, the NE-DBIC recently announced the awarding of grant funds through the Marketing and Branding Services Grant Program to 13 value-added dairy processors across six Northeast states. The funds will enable awardees to access professional marketing and branding services to elevate their businesses.

The grant program is intended to help increase consumer awareness of regionally produced dairy products, develop market channels and distribution opportunities to increase product placement, support innovative strategies to increase consumption, and increase business revenues.

The awarded businesses produce a range of dairy products, from yogurt and ice cream to more specialized products such as chocolate goat milk, ice cream cakes, artisan cheeses, or A2 milk.

Over the next year, the grantees will partner with marketing and branding professionals on projects to refresh and relaunch brands, develop new products, diversify market channels, advance digital marketing strategies, and more.

The grants range from $15,000 to $50,000, with grantees required to match at least 25 percent of the awarded funds with either in-kind or cash funds.

Next month, the NE-DBIC will release the new Dairy Business Viability and Technical Assistance Grant program, which will provide grants to dairy processors, producer associations, supply chain businesses, and technical assistance providers to access and/or provide technical assistance services that benefit multiple dairy producers and/or processors.

Technical assistance services could include enhancing business plans, facility operations, marketing, distribution, processing, and product offerings in order to increase consumption of regionally produced dairy products, sales, jobs, and diverse markets.

Grants will range from $10,000 to $100,000, with a 25-percent cash or in-kind match commitment required. A total of $500,000 will be available under this program.

The NE-DBIC, hosted by the Vermont Agency of Agriculture, Food and Markets (VAAFM), is one of three USDA Dairy Business Innovation Initiatives (DBII) in the US.

The NE-DBIC serves all New England states, Delaware, New Jersey, New York, and Pennsylvania by supporting dairy businesses through projects that promote the development, production, marketing, and distribution of dairy products.

*For more information, visit https://agriculture.vermont.gov/dbic.*

# COMING EVENTS

www.cheesereporter.com/events.htm



## UW-River Falls Cheese Maker's Short Course Scheduled For Sept. 27-Oct. 1

**Madison**—The University of Wisconsin-River Falls will hold a five-day basic cheesemaking short course here Sept. 27-Oct. 1, 2021 at the Food Science Addition Building on campus.

This in-person course is designed for farmstead cheese makers as well as apprentice cheese makers from industry.

Sessions focus on the basic steps in cheese manufacture and provide opportunities to gain hands-on experience in the cheesemaking process.

UNIVERSITY OF WISCONSIN
River Falls

Completion of the course will give students six months' credit toward their apprenticeship requirement for a Wisconsin cheese maker's license.

To take the Wisconsin Cheese Makers license exam, participants are responsible for registering themselves for the exam at least two weeks prior to the course.

Specific topics of discussion include milk composition, cheesemaking principles, milk microbiology, pasteurization, regulations, and basic analysis.

Instructors will also cover milk and cheese analysis, coagulants, cheese defects, cultures, cleaning and sanitation, and basic labeling requirements.

Lab sessions will include production of Cheddar cheese, milk and cheese analysis, and sensory evaluation of cheese.

Cost to participate is $950 per student. The registration deadline is Sept. 17, and class size is limited to 30 students, short course organizers stated.

### Pasteurization Course Now Online

The UW-River Falls has moved its Pasteurization Short Course set for September 16-17 from an in-person workshop to an online format, organizers announced.

This two-day course will provide training for new pasteurizer operators.

Topics will include raw milk microbiology, pathogenic organisms, thermalizing, CIP requirements, VAT and HTST pasteurization, recording information, and placement of seals according to the course organizers.

Cost is $475 per student. Visit *marketplace.uwrf.edu/collections/dairy-prcessing-workshops*.

## SWCMA Meeting Set For Oct. 7 In Monroe

**Monroe, WI**—The Southwestern Wisconsin Cheesemakers Association (SWCMA) announced the return of its annual meeting here Thursday, Oct. 7 at Turner Hall.

The meeting will begin at 4:30 p.m., followed by a social hour and dinner sponsored by Daniel O'Brien, Sealed Air; Gary Pieper, Chr. Hansen; Fran Krajco, Nelson Jameson; Dave Potter, Dairy Connection; and Dave Welte, Hydrite Chemical.

Those planning on attending should notify SWCMA's Linda Lee by September 25 for an accurate dinner count.

Outstanding membership dues must also be paid at this time. To reserve a spot, contact Linda Lee: *llee@prairiefarms.com*.

The Association also announced current officers, including Ben Workman, Edelweiss Creamery, president; Luke Buholzer, Klondike Cheese, vice president; Shaya Guilbault, Decatur Dairy, secretary; and Paul Witke, Zimmerman Cheese, treasurer. Directors include, Paul Reigle, Ruedi Bucher, and Jake Niffenegger.

## PLANNING GUIDE

**Sept. 27-Oct. 8 – New Date & Format:** Fancy Food Show 2021 in a new completely virtual setting. Visit www.specialtyfood.com for more information.

•

**Sept. 27-30:** Pack Expo 2021, Las Vegas Convention Center, La Vegas, NV. For details, visit www.packexpolasvegas.com.

•

**Oct. 12-14:** NCCIA Conference, Wilbert Square Event Center, Brookings, SD. Online registration open at www.northcentralcheese.org.

•

**Oct. 25-28:** ADPI Dairy Ingredients Technical Symposium & Global Cheese Technology Forum, Peppermill Resort & Casino, Reno, NV. For details and registration information, visit www.adpi.org.

•

**Nov. 2-5:** Process Expo, McCormick Place, Chicago, IL. Visit www.myprocessexpo.com for details and registration information.

•

**Nov. 4:** World Cheese Awards, Oviedo, Spain. Details available at www.gff.co.uk/awards/world-cheese-awards.

•

**Nov. 14-16:** PLMA Annual Private Label Trade Show, Donald E. Stephens Convention Center, Chicago, IL. For more information, visit www.plma.org.

•

**November 15-17:** National Milk Producers Federation/Dairy Management Inc/United Dairy Industry Association Joint Annual Meeting will be held at The Mirage in Las Vegas, NV. Visit www.nmpf.org for details.

•

**Jan. 23-26, 2022:** Dairy Forum, J.W. Marriott Desert Springs Resort & Spa, Palm Desert, CA. Registration now available online at www.dairyforum.org.

•

**March 1- 3, 2022:** World Championship Cheese Contest, Madison, WI. Visit www.worldchampioncheese.org.

# MARKET PLACE

Serving the World's Dairy Industry Weekly — Since 1876

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## Equipment for Sale

**EQUIPMENT FOR SALE:** Cryovac 8600-14E with 3 Busch pumps, and Cryovac 8189 bag loader. Inspected by a Cryovac technician. Stored inside. Call Jim Morgan at 608-778-0001

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

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

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

**1820 Single Direction Cheese Cutter**

Reduces wire cutable product into uniform portions for dicing, shredding, or blending.

**GENMAC A Division of 5 Point Fabrication LLC.**
**1-888-243-6622**
**Email: sales@genmac.com**
**www.genmac.com**

## Equipment for Sale

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

## 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.

## Replacement Parts

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

## 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** or call 920-676-8287.

## Cheese Moulds, Hoops

**WILSON HOOPS:** 20 and 40 pound hoops available. Contact **KUSEL EQUIPMENT** at (920) 261-4112 email: *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*** for more information.

## 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**

## Real Estate

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

## Co-Packing, Manufacturing

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

## Warehousing

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

## Cheese & Dairy Products

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

**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 or 636-717-2100 ext. 1239

## Testing Services

## 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 for more information.**

## 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.bpmpaper.com**.

## 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.

## Help Wanted

Have you recently lost your job or down-sized from your position? Apply for a free subscription to Cheese Reporter by calling 608-316-3792.

## Pasteurizer Operator/Yogurt Maker

We're looking for a pasteurizer operator/yogurt maker who will initiate production and ensure processes are completed in compliance with SOPs. Experience in dairy processing including yogurt and cheese is essential. Developing working knowledge of Pasteurizer's sanitary equipment will be critical to ensure production flow and planning.

Responsibilities include:
- Oversee production
- Supervise, train and lead production team
- Operate and CIP pasteurizer, observe temperature and pressure gauges and other production equipment
- Ensure cleaning records
- Oversee setup for next day's production
- Support food safety and quality processes

Qualifications include:
- 1-3 years experience in dairy processing
- Commitment to food quality and safety
- Strong dedication to work independently
- Ensure paperwork is properly completed
- Ability to solve problems and conflicts

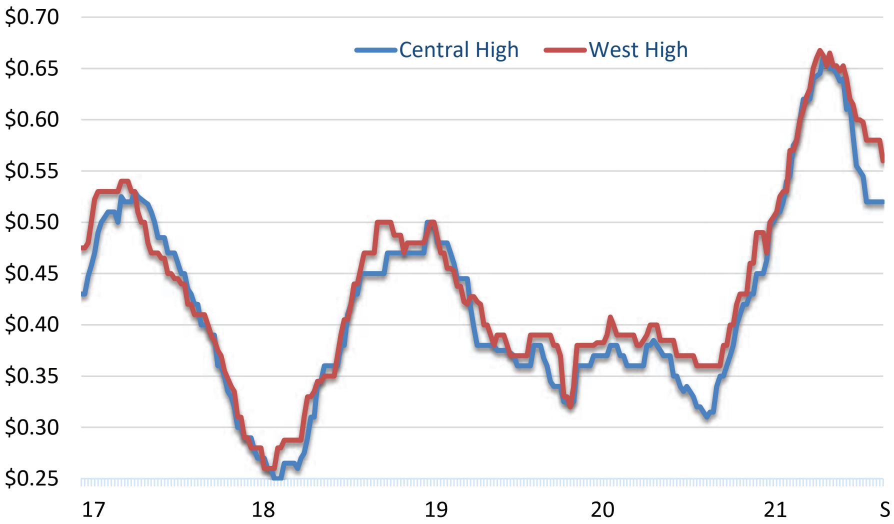
Penn Dairy

We are located in Winfield, PA. To learn more about Penn Dairy, visit www.penndairy.com

For a complete job description or to apply, contact: E: Numan@penndairy.com ■ Ph: 570-524-7700

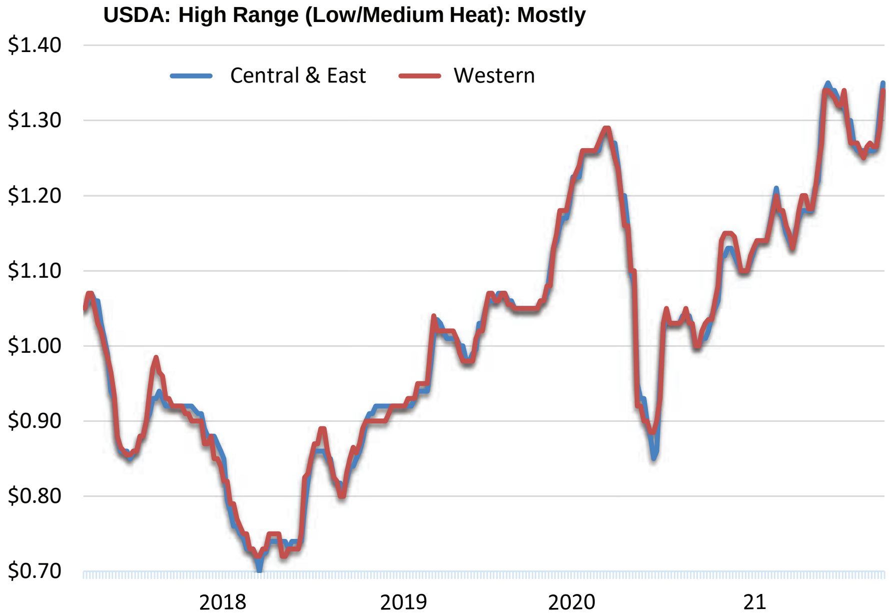
## Dry Whey Prices: 2017 – Sept 10, 2021

**High Range (Central and West: Mostly)**




## NDM Prices: Jan 2017 – Sept 10, 2021

**USDA: High Range (Low/Medium Heat): Mostly**

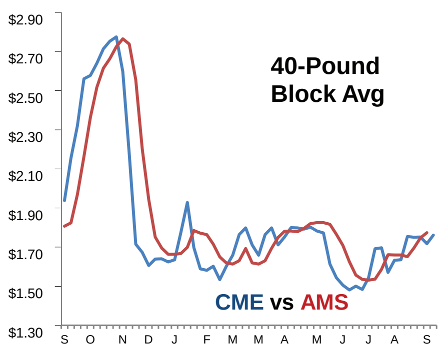



## HISTORICAL MILK PRICES - CLASS III

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| '19 | 13.96 | 13.89 | 15.04 | 15.96 | 16.38 | 16.27 | 17.55 | 17.60 | 18.31 | 18.72 | 20.45 | **19.37** |
| '20 | 17.05 | 17.00 | 16.25 | 13.07 | 12.14 | 21.04 | **24.54** | 19.77 | 16.43 | 21.61 | **23.34** | 15.72 |
| '21 | 16.04 | 15.75 | 16.15 | 17.67 | 18.96 | 17.21 | 16.49 | 15.95 | | | | |

## DAIRY PRODUCT SALES

**September 8, 2021**—AMS' **National Dairy Products Sales Report**. Prices included are provided each week by manufacturers. Prices collected are for the (wholesale) point of sale for natural, unaged Cheddar; boxes of butter meeting USDA standards; Extra Grade edible dry whey; and Extra Grade and USPH Grade A nonfortified NFDM.




| Week Ending | Sept. 4 | Aug. 28 | Aug. 21 | Aug. 14 |
|---|---|---|---|---|
| **40-Pound Block Cheddar Cheese Prices and Sales** | | | | |
| **Weighted Price** | | Dollars/Pound | | |
| US | 1.7737 | 1.7468• | 1.6957 | 1.6514• |
| **Sales Volume** | | | | |
| US | 13,084,772 | 13,002,619• | 11,588,221 | 11,074,277• |
| **500-Pound Barrel Cheddar Cheese Prices, Sales & Moisture Contest** | | | | |
| **Weighted Price** | | Dollars/Pound | | |
| US | 1.5817 | 1.5447 | 1.4865 | 1.4975 |
| **Adjusted to 38% Moisture** | | | | |
| US | 1.5011 | 1.4658 | 1.4105 | 1.4183 |
| **Sales Volume** | | Pounds | | |
| US | 14,197,797 | 13,460,143 | 15,193,483 | 15,831,728 |
| **Weighted Moisture Content** | | Percent | | |
| US | 34.67 | 34.66 | 34.66 | 34.54 |
| **AA Butter** | | | | |
| **Weighted Price** | | Dollars/Pound | | |
| US | 1.7527 | 1.6906• | 1.7317 | 1.6988 |
| **Sales Volume** | | Pounds | | |
| US | 1,026,114 | 3,437,533• | 1,189,054 | 1,910,450 |
| **Extra Grade Dry Whey Prices** | | | | |
| **Weighted Price** | | Dollars/Pounds | | |
| US | 0.5386 | 0.5514• | 0.5534 | 0.5611 |
| **Sales Volume** | | | | |
| US | 3,950,506 | 5,216,340 | 4,6268,210 | 5,765,395 |
| **Extra Grade or USPHS Grade A Nonfat Dry Milk** | | | | |
| **Average Price** | | Dollars/Pound | | |
| US | 1.2621 | 1.2619 | 1.2773• | 1.2579• |
| **Sales Volume** | | Pounds | | |
| US | 20,041,858 | 17,936,159• | 16,554,174 | 17,575,990• |

## DAIRY FUTURES PRICES

SETTLING PRICE *Cash Settled

| Date | Month | Class III | Class IV | Dry Whey | NDM | Block Cheese | Cheese* | Butter* |
|---|---|---|---|---|---|---|---|---|
| 9-3 | Sept 21 | 16.64 | 16.38 | 52.750 | 128.000 | 1.770 | 1.6530 | 176.750 |
| 9-6 | Sept 21 | — | — | — | — | — | — | — |
| 9-7 | Sept 21 | 16.73 | 16.40 | 52.500 | 129.000 | 1.780 | 1.6630 | 174.000 |
| 9-8 | Sept 21 | 16.70 | 16.40 | 53.250 | 129.025 | 1.780 | 1.6580 | 176.500 |
| 9-9 | Sept 21 | 16.63 | 16.40 | 53.000 | 129.025 | 1.780 | 1.6540 | 176.500 |
| 9-3 | Oct 21 | 16.85 | 16.60 | 49.950 | 131.600 | 1.762 | 1.6970 | 177.000 |
| 9-6 | Oct 21 | — | — | — | — | — | — | — |
| 9-7 | Oct 21 | 16.45 | 16.83 | 51.500 | 133.500 | 1.790 | 1.7440 | 174.000 |
| 9-8 | Oct 21 | 17.60 | 16.83 | 51.500 | 133.950 | 1.800 | 1.7580 | 178.000 |
| 9-9 | Oct 21 | 17.55 | 16.83 | 51.250 | 132.375 | 1.800 | 1.7500 | 179.500 |
| 9-3 | Nov 21 | 17.10 | 16.83 | 47.350 | 133.700 | 1.771 | 1.7340 | 178.750 |
| 9-6 | Nov 21 | — | — | — | — | — | — | — |
| 9-7 | Nov 21 | 17.47 | 17.01 | 49.000 | 135.275 | 1.781 | 1.7600 | 175.500 |
| 9-8 | Nov 21 | 17.61 | 17.05 | 49.950 | 135.650 | 1.800 | 1.7770 | 179.250 |
| 9-9 | Nov 21 | 17.50 | 17.05 | 49.750 | 134.500 | 1.800 | 1.7680 | 181.000 |
| 9-3 | Dec 21 | 17.42 | 17.00 | 47.325 | 135.000 | 1.794 | 1.7680 | 180.000 |
| 9-6 | Dec 21 | — | — | — | — | — | — | — |
| 9-7 | Dec 21 | 17.63 | 17.25 | 48.250 | 137.000 | 1.794 | 1.7810 | 178.000 |
| 9-8 | Dec 21 | 17.70 | 17.21 | 48.500 | 136.900 | 1.800 | 1.7850 | 180.250 |
| 9-9 | Dec 21 | 17.61 | 17.21 | 49.000 | 135.500 | 1.800 | 1.7820 | 180.750 |
| 9-3 | Jan 22 | 17.22 | 17.09 | 47.250 | 136.475 | 1.800 | 1.7520 | 180.975 |
| 9-6 | Jan 22 | — | — | — | — | — | — | — |
| 9-7 | Jan 22 | 17.41 | 17.20 | 47.500 | 137.500 | 1.800 | 1.7530 | 178.000 |
| 9-8 | Jan 22 | 17.36 | 17.35 | 48.000 | 137.250 | 1.800 | 1.7600 | 178.450 |
| 9-9 | Jan 22 | 17.36 | 17.14 | 48.750 | 135.650 | 1.800 | 1.7600 | 180.025 |
| 9-3 | Feb 22 | 17.21 | 17.10 | 47.250 | 136.000 | 1.805 | 1.7600 | 180.000 |
| 9-6 | Feb 22 | — | — | — | — | — | — | — |
| 9-7 | Feb 22 | 17.43 | 17.25 | 47.425 | 138.350 | 1.805 | 1.7610 | 179.000 |
| 9-8 | Feb 22 | 17.40 | 17.25 | 48.000 | 137.250 | 1.805 | 1.7610 | 178.900 |
| 9-9 | Feb 22 | 17.48 | 17.025 | 49.000 | 135.975 | 1.805 | 1.7610 | 178.550 |
| 9-3 | Mar 21 | 17.34 | 17.20 | 47.775 | 136.000 | 1.814 | 1.7660 | 181.500 |
| 9-6 | Mar 21 | — | — | — | — | — | — | — |
| 9-7 | Mar 21 | 17.45 | 17.30 | 47.775 | 137.100 | 1.814 | 1.7700 | 182.675 |
| 9-8 | Mar 21 | 17.45 | 17.35 | 47.775 | 134.750 | 1.814 | 1.7700 | 179.250 |
| 9-9 | Mar 21 | 17.45 | 17.35 | 48.750 | 136.000 | 1.814 | 1.7720 | 183.000 |
| 9-3 | April 21 | 17.41 | 17.25 | 47.500 | 136.800 | 1.831 | 1.7720 | 184.500 |
| 9-6 | April 21 | — | — | — | — | — | — | — |
| 9-7 | April 21 | 17.53 | 17.44 | 47.500 | 138.000 | 1.831 | 1.7760 | 184.500 |
| 9-8 | April 21 | 17.53 | 17.45 | 47.500 | 138.000 | 1.831 | 1.7760 | 182.000 |
| 9-9 | April 21 | 17.59 | 17.45 | 47.500 | 135.700 | 1.831 | 1.7760 | 184.525 |
| 9-3 | May 22 | 17.41 | 17.24 | 47.500 | 136.500 | 1.840 | 1.7820 | 185.250 |
| 9-6 | May 22 | — | — | — | — | — | — | — |
| 9-7 | May 22 | 17.60 | 17.40 | 47.500 | 138.000 | 1.840 | 1.7870 | 184.500 |
| 9-8 | May 22 | 17.60 | 17.48 | 47.775 | 138.000 | 1.840 | 1.7870 | 184.000 |
| 9-9 | May 22 | 17.60 | 17.41 | 47.500 | 136.200 | 1.840 | 1.7890 | 185.325 |
| 9-3 | June 22 | 17.53 | 17.28 | 47.000 | 136.500 | 1.837 | 1.7940 | 185.250 |
| 9-6 | June 22 | — | — | — | — | — | — | — |
| 9-7 | June 22 | 17.57 | 17.50 | 47.000 | 138.150 | 1.837 | 1.7870 | 185.500 |
| 9-8 | June 22 | 17.62 | 17.50 | 47.000 | 138.000 | 1.837 | 1.7950 | 185.500 |
| 9-9 | June 22 | 17.62 | 17.42 | 47.000 | 136.500 | 1.837 | 1.7970 | 185.775 |
| 9-3 | July 22 | 17.53 | 17.28 | 47.975 | 136.325 | 1.798 | 1.7980 | 186.000 |
| 9-6 | July 22 | — | — | — | — | — | — | — |
| 9-7 | July 22 | 17.70 | 17.47 | 47.975 | 138.200 | 1.798 | 1.8020 | 186.000 |
| 9-8 | July 22 | 17.72 | 17.50 | 47.975 | 138.200 | 1.805 | 1.8060 | 186.000 |
| 9-9 | July 22 | 17.72 | 17.50 | 47.975 | 136.800 | 1.808 | 1.8080 | 186.000 |
| **Interest - Sept. 9** | | **23,211** | **3,846** | **3,505** | **6,887** | **3,362** | **20,139** | **7,809** |

# DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

## WHOLESALE CHEESE MARKETS

**NATIONAL - SEPT. 3:** Seasonal milk availability declines are being reported across the country. Spot prices in the Midwest are still solely reported at overages, from $.25 to $1.00 over Class. Last year, with a drastic virtual learning curve-ball thrown at the industry, prices were still at $5 under Class during week 35, with myriads of fewer milk loads moving into bottling for schools. Contacts view this year, at least so far, as a more traditional/comparable year than 2020, generally. National cheese demand ranges from steady to busy. Production has been active, but lighter milk and staffing shortages have deterred full-strength production schedules. Cheese markets lack stability.

**NORTHEAST - SEPT. 8:** Northeast cheese markets are currently stable. Regional milk supplies have been slightly mixed, although cheese makers are receiving a steady supply of milk for their immediate needs. Cheddar, Mozzarella and Provolone cheese makers are operating on fairly active production schedules for the near term. Inventory levels continue to be available for customers' contract and spot agreements at this time. Cheese sales are healthy in the foodservice sector. Schools are back in session and restaurants are also operating through an array of service options. Retail cheese sales are reportedly stable/level.

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

| | | | |
|---|---|---|---|
| Cheddar 40-lb blocks: | $2.1700 - $2.4575 | Process 5-lb sliced: | $1.4875 - $1.9675 |
| Muenster: | $2.1575 - $2.5075 | Swiss Cuts 10-14 lbs: | $3.3850 - $5.7075 |

**MIDWEST AREA - SEPT. 8:** Cheese producers report similar tones week to week. Midwestern cheese makers say demand remains un-compromised regarding the continued COVID-19 resurgences. Pizza cheese, curds, and cut-and-wrap/retail varieties are all moving well. Production hiccups are regularly reported throughout the region. Employee shortages have plant managers working with fewer during a strong demand season. Some contacts do not foresee a short-term remedy for the current employment situation. Spot milk prices are similar to last week following the holiday weekend. Contacts say milk availability has begun to balance out after the initial school demand rush for bottled milk. Cheese market tones, despite the large block-to-barrel price gap, are moving somewhat bullishly early this week.

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

| | | | |
|---|---|---|---|
| Blue 5# Loaf : | $2.3550 - $3.4225 | Mozzarella 5-6#: | $1.8850 - $2.8300 |
| Brick 5# Loaf: | $2.0850 - $2.5100 | Muenster 5# Loaf: | $2.0850 - $2.5100 |
| Cheddar 40# Block: | $1.8075 - $2.2075 | Process 5# Loaf: | $1.4725 - $1.8325 |
| Monterey Jack 10# | $2.0600 - $2.2650 | Grade A Swiss 6-9#: | $2.9000 - $3.0175 |

**WEST - SEPT. 8:** Cheese sales have remained steady across both retail and foodservice markets. International demand for cheese is strong; contacts report notable purchasing for export to Asian markets. A shortage of truck drivers and limited available shipping supplies are causing delays to loads in the region. Loads intended for export are facing further delays due to port congestion. Market prices are trending higher on the CME, with block prices rising by $0.0425 and barrel prices increasing by $0.0900 since last Wednesday. While cheese barrels and blocks are both available for spot purchasing, inventories of blocks are, reportedly, tighter than barrels. Milk availability has declined seasonally, though cheese producers are able to obtain sufficient supplies to run busy schedules.

| **Wholesale prices delivered, dollars per/lb:** | | Monterey Jack 10#: | $2.0325 - $2.3075 |
|---|---|---|---|
| Cheddar 10# Cuts: | $2.0450 - $2.2450 | Process 5# Loaf: | $1.4900 - $1.7450 |
| Cheddar 40# Block: | $1.7975 - $2.2875 | Swiss 6-9# Cuts: | $3.1925 - $3.6225 |

**FOREIGN -TYPE CHEESE - SEPT. 8:** Availability of European cheeses has tightened as late summer demand has picked up and seasonal milk supply has trailed off. Foodservice, ingredient and retail cheese demand are each steady to higher. Contacts attribute the increased orders to schools reopening, a return of workers from summer holidays and some relaxing of COVID restrictions. European cheese production is held back by seasonally lower milk supplies. As a result, inventories for some types of cheese are tighter. European cheese exports have turned from more typical vacation locations to traditionally non-holiday markets. However buyers are still cautious as Delta variant COVID cases and freight costs increase, and the scarcity of shipping equipment makes transporting cheese more difficult.

| Selling prices, delivered, dollars per/lb: | Imported | Domestic |
|---|---|---|
| Blue: | $2.6400 - 5.2300 | $2.1775 - 3.6650 |
| Gorgonzola: | $3.6900 - 5.7400 | $2.6850 - 3.4025 |
| Parmesan (Italy): | 0 | $3.5650 - 5.6550 |
| Romano (Cows Milk): | 0 | $3.3675 - 5.5225 |
| Sardo Romano (Argentine): | $2.8500 - 4.7800 | 0 |
| Reggianito (Argentine): | $3.2900 - 4.7800 | 0 |
| Jarlsberg (Brand): | 0 | 0 |
| Swiss Cuts Switzerland: | 0 | $3.4200 - 3.7450 |
| Swiss Cuts Finnish: | $2.6700- 2.9300 | 0 |

## WHOLESALE BUTTER MARKETS - SEPTEMBER 8

**WEST:** Coming off the holiday weekend, contacts say cream is slightly more available than last week. Widespread driver shortages, though, remain a hindrance to hauling. Butter production varies throughout the West. While some plant managers are operating churns at capacity to grow inventories ahead of the holiday season, others are running reduced production schedules. Salted butter is available for spot and contract sales, but some market participants note that unsalted inventories are tighter. Food service demand is steady and has yet to be dampened by the Delta variant.

**CENTRAL:** Butter makers report cream is continuing to tighten up week to week, and spot trading was lighter. Seasonal drawdowns have begun to take place due to heat/humidity. That said, because churns were not as active this holiday weekend, there was still some availability for butter makers. Outside of the holiday weekend, some plant managers say cream is out of their fiscal reach. Butter plant managers continue to report employee shortage concerns. Additionally, truck drivers are short and cream hauling issues continue to be reported, particularly more cream rejections were reported due to heat over the holiday weekend. Butter market tones are awaiting direction. As the stronger demand season looms, some contacts foresee strengthening prices/tones upcoming.

**NORTHEAST:** According to some butter market representatives, surplus cream was not at the typical Labor Day levels, which curbed the usual thrust in butter output over the period. Stocks are stable. In the early week, regional spot cream is exchanging with high 1.30s multiples. Hurricane Ida had little to no effect on most butter operations, but plant productivity continues to be put to the test from trucking and labor issues.

## NATIONAL - CONVENTIONAL DAIRY PRODUCTS

The most advertised dairy item this week is conventional 48- to 64-ounce containers of ice cream. The national average price is $3.08, unchanged from last week. No ads featured organic 48- to 64-ounce ice cream. Conventional 16-ounce sour cream has an average advertised price of $1.70. Organic sour cream in 16-ounce containers has an average advertised price of $2.58, giving an organic premium of $0.88.

The most advertised cheese item, conventional 8-ounce shred cheese, has an average advertised price of $2.56, up $0.37 from last week. Organic 8-ounce shred cheese advertised prices average $4.00, resulting in a $1.44 organic price premium. Conventional cheese ads decreased 31 percent. Organic cheese was not advertised last week.

Ads for organic Greek yogurt in 32-ounce containers increased 87 percent with an average price of $4.83, down $0.72 from last week. Conventional yogurt ads are up 4 percent. Organic yogurt ads grew 82 percent. The national average price for conventional half-gallon milk is $2.64, up $0.40 from last week. The average price for organic half-gallons is $4.17.

## RETAIL PRICES - CONVENTIONAL DAIRY - SEPTEMBER 10

| Commodity | US | NE | SE | MID | SC | SW | NW |
|---|---|---|---|---|---|---|---|
| Butter 1# | 2.85 | 2.77 | 2.48 | 2.83 | 2.27 | 3.06 | 3.41 |
| Cheese 8 oz block | 2.63 | 2.06 | 3.26 | 2.55 | 2.58 | 3.00 | 1.67 |
| Cheese 1# block | 3.97 | NA | NA | 3.60 | 2.99 | 4.98 | NA |
| Cheese 2# block | 6.79 | NA | NA | 6.00 | 5.77 | 6.96 | 6.81 |
| Cheese 8 oz shred | 2.56 | 2.28 | 2.87 | 2.51 | 2.46 | 2.50 | 2.45 |
| Cheese 1# shred | 4.04 | 3.99 | 3.99 | 3.00 | NA | 4.98 | NA |
| Cottage Cheese | 1.98 | 2.42 | 2.07 | 2.07 | 1.25 | 1.41 | 1.56 |
| Cream Cheese | 1.78 | 2.36 | 1.55 | 1.55 | 1.66 | 1.00 | NA |
| Flavored Milk ½ gallon | 2.80 | NA | NA | NA | 1.57 | NA | 3.79 |
| Flavored Milk gallon | 3.56 | NA | 3.50 | 3.50 | NA | NA | 2.50 |
| Ice Cream 48-64 oz | 3.08 | 2.99 | 3.04 | 2.99 | 3.40 | 3.36 | 3.35 |
| Milk ½ gallon | 2.64 | 2.56 | NA | NA | 2.67 | NA | NA |
| Milk gallon | 2.50 | NA | NA | NA | NA | NA | 2.50 |
| Sour Cream 16 oz | 1.70 | 1.89 | 1.63 | 1.67 | 1.45 | 1.54 | 1.84 |
| Yogurt (Greek) 4-6 oz | .99 | .96 | .99 | 1.10 | 1.10 | 1.00 | .89 |
| Yogurt (Greek) 32 oz | 4.95 | 5.21 | 5.25 | 4.07 | NA | NA | 4.99 |
| Yogurt 4-6 oz | .55 | .56 | .69 | .52 | .49 | .42 | .47 |
| Yogurt 32 oz | 2.59 | 2.50 | 2.99 | NA | 1.99 | 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: | | | |
|---|---|---|---|
| Butter 1 lb: | $5.79 | Yogurt 32 oz: | $3.73 |
| Cheese 8 oz shred: | $4.00 | Greek Yogurt 32 oz: | $4.83 |
| Cheese 8 oz block: | NA | Milk UHT 8 oz: | NA |
| Cream Cheese 8 oz: | $2.58 | Milk ½ gallon: | $4.17 |
| Cottage Cheese 16 oz: | $3.64 | Milk gallon: | $6.20 |
| Yogurt 4-6 oz: | $1.25 | Sour Cream 16 oz: | $2.58 |
| | | Ice Cream 48-64 oz: | NA |

## NDM PRODUCTS - SEPTEMBER 9

**NDM - CENTRAL:** Low/medium heat NDM market tones got a shot in the arm these past two weeks. Prices increased at all facets for the second consecutive week. Lower overall seasonal milk output and stronger pulls on off-the-farm milk to Class I is factoring into the bullish equation. More cheese makers in the past month have reported utilizing NDM to fortify for their production needs. There are still available spot loads, but demand has begun to catch up to supply. High heat NDM supplies are being outpaced by demand.

**NDM - WEST:** Demand for low/medium heat NDM has held steady in both domestic and international markets. Contacts report notable purchasing of loads for export to Mexico. Inventories of low/medium heat are tight; some spot purchasers are having difficulty obtaining loads. Drying operations are running busy schedules, as milk continues to be available for production. The price range for high heat NDM shifted higher this week. Demand is steady, while inventories of high heat have remained tight. Production is limited, as plant managers continue to favor the production of low/medium heat.

**NDM - EAST:** Eastern low/medium heat NDM prices perked up on a somewhat active trading week. Even though a majority of prices were reported from the Central region, eastern price shifts mirror those of the Central region and have moved solely above $1.30 and into the low/mid $1.30s. Buyers are less hesitant to purchase loads, as general demand has begun to match a lightening supply. Condensed skim availability has been stable to lower in recent weeks. NDM production is active, but production facilities are facing staffing shortages. Export reports are evidence of growing pulls from Mexico and China for the first half of 2021

**LACTOSE:** Lack of containers and vessel space is still a major concern. Industry contacts suggest the shipping headaches are having a bigger impact on market conditions than actual supply and demand. In some cases, contracts are getting settled but with the caveat that the lactose will ship within certain time-frames. In other cases, buyers are in no hurry to sign contracts. Some contract prices in Southeast Asia are under pressure due to increased competition and growing inventories.

## WEEKLY COLD STORAGE HOLDINGS

SELECTED STORAGE CENTERS IN 1,000 POUNDS - INCLUDING GOVERNMENT

| DATE | BUTTER | CHEESE |
|---|---|---|
| 09/06/21 | 67,600 | 85,096 |
| 09/01/21 | 68,130 | 85,055 |
| Change | -530 | 41 |
| Percent Change | -1 | 0 |

## CME CASH PRICES - SEPTEMBER 6 - 10, 2021

Visit www.cheesereporter.com for daily prices

| | 500-LB CHEDDAR | 40-LB CHEDDAR | AA BUTTER | GRADE A NFDM | DRY WHEY |
|---|---|---|---|---|---|
| **MONDAY September 6** | No Trading | No Trading | No Trading | No Trading | No Trading |
| **TUESDAY September 7** | $1.4300 (+3¾) | $1.7350 (NC) | $1.7875 (-1) | $1.3600 (+2) | $0.5050 (+2) |
| **WEDNESDAY September 8** | $1.4700 (+4) | $1.7525 (+1¾) | $1.7850 (-¼) | $1.3575 (-¼) | $0.5175 (+1¼) |
| **THURSDAY September 9** | $1.4900 (+2) | $1.7725 (+2) | $1.7900 (+½) | $1.3450 (-1¼) | $0.5275 (+1) |
| **FRIDAY September 10** | $1.4775 (-1¼) | $1.7900 (+1¾) | $1.7850 (-½) | $1.3575 (+1¼) | $0.5300 (+¼) |
| **Week's AVG $ Change** | **$1.46688 (+0.08438)** | **$1.7625 (+0.0455)** | **$1.78688 (+0.0665)** | **$1.3550 (+0.0310** | **$0.5200 (+0.0300)** |
| **Last Week's AVG** | **$1.3825** | **$1.7170** | **$1.7675** | **$1.3240** | **$0.4900** |
| **2020 AVG Same Week** | **$1.65375** | **$2.15625** | **$1.49063** | **$1.03813** | **$0.3425** |

## MARKET OPINION - CHEESE REPORTER

**Cheese Comment:** Tuesday's block market activity was limited to an unfilled bid for 1 car at $1.7250, which left the price unchanged at $1.7350. No blocks were sold Wednesday; the price increased on an unfilled bid for 1 car at $1.7525. No blocks were sold Thursday; the price rose on an unfilled bid for 1 car at $1.7725. Block market activity on Friday was limited to an unfilled bid for 1 car at $1.7900, which raised the price. The barrel price increased Tuesday on an unfilled bid at $1.4300, rose Wednesday on a sale at $1.4700, climbed Thursday on a sale at $1.4900, then fell Friday on a sale at $1.4775.

**Butter Comment:** The price declined Tuesday on a sale at $1.7875, fell Wednesday on a sale at $1.7850, rose Thursday on a sale at $1.7900, then fell Friday on a sale at $1.7850.

**Nonfat Dry Milk Comment:** The price increased Tuesday on a sale at $1.3600, declined Wednesday on a sale at $1.3575, dropped Thursday on a sale at $1.3450, then increased Friday on a sale at $1.3575.

**Dry Whey Comment:** The price rose Tuesday on an unfilled bid at 50.50 cents, increased Wednesday on an unfilled bid at 51.75 cents, rose Thursday on an unfilled bid at 52.75 cents, and increased Friday on a sale at 53.0 cents.

## WHEY MARKETS - SEPTEMBER 6 - 10, 2021

RELEASE DATE - SEPTEMBER 9, 2021

**Animal Feed Whey—Central:** Milk Replacer: .3800 (NC) – .4200 (-2)

**Buttermilk Powder:**
Central & East: 1.2150 (NC) – 1.2975 (-¼) West: 1.2200 (+2) – 1.2950 (+1½)
Mostly: 1.2300 (+2) – 1.2500 (+½)

**Casein:** Rennet: 4.7000 (+10) – 4.9000 (+5) Acid: 4.7000 (NC) – 5.0800 (+18)

**Dry Whey—Central (Edible):**
Nonhygroscopic: .4400 (NC) – .5425 (-¾) Mostly: .4800 (+1) – .5200 (NC)

**Dry Whey–West (Edible):**
Nonhygroscopic: .4400 (-2¼) – .6125 (-¼) Mostly: .5100 (-1½) – .5600 (-2)

**Dry Whey—NorthEast:** .5000 (NC) – .5850 (NC)

**Lactose—Central and West:**
Edible: .3400 (NC) – .5600 (NC) Mostly: .4000 (NC) – .4800 (-2)

**Nonfat Dry Milk —Central & East:**
Low/Medium Heat: 1.2800 (+2½) – 1.3600 (+1) Mostly: 1.3000 (+2) – 1.3500 (+4)
High Heat: 1.4200 (+3) – 1.5500 (NC)

**Nonfat Dry Milk —Western:**
Low/Medium Heat: 1.2775 (+5¼) – 1.3875 (+2) Mostly: 1.3000 (+4) – 1.3400 (+5)
High Heat: 1.4150 (+5½) – 1.5325 (+3)

**Whey Protein Concentrate—Central and West:**
Edible 34% Protein: 1.0200 (NC) – 1.3300 (NC) Mostly: 1.0700 (-1) – 1.2175 (-¾)
**Whole Milk—National:** 1.8200 (NC) – 1.8500 (NC)

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

## HISTORICAL CME AVG BLOCK CHEESE PRICES

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| '09 | 1.0883 | 1.2171 | 1.2455 | 1.2045 | 1.1394 | 1.1353 | 1.1516 | 1.3471 | 1.3294 | 1.4709 | 1.5788 | 1.6503 |
| 10 | 1.4536 | 1.4526 | 1.2976 | 1.4182 | 1.4420 | 1.3961 | 1.5549 | 1.6367 | 1.7374 | 1.7246 | 1.4619 | 1.3807 |
| '11 | 1.5140 | 1.9064 | 1.8125 | 1.6036 | 1.6858 | 2.0995 | 2.1150 | 1.9725 | 1.7561 | 1.7231 | 1.8716 | 1.6170 |
| '12 | 1.5546 | 1.4793 | 1.5193 | 1.5039 | 1.5234 | 1.6313 | 1.6855 | 1.8262 | 1.9245 | 2.0757 | 1.9073 | 1.6619 |
| '13 | 1.6965 | 1.6420 | 1.6240 | 1.8225 | 1.8052 | 1.7140 | 1.7074 | 1.7492 | 1.7956 | 1.8236 | 1.8478 | 1.9431 |
| '14 | 2.2227 | 2.1945 | 2.3554 | 2.2439 | 2.0155 | 2.0237 | 1.9870 | 2.1820 | 2.3499 | 2.1932 | 1.9513 | 1.5938 |
| '15 | 1.5218 | 1.5382 | $1.5549 | 1.5890 | 1.6308 | 1.7052 | 1.6659 | 1.7111 | 1.6605 | 1.6674 | 1.6175 | 1.4616 |
| '16 | 1.4757 | 1.4744 | 1.4877 | 1.4194 | 1.3174 | 1.5005 | 1.6613 | 1.7826 | 1.6224 | 1.6035 | 1.8775 | 1.7335 |
| '17 | 1.6866 | 1.6199 | 1.4342 | 1.4970 | 1.6264 | 1.6022 | 1.6586 | 1.6852 | 1.6370 | 1.7305 | 1.6590 | 1.4900 |
| '18 | 1.4928 | 1.5157 | 1.5614 | 1.6062 | 1.6397 | 1.5617 | 1.5364 | 1.6341 | 1.6438 | 1.5874 | 1.3951 | 1.3764 |
| '19 | 1.4087 | 1.5589 | 1.5908 | 1.6619 | 1.6799 | 1.7906 | 1.8180 | 1.8791 | 2.0395 | 2.0703 | 1.9664 | 1.8764 |
| '20 | 1.9142 | 1.8343 | 1.7550 | 1.1019 | 1.6704 | 2.5620 | **2.6466** | 1.7730 | 2.3277 | 2.7103 | 2.0521 | 1.6249 |
| '21 | 1.7470 | 1.5821 | 1.7362 | 1.7945 | 1.6778 | 1.4978 | 1.6370 | 1.7217 | | | | |

## Higher Prices

(Continued from p. 1)

to total 230.6 billion pounds, down 600 million pounds from last month's forecast.

For 2021, USDA's fat basis dairy import forecast is unchanged from last month, while the fat basis export forecast is raised on strong sales of cheese and butter and milkfat.

The skim-solids basis import forecast for 2021 is unchanged from last month, but the export forecast is raised on firm global demand for skim milk powder (SMP), cheese, and whey.

For 2022, fat basis imports are raised on strong demand for imported cheese, while the fat basis export forecast is raised as US butter is expected to be remain competitive in international markets. No change is made to the 2022 skim-solids basis import forecast; however, skim-solids basis exports are raised from last month on continued strong global demand for SMP and whey.

For both 2021 and 2022, cheese, butter, and nonfat dry milk price forecasts are raised on improving demand and lower production. Cheese prices are now projected to average $1.6400 per pound in 2021 and $1.6550 per pound in 2022; butter prices are now projected to average $1.6900 per pound in 2021 and $1.7300 per pound in 2022; and nonfat dry milk prices are now projected to average $1.2250 per pound in 2021 and $1.2700 per pound in 2022.

The dry whey price forecast is unchanged from last month for both years; it's expected to average 55.5 cents per pound this year and 50.0 cents per pound next year.

The 2021 and 2022 Class III and Class IV price forecasts are both raised from last month on higher dairy product prices. The Class III price is now projected to average $16.65 per hundredweight in 2021 and $16.45 per hundred in 2022, while the Class IV price is now projected to average $15.55 per hundred in 2021 and $16.05 per hundred in 2022.

The all milk price forecast is also raised for both years, to $18.15 per hundred this year and to $18.40 per hundred next year.

This month's 2021/22 US corn outlook is for larger supplies, increased feed and residual use, greater exports, and higher ending stocks. Corn production for 2021/22 is forecast at 15.0 billion bushels, up 246 million from last month on increases to harvested area and yield.

The season-average corn price received by producers is lowered 30 cents from last month, to $5.45 per bushel.

The soybean meal price is forecast at $360 per short ton, down $25.00 from last month.