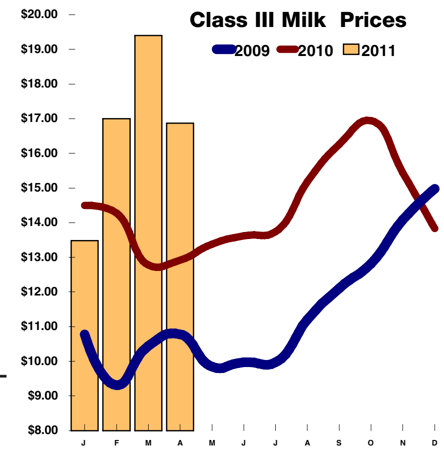
Serving the World's Dairy Industry Weekly
Since 1876

CHEESE REPORTER

Vol. 135, No. 44 • Friday, April 29, 2011 • Madison, Wisconsin



Proposed Voluntary Principles Would Limit Marketing Of Foods To Kids

Kids Would Be Encouraged To Choose Fat-Free Or Lowfat Dairy Products; Limits Urged For Saturated Fat, Salt In Foods For Kids

Washington—A working group of four federal agencies on Thursday released for public comment a set of proposed voluntary principles that can be used by the food industry as a guide for marketing food to children.

The proposal sets out two basic nutrition principles for foods marketed to children. First, advertising and marketing should encourage children to choose foods that make meaningful contributions to a healthful diet from food groups including fat-free or lowfat milk products, vegetables, fruit, whole grains, fish, extra lean meat and poultry, eggs, nuts or seeds, or beans.

Second, the saturated fat, trans fat, added sugars, and sodium in foods marketed to children should be limited to minimize the negative impact on children's health and weight.

The working group proposes that the food industry strive to market foods by the year 2016 that meet the proposed nutritional principles and marketing criteria. For sodium, the proposal includes interim targets for 2016 and final targets for 2021.

The proposed principles are voluntary and do not call for government regulation of food marketing. They are an opportunity for food and beverage manufacturers, public health advocates and others to provide comments that will inform the working group's final recommendations to Congress.

In 2009, Congress directed the Federal Trade Commission (FTC), the Food and Drug Administration (FDA), the US Department of Agriculture (USDA) and the Centers for Disease Control and Prevention (CDC) to establish an Interagency Working Group to develop recommendations for the nutritional quality of food marketed to children and adolescents, ages two to 17.

The working group now seeks public comment on the proposed voluntary nutrition and marketing principles it has developed.

Comments should be submitted no later than June 13, 2011. Comments filed in electronic form should be submitted by using the weblink, https://ftcpublic.commentworks.com/ftc/foodmarketedtochildreniwg.

The primary objective of the working group in developing recommendations for nutrition principles for foods marketed to children has been the promotion of children's health through better diet, with particular emphasis on reducing the incidence of childhood obesity.

The proposed recommendations are therefore designed to encourage children, through advertising and marketing, to choose foods that make a meaningful contribution to a healthful diet (Principle A) and minimize consumption of foods with significant amounts of nutrients that could have a negative impact on health or weight, specifically, sodium, saturated fat, trans fat, and added sugars (Principle B).

The Working Group recommends that, as industry develops new products and reformulates existing products, it should strive to create foods that meet both of these basic nutrition principles.

It further recommends that industry focus these efforts on those cate-

• See **Foods For Kids,** p. 4

US Cheese Production Posted A 3.6% Increase In 2010; Butter Output Fell; Yogurt Production Topped 4.0 Billion Pounds

Washington—US cheese production during 2010 totaled a record 10.436 billion pounds, up 3.6 percent from 2009, according to the *Dairy Products 2010 Summary,* which was released Wednesday by USDA's National Agricultural Statistics Service (NASS).

Production of Italian-type cheese last year, at 4.424 billion pounds, was up 5.8 percent from 2009, while output of American-type cheese, at 4.275 billion pounds, was up 1.7 percent from 2009.

Cheese production in the top five states last year, with comparisons to 2009, was as follows: Wisconsin, 2.61 billion pounds, up 0.6 percent; California, 2.197 billion pounds, up 6.8 percent; Idaho, 849.6 million pounds, up 2.2 percent; New York, 742.6 million pounds, up 1.9 percent; and New Mexico, 725.5 million pounds, up 19.1 percent.

Butter production last year totaled 1.56 billion pounds, down 0.5 percent from 2009. Nonfat dry milk output in 2010 totaled 1.56 billion pounds, up 3.4 percent from 2009.

Production of yogurt, plain and flavored, was a record 4.181 billion pounds last year, up 8.9 percent from 2009. Regular ice cream production in 2009 totaled 912.4 million gallons, down 0.6 percent from 2009.

Production of dry whey, human, totaled 960.7 million pounds in 2010, up 1.1 percent from 2009.

Further details about 2010 dairy product production will be reported in our *Dairy Production Extra* supplement next month. CR

Report Recommends Addition Of Whey Protein Concentrate To US Food Aid Blends

Washington—A two-year food aid quality review released Tuesday recommends that whey protein concentrate (WPC) be added to improve the formulation of some blended food products used in US food assistance programs.

Recommendations released by researchers from Tufts University outline concrete ways for the US Agency for International Development (USAID) and the US Department of Agriculture (USDA) to make enhancements to the impact of US food assistance.

The review, part of a longstanding USAID effort to improve the quality of food aid products and programs as priorities and needs evolve, identifies the high potential benefit of food aid focused on the nutritional requirements of older infants, young children, and pregnant and lactating women.

While numerous adjustments have been made over time in both food aid product composition and usage, this new review sought to assess what further changes are necessary, and how to pursue such changes in ways that are evidence-driven and can be carried out more swiftly and transparently than in the past.

The initial focus was on cereal-based fortified blended foods (FBFs), defined in the review as a category of cereal/vegetable protein/oil admixture that is fortified with a range of vitamins and minerals (micronutrients), with the possible addition of an animal-based source of protein, such as dairy.

The "workhorses" of the FBF category, corn-soy blend (CSB) and wheat-soy blend (WSB), have undergone a series of modifications and upgrades over time.

To better support defined nutritional goals while promoting optimal breastfeeding and infant feeding practices, the review recom-

• See **WPC Recommended,** p. 6

California's Marin French Cheese Company Being Acquired By Same French Cheese Firm That Owns Laura Chenel's Chevre

Petaluma, CA—Marin French Cheese Company on Tuesday announced that it has entered into a final agreement under which it will be acquired by Rians, a family-owned French cheese company.

The purchase agreement is subject to customary closing conditions and the transaction is expected to be completed in May 2011.

Jim Boyce, owner of Marin French Cheese since 1998, had considered a business alliance prior to his untimely death last September. He had met with potential partners,

• See **Marin French Cheese,** p. 5

INSIDE THIS ISSUE:

CHEESE REPORTER

Cheese Reporter Publishing Co. Inc. © 2011
2810 Crossroads Drive, Suite 3000
Madison, WI 53718-7972
(608) 246-8430 • Fax (608) 246-8431
http://www.cheesereporter.com

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

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

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

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

REGULAR CONTRIBUTORS:
Mike Comotto, Bob Cropp, Don Dahlstrom,
Neville McNaughton, Ray Mueller,
Rice Dairy, Dan Strongin, John Umhoefer
You can e-mail our contributors at:
contributors@cheesereporter.com

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

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

Central Wisconsin Cheesemakers' and Buttermakers' Association
Jim Mildbrand, PO Box 160
Greenwood, WI 54437

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

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

International Dairy-Deli-Bakery Association
Carol Christison, P.O. Box 5528,
Madison, WI 53705

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

Nebraska Cheese Association
Ed Price, 3104 Nebraska, Fremont, NE 68025

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

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

North Dakota Cheese Makers' Assn
Chuck Knetter, P.O. Box 309,
Medina, ND 58467

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

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

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

Wisconsin Cheese Makers' Association
John Umhoefer, 8030 Excelsior Drive,
Suite 305, Madison, WI 53717

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

EDITORIAL COMMENT

DICK GROVES

Publisher / Editor
Cheese Reporter
dgroves@cheesereporter.com

...weather-related factors are impacting the dairy industry both domestically and internationally. And we're not just talking about how...it will eventually be warm and dry enough to actually hold some industry golf outings.

A Dairy Outlook, Without The Dairy

Things are changing so rapidly in the dairy business these days that it's actually possible to discuss the dairy outlook without specifically mentioning anything about dairy.

Indeed, that's just what happened at this week's ADPI/ABI joint annual meeting in Chicago. Mary Ledman of Keough Ledman & Associates put together a panel that addressed various aspects of the dairy market outlook.

And yes, two speakers did specifically address dairy: Dennis Braun of RELCO looked at supply and demand trends for whey products, both on the protein side (whey powder, whey protein concentrate and whey protein isolate) and on the carbohydrate side (lactose, whey permeate), and Tim Hunt of Rabobank International looked at global dairy supply and demand more generally.

But the other two speakers were not the types of speakers you generally hear at a dairy conference. First, there was Mark Russo, a meteriologist at Chesapeake Energy Corporation.

When was the last time a dairy conference featured a meteorologist as a speaker? We're hard-pressed to remember any time over the last three-plus decades that this happened.

But today, weather-related factors are impacting the dairy industry both domestically and internationally. And we're not just talking about how difficult it is to convince people that it will eventually be warm and dry enough to actually hold some industry golf outings.

Related to that point, there are growing concerns (pardon the expression) in some regions of the US, such as the Upper Midwest, that very wet weather is going to shorten the growing season, with possible negative ramifications for crop yields and prices.

For example, the *Wisconsin Crop Progress* report from the Wisconsin Field Office of USDA's National Ag Statistics Service reported Monday (April 25) that, last week, there was only 1.0 day suitable for fieldwork statewide, and that growing degree days remain behind normal levels due to the cold weather (much of Wisconsin actually got hit with some unexpected snow last week).

To put this in recent historical perspective, a year ago, that same report noted that warm, dry conditions had allowed farmers to get ahead of schedule on their spring tillage and other fieldwork, although lack of rain was becoming a problem. That moisture eventually arrived and stayed the summer, as did the warm weather, which is why Wisconsin had record corn and soybean yields last year. That's unlikely in 2011.

Internationally, Russo noted a number of weather-related problems, such as a severe drought in Russia last summer that devastated wheat crops. And while he didn't specifically mention it, weather-related problems contributed to less-than-expected growth in milk production in both Australia and New Zealand.

Next up on the ADPI/ABI "dairy" outlook panel was Stephen Nicholson, chief economist at International Food Products Corporation. Headquartered in Fenton, MO, IFPC specializes primarily in commodities such as grains and sugar, which at first blush might make Nicholson an unlikely speaker at a dairy conference.

But these are unusual times in the dairy industry. Well, actually, these times are the "new normal" for the dairy industry, with many factors outside the industry's control having an increasing influence on the industry's prospects.

What are some of these factors? Nicholson listed several, including the weather, and also currency fluctuations, which impact everything from the price and therefore the competitiveness of dairy imports and exports to the prices of various energy inputs, particularly gas.

Then there's corn. If ever there was a non-dairy barometer of where dairy prices are headed, it's corn.

For example, three years ago, corn prices were at or near record highs, and so were milk prices. In 2009, corn prices softened considerably, and milk prices crashed.

Here in 2011, corn prices are even higher than they were a few years ago, and so far milk and most dairy product prices, including cheese and butter, are well above average. And it appears that there's more likelihood that corn prices will increase than decrease as this year progresses.

Why is that? Well, both Russo and Nicholson mentioned some things to watch later this year. Obviously the weather is one key; if there are weather-related problems, such as a drought, in some key corn-growing areas, corn prices could skyrocket and drive up the cost of producing milk.

Also, global demand will be worth watching. Basically, Nicholson explained, the balance sheet for corn is tight, and if either demand grows significantly or supply is constricted, prices will have to increase enough to ration demand.

This even spills over into the political arena (never a good thing), thanks to US ethanol policy. Nicholson pointed out that corn used for ethanol is now almost equal to corn used for feed.

While federal ethanol policy is set for this year, expect a heated debate later this year over the future of US ethanol policy. How that debate unfolds will likely depend, at least in part, on what happens with corn (and thus food) prices later this year.

So these are a few of the non-dairy factors that are expected to have considerable impacts on the dairy outlook in the months and years ahead. With so much uncertainty and outside influence, is it even possible to accurately forecast what to expect in the dairy business?

Yes, at least in one respect. It's safe to predict continued price volatility in the dairy business. With all of these outside factors changing daily if not more frequently, and milk prices already showing wide variation just during the first few months of 2011, continued price volatility is guaranteed.

And our expectation is that, despite what happened in 2009, this ongoing price volatility will take place well above historical norms.

CHEESE REPORTER (Publication Number: ISSN 0009-2142). Published weekly by Cheese Reporter Publishing Co. Inc., 2810 Crossroads Drive, Suite 3000, Madison, WI 53718-7972; Phone: (608) 246-8430; Fax: (608) 246-8431. Subscriptions: $130.00 per year in USA; Canada and Mexico: $185.00 per year; other foreign subscribers, please write for rates. Advertising and Editorial material are copyrighted material. Any use without publisher's consent is prohibited. Cheese Reporter does not endorse the products of any advertiser or any editorial material. POSTMASTER: If undeliverable, Form 35579 requested. Periodicals postage paid at Madison, WI. Address all correspondence to: Cheese Reporter, 2810 Crossroads Drive, Suite 3000, Madison, WI 53718-7972

FDA Seeks Permanent Injunction Against Company Over Raw Milk Distribution

Silver Spring, MD—The US Department of Justice (USDOJ), at the request of the Food and Drug Administration has filed a complaint for permanent injunction against Daniel L. Allgyer, owner of the Rainbow Acres Farm, Kinzers, PA, for distributing raw milk for human consumption in interstate commerce.

The complaint, filed last week in US District Court for the Eastern District of Pennsylvania, also alleges that Allgyer violated federal law by misbranding the "raw" milk containers by failing to provide the label information required by law. Allgyer was served with the complaint on Tuesday of this week.

"FDA has warned the defendant on multiple occasions that introducing raw milk into interstate commerce is in violation of federal law," said Dara A. Corrigan, FDA's associate commissioner for regulatory affairs.

FDA investigators had determined during an inspection of Rainbow Acres Farm that the farm was producing, packaging, selling, and distributing unpasteurized and unlabeled milk for human consumption in interstate commerce. The agency issued a Warning Letter to Allgyer in April of 2010, informing him of the violations and stating that regulatory action might be taken.

The farm has continued to operate in violation of federal law, FDA said. If the court grants an injunction, Allgyer may be prohibited from distributing unpasteurized milk and milk products for human consumption in interstate commerce.

Warning Letters To Cheese Firms

Meanwhile, FDA in recent weeks has sent Warning Letters to three cheese companies over various alleged violations.

FDA had inspected Schindler's Broad Run Cheese House, Inc., Dover, OH, on September 22-October 13, 2010, and on December 16, 2010. The agency's inspection found that the company had "serious deviations" of Current Good Manufacturing Practice (CGMP) in manufacturing, packing, or holding human food.

Because the company's Swiss cheese has been prepared, packed, or held under insanitary conditions whereby it may have been contaminated with filth, or whereby it may have been rendered injurious to health, the company's Swiss cheese "is adulterated" within the meaning of the Federal Food, Drug, and Cosmetic Act. Also, the agency reviewed the product labels for the company's Swiss cheese and determined that the product is misbranded.

During the inspection, FDA said it found several CGMP violations at Schindler's Broad Run Cheese House. In its Warning Letter, the agency acknowledged corrections at the plant observed on December 16, 2010.

Meanwhile, on January 10 and 11, 2011, FDA conducted an inspection of Galati Cheese Company Ltd., Windsor, Ontario. Based on findings during the inspection, FDA determined that the company has a "serious violation" of the CGMP in manufacturing, packing, or holding human food regulation.

The "signification violation" is that the company failed to store and transport finished food under conditions that will protect the food against contamination. Specifically, the company stores finished ready-to-eat Ricotta cheese products in plastic pails with pre-drilled orifices that are "ragged and not easily cleanable."

FDA conducted an inspection of Queseria Chipilo, Inc., Passaic, NJ, on August 9 through August 18, August 26 through September 23, and October 25 through November 8, 2010.

FDA collected a sample of Que Sabroso Oaxaca String Cheese during the August 9 through August 18 inspection. Laboratory analysis confirmed the presence of Listeria monocytogenes in the packaged ready-to-eat (RTE) finished product Oaxaca String Cheese, rendering the product adulterated.

The agency also collected three other sample numbers, consisting of 69 environmental swabs taken from food contact surfaces and non-food contact surfaces, during the August 9 through August 18, 2010, inspection. Laboratory analyses of these environmental swabs detected the presence of Listeria monocytogenes .

Pulsed Field Gel Electrophoresis (PFGE) testing results showed that seven Listeria monocytogenes isolates obtained from the environmental swabs collected from the Queseria Chipilo facility in August 2010 had an identical PFGE pattern with an isolate obtained from the company's finished product Que Sabroso Oaxaca String Cheese.

Further, during its inspections, FDA "observed significant violations" of the CGMP regulations.

FDA acknowledged that, beginning on August 26, 2010, the company voluntarily closed its facility, ultimately destroyed all of its cheese products and voluntarily recalled all cheese products that had been manufactured at the facility.

Based on the most recent FDA inspection, however, it is "apparent" that the company continues to operate under insanitary conditions which may reasonably cause contamination of the processing facility and finished product with Listeria monocytogenes, FDA said. r

USDA Final Rule Encourages Use Of Local Milk, Food Products In Child Nutrition Programs

Washington—USDA's Food and Nutrition Service (FNS) last Friday published a final rule that is intended to encourage the use of local farm products, including milk, in child nutrition programs.

This optional geographic preference provision in the procurement of unprocessed locally grown or locally raised agricultural products applies to institutions in all of the child nutrition programs, including the National School Lunch Program, School Breakfast Program, and Special Milk Program. The provision also applies to state agencies making purchases on behalf of any child nutrition program.

The geographic preference provision does not apply to purchases made by USDA.

USDA had published a proposed rule a year ago to solicit comments on the incorporation of the geographic preference option in child nutrition programs. The agency received 77 comments on the proposed rule.

In general, the comments were very supportive of the regulation as proposed, FNS said.

In this final rule, the term "unprocessed" precludes the use of geographic preference in procuring agricultural products that have significant value-added components.

In the final rule, FNS has included a list of acceptable food handling and preservation techniques for purposes of applying the geographic preference procurement option; such techniques include pasteurization for milk.

The proposed rule provided for allowing institutions operating the child nutrition programs to specifically define geographic areas from which they will seek to procure unprocessed local agricultural products.

Some 47 comments supported allowing the purchasing entity to define the local area in which the geographic preference option will be applied.

No objections to this provision were received; therefore, it is finalized in this rule as proposed.

Under the final rule, for example, a school food authority participating in the Special Milk Program may apply a geographic preference when procuring milk.

When utilizing the geographic preference to procure milk, the school food authority making the purchase has the discretion to determine the local area to which the geographic preference option will be applied.

This final rule is effective May 23, 2011. r

Foods For Kids

(Continued from p. 1)

gories of foods that are most heavily marketed directly to children, such as restaurant foods, snack foods, breakfast cereals, and carbonated beverages.

The Working Group recognizes that, if its proposed nutrition principles are fully implemented by industry as proposed, a large percentage of food products currently in the marketplace would not meet the principles.

It also recognizes that, while it may be feasible to reformulate some food products to meet the proposed nutrition principles, in many cases, reformulation would require substantial changes in the nutritional profile of the food, such as significant reductions in added sugars or sodium content.

Making substantial changes to the formulation of a food product may present both technical difficulties and challenges in maintaining the palatability and consumer acceptance of the product, the Working Group noted. Certain elements of the proposed nutrition principles may need to be adjusted to reflect these challenges.

> If food companies "are serious about addressing marketing to children, they'll agree to follow the proposed national marketing standards."
>
> Margo G. Wootan, CSPI

Therefore, the Working Group is seeking comment on viable alternatives to its proposed nutrition principles, especially alternatives that are drawn from federal nutrition policy and regulations, with focus on foods known to be heavily marketed to children.

Foods Heavily Marketed To Kids

A "substantial majority" of all food marketing to children and adolescents falls within a few specific categories of food products, the Working Group noted.

Three food categories—restaurant foods, snack foods and breakfast cereal — represented approximately 70 percent of food marketing expenditures directed to children under 12. Similarly, three categories of foods—restaurant foods, carbonated beverages, and non-carbonated beverages —represented 69 percent of the food marketing expenditures for adolescents ages 12 to 17 years of age.

While these categories represent the majority of foods marketed to children and adolescents, the food industry also heavily promotes several other categories of food products, the Working Group noted.

The categories most heavily marketed to children and adolescents include: dairy products; breakfast cereals; snack foods (such as chips, snack bars and pudding); prepared foods and meals (such as frozen pizzas and packaged entrees such as macaroni and cheese); frozen and chilled desserts (such as ice cream and frozen novelties); restaurant foods; candy; baked goods; carbonated beverages; and fruit juice and non-carbonated beverages (such as sports drinks and cocoa).

The Working Group is therefore recommending that the food industry focus its efforts on ensuring that any advertising or marketing of food products within these 10 categories meet the nutrition principles it sets out in its report.

The proposed nutrition principles apply to individual foods, as well as to main dishes and meal products.

Contribution To Healthful Diet

Nutrition Principle A is meant to ensure that children achieve a healthful diet, without overeating, by choosing individual foods that make a meaningful contribution to the diet and avoiding foods that do not.

Under this principle, individual foods marketed to children would contribute a significant amount of at least one of several food groups, including fat-free or lowfat milk products.

Main dishes would need to include a meaningful contribution from at least two different food groups as part of this contribution and meals would need to include a meaningful contribution from at least three different food groups.

The Working Group's proposal sets out two alternative approaches for quantifying what constitutes a significant contribution from these food groups:

Option 1: Under this option, food marketed to children would contain at least 50 percent by weight of one or more of the listed food groups, including fat-free or lowfat (1 percent) milk products.

Option 2: Under this option, specific minimum contributions are proposed for each of the listed food groups. For dairy, individual foods should contain 0.75 cups fat-free or lowfat milk or yogurt; one ounce fat-free or lowfat (1 percent) natural cheese; or 1.5 ounce fat-free or lowfat (1 percent) processed cheese.

Limit Saturated Fat, Sodium

The Working Group believes that, in addition to making a meaningful contribution to the diet, foods marketed to children should also be those with minimal quantities of nutrients that could have a negative impact on health and weight.

Nutrition Principle B therefore proposes targets for limiting four specific nutrients:

- Saturated fat: The proposed target for saturated fat in individual foods is one gram or less per Reference Amount Customarily Consumed (RACC). The proposed target for saturated fat in main dishes and meals is one gram or less per 100 grams and less than 10 percent of calories from saturated fat.
- Sodium: The Working Group believes that the food industry should work to significantly reduce the amount of sodium in food products, with the ultimate goal of achieving a sodium limit for foods marketed to children that parallels federal labeling regulations for low sodium: 140 milligrams per RACC for individual foods. It is also proposing to set an ultimate goal of 300 milligrams per serving for main dishes and meals.

The interim target (which the Working Group recommends industry should work to reach by 2016) for individual foods would be 210 milligrams per serving and the interim target for main dishes and meals would be 450 milligrams per serving.

- Added sugars: The proposed limit for added sugars in foods marketed to children is no more than 13 grams of added sugars per RACC for individual foods and per serving for main dishes and meals.
- Trans fat: Because there is no daily reference value for trans fat, the Working Group is proposing to set the target for trans fat at 0 grams per RACC for individual foods and also at 0 grams per labeled serving for main dishes and meals.

Proposed Standards Draw Praise

The Center for Science in the Public Interest (CSPI) praised as "strong and sensible" the standards proposed by the Working Group.

"A key weakness of the current self-regulatory approach to food marketing to children is that each company has its own strategically tailored standards," commented Margo G. Wootan, director of nutrition policy at CSPI. "While overall the standards look fairly similar, many have loopholes, like weak or no sodium standards for fast-food companies and weak sugar standards for cereal marketers."

If food companies "are serious about addressing marketing to children, they'll agree to follow the proposed national marketing standards," Wootan added.

"To their credit, some of the leading companies are already reformulating products and rethinking marketing strategies to promote healthier foods to kids. But we all have more work to do before we can tip the scales to a healthier generation of children," said Jon Leibowitz, FTC chairman.

"Creating a food marketing environment that supports, rather than undermines, the efforts of parents to encourage healthy eating among children will have a significant impact on reducing the nation's childhood obesity epidemic," said Health and Human Services Secretary Kathleen Sebelius. "These new principles will help food and beverage companies use their creativity and resources to strengthen parents' efforts to encourage their children to make healthy choices."

From Our Archives

50 YEARS AGO

April 28, 1961: Madison—The whys and wherefores of Babcock testing will be the subject of a series of meetings planned throughout the month. Donald Raffel, in charge of dairy inspection for the State Department of Agriculture, said there is no other test which affects the economy of so many in the dairy industry as this test.

Chicago—M.G. Bush of L.D. Schreiber & Co., Green Bay, WI, was elected president of the National Cheese Institute here this week. He succeeds Vilas Butler of Borden Foods, Plymouth, WI, who had served two terms in that office.

25 YEARS AGO

May 2, 1986: Washington—Food manufacturers should have more freedom to promote the nutritional benefits of their products to a public increasingly concerned with health issues, according to Herbert Baum, head of Campbell USA. He said he would like to see such information as the theory that dietary fiber can fight cancer, reports that calcium helps prevent osteoporosis and the relationship between vitamin C and colds.

Washington—US Sens. Robert Kasten (R-WI) and William Proxmire (D-WI) have introduced legislation to replace 44 milk marketing orders with a single, nationwide order. The bill is identical to one introduced earlier in the House by Reps. Bob Kastenmeier (D-WI) and Dave Obey (D-WI). Congress is unlikely to consider such legislation since the ink is barely dry on the 1985 farm bill.

10 YEARS AGO

April 27, 2001: Washington—US cheese production last year totaled a record-high 8.255 billion pounds, up 4.6 percent from 1999's output. That cheese production figure is actually about 9 million pounds lower than USDA's initial estimate of total 2000 cheese production. Still, it represents an expansion of some 360 million pounds over 1999 cheese production.

Arden Hills, MN—Land O'Lakes, Inc. and Alto Dairy Cooperative announced this week the formation of a marketing joint venture for commodity Cheddar and Mozzarella. Alto and LOL officials said the focus of the venture will be to enhance customer service, expand product offerings, reduce costs and provide customers with national product sourcing.

Wisconsin Milk Marketing Board Approves $30.6 Million Budget For Fiscal 2012

Madison—The Wisconsin Milk Marketing Board (WMMB) Tuesday unanimously approved a $30,585,000 promotional program budget for fiscal 2012 here.

The budget covers all national and in-state promotion and communication activities for WMMB's fiscal year 2012, which begins July 1 and runs through June 30, 2012.

Plans for the upcoming year will continue to support Wisconsin cheese promotion in all 50 states and maintain promotional activities within Wisconsin, where an estimated 10 percent of the state's cheese production is sold. At the national level, activities include retail and foodservice trade show promotions, buyer education, cheese usage training and education and special events showcasing Wisconsin cheese.

WMMB will continue to work in the national food retail channels with year-round, in-store promotions; manufacturer/marketer co-op product demonstrations; point-of-sale information and permanent in-store Wisconsin Cheese signage.

Additional focus on the pizza and sandwich categories is also planned.

The budget also continues support for the Wisconsin Center for Dairy Research (CDR). Since the CDR was established in 1986 at the University of Wisconsin-Madison, Wisconsin dairy farmers have invested more than $20 million in funding for CDR to help develop new products and solve manufacturing challenges for the state's cheese makers and dairy processors.

"Dairy farmers' commitment to ongoing dairy research is one of the central roles of this organization," said Jay Stauffacher, WMMB board chair and a dairy farmer from Darlington, WI. "And it has paid dividends by helping develop new products and research findings which have helped our organization build demand for our farmers' milk."

The channel management portion of WMMB budget totals $15,430,000. Of that, $4.15 million is for the retail channel; $1.73 million for the foodservice channel; $1.76 million for cheese company communications; $1.11 million for cheese education and events; $1.03 million for market research; $1.99 million for technical services; and $3.65 million for program resources.

A total of $13,629,000 has been budgeted for WMMB communications activities, including national advertising, in-school nutrition education programs conducted by the Wisconsin Dairy Council and statewide promotion programs for fluid milk and other Wisconsin dairy products.

Also included are June Dairy Month and Wisconsin State Fair activities and other in-state seasonal promotions such as fall chocolate milk, and holiday butter promotions and sports-oriented marketing promotions like Dairy Day at Miller Park and the WIAA state high school state tournaments.

In the communications section of the budget, $3.5 million has been budgeted for national communications; $3.03 million for local promotions; $950,000 for the Wisconsin Dairy Council; $2.1 million for corporation communications; $1.15 million for producer programs; and $2.89 million for program resources.

Support for Wisconsin's Alice in Dairyland program and the year-round activities conducted by County Dairy Leader Groups in 63 of Wisconsin's 72 counties are also part of the 2012 promotional plan.

The half-hour America's Dairyland television series and the weekly Wisconsin Dairy News segments which air during newscasts throughout the state will also continue next year.

The board also approved a measure that will allow the organization to reduce expenditures by $327,000 in fiscal 2012 on its America's Dairyland promotional merchandise catalog. This program will continue to offer a variety of items which help promote Wisconsin's dairy industry, but the function will be outsourced and become an online catalog.

The board will save money on warehousing of products, labor costs, credit card fees and other expenses associated with the previous ordering system. The new online catalog will offer real time order processing and same day shipping.

Catalog users will still be able to place orders by telephone, mail and fax as well.

"We could not have been able to offer this online service five years ago because not enough of our customers were using the Internet," said WMMB CEO James Robson. "Today, however, the vast majority of Wisconsin farmers are online."

In the national advertising area, plans include print advertising in national magazines and online website advertising. WMMB said its advertising will generate more than 200 million consumer impressions in fiscal 2012, and another 150 million impressions will be generated through the organization's national publicity activities.

The Wisconsin Chef Ambassador Program, which enlists support of nationally recognized chefs in telling the Wisconsin cheese story, is also included in the communications area, along with national product publicity activities aimed at placing stories about Wisconsin cheese in major consumer food magazines.

The budget also continues to support WMMB's websites and social media activities which generate over 3.0 million consumer visits each year. r

Marin French Cheese

(Continued from p. 1)

domestic and foreign cheese producers, during the past few years, searching for the perfect match to continue the spirit and philosophy of Marin French Cheese he developed during his ownership.

Kris Otis, Boyce's wife, continued his search along with the company's board of directors, carefully reviewing options prior to making a final decision. She noted that Jim had met several years ago with Hugues Triballat of Rians to forge this partnership.

"The board and I feel that Rians understands and will preserve Jim's vision," Otis said.

Details of the acquisition by Rians include completion of expansion plans for the cheese plant and aging facilities; ongoing support of community projects; stewardship of the company's 700 acres of Marin county land, including public picnic areas and the retail store; and retention of all members of the Marin French Cheese staff.

Maxx Sherman, longtime Marin French manager, will transition to a new role as director of national sales.

Rians is the brand identity of Laiteries H. Triballat, a family-owned French company with a portfolio of artisan cheese plants making cheeses such as Epoisses, Langres, Selles-Sur-Cher, Crottin de Chavignol, and Rocamadour. Hubert Triballat, the company's founder, began making cheese in Rians, a small village in the Sancerre region of central France, in 1952.

Today, Laiteries H. Triballat is a leader in specialty cheeses in Europe and the US. The Triballat family is known for investing in the future of the specialty cheese industry while preserving cheesemaking traditions of the past.

In 2006, Rians purchased neighboring Sonoma artisan goat cheese producer Laura Chenel's Chevre, and recently the company completed building a new state-of-the-art creamery.

Marie Lesoudier, general manager of Laura Chenel's Chevre, will oversee all activities at Marin French Cheese.

"While we have created a tremendous partnership, each company's operations will remain separate," Lesoudier said. "Both companies will share their expertise in production, marketing and distribution in order to provide consumers the finest hand-made artisan cheeses from Northern California."

"Both companies will share their expertise in production, marketing and distribution in order to provide consumers the finest hand-made artisan cheeses from Northern California."

Marie Lesoudier,
Laura Chenel's Chevre

"Marin French's cheesemaking know-how, care of the employees, preservation of the terroir and consideration for the generations of people who love to visit 'the Cheese Factory', will be in good hands with Rians," Otis said.

Marin French Cheese has produced artisanal cheese in the same location in Petaluma, CA, since 1865, and is described as the oldest continually operating cheese factory in the US. The company began in 1865 when Jefferson A. Thompson started producing California fresh cheese (later to be named Breakfast Cheese) to saloons in San Francisco.

Over the years, Marin French has garnered international acclaim for its Triple Creme Brie while winning numerous awards for its line of traditional French-style and American original soft-ripened cheeses. Rouge et Noir cheeses are based on French and European varieties but reflect the characteristics of Northern California. r

Diane Lewis Receives ADPI Award Of Merit

Chicago—Diane D. Lewis, who recently retired after more than 30 years of representing the US government and the US dairy industry on international market access issues, received the American Dairy Products Institute's (ADPI) Award of Merit here Monday at ADPI's annual meeting.

The award, which recognizes individuals who have made outstanding contributions to the processed dairy products industry, was presented by Jane Carlisle of United International Industries, Inc., who chairs the ADPI affiliate committee.

After receiving a B.S. in food science specializing in dairy products from Michigan State University in 1980, Lewis began her career as a dairy inspector/grader with the US Department of Agriculture (USDA). Within four years, Lewis became a dairy market specialist for USDA, headquartered in Washington, DC.

That advancement led to her appointment as the US delegate to the Codex Committee on Milk and Milk Products, on which she served from 1988 to 1994 and remained active until 2010.

In 1995, Lewis received the USDA Secretary of Agriculture Award of Personal and Professional Excellence to recognize her leadership in the development of international dairy standards and leadership on international dairy product issues.

From 1996 until her retirement at the end of March 2011, Lewis served as vice president, and later as senior vice president of market access and regulatory affairs, with the US Dairy Export Council (USDEC).

At USDEC, Lewis was responsible for directing programs that assisted US dairy exporters in minimizing regulatory barriers to trade, understanding technical foreign standards and satisfying overseas market access requirements. In addition, she actively represented the US dairy industry in the development and revision of international standards for milk and dairy products, and worked vigorously to protect US dairy products from discrimination in international trade.

In conjunction with her government and industry responsibilities, Lewis served on the executive committee of the International Dairy Federation, was treasurer of the National Mastitis Council, and assisted the ADPI technical committee in international trade matters. CR

CFTC Approves Revised Position Limits For Cheese Futures, Options Contracts

Chicago—The Commodity Futures Trading Commission (CFTC) earlier this month approved revised position limits for cheese futures and options contracts, according to the CME Group.

These amendments became effective at the start of business on Monday, April 18, for the May 2011 and all subsequent contract months.

For cheese futures, no person can own or control more than 1,000 contracts long or short in any contract month.

For options on cheese futures, no person can own or control a combination of options and underlying futures that exceeds 1,000 futures equivalent contracts net on the same side of the market in any contract month.

For more information, contact Charles Piszczor, commodity research and product development, CME Group, at (312) 930-4536. CR

WPC Recommended

(Continued from p. 1)

mends that the macronutrient profile of CSB and WSB and similar products should be adjusted in three main ways, including increasing the quantity of protein and adding whey protein concentrate.

According to the review, the inclusion of three grams of WPC80 per 100 grams of dry product of CSB or WSB "will increase the protein available in these products and provide essential growth factors derived from an animal source," thereby improving their effectiveness in the management of moderate wasting, as well as in meeting the enhanced nutritional needs of children six to 24 months of age, thereby promoting linear growth.

The addition of an animal-source protein acknowledges new evidence that animal-source proteins matter in the accrual of lean tissue during recovery from wasting and in linear growth of children, the review noted. Animal-source proteins, in particular those from milk sources, contain (as yet incompletely defined) growth factors such as IGF-1 and anti-infective agents such as lactoferrin.

While existing FBFs composed with soy protein "already have a good protein profile," empirical evidence suggests that an animal-source protein will contribute further to appropriate utilization and lean mass accretion, the review said.

For both cost and supply reasons, whey protein concentrate with 80 percent protein (WPC80) was chosen over dried skim solids, since its protein quality as measured by Protein Digestibility Corrected Amino Acid Score (PDCAAS) is equivalent to that of dried milk, the review explained.

"Indeed, WPC80 is slightly richer in growth-promoting substances and lactoferrin than dried milk," the review stated. WPC80 is recommended over WPC34 for quality and cost reasons. Also, WPC is essentially free of any fat, so concerns about shelf life "are minimal."

The addition of WPC80 makes the protein quality of CSB13 comparable to that of the World Food Programme's (WFP) CSB Plus Plus, which has added dried skimmed milk, the review noted. The total protein to total energy ratios of CSB14 and CSB Plus Plus (18 and 15 percent, respectively), without adding oil, are about the same as that of CSB13 (18 percent).

WSB15, which is the current version listed among the products approved for use in Title II food aid programs, and WSB16 (with additional WPC80 at 3 percent) have lower PDCAAS's than CSB, even with the addition of animal-source protein, because the amino acid profile of wheat is poorer than that of corn.

As other fortified blended foods are developed, the formulations and nutrient levels should be assessed to best establish the level of WPC or other dairy source of protein to maximize nutritional benefits, the review said.

Field trials are ongoing aimed at understanding the optimum levels of protein enhancer to be included in such blended products (i.e., how little of the product can provide adequate nutritional content, thereby keeping costs to a minimum). Although the unit price of WPC80 is relatively high, the addition of just 3 percent (bringing with it important nutritional value) would represent 15 percent of the total ingredient cost of CSB14.

Tests should be conducted to assess if 3 percent is the optimal level for CSB or WSB to achieve desired nutritional goals at the lowest price (sensitivity analysis around the current recommendation). The Office of Food for Peace (FFP) should also be open to alternative sources of animal-source protein that meet at least equivalent performance specifications, the review said.

The amount of WPC to be added to CSB and WSB recommended in the review (three grams per 100 grams) meets the target levels for high-level protein at a ration size adjusted by target group, but the possibility of keeping quantities as low as possible would also have to be tested against desired operationally relevant nutrition outcomes, given the possibilities for sharing and other leakage.

Although dried skimmed milk is a potential source of such protein (as in the original corn-soy milk and in WFP's new form of CSB), the review recommends WPC for three reasons:

- It delivers significant nutrient value in small quantity (avoiding "bulking up" the final product at the expense of other nutrients).
- Its price in the US has been more stable (variable within a narrower band) than dried skimmed milk during the past decade, which offers the advantage of more predictable pricing.
- It contains no fat, thereby not impairing the shelf life of the finished product.

WPC80 is already on the approved commodities list.

The review also says improved decision tools are needed to enable implementers to match products to specific consumption and nutrition goals; that an interagency committee to oversee all government interests in the food aid agenda should be established; that effective interaction with the private sector is needed to bring industry best practice to bear on food aid supply, food safety and quality assurance, and public-private partnerships to promote product innovations; and that the evidence base for innovations in products, programming approaches, and institutional processes should be strengthened. CR

Somatic Cell Count In Milk From DHI Herds Has Fallen Every Year Since 2005

Beltsville, MD—National average test-day somatic cell count (SCC) has declined every year since 2005 and every year from 1995 through 2010 except one since 2001, according to a recent report from USDA's Agricultural Research Service.

The year 2001 had the highest SCC since 1995, at 322,000 cells per milliliter.

Nationally, average test-day herd SCC during 2010 was 228,000 cells per milliliter, which was down 5,000 cells from 2009's average.

For this study, test-day data from all herds enrolled in Dairy Herd Improvement (DHI) somatic cell testing during 2010 (95 percent of all DHI herds) were examined to assess the status of national milk quality. All test-day data within a herd were included regardless of breed.

The percentage of herd test days that exceeded 750,000, 600,000, 500,000, and 400,000 cells per milliliter during 2010 was 2.7, 5.7, 10.0, and 18.09, respectively, which was lower for three of the four levels than during 2009.

The 2.7 percent of DHI herd test days that were higher than the current legal limit for bulk tank SCC may overestimate the percentage of herds that shipped milk exceeding the legal limit because milk of cows treated for mastitis is excluded from the bulk tank even though included in DHI test data.

The current legal limit for bulk tank SCC is 750,000 cells per milliliter for Grade A producers; lowering the limit to 400,000 cells per milliliter has been proposed as a future maximum by National Milk Producers Federation (NMPF) and National Mastitis Council (NMC).

SCC variation between states remains large, the report noted. State average SCC generally was lower than the national average for mountain and western states and often higher for southeastern states.

In 2010, state-level average SCC ranged from a low of 170,000 cells per milliliter in Idaho to a high of 421,000 cells per milliliter in Arkansas.

The study found that, as herd size increased, milk yield generally increased as SCC declined. Average SCC for herds with less than 50 cows was 286,000 cells per milliliter last year, and average SCC for each herd size category thereafter fell, to 184,000 cells per milliliter for herds with more than 3,000 cows.

Seasonally, while milk yield per cow is highest in the spring and declines through the summer months, SCC increases from May through August (from 221,000 to 251,000 cells per mililiter), then declines quickly from September through a November low of 207,000 cells per milliliter.

European Commission Grants PDO Status To Italy's Formaggella del Luinese

Brussels, Belgium—The European Commission recently added Formaggella del Luinese cheese from Italy to the Register of Protected Designations of Origin (PDO).

Formaggella del Luinese cheese is produced exclusively from the whole, raw milk of goat breeds reared in the area of origin.

The goats' varied diet confers particular organoleptic characteristics on the milk, which give the cheese its special delicate flavor, aroma and fragrance and its significant level of mixed lactic microflora.

The territory in which Formaggella del Luinese is produced lies in the northern area of Varese Province, better defined as the Varese Alpine foothills.

The area's land is generally difficult to access, with a high percentage of woodland and pasture land.

Formaggella del Luinese is a semi-hard cheese produced from whole, raw goat's milk, using rennet-based curdling, with a minimum maturing period of 20 days. The cheese has a medium-mild, delicate, pleasant flavor that becomes stronger as it matures.

The cheese is cylindrical, with flat sides, a diameter of 13 to 15 centimeters and weighing 700 to 900 grams. It has a natural rind, not hard, with the possible presence of mold; and soft, compact paste, possibly with small eyes.

Producers in the Varese Alpine foothills are the custodians of an age-old culture and technique of milk processing that is expressed via unique instruments and technologies in a series of production methods that are very characteristic of the territory.

The long-standing techniques that are still practiced in the production stages of Formaggella del Luinese include rapid rennet-based curdling (less than one hour) and breaking the curds to a fine grain.

The utensils that were used historically and continue to be employed in the Formaggella del Luinese cheesemaking tradition include the instruments used to break the curds, such as the "spino" whisk, and the cheese harp, as well as other processing instruments such as perforated ladles made from a mesh of interlaced grasses and small wooden moulds used to shape the cheeses.

Coming Events

www.cheesereporter.com/events.htm

Shipping Deadline For IMPA Cheese Contest Is Aug. 5; Swiss Gets Own Category

Sun Valley, ID—The 16th annual Idaho Milk Processors Association's (IMPA) Cheese Contest will feature more opportunities for processors.

Judging will take place on Tuesday, August 9 at Glanbia Foods, Inc. in Twin Falls, ID, just prior to the IMPA Conference Aug. 11-12 at the Sun Valley Resort in Sun Valley, ID.

For the first time, the Italian cheese class has been split into Hard, and Soft/Semisoft and Fresh cheese. A separate class has also been created for Swiss cheese.

The contest is open to IMPA members of Idaho, Montana, Oregon, Utah, Wyoming and Washington with ties to Idaho.

Processors of all sizes are encouraged to participate, including submissions from goat.

The 2011 IMPA Cheese Contest will include the following categories: **Class 1** – Current Cheddar; **Class 2** – Medium Cheddar; **Class 3** – Sharp Cheddar; **Class 4** – Aged Cheddar, 12 to 24 months old; **Class 5** – Aged Cheddar, older than 24 months; **Class 6** – Colby/Monterey Jack; **Class 7** – Hard Italian; **Class 8** – Soft/Semisoft and Fresh Italian; **Class 9** – Spiced Cheese; **Class 10** – Flavored; **Class 11** – Open Reduced Fat Cheese; **Class 12** – Open Class; **Class 13** – Farmstead; **Class 14** – Swiss Cheese; and **Class 15** – Granular Cheese for Manufacturing.

Rules allow each IMPA member and associate member company to enter any number of contest classes. If a company enters more than one sample per class, a separate individual must be assigned to each entry.

First, second and third place ribbons will be presented for each class. The class awards will recognize the manufacturing company as well as the individual assigned to the entry.

The champion of each individual class will be auctioned off on Thursday, August 11 during a special wine and cheese social.

Entries winning a second place ribbon will be displayed and consumed at the event, and all remaining entries will be donated to local food banks.

All contest entries must be received by Friday, Aug. 5, 2011. Entries should be sent to: ATTN: Oscar Salinas, IMPA Cheese Contest, Glanbia Foods, Inc., 236 Washington St. South, Twin Falls, ID, 83301.

For shipping questions, call (208) 733-3226. For more information on IMPA's Cheese Contest or 2011 Conference, visit www.tmnevents.com/IMPA2011. CR

WCMA Golf Outing Planned For July 20; Golfers Have Choice Of Three Courses

Madison—The annual golf outing hosted by the WCMA will take place July 20 at three golf courses in central Wisconsin.

Golfers will have their choice between The Pines at Lake Arrowhead in Nekoosa, The Lakes at Lake Arrowhead in Nekoosa, or the Bull's Eye Country Club Course in Wisconsin Rapids.

New this year is the opportunity to register for golf and sponsorship online at www.wischeesemakers.org.

Cost to attend the outing is $175 for WCMA members and $240 for non-members.

Registration begins May 3, and space is available on a first paid, first served basis. For details, contact WCMA at (608) 828-4550 or via email: golf@wischeesemakers.org. CR

MARKET PLACE

Serving the World's Dairy Industry Weekly · Since 1876

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

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

Classified ads should be placed by Thursday for the Friday issue. Classified ads charged $.75 per word. Classified ads payable in advance. Display Classifieds charged per column inch.

1. Equipment for Sale

FOR SALE: Kusel 5,500 pound all stainless cheese vat. Mojonnier 250 gallon dome top processor. Cherry Burrell 4,000 gallon stainless front head, coldwall tank. Manton Gaulin 300 gph two-stage homogenizer. Call Don at **Eaton Equipment** at (608) 375-2256

FOR SALE: Three Stoelting cheddaring tables. 1-42 feet long and 2-46 feet long. Call **Ullmer's Dairy Equipment** at (920) 822-8266

FOR SALE: MSA200 WESTFALIA SEPARATOR: Frame and dome only. Excellent back-up machine or spare parts unit. Only $19,500. Call Dave Lambert, **Great Lakes Separators** at (920) 863-3306 or e-mail drlambert@dialez.net.

SEPARATOR NEEDS - Before you buy a separator, give us a call. Top quality, reconditioned machines at the lowest prices in the industry. Call Dave Lambert, **GREAT LAKES SEPARATORS** at (920) 863-3306 or e-mail drlambert@dialez.net.

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

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

FOR SALE: 2 MRPX 418 ALFA-LAVAL SEPARATORS: — just arrived. Call Dave Lambert, **Great Lakes Separators** at (920) 863-3306 or e-mail drlambert@dialez.net

1. Equipment for Sale

FOR SALE: 6000 pound per hour HTST - skid mounted. Two-30,000 gallon silo's loaded price. Call **Ullmer's Dairy Equipment** at (920) 822-8266.

2. Equipment Wanted

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

WANTED: 40 pound block hoops and pins. Call **Ullmer's Dairy Equipment** at (920) 822-8266

WANTED TO BUY: A-Frame cheese presses and horizontal 2 row and single row. Call **Ullmer's Dairy Equipment** at (920) 822-8266.

3. Supplies

4. Walls, Flooring

EXTRUTECH PLASTICS Sanitary POLY BOARD© panels provide bright white, non-porous, easily cleanable surfaces, perfect for non-food contact applications. CFIA and USDA accepted and Class A for smoke and flame. Call **EPI at 888-818-0118.**

6. Help Wanted

PRODUCTION FOREMAN: Southern Wisconsin Food Equipment Fabricator/Rebuilder has an opening for an experienced Production Supervisor. Full time. Day shift. Must possess full knowledge of welding and fabricating processes with good mechanical aptitude and computer skills. Send resume with salary requirements to: **Box J-1025**, c/o **Cheese Reporter**, 2810 Crossroads Drive, Suite 3000, Madison, WI 53718

7. Positions Wanted

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. Call: (920) 261-8890 or FAX: (920) 261-6357; or email: tsloan@tsloan.com.

9. Contract Services

"CUSTOM 6" DELI HORN production and conversion services available - your milk or ours. **Harmony Specialty Dairy**, www.harmonyho.com; ralph@harmonyspecialty.com or call (715) 687-4236.

10. Dairy Products For Sale

DAIRY PRODUCTS MARKETING: Cheese sales specialists in all types of cheese. Visit our **NEW** website: www.dairyproductsmarketing.com and call (920) 921-9449

10. Dairy Products For Sale

FOR SALE: Approximately 42# Cheddar blocks. 54 blocks produced in 2000 and 2005 vintage also available. Call Amanda for pricing at (920) 922-5200

12. Warehousing Facilities

REFRIGERATED WAREHOUSING AVAILABLE: Cooler-Frozen-Dry Located off major 4-lane highway. Flexible shipping, receiving hours. Contact: **Mid-Wisconsin Warehousing,** Beaver Dam WI; 800-336-7249 Ext 140 Willie Or Cell 920-948-4741.

13. Reconditioning Services

Advertise here to notify the largest weekly readership of dairy manufacturers and marketers of your reconditioning services. Call 608-246-8430; or email: info@cheesereporter.com

15. Testing Services

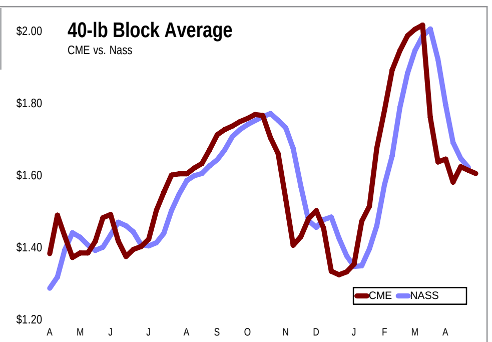
DOES YOUR COMPANY TEST RAW MILK SAMPLES? Check pathogens and Somatic Cell Counts? Advertise your services here. Call (608) 246-8430. or email: info@cheesereporter.com.

Class Milk & Component Prices

April 2011 with comparisons to April 2010

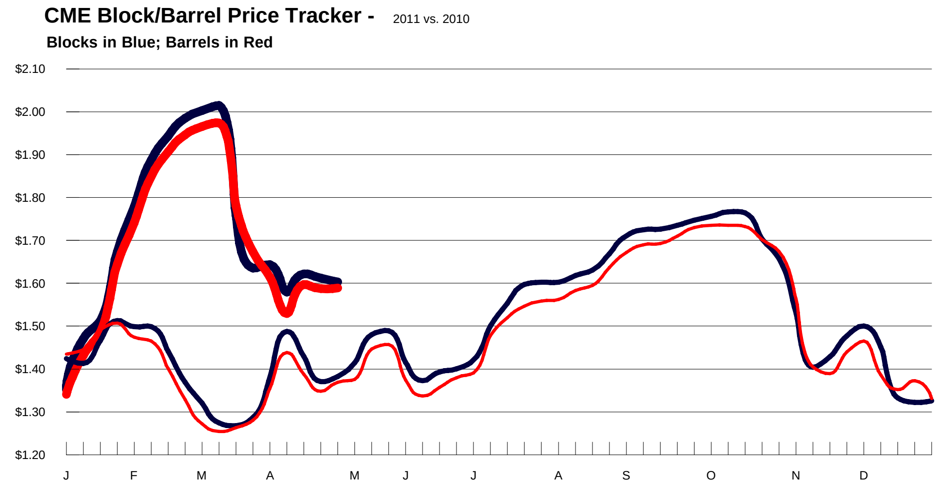
Class III - Cheese Milk Price	2010	2011
PRICE (per hundredweight)	$12.92	$16.87
SKIM PRICE (per hundredweight)	$7.65	$9.46
Class II - Soft Dairy Products	2010	2011
PRICE (per hundredweight)	$13.78	$19.66
BUTTERFAT PRICE (per pound)	$1.5883	$2.2183
Class IV - Butter, MP	2010	2011
PRICE (per hundredweight)	$13.73	$19.78
SKIM MILK PRICE (per hundredweight)	$8.49	$12.48
BUTTERFAT PRICE (per pound)	$1.5813	$2.2113
NONFAT SOLIDS PRICE (per pound)	$0.9435	$1.3862
PROTEIN PRICE (per pound)	$2.1449	$2.4984
OTHER SOLIDS PRICE (per pound)	$0.1702	$0.2902
SOMATIC CELL ADJUSTMENT RATE (per 1,000 scc)	$0.00069	$0.00085
Product Price Averages	2010	2011
Cheese, US 40-block, NASS	$1.3827	$1.6983
Butter, CME	$1.4773	$1.9975
Nonfat Dry Milk	$1.1208	$1.5680
Dry Whey	$0.3643	$0.4808

DAIRY PRODUCT PRICES



April 29—NASS,USDA. 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. A transaction is complete when the product is "shipped out" and title transfers. *•Revised*

Style and Region	WEEK ENDING April 23	April 16	April 9	April 2
40-Pound Blocks				
Average Price		**Dollars/Pound**		
MN/WI	1.7330	1.7178	1.7743	1.8670
Other States	1.6122	1.6384	1.6827	1.7870
US	1.6202	1.6453	1.6897	1.7934
Sales Volume		**Pounds**		
MN/WI	694,942	967,335	990,207	917,859
Other States	9,899,170	10,281,393	11,883,935	10,595,833
US	10,594,112	11,248,728	12,874,142	11,513,692
500-Pound Barrels				
Average Price		**Dollars/Pound**		
MN/WI	1.7085	1.6725•	1.7502	1.8691
Other States	1.7032	1.7235	1.8049	1.8879
US	1.7059	1.7021•	1.7787	1.8788
Price Adj. to 38% Moisture		**Dollars/Pounds**		
MN/WI	1.6336	1.6074•	1.6800	1.7921
Other States	1.6107	1.6319	1.7124	1.7908
US	1.6222	1.6217•	1.6970	1.7914
Sales Volume		**Pounds**		
MN/WI	4,238,260	4,460,968•	4,264,334	4,215,486
Other States	4,178,663	6,152,446	4,649,633	4,463,588
US	8,416,923	10,613,414•	8,913,967	8,679,074
Moisture Content		**Percent**		
MN/WI	35.16	35.49	35.41	35.34
Other States	34.44	34.52	34.65	34.64
US	34.80	34.93•	35.01	34.98
Butter				
Average Price		**Dollars/Pound**		
US	1.9878	1.9730	2.0036	2.0316
Sales Volume		**Pounds**		
US	5,977,424	5,703,959	4,740,812	4,950,394
Nonfat Dry Milk				
Average Price		**Dollars/Pound**		
US	1.5716	1.5767•	1.5617	1.5593
Sales Volume		**Pounds**		
US	17,337,763	20,501,933•	17,286,487	15,206,378
Dry Whey Prices				
Average Price		**Dollars/Pounds**		
US	0.4807	0.4838	0.4673	0.4873
Sales Volume		**Pounds**		
US	9,061,311	10,305,511	6,321,475	8,373,936



DAIRY FUTURES PRICES

SETTLING PRICE *Cash Settled

Date	Month	Class III*	Class IV*	Dry Whey*	NDM*	Butter*	Cheese*
4-22	April 11	—	—	—	—	—	—
4-25	April 11	16.80	19.81	48.000	157.250	199.750	1.6900
4-26	April 11	16.80	19.81	48.000	157.250	199.750	1.6900
4-27	April 11	16.80	19.81	48.000	157.250	199.750	1.6900
4-28	April 11	16.80	19.81	48.000	157.250	199.750	1.6900
4-22	May 11	—	—	—	—	—	—
4-25	May 11	16.16	20.09	47.750	160.500	199.775	1.6250
4-26	May 11	16.26	20.09	47.750	160.500	199.775	1.6330
4-27	May 11	16.48	20.09	47.750	160.500	201.000	1.6510
4-28	May 11	16.27	20.09	48.000	160.500	203.000	1.6400
4-22	June 11	—	—	—	—	—	—
4-25	June 11	16.91	20.35	47.250	162.500	202.000	1.7090
4-26	June 11	17.18	20.35	47.250	162.500	202.000	1.7320
4-27	June 11	17.39	20.35	48.000	162.500	203.000	1.7400
4-28	June 11	17.18	20.40	49.000	162.000	205.000	1.7230
4-22	July 11	—	—	—	—	—	—
4-25	July 11	17.40	20.25	45.250	160.775	203.000	1.7850
4-26	July 11	17.62	20.30	45.250	162.000	203.000	1.7900
4-27	July 11	17.75	20.30	46.500	162.000	204.000	1.7900
4-28	July 11	17.60	20.46	48.500	162.500	206.000	1.7830
4-22	August 11	—	—	—	—	—	—
4-25	August 11	17.79	20.30	45.500	160.500	205.000	1.8120
4-26	August 11	17.94	20.35	45.500	162.000	204.250	1.8250
4-27	August 11	17.98	20.52	45.500	162.500	206.000	1.8250
4-28	August 11	17.86	20.53	47.775	162.500	207.000	1.8080
4-22	September 11	—	—	—	—	—	—
4-25	September 11	17.99	20.11	45.500	157.500	206.250	1.8300
4-26	September 11	18.09	20.11	45.500	157.500	206.250	1.8300
4-27	September 11	18.10	20.20	45.500	159.500	207.500	1.8300
4-28	September 11	18.00	20.30	48.500	159.500	209.000	1.8300
4-22	October 11	—	—	—	—	—	—
4-25	October 11	17.67	19.85	45.000	154.500	206.500	1.8070
4-26	October 11	17.80	19.82	45.000	154.500	206.500	1.8070
4-27	October 11	17.84	19.82	45.000	154.500	209.000	1.8070
4-28	October 11	17.83	19.96	48.375	156.000	208.750	1.8070
4-22	November 11	—	—	—	—	—	—
4-25	November 11	17.10	19.10	45.500	150.000	204.500	1.7400
4-26	November 11	17.20	19.26	45.500	150.000	204.000	1.7450
4-27	November 11	17.25	19.50	45.500	152.000	205.000	1.7450
4-28	November 11	17.34	19.60	46.500	153.000	205.000	1.7500
4-22	December 11	—	—	—	—	—	—
4-25	December 11	16.87	18.64	44.000	146.000	195.000	1.7200
4-26	December 11	17.04	18.64	44.000	146.000	194.000	1.7200
4-27	December 11	17.04	18.75	44.000	147.000	195.000	1.7200
4-28	December 11	16.96	18.86	44.500	149.000	196.000	1.7200
4-22	January 12	—	—	—	—	—	—
4-25	January 12	16.32	17.25	43.000	129.000	178.000	1.6660
4-26	January 12	16.38	17.25	43.000	129.000	178.000	1.6660
4-27	January 12	16.45	17.25	43.000	131.000	180.000	1.6660
4-28	January 12	16.48	17.25	43.000	131.000	182.000	1.6660
4-22	February 12	—	—	—	—	—	—
4-25	February 12	16.12	16.75	42.000	125.500	165.000	1.6480
4-26	February 12	16.15	16.75	42.000	125.500	165.000	1.6480
4-27	February 12	16.14	16.75	42.000	125.500	166.000	1.6480
4-28	February 12	16.16	16.75	42.000	126.000	168.000	1.6480
Open Interest - April 28		**35,734**	**4,339**	**1,962**	**2,532**	**3,208**	**2,355**

DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

WHOLESALE CHEESE MARKETS

NATIONAL - APRIL 21: The steady to slight improvement in finished product orders is not able to clear the supply of product available. While hot and dry conditions in the Southwest may impact local production slightly, increased milk volumes though much of the rest of the country have most plants operating on heavier schedules. Cheese yields remain good seasonally. With many schools closed on a spring break, Class I use is lower, leaving more milk for cheese production.

NORTHEAST - APRIL 27: Cheese prices were mixed Tuesday as barrels declined $.0050 and closed at $1.5750, while blocks were unchanged at $1.6000. The weekly average prices declined for both barrels and blocks, resulting in $.0100 decline in wholesale prices for all varieties with the exception of Swiss Cuts, which remained unchanged. Increased holiday milk supplies prompted increases in cheese production. Cream cheese also experienced some production expansion, brought about by an increase in post-holiday orders. The latest NASS Cold Storage report shows stocks of natural cheese in cold storage as of March 31, 2011 totaled 1.03 billion pounds, slightly less (0.1%) than one month ago, but 3% higher than one year ago. A majority of the holdings are in the form of American cheese (59.4%) totaling 614.1 million pounds, 1% less than the amount one month ago, but 2% higher than one year ago. The next highest natural cheese holdings in cold storage are in the form of Other Natural Cheese, (37.4%) totaling 386.9 million pounds, 2% more than one month ago and 3% more than one year ago. Swiss cheese accounts for 3.2% of holdings at 32.3 million pounds, 7% less than one month ago, but 20% more than one year ago.

Wholesale prices, delivered, dollars per/lb:			
Cheddar 40-lb blocks:	$1.9300 - $2.2050	Process 5-lb sliced:	$1.6950 - $2.0050
Muenster:	$1.9500 - $2.1550	Swiss Cuts 10-14 lbs:	$3.4025 - $3.7250

MIDWEST AREA - APRIL 27: The cheese market appears steadier. New orders continue to be slow to arrive from monthly average users but some weekly average buyers have increased orders. Orders based on the April monthly averages, assuming little price change the rest of the week, should be down around 20 cents from those based on the March CME Group average. A few processors are noting increased orders and need overtime on some lines. Some process product is being prepared for Memorial Day promotions. The concern for process and Mozzarella/pizza demand is that with high gas prices, summer travel may be curtailed, and reduce cheese use in vacation locations. Natural orders remain fair. Some plants continue to have problems clearing product commercially. Some product continues to be put in aging programs. Production is increasing seasonally as milk volumes climb. Combined with good seasonal yields, current offerings remain at least adequate.

Wholesale prices delivered, dollars per/lb:		Process 5# Loaf:	$1.9475 - $2.2400
Brick/Muenster 5# Loaf:	$2.1225 - $2.3300	Cheddar 40# Block:	$2.1225 - $2.8650
Monterey Jack 10#:	$2.0850 - $2.8650	Blue 5# Loaf:	$2.4400 - $3.0500
Mozzarella 5-6# (LMPS):	$1.9550 - $2.9650	Grade A Swiss 6-9#:	$2.9500 - $3.3300

WEST - APRIL 27: Western cheese prices are weaker early and beginning to show a slight bounce back higher as this week progresses. Cheese plants are busy with increased milk supplies over the Easter weekend and plants are replenishing inventories that moved over the last few weeks. Demand for cheese is described as good in most cases, although buyers are price sensitive in dealing with extra volumes. Recent lower prices have increased demand for export Mozzarella and some plants are increasing production in response. Contract sales for domestic use are moving along expected levels.

Wholesale prices delivered, dollars per/lb:		Process 5# Loaf:	$1.7125 - $1.9700
Cheddar 40# Block:	$1.7400 - $2.0925	Cheddar 10# Cuts:	$1.9200 - $2.1400
Monterey Jack 10#:	$1.9300 - $2.0900	Grade A Swiss Cuts 6 - 9#:	$2.9800 - $3.4100

FOREIGN -TYPE CHEESE - APRIL 27: The CME Group weekly average block price declined, resulting in a $.0100 decrease in wholesale prices for all domestic varieties. Imported varieties and domestic Swiss Cut prices remained unchanged.

Wholesale selling prices, delivered, dollars per/lb:	Imported	Domestic
Blue:	$2.6400-4.6900	$2.0700-3.5575
Gorgonzola:	$3.6900-6.3900	$2.5725-2.8325
Parmesan (Italy):	0	$3.1875-3.6025
Provolone (Italy)	$3.4400-6.2900	$2.1125-2.2700
Romano (Cows Milk):	0	$3.2600-5.4025
Sardo Romano (Argentine):	$2.8500-3.6900	0
Reggianito (Argentine):	$3.2900-3.8300	0
Jarlsberg (Brand):	$2.9500-4.8900	0
Swiss Cuts Switzerland:	0	$3.4950-3.8175
Swiss Cuts Finnish:	$2.5900-2.8500	0

EUROPEAN DAIRY MARKETS

WESTERN EUROPE - APRIL 28: The new production season is off to a strong start and early reports indicate that overall volumes are running ahead of last season in many countries. Milk volumes are clearing to all areas of manufacturing with relative ease. Early spring weather patterns are good, but lack of moisture is a major topic of discussion in most regions of Western Europe. Traders and handlers are stating that buyer interest from both domestic and international buyers has been limited. Traders anticipate that buyer interest will once again improve. Fresh product demand has dropped off now that Easter holiday needs have been filled thus uncommitted production will be clearing to inventory.

EASTERN EUROPE - APRIL 28: Milk production in remains seasonally low, but increases are being reported, especially in Poland and the Baltics. Late winter weather conditions extended further this year, thus seasonal increases might be delayed somewhat. Concerns of limited moisture are starting to be discussed in some Eastern European regions. Pastures are still not well developed for the upcoming milk production season and moisture will be needed to enhance growth in the coming weeks. Milk clearing through manufacturing facilities remains limited, but, for the most part, facilities are ready for the upcoming milk production season. Stocks are limited, but manufacturers and handlers are optimistic.

MILK EQUIVALENT, MILKFAT & SKIM SOLIDS

	Milkfat* Basis	Skim** Solids		Milkfat* Basis	Skim** Solids
Week of April 25 - April 29, 2011	0.0	0.0	Comparable period in 2010	0.0	0.0
Cumulative since Oct.1, 2010	0.0	0.0	Cumulative same period last year	0.0	1.5
Cumulative Jan. 1 - April 29, 2011	0.0	0.0	Comparable Calendar year 2010	0.0	0.0

WHOLESALE BUTTER MARKETS

NATIONAL - APRIL 21: Increased production of holiday specialties such as dips, whipping, and sour cream used larger cream volumes early in the week. However by mid-week, cream offerings were higher and multiples are lower for late week cream sales. Many cream users, such as ice cream, will be closed for a long holiday weekend, backing extra supplies into churns. A larger share of the butter being churned is being packaged as bulk for later year use.

NORTHEAST - APRIL 27: The butter price held steady Tuesday and closed at $2.0025. Butter prices have been working their way higher, since last declining on April 4. Butter production increased over the holiday period and into the early part of the week, prompted by increased cream supplies. Butter orders are fairly good coming off the holiday, but not enough to keeping inventories from expanding. Some butter makers lowered prices in hopes of stimulating additional sales. Butter makers remain hesitant to build inventories at the current price levels. Cream multiples ranged from 123-132. According to the latest NASS Cold Storage report, butter in storage on March 31, totaled 144.4 million pounds, 5.8 million pounds (4%) more than the prior month stocks, but 51.4 million pounds (26%) less than March 2010 stocks.

CENTRAL - APRIL 27: Churning schedules were somewhat heavier over the past holiday weekend and are projected to remain active. Class II holiday cream demand is now over, thus additional volumes of cream are anticipated to be available to butter producers. Class II ice cream production is expected to increase in the future, but for the near term, will probably remain at pre-holiday levels. Butter orders are light early in the week as buyers assess inventory levels following the Easter/Passover holiday. Many butter producers feel that butter orders for the near term will be on the lighter side as some buyers anticipate that the cash price for butter will ease. Although cash butter prices might ease, many butter producers and handlers feel that the cash prices will not maintain a lower level for an extended period of time. More butter producers and handlers are now gearing their thoughts towards inventory enhancement. Pre Easter/Passover orders were good this year, much to the surprise of most in the butter industry with much of recent production clearing into the marketplace. Now that the holiday has passed, summer is approaching and cream demand will be increasing for ice cream and mix needs. Butter producers are becoming more convinced that prices will probably remain at firmer levels than earlier projected, thus more will be rebuilding inventory levels at a faster pace than in recent months.

WEST - APRIL 27: Western butter markets continued to firm this week as overall supplies remain tight. Extra cream available over the Easter weekend went to churns and manufacturers were able to put some product into inventory. Butter producers continue to move product into retail, although the pace is expected to slow after the holiday surge. Higher fuel costs are affecting demand for butter at retail as consumers keep a close eye on discretionary income. Cream prices have firmed slightly as ice cream manufacturers re-enter the market. The butter price for Wednesday is $.0125 higher at $2.0150. Prices for the week are up $.0150. Wednesday's price increase was tied to two sales and more unfilled bids. Weekly butter stocks increased 1.7 million pounds to a warehouse adjusted 24.2 million pounds. The total of 24.2 million pounds compares to 59.1 million pounds in 2010 and 80.4 million pounds in 2009.

DRY MILK PRICES - APRIL 25 - APRIL 29

Nonfat Dry Milk:

Central & East	
Low/Med. Heat:	1.5500(NC) - 1.7500(NC)
Mostly:	1.5500(NC) - 1.6200(NC)
High Heat:	1.6000(NC - 1.8200(NC)
Western	
Low/Med. Heat:	1.5400(+2) - 1.6500(NC)
Mostly:	1.5800(NC) - 1.6000(+1)
High Heat:	1.6000(NC) - 1.8000(NC)

Whole Milk:

National:	1.9500(+13) - 1.9900(-5)

Buttermilk Powder:

Central & East:	1.3650 (NC)- 1.6200(NC)
West:	1.5000 (NC) -1.5600(+2)
Mostly:	1.5100 (NC) - 1.5400 (+1)

California Weighted Average NFDM:

Week Ending:	Price:	Total Sales:	Sales to CCC:
April 22	$1.5270	12,637,731	0
April 15	$1.5511	12,890,486	0

NONFAT DRY MILK

CENTRAL - APRIL 28: The Central nonfat dry milk market is mostly steady. Availability of spot loads is variable from plant to plant, improving overall in the region from both manufacturer and broker/trader sources. Sales of spot loads trend toward singular or a few loads, versus blocks, as most Central plants indicate production is still being channeled for contract fulfillment in the near to mid terms. Contract loads from the West continue to clear into the Central region. Central region production of low heat NDM is steady to higher as farm milk intakes build along the usual seasonal pattern.

EAST - APRIL 28: Price ranges for nonfat dry milk were unchanged this week in fairly light trading as numerous traders attended the annual ADPI conference. Nonfat dry milk production expanded due to heavy manufacturing milk supplies over the holiday period. Production increases were not as significant as they might have been, because a major manufacturer in the East had their dryers shut down for maintenance. Drying schedules are geared to mostly low heat production to better handle the leftover holiday milk supplies. One broker described the market as trading "sideways, without much going on."

ORGANIC DAIRY MARKET - FLUID MILK

ORGANIC FLUID MILK - APRIL 21: Total organic milk product sales for February 2011, 157 million pounds, were up 23.0% from February 2010 sales. Organic whole milk sales for February 2011, 38 million pounds, were up 30.3% compared with February 2010. This contrasts with a 1.9% February 2011 decline for total fluid milk products adjusted (which includes organic and non-organic) compared with one year ago. National organic grain and feedstuff prices were mostly steady with light to moderate demand and supplies. Trade activity this reporting period was lighter than the previous period, and corn supplies in the eastern Cornbelt reportedly remain tight. Higher fuel prices along with somewhat higher conventional corn prices have urged end users to use current grain stocks on hand. Increased buyer interest in alternative feed grade grains was noted, given the increasing feed corn prices. Flooding in the Dakotas is reportedly hampering planting times and someorganic farmers are not rushing into planting corn as quickly as the prior year, due to moisture concerns, reportedly.

WEEKLY COLD STORAGE HOLDINGS

SELECTED STORAGE CENTERS IN 1,000 POUNDS - INCLUDING GOVERNMENT STOCKS

DATE	BUTTER	CHEESE
4/25/11	7,862	126,503
4/01/11	7,608	126,483
Change	254	20
Percent Change	3	NC

CASH PRICES - APRIL 25 - APRIL 29, 2011 - CME

Visit www.cheesereporter.com for daily prices

	CHEDDAR BARRELS	40-LB. BLOCKS	AA BUTTER	GRADE A NFDM	EXTRA GRADE NFDM
MONDAY April 25	$1.5800 (NC)	$1.6000 (NC)	$2.0025 (+¼)	$1.6100 (NC)	$1.8000 (NC)
TUESDAY April 26	$1.5750 (-½)	$1.6000 (NC)	$2.0025 (NC)	$1.6100 (NC)	$1.8000 (NC)
WEDNESDAY April 27	$1.6100 (+3½)	$1.6050 (+½)	$2.0150 (+1¼)	$1.6100 (NC)	$1.8000 (NC)
THURSDAY April 28	$1.5900 (-2)	$1.6050 (NC)	$2.0500 (+3½)	$1.6225 (+1¼)	$1.8000 (NC)
FRIDAY April 29	$1.6025 (+1¼)	$1.6125 (+¾)	$2.0750 (+2½)	$1.6450 (+2¼)	$1.8000 (NC)
Week's AVG Change	**$1.5915 (+0.0040)**	**$1.6045 (-0.0074)**	**$2.0290 (+0.0290)**	**$1.6195 (+0.0057)**	**$1.8000 (NC)**
Last Week's AVG	**$1.5875**	**$1.6119**	**$2.0000**	**$1.6138**	**$1.8000**
2010 AVG Same Week	**$1.3690**	**$1.3830**	**$1.5900**	**$1.2975**	**$1.2500**

DIRECTLY FROM THE CME FLOOR - RICE DAIRY

Cheese Comment: Cheese prices were mixed this week, although both blocks and barrels finished the week on the upswing. On Monday, 2 cars of blocks were sold on a bid at $1.6000, which left the price unchanged. A total of 11 cars of blocks were sold Tuesday, all on bids and all at $1.6000, which left the price unchanged. Also on the board at the close of trading Tuesday were unfilled bids for a total of 7 cars of blocks at $1.6000. There were no blocks sold on Wednesday; an unfilled bid for 1 car at $1.6050 raised the price. A total of 3 cars of blocks were sold Thursday, all on bids at $1.6050, which left the price unchanged. On Friday, 3 cars of blocks were sold, all on bids, the first at $1.6050 and the last 2 at $1.6075. An unfilled bid for 5 cars at $1.6125 then raised the price. Barrels declined Tuesday on a bid-based sale of 1 car at $1.5750, jumped Wednesday on an unfilled bid for 1 car at $1.6100, declined Thursday on offer-based sales of 3 cars at $1.5900, and increased Friday on an unfilled bid for 2 cars at $1.6025.

Butter Comments: The butter price increased this week. There were no sales on Monday; an unfilled bid for 2 cars of butter at $2.0025 increased the price. Two cars of butter were sold on a bid at $2.0150 on Wednesday, which raised the price. An unfilled bid for 2 cars of butter at $2.0500 raised the price on Thursday. On Friday, a total of 18 cars of butter were sold, all on bids, starting at $2.0550 and ending at $2.0750 (the last 12 cars sold at that price), which raised the price.

Nonfat Dry Milk Comments: Nonfat dry milk prices were mixed this week. Grade A NDM increased Thursday on an unfilled bid for 1 car at $1.6225, then increased Friday on a bid-based sale of 1 car at $1.6450. Extra Grade was unchanged all week at $1.8000.

WHEY MARKETS - APRIL 25 - APRIL 29, 2011

FOR THE PERIOD APRIL 25 - APRIL 29, 2011

Whey Protein Concentrate—Central and West:
Edible 34% Protein: 1.3600(+21) –1.5800(NC) Mostly: 1.3900(+21) –1.5100(NC)

Dry Whey—Central (Edible):
Nonhygroscopic: .4400(+4) – .5150(+¼) Mostly: .4450(+3) – .5100(+4)

Dry Whey–West (Edible):
Nonhygroscopic: .4525(NC) – .5600(-3¾) Mostly: .4550(NC) – .5150(NC)

Dry Whey—Northeast: .4575(NC) — .5425(NC)

Lactose—Central and West:
Edible: .3600(+1) –.5600(+1) Mostly: .4300(+1) –.4800(NC)

Casein: Rennet: $4.7600(NC) – $5.1400(NC) Acid: $4.7000(NC) - $5.1200(NC)

Animal Feed Whey—Central: Milk Replacer: .3100(+½) –.4525(NC)

Visit www.cheesereporter.com for weekly prices

HISTORICAL MONTHLY AVERAGE BLOCK PRICES

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
98	1.4300	1.4214	1.3737	1.2732	1.2358	1.5169	1.6204	1.6575	1.7165	1.8189	1.8628	1.8971
'99	1.4929	1.3189	1.3300	1.3224	1.2389	1.3974	1.6307	1.8943	1.6183	1.3031	1.1435	1.1545
'00	1.1285	1.1090	1.1139	1.1032	1.0950	1.2050	1.2345	1.2460	1.2953	1.0463	1.0588	1.1233
'01	1.0912	1.2184	1.3161	1.4180	1.6023	1.6599	1.6699	1.7126	1.7174	1.3346	1.2668	1.2567
'02	1.3242	1.2076	1.2113	1.2448	1.2009	1.1299	1.0889	1.1575	1.2041	1.1950	1.0891	1.1322
'03	1.1507	1.0920	1.0817	1.1225	1.1421	1.1864	1.5123	1.6000	1.6000	1.5876	1.3932	1.3383
'04	1.3062	1.3958	1.8197	<u>2.1687</u>	1.9925	1.7105	1.4486	1.5734	1.5702	1.5170	1.6960	1.5923
'05	1.6269	1.4929	1.5317	1.5413	1.4774	1.5065	1.5035	1.4249	1.5639	1.4470	1.3756	1.4224
'06	1.3335	1.1989	1.1638	1.1651	1.8155	1.1924	1.1630	1.2354	1.2933	1.2347	1.3745	1.3223
'07	1.3180	1.3408	1.3823	1.4628	1.7211	2.0100	1.9138	<u>1.9554</u>	<u>1.9929</u>	<u>1.8957</u>	<u>2.0926</u>	<u>2.0083</u>
'08	<u>1.8257</u>	<u>2.0023</u>	<u>1.8234</u>	1.8826	<u>2.0976</u>	<u>2.0350</u>	<u>1.9673</u>	1.7398	1.8762	1.7963	1.7099	1.5132
'09	1.0833	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	1.9017	1.8125	1.6036								

Organic Dairy Sales Grew 9% To $3.9 Billion In 2010, Now Represent Almost 6% Of Total US Dairy Market

Brattleboro, VT—Organic dairy product sales grew 9 percent in 2010 to reach a value of $3.9 billion, and captured almost 6 percent of the total US market for dairy products, the Organic Trade Association (OTA) reported late last week.

Overall, the organic industry grew at a rate of nearly 8 percent last year, to over $28.6 billion, according to the OTA's *2011 Organic Industry Survey*. Organic food sales last year totaled $26.7 billion, up 7.7 percent from 2009.

Experiencing the most growth last year was the organic fruits and vegetables category, which represents 39.7 percent of total organic food value and nearly 12 percent of all US fruit and vegetable sales. Sales of organic fruits and vegetables reached almost $10.6 billion last year, up 11.8 percent from 2009, OTA reported.

"While total US food sales grew by less than 1 percent in 2010, the organic food industry grew by 7.7 percent," said Christine Bushway, OTA's CEO and executive director. "Consumers continue to vote with their dollars in favor of the organic choice."

Over the past decade, sales of organic food have grown from $8.6 billion in 2002 to $26.7 billion in 2010. Percentage increases in organic food sales have been under 10 percent just twice since 2002: last year, at 7.7 percent; and in 2009, at 5.1 percent.

Between 2002 and 2008, sales of organic food grew by anywhere from 15.6 percent in 2004 to 21.1 percent in 2006.

Organic food sales represent over 90 percent of total organic sales; organic non-food sales include such categories as flowers, supplements and household products.

"The good news is that even as the economic recovery crawls forward, the organic industry is thriving, and hiring," Bushway said. Last year, 40 percent of surveyed organic companies reported positive full-time employment growth.

In 2011, 46 percent of survey respondents anticipate an increase in employment over 2010 levels, while 50 percent expect employment to remain unchanged, and 5 percent expect employment to decline.

For more information, visit www.ota.com. r