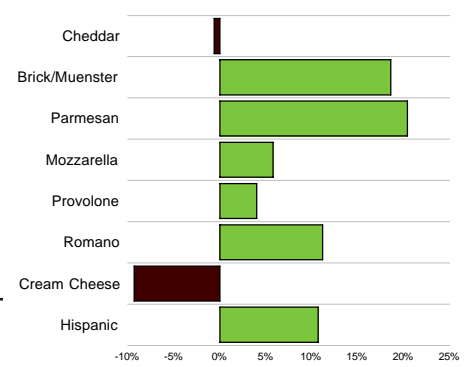




CHEESE REPORTER

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Percentage Change in February Cheese Production 2011 vs. 2010



Fonterra To Begin Offering Cheddar For Sale On Online Auction Starting July 19; Product Will Be Ingredient Requiring More Processing

Wellington, New Zealand—Fonterra this week announced that Cheddar cheese will be offered for sale on its global electronic trading platform beginning with the July 19 trading event.

The Cheddar to be offered is a dairy ingredient requiring further processing, rather than a Cheddar product that can be sold at retail, Fonterra explained.

Further details about the Cheddar to be offered on globalDairyTrade will be made available in the near future.

The addition of Cheddar will expand the range of products available on Fonterra's online trading platform to seven. Currently, whole milk powder, skim milk powder, anhydrous milkfat and buttermilk powder are traded twice monthly on globalDairyTrade.

At the May 17 trading event, Fonterra will begin offering milk protein concentrate (MPC) and rennet casein.

NZMP Milk Protein Concentrate 70 that will be offered for sale is described as a spray dried, soluble milk protein manufactured by ultra-filtration of fresh skim milk. Low temperature processing maintains native protein structure, ensuring excellent functional, nutritional and sensory properties, Fonterra said.

Suggested uses for NZMP Milk Protein Concentrate 70 include recombined cheeses, cultured foods, frozen desserts, nutritional beverages and dry mix meal replacers.

• See **Cheddar Added**, p. 8

IDFA To Oppose NMPF's Foundation For Future, Back Own Policy Reform

IDFA's Plan Would Simplify Federal Orders, Strengthen Risk Management Program, End Price Support Program

Carlsbad, CA—Leaders of the International Dairy Foods Association's (IDFA) three constituent organizations voted Monday to support IDFA's own dairy policy reform recommendations and to oppose the National Milk Producers Federation's (NMPF) Foundation for the Future (FFTF) dairy policy package.

Directors of the National Cheese Institute (NCI), Milk Industry Foundation (MIF) and International Ice Cream Association (IICA) met last weekend to review current policy reform proposals and approved IDFA's policy recommendations, which include:

- Replacing the Dairy Product Price Support Program and the Dairy Export Incentive Program with better risk management tools for dairy producers.

- Strengthening dairy risk management tools, including forward contracting, USDA's Livestock Gross Margin-Dairy (LGM-Dairy) program, catastrophic margin insurance

for all dairy farmers and tax-deferred farm savings accounts. Connie Tipton, IDFA's president and CEO, had recently asked leaders of the Senate Agriculture Committee to maintain funding for LGM-Dairy (for more details, please see *IDFA Wants Congress To Maintain Funding For USDA Dairy Risk Insurance Program*, on page 7 of our April 8 issue).

- Simplifying the federal milk marketing order program.

NMPF's Foundation for the Future policy package would terminate the Dairy Product Price Support and Milk Income Loss Contract (MILC) programs, introduce a new margin protection program, reform federal orders and implement a market stabilization program.

"IDFA's plan offers an alternative path forward that would not limit milk supply through a new mandatory government program, and will give dairy farmers the tools they need to manage volatility," Tipton commented.

IDFA supports policy initiatives, many of which are included in the recommendations of USDA's Dairy Industry Advisory Committee (DIAC), "that will help our industry

grow, not only through increased consumption here in the US, but by taking advantage of new and growing export opportunities," Tipton said.

"Our members believe that it is time to decrease regulations in a highly regulated industry and the National Milk policy package does just the opposite," Tipton added.

One recommendation of the DIAC was to adopt a growth management program, but the 17-member panel approved that recommendation by a 9-8 vote, the closest vote on any of the committee's 23 recommendations.

Further details of IDFA's policy recommendations are expected to be released in the near future.

Both IDFA and NMPF have recently launched websites to advance their dairy policy positions. NMPF's website, www.futurefordairy.com, includes a variety of resources on Foundation for the Future.

IDFA's recently established website, www.keepdairystrong.com, provides information about government-run milk supply control programs, which IDFA opposes. **CR**

John Pitman Of Mill Creek Cheese Wins Mulloy Award; Auction Raises \$142,110

La Crosse, WI—John Pitman of Mill Creek Cheese, LLC, Arena, WI, was named the winner of the H. P. Mulloy Memorial Award during the closing banquet of the Wisconsin Cheese Industry Conference (WCIC) here Thursday night.

The H. P. Mulloy Memorial Award, established by the Wisconsin Cheese Makers Association (WCMA) in 1975, commemorates Horace P. Mulloy's dedication to the art of quality cheesemaking and perpetuates the competitive spirit of Mulloy, the energetic WCMA field representative, lobbyist and cheese contest coordinator.

The H.P. Mulloy Memorial Award is presented biennially to the licensed cheese maker earning the highest composite score from the Wisconsin State Fair and the United States Championship Cheese Contest.

Pitman's Brick cheese entries averaged 99.45 in the two contests.

Also during the WCIC awards

banquet, winners of the 2011 US Championship Cheese Contest were honored, including 2011 US Champion Cheese Maker Katie Hedrich of LaClare Farms Specialties, Chilton, WI, whose Evalon entry in the Hard Goat's Milk Cheese class scored 99.0695 in the Championship Round of judging.

The contest's first runner-up, John Griffiths of Sartori Foods, Plymouth, WI, and the second runner-up, Marieke Penterman of Holland's Family Cheese, Thorp, WI, were also honored during the banquet, as were the Best of Class, Second Award and Third Award winners in the contest.

Also during the banquet, four new Wisconsin Master Cheesemakers were recognized. They include two new masters: Tim Pehl of Chula Vista Cheese, Browntown, WI, certified in Blue and Gorgonzola; and Mike Matucheski of Sartori Foods,

• See **Auction Results**, p. 6

Leading South American Dairy Company Alpina To Build New Specialty Yogurt Plant In Batavia, NY

Miami, FL, and Batavia, NY—Alpina, one of the most recognized dairy companies in the world and a leading dairy manufacturing company in South America, has decided to open its first specialty yogurt manufacturing plant in the US in Batavia, NY, the Genesee County Economic Development Center (GCEDC) announced last Friday.

Alpina currently operates nine industrial facilities across Colombia, Venezuela and Ecuador, and has a commercial presence in over a dozen countries. Alpina Foods is headquartered in Miami, FL, and cur-

• See **Alpina's NY Plant**, p. 7

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LETTERS TO THE EDITOR

The views expressed in these Guest Editorials do not necessarily represent the views of the Cheese Reporter. We welcome letters to the editor; comments should be sent to Dick Groves at dgroves@cheesereporter.com.

Are Cheese Importers Really The Enemy?

In the nine-year battle over implementation of the Dairy Import Assessment, importers have been consistently portrayed as the enemy. Dairy farmers have long accused importers of reaping the benefits of the dairy promotion program without paying the checkoff assessment. Most recently, Jerry Kozak derided importers as the "classic example of the free-rider phenomenon".

As cheese importers, we want to make it clear that we are not the enemy of dairy farmers and domestic cheese producers. In fact, since we are all in the same dairy industry, we find we have more similarities than differences.

Like dairy farmers, we run small businesses, employ Americans, and pay taxes, just as they do. We are also part of the same distribution system as domestic cheese producers, often sharing distributors with the domestic producers to get our products into grocery stores and restaurants. Yet for all these similarities, we continue to be portrayed as the "bad guys", stealing from the pockets of dairy farmers.

While we recognize there is much we share in common with US dairy farmers since we are all American businesses, we know there are differences,

especially those in our products and how they are marketed.

In response to Kozak and others in the domestic industry who have painted us as "free-riders", we contend that importers have never tried to latch onto the promotion efforts of the domestic dairy checkoff program. We have always recognized the separation of marketing efforts and have never taken offense to the promotion of domestic products, such as "made with real California milk" or "handcrafted Vermont Cheddar cheese". With products spanning the globe, our imported cheeses have a different story to tell.

We respect the investment made by dairy farmers into the "Real Seal" program. Through that tool, the domestic dairy industry has been able to tell their story and to market the "power of Real American cheese".

Once the assessment goes into effect, that program will be open to importer use, since all promotional efforts by the National Dairy Board will have to be neutral with respect to country of origin. We plan to use this tool to tell our story, perhaps employing it in scenarios informing consumers of the "power of French Roquefort" and the "power of Dutch Gouda".

You gotta love National Milk Producers Federation. The nation's big co-op lobby group has wasted over a decade (and tons of farmers' money) pushing perhaps the worst dairy policy proposal of our lifetimes – the Dairy Import Assessment – despite the many warning signs along the way. Now that this monstrosity is finally taking effect, CEO Jerry Kozak is back defending his new baby with more propaganda, this time in the form of his April 2011 "CEO's Corner," on the NMPF website (www.nmpf.org).

Kozak wants to divert attention away from the loss of the Real Seal and the coming wave of ads promoting milk protein concentrates and casein, two big imports American dairy farmers love to hate.

Dairy farmers will soon realize – if they don't already know – that the import assessment is a raw deal. I suspect that Kozak knows that too, deep down, which is why he's playing defense to justify this colossal fiasco.

Kozak's scheme amounts to a hostile foreign takeover of the US dairy promotion program, launched from inside. Thanks to the import assessment, the dairy checkoff program is effectively neutered – our promotion dollars can no longer promote American dairy products. Once we start assessing imports, the program cannot mention the country of origin.

We just gave away one of our most

effective promotion tools, the Real Seal. The Real Seal can no longer be used to designate cheese, butter, yogurt and other real dairy foods "Made in the USA." Is Jerry Kozak ashamed of American products?

The only people not threatened by this are the importers, who will be free to set up their own programs similar to our state and regional programs. These importer boards will be free to promote dairy products made entirely or mostly overseas, without mentioning where they're from. This allows them to effectively bypass the country of origin ban.

Effective August 1 when the assessment begins, imported dairy products will be free to use the Real Seal, making it hard if not impossible for our consumers to "buy American" in the dairy case. Thanks to a cheese importer group's letter to Dairy Management Inc. recently made public, we know that importers are eager to use our Real Seal on MPCs, casein, caseinates and other dairy products sourced primarily from foreign countries. Imagine the dairy checkoff program promoting MPCs!

As dairy farmers, we have invested hundreds of millions of our hard-earned dollars building the image of quality US cheese, butter and milk powder. Dairy importers will soon be neutralizing that program at a bargain price.

Much of the import checkoff money

Likewise, we plan to use other tools at our disposal once the assessment is implemented. Cheese importers plan to create an importer qualified program to which we can direct our 2.5 cents per hundredweight of assessment fees to promote our imported cheeses.

Additionally, we also plan to assert our perspective via representation on the National Dairy Board. While we did not ask to be a part of the dairy checkoff and would certainly prefer not to pay the assessment, we will take advantage of the system to be put in place.

The implementation of the Dairy Import Assessment is not an ideal situation for cheese importers, but some powers within the US dairy industry brought us to this point. It is our hope that those in the domestic industry who do not see us as the enemy will speak loudly and make an immediate plea to right this wrong.

We welcome this assessment disappearing and appreciate any help we can get from our allies in the domestic industry.

*/s/ Cheese Importers Association
of America
Washington, DC*

will go right back to importers to advertise their products, just as individual state and regional programs get up to a dime of their farmers' 15 cents checkoff to promote their products. The first time you see an ad for MPC – a cheap import that enters virtually tariff-free – you can thank Jerry Kozak.

Thanks to National Milk, importers will pay just 7.5 cents per hundredweight on a milk-equivalent basis, just half the 15 cents per hundredweight fee charged our farmers. And, importers also can get a money-back guarantee in the form of refunds. Our farmers just got demoted to second class citizens, and Jerry Kozak calls that a good deal!

The only real question remains why this was so important to National Milk. Is it because they need the money to pay the overblown salaries of Kozak and other "fat cat" executives at NMPF and DMI that run the program?

If Secretary Vilsack wants to help our farmers, he should ask Jerry Kozak what he's got against advertising American dairy products, why American producers don't get equal treatment, and why dairy importers got such a sweetheart deal at our expense.

Now we know why Jerry Kozak is so defensive.

*/s/ Tim Pedrozo
Farmstead Cheese Maker
Orland, CA*

Pentair To Acquire Clean Process Technologies Division Of Norit

Minneapolis, MN— Pentair, Inc. announced recently that it has entered into an agreement to acquire the Clean Process Technologies (CPT) division from privately held Norit Holding, B.V. for approximately \$705 million.

CPT is a global leader in membrane solutions and clean process technologies in the high growth water and beverage filtration and separation segments.

Supported by more than a century of innovation and expertise and backed by its own proprietary technology, CPT provides sustainable purification systems and solutions for desalination, water reuse, industrial applications and beverage segments that effectively address the increasing challenges of clean water scarcity, rising energy costs and pollution.

The company's product offerings include ultrafiltration and nanofiltration membrane technologies, aseptic valves, carbon dioxide recovery and control systems and specialty pumping equipment.

Based in the Netherlands, CPT has approximately 1,200 employees and operates five production and research and development facilities.


With more than 170 distributors across 100 countries, PT has broad sales diversity with approximately 45 percent of revenues generated in Western Europe, 20 percent in Asia-Pacific and nearly 10 percent in each of Latin America and the Middle East, with the balance in the rest of Europe and North America.

Pentair estimates CPT sales for 2011 to be greater than \$350 million.

"Technology plays a major role in addressing the increasing challenges of clean water supply and rising energy costs," said Randall J. Hogan, Pentair chairman and CEO.

"With leading membrane technologies, CPT provides components, systems, and services that will broaden and deepen our capabilities in desalination, water reuse and high efficiency industrial applications – and enable us to provide more integrated solutions to our customers," Hogan said.

"This acquisition will position Pentair as a leader in the attractive food and beverage sector, where CPT's expertise is highly valued, and will meaningfully strengthen our presence in fast growth regions, including China, Latin America and the Middle East," he continued.

The transaction is expected to close in the second quarter of 2011, subject to satisfaction of customary conditions and applicable regulatory approval. 

GMA, FMI Select Agencies To Develop \$50 Million Consumer Education Effort For Nutrition Keys Initiative

Washington—The Grocery Manufacturers Association (GMA) and Food Marketing Institute (FMI) on Monday announced the selection of three agencies to support the GMA-FMI Nutrition Keys front-of-pack nutrition labeling initiative.

BBDO New York (along with its sister companies Integer, PHD and Proximity), Edelman and Food-Minds have been selected to work with GMA and FMI and their member companies to develop a comprehensive \$50 million, 12-month consumer education campaign that will build awareness, understanding and use of the Nutrition Keys icon.

The campaign will educate consumers through a variety of communications channels, including point-of-purchase strategies, advertising and digital/social media.


Nutrition Keys, a voluntary nutrition labeling system initially available only to GMA and FMI members, will provide nutrition information on the front of food and beverage packages, including calories and three "nutrients to limit": saturated fat, sodium and sugars.

The four basic icons for calories, saturated fat, sodium and sugars will always be presented together as a consistent set.

As an option, certain labels could include "nutrients to encourage," which GMA and FMI define as nutrients needed to build a "nutrition-dense" diet. In addition to the

basic four icons, packages could include up to two "nutrients to encourage": calcium, protein, potassium, fiber, vitamin A, vitamin C, vitamin D, and iron.

These "nutrients to encourage" can only be placed on a package if the product has more than 10 percent of the daily value per serving of the nutrient and meets the Food and Drug Administration's requirements for a "good source" nutrient content claim.

"Because we are committed to providing consumers with the innovative products, tools and information they need to build and maintain a healthy diet, Nutrition Keys is a top priority for America's food and beverage companies," commented Pamela G. Bailey, president and CEO, Grocery Manufacturers of America. 

QUALITY MEANS BUSINESS

Quality cheese is what makes consumers come back. Again and again. The right flavor, aroma and texture create pleasant memories – and generate sales. Tetra Pak's cheese and whey production solutions deliver that kind of quality. Moreover, the quality and efficiency of our equipment and systems, coupled with our knowledgeable team, can cut your operational costs substantially.

We'd like to show you how we can help you turn optimized quality into greater profit. Get in touch with us today to see how we can put our cheese expertise and experience to work for you.

Just phone Kevin or one of our sales engineers at 320 485 4401 or send an email to info.cheese@tetrapak.com

Tetra Pak,  and PROTECTS WHAT'S GOOD are trademarks belonging to the Tetra Pak Group.

Kevin Ebensteiner – part of the Tetra Pak team.



For more information, circle #1 on the Reader Response Card on p. 10

EPA Exempts Milk, Milk Product Containers From Oil Spill Prevention, Control Rule

Washington—The US Environmental Protection Agency (EPA) on Wednesday exempted milk and milk product containers from the Oil Spill Prevention, Control and Countermeasure (SPCC) rule.

The SPCC regulation has been in place since the 1970s. Based on input from the dairy industry, EPA had previously delayed SPCC compliance requirements for milk and milk product containers until the mandated regulatory process could be completed.

In January 2009, EPA proposed the rule to exempt milk containers from the SPCC rule. Milk production is already subject to certain construction and sanitary standards and requirements that help prevent spills, the agency noted.

The final exemption applies to milk, milk product containers, and milk production equipment. In addition, because some of these facilities may still have oil storage subject to the spill prevention regulations, EPA is also amending the rule to exclude milk storage capacity from a facility's total oil storage capacity calculation.

The agency is also removing the compliance date requirements for the exempted containers.

The SPCC regulations require facilities storing more than 1,320 gallons of oil to create and implement plans to prepare, prevent and respond to oil spills. The exemption does not apply to fuel oil and other applicable oils stored on farms; farms

that store the regulatory threshold of fuel oil and other applicable oils are covered under the SPCC.

EPA estimates that dairy farms will incur an average annualized savings of \$133 million and dairy product manufacturing plants an average annualized savings of \$13 million, under this final rule.

In the SPCC rule, the term "bulk storage container" is defined as "any container used to store oil." Therefore, bulk storage containers storing milk are currently subject to the applicable provisions of the rule.

Also, milk is processed in containers during the pasteurization process. These continuous pasteurizers, while not bulk storage containers, are considered oil filled-manufacturing equipment and are currently subject to the general provisions of the SPCC rule. Finally, milk is also handled and transferred through piping and appurtenances associated with containers which are currently subject to certain provisions of the SPCC rule.

In response to EPA's October 2007 proposal for amendments to the SPCC rule, several comments requested that EPA exempt containers used to store milk from the SPCC requirements. Specifically, these comments suggested that milk storage containers be exempted from the SPCC requirements because the Grade A PMO addresses milk storage and tank integrity.

Thus, on January 15, 2009, EPA

published a proposal to exempt from SPCC requirements milk containers and associated piping and appurtenances provided they are constructed according to current applicable 3-A Sanitary Standards, and are subject to the PMO or a state dairy regulatory requirement equivalent to the current applicable PMO.

After EPA's review of comments and consideration of all relevant facts, the final rule announced this week modifies the proposed exemption to exempt all milk containers, and associated piping and appurtenances and further extends the exemption to include all milk product containers, and associated piping and appurtenances. The agency is also removing the compliance date requirements for the exempt containers.

"We appreciate that the EPA is taking a common-sense approach with this decision, recognizing that arbitrarily lumping milk and oil together isn't the appropriate thing to do," said Jerry Kozak, president and CEO of National Milk Producers Federation (NMPF).

"EPA has responded to our concerns about the rule and has now exempted not only milk containers at the farm and at fluid milk processing facilities, but also at all dairy processing facilities," said Connie Tipton, president and CEO of International Dairy Foods Association (IDFA). "IDFA's concern was that while milk containers at dairy farms and some dairy processing facilities were being exempted, the proposed rule did not apply uniformly across the entire industry. The revised rule resolves that problem." **FR**

WDPA Seeking Judges For World Dairy Expo Dairy Product Contest; Contest To Have 75 Product Classes

Middleton, WI—The Wisconsin Dairy Products Association (WDPA) this week issued a call for judges for its ninth annual World Dairy Expo Championship Dairy Product Contest.

This year's contest will have 75 different categories, encompassing a wide range of dairy products that include cheese, butter, milk, ice cream, yogurt, whey, cottage cheese, sour cream, whipping cream and more.

Marianne Smukowski of the Wisconsin Center for Dairy Research (CDR) will once again serve as head

judge. In addition to Smukowski, WDPA is seeking judges for these products: cheese and butter, 10 judges needed; yogurt, two judges; ice cream and sherbet, six judges; whey products, two judges; Cottage cheese, sour cream and sour cream dips, four judges; and fluid milk and cultured buttermilk, four judges.

Interested parties should send their resumes to: Wisconsin Dairy Products Association, 8383 Greenway Blvd., Middleton, WI 53562 by May 27, 2011. A WDPA contest committee will review all resumes and select the judges.

"This contest has exceeded our wildest expectations," said WDPA executive director Brad Legreid.

"Last year, in only the eighth year, our contest totaled over 660 entries,"

The ICTE was last held in Milwaukee in 1992, when the event was still held in the fall. It was held in La Crosse in 1994 and 1996 and then moved to Madison, where it was held from 1998 through 2010.

Next year, the International Cheese Technology Expo will be held April 10-12 at the Frontier Airlines Center in Milwaukee. Exhibitor booth sign-up is expected to begin on May 17. For more information, visit www.cheeseexpo.org. **FR**

International Cheese Technology Exposition To Be In Milwaukee In 2012

La Crosse, WI—The biennial International Cheese Technology Expo (ICTE) will move to Milwaukee, WI, in 2012, it was announced here this week by the Wisconsin Cheese Makers Association (WCMA), which co-sponsors the ICTE with the Wisconsin Center for Dairy Research (CDR).

FROM OUR ARCHIVES

50 YEARS AGO

April 14, 1961: **Washington**—Chairman Patman of the House Small Business Committee said this week that independent dairy firms were threatened with extinction unless Congress outlawed below-cost selling by "the dairy industry giants."

Chicago—Confirming the industry-wide trend to correct identification of salad dressings, a recent survey of 97 Kansas restaurants revealed that 91.5 percent of the operators offering a Blue mold cheese dressing labeled it properly. The survey was conducted by the American Blue Cheese Association.

25 YEARS AGO

April 18, 1986: **Charm, OH**—There were 97 members and guests here this week at the annual banquet of the Ohio Swiss Cheese Association. This year, the association posthumously honored Alfred Guggisberg and Hans Rothenbuhler. Each of the families received an engraved 20-quart Swiss milk can with floral arrangements.

Washington—Restricting US casein imports could cause a partial or complete displacement of cheese analogs by natural cheese, according to a new USDA study. If a 50 percent tariff on casein imports was imposed, many casein users would shift where possible to other ingredients, primarily whey proteins, soy and synthetics. About 46 million pounds of casein would be replaced by these proteins.

10 YEARS AGO

April 13, 2001: **Arlington, VA**—US imports of milk protein concentrate and other milk protein products are displacing domestically produced nonfat dry milk, thereby eroding the dairy price support program and preventing higher domestic producer milk prices, the National Milk Producers Federation reported this week. The US dairy production sector is being economically harmed by the interweaving of its own trade policies and those of competing nations, NMPF reported.

Newton, IA—Iowa's Maytag Dairy Farms is facing the difficult decision of whether or not to expand its operation to accommodate a barrage of orders. The problem is how to maintain Maytag's stellar reputation for quality Blue cheese, while still putting out enough product to fill stacks of orders.

Legreid said. "That is an unprecedented amount of entries for such a relatively new contest."

WDPA will conduct a portion of the judging – cheese, butter, yogurt, Cottage cheese, fluid milk, cultured buttermilk, sour cream dips and whipping cream – on Aug. 17-18 at the Madison Area Technical College (MATC) Culinary School.

The ice cream, sherbet and whey judging will take place on Aug. 16 at Babcock Hall on the University of Wisconsin-Madison campus.

Contest entry forms will be mailed to North American dairy plants in mid-July. All entries must be shipped the week of Aug. 8.

The winning entries will be auctioned off on Tuesday, Oct. 4 at World Dairy Expo. The Grand Champion will then be honored the following evening at World Dairy Expo's Dinner with the Stars.

WDPA is excited to be sponsoring the upcoming contest, Legreid said.

"This contest affords manufacturers of other dairy products – who ordinarily do not have the opportunity to enter such contests," he said.

For more information, contact WDPA at (608) 836-3336 or visit www.wdpa.net. **FR**

Value Of US Dairy Exports Jumped 55% In February; Cheese Exports, Imports Increase

Washington—US dairy product exports during February were valued at \$343.0 million, up 55 percent from February 2010, according to figures released Tuesday by USDA's Foreign Agricultural Service (FAS).

February dairy imports were valued at \$176.2 million, up 11 percent from February 2010.

Thus, the US ran a dairy trade surplus of \$166.9 million during February, up from a dairy trade surplus of \$63.3 million in February 2010.

During the first two months of 2011, US dairy exports were valued at \$674.8 million, up 52 percent from the first two months of 2010. Dairy imports during the same period were valued at \$348.1 million, up 8 percent from a year earlier.

Thus, the US ran a dairy trade surplus of \$326.7 million during the first two months of 2011, compared to a dairy trade surplus of \$120.9 million during the first two months of 2010.

Leading US dairy export markets during the first two months of 2011, on a value basis, with comparisons to the first two months of 2010, were: Mexico, \$143.1 million, up 34 percent; Canada, \$69.5 million, up 10 percent; China, \$40.4 million, up 36 percent; Indonesia, \$40.1 million, up 363 percent; Philippines, \$37.4 million, up 69 percent; Japan, \$37.2 million, up 12 percent; South Korea, \$35.7 million, up 152 percent; and Vietnam, \$31.4 million, up 111 percent.

Cheese exports during February totaled 43.8 million pounds, up 103 percent from February 2010. The value of those exports, \$77.2 million, was up 90 percent from February 2010.

During the first two months of 2011, cheese exports totaled 85.2 million pounds, up 99 percent from the first two months of 2010. The value of those exports, \$147.8 million, was up 79 percent from a year earlier.

Nonfat dry milk exports in February totaled 78.7 million pounds, up 132 percent from February 2010. NDM exports during January-February totaled 165 million pounds, up 163 percent from the same period last year.

February dried whey exports totaled 42.0 million pounds, up 5 percent from February 2010. Dried whey exports during the first two months of this year totaled 85.3 million pounds, up 3 percent from the first two months of last year.

Whey protein concentrate (WPC) exports during February totaled 14.8 million pounds, down 35 percent from February 2010. WPC exports during January-February totaled 38.1 million pounds, down 20 percent from a year earlier.

Butter exports during February totaled 11.2 million pounds, up 174 percent from February 2010. Butter exports during the first two months of 2011 totaled 19.3 million pounds,

up 92 percent from the first two months of 2010.

Cheese Imports Increase

February cheese imports totaled 24.1 million pounds, up 27 percent from February 2010. The value of those imports, \$81.9 million, was up 22 percent from February 2010.

Cheese imports during the first two months of 2011 totaled 46.1 million pounds, up 20 percent from the first two months of 2010. The value of those cheese imports, \$153.2 million, was up 14 percent from a year earlier.

Leading sources of US cheese imports during the first two months of 2011 on a volume basis, with comparisons to the first two months of 2010, were: Italy, 11.0 million pounds, up 33 percent; France, 6.9 million pounds, up 35 percent; Ireland, 3.1 million pounds, up 124 percent; the Netherlands, 2.5 million pounds, up 53 percent; and Norway, 2.4 million pounds, down 3 percent.

Other Dairy Imports Mixed

The value of other (non-cheese) US dairy imports during February was \$94.2 million, up 3 percent from February 2010.

During the January-February period, the value of other dairy imports was \$194.9 million, up 3 percent from the same period last year.

Leading suppliers of other US dairy product imports on a value basis during the first two months of 2011, with comparisons to the first two months of 2010, were: New Zealand, \$72.7 million, up 4 percent; India, \$15.8 million, down 27 percent; Canada, \$15.0 million, down 1 percent; Australia, \$12.6 million, down 12 percent; and the Netherlands, \$11.3 million, up 38 percent.

Casein imports in February totaled 5.7 million pounds, down 35 percent from February 2010. During the first two months of 2011, casein imports totaled 11.9 million pounds, down 14 percent from the first two months of 2010.

February imports of caseinates totaled 6.4 million pounds, up 57 percent from February 2010. January-February imports of caseinates totaled 12.8 million pounds, up 19 percent from a year earlier.

Imports of Chapter 4 milk protein concentrates during February totaled 6.2 million pounds, down 20 percent from February 2010.

Imports of Chapter 4 MPCs during the first two months of 2011 totaled 11.1 million pounds, down 26 percent from the first two months of 2010.

February imports of Chapter 35 MPCs totaled 2.5 million pounds, down 10 percent from February 2010. January-February imports of Chapter 35 MPCs totaled 4.8 million pounds, up 15 percent from a year earlier. **FR**

Yogurt, Other Products Labeled 'Organic' Perceived To Taste Better, Be Lower In Calories And Lower In Fat

Ithaca, NY—A growing literature suggests that the halo effect—how we perceive a particular trait of a person can be influenced by how we perceive other traits of the same person—may also apply to foods, and ultimately influence what and how much consumers eat.

For example, research has shown that people tend to consume more calories at fast-food restaurants claiming to serve "healthier" foods, compared to the amount they eat at a typical burger-and-fry joint.

The reasoning is that when people perceive a food to be more nutritious, they tend to let their guard down when it comes to being careful about counting calories, ultimately leading them to overeat or feel entitled to indulge.

This health halo effect also seems to apply to certain foods considered by many to be especially healthy, such as organic products. Specifically, some people assume that these foods are more nutritious, just because they carry an "organic" label.

As part of her master's research, Jenny Wan-chen Lee, a graduate student in Cornell University's Dyson School of Applied Economics and Management, asked whether the "health halo" surrounding organic foods would lead people to automatically perceive them as tastier or lower in calories.

She tested this question by conducting a double-blind, controlled trial in which she asked 144 subjects at a local mall to compare what they thought were conventionally and organically produced plain yogurt, potato chips and chocolate sandwich cookies.

All of the products, however,

were actually of the organic variety; they were just labeled as being "regular" or "organic." Participants were then asked to rate each food for 10 different attributes (such as overall taste, perception of fat content). Lee also asked them to estimate the number of calories in each food item and how much they would be willing to pay.

The reasoning is that when people perceive a food to be more nutritious, they tend to let their guard down when it comes to being careful about counting calories...

Confirming Lee's health halo hypothesis, the subjects reported preferring almost all of the taste characteristics of the organically labeled foods, even though they were actually identical to their conventionally labeled counterparts.

The foods labeled "organic" were also perceived to be significantly lower in calories and evoked a higher price tag. Also, foods with the "organic" label were perceived as being lower in fat and higher in fiber.

Overall, organically labeled chips and cookies were considered to be more nutritious than their "non-organic" counterparts. **FR**

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For more information, circle #2 on the Reader Response Card on p. 10

Auction Results

Continued from p. 1

Antigo, WI, certified in Asiago and Parmesan.

At Wednesday night's auction of winning cheeses from the US Championship Cheese Contest, a total of \$142,110 was raised in the auctioning off of 38 different lots of cheese.

Champion Cheese Auction Results

The Championship Cheese Auction brought in a total of \$142,110.00 for the 38 auction items.

The US Champion Cheese, a 10-pound Evalon hard goat's milk cheese made by Katie Hedrich of La Clare Farms Specialties, Chilton, WI, was purchased by Wisconsin Aging & Grading for \$400.00 per pound, or \$4,000.00 total.

The First Runner-Up, a 20-pound SarVecchio Parmesan made by John Griffiths of Sartori Foods, Plymouth, WI, along with a 20-pound Salsa Asiago made by Sartori's Mike Matucheski, was purchased by Cargill for \$170.00 per pound, or \$6,800.00 total.

The Second Runner-Up, a 20-pound Super Gouda made by Holland's Family Cheese of Thorp, WI, along with 20 pounds of Holland's Gouda Belegen and 20 pounds of Holland's Smoked Cumin Gouda, was purchased by Prolamina for \$160.00 per pound, or \$9,600 total.

This year's auction brought in some impressive bidding, with the highest total bid going to R. Mueller Service & Equipment for a 40-pound Sharp Cheddar made by Foremost Farms USA of Marshfield, WI, for \$300.00 per pound, or \$12,000 total.

The highest bid on a per-pound basis was also by R. Mueller for a 13-pound Colby Longhorn made by R&J Brothers of LaGrander's Hillside Dairy, Stanley, WI, for \$450.00 per pound, or \$5,850.00 total.

The entire list of Wednesday night's winning bids include:

■ Item 1 – 10 pounds of Mild Cheddar made by Rob Strellrech and 10 pounds of String Cheese made by Steven Tollers, both of Burnett Dairy Co-op, Grantsburg, WI, purchased by D.R. Tech for \$130.00 per pound, or \$2,600.00 total.

■ Item 2 – A 40-pound Monterey Jack and 40-pound Colby Jack made by Daniel Hood of TCCA Creamery, Boardman, OR, purchased by T.C. Jacoby for \$40.00 per pound, or \$3,200.00 total.

■ Item 3 – A 40-pound Medium Cheddar made by Tracy Stuckey of Great Lakes Cheese of New York, Adams, NY, was purchased by Prolamina for \$65.00 per pound, or \$2,600.00 total.

■ Item 4 – A 13-pound Colby Longhorn made by R&J Brothers of LaGrander's Hillside Dairy, Stanley, WI, was purchased by R. Mueller Service and Equipment for \$450.00 per pound, or \$5,850.00 total.

■ Item 5 – A 40-pound Sharp Cheddar made by Foremost Farms USA of Marshfield, WI, was pur-

chased by R. Mueller for \$300.00 per pound, or \$12,000.00 total.

■ Item 6 – A 200-pound Rindless Swiss made by Guggisberg Cheese of Millersburg, OH, was purchased by Stateline Dairy Products for \$30.00 per pound, or \$6,000.00 total.

■ Item 7 – A 40-pound Aged Cheddar made by Land O'Lakes, Kiel, WI, was purchased by Masters Gallery for \$40.00 per pound, or \$7,200.00 total.

■ Item 8 – A 13-pound Mozzarella made by Roger Krohn and 13 pounds of Reduced Sodium Provolone made by Pat Doell, both of Agropur, Luxembourg, WI, was purchased by Masters Gallery for \$230.00 per pound, or \$5,980.00 total.

■ Item 9 – A 40-pound Aged Cheddar made by Ben Renninger and a 40-pound 75% Reduced Fat Cheddar made by Jerry Colbeth, both of Cabot Creamery, Montpelier, VT, was purchased by Cargill for \$90.00 per pound, or \$7,200.00 total.

■ Item 10 – A 10-pound LMPS Mozzarella made by Brian Maisey of Sorrento Lactalis, Nampa, ID, was purchased by D.R. Tech for \$190.00 per pound, or \$1,900.00 total.

■ Item 11 – A 13-pound Red Barn Family Heritage Cheddar made by Wayne Hintz, Sprinside Cheese, Oconto Falls, WI, was purchased by Hoogewegt for \$80.00 per pound, or \$1,040.00 total.

■ Item 12 – A 200-pound Baby Swiss made by Richard Shipman of Middlefield Cheese, Middlefield, OH, was purchased by Great Lakes Cheese for \$15.00 per pound, or \$3,000.00 total.

■ Item 13 – A 20-pound Sharp Provolone made by Ernesto Nunez and a 24-pound Romano made by Josh Krause, both of BelGioioso Cheese, Inc., Green Bay, WI, was purchased by Complete Filtration for \$70.00 per pound, or \$3,080.00 total.

■ Item 14 – A 10-pound Helena Feta made by Jamie Graca and a 10-pound Panela made by Anto Baghdassarian, both of Karoun Dairies, Inc., Sun Valley, CA, was purchased by General Films for \$15.00 per pound, or \$300.00 total.

■ Item 15 – A 12-pound Provolone made by DFA of New Wilmington, PA, was purchased by Chr. Hansen for \$260.00 per pound, or \$3,120.00 total.

■ Item 16 – A 10-pound Peppercorn Feta in Brine made by Steve Webster of Klondike Cheese Co., Monroe, WI, was purchased by Nutricepts for \$330.00 per pound, or \$3,300.00 total.

■ Item 17 – A 12-pound Montforte Gorgonzola and a 12-pound Monforte Blue made by Arthur Schuman Inc., Fairfield, NJ, was purchased by Oshkosh Cheese Sales for \$170.00 per pound, or \$4,080.00 total.

■ Item 18 – A 10-pound Havarti and 10-pound Pepper Havarti made by Steve Stettler, and a 12-pound Queso para Fundir made by Decatur Team 1, all of Decatur Dairy, Inc., Brodhead, WI, was purchased by R.



Winners of the 2011 US Championship Cheese Contest were honored during the closing banquet of the Wisconsin Cheese Industry Conference in La Crosse, WI. From left to right: First Runner-up John Griffiths of Sartori Foods; US Champion Cheese Maker, Katie Hedrich of La Clare Farms Specialties; and Second Runner-up, Marieke Penterman, Holland's Family Cheese, LLC.

Mueller for \$175.00 per pound, or \$5,600.00 total.

■ Item 19 – A 10-pound Process Cheese with Hot Peppers made by AMPI of Portage, WI, was purchased by Custom Fabricating for \$430.00 per pound, or \$4,300.00 total.

■ Item 20 – 10-pounds of German Style Brick made by Doug Kundert of Chalet Cheese Co-op, Monroe, WI, was purchased by MCT Dairies for \$120.00 per pound, or \$1,200.00 total.

■ Item 21 – 10 pounds of Salted and 10 pounds of Unsalted Butter made by Donald Much of Grassland Dairy Products, Greenwood, WI, was purchased by Custom Fabricating for \$90.00 per pound, or \$1,800.00 total.

■ Item 22 – 10 pounds of Gourmet Fresh Mozzarella and 10 pounds of Hand Dipped Ricottone made by Kraft Foods Global of Campbell, NY, was purchased by Hoogewegt for \$65.00 per pound, or \$1,300.00 total.

■ Item 23 – A 40-pound Habanero Pepper Jack made by Nijaz Hreic and a 40-pound Monterey Jack with Pecans made by Dick Vawser, both of Glanbia Foods, Inc., Twin Falls, ID, was purchased by Chr. Hansen for \$30.00 per pound, or \$2,400.00 total.

■ Item 24 – A 40-pound Reduced Fat Monterey Jack made by Kerry Henning, Henning's Cheese, Kiel, WI, was purchased by DSM Specialties for \$110.00 per pound, or \$4,400.00 total.

■ Item 25 – A 10-pound Caraway Havarti Loaf made by Kyle Nackers of Arla Foods, Kaukauna, WI, was purchased by A&B Process Systems for \$330.00 per pound, or \$3,300.00 total.

■ Item 26 – 10 pounds of Port Wine Cold Pack Spread made by Bel Brands USA of Little Chute, WI, was purchased by Jerry Dryer for \$200.00 per pound, or \$2,000.00 total.

■ Item 27 – A 10-pound Process Swiss American Cheese made by Dan Stanely of Biery Cheese Co., Louisville, OH, was purchased by

Pacific Cheese for \$70.00 per pound, or \$700.00 total.

■ Item 28 – A 10-pound Brick made by John Pittman of Mill Creek Cheese, Arena, WI, was purchased by R. Mueller Service and Equipment for \$260.00 per pound, or \$2,600.00 total.

■ Item 29 – An 11-pound Bucheron made by Doug Waechter and a 12-pound Goat Feta made by Mercury Bruggin, both of Montchevre-Betin, Inc., Belmont, WI, was purchased by Dairy Connection for \$110.00 per pound, or \$2,530.00 total.

■ Item 30 – A 12-pound Swiss & Almond Cold Pack made by Harold Patzke of Pine River Prepack, Newton, WI, was purchased by Novak's Cheese for \$280.00 per pound, or \$3,360.00 total.

■ Item 31 – A 10-pound Herb Foil Brie made by Team B of Lactalis USA, Belmont, WI, and a 10-pound President Spreadable Feta made by Shawn Schult of Lactalis USA, Inc., Merrill, WI, was purchased by Danisco for \$250.00 per pound, or \$5,000.00 total.

■ Item 32 – A 10-pound Reduced Fat Lacey Swiss made by Bruce Workman of Edelweiss Creamery, Monticello, WI, was purchased by Dairy Connection for \$100.00 per pound, or \$1,000.00 total.

■ Item 33 – A 23-pound Smoked Garlic Cheddar made by Carr Valley Cheese of La Valle, WI, was purchased by Cheese Market News for \$150.00 per pound, or \$3,450.00 total.

■ Item 34 – 18 pounds of Shredded Extra Sharp Cheddar made by Masters Gallery Foods of Plymouth, WI, was purchased by Novak's Cheese for \$200.00 per pound, or \$3,600.00 total.

■ Item 35 – An 18-pound Tarentaise made by Spring Brook Farm, Farms for City Kids Foundation, Reading, VT, was purchased by Hoogewegt for \$40.00 per pound, or \$720.00 total. **FR**

Alpina's NY Plant

(Continued from p. 1)

rently sells 32 products in four different categories — dairy, desserts, baby food and cheese — and distributes its portfolio in the Northeast and Florida.

Alpina plans to create 50 jobs at a new dairy manufacturing plant that will be built in the Genesee Valley Agri-Business Park in Batavia, NY.

Julian Jaramillo, Alpina's CEO, has been planning to expand physical operations into the US for many years, due to growing demand for Alpina's yogurts, desserts and beverages. After reviewing several locations, Alpina decided to build and equip a 28,000 square foot manufacturing facility in the Genesee Valley Agri-Business Park in Batavia.

"We chose the park because of the skilled workforce, proximity to milk supply, ability to reach our target markets, and the longstanding tradition of dairy and agriculture within western New York," Jaramillo said. "It is an optimal location for our first United States specialty yogurt manufacturing facility."

"We've been waiting for exactly the right moment to make a major push into the US market, and today we found the right location to achieve our strategic goals," said Alpina Foods LLC managing director Carlos Ramirez Zavarce.

For Ramirez, the focus is on creating partnerships in western New York with suppliers, distributors and retailers.

"Alpina will be operating with local dairy farmers, milk cooperatives and vendors along the value chain to enhance our operations," Ramirez said. "We are very interested in working with local retailers such as Wegmans, Tops and other supermarket chains to introduce ReStart."

ReStart is Alpina's new fat-free yogurt, which features fruit mar-

malades and a mix-in granola, and is designed to be nutritious and convenient for on-the-go lifestyles.

In deciding to locate in New York state, Alpina will be eligible for incentives from the following state agencies: Empire State Development Corporation, which will be providing Excelsior Jobs Program benefits; Office of Community Renewal and the Department of Labor.

Also, National Grid and National Fuel have committed to helping fund infrastructure extensions to the new facility, and the Genesee County Economic Development Center will provide local incentives.

"There are significant food processing assets available throughout western New York, including our extensive milk supply and abundance of fresh water," said Mark S. Peterson, Greater Rochester Enterprise president. "These agricultural assets, coupled with proximity to major metropolitan areas, will certainly accelerate Alpina Foods' penetration of the US market."

New York Farm Bureau "is very pleased to welcome another dairy processing plant to western New York," said Dean Norton, NYFB president. "Clearly, our farm families' reputation for producing local, quality milk and our proximity to the metro markets gives us a natural advantage in the farming and food manufacturing business."

"The dairy industry is a major player in the vitality of rural New York state, helping to preserve our beautiful open landscapes and protect our environment," noted Kathryn Boor, Ph.D., dean of the Cornell University College of Agriculture and Life Sciences, which "enthusiastically partnered with GCEDC to encourage Alpina to locate in New York."

"We look forward to working with them to establish a successful dairy

processing operation in western New York," Boor continued. "Our faculty, staff and students have considerable depth in milk production and dairy processing expertise and aim to build lasting partnerships with this innovative company."

"This is an exciting project and it is gratifying to see foreign manufacturers investing in New York state, especially in the dairy arena, which is the single largest segment of the state's agriculture industry," said Kenneth Adams, Empire State Development president and CEO. "The company explored several states but ultimately chose New York because of our reliable milk supply and willingness to support this critical market."

"A foreign direct investment, such as Alpina's investment into a new specialty yogurt manufacturing facility, is an enormous win for western New York and the entire state," said Steve Hyde, GCEDC president. "I have been impressed with Alpina's products, quality control and socially responsible business practices. We welcome them into our community and are confident that they will be prosperous here in New York."

"We are very pleased to have been able to introduce Alpina to the Genesee county site and assist the company in locating here in Upstate New York," said Thomas Kucharski, president and CEO, Buffalo Niagara Enterprise (BNE). "While our region is rich in agricultural assets, it was the vision showed by our colleagues at the GCEDC to invest in and develop the Agri-Business Park that enabled Alpina to invest and create jobs in Batavia."

Jaramillo specified that the GCEDC "assisted Alpina in every step of the site selection process, provided quick and efficient responses to our requests and was able to bring together the necessary partners to streamline the entire procedure." **FR**

New York State Emerging As A Leader In Specialty Yogurt Production

Albany, NY—Sales of specialty yogurt products, particularly Greek-style yogurts, have been growing rapidly in the US in recent years, and New York state has emerged as one of the leaders in the production and marketing of those products.

Thanks in part to these specialty yogurt manufacturers, New York state's yogurt production jumped from about 230 million pounds in 2008 to an estimated 369 million pounds in 2010, according to the New York State Department of Agriculture and Markets.

There are currently more than two dozen plants producing yogurt in New York state.

Among the companies that have started producing specialty yogurts in New York state in recent years: Fage USA Dairy Industry, whose 120,000 square foot plant in Johnstown, NY, became fully operational in April of 2008. Fage, Greece's largest dairy company, produces Fage Total Greek yogurt at the Johnstown plant, and distributes it nationwide.

Chobani Greek Yogurt, which is also distributed nationwide, is produced by Agro Farma Inc., at its plant in South Edmeston, NY. Agro Farma acquired the facility in 2005, and just last August announced expansion plans for the plant.

New York state is home to at least two additional manufacturers of Greek-style yogurt: Krino Foods and Kesso Foods.

Also in New York state: the Icelandic Milk and Skyr Corporation produces Siggis traditional Icelandic-style yogurt. **FR**

The Industry's Original

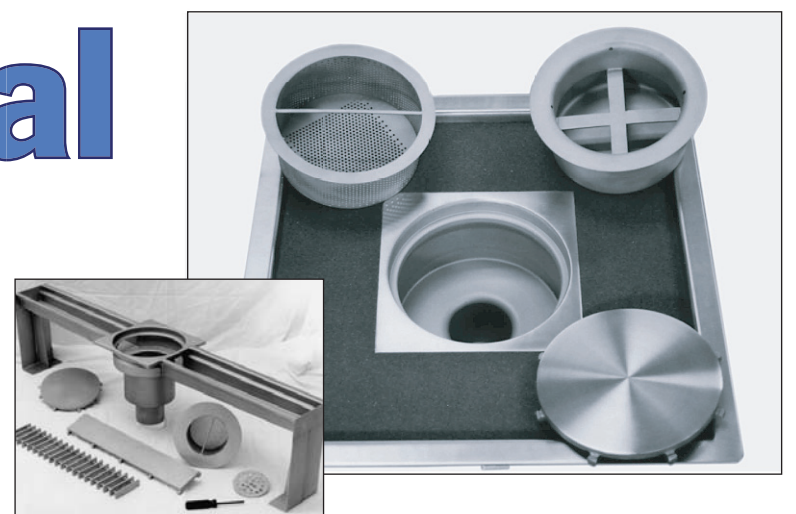
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For more information, circle #4 on the Reader Response Card on p. 10

PERSONNEL NOTES

BelGioioso Cheese's Schleitwiler Re-Elected President Of WCMA

L a C r o s s e , W I — Mark Schleitwiler of BelGioioso Cheese, Green Bay, WI, was re-elected president of the Wisconsin Cheese Makers Association (WCMA) by the WCMA board of directors here Tuesday.

Ron Buholzer of Klondike Cheese, Monroe, WI, was elected first vice president; he had been serving as second vice president. Eric Liebetrau of Park Cheese, Fond du Lac, WI, was elected second vice president. Pat Mugan, Sartori Company, Plymouth, WI, was re-elected secretary; and Dan Zagzebski, Great Lakes Cheese, Wausau, WI, was re-elected treasurer.

During the WCMA's annual meeting, held Thursday during the

Wisconsin Cheese Industry Conference, Schleitwiler announced that three people have been elected to the WCMA board: Laurie Olm, Pine River Dairy, Manitowoc, WI; Julie Stellpflug, Crystal Farms, Lake Mills, WI; and Dick Groves, Cheese Reporter, Madison.

Four board members were honored for completing six years of service on the Wisconsin Cheese Makers Association board: Andy Dederich, Cargill, Waukesha, WI; Bob Ehrenberg, Taylor Cheese, Weyauwega, WI; Kerry Henning, Henning Cheese, Kiel, WI; and Mike Sipple, Agropur, Appleton, WI.

Agriculture Secretary Tom Vilsack has announced six appointments to the **National Fluid Milk Processor Promotion Board**. All appointees will serve three-year terms. The newly appointed member is **SCOTT SHEHADELY** of Produc-

ers Dairy, Fresno, CA, at large member. Newly reappointed members include: CHRISTOPHER ROSS, HP Hood, Lynnefield, MA, Region 2; MICHAEL SMITH, Publix Super Markets, Lakeland, FL, Region 5; MICHAEL BELL, LaLa USA, Dallas, TX, Region 8; STEVEN TURNER, Turner Dairy, Covington, TN, Region 11; and JAY SIMON, Super Store Industries, Stockton, CA, Region 14.

NANCY FOGG-JOHNSON and **JOHN STANTO** have joined the Strategic Alliance Advisory Board of **David Michael & Co.** Fogg-Johnson is a founder of Nutri+Food Business Consultants and Stanto is professor and chair of the food marketing department at Philadelphia's Saint Joseph's University. David Michael & Company's mission is to develop new alliances with food and beverage manufacturers in the United States.

Cheddar Added


(Continued from p. 1)

Two casein products will also be offered starting with the May 17 trading event: NZMP Rennet Casein 771, 30 mesh, and NZMP Rennet Casein 779, 90 mesh. Both are produced by controlled precipitation of casein from pasteurized skim milk by the action of microbial rennet enzymes.

Suggested uses included imitation cheeses and processed cheeses.

Ian Palliser, director of optimization, trading and sourcing at Fonterra, said adding cheese was in line with the New Zealand cooperative's plans to provide customers with a wide range of products on a world class platform.

The July 5 trading event will mark globalDairyTrade's third birthday, Palliser noted. Since its launch, sales have totaled US\$3.3 billion.

For more information, visit www.globaldairytrade.info. 

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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. 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

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

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**.

5. 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.

6. 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.

8. Consultants

www.processedcheese.info Processed and Imitation Cheese Product and Process Development service for companies manufacturing block, slices, portions, spreads and liquid processed and imitation cheese. A professional service drawing on twenty years experience in this industry. Check out the website or simply e mail proccheese@eircom.net with your query. We look forward to hearing from you.

Marquez Brothers International

Director or Vice President of Operations

Marquez Brothers is conveniently headquartered in San Jose, CA and is the place for individual growth. Reports to the CEO and manages all Operations department locations in the US and Mexico. The VP of Operations is responsible for the performance of all Department functions: Manufacturing, Material Management, Order Services, Engineering. The person in this role will implement programs to ensure attainment of business plan for growth and profit which includes improving processes and management methods to generate higher ROI and workflow optimization.

Responsibilities:

- ◆ Must have a strong working background in production of dairy products. The person having clear cut knowledge of Marquez Brothers products, both manufactured and purchased for sale, would have the "baseline" required for this position.
- ◆ Has "hands on" expertise in designing and implementing state of the art Supply Chain Management processes in an environment that doesn't currently have it. This would include multi level partnering to achieve a corporate world class manufacturing philosophy and practice.
- ◆ Develops and seeks approval of annual budget and maintains the requirements of that budget on a monthly basis in multiple manufacturing facilities in California and Mexico.
- ◆ Reviews and controls budget spending, labor efficiency, material efficiency, engineering effectiveness and customer service.
- ◆ Develops and recommends corporate operations policy within the Operations Department.
- ◆ Oversees the availability of all manufactured products throughout the entire Marquez Brothers distribution network.
- ◆ The position mandates innovative skills to best resolve both long term strategic issues as well as resolution to short term tactical problems that occur at the California and Mexico manufacturing sites.
- ◆ Highly computer literate of monitoring and reporting tools available and has expertise on how to use those tools effectively.
- ◆ Responsible for implementation of full TQM and TPM practices.
- ◆ Utilizes SPC principles throughout the Marquez Brothers organization to ensure that all processes stay within its prescribed control limits.
- ◆ Develops and plans for new areas of manufacturing technology implementation along with sufficient planning for areas that support the mission of the corporation.
- ◆ Primary owner of technical and philosophical Company Operating Systems (ERP, Lean Manufacturing, Just in Time).
- ◆ Is responsible for developing a perpetual internal personnel growth program.
- ◆ Ensures that all workers in the operations arena are cross trained
- ◆ Knows the direct relationship between the reduction of all lead times and customer satisfaction/ increased profitability.

Qualifications:

- Bachelors or Masters in Business
- ERP/LEAN/TQM Expertise
- Is an effective change agent with executive management teams
- Is one of the primary Executive S&OP team members who understand the word com promise when it involves what is best for the business.
- Must be willing to challenge current methods of Marquez Brothers current business philosophies and sell better more advanced methods to the executive team.

- Must be a "non-silo" organization driven individual.
- Ability to read, analyze, and interpret common scientific and technical journals, financial reports, and legal documents.
- Develop and maintains workable KPI's at all levels of their organization.
- Identifies training needs, initiates development of subordinates and takes effective personnel action to resolve or improve business issues.

Corporate Master Scheduler

The corporate Master Scheduler at MBI is a "unique to industry" position. This person must be "environment capable" in dairy industry products. This individual should also have worked in the "hard" grocery ordered/distributed products. Must be a master of make to stock, make to order and blend to order (also known as ATO) processes. The successful candidate will live to a code of practice that the Master Schedule must always be "doable".

Responsibilities:

- ◆ Is the key player in providing commitment to meeting sales promotions in a rapidly moving and demanding market. Directs the analytical and mathematical analysis that support planning, scheduling, inventory production, and forecasting systems: Provides direction to division schedulers (both manufacturing and distribution oriented) on scheduling and adjusting priorities based on patterns.
- ◆ Assists marketing/sales in defining and implementing forecast demands.
- ◆ Provides simulation information to Purchasing to take advantage of economy of scale opportunities.
- ◆ Aids production in determining needs for new equipment and or more expedient processes.
- ◆ Must have strong working knowledge of MBI products.

Qualifications:

- Bachelor's degree in business. APICS certification is desirable in both CPIM and CSCP. Background is thorough in Supply Chain Management education and past successful use would be a valuable trait.
- Five plus years minimum in Master Scheduling, Sales & Operations Planning, scheduling, purchasing, production scheduling, material planning and production control.
- Strong background in ERP and Supply Chain Management Systems.
- Dairy industry production background is needed
- Successful application of Lean principals
- Strong past in managing distribution inventories
- Strong analytical skills; must be able to analyze statistical data and make appropriate recommendations and decision to executive management.
- Strong computer systems competence, especially with database and report writing technology applications.



Resumes can be submitted to
hr@marquezbros.com

Phone calls will not be accepted

California Class 1 Minimum Prices & Other Advanced Prices - May 2011

Class 1:	Lb. Fat	Lb. SNF	Lb. Fluid	Equivalent Per CWT
Northern CA	\$2.2414	\$1.1641	\$0.0333	\$20.90
Southern CA	\$2.2414	\$1.1641	\$0.0364	\$21.17

Statewide Average CWT Price

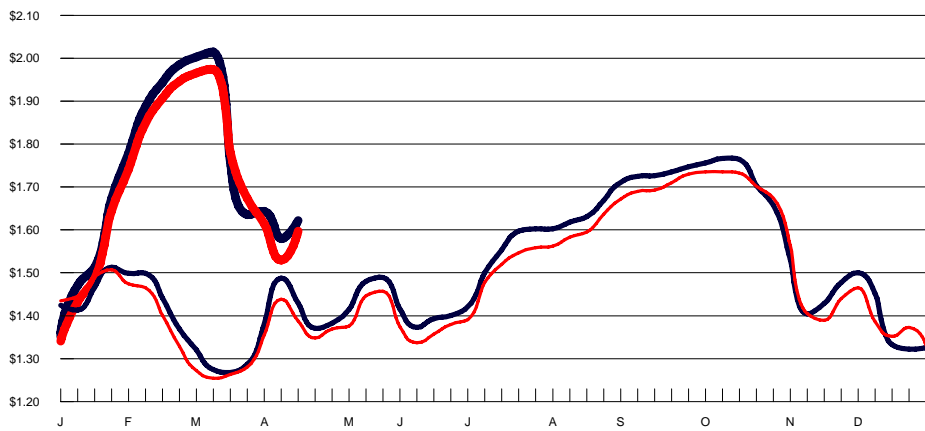
Based Upon Production	\$20.92
Based Upon Utilization	\$21.06

Commodity Market Prices

Product	\$ Per LB.
Cheese, US 40-block, CME - Daily Simple Average	\$1.6115
AA Butter, CME - Daily Simple Average	\$1.9993
CA Extra Grade & Grade A NFDN - Weighted Average	\$1.5067
Western Dry Whey (Mostly) - Simple Average	\$0.4856

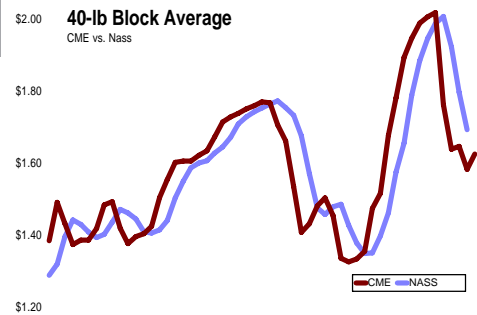
Commodity Reference Price for May Class 1 - \$21.3743

CME Block/Barrel Price Tracker - 2011 vs. 2010
Blocks in Blue; Barrels in Red



DAIRY PRODUCT PRICES

April 15—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 NFDN. A transaction is complete when the product is "shipped out" and title transfers. •Revised



Style and Region	WEEK ENDING			
	April 9	April 2	March 26	March 19
40-Pound Blocks				
Average Price	Dollars/Pound			
MN/WI	1.7743	1.8670*	1.9507	2.0847
Other States	1.6827	1.7870	1.9160	1.9971
US	1.6897	1.7934	1.9192	2.0036
Sales Volume	Pounds			
MN/WI	990,207	917,859*	987,082	838,426
Other States	11,883,935	10,595,833	9,860,856	10,459,365
US	12,874,142	11,513,692*	10,847,938	11,297,791
500-Pound Barrels				
Average Price	Dollars/Pound			
MN/WI	1.7504	1.8691	1.9778	2.0909
Other States	1.8049	1.8879	2.0316	2.0950
US	1.7789	1.8788	2.0039	2.0936
Price Adj. to 38% Moisture	Dollars/Pounds			
MN/WI	1.6803	1.7921	1.8910	2.0001
Other States	1.7124	1.7908	1.9267	1.9771
US	1.6971	1.7914	1.9083	1.9875
Sales Volume	Pounds			
MN/WI	4,264,334	4,215,486	4,417,297	4,710,102
Other States	4,649,633	4,463,588	4,186,944	5,612,529
US	8,913,967	8,679,074	8,604,241	10,322,631
Moisture Content	Percent			
MN/WI	35.41	35.34	35.15	35.15
Other States	34.65	34.64	34.62	34.30
US	35.01	34.98	34.90	34.69
Butter				
Average Price	Dollars/Pound			
US	2.0036	2.0316*	2.0656*	2.1156
Sales Volume	Pounds			
US	4,740,812	4,950,394*	3,433,078*	3,282,372
Nonfat Dry Milk				
Average Price	Dollars/Pound			
US	1.5617	1.5593	1.5183	1.5145
Sales Volume	Pounds			
US	17,286,487	15,209,578	16,612,451	16,073,403
Dry Whey Prices				
Average Price	Dollars/Pounds			
US	0.4666	0.4875	0.4585*	0.4434
Sales Volume	Pounds			
US	6,355,575	8,332,600	8,678,571*	8,991,395

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For information about the advertisements or new product information, circle the number below which corresponds to the ad or article in which you are interested.

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Company _____

Address _____

City/St/Zip _____

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Phone/FAX _____

Issue Date: 4/15/11

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DAIRY PRODUCT MARKETS

AS REPORTED BY THE US DEPARTMENT OF AGRICULTURE

WHOLESALE CHEESE MARKETS

NATIONAL - APRIL 8: The cheese market is unsettled. Offerings and sale volumes on the cheese market remained heavy again this week with 35 loads of blocks and 39 loads of barrels trading hands. The current weekly averages for both blocks and barrels are above the comparable weeks in both 2010 and 2009 but not 2008. Current buying interest is often light though some larger bulk cheese buyers are reportedly rebuilding depleted stocks. Lower prices have some buyers starting to rebuild aging program stocks. Cheese yields remains at very good seasonal levels, at least in Federal Order areas. Finished product orders remains light.

NORTHEAST - APRIL 13: Cheese prices reversed their recent downward trend Friday and have advanced in each of the last three trading sessions. Barrels have increased \$.0800 and blocks have increased \$.0525. The recent price advances were not strong enough to keep the weekly price averages from declining and resulted in lower wholesale prices for all varieties, except Swiss Cuts which remained unchanged. Cheese production continues to be steady in the Northeast. Orders and sales have picked up for Mozzarella and aged Cheddar. Increased volumes of Cheddar cheese continue to move into aging programs. Cream cheese production is slowing as the bulk of Easter orders have been filled. In the latest Foreign Agricultural Statistics report, January-February 2011 exports of cheese and curd from the US totaled 85.4 million pounds, a 99 percent increase compared to the same period in 2010.

Wholesale prices, delivered, dollars per/lb:

Cheddar 40-lb blocks:	\$1.8975 - \$2.1725	Process 5-lb sliced:	\$1.6375 - \$1.9475
Muenster:	\$1.9175 - \$2.1225	Swiss Cuts 10-14 lbs:	\$3.4025 - \$3.7250

MIDWEST AREA - APRIL 13: Cash cheese prices have quickly recovered from the recent low on April 7. The concern is that prices may rebound too fast and/or too high and cause another boom/bust price cycle and could result in erratic sales. Orders have increased for many packagers as buyers replenish stocks depleted during the recent declines. Buyers on weekly averages are generally more aggressive (due to larger cumulative decline) than buyers on monthly averages. Hard Italian customers are aggressively rebuilding aging programs at current prices. Cheddar aging programs are also accumulating product though gaps in ages will be likely this fall. Process interest is steady to generally improved as buyers stock up for typically stronger warmer weather sales and Memorial Day promotions. As evidenced in the FAS data, cheese export for both January and February 2011 remain strong, both about twice the comparable levels in 2010. Milk intakes are continuing to grow seasonally and output is increasing. Plant schedules are generally heavier except those operations adjusting schedules to take in the cheese conference this week.

Wholesale prices delivered, dollars per/lb:

Brick/Muenster 5# Loaf:	\$2.0900 - \$2.3100	Process 5# Loaf:	\$1.8900 - \$2.1700
Monterey Jack 10#:	\$2.0525 - \$2.8650	Cheddar 40# Block:	\$2.0900 - \$2.8650
Mozzarella 5-6# (LMPS):	\$1.9225 - \$2.9650	Blue 5# Loaf:	\$2.4075 - \$3.0300
		Grade A Swiss 6-9#:	\$2.8900 - \$3.3300

WEST - APRIL 13: Sales of barrels and blocks are nonexistent this week with no sales reported. Wholesale cheese prices are steady to lower in most cases. The lower prices have increased demand for bulk cheese purchases and inventories are moving towards processors. Some large sales are reported from manufacturers. Prices at the CME are bidding higher this week causing buyers to consider additional purchases. Increased volumes are reported to be entering aging programs. Natural cheese sales are steady and are clearing much of the current production. Excess volumes of cheese are entering the export market. CWT assistance is aiding export sales where applicable.

Wholesale prices delivered, dollars per/lb:

Cheddar 40# Block:	\$1.7075 - \$2.0600	Process 5# Loaf:	\$1.6550 - \$1.9125
Monterey Jack 10#:	\$1.8975 - \$2.0575	Cheddar 10# Cuts:	\$1.8875 - \$2.1075
		Grade A Swiss Cuts 6 - 9#:	\$2.9800 - \$3.4100

FOREIGN -TYPE CHEESE - APRIL 13: The average block price declined, despite a late week rally, resulting in lower wholesale prices for all domestic varieties. Imported varieties and domestic Swiss Cut prices were unchanged. Swiss cheese makers had good sales last month in the Northeast and are currently increasing production, attempting to replenish inventories

Wholesale selling prices, delivered, dollars per/lb:

	Imported	Domestic
Blue:	\$2.6400-4.6900	\$2.0375-3.5250
Gorgonzola:	\$3.6900-6.3900	\$2.5400-2.8000
Parmesan (Italy):	0	\$3.1550-3.5700
Provolone (Italy)	\$3.4400-6.2900	\$2.0800-2.2375
Romano (Cows Milk):	0	\$3.2275-5.3700
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 14: The European milk production season is off to a positive start. Weather conditions have been very typical for early spring with warm temperatures and dry conditions quickly displaced by cooler/wet conditions. Once warmer temperatures become the norm, pasture growth will quickly respond and spring grazing will be reflected in increased milk volumes. Milk producers are now in a new milk quota year, thus the milk flow is steadily increasing. Production is quite strong in some countries with output reported to be as much as 4 percent higher in the UK and 8 percent higher in France.

EASTERN EUROPE - APRIL 14: Milk production in Eastern Europe still remains seasonally low, although increases are being reported in Poland and the Baltics. Typically, production in this region is four to six weeks behind Western Europe, thus peak levels will not be attained until mid-to-later June. Manufacturers and handlers are ready to receive milk in the region as winter maintenance is generally completed and processing facilities are ready to go. Traders report that buyer inquiries have been and continue to be received, although no significant sales or commitments are being reported.

MILK EQUIVALENT, MILKFAT & SKIM SOLIDS

	Milkfat* Basis	Skim** Solids	Comparable period in 2010	Milkfat* Basis	Skim** Solids
Week of April 11 - April 15, 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 15, 2011	0.0	0.0	Comparable Calendar year 2010	0.0	0.0

WHOLESALE BUTTER MARKETS

NATIONAL - APRIL 8: Churning schedules across the country are building, although most butter producers remain cautious with their cream purchases. Most butter producers are churning for current and near term needs with clearances of surplus production continuing. Although butter is clearing to inventory, levels are lighter than last year at this time and much lighter than most butter handlers would desire. Butter orders have been quite good for this pre-holiday period of the year. Many retailers are indicating that scattered butter feature activities will be occurring during the next two weeks at varying levels. Foodservice orders are stronger as away-from-home eating patterns are often higher with the upcoming holiday.

as current churning activity is often outpacing butter demand. Orders for upcoming Easter/Passover needs have eased this week as most orders have been placed and shipped. Some last minute fill-in orders are anticipated, but for the most part, holiday orders are completed. Butter producers and handlers were quite pleased with the strength of butter orders for this holiday season. It appears that retail consumers are maintaining positive purchasing patterns even though shelf prices are higher than usual for this time of the year. Retail buyers are indicating that retail promotional activity is appearing at varying levels throughout the Central part of the country with additional features scheduled for next week. Foodservice orders have slowed as holiday needs have basically been filled.

NORTHEAST - APRIL 13: Butter production and domestic demand have slowed with the bulk of Easter orders manufactured and shipped. Production is geared to current orders or as cream supplies dictate. Inventories are being added to in some areas. Export demand remains fairly strong. Cream demand has declined as cream cheese and butter are past their heavy Easter production schedules and ice cream has yet to significantly increase production. The range for cream multiples contracted this week, ranging from 123-130.

WEST - APRIL 13: Sales of butter have been active this week with 14 loads sold. Butter prices in the West have begun to firm up as supplies remain historically tight. Current production is sufficient for immediate needs and manufacturers are busy shipping the last of Easter holiday orders. Churns are operating busy schedules to handle available cream. Excess production above orders is being placed in inventory for use later in the year. Demand is adequate to good for supplies. Weekly butter stocks decreased (-900,000 pounds) to a warehouse adjusted 22.4 million pounds. The total of 22.4 million pounds compares to 57.8 million pounds in 2010 and 76.6 million pounds in the comparable week in 2009. The current total in storage is 23 percent of the five-year average. Prices for bulk butter range from 1 cent over to 3 cents under the market. Exports of butter and milkfat for January-February 2011 total 23.4 million pounds, up 97 percent from January-February 2010. The exports account for 7.4 percent of butter production in the US for January-February 2011.

CENTRAL - APRIL 13: During the past week, the cash butter price increased 2 cents to settle at \$1.9975 at midweek. Many butter producers and handlers were surprised at the strength of the cash market at this time. Many anticipated that the cash price would have declined further versus increase. Many still speculate that the cash will dip into the \$1.80's as the spring milk flush develops. During the past week, churning activities have fluctuated higher and lower with butter producers still cautious with their additional cream purchases. Some additional butter is clearing to inventory

DRY MILK PRICES - APRIL 11 - APRIL 15

Nonfat Dry Milk:

Central & East	
Low/Med. Heat:	1.5500(NC) - 1.7500(NC)
Mostly:	1.5500(NC) - 1.6200(-3)
High Heat:	1.6000(NC) - 1.8200(NC)

Western

Low/Med. Heat:	1.5000(+4) - 1.6500(NC)
Mostly:	1.5500(+1½) - 1.5900(+½)
High Heat:	1.5800(+2) - 1.7900(+2)

Whole Milk:

National:	1.8200(NC) - 2.0400(NC)
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Buttermilk Powder:

Central & East:	1.3650 (NC)- 1.6200(NC)
West:	1.4600 (+3) -1.5400(NC)
Mostly:	1.5000 (+2) - 1.5200 (NC)

California Weighted Average NFD:

Week Ending:	Price:	Total Sales:	Sales to CCC:
April 8	\$1.5170	12,532,456	0
April 1	\$1.5185	13,065,367	0

ORGANIC DAIRY MARKET - OVERVIEW

ORGANIC DAIRY OVERVIEW - APRIL 9: Organic dairy weekly supermarket newspaper advertising rebounded from the record 2010 - 2011 low level set two weeks ago. Ads for organic milk half gallons and 6-ounce yogurt reached the highest level of 2011, while ad numbers for 8-ounce organic milk set a 2011 record low. Butter advertising was at the highest level since data began being tracked during the fall of 2009. Currently advertised organic butter prices are lower than typical during 2011. All stores with butter ads for the last several reports listed an advertised price of \$4.99. The national weighted average advertised price is \$4.47, with a high price of \$4.99 and a low of \$3.99. While the last report found the lowest number of organic dairy ads than during any period of 2010 or 2011, advertising during this two week period rebounded strongly, tripling to 2,988 ads. This is the second highest number of organic ads during 2011. The national weighted average advertised price for half gallons of organic milk declined 31 cents to \$2.96. The top of the range remained unchanged at \$3.69 while the bottom increased 19 cents to \$2.69. The national weighted average advertised price for organic gallons is \$5.05. Organic yogurt in 6-ounce containers has a weighted average advertised price of 91 cents, with a range from 85 cents to \$1.00.

WEEKLY GOLD STORAGE HOLDINGS

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

DATE	BUTTER	CHEESE
4/11/11	8,272	126,539
4/01/11	7,608	126,483
Change	664	56
Percent Change	9	NC

CCC PURCHASES

Butter	2010/2011	2009/2010	NDM	2010/2011	2009/2010
Central	None	None	Central	None	None
West	None	None	West	None	132,276
East	None	None	East	None	None
TOTAL	None	None	TOTAL	None	132,276
Cheese	2010/2011	2009/2010	Milk Equivalent	2010/2011	2009/2010
Central	None	None	Central	0.0	0.0
West	None	None	West	0.0	100.0
East	None	None	East	0.0	0.0
TOTAL	None	None	TOTAL	0.0	100.0

CASH PRICES - APRIL 11 - APRIL 15, 2011 - CME

Visit www.cheesereporter.com for daily prices

	CHEDDAR BARRELS	40-LB. BLOCKS	AA BUTTER	GRADE A NFDM	EXTRA GRADE NFDM
MONDAY April 11	\$1.5425 (+¼)	\$1.6000 (+1)	\$1.9725 (NC)	\$1.6700 (NC)	\$1.8000 (NC)
TUESDAY April 12	\$1.5900 (+4¼)	\$1.6275 (+2¼)	\$1.9800 (+¾)	\$1.6700 (NC)	\$1.8000 (NC)
WEDNESDAY April 13	\$1.5975 (+¾)	\$1.6275 (NC)	\$1.9975 (+1¼)	\$1.6600 (-1)	\$1.8000 (NC)
THURSDAY April 14	\$1.6300 (+3¼)	\$1.6275 (NC)	\$1.9975 (NC)	\$1.6200 (-4)	\$1.8000 (NC)
FRIDAY April 15	\$1.6250 (-½)	\$1.6275 (NC)	\$2.0000 (+¼)	\$1.6200 (NC)	\$1.8000 (NC)
Week's AVG Change	\$1.6220 (+0.0425)	\$1.5970 (+0.0675)	\$1.9895 (+0.0180)	\$1.6480 (-0.0240)	\$1.8000 (NC)
Last Week's AVG	\$1.5295	\$1.5795	\$1.9715	\$1.6720	\$1.8000
2010 AVG Same Week	\$1.3880	\$1.4295	\$1.5370	\$1.2735	\$1.1975

DIRECTLY FROM THE CME FLOOR - RICE DAIRY

Overall it was a pretty steady week with only one load of cheese trading hands with prices on average moving higher. The cheese market was met with multiple bidders on Monday with blocks settling a penny higher and barrels up a ¼, no trades. The lack of selling seemed to encourage a rally in the futures market with prices up ticking by roughly 15 – 20 cents. Buyers returned looking for more product on Tuesday, blocks up 2 ¾ cents along with barrels up 4 ¾ on again nothing trading. Despite the uptick in the cheese market futures took a negative spin with about a 7 cent break.

Barrels were the star of the show on Wednesday with the market going out ¾ of a cent higher bid with nothing trading (blocks were steady bid at the close). Similar to the day before futures made another slight break after the higher settlement in cheese, prices drifting about 10 lower on average. Thursday's session brought the only trade in the cheese market with a single barrel trading at \$1.6300. Futures again drifted slightly lower, another 5 cents on average from the previous day's settlements.

Rounding out the week barrels found an offer that took the market a ½ cent lower, \$1.6250 (nothing in blocks). With nothing trading futures did make a slight break up front while the 2nd half of the year managed to hold above unchanged.

WHEY MARKETS - APRIL 11 - APRIL 15, 2011

FOR THE PERIOD APRIL 11 - APRIL 15, 2011

Whey Protein Concentrate—Central and West:
Edible 34% Protein: 1.1500(NC) – 1.5800(NC) Mostly: 1.1800(NC) – 1.5100(NC)

Dry Whey—Central (Edible):
Nonhygroscopic: .4000(NC) – .5125(+3¼) Mostly: .4150(NC) – .4700(NC)

Dry Whey—West (Edible):
Nonhygroscopic: .4525(NC) – .6000(+¼) Mostly: .4550(+¼) – .5200(NC)

Dry Whey—Northeast: .4575(NC) — .5550(NC)

Lactose—Central and West:
Edible: .3500(-1) – .5400(NC) Mostly: .4200(+2) – .4800(NC)

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

Animal Feed Whey—Central: Milk Replacer: .3050(NC) – .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	2.1687	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	1.9554	1.9929	1.8957	2.0926	2.0083
'08	1.8257	2.0023	1.8234	1.8826	2.0976	2.0350	1.9673	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									

FDA Sets Apr. 20 Public Meeting, Seeks Views On Preventive Controls In Food Plants

Washington—The Food and Drug Administration (FDA) this week announced that it will hold a public meeting on April 20 to provide interested persons an opportunity to discuss implementation of the preventive controls for facilities provisions of the recently enacted FDA Food Safety Modernization Act (FSMA).

The public meeting, entitled "FDA Food Safety Modernization Act: Focus on Preventive Controls for Facilities," will be held April 20 at the FDA White Oak Campus in Silver Spring, MD. There will also be an interactive webcast of the meeting.

FDA is holding the public meeting to receive information on preventive controls used by facilities to identify and address hazards associated with specific types of food and specific processes.

The agency will also consider input it has received previously through its engagement of stakeholders as part of the process to examine and update current good manufacturing practice (cGMPs) requirements and to develop an animal feed safety system.

In general, the meeting format will include introductory presentations by FDA. Speakers from FDA will include Michael Taylor, FDA's deputy commissioner for foods; Murray Lumpkin, FDA's deputy commissioner for international programs; and Donald Kraemer and Daniel McChesney, chairs of the implementation team for preventive standards.


Listening to stakeholders is the primary purpose for this meeting, FDA said. In order to meet this goal, the agency will provide multiple

opportunities for individuals to express their views by making presentations at the meeting, participating in a total of three 75-minute breakout sessions on the provisions discussed at the meeting, and submitting written comments to the docket within 30 days after the meeting.

Participants will be able to select up to three of the following five break-out sessions: preventive controls guidance, on-farm manufacturing and small business, product testing and environmental monitoring, training and technical assistance, and preventive controls and the relationship to cGMPs.

Due to limited space and time, FDA is encouraging all persons who wish to attend the meeting, including those requesting an opportunity to make an oral presentation, to register in advance and to provide the specific topic or issue to be addressed and the approximate desired length of their presentation.

Depending on the number of requests for such oral presentations, there may be a need to limit the time of each one (for example, to three minutes each). If time permits, individuals or organizations that did not register in advance may have the opportunity for such a presentation.

FDA would like to maximize the number of stakeholders who make a presentation at the meeting and said it will do its best to accommodate all persons who wish to make a presentation or express their views. Comments may be submitted by May 20 at the federal e-rulemaking portal: www.regulations.gov. 

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