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Dairy Marketing News

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December Advanced Class I Plunges 99-cents to $16.67 per cwt.

Milk prices are beginning to succumb to the weight of growing milk production and supplies. Dairy prices are starting the show signs of being overpowered by skyrocketing U.S. milk production despite continuing strong demand for U.S. dairy products in both the domestic and international markets. Most dairy market analysts are projecting national milk output will increase 3.5% for 2005 compared to 2004; while commercial disappearance (on a milk equivalent basis) is forecast to grow by only 1.8 to 2.0%. The impacts of declining milk prices on dairy farmers could be severe because the Milk Income Loss Contract (MILC) program, which expired on October 1, will no longer able act as an income safety net as milk prices decline. The U.S. Congress continues to debate whether to extend MILC until September 2007, but there are many obstacles facing the supporters of MILC and the prospects of continuing the MILC program appear uncertain.

The December Class III Advanced skim milk price was once again the Class I mover (based on the value of skim milk used in cheddar cheese production) because it was greater than the corresponding Class IV price (representing skim milk value in butter and milk powder products). The USDA reported the December 2005 Advanced Class III skim milk price was $8.03 per cwt. compared to the Advanced Class IV Skim Milk price of $7.52. The difference between these respective Class III and Class IV prices (after factoring in butterfat prices) resulted in a 49-cent per cwt. *higher* Class I base price ($13.57 versus $13.08). Therefore, the USDA announced on November 18 that the December Advanced Class I "base" milk price would be $13.57 per cwt. (for 3.5% butterfat milk). After adding the $3.10 Class I price differential for the pricing zone which includes Atlanta, Georgia to this "base" price, the Advanced Class I milk price for December 2005 is $16.67 per cwt. The table below displays the Advanced Class I milk price for selected months in the Atlanta pricing zone. Please remember the Class I price is an important, but not the only, factor influencing revenues derived from the sale of their milk produced during the month of December. Since about 50-70 percent of Louisiana and Mississippi milk is processed into Class I products, farmers should expect a substantial decrease in milk sales revenues when they receive their settlements checks in mid-January 2006 as the final payment for milk produced and sold in December.

Advanced Class I Price @ 3.5% bf	Price/cwt. in Atlanta Zone	Price Change vs. December 2005	Percent Change vs. December 2005
November 2005	$16.67	———	———
October 2005	$17.66	$0.99	5.6%
September 2005	$17.37	$0.70	4.0%
November 2004	$17.53	$0.84	4.1%
November 2003	$16.94	$0.27	1.6%

Market Conditions.

Declining steadily … is the phrase used in late 2005 to describe the market outlook for milk and dairy product prices over the next six months. The onslaught of growing milk production and the expectation of plummeting of milk prices have been tempered somewhat by the recent activities of Cooperative Working Together (CWT). First, CWT implemented a third herd retirement program that has removed more than 66,000 milk cows from the national dairy herd. This is expected to reduce U.S. milk output by 0.8%. Second, CWT subsidized several export sales of cheddar cheeses being shipped to South Korea totaling more than 435,000 pounds (these subsidies were triggered when cheese prices fell below $1.40 per pound). Both of the activities have served to stabilize dairy markets and reduce the severity of this recent decline in milk and dairy product prices. A quick review of Class III futures contract prices indicates that current market conditions expect milk prices, after falling by about $1.20 during late 2005, will decline gradually by an additional 70 to 75-cents per cwt. during the first six months of 2006. The average annual milk price for 2006 is predicted to be about $1.75 to $2.00 less than the average for 2005. In other words, the average Southeast Federal Order "blend" milk price for 2006 is expected to be about $14.25 per cwt. compared to $16.10 per cwt. for 2005. This decline is being caused by marked increases in milk output during the past 15-16 months and dairy production is expected to continue surging during 2006. Thus, dairy product demand must try to keep pace if milk prices have any chance of sustaining themselves even at these lower levels. The lynchpin in shoring up milk prices will be maintaining international exports for U.S. nonfat dry milk and other milk powders that pushed milk prices to record levels in 2004 and 2005.

December usually is the month of the year when milk prices begin their annual downturn brought about by the conclusion of the peak demand for dairy products related to the Thanksgiving and Christmas holidays. As demand ebbs during the late winter and early spring, milk output begins to surge as cows respond to both cooler weather conditions and as forages crops become available for grazing in the spring. The dairy industry will keep close tabs on dairy product inventory levels to gauge the amount of downward pressure facing milk prices in 2006. The USDA's October 31 Cold Storage report showed total inventories of dairy products fell 4% between September and November and were 3% less than October 2004. Commercial holdings of various types of natural cheeses on October 31 ranged between 5% less and 5% more than September 30 totals and were between 1% and 7% less than October 2004 inventories. Government owned stocks of butter decreased from 44,000 to 40,000 pounds from October 2004 to October 2005; while government cheese stocks were 82% less than October 2004. Florida and other southeastern states imported slightly more milk from outside the region during 2005 as compared to2004. For example, Florida milk handlers shipped in 65 tankers of milk during the short Thanksgiving week of November 21-25 compared to importing 156 truckloads during the previous week and receiving 24 loads during the same week of 2004. An additional 24 loads were imported into other southeastern states during this year's Thanksgiving week compared to 31 during the previous week and zero tankers for the same week in 2004. Expansion of milk output remains a great concern for dairy farmers as they attempt to manage their operations in the face of declining milk revenues and farm incomes. The January 2006 Class I price is forecast to fall 40 to 50 cents as the market reacts to bulging supplies and waning demand. Once again, the only bright spots in the U.S. dairy market are the CWT herd retirement and export subsidy programs along with the prospect for sustained international demand for U.S. milk powder. So, Class I milk price should weaken 3-5% to near $16.00 per cwt. for January in the Atlanta zone and is predicted to decline gradually over the next five to six months and bottom out near the $15.00 level for 2006.

Milk Production.

U.S. milk production is one of those factors that have both "good" news and "bad" news features. The good news is that the past two-plus years of record high farm-level milk prices have improved the financial status of many milk producers. The bad news is that these favorable milk prices have provided economic incentives for many dairy farmers to substantially increase milk output. October milk output recorded its' 16th straight month of increased milk output. U.S. milk production expanded 3.3% during the first ten months of 2005 compared to the same period in 2004. Nationally, there were 25,000 more cows being milked on average during the first 10 months of 2005 compared to same period in 2004. Milk output jumped by 14,759 (+3.3%) million pounds and productivity per cow increased by 47 pounds per cow per month (+3.0%) comparing the past two January through October time periods. The major western milk producing states added more cows to their dairy farms as California, Idaho, and New Mexico increased their dairy herds by a total of 78,000 head. Selected September 2005 milk production statistics published by the USDA are listed in the table below and clearly indicate that milk output is escalating all across the country.

Milk Production Statistics Oct 2005 vs Oct 2004	% Change in in Total Milk	% Change in Milk/Cow	% Change in in Number of Cows
U.S. Total	↑4.1%	↑3.7%	↑0.4%
California	↑2.3%	↑0.6%	↑1.7%
Wisconsin	↑4.0%	↑4.1%	↓0.1%
Idaho	↑13.2%	↑4.4%	↑8.3%
New Mexico	↑8.1%	↑4.1%	↑3.7%
Indiana	↑8.3%	↑6.3%	↑2.0%
Florida	↓0.6%	↑0.9%	↓1.5%
Kentucky	↓6.2%	↓0.5%	↓5.5%
Virginia	↑2.1%	↑1.1%	↑1.0%
Texas	↑9.4%	↑9.2%	No Change

Dairy Product Prices.

Dairy product prices stabilized during November as dairy product traders reacted to the various CWT activities and as demand slowed following the end of year holidays. Many processors and food manufacturers are waiting on the sidelines to determine the effectiveness of the CWT programs before making any additional purchases to fill their customers' needs. One indicator that cheese prices have stabilized is the fact that the price gap between 40-poind block and 500-pound barrel cheddar cheese has returned to its normal differential of three to four cents. During November on the Chicago Mercantile Exchange (CME), 40-pound block prices have escalated slightly in response to the exports of cheeses subsidized by CWT: rising 3.0-cents while 500-pound barrel cheese prices increased by 3.75-cents. Over this same time frame, Grade AA butter prices witnessed a decline and fell by 8.0-cents per pound while Grade A nonfat dry milk (NDM) prices have been constant at its' new level of 99.50-cents per pound. International demand for NDM continues to bolster the U.S. dairy products market as both government and commercial inventory levels of NDM declines. For example, the National Milk Producers Federation reports manufacturers held less than 100 million pounds of NDM during October 2005 compared to more than 1,200 million pounds in October 2003. The reduction in government-owned and commercial NDM inventories is a direct result of several factors that caused New Zealand to make major purchases of American NDM. These exports bolstered NDM prices and not forced USDA's Commodity Credit Corporation (CCC) to purchase any surplus quantities of NDM since November 2004. The table below shows CME cash dairy prices for selected products and dates.

Chicago Mercantile Exchange Cash Dairy Product Prices	November 28 Prices in $/lb	November 2 Prices in $/lb	Price Changes in $/lb	PercentageChange Nov. 2 to Nov. 28
40# Block Cheese	$1.3950	$1.3650	↑$0.0300	↑2.2%
500# Barrel Cheese	$1.3650	$1.3275	↑$0.0375	↑2.8%
Grade AA Butter	$1.4000	$1.4800	↓$0.0800	↓5.4%
Grade A Nonfat Dry Milk	$0.9950	$0.9950	No Change	No Change

Futures Prices and Near-term Market Outlook.

Chicago Mercantile Exchange (CME) futures contract prices for the upcoming three months indicate most traders believe milk prices will decline gradually by about 80-cents per cwt below the November Class III price of about $13.35 over the next three to six months. Dairy farmers are once again urged to guard against the expected plunge in milk prices by trying to manage price risks through forward contracting or using futures contracts. As discussed repeatedly in this newsletter, current futures contract prices are "relative high" in comparison to average Class III milk prices recorded from 1980 to 2005. For instance, the 25-year average Class III price for January is $11.98, $11.62 for February, and $11.71 for March. As shown below on November 28, the January Class III futures contract price of $12.80 and the February Class III futures contract price of $12.55 were both more than 80-cents per cwt. above their 25-year average. So, current Class III milk futures contract prices offer some opportunities to "secure" favorable prices and increase milk sales revenues. However, these opportunities to "lock-in" higher milk prices are fading rapidly and farmers should contact their marketing agency, cooperative, author for more information. CME settlement prices for selected Class III milk futures contracts are found in the table below along with several butter futures contracts.

CME Dairy Futures Contract Prices	November 28 Settlement Prices	November 2 Settlement Prices	Percentage Change Nov. 2 to Nov. 28
Class III Milk Futures	— $/cwt —	— $/cwt —	
January Contract	$12.80	$12.99	↓1.5%
February Contract	$12.55	$12.61	↓0.5%
March Contract	$12.52	$12.60	↓0.6%
Butter Futures	— $/lb —	— $/lb —	
December Contract	$1.3975	$1.4790	↓5.5%
March Contract	$1.4550	$1.4725	↓1.2%

November 2005 Dairy Sire Evaluations

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The November 2005 dairy sire evaluations from the USDA Animal Improvement Programs Laboratory (AIPL) were released on November 14, 2005. The sire summaries are available on the web at: http://www.aipl.arsusda.gov/.

The average Predicted Transmitting Abilities (PTA) for all the traits calculated in the USDA sire summary are listed in table 1. The average PTAs represent the 50th percentile for all active AI bulls in the November 2005 summary.

Table 1. Average PTA's for Active AI Bulls Evaluated in November 2005 by Breed

Breed	Number of Bulls	Milk (lbs)	Fat (%)	Fat (lbs)	Protein (%)	Protein (lbs)	SCS[1]	PL[2]	DPR[3]	NM$[4]	FM$[4]	CM$[4]
Ayrshire	26	305	-0.01	10	0	10	2.97	0.3	-0.3	81	79	82
Br. Swiss	45	629	0.01	27	0.02	25	2.94	1.1	-0.1	245	223	257
Guernsey	21	773	-0.05	26	-0.03	21	3.03	-0.2	-0.7	144	153	140
Holstein	610	802	0	29	0.01	25	2.97	0.5	-0.3	240	235	243
Jersey	82	606	0.05	37	0.02	25	2.96	1	-0.2	259	236	271
Shorthorn	8	435	-0.01	15	-0.01	12	2.93	1.1	-0.2	130	132	128
R & W	27	261	0.03	17	0	9	2.96	0.5	-0.1	115	111	117

1 Somatic Cell Score
2 Productive Life
3 Daughter Pregnancy Rate
4 Net Merit Dollars, Fluid Merit Dollars, Cheese Merit Dollars

Table 2 lists the top 10% (90th Percentile) of all available Holstein sires from the November 2005 sire summary sorted by Fluid Merit Dollars (FM$).

Table 2. USDA Evaluations for Available Holstein Sires (90th) percentile) sorted by FM$, November 2005

NAAB	Name	FM$	FM$ REL	Milk (lbs)	Fat (lbs)	Fat %	Prot (lbs)	Prot %	REL Yield	SCS	DPR	PL
014HO03831	VEAZLAND **MARION**-ET	**695**	81	3165	85	-0.11	74	-0.07	84	2.77	-1.2	0.3
007HO06417	O-BEE MANFRED JUSTICE-ET	**607**	93	1072	84	0.17	56	0.09	95	2.77	1.7	3.0
001HO07127	JEWELED-ACRES **SHARKY**-ET	**598**	82	2008	70	-0.01	65	0.02	87	3.00	-0.1	2.0
200HO03218	GILLETTE BRILEA F B I-ET	**567**	81	1848	66	0.00	49	-0.03	86	2.58	0.3	1.4
204HO01010	HIGHLAND-H **STORMIN NORMAN**	**567**	73	1692	96	0.12	49	-0.01	76	2.89	-0.4	0.8
097HO03689	DELTA CANVAS	**553**	78	2367	86	0.00	76	0.02	82	3.10	-0.9	0.2
200HO04754	DESLACS **OFFROAD**-ET	**550**	81	2033	48	-0.09	42	-0.07	86	2.82	1.0	3.0
200HO04779	R-E-W **BUCKEYE**-ET	**527**	80	1756	48	-0.06	50	-0.01	84	2.91	0.1	1.7
202HO00085	**ALVES**-ET	**523**	73	1701	44	-0.06	50	0.00	77	2.79	-0.5	3.5
029HO10681	BO-IRISH **ALTON**-ET	**517**	86	1652	59	-0.01	50	0.00	89	2.89	-0.4	1.9
001HO05588	RICH-J **SOSA**-ET	**516**	85	2303	50	-0.12	44	-0.09	88	2.96	-0.1	1.8
097HO03821	**LOE MARTIN**	**511**	76	1903	66	-0.01	69	0.04	81	2.80	-1.4	-0.1
001HO02406	HEBRON-RIDGE MANFRED **BO**-ET	**508**	85	1740	62	-0.01	50	-0.10	88	3.12	0.8	2.5
006HO01030	MURANDA ADDISON **LILYMAN**-ET	**507**	75	2061	63	-0.05	59	-0.01	79	2.81	-1.8	-0.4
007HO07145	SILMARILLION CASIMIR EDDIE	**503**	82	1585	53	-0.02	28	-0.07	86	2.73	1.0	2.7
007HO06838	BARBI-LYN M **MATCHES**-ET	**502**	82	1596	56	-0.01	35	-0.05	85	2.63	0.9	1.4
029HO10302	RICECREST **TURNER**-ET	**501**	90	1944	50	-0.08	44	-0.05	93	2.97	0.6	2.7
007HO05484	RICECREST **BOONE**-ET	**498**	99	1477	69	0.06	54	0.04	99	2.72	-0.3	1.5
029HO12209	PICSTON **SHOTTLE**-ET	**498**	72	1022	51	0.05	32	0.01	74	2.57	0.5	2.4
224HO06419	COGENT **MAESTRO** ET *CV	**494**	68	1085	80	0.15	51	0.07	71	3.01	-0.4	2.3
009HO02575	PECKENSTEIN FORM **BRET**-ET	**490**	87	1115	28	-0.05	30	-0.01	90	2.61	2.4	3.9
097HO09514	ART-ACRES WIN 395-ET	**488**	78	2121	71	-0.02	58	-0.02	82	3.23	-0.9	0.5
011HO07632	SHADYCREST-H MARSTON-ET	**488**	76	1288	49	0.01	29	-0.03	80	2.83	0.6	2.1

NAAB	Name	FM$	FM$ REL	Milk (lbs)	Fat (lbs)	Fat %	Prot (lbs)	Prot %	REL Yield	SCS	DPR	PL
001HO07154	BDGGENETICS **ENCINO**-ET	**487**	79	1699	58	-0.01	44	-0.03	83	2.93	0.1	0.9
011HO05929	CARTERS-CORNER ALLY-ET	**485**	93	682	86	0.23	32	0.04	95	3.06	1.1	2.7
029HO10241	LYNNCREST DECISION **HESS**-ET	**485**	92	1354	61	0.04	43	0.01	94	2.95	-0.3	3.1
020HO02650	**OKENDO**	**484**	76	1645	61	0.00	48	0.00	80	2.91	-0.6	1.9
007HO07264	RAGGI MTOTO **MAN**-ET	**481**	79	1340	48	0.00	38	-0.01	83	2.46	-0.2	1.6
011HO07464	LADYS-MANOR WILDMAN-ET	**481**	78	2082	44	-0.11	51	-0.04	82	2.98	-0.9	0.6
014HO03896	VAN-WAGNER **SANSKRIT**-ET	**480**	78	1783	66	0.00	50	-0.01	82	2.97	-0.9	1.9
029HO10726	SANDY-VALLEY **FABRIZIO**-ET	**477**	82	1699	68	0.02	53	0.01	86	2.96	-0.5	0.8
014HO03597	KEYSTONE **POTTER**	**476**	88	1177	39	-0.01	26	-0.03	90	2.91	1.5	3.6
001HO05627	CO-OP **COMPLETE**-CRI	**475**	88	2194	32	-0.17	53	-0.05	90	3.10	1.4	3.0
001HO05702	TESK-HOLM MANFRED **TYREL**-ET	**473**	88	1587	72	0.05	40	-0.03	90	3.19	0.1	1.6
014HO03614	CARNATION MANFRED **VIRGAS**-ET	**468**	88	1586	68	0.04	51	0.01	91	3.09	1.0	1.8
029HO10792	APPLOUIS **JET STREAM**-ET	**468**	82	1301	59	0.04	48	0.03	87	3.15	0.3	2.5
001HO06721	DARLAWN MTOTO **HOSEA**	**467**	85	1264	51	0.02	25	-0.05	88	2.64	0.2	2.3
011HO07494	SANDY-VALLEY BIRDMAN	**467**	79	1492	30	-0.09	51	0.02	83	2.79	0.8	2.8
180HO09612	JOCKO BESN	**466**	95	1815	58	-0.03	60	0.02	96	3.03	-1.0	0.8
200HO04624	BRIGEEN **GIVENCHY**-ET	**466**	80	1936	70	0.00	46	-0.04	85	2.82	-1.7	0.2
001HO06874	WA-DEL **JERICO**-ET	**464**	83	2245	60	-0.08	70	0.01	87	2.74	-2.0	-1.1
011HO08046	**RAMOS**	**464**	77	565	39	0.07	26	0.03	79	2.53	1.1	4.2
091HO04408	MAR-BIL RUDOLPH **GUSTO**-ET	**460**	84	1082	61	0.08	37	0.02	87	3.07	0.5	3.1
200HO00197	CEDARWAL **APTITUDE**	**460**	81	2144	59	-0.07	56	-0.03	86	2.97	-1.0	-0.2
200HO01543	STANBRO **MONEY**-ET	**460**	78	1732	93	0.11	52	0.00	83	3.03	-2.0	-0.4
001HO05663	HILLSIDE M **SOLO** CRI-ET	**457**	83	1560	42	-0.05	50	0.01	86	3.24	0.8	2.6
001HO06959	GG ADDISON **SATIRE**	**457**	77	1257	64	0.07	44	0.02	82	2.78	-0.5	0.8
001HO06276	PASEN PATRON **MEDIA**-ETS	**456**	97	1926	61	-0.03	43	-0.05	99	2.87	-0.7	0.3
001HO06362	**CLOVER**-VALLEY DUSTER IVAN	**456**	91	928	16	-0.07	27	0.00	94	2.82	1.9	4.9
001HO06671	RICECREST **MURPHY**-ET	**456**	88	1760	54	-0.04	55	0.01	90	3.12	-0.2	0.9
007HO06695	LATUCH CONVINCER FARLEY-ET	**449**	86	1125	98	0.21	36	0.01	89	3.02	-0.6	0.3
001HO07235	JENNY-LOU MRSHL **TOYSTORY**-ET	**449**	81	1228	50	0.02	41	0.01	86	2.93	-0.7	1.3
182HO00129	**JESTHER**-ET	**448**	93	1882	31	-0.14	52	-0.02	95	2.75	-0.7	1.6
011HO06414	CANYON-BREEZE ALLEGRO-ET	**446**	90	1413	81	0.11	49	0.02	92	3.06	0.6	1.2
203HO00421	JAUQUET-SOUKUP **CONQUEST**-ET	**446**	82	1669	48	-0.05	47	-0.01	85	2.95	0.3	2.4
001HO06802	BEYERCREST **JUDD**-ET	**445**	87	1296	36	-0.04	18	-0.08	89	2.50	0.3	1.7
001HO06776	LANGS-TWIN-B T-M **TRAVIS**-ET	**441**	85	1141	35	-0.02	21	-0.05	88	2.87	1.4	3.4
200HO01473	STANBRO **MORE**-ET	**439**	82	1332	66	0.07	34	-0.02	87	2.65	-0.7	0.7
200HO01516	VALLEY-DRIVE **ZEPHYR**-ET	**438**	80	343	75	0.24	27	0.07	85	2.79	-1.5	0.9
001HO06360	NORZ-HILL FORM **WIZARD**-ET	**437**	95	620	18	-0.02	21	0.01	98	2.54	2.7	3.9
014HO03801	KINGS-RANSOM MTOTO **DTOTO**-ET	**434**	86	1304	41	-0.02	38	0.00	89	2.70	0.1	1.6

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Dairy Consumption Burns More Fat And Calories. A newly released study published in the December 2005 issue of the *American Journal of Clinical Nutrition* by researchers at Purdue University showed that women burn more fat and calories after a meal when their diets include three to four servings of dairy daily. The study, funded by the dairy producers' checkoff program, was not designed to induce weight loss but rather was conducted to investigate how dairy and calcium may affect body composition through the body's ability to burn fat and use calories. "From the results of this study, we put together a rough calculation based on the increased fat burned from a meal that suggests a high dairy diet followed over a year could potentially result in the loss of 10 pounds of fat annually," said Dorothy Teegarden, Ph.D., lead investigator and professor of nutrition at Purdue University.

The year-long study compared the effects of a prolonged low dairy (1-2 servings) diet to a prolonged high dairy (3-4 servings) diet among 19 normal-weight women between the ages of 18 and 30 years old. The subjects who consumed more servings of dairy a day over the year burned more fat and calories after a meal. It appears that increased calcium decreases parathyroid hormone (PTH). Dr. Teegarden discovered that the decreased PTH increases fat burning adding further support to the body of research on dairy's role in weight management and providing additional insight into the mechanism of fat metabolism.

This is one of several studies that have shown that people on a reduced-calorie diet who consume three servings of milk, cheese or yogurt a day lost significantly more weight and body fat than those who cut calories alone. Additional clinical studies have shown that dairy foods exert a significantly greater effect on body weight and fat loss than calcium supplements, which suggests that the mix of nutrients in dairy beyond calcium contributes to dairy's effect on weight loss.

The Louisiana Dairy Industry

In 2005, the dairy industry in Louisiana had 268 dairy farms located in 18 parishes throughout the state. Dairy farm numbers decreased from 308 herds in 2004 to 268 herds in 2005 for a 13% decrease. The number of dairy cattle in the state decreased by 12.3% in 2005 compared to 2004. Total milk production in 2005 was 436,607,427 lb which was a decrease of a little over 33 million pounds or 7.0% from the previous year. Cows per farm had a modest increase of 0.8% or about 1 cow per farm. Milk production per cow was up 769 lb for a 6.8% increase. The price of milk per hundred-weight at 3.5% butterfat with no deductions or quality incentives was estimated to be $16.08 for the year. The gross farm value for milk production was $70,206,474.00 in 2005 which was about a 7 million dollar decrease from the previous year. The income from milk production coupled with the sale of dairy animals such as adult cows for dairy purposes, cull cows, baby bull calves, bred heifers and breeding age bulls resulted in a total of just over 84.5 million dollars in gross revenue for the dairy industry. The value added attributed to further processing milk was about $108.8 million. The total economic contribution from dairying in Louisiana, including milk sales, animal sales and further processing was $193.4 million.

Tangipahoa, Washington and St. Helena in the southeastern part of the state account for 82% of the farms and 81% of the cows and milk production in the state. If you add Desoto parish in the Northwest part of the state to the aforementioned parishes, then the four parishes account for 89% of the farms and 91% of the cows and milk production in the state.

Rumensin Receives Expanded Approval for Use in Dairy Rations

Recently, the U.S. Food and Drug Administration (FDA) approved Elanco's application to expand the guidelines for feeding Rumensin to dairy cows (both lactating and dry), dairy replacement heifers and growing beef cattle.

Under the old guidelines Rumensin could only be fed to dairy cattle as part of a total mixed ration (TMR) at the rate of 11 to 22 grams per ton on a 100% dry matter basis. The expanded guidelines allow for Rumensin to be fed in component-feeding systems (grain mixes fed in the parlor, as a topdress or through computer feeders). The feeding rate for component-feeding systems is an individual cow Rumensin feeding range of 185 mg/hd/day to 660 mg/hd/day for lactating cows and from 115 mg/hd/day to 410 mg/hd/day for dry cows.

The FDA also expanded the label to allow the feeding of Rumensin to growing cattle, including dairy replacement heifers raised in dry-lots (FDA considers a dry-lot to be a fenced in or confined area). The feeding rate for heifers to increase rate of gain remains the same at 50 to 200 mg/hd/day in no less than one pound of Type C Medicated Feed.

Rumensin is the only feed ingredient for lactating and dry cows that's approved by FDA to increase milk production efficiency by economically delivering more milk per pound of feed while still maintaining the natural wholesomeness of milk. Feeding Rumensin improves the efficiency of rumen fermentation by promoting the growth of more efficient rumen bacteria that produce propionic acid. At the same time the relative proportions of less efficient bacteria that produce acetic acid and butyric acid are reduced. The production of more propionic acid means more glucose production and ultimately more energy is available to the cow. The cow or replacement heifer can use this energy for growth, milk production, reproduction and/or health maintenance.

According to research results the feeding of Rumensin through the dry period and lactation has increased milk production efficiency from 2% to 4% depending on the level of Rumensin fed. There has been no change in milk fat yields when Rumensin is fed at the recommended levels, but some herds may experience a decrease in milk fat percentage. This potential change in percentage will depend on several dietary factors and can be managed. Producers should contact their nutritional advisor to determine the level of Rumensin that is optimum for their herd.

TOP HERDS BY AVERAGE TEST DAY ENERGY CORRECTED MILK (ALL COWS)

NAME	DATE	BR	COWS	DIM	ECM	MILK	FAT%	PRO%	RHA
LSU DAIRY	10/17	H	73	216	58.6	57.0	3.9	3.0	22091
KIRBY VARNADO	10/11	H	93	177	54.0	54.8	3.5	3.0	19791
RUSSELL AND RUSTY CREEL	10/14	H	30	180	45.7	50.1	3.0	2.9	19072
HILL FARM RESEARCH STATION	10/11	J	65	153	45.1	48.5	2.8	3.5	17328
FARMER'S DAIRY	10/12	H	52	254	44.8	44.7	3.6	3.1	18781
LOUISIANA TECH DAIRY	10/5	J	49	102	43.8	45.2	3.4	3.1	13908
GALEN NIGHTINGALE	10/19	H	80	229	43.7	44.4	3.4	3.2	21417
SE LA EXP STATION	10/17	H	206	200	43.1	45.7	3.1	3.2	22040
DUSTY SCHILLING	10/25	H	110	144	43.0	44.2	3.4	3.0	17146
C JOHNSON & W LITWILLER	10/27	H	105	168	42.7	41.2	3.8	3.1	19490
O B MITCHELL	10/10	X	52	216	42.3	43.2	3.4	3.2	17488
KARIE AND BRAD BLADES	10/10	H	168	283	42.0	42.9	3.3	3.2	17621
BOBBY GOINGS	10/3	H	115	160	41.9	41.8	3.7	3.0	16607
TO-BEV FARMS	10/11	H	197	169	41.3	45.3	3.0	2.9	16966
J PAUL ALFORD	10/5	X	113	150	40.7	42.5	3.4	2.9	18625
CIRCLE G FARMS	10/14	H	167	153	40.4	41.0	3.5	3.0	17101
JOHN FAUNCE JR DAIRY	10/4	H	238	143	40.0	42.0	3.3	2.9	18213
RODNEY HOLDEN	10/26	H	61	181	39.3	38.9	3.7	3.0	15315
MARVIN FLETCHER	10/12	H	173	214	38.4	40.9	3.2	2.9	17752
ROBERT A. & STEPHEN A. FORNEA	10/20	H	311	260	37.9	37.4	3.7	3.1	19301
EUGENE ROBERTSON	10/24	H	184	161	37.4	39.7	3.1	3.1	17993
CLINTON STEVENS	10/5	H	127	190	37.2	37.3	3.5	3.2	14892
LADD BLADES	10/7	H	221	203	36.7	36.0	3.7	3.1	19546
DIXIE FARMS	10/3	H	391	202	36.6	38.1	3.3	3.1	15196
MARK WASKOM	10/26	H	73	247	35.9	33.9	3.9	3.5	17357

TOP HERDS BY AVERAGE TEST DAY WEIGHTED SOMATIC CELL COUNTS (MILKING COWS)

NAME	DATE	BR	COWS	DIM	SCC	MILK	FAT%	PRO%	RHA
JACKSON BRUMFIELD	9/27	H	59	144	113	24.2	.	.	12627
ROYCE SALLEY	9/27	X	246	144	214	24.4	3.3	3.0	12897
CLINTON STEVENS	10/5	H	127	190	235	37.3	3.5	3.2	14892
SE LA EXP STATION	10/17	H	206	200	243	45.7	3.1	3.2	22040
RUSSELL AND RUSTY CREEL	10/14	H	74	183	244	37.2	3.3	3.0	16891
CIRCLE G FARMS	10/14	H	167	153	263	41.0	3.5	3.0	17101
HILL FARM RESEARCH STATION	10/11	J	65	153	265	48.5	2.8	3.5	17328
FIVE R FARM	10/4	H	93	267	283	27.9	2.7	3.4	11496
MARLYNN FARMS	10/4	X	119	225	283	30.0	3.4	3.3	13643
LOUISIANA TECH DAIRY	10/5	J	49	102	318	45.2	3.4	3.1	13908
MARVIN FLETCHER	10/12	H	173	214	319	40.9	3.2	2.9	17752
ROBERT A. & STEPHEN A. FORNEA	10/20	H	311	260	323	37.4	3.7	3.1	19301
FIVE R FARM	10/4	J	113	214	327	25.8	3.2	3.6	10237
PHILLIP ROBERTS	10/27	X	129	158	344	33.4	3.9	3.5	14583
BANKSTONS UDDERWISE DAIRY	10/25	H	54	171	355	29.6	3.7	2.9	12541
C S GOTTSCHALCK	10/17	H	126	180	373	28.4	.	.	13411
C JOHNSON & W LITWILLER	10/27	H	105	168	377	41.2	3.8	3.1	19490
PHILLIP ROBERTS	10/27	H	158	186	379	32.1	3.6	3.3	16017
DUSTY SCHILLING	10/25	H	110	144	394	44.2	3.4	3.0	17146
TO-BEV FARMS	10/11	H	197	169	413	45.3	3.0	2.9	16966
CHARNEL BAILEY	10/24	H	218	141	417	32.6	.	.	13720
LOUISIANA TECH DAIRY	10/5	H	52	183	428	37.1	3.0	2.9	19160
FARMER'S DAIRY	10/12	H	52	254	430	44.7	3.6	3.1	18781
LSU DAIRY	10/17	H	73	216	436	57.0	3.9	3.0	22091
ROBERT HUTCHINSON JR	10/24	X	99	195	441	32.4	.	.	14264

TOP HERDS BY AVERAGE TEST DAY ENERGY CORRECTED MILK (ALL COWS)

NAME	DATE	BR	COWS	DIM	ECM	MILK	FAT%	PRO%	RHA
LSU DAIRY	11/17	H	79	192	64.2	58.2	4.3	3.2	22388
KIRBY VARNADO	11/28	H	94	177	57.8	56.1	3.8	3.1	20258
O B MITCHELL	11/8	X	46	198	54.4	51.6	3.9	3.2	17566
C JOHNSON & W LITWILLER	11/28	H	108	161	52.1	49.4	4.0	3.1	19460
BOBBY GOINGS	11/3	H	110	156	49.5	50.1	3.4	3.2	16769
LOUISIANA TECH DAIRY	10/31	J	47	104	48.3	44.2	4.2	3.3	14127
FARMER'S DAIRY	11/8	H	50	227	47.7	47.8	3.6	3.1	18803
RUSSELL AND RUSTY CREEL	11/14	H	29	202	47.4	49.3	3.4	3.0	19138
HILL FARM RESEARCH STATION	11/9	J	66	140	47.3	40.3	4.8	3.4	17516
TO-BEV FARMS	11/15	H	196	152	46.7	47.1	3.6	2.9	16859
CIRCLE G FARMS	11/15	H	167	129	45.6	44.7	3.9	2.9	17270
LOUISIANA TECH DAIRY	10/31	H	53	164	45.6	45.7	3.6	3.0	18923
BROWN DAIRY FARM	11/16	H	211	156	45.3	43.8	3.8	3.2	19189
GALEN NIGHTINGALE	11/16	H	79	219	45.2	46.0	3.4	3.1	21259
CLIFFORD CHAMPLIN	11/1	H	220	159	44.3	41.1	4.2	3.1	21706
DUSTY SCHILLING	11/25	H	112	136	43.9	44.9	3.5	2.9	17171
LADD BLADES	11/2	H	244	131	43.2	42.1	3.7	3.2	19327
MARVIN FLETCHER	11/14	H	176	188	42.2	42.5	3.5	3.0	17517
RUSSELL AND RUSTY CREEL	11/14	H	73	168	42.2	41.2	3.8	3.0	16607
M & B DAIRY FARM INC.	10/31	H	140	197	42.1	41.9	3.7	2.9	16559
LEESFIELD DAIRY FARM	11/16	H	89	186	42.1	43.4	3.4	3.1	17331
JOHN FAUNCE JR DAIRY	11/1	H	234	128	42.0	41.3	3.8	2.9	18250
PHILLIP ROBERTS	11/28	X	130	159	41.3	36.8	4.3	3.5	14458
FRANCIS HOLMES	11/28	H	71	166	41.3	42.7	3.3	3.1	15813
DIXIE FARMS	11/2	H	387	210	40.8	42.1	3.3	3.2	15396

TOP HERDS BY WEIGHTED AVERAGE TEST DAY SCC (MILKING COWS)

NAME	DATE	BR	COWS	DIM	SCC	MILK	FAT%	PRO%	RHA
NED SIMMONS	11/2	H	168	185	71	28.9	3.8	3.3	12971
PHILLIP ROBERTS	11/28	H	162	178	159	35.3	3.8	3.4	15841
CIRCLE G FARMS	11/15	H	167	129	225	44.7	3.9	2.9	17270
RUSSELL AND RUSTY CREEL	11/14	H	73	168	265	41.2	3.8	3.0	16607
PHILLIP ROBERTS	11/28	X	130	159	279	36.8	4.3	3.5	14458
CLINTON STEVENS	11/2	H	128	181	283	36.4	4.0	3.2	14923
RODNEY HOLDEN	11/28	H	60	152	285	40.9	3.3	3.1	15293
HILL FARM RESEARCH STATION	11/9	J	59	273	286	25.6	5.4	3.9	11677
LSU DAIRY	11/17	H	79	192	294	58.2	4.3	3.2	22388
ROYCE SALLEY	11/7	X	260	120	313	33.0	3.2	2.9	12774
DARYL & MARYJO ROBERTSON	11/4	H	179	200	316	36.7	3.9	3.4	15298
MARLYNN FARMS	11/1	X	119	209	324	30.8	3.6	3.3	13545
JEFF & MARY ADDISON	11/9	J	63	207	333	29.2	4.6	3.6	12018
CLIFFORD CHAMPLIN	11/1	H	220	159	337	41.1	4.2	3.1	21706
LOUISIANA TECH DAIRY	10/31	H	53	164	342	45.7	3.6	3.0	18923
JAMES ROGERS	11/24	H	84	204	344	33.8	.	.	13498
ROBERT A. & STEPHEN A.FORNEA	11/23	H	308	237	359	38.9	3.6	3.4	18243
J PAUL ALFORD	11/7	X	121	132	363	39.4	3.7	2.8	18530
VICTOR WOMACK	11/9	H	112	173	373	33.6	3.8	3.1	14555
LEESFIELD DAIRY FARM	11/16	H	89	186	373	43.4	3.4	3.1	17331
LOUISIANA TECH DAIRY	10/31	J	47	104	385	44.2	4.2	3.3	14127
BOBBY GOINGS	11/3	H	110	156	393	50.1	3.4	3.2	16769
UDDER FRESH	11/8	H	97	200	395	39.8	3.7	3.1	17489
HILL FARM RESEARCH STATION	11/9	J	66	140	397	40.3	4.8	3.4	17516
ROBERT HUTCHINSON JR	11/21	X	98	186	400	30.5	.	.	14219

TOP HERDS BY AVERAGE TEST DAY ENERGY CORRECTED MILK (ALL COWS)

NAME	DATE	BR	COWS	DIM	ECM	MILK	FAT%	PRO%	RHA
LSU DAIRY	12/19	H	81	174	64.5	61.8	3.9	3.2	22751
LOUISIANA TECH DAIRY	12/5	H	49	105	61.2	62.5	3.5	3.0	18788
GALEN NIGHTINGALE	12/14	H	77	208	57.1	58.1	3.4	3.2	21000
C JOHNSON & W LITWILLER	12/19	H	109	171	57.0	55.2	3.8	3.2	19464
LOUISIANA TECH DAIRY	12/5	J	49	105	54.9	48.1	4.5	3.4	14248
BILLY ANDREWS	12/13	H	97	179	53.2	52.7	3.6	3.2	19966
EUGENE ROBERTSON	11/30	H	178	146	53.2	50.9	3.9	3.1	17940
O B MITCHELL	12/19	X	40	204	52.7	48.3	4.1	3.5	17687
BOBBY GOINGS	12/12	H	109	149	52.2	52.5	3.6	3.0	16968
BROWN DAIRY FARM	12/21	H	216	155	52.1	53.5	3.4	3.1	19109
CIRCLE G FARMS	12/20	H	166	128	51.9	51.4	3.8	2.9	17537
LADD BLADES	12/6	H	245	111	51.4	52.6	3.5	3.0	19121
BRENT & LAURIE DUNCAN	12/14	H	269	92	50.3	50.7	3.5	3.0	16369
RUSSELL AND RUSTY CREEL	12/13	H	29	205	49.6	50.1	3.5	3.1	19048
FARMER'S DAIRY	12/5	H	51	230	49.5	47.3	3.9	3.2	18914
TO-BEV FARMS	12/12	H	189	143	49.1	49.5	3.7	2.8	16716
FRANCIS HOLMES	12/26	H	69	172	47.2	47.1	3.8	2.8	15769
KARIE AND BRAD BLADES	11/29	H	165	270	46.9	46.1	3.6	3.2	17420
SCHILLING BROTHERS DAIRY	12/19	H	145	160	46.1	45.7	3.7	3.0	16807
HOLLIS BANKSTON & SONS	12/28	H	99	177	45.8	43.6	4.0	3.1	17219
ROBERT A. & STEPHEN A. FORNEA	11/23	H	308	237	40.5	49.4	3.6	3.4	18243
EUGENE ROBERTSON	11/30	H	178	146	53.7	62.1	3.9	3.1	17940
CIRCLE G FARMS	12/20	H	166	128	52.4	66.6	3.8	2.9	17537
MARK WASKOM	11/28	H	77	208	38.2	51.2	3.6	2.8	17357
KARIE AND BRAD BLADES	11/29	H	165	270	47.4	54.8	3.6	3.2	17420

TOP HERDS BY WEIGHTED AVERAGE TEST DAY SOMATIC CELL COUNT (MILKING COWS)

NAME	DATE	BR	COWS	DIM	SCC	MILK	FAT%	PRO%	RHA
HILL FARM RESEARCH STATION	12/20	J	56	278	148	24.7	4.9	3.7	11691
JACKSON BRUMFIELD	12/13	H	63	104	206	36.9	.	.	12176
LSU DAIRY	12/19	H	81	174	213	61.8	3.9	3.2	22751
MARLYNN FARMS	12/5	X	120	196	236	35.4	3.6	3.2	13389
RUSSELL AND RUSTY CREEL	12/13	H	71	164	250	44.2	3.4	3.0	16398
CIRCLE G FARMS	12/20	H	166	128	257	51.4	3.8	2.9	17537
FIVE R FARM	12/19	X	92	272	267	30.8	3.4	3.5	11377
BRENT & LAURIE DUNCAN	12/14	H	269	92	268	50.7	3.5	3.0	16369
ROBERT HUTCHINSON JR	12/26	X	97	175	280	32.4	.	.	13973
LOUISIANA TECH DAIRY	12/5	H	49	105	287	62.5	3.5	3.0	18788
RUSSELL AND RUSTY CREEL	12/13	H	29	205	300	50.1	3.5	3.1	19048
C JOHNSON & W LITWILLER	12/19	H	109	171	303	55.2	3.8	3.2	19464
O B MITCHELL	12/19	X	40	204	305	48.3	4.1	3.5	17687
CHARNEL BAILEY	12/12	H	205	136	320	41.9	.	.	13793
HOLLIS BANKSTON & SONS	12/28	H	99	177	330	43.6	4.0	3.1	17219
LANNY CONERLY	12/5	H	189	151	331	35.5	3.3	3.0	13956
FIVE R FARM	12/19	J	109	226	338	25.6	3.5	3.7	10311
LANNY CONERLY	12/5	H	61	121	346	34.3	3.3	3.0	13158
TO-BEV FARMS	12/12	H	189	143	351	49.5	3.7	2.8	16716
MARVIN FLETCHER	12/14	H	172	182	354	48.2	3.2	2.9	17403
JEFF & MARY ADDISON	12/13	J	65	192	357	38.1	4.2	3.6	12410
BROWN DAIRY FARM	12/21	H	216	155	377	53.5	3.4	3.1	19109
FARMER'S DAIRY	12/5	H	51	230	390	47.3	3.9	3.2	18914
HILL FARM RESEARCH STATION	12/20	J	71	124	396	38.9	4.7	3.4	17377
J PAUL ALFORD	12/6	X	121	134	413	39.0	3.8	3.0	18297

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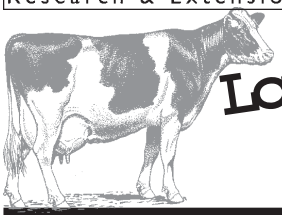

Louisiana Dairy Digest

Your Herd Management Resource

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