WESTERNUNITEDDAIRIES

WEEKLY UPDATE | APRIL 22, 2024

Moo-lah for Dairy Sustainability Projects Coming this Summer

Foreword by Paul Sousa.

Below is an article reprinted from CDFA's recent quarterly newsletter regarding funding for livestock methane reduction programs. If you have any questions on these programs, please contact Kyle Lutz or Paul Sousa.If you are interested in getting assistance from us with your application, please reach out and let us know.We assist dairies on a first come – first served basis, until our capacity to assist has been reached.

A new call for applications is coming soon for three of OEFI's dairy and livestock manure methane reduction programs: the Dairy Digester Research and Development Program (DDRDP), Alternative Manure Management Program (AMMP), and Dairy Plus Program (DPP). The DPP is funded by a USDA Partnerships for Climate Smart Commodities grant that OEFI administers collaboratively with the California Dairy Research Foundation. OEFI expects to announce the opening of grant solicitation in June/July 2024.

DDRDP incentivizes the installation of dairy digesters and expects availability of approximately \$10 million to award; AMMP supports the implementation of non-digester manure management practices such as conversion of flush to scrape manure collection and expects to have approximately \$20 million to award*. The DPP supports manure management practices that also address nutrient surplus and has \$57 million available.

Prospective applicants are encouraged to start planning and preparing in advance of the application period. Each program's webpage contains information that can assist with the planning process, including materials and resources from previous grant solicitation rounds and availability of free technical assistance. Sign up for email notifications to be alerted about the application period, workshops and outreach events.

*The State Budget will determine funding availability on or after July 1, 2024.

Weekly Update Delivery Options

Send change of address or request for delivery to WUD by phone or email at: (209)527-6453 info@wudairies.com

Struggling with Depression?

Call 1-800-784-2433 any time, 24x7, for a live, trained person to talk with or to find local resources.

LUC: Lecheros Unidos de California

Western United Dairies is proud to host LUC, a clearinghouse of resources to assist in all aspects of searching for and hiring employees for your dairy.

LUC services are offered in Spanish & English & include:

- Free advertisement of job postings to a wide audience of potential employees
- Phone call interviews with translation services
- Access to a pool of pre-screened employees with dairy experience

For more information, visit: westernuniteddairies.co m/lecheros-unidos

Keeping Herds Safe from Bird Flu

By Dr. Michael Payne, UC Davis, School of Veterinary Medicine and Director, CDQAP | Originally Published in CDQAP's April Newsletter

For many producers there is a no more pressing concern than the identification of Highly Pathogenic Avian Influenza (<u>HPAI</u>) in dairy cattle. As of this writing there has been laboratory <u>confirmation</u> of HPAI infection in 26 herds in 8 states including Texas, Kansas, Michigan, New Mexico, Idaho, Ohio, South Dakota and North Carolina.

The disease syndrome has not been reported in California nor in beef cattle in any state. As new rounds of testing are completed, there will likely be additional infected herds identified. Importantly, there is epidemiologic evidence that the disease has been passed from infected herds to uninfected herds through the transfer of infected, but asymptomatic cattle.

So much guidance, so little time.

Producers are understandably concerned about protecting their herds and you can't swing a barn cat around without hitting a new guidance telling producers what to do. <u>USDA</u> and <u>NMPF</u> have both produced biosecurity recommendations. CDQAP <u>outreach</u> has focused on California producers. CDC has released interim <u>guidance for employees</u> on infected farms. The list of recommendations seems to grow overnight.

(continued on page 4)



Mark Your Calendars

In-Person PRB Meeting

May 1st, 2024, 10:00 am Tulare County Ag Commissioner's Office Auditorium 4437 S Laspina Street – Tulare, CA 93274

A teleconference option will NOT be available for this meeting.

CMAB May Board of Directors Meeting

Wednesday, May 8, 2024 – 7:30 a.m. Thursday, May 9, 2024 – 8:00 a.m.

Visalia Marriott • 300 S Court Street, Visalia, CA 93291

The CMAB Board meeting is open to any California dairy producer. If interested in attending, please RSVP to Tracy Garza at tgarza@cmab.net or 209-690-8252.

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New on Seen & Herd: A Bird's Eye View on the Avian Influenza with Anja Raudabaugh

In this episode of Seen and Heard, we welcome back Anja Raudabaugh for an update on the avian influenza situation. Anja provides a comprehensive overview of the recent developments, including genetic mapping of the virus and the current status of California's dairy cows.

The discussion delves into the origins of the outbreak, how it was initially detected through the unexpected deaths of dairy cats, and the subsequent measures taken to prevent further spread among livestock.

Anja also highlights the importance of biosecurity protocols and the ongoing efforts to deter wild birds, which are carriers of the virus.

The episode emphasizes the significance of proactive management techniques in mitigating the risk of infection and concludes with a reminder of upcoming updates for producers.

For more questions about the podcast episode, please reach out to us at podcast@wudairies.com.

Avian Influenza Resources:

- <u>Protect yourself from getting</u> <u>sick when working with</u> <u>cattle_complete</u>
- <u>Cal/OSHA, Respiratory</u>
 <u>Protection in the Workplace:</u>
 <u>Provides an overview of</u>
 <u>respiratory protection and</u>
 <u>the elements of a workplace</u>
 <u>respiratory protection</u>
 <u>program</u>
- <u>CDC, Recommendations for</u> <u>Worker Protection and Use</u> <u>of Personal Protective</u> <u>Equipment (PPE) to Reduce</u> <u>Exposure to Novel Influenza</u> <u>A Viruses Associated with</u> <u>Severe Disease in Humans</u>

Ongoing Mini CV Salts Social Media Campaign

If you follow Western United Dairies on Facebook, you may see a few new graphics promoting the water quality work California dairies have made. In an effort to navigate the nitrates conversation, we've been developing messaging that is targeted to policymakers and thought-leaders on the improvements that the industry has made. If you see these graphics online, please share them. If you have any questions about this campaign, please reach out to Anja at anja@wudairies.com.



LandFlex by the numbers (2023) 17,747 AF of water recharged, protecting communities and water steelds during major 2023 flood events while providing long-term groundwater supply stability for future droughts 56,587.AF of fortual augufer surviyes, offering immediate protection to at-risk water systems

Permanently retired 84,370 AF of aquifer overor for SGMA rapid ramp-down 16,512 home domestic wells immediately prote



(continued) Keeping Herds Safe from Bird Flu

We still don't know exactly how the virus is passed from bird-to-cow or from cow-to-cow, making it challenging to have confidence in prioritizing specific preventative actions. Over the last several weeks however, laboratory and epidemiologic investigations have yielded important clues about which actions might be effective.

Wild birds introduced Bird Flu to Midwest cattle: it could happen in California too.

Genetic sequencing of virus samples from both affected cattle and wild birds found on affected farms confirmed the same HPAI <u>strain</u> and lineage that has been circulating within North American wild birds for the last several years. The same strain was also detected in barn cats and the single <u>human case</u> in a dairy employee. This has led both researchers and regulators to conclude that wild birds were the source of the original virus introduction of into the Midwest dairy industry.

This same viral strain has been circulating in wild birds in California, with almost half of the state's counties reporting HPAI detection in wild birds over the last year. This raises the specter of West Coast dairy herds becoming infected from wild birds independent of importation of infected Midwest cattle. CDQAP and CDFA will deliver more outreach on <u>wild bird control</u> on dairies soon.

Transmission from herd-to-herd has involved asymptomatic cattle.

Dairy herds in <u>Idaho</u>, <u>Michigan</u>, and <u>Ohio</u> are reported to have recently received animals from affected herds or states, suggesting that "lateral transmission" from cow-to-cow had occurred. Similarly, field reports from an affected North Carolina herd suggested that cattle from Texas had cleared the virus after passing it on to resident cattle which subsequently tested positive. Critically, neither the new additions nor the positive resident cows ever exhibited symptoms. This reinforces the importance of knowing the source history of herd additions as well as completing segregation ("quarantine") of new arrivals for at least three weeks.

High shedding in the milk means potential transmission during milking.

The <u>PCR assay</u> used to diagnose HPAI infection suggests that some of the highest viral loads in cattle are observed in the milk. If additional research confirms the virus has an affinity for mammary tissue, it raises the potential that the virus could be transferred during milking. If so it would support removing symptomatic cattle from milking strings quickly, in order to keep the number of infected milking cows as low as possible.

Differences in disease severity may suggest post-infection biosecurity could help.

While a terrible event for any involved producer, different herds have reported different percentages of infection in milking strings. Anecdotal reports raise the tantalizing possibility that internal biosecurity measures implemented quickly might limit within herd spread. Reporting unusual symptoms, particularly an acute fall in appetite, rumination or milk production should be reported to the herd veterinarian immediately, potentially allowing for timely herd mitigations. •

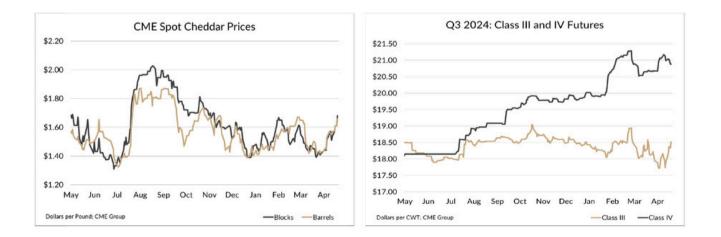
WEEKLY MARKET UPDATE

While consumptive cheese demand remains hohum, some reports suggest supplies may be a little tighter. That was enough to drive spot blocks and barrels into the \$1.60s for the first time since February and March, respectively. Trading volume remains strong.

- The jump in cheese prices gave Class III futures some support. Third quarter Class III contracts shot up to \$18.52 per hundredweight, up 60 cents on the week.
- There's not much action in the CME butter market, where anxiety around availability remains strong enough to keep butter historically elevated in the low \$2.90s.
- Cheese prices dropped at the most recent GlobalDairyTrade event, but other prices were relatively stable and demand is still soft. There's also not much demand for US nonfat dry milk. The CME NDM market is rangebound in the low \$1.10s.
- Planting season is underway and moving along at a decent pace. Corn export sales are within expectations, but soybean sales were below the predicted range. Nearby corn

futures moved only slightly lower on the week, settling at \$4.3350 per bushel, down two cents. But May soybeans dropped to \$11.5050 per bushel, 23.5 cents lower.

- US consumer spending was hotter than expected in March. Retail sales totaled \$709.6 billion, up 0.7% on the month and +4.1% versus 2023. That's ahead of the inflation rate of +0.4% month-over-month and +3.5% on the year. Grocery sales were up 1.1% versus 2023, just behind the inflation rate of +1.2%, while restaurant spending jumped 7.3% compared to a 4.2% increase in prices.
- USDA's 2024 Dairy Margin Coverage enrollment is open through April 29. The February payment rate is \$0.06 per hundredweight.



APRIL 22, 2024

	Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)	
July - Septem	ber 2024			
Class III	\$18.52	\$17.60	\$0.32	
Class IV	\$20.88	\$19.84	\$0.28	
October - Dec	cember 2024			
Class III	\$18.35	\$17.44	\$0.41	
Class IV	\$21.35	\$20.29	\$0.47	
January - Mar	ch 2025			
Class III	\$18.04	\$17.14	\$0.44	
Class IV	\$20.37	\$19.35	\$0.48	
April - June 20	025			
Class III	\$17.97	\$17.07	\$0.52	
Class IV	\$19.64	\$18.65	\$0.62	
July - Septem	ber 2025			
Class III	\$18.07	\$17.16	\$0.62	
Class IV	\$18.82	\$17.88	N/A	
*As of 4/19/202	4 for 95% coverage	, 1.0 Protection Factor		

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USDA Dairy Margin Coverage (per CWT)

	Month	All Milk		Feed		Margin Estimate		Indemnity Estimate @ 9.50 Margin	
	Jan-24	\$	20.10	\$	11.62	\$	8.48	\$	1.02
	Feb-24	\$	20.60	\$	11.16	\$	9.44	\$	0.06
	Mar-24	\$	20.37	\$	10.61	\$	9.76	\$	-
2024 Program	Apr-24	\$	19.81	\$	10.64	\$	9.17	\$	0.33
	May-24	\$	20.51	\$	10.60	\$	9.92	\$	-
	Jun-24	\$	20.76	\$	10.65	\$	10.11	\$	-
	Jul-24	\$	20.87	\$	10.70	\$	10.17	\$	-
	Aug-24	\$	21.41	\$	10.75	\$	10.67	\$	-
	Sep-24	\$	21.93	\$	10.79	\$	11.14	\$	
	Oct-24	\$	22.27	\$	10.86	\$	11.41	\$	
	Nov-24	\$	22.53	\$	10.92	\$	11.61	\$	-
	Dec-24	\$	22.25	\$	10.98	\$	11.27	\$	-

Estimates only. As of 4/19/2024 and based on futures markets which can change daily.

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	CME	Commod	lity Prices		
	Blocks	Barrels	Butter	NDM	Dry Whey
Apr-15	\$1.5675	\$1.5725	\$2.9200	\$1.1350	\$0.3600
Apr-16	\$1.6100	\$1.6100	\$2.9400	\$1.1275	\$0.3800
Apr-17	\$1.6100	\$1.6100	\$2.9250	\$1.1200	\$0.3825
Apr-18	\$1.6100	\$1.6100	\$2.9200	\$1.1225	\$0.3850
Apr-19	\$1.6800	\$1.6600	\$2.9200	\$1.1200	\$0.3925
Average	\$1.6155	\$1.6125	\$2.9250	\$1.1250	\$0.3800
Weekly Change	0.1450	0.0875	0.0000	-0.0225	0.0325
	Ord	er 51: Late	est Prices		
	Jan	Feb	Mar	Apr	May
Class I LA	\$20.78	\$20.29	\$21.10	\$21.48	\$20.76
Class II	\$20.04	\$20.53	\$21.12		
Class III	\$15.17	\$16.08	\$16.34		
Class IV	\$19.39	\$19.85	\$20.09		
PPD	\$1.64	\$1.33	\$1.43		1
Blend: LA*	\$16.81	\$17.41	\$17.77		
Blend: Tulare*	\$16.31	\$16.91	\$17.27		

*Does not include Quota Deduction

