

# WESTERN UNITED DAIRIES

WEEKLY UPDATE | SEPTEMBER 25, 2024

## New Sonoma United Campaign Materials Roll-Out

As part of Western United Dairies' \$500,000 commitment to defeat Measure J in Sonoma County and protect California dairy in the future, WUD has initiated the first major component of voter contact through a digital campaign. We look forward to sharing our mail campaign efforts in the coming weeks. For more information on WUD's Sonoma United campaign, visit [sonomaunitedvote.org](https://sonomaunitedvote.org) and to [get involved](#).

This week, the first in a series of short videos showcasing families and businesses in Sonoma County launched on our website and social media. This video series intends to share the stories of local families and business who will be impacted by Measure J. If you see the video online, please share it with your friends and followers.

In the coming weeks, new materials will roll out in campaign combining print and digital media, targeting Sonoma County residents and highlighting the impacts of Measure J. Below are some examples of the materials.



[WATCH THE VIDEO](#)



## 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](mailto: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

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.com/lecheros-unidos](https://westernuniteddairies.com/lecheros-unidos)

## CDFA Confirms California Cattle Council's Five-Year Continuation

By Justin Oldfield, Executive Director of the California Cattle Council

We are excited to announce that the California Department of Food & Agriculture (CDFA) issued an order this month confirming that the California Cattle Council will continue to operate for another five years without question. Every five years, the Cattle Council undergoes a review to determine whether it should continue operating as usual or if a producer vote is needed to reaffirm the organization's operations.

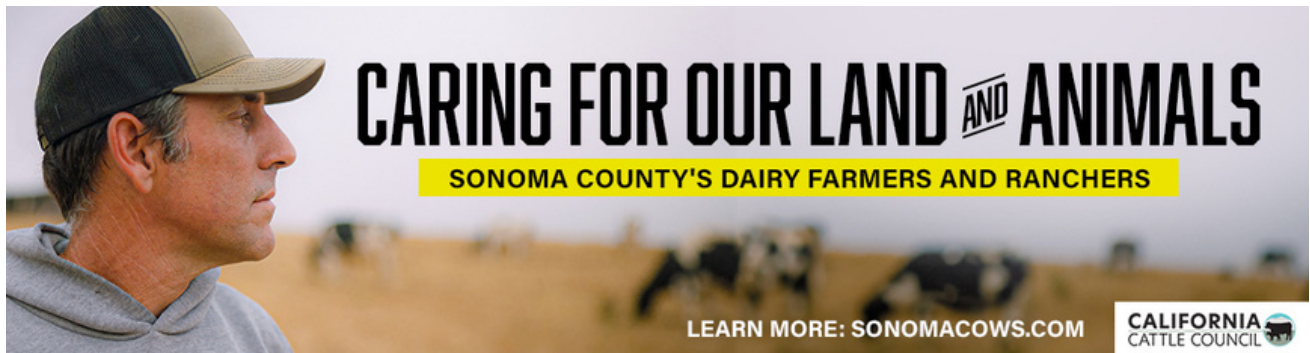
CDFA held a public hearing on June 11, 2024, to gather public testimony. Additionally, all cattle producers in the state received a notice by mail announcing the hearing and establishing a written

comment period for those who wished to provide feedback but could not attend in person. Based on the hearing record, which included written comments and oral testimony, the feedback was overwhelmingly positive about the Cattle Council's work on behalf of the state's cattlemen and women. The continuation order and the CDFA report are available on the Cattle Council [website](#). We greatly appreciate the time producers took to provide comments. We continue to recognize that the Cattle Council is a steward of the resources entrusted to us. To that end, our producer-appointed board and I appreciate your ongoing investment and participation.

## Cattle Council Wraps Up Sonoma County Campaign

The Cattle Council recently wrapped up a successful campaign in Sonoma County. Advertisements will continue to run through the end of this month. The campaign highlighted the importance of the dairy industry to the local community and reinforced the industry's commitment to animal welfare. It featured TV commercials, radio spots, and a digital billboard along Highway 101 in Santa Rosa.

Additionally, the Cattle Council had an active presence at numerous farmers' markets and key community events, including the Sonoma County Fair. These events provided valuable opportunities to connect directly with Sonoma County residents about the importance of the dairy industry.



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## Myth Busters:

### USDA Assistance for Dairy Herds Impacted by Avian Influenza (H5N1)

Just the Facts About the Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish Program

USDA's Farm Service Agency (FSA) expanded ELAP policy through the rule-making process; this expansion assists with financial losses resulting from reduced milk production when cows are removed from commercial milking in dairy herds with a confirmed positive H5N1 test. Positive tests must be confirmed through APHIS's National Veterinary Services Laboratories (NVSL).



**✗ MYTH**

FSA does not protect information related to my dairy operation.

**✓ FACT**

- Participation in ELAP is voluntary.
- Producer provided information reported to FSA for voluntary participation in ELAP may not be disclosed.

**✗ MYTH**

The ELAP application process is long and cumbersome.

**✓ FACT**

- The application process leverages producer certification, limiting the producer burden.
- Information required for a completed application includes the following:
  - Notice of loss indicating the date the loss is apparent (sample collection date);
  - Number of eligible adult dairy cows removed from production;
  - The month the cows were removed from production;
  - Producer's share in the milk production;
  - Proof of herd infection through a confirmed positive H5N1 test.

**✗ MYTH**

It takes too long for ELAP payments to process.

**✓ FACT**

- ELAP payments can be processed once a completed application has been approved and the USDA "All-Milk" price for the month of removal has posted.
- The USDA "All-Milk" price publishes on the final day of the subsequent calendar month.
- The "All-Milk" price is currently available to process payments for livestock removed from milk production for the months of March – May 2024. The July "All-Milk" price will publish at the end of August.

Scan the QR code for answers to frequently asked questions.



**✗ MYTH**

ELAP payments do not compensate for a dairy's actual loss of milk production.

**✓ FACT**

- To minimize the information a producer would need to track and report to FSA, ELAP assistance for milk loss due to H5N1 is calculated using estimated loss of milk production (21 days of no production, 7 days of 50% production) based on data reported to APHIS at the time of rule publication and the National Agriculture Statistic Service (NASS) monthly average production per cow.
- The standard payment calculation accounts for reduced milk production for a 28-day time period; however, for a cow to be eligible for assistance, they do not need to be removed from the commercial milking herd for the entire 28-day period.

**✖ MYTH**

ELAP milk loss payments do not adequately compensate for losses suffered.

**✔ FACT**

- Each eligible cow removed for at least one milking cycle is considered eligible for assistance under ELAP for milk losses due to H5N1.
- ELAP payments are determined on a per head payment rate based on the monthly all-milk price and national milk production published by the National Agricultural Statistics Service and 21 days of no production and 7 days of 50% production – (per head payment rate x number of eligible adult dairy cows x producer’s share in milk production x 90%)
- ELAP is not subject to payment limitation – payments will not be capped.
- *Example: A dairy removed 50 lactating dairy cattle from production due to H5N1. The payment rate per head for April is \$367.55. ELAP assistance is calculated as follows: \$367.55 (payment rate per head) x 50 (number of eligible adult dairy cows) x 100% (producer’s share in milk production) x 90% (ational payment rate) = \$16,539.75*

**✖ MYTH**

Cows have to be “out of production” for 28 days to be eligible.

**✔ FACT**

- Cows must be removed for at least one milking cycle to be considered out of production. If a producer milks twice a day and removes the cow from evening milking because of H5N1 then the cow is considered eligible.
- Livestock removed from the commercial milking herd due to H5N1 and later culled are also considered eligible for H5N1 assistance.

**✖ MYTH**

My dairy herd suffered a production loss before rule publication (ex. March, 2024) and it is too late to apply now.

**✔ FACT**

- Producers with a confirmed positive H5N1 test can claim eligible livestock removed from the milking herd 14 days prior to the sample collection date through 120 days after the sample collection date for the positive H5N1 test.
- *Example: Sample collection date of March 1, 2024, the 134-day period would begin on February 16, 2024, and conclude on June 29, 2024.*



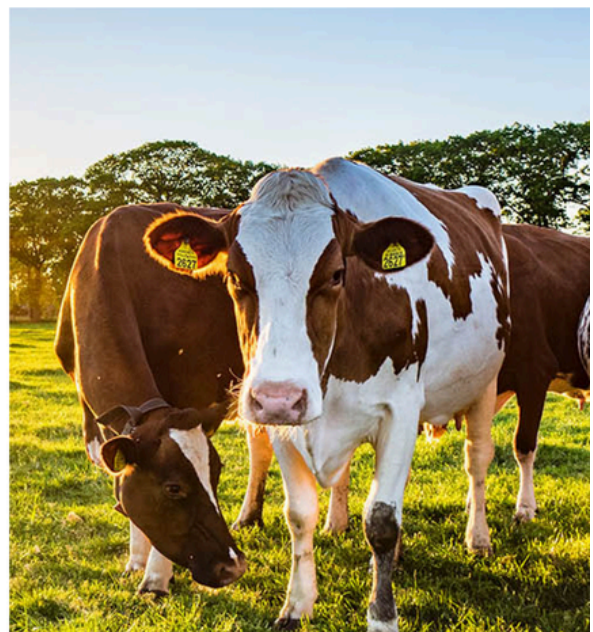
**DISASTER ASSISTANCE**  
Highly Pathogenic Avian Influenza (H5N1)

The Emergency Assistance for Livestock, Honeybees, and Farm-raised Fish Program (ELAP) now provides financial assistance to dairy producers who suffer milk losses from Highly Pathogenic Avian Influenza (H5N1).

To qualify, positive test results must be confirmed through the Animal and Plant Health Inspection Service National Veterinary Services Laboratories.



**More Information**  
Scan the QR Code for detailed ELAP H5N1 eligibility and application information and resources.

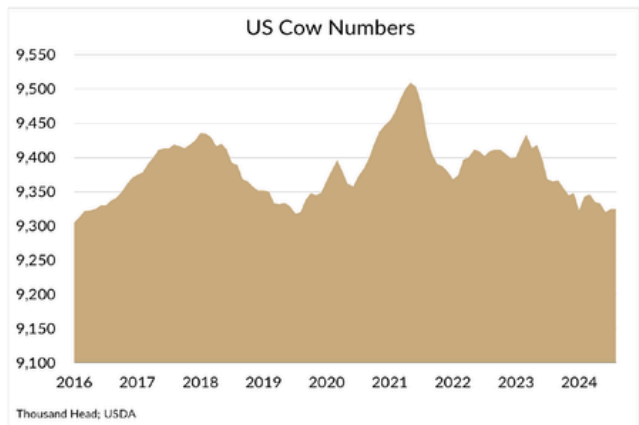
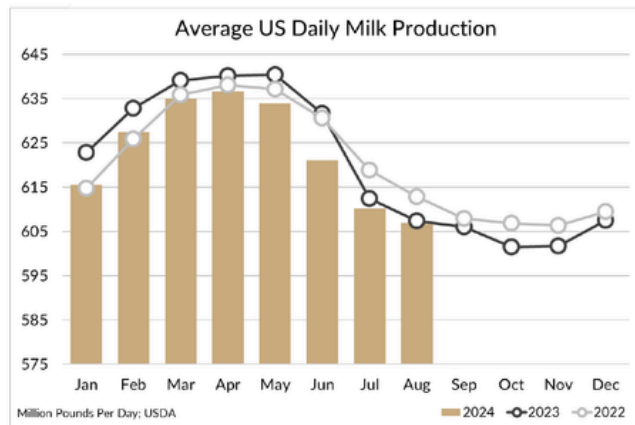


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# WEEKLY MARKET UPDATE


US milk production reached 18.8 billion pounds in August, a larger total than expected. That was down just 0.1% versus 2023, the smallest decline in 14 months. California output jumped 2.0% on the year against a weak comparison. But with HPAI spreading, future numbers are in question.

- The US dairy herd is showing some signs of recovery. Cow numbers totaled 9.325 million head, unchanged versus July and down 40,000 year-over-year. That compares to a 43,000-cow deficit in July and -62,000 in June.
- Concerns about milk availability, tighter cheddar supplies, rising prices in Europe and decent demand propelled the CME barrel market to an all-time high of \$2.6225 per pound. Prices eased after that, but remain elevated in the mid-\$2.50s. The spot block market was much less dramatic, as reports indicate there are more blocks to go around. Spot blocks declined below the \$2.20-per-pound mark.
- Reports indicate there’s more cream available than usual for this time of year, leaving plenty to fill butter churns. That’s helping quell the anxiety that’s kept the butter market over \$3 per pound all summer. The CME butter market slipped this week, dropping below the \$3 mark for the first time since May. Spot prices settled at \$2.9000 per pound, the lowest level since April.
- CME nonfat dry milk prices eased over the past week, but not by much. There are still concerns about international milk output, and traditional buyer Mexico is said to be active.
- Harvests of corn and soybean crops are moving ahead at an above-average pace. Demand for US corn is flat, keeping nearby futures moving sideways. Dry weather in Brazil is threatening to delay planting and growing, potentially increasing demand for US beans and driving prices higher.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
January - March 2025		
Class III	\$19.80	\$18.81
Class IV	\$21.54	\$20.46
April - June 2025		
Class III	\$19.14	\$18.18
Class IV	\$21.50	\$20.42
July - September 2025		
Class III	\$19.47	\$18.49
Class IV	\$21.47	\$20.40
October - December 2025		
Class III	\$19.42	\$18.45
Class IV	\$21.40	\$20.33
January - March 2026		
Class III	\$17.61	\$16.73
Class IV	\$16.18	\$15.37

\*As of 09/24/24 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola  
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CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Sep-18	\$2.2450	\$2.6225	\$3.0050	\$1.3825	\$0.5950
Sep-19	\$2.2750	\$2.6100	\$2.9700	\$1.3775	\$0.5875
Sep-20	\$2.2375	\$2.5900	\$2.9725	\$1.3800	\$0.5875
Sep-23	\$2.2000	\$2.5900	\$2.9400	\$1.3800	\$0.5875
Sep-24	\$2.1900	\$2.5450	\$2.9000	\$1.3775	\$0.5900
Average	\$2.2295	\$2.5915	\$2.9575	\$1.3795	\$0.5895
Weekly Change	-0.0875	-0.0200	-0.1850	-0.0150	-0.0050

Order 51: Latest Prices					
	Jun	Jul	Aug	Sep	Oct
Class I LA	\$22.38	\$23.41	\$23.62	\$23.90	\$25.47
Class II	\$21.60	\$21.82	\$22.05		
Class III	\$19.87	\$19.79	\$20.66		
Class IV	\$21.08	\$21.31	\$21.58		
PPD	\$0.79	\$1.05	\$2.10		
Blend: LA*	\$20.66	\$20.84	\$23.60		
Blend: Tulare*	\$20.16	\$20.34	\$23.20		

\*Does not include Quota Deduction

USDA Dairy Margin Coverage (per CWT)					
	Month	All Milk	Feed	Margin Estimate	Indemnity Estimate @ 9.50 Margin
2024 Program	Jan-24	\$ 20.10	\$ 11.62	\$ 8.48	\$ 1.02
	Feb-24	\$ 20.60	\$ 11.16	\$ 9.44	\$ 0.06
	Mar-24	\$ 20.70	\$ 11.05	\$ 9.65	\$ -
	Apr-24	\$ 20.50	\$ 10.90	\$ 9.60	\$ -
	May-24	\$ 22.00	\$ 11.48	\$ 10.52	\$ -
	Jun-24	\$ 22.80	\$ 11.14	\$ 11.66	\$ -
	Jul-24	\$ 22.80	\$ 10.47	\$ 12.33	\$ -
	Aug-24	\$ 23.36	\$ 10.02	\$ 13.34	\$ -
	Sep-24	\$ 25.27	\$ 9.94	\$ 15.34	\$ -
	Oct-24	\$ 26.13	\$ 9.99	\$ 16.15	\$ -
	Nov-24	\$ 26.08	\$ 10.03	\$ 16.04	\$ -
	Dec-24	\$ 25.25	\$ 10.08	\$ 15.17	\$ -

Estimates only. As of 9/24/2024 and based on futures markets which can change daily.

