

# WESTERN UNITED DAIRIES

WEEKLY UPDATE | JANUARY 15, 2025

## Upcoming WUD Events

To attend a Kitchen Table Meeting, please RSVP to Kyle Lutz at [kyle@wudairies.com](mailto:kyle@wudairies.com).

**January 21, 2025**  
**Stanislaus County • 11:30am**  
Hilmar Cheese Company  
9001 Lander Ave, Hilmar, CA 95324

**January 22, 2025**  
**Merced • 11:30am**  
Vander Woude Dairy Shop Office

**January 28, 2025**  
**Galt • 5:30pm**  
Brewsters  
201 4th St, Galt, CA 95632

**February 11-13, 2025**  
**World Ag Expo**  
4500 S Laspina St., Tulare, CA 93274



**Get Your FREE PPE Orders in  
TODAY! DEADLINE 1/15/25**

PPE has been extended to dairy-adjacent businesses (Truckers, Haulers, etc.)

- **All dairies can request unlimited PPE, no WUD membership needed.**
- Products include: Face Shields, Goggles, Gloves, and N-95 Masks.
- **PPE orders submitted this week will be shipped out or delivered prior to the holiday break between Christmas through New Years.**

[PLACE PPE ORDER](#)

## 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

LUC will be going dark starting Monday, December 16th, 2024, and will reopen by Monday, January 13th, 2025.

If you haven't signed up for LUC, go ahead and send your contact details to

[rashell@wudairies.com](mailto:rashell@wudairies.com), otherwise, we will assist you upon our return.

## USDA Announces 2025 Enrollment Periods for Crop and Dairy Safety-Net Programs

Dairy producers can enroll in the 2025 Dairy Margin Coverage (DMC) program beginning January 29 through March 31, 2025. Administered by the USDA’s Farm Service Agency (FSA), DMC provides price support to help offset differences between milk prices and feed costs, offering a critical safety net for dairy operations.

DMC offers various levels of coverage, including an option that is free to producers, aside from a \$100 administrative fee. This fee is waived for dairy producers who qualify as limited resource, beginning, socially disadvantaged, or military veterans.


Key highlights of the program include updated feed cost calculations, incorporating 100% premium alfalfa hay, to better reflect actual dairy production expenses. Coverage is available at a cost of \$0.15 per hundredweight for \$9.50 coverage, representing a relatively affordable investment for risk management.

Producers interested in enrolling or seeking additional information can visit their local USDA Service Center or explore the [DMC webpage](#). Don’t miss this opportunity to secure a valuable safety net for your dairy operation.

## NOTICE: Routine Dairy Inspections Resume for Unaffected Farms in Kings and Tulare Counties

Effective immediately, routine dairy regulatory inspections and sampling may resume for unaffected farms in Kings and Tulare Counties. This applies to farms never impacted or those released from quarantine, with strict biosecurity measures in place. Inspections

remain suspended for farms under CDFA quarantine. Updates on additional releases will follow. For questions about what’s allowed or what’s happening, feel free to reach out to Anja at [anja@wudairies.com](mailto:anja@wudairies.com).



### Visit us at 2025 World Ag Expo

**Don't miss our "must see" seminar**

“Let’s Get Connected” where PG&E and SoCal gas team up to talk about how dairy and agriculture farmers can benefit from Renewable Energy.

World Ag Expo  
**Tuesday, February 11**  
 4:00 PM  
 Seminar, Trailer 2

## THANK YOU TO OUR CURRENT SPONSORS.

[ADVERTISE WITH US](#)



## CDQAP 2024: Year in Review

*Originally Published by CDQAP*

As the year closed out, California's dairy industry was managing HPAI and its ever-changing landscape. For both HPAI and other issues, CDQAP has been striving to provide industry with timely actionable information. Particularly for HPAI, a focus has been on disease status, treatment options, worker safety and educational resources available for producers. Here's the 2024 year in review.

**Highly Pathogenic Avian Influenza – [HPAI-H5N1](#)** or “Bird Flu” was first [confirmed](#) in California dairy cattle on August 30, 2024. As of January 7, a total of 718 herds had been identified as infected, with 618 remaining under quarantine and 100 herds having been released from it. Thus far the outbreak has remained in the Central Valley. The virus has also spread to commercial poultry with 61 flocks having completed or awaiting depopulation. There have been 37 human cases of HPAI reported in California, all but one in dairy employees. All employee infections have included conjunctivitis (“pink eye”) and some have also included mild respiratory symptoms. All human cases in California have recovered uneventfully. CDQAP provided constant science-based information to national print and broadcast media regarding the safety of pasteurized dairy products.

Partnering with CMAB and UCCE, CDQAP provided weekly updates to processors and trade groups, in addition to half a dozen topic-focused webinars, including [visitor biosecurity](#), [outbreak management](#), [wild bird control](#), and [emergency funding](#), as well as ongoing research. Publications have addressed both worker safety and [treatment](#). CDQAP continues to provide newsletter articles and industry alerts providing time-sensitive, actionable information during the outbreak. In between newsletters, CDQAP distributed advisories on [employee safety](#), [PPE](#), [mortality](#)

[management](#), [cow treatment](#), advisories on [employee safety](#), [PPE](#), [mortality management](#), [cow treatment](#), [testing requirements](#), the Governor's [Emergency Proclamation](#), [in-person workshops](#), and collections of producer [resources](#).

**Minimizing Fees Through Certification** – Currently, 765 California dairies are certified through CDQAP's third party environmental stewardship evaluation program and receive a 50% discount in water board fees. The program continues to provide on-farm evaluations year-round for interested producers.

**Dairy PLUS Funding for Sustainable Facilities** – CDQAP is part of the groundbreaking collaboration, Dairy PLUS. Part of the USDA-NRCS Partnerships for Climate Smart Commodities grant, the federal-state-industry collaboration provides support for farm improvements which protect both air and water quality. This year, we saw the first round of proposal selections, and 14 projects were funded. Forty-nine applications for the second round of funding were received by CDFA by October 2024.

**Manure Treatment Technology Field Days** – As part of Dairy PLUS outreach, CDQAP hosted three field days in May so participants could “kick the tires” on subsurface drip irrigation, vermifiltration, and weeping wall systems. The events provided opportunity to hear first-hand from producers operating systems and ask important operation and maintenance questions.

**New Drone Laws** – CDQAP partnered with Western United Dairies in a webinar that hosted FAA and the Sonoma County Sheriff experts to explain farmers' rights related to drones. Highlights were summarized on Page 2 of the October newsletter.

[>Continue Reading](#)

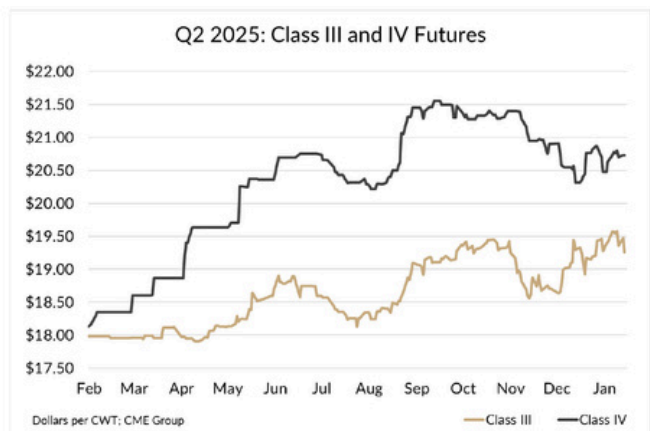
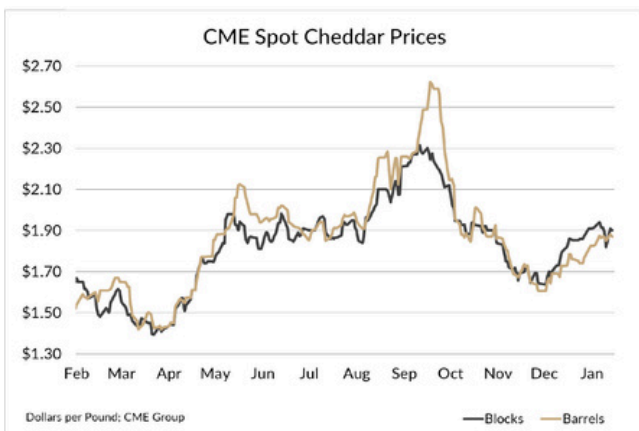
# WEEKLY MARKET UPDATE

Spot blocks had a roller coaster couple of days, tumbling to the low \$1.80s, then leaping back to the low \$1.90s. Ultimately, prices settled at the \$1.90-per-pound mark. Barrels were quieter, comfortable in the upper \$1.80s.

- Over the holidays, elevated spot cheese and dry whey prices lent support to Class III futures. Over the course of the past week, nearby futures have experienced both rallies and limit-down days. Action in the spot cheese markets will largely dictate direction in the days ahead.
- The CME butter market has been relatively quiet, with prices dipping below the \$2.60-per-pound mark. But volume has been heavy. Thirty-two lots changed hands in the last five trading days.
- Skim milk powder prices moved higher at this week’s GlobalDairyTrade Pulse event. SMP rose to \$1.24 per pound, up 3.0% compared to the previous Pulse and +2.6% versus the last main auction.
- Spot NDM prices didn’t react much to the

GDT increase, but prices remain stable. Tighter supplies and HPAI outbreaks in California continue to offset weaker global demand, keeping prices comfortable in the mid-\$1.30s.

- USDA’s *January World Agricultural Supply and Demand Estimates* report was decidedly bullish for corn and soybeans. Yield, production and ending stock estimates were all well below predictions and prior-month levels, creating some concern about grain supplies.
- Corn and soybean futures surged following the *WASDE* report. The nearby corn contract leapt to the \$4.70s and the highest prices since December 2023. Nearby soybeans climbed over the \$10-per-bushel mark for the first time since November.



Dairy Revenue Protection Program		
Futures	Milk Price (Floor) Guarantee @ 95%	Premium Per CWT (CA)
<b>April - June 2025</b>		
Class III	\$19.26	\$18.30
Class IV	\$20.73	\$19.69
<b>July - September 2025</b>		
Class III	\$19.12	\$18.17
Class IV	\$20.72	\$19.68
<b>October - December 2025</b>		
Class III	\$18.91	\$17.96
Class IV	\$20.50	\$19.48
<b>January - March 2026</b>		
Class III	\$18.00	\$17.10
Class IV	\$18.67	\$17.73
<b>April - June 2026</b>		
Class III	\$17.72	\$16.83
Class IV	\$15.20	\$14.44

\*As of 01/14/25 for 95% coverage, 1.0 Protection Factor



Tiffany LaMendola  
209.768.6313

CME Commodity Prices					
	Blocks	Barrels	Butter	NDM	Dry Whey
Jan-08	\$1.9150	\$1.8700	\$2.6000	\$1.3700	\$0.7400
Jan-09	\$1.8975	\$1.8700	\$2.6000	\$1.3650	\$0.7400
Jan-10	\$1.8200	\$1.8500	\$2.6000	\$1.3650	\$0.7400
Jan-13	\$1.9100	\$1.8800	\$2.6125	\$1.3650	\$0.7400
Jan-14	\$1.9000	\$1.8700	\$2.5750	\$1.3675	\$0.7375
<b>Average</b>	<b>\$1.8885</b>	<b>\$1.8680</b>	<b>\$2.5975</b>	<b>\$1.3665</b>	<b>\$0.7395</b>
<b>Weekly Change</b>	<b>-0.0150</b>	<b>0.0075</b>	<b>-0.0050</b>	<b>0.0025</b>	<b>-0.0025</b>

Order 51: Latest Prices					
	Sep	Oct	Nov	Dec	Jan
Class I LA	\$23.90	\$25.47	\$24.83	\$23.73	\$22.68
Class II	\$22.40	\$21.01	\$21.52	\$21.28	
Class III	\$23.34	\$22.85	\$19.95	\$18.62	
Class IV	\$22.29	\$20.90	\$21.12	\$20.74	
PPD	-\$0.89	-\$1.38	\$1.33	\$1.37	
Blend: LA*	\$22.45	\$21.47	\$21.28	\$19.99	
Blend: Tulare*	\$21.95	\$20.97	\$20.78	\$19.49	

\*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	\$ 23.60	\$ 9.88	\$ 13.72	\$ -
	Sep-24	\$ 25.50	\$ 9.93	\$ 15.57	\$ -
	Oct-24	\$ 25.20	\$ 10.03	\$ 15.17	\$ -
	Nov-24	\$ 24.20	\$ 9.91	\$ 14.29	\$ -
	Dec-24	\$ 22.93	\$ 10.13	\$ 12.80	\$ -

Estimates only. As of 1/14/2025 and based on futures markets which can change daily.

