



For Immediate Release

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JOIN FREE 'PROTECTING YOUR PROFITS' WEBINAR ON OCTOBER 28 *Get the Latest Milk Price Numbers and Review DMC and DRP Information*

Harrisburg, Pa. – The Center for Dairy Excellence is hosting its monthly “Protecting Your Profits” webinar on Wednesday, October 28 at noon. Led by Zach Myers, Risk Education Manager with the Center, the webinar will provide dairy farmers and industry professionals with current data and updates about the milk marketplace. Participants will also learn about Dairy Margin Coverage (DMC) margins and information about Dairy Revenue Protection policies.

During the webinar, Myers will provide an overview of the most recent milk prices and break down some of these numbers:

- Class III average 12-month milk prices have continued to improve since this time last month. The bulk of the increase in the Class III price has occurred in October, November, and December 2020. As of October 14, the average milk price for those three months is \$19.22 per cwt. Whereas, the average on September 11, was \$17.88. The 12-month Class III milk price averages \$17.49 per cwt, a \$0.68 increase over last month’s \$16.81 average price.
- Class IV prices are up nearly every month for the next 12 months except for July and August 2021. The improvement equates to an average 12-month Class IV milk price of \$15.26, a 42 cent per cwt increase over last month’s \$14.84.
- Sonny Perdue recently announced the Farmers to Families Food Box program will end on October 31, 2020. Analysis of government expenditures on dairy products for the food boxes was estimated to be about 5% of U.S. milk production.

Myers will also share information about the Dairy Margin Coverage (DMC) margins for the coming year to help dairy producers make informed decisions for their risk management strategy. The August DMC margin was announced as \$10.83 and will not trigger an indemnity at any margin coverage. Falling Class III milk price and increased feed prices will put pressure on DMC margins over the coming year. Enrollment for 2021 is ongoing and will end at the close of business on December 11, 2020.

“One important update for dairy producers is that the USDA DMC Decision Tool has been updated to project U.S. all milk price triggers compared to the old version that only projected

DMC margins,” Myers explained. “The new tool allows users to easily see what milk price floor they are setting at each margin coverage based on forecasted feed prices. I will walk through the new tool during the Protecting Your Profits webinar on October 28.”

Attendees will also learn about Dairy Revenue Protection (DRP) policies, which are available for first quarter 2021 through fourth quarter 2021 until December 15, 2020. First quarter 2022 policies will be available once enough trading during that quarter begins to establish base prices.

To join the risk management discussion and access this information digitally, the Center offers the series in a webinar format. There is no cost to participate in the monthly ‘Protecting Your Profits’ webinar, and no registration is necessary.

Visit www.centerfordairyexcellence.org/OctoberPYP on Wednesday, October 28 at noon to launch the webinar. Individuals who would prefer to connect via conference call can dial the following number:

Dial: 1-646-558-8656

Meeting ID: 848 3416 1708

Passcode: 474057

Join the Center on October 28 to find out how these programs and the conventional price risk management tools can fit in to your marketing plan. For more information, call 717-346-0849 or email Myers at zmyers@centerfordairyexcellence.org. The webinar will start promptly at noon and last approximately 15 minutes. They are recorded and posted on the Center for Dairy Excellence website for those who are unable to join the live session.

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The Center for Dairy Excellence is a non-profit organization initiated by the Pennsylvania Department of Agriculture in 2004. Bringing together people from more than 40 different dairy organizations in Pennsylvania, the Center’s mission is to enhance the profitability of the dairy industry by empowering people, creating partnerships, and increasing the availability and use of resources. Learn more at centerfordairyexcellence.org.

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