



For Immediate Release

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September 15, 2020

NEXT 'PROTECTING YOUR PROFITS' WEBINAR TO BE HELD ON SEPTEMBER 23

Review Upcoming DMC and DRP Deadlines During the Monthly Webinar

Harrisburg, Pa. – The Center for Dairy Excellence invites dairy farm families and other dairy professionals to join its monthly “Protecting Your Profits” webinar on Wednesday, September 23 at noon. Led by Zach Myers, Risk Education Manager with the Center, the webinar will provide current data and updates about the milk marketplace. Participants will also learn about important deadlines for risk management programs, including Dairy Margin Coverage and Dairy Revenue Protection.

“Although milk prices are down compared to a couple months ago, they are not as volatile as they were. Retail dairy product sales, on average, are still experiencing year-over-year growth while food service sales continue to grow as people start to eat out more. Exports remain robust and are clearing a lot of excess milk supply,” Myers shared. “All of these factors are helping to bolster milk prices and reduce volatility, and I plan to discuss them in more detail during the webinar on September 23. Knowing this type of real-time market data can help dairy professionals make informed decisions on the farm.”

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

- Class III price for October and November are trading considerably better than last month at \$19.21 and \$17.69 per hundredweight, respectively, based on milk futures prices from September 14, 2020. The current October price is \$2.39 higher than last month, and current November price is \$0.97 per cwt higher than last month.
- Class IV average milk futures prices for the next 12 months are also up 11 cents per cwt compared to the beginning of August. September Class IV price is \$12.68 per cwt, 52 cents lower than last month’s September price. The rest of the months are trending up now versus last month, resulting in a 12-month average price of \$14.84 compared to \$14.73 this time last month.

In addition, Myers will share upcoming deadlines for enrolling in risk management programs like Dairy Margin Coverage and Dairy Revenue Protection. The July Dairy Margin Coverage margin was announced as \$12.41, well above the highest margin coverage of \$9.50. The U.S.

all-milk price was \$20.50, and the feed cost part of the equation was \$8.09 per cwt compared to last month's \$18.10 milk price and \$8.11 per cwt feed price. On September 11, the USDA projected an August margin of \$10.87, but September was projected at \$9.05, which would trigger a \$0.45 per cwt payment if current projections become reality. DMC enrollment for the 2021 year will open on October 12 and end December 11, 2020.

"Another risk management option is Dairy Revenue Protection. DRP policies are now available to set floor prices for the first quarter 2021 to first quarter 2022. DRP premiums continue to be expensive relative to what they were prior to the COVID-19 market disruption, but they still may be an option for some dairies to lock in their cost of production," Myers said. "If you've never had a risk management plan and want more information about these programs, now is the time to start thinking about it. I am here to help you figure out what is best for your operation."

For dairy professionals who want to join the risk management discussion and access this information digitally, the Center offers the series in webinar format. There is no cost to participate in the monthly 'Protecting Your Profits' webinar, and no registration is necessary.

Visit www.centerfordairyexcellence.org/SeptemberPYP on Wednesday, September 23 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 September 23 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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