

CDE DAIRY MARKETS & MANAGEMENT UPDATE

All prices — NOV. 13, 2024 — except where noted



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Providing clear expectations: When most producers think about managing risks on their dairy, they think about milk price and margins, weather and crop loss risks, animal health issues, and maybe even farm safety concerns. They don't always think about how to manage against the risk of losing a key employee on the farm to another opportunity. While employee turnover happens in every business, sometimes it's because an employee feels lost, confused, or like they can't succeed in the role. Some frustration could be remedied by setting clear expectations for each employee on your dairy. During the *Managing Essentials for Dairy Success Workshop* hosted by Penn State and the Center, dairy managers learned how to provide clear expectations. With so many farms struggling with protocol drift, the information is helpful to anyone who is struggling with managing employees on the farm.

A recent Gallup poll supports the need to set clear expectations, reporting that clearly outlined expectations can reduce employee turnover by 22%. The same poll shows that clear expectations lead to a 29% decrease in safety incidents. Setting clear expectations for your employees can also help enhance productivity on your farm, reduce conflicts that can arise, and increase overall job satisfaction. Most of us want to know we're doing a good job. If expectations are constantly changing or are confusing, it can lead to frustration for employee and employer.

Everyone's ability to interpret a role or set of tasks is different based on their own perception and level of understanding. Providing clearly written job descriptions and well developed standard operating procedures (or protocols) can bring clarity to the confusion and close communication gaps between the employer and employee. Language and comprehension barriers can prevent an employee from clearly understanding what your expectations are. Different learning styles can also limit an employee's ability to understand expectations.

Three ways you can provide clear expectations to an employee are by providing a detailed job description for each position on the farm, developing clearly written protocols and procedures for every task on the farm, and taking the time to do regular one on ones and team meetings.

1) Clearly written job descriptions. Most farms do not have job descriptions for the different positions on the farm. Most of the time, employees are trained by another employee who walks them through the tasks and verbally explains what they should do. As employees come

and go, the expectations may change based on the interpretation of the person explaining the role. A job description provides in writing what that employee is expected to do, what tasks are involved in the position, and what skills and education are required for the role. Job descriptions should also be reviewed and rewritten as job expectations change.

2) Well developed SOPs and farm protocols. On farms where the same person milks every day and the same person feeds calves every day, having written protocols for those tasks may not be as important. But what happens if that person leaves or if that person gets sick? Writing protocols out for each job on the farm helps provide consistency in your operation, which provides many benefits including increased productivity and efficiency. If you have multiple milkers, take a little time to study how each one preps and milks the cows. I would not be surprised if you find every person does it a bit differently. If you have steps you want them to follow clearly written out, there is less room for interpretation and procedure drift. Remember, too, that some of your employees may not comprehend things the way you do, so providing photos with instructions can make it easier for employees to understand.

3) Regular one-on-ones and team meetings. Most farmers are "get-it-done" type of people, so the idea of a lot of meetings doesn't sound appealing. However, taking the time to meet with your employees individually gives them the opportunity to ask questions and provide feedback on where they are struggling. It can also help you provide more clarity around expectations. One on ones do not need to be super structured. It can simply be a 15-minute discussion where you ask what they are feeling good about, what is challenging them, what they need more clarity on, and how you can better support them as their boss. You can use the same four questions in a team meeting, and their collective feedback can help you better clarify your expectations.

Penn State Extension has many resources to help farms manage employees. One is a job description generator found at extension.psu.edu/job-description-generator-for-the-dairy-industry. The National FARM Program also has resources available at nationaldairyfarm.com/training-resources/hr-and-safety-management-resources/. Employee turnover can be frustrating and difficult to work through. Taking steps to provide clear expectations can help protect your dairy from that risk.

CME DAILY FUTURES & OPTIONS TRADING — NOV. 13, 2024 AT THE CLOSE



NOV-24	DEC-24	JAN-25	FEB-25	MAR-25	APR-25	MAY-25	JUN-25	JUL-25	AUG-25	SEP-25	OCT-25	TREND											
CLASS III MILK FUTURES (\$/CWT) vs. wk ago: Nov24 firm; rest of Class III milk futures board fully \$0.25-\$0.50 lower across the board for second consecutive week.												12-Month Avg.	18.83	↓									
19.97	18.70	18.78	18.92	18.98	18.54	18.56	18.61	18.56	18.65	18.89	18.82	↓											
CLASS IV MILK FUTURES (\$/CWT) vs. wk ago: Nov-Dec24 steady; Jan25 up \$0.35; Feb25 dn \$0.10; Rest of board dn \$0.20-0.40, except Mar25 and Sep25 firm.												12-Month Avg.	21.07	↓									
21.05	21.13	21.29	21.15	21.30	21.20	21.00	21.00	20.84	20.93	21.10	20.96	MIXED											
SIS (MAILBOX minus CLASS 3 \$/CWT) 2018-23 AVG FOR NORTHEAST & MIDEAST STATES OF PA, NY, NEW ENGL., OH vs. NAT'L AVERAGE - YOUR INDIVIDUAL BASIS WILL VARY																							
20.58	20.17	20.25	19.64	19.22	18.75	18.82	18.25	18.96	18.48	18.64	18.27	18.52	18.15	18.68	18.38	18.65	18.35	18.62	18.41	19.27	18.75	20.20	19.76
19.07	19.07	17.30	17.30	16.81	16.81	16.03	16.03	16.98	16.98	17.31	17.31	17.33	17.33	18.16	18.16	18.16	18.16	17.59	17.59	17.60	17.60	18.72	18.72
1.51	1.10	2.95	2.34	2.41	1.94	2.79	2.22	1.98	1.50	1.33	0.96	1.19	0.82	0.52	0.22	0.49	0.19	1.03	0.82	1.67	1.15	1.48	1.04



CORN FUTURES (\$/BU)															
DEC-24	MAR-25	MAY-25	JUL-25	SEP-25	DEC-25	MAR-26	MAY-26	JUL-26	SEP-26	DEC-26	DEC-27	TREND			
4.264	4.374	4.442	4.474	4.364	4.402	4.512	4.574	4.610	4.484	4.490	4.640	↓			
SOYMEAL FUTURES (\$/TON)															
DEC-24	JAN-25	MAR-25	MAY-25	JUL-25	AUG-25	SEP-25	OCT-25	DEC-25	JAN-26	MAR-26	MAY-26	TREND			
291.6	294.0	298.1	302.2	306.2	307.2	307.3	306.3	308.5	309.2	309.4	310.6	↓			
U.S. AVG PREMIUM ALFALFA & ALFALFA/GRASS HAY 20-22% CP - Source: USDA Monthly National Dairy Comprehensive Report															
JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	*OCT-24
254.92	243.50	238.50	217.82	240.41	231.70	254.85	224.50	205.02	220.17	175.00	211.69	185.21	196.44	199.57	206.63

DMC	MAY-23	JUN-23	JUL-23	AUG-23	SEP-23	OCT-23	NOV-23	DEC-23	JAN-24	FEB-24	MAR-24	APR-24	MAY-24	JUN-24	JUL-24	AUG-24	SEP-24	*OCT-24
ALL MILK	4.83	3.65	3.52	6.46	8.44	9.44	9.58	8.44	8.48	9.44	9.65	9.60	10.52	11.66	12.33	13.72	*15.57	↑
FEED \$	14.47	14.25	13.88	13.24	12.56	12.16	12.12	12.16	11.62	11.16	11.05	10.90	11.48	11.14	10.47	9.88	9.93	↑

DAIRY COMMODITIES - GLOBAL BIWEEKLY Internet Auction (\$/LB) 11/05/24					U.S. CME SPOT DAILY (\$/LB) 11/13/24			U.S. WEEKLY USDA NDPSR (\$/LB) WK ENDING 11/09/24*					
Weighted Avg. 1 to 6 mo. FORWARD CONTRACTS per metric ton converted to \$/LB					Prev. 5 day Lds			Spot price			Weekly Avg		
NEXT GDT AUCTION 11/19/24					SKIM POWDER (SMP)			1.2931↑			4.0%		
ALL-PRODUCT INDEX 1.8135↑↑ 4.8%					BUTTER			3.1715↑↑ 8.3%					
MILKFAI (AMF) 3.4292↑ 4.6%					CHEDDAR(BULK)			2.2563↑↑ 4.0%					
BUTTERMILK POWDER 1.4691↑ 2.1%					MOZZARELLA (BULK)			2.0902↑↑ 0.3%					
LACTOSE 0.3824↑ 6.1%					WHOLE POWDER (WMP)			1.6846↑↑ 4.4%					
					NFDM			11			1.3900		
					BUTTER			8			2.6300		
					CHEDDAR-40			9			1.6900		
					CHEDDAR-500			3			1.6800		
					DRY WHEY			7			0.6225		
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ANNOUNCED FEDERAL ORDER PRICES (\$/CWT) NASS ALL-MILK	CURRENT FEDERAL ORDER VALUES (\$/LB) * = NEW
CL I ADV 22.53	*WEIGHTED AVG. 4-WK OCT 1-26, 2024
CL II ADV 21.01	PRODUCT VALUE MAKE ALLOW NET
CL III ADV 22.85	CHEESE 2.2400 0.2003 2.0397
CL IV ADV 20.90	BUTTER 2.7191 0.1715 2.5476
ALL-MILK-U.S. 25.50	NFDM 1.3423 0.1678 1.1745
ALL-MILK-PA 25.70	DRYWHEY 0.5588 0.1991 0.3597
MONTH AGO	
YEAR AGO	

U.S. AVG. BRED COWS & HEIFERS (3rd trimester) per head as reported by USDA Monthly National Dairy Comprehensive Report	U.S. AVG. MILKING COWS per head as reported by USDA Monthly National Dairy Comprehensive Report
SEP-23 1500	SEP-23 1500
OCT-23 1741	OCT-23 1741
NOV-23 2108	NOV-23 2108
DEC-23 N/A	DEC-23 N/A
JAN-24 1635	JAN-24 1635
FEB-24 N/A	FEB-24 N/A
MAR-24 N/A	MAR-24 N/A
APR-24 N/A	APR-24 N/A
MAY-24 2115	MAY-24 2115
JUN-24 2016	JUN-24 2016
JUL-24 N/A	JUL-24 N/A
AUG-24 N/A	AUG-24 N/A
SEP-24 2800	SEP-24 2800
*OCT-24 N/A	*OCT-24 N/A

CATTLE - DAIRY PURPOSES(\$/HD) USDA and other East and Midwest auction reports combined 4-week rolling average as of NOV. 1, 2024											ID SD	\$22.90 4.10	N/A			
*MILK COWS (NASS) U.S. Avg.		FRESH	HEIFERS: Springing			Bred	Beef x	OPEN: 300-600 lbs		Beef X	600-900 lbs	Beef X	900-1100 lbs	BULLS(800-1300lbs)		
*\$2600 SEP-24 ↑↑ \$2300 JUL-24		3300	3100			2800	2200	1200		1500	1400	N/A	2000	1800		
		YEAR AGO														
\$1850 SEP-23		\$1760 JUL-23	1475	1700			1400	1400	650		N/A	1000	N/A	1000	1100	
PA Auction Markets Nov. 7-12, 2024																
CULL MARKET COWS (\$/CWT LIVELWEIGHT)																
Premium White		Breakers	Boners	Lean		FED STEERS (\$/CWT LIVE)				Holstein	Beef-X-Dairy	WK AGO		YR AGO		
						Choice & Prime 1250-1550 lb				155.50 ↑↑	NO TEST	NO TEST		NO TEST	147.50	N/A
						BULL CALVES: No. 1 & 2, 90-130 lbs				565.00 ↓↓	825.00 ↑↑	585.00		800.00	385.00	650.00
						70-85 lbs				625.00 ↑↑	975.00 ↑↑	600.00		935.00	385.00	700.00
		YEAR AGO														
N/A		123.75	119.25	108.35												
		YEAR AGO														
N/A		98.00	85.50	76.50												
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