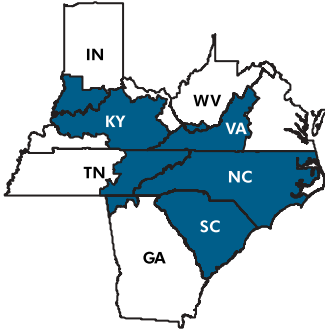


THE COURIER

Appalachian Marketing Area Monthly Newsletter



Harold H. Friedly, Jr.
Market Administrator



USDA, NFL & Dairy Farmers Partner to Promote Campaign

On September 17, 2009, Agriculture Secretary Tom Vilsack announced the U.S. Department of Agriculture will work with the National Football League (NFL) and the nation's dairy farmers to promote good nutrition and fitness in the nation's schools. The collaboration will help support President Obama's effort to promote good nutrition and physical fitness for America's children.



Vilsack met with NFL Commissioner Roger Goodell and Thomas Gallagher, chief executive of Dairy Management, Inc., which runs the National Dairy Research and Promotion Program. The NFL and DMI are launching Fuel Up to Play 60, an innovative nutrition and fitness program based on the Dietary Guidelines for Americans, in some 60,000 schools this fall. The social

marketing program empowers students to assume leadership in being more active and eating more healthy foods.

"Childhood obesity is a very serious issue that endangers the long-term health and welfare of our nation's youngsters," said Vilsack. "To reverse this dangerous trend and give our kids the opportunity to eat smarter, exercise more and lessen their risk of disease, both the public and private sectors will have to work together to marshal their combined expertise and resources."

The campaign will inspire kids to "fuel up" with the nutrient-rich foods they often lack—fruits, vegetables, whole grains, and low- or no-fat dairy products—and "get up and play" with 60 minutes of daily physical activity. Student teams will evaluate their school's "wellness" and choose the healthy
USDA, NFL & Dairy Farmers, cont'd on pg. 3

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USDA Seeks Nominations for National Fluid Milk Board

The U.S. Department of Agriculture is asking fluid milk processors and other interested parties to nominate candidates for the National Fluid Milk Processor Promotion Board. The Secretary of Agriculture will appoint seven individuals from those nominated to succeed members whose terms expire June 30, 2010. Appointed members will serve 3-year terms from July 1, 2010 through June 30, 2013.

members. The at-large members must include at least three fluid milk processors and at least one member from the general public. Currently, there are four at-large processor members and one member from the general public serving on the board.

The National Fluid Milk Processor Promotion Board was established by the Fluid Milk Promotion Act of 1990, as amended, to develop and administer a coordinated program of advertising and education to promote fluid milk products. Of the board's 20 members, 15 represent geographic regions and five are at-large

The national fluid milk program is financed by a mandatory 20-cent per hundredweight assessment on fluid milk processors who process and market commercially in consumer-type packages more than 3 million pounds of fluid milk products per month in the contiguous 48 states and the District of Columbia, excluding those fluid milk products delivered directly to consumer residences.

USDA Seeks Nominations, cont'd on pg. 3

Appalachian Statistical Summary

SEPTEMBER 2009 AUGUST 2009 SEPTEMBER 2008

PRICES: (Base Zone)

| | | | |
|---------------------------|----------|----------|----------|
| Uniform Price | \$13.65 | \$12.86 | \$20.23 |
| Class I Price | 14.33 | 13.44 | 21.05 |
| Class II Price | 11.01 | 10.86 | 17.58 |
| Class III Price | 12.11 | 11.20 | 16.28 |
| Class IV Price | 11.15 | 10.38 | 15.45 |
| | | | |
| Uniform Skim Milk Price | \$9.59 | \$8.78 | \$14.42 |
| Class I Skim Milk Price | 10.14 | 9.40 | 15.38 |
| Class II Skim Milk Price | 6.95 | 6.70 | 11.59 |
| Class III Skim Milk Price | 8.12 | 7.08 | 10.27 |
| Class IV Skim Milk Price | 7.12 | 6.23 | 9.41 |
| | | | |
| Uniform Butterfat Price | \$1.2550 | \$1.2521 | \$1.8053 |
| Class I Butterfat Price | 1.2986 | 1.2489 | 1.7751 |
| Class II Butterfat Price | 1.2296 | 1.2561 | 1.8266 |
| Class III Butterfat Price | 1.2226 | 1.2491 | 1.8196 |
| Class IV Butterfat Price | 1.2226 | 1.2491 | 1.8196 |

PRODUCER MILK:

| | | | |
|----------------------------|--------------------|--------------------|--------------------|
| Class I | 343,044,417 | 349,080,642 | 347,230,443 |
| Class II | 84,513,238 | 77,789,489 | 88,887,923 |
| Class III | 25,292,923 | 22,967,794 | 22,795,273 |
| Class IV | 16,876,460 | 35,412,978 | 20,944,224 |
| Total Producer Milk | 469,727,038 | 485,250,903 | 479,857,863 |

PERCENT PRODUCER MILK IN:

| | | | |
|-----------|-------|-------|-------|
| Class I | 73.03 | 71.94 | 72.36 |
| Class II | 17.99 | 16.03 | 18.52 |
| Class III | 5.39 | 4.73 | 4.75 |
| Class IV | 3.59 | 7.30 | 4.37 |

August Milk Production Down 0.2%

Milk production in the 23 major States during August totaled 14.6 billion pounds, down 0.2 percent from August 2008. July revised production at 14.8 billion pounds, was down slightly from July 2008. The July revision represented a decrease of 13 million pounds or 0.1 percent from last month's preliminary production estimate. Production per cow in the 23 major States averaged 1,743 pounds for August, 25 pounds above August 2008.

The number of milk cows on farms in the 23 major States was 8.37 million head, 143,000 head less than August 2008, and 28,000 head less than July 2009.

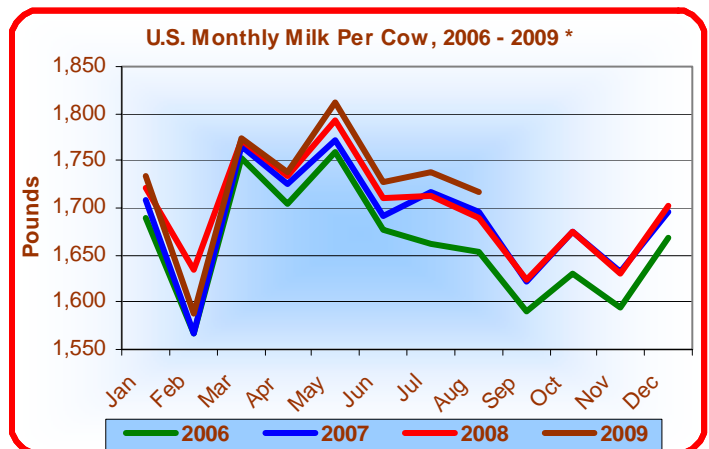
F.O. 5 STATS FOR SEPTEMBER 2009:

➔ **The Uniform Price** for September 2009 was \$13.65, an increase of \$0.79 from August 2009..

➔ **Total Class I Milk** for September 2009 was 343,044,417 pounds, a decrease of 4.2 million pounds from September 2008.

➔ **Class I Utilization** was 73.03 percent for September 2009, an increase of 1.09 percentage points from August 2009.

➔ **Total Producer Milk** for September 2009 was 469,727,038 pounds.



* Based on entire U.S. production.

USDA, NFL & Dairy Farmers Partner to Promote Campaign, cont'd from pg. 1

eating and physical activity programs on which the school will focus.

At the meeting, Secretary Vilsack discussed a plan to develop a Memorandum of Understanding between USDA, the NFL and DMI to allow USDA programs and Fuel Up to Play 60 to collaborate and collectively tackle the critical issue of children's health. "USDA is excited to bring this partnership the experience and resources of our successful school-based health education efforts like Team Nutrition schools and the HealthierUS School Challenge," Vilsack said.

"NFL is a proud partner of Fuel Up to Play 60. It is an important component of our overall NFL Play 60 campaign," says NFL Commissioner Roger Goodell. "Our goal is to raise awareness about the importance of staying fit and eating right, especially for America's young people. This partnership is a powerful alliance linking the USDA, National Dairy Council and the NFL to address childhood obesity and emphasize the role of daily physical activity in a healthy lifestyle."

"National Dairy Council is honored to work together with USDA and the NFL on Fuel Up to Play 60," said Thomas P. Gallagher, chief executive officer of Dairy Management Inc., the managing organization for National Dairy Council. "Child nutrition, particularly in schools, has been a cornerstone of National Dairy Council for nearly a century. This program centers on youth taking the lead in changing the school environment through increasing opportunities for eating healthier and getting more physical activity."

USDA manages 15 nutrition programs, which touch the lives of one in five Americans each year. And across the country, USDA designated "Team Nutrition" schools have worked to forge the link between classroom nutrition activities and healthy meals served in the cafeteria. USDA's HealthierUS School Challenge recognizes "Team Nutrition" schools that are creating healthier school environments through their promotion of good nutrition and physical activity. USDA is also the one of the lead agencies along with the Department of Health and Human Services, working to develop the 2010 Dietary Guidelines for Americans, the nation's official dietary advice. Source: USDA Release No. 0454.09

USDA Seeks Nominations for National Fluid Milk Board, cont'd from pg. 1

USDA will accept nominations for board representation in five geographic regions and two at-large positions. Nominees for the five regional positions and at least one of the at-large positions must be active owners or employees of a fluid milk processor. One at-large position may be either a fluid milk processor or a member from the general public. The geographic regions are: Region 1 (Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, and Vermont); Region 4 (Georgia, North Carolina, and South Carolina); Region 7 (Michigan, Minnesota, North Dakota, South Dakota, and Wisconsin); Region 10 (Texas); and Region 13 (Idaho, Montana, Oregon, Washington, and Wyoming). No fluid milk processor shall be represented on the board by more than three members.

Fluid milk processors and interested parties may submit nominations for regions in which they are located or market fluid milk and for at-large members.

To nominate an individual, please submit a copy of the nomination form and a signed background form for each nominee by Oct. 31, 2009, to: Whitney Rick, Chief, Promotion and Research Branch, 1400 Independence Ave., S.W., Stop 0233, Room 2958-S, Washington, D.C. 20250-0233 or via email at whitney.rick@ams.usda.gov. To obtain forms or additional information, call (202) 720-6909. Blank forms are available on the Dairy Promotion and Research Branch's website at www.ams.usda.gov/Dairy. Source: USDA Release



WHAT'S THE DIFFERENCE?

The National Dairy Board:

- Is *producer*-financed.
- Is coordinated by Dairy Management, Inc. (DMI) & United Dairy Industry Association (UDIA).
- Includes state & regional American Dairy Associations, the Dairy Checkoff program & 3-A-Day program.

The National Fluid Milk Board:

- Is *processor*-financed.
- Is also known as the Milk Processor Education Program (MilkPEP).
- Is administered by International Dairy Foods Association (IDFA), which is contracted by MilkPEP.

**APPALACHIAN MARKETING AREA
FEDERAL ORDER 5**

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Federal Milk Marketing Order Statistics - August 2009



| Federal Order | Producer Deliveries Million Pounds | Class I Producer Receipts Million Pounds | Class I Utilization Percent | Statistical Uniform Price \$/cwt |
|--------------------------------|---------------------------------------|---|--------------------------------|-------------------------------------|
| 1 Northeast | 1,937 | 824 | 42.6 | 12.35 |
| 5 Appalachian | 485 | 349 | 71.9 | 12.86 |
| 6 Florida | 243 | 212 | 87.1 | 14.88 |
| 7 Southeast | 569 | 403 | 70.8 | 13.30 |
| 30 Upper Midwest | 2,649 | 355 | 13.4 | 11.32 |
| 32 Central | 1,007 | 355 | 35.3 | 11.24 |
| 33 Mideast | 1,378 | 557 | 40.5 | 11.47 |
| 124 Pacific Northwest | 626 | 182 | 29.0 | 11.25 |
| 126 Southwest | 867 | 355 | 41.0 | 12.34 |
| 131 Arizona | 305 | 120 | 39.5 | 11.55 |
| All Orders ¹ | 10,066 | 3,713 | 36.9 | 11.89 |

¹ Weighted average uniform prices at 3.5% butterfat at announced locations.

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