

Topic of the Month

Dairy Margin Coverage Program

The enrollment period for the DMC program opened October 12 and will be open until December 11 through FSA.

Recall that the DMC offers catastrophic coverage with a milk income margin over feed cost of \$4/CWT. Higher levels of protection are available at an additional cost.

Enrollment requirements depend on whether or not a producer has previously been enrolled and whether they have a production history established with FSA.

According to an October article from progressivedairy.com, the market outlook at the end of 2019 indicated stronger pricing and suggested that 2020 would not trigger payments. As a result, many producers did not sign up.

However, as a result of coronavirus-related price drops, many payments were made in April and May and in many cases, the payments were more than the yearly premium. Through the end of September 2020, DMC paid out \$196.4 million across the US, with an average payment of \$14,573. In Pennsylvania, this involved 906 farms receiving an average of \$12,331 for a total of \$11,171,000.

If you are interested in learning more about DMC coverage for 2021, contact the FSA office for information about how to sign up.

Commodity Futures

Prices

As of October 31, 2020

Corn	\$3.98/bu
Soybean Meal	\$378.60/ton
Milk (Class III)	\$21.59/cwt
Beef (Live cattle)	\$105.98/cwt

Practice News

- On October 9, the Dairy Leaders of Tomorrow program hosted a virtual tour. The tour spotlighted two local farms and was streamed by nearly 28,000 people including students from grades K-12. Students learned about aspects of dairy farming from industry professionals including producers, nutritionists, crop specialists, robot technicians, accountants, and veterinarians, including White Oak's Dr. Bill Croushore. The program was sponsored by Hydrite Chemical Company, with additional support from Zoetis. Additional learning opportunities and information about future virtual tours are available by visiting www.dairyleadersoftomorrow.com. Recordings of the virtual tours can be viewed by following the Dairy Excellence Foundation on YouTube.
- Dr. Charles Gardner, a veterinarian, has recently received a degree in clinical counseling. Recognizing the current severe economic depression among dairy farmers, and accompanying emotional distress and anxiety, he has made himself available to any dairy producers who would like to talk. The Center for Dairy Excellence will cover the cost of at least one session, which could be by Zoom meeting or phone. Call the office for more information.
- We have discontinued use of the answering service for after hours calls. Calls to the office phone outside of normal business hours will be forwarded to the phone of the veterinarian on call.

In The News

- DFA is releasing its Dairy+ Milk Blends in the Northeast US. These products combine plant-based fluid with milk. They contain about half the sugar and half the protein of actual milk. (source: foodnavigator-usa.com)