

swnyteam@cornell.edu

# Cornell Cooperative Extension

Southwest NY Dairy, Livestock and Field Crops Program

swnydlfc.cce.cornell.edu

A partnership between Cornell University  
and the CCE Associations in these five counties:  
Allegany, Cattaraugus, Chautauqua, Erie, and Steuben.

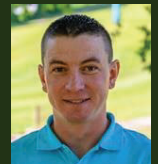
May 2020  
Monthly Update #2

## FREE HAND SANITIZER AND FACE MASKS AVAILABLE!

NYS Dept. of Ag and Markets has partnered with Cornell Cooperative Extension to distribute Covid-19 supplies to agricultural producers. Each county's Cornell Cooperative Extension association is handling their distribution to their county's farms differently, so the best thing to do is to contact your local CCE office. If you're not sure who to contact, or would like more information, please connect with Katelyn Walley-Stoll via phone, email, or text.



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## All Businesses, INCLUDING FARMS THAT HAVE BEEN CONTINUALLY OPERATING, Require a Re-Opening Safety Plan to be in Place

As NY begins to open up through phases, an important component of "New York Forward" requires all businesses to have a customized, written safety plan for preventing and managing COVID-19 on their facility. All *food-producing* farms/businesses are required to have a written plan in place and posted, but *do not need to submit them to an agency for approval at this time*. All other businesses need to self-certify on the New York Forward website. It's not entirely clear how the New York Forward guidance will be enforced, or what changes may come, but there is concern that the pandemic could cause an increase in lawsuits. Having a plan in place can be one way to reduce your farm's risk. CCE Specialists will be developing additional resources for farm safety plans over the next few days, but farms can start with New York Forward's Business Safety Template, which will meet this requirement ([forward.ny.gov](http://forward.ny.gov)). For any questions or concerns for your farm, or to have a paper copy of the template mailed to you, reach out to Katelyn Walley-Stoll, Farm Business Management Specialist.

## Considerations for identifying and abating heat load in cattle

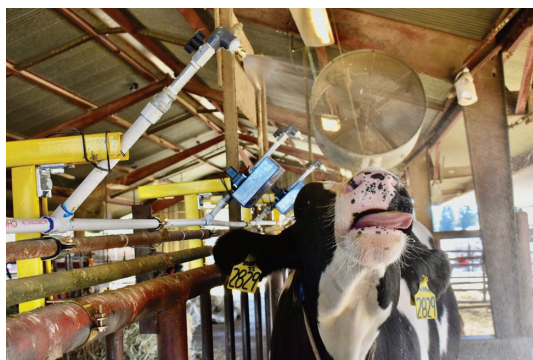
While winter held out as long as it could, spring has arrived in a hurry and with it, much warmer temperatures. These increased temperatures are great for planting fields and harvesting forage, but are less ideal for our cattle. Cattle have a much lower thermal comfort zone than humans do, and are highly susceptible to heat stress, which can result in production losses, reduced fertility, lameness, and in severe cases, mortality. The effects of heat stress on lactating dairy cows has been widely accepted, however, a growing body of evidence shows the importance of providing cooling or heat abatement to young stock and dry cows too. For your existing heat abatement, performing regular and simple maintenance and monitoring animals for cow-based indicators can improve the efficiency of your cooling and increase profitability.

Spring is a busy time on the dairy, which can make it difficult to prioritize regular maintenance of heat abatement, but these simple tasks can help save you money on electricity and water, and help cool cows more effectively. Fans that have dust and debris build up can have a reduced efficiency of 30-50%. Taking a few minutes to clean fans can help you regain this energy efficiency. Additionally, replacing and repairing any broken or leaking spray water nozzles can reduce water wastage. It is also important to prioritize repairing any damaged shade structures as this is the most basic protection from heat. Shade is beneficial for all ages and classes of animals and can improve the profitability of your herd.

Traditionally, weather or air temperature has been the basis for when heat abatement is provided. However, research shows that humidity, wind speed, night time temperatures, and previous experience influence the ability of cows to cope with increased heat load. Using a temperature-humidity index

of 68 as an indicator of when cows begin to experience increased heat loads is a good start, but it should not be the sole indicator used for determining thermal comfort. Cows should be monitored for signs of increased heat load or heat stress as well.

Cow-based measures are ideal for identifying heat load, as they can provide individualized results, and describe how they are experiencing an environment. Often, decreases in milk production and fertility are used as indicators of heat stress, but these are only identified after the problem has occurred. Once production losses occur, there is no going back in time to better cool those cows. As heat load increases, cows also exhibit elevated body temperature and respiration rates, as well as panting. These measures give us more timely information, but can be difficult to monitor in a production system. As heat load increases, cows will also increase the amount of time they spend standing, particularly near a water trough or a shaded soaker line, and decrease their time spent eating and ruminating. Some accelerometer based monitoring systems can help identify these changes in behavior and



physiological status. Although, it is beneficial to understand the accuracy of these technologies as it can vary. Routine manual observation should also be incorporated to regular chores such as feeding, breeding, fetching for milking, etc. to help detect increases in heat load earlier in the progression.

Together, proving shade and appropriate heat abatement to animals on your farm can help promote profitability in your herd. By performing regular maintenance to existing heat abatement, efficiency of those technologies can be improved and help better cool cattle. To learn more about heat abatement efficiency and utilizing cow-based indicators, reach out to our Dairy Management Specialist, [Alycia Drwencke](#).

## ON-FARM DAIRY PROCESSING

*A free webinar for dairy farmers who are interested in diversifying or vertically integrating their business.*



**Did you miss out on our 5/21/2020 webinar?**

**All of the materials are now available on our website.**

**Give Alycia a call for a copy of the presentation slides or webinar recording.**

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**Dairy Market Watch**  
Newsletter  
May 2020

An educational newsletter to keep producers informed of changing market factors affecting the dairy industry.

Milk Component Prices			Milk Class Prices				Statistical Uniform Price & PPD				
Month	Butterfat	Protein	I (Boston)	II	III	IV	Jamestown, NY		Albany, NY		Albany \$/gal. to farmer
Apr 19	\$2.54	\$1.99	\$19.01	\$16.38	\$15.96	\$15.72	\$16.19	\$0.23	\$16.79	\$0.83	\$1.45
May 19	\$2.57	\$2.12	\$19.67	\$16.48	\$16.38	\$16.29	\$16.65	\$0.27	\$17.25	\$0.87	\$1.49
June 19	\$2.66	\$2.00	\$20.32	\$17.30	\$16.27	\$16.83	\$17.13	\$0.86	\$17.73	\$1.46	\$1.53
July 19	\$2.68	\$2.40	\$20.43	\$17.61	\$17.55	\$16.90	\$17.68	\$0.13	\$17.28	\$0.73	\$1.58
Aug 19	\$2.65	\$2.44	\$21.14	\$17.60	\$17.60	\$16.74	\$17.82	\$0.22	\$18.42	\$0.82	\$1.59
Sep 19	\$2.49	\$2.86	\$21.10	\$16.93	\$18.31	\$16.35	\$17.63	(\$0.68)	\$18.23	(\$0.08)	\$1.57
Oct 19	\$2.40	\$3.17	\$21.09	\$16.68	\$18.72	\$16.39	\$17.57	(\$1.15)	\$18.17	(\$0.55)	\$1.57
Nov 19	\$2.32	\$3.91	\$21.39	\$16.85	\$20.45	\$16.60	\$18.05	(\$2.40)	\$18.65	(\$1.80)	\$1.61
Dec 19	\$2.19	\$3.65	\$22.58	\$16.81	\$19.37	\$16.70	\$18.13	(\$1.24)	\$18.73	(\$0.64)	\$1.61
Jan 20	\$2.11	\$2.96	\$22.26	\$17.05	\$17.05	\$16.65	\$17.63	\$0.58	\$18.23	\$1.18	\$1.57
Feb 20	\$1.98	\$3.03	\$20.80	\$16.84	\$17.00	\$16.20	\$16.97	(\$0.03)	\$17.57	\$0.57	\$1.51
Mar 20	\$1.92	\$2.84	\$20.71	\$16.75	\$16.25	\$14.87	\$16.59	\$0.34	\$17.19	\$0.94	\$1.48
Apr 20	\$1.32	\$2.48	\$19.89	\$13.87	\$13.07	\$11.40	\$13.77	(\$1.15)	\$14.37	(\$0.55)	\$1.24

April Utilization (Northeast): Class I = 29.8%; Class II = 20.3%; Class III = 24.1%; Class IV = 25.8%.

Class I = fluid milk; Class II = soft products, cream, and yogurt; Class III = cheese (American, Italian), evaporated and condensed products; Class IV = butter and milk powder.

### Dairy Commodity Markets (USDA Dairy Market News – Volume 87, Report 21, May 22nd, 2020)

**Cheese:** COVID-19 has presented cheesemakers with a metaphorical roller coaster in regards to supply, demand, production and milk availability. Cheese producers are busier. Some stocks built up in the past month are obligated to customers who bought when markets were much lower, but heavy inventories are much less of a concern as markets have shot up since one month ago. Milk supplies are lighter as dairy farmers are now culling more cattle, and weekly milk yields are declining. This week marks the first time this year without a reported sub-Class III spot milk price. Week 21 has brought many variances in spot milk prices over the years.

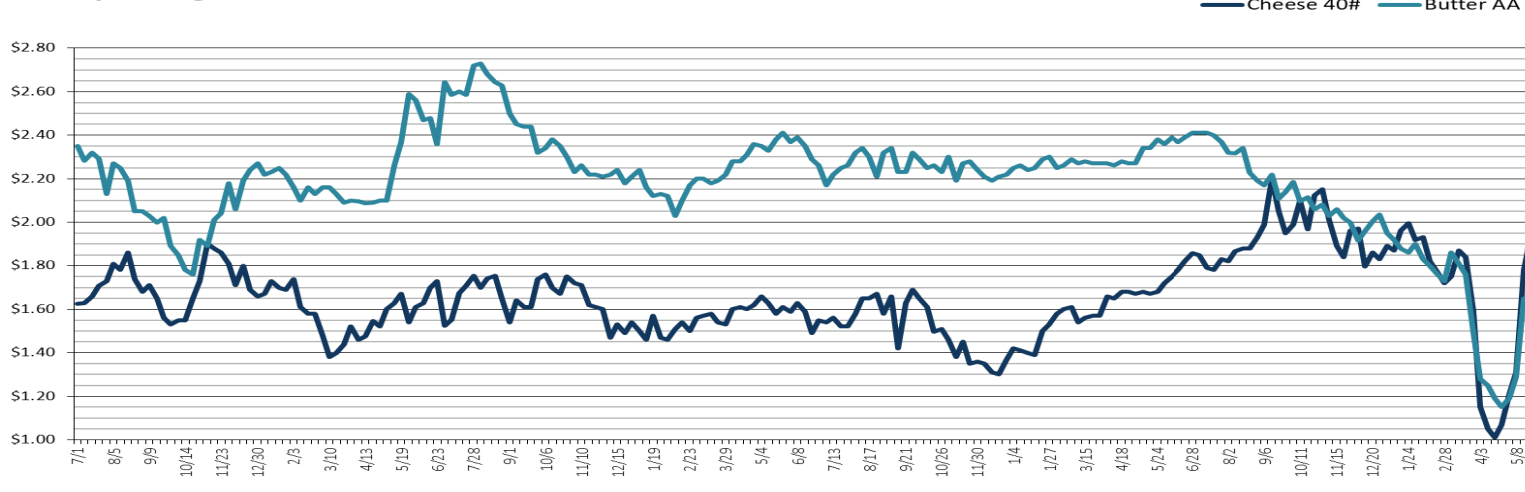
**Dry Products:** Low/medium nonfat dry milk spot prices are higher in a bullish market. Less milk available in the market and active Mexican buying adds to the firm conditions. Dry buttermilk prices are unchanged. Domestic demand is somewhat quiet. Dry whole milk continues to have steady pricing. Inventories are balanced to meet contractual and spot needs. Dry whey spot prices are mixed across the country. Production is stable to higher. Inventory is adequate. Whey protein prices are steady to lower. Inventories are comfortable to snug, but become more available for interchangeable brands. Lactose prices are higher. Demand from standardization and infant formula customers is solid.

**Fluid Milk:** Milk production across the country ranges from lower to steady, conditional to the locality in the United States. Many farms are on the downside of peak production, bringing closure to the flush. Class I milk sales are mostly stable, with upticks in New Mexico and California. Cream availability tightened to the tune of ice cream production, as thrifty butter makers, shopping for surplus loads, found current multiples unfavorable.

**Butter:** The national butter market continues slowly recuperating from the effects of COVID-19. In general, butter sales into food service are gradually recovering as some restaurants slowly reopen across the country. Print butter sales into retail accounts are reported as strong. Cream churning is expected to be very active throughout the holiday weekend. Bulk butter inventories are ample and steadily building into cold storage.

Friday CME Cash Prices					
Dates	4/24	5/1	5/8	5/15	5/22
Butter	\$1.15	\$1.19	\$1.29	\$1.65	\$1.59
Cheese (40# Blocks)	\$1.07	\$1.21	\$1.31	\$1.78	\$1.93

## Weekly Average CME Cash Price - 2016 to Present



### Price Optimism and CFAP Sign-Ups

By Katelyn Walley-Stoll, Cornell University Cooperative Extension

As published in their May 18th Livestock, Dairy, and Poultry Outlook, USDA is forecasting the 2020 All-Milk price to be \$14.55/cwt, which is an increase from last month's \$14.35/cwt forecast. They also are looking at 2021's all-milk price to be \$15/cwt.

Bob Cropp in his monthly Dairy Situation and Outlook, is estimating that things will be a bit higher for the all-milk price, by at least another \$1, with Class III into the high \$16's. There is hope that the market will continue to recover slowly, especially if it follows at least part of the upward trend we're seeing on the futures market. From his report: "Milk price forecasts can change rather dramatically from one month to another. This is the situation between the April price forecast and the May forecast. In April it looked like the May Class III price would be about \$11.00. The particularly good news is that it now looks like the May Class III price will be near \$12.35. This increase is the result of unexpected rather strong rally in cheese prices. On the CME since the beginning of May, barrel cheese increased by \$0.66 per pound and 40-pound blocks by \$0.72. Since the beginning of May, butter has increased \$0.45 per pound and nonfat dry milk \$0.20. But since the increase has been mostly since the past 10 trading sessions, the May Class IV price will also be higher than forecasted in April, but only about \$10.65 versus \$10.15."

While there is hope to be found in the recent market upticks, it's unlikely that these prices will hold as high as the futures markets are trading. There, June and July Class III futures are in the \$17's and \$16's for the rest of 2020. There are some positive things on the horizon as restaurants begin to slowly reopen, and USDA increases their Section 32 purchases while also rolling out the food box program. We're also on the decline of this season's "Spring Flush", and are starting to see the effect of cooperatives' production restrictions/base milk implementations as farmers reduce milk production and increase culling. April's milk production was only 1.4% higher than a year ago, whereas March's production increased by 2.8%. There continues to be some milk dumping, although that seems to have subsided for the most part. However, as global economies head into recession, this could reduce both domestic purchases and export market sales. Additionally, there is the uncertainty of how community infection rates will change as businesses begin to open again and whether this will cause a second round of shut downs.

Don't forget to contact your local Farm Service Agency office to fill out your farm's Coronavirus Food Assistance Program (CFAP) application. This will provide eligible producers up to \$250,000 in direct payments based on their documented production and a national payment rate. The benefit for dairies equates out to a \$6.47/cwt payment based on first quarter production. You can also work with FSA staff to value livestock sale losses and crop inventories for payments in those commodity areas as well. While this won't make up for the entire loss producers will see in 2020, this will provide a significant cash infusion to help farms cash flow their business. It's important to know that FSA office staff are working remotely, so please start with a phone call to them to learn more about their process to get application items submitted, or to learn more about the eligibility of your specific operation.

### Resources and For More Information:

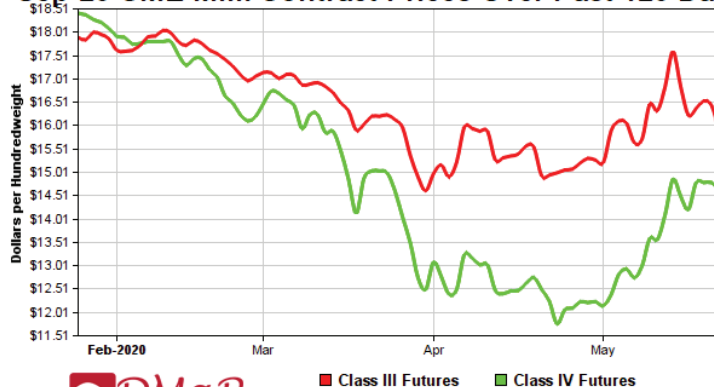
Dairy Situation and Outlook, May 20, 2020 by Bob Cropp. <https://fyi.extension.wisc.edu/dairy/dairy-situation-and-outlook-may-20-2020/>

Dairy Situation and Outlook Podcast, May 2020 by Mark Stephenson & Bob Cropp. <https://dairymarkets.org/PubPod/Podcast/Outlook/>

USDA's New Direct Payments Program for Dairy Farmers, by Chris Wolf, Mark Stephenson, and Andrew Novakovic. <https://dairymarkets.org/PubPod/Pubs/IL20-02.pdf>

Livestock, Dairy, and Poultry Outlook, USDA ERS. <https://www.ers.usda.gov/webdocs/outlooks/98463/ldp-m-311.pdf?v=6533.4>

### Sep-20 CME Milk Contract Prices Over Past 120 Days



**May 22nd 2020 NY Beef Industry Update**  
by Dr. Mike Baker, *Cornell Beef Extension Specialist*



**Feeder prices up compared to last year. Finished steers and cull cow prices continue a positive trend.**

The beef packing industry is now estimated to be at 70% capacity and slowly inching up. However, given the backlog of cattle, it will be a while before the number of cattle is in line with capacity. Some analysts are wondering if the packing industry will ever be able to get beyond 90% due to the precautionary measures that have been instituted for worker safety.

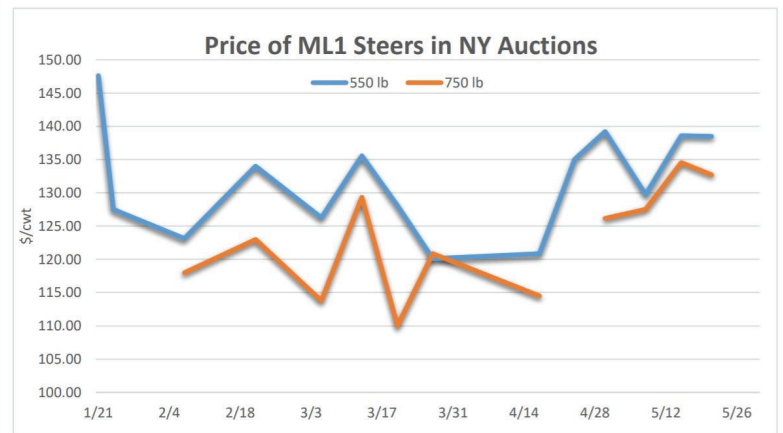
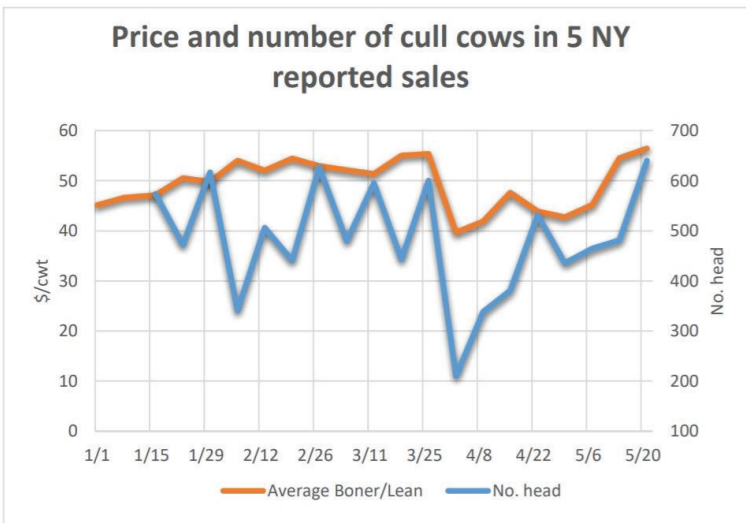
**Cull Cows.** The price of cull cows in NY continues to increase. The price of Lean/Boner cows averaged \$56.43/cwt a 3.5% increase over last week, with a high of \$73.61. The number of cows coming to the auction showed a dramatic increase to 640 hd for the markets reported. The price of ground beef at retail has increased dramatically, which is in part driving the increase in cull cow price. Anecdotally, I have seen ground beef selling at \$6.00+/lb in our local supermarkets. It is still important to keep an eye on the market, though seasonally we should be in a constant or slightly increasing price level.

**Feeder Cattle.** Since the end of March 550 lb and 750 lb feeder cattle have been on an upward trend. In the NYS auctions reported this week the average price of 550 lb steers was \$138/cwt compared to \$132/cwt during the same week in 2019. While the 750 lb steer dropped \$2/cwt this week, it was still \$7/cwt higher than 2019, though the number at auction was limited.

**Finished cattle.** Choice and Prime 3-4 jumped \$3/cwt to \$118/cwt with a high of \$121.

Additional NYS cattle auction prices can be found at: <https://www.ams.usda.gov/market-news/feederand-replacement-cattle-auctions#NewYork>.

*(Funds to support the NYS Market News program come from New York State Department of Agriculture and Markets project "Stocker cattle: Using underutilized grasslands to improve economic viability of the Southern Tier while providing viable careers for beginning farmers.")*



**Monitor Your Alfalfa Fields for Weevil!**

Scouting for the alfalfa weevil involves walking a random pattern in the field and stopping to collect a stem every 10 steps. Once you have 10 stems, visually inspect the stems for weevil tip-feeding injury, and count each stem showing tip-feeding injury within the top three inches to determine a percentage of damaged stems. Repeat this collection of 10 random stems five more times throughout the field for a total of 50 stems inspected. Repeat this scouting in different patterns within the field weekly. Field Crops Specialist, Josh Putman, is monitoring alfalfa fields in SWNY to properly document and manage this pest.



# CFAP Announced and Applications Open 5/26 – Contact your FSA Office Soon!

Starting May 26<sup>th</sup>, farms will be able to apply for the recently announced Corona Virus Food Assistance Program (CFAP) and the long-standing Commodity Credit Corporation (CCC) funds through their local Farm Service Agency office. Eligible producers could receive up to \$250,000 in direct payments based on their documented production and a national payment rate, with one application and one initial 80% payment. The remaining 20% may be subject to pro-rationing based on demand and USDA budget constraints. These payments will be subject to additional eligibility requirements, so do plan to connect with your local FSA office ASAP.

For dairy producers, CFAP payments will be calculated by multiplying first quarter milk production by \$4.71/cwt. CCC Payments will cover \$1.47/cwt of Second Quarter milk production (calculated by multiplying 1st quarter production by 1.014). For example, a 200 cow farm with 1,200,000 pounds of production in Q1 would receive a \$59,526 benefit for milk production total.

Non-Specialty crop producers are eligible for payments based on their storage inventories (50% of total 2019 production or 50% of January inventory, whichever is smaller, multiplied by that commodity's payment rate). For example, corn's rates are \$0.32 (CFAP) and \$0.35 (CCC) for a total of \$0.67/bushel. Dairies with corn silage inventories may also be eligible for non-specialty crop payments.

Livestock payments will be calculated based on the number of livestock sold Jan 15 – Apr 15 multiplied by the CARES act payment rate (\$214/fed cattle, \$102/feeder less than 600 lbs, \$92/head mature cattle, \$28/pig less than 120 lbs, \$33/sheep, etc.) and then their inventory Apr 16 – May 14 multiplied by the CCC Payment Rate (\$33/fed cattle, \$33/feed less than 600 lbs, \$33/mature cattle, \$17/pig less than 120 lbs, \$7/sheep, etc.). Dairies may also be able to receive payments for cull cows.

It's important to know that FSA office staff are working remotely, so please start with a phone call to them to learn more about their process to get application items submitted, or to learn more about the eligibility of your specific operation. You can also contact Katelyn Walley-Stoll, or your



## Figure 2. CFAP Livestock Payment Rate Based on Livestock Status

Payment rate multiplied by sum of 2020 livestock sold Jan. 15-April 15 + Payment rate of sum of 2020 livestock inventory April 16-May 14

