

Dairy News (1st Nov to 15th Nov, 2015)

Contents

Indian Dairy News

AN INTEGRATED GOVT FARM SHOWS THE WAY	3
NATIONAL DAIRY DEVELOPMENT BOARD.....	5
DROUGHT-HIT CATTLE FARMERS IN RAJASTHAN DEMAND SUBSIDY FROM CENTRE	7
INDIA, BRAZIL TEAM UP FOR RAISING CATTLE, BUFFALO YIELDS	8
25 FOOD TESTING LABS RUNNING WITHOUT FSSAI NOTIFICATION	11
MILK ADULTERATION: FSSAI PROPOSES NEW NORMS.....	12
MAGGI NOODLES MAY SOON BE BACK ON THE SHELVES.....	13
ADULTERATED MILK RACKET BUSTED	14
AMUL TO INVEST RS 150 CR IN PUNJAB FOR EXPANSION	14
90 SAAL BAAD: CADBURY DAIRY MILK'S FRUIT AND NUT IS GOING TO CHANGE ITS RECIPE	16
PUN GOVT INTENSIFIES DRIVE AGAINST SALE OF ADULTERATED SWEETS	17
DAIRY BUSINESS A BOON FOR DISTRESSED FARMERS	18
INDIAN DAIRY SECTOR'S WAIT TO ENTER RUSSIA GROWS LONGER.....	18
ONLY 17% OF DAIRY INDUSTRY POTENTIAL HAS BEEN EXPLOITED: SODHI	19
GLOBAL MILK CASEIN AND CASEINATES MARKET IS PROJECTED TO REACH USD 2.75 BILLION BY 2020, AT A CAGR OF 4.2% FROM 2015 TO 2020.....	20
NESTLE RANGE OF DAIRY PRODUCTS	21
INDIAN DAIRY INDUSTRY TO FOCUS ON INTERNATIONAL MARKET	22
MILKING THEIR WAY TO SUCCESS.....	28
AAVIN'S MOBILE MARKETING UNIT A BIG HIT IN SALEM	30
MPI REMINDS CONSUMERS TO TAKE CARE WHEN DRINKING RAW MILK	31
NDDB TO FOCUS ON REDUCING COST OF MILK PRODUCTION	32
LAURELS FOR OMFED, ITS MD	34
INDIAN DAIRY INDUSTRY TO FOCUS ON INTERNATIONAL MARKET	36
INTERVIEW	41

Foreign Dairy News.

DAIRY ALTERNATIVES MARKET TO REACH \$19.5BN BY 2020 43

ENTER DAIRY AWARDS AND GO ON HOLIDAY 44

BANKS WARNED OVER DAIRY SECTOR LOANS 45

THOSE THAT DON'T DRINK MILK WILL BE ABOUT 4 CENTIMETERS SHORTER WHEN THEY GROW UP THAN THOSE THAT DO 47

GROWING IS THIRSTY WORK FOR MG 48

FURIOUS AUSTRALIAN MUMS TAKE TO SOCIAL MEDIA AS FAVOURITE ORGANIC MILK FORMULA 'DISAPPEARS FROM SUPERMARKET SHELVES' BUT CAN BE BOUGHT ON CHINESE EBAY 50

HOW RFID DELIVERS BIG DATA ON COWS AND MILK PRODUCTION 52

DAIRY CREST LOOKS TO FUTURE WITH SALE OF LOSS-MAKING DAIRY UNIT 55

LONE STAR MILK TRANSPORT EXCEEDS PERFORMANCE AGREEMENT 57

ARLA FOODS DAIRY PRODUCTS LAUNCHED IN PH 58

DAIRY PRODUCTS FUTURE FOR HANSELLS 59

UNCERTAINTY IN 2016 MILK FORECAST, RISK MANAGEMENT ESSENTIAL..... 60

DR. BLONZ: WHY ADD VITAMIN A TO MILK?..... 63

CHINA DAIRY EYES MILK FOR JUNIORS 64

ROBOTS HELP RUN OREGON DAIRY FARM..... 65

RECORD AMOUNT OF MILK TURNED INTO CHEESE, LONG-LIFE MILK..... 69

DAIRY HERD EXPANSION LIKELY TO CONTINUE 70

FEDERATED FARMERS: DAIRY AWARDS HAS MAKEOVER 70

INDONESIA DAIRY - A CHALLENGING "DARK HORSE" 72

HOW TO CHOOSE THE RIGHT MILK FOR YOUR NUTRITION NEEDS..... 75

CONNECTICUT SECURES LARGEST DAIRY FOR FARMLAND PRESERVATION 76

THE DAIRY FARMER AND THE DIGESTER: A CANDOR TALE..... 78

GLOBAL UHT MILK MARKET (SIZE OF \$84 BILLION IN 2014) TO WITNESS 14% CAGR DURING 2015 - 2020: P&S MARKET RESEARCH. 79

An integrated govt farm shows the way

GK NAIR



A dairy farm was set up with 16 cows whose number is 55 now

Loss-making sugarcane farm at Pandalam becomes a roaring success

KOCHI, NOVEMBER 15:

A government-owned agricultural farm has become a role model for farmers with its success in integrated farming.

Its transformation from a loss-making sugarcane research station and seedling farm, for over five decades, on 25 acres of land at Pandalam in Alapuzha district to a profit-making integrated farm is a success story worth emulating.

Systematic experiment with different agricultural activities by Farm Superintendent J Sanjeev since he took over in 2002 started yielding positive results.

Integrated farming

Sugarcane cultivation is limited to 10 acres of the land for producing jaggery and its value-added products. Branded as 'Pandalam Jaggery', it is marketed in the southern Kerala.

The farm simultaneously planted coconut, plantains, banana, tuber crops, yam, colocasia, elephant yam etc and vegetables on a commercial scale. The products were sold through public auction.

Introduction of seeds/seedlings production also added further revenue to the farm. Vegetable seedlings were produced on a large scale following consistent demand from the farmers. As many as 7.5 lakh seedlings in grow-bags have been sold, Sanjeev said. Enthused by the great demand, tissue cultured planting materials of plantains and banana were introduced.

Karimunda variety of pepper vines were also produced in the nursery with the support of the Kerala Agricultural University, he said.

Demand for planting materials, seeds and seedlings is so great that a new seed processing unit is being set up to meet the growing demand. The State seed authority has set up a godown also here.

Besides, fruit trees such a mangosteen, rambuttan, phulasan etc have also started yielding income, Sanjeev said.

Organic farming

In all the agricultural operations an attempt is made to use organic manures such as cow dung, vermi-compost etc to the maximum. With the objective of producing it economically within the farm, a dairy farm was set up with 16 cows whose number stands at 55 now. In addition, 25 goats were also reared at the farm. Now there is a poultry and duck farm.

Thus, the organic manure requirement was fully met and a bio-gas plant was established for generating electricity for meeting the power needs when KSEB general supply goes off.

Milk from the farm is sold to Milma. Sajeew said he is planning to set up a unit to produce virgin coconut oil using the coconuts harvested from 400 palms in the farm as value-addition would raise the revenue further.

The scientific and systematic integrated farming has transformed this loss-making sugarcane farm. Its net profit stood at ₹50 lakh last fiscal. Efforts are being made to increase it further this fiscal, Sajeew said.

The farm also provides regular employment to 28 people. The sugarcane harvesting and jaggery production is done with the help of workers from Tamil Nadu, who do it on contract basis.

The success of the farm has been recognised by the State government, which selected it as the model farm in the State in 2007.

(This article was published on November 15, 2015, www.thehindubusinessline.com)

National Dairy Development Board

The National Dairy Development Board is making a relegation of its subsidiary, The Mother Dairy

Of late, it has been found that the [National Dairy Development Board](#) will be shifting its business enterprise from Mother Dairy to MAAHI. MAAHI is a Sanskrit name which means the Earth. This institution has registered the name Mother Dairy as MAAHI Milk Producer's Company Limited. This body will be solely governed by the Companies Act. It has been forecast-ed that MAAHI will be the frontispiece of the milk producer's company. In no time, this MAAHI brand has been awaited to be set forth in Saurashtra, Kutch and the Ahmadabad markets. But the current 'Mother Dairy' brand will decline slowly in the coming days.

The national board which is being headquartered at Anand has also equivalently enrolled 'Payas' Milk Producers Company Limited at Jaipur. At present, the Mother Dairy Fruits and Vegetable Private Limited, is setting up a business of Rs.800 crore in Gujarat alone. This subsidiary of **National Dairy Development Board** processes 6.5 lakh litres of milk per day in its Junagadh and Madhapur plants. Around 60,000 milk producers were registered as members in all districts of Saurashtra and Kutch region in connection with the membership drive for the new milk producers company. It is contemplated that there will be an alteration in the business of Mother Dairy to MAAHI Milk Producers Company, leading to the marketing of the existing dairy products under the au courant brand.

It has been aforementioned by an official that, this new company will be a cooperative which will not be governed by the State Cooperative Act. The shares for MAAHI will be shortly issued to the dairy farmers at an expense of Rs.600 per registered member.

In the past, the [National Dairy Development Board](#) had taken over dairy plants and cattle feed factory from the by gone Gujarat Dairy Development Corporation Limited for making a breakthrough in the dairy development based on corporate lines in Saurashtra and Kutch.

Down the line, the procurement made by the Mother Dairy from the 2,400 villages of Saurashtra and Kutch region is 6.5 LLPD. In a word, it may be concluded that, the **National Dairy Development Board** will be shifting its business enterprise from Mother Dairy to MAAHI.

In no time, this MAAHI brand has been awaited to be set forth National Dairy Development Board. At present, the Mother Dairy Fruits and Vegetable Private Limited, is setting up a business of Rs.800 crore in Gujarat alone.

This new company will be a cooperative which will not be governed by the State Cooperative Act. Down the line, the procurement made by the Mother Dairy from the 2,400 villages of Saurashtra and Kutch region is 6.5 LLPD.

Now, an app to conserve Kangeyam cattle

Nov, 15, 2015

Source: thehindu.com

In an effort to protect native breeds of cattle, especially the Kangeyam cattle known to be an asset of the Chera dynasty, a mobile application, Konga Madu , was launched in the city on Saturday.

Konga Gosalai and Shri Sakthi Institute of Engineering and Technology have come up with this app, aimed at providing the required information to farmers possessing Kangeyam bulls and cows. The app was launched by H. Raja, national secretary of the Bharatiya Janata Party, at a function held at the college.

According to the organisers, Konga Desam or Chera kingdom has been producing the best breeds of Indian Zebu cattle (*bos indicus*) and is well documented in Tamil Sangam literature. The recent archaeological excavations at Porunthai and numismatic evidence from River Amaravathi in Karur corroborate the Sangam texts in confirming the cattle propagation during the time of the Chera kingdom. After the advent of exotic breeds such as Jersey to augment milk production, native breeds are on the verge of extinction.



Kangayem Cattle

Erstwhile Pattagar of Palaykottai, Shree Uthamakaminda Rao Bahadur Nallathambi Sarkarai Mandradiar sustained and brought the Kangeyam under international limelight by the end of the colonial era. The present Pattagar Rajkumar Mandradiar had recently formed the Palayakottai Pattagar Cattle Farm and Research Centre to help conserve the Kangeyam breed.

The Konga Gosalai has been rescuing Kangeyam cattle from being sold at local shandies and giving them to farmers for rearing. In the last two years, more than 800 cows have been rescued. With a wider view to produce pure progeny, Konga Gosalai along with faculty members Selvakumar, Arun Stalin of Shri Sakthi Institute of Engineering and Technology and a team of Katpas Technologies Coimbatore developed this app.

Using the app, the farmers having Kangeyam bulls could look for Kangeyam cows or those with cows could look for bulls and locate the nearest veterinary care centre. The app is designed to make information available on hand to ensure the health of Kangeyam cattle.

The farmer will be able to buy or sell a Kangeyam cow to another farmer with the help of this app. The suppliers and buyers of A2 milk, native cow-based panchakavya products, medicines and related products, are brought together on a single platform.

The app also helps in getting expert advice from doctors on ailments affecting the cattle. The app , Konga Madu , is available in Android mobile play stores as a free download.

Drought-hit cattle farmers in Rajasthan demand subsidy from Centre

Source: timesofindia.indiatimes.com

Thousands of farmers on Saturday collected at Patel Stadium during Saras Sahakar Mahakumbh here. They were demanding that the Centre should provide fodder at half the rate and also give a subsidy to farmers involved in milk production. More than 500 villages in the district have been affected by drought, which is a major cause for concern among the farmers.



Cattle Farmer in Rajasthan

A meeting of all the cooperatives of Saras Dairy of the district was also held. Despite the drought and decreasing milk production the rate of Saras milk (double toned, toned and full cream) has been decreased by Rs 4, the lowest in the state. This was officially announced in the meeting. The price will remain in force till March 2016. Ramchandra Choudhary, Saras Dairy chairman at district level said, “This will increase the dairy’s production and we will also have an edge over competitors. This is pure management skill. Every employee of the dairy is working hard for this”. The farmers said that the major problem they face these days is of

unattended and abandoned calves that have been freed from animal traders by activists. Since the cattle have no place to go, they enter the farms and eat and destroy the crop.

“If Hindu activists wanted to save the calves then they should have also thought of keeping them safely somewhere and not let them roam freely. That would have been good,” said Choudhary.

India, Brazil team up for raising cattle, buffalo yields

Nov 14, 2015

Source: business-standard.com

India and Brazil today agreed to engage in collaborative projects for raising productivity of cattle and buffaloes in a meeting between agriculture ministers of the two countries here today.

In a meeting between Indian Agriculture Minister Radha Mohan Singh and his Brazilian counterpart Katia Abreu, the two countries discussed the areas where they can cooperate for their mutual benefits.

“Both the countries now intend to enter into a Memorandum of Understanding (MoU) between the National Dairy Development Board (NDDB) and EMBRAPA for taking up collaborative projects in the field of productivity improvement of cattle and buffaloes,” an official release said.

The collaboration would be through exchange of advanced breeding technology, knowledge sharing and exchange of genetic material for mutual benefits, it said.



EMBRAPA

The NDDB is an apex policy making body for dairy development in India, while EMBRAPA is a Brazilian public agricultural research corporation.

The meeting concluded with both India and Brazil agreeing to take the present relationship of mutual cooperation to higher level of engagement in the interest of both the countries, the release added.

The two countries already have an MoU for furthering mutual cooperation in the area of agriculture, animal husbandry and other allied activities.

There is an MoU between Indian Council of Agricultural Research (ICAR) and EMBRAPA in the areas of research, exchange of technology, trainings and visits of personnel.

OMFED to launch Rasagolla and Gulab Jamun in Tin Boxes

Nov6, 2015 thehindu.com

The Orissa State Cooperative Milk Producers' Federation Limited (OMFED), Odisha state-run milk supplier and a leading dairy company, is all set to launch traditional Odia desserts – Rasagolla and Gulab Jamun.

These delicacies will be available at Omfed's exclusive ice cream parlours in the capital city. Very soon foodies in Odisha will get chance to taste to be launched Rasagolla and Gulab Jamun of Omfed at ice cream parlours.



OMFED launches Rasagolla and Gulabjamun

Recently the company has launched its 'Premium Milks' which got tremendous response from the customers. The management of the company said that the feedback from customers about its product inspired them to launch these Oida desserts – Rasagolla and Gulab Jamun.

They believe that the customers will also lap up these desserts as the diary products like ghee, butter, curd, ice cream, Chena Poda from Omfed have established their special identity because of quality in Odisha market. As per the company officials, 1 kg pack of each delicacy is priced at Rs.170 while the half kg pack at Rs.90. Rasagolla and Gulab Jamun will be the latest additions to the popular products and these will be

packed in tin boxes. In September, the Omfed has opened its modern ice cream parlours at Sahid Nagar and Nayapalli in Bhubaneswar.

KMF to revert to old colour scheme for curd packet

Nov 6, 2015 odishanewsinsight.com

Widespread consumer disapproval for the new colour scheme (predominantly blue with green) for its Nandini curd packet has forced Karnataka Cooperative Milk Producers' Federation (KMF) to revert to the old colour scheme (yellow, green and chocolate brown).

“In a day or two, curd packets with the old colour should be in market,” Rakesh Singh, KMF managing director, told The Hindu on Thursday. Asked about the stock of packets with the new colour scheme, Mr. Singh said they would be recycled at the KMF’s recycling facility. Thus, the loss would not be much, he said.

The KMF launched Nandini curd in its new avatar about a fortnight ago.

There was widespread confusion among consumers following the introduction of the new colour scheme for curd packet as it was similar to that of milk packet.



Nandini Curd

Homemaker Prameela Shashidhar said she got confused every day and opened the curd packet instead of milk packet. A Nandini distributor in Mangaluru said he was flooded with complaints from consumers as distribution boys got confused while delivering milk/curd during early mornings.

Admitting it was a “goof up”, KMF president P. Nagaraju told The Hindu that the marketing department changed the colour scheme without getting any feedback. He said packets of different Nandini products had different colour scheme — blue for skimmed milk, green for cow milk, orange for Shubham milk, yellow for double toned milk, and so on.

“It is common sense to sell different products under distinct colours,” he said.

25 food testing labs running without FSSAI notification

Over 24 food testing laboratories across India are running without notification with the FSSAI under the Union Health Ministry.

[Neetu Chandra Sharma](#) | | [Mail Today](#) | New Delhi, November 6, 2015 | UPDATED 08:41 IST

There are more than 140 food testing laboratories in the country.

As many as 24 food testing laboratories across India are running without notification with the Food Safety and Standards Authority of India (FSSAI) under the Union Health Ministry. Interestingly, 14 of these laboratories have enjoyed grant-in aid from the Ministry of Food Processing Industries for their establishment and upgradation, but yet not managed to obtain the mandatory National Accreditation Board for Testing and Calibration Laboratories (NABL) accreditation. 10 of these food testing laboratories have though obtained NABL accreditation, they are not yet notified with FSSAI.

Laboratories of reputed institutions like Birla Institute of Technology, Mesra, Ranchi, Jharkhand; Indian Institute of Technology, Kharagpur and Tamil Nadu Agricultural University are among the ones which have not managed to get an NABL accreditation.

Laboratories in Bharati Vidyapeeth University, Pune and Jawaharlal Nehru Technological University, Hyderabad are not notified with FSSAI.

While the Ministry of Food Processing Industries provides assistance for setting up analytical and testing laboratories, actively participates in the laying down of food standards with a view to ensure compliance of international standards on food products, NABL grants accreditation for the competence of the laboratory as per international standard ISO/IEC 17025.

"The laboratories which are accredited by NABL are having the quality system in place and are competent to carry out the food test under their scope of accreditation. Nonaccredited food testing laboratories may or may not be fully equipped to meet the requirements of food testing," said a senior official with FSSAI.

Food laboratories and research institutions should be accredited by NABL or any other accreditation agency for the purposes of carrying out analysis of samples by food analysts under this Act.

"Many laboratories have obtained the NABL accreditation but not notified by FSSAI. Merely being assessed and found competent by NABL does not entitle any laboratory to FSSAI recognition. FSSAI reserves the right to assess need for laboratories and recognise laboratories only, if needed. It also reserves the right to recognise labs with a restricted scope than for which the food laboratory has been accredited by NABL," said the FSSAI official.

There are over 140 food testing laboratories in the country for testing of food products as per prescribed under the Food Safety and Standards Authority Act 2006 and Rules/Regulations, 2011. Out of these 68 NABL laboratories have been authorised by FSSAI.

Milk adulteration: FSSAI proposes new norms

Kalyan Ray, New Delhi, Nov 5, 2015, DHNS:

Standards set for cream, curd, paneer, cheese and desserts



With milk adulteration becoming a routine affair, the Food Safety and Standards Authority of India (FSSAI) has come out with the first detailed standards for milk and milk products to ensure availability of safe products in the market.

Besides milk, the FSSAI also brought out standards for cream; malai; sahi or curd; chhana or paneer; cheese; dairy-based desserts or confection; evaporated or condensed milk and milk products; butter, ghee and milk fats; chakka and shrikhand; fermented milk products; whey and edible casein products.

There are several categories of milk depending on the source state and animal. For instance, the standards of buffalo milk in Assam, Bihar, Chandigarh, Delhi, Gujarat, Haryana, Jharkhand, Maharashtra, Meghalaya, Punjab, Sikkim, Uttar Pradesh, Uttarakhand and West Bengal are different from the rest of the country. The percentage of minimum milk fat is higher in these 14 states.

In addition to buffalo milk, standards have also been set for milk of cow, goat, camel and sheep besides the standard full cream, toned, doubled-toned and skimmed milk.

An improvement than existing regulatory norms, the draft standards prepared by a FSSAI technical committee is up for public comments within the next 60 days. Once the comments are received, they would be analysed and incorporated before the final milk standards are notified.

“The organised sector—food industry and big dairies—must comply with the new standards. But the implementation would be difficult in the unorganised sector, including local dairies. Do we have enough food inspectors or food laboratories for the job,” Kamala Krishnaswamy, former director of National Institute of Nutrition, Hyderabad, asked Deccan Herald.

The draft standards for milk and milk products from the food regulator comes three years after the FSSAI found that the menace has spread far and wide across the country.

In a nationwide survey on almost 1,800 milk samples, the FSSAI found each one was adulterated in Bihar, Chhattishgarh, Jharkhand, West Bengal, Orissa, Mizoram and Daman and Diu. The adulteration agents are skimmed milk powder, glucose, fat, solid-not-fats and water.

Majority of milk samples analysed in 19 states and UTs do not conform to the existing food safety standards. While the southern states—Andhra Pradesh, Karnataka, Kerala and Tamil Nadu—along with Madhya Pradesh and Chandigarh fared better, the rest of the country projected a dismal picture.

The FSAAI survey also led to a Supreme Court litigation, which is still continuing. The apex court asked the government to ensure supply of safe and healthy milk to the citizens.

Maggi noodles may soon be back on the shelves

Thursday, 05 November 2015 06:15

Nestlé SA's Indian unit, Nestlé India Ltd, said on 4th November, 2015, that it would bring Maggi noodles back to shop shelves by the end of November 2015.

Nestlé India's statement came after three laboratories certified by the National Accreditation Board for Test and Calibration Laboratories (NABL) declared the 'newly manufactured' Maggi noodles safe for consumption.

"Now that the orders of the Bombay High Court have been complied with, we will make our best endeavour to commence the sale of Maggi noodles masala within this month as well as continue engaging with states where permissions are needed or specific directions may be necessary," said Nestlé India.

The popular instant noodles product, which accounted for about 30% of Nestlé India's revenues in 2014, was pulled from the market after the country's food regulator, Food Safety and Standards Authority of India (FSSAI) ordered the company to withdraw all nine variants of the instant noodle brand, terming them as unsafe and hazardous for human consumption. It cited excess lead content and traces of monosodium glutamate (MSG), a flavour enhancer, as the reasons for the withdrawal of the brand.

Nestlé India then moved the Bombay High Court which, on 13th August, 2015, set aside the ban imposed by the FSSAI and asked the company to get its noodles tested by three specified NABL-certified laboratories. On 17th October, 2015, Nestlé India reported that the three laboratories had cleared the samples of Maggi noodles produced earlier as safe for consumption. According to the Court order, Nestlé also had to get fresh batches tested and declared safe by the laboratories in order to commence sales. The company cleared the final hurdle on 4th November, 2015.

Nestlé has Maggi noodles production facilities in Moga (Punjab), Bicholim (Goa), Nanjangud (Karnataka), Tahliwal (Himachal Pradesh) and Pantnagar (Uttarakhand). It also used to produce the instant noodles through contract manufacturers in West Bengal and Delhi. It had already started producing Maggi noodles at three of its units at Nanjangud, Moga and Bicholim.

"For the other two locations at Tahliwal and Pantnagar, we are engaging with the relevant authorities in Himachal Pradesh and Uttarakhand to obtain directions for commencing manufacture of Maggi noodles," said _____ the _____ company.

Nestlé India conducted over 3,500 tests, representing over 200 million packs, in both national as well as international accredited laboratories and the company claimed that all the reports were clear. In addition to these tests, various countries, including the US, the UK, Singapore and Australia had found Maggi noodles exported from India safe for consumption. Nestlé India emphasised its commitment to collaborating and working with the FSSAI, the Food and Drug Administration authorities in various states and other stakeholders.

Adulterated milk racket busted

The Special Operations Team (east) of Cyberabad police on Wednesday busted a milk adulteration racket after raiding a house at Ghatkesar.

Urea seized

The police seized 600 litres of adulterated milk, Nagarjuna urea – 40 kg, milk powder 18 packets and a mixer from them.

The accused Barkha Ravi and Md Rasheed prepare a paste by mixing urea, milk powder and sunflower oil by putting the material in a mixer, Inspector SOT, Narsing Rao said.

Later, they dissolved the paste in large volume of water and after it obtained the colour of milk it was supplied to different sweet shops and roadside tea stalls, Inspector SOT, Narsing Rao said.

Amul to invest Rs 150 cr in Punjab for expansion

Gujarat Cooperative Milk Marketing Federation, or better known as the owner of the country's leading milk brand 'Amul' plans to invest Rs 150 cr to set up a network of 1000 milk collection centers in Punjab. This is likely to give a major boost to the milk processing sector in Punjab, the fourth largest milk producer in the country. As cooperatives pay better remuneration, at least a Rupee per liter premium over the private buyers, the dairy farmers expect to gain from the consolidation of Gujarat based dairy major in Punjab.

“Amul has rolled out its branches in many states like Rajasthan, Uttar Pradesh, West Bengal and Haryana but Punjab is going to be crucial due to scale of commercial dairy farming and highest yield per cattle”, said R S Sodhi, the Managing Director of Gujarat Cooperative Milk Marketing Federation. “The availability of huge milk surplus in Punjab as compared to any state of India, can help us grow at a faster pace over the current growth rate of 20% of Amul”, he added.

Nestle is the largest milk processor among the private players in the state and procures about 8 to 9 lakh litres of milk in a day and feeds its Moga (Punjab) and Baddi (Himachal Pradesh) plant.

Close to two lakh vendors help the distribution of 40 lakh litres of milk every day.



Dairy Farmers in Punjab

Glaxosmithkline Beecham, Wockhardt, Supreme Agro, MilkFed, Rana Food are some of the prominent private milk processors in the state.

Punjab’s average daily production of milk is about 265 lakh litres per day and the marketable surplus is 150 lakh litres per day. The homegrown Punjab State Cooperative Milk producers’ Federation procures close to 12 lakh liters a day and Amul’s share is an insignificant 50,000 litres a day. Under the new expansion plan, the Gujarat Cooperation Milk Marketing Federation would ramp up the number of collection centres from 50 to 1000 and put up the infrastructure to procure at least 10 lac litre a day, informed, R S Sodhi.

“In the processing of milk, setting up of a cluster of procurement centres with state-of-the-art equipment is the most crucial component of investment, the processing plant can be hired through a third party. We have such an arrangement at Batala in Punjab and plan to replicate the same at Khamano, near Ludhiana and Bathinda. The operations at Khamano would commence this month and Bathinda may take some time, he added.

Considering the milk availability, scale of commercial dairy farming and high yield of cattle in Punjab, Amul may also penetrate deeper into rural Punjab to capture higher market share.

Speaking about the milk processing industry in the state, the Additional CEO and Director, Punjab Dairy Development Department, Inderjit Singh said, “the proportion of organised sector in the milk processing is limited to only 5% in Punjab. The expansion of brands like Amul, backed by the cooperatives would enhance the competition and help the farmers not only financially but also in improvement on quality parameters. The Cooperatives provide backward integration in form of good feed, inputs and latest knowledge to the dairy farmers to earn higher yields and thereby better income”.

A purchase tax of 3.5% on milk in Punjab has remained a dampener towards the expansion of private sector players in milk processing. Out of the average 150 lakh litres per day of surplus milk, only about 13.25 lac litres are procured by the organized players.

The farm gate price of milk in Punjab is in the range of Rs 28-29 per litre for cow milk and Rs 34-35 for buffalo milk. The milk prices have been stable this year.

90 Saal Baad: Cadbury Dairy Milk’s Fruit And Nut Is Going To Change Its Recipe

After 90 years, Cadbury Dairy Milk is going to change the recipe of its Fruit and Nut bar. As per the new recipe, sultanas will be added in the chocolate bar to add a little more variety.

” While raisins have actually traditionally been the ‘fruit’ of Cadbury Fruit and Nut, sultanas have been brought into the fold to add more variation. It’s important we have a flexible supply of the dried fruit we use in our famous Fruit and Nut bars to both retain quality and ensure it’s still an affordable treat,” a spokesperson for the company told The Independent.



Source: Cadbury

The new version of the chocolate bar will reportedly be available in your nearest store by the end of November. There will be no change in the design of the package, except that the ingredients section will mention the new addition.

A survey done by Cadbury reported that nearly 200 people were unable to tell the difference between raisins and sultana.

“Many consumers noticed no change in taste when trying both bars, stating both sultanas and raisins were just as tasty as each other,” a Cadbury spokesperson was quoted as saying in an India Today report.

Pun govt intensifies drive against sale of adulterated sweets

Press Trust of India | Chandigarh November 4, 2015 Last Updated at 19:57 IST

[Punjab](#) government has intensified the on-going drive against the sale of adulterated sweets in the state, with Health Department officials raiding the shops and godowns suspected to be selling, storing and manufacturing such products.

Punjab Health and Family Welfare minister Surjit Kumar Jiyani directed the District Health Officers to act tough against those selling, adulterated and contaminated food items.

He said the government has already issued notice to take strict action against sale of such items.

The health department has launched a campaign against the sale of impure food items including sweets, khoya (condensed milk) and other milk especially during the ongoing festival season.

"With a view to ensuring purity in the sweets and other eatables, traders have been inspected by the Department of Food and Supplies across the state, he said.

Staggering traders will be prosecuted for selling commodities in violation of health and safety norms, he added.

He said that in order to keep strict vigil on the milk products and khoya coming from other states, the Minister said that all the entry points including the railway stations, bus stands have been guarded against adulterated food items.

"The adulterated food items would be destroyed then and there by the special task force deputed at various sensitive points," Jayani said.

He said that according to the Food Safety and Standards Act, the punishment for selling adulterated food is seven years imprisonment and a Rs 10 lakh fine.

For selling sub-standard food one could face a maximum fine of Rs 10 lakh, he said, adding that for death caused by adulterated food, the offender could face life time jail term.

Dairy business a boon for distressed farmers

November 4, 2015, 5:32 AM

At a time when farmer suicides are on the rise in the State, most ryots from Srikakulam district have turned to dairy farming as a vocation. Interestingly, they have joined hands to form joint liability groups (JLGs) to obtain loans from banks in a hassle-free manner, thanks patronage of the National Bank for Agriculture and Rural Development (NABARD).

Thanks to JLGs, they now earn additional income through milk production. Banks extend up to Rs. 1.5 lakh as loan to each JLG, as the former are assured of repayment by milk procurement agencies, which pay monthly instalments directly and reimburse the remaining amount to the villagers.

With the support of NABARD, Andhra Pradesh Gramin Vikas Bank (APGVB) extended Rs. 45 lakh as loan to various JLGs in Gara mandal. The result: more than 40 groups bought 300 cows, each costing between Rs. 25,000 and Rs. 30,000.

“Each cow is expected to give eight litres of milk. The procurement agencies pay Rs. 32.5 per litre, which means that each cow helps the villagers earn around Rs. 250 a day. And, the villagers spend around Rs. 75 a day on fodder,” NABARD Srikakulam District Development Manager M.D. Vasudevan and APGVB Srikuarmam branch manager J. Srinivasa Rao said.

Indian dairy sector’s wait to enter Russia grows longer

Russian standards body seeks a meeting with Indian experts on quality issues

NEW DELHI, NOVEMBER 4:

Indian dairy companies will have to wait for sometime more to enter the lucrative Russian market as the country continues to dilly-dally over the procedure that the Centre seeks to follow to ensure that exports are free of contaminants.

The Russian standards authority, Federal Service for Veterinary and Phytosanitary Surveillances (FSVPS), has asked the Commerce Ministry to send a team of experts to Moscow this month to personally explain to them how small dairies would ensure that their products were safe.

Safety aspects

“We had sent a report prepared by the Export Inspection Council (EIC) explaining the safety aspects in details through our embassy in Moscow, but now they want a meeting with officials dealing directly with it. We are hopeful that after this meeting our dairy industry will finally get access to the market,” an official told *BusinessLine*.

The Commerce Ministry will send a delegation of senior officials to Moscow later this month which will include experts from the EIC and Agriculture and Processed Food Products Export Development Authority (Apeda) to discuss one-on-one issues raised by FSVPS on veterinary inspection of dairy animals to ensure they were disease-free.

“The indications that we have got from the Russians so far on allowing market access to all dairy plants are positive. However, the final view will be clear only after the meeting,” the official said.

Cap over capacity

Initially, Russia had said that it would allow dairy exports from only those plants that had its own cattle farm with over 1,000 cattle, as it could then get a certificate from an authorised veterinarian servicing the dairy. It wants certificates specifying that the cattle had been properly vaccinated and was free of foot-and-mouth disease, tuberculosis, brucellosis and leukemia. India opposed the move as it would lead to disqualification of most dairy companies in India, including Amul.

“As we specified in our EIC report, we are going to tell the FSVPS that we will identify clusters of villages from where dairy plants source their milk and assign veterinarians for those specific clusters who could give the required certification,” the official said.

Russia’s annual imports of food items from Western countries are to the tune of \$40 billion, but it has banned imports of most food products from the region due to the on-going Ukrainian crisis. New Delhi has been trying to get a chunk of that business.

(This article was published on November 4, 2015)

Only 17% of dairy industry potential has been exploited: Sodhi

Posted in Dairy, Featured on November 04, 2015 by parasnath

Sharing a general overview of the country’s dairy industry with Indian Cooperative, R.S. Sodhi MD of GCMMF (Amul) said the milk industry is big in that it accounts for a total of Rs 4 crore plus business. With only 17 percent of it so far organized, there is tremendous scope for growth in the next years, he said.

According to Sodhi, India’s dairy exports have somewhat reduced what with high concentration in skimmed milk powder and similar items and the commodity market crash. With the new govt. developing necessary support infrastructure, the country is expected to tap the growing demand in the dairy segment soon, Sodhi noted.

Sodhi said in every two to three years, Amul invests around Rs. 800 to 1000 crore for business expansion. We would soon set up new dairy plants in Faidabad, Kanpur, Lucknow and Kolkata. Our cheese plant is almost ready in Palanpur, he added.

Sodhi claimed Amul had a turnover of around Rs 20,733 crore last year. We are working ahead to achieve a growth of 18% in this fiscal. Also we are working on increasing our milk procurement by around 13% by this year.

Global Milk Casein and Caseinates Market is Projected to Reach USD 2.75 billion by 2020, at a CAGR of 4.2% From 2015 to 2020

PUNE, India, November 3, 2015 /PRNewswire/ --

According to the new Market Research Report "**Milk casein and caseinates Market: By Type (casein and caseinates), By Application (Food & Beverages, Pharmaceuticals, Industrial, and Others), By Geography (North America, Europe, Asia-Pacific, and RoW) - Global Forecast to 2020**", the milk casein and caseinates market is projected to reach USD 2.75 billion by 2020, at a CAGR of 4.2% from 2015 to 2020.

Browse through the TOC of **Global Milk Casein & Caseinates Market** for an in-depth analysis of the industry trends and segments, with help of various tables and figures.

<http://www.micromarketmonitor.com/market-report/milk-casein-caseinates-reports-5452513459.html>

Early buyers will receive 10% customization on this report.

The report on the milk casein and caseinates market defines and segments the market on the basis of type, application, and geography, along with analyses and projections of the market size of each of these segments in terms of value and volume. It also identifies the driving and restraining factors for the milk casein and caseinates market with an analysis of the trends, and opportunities

On the basis of type, the market has been segmented into casein (including edible casein and industrial casein) and caseinates including (calcium caseinate, sodium caseinate, and potassium caseinate). On the basis of applications, the milk casein and caseinates market has been segmented into food & beverages including infant formula, dairy, nutrition, sausages, and others (including coffee creams, and ready meals), pharmaceuticals, industrial, and others (including cosmetics, and personal care). The geographical analysis in the report includes North America, Europe, Asia-Pacific, and RoW.

The milk casein and caseinates market is estimated to grow with its increasing application in food and beverages, pharmaceuticals, and other industries such as cosmetics and personal care. As an additive in food and beverages milk casein and caseinates imparts nutritive value and supports the functionality of nervous system, cardiovascular system, thus helps in fortifying the body. Milk casein and caseinates has a wide range of applications in the food and beverages industry. They act as emulsifier, heat stabilizer, viscosity enhancer, binder, and foaming agent. They help in enhancing the muscle performance by reducing body fats. Thus, these are found to improve one's athletic performance. In the food and beverage industry these are largely used products such as in infant formulas, dairy products, sausages, nutritional products, and dietary supplements. The health benefits of milk casein and caseinates are estimated to increase its number of applications in the global market. The demand for milk casein and caseinates in the cosmetics market is increasing owing to their emulsifying properties. In the pharmaceuticals industry these are used for the treatment of high cholesterol, high blood pressure, anxiety, epilepsy, and gut flora imbalances.

The market for milk casein and caseinates is projected to reach USD 2.75 billion by 2020. In 2014, North America was the largest and Asia-Pacific was the fastest growing market for milk casein and caseinates. The North America milk casein and caseinates market was closely followed by Europe, with Germany being the major revenue contributor in the region. The global milk casein and caseinates market is expected to grow in the near future owing to factors such as increasing health awareness among people and rising demand of functional food products globally. Rising disposable income, increased consumption of protein supplements and technological developments are also expected to boost the demand of milk casein and caseinates during the forecast period.

For more Inquiries: http://www.micromarketmonitor.com/contact/5452513459-inquiry_before_buy.html

Key Players of the Global Milk Casein & Caseinates Market include:

AMCO Proteins (U.S.), Dairygold Co-Operative Society Ltd (Ireland), Erie Foods International, Inc. (U.S.), Fonterra Co-Operative Group (New Zealand), Hoogwegt International B.V. (The Netherlands), Kerry Ingredients (Ireland), Lactalis Ingredients (France), Nutra Food Ingredients, LLC (U.S.), FrieslandCampina (The Netherlands), Westland Milk Products (New Zealand), and Arla Foods (Denmark)

The key players in the market are focusing on new product developments, acquisitions, joint ventures, collaborations, and expansion of their production facilities to strengthen their position in the global milk casein and caseinates market.

Report Subscription:

MicroMarket Monitor produces exclusive market research reports, based on real-time data to provide better understanding of the dynamic market conditions of the Food & Beverage industry. The reports offer in-depth and complete analysis of the regional and country level marketplaces. The research reports for Food & Beverage industry are updated on quarterly basis and are easily available for purchase through annual subscriptions.

<http://www.micromarketmonitor.com/offerings/subscription>

About MicroMarket Monitor:

MicroMarket Monitor identifies and attends to various unmet needs of different industrial verticals, which include value chain impact analysis. The company publishes about 12000 Market Research Reports on various Micro Markets across the world. The graphical nature and multidimensional analysis of these reports provide advanced Business Intelligence Tools to the clients in that particular target market.

Nestle range of dairy products

2, Nov 2015

Nestle is likely to be threatened in manufacturing its Nestle range of dairy products

Recently, the Nestle India Ltd previously being engaged in reinstating and destroying large scale production of its Maggi instant noodles which has been mounting up to thousands of tonnes as such, is facing impending hardships from its soi-disant largest and oldest plant in India, situated at Moga. A majority of the milk procurement facility of Nestle is met at Moga, which leads to the manufacture of Nestle dairy products at an accelerating rate. The youth which are being putting on to their Nestle long established family business as dairy farmers do not find it interesting any more. The dairy business seems to be venture some and grueling.

This plant which is situated in Moga is the only one out of the eight plants of Nestle in India where the processing of its various dairy products has been taking place like milk powder, condensed milk, yoghurt and buttermilk. The daily procurement of milk in this plant has been reported to be as 1.4 million kg. The milk and the Nestle nutritional products endowed 47.1% to the annual revenue of Nestle in the last year. But

unrelentingly, the total volume of the dairy and the nutritional products had shrunk to about 2.3% from 138,772 tonnes to 135,591 tonnes.

The investment of Nestle in respect of milk collection and the distribution development had shown a downturn phenomenally to Rs.16.18 crore during the last year which was Rs.17.59 core in 2013. According to the annual reports made by the Nestle in the respective years, the figures were Rs.15.78 core in 2012, Rs.13.12 crore in 2011 and Rs.14.31 core in 2010. Due to the danger of degradation of the milk as to curdle quickly at the ambient temperature, the milk procurement has been centered in and around Moga which facilitates easy transportation of milk from the milk collection centers to the processing factories for the manufacturing of Nestle dairy products quickly.

As such it has been brought to light by the factory manager of the Moga plant of Nestle, Satish Srinivasan that the milk procurement of Nestle has been place from 1,640 large farmers and 70,312 small farmers. In this plant about 45% of the capacity is being used for the purpose of manufacturing the Nestle dairy products. But the emerging problem associated with the dairy sector of Nestle is that, the young men engaged in dairy farming are very eager to move to Canada. They are having this ambition because it is a home to a large number of Sikh immigrants.

In a word, it may be concluded that, the [Nestle India Ltd](#) is facing impending hardships from its soi-disant largest and oldest plant in India, situated at Moga. The youth which are being putting on to their long established family business as dairy farmers do not find it interesting any more. This business seems to be venture some and grueling. The total volume of the dairy and the nutritional products had shrunk to about 2.3% from 138,772 tonnes to 135,591 tonnes. In Moga plant, about 45% of the capacity is being used for the purpose of manufacturing the Nestle dairy products.

Indian dairy industry to focus on international market

Nov 2, 2015

Indian dairy industry has exhibited spectacular growth during the last three decades. In the liberalised era where the global village concept is acquiring momentum across the globe, India being the largest milk producing country in the world has specific advantage in providing food security, nutritional security and viable returns to large proportion of world's population. Since more than one billion people are relying on dairy farms, dairying plays a major role within the economics of numerous communities, regions and countries across the globe

According to department of animal husbandry, dairy & fisheries, Government of India, Indian dairy sector is estimated to be worth Rs 3.6 lakh crore which produces around 17 per cent of world's total milk production

from 300 million cattle. Annual growth rate is about 10 per cent and dairy industry is predominantly controlled by the unorganised sector which accounts for nearly 85 per cent of the market output.

Prospects for value addition
Analysis of the consumption of milk and milk products in India reveals that 60% of consumption is fluid milk and rest is consumed in the form of butter, clarified butter, cheese, curd, cottage cheese, ice cream, dairy whiteners and traditional sweets. Further, the private sector is showing spectacular growth in Indian dairy sector.

Protein malnutrition is an emerging challenge among human population in developing and underdeveloped countries. The easiest way through which protein malnutrition can be corrected is through promoting consumption of animal protein sources like milk and milk products. Of the total new born babies in India, average birth weight of 40 per cent newborns was below 2 kg. Indians spend 40 per cent of their daily income on food alone of which 28 per cent for animal protein sources like milk, milk products, meat, egg, fish and their products in urban and 26 per cent in rural areas. With regard to vegetables, pulses and fruits it is 26 per cent and 24 per cent respectively. So there is huge demand for dairy products within the globe. But supply is limited. Major challenge is to correct the supply-demand mismatch and exploit the increasing market potential across the world.

Globally dairy industry is emerging as one of the biggest domains of food industry. Value addition of fluid milk fetches better profit margin. Dairy products demand in India has increased dramatically in both rural and urban sectors. Thus the immediate challenge is to create greater demand for dairy products.

As far as Indian dairying is concerned, cross-bred cattle population is nearly 23 per cent and productivity per cattle is comparatively less. Government of India's initiative in dairy sector namely National Dairy Plan is envisaged to increase the productivity of milch animals and thereby increase milk production, provide rural milk producers with greater access to the organised milk processing sector by strengthening and expanding milk procurement system at the village level. It aims at creating better value for milk through value addition.



Indian Dairy Industry

Ministry of food processing industries is implementing programmes to increase dairy processing and value-added products in the country using appropriate technologies in tune with the increasing demand of dairy products within the country and abroad. Associated Chambers of Commerce and Industry of India (ASSOCHAM) reveals that India's dairy sector is likely to reach 190 million tonne in 2015 and is expected to reach US\$100 billion by 2015. As a sequel to globalisation, Indian dairy sector had witnessed quantum jump in trade of dairy products across the world. India prepares to tackle the international market following Japan, where milk consumption today, has increased to 70 kg per capita from a mere 20 kg in the '60s – the consumption of dairy products in other Asian countries is also growing. As far as India is concerned, per capita milk consumption per day is around 282 gm. So recently, ICMR raised the requirement as 300 gm of milk per day. India, having 28 per cent of Asia's population, accounts for more than half of the milk output with enough growth potential to explore international markets. In globalised era where India signed in GATT and ASEAN agreements, the country can fully exploit the export opportunities to tackle the demands of the international market. But this requires sufficient measures to meet the sanitary and phyto-sanitary specifications – prescribed by Office International des Epizooties (OIE) under the auspices of the World Trade Organization (WTO) ranging from the quality assurance of processed dairy products to the health status of livestock.

Processed Dairy Products & Export

Dairy cooperatives account for major share of processed liquid milk marketed in India. Milk is processed and marketed by 170 milk producers' cooperative unions under 15 state cooperative milk marketing federations. Over the years, several brands have been created by cooperatives like Amul – GCMMF (Gujarat), Vijaya (AP), Verka (Punjab), Saras (Rajasthan), Nandini (Karnataka), Milma (Kerala), and Gokul (Maharashtra).

Of the dairy products which fetch better prices in the international market are cheese, dairy whitener and creams. Important constraint in export of dairy products from India is quality concerns. Moreover there is huge demand for ethnic dairy products of India like Indian ghee and butter due to specific aroma. Many of the dairy products exported to developed countries are getting rejected due to poor standards. According to OIE, exporting countries should be free from contagious diseases like foot and mouth disease. Traceability, antibiotic residues and heavy metal contamination along with poor microbiological standards affect the export of dairy products.

As far as India is considered there is huge potential for stakeholder-based products. There is huge potential for ready-to-eat and ready-to-cook food products. In the changing environment, women are not confined to the kitchen, but they are emerging as home managers. Food outsourcing is an emerging area across the world. On an average, 65% Indians above 60 years of age are suffering from either hypercholesteremia or diabetes. They require customised dairy products. Children require high calorie dairy products with increased quantity of protein and fat. Cheese is having good market potential in the international market. But India is

unable to tap the export potential of cheese due to poor standards. The organised cheese market including its variants like processed cheese, mozzarella, cheese spreads, flavoured and spiced cheese, is valued at around Rs 4.5 billion. Processed cheese at 65% of the overall market is Rs 3 billion. Cheese spread has a market share of around 30% of the total processed cheese market. The market for cheese cubes, slices and tins is growing at an annual rate of around 15%. Gujarat Cooperative Milk Marketing Federation (GCMF) with the Amul brand continues to be the main operator in the branded cheese market in India. It pioneered the market for processed, branded cheese and developed the technology to make cheese from buffalo milk even though across the world cheese is made from cow milk.

Britannia Industries joined the fray in the cheese market in mid-1990s through an arrangement with Dynamix Dairy Industries (DDI). The plant designed by Valio of Finland is run on technology tie-up with Schreiber Foods of the US. Schreiber is the largest supplier of processed cheese to fast food chains in the US with expertise in sliced cheese. Britannia's cheese is sold in tins in the form of cubes, and in individually wrapped slices in packs of fives and tens. The slices are being promoted more aggressively worldwide, and these account for a bulk of cheese consumption. Amul followed Britannia in launching slices. Its cheese spread in the form of paste has been well received in the market. Britannia has been concentrating on metros and large cities. The network covers some 60,000 dairy outlets equipped with cold cabinets, refrigerators and insulated boxes and Amul covers nearly 5.5 lakh retail outlets.

French cheese major, Fromageries Bel, a 10-bn French franc outfit, has entered the Indian market with La Vache Kirit or the Laughing Cow. Its target market is Delhi and Mumbai metro under premium food brands, Ferraro Rocher and Ricola. The Bel product from Poland is exclusively for the Indian market. Along with Laughing Cow, Woerle's Australian cheese brand, Happy Cow, Nestle and Kraft's brands are also started marketing their products in the Indian market.

Probolene, Colby, Mozzarella and Parmesan from Italy, Cheddar from Dutch and Gryueve are some of the overseas brands available in India. They are competing with established players like Amul, Britannia's Milkman and Dabur's Le Bon, enjoying substantial market shares in the overall Indian cheese market. The US-based Philip Morris, which brought Kraft cheese brand earlier, has gained a significant presence in the market. The rest of the market is spread among Verka, Nandini, Vijaya and Vadilal.

Dabur in collaboration with joint venture company, Dabon International, a 50:50 joint venture between Dabur India and French dairy products major, Bongrain launched product range of 20 different varieties of cheese under LeBon brand. Dabon has a manufacturing facility at Noida with an installed capacity of 12,000 tonne per annum. Recently Dabon was banned from marketing flavoured milk and processed cheese in the country. Leading processed cheese brands in India are Amul, Britannia, Dabur (Le Bon) Vijaya, Verka, Vadilal, Kraft and Nandini.

The market for dairy whiteners (commercially known as beverage milk powders and condensed milk) and creamers is around Rs 3,000 mn. Since India is a major consumer of tea and coffee, there is huge potential for milk powders. Moreover whiteners/creamers find a high level of institutional acceptance, especially by railways, hotels and restaurants, airlines, hospitals and nursing homes and corporate offices. The institutional market can be tapped initially, especially in airlines, railways and hotels. The penetration can then be extended to the household sector. The potential for exports to Asian countries, the Middle-East, the Gulf and Africa could be exploited.

Apart from MNCs like Nestle and companies like Britannia, Indian enterprises like Amul, Sapan, Vijaya, Mohan, and Parag have made perceptible progress and are available in pouches, tetra packs, and cups. Nestle India with its Everyday dairy whitener has established its brand well. It has also entered into the market with its Nestle Pure Milk and, of course, a product in its niche area, Nescafe Frappe, having earlier launched UHT milk. While Sapan characterises it as Dairy Special (instant milk mix for tea and coffee), Vijaya is the only UHT processed milk homogenised brand sold in the market in 200 ml and one litre tetra pack. Amulya, Meadow, Mohan, Parag and Shweta dairy whiteners are in the form of powders. Mohan also markets a non-dairy whitener alongside its dairy type product.

There is immense potential for butter milk, lassi and flavored lassi. Amul and different milk unions are marketing these products through their outlets. Moreover Nestle, Britannia, Danone, Nandini, Vijaya, and so on are having proportionate market share in the Indian market. Danone's (French Company) flavoured lassi is famous due to its divisibility nature. Indian dairy firms are trying to tap opportunities in the East African milk processing markets where demand has surged amid rapid urbanisation and rising income levels. This comes at a time when several global dairy giants are looking for acquisition possibilities in eastern Africa and leading local milk producers are trying to consolidate their market share through aggressive buyouts.

Import from India

Government of India banned import of milk and dairy products from China due to melamine content. Melamine is a precursor for plastic manufacturing which causes toxicity in children. In order to increase non-protein nitrogen, Chinese farms added melamine in cattle feed which caused toxicity in children. Russia, South Africa, the Middle-East and other Asian countries are importing dairy products from India. India's export of dairy products is oriented towards developing and underdeveloped countries. But India is exporting skimmed milk powder to EU countries. Exporters of dairy products are expecting increased opportunities in the Russian market after its banning of food imports from the US and EU in retaliation against Western sanctions over Ukraine. Amul, owned by Gujarat Co-operative Milk Marketing Federation (GCMMF), which was indirectly exporting skimmed milk powder (SMP) to Russia, may now launch its own brands there, it is learnt. Amul reportedly plans to go in for certification of its plants by the Russian authorities and may enter that market with products such as butter, cheese and milk powder. India's SMP exports to Russia grew 10

times to about 3,120 tonne worth Rs 67.16 crore in 2013-14 from the previous year's 310 tonne valued at Rs 4.53 crore.

Awareness on deleterious effects of pesticides, heavy metals and antibiotics in food products seems to be motivating policy-makers, entrepreneurs and farmers to move towards organic farming. Verla represents authentic products which are produced from 100% Dutch organic milk. The pure and soft taste of these products raises awareness. Annual growth rate in food and dairy industries in the country is 20 and 10 per cent respectively. In order to exploit the market, these sectors require market-led production, processing and technology in tune with the industry demands. This will help to position Indian food and dairy industries to the level of international standards.

Policy Recommendations

India would have to be competitive on the quality front, lest the potential gain from reduced tariffs in ASEAN countries is eluded. India has to address the standards demanded by trading partners, and standards for environmental protection, animal welfare and other non-market attributes of livestock and dairy products to ensure harmonisation within the WTO. Indian dairy industry needs appropriate production, marketing, trade policy and its periodic revival to keep pace with the rest of the world and remain competitive to grab opportunity regarding international trade. In the WTO regime, cheap imports and absence of adequate protection measures, safeguarding income and livelihood of poor farmers have emerged issues that need to be addressed by policy makers. The Indian dairy sector would be competitive only if the export subsidies on dairy products are abolished. To meet these requirements – both domestically and in the world markets – modernisation of supply chain encompassing producer and consumer is the need of the hour. Increasing import at the low range of the world price would cause enormous loss of employment in the country and, therefore, on this account, the sector requires protection from low world price of milk. It is highly imperative to identify the major constraints in livestock sector and to chalk out ways and means to improve the competitiveness of livestock sector so that farmers will be able to cope with the new market regime of the post-WTO era. Awareness programmes on quality of feed and fodder assumes great significance. NDP envisages productivity enhancement through ration balancing and introduction of new technologies for formulation of mineral mixture, densification straw and fodder seed production. Awareness on scientific breeding, feeding, disease control and marketing will help to attain sustainability in dairying. Strategic programmes are required for reaching out among smallholder population for facilitating technology transfer and extension support. Veterinary services should be more oriented towards preventive

rather than curative in nature. Kerala could achieve substantial growth in this sector through complete network of veterinary institutions at grama panchayat level. To maintain quality and food safety standards, monitoring of the entire commodity chain is required. Food Safety and Standards Act 2006, Hazard Analysis and Critical Control Points/ISO22000, Good Manufacturing and Retail Practices, and Total Quality Management play a key role in this sector. Farmers have to be linked with processing and exporting agencies so that quality can be ensured right from the raw material production stage. Involvement of veterinarians in foods safety business is a must. Indian dairy sector would be competitive only if the export subsidies on dairy products are abolished. In the era of globalisation and liberalisation, real challenge before Indian livestock sector would be Sanitary and Phytosanitary Measures (SPS), Agreement on Technical Barriers to Trade (TBT) and animal welfare related issues. To meet these requirements, modernisation of supply chain is to be given due importance. Growth of Indian dairy industry would have to cope with rapid transformation that is taking place in the world economies under WTO regime which needs appropriate production, marketing, trade policy and its periodic revival to grab opportunity regarding international trade. The industry should identify the bottlenecks and target niche segment of international markets. In India, export of dairy products face a number of constraints or problems like prevalence of livestock diseases such as foot and mouth disease, importers' insistence on labelling dairy products as manufactured from cow milk and quality issues related to pesticides and antibiotics. To make dairying profitable, age at puberty of cattle has to be reduced. One calf per year for cows and one calf per 15 months for buffaloes are ideal. Value addition of milk will improve profitability. There is need to study the sanitary and phytosanitary stipulation of those countries to prepare the products acceptable in line with the stipulations laid down by those countries.

Milking their way to success

Mugali and Kamatenatti villages in Belagavi district, which were once poverty-stricken due to recurring drought, have made a mark in the dairy sector of Karnataka with a daily milk production of 8,000 litres. Unlike other places where farmers consider dairy as a subsidiary activity, here it is treated on par with farming. In fact, dairy has emerged as a viable livelihood option for these farmers. While Mugali village produces 6,000 litres of milk, Kamatenatti produces 2,000 litres every day. The milk is supplied to brands like Karnataka Milk Federation (KMF) and Aditya Milk (both in Karnataka) and Warana (Maharashtra). The dedicated efforts of educated youth of the village has paid off and dairy has grown to be an industry.

The seeds of positive growth were sown when Tammanna Bambalavadi, a graduate from Mugali village, failed to get a suitable job two decades ago. He decided to return to the village and set up a dairy with two

cows. Now his dairy has 110 cattle. Many others realised that a farm-based activity like this would be more remunerative than getting employed in the city and followed his example. Subsequently, over 20 educated youth have settled in the village and taken up dairy successfully. There are about 35 dairy farms in these two villages while others have also increased the number of their cattle. About 142 farmers in two villages are into dairy farming. Tammanna Bambalavadi, who is the Gram Panchayat president now, recalls his plight as an unemployed, “I had lost hope when academic qualifications could not fetch me a good job. Poor economic condition of the family added to the agony. It was then that I came across some dairy efforts in the region and made up my mind to tread the same path. It has helped improve our living condition and even buy more land for cultivation.”

H F breed (Holstein-Friesian breed) is the preferred cow breed here as it yields more milk and farmers initially took bank loans to buy cows. The cost of a H F breed cow is around 50,000. Since there is a steady income, they are able to repay the loan without any problem. Dairy has also helped them improve soil fertility through the application of cow dung manure.



Dairy Farm

Soybean, sugarcane, maize, sorghum and groundnut are some of the major crops. Borewell is the main source of water. Farmers mix dry and green fodder to ensure increased productivity. A mix of grains and pulses is bought as cattle feed. Villagers feel that one person can manage 10 cows. While most of the farmers manage the cattle on their own, people who own big dairy farms have hired labour from Uttar Pradesh and Bihar.

They have been selling milk for the last eight years and at present get around Rs 25 per litre. “The quality of milk procured from Mugali and Kamatenatti is good and we haven’t faced any problems so far,” opines R C Tharkar, assistant procurement officer at Aditya Milk. Karnataka Vikas Grameen Bank (KVGB), which has been supporting these efforts, is happy about 100 per cent loan repayment recorded in these villages. “Educated youth have set a positive trend in these two villages. The bank intends to support the setting up of a dairy products unit in one of the villages,” says Prakash Nadugeri, manager of Yadaguda branch of KVGB.

Aavin's mobile marketing unit a big hit in Salem

Nov 3, 2015

Aavin's mobile marketing unit that was introduced here a month ago to provide all the value added milk products to customers at their door steps has become a hit.

The vehicle is visiting one particular area once a week at the scheduled day and time.

Products

The mobile unit markets Aavin products such as ghee; sweets (Mysorepa, sonepappadi, halwa, paalkova); milk powder; tetra pack milk shake, apple, pineapple, carrot and badam juice; tetra pack chocolate milk, strawberry milk; tetra mango juice 'Maavin' and tetra pack butter milk.



Mobile marketing unit of Aavin

While ghee is available in 100 ml, 500 ml, one litre, five litre and 15 litre packs; sweets are of 250 g, and milk powder pack weighs one kg.

Aavin sources said that the mobile unit halts at important points such as Collectorate, Government Mohan Kumaramangalam Medical College Hospital, Shevvetpet and Hasthampatti once a week at a particular time. The mobile unit also halts at places where people gather in good number such as temple festivals.

The mobile marketing unit initiative has been widely welcomed by all sections of society.

The Tamil Nadu Cooperative Milk Producers Federation, Aavin's headquarters in Chennai, has come out with gift packs containing sweet and milk products this Deepavali season.

The pack comprises two Aavin milk chocolates, gulab jamun 250 g, ghee pack 200 g, badam milk powder 200 g and tetra mango juice 'Maavin'. It has been priced at Rs. 350.

The Salem Aavin has placed bulk order with the Federation for adequate stock of gift packs.

MPI reminds consumers to take care when drinking raw milk

Tuesday, 3 November 2015, 12:35 pm

Press Release: [Ministry For Primary Industries](#)

MPI reminds consumers to take care when drinking raw milk

The Ministry for Primary Industries (MPI) is reminding consumers to take care when drinking raw unpasteurised milk, which is considered a high-risk food.

“We have seen a number of recent cases of foodborne illnesses linked to raw milk and it’s important that consumers remember and understand that there are risks with drinking raw milk,” says MPI Director Animal & Animal Products Matthew Stone.

Raw milk is milk that has not been pasteurised (heat treated) to kill harmful bacteria like *Campylobacter* and *Salmonella* that are potentially present in the milk.

“Many people who drink raw milk do not always fully understand the risks and don’t realise that there is the possibility of getting sick from the harmful bacteria in the milk.”

“Pregnant women, young children (particularly babies), the elderly, and people with weakened immune systems should not drink raw milk as they are at greatest risk of getting sick and the consequences for them can be more severe, and in some cases can lead to death,” says Mr Stone.

“No matter how carefully the animals are milked there is always a risk that harmful bacteria can get into the milk. There is no way of telling by taste, sight or smell if the milk you are drinking contains any harmful bacteria so we recommend that people heat their raw milk until just boiling (or to 70°C for one minute) before drinking it.”

Keeping raw milk refrigerated (4°C or less) also reduces the risk of any harmful bacteria in the milk growing to levels which make people sick when they drink it. People should discard the milk if it has been left out of the fridge and has reached room temperature.

“People who choose to drink raw milk should make sure they are getting their milk directly from the farmer and are only buying it for personal and household consumption.”

Posted at: Nov 3 2015

NDDB to focus on reducing cost of milk production

The National Dairy Development Board (NDDB) has established a network of dairy cooperatives in which around 15.6 million dairy farmers are procuring 40 million kg of milk every day. T Nanda Kumar, chairman, NDDB, talks about the dairy scenario and FarmersFirst campaign to support farmers in times of distress by promoting milk products from dairy cooperatives.

Q: NDDB has launched a campaign to promote products from dairy cooperatives. What is the rationale and theme of the campaign?

A: The last few years, including the current year, have been difficult years for farmers in our country. Successive droughts and other natural calamities coupled with volatile international prices have put substantial stress on livelihood of our farmers. Farmers need support at this time. NDDB's mandate is to promote farmer-owned organisations. Through its various programmes, it has promoted and assisted in establishing robust network of dairy cooperatives to which almost 15.6 million dairy farmers are connected directly or indirectly for their livelihood. These dairy farmers have organised themselves to produce, process and market quality milk and milk products at reasonable rates to the consumer.

The theme of the campaign is 'FarmersFirst'. Through this campaign, awareness is being created among consumers to acknowledge the contribution of dairy farmers in their daily lives through ensuring the best quality milk at reasonable rates, every day, without fail.

The campaign seeks the support of consumers by buying milk and milk products of cooperatives which would ensure that minimum 75% of the price paid by them reaches dairy farmers.

Q: Would this imply asking consumers to stay away from private sector brands?

A: NDDB believes that dairy development is not about commodity called milk, but about social and economic transformation of dairy farmers in the country. This is not a negative campaign. This is not also about discouraging anyone. This is about making the consumer aware of the impact of a conscious choice he can make to help farmers without incurring any additional cost. In fact, the consumer may even save money in certain cases, while getting safe and pasteurised milk.

Q: What is the size of the cooperatives and farmers associated with NDDB? How much milk is being produced through these cooperatives?

A: Around 15.6 million dairy farmers are associated with NDDB through 1.6 lakh village-level Dairy Cooperative Societies and 210 Milk Cooperative Unions. NDDB provides required managerial, technical and financial support that enables them to ensure maximum returns to their dairy farmer members. At present, 40 million kg/day of milk is procured by these dairy cooperatives across the country.

Q: What are the future plans of National Dairy Development Board?

A: NDDB has initiated the implementation of National Dairy Plan phase-I with the objective of increasing milk production through improved milk productivity of milch animals and to provide access to organised milk processing sector for more and more milk producers in India. Phase-II of the National Dairy Plan which would

focus on strengthening the milk processing capacity of cooperatives is at a preparatory stage and is expected to be initiated during 2019-20.

Another major initiative of NDDB is to focus on feeding balanced ration to animals so as to reduce cost of production of milk for milk producers and ensure enhanced margins from the sale of their produce with the use of IT applications and now a mobile app (Pashu Poshan), NDDB has been able to provide dairy farmers a tool to make dairying viable.

NDDB through its wholly owned subsidiary Mother Dairy (SAFAL) has embarked upon an initiative to bring about a holistic change in the entire value chain of pulses in the country. The objective is to ensure better price to the farmers by providing market linkage, bring in transparency in the pulses value chain and ensure fair price to the consumers. NDDB has also initiated setting up of “NDDB Foundation for Nutrition” to address the issue of malnourishment in children. The foundation would also provide a platform for corporate to contribute funds under their CSR obligations or otherwise for this noble cause of ensuring nutrition to children.

Q: What are the new offerings in value-added segments that NDDB has launched recently?

A: NDDB has also set up a wholly owned subsidiary named Mother Dairy which procures milk from dairy farmers and markets milk and milk products. With changing food habits and preferences of the consumers, most of the milk marketers are not remaining limited to naturally healthy or fun for you (ice-cream, sweets) products but have ventured into offering products which are good for you (yoghurt, paneer, cheese), better for you (reduced fat, low-sugar products) and nutraceuticals (sports nutrition, weight-loss supplements). NDDB assists them to develop such products through its research and development wing.

Q: What is the size of the dairy industry in India?

A: Domestic milk production is around 400 million kg/day out of which 240 million kg/ day is available as marketable surplus. Almost 70% of this marketable surplus i.e. 170 million kg/day is handled by the unorganised sector and the rest 30% is handled by cooperatives (40 million kg/day) and organised private sector (30 million kg/day).

Laurels for Omfed, its MD

Nov 1, 2015

The Orissa State Cooperative Milk Producers' Federation Limited (Omfed) and its Managing Director would be felicitated with Award for Excellence and Udyog Rattan Award, respectively by the Institute of Economic Studies (IES).

While Omfed MD Bishnupada Seathi would be conferred the prestigious "Udyog Rattan Award" by the Institute of Economic Studies (IES), milk major Omfed would be felicitated with Award of Excellence at a special ceremony of IES in Mumbai on November 21.

The selection was done by a panel of judges who are usually eminent citizens with economic backgrounds.

Ludhiana, November 1

Yesterday's seizure of khoya and milk cake from Unique Food Factory by a team of the Health Department has once again brought to the fore the menace of adulteration during Diwali.

Diwali is round the corner and festivities in our country are incomplete without the traditional sweets. But one needs to be cautious before eating their favourite sweets as it might be prepared with spurious khoya, synthetic colours and foils.

In order to make huge profit margins, local traders and sweet makers use substandard products, leaving consumers vulnerable to ailments such as vomiting, food poisoning, stomach aches and infections. Unscrupulous sweet makers use chemicals and artificial colours to prepare sweets. The more a sweet looks attractive, the more are the chances of its being prepared with spurious ingredients.

"We are carrying out extensive checking of food products in view of the festive season. Raids on sweets shops to check the quality of sweets are being conducted regularly," said the District Health Officer, Dr Abnash Kumar.

Supriya Shah, a resident of Sunrise Colony, said adulteration in sweets was very high during the festive season. Therefore, she preferred to buy branded sweets.

"Despite provision of strict action against those indulging in adulteration, huge quantities of adulterated milk products, including ghee, khoya and mawa, are seized by the authorities concerned during the festive season every year. Such seizures every year deters residents from buying sweets from the local shops," said.

Common adulterants

- Milk is usually adulterated with water, chalk, urea, soap and other whiteners.

- Ghee is most commonly adulterated with mashed potatoes and vanaspati. Edible oil may be adulterated with angemon oil and mineral oil.
- Khoya generally has adulterants such as paper, starch, blotting paper, fine flour, refined oil, skimmed milk powder and water.
- Besan laddoos are generally adulterated with kesari daal (animal feed unfit for human consumption).
- Gulab jamuns have adulterants such as spurious khoya and paneer.
- The common adulterant in rasgullas is chhena, which is prepared from synthetic milk, which in turn is made from caustic soda and detergent powder.
- Ice creams might contain washing powder.
- Vark (foil) might be replaced with aluminium foil by unscrupulous sweet makers.

Check it yourself

- Take one spoon of ghee and add an equal amount of hydrochloric acid. Then add some sugar to it. Shake it for one minute. The presence of vanaspati can be detected if the base of the acid shows dark red colour.
- Similarly, to test adulterant in edible oil, add a few drops of nitric acid to the sample and shake it well. The appearance of reddish brown colour shows the presence of angemon oil in it.
- Put a drop of milk on polished vertical surface. The drop of milk either stops or flows slowly leaving a white trail behind it. If it contains water, it will flow down fast without leaving any mark.
- Another test to detect synthetics or the presence of starch in milk is by adding a few drops of iodine to milk. The presence of blue colour confirms it is adulterated with starch.
- Boil khoya with some water. Cool it down and now add a tincture of iodine to it. If blue colour appears, it means the khoya sample has starch.
- A simple method to detect adulteration in ice cream is to add a few drops of lemon juice to it. If bubbles start appearing, it means the sample is adulterated.
- Just rub the foil sample on your palm by your thumb. If it's aluminium, it will stick to your hand. If it's pure, then nothing will remain on the palm.

Indian dairy industry to focus on international market

Monday, 02 November, 2015, 08 : 00 AM [IST]

Dr T P Sethumadhavan

Indian dairy industry has exhibited spectacular growth during the last three decades. In the liberalised era where the global village concept is acquiring momentum across the globe, India being the largest milk producing country in the world has specific advantage in providing food security, nutritional security and viable returns to large proportion of world's population. Since more than one billion people are relying on dairy farms, dairying plays a major role within the economics of numerous communities, regions and countries across the globe.

According to department of animal husbandry, dairy & fisheries, Government of India, Indian dairy sector is estimated to be worth Rs 3.6 lakh crore which produces around 17 per cent of world's total milk production from 300 million cattle. Annual growth rate is about 10 per cent and dairy industry is predominantly controlled by the unorganised sector which accounts for nearly 85 per cent of the market output.

Prospects for value addition
Analysis of the consumption of milk and milk products in India reveals that 60% of consumption is fluid milk and rest is consumed in the form of butter, clarified butter, cheese, curd, cottage cheese, ice cream, dairy whiteners and traditional sweets. Further, the private sector is showing spectacular growth in Indian dairy sector.

Protein malnutrition is an emerging challenge among human population in developing and underdeveloped countries. The easiest way through which protein malnutrition can be corrected is through promoting consumption of animal protein sources like milk and milk products. Of the total new born babies in India, average birth weight of 40 per cent newborns was below 2 kg. Indians spend 40 per cent of their daily income on food alone of which 28 per cent for animal protein sources like milk, milk products, meat, egg, fish and their products in urban and 26 per cent in rural areas. With regard to vegetables, pulses and fruits it is 26 per cent and 24 per cent respectively. So there is huge demand for dairy products within the globe. But supply is limited. Major challenge is to correct the supply-demand mismatch and exploit the increasing market potential across the world.

Globally dairy industry is emerging as one of the biggest domains of food industry. Value addition of fluid milk fetches better profit margin. Dairy products demand in India has increased dramatically in both rural and urban sectors. Thus the immediate challenge is to create greater demand for dairy products.

As far as Indian dairying is concerned, cross-bred cattle population is nearly 23 per cent and productivity per cattle is comparatively less. Government of India's initiative in dairy sector namely National Dairy Plan is envisaged to increase the productivity of milch animals and thereby increase milk production, provide rural milk producers with greater access to the organised milk processing sector by strengthening and expanding milk procurement system at the village level. It aims at creating better value for milk through value addition.

Ministry of food processing industries is implementing programmes to increase dairy processing and value-added products in the country using appropriate technologies in tune with the increasing demand of dairy products within the country and abroad. Associated Chambers of Commerce and Industry of India (ASSOCHAM) reveals that India's dairy sector is likely to reach 190 million tonne in 2015 and is expected to reach US\$100 billion by 2015. As a sequel to globalisation, Indian dairy sector had witnessed quantum jump in trade of dairy products across the world. India prepares to tackle the international market following Japan, where milk consumption

today, has increased to 70 kg per capita from a mere 20 kg in the '60s - the consumption of dairy products in other Asian countries is also growing. As far as India is concerned, per capita milk consumption per day is around 282 gm. So recently, ICMR raised the requirement as 300 gm of milk per day. India, having 28 per cent of Asia's population, accounts for more than half of the milk output with enough growth potential to explore international markets. In globalised era where India signed in GATT and ASEAN agreements, the country can fully exploit the export opportunities to tackle the demands of the international market. But this requires sufficient measures to meet the sanitary and phyto-sanitary specifications - prescribed by Office International des Epizooties (OIE) under the auspices of the World Trade Organization (WTO) ranging from the quality assurance of processed dairy products to the health status of livestock.

Processed Dairy Products & Export

Dairy cooperatives account for major share of processed liquid milk marketed in India. Milk is processed and marketed by 170 milk producers' cooperative unions under 15 state cooperative milk marketing federations. Over the years, several brands have been created by cooperatives like Amul - GCMMF (Gujarat), Vijaya (AP), Verka (Punjab), Saras (Rajasthan), Nandini (Karnataka), Milma (Kerala), and Gokul (Maharashtra).

Of the dairy products which fetch better prices in the international market are cheese, dairy whitener and creams. Important constraint in export of dairy products from India is quality concerns. Moreover there is huge demand for ethnic dairy products of India like Indian ghee and butter due to specific aroma. Many of the dairy products exported to developed countries are getting rejected due to poor standards. According to OIE, exporting countries should be free from contagious diseases like foot and mouth disease. Traceability, antibiotic residues and heavy metal contamination along with poor microbiological standards affect the export of dairy products.

As far as India is considered there is huge potential for stakeholder-based products. There is huge potential for ready-to-eat and ready-to-cook food products. In the changing environment, women are not confined to the kitchen, but they are emerging as home managers. Food outsourcing is an emerging area across the world. On an average, 65% Indians above 60 years of age are suffering from either hypercholesteremia or diabetes. They require customised dairy products. Children require high calorie dairy products with increased quantity of protein and fat. Cheese is having good market potential in the international market. But India is unable to tap the export potential of cheese due to poor standards. The organised cheese market including its variants like processed cheese, mozzarella, cheese spreads, flavoured and spiced cheese, is valued at around Rs 4.5 billion. Processed cheese at 65% of the overall market is Rs 3 billion. Cheese spread has a market share of around 30% of the total processed cheese market. The market for cheese cubes, slices and tins is growing at an annual rate of around 15%. Gujarat Cooperative Milk Marketing Federation (GCMF) with the Amul brand continues to be the main operator in the branded cheese market in India. It pioneered the market for processed, branded cheese and developed the technology to make cheese from buffalo milk even though across the world cheese is made from cow milk.

Britannia Industries joined the fray in the cheese market in mid-1990s through an arrangement with Dynamix Dairy Industries (DDI). The plant designed by Valio of Finland is run on technology tie-up with Schreiber Foods of the US. Schreiber is the largest supplier of processed cheese to fast food chains in the US with expertise in sliced cheese. Britannia's cheese is sold in tins in the form of cubes, and in individually wrapped slices in packs of fives and tens. The slices are being promoted more aggressively worldwide, and these account for a bulk of cheese consumption. Amul followed Britannia in launching slices. Its cheese spread in the form of paste has been well received in the market. Britannia has been concentrating on metros and large cities. The network covers some 60,000 dairy outlets equipped with cold cabinets, refrigerators and insulated boxes and Amul covers nearly 5.5 lakh retail outlets.

French cheese major, Fromageries Bel, a 10-bn French franc outfit, has entered the Indian market with La

Vache Kirit or the Laughing Cow. Its target market is Delhi and Mumbai metro under premium food brands, Ferraro Rocher and Ricola. The Bel product from Poland is exclusively for the Indian market. Along with Laughing Cow, Woerle's Australian cheese brand, Happy Cow, Nestle and Kraft's brands are also started marketing their products in the Indian market.

Probolene, Colby, Mozzarella and Parmesan from Italy, Cheddar from Dutch and Gryueve are some of the overseas brands available in India. They are competing with established players like Amul, Britannia's Milkman and Dabur's Le Bon, enjoying substantial market shares in the overall Indian cheese market. The US-based Philip Morris, which brought Kraft cheese brand earlier, has gained a significant presence in the market. The rest of the market is spread among Verka, Nandini, Vijaya and Vadilal.

Dabur in collaboration with joint venture company, Dabon International, a 50:50 joint venture between Dabur India and French dairy products major, Bongrain launched product range of 20 different varieties of cheese under LeBon brand. Dabon has a manufacturing facility at Noida with an installed capacity of 12,000 tonne per annum. Recently Dabon was banned from marketing flavoured milk and processed cheese in the country. Leading processed cheese brands in India are Amul, Britannia, Dabur (Le Bon) Vijaya, Verka, Vadilal, Kraft and Nandini.

The market for dairy whiteners (commercially known as beverage milk powders and condensed milk) and creamers is around Rs 3,000 mn. Since India is a major consumer of tea and coffee, there is huge potential for milk powders. Moreover whiteners/creamers find a high level of institutional acceptance, especially by railways, hotels and restaurants, airlines, hospitals and nursing homes and corporate offices. The institutional market can be tapped initially, especially in airlines, railways and hotels. The penetration can then be extended to the household sector. The potential for exports to Asian countries, the Middle-East, the Gulf and Africa could be exploited.

Apart from MNCs like Nestle and companies like Britannia, Indian enterprises like Amul, Sapan, Vijaya, Mohan, and Parag have made perceptible progress and are available in pouches, tetra packs, and cups. Nestle India with its Everyday dairy whitener has established its brand well. It has also entered into the market with its Nestle Pure Milk and, of course, a product in its niche area, Nescafe Frappe, having earlier launched UHT milk. While Sapan characterises it as Dairy Special (instant milk mix for tea and coffee), Vijaya is the only UHT processed milk homogenised brand sold in the market in 200 ml and one litre tetra pack. Amulya, Meadow, Mohan, Parag and Shweta dairy whiteners are in the form of powders. Mohan also markets a non-dairy whitener alongside its dairy type product.

There is immense potential for butter milk, lassi and flavored lassi. Amul and different milk unions are marketing these products through their outlets. Moreover Nestle, Britannia, Danone, Nandini, Vijaya, and so on are having proportionate market share in the Indian market. Danone's (French Company) flavoured lassi is famous due to its divisibility nature. Indian dairy firms are trying to tap opportunities in the East African milk processing markets where demand has surged amid rapid urbanisation and rising income levels. This comes at a time when several global dairy giants are looking for acquisition possibilities in eastern Africa and leading local milk producers are trying to consolidate their market share through aggressive buyouts.

Import from India
Government of India banned import of milk and dairy products from China due to melamine content. Melamine is a precursor for plastic manufacturing which causes toxicity in children. In order to increase non-protein nitrogen, Chinese forms added melamine in cattle feed which caused toxicity in children. Russia, South Africa, the Middle-East and other Asian countries are importing dairy products from India. India's export of dairy products is oriented towards developing and underdeveloped countries. But India is exporting skimmed milk powder to EU countries. Exporters of dairy products are expecting increased opportunities in

the Russian market after its banning of food imports from the US and EU in retaliation against Western sanctions over Ukraine. Amul, owned by Gujarat Co-operative Milk Marketing Federation (GCMMF), which was indirectly exporting skimmed milk powder (SMP) to Russia, may now launch its own brands there, it is learnt. Amul reportedly plans to go in for certification of its plants by the Russian authorities and may enter that market with products such as butter, cheese and milk powder. India's SMP exports to Russia grew 10 times to about 3,120 tonne worth Rs 67.16 crore in 2013-14 from the previous year's 310 tonne valued at Rs 4.53 crore.

Awareness on deleterious effects of pesticides, heavy metals and antibiotics in food products seems to be motivating policy-makers, entrepreneurs and farmers to move towards organic farming. Verla represents authentic products which are produced from 100% Dutch organic milk. The pure and soft taste of these products raises awareness. Annual growth rate in food and dairy industries in the country is 20 and 10 per cent respectively. In order to exploit the market, these sectors require market-led production, processing and technology in tune with the industry demands. This will help to position Indian food and dairy industries to the level of international standards.

Policy

Recommendations

- India would have to be competitive on the quality front, lest the potential gain from reduced tariffs in ASEAN countries is eluded.
- India has to address the standards demanded by trading partners, and standards for environmental protection, animal welfare and other non-market attributes of livestock and dairy products to ensure harmonisation within the WTO
- Indian dairy industry needs appropriate production, marketing, trade policy and its periodic revival to keep pace with the rest of the world and remain competitive to grab opportunity regarding international trade.
- In the WTO regime, cheap imports and absence of adequate protection measures, safeguarding income and livelihood of poor farmers have as emerged issues that need to be addressed by policy makers.
- The Indian dairy sector would be competitive only if the export subsidies on dairy products are abolished.
- To meet these requirements - both domestically and in the world markets - modernisation of supply chain encompassing producer and consumer is the need of the hour.
- Increasing import at the low range of the world price would cause enormous loss of employment in the country and, therefore, on this account, the sector requires protection from low world price of milk.
- It is highly imperative to identify the major constraints in livestock sector and to chalk out ways and means to improve the competitiveness of livestock sector so that farmers will be able to cope with the new market regime of the post-WTO era.
- Awareness programmes on quality of feed and fodder assumes great significance. NDP envisages productivity enhancement through ration balancing and introduction of new technologies for formulation of mineral mixture, densification straw and fodder seed production.
- Awareness on scientific breeding, feeding, disease control and marketing will help to attain sustainability in dairying. Strategic programmes are required for reaching out among smallholder population for facilitating technology transfer and extension support. Veterinary services should be more oriented towards preventive rather than curative in nature. Kerala could achieve substantial growth in this sector through complete network of veterinary institutions at grama panchayat level.

- To maintain quality and food safety standards, monitoring of the entire commodity chain is required. Food Safety and Standards Act 2006, Hazard Analysis and Critical Control Points/ISO22000, Good Manufacturing and Retail Practices, and Total Quality Management play a key role in this sector. Farmers have to be linked with processing and exporting agencies so that quality can be ensured right from the raw material production stage. Involvement of veterinarians in foods safety business is a must.
- Indian dairy sector would be competitive only if the export subsidies on dairy products are abolished. In the era of globalisation and liberalisation, real challenge before Indian livestock sector would be Sanitary and Phytosanitary Measures (SPS), Agreement on Technical Barriers to Trade (TBT) and animal welfare related issues. To meet these requirements, modernisation of supply chain is to be given due importance.
- Growth of Indian dairy industry would have to cope with rapid transformation that is taking place in the world economies under WTO regime which needs appropriate production, marketing, trade policy and its periodic revival to grab opportunity regarding international trade.
- The industry should identify the bottlenecks and target niche segment of international markets. In India, export of dairy products face a number of constraints or problems like prevalence of livestock diseases such as foot and mouth disease, importers' insistence on labelling dairy products as manufactured from cow milk and quality issues related to pesticides and antibiotics.
- To make dairying profitable, age at puberty of cattle has to be reduced. One calf per year for cows and one calf per 15 months for buffaloes are ideal. Value addition of milk will improve profitability.
- There is need to study the sanitary and phytosanitary stipulation of those countries to prepare the products acceptable in line with the stipulations laid down by those countries.

INTERVIEW

“We are working to achieve growth of 18% this fiscal”

Monday, 02 November, 2015, 08 : 00 AM [IST]

Amul, one of the leading manufacturers of dairy products, has pioneered milk processing in India. The company has captured the dairy and dairy products market with its wide range of products - pasteurised milk, ghee, butter, cheese, ice cream and more. Gujarat-based company Gujarat Cooperative Milk Marketing Federation Ltd (GCMMF) has been conducting the operations in procuring and processing milk and selling under its brand name Amul. **R S Sodhi**, managing director, Amul, in a telecon with **Pushkar Oak** talks about the brand, the business, the growth, the challenges and more. *Excerpts:*

What is the current status of the dairy industry in regards to market production in volume and value?

The current dairy industry is around 145 million tonne and will experience growth in the coming years. The Indian dairy industry accounts for Rs 4 lakh crore plus approximately. The industry has only 17% of organised business.

Tell us about the status of the imports and exports in the dairy sector in India.

India is the world's largest milk producer. India's exports are highly concentrated in skimmed milk powder (SMP), milk derived proteins - casein and ghee contributing close to 45%, 30% and 15% of our total dairy exports respectively. But the exports are not up to the mark. India has a huge potential to tap the growing demand in the dairy segment with the much-needed support infrastructure which is undertaken recently by the new government.

The main reason for losing our exports is the commodity market crash.

Amul is said to be investing Rs 250 crore in a dairy processing plant at Sankrail Food Park. How far has the set up completed?

Amul has been allotted 16.15 acre of land at Food Park Phase III in West Bengal. We will be setting up a fully automated dairy unit for production of milk and other dairy products. We have proposed to invest 190 crore for the project.

According to you, how beneficial is the food parks concept to the dairy industry in India?

Yes, definitely, it is a very significant concept and will add up to the growth of Indian economy as well. India is growing, cashing in on its potential with the development of food parks, which allows all-at-one-place approach.

What are your expansion/ acquisition plans for the next five years?

We usually invest in our businesses for improvements, additions and expansions. We invest around Rs 800 to 1,000 crore regularly after every two or three years.

We are coming up with new dairy plants in Faridabad, Kanpur, Lucknow and Kolkata. Our mega cheese plant near Palanpur is in its completion stage.

How crucial is the role of effective cold storage mechanism? How can issue of wastage/spoilage in milk be addressed?

Cold storages are very important. Cold chains provide an opportunity to increase the production of perishable products and ensure whatever is produced can be kept and stored safely. Suppose, if there are processed products of milk, the shelf life of those products can be increased with the usage of such cold storages in the key areas where there is a good transport connectivity.

Supply chain is ineffective if it does not possess a proper cold storage mechanism in place. Cold storages can prove beneficial in eradicating the wastage or reduce it. Cold storage gives an extended shelf life to the perishable products.

How and in what way will the Indo-Russian dairy protocol benefit the dairy industry in India?

It will enable India to get competitive rates. It will develop an opportunity to avail good rates to our farmers. The competition will lead to more growth.

Are you planning to introduce anything new in view of consumer demand in the market?

Yes, Amul is coming up with varieties in ice creams and we are coming up with products in small pack sizes. These small packs are introduced looking at the recent trends in packaging innovation. Similar other products in the market have shown a good response. Everything now is sold in small packets for example: cheese cubes and cheese slices. Also the transition of shampoos from bottles to sachets was very successful in consumer market.

What was Amul's turnover last year and your expectations from this year? How much is the share in the Indian market?

Amul had a turnover of around Rs 20,733 crore last year. We are working ahead to achieve a growth of 18% in this fiscal. Also we are working on increasing our milk procurement by around 13% by this year.

What are your plans in the new fiscal?

We will be looking ahead for more penetration in the markets of cheese as mentioned earlier we have a mega cheese plant. Cheese segment is growing in the market, but paneer, a form of cheese, is more liked by Indian consumers.

Foreign Dairy News

Dairy alternatives market to reach \$19.5bn by 2020

By [Hal Conick+](#)

13-Nov-2015

Last updated on 13-Nov-2015 at 13:12 GMT

www.dairyreporter.com

Global consumption of dairy alternatives is set to rise rapidly driven by Asian-Pacific, according to a recent report.

The global dairy alternative market is expected to increase at a rate of 15.5% each year until 2020 when it will hit \$19.5bn, according to a report from MarketsandMarkets. In addition, the report says global consumption of dairy alternatives is projected to grow 15.2% per year over the next five years.

Dairy alternatives are defined as food and beverages that do not contain lactose and have health benefits, especially for those who are lactose-intolerant. With the rise of consumers going vegan or vegetarian, following health trends and suffering from food allergies, there is far more of a market for products like rice milk, soy milk and almond milk, the report said.

Biggest growth expected in Asia-Pacific

The Asia-Pacific region “dominated” the dairy alternatives market in 2014, according to the report, followed closely by North America. However, the Asia-Pacific region is poised to nearly triple in size over the next five years.

“The Asia-Pacific market is projected to grow at the highest CAGR [compound annual growth rate] with rapid growth in the dairy alternatives market in the developing countries such as China and South East Asia,” the report said. “The growing health awareness, rising preference for vegan diet, and rising cases of lactose intolerance and milk allergy in this region are also driving the market.”

Plain is popular

Even with many sweetened dairy alternatives on the market, the “plain, unsweetened” segment saw the highest market share at 27% in 2014. Weight, lifestyle and diabetes concerns are likely at the heart of this, according to MarketsandMarkets.

But dairy alternative manufacturers are still pushing forward with new flavors and fortified products, including those with calcium and vitamin D, to improve nutrition value and help increase sales.

Many in the industry are excited about the growth, with WhiteWave Foods CEO Gregg Engles, [telling FoodNavigator-USA](#) that the industry is seeing “a natural evolution of these businesses as these categories get large and as household penetration builds towards maybe it’s more natural level”.

To sustain the growth, Engles said companies will have to reframe categories and create innovative products. The MarketsandMarkets report said manufacturers are seeing success by trying not only new flavors, but new types of packaging.

Enter Dairy Awards and go on Holiday

Thursday, 12 November 2015, 9:50 am

Press Release: [New Zealand Dairy Industry Awards](#)

ENTER DAIRY AWARDS AND GO ON HOLIDAY

Those that enter the 2016 New Zealand Dairy Industry Awards can win a holiday of their choosing – so long as they enter soon.

Entries in the 2016 New Zealand Share Farmer of the Year, Dairy Manager of the Year and Dairy Trainee of the Year competitions are now being accepted online at www.dairyindustryawards.co.nz and close on November 30.

Those that enter by midnight on November 20* will go into the Early Bird Entry Prize Draw and be in with a chance to win a share of \$12,000 in travel vouchers and spending money.

One travel voucher and accompanying spending money will be given to an early entrant in each competition. There are three prize draws in total.

“With dairy farm budgets a bit tight this year we think the Early Bird Entry Prize Draw of travel vouchers and spending money are one way we can help dairy farmers take a break and have some fun,” Awards General Manager Chris Keeping says.

“Getting away from the farm and having a holiday is important. Many farmers use the time to enjoy family, and plan future personal and business goals.”

The prize draw for early entrants in the Share Farmer competition is valued at \$6000, while it is worth \$4000 for those eligible in the Dairy Manager contest and \$2000 for eligible Dairy Trainee competition entrants.

Mrs Keeping says more than 200 people have already entered the 2016 awards programme, which aims to assist people to progress in their dairy farming career.

The New Zealand Dairy Industry Awards are supported by national sponsors Westpac, DairyNZ, DeLaval, Ecolab, Federated Farmers, Fonterra Farm Source, Honda Motorcycles, LIC, Meridian Energy, and Ravensdown, along with industry partner Primary ITO.

More information on the three competitions can be found at www.dairyindustryawards.co.nz.

*To be eligible for the Early Bird Entry Prize Draw, entrants must enter by midnight on November 20 and complete the judging process for the competition entered. The winners will be drawn from eligible entrants on 1 April 2016 and notified online at www.dairyindustryawards.co.nz on 4 April 2016.

Banks warned over dairy sector loans

By [Simon Hartley](#) on Thu, 12 Nov 2015, Otago Daily Times

The heated housing market and dairy sector remain key concerns for the Reserve Bank - but it has not announced any further restraints on the housing sector.

However, banks have been warned to closely scrutinise their dairy sector loans.

The most recently implemented housing restraints have been loan to value (LVR) restrictions on deposits of Auckland investors, rising from 20% to 30%, while elsewhere in the country the restriction was relaxed to 15%, plus there are now tax obligations for people selling an investment house owned for less than two years.

The indebted dairy sector came in for increased scrutiny by Reserve Bank governor Graeme Wheeler in his Financial Stability Report for November, released yesterday, saying banks had to be "realistic" about the "likely increase in problem loans".

The Reserve Bank has requested the five biggest lenders to the dairy sector - ASB Bank, ANZ Bank New Zealand, Bank of New Zealand, Westpac New Zealand and Rabobank New Zealand - to stress test their portfolios, which the Reserve Bank sees as a growing risk to the health of the nation's financial stability, BusinessDesk reported.

The regulator was encouraged by "realistic provisions" set aside for the portfolios, and its modelling suggests a sustained downturn would be manageable for the wider system.

"The dairy sector faces a second consecutive season of weak cash flow due to low international dairy commodity prices," Mr Wheeler said.

"[Dairy] prices have shown some recovery since August, but many indebted farms are coming under increased pressure, which would be exacerbated if low dairy prices are sustained or dairy farm prices fall significantly," he said in the report.

Opposition parties rounded on the stability report, Labour's finance spokesman, Grant Robertson, accusing Finance Minister Bill English of ignoring the Reserve Bank's repeated reports.

He said Auckland's housing bubble had spread to Hamilton and Tauranga - encompassing three of New Zealand's five biggest cities.

"National has completely failed to deal with this, shown by just 100 homes being built under the failed Auckland housing accord," Mr Robertson said in a statement.

Green Party finance spokeswoman Julie Anne Genter said the stability report "echoed warnings" in an International Monetary Fund statement, that rampant house price inflation, fuelled by Auckland property speculation, was a serious risk to New Zealand's economy.

"National finally took a tiny step in the right direction with the two-year bright line test, but the reality is the proposed law before the House has too many loopholes and is too limited in scope to make a substantial difference in curbing speculation," she said in a statement yesterday.

Mr Wheeler said Auckland's house price growth had increased strongly with house price-to-income ratios in the region now comparable to those seen in some of the world's most expensive cities.

"A sharp downturn could challenge financial stability, given the large exposure of the banking system to the Auckland housing market," he said.

ASB chief economist Nick Tuffley said the Reserve Bank saw overall financial risks to the economy as higher, an assessment to be expected given house prices were higher and the dairy outlook was weaker than in the May stability report.

Mr Tuffley said while still expecting a 25 basis point cut to the interest driving official cash rate in December, the ASB's inflation outlook was so low he saw some risk of even further OCR cuts in 2016.

Reserve Bank deputy governor Grant Spencer said the banks were working with dairy farmers experiencing difficulty, and it was important they continued to take a medium-term view when assessing farm viability.

"The banks' losses on dairy exposures are expected to be manageable, but banks need to ensure that they set aside realistic provisions for the likely increase in problem loans," Mr Spencer said, Mr Tuffley said no fresh housing measures were announced yesterday, noting the latest LVR restrictions had only just taken effect this month.

There has been sector speculation of a new debt-to-income limit to be placed on borrowers, but Mr Tuffley said that issue required "a lot of background work first".

Mr Spencer said the Reserve Bank had "a number of other regulatory initiatives in train".

"Public consultation has recently closed on a stocktake of banking regulations and a summary of submissions will be published shortly," he said.

simon.hartley@odt.co.nz

Those that don't drink milk will be about 4 centimeters shorter when they grow up than those that do

By i24news

Published: 11/11/2015 - 08:51am, updated: 09:00am

Do your children avoid drinking milk? A new Israeli study indicates that they will be about 4 centimeters (1.5 inches) shorter when they grow up.

The study was conducted by Dr. Tali Sinai from the School of Nutritional Sciences at Hebrew University's Faculty of Agriculture together with Assaf Harofeh Medical Center.

The decision to focus on milk and dairy products as a factor which allegedly affects growth was made in light of results of global studies which showed that children with cow's milk allergy are at risk of not reaching their growth potential.

The research was conducted on some 100 subjects around the age of 20 - when a person has already reached his full growth potential. Some of them were allergic to milk and had therefore never consumed it, while the rest drank milk regularly.

According to Dr. Sinai, a clinical dietician, the research findings determined unequivocally that the subjects who never consumed milk were shorter than the ones who consumed the product. The study further found that those who did not drink milk were shorter than the general average in the population.

The study also examined the height of the parents of the subjects who have never drank milk and found that the parents, who have been drinking milk all their lives, are 4 centimeters taller than their children, on average. In other words, if their children had drank milk, they would be a few centimeters taller, according to the research.

"Some of these children are even 10 centimeters shorter than their parents," Dr. Sinai says. "These are clear statistical differences. It's not a coincidence.

"Milk is a source of energy, of high-quality biological protein, of vital fatty acids, of vitamins and of minerals, which are all concentrated in one type of food. Children who don't consume milk must find a way to make up the nutritional deprivations in order to prevent growth problems."

It should be noted, however, that some experts and doctors believe that drinking milk is unhealthy and unnecessary.

Growing is thirsty work for MG

ANDREW MARSHALL

09 Nov, 2015 01:00 AM

AUSTRALIA'S biggest dairy business is getting bigger by the month and is thirsty for more milk to feed expanding food service and retail markets at home and overseas.

Underpinned by its bold move into the fresh milk market in NSW and Victoria last year and a special share trust float in July to create a \$500 million capital pool to fund new factories and new product initiatives, Murray Goulburn (MG) has grown its ready-to-consume dairy foods business almost a third in 12 months, also riding through a global price slump.

The Victorian-based farmer co-operative which became a mainstream player in NSW in 2013 also increased its milk intake 5.5 per cent to 3.6 billion litres last year - well ahead of the 3.8pc industry growth average.

While international milk commodity prices tumbled 30pc in the past year as a dairy product stockpile weighed on markets, particularly in China, the business behind the Devondale brand paid its third highest ever farmgate price for milk in 2014-15 in a deliberate move to encourage its suppliers in four states to hold their nerve and keep milking more cows.

It is also in the throes of a \$74m expansion of its consumer cheese output at Cobram on the Victoria-NSW border and next year is set to start spending up to \$190m on a new dairy beverages plant largely to produce ultra high temperature (UHT) treated products for Asia.

An even bigger construction project, worth up to \$300m at Koroit in Victoria's Western District, is planned to start next year, too, to lift production of premium-value nutritional powder products by 63,000 tonnes.

"We're firing on all cylinders," said managing director Gary Helou, who also spent another \$4.8m expanding the company's Tasmanian operations last week.

MG now takes full ownership of the Tasmanian Dairy Products milk processing business it established four years ago in partnership with Japanese conglomerate Mitsubishi Corporation.

"We want to grow, and growth starts with plenty of farmgate production, and giving farmers the confidence to keep up their production capacity," he said.

That farm sector confidence received a big boost, particularly in NSW, when MG committed to building two new highly efficient milk processing plants in Sydney and Melbourne supplying fresh milk to the domestic market through Coles supermarkets.

The new plants at Erskine Park and Laverton North opened in July last year and now run at 60pc to 70pc capacity.

Is El Nino impacting your on-farm operations?
HAVE YOUR SAY in our online poll



Mr Helou said production was likely to get notably busier as MG's Devondale two- and three-litre fresh bottled milk sales gained more momentum, particularly in the food service sector.

"We're focused on expanding in the food service channel - coffee shops, the cafe segment generally and sporting arena food venues represent a fast growing market," he said.

"It's competitive, but it's an area we've not really been in before, so any new market growth is good news for us."

Supplying fresh milk into food service markets also gave Devondale a base from which to sell its cheese, spreads, cream and UHT products to new commercial customers.

MG also had "discussions in train" to undertake contract fresh milk bottling arrangements at its new milk plants.

Although traditionally a big export commodity business, MG's domestic sales represented about half the company's \$2.9 billion revenue in 2014-15.

"Three years ago we said we wanted to elevate the milk business and the (farmgate) price to make the environment more stable for farmers and encourage confidence," Mr Helou said.

"We can only pay what we can afford, but because we have shifted our strategy away from being heavily weighted towards commodity products for exports so we're not as vulnerable to the volatility of the international market.

"We've shifted into more sheltered waters."

Five years ago 50pc of MG sales were commodity products such as bulk milk powder, butter and cheddar, but today commodities represented only 35pc of the business, while consumer foods were the star players, generating \$1.1b in sales overseas and domestically in 2014-15.

By next year Mr Helou estimated ready-to-eat food lines were expected to be worth 75pc of the business.

Of note was that consumer food exports, particularly to Asia, were largely responsible for a 45pc jump in the company's export revenue last financial year.

In China, where MG has a big export office in Qingdao, the company's traditional concentration on "tier one" cities was growing strategically to take advantage of new food channel opportunities and rising consumer spending in tier two metropolises and provincial markets.



Shaking up the fridge

IN keeping with MG's focus on growing its consumer food lines, particularly milk products, the co-operative has borrowed from the latest trend in milk beverages in Europe to launch two new chilled ranges - a 300 millilitre 8 Bar iced coffee and 400mL Devondale milkshakes.

Managing director Gary Helou regards the products as "revolutionary" for the Australian dairy industry.

They represented "just the start" of a wide range of dairy products the company intended to introduce and epitomised MG's commitment to innovation he said.

Both "impulse buy" lines are packed for supermarkets, cafe, convenience store and the route trade market at the company's Edith Creek plant in North West Tasmania where a \$14 million capital injection paid for a plant upgrade and state-of-the-art equipment from Germany.

The 8 Bar iced coffee range includes cappuccino, double shot and latte options made from authentic espresso coffee (not flavouring) and takes its name from the pressure range at which espresso is extracted in a cafe when making real coffee.

It sells in takeaway coffee cup which customers shake, then, remove the protective foil, secure the lid and drink.

"It's something very different to what we've seen in Australia before and it's totally our own development, based on innovation we've seen developing overseas," Mr Helou said

"We think the local market has been looking for something like this - iced coffee beverages are the fastest growing sector in this product category in Europe.

The milkshake range, also packed in a cup, includes strawberries and cream, chocolate, salted caramel and cookies and cream flavours and has a taste and a texture based on the milk bar milk shake.

Andrew Marshall

is the national agribusiness writer for Fairfax Agricultural Media

Email: andrew.marshall@fairfaxmedia.com.au

Furious Australian mums take to social media as favourite organic milk formula 'disappears from supermarket shelves' but can be bought on Chinese eBay

- Bellamy's Organic milk formula is reportedly out of stock across Australia
- Chinese auction site Taobao shows 500 listings for Bellamy's products
- The popular milk formula is also sold on eBay for inflated prices
- Bellamy's says a shopping event in China has intensified foreign buying

Outraged Australian parents have expressed their anger and frustration over the ongoing shortage of a popular brand of organic milk formula - blaming the shortfall on hoarding in China.

While parents have reportedly been unable to find Bellamy's Organic milk formula in Australian stores, the in-demand milk formula is showing up in mass quantities on Taobao, the Chinese equivalent of eBay.

Bellamy's Organic Step 1 Infant Formula which retails for \$24.70 is being sold on Taobao for about \$52, double the price.

Step 2 Follow On Formula and Step 3 Organic Toddler Milk Drink are also available online for similarly inflated prices.

At a rough estimate, Taobao has 500 listings for Bellamy's products, and about half of these items are the coveted, apparently impossible to find tins of milk formula which are also widely available on eBay.

'An absolute disgrace Bellamy is prioritising the lucrative Chinese market over the needs of Australian babies and mothers,' Joanne Yap wrote on Facebook.

'Ashfield [in Sydney] alone has at least three shop fronts with full shelves which can be openly seen mass packing and shipping of Bellamy's and other brands of baby formula to China,' Ms Yap fumed.

The acute shortage was being felt across Australia.

'How long is there going to be a shortage for?' irate West Australian mum, Rachel McMullen, said.

'I've gone to every store in Perth and have some supply but it's not going to last forever and it's become very frustrating.'

Another mother, Marta Miranda, said she had checked Coles and Woolworths for the fourth week running in hopes of buying milk for her child, only to leave empty-handed and disappointed every time.

She was not alone.

Kate Hobart said she called 12 stores but had no luck getting her hands on Bellamy's milk for her child.

'Apparently I can order on your website but need to buy six at a time - which I can't afford.' Ms Hobart wrote on Facebook.

While Aussie mums were struggling to find stock, Bellamy's milk formula was reported to be available in small stores, either for a heavily marked-up price or set aside to be exported overseas.

A photograph posted by Eric Truong showed a chemist in suburban Springvale, 25km south of Melbourne's CBD, with several boxes of Bellamy's products.

Another photograph posted Facebook also showed cartons of Bellamy's formula milk stacked in a small shop, none of which were available for sale to ordinary Australian mums and dads.

An accompanying note read 'All sold to Marco'.

Bellamy's said 20 per cent of its production was exported and it was doing everything it could to ease the situation.

The Tasmanian company's chief executive Laura McBain - who is in Shanghai - told [Fairfax Media](#) that foreign buying had intensified in the lead-up to a Chinese online shopping event, Singles Day, on November 11.

'As a result, supermarket shelves in Australian are being wiped out. We didn't anticipate we'd have a situation where mums couldn't access our products,' Ms McBain said.

Bellamy's has been moving into the Asian market, opening an online flagship store in April.

Its Australian website homepage offers visitors the option to view its Chinese site.

When Daily Mail Australia rang Coles Broadway and Woolworths Surry Hills on Sunday night, staff at both grocery retailers said they had no stock of Bellamy's Organic milk formula - in either step one, two or three.

'We don't have any,' the Coles staff member said.

How RFID Delivers Big Data On Cows And Milk Production

Nov 5, 2015

We know that big data has been used in retail, healthcare and finance, but you might be surprised to find out that it also helps farmers with dairy production. This practice, called precision dairy farming, involves the use of technology such as RFID tags and sensors to track the health of cows, which are essential to the economy in areas such as India.

Vishvas Chitale, director of Chitale Dairy in Bhilawadi, India, explained the role the grass-grazing animals play for farmers. "It's very important for them as revenue because for farming companies in India we call cows ATMs."

"If you feed the animal, you get milk the next day," Chitale said. "By a week's time you get money, and that's very important for the rural community in India. That's why we've been able to sustain for the last 75 years as an organization."

The company produces about 500,000 liters of milk per day, along with cheese, cottage cheese, cream, butter, yogurt and skimmed milk powder.

Reducing The Number Of Cows

Chitale sells about 60 million liters of milk per year from its dairy farm and smaller farms in Bhilawadi. From 2014-2015, India has exported more than 66,000 metric tons of dairy products, according to the Indian government's Agricultural & Processed Food Products Export Development Authority.

For Chitale Dairy, the goal is to increase the amount of milk production while reducing the number of cows, which in great numbers contribute to the amount of methane in the environment, Chitale said. "By reducing the number of cows, we can really help the environment," he said. "We want to have less cows but more productivity."

How The Cloud And Big Data Boost Milk Yield

Chitale Dairy deploys a "cows-to-cloud" strategy to increase the milk yield. Farmers access the data in a cloud portal and use the data to help with animal trading.

“It’s like creating an ecosystem whereby all the stakeholders get the benefit of the compute,” Chitale said. “If [farmers] want to trade their animal and we publish that information about her health, it provides value to them.”

At a weekly bazaar, the Chitale Dairy farmers receive money in exchange for the cow milk they’ve produced for the week. In addition, many farmers in India are trading cows online.



RFID helps in better milk production

To monitor the cows, Chitale Dairy places Allflex RFID tags in cows’ ears to receive information on whether the animals are in heat or need to be vaccinated or dewormed. This information is transmitted via the cloud to farmers’ mobile devices.

Farmers call the Chitale Dairy call center, which sends the data to a mobile app, with the RFID number matching up with a particular cow. The farm then sends a to-do list to farmers in their local language each morning on what each cow needs based on the data collected from the RFID signals. (Companies such as Allflex, GEA and Y-Text offer these RFID tags.)

Chitale Dairy maintains a database of 10,000 animals, along with a complete progeny and medical history.

“The secret of the whole system is this is cow 1626, and whatever data I collect relates to her,” stated Michael Hutjens, professor emeritus in animal sciences at the University of Illinois. “The beauty of the tag is the ability to track the animal.”

Chitale Dairy uses the data to track blood profiles and the nutrition requirements of cows, such as whether the animals are getting the proper iron or calcium. From the data received by RFID tags, Chitale Dairy performs mineral mapping and blood profiling.

Monitoring the data allows Chitale Dairy to increase milk production by more than 5 liters per animal, Chitale said.

The sensors also keep track of how much a cow eats per day.

“If one day cows only spend one day eating, then these alerts tell us something is going on with this cow and then we can look at her and try to find the best course of action,” said Jeffrey Bewley, associate extension professor at the University of Kentucky.

“The whole idea is to have a complete life cycle of the animal,” Chitale said. For example, the system sends messages on whether a cow is having a calf. The dairy farm also uses genetic mating software to track whether offspring are producing with “greater genetic gain” than their mothers.

Tracking Illness

By monitoring the health of cows using RFID tags and sensors, farmers can detect whether the animals suffer from conditions such as mastitis, a potentially fatal infection of the udder tissue, or lameness, which is difficulty in moving around.

Discovering mastitis is a top parameter for farmers to adopt precision dairy technology such as RFID, according to Bewley and fellow University of Kentucky researcher Matt Borchert. Other factors include standing heat and daily milk yield.

“Sensors also can track if a cow is running a fever or hasn’t eaten in 48 hours,” Hutjens said.

The Future Of Big Data In Farming

Despite the advantages that big data brings to agriculture and milk production, farmers may not have the time to absorb all this data.

“It’s assuming that the farmer has time to look at the data and that the farmer is willing to stare at a screen for hours on end,” said Patrick Zelaya, founder of HeavyConnect, a Salinas, California, startup that develops software to make agriculture field data actionable. “It’s more than just creating and displaying valuable data but integrating that data into the operation without it turning into a video game for the farmer.”

To solve the problem, farmers will need to have someone dedicated to spending at least an hour a day analyzing big data. “It requires good management and commitment to use the system,” Hutjens explained. “Analysis of the data could lead to checking the health of a cow, including taking the temperature and giving calcium.”

Marcia I. Endres, a professor in the department of animal science at the University of Minnesota, sees big data becoming more common in dairy farms in the future. “There are many technologies in the market and more coming that collect a lot of information about each cow, plus there are more automated milking systems that collect samples and analyze the milk every day, generating a lot of data too,” Endres said. “Therefore, data integration and analysis coupled with decision-making tools will be very key to the success of the dairy industry in the future.”

“We’re just starting as far as the possibilities for big data, farming and milk production,” Bewley added. “I think we’re just at the beginning. We need to continue be innovative in what technologies we’re developing and working with the end user to figure out how to make them work.”

Dairy Crest looks to future with sale of loss-making dairy unit

Sales slip lower in tough trading environment but boss focuses on future as a slimmed down business

By [Alan Tovey](#), Industry Editor

8:17AM GMT 05 Nov 2015

Dairy Crest’s sale of its loss-making dairies business to Müller signals a “new era” for the group, with it becoming a “brand-focused” business with lower costs.

[Posting half-year results](#), the FTSE 250 business said it expected the sale to return proceeds of between £40m and £50m, having received approval from competition regulators last month. The deal is expected to complete on December 26.

[Dairy Crest announced plans to sell the division to the German group last year](#) for about £80m as profits tumbled in the face of an oversupply in the milk market and a price war among supermarkets.

In the six months to the end of September, Dairy Crest, whose brands include Cathedral City cheese and Country Life butter, reported revenue from continuing operations – which does not include the dairy divisions – of £203.8m, down 5pc on the same point last year. Pre-tax profit also fell, down 13pc at £13.1m.

However, the company took a £106.2m impairment on the sale of the dairy unit, contributing to a post-tax loss of £109.4m for the six months.



Long face: Dairy Crest recorded a £106.2m impairment on the sale of its dairy business

Mark Allen, chief executive, said: “The sale of our dairies operations leaves Dairy Crest well positioned for long-term profitable and sustainable growth alongside strong cash generation. Following the sale of our dairies business, Dairy Crest will be a predominantly branded, simpler, more focused business with a significantly reduced overhead base.”

Market conditions remain challenging, he added, but the reshaped business should start to grow in the second half of the coming year.

Under its new structure the company plans to focus on its four key brands, though these turned in a mixed performance over the period.

Sales volumes of Cathedral City cheese rose 14pc and Frylight oil was 46pc higher, but Clover spread was down 14pc and Country Life butter was 12pc lower. However, the company described this as an “overall strong” performance in a deflationary market.

The company is also breaking into new markets, starting sales of infant formula in second half of the year, which it expects to deliver a boost.

During the period Dairy Crest refinanced, securing a £240m debt facility. Its overall debt rose by 16pc to £242.3m.

The interim dividend was increased by 2pc to 6.1p a share.

Analysts at Shore Capital congratulated Mr Allen on managing the sale of the dairy unit and getting the business out of what they described as the “highly irrational British liquid milk market” with one “one of the most challenging pieces of deal-making in the industry”.

They also said China's recent decision to drop its one-child policy could deliver a boost to the business, with the potential for increased demand for infant formula.

The reshaped and focused Dairy Crest is now an attractive bid target, they said.

"Dairy Crest should approach 2016 with an expectation that it may be a highly sought after proposition. We believe the group will be subject to considerable international trade interest with its well invested facilities producing high quality and market leading proprietary brands," the analysts said in a note. "Who, what and when, we're clearly not in a position to be too demonstrable on this point but we would suggest that it will be a case of 'when' Dairy Crest is approached and not 'if'."

Lone Star Milk Transport exceeds performance agreement

The side of a Lone Star Milk Transport tanker has a simple statement: "Milk. A part of everything that's good."

The transplanted company from an area between Windthorst and Jacksboro recently completed a feat that is good for them and the local economy. LSMT completed its more than \$300,000 cash-for-jobs performance agreement with the city and the Wichita Falls Economic Development Corp..

Felice Baird, president of the company, said Wednesday morning they had been searching for a new location for their headquarters.

"We considered moving to Fort Worth or Amarillo because we do have a terminal out in Hereford, which is close to Amarillo," she said. "But Wichita Falls had a lot of resources, was in a good location and the 4A board was able to help us, so we're so gracious for that."

The performance agreement required LSMT to hire at least 49 employees to receive the \$301,363 incentive. Baird said they have hired 55 employees, and 10 more were going through orientation Wednesday morning.

Baird said they are looking at other opportunities to expand their operations.

"We'd like to be able to touch other industries," she said. "We'd like to be able to do some other things and kind of diversify. We've always been partial to milk. We haul other food products and we can basically do anything."

Dick Bundy, president of the WFEDC, said the agreement and executive of the incentive package by all involved is an excellent example of how 4A tax funds can recruit and retain area businesses, turning a potential loss into a gain. By keeping Lone Star Milk Transport in the area, the company is able to make Wichita Falls the nucleus for its operations and gives them more opportunities for expansion down the road.

"The great thing about it was they truly were looking at moving outside the region," he said. "Because of 4A economic development tax dollars, we were able to really give them some incentives to have them come to Wichita Falls.

"Primary jobs is what we're after."

LSMT began in 1996 with a single truck, transporting milk from a few dairy farms south of Wichita Falls. Their operations now stretch from New Mexico to Florida as well as into Oklahoma and Kansas and they employ more than 200 drivers to cover 250 dairy farms.

ARLA FOODS DAIRY PRODUCTS LAUNCHED IN PH

November 05, 2015

By EDISON JOSEPH GONZALES

ARLA Foods, international farmer-owned organic dairy company, brings its best dairy products to the Philippines that are made from high quality raw materials.

Among them is the Arla Cream Cheese in various flavors: Natural Cream Cheese, made from natural ingredients with no preservatives, additives and stabilizer; Natural Light, fresh cheese containing 16 percent fat; Pineapple Cream Cheese, a variant that rated highest in Filipino taste test which gives a tinge of sweetness and acidity; Herbs and Spices Cream Cheese, which adds extra zing that is perfect for cooking; and Lacto-Free Cream Cheese, a plain cream cheese without milk sugar.

Studies have shown that cheese contains nutrients like calcium, protein, phosphorus, zinc and vitamins A and B12. It also reduces the risk of osteoporosis as it is calcium-rich and its high quality protein provides the body with essential building blocks for strong muscles.

Arla also has Natural Cheese Slices in assorted variants like Emmental, a cheese that is aromatic, nutty and delicately spicy in taste; Gouda, a color-free cheese with mild, sweet and nutty taste perfect for cheese eaters; Havarti, a deliciously mild cheese with very creamy taste; and Mozzarella, a slice of cheese that is mild and delicate with a creamy, yogurt aromatic taste.

All Arla's cheeses – available in different flavors, slices, spreads and packaging – are completely natural and use only fine ingredients with no additives, nitrates, colorants and preservatives.

Arla's cheeses are perfect for sandwiches, snacking, cooking and baking, ensuring customers of safety, quality, taste and goodness.

Meanwhile, Arla believes a happy cow produces more and healthier fresh milk for good nutrition. Milk is naturally rich in calcium and protein that are essential for the teeth and bones as well as the body's growth and development.

Arla said its cows are cared for by knowledgeable staff and are inspected on a daily basis. Farmers are prohibited to use hormones to boost growth or milk yield.

Its milk, through ultra-heat treatment or UHT process, is heated at 136 degrees Celsius for two to three seconds to kill any microbiological organisms and allow longer shelf life.

Arla's all natural milk has five variants: whole Full Cream UHT Milk 3.5 percent, Fat UHT Milk 1.5 percent, skimmed Low-Fat UHT Milk 0.3 percent, Lactose-Free Full Cream UHT Milk, and the first Organic Full Cream UHT Milk.

Researchers have found that consumption of milk and dairy products are associated with numerous health benefits that improve wellness and reduce risk of diseases including bone health, maintain healthy teeth, reduce high blood pressure in both adults and children, reduce risk for cardiovascular disease, among others.

Dairy products future for Hansells

By Emily Norman 7:29 AM Wednesday Nov 4, 2015

Hansells Masterton opened a new area for processing dairy products on Monday, expanding their business growth potential.

Executive Chairman Alan Stewart said this was "a big step to ensure the future" of Hansells Masterton, after a decline in market shares last year because of "aging products".

"To grow the business it became obvious we needed to get into processing products containing milk powder for export," he said.

"Here we can pack milk powder and manufacture and pack an array of products including ice cream powder, yoghurt mix, protein packs, flavoured milk and other milk products."

In the centre of the new production area is a V-shaped stainless steel tumbling mixer that will be used to process the dairy products.

The whole production area cost under \$1 million.

Hansells Engineer Robin Shaw said everyone involved in the project had worked well together.

"Quite a few contractors and locals were involved, from painters, to floor layers, and all sorts of tradies have been in," he said.

"And if this all takes off the way we hope it will, it should really be a bright future for Hansells."

Mr Stewart said Masterton's Hansells have already shipped a 40ft container of yoghurt mix powder to Italy with prospects for other countries.

"We got underway with our limited facilities and have already sent half a million dollars worth of products to China and expect to be regularly shipping 40ft containers of dairy products to China in the New Year using these facilities."

Masterton Mayor Lyn Patterson was at the opening and said she was pleased Hansells was expanding.

"It just shows that our local businesses are innovative, and are looking at different markets and different ways to get ahead. And that's so important for our community because so many people are employed here."

- [Wairarapa Times-Age](#)

Uncertainty in 2016 milk forecast, risk management essential

November 3, 2015 5:00 am

Jean Caspers-Simmet, simmet@agrinews.com | [0 comments](#)

DUBUQUE, Iowa — Bob Cropp, professor emeritus and dairy marketing specialist at the University of Wisconsin-Madison, has been doing dairy outlooks since 1974, but there's more uncertainty about where 2016 milk prices will be than any other year he has estimated.

"I work with six forecasters, and we're all over the place, and all are probably possible," Cropp said at last week's Tri-State Agricultural Lender's Seminar in Dubuque. "There are so many uncertainties."

The event was sponsored by the Extension Service at Iowa State University, the University of Wisconsin and the University of Illinois.

Milk prices have been \$7 per hundredweight lower than last year, but that has to be put into perspective.

"Last year, we had record prices at \$25 per hundredweight," Cropp said. "The lower price has put pressure on margins, but feed costs have been lower, which has helped."

Milk prices have held up better than expected, Cropp said. Cow numbers have been increasing slowly. Drought slowed growth in California and other Western states. The increase in milk per cow has been below trend with most of the drop coming from the West.

Cow numbers will be up just 0.06 percent in 2015, and production per cow will increase 0.7 percent with total milk production up 1.3 percent nationally, Cropp said.

Domestic sales have been good with improved consumer confidence and restaurant performance. Butter and cheese sales have been strong to offset some of the loss in exports. McDonald's Oct. 1 announcement that it will use strictly butter to cook breakfast items that are now served all day has helped to keep butter prices up.

Soft exports mean lower prices

Soft dairy exports are the biggest factor bringing down prices in 2015, Cropp said.

Exports are lower because China bought aggressively in the first half of 2014 and accumulated excess stocks. Its dairy industry is increasing production and a weaker economy resulted in China's dairy imports dropping by more than half.

Improved milk prices and lower feed costs resulted in strong production among the world's major exporters, New Zealand, the European Union, the United States, Australia and Argentina.

Russia implemented a ban on dairy imports from the EU, Australia and the United States over Ukraine sanctions through August 2016.

China was the largest world importer of dairy products in 2014, and Russia was second, Cropp said. Because Russia was a major market for EU butter and cheese, the EU had to make more skim milk powder and find new markets for cheese and butter. China was a major market for New Zealand whole milk powder, so New Zealand shifted to skim milk powder and more cheese, also products competing with U.S. markets.

"The build up in world stocks pushed world prices to a 10-year low and well below U.S. prices, which have attracted imports of butter and cheese here," Cropp said.

Total dairy imports in August were equivalent to 4.1 percent of U.S. milk production, the highest since February 2009. The USDA just increased the tariff on butter imports to slow the influx.

\$16.73 milk price in 2015

Cropp estimates Class III prices will average \$15.92 for 2015. The All Milk Price will average \$16.73 compared with \$23.97 one year ago.

Cropp is forecasting that cow numbers will be unchanged in 2016 and milk per cow will grow 1.8 percent. The economy is expected to improve at a slow pace with consumer confidence positive and restaurant and food service remaining strong. Butter and cheese sales will be strong supporting milk prices, Cropp said.

"Dairy exports are not likely to show much improvement prior to the second half of 2016," Cropp said. "It will take that long to reduce the build up of world surplus stocks created by strong world milk production in 2014 and 2015 and the loss of exports to China and Russia. World prices will be depressed until the last half of 2016. The United States will face soft global demand and stiff competition."

\$16.95 milk price in 2016

Cropp's 2016 forecast is for Class III prices averaging \$15.70 and the U.S. All Milk Price averaging \$16.95, similar to 2015.

Here's where the uncertainty comes in, dairy exports could turn out higher, Cropp said. New Zealand and EU countries, the two largest exporters, are facing very depressed milk prices. If milk production slows there, world milk production will slow supporting higher world prices, which will be positive for U.S. exports.

U.S. milk production also might not increase as much as projected, Cropp said. Lower margins in 2015 and going in 2016 could lower milk per cow and cow numbers bringing milk prices up.

Risk management required

"Much uncertainty and risk exists for final milk prices in 2016," Cropp said. "Milk price volatility will continue to be the norm requiring price risk management."

- Cropp advises producers to participate in the Margin Protection Program for Dairy or Livestock Gross Margin-Dairy. For 2016 margins will be below \$8 and dipping down to \$7 by May going back above \$8 in August.

- Class III futures and options are another risk management tool.

"Currently you are able to lock in high \$15s for Class III through February and low to high \$16s March through December," Cropp said. "Put options within 50 cents to 75 cents of Class III futures are fairly costly. Producers also can buy a put and sell a call to protect a price range. With Class III futures and options, producers also need to consider futures and options to protect feed costs in order to protect margins."

- Many milk buyers offer cash forward contracts on milk, and grain and feed companies offer price contracts.

"Milk price risk and feed price risk are here to stay," Cropp said. "More dairy producers need to consider using one or more of these price risk management tools to protect milk price and feed prices and margins. Highly leveraged dairy producers really can't be without price risk protection."

Dr. Blonz: Why add Vitamin A to milk?

By Ed Blonz

Contra Costa Times correspondent

POSTED: 11/03/2015 11:20:04

DEAR DR. BLONZ: I understand why they put vitamin D in milk, as it aids in the absorption of calcium, which is plentiful in dairy. But why do they put vitamin A in milk?

R.R.

DEAR R.R.: Nutrients get added to foods in a couple of ways. Enrichment is the adding back of nutrients that were lost during processing, and fortification is the addition of nutrients to a food where they do not normally occur. This addition of nutrients was begun in the 1930s as a practical means to increase the nutritional value of foods.

Nutrients were added to foods when typical intakes of that nutrient were below desirable levels for a significant number of people. The foods chosen to be "enhanced" were those typically consumed in sufficient quantities to have the desired effect in the target populations. The reliance was on staple foods, such as cereals, milk products and salt.

Finally, the nutrients would have to be added in a form that would be stable and could be easily absorbed. Vitamin D, and later, vitamin A were added to dairy products mainly because they were thought to be the best vehicles for these nutrients.

DEAR DR. BLONZ: I am reluctant to try shortcuts, but I wanted information on the latest product claiming to help people "lose weight without dieting or exercising." It is called chitosan, and there are videos all over the Internet. One has a person talking about taking it before a fatty meal, and your body won't absorb the fat.

F.S.

DEAR F.S.: Chitosan is derived from chitin (KITE-un), a component of the shells of crustaceans. Chitosan has an ability to bind with fat in the stomach before it has a chance to be absorbed. The chitosan-bound fat travels through the digestive tract and is eventually eliminated from the body in the feces.

If there's an upside to chitosan, it's that fewer fat calories get absorbed. There are estimates that each gram of chitosan can absorb four to eight times its own weight in fat.

The negatives are that chitosan is not selective in the fatty substances it binds to. That means that it has an equal ability to grab onto beneficial compounds such as fat-soluble vitamins, valuable phytochemicals and omega-3 fatty acids. One study found that a high intake of chitosan led to a rapid decrease in the blood level of vitamin E.

It is plausible that chitosan could interfere with the absorption of medications where the active component is a fat-based substance. Steroids, birth control pills, hormone replacements and many cholesterol-lowering medications could be at risk.

Finally, given that the chitosan-embraced fat passes into parts of the digestive tract where dietary fats rarely go, there may be side effects like discomfort, intestinal gas and diarrhea. Chitosan -- or any other supplement -- does little to influence healthful eating habits, which are the key to long-term success.

China Dairy eyes milk for juniors

SIMON EVANS AND JARED LYNCH

03 Nov, 2015 06:30 AM

CHINA Dairy Corporation wants to take advantage of the one-child policy being scrapped in China by setting up a plant to make milk products for children to expand its existing dairy operations.

The company, which on Monday officially announced plans to list on the ASX and has access to the milk from 40,000 cows in north-eastern China, will use part of the funds from a proposed capital raising of up to \$20 million to build a small-scale milk production factory and laboratory in China with a major focus on liquid milk for children.

The chairman of China Dairy Corporation, Enjia Liu, said in a letter contained in the China Dairy prospectus the company wants to "develop a new business stream to produce processed liquid milk targeted at children".

He said the company is in a strong position to capitalise on the growing appetite in China for dairy products, which is being driven by rapid urbanisation and government policies that have made the development of China's dairy sector a main priority.

Mr Liu said China Dairy has a 10-year track record of successful operation in China. It is also looking to bolster its business with Australian acquisitions.

It will list the company on the ASX via Chess Depositary Interests, which allow international companies to trade on the local stock exchange. The maximum amount of capital being raised is \$20 million via the issue of 100 million CDIs at a price of 20¢ each. The market capitalisation upon listing, based on the maximum raising

of \$20 million, would be \$150 million. The minimum subscription level is \$15 million. China Dairy is expected to begin trading on the ASX in mid-January 2016. The offer opens on November 9.

The lead manager is Phillip Capital and the corporate advisor in Australia is BlueMount Capital.

Mr Liu says in his chairman's letter that revenues in 2014-15 reached approximately \$US66.3 million (\$92.8 million) and total income reached \$US33.2 million. This meant the company had delivered a compounded annual growth rate of 19 per cent and 20 per cent respectively in the past two financial years, he said.

The company, which directly owns 22,000 cows and has partnership arrangements that give it access to a total of 40,000 cows, is based in the Heilongjiang province in north-eastern China. The total herd produces 612 tonnes of raw milk each day. The company has appointed Melbourne-based John Fick as deputy chairman, and David Batten as a director.

The Communist Party in China last week announced it would overturn the policy that had been in place since 1979 and meant families in China were able to have one child only; it is now allowing them to have two.

Gary Helou, the managing director of Australia's biggest dairy processor Murray Goulburn, said he would relish the competition from any new entrants to the dairy industry.

"Generally speaking, I welcome foreign investment in the agriculture sector. It's good for the country. We need capital, we need engagement in markets, so I see it as a positive," Mr Helou said after Murray Goulburn's annual meeting in Melbourne last week. "The [dairy] industry needs to grow and competition is good for growth dynamics."

Robots help run Oregon dairy farm

BY MATEUSZ PERKOWSKI, CAPITAL PRESS TUESDAY, NOVEMBER 3RD 2015

TILLAMOOK, Ore. (AP) The cows at the Averill family's dairy seem unimpressed by the high-tech gadgetry surrounding them.

They calmly pass through an automated gate that sorts the cows based on how recently they've been milked, which is monitored using radio-frequency identification devices on their ears.

Those who have been milked too recently are returned to their stalls, while those who are ready to be milked are ushered toward one of six robotic milkers.

After waiting their turn in line, each cow steps into a pen and enjoys some grain while the giant robotic arm does its business.

To many, this scenario represents the future of farming. As labor costs increase and the labor pool shrinks, farmers such as the Averills are turning to robotics and other technology to provide better care for their animals and increase efficiency.

Adoption of robotic systems has been growing at about 25 percent a year, and has particularly "taken off" during the past decade, said Larry Tranel, an extension dairy specialist at Iowa State University who has studied the economics of automation.

"We don't see it slowing down," he said.

At the Averills' dairy, the robot first sprays the entire udder with an iodine formula, then washes and dries each teat before attaching suction cups to harvest the milk. Each robot can handle 60 cows.

Once the task is complete, the cow is again set loose among its peers, free to enjoy a comforting session with the robotic touch-activated spinning brushes that clean off manure and remove loose hair.

Occasionally, the cows indifferently step over the mechanical manure scraper that slowly and continuously cleans the barn alleys. They are fed by an automated feed pusher that maintains their rations in orderly rows.

"They adapt quite well to technology. Probably easier than people," said Mark Brown, a general manager for DeLaval Dairy Service, which builds and installs the equipment.

The cows certainly seemed less intrigued by the automated dairy system than the farmers who visited the Averills' dairy during a recent open house organized by DeLaval.

While DeLaval first patented the idea for robotic milkers in 1978 and made them commercially available in the late 1990s, the technology didn't really hit its stride until the mid-2000s, said Brown.

Several other manufacturers also produce robotic systems, including Lely, GEA, BouMatic and Insentec.

With the growing strength of computer power and the increased familiarity of dairymen with the technology, such milkers are now catching on, Brown said.

"It's become really reliable and accepted," he said.

The robotic systems have gained in popularity even though they're a more expensive option over the lowest-cost milking parlors, said Tranel of Iowa State University.

The lowest-cost milking parlor systems equate to 25 cents to \$1 per hundredweight in milking costs, compared to \$2 to \$3 per hundredweight with robots, he said.

Maintenance and repairs can also be expensive for robotic systems, running about \$7,000 to \$9,000 per year, he estimated.

"It's definitely not the cheapest way to milk a cow, but there are other factors encouraging producers to put in robots," Tranel said. "The bottom line is cows like them and people like them."

Aside from labor concerns, there are "quality of life factors," since dairymen are less physically tied to the facility, he said. "Someone doesn't always have to be there."

Don Averill, whose family owns the dairy, said he decided to invest in the robotic milkers and other machinery when undertaking an expansion of the operation.

The primary motivation was reducing the need for labor, which has grown more scarce in recent years, he said.

With automated equipment performing many of the duties in the dairy barns, management of the operation is easier for Averill, who can attend to other tasks.

Averill also sees the system as less stressful for the cows, as they're able to set their own routine without frequent interactions with humans.

For example, the automated brushes provide the perk of entertaining the cows while they're being cleaned, he said. "It gives them something to do. That's cow TV."

Apart from improving the health and longevity of his cows, the system is expected to increase their productivity, Averill said.

Before the system's installation, the cows were only milked twice a day. Once their bodies are at full holding capacity, they stop producing milk. Now, the herd is milked three times a day, so they don't hit that limit.

A major advantage of robotic milkers is information about the health and production of individual cows, since the systems provide "instantaneous data," Tranel said.

Yield is measured on a per-cow and per quarter-udder basis, so a farmer can quickly notice if a cow may be getting sick or if there's an infection on one of its teats.

If there are changes to the herd's feed rations, the impact on production also quickly becomes evident, he said.

By informing farmers whether new techniques are helpful or detrimental, the system allows for "day by day management," Tranel said. "They can gauge that pretty quickly."

Each robotic milker costs roughly \$200,000, but the total cost will depend on how much a dairy must be retrofitted to accommodate the units and which type of gate system the farmer prefers, Brown said.

Manure scrapers cost about \$30,000 per unit, feed pushers cost about \$20,000 and touch-activated brushes cost about \$2,600 each, he said.

Robotic systems are best suited for dairies with about 260 or fewer cows, as larger operations can achieve greater profits with low-cost milking parlors, said Tranel. "For me, it's more of a smaller-farmer technology."

Robotic systems that involve a major upfront investment are often more difficult for dairies to manage than traditional milking parlors, in which the labor costs are more spread out, said Mathew Haan, a dairy educator at Pennsylvania State University who has studied the systems.

That challenge is mitigated by dealers who can lease the equipment or banks that agree to finance it, Haan said. "It makes it much more attractive from a financial standpoint."

Record amount of milk turned into cheese, long-life milk

Updated at 1:57 pm on 3 November 2015

Fonterra says at the peak of this season a record amount of milk has been turned into value added products, like cheese and longlife UHT milk.

In late October, Fonterra collected almost 87 million litres- its peak milk supply for the 2015/16 season, which was down by about three percent down on last year's amount.

Global operations managing director Robert Spurway said the drop in milk was expected and was in line with the co-operative's expectation that overall supply would fall by about 5 percent this season.

He said value added products had been a focus, and new processing plants had opened all over New Zealand.

"We have the Clandeboye mozzarella plant up and running. We've also invested in UHT in Waitoa and expansion at our cream cheese facility at Te Rapa, so all those assets are now running milk, which gives us a higher proportion of milk going into those value add food service consumer facilities."

He said making food service products was fully led by demand.

"We're seeing growth across Asia and China in particular, as consumers in those markets move towards more westernised diets and more out of home eating, so it's an exciting time for Fonterra," he said.

Mr Spurway said the company's product mix was adjusted every fortnight, following the global dairy trade auction results.

He said while more milk was being turned into value add products, the company was not limiting the amount of milk powder it made because of low international dairy prices.

"We're not restricting the amount of product we're making. Our forecast for the milk price this year is we believe we'll see a recovery in whole milk powder and skim milk powder across the year, but it

would be unwise to make any more specific comments on where we think the market will head to," he said.

Dairy Herd Expansion Likely to Continue

USDA reports indicate production was up [just 0.4% in September](#), but expansion continues throughout the upper Midwest. States like Michigan, Wisconsin, South Dakota and Kansas are growing production capacity, according to Mike North of Commodity Risk Management Group.

The big exception is California which reported 117 million lbs. less milk this September compared to September 2014. North says California's consistent decline in production is the result of regionally specific challenges. "It has a lot to do with butter and class four markets as they play against the feed markets in the West," he explains.

Current \$15 and \$16 milk prices aren't discouraging the culling of cows, he says.

"As more barns go up, as additions get put on existing barns, and as the existing infrastructure on a dairy gets filled out, ultimately there's a continued demand for cattle," North says. "We are looking at ongoing expansion through the end of this year and maybe into early 2016."

North admits processors in the upper Midwest weren't able to keep up with last year's growth, but adds that they see the issue and are working on increasing capacity to handle current growth.

"Over the next couple of years, we will see expansion in the processing community," he says.

Watch Mike North's interview with Tyne Morgan in this AgriBusiness segment of AgDay:

Federated Farmers: Dairy awards has makeover

By Ann Thompson Dairy policy advisor -NZME. regionals

5:00 AM Tuesday Nov 3, 2015

Does entering the New Zealand Dairy Industry Awards (NZDIA) during this down time in the industry make sense?

You bet it does, for both the contestants and their farm owners.

Most of those who are eligible to enter the Share Farmer of the Year, Dairy Manager of the Year and Dairy Trainee of the Year competitions will have never farmed through these tight times before.

These awards are one way contestants can develop financial strategies and farm policies to better cope with the economic climate. It will also position them well for the future.

This competition helps contestants focus on what they do and what they can do better. It also provides the opportunity to prove they really are good farmers, making the best of what they've got.

The events expose contestants to rural professionals, sponsors, judges and other farmers in the competition.

All give valuable feedback which helps fine tune their farming systems.

This competition helps contestants focus on what they do and what they can do better. It also provides the opportunity to prove they really are good farmers, making the best of what they've got.

Ann Thompson

Entering these competitions is not just about winning.

Some entrants have entered multiple times and enjoy the opportunity to test new systems learnt during the event.

They fine tune their businesses, and this allows the latest contestants to gain even more from the competition.

Experience and adapting to circumstances is valued and the dairy industry is well known for encouraging young people to travel across the country to new jobs with new challenges.

The farm owners win because they have contestants on their farms who are keen to make their farming business a better one.

The 2016 NZDIA competition will follow a new format. Three categories remain but they are split differently, based on age, experience and level of responsibility.

The Share Farmer of the Year (SFOTY) is the top level, open to those dairy farmers who are self employed and responsible for all aspects of the business. This category now includes sharemilkers, contract milkers, equity partners, managers and lessees, with up to 50 per cent equity in the business.

The Dairy Manager of the Year (DMOTY) is open to all salaried workers on the dairy farm who have the responsibility for carrying out farm policies and plans. These include farm managers, herd managers, 2ICs, farm assistants and production assistants.

Arguably the greatest change has been made at entry-level of the competition, the Dairy Trainee of the Year (DTOTY).

This is now truly aimed at young, new dairy industry entrants, with the age restriction falling between 18 and 25 years, experience in the industry restricted to just three years and limiting the qualifications an entrant can hold to NZQA Level 4 or below.

Those with more experience or older will be able to enter the DMOTY category.

These changes have been made to encourage progression through the dairy industry, to allow the youngsters to shine, to push those in the middle to perform and those with full responsibility to compete against their peers.

Federated Farmers is just one of the family of sponsors and we offer the Federated Farmers' Leadership Merit Award.

Indonesia dairy - a challenging "dark horse"

2 November 2015

Indonesia's dairy market has enjoyed solid expansion in the last decade. With China's economy cooling, more attention is being paid to other markets in south-east Asia, suggesting Indonesia could become of growing interest. However, the country has seen its own economic slowdown and its dairy sector has a series of significant challenges to surmount. Dean Best reports.

The figures differ depending on the source of the data but Indonesia's dairy market has seen solid growth over the last ten years or so.

According to figures from Nielsen, Indonesia's dairy industry has seen demand grow around 10% on an annual basis for the past decade. Euromonitor says in 2014, the value of retail sales in the dairy category grew 7.7%, with growth of 8.8% seen in 2012.

China has been the market at the centre of many an international dairy company with ambitions to expand their overseas businesses but other markets in south-east Asia can offer opportunities. And with economic growth in China slowing, interest in the smaller but growing dairy markets of countries elsewhere in the region is likely to rise.

Indonesia is among a clutch of markets in south-east Asia that could be attractive to ambitious dairy companies. What's more, Indonesia has a lower per capita consumption of dairy products compared to other countries in the region, suggesting there is more room for new entrants and for growth.

However, Indonesia has seen its own easing in GDP, in part due to a fall in demand from China for the country's commodities. And dairy company strategists need to be aware of a series of factors in Indonesia that make doing business a challenge, not least the dominance of the traditional retail channel and the problems of distribution. Dairy companies interested in Indonesia need to know any rewards will only be reaped over the longer term. Two of the more successful international dairy processors operating in Indonesia – [Nestle](#) and [FrieslandCampina](#) – have been present in the country for decades.

Looking at the Euromonitor data, the value of the dairy category at retail in Indonesia was US\$1.87bn in 2014 and is estimated to grow to \$1.99bn this year. Long-life milk dominates sales, a consequence of the under-development of logistics and distribution in the country. Cheese and yoghurt are growing segments but have so far been largely limited to wealthier parts of the population.

FrieslandCampina is the largest player when looking at Euromonitor's retail sales data, with Nestle third. At second and fourth are two local players - [Indofood Sukses Makmur](#) (which last year signalled its belief in the prospects for dairy [by buying Danone's business in the country](#)) and Ultrajaya Milk Industry &

Trading Co. [Yakult](#)'s recent initiatives in Indonesia place the Japanese group fifth, with [Fonterra](#), a business ambitious about its plans for the market, in sixth.

Despite Indonesia going through a period of slower economic growth, the country is still seen as an attractive prospect. "Compared to many countries, five and six per cent [GDP growth] is quite positive," dairy industry consultant Preben Mikkelsen says. "It seems like [growth] going to continue because economic growth in the country is quite positive, so you have a basis for increasing consumption of value-added proteins, including dairy, so consumption is expected to increase."

However, Mikkelsen immediately points to a factor that could hinder growth – whether there is investment in primary milk production. The majority of milk consumed in the country is imported. The Indonesian government has set a target of reducing its reliance on imports and is aiming for domestic supply to account for 50% of consumption by 2025.

Mikkelsen says "a lot of smallholders have been ceasing production in recent years" and insists there is "a major question" whether larger farms can compensate. He is sceptical about whether Jakarta's 50% target can be reached, suggesting the country could grow domestic production to 30% of consumption. "It's a huge expansion of milk production. You have to import a huge amount of cattle and all the facilities around making a modern milk production is not available – they don't have any extension services, they don't have any veterinarians and so on. It's a huge task to increase so significantly."

Like many an emerging market, Indonesia is a country that needs continued investment in infrastructure. President Widodo is said to be eyeing spending of \$20bn on infrastructure this year, including on roads and ports, but there have been concerns about progress. The recent rise in wealth in Indonesia, its growing middle class and interest in healthy eating have been factors in driving dairy consumption but the country's infrastructure has defined how the sector has developed.

"Improving access to and affordability of dairy products is not just about consumer demand and wealth, but also about the physical delivery of food products, particularly fresh or perishable items. Indonesia is also the world's largest archipelago with over 18,000 islands, providing a major challenge to distribute perishable and frozen products throughout its 33 provinces," Jo Bills, director of Australia-based dairy consultants Freshagenda says. "The logistics presented by Indonesia must be a major barrier to consumption of fresh products. Three types of consumer products dominate Indonesia's market. Fluid UHT milk, sweetened condensed milk, and powdered milk dominate the consumer product market for dairy, they have market shares of 26%, 35%, and 39% respectively - notably all products that do not need a strong cold chain."

According to management consultants McKinsey, Indonesia is a country "dominated" by the "fragmented trade", 4.1m, small, independent retailers, often with little or no chilled fixtures, underlining why long-life products account for the lion's share of the market. Traditional trade accounts for the majority of retail sales (a PricewaterhouseCoopers report from February says the five largest firms in Indonesia's grocery sector have a combined market share of 3.8%), making it a challenge to reach shoppers.

Indonesia is, overall, a country where per capita data lags neighbouring markets like Malaysia and Thailand on a number of levels, not just on dairy consumption. Companies need to be aware incomes are lower and need to price accordingly. "Indonesia is still a relatively price sensitive market for dairy products," Bills notes.

Nevertheless, for all the challenges in distribution, retail and income, there are signs Indonesia is improving on each metric. For example, the modern retail channel is growing twice as fast as traditional stores. According to Euromonitor, major, modern convenience store chains, such as Indomaret, Alfamart and Circle K, expanded into Indonesia's second and third-tier cities last year.

Looking at consumer demand, there is growing interest in more value-added areas, such as functional milk, cheese and yoghurt. "As modern retail increases in Indonesia there are likely to be increased opportunities for product innovation, as consumer seek products that are healthy, convenient and more westernised food options. Most analysts expect health and wellness to be an ongoing consumer trend – and this should favour dairy products – fortified foods and beverages are growing in popularity," Bills says.

Mikkelsen adds: "[Companies] have been doing a lot of marketing of new functional products like Anlene from Fonterra targeted for special groups and this has been quite successful."

The cheese category remains small - only accounting for \$74.2m of the \$1.87bn in dairy retail sales in 2014 - but industry watchers are seeing more Indonesian consumers take to the product. "More Indonesian families, particularly in the big cities, have started to use cheese as a main ingredient in their meals. With cheese being perceived as a more affordable product, a wider number of consumers have started to prepare Western foods which use cheese as an ingredient by themselves at home," Euromonitor says. "Cheese is benefiting from its image as a premium and healthy dairy product." Euromonitor predicts cheese sales at retail will break the \$100m barrier in 2017, although its share of dairy sales will rise slightly to 4.4%.

And Euromonitor believes growing interest in health from Indonesia's middle class will propel yoghurt sales in the country (although the research group says it will be drinking yoghurt that drives sales, with spoonable yoghurt seen as less convenient).

A further opportunity – though in the early stages and limited to more urban centres – is in foodservice. "One of the key growth areas we see is out of home and convenience eating as a result of Indonesia's growing middle class. We believe this is a huge opportunity for the dairy industry to develop convenient and tasty products that can be eaten on-the-go. Our foodservice business is catering for this trend," Achyut Kasireddy, MD of Fonterra's business in Indonesia, says. "Our chefs and technical experts work alongside our customers to develop convenient, tasty dairy-based products and recipes that people can eat out or on-the-go. This model has allowed us to develop clear leadership positions in this category."

For dairy companies looking to expand internationally and with an interest in Asia, Indonesia should be on their radar, with economic growth easing but solid and a growing middle class in what is – with the country's population at 250 million – south-east Asia's largest consumer market. Per capita consumption

is lower than in some neighbouring markets and awareness of dairy is on the rise. "It's a little bit of a dark horse," Mikkelsen says. Dairy majors like Nestle and Fonterra agree, having both made recent capital investments.

There is, however, some significant near-term challenges of which to be aware. Bills says: "I've no doubt with the steam going out of the Chinese market, more people will be looking at Indonesia as an opportunity just on population alone. It most certainly is, but its diversity and infrastructure will still make it a challenge – you would want to be in it for the long haul."

How to choose the right milk for your nutrition needs

By [LeeAnn Weintraub](#), LA Daily News

POSTED: 11/02/15, 10:35 AM PST

The debate over which kind of milk — skim, low-fat or whole — is the best choice is not a new one.

But the 2015 Dietary Guidelines for Americans, due to be published by the end of the year, is sparking a new conversation about milk.

The federal government is mandated to update these food and beverage recommendations every five years based on the scientific literature. Many remain confused about what type of milk is healthiest and if they should be drinking milk at all.

The current debate about milk is focused on its fat content. While the long-standing advice pertaining to milk has been to choose non-fat and low-fat milk, there is emerging evidence that full fat dairy products might not be so bad and may even be better.

An analysis published in the European Journal of Nutrition that looked at 16 different studies found that consumption of whole milk dairy is associated with reduced body fat. Although the cause of this relationship is unknown, we do know that dietary fat increases satiety. It is possible that the fat in whole milk dairy products helps with fullness and can result in eating less.

This advice might not hold up for people with high cholesterol. According to the American Heart Association, about 25 to 35 percent of calories should come from fat, but less than 7 percent from saturated fats.

Since the fat in whole milk is primarily saturated fat, a plan for lowering cholesterol levels should include opting for low-fat and non-fat dairy.

Also, portion control is important to consider. Most people only need two to three dairy servings daily; the equivalent of 8 fluid ounces milk, 1 cup yogurt and 1/3 cup of shredded cheese. This advice goes for children as well.

Two cups of milk daily is sufficient to maintain both vitamin D and iron stores in adequate range for preschoolers.

Milk has been touted as an excellent source of calcium, boasting 300 mg per cup, but it's certainly not the only thing that helps build strong bones.

In fact, tofu, sardines and yogurt contain more calcium per serving than milk; other foods such as white beans, broccoli, almonds, enriched non-dairy milks and seaweed — among other plant-based foods — are significant sources of this important mineral.

Although dairy milk can help you reach the daily calcium goal of 1,000 mg, while providing protein along the way, it is shortsighted to not count on other products for calcium.

NON-DAIRY CHOICES

The selection of non-dairy milks has never been so plentiful.

When scanning the dairy aisle in the supermarket you have probably noticed everything from nut milks made from almonds or cashews to soy and even hempseed milk. These products provide a convenient milk alternative, particularly for vegans and those with lactose intolerance, a difficulty digesting milk sugar.

Surprisingly, many of these products contain unexpected additives like gums, sugar and salt. When choosing a milk alternative, look for products that are unsweetened and fortified with calcium, vitamin D and other essential nutrients.

General nutrition guidelines can lead to more confusion because they are created to advise populations, while nutritional needs and food preferences are unique to each person.

As emerging science supports the use of whole milk and even organic dairy, I suspect the availability and consumption of these products will continue to rise. However, it's important to keep in mind that there probably is not and will not be one best or healthiest type of milk.

Instead, your milk choice should be balanced with the other foods in your diet to optimize your nutrition and help you reach your health and wellness goals.

Connecticut secures largest dairy for farmland preservation

Updated Nov 2, 2015 at 1:01 PM

HARTFORD - The state added the largest dairy farm in Connecticut to its farmland preservation program, boosting efforts to shield cropland from developers even as preservation advocates said state funding is inconsistent.

Oakridge Dairy in Ellington conveyed the development rights to nearly 126 acres, establishing a permanent ban on the use of the land for anything other than agriculture. The land is used to grow corn and hay to support the dairy's herd of about 4,000 cows.

"We're definitely staying in farming so we want to preserve as much farmland as we can," said Seth Bahler, general manager of the family farm.

The state is paying the Bahler family \$1.1 million, with at least half reimbursed by the Natural Resources Conservation Service, an agency of the U.S. Department of Agriculture. Ellington will pay \$370,000.

The 126 acres was considered particularly vulnerable to nonagricultural development because it is relatively flat and clear and is in an area of significant home construction, the Department of Agriculture said.

Connecticut Agriculture Commissioner Steven Reviczky said the state's farmland preservation program, which was among the earliest to be established in the United States in 1978, was intended to preserve 130,000 acres. The state so far has preserved more than 40,000 acres of farmland.

"For the state as a whole, it's an opportunity to keep this limited finite resource available forever," he said. "The impact of that can't be understated."

But Connecticut's 311 easements that shield land from development are fewer than many other states, according to American Farmland Trust. Massachusetts has acquired 874 easements, Delaware has set aside 808 easements and New Jersey boasts 2,303.

"The issue for Connecticut is that it has not had consistent funding over a time period," said Jennifer Dempsey, director of the Farmland Information Center at American Farmland Trust.

But setting aside 40,000 acres that may not seem to be much in large states, is significant in Connecticut, said Henry Talmage, executive director of the Connecticut Farm Bureau.

Half of the land in Connecticut is forest and about 20 percent is agriculture, which includes woodlands on farms, he said.

"If we were to lose it, it would vastly change the rural character of the state," Talmage said. "This program definitely has made it such that agriculture continues."

State preservation funding comes from sales of bonds approved by the legislature, recording fees collected on local real estate transactions and federal money, Reviczky said.

"As commissioner, I'm very happy with the level of support that the General Assembly and the administration have shown over time," he said. "I think decision makers in the state get it."

Lisa Houlihan, Ellington's town planner, said voters have approved \$2 million for farmland purchases. The drive to protect farmland is in response to rapid growth that often spurs housing construction, she said. Farmland also diversifies the town's tax base, she said.

The Dairy Farmer and the Digester: A Candor Tale

Posted: Monday, November 2, 2015 12:15 am

By Aryeal Jackson |

If you tell people from Candor that you're going to see a dairy farmer about poop they might say, "Oh, you mean Bob Aman?" Aman was green before green was trendy. He's invested in renewable energy for over 40 years. His manure digester produces biogas that powers his entire farm.

In 1977 Aman invested \$250,000 in a manure digester to produce electricity for his farm and reduce the odor from spreading manure on his fields. Aman said, "What we have is deep green electricity."

Aman's father built the farm on Kelsey Road in 1944, just three miles from where Bob Aman has his dairy cows. He, and now his son Aaron, run the original farm and the dairy farm on Foote Crossing Road.

After completing his chemistry degree he said, "Walking into a factory, I knew it wasn't for me." So he went back to the farm. "My father said to me, Bob why do you want to do this?" His dad gave him a list of more secure paths. Despite the obstacles, Aman decided to farm. His son recently did the same. "When Aaron wanted to buy me out, I said Aaron, why do you want to farm?"

They both believe, Aman said, "When you work for yourself, you live and die by your own decisions. When you work for someone else, you live and die for them." His son is now managing over a dozen employees and roughly 2200 acres of land.

Aman is retired. "I don't enjoy headaches anymore, I want a simple world." He laughs, "[The] digester was my baby, [I worked] to keep it healthy."

The cows happily supply the manure: "Country club living for cows. They get up and eat, they go sleep, the only time they have to work is when we get milk from them."

Scrapers funnel the manure from the milking parlor to the center of the barn; underground pipes then feed it into the digester, where it's heated. "At 100 degrees the bacteria that should be the healthiest give off methane gas. That methane gas then goes underground over to where the engines are. That's what makes the electricity, burning the gas in the engines." Aman said. Methane, now called biogas, is CH₄ which powers a six cylinder Caterpillar engine. The engine is then used to heat the digester to 100 degrees and the cycle goes on. Aman explained the balance. "You need the whole system to work at the same time. Once you get it going, you should be able to keep it going."

The digestates, or byproducts, are liquid, which Aman uses as fertilizer, and solids, which he uses and sells as compost. "The beauty of dairy farming is, there's no bigger recycler than a dairy farmer," Aman said.

"We take the manure, we put it in the fields, we grow the crops, we feed the cows, we get the milk, the manure goes back to the field again." Yet the methane recycling has met with detractors over the years. At the time (he installed it) Cornell told Aman it was a failed technology. He said, "They wanted nothing to do with it. Instead the engineering was supplied to me through a federal agSTAR program, they told me who the people were who know how to build the digester and do it successfully." AgSTAR, under the Environmental Protection Agency, is helping farmers install digesters.

"It really isn't a profit center. It's a way to keep the odor under control for the community and have a little bit left over." Aman explained: "We [could] produce enough electricity to supply roughly 60 homes year round. But actually, the way it works is we cover our own use and whatever extra goes out to the grid. Our electric bill is probably \$3,500 a month. When everything is working well, that bill is zero."

Aman works to educate himself and others. "I ended up traveling all around the country serving on panels and having discussions. I had a lot of fun in the process." He worked towards mainstreaming carbon credits, exchangeable commodities based on greenhouse gas emissions. "I was chairman of a committee on marketing carbon credits and doing carbon trading. A digester produces carbon credits out the wazoo."

“The biggest reason I did this, when we put this farm up, is when you put manure in a lagoon [a giant pool that stores a manure slurry] without going through a digester, it stinks.”

He reduced truck traffic by running underground pipes to take the liquid manure up to Kelsey Road. “We have 4.5 miles of buried pipeline to move manure around Candor without anybody seeing it.”

So as his farm grows, his carbon footprint shrinks and his neighbors are happier. He concluded, “Me being here in Candor and becoming as successful as I did, no one would ever dream that could happen.”

Global UHT Milk Market (Size of \$84 Billion in 2014) to Witness 14% CAGR During 2015 - 2020: P&S Market Research.

NEW YORK, November 2, 2015 /PRNewswire/ --

The lack of refrigeration facilities in the developing countries, and increasing busy schedules of people are key growth drivers for the global [UHT milk market](#). The Asia-Pacific UHT milk market is expected to witness the fastest growth, with a CAGR of 20.6% during 2015 - 2020. The whole variant is expected to witness fastest growth with a CAGR of 14.4% during the forecast period. The supermarkets and hypermarkets dominated the sales among distribution channels in the global market.

(Logo: <http://photos.prnewswire.com/prnh/20150727/756778>)

Explore Report Description With Detailed TOC: <https://www.psmarketresearch.com/market-analysis/uht-milk-market>

Milk is one of the essential food products consumed in every family. However, owing to the perishable nature, regular liquid milk is not purchased by the end-users in large volumes. Therefore, UHT milk is consumed worldwide, as an alternative to regular milk. The evolving consumer trends, such as on-the-go consumption of milk is also boosting the growth of the global market of UHT milk. Earlier, milk was usually consumed during the breakfast or dinner. However, during the past few years, a shift in dietary trends has led to its pervasive consumption. Now-a-days, milk is consumed by individuals while in school, playground, gymnasium, and office. The government in many countries has been providing milk to children for promoting their growth. The sports and business people carry milk, in order to consume it on-the-go. This trend has affected the growth of the global UHT milk market in positive terms, as they can be carried safely to places without the need for refrigeration.

The information and data in the publication "**Global UHT Milk Market Size, Share, Development, Growth and Demand Forecast to 2020 - Industry Insights by Segment (Whole, Semi-Skimmed, Skimmed), by Distribution Channel**" represent the research and analysis of data from various primary and secondary sources. A Bottom-up approach has been used to calculate the global UHT milk market by segment. The market numbers for countries are obtained through top-down approach. P&S Market Research analysts and consultants interact with leading companies of the concerned domain to substantiate every value of data presented in this report. The company bases its primary research on discussions with prominent professionals and analysts in the industry, which is followed by informed and detailed, online and offline research.

Browse Related Research: <https://www.psmarketresearch.com/industry-report/consumer-products>

With the increasing urbanization, the adoption of several trends related to lifestyle and well-being are in practice within the developing countries of Asia-Pacific, Middle East, and Africa. The growing apartment culture in countries, such as China and India is influencing the consumers to use products with larger shelf life. UHT milk accounts for approximately 60% share of the total milk consumption in China.

The weaker economic conditions in Europe have propelled the demand for cheaper products in the past few years. Milk being one of the inherent parts of everyday meal for the majority of European population, its affordability is important for most of the households. The private label UHT milk brands offered by supermarkets and hypermarkets are relatively cheaper than, those offered by established brands. This offsets the negative impact of economic slowdown, as the consumers have an option to switch towards the substitutes of their preferred brand in the economically crunch situation.

The major companies operating in the global UHT milk market include Nestle SA, Groupe Lactalis S.A., Fonterra Co-Operative Group Limited, Danone Limited, Grupo Lala, S.A.B. de CV, Sodiaal Group, Inner Mongolia Yili Industrial Group Co. Ltd., China Mengniu Dairy Company Limited, Devondale Murray Goulburn Co-Operative Co. Limited.

P&S Market Research is a market research company, which offers market research and consulting services for various geographies around the globe. We provide market research reports, industry forecasting reports, business intelligence, and research based consulting services across different industry/business verticals.

As one of the top growing market research agency, we're keen upon providing market landscape and accurate forecasting. Our analysts and consultants are proficient with business intelligence and market analysis, through their interaction with leading companies of the concerned domain. We help our clients with B2B market research and assist them in identifying various windows of opportunity, and framing informed and customized business expansion strategies in different regions.

