

DAIRY PULSE



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FORTNIGHT NEWSLETTER

Dairy Pulse 64th Edition (16th to 30th June, 2018)



CATEGORIES OF THE EDITION

- ★ Suruchi Endeavor in Skill/ Entrepreneur Development Domain
- ★ Indian News
 - Animal Health/Protection
 - Marketing
 - Health/Awareness
 - Regulatory/Legal
 - Survey/Report
- ★ Foreign News



Dairy Pulse 64th Edition (16th to 30th June, 2018)

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Suruchi endeavor in Skill/ Entrepreneur Development Domain

➔ *Diploma in Dairy Technology (DDT) in alliance with IGNOU*

Study Center authorized by School of Agriculture Indira Gandhi National Open University (IGNOU) Details as below:

Academy of Dairy Skill Development (ADSKiD)
Unit of Suruchi Consultants
C-49, Sector-65, Noida U.P – 201307
SC/PSC Code: 39018P
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Contact no. : +91-0120+4370845
Email: adskid39018p@gmail.com

New admissions are open for July, 2018

➔ Indian Dairy Map 2017 launched on 27th October, at Pune.

➔ Aspiring entrepreneurs might attend our introductory session (Free) on how to set up dairy farm and plant on every 2nd and 4th Saturday of month from 2 PM to 5 PM, Prior registration is must and for that contact our office.

For more information please email on info@suruchiconsultants.com or contact at +91 0120 4320845

➔ *55th Dairy Entrepreneurship Development Program (DEDP) at Suruchi Consultants, C-49, Sec-65, Noida 26th, 27th, & 28th Aug, 2018 with Guided Tour to a Dairy Farm plus a milk processing plant.*

For more information please follow the link:

http://www.skilldairy.com/pdf/3_53rd_DEDPBROCHURE.pdf

➔ 3rd Practical Dairy Entrepreneurship Development Program (PDEDP) at Suruchi

Consultants, C-49, Sec-65, Noida on 17th to 22nd Sep 2018.

For more information please follow the link:

http://www.skilldairy.com/pdf/4_2nd%20PDED_P_Brochure.pdf

➔ Suruchi is launching 1st Second Level Dairy Entrepreneurship Development Program (DEDP- Level II) 2018 one week intensive hand on Dairy Farm. Dates will be announced soon.

For more information please email on info@suruchiconsultants.com or contact at +91 0120 4320845

➔ Suruchi is launching 1st Global Dairy Entrepreneurship Development Program (GDEDP) the dates will announce soon.

For more information please follow the link:

http://www.suruchiconsultants.com/pageDownloads/downloads/training/5_1st%20%20GDEDP%20BROCHURE.pdf

➔ Suruchi has launched Online Dairy Entrepreneurship Development Program (ODEDP). It is 12 weeks program. Registrations are open till 15th July, 2018 for 4th batch.

WatchVideo: <https://www.youtube.com/watch?v=5iS432VIGc8&t=42s>

For more information please visit on website <http://skilldairy.com/>

5th Regional Dairy Entrepreneurship Development Program (RDEDP) at Jaipur Rajasthan on 9th & 10th July, 2018. For more information please follow the link:

http://skilldairy.com/pdf/1_4th%20RDEDP_BROCHURE.pdf

Animal Health/Protection

From FARM to HOME

JUNE 30, 2018 00:00 IST

<https://www.thehindu.com/todays-paper/tp-features/tp-metroplus/from-farm-to-home/article24296811.ece>

Technocrat Srinivasa Rao Bellamkonda combines technology with traditional dairy farming to create a transparent digital supply chain of unadulterated milk

“We love drinking coffee these days. It never tasted so good. Thank you ‘Real Milk’,” says a message on the mobile of Srinivasa Rao Bellamkonda.

His smile widens as he shows a series of feedback messages he has been receiving from the ‘satisfied’ customers who use the pure unadulterated milk supplied by his startup ‘Real Milk’. “This one was from Dr Vallabhaneni Ravi Shankar who has got me many more customers in a short span of time,” he says.

Rao is a technocrat-cum-dairy farmer who has created a digital platform for farmer-produced milk supply chain management.

A native of Adavipalem village under Santamagalur mandal in Prakasam district, Rao is a senior software professional who returned to Vijayawada to take a hard look at the dismal dairy scenario after working in countries like the US, Singapore, Canada and Brazil. “My family is into dairy farming and there are 60-100 cows at home at any given point. The urge to better things was triggered in 2014 when my brother said he wanted to give up farming as it was not rewarding any more,” he recalls.

Rao, along with a few like-minded friends, studied the local problems and analysed the situation and decided to start ‘Real Milk’, a transparent digitised system enabling supply of unadulterated milk from certified farmers, in addition to ensuring good cattle health. “This is needed for longer term of production and optimal calving periods. I brought dairy

farmers and customers under a common system for supply/purchase of unadulterated milk,” he explains.

Milk is one the most consumed products in India and more than 68 % of it is adulterated. Besides water, the local doodh waala bhaiah and the milk manufacturers add substances like urea, formalin and detergent among other things, he rues.

Talking about how milk adulteration is evolving with people finding new ways and chemicals to mix, he reminds of the Supreme Court advocating life imprisonment for milk adulteration.

“There are also issues of poor animal care, high cost of feed, market volatility and unemployment. I wanted a viable solution to it,” he says explaining about his technical team which trains and certifies registered dairy farmers to treat animals ethically and operate the dairy using SOP (Standard Operating Procedure) so that the animals are happy and produce healthy milk.

“A farmer needs to produce at least 150 litres a day to register into the system,” he says, adding: “He gets higher price for milk, a healthy cattle which will deliver one calf every 13 months besides reducing the mortality rate of the animal.”

“I used to vend milk going door-to-door. Now I supply it to Real Milk team and earn better income,” says Srinivas Malabanti, a dairy farmer from Nuthakki village. Registered consumers meanwhile get to know the goodness of pure milk and the farmers’ hard work before uploading their profile on the Real Milk digital platform. Users have access to information on the feed given to the animal and the timing of milking. Delivery is made

within four hours, when the milk is best to consume

Data of the milk producers and consumers and their geographic locations and preferred options of milk (cow/buffalo/desi-cow) has been generated in the system which directly connects them based on the proximity and other parameters such as quantity, duration of supply and delivery timings. "If anyone proves that the milk supplied by us is not pure, I am ready to supply free milk for one year," Rao challenges.

Rao has also designed a mobile app www.realmilk.co.in to allow real-time assessment, mapping right farmer to the right consumer. This is perhaps the first of its kind initiative in the dairy industry for the well-being of farmers, consumers, animals and the environment.

"Currently we have 5,000-odd registered users and I hope to break-even by December this year," says he, adding that he will expand his area of operation after that.

Oxytocin ban to come into effect from July 1

Jun 27, 2018, 23:24 IST

<https://timesofindia.indiatimes.com/india/oxytocin-ban-to-come-into-effect-from-july-1/articleshow/64769427.cms>

Restricting manufacturing and sale of oxytocin formulation to prevent its misuse, the health ministry said no private manufacturer will be allowed to manufacture the drug for domestic use from July 1.

Only Karnataka Antibiotics and Pharmaceuticals Ltd (KAPL), a public sector company, would be manufacturing this drug for domestic use now. The government has also banned the import of the formulations.

KAPL will supply the drug to registered hospitals and clinics in public and private sector directly. Oxytocin in any form or name will not be allowed to be sold through retail chemist, the ministry said.

Oxytocin is a naturally-occurring hormone that causes uterine contractions during labour and helps new mothers lactate.

However, the drug is heavily misused in the dairy industry where livestock are injected with oxytocin to make them release milk at a time convenient to farmers. The hormone is also used to increase the size of vegetables such as pumpkins, watermelons, brinjals, gourds and cucumbers.

"Oxytocin formulations meant for domestic consumption will be supplied by the manufacturer, i.e. KAPL, to registered hospitals and clinics in public and private sector directly. Oxytocin in any form or name will not be allowed to be sold through retail chemist," the ministry said in statement.

The ministry has advised all registered hospitals and clinics in public and private sector in the country to contact KAPL and place their orders with the company as the drug will not be available with retail chemists or any other manufacturer.

Software helps cut Indian cows' methane emissions

26/06/18

<https://www.sciencemag.org/asia-pacific/livestock/news/software-helps-cut-indian-cows-methane-emissions.html>

A software tool developed by India's National Dairy Development Board (NDDB) is helping balance the diets of 2.4 million heads of Indian cattle leading to increased milk output and reduced methane emissions, an international livestock conference heard.

The software tool, called Information Network on Animal Productivity and Health (INAPH), was presented at the annual Global Agenda for Sustainable Livestock Meeting held at Ulaanbaatar, Mongolia this month (11–15 June) by Vinod Ahuja, a policy officer at the Food and Agriculture Organization.

Overall, the programme has helped reduce enteric methane emissions by 12–15 per cent while raising the average daily incomes of farmers by US\$0.37 per animal per day, Ahuja said.

“For normal, healthy cattle reared under optimal conditions, feed management is the best way to check emissions”

N. Raghuram, Guru Gobind Singh Indraprastha University

“There are measurable impacts of the practice adopted in India, especially in reduced enteric emissions and increased farmers' incomes,” Ahuja tells SciDev.Net.

Methane from India's livestock population, the world's largest, can significantly raise global temperatures according to a study, published January in *Ecotoxicology and Environmental Safety*. It said that as a greenhouse gas, methane has 20 times the warming potential of carbon dioxide.

INAPH calculates optimal feed mixes for each of 2.4 million animals in more than 30,000 villages, with a local resource person trained to use the software and provide advisory services to farmers. Factored into the software tool are the type of food, weight of the animal and fat content in its milk.

Rajesh Sharma, senior manager at the NDDB headquarters in Anand, Gujarat state, says that the purpose behind rationing and balancing the diet of cows was to make dairying sustainable. “Unless it is useful to farmers in a tangible way, it won't be attractive. Now they get more fat content in their milk, along with reduced expenses on feed and fodder.”

According to Sharma, the World Bank-funded programme, first launched in 2010 and now covering 18 of India's 29 states, is dependent on doorstep delivery of advisory services.

Adjustments are made according to the availability of different types of feed and fodder with the help of the software, ensuring that a balance in protein, energy, minerals and vitamins is always maintained, Sharma says.

“It is true that enteric gas, urine and dung produced by cattle are directly linked to their diet, weight and metabolism, apart from their health and living conditions,” says N. Raghuram, dean at the School of Biotechnology, Guru Gobind Singh Indraprastha University, New Delhi. “For normal, healthy cattle reared under optimal conditions, feed management is the best way to check emissions.”

Marketing

Why the dairy beverage has a billion dollar market in India

<https://www.indianretailer.com/article/sector-watch/food-and-grocery/Why-the-dairy-beverage-has-a-billion-dollar-market-in-India.a6123/>

JUN 28, 2018

Although Indians' palates have a liking for variety, milk is a staple that has takers from a toddler to a senior citizen. However, with millennials mostly choosing healthy snacks over junk, milk has been underserved as a functional drink. Trying to give a makeover to this ancient food, retailers like Amul, KMF and some startups like Goodness! are changing the way the dairy beverage serves the young consumers, writes Shwetha Satyanarayan

"Milk is mostly considered as a kid's drink and we want to change the way millennials consume milk," says Lakshmi Dasaka, co-founder of dairy beverage Goodness! The Bengaluru based startup has over 1 lakh loyal consumers who depend on an Oats smoothie or a flavoured yogurt when think of snacking something healthy. "Goodness! is a functional drink and not just a health drink," reminds Lakshmi.

Whether at home or out of home, dairy beverages have traditionally been a large part of Indian households. From a lassi to flavoured buttermilk, dairy beverages are available in many sizes, shapes and packets. However, only 22% of the milk and dairy products consumed in India are in branded form, while branded dairy based beverages form a market size of Rs 1,280 cr growing at 30 per cent annually (as per 2016 reports).

"It is one of the fastest growing beverage segments in Indian market and is likely to become a billion-dollar (Rs 6000+ Cr) market by FY21 with three major categories – flavoured milk, chaas and lassi and functional yogurt drinks. Flavoured milk dominates the segment contributing 60 per cent (in value) to the branded dairy beverages segment," says a consumer and retail study by Tata.

While brands like Cavins, Amul and even KMF are tapping the market with new products, the milk-based product segment is mostly underserved when compared to global

counterparts, observes Lakshmi. "Although the new age consumer has evolved and his preferences are well-researched as they are connected to the global market in real time basis, there are only handful players in domestic market, while for example in the brewed cold coffee segment alone there could be some 50 other players in the USA," she says.

New age brands like Keventers or Frozen Bottle may have entered the market aggressively and focusing on pan-India expansion, but they are indulgent drinks which may not appeal to the calorie-conscious consumer.

"There is huge shift in the trend the way a consumer wants to drink a milk-based product and keeping in tandem with the trend, we are eliminating sugar from all our products," she says. Interestingly, Goodness! was also the only Indian finalist in the World Dairy innovations Award 2018. Its Oats smoothie won appreciation for innovation.

Changing consumer needs

So what does the millennial consumer expect when buying a dairy beverage? "Convenience, branding and natural," the consumer and retail report suggests. "Consumers want something healthy and at the same time it should not take away most of their time in preparation of the drink. Also, they want branded drinks for on-the-go consumption instead of unhygienic, unbranded products. Meanwhile, milk is considered a healthy drink and all natural products like milk have the potential to appeal to the young consumer, who doesn't prefer added sugars or artificial products," it says.

Tapping new platforms

In a bid to be available at all times and everywhere even if a consumer can't walk up to a supermarket to pick up a bottle of the drink, Goodness! has partnered with Swiggy to deliver their drink within 30 or 40 minutes

duration. "We want to be an intersection of health and convenience. Further, we will also tap the impulse purchase market by being available in play arenas, multiplexes, airports and even work places and schools," Lakshmi says.

Further, the report also predicts that there is market for such products in tier II cities and rural areas but new innovative packaging methods and new products can increase the demand for such products.

Gujarat offers sop to dairy unions to export milk powder

AHMEDABAD, JUNE 27

<https://www.thehindubusinessline.com/economy/agri-business/gujarat-offers-sop-to-dairy-unions-to-export-milk-powder/article24273003.ece>

At a time when international prices of Skimmed Milk Powder (SMP) are ruling low and dairy cooperatives are facing reduced realisation from exports, the Gujarat Government has incentivised SMP exports with a financial assistance of ₹50 per kg for six months.

Announcing the decision, Deputy Chief Minister Nitin Patel informed that cooperative dairy unions had their funds blocked in the SMP piled-up with the dairies as exports are unviable.

Funds locked up

"Approximately 1.10 lakh tonnes of SMP worth over ₹2,500 crore are piled up at these dairies, thereby blocking their funds. International prices are lower than our SMP prices. Hence, the international market sale at this rate may cause huge loss to these dairies," Patel said addressing media in Gandhinagar. The SMP prices have already slipped by about ₹100 a kg from their peak last year at ₹240. Currently, SMP prices hover at around ₹135/kg in the domestic market and about \$2000/tonne in the international market (about ₹140/kg).

"The State government has, therefore, decided to provide ₹50/kg financial assistance for all SMP exports to be done by Amul for the next six months, beginning from July 1, 2018. This will be allowed till the ceiling of ₹300 crore is met," he added.

Overall benefit

It is envisaged that the decision would push 60,000 tonnes of SMP exports during the given period. Against the annual production of 600,000 tonnes, India's annual SMP consumption is estimated at 500,000 tonnes, while the remaining is the exportable surplus. But for the past two years, exports couldn't take place due to weak international prices, which caused the pile up of stocks.

Milk cooperative unions led by Gujarat Cooperative Milk Marketing Federation (GCMMF) Chairman, Ramsinh Parmar and other dairy leaders had represented to the Gujarat Chief Minister Vijay Rupani seeking support.

Multiplier effect

Welcoming the move, GCMMF Managing Director RS Sodhi stated that the decision will not only help Gujarat farmers, but will also help milk producers across India. "With this decision, the price paid to the farmers will go up by about ₹5. The ₹300-crore support from the Gujarat government will get converted into the overall benefit of ₹12,000-15,000 crore to farmers across India. Because this will lift the overall sentiment in Indian market and farmers across the country will be benefited," he added.

Government to lease out Delhi Milk Scheme for 30 years

<https://www.indianretailer.com/news/Government-to-lease-out-Delhi-Milk-Scheme-for-30-years.n8887/>

The government has invited milk cooperatives to run Delhi Milk Scheme (DMS) a dairy retail unit started by the first President of India Rajendra Prasad in 1959 on lease for 30 years, an alternative of cater to the milk needs of Delhiites

The bid document for the same was released by Union agriculture ministry released on Wednesday.

DMS has piled up losses of nearly Rs 900 crore and just has 6% market share in the capital's milk market, but it sits on huge real estate and retail infrastructure in prime areas of Delhi.

It could be picked up by Amul brand owner Gujarat Cooperative Milk Marketing Federation (GCMMF) or other prominent milk cooperatives that have shown interest in it in the past, officials said.

The document said, "The agriculture ministry intends to hand over the operations and management of DMS to a profitable and professionally run cooperative dairy federation or other semi-government organisation with a proven track record in dairy processing and marketing for an initial period of 30 years and renewable thereafter."

DMS has a milk processing plant of 5 lakh litres of milk per day capacity located in the

heart of Delhi and spread over 25 acres. It also has five milk collection and chilling centres plus 566 milk booths located at various places in Delhi and NCR. "It is expected that with the viable operation of DMS, through the appointment of a concessionaire, the financial burden on the government on account of funding losses incurred by DMS would reduce and there shall also be a net gain by way of realised lease rentals," the government bid document said.

Around 700 employees, working with DMS, shall be placed in the 'surplus pool' and can be redeployed elsewhere by the government, if they opt not to work for the cooperative or are not selected to work for it.

The bid winner will earn all the rights to use DMS assets and the brand for 30 years and decide price of the milk product, but the ownership will be retained by the government of DMS' land, buildings and the brand.

The cooperative are also open to revamp, modernise, and increase capacity of the land and building, plant and the machinery of DMS for milk at their own expenditures. The contract could be given by this September.

The decision to lease DMS took its time coming as the proposal had been pending since the time of the previous UPA government.

In times of surplus, milk is no longer honey

Updated: June 28, 2018 8:38:06 am

<https://indianexpress.com/article/india/in-times-of-surplus-milk-is-no-longer-honey-5236306/>

Two years ago, when Mohan Gholap invested Rs 22 lakh in his dairy business, little did the 27-year-old realise that the decision to rear crossbred Holstein-Friesian cows instead of buffaloes would cost him dearly.

But it did make sense then, given that a crossbred calf came into milk in just over two years, compared to 3.5 years for buffaloes. Also, the average annual milk yield from crossbred cows was over 4,000 litres, as against 1,500-1,750 litres from buffaloes. This, even as buffalo milk contained more fat (6-7% versus 3.5% for cow) and solids-not-fat or SNF (9% versus 8.5%).

“When I started, Gokul Dairy (as the Kolhapur District Cooperative Milk Producers’ Union is called) was paying Rs 25-27 per litre for cow milk. Even with daily sales of 130-140 litres from my 18 animals (not all of them in milk), I could gross a monthly revenue of Rs 100,000,” says this farmer from Chipri village in Kolhapur district’s Shirol taluka.

Gholap grows elephant grass (napier) and fodder maize on his entire two-acre holding. By doing that and not engaging any outside labour — his two brothers work along with him — he has been able to restrict the monthly expenditures, mainly on dry fodder, feed concentrates, supplements and medicines, to about Rs 30,000. The net income from milk sales has, thus, sufficed to meet the equated monthly installments of Rs 17,480 on a loan of Rs 15 lakh from the Bank of India, which had financed his purchase of animals and associated investments such as cowsheds, chaff cutters, milking cans and feeding troughs.

However, on June 23, the Kolhapur union, which — unlike dairies elsewhere in Maharashtra, both private and cooperatives — had never reduced milk procurement prices over the last two years, announced a cut from Rs 25 to Rs 23 per litre. “We grow our own green fodder and also supply the labour. But with the procurement rate for our milk now being lowered, even we are worried about our business and paying loan installments,” he sighs.

Gholap is a pure dairy farmer. But even for others in the sugarcane bowl districts of western Maharashtra, dairying has been a secure source of additional income. It has been even more so in Kolhapur, where the Gokul Dairy was till recently paying Rs 25 per litre for cow milk with 3.5% fat and 8.5% SNF content, even when others — including in neighbouring Sangli district — had slashed rates to Rs 17-22 per litre over the last one year.

Kolhapur was traditionally a buffalo milk belt. In 2001-02, the Gokul dairy recorded an average procurement of 5.19 lakh kg per day (LKPD), out of which buffalo milk constituted 3.49 LKPD or 67 per cent. But in 2017-18, out of the total average procurement of 11.92 LKPD, 6.19 LKPD or almost 52 per cent came from cows. This was indicative of more farmers opting for commercial dairying, based on rearing of high-yielding crossbred cows, as opposed to buffaloes.

The last couple of years, however, have seen dairying also come under stress, similar to sugarcane cultivation. Gokul Dairy’s average procurement price for buffalo milk with 6% fat and 9% SNF fell from Rs 42.64 per litre in 2016-17 to Rs 36.50 in the last fiscal. Cow milk rates also came down marginally from Rs 26.84 to Rs 25 levels during the same period.

“We were actually paying Rs 27 until August 30 last year, before reducing it to Rs 25 and now to Rs 23,” states Dattatray Vishwanath Ghanekar, managing director of Gokul Dairy. He attributes it mainly to the large skimmed milk powder (SMP) stocks with most dairies. Gokul Dairy alone is currently holding around 5,000 tonnes, equal to 125 days of its daily SMP production capacity of 40 tonnes. Worse, this is before even the start of the main “flush” season for milk from September.

The accumulation of unsold stocks has led to SMP prices crashing to Rs 130-135 per kg, from Rs 170-180 a year ago. “We don’t know how to get rid of our stocks ahead of the coming flush season and expect to report a loss of Rs 90 crore-plus this fiscal. And given that the very survival of the dairy is at stake, we have been left with no alternative other

than reducing the procurement price for milk,” admits Ghanekar.

The build-up of stocks has also to do with the fact that the fall in milk production during the “lean” months (March-August) isn’t as sharp as it used to be. Buffaloes tend to produce more after September, when the availability of both fodder and water improves, along with reduction in temperature and humidity levels.

“Previously, the drop in lean season production was 40 per cent or more, whereas it is hardly 20-25 per cent now. This is partly due to better dairy husbandry practices and also to increasing replacement of buffaloes with cows by farmers,” points out Girish D Chitale, partner of M/S B G Chitale, which runs the Sangli-based Chitale Dairy. His dairy, which collects around 6 LKPD, has already

slashed its milk procurement price to Rs 20 per litre. “Ten years ago, 80 per cent of the milk we bought was from buffaloes. That proportion has dropped to 60 per cent and with it, the flush-lean variations have also come down,” he adds.

The Gokul Dairy is now seeking to encourage farmers to go back to rearing buffaloes, as milk fat prices haven’t collapsed as much as SMP rates. Dairies have been pleading with the Centre to either procure or provide incentives for export of the surplus SMP stocks in the country, currently estimated at over 3 lakh tonnes. But it has been in vain so far.

“Is it our fault that we invested in buying cows, increased milk yields and also grew our own fodder?,” asks Gholap. That’s a question that other dairy farmers, too, are asking.

Rs 300crore export support to clear SMP inventory

Jun 28, 2018, 14:39 IST

<https://timesofindia.indiatimes.com/city/vadodara/rs-300cr-export-support-to-clear-smp-inventory/articleshow/64770028.cms>

The Gujarat government on Wednesday announced Rs 300 crore export support for Gujarat Milk Marketing Federation (GCMMF) that markets products under brand Amul, to clear the huge inventory of skimmed milk powder (SMP) lying with it.

The announcement was made by deputy chief minister Nitin Patel. “The rate of SMP in the international market has come down and the demand of SMP prepared by the Amul too has gone down. This is directly affecting the interest of the farmers engaging in the cattle rearing in the state,” said Patel.

“Amul had requested assistance in the larger interest of farmers. So considering the interests of the cattle breeders, and farmers the government has agreed to give Rs300 crore support to GCMMF for SMP export. This means support of Rs 50 per kg of SMP exported,” he added.

Amul has stock of 1.10 lakh tonne SMP worth Rs 2,500 crore. As the funds have been blocked due to low off-take the interest burden has also increased.

GCMMF – the apex marketing body of all the district dairy unions of Gujarat welcomed Gujarat government’s decision to provide Rs 300 crore support for export of SMP.

[The federation will get support of Rs 300 crore](#) for exporting 60,000 tonnes of SMP in the next six months.

“It was for the first time that we (Amul) had sought state government’s help as there is nearly one lakh metric tonnes of milk powder inventory and in the world market prices of SMP have drastically fallen in the last four years,” said R S Sodhi, managing director of GCMMF.

In 2013-14, around one lakh metric tonnes of SMP was exported but due to global crash down in SMP prices, exports fell to negligible levels.

“In the domestic market too, milk prices have fallen sharply. But in Gujarat, we are paying 8% more prices to farmers compared to other states. Without any support, it would have become difficult for us to provide better procurement prices to farmers and ultimately, we would have been forced to reduce milk

prices paid to farmers," he said.

According to Sodhi, the Rs 300 crore support from Gujarat government will not only benefit 36 lakh milk producers engaged in dairy business in state but also over five crore milk producers across the country.

"Once, we start exporting 60,000 tonnes of

SMP, it will automatically improve the local market sentiments as there will be increase in price of SMP by Rs 50 per kg in the domestic market. This in turn will increase price paid to farmers by Rs 5 per litre. In other words, the total benefit will be in the tune of Rs 12,000 crore to Rs 15,000 crore to farmers in the country," he said.

Dairy farmers target bulk consumers directly for better realisation

June 26, 2018 01:14 IST

https://www.business-standard.com/article/economy-policy/dairy-farmers-target-bulk-consumers-directly-for-better-realisation-118062500589_1.html

The Rs 6,000-billion dairy industry in India has gone through a dramatic shift in milk supply over the past few months, with farmers initiating direct supply to retailers and bulk consumers to fetch better realisation, instead of supplying to organised collection centres under a corporate brand.

Targeting mainly the hotels, restaurants and catering (HORECA) segment, the new system of milk supply is posing a big threat to dairy companies over milk availability during the short term and sustained supply for future projects.

The new supply mode started in Andhra Pradesh, with dozens of farmers joining hands with Farmers Produce Organisations (FPOs) and tying up with HORECA chains in the vicinity, in order to get at least Rs 4-5 a litre more than the price paid by organised companies and bulk suppliers. With milk gradually getting oversupplied due to sustained increase in its production, organized companies have been paying Rs 21-22 a litre, which farmers feel is insufficient to cover the cost of production. HORECA chains, however, are offering Rs 24-25 a litre through direct procurement from farmers.

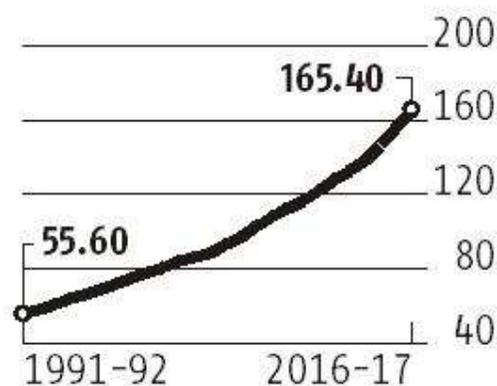
"The management of Heritage Foods said in an analyst meet that lower milk prices are expected to boost margins of milk-processing companies. However, many farmers/agents have started selling excess milk directly in cities without any processing. They are targeting the HORECA segment and also selling milk to small tea stalls, thereby posing a threat to organised players," said Aniruddha Joshi, an analyst with [ICICI Securities](#).

Companies see two options before them to tackle this problem.

Either to reduce milk selling prices and pass on some benefits to distributors and HORECA consumers or expand the margins with lower sales volumes. "Heritage plans to take a middle path and ensure healthy revenue growth with some expansion in margins," said Joshi of [ICICI Securities](#).

A recent [Rabobank](#) report puts India's milk production at 180 million tonnes by 2019,

MILK PRODUCTION (in million tonnes)



Source: Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, Govt of India

from 165.4 million tonnes for financial year 2017. Milk production in India has increased with a CAGR of 4.9 per cent over the past decade due to higher bovine output, low feed prices and sustained increase in demand.

Devika Malik, an analyst with India Ratings & Research, sees India's milk production rising by 6.29 per cent y-o-y to expand the size of liquid milk industry to Rs 7.45 trillion during 2019 due to sustained low fodder / cattle feed prices.

Nidhi Agrawal of [Angel Broking](#) feels companies with value-added products, such as Parag Milk Foods, would post better top lines and bottom lines in the coming quarters.

"Driven by rising awareness, new product launches, aggressive marketing (by leading players) and income level, organised players' share is expected to rise to 26 per cent by 2020 from the existing 22 per cent. Parag with leading Go and Gowardhan brands of dairy products, is likely to be a key beneficiary of this shift," Agarwal said.

In India, over 80 per cent of milk is consumed in liquid form, as opposed to developed countries where that a large portion of milk is in the form of value added-dairy products. Most dairy companies, therefore, plans to boost their forward or backward integration businesses to post better margins.

India must milk its dairy opportunity

Updated: June 25, 2018 5:13 AM

<https://www.financialexpress.com/economy/india-must-milk-its-dairy-opportunity/1218673/>

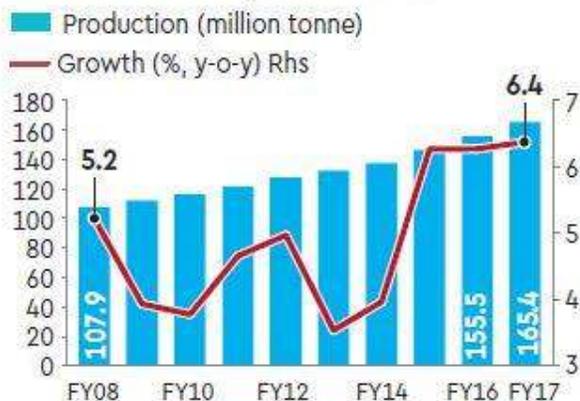
Farmers, who had high expectations from the Modi government, are feeling disillusioned today. Not only do prices of several crops remain well below their minimum support prices (MSPs), but now, even milk prices have fallen by 20-30% (Rs 5-10 per litre for cow milk), across several milk-surplus states in western and northern India, ranging from Maharashtra, Gujarat, Rajasthan to Punjab, Haryana and UP. No wonder, farmers were seen spilling milk on roads or distributing free milk to the poor during their 10-day agitation.

This reminds us of the history of Kheda district in Gujarat, where a similar milk crisis happened way back in 1946, and Sardar Vallabhai Patel stepped in to solve the problem of low prices of milk. He gave India, literally, its first and largest milk cooperative (Amul), and in the process emerged as a leader of farmers. A similar situation confronts prime minister [Narendra Modi](#) today. If he can find a right solution to their falling milk prices, he will also emerge as an undisputed leader of farmers. This will pay him handsomely in the 2019 parliamentary elections. Remember, India is the largest producer of milk (165.4 MMT in FY17), and its value is more than that of rice and wheat combined! So, it is India's biggest agri-

produce and it is largely grown by small and landless agri-households, employing more than 70% women.

But, before we get into plausible solutions to the falling milk prices in India, let us try to understand what led to this situation. First, the growth in milk production since FY15 has been unprecedented (6.3% per annum during FY 15 to FY17; FY18 figures are not yet finalised), compared to about 4.2% in the three years preceding that (see graph). Additionally, milk output, instead of falling during the lean (summer) season, registered high growth in FY18 vis-à-vis FY17. Notwithstanding doubts that some experts raise about the authenticity of milk production data, the fact that prices are falling significantly clearly reflects that supplies exceed demand. Second, in such a situation of glut, India should have been exporting large quantities of skimmed milk powder (SMP). But, unfortunately, global SMP prices have tumbled from \$4,744/tonne in FY14 to \$1,925/tonne in FY18, making SMP exports unviable. As a result, India's SMP exports plummeted from an all time high of 1.24 lakh tonnes in FY14 to just 11,300 tonnes in FY18 (see graph). Not finding a good export outlet has accentuated India's milk price crisis.

All India milk production



Source: Basic Animal Husbandry & Fisheries Statistics 2017, Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture & Farmers Welfare, GOI

India's exports and imports of SMP and international prices



Source: SMP Exports & Imports - Directorate General of Foreign Trade, Ministry of Commerce, GOI; International SMP Price - USDA (Region-Oceania) www.cla1.it

Third, the market information today suggests that some large cooperatives (like Amul), or even some large organised private players, with lots of value-added milk products and contracts with farmers, have been able to hold the price line for farmers. But, innumerable small players dabbling in liquid milk and/or SMP have reduced their procurement prices for farmers substantially. Remember, only 21% of India's milk production gets processed through the organised sector and the rest passes through unorganised small players. And, that is where the crisis is the most intense.

So, what can PM Modi do to tide over the milk price problem for millions of small farmers?

Here are a few proposals

Create a buffer stock of 2 lakh tonnes of SMP through NDDB. This would imply the withdrawing of 2 million tonnes of liquid milk from the market, improving the market sentiment and upping the price line. At the current market price of about Rs 150/kg, it will cost about Rs 3,000 crore, much less than the package to sugar industry.

Introduce SMP in futures market platforms. Global SMP prices are not likely to remain depressed for long as, at current prices, even the most efficient New Zealand milk farmers are making losses. As global SMP prices improve, NDDB can sell these stocks at a profit.

Bring SMP under the Merchandise Exports Incentive Scheme (MEIS). Today, butter and ghee are in that category, but not SMP. This anomaly must go. Through this scheme, incentivise farmers to improve their poor backend infrastructure for the collection and marketing of milk. This would help ramp up organised structures through cooperatives and/or large scale private players in the industry, and it would be WTO-compatible.

Incentivise investments in value-added products in the organised sector, from curds, buttermilk, cheese, ice creams and even chocolates! Improving the production of more value-added products can help farmers stabilise their milk prices.

Expand domestic demand for higher milk consumption through concerted campaigns, especially in 115 aspirational districts where malnutrition is high. In fact, in those districts, introduce milk in mid-day meal schemes. Use the SMP buffer to supply large quantities to armed forces, hospitals and other large institutional players.

The bottom line is that India has to work on two fronts simultaneously: One, create demand to match rapidly increasing supplies of milk; two, ensure that its dairy sector develops on globally competitive lines. In order to cut down costs of production, India needs to increase productivity of its milch animals—far below (indigenous cows 2.8 litres, crossbreds 7.5 litres, and buffaloes 5.2 litres per day) the global standards of 20 litres plus/day in most developed countries. Cross-breeding with high productivity animals of foreign breeds and pure indigenous breeds,

with sex selection technologies assuring female progenies, is the way forward. The technologies exist, but we need to ramp up our R&D and extension to transform this sector into a vibrant, competitive, and more

remunerative sector for farmers. Will PM Modi seize this milky moment? If he does, it will make good economics for farmers and good politics for him.

For Maharashtra dairy farmers, milk is now cheaper than water

Priyanka Kakodkar | TNN | Updated: Jun 24, 2018, 06:08 IST
<https://timesofindia.indiatimes.com/city/kolhapur/for-maharashtra-dairy-farmers-milk-is-now-cheaper-than-water/articleshow/64716085.cms>

Across Maharashtra's once prosperous milk belt, many dairy farmers face this stingy reality: the milk they sell is cheaper than water.

Some get Rs 23 per litre of cow's milk, mainly in the milk hub of Kolhapur. But most earn just Rs 17-19. By comparison, bottled water sells at Rs 20 a litre. Once the milk reaches consumers in cities, the price doubles to Rs 40-44. But farmers do not get a share of the mark-up.

As the milk economy curdles, the sight of milk dumped on roads has become emblematic of farmer protests. A year ago they got up to Rs 27 per litre of cow's milk, but prices plunged by Rs 4-10 eight months ago as a result of a surplus and a crash in international skimmed milk powder prices.

With several dairies announcing cuts in procurement rates by Rs 2 from Thursday and some choosing not to buy cow's milk at all, the crisis is mounting.

Babasaheb Mane from Sangli's Mahuli village was once a proud dairy farmer. He made Rs 30,000 a month from his four cows last year. Today, he and his wife work as farm labourers to keep their home running.

Mane sells 40 litres of milk daily for Rs 17 per litre.

Since Nov, Maharashtra has milk surplus of 22 lakh litres per day

I make Rs 720 a day but spend Rs1,000 on the cows. I used to make a profit of Rs 15,000 per month, but now I make a loss of Rs 9,000," he says. Farmers are trapped between the fall in procurement rates and sharp increase in costs of inputs, including fodder, oil-cakes and

lactation pellets for cattle over the last year.

Maharashtra's formal sector collects 115 lakh litres of milk daily. In June 2017, after the historic farmer strike, the state hiked the procurement price from Rs 24 to Rs 27 per litre. However, prices plummeted in just a few months. Since November, the state has had a surplus of 22 lakh litres per day. At the same time, international skimmed milk powder prices fell 30-40%. Unable to sell their milk powder stock, dairies faced losses and cut the price offered to farmers. Maharashtra currently has stocks of 29,000 tonnes of skimmed milk powder.

The bulk of the state's dairy sector is private. Only 1% of the state's milk is bought by the government and 39% by cooperative dairies mainly controlled by the Congress and NCP. As much as 60% is bought by private dairies.

The state admits it cannot control prices in a de-controlled sector dominated by private players. "When the Milk Control Order was in force till mid-2000, the state controlled licences to dairies. But now milk is an open commodity," said state dairy development commissioner Rajeev Jadhav.

The government has tried to enforce the procurement price of Rs 27 by issuing directives to cooperative dairies. "But the cooperative dairies went to court and in most cases, the high court issued a stay," said Jadhav. Cooperative dairies accuse the BJP government of trying to crush a sector controlled by the opposition.

Dairies are demanding an export incentive for skimmed milk powder and subsidies to milk farmers, like that offered by Karnataka. CM

Devendra Fadnavis has asked the Centre to declare a minimum support price for milk and 10% export incentive on skimmed milk powder.

Those leading the milk agitation say dairies are also exploiting farmers to make a difficult

situation worse. "If the entire dairy industry is impacted by skimmed milk powder stocks, how are other states offering higher procurement rates? And why are dairies in Kolhapur able to offer higher rates than other parts of the state?" asks Ajit Navale of the Kisan Sabha. By now, even the bigger dairy farmers are exiting the trade.

50 attend seminar on quality of milk, dairy products

<http://www.tribuneindia.com/news/ludhiana/50-attend-seminar-on-quality-of-milk-dairy-products/609982.html>

Continuing with the drive to make people of the area aware of the standard quality and nutritional value of the milk in the district under the 'Tandarust Punjab' mission, the Punjab Dairy Development Board organised an awareness seminar in Ranva village, near Samrala, on Saturday.

Deputy director (Dairy) Dilbagh Singh Hans said retired joint director, Animal Husbandry Department, Dr Vivek Mohan, and assistant MilkFed, Dr Darshan Singh Cheema, were the keynote speakers on the occasion.

They gave a detailed presentation on milk and related products, besides maintenance of quality and taking care of milch cattle. More than 50 dairy owners and cattle farmers took part in the seminar.

Hans said the department had decided to hold 45 such seminars under the drive out of which 30 had been already organised.

"In the coming days, awareness meetings will be held in Rarha village on June 26, in Madnipur village on June 28 and in Daumajra village on June 30," he added.

"Further, experts from Guru Angad Dev Veterinary and Animal Science University are also invited to share valuable aspects about milk and other products. Besides, information about various schemes of the Punjab Government is also given to participants at camps," he said.

He also solicited fulsome support and maximum participation of people in the programme to make the campaign a huge success.

Keventers launches mobile application based milk delivery service in NCR

Saturday, 23 June, 2018

<http://www.fnbnews.com/Top-News/keventers-launches-mobile-application-based-milk-delivery-service-in-ncr-43367>

Dairy brand Keventers on Friday announced an expansion to its product portfolio by foraying into milk and launching The Milk Co – a mobile application based premium milk delivery service across Delhi/NCR. Catering to the ever-increasing demand for quality milk and milk products in the city, the brand is now planning to expand its dairy products ensemble.

Available for users to download on the iOS and Play Store, with this new application, sourcing pure and healthy milk anywhere across Delhi/NCR will just be a click away. With the addition of the new service, the company is also aiming to produce and deliver up to 20,000 litre of milk per day by the end of this year. The new company will be a wholly-owned subsidiary of the brand and will be run and managed by the team internally. With the launch of this vertical, the company is keen to capture 20% of the premium milk market in Delhi/NCR and to become one of the leading players in the segment by end of this financial year. The premium milk will currently be available only in Delhi/NCR with plans of expanding to other states as well in the coming years.

According to the company, customers across Delhi/NCR will now be able to access to healthy, unadulterated and chemical-free cow's milk sourced from superior quality Holstein Friesian cows. Once sourced, this high-grade farm fresh cow's milk with 3.2% fat & 8.3% SNF will go through multiple levels of screening and quality checks before being stored in the advanced chilling plants to ensure its nutritional value is maintained.

The company has ensured that the entire process from the sourcing until packaging is entirely automated and without any human intervention ensuring utmost quality and hygiene. This automated process utilising state-of-the-art technology also ensures that the premium cow's milk offered by the company is one of a kind sensorial experience of consistent taste and farm freshness.

Upholding the company's legacy for quality this premium milk will be packaged in tamper-proof and recyclable milk bottles which once opened cannot be sealed again, thus maintaining the overall quality of the product and avoid any contamination. Once packaged, the premium milk will be delivered to consumers within a time-frame of nine hours by an expert line of runners, maintaining absolute purity and keeping the freshness of the milk intact.

Commenting on the launch, Aman Arora, managing director, Keventers, said, "The dairy industry in India is one the fastest growing segments and has been witnessing a consistent growth rate of 6-8% annually. Innovation and quality is at the core of everything we do at Keventers and we are thrilled to launch The Milk Co. today. For almost 100 years now, the Keventers brand has been synonymous with milk and with this new app-based milk delivery service, customers across Delhi/NCR will now have access to pure, unadulterated and nutritious premium milk right at their doorstep. We are happy to add more products to brand's portfolio and are confident our loyal customers will love this premium milk as much as they adore our milkshakes."

CM Fadnavis asks Centre to help sugar industry, milk co-ops

Jun 18, 2018, 02:55 IST

https://timesofindia.indiatimes.com/city/mumbai/cm-fadnavis-asks-centre-to-help-sugar-industry-milk-co-ops/articleshow/64626844.cms?utm_source=whatsapp&utm_medium=social&utm_campaign=TOIMobile

Chief minister Devendra Fadnavis, who returned from his official visit to the US on Sunday and landed straight in New Delhi for the Niti Aayog meeting, asked the Centre for a slew of concessions for the state's sugar mills and milk co-operatives. Sugarcane farmers are reeling under losses as overproduction has led to crash in prices this year.

At the Niti Aayog meeting, Fadnavis said that the Centre must change the procedure for spot loans to sugar mills and demanded that the loans given to co-operatives be restructured for another two years. The CM also demanded that sugar industries generating ethanol from molasses be given subsidy.

Sugar mills in Maharashtra have produced almost 108 lakh tonnes of sugar, their highest output ever. But the glut, both here and nationally, is not good news for farmers as sugar prices have crashed and factories have not been able to pay farmers dues amounting to Rs 1,913 crore.

The CM also demanded that as part of essential commodities, the Centre must fix a minimum support price for milk and announce a 10% subsidy for co-operatives exporting skimmed milk powder. Milk co-operatives in the state too are suffering losses due to the crash in skimmed milk prices, locally as well as internationally. To cut losses, milk co-operatives have started cutting down procurement.

Fadnavis also asked for funds for the development of 3,500 rural markets in Maharashtra. These markets are meant to give farmers opportunities and help villages earn. The CM said that an MoU be inked between the state and the defence ministry for construction of bridges in the backward and Naxal-affected areas.

The daylong fourth meeting of the governing council of NITI Aayog was attended by chief ministers, union ministers and top bureaucrats. The meeting is called to discuss crucial policy matters and the Centre's flagship schemes.

Epigamia plans to diversify its yogurt portfolio

<https://www.thehindubusinessline.com/news/epigamia-plans-to-diversify/article24194701.ece>

KOLKATA, JUNE 18

Epigamia, the Greek yogurt maker, is looking to diversify its product range and add more flavours as it prepares to venture into tier-II towns.

Greek yogurt is prepared by extensively straining the regular yogurt to remove liquid whey and lactose, leaving behind a thicker-textured yogurt.

Expansion plan

According to Rohan Mirchandani, Epigamia CEO & co-founder, the company is looking to launch a yogurt smoothie and misti doi (fermented sweet curd or yogurt) this year.

It had recently launched a lactose-free curd or 'artisanal curd', that helps aid digestion and boosts immunity.

The company, which has a presence in five big cities, plans to venture into 8-10 more cities, including Pune, Ahmedabad, Surat, Chandigarh and Vadodara by the end of this fiscal year.

"We are planning a test-launch of our yogurt smoothie by the end of this week and we are looking at a pan-India launch in July. This will be our take on the dairy beverage segment. We are also working on launching misti doi," Mirchandani told BusinessLine.

Epigamia, which retails through 8,000 touchpoints, has been selling close to three million cups of yogurt a month and has been growing at nearly 15 per cent on a month-on-month basis.

The company, which positions itself in the ₹200 crore fresh snacking market, has already launched several flavours, including strawberry, vanilla, alphonso mango, blueberry, honey apple and wild raspberry. It is also working on other flavours such as apricot, peach and a mixed flavour.

According to Mirchandani, all the ingredients for the products are sourced locally. For instance, the mangoes come from Ratnagiri, while the strawberries come from Panchgani. Epigamia, which currently has two contract manufacturing facilities in Jaipur and Nashik, is looking to set up its own manufacturing unit, preferably in South India.

Eye on South

"We have an R&D centre in Mumbai; we are looking at our manufacturing facility in South India. We will take a call on this next year," he said.

The company is also exploring the possibility of exporting its products to the Middle East and South East Asian markets.

Can your child skip the daily glass of milk?

JUNE 28, 2018

<https://indianexpress.com/article/parenting/nutrition/can-your-child-skip-the-daily-glass-of-milk-5236788/>

There was a famous campaign in the United States “Got Milk?” It showed the image of a person with a moustache made of milk. The advertisement was promoting the virtues of milk for humanity. We do have to ask though, is milk good for us?

Mother’s milk is proven to be beneficial for the newborn. It contains proteins, fats, carbohydrates, minerals and vitamins. Everything that the infant needs. However, unlike other animals, human beings continue to drink milk well into adulthood and even beyond. They source this milk from other animals such as cows, goat and sheep. In particular, cows came to be the mainstay as a source of milk.

The protein in the milk of a cow can be either A1 or A2. A1 milk has protein, the bulk of which is made from casein. Casein is known to be harmful to humans. Therefore, your choice should be to drink A2 milk, if you do. Industrial farms have been set up now to produce milk. The cows are fed hormones and other stimulants to increase the output of milk. Many of these can be harmful to human beings. Milk is also blended from multiple varieties of cows before it reaches your doorstep. Milk also carries a lot of the pus and bacteria found in the cow. Depending on what it is being fed and the conditions in which the cows are kept, many of these could be harmful to you. Of course, the manufacturer would make a case for a hygienic and a well-

maintained environment. Often, it is hard to keep track of the source of the milk.

It is for many of these reasons that many experts argue that milk is not fit for human consumption. In its defence, milk has calcium, protein and good fats. These are vital nutrients for human beings, especially vegetarians or vegans. The benefits could easily outweigh the risk, primarily if the milk is sourced correctly.

Many mothers fret over their choices when it comes to milk. Personally, I consume milk or dairy in its derived state. For example buttermilk, cheese, kefir, yoghurt etc. have good bacteria. The bacteria is extremely good for the human body. During the process of fermentation, the lactic acid is also reduced or removed as is the casein. It also retains most of the nutrition that is good for you. For the mothers out there, you might want to choose these options over raw milk in its original form for your child. Consuming milk in this form is suitable for all children once they migrate from mother’s milk to cow’s milk.

If you do wish to eliminate milk or dairy completely from your diet, you might run into nutritional deficiencies. Especially if you are vegetarian. Dairy is an excellent source of calcium, protein and other vitamins and minerals. Substituting with nuts and seeds such as walnuts, almonds, peanuts, pumpkin seeds are viable, but your bet is still to consume some form of dairy.

The next phase of White Revolution is here

<https://www.indianretailer.com/article/sector-watch/food-and-grocery/The-next-phase-of-White-Revolution-is-here.a6114/>

JUN 25, 2018

Lately the grocery segment and more precisely delivering milk at everyone's doorstep as a business opportunity has been creating a lot of interest among the likes of Future Group, Amazon and Flipkart. The latter is testing the potential at its home-turf though.

According to a leading media report, Future Group may announce its plan to start hyper-local milk-delivery in all metro cities soon. The Group plans to test water to see how this model works initially and later on may add other products including vegetables, fruits, and grocery. The report said Biyani calculated as if the model works, it will add Rs 20 lakh revenue per Future Group retail store, per month.

Also, we have seen e-commerce giant Amazon to rebrand its grocery service Amazon Now to Prime Now. Clearly, it makes sense for Amazon to capture the consumers who have evolved in ordering milk and bread online.

"Speed of delivery and convenience is of prime importance to customers especially when it is to do with grocery items. We are scaling up and investing in our infrastructure and delivery network, so that we can increase our speed of delivery and provide a superior experience to customers, including those shopping on Prime Now," said Sameer Khetarpal, Director, Category Management (Grocery), Amazon India.

To carry forward this agenda, Amazon already launched a specialized network of 15 dedicated Fulfilment Centres (FC) for Prime Now to increase the speed of delivery and provide a better experience. These fulfillment centers are equipped with temperature-controlled zones, a first for Amazon in India to store and deliver perishable products such as fruits & vegetables (F&V), dairy products, chilled & frozen products.

Another brand, Keventers too has joined the bandwagon by expanding its product portfolio with the launch of The Milk Co which is a mobile application based premium milk delivery service across Delhi/NCR. With the addition of The Milk Co., Keventers is also

aiming to produce and deliver up to 20,000 litres of milk per day by the end of this year. The Milk Co. by Keventers will be a wholly owned subsidiary of the brand and will be run and managed by the team internally. The company said, with the launch of this vertical, Keventers is keen to capture 20% of the premium milk market in Delhi/NCR and to become one of the leading players in the segment by end of this financial year.

The Keventers premium milk will currently be available only in Delhi/NCR with plans of expanding to other states as well in the coming years.

According to Keventers, once packaged, the premium milk will be delivered to consumers within a timeframe of 9 hours by an expert line of runners, maintaining purity and freshness of the product.

"The dairy industry in India is one the fastest growing segments and has been witnessing a consistent growth rate of 6-8% annually. With this new app-based milk delivery service, customers across Delhi/NCR will now have access to pure, unadulterated and nutritious premium milk right at their doorstep" said Aman Arora, Managing Director, Keventers.

As per Arora, India is a significant contributor of dairy products and the country's per capita consumption has been witnessing a steady growth. Increased awareness about quality products, rise in disposable incomes, increasing urbanisation and changing consumer lifestyles is driving rapid expansion in the segments.

Presently Keventers has over 250+ outlets across the country in cities like Delhi NCR, Bangalore, Mumbai, Pune, Kolkata, Hyderabad, Chennai, Goa among other. The brand is on its way to opening more outlets across India as well as overseas.

Areas to look after

However, the online milk-retailers will have to bear warehouse operational cost. Specifically, labor cost of picking and packing orders where kirana shops and supermarkets don't fall into. In supermarket or kirana stores, we

consumers go and pick our preferred milk pack.

Another area to optimize resources is delivery. As per industry experts, even after optimised route planning, every delivery to a household costs is Rs. 50-60 to your e-grocer. This includes the salary of delivery boys and fuel costs.

Moreover, there is constant pressure to be competitive with supermarket and kirana store prices.

Good part is that these challenges can be sailed through. As Amazon.com has put in a practice to customize delivery by robots in several Amazon warehouses. Likewise, logistics costs go down as order density

(number of orders per square kilometer) increases.

Keventers said since it has a subscription based model it is already aware of the deliveries for the next day in advance which gives it the freedom to produce and pack only the milk which is scheduled for delivery the next day.

“Although we will keep some buffer stock to counter any unforeseen incidents, damages etc. but we ensure 100% deliveries to customers. Milk being a highly perishable product if not being managed intelligently might land you in heavy inventory losses therefore our backend system has been designed to effectively counter such challenges,” added Arora.

Farming scholars from overseas call Gadvasu visit a learning experience

Jun 24, 2018, 12:35 IST

<https://timesofindia.indiatimes.com/city/ludhiana/farming-scholars-from-overseas-call-gadvasu-visit-a-learning-experience/articleshow/64714740.cms?>

A group of seven Nuffield farming scholars from [New Zealand](#), [Brazil](#), [Australia](#), [Netherlands](#) and the US visited Guru Angad Dev Veterinary and Animal Sciences University (Gadvasu) on Saturday. The group was received by Gadvasu placement-cum-liaison officer Dr Amarjit Singh. He welcomed the scholars and apprised them of the university setup, its academic programmes and facilities for teaching and research.

Director of research Dr J P S Gill informed the delegation about the various ongoing research programmes and extension activities related to dairy farming, pig farming, goat farming etc. conducted by the university for farmers. In their visit to the College of Dairy Science and Technology, Nuffield scholars interacted with the college faculty to understand the scenario of milk production and processing in Punjab.

During a discussion, it was emphasized that with high milk production in the state, the trend of manufacturing western dairy products like various varieties of cheese is catching up in the Punjab too. The delegation was happy to learn that the college is already

working towards imparting cheese-making training to farmers of Punjab.

Dr A K Puniya, dean of College of Dairy Science and Technology, interacted with the scholars about various research projects running in the college as well as the number of training programmes which are conducted for dairy farmers. He further added that various awareness camps and fairs are organized by the university to develop a connect with dairy farmers. Literature in regional language related to milk processing and quality assurance is also available to farmers at every fair and camp.

The delegation visited milk testing laboratory to see facilities provided by the college for milk and milk product testing. The scholars also visited the Experimental Dairy Plant which is instrumental in training dairy graduates as well as dairy farmers. After the visit, the group members expressed that their visit to Gadvasu was an excellent learning experience.

Maharashtra plastic ban: Dairies say don't have expertise to set up buyback mechanism

Biotechnologist couple sets example in dairy enterprise

Jun 22, 2018, 1:54 AM (IST)

Born and brought up in New Delhi, a Punjabi couple, Manpreet Singh and Amanjot Kaur, both Biotechnology professionals, has set an example in entrepreneurship.

Manpreet Singh, BTech (Biotechnology) from Amity University, set up a dairy farm at Bannah village in SBS Nagar district six years ago. His wife, Amanjot, an MTech in Biotechnology, is also sharing the responsibility of the dairy farm.

The couple has shown the path to educated unemployed youth to adopt self-employment ventures. Sharing his experiences, the Biotech professional said after graduation, he was in a dilemma, whether to find a job or to start his own venture. He then preferred to start his own business.

“After I took the decision to start my own venture, I contacted my Chandigarh-based friend, who has been running a poultry farm. He advised me to undertake dairy farming instead of poultry farming,” said Manpreet. He added that he arranged a suitable land at Bannah village and the Dairy Development Department SBS Nagar was contacted. The officials of the Dairy Development Department helped him by imparting a 15-day training at Chatamli.

“Then I started a dairy farm with 20 cattle, which now has attained the strength of 100,” said Manpreet, adding that he had been selling milk to Verka Milk Plant as well.

He has been using automatic system for milking cattle as well as chilling the milk. His dairy farm is equipped with a machine to milk as many as 12 cattle in one go and a bulk milk cooler having a capacity of 2,000 litres.

Dairy Development Officer, Nawanshahr, Davinder Singh said the state government had been encouraging dairy farming. “With a view to mobilising farmers, especially youth to adopt dairy farming, the department had been providing NABARD-sponsored subsidy and loan facilities at a cheaper rate of interest,” he said.

He said a loan, amounting to Rs 1.20 lakh to 10 lakh, was available for starting dairy farming from two to 10 cattle along with a subsidy of 33 per cent for the SC category and 25 per cent for other entrepreneurs. Besides, the subsidy for single row fodder cutter and bulk milk cooler is available on same pattern, he added.

Harvinder Singh, Dairy Development Inspector, said the persons desirous of adopting dairy farming could contact Veterinary Poly Clinic, Banga Road, Nawanshahr.

The department would provide all requisite help from training to loan facility for setting up dairy farm unit.

2,092 appear for entrance test at GADVASU

<http://www.tribuneindia.com/news/ludhiana/2-092-appear-for-entrance-test-at-gadvasu/608830.html>

Ludhiana, June 21

Guru Angad Dev Veterinary and Animal Sciences University (GADVASU) conducted the common entrance test (CET) for admission to various undergraduate courses — Bachelor of Veterinary Science and Animal Husbandry (BVSc and AH), Bachelor of Fisheries Science (BFSc), BTech (dairy technology) and BTech (biotechnology).

Narinder Singh Sharma, Controller of Examinations, revealed that a total of 2,228 candidates had applied for admission to these courses, of which 2,092 (94 per cent) candidates — 1,180 boys and 912 girls — took the test at two centres — RS Model Senior Secondary School and BCM Arya Model Senior Secondary School, Shastri Nagar.

The Dean and Directors of the university had checked the arrangements for a smooth

conduct of the test and visited the centres. Dr Sushil Prabhakar, Registrar of the university, said the first counselling for BVSc and is scheduled to be held on July 18 whereas for BFSc and BTech programmes, counseling will be held on July 19 at the Silver Jubilee Auditorium, University Veterinary Hospital, opposite Nanaksar Gurdwara, Ferozepur Road.

The test was conducted for 69 seats of BVSc and AH, 26 of BFSc (bachelor of fisheries science), 25 of BTech. (biotechnology) and 37 of BTech (dairy technology) for Ludhiana and 42 seats for the Khalsa College of Veterinary and Animal Sciences, Amritsar. The result is likely to be declared in 3-4 days and will be available at the university website — www.gadvasu.in.

Dairy in Doldrums: Turning milk crisis into an international 'gift' opportunity

June 21, 2018 1:27:58 am

<https://indianexpress.com/article/india/dairy-in-doldrums-turning-milk-crisis-into-an-international-gift-opportunity-5226262/>

Early this month, the media was awash with images of farmers throwing vegetables and pouring milk on the roads. While the acts may have attracted fair criticism, the primary motivation behind them — falling producer realisations — is deserving of deeper analysis. We shall focus specifically on milk.

The White Revolution in India happened thanks to a fundamental technological innovation in 1956. That was when Amul, for the first time in the world, manufactured powder from buffalo milk. The breakthrough enabled the dairy cooperative in Gujarat's Kaira district to accept all the milk that its farmer-members poured, especially during the 'flush' winter months when production by buffaloes rose one-and-a-half times or more. The surplus milk converted into powder could now be stored and re-constituted during the 'lean' summer, when production dropped. The powder plant guaranteed that all the milk poured by farmers got procured, making

dairying a sustainable income-generating activity. And as consumers, too, were assured of round-the-year supply, prices stabilised at both ends.

Technological and processing innovations such as the above, along with organised procurement and marketing of milk, gave an impetus to India's dairy industry. Milk production rose from 20 million tonnes (mt) in 1960-61 to 53.9 mt by 1990-91. It has grown even more after liberalisation, reaching 165.4 mt in 2016-17. Milk is today the country's biggest agricultural 'crop', with its output value in 2014-15 even exceeding that of all cereals and pulses put together.

But success has also brought its own set of problems.

The last 3-4 years have seen India reel under a skimmed milk powder (SMP) glut. SMP rates, which were at Rs 240-250 per kg until four years ago, have since been mostly hovering around Rs 140-150. The reasons aren't

difficult to see. In 2013-14, the country exported 1.30 lakh tonnes (lt) of SMP, which, in the subsequent four years, fell to 34,490 tonnes, 15,930 tonnes, 16,100 tonnes and 11,476 tonnes. With annual powder production at 5.5 lt-6 lt, and domestic consumption at 4.5 lt-5 lt, there is, thus, a surplus of one lt that is no longer going out. In the pre-powder days, the problem was of a seasonal surplus of milk with farmers; now, it is of a structural surplus of powder itself with the dairies.

The collapse of exports has to do with global prices. After peaking at \$ 5,000-\$ 5,200 per tonne in April 2013, international SMP prices have fallen to \$ 1,800-\$ 2,000 levels, having gone even as low as \$ 1,400-\$ 1,500 in August 2015. The current \$ 2,000 per tonne global price roughly corresponds to the Rs 136/kg or so levels being realised by dairies here.

Three factors have primarily contributed to the global crash: (1) A bursting of the Chinese import bubble in 2013, after whey protein concentrate consignments from the New Zealand dairy giant Fonterra tested positive for Clostridium botulinum bacteria; (2) the Russian embargo on western food imports as a retaliation to sanctions that followed tensions in Ukraine in 2014; and (3) the European Union dismantling a three-decade-old milk production quota regime in 2015.

These developments have saddled the world's markets with a massive surplus of dairy commodities. It has even led to the distress sale of Murray Goulburn, a 68-year-old farmers' cooperative and Australia's biggest dairy, to Saputo of Canada in early May this year. The effects are being felt in India as well. Every year of not exporting one lt of SMP has meant accumulation of stocks with dairies, forcing them, in turn, to slash both milk procurement and prices paid to farmers.

The last flush season saw some district unions of the Gujarat Cooperative Milk Marketing Federation (GCMMF) collecting milk only once, as opposed to twice, a day. Effectively, the procurement price of buffalo milk in Gujarat has come down from around Rs 41 per litre to Rs 35 per litre in the last one year. Private dairies in Maharashtra have, likewise, lowered cow milk rates from Rs 26-27 to Rs 17-18 per litre. Dairies are, at present, holding SMP stocks of over 2 lt. One shudders to think of the situation after October, when the next

flush season starts. The very innovation that triggered the White Revolution — milk powder production — is ironically threatening to burn the barn down.

One solution to the crisis — as many in the industry are demanding — is a subsidy of up to 20 per cent on SMP exports. Its effectiveness is questionable, particularly if global prices were to come under further pressure. Besides, should Indian taxpayer money be used to subsidise undeserving consumers in other countries? Every crisis provides an opportunity; today's situation calls for a more creative and strategic intervention.

The Operation Flood programme, one must remember, was financed mainly through 312,000 tonnes of SMP and 168,000 tonnes of butter oil received from the European Economic Community and the United Nations' World Food Programme during 1970-85. The monies raised by recombining these "gifted commodities" as liquid milk and selling at the prevailing domestic market prices is what created a countrywide modern dairy processing and marketing infrastructure. What stops India from carrying forward the legacy of Operation Flood to Nepal, Sri Lanka, Bhutan, Bangladesh, or even African and Central Asian countries? The government can easily procure 1 lt of SMP stocks from our dairies at, say, Rs 200 per kg, and "gift" these to low-income, milk-deficit nations, thereby spreading goodwill and cementing India's international relations. This job can be entrusted to the National Dairy Development Board, which can also provide the technical assistance to establish dairy plants and procurement infrastructure in these countries.

A programme on the above lines will cost Rs 2,000 crore-2,500 crore annually, which is a pittance compared to the Centre's budgeted food subsidy of Rs 169,323 crore for 2018-19. This subsidy is mostly for rice and wheat, whose production value is much less than that of milk. The multiplier effects of an India-funded Operation Flood programme will also be far more. By providing an external market for our surplus powder, it will help arrest the current slide in prices and incomes of dairy farmers here.

We should learn from Murray Goulburn. The cooperative giant's end was brought about by

its inability to pay farmers remunerative prices, which resulted in its average milk procurement falling from almost 100 lakh litres to 52 lakh litres per day between 2014-

15 and 2017-18. Even the mightiest can crumble if dairy commodity markets continue to be what they are today.

Regulatory/Legal

Amul wins against copycat

Posted in [Co-op News Snippets](#) on June 28, 2018 by [Ajay Jha](#)
<http://www.indiancooperative.com/co-op-news-snippets/amul-wins-against-copycat/>

After a legal battle that limped along for several years, a commercial court in Vadodara, Gujarat has stopped Shri Shakti Dairy in the Naroda suburbs of Ahmedabad from vending pouched milk with the brand names of Anul Taaza and Anul Shakti, that rhyme with Amul Taaza and Amul Shakti, reports Times of India.

Way back in 1998, GCMMF that markets various milk products under the brand Amul

noticed Naroda based Shri Shakti Dairy using the subterfuge of phonetic similarity to Amul's products for selling its own products.

Amul's several legal notices to Shri Shakti Dairy and its marketing agency had been to no avail. Amul finally went to court demanding a ban on copycat that causes confusion in the minds of customers.

Maharashtra plastic ban: Dairies say don't have expertise to set up buyback mechanism

June 22, 2018 3:21:49 am
<https://indianexpress.com/article/cities/mumbai/maharashtra-plastic-ban-dairies-say-dont-have-expertise-to-set-up-buyback-mechanism-5227934/>

WHILE THE state environment department has set July 11 as the deadline for all dairies to put in place a buyback mechanism for plastic milk pouches, dairy operators say they are still awaiting clarity from the government on how such a mechanism will work.

As per the notification issued by the department on March 23, dairies should use plastic bags of not less than 50 microns thickness to package milk. Besides, they should print a buyback price, of not less than Rs 0.50, for the pouches. This would then enable a buyback mechanism for recycling of the plastic pouches. Milk dairies are expected to set up such a mechanism by July 11.

Officials of the Maharashtra State Cooperative Milk Federation, an apex federation of district and taluka-level milk unions, said that they have written to the state dairy development and environment departments seeking more information. "We

have asked for clarity on how to set up the recollection mechanism and how the refund system will work," said an official from the federation.

The official added that the federation has decided to start printing a buyback price on the pouches. "But the decision on when to start printing this is still to be taken."

Prakash Kutwal, secretary of the Milk Producers and Processors' Welfare Association, said that dairies don't have the expertise needed to set up the buyback mechanism. "We haven't heard anything from the government on the issue so far. We don't know how to recollect the milk pouches. The government should guide the dairies about it."

Arun Narke, former president of Indian Dairy Association and director of Gokul Dairy in Kolhapur, said the government should provide some financial assistance for setting up the buyback mechanism. "Using plastic bags

above 50 microns and setting up the buyback mechanism for recycling will put additional financial burden on dairies. So, the government should guide us in setting up the mechanism and also provide some funds. Otherwise, it may lead to increase in milk prices," he added.

Officials from the environment department said that they haven't held discussions with the dairies on the mechanism. "We have clearly stated in the notification that milk dairies, retailers and traders should ensure buyback mechanism, collection and recycling system," said an official.

'FSSAI-industry collaborations to push food safety progressing rapidly'

28 Jun, 2018

The FSSAI-Industry collaborations, to strengthen science based food safety capability built in India are progressing rapidly, said Paul Hepburn, Programme Director Food & Refreshment, Safety & Environmental Assurance Centre (SEAC), Unilever, UK.

Delivering a on "Food safety Assessment – Novel Ingredients and Additives", Hepburn said that with the advent of global food supply chains, there is a growing list of novel ingredients and food additives which need safety assessment.

Hepburn outlined the critical importance of novel ingredients and additives for ensuing food safety, quality and food security, and explained the scientific safety evaluation principles that enable inclusion of these at safe levels.

The concept of 'exposure' – milligrams of the ingredient or additive per kg body weight of consuming human being, helped the audience appreciate basics of risk assessment. He showcased risk assessment tools and shared compelling safety evaluation case studies e.g. plant sterols for cholesterol control.

Confederation of Indian Industry (CII) and Hindustan Unilever (HUL) had collaboratively set up CHIFSS (CII-HUL Initiative on Food Safety Sciences) and had subsequently signed a MoU with Food Safety and Standards

Authority of India (FSSAI) in 2016 in order to promote science based food safety.

Pawan Agarwal, CEO, Food Safety and Standards Authority of India emphasized on how the Innovations in the food industry and increasing consumer interest in food safety, and the introduction of novel foods that are added to human foods, makes it imperative for the authority to have the safety evaluation of all the new ingredients through a rigorous scientific and risk assessment based framework.

He shared how FSSAI, as per Food Safety and Standards (Approval of Non-Specified Food and Food Ingredients) Regulations, 2017, regulated the approval process and safety evaluation of novel food ingredients.

Geetu Verma, Executive Director – Foods, Hindustan Unilever Limited took the audience through the journey of CHIFSS over the last two years.

She highlighted the areas where CHIFSS was active and how CHIFSS was firmly establishing a scientific and robust food safety environment in the country.

The Public lecture was attended by stakeholders including eminent scientists, government officials and professionals from academia and Industry along with students from related fields. Subsequently

Cabinet gives post-facto nod for India-Denmark MoU on dairy

Jun 27, 2018 09:56 PM IST

<https://www.moneycontrol.com/news/india/cabinet-gives-post-facto-nod-for-india-denmark-mou-on-dairy-2643111.html>

The Cabinet today gave a post-facto approval for the memorandum of understanding (MoU) between India and Denmark in the field of animal husbandry and dairy.

The MoU, which was signed on April 16, 2018, aims to develop bilateral cooperation in the field of animal husbandry and dairying for the purpose of broadening the existing knowledge base on dairy development and institutional strengthening, an official statement said.

Under the agreement, a joint working group consisting of representatives from both the countries will be created to formulate joint programmes, facilitate cooperation and consultation and subsequent evaluation.

The Danish partnership, the government said, is expected to facilitate the exchange of knowledge and expertise in the areas of animal breeding, animal health and dairy fodder management besides helping in raising production and productivity of Indian livestock.

Govt steps up vigil against spurious milk

Jun 26, 2018,

<http://www.tribuneindia.com/news/ludhiana/govt-steps-up-vigil-against-spurious-milk/610760.html>

Milk sellers in the area are in panic after the state government stepped up its vigil against the sale of adulterated milk under the Tandarust Punjab campaign.

Teams from the Health Department have been conducting regular raids at shops selling milk and milk products and several samples have been collected throughout the district under the campaign.

People involved in selling milk by placing drums on roadsides have also vanished. There is a feeling of panic among milk sellers throughout the district.

Many milk sellers and shopkeepers closed their shops after rumours of the Health

Department conducting raids spread in Jagraon two days back.

“The raids are usually conducted during festival season. But, the state government has increased its vigil on people selling adulterated milk and milk products. This has created fear among sellers,” said a milk seller.

People have appreciated the state government’s step against sale of adulterated milk. They have also demanded the state government to continue the drive in the future also. Dr Andesh Kang, District Health Officer (DHO), said the drive against sale of adulterated milk and unhygienic eatables would continue in the coming days.

PFA operation against sale of adulterated milk

<https://www.thenews.com.pk/print/334200-pfa-operation-against-sale-of-adulterated-milk>

Punjab Food Authority (PFA) on Tuesday launched a grand operation against milkmen selling adulterated milk in the province.

The operation was launched on the directions of PFA Director General Noor ul Amin Mengal. A PFA spokesperson said the authority checked 160,000 litres of milk being carried on vehicles for supplying in different cities of

Punjab from dairy farms. He said PFA disposed of 11,287 litres of chemical and water contaminated milk across Punjab. Special dairy safety teams of PFA under the supervision of veterinary specialists held screening pickets on entry points of 144 tehsils of 36 districts.

38 milk samples sent for lab test

Government extends ban on import of milk products from China for 6 months

PTI |

Jun 25, 2018, 02:53 PM IST

<https://economictimes.indiatimes.com/news/economy/foreign-trade/government-extends-ban-on-import-of-milk-products-from-china-for-6-months/articleshow/64731867.cms>

The government has further extended the ban on import of milk and its products, including chocolates, from China for six months till December 23.

"Prohibition on import of milk, milk products (including chocolates, chocolate products, candies, confectionary food preparations with milk or milk solids as an ingredient) from China is extended for a further period of six months, i.e., till December 23, 2018 or until further orders," DGFT said in a notification.

The ban was first imposed in September 2008 and later extended from time to time. The last ban imposed by Directorate General of Foreign Trade (DGFT) ended on June 23 this year.

The ban was imposed on apprehensions of presence of melamine in some some milk consignments from China. Melamine is a toxic chemical used for making plastics and fertilisers.

Although India does not import milk, milk products from China, it has imposed the ban

as a preventive measure.

India is the world's largest producer and consumer of milk. It produces around 150 million tonne milk annually.

Uttar Pradesh is the leading state in milk production followed by Rajasthan and Gujarat.

Currently, the dairy industry alone contributes \$43.4 billion to the Wisconsin economy each year, according to Department of Agriculture, Trade and Consumer Protection.

However, January Wisconsin milk prices were lower than they were at the same time 10 years ago.

"Milk prices that us as farmers are receiving is really low. It's below our cost of production. Just buying local and making sure that you're supporting your local farms is going to help keep us in the communities," said dairy farmer Darci Daniels.

Farm, agriculture input shops inspected

Jun 22, 2018, 1:54 AM (IST)

<http://www.tribuneindia.com/news/jalandhar/farm-agriculture-input-shops-inspected/608989.html>

During a joint raid on dairies in Banga subdivision, Dairy Department and Food Safety team collected four sample of milk and desi ghee.

Davinder Singh, Dairy Development Officer, and Manoj Khosla, Assistant Commissioner, Food Safety Department, said, "To ensure adulteration-free milk products, the drive will be intensified in the coming days. From January to May, as many as 160 samples of various food products have been collected."

Out of these, 62 samples were not found up to the mark and cases had been filed in the court of ADC. A fine of Rs 2,23,500 had been imposed upon defaulters. As per the directions of Deputy Commissioners, the samples were collected from big, medium and small units.

On the other hand, following a comprehensive action plan, teams of the Agriculture Department checked 15 shops of agriculture inputs on Thursday in the district.

India trade officials plan talks with US on tariffs next week

June 23 2018 12:12 AM

<http://www.gulf-times.com/story/597147/India-trade-officials-plan-talks-with-US-on-tariff>

India trade officials plan meeting their US counterparts next week in New Delhi to negotiate access to American medical devices, people with knowledge of the matter said.

India's government is inclined to accept a demand by US medical device makers for easing a policy on capping prices, they said, asking not to be identified as the discussion is private.

On Wednesday, India raised tariffs on a slew of US imports in retaliation to higher levies imposed on some of its products, but medical devices weren't a part of it.

The capping of prices of more than 20 drugs, along with cardiac stents, drug-eluting stents, condoms, intrauterine devices and knee implants, was part of a separate policy to lower medical costs for Indians. Most of these products are imported and American companies dominate the \$10bn market.

In return, New Delhi is hoping the US will not carry out a threat of reviewing a system that allows duty-free entry of about 2,000 products including auto-components,

industrial valves, and textile materials, the people said.

Under President Donald Trump, the US said in April it will review India's eligibility for its Generalized System of Preferences programme after some local companies said dairy and medical devices shipments were being hurt by non-tariff barriers.

Officials from the US will be in India next week to discuss the framework of the deal that, if finalised, would be one of the first signals of the trade partners returning to bilateral talks after Washington raised concerns over a trade surplus. India's surplus – merchandise and services – with the US stood at \$28bn in 2017 – marginally lower than the \$30.8bn in 2016.

While India would also raise the issue of high duty on steel and aluminium, and visa issues among others, it is the GSP that is likely to be on top of the agenda.

The proposed meeting between officials of the two nations follows Commerce Minister Suresh Prabhu's visit to the US early this month to discuss the unilateral measures taken by the US against India.

Common standards to ease biscuits, sugar & milk trade in South Asia

Updated: Jun 17, 2018, 11.43 PM IST

https://economictimes.indiatimes.com/news/economy/foreign-trade/common-standards-to-ease-biscuits-sugar-milk-trade-in-south-asia/articleshow/64626247.cms?utm_source=WAPusers&utm_medium=whatsappshare&utm_campaign=socialsharebutton&from=mdr

India and its neighbours have for the first time agreed on common standards for biscuits, refined sugar and milk products that will reduce the need for inspections at border points and give a major boost to movement of these goods in South Asia.

This could serve as a template for bigger partnerships within the South Asian Association for Regional Cooperation (Saarc) nations such as the South Asian Economic Union, experts said. Besides India, the members of the grouping are Afghanistan, Bangladesh, Bhutan, Nepal, Pakistan, Sri Lanka and the Maldives. Saarc has finalised requirements related to packaging, marking, labelling and sampling of biscuits and refined sugar to reduce intra-regional trade costs and non-tariff barriers to trade in the region.

Apart from physical and microbiological requirements for biscuits and refined sugar, the South Asian Regional Standards Organization (SARSO) has set standards for production, processing and handling of milk and milk products. "SARSO has arrived at regulatory standards for three products. These regional standards will help these goods across borders in Saarc countries," said an official aware of the details. In 2017-18 India exported goods worth \$22.9 billion to Saarc partners and imported goods worth \$3.2 billion.

Harmonisation of standards will reduce the need for inspections at border points by enabling acceptance by importing countries of certificates issued by an exporting country. At present, all products certified by the standards organisation of one member nation have to be accepted by other member states.

Smooth Road

India & neighbours agree on common standards for biscuits, refined sugar & milk products

Move to reduce need for inspections at border points

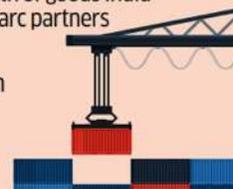
To also serve as a template for bigger partnerships within Saarc

Saarc has finalised rules on packaging, marking, labelling & sampling of biscuits & refined sugar

SARSO has set standards for production, processing & handling of milk & milk products

\$22.9 bn Worth of goods India exported to Saarc partners in 2017-18

\$3.2 bn Worth of goods imported in 2017-18



The organisation has identified food and agricultural products; jute, textile and leather; building materials; chemicals and chemical products and electrical and electronic products as sectors for harmonisation of standards.

"Agriculture and food items are most important areas in Saarc region. Hence, standards have been made for these first," said another official. If some countries are using different standards from that of the organisation, individual countries will have to make necessary changes to implement the regional standards. "Now we don't need to check if individual countries' standards are being complied with," the second official said.

To take effect, the common standards will have to be notified by the regulatory authority of each country.

Survey/Report

Reports of spurious items sold by dairies trigger action

28, 2018, 12:01 AM (IST)

The Health Department has started collecting milk samples from dairies in the city. In the past three days, officials have collected 38 milk samples and sent them to the Food Testing Laboratory in Kharar, SAS Nagar (Mohali) district.

The drive is being conducted in the wake of failure of a number of milk samples brought by residents to the food safety van. The van visits several areas where residents can get any food item tested for Rs 50.

As many as 77 (around 65 per cent) of the 118 samples collected in May had failed on quality parameters as most of these samples were found adulterated with water and had low fat content. One of the milk samples was found having urea.

Out of the 30 samples tested by the Dairy Development Department in Krishna Nagar on Tuesday, 19 had failed the test as these had water.

The earlier samples were tested by food lab on wheels.

District Health Officer Dr Lakhbir Singh Bhagowalia said, "Samples had failed in May too, but we couldn't take legal action as these were brought by residents for testing and it was difficult to establish who had sold them such products." He said that the present sampling drive was being conducted at dairies and milk shops.

"If the samples fail now, we will file court cases and suitable action will be taken against the errants from whose shops such samples have been collected," said Bhagowalia.

The health official said that the present sampling was conducted from dairies on the basis of information provided by the residents during the drive in May. "We have managed to identify the sellers selling adulterated milk on the basis of information given by residents," he said.

Baghowalia said that the drive to check quality of milk being sold in city would continue.

America's cheese stockpile just hit an all-time high

June 28 at 10:41 AM

https://www.washingtonpost.com/news/wonk/wp/2018/06/28/americas-cheese-stockpile-just-hit-an-all-time-high/?noredirect=on&utm_term=.30569225dc88

The United States has amassed its largest stockpile of cheese in the 100 years since regulators began keeping tabs, the result of booming domestic production of milk and consumers' waning interest in the dairy beverage.

The 1.39 billion-pound stockpile, tallied by the Agriculture Department last week, represents a 6 percent increase over this time last year and a 16 percent increase since an earlier surplus prompted a federal cheese buy-up in 2016.

[\[The surprising number of American adults who think chocolate milk comes from brown cows\]](#)

Analysts say commercial warehouse stocks have swelled because

processors have too much milk on their hands, and milk is more easily stored as cheese. Demand has also fallen as school cafeterias close for the summer and restaurants wind down the cheesy specials they offer in the winter and early spring.

Some have grown concerned that stockpiles will build further yet if trade tensions with China and Mexico cut into cheese exports. Cheese prices have fallen sharply, they say, eroding dairy farmers' already thin margins.

"Milk production continues to trend up, and that milk has to find a home," said Lucas Fuess, director of market intelligence at HighGround Dairy, a consulting firm. "The issue this year is that, with so much supply, it's going to be tough for a lot of farmers to be profitable."

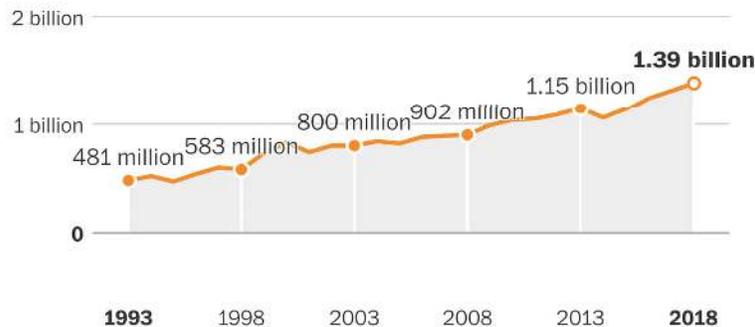
Cheese surpluses do tend to grow at this time every year. Cows are at their most productive in the spring, when the days are longer and the feed better. At the same time, Americans typically eat less cheese now than they do during the holidays, the school year and the winter sports season.

But the summer surpluses are growing larger. Better genetics mean that cows produce more milk, and consolidation means farms keep more cows. Unable to sell that milk in pints or gallons — which [Americans are abandoning](#), also in record numbers — processors plow it into cheese, butter and milk powder.

"I anticipate that we'll continue to set these records," said John Newton, director of market intelligence at the American Farm Bureau Federation. "We're producing more milk. It's inevitable. That milk needs to get turned into something storable."

A record amount of cheese is sitting in U.S. warehouses

The current stockpile — 1.39 billion pounds — is the largest since the government began tracking in 1917.



Source: U.S. Department of Agriculture

THE WASHINGTON POST

But the sheer amount of cheese in storage may be causing problems. Cheese prices have fallen in recent weeks, Fuess said, a response both to the surplus and to growing trade concerns.

That fall is problematic, said Mark Stephenson, director of dairy policy analysis at the University of Wisconsin at Madison, because the price of cheese is a major factor in the equation that USDA uses to set the price that dairy farmers receive for their milk. The [current price](#) — \$15.36 per 100 pounds — is about a dollar below the average for 2017 and [well below the price](#) that many farmers say they need to break even.

“When inventories get too large, that pushes the

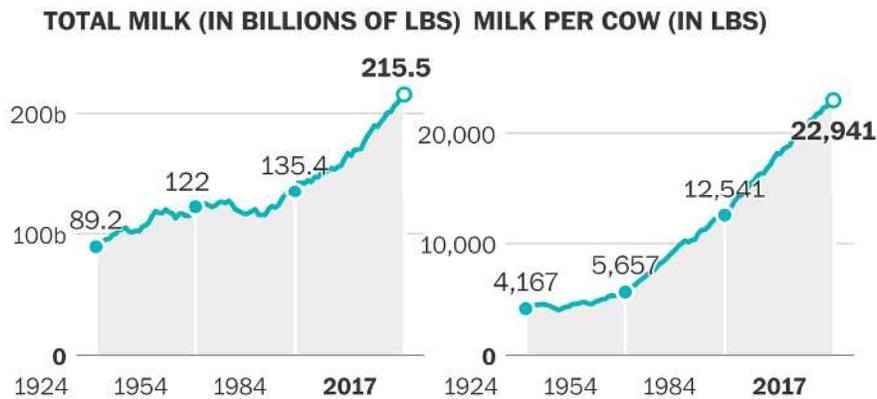
prices down,” he said. “And yes, that trickles down to dairy farmers.”

Dairy groups aren’t yet asking USDA to buy the surplus,

however — a common practice that Newton calls “quantitative cheesing.” In 2016, dairy farmers [requested that the agency buy](#) more than 90 million pounds of cheese to cut the country’s “mountain” of excess dairy.

Dairy farmers are producing record amounts of milk

It's thanks to more cows and better genetics.



Source: U.S. Department of Agriculture

THE WASHINGTON POST

Michael Dykes, president of the International Dairy Foods Association, said that although stocks are sky-high, he is confident Americans will eat through them. That's because stock-to-use ratios, a measure of the amount of cheese taken out of storage, have remained constant even at these higher levels.

On top of that, cheesy foods remain a hallmark of the U.S. diet. This current record was driven by a buildup of non-American, non-Swiss cheeses — largely mozzarella, experts suspect — that could get drawn down by strong summer pizza sales.

There's one wrinkle in his calculus, Dykes admits: mounting trade tensions. Last year, the United States exported [more than 341,000 metric tons of cheese](#) to countries such as Mexico and China. If those countries

turn to Europe for their cheese instead, the U.S. stockpile could grow to crisis levels. Already, USDA has begun documenting those concerns among

major cheesemakers.

“One milking day a week goes to the export market,” Dykes said. “There's a lot of uncertainty now. I don't think we really know what will happen yet.”

Myanmar refutes fake news on contaminated milk

2018-06-29 10:51:28

http://www.xinhuanet.com/english/2018-06/29/c_137289434.htm

The Myanmar Dairy Association has refuted a fake news on alleged contaminated milk produced in the country which was disseminated on facebook recently, damaging local dairy product reputation, the official Global New Light of Myanmar reported Friday.

The spread of the fake news has brought about a remarkable declination in the sale of milk, some members of the association blamed.

The fake news purported that urea, detergent powder, soda, palm oil, benzoic acid, salicylic acid, ammonium sulphate and formalin are used to make adulterated milk, threatening public health.

Dairy businessmen insisted that the rumors are completely unfounded, saying that such cases do not occur in Myanmar and dairy

entrepreneurs run their businesses with the approval of the Food and Drug Administration (FDA).

Even some milk products without FDA certificates found in the domestic market do not contain harmful ingredients or mixture, said businessmen and researchers.

Secretary of the Myanmar Consumers Union U Maung Maung called on the public not to trust the widespread rumors and be critical of the news sources.

He added that consumers' complaint will be handled based on evidence and scientific technology if disputable news is found.

He said about 80 percent of Myanmar's milk comes from dairy farmers and any damage to their trade would cause a negative impact on them.

Danone Swaps Cows for Almonds in Vegan Yogurt Brand Push

June 28, 2018 09:27 AM

<https://www.dairyherd.com/article/danone-swaps-cows-almonds-vegan-yogurt-brand-push>

The world's biggest yogurt maker is considering adding milk-free ranges to some of its flagship brands, such as Activia and Actimel.

(Dannon)

Aiming to stem a yearslong slump in yogurt sales, [Danone](#) is looking beyond the cow.

The world's biggest yogurt maker is considering adding milk-free ranges to some of its flagship brands, such as Activia and Actimel. It's aiming to capitalize on the growth in veganism from niche diet to mainstream lifestyle choice, with even a brand as meaty as McDonald's testing soy burgers.

Danone needs new sources of growth because sales of dairy products are stagnating and a revamp of Activia, including new green packaging, has failed to produce a robust turnaround. The \$10 billion purchase last year of WhiteWave Foods moved the French

company into alternatives, giving it brands such as Silk in the U.S. and Alpro in Europe. Now it's looking at expanding those offerings.

"We didn't add plant-based to only have an offering on one side," said Francisco Camacho, executive vice president at Danone's dairy and plant-based business, in an interview.

Putting the Hurt in Yogurt

After years of declining sales, demand is seen flatlining.

While Danone controls about 17 percent of the \$83 billion global yogurt market, according to Euromonitor, sales are expected to flatline in coming years. Another research firm, Future Market Insights, expects worldwide demand for milk-free yogurt to increase about 5 percent annually, to \$7.4 billion by 2027. Nondairy yogurt is rocketing

forward as much as 50 percent a year in the U.S., Camacho said.

Alpro, Danone's second-largest brand in Europe behind Activia, is the market leader in Europe's dairy-alternatives market with more than 40 percent market share. It offers vegan yogurt using soy, almond and coconut, as well as rice, cashew and oat. Alpro has recorded nearly double-digit percentage sales growth over the past few quarters. In October, the brand introduced vegan ice cream in the U.K.

The move to add milk alternatives is driven by the small but fast-growing number of people identifying as vegan, who consume nothing derived from animals. In the U.K., more than half a million followed such a diet as of 2016, a study by the nonprofit Vegan Society showed. That was 3 1/2 times as many as in 2006. Hundreds of animal-free products well beyond yogurt have rushed to meet the rising demand, from jerky to pizza to cake mixes.

"The intent is that any offering in which consumers would like to have a choice between dairy and plant-based alternatives, we should make it available because the consumer is looking for it," a Danone spokesman said. The company's dairy and plant-based food business generates more than half of sales, with a water division that includes Evian and the specialized-nutrition unit containing the Aptamil baby formula brand making up the rest.

Danone wants to avoid repeating the mistake it made with Greek yogurt, a variant with a thicker consistency and more protein. The leading industry players overslept its rise,

which propelled [Chobani LLC](#) from a newcomer to second-largest yogurt maker in the U.S. within a decade.

Upstarts Emerge

The nondairy segment could face the same challenges that the traditional yogurt market confronted with smaller rivals that undercut prices. Upstarts have been popping up to offer vegan versions.

Israel's Yofix Probiotics Ltd., for example, makes soy- and dairy-free probiotic yogurt from a blend of cereals, lentils, grains and seeds. Emeryville, California-based [Ripple Foods](#) last year started selling a dairy-free alternative to Greek yogurt with pea protein.

"Pricing on plant-based is high, which will pull in competition and lead to lower pricing," said Duncan Fox, an analyst at Bloomberg Intelligence. "It's just a case of when that happens, rather than if, and private-label will be licking their lips."

Bigger competitors aren't far behind. [General Mills Inc.](#), the maker of Yoplait, in 2016 invested in almond-milk-yogurt maker Kite Hill through its venture capital arm. It's also making moves in dairy yogurt, introducing a lower-sugar Yoplait variant called YQ.

"We see more and more smaller brands entering the category and also bigger competitors," the Danone spokesman said. "That will lead to a new growth curve, which will help make it more physically and mentally available, and it will only prosper further in the future."

Milk quality not just about somatic cell counts

<https://www.wisfarmer.com/story/news/state/2018/06/28/milk-quality-not-just-somatic-cell-counts/712544002/>

Quality standards for milk are increasingly being established by retailers who take their cue from consumers.

Consumers aren't looking at regulatory standards. They want evidence of measures and consistency of quality that often greatly exceed regulatory standards, Dr. Frank Welcome, Cornell University College of Agriculture's Quality Milk Production Services, said during a Cornell ProDairy webinar.

Measures of Quality Milk

The most familiar regulatory standard is the bulk tank somatic cell count (BTSCC), set by the pasteurized milk ordinance at 750,000 cells/ml. Bacterial counts, often referred to as the standard plate count or PLC, are set at 100,000 cfu.

However, in 2012, the European Union imposed their standards on any dairy products shipped to the EU, Welcome explained, leading to many U.S. milk processors adopting those standards which set BTSCC standards at 400,000 cells/ml.

While the SPC/PLC remains at 100,000 cfu, Welcome said, most processors consider a bacteria count of 10,000 cfu or less as "excellent".

Retailers

Consumers' concerns have greatly expanded and now include issues of animal well-being and environmental stewardship. "Today's consumer is looking for dairy products that are very high quality, which refers to a long shelf life, and taste good," Welcome observed.

Consumers want dairy items that are safe for consumption, and they're concerned about the use of antibiotics in dairy cattle. They, most certainly, want a product that is wholesome in nutrition because most fluid milk is consumed by children, he noted.

"In addition, over the past five years, issues like animal care and welfare and environmental stewardship have become very important issues to consumers," Welcome

said. "That's reflected in the demands that retailers are making of producers and processors for the milk that they buy."

This includes antimicrobial use on dairy farms, which is not necessarily related to residue issues. "It's a definite concern with the overall use of drugs, particularly antibiotics, on the farm," Welcome explained.

Quality counts

For producers, producing quality milk gives them pride in their product, added value and income, allays animal health and welfare concerns, and deals with regulatory issues. For the dairy industry, it fosters pride in the product and meets consumer and market demands.

In the current dairy surplus environment, however, processors demand quality milk, but most won't pay for it anymore. "We are seeing quality incentives disappear or, certainly, being decreased," Welcome said.

Still, it is always in a dairyman's best interest to have the healthiest herd he can, because healthy cows produce more and better milk. "We're going to see farmers continue to produce high-quality milk, regardless of the presence or absence of premiums, which is, of course, what processors are counting on," he said.

It's important to note that producers who don't meet the milk quality standards will be looking for a new home for their milk.

"We've had phone calls here at our Quality Milk Production Services program from some of the larger farms that are not able to meet standards being set by some of their retailers," he said.

He has gotten calls from several very large producers on the brink of losing their markets because their cell counts or bacteria counts are not meeting the standards demanded by their processors.

Road map to quality

To illustrate what can be done, Welcome cited Tollgate Holsteins of Ancramdale, NY. The farm, owned by Jim and Karen Davenport,

is a six-time NDQA program Platinum winner and has earned top milk quality honors with Agri-Mark Cooperative since 1988. In 2017, it attributed "meticulous milking hygiene" for averaging 41,900 BTSCC and 1,000 cfu SPC.

Welcome said top dairy farmers, like the Davenport, bolster milk quality by paying close attention to details. They establish goals that focus on udder health and monitor key performance indicators. Their plan is to keep accurate records of treatment and performance, and use the appropriate tools and technologies.

In his view, the most important issue is their focus on training. "Anyone involved in milk quality on the farm knows and understands the plan. They recognize when certain issues are out of order," he said.

On the farm

Dairy facilities and cow hygiene need to ensure every animal is clean, dry and comfortable. A useful tool is the Udder Hygiene Scoring Charts, available at <http://milkquality.wisc.edu/wp->

content/uploads/2011/09/udder-hygiene-scoring-chart.pdf

"Cow hygiene is something we assess every time we visit a farm and this is the form we use," Welcome noted.

When milking, focus on a consistent routine and proper procedures. Wear gloves, use towels once, and insist on clean, dry, well-stimulated teats. "Lastly, we want all milkers on the farm to be well-trained with a positive attitude," Welcome said.

Milking equipment needs to be evaluated, preferably by National Mastitis Council methods, and kept up to snuff with routine and milking time maintenance.

To address consumer concerns, farmers might consider selective dry cow therapy, internal teat sealants and pathogen-based therapy for mastitis cases. "Actually, we and other universities have shown that we grossly overuse antibiotics for clinical mastitis treatment, with from 40-60 percent of cases not appropriately treated," Welcome said.

Supporting WI dairy farmers through label checking

<http://www.weau.com/content/news/Supporting-WI-dairy-farmers-through-label-checking-486408081.html>

When out grocery shopping, do you wonder where the dairy products you're putting in your cart come from?

June Dairy Month is a fitting time to check the labels on dairy products. Not only will it reveal where they came from, but it will also help identify if the products are supporting Wisconsin dairy farmers.

Most dairy products are marked with a dairy code. Typically, the code is printed near the top of the container or on the lid.

The code begins with two numbers and ends with one to five digits, which can be a combination of numbers or letters.

Once you locate the code, you can enter it on the "Where is My Milk From" website and it will tell you the location the product was made.

Purchasing dairy products made in-state keeps dairy dollars in Wisconsin.

"Buying local is a really big deal. So buying local, number one, helps our Wisconsin dairy farmers because you're generating money that comes throughout our economy. We need to drive demand, but we also need to educate consumers on the quality of what they're getting by purchasing dairy that's local," said Tina Peterson with Dairy Farmers of Wisconsin.

Why the fuss about Canadian trade? It comes down to milk

Published June 24, 2018

<https://buffalonews.com/2018/06/23/why-the-fuss-about-canadian-trade-it-comes-down-to-milk/>

To hear President Trump tell it, Canada is one of America's archvillains when it comes to trade. But the overall numbers show something different.

Canada sold about 6 percent more goods in the U.S. last year than American companies sold north of the border, federal figures show. In comparison, China— America's leading trading partner— sold nearly three times as much stuff in America last year as America was able to peddle in the once-forbidden kingdom.

In fact, of America's 15 leading trading partners, 11 had worse trade imbalances, in percentage terms, with the United States than Canada did last year. Most were far worse.

So why would Trump pick on Canada?

Chalk it up to a product that, in total, makes up less than 0.2 percent of the trade between the two countries: milk.

"In a big economy like ours, this is kind of on-the-margins," said Christopher Sands, director of the Center for Canadian Studies at Johns Hopkins University.

The dairy trade

A deep dive into U.S. import and export data shows that Trump is turning a comparative drop in the economic bucket into a trade battle between two bordering countries.

The United States exported \$51 billion worth of its top export product, vehicles, to Canada last year, federal figures show. That's 138 times more than it sent northward in [dairy products](#).

And yet the U.S. actually exported nearly three times as much in dairy products to Canada last year than it received in return.

The dairy trade looks even smaller if you look at what's heading in the other direction. Just look at America's biggest import from Canada last year: mineral fuels. America took in \$71 billion of that stuff from Canada last year— 583 times more than it bought in Canadian dairy products.

Why, then, all this fuss about milk?

Trump said it's a matter of fairness.

"Canada charges the U.S. a 270% tariff on Dairy Products!" Trump tweeted earlier this month. "They didn't tell you that, did they? Not fair to our farmers!"

Canada does set a strict quota on imported dairy products and charges triple-digit tariffs, ranging from 241 percent to 295.5 percent, on anything above the quota.

But American and Canadian trade experts say there could be other reasons for Trump's sudden rage at the Great White North.

Domestic politics could actually be Trump's real motivation for attacking the Canadian dairy industry, said Eliza Patterson, a former federal government trade attorney who now teaches international trade law both in the United States and in France.

She noted that Trump's tariffs on Canadian, Mexican and European Union steel and aluminum prompted a round of retaliation aimed at America's farm belt. Soybeans, wheat, corn and rice rank among the American products that could now face tariffs when shipped overseas.

"All the stuff he's done has annoyed the farm community, so he wants to show he's doing something for farmers," Patterson said.

A fuller picture

Trump said he recently placed tariffs on Canadian steel and aluminum products in response to Canada's dairy tariffs, but trade experts say that even focusing on those two metals misrepresents the real trade picture between the two countries.

America did have a trade deficit on steel with Canada in 2017, taking in 5.8 million metric tons of Canadian steel while shipping only 4.8 million metric tons northward, according to the International Trade Administration.

And that was part of a larger trade deficit with Canada— when you look at only goods rather than goods and services. By that measure, the U.S. took in \$17 billion more in Canadian

products than it shipped to the Great White North last year.

But trade experts say that number underplays the real story in international trade. Remember that all sorts of American service companies, from software developers to engineering firms to architects, do work in Canada, too. When you count their work, the Office of the U.S. Trade Representative said that America actually had an overall trade surplus with Canada last year amounting to \$8.4 billion.

"If you include services, trade between the two countries is roughly balanced," Royce Mendes, senior economist at CIBC World Markets, told CBC. "Either way, most of the goods surplus we have with the U.S. is related to energy. I'm guessing most Americans wouldn't want us to turn off the taps and cause U.S. fuel prices to skyrocket."

Meantime, Susan Ariel Aaronson, research professor of international affairs at the George Washington University, worries that Trump's narrow focus on dairy, steel and aluminum will hurt the economy.

"One sector benefits when another sector does not," she said. "It's a form of favoritism."

What's more, Aaronson noted, Trump's efforts are focused on boosting older industries that have been shrinking, rather than the modern technologies that will form the basis of future international trade.

"If we can't deal with steel, what are we going to do when three-D printing and artificial intelligence come along?" she asked.

The biggest picture

Canada is America's second-largest trading partner, but far from our nation's greatest trade nemesis, according to experts who almost always single out China as the biggest trade villain.

That's why Trump's announcement earlier this month to slap 25 percent tariffs on some

Chinese technology products came as welcome news to many in industry.

"China's industrial subsidies create severe challenges for growing our business," said Greg Owens, CEO of Liberty Tabletop in Oneida County, the only remaining flatware manufacturer in America. "We support the administration's tariffs for China's technology theft and encourage further action to protect America's manufacturers and agricultural producers from predatory trade practices."

America's trade deficit with China is 21 times bigger than its shortfall in traded goods with Canada, and U.S. manufacturers say Chinese companies are guilty of all sorts of violations that no Canadian company would ever perpetrate. For example, Universal Electric said it discovered last year that a Chinese company was basically copying designs from the Maryland company's engineering team. And Charlotte Pipe & Foundry Co. of North Carolina said it discovered that a Chinese company stole and used its logo.

And while no country in the world gets accused of intellectual property theft like that quite as much as the Chinese, in percentage terms, America also has triple-digit trade deficits with a number of other nations, including Japan, Italy, Ireland and Russia.

But instead of focusing on that, Trump is focusing on narrow slivers of the economy, and trade experts just don't understand why.

"None of what he's doing makes sense for the nation as a whole," Patterson said.

Trump's trade moves have won of praise, though, from members of Congress whose districts include plenty of dairy farms – including those from New York, the nation's third-largest dairy producer.

"When one of the largest dairy centers in America is in our backyard, we've got to pay attention to that," said Rep. Tom Reed, a Republican from Corning who represents much of the Southern Tier. "All we're looking for is reciprocity, for fair trade."

Making dairy product texture a priority

06.22.2018

<https://www.foodbusinessnews.net/articles/11996-making-dairy-product-texture-a-priority>

Food texture preference is very personal. This may be exemplified by cooked egg. Some prefer eggs scrambled, whereas others cannot tolerate the sponginess. Identifiable whites and yolks are favored by some consumers, with preference in yolk consistency ranging from runny to solid.

Food texture also may be an indicator of product quality. Cheese connoisseurs, for example, know that tyrosine (an amino acid) crystals are a sign of a finely aged hard cheese, while many everyday consumers don't appreciate crunch in their Parmesan.

Then there's evolving texture.

"Texture over shelf life is what we call stability, meaning we want the texture to look and perform on the last day of product shelf life the same as it did on the first day it hit the stores," said Ivan Gonzales, marketing director of dairy for Ingredion, Inc., Westchester, Ill. "We do not want drastic changes to the texture over time. Typical problems to avoid are syneresis, hardening, losing viscosity and developing graininess. Changes to texture most likely will impact appearance and flavor release in the final product."

When it comes to dairy products, consumers typically expect smooth, creamy and void of standing moisture, liquid or frozen. They don't want starchy or gummy lumps in sour cream, protein or mineral sedimentation in drinkable yogurt, or ice crystals in ice cream. Visual cues are indicators of product texture, which in turn influences how the product feels in the mouth. This is why texture has become a focal point during the early stages of product development.

"Texture is an integral part of the eating experience," said Ben George, senior food scientist, Kerry, Beloit, Wis. "A watery yogurt or a gelatinous chocolate milk will turn even the biggest fan of the product away for good. Controlling the texture of a product is a

necessity in today's manufacturing. Knowing the equipment and shear a product will ultimately see is the first step in developing a successful product. Taking this information, the developer can formulate the product to include the necessary ingredients to ensure proper texture in the finished product."

The role of texturants

Most consumers don't think about a food's texture or mouthfeel unless it is inferior. Texturants can assist with delivering a product that keeps consumers coming back.

Usually carbohydrate- or protein-based, texturants vary in function and by application. For example, maltodextrins and polydextrose add body and build total solids, while starches add viscosity and body. Gums tend to build viscosity and prevent phase separation, while emulsifiers bind fat and aqueous phases.

"Texture is our first, and often our lasting impression of the food we eat," said Brian Surratt, senior dairy applications scientist, Cargill Texturizing Solutions, Minneapolis. "As a result, one of the most basic questions to answer before any development project begins is what is the intended consumer's textural expectations and desires.

"Too often, the end textural target is vaguely defined, if it's defined at all. We encourage product developers to create a specific goal in terms of a finished product's texture, as well as a means to measure the targeted attributes. In essence, we start from the end, and work our way back to the beginning, determining the specific components that will deliver on our textural goals. It's like watching dominos fall, but in reverse."

Mr. Gonzales said product developers should address texture needs first in order to ensure the ingredients used in the formulation stand up to the manufacturing process and storage requirements. Once that is confirmed, then

flavor, color and the other attributes may be addressed.

The texture considerations of dairy foods are as varied as the many products in the marketplace.

“The processing conditions for cheese are very different than ice cream or yogurt, and each of these products have unique texture attributes,” Mr. Gonzales said. “Ice cream and cheese, for example, are quite unique in their texture challenges, the first one for the complexity of ice crystal formations and the second for the melting attributes required in the mouth and in the different final food applications.”

Specifically, with cheese, each application will have unique texture and functional requirements. Pizza cheese should melt and be stringy. Cheese inside a microwavable pocket sandwich must not run out or burst through the bread. Cheese baked into a muffin or cracker must remain identifiable. Sauce for nachos should flow and not form a skin when cooled.

In the case of processed and imitation cheeses, as well as the growing number of vegan cheese-type products in the market, it’s important to identify melting properties upfront. Other important considerations include shredding and slicing.

Considering clean label options

Depending on a product’s positioning in the marketplace, traditional texturants such as modified starches, gums and chemical emulsifiers may make the most economic and functional sense. They are consistent and reliable. However, as consumer demand for simple, natural labels gains momentum, many of these go-to ingredients are falling out of favor.

“Current food trends are all about natural ingredients and farm-to-table products,” Mr. George said. “Developers are continuously asked to make products with little-to-no traditional stabilizers and still keep the original textures consumers are accustomed to.

“Flavored milk with no carrageenan or ice cream with minimal emulsifiers and hydrocolloids are some of the challenges developers are getting tasked with. These products use texturants to not only bring

desired mouthfeel to the product but also are highly functional in visual, melting and flavor release of the product as well.”

Using functional ingredients such as protein in combination with natural flavors may allow for the replacement of some traditional hydrocolloid texturants in dairy foods. Kerry offers such texturant blends. Depending on the application, the blend may provide viscosity, emulsification and flavor masking. Made with grass-fed, Non-G.M.O. Project verified dairy proteins, the ingredient system also boosts protein content.

“Dairy flavors help formulators overcome limitations in delivery systems and provide unique dairy richness and indulgence to lower-fat and lower-sugar products,” said Beth Warren, chief commercial officer, Edlong, Elk Grove Village, Ill.

Protein combined with natural flavors is one approach to clean label stabilization. It is particularly useful in refrigerated yogurt, a product that often undergoes temperature and physical abuse during transport by the consumer from home to office.

Some yogurt formats, such as conventional Swiss- and stirred-style yogurts, must withstand intense thermal processing and high-shear conditions. Acidic dairy beverages also require special textural considerations.

“For years, product developers relied on modified starch and gelatin to deliver the viscosity, gel structures and mouthfeel associated with these products,” Mr. Surratt said. “However, if those tried-and-true ingredients are off the table due to label considerations, we run into challenges finding acceptable alternative solutions that can withstand modern processing realities, meet formulators’ shelf life requirements and still deliver the textural attributes consumers expect.

“Drinkable yogurts must have a thick viscosity in order for consumers to feel like they are actually drinking a yogurt beverage versus thin, white milk. Often, if processing techniques or ingredients are used improperly, they can produce a gritty, rough texture. Pressure to reduce added sugars can further complicate these formulations.”

Tools in the texture toolbox

At the Institute of Food Technologists' annual meeting and expo, scheduled for July 15-18 at Chicago's McCormick Place, Cargill is tackling this challenge with a strawberry drinkable yogurt made with 4 grams of added sugars per serving. The innovation team built back the missing sweetness with steviol glycosides, but still needed to replace sugar's bulk in the formula. To deliver the creamy, thick mouthfeel consumers expect from a drinkable yogurt, the company developed a tailored solution for this texture challenge.

"Using label-friendly ingredients like corn starch and chicory root fiber, we achieved a mouthfeel comparable to a full-sugar drinkable yogurt and designed a system that kept dairy proteins in suspension throughout the shelf life of the beverage," said Christine Addington, senior dairy technical service specialist at Cargill. "Our prototype meets consumers' label and sensory expectations, keeps added sugars in check and qualifies as an excellent source of dietary fiber, protein and calcium."

Parsippany, N.J.-based Beneo Inc. is launching its second functional native rice starch at the I.F.T. show. The company's production process enhances the functional properties of rice starch without using chemicals, thus achieving performance levels comparable or superior to modified food starches.

"Not only is this new functional native rice starch clean label, it also provides manufacturers with wide-ranging opportunities to enhance the texture of their products with a versatile ingredient that is sustainable under the harshest processing conditions," said Jon Peters, president of Beneo. "In convenience foods, including cheese sauces and ready-to-eat meals, the challenge is to maintain optimal functionality under various manufacturing requirements. This rice starch allows food manufacturers to create unique textures and excellent product stability under extreme circumstances, such as low pH, high temperature, high shear, without the need for modified starches."

AIDP, City of Industry, Calif., now offers a next-generation seaweed extract ingredient

for dairy and non-dairy desserts and yogurt-type products. Developed by Algaia S.A., Paris, the alginate line provides a rich and creamy texture while allowing for a reduction in fat. In desserts such as low-fat dairy flan it is possible to deliver desirable texture without the use of eggs or traditional additives.

"One of the biggest challenges was to prevent the interaction of our alginate with calcium," said Fabien Canivet, applications manager for Algaia. "Alginate ingredients are well known to strongly interact with calcium, creating potential technological complexity limiting their use by dairy manufacturers."

The new line provides a texture option for the dairy industry, offering a rich, creamy, indulgent profile with a low-fat advantage, Mr. Canivet said. Alginate properties include solubility at low temperatures and the ability to preserve sensitive ingredients, such as vitamins and flavors.

Kerry offers an acacia fiber that enhances mouthfeel while keeping a lower viscosity. This is useful in chocolate milk and yogurt drinks, which require creaminess without being too thick and having too much mouth coating.

Ingredion recently introduced a line of multi-functional tapioca flours. The range of ingredients couples a clean tapioca flour label with the functionality of a modified starch. The full range of flours is adapted to suit a variety of production processes, offering tolerance and stability advantages while at the same time helping manufacturers achieve indulgent dairy products and smooth sauces, puddings and custards.

The flours provide exceptional flavor release and enhanced, creamy textures that allow food manufacturers to reduce fat content and improve nutrition profiles. At the same time, the range of ingredients delivers higher viscosity than clean label starches in some applications, offering opportunities for cost savings, Mr. Gonzales said. The multi-functional tapioca flours support non-G.M.O. and gluten-free claims, aligning with consumer-driven trends reshaping labels around the globe.

Dairy exit set to increase as farmers continue to lose confidence

Posted 20 June 2018 at 12:33 pm

<http://www.abc.net.au/news/rural/2018-06-20/more-dairy-farmers-set-to-leave-industry/9889406>

The annual national farmer survey of 800 farmers from around Australia, looked at farmer confidence, which showed that less than half of farmers surveyed remained confident about the industry's future.

This figure has fallen from 75 per cent four years ago, and has been declining over the past three years.

The confidence of farmers has not been recorded this low since 2013 when it was at 43 per cent, which was at a time when farm gate returns were low, and there was challenging seasonal conditions as well as a high Australian dollar.

The trends were recorded across all dairy regions, however Victorian dairy farmers are the least positive.

Over a quarter of respondents in Western Victoria and South Australia are looking at leaving the industry, with 16 to 19 per cent of farmers in these regions already in the winding down phase.

Pressure on small farms

Smaller farms of fewer than 150 cows were those most likely to be winding down.

The survey found that larger farms with over 500 cows were more optimistic about the future and were more likely to stay.

Most farmers were looking at increasing their herd size, with 37 per cent of farmers considering that option.

Farmers were more optimistic about their own operation, than the broader dairy industry.

Uncertain about prices

John Droppert, senior analyst with Dairy Australia said overall, farmers were happier with their own businesses but less so about the industry.

"This is a reflection of uncertainty around the structural changes and that will take some time to settle," he said.

The report also found that dairy farmers were feeling uncertain about the prices they received from processors with 18 per cent of farmers having switched milk processors that they supply.

There was another 14 per cent of milk suppliers who were also looking to change who they supply their milk to.

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However, a greater number of farmers did report making a profit last financial year — 60 per cent of respondents, with 67 per cent of farmers expecting to make a profit this financial year.

The report delivered an optimistic market outlook for milk prices, with global demand shifting to Australian produced dairy products.

While this outlook is for more promising prices for milk, farmers are faced with increasing costs as the dry conditions have forced farmers to buy fodder as they have been faced with more challenging seasonal conditions.

Mr Droppert said hay, grain and irrigation water prices were all eroding margins and "presented significant headwinds for the season ahead, particularly in those parts where dry conditions persist."

Saputo opening price announced

Meanwhile Canadian dairy company Saputo, who [earlier this year took over dairy co-operative Murray Goulburn](#) announced their opening price for the 2018/19 season.

They have opened at \$5.75 per kilogram milk solids for its southern milk regions of Victoria and Tasmania and 49.6 cents per litre for their suppliers in the NSW Sydney market region.

In its announcement to its suppliers, Saputo said that this opening price was responsible and allowed room for upward movements if improved market conditions were realised throughout the year.

The company has not released its final milk price for the 2017/2018 season, which they say is dependent on external factors that could impact returns.

This announcement only leaves Fonterra and Bega Cheese to announce their opening price for the upcoming season.

Washington spreads money for clean manure projects

Last changed on June 20, 2018 10:13AM

<http://www.capitalpress.com/Washington/20180620/washington-spreads-money-for-clean-manure-projects>

Five projects to purify manure at Washington dairies have received public funding, including one that involves engineer Peter Janicki, who told state lawmakers last year that removing all contaminants from livestock waste was possible and could even be profitable.

Janicki's company, Janicki Bioenergy in Sedro-Woolley, and its tribal and public-sector partners will receive \$1.75 million of the \$3.88 million awarded by the Washington State Conservation Commission. Janicki, according to the proposal, will install a plant to turn manure from a 2,000-cow dairy in Snohomish County into organic fertilizer, liquid ammonia and water clean enough for cattle to drink.

Stanley Janicki, vice president for business development and the founder's son, said Tuesday he expected the manure-treatment equipment to be operating by next summer at Natural Milk dairy, owned by Jeremy Visser.

"He's going to become a zero-discharge dairy," Stanley Janicki said. "If he can be a zero-discharge dairy, environmental concerns disappear."

Peter Janicki's presentation to legislative committees in Olympia in 2017 raised interest in funding projects to decontaminate manure. Lawmakers put money in the capital budget this year.

Janicki is collaborating with the Stillaguamish Tribe of Indians, the Snohomish Conservation District and Washington State University, as well as Visser. The \$4.67 million project last year received a \$1 million grant the USDA, \$283,000 from the state Commerce Department and \$250,000 from the Dairy Farmers of Washington.

Visser, who owns four dairies in Snohomish County, will contribute more than \$1.3 million

in cash, materials and fuel, according to the proposal.

Visser said Monday that he's optimistic the project will succeed. "The sooner we get going the better, as far as I'm concerned," he said. "If we don't slice bread, people will be disappointed. I know I will be."

Snohomish Conservation District natural resources planner Brett de Vries said that organizers still need a building permit from Snohomish County.

"I have great hope and confidence it's going to be a complete game-changer for ag in Snohomish County," de Vries said.

WSU will evaluate the results.

Peter Janicki grabbed lawmakers' attention with his work supported by Bill Gates to convert human waste into drinkable water and electricity in poor countries. According to the proposal submitted to the conservation commission, Janicki's goal is to get the cost of building a livestock manure processor down to \$750,000 for a 1,000-cow dairy.

Four other projects received smaller amounts of money.

- \$930,305 to convert manure into fertilizer and clean water at Coldstream Farms in Deming in Whatcom County. Regenix, a Whatcom County anaerobic digester construction company, will install the equipment to treat one-third of the dairy's manure. The Nooksack Indian Tribe endorsed the project for its potential to put more water in the Nooksack River for fish.

- \$762,900 to treat manure wastewater at Castle Grove Dairy in Wapato on the Yakama Indian Reservation. Organix Inc. of Walla Walla will install filtering equipment developed by a Chilean company, BioFiltro. WSU will monitor water quality and odors.

Organix installed the system at Royal Dairy in Royal City, Wash., last year.

- \$250,000 to remove nitrogen from manure at George DeRuyter & Son Dairy in Yakima County. DVO Inc., an engineering company in Chilton, Wisc., is the co-applicant. The dairy will contribute \$385,000 to the project.

- \$186,795 for a mobile-struvite maker developed by Washington State University-Puyallup scientist Joe Harrison. The machinery was manufactured last year with a USDA grant. It extracts phosphorous from manure to make struvite, a phosphate fertilizer for forage crops.

Regional task force files suit over dangerous lead levels in toddler formula

<http://www.lakeconews.com/index.php/news/health/56438-regional-task-force-files-suit-over-dangerous-lead-levels-in-toddler-formula>

Napa County District Attorney Allison Haley announced the filing of a consumer protection action against two businesses that sell toddler formula, Graceleigh and Nutraceutical, due to the discovery of dangerously-elevated lead levels in their products.

The action was filed in Alameda County and jointly prosecuted by the Napa, Sonoma, Solano, Marin, Monterey, Alameda, Orange, Santa Cruz, Santa Clara, and Shasta County District Attorneys and the California Attorney General's Office.

Testing revealed that these formulas exceed the U.S. Food and Drug Administration provisional daily intake levels for children under six, and cause lead exposures between 13 and 15 times the maximum allowable dose level under California law.

The lawsuit, filed in Alameda County on June 7, alleges that the companies' toddler formula products are "adulterated" within the meaning of California and Federal standards, that their sale constitutes an Unfair Business Practice, and that the sale of the products violated Proposition 65, the state law that requires warnings prior to exposing individuals to harmful chemicals.

The lawsuit also alleges that representations of the products as "pure" and "clean," were false and misleading.

The products are Peaceful Planet Toddler Supreme and Sammy's Milk Free-Range Goat Milk Toddler Formula.

The lawsuit alleges that both the Peaceful Planet Toddler Supreme and Sammy's Milk Free-Range Goat Milk Toddler Formula are "adulterated" and should not be sold in California because they expose toddlers to lead levels in amounts that exceed the FDA's Provisional Total Tolerable Intake Level for children. Sales of these two products therefore constitute an unfair business practice under California's Unfair Competition Law.

In addition, Proposition 65, approved by California voters in 1986, protects the public health by requiring businesses to warn consumers if they expose them to toxic chemicals, including lead.

The lawsuit alleges that the two products cause exposures that exceed the threshold warning levels for lead under Proposition 65, and that the companies failed to warn consumers that these products would expose their children to lead.

District Attorney Allison Haley said, "Nothing is more important to our community than the health and safety of children. Napa County is joining this suit to ensure that infant formula is safe from lead and other harmful ingredients."