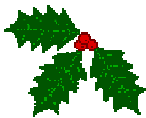




NEWSNOTES



*Merry Christmas
Happy Hanukah
& New Year
from
New York State
Dairy Foods, Inc*



State Implements New Kosher Law - Manufacturers & Handlers Must Register with the State by Jan. 9/04

Gov. Pataki announced recently the implementation of the new Kosher Law Protection Act. The new Kosher Law will provide New York consumers with important information identifying the person or organization certifying foods labeled as kosher. "Kosher consumers in New York are a large and thriving part of the local community, representing the second largest kosher population in the world," Governor Pataki said. "The new Kosher Law Protection Act and on-line registry will provide consumers with important safeguards against fraudulently packaged and misbranded kosher products and easy access to information they need to make food choices that conform to their religious and dietary needs."

Under the new Law, certain producers, distributors, manufacturers, packers, processors, and retailers of food represented as kosher are now required to file with the Dept. of Ag. and Mkts., the names, addresses and telephone numbers of the persons or organizations providing kosher certification.

"The on-line registry the Assembly called for, provides consumers with specific information about the level of Kosher supervision of the products they with to purchase. By requiring vendors to disclose the basis for their representation that such foods are kosher, we have taken a crucial step in restoring the confidence of the kosher consuming public in the food purchases made. It was necessary to afford kosher consumers this protection," said Senator Martin J. Golden.

The Department has made information available to consumers by developing a website, www.agmkt.state.ny.us/kosher, where regulated parties can electronically file kosher certification forms at no cost and consumers can find out who certified specific products as kosher and the qualifications of persons certifying non-prepackaged food as kosher or kosher for Passover.

www.state.ny.us December 10, 2004

Sen. Nancy Lorraine Hoffman Concedes Close Election

Twenty year incumbent Senator and Chairperson of the Senate Agriculture Committee Nancy Lorraine Hoffmann has gone down with defeat to Democratic party challenger David Valesky.

The win for Valesky wasn't due so much to his party's vote margin as much as from a third party challenger, Tom Dadey. Dadey had challenged Hoffmann for the Republican party nomination backed by the party. He eventually lost in a 55-45% margin in the republican primary. His name stayed on the general election ballot because of his endorsement by the Conservative and Independent parties. He pulled votes away from Hoffman allowing Valesky the Democrat to win.

Senator Hoffmann's loss will bring changes to the makeup of the Senate Agriculture Committee. Five other republican senators shared the committee with Hoffmann. Four democrats sit on the committee as well. It is anyone's guess who might replace Hoffmann. The only longstanding republican senator on the committee who hails from a rural community is Senator Jim Seward from Oneonta, NY. It will be the decision of Senate Leader Joe Bruno to appoint a new chairperson after the new year begins.

The Senate has to date lost three seats to the democrats with a possibility of one more race to be decided. It is being rumored that Bruno might be on the hot seat because of the big losses in his party's election races. The Republicans will still hold a majority in the Senate by as many as four 4 seats depending on one last district recount vote.

CONVENTION DATES CHANGED FROM JUNE TO SEPTEMBER FOR 2005

Annual Northeast Dairy Convention

September 11-14, 2005

Niagara Falls, Ontario

This years convention is to be held at the luxurious Fallsview Marriott Hotel, with breath taking views from your room of the American and Canadian falls. Majestic Niagara Falls, Ontario offers many exciting things to see and do, be sure to mark your calendars now. Convention registration information will be mailed in the beginning of June.

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Bruce W. Krupke
Executive Vice
President Report

First, Happy Holidays everyone! I hope you have a peaceful and quite time with your families and close ones as we all reflect on the true

meaning of the giving season.

This will be my first report to you since October and post election time. Wow, it now seems like going to the polls to vote was a long time ago. I'm very happy it is all behind us, how about you? The results of the general election here in NY State were very interesting. I reported on page one that Senator Nancy Lorraine Hoffmann lost her re-election bid after 20 years in the legislature. I'd like to provide you with a short update of how that happened and what effect it has on dairy and the agriculture community.

Senator Hoffmann's race was truly an interesting lesson in politics. As I stated, she was forced into a primary because the Republican party from her districts did not endorse her. She was forced to collect signatures and was allowed on the primary election ballot. Her Primary race challenger, Tom Dadey, a complete unknown ended up losing, a somewhat unexpected result given he had the party's endorsement. Although, he remained on the general election ballot because of his endorsement by the conservatives and independents.

While all of this was going on, another unknown rookie, a Democrat was waiting in the shadows, his name Dave Valesky. The general election results, after a 10 day ballot recount found Valesky the winner over Hoffmann, 45% to 44% over Hoffmann. Dadey got 11% of the vote and the title of spoiler!

It has been said politics is always local, I believe that. The end result for the dairy and agriculture industry in NY State, Senator Hoffmann will no longer be chairperson of the Senate Ag. Committee. The reason this is important you ask? Hoffmann did bring to the forefront agriculture issues. Whether you agreed with her positions or not, she was an agriculture activist to say the least. We now look forward to a new chairperson for the Senate Ag. committee, I'll report who that is once Senate Majority Leader Joe Bruno decides.

So the elections are now over and a new year to attend to. What do our state legislators do? They go back to Albany after the elections and do some interesting things. This is usually typical lame duck time. The legislators, specifically the Senate Republicans, decide to go against their "boss" Gov. Pataki, and override with a 66 2/3rds vote some of his budget vetoes. I know I am not the first person who has said this, but our state government is in a real mess. What is the next thing they do you ask? They increase the minimum wage from \$5.15 to \$6.00., and eventually up to \$7.15/hr. in 2007. The Federal government usually makes this decision. But the Senate Republicans, siding with the Assembly Democrats again voted to override Governor Pataki's veto of the minimum wage increase. Folks, I've become a believer that our state legislators don't understand what it takes for business to competitively survive in this State. I encourage each of you to visit the following website for a good read: www.freeNYS.org. You may not agree with everything the site has to say, but it is a start! It will give you some perspective and call to action! We all need to send a message, Albany politics is going the wrong way. Lets get the new year off to a good start!

Marketing

That Makes a Difference

Milk Pep Reaches out to School Foodservice Directors

The National Milk Processor Education Program, (Milk PEP), reports as part of its continuing efforts to help processors improve school milk, they are reaching out to a new audience, - foodservice directors. This month, Milk PEP mailed information to school foodservice directors at 5,300 U.S. school districts. These district-level employees are the key drivers for change and decide what each school will serve students.

"Milk PEP is committed to doing everything we can to help processors improve school milk," says IDFA Sr. Marketing Mgr. Victor Zaborsky. "By educating school foodservice directors about the benefits of serving milk that students like, we hope to pave the way for individual processor efforts."

Included in the mailing was the new Milk 101 brochure that provides an overview of Milk PEP's "Capturing the School Milk Program" and highlights the new Child Nutrition Act, which protects a school's right to offer milk anytime and anywhere. Also included is the vending brochure, which summarizes the results of Milk PEP's vending studies; a calendar of the upcoming DMI and Milk PEP school promotions; and milk mustache clad "smiley face" stickers and buttons.

School milk should be a top priority for processors as competition among beverages steadily increases. The battle for future milk drinkers is being fought today - in schools. Milk consumption habits are defined at an early age and determine lifetime consumption rates. Already, non-milk beverages represent 40% of all beverages sold in schools, including 98% of all a la carte sales. "Timing is critical. Half of all children who drink milk stop drinking it as teens," says Zaborsky. Many processors and hundreds of school districts have taken significant steps to make school milk more competitive with other beverage offerings. These improvements include improving poor product and package variety, and better merchandising. The mailing materials are available for processors to order through the milk hotline at 800-945-MILK, (6455). Processors can review the materials at www.milkpep.org or at www.milkdelivers.org.

Legal Update/Need to Know!

NY State Minimum Wage Increases

The NY State Legislature has voted to increase the state minimum wage. They had overridden Governor Pataki's veto in a special session in early December. Please take note of the following minimum wage increases:

Effective January 1, 2005: \$6.00 per hour

Effective January 1, 2006: \$6.75 per hour

Effective January 1, 2007: \$7.15 per hour

Pataki vetoes ‘budget reform’

Governor Pataki has vetoed a controversial “budget reform” bill, echoing Business Council concerns that the proposal and an associated amendment to the state Constitution would lead to even higher spending and taxes.

The Governor said that Legislature’s proposed changes would return New York State to a 19th-century system of “too much spending, too much borrowing, too much taxation.” The legislative plan would also encourage late budgets and could lead to temporary shutdowns of state government, he said.

After the Legislature approved the bill in late June, Business Council President Daniel B. Walsh urged the Governor to veto it and to oppose the proposed Constitutional amendment. Walsh applauded the veto.

“Instead of preventing late budgets, this proposal would actually reward them - by turning over to the Legislature the entire budget-writing authority now vested in the Governor; once the Legislature misses the annual deadline,” Walsh said.

“The real problem with New York State’s budget is it spends too much,” he said. “That’s why even the nation’s most punitive tax burden is not enough to prevent multi-billion-dollar budget gaps, year in and year out. Members of the Senate and Assembly face constant pressure from powerful unions, constituents, and others to spend more than the state can afford. Thus, shifting budget power to the Legislature will only worsen our problems.”

Walsh urged Governor Pataki and the Legislature to “pursue broader change” by calling a Constitutional Convention. Such a convention, he said, could give voters the opportunity to consider changes such as:

- ◆ A requirement that the Legislature publish a balanced financial plan and estimates of out-year fiscal balance before voting on the budget.
- ◆ A “taxpayer report card” similar to those required of school districts, in which the state would inform every state resident about the annual increase in spending compared to inflation.
- ◆ Assurance of timely budget adoption through a ban on any appropriations before the Legislature acts on the Executive Budget.
- ◆ Strict limits on New York State’s out-of-control borrowing, including debt of public authorities.
- ◆ A spending cap that would keep the budget affordable by linking increases to growth in personal income.

“New York State government need real reform,” Walsh said. “We agree with Governor Pataki: The proposed legislation and constitutional amendment are not the changes we need.”

Governor Pataki criticized the Legislature’s proposal for failing to require adoption of a balanced budget or an explanation of multi-year fiscal impacts.

*The Business Council of New York State, Inc.
bcnys.org Vol. 19, No. 24*

**Upstate NY’s Performance from
1990-2000
Relative to the Total United States**

	US	UPSTATE NY
Population Growth	13%	1%
Personal Income Growth	29%	9%
Manufacturing Employment Growth	28%	6%
High-Skilled Manufacturing Employment Growth	-9%	-39%
Employment Growth	37%	-14%

**From The PA Association
of Milk Dealers, news that affects you...**

Earl Fink, Executive Vice President from the PA Assoc. of Milk Dealers in Harrisburg, PA recently provided us with the following news and information on issues confronting milk dealers.

Action on Proposed Regulation

Dealer Loans—The PA Milk Marketing Board had intended to propose a regulation to ban loans to wholesale customers. The proposed regulation was presented December 15 for a roundtable discussion. There were no problems with the board’s proposal, and was approved. It will take 3-6 months to implement the new regulation banning loans to wholesale customers.

Supplier Change

The PA Milk Marketing Board at the request of the PA Assoc. of Milk Dealers will no longer consider a proposal to require payment before a wholesale customer changes suppliers (former section 145.27). There was discussion regarding implementing the proposal although PAMD rescinded their request.

**Minimum Wholesale Pricing
Law Suit**

A law suit brought by Baltimore, MD milk distributor Cloverland-Greensprings challenging the PA state minimum wholesale pricing law is still under review by the court. A decision was expected in the fall of 2004, although it is reported the judge who will make the decision has a backlog of cases to handle thus slowing the decision making process.

In a recent development, the lawyer representing Cloverland for the petition, Sheldon Weiss, passed away a month ago. Mr. Weiss was well known nationally for his taking on tough cases involving milk pricing.

**Policy on Cost of
Non-Controlled Products**

The PA Milk Marketing Board has issued Bulletin No. 1373 which provides additional guidance on the cost calculation of non-controlled products. The new rule includes costs of packaging, ingredients, discounts, rebates, finance charges, delivery and shipping.

Hearing on Over-Order Premium

The Milk Marketing Board held a hearing on December 1st and determined to keep the level of Class I over-order premium at \$1.55/cwt. effective January 1, 2005. The \$1.55/cwt. had been in effect for three months and will continue for the first half of 2005. The board also approved a .17 cent/cwt. adjustment for recent fuel increases.

**Visit our Website for More
Up to Date News!**

Who merged with who yesterday? What are the future expectation of milk prices? Where is the convention going to be next year and what are those dates again? How do I sign up for that golf outing or that national convention? If you want to know the answers to these questions and stay in touch with the latest in dairy industry news and happenings with our association, it is easy. Simply click on our website at: www.nysdfi.org. You can also email us to add your name to our dairy update member only email list.

Restaurant Operators Increasingly Optimistic About Sales Growth

Restaurant Operators are increasingly optimistic about the direction of the restaurant industry and the overall economy, according to the National Restaurant Performance Index.

During the next several months, restaurant operators are expecting positive trends in terms of sales, staffing levels, capital expenditures, as well as the general economy.

“The current situation component declined as a result of expected weaker same-store sales and traffic comparisons in August,” said Hudson Riehle, senior vice president of research and information services for the restaurant group.

As a result of restaurant operators’ positive outlook, the expectations component of the Restaurant Performance Index reached its highest level in three months. The solid gain in the expectation component was offset by a slightly larger decline in the current situation component, which resulted in a modest 0.1 percent decline in the Restaurant Performance Index.

The index is based on responses to the National Restaurant Association’s Restaurant Industry Tracking Survey, which is fielded monthly among restaurant operators nationwide on a variety of indicators including sales, traffic, labor and capital expenditures. The index consists of two components: current situation index and the expectations index.

The expectations index, which measures restaurant operators’ six-month outlook for four industry indicators, jumped 1.1 percent. That increase came on the heels of five consecutive declines in the expectations index.

The Cheese Reporter Vol.129, No. 13

FDA Considering Changes to Food Labels to Combat Obesity

FDA has suggested that food labels should be changed in response to the obesity epidemic. FDA’s Anti-Obesity Initiative Report, issued this spring, laid out recommendations for changes in nutrition labels and serving sizes for single-serving food packages. Recently, the Center for Science in the Public Interest (CSPI) petitioned FDA to act on changing the definition for single-serving containers, to declare larger sizes for beverages and milks as one serving, and provide nutrition information for larger single-serve snacks on a single serving and whole package basis. IDFA provided formal comments to FDA on their recommendations, stating that while obesity is an important issue, labels already carry all of the information to determine calories and contents in food packaged for consumers. Obesity labeling should be avoided as it could stigmatize some foods as “bad foods.”

All food labels must be changed by January 1, 2006 to declare the amount of trans fat per serving in the nutrition fact panel and disclose allergens as a common name in the ingredient declaration. For any other label changes to be required by the January 2006 date, those changes would have to be finalized by the end of 2004. It is doubtful that FDA will take final action on food labeling changes related to the anti-obesity initiative before the end of this year. The next date for any mandated FDA food labeling changes would be January 1, 2008. Therefore, IDFA members are urged to move ahead with trans fat and allergen labeling at this time.

Health and Human Services (HHS) Secretary Tommy Thompson unveiled a strategy to fight American obesity, focusing on the message that “Calories Count.” The FDA action plan is based on the concept of “caloric

balance” reminding consumers that “calories in must equal calories out.” The initiative includes a wide range of recommendations to communicate this message that could significantly impact the food and dairy industry, such as changing the Nutrition Facts panel on food labels, expanding the use of health claims, and dietary guidance. Calorie content, carbohydrate content, single-serving, enhanced enforcement against inaccurate labeling and an ANPRM are among the recommendations in the initiative.

www.idfa.org Volume 15, No. 4

Surge In US Butter Imports Leads NMPF To Renew Call For Higher Safeguard Tariffs

The National Milk Producers Federation recently renewed its call on the US Department of Agriculture to raise tariffs on foreign butter products, now that import levels have more than doubled from last year.

The USDA’s most recent data on butter sales for the first nine months of 2004 confirmed NMPF’s concerns that imports would exceed the safeguard trigger level.

Once total butter imports have reached set safeguard threshold, representing a 100% growth rate in a calendar year, the US government is entitled to impose higher than normal tariffs on butter products. “The economic concerns of dairy farmers have certainly received a great deal of attention recently from federal policy makers, and we hope that this import issue also meets with a swift response from the USDA,” said Jerry Kozak, President and CEO of NMPF. “Imports of a variety of products can certainly have negative effects on dairy farmers’ prices, and we hope that the USDA will act quickly to impose the safeguard tariffs. Such an action is completely WTO-compatible, and it has no cost to the government,” Kozak said.

The USDA took similar action back in 2002, when it responded positively to NMPF’s request for safeguard tariffs on American Type cheese products, once imports of those products rose more than 100% from 2001.

Governor Dean: Without accountability more dollars won’t improve schools

“It’s not just about money,” former Vermont Governor Howard Dean said of efforts to improve struggling schools in New York and elsewhere. Referring to court orders of more school spending in New York City, he added: “If there is no accountability then you might as well not do this.”

Governor Dean supports a \$5.6 billion increase in taxpayer funding for the city’s schools. “But,” he said, “no amount of money is going to fix this fact: that the single most important predictor of whether a child does well in school or not is not how much money you spend, or the computers and the teachers and all that. It’s the message they get at home from their parents about education.” Parental involvement, strong leadership from school principals, and a requirement that struggling school districts study successful efforts elsewhere are all essential to school improvement. He spoke of a working-class school district in his state that instituted a program of full-school reading period every day. The effort was so successful in improving reading skills that other districts now use the same method.

“If you require one to at least take a look at what the other’s doing, that, I think, is the path to excellence,” said Governor Dean.

Martin West, an education researcher at Harvard University, said per-pupil spending in the US rose from \$3,300 to \$9,000, after adjusting for inflation, from 1960 to 2002. Student achievement “hardly budged” despite that. See **Governor Dean (continued) on pg. 6**

Some Good Stuff to Know..

WELCOME NEW MEMBERS!!

NYS Dairy Foods, Inc. Member

Beyer Farms, 256 Malta Street, Brooklyn, NY 11207
 Henry Beyer, President,
 Glenn Babbush, Legal Counsel, Sales Mgr.
 Ph. 718-272-4500 Fax 718-272-2768
 Milk Distributor in NY City

NY State Dairy Boosters Assoc. Members:

Get Silly, Inc. (see Polar Shot Ad below!)
 Mike Stauffer, Owner
 17108 Lorain Ave. Cleveland, OH, 44111
 Ph. 216-252-8650 Fax 216-252-8648
 Unique Bite Size Ice Cream Manufacturer/Distributor

Klass Ingredients

Christopher Mikulec, Acct. Exec.
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 Ph. 716-662-6665 Fax 716-662-0285
 Ingredient supplier/broker since 1984

LaBella Associates, P.C.

Thomas Bucher, P.E., Electrical Engineer
 300 State St., Rochester, NY 14614
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 & Environmental Consulting Since 1978

O'Brien & Gere

Keith C. Day, Director of Business Development
 5000 Brittonfield Pkwy., PO Box 5240
 Syracuse, NY 13220-5240
 Ph. 607-656-8326 Fax 607-656-9818
 Engineering Firm Providing Environmental Facilities,
 Water, Wastewater & Design Building Serv. since 1944

It's Pizza Day, But Where is the Milk?

Canada's sky-high dairy prices are making milk a tough sell for restaurant companies such as Pizza Pizza that are working with schools to offer more nutritious lunches for school fundraisers.

The Ontario-based pizza chain recently removed trans fat from its pizza crust, and now offer whole wheat dough and low-fat pizza options. It wants to round out the menu with milk, but artificially high Canadian dairy prices mean that schools simply can't afford this option.

"Pizza is a nutritious option for school fundraisers, and we want to complete the picture by putting milk on the menu. But dairy producers have priced themselves out of the market," says Pizza Pizza Vice President Paul Methot. "If milk were competitively priced we could serve more dairy to school kids, not less."

Pizza Pizza is part of a restaurant industry delegation committee that is calling for a freeze on industrial milk prices to bring them in line with the actual cost of dairy production. The industrial milk price is used as a bench mark for fluid milk prices, which are determined by provincial milk marketing boards.

According to the Organization for Economic Cooperation and Development (OECD), Canada's wholesale dairy prices are as much as 155% above world prices.

"More reasonable dairy prices would lead to an overall increase in consumption with no loss of income for the producers. The time to start working on this goal is now," says Methot. "If we do, everyone will benefit."

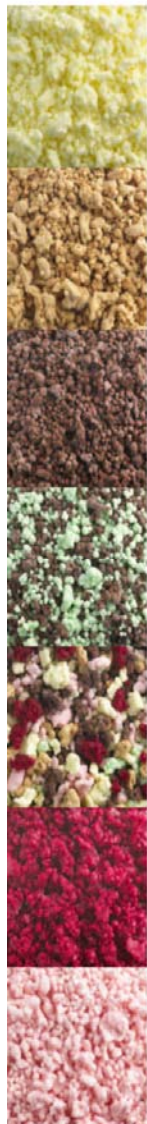
www.pmq.com December 13, 2004

◆ FOR SALE -

Complete equipment inventory of just closed medium size fluid milk plant. Includes 7 tanks and HTST with Gaulen Homog. 15 valve Federal gallon and half-gallon filler. Elopak-Skikoku eco-pac filler, caser, daters and stacker line. For more information contact Richard Rzeszotarski, Mohawk Dairy, Amsterdam NY
 Phone: 800-724-7122.

New York State Retail, Milk Threshold Price Effective December 1, 2004

	<u>Gallon</u>	<u>Half Gallon</u>	<u>Quart</u>
<u>Metro Region:</u> (NYC & Counties Of Nassau, Suffolk, Rockland, Orange, Westchester, Putnam & Dutchess)	\$3.26	\$1.68	\$.87
<u>Upstate Region:</u> (Remaining Counties)	\$3.04	\$1.57	\$.82



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Polar Shots is an ice cream manufacturer that has a very unique product, we have ice cream dots, that can be served, stored and scooped the same as any traditional ice cream product. Polar Shots does **NOT** require any special equipment for storage or serving. We are a super premium ice cream product made with 14% butter fat, 100% all natural ingredients with 0% over run. Polar Shots ingredients are precisely mixed and frozen at -300 degree F resulting in a super premium ice cream product with the novelty of being "BITE SIZE ICE CREAM TREATS". Distributors Wanted.

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 Ph. 216.252.8650 Fax 216.252.8648 www.polarshots.org

Dairy Market Watch

SALES UPDATE—FLUID MILK

USDA reports that milk sales through August 2004 were down 1.8% compared to the first eight month of 2003 (when adjusted for calendar composition). Mainly attributed to sharp price increases, all fat levels of milk had declining sales, which increased by 10.5% through August when compared to the same time period in 2003.

The Bureau of Labor Statistics reports that the average price of a gallon of whole white milk was \$3.30 in August 2004 compared to \$2.67 in August 2003. This reflects a 20% increase in the price of milk in the US for that month. A recent MilkPEP study found that milk sales at retail are affected by price to a significant degree. For more information on the "Milk Price Elasticity Study," visit the "FMSTP" section of www.milkpep.org.

MilkSplash November 2004 Vol. 8, No. 10

Product	August Sales vs. YAGO (in millions of lbs.)	August Sales vs. YAGO (in percentages)	Year-To-Date (thru Aug in millions of lbs.)	Year-To-Date (thru Aug in percentages)
Whole Milk	1460	-4.2	11796	-2.9
2% Reduced	1467	-0.5	11585	-0.4
1% Lowfat Milk	58	-0.8	4088	-1.6
Fat Free Milk	647	0.1	5164	-1.7
Flavored Whole	68	-23.1	576	-14.2
Flavored Fat-Red. Milk*	249	20.3	2195	10.5
Buttermilk	45	-1.5	355	-3.2
Total Milk** Products	4507	-1.2	35704	-1.8

* includes 2%, 1% and fat-free flavored milk

** adjusted for calendar composition

Region	August Sales vs. YAGO (in millions of lbs.)	August Sales vs. YAGO (in percentages)	Year-To-Date (thru Aug in millions lbs.)	Year-To-Date (thru Aug in percentages)
NE	755	-1.8	6289	-0.5
Appalachia	297	-0.5	2304	1.1
SE	408	2.2	3133	-1.9
Florida	248	3.7	1943	1.3
Mideast	512	-1.1	4129	-1.2
Upper Mid W.	348	-0.3	2842	-0.8
Central	384	-0.7	3048	-0.5
SW	354	1.1	2771	0.2
Arizona-Las Vegas	108	-0.8	864	0.3
Pacific NW	174	-0.4	1414	-0.9
Calif.	512	-3.0	4176	-2.8

EPPA SHOW 'N SELL

Market Place, Seminar and Exhibition

April 20th and 21st, 2005

Meadowland Exposition Center, Secaucus, New Jersey

Call for info (201) 288-5454 or visit www.eppainc.com

Increase, and by some measures grew worse. Pointing out that New York spends more per pupil than any other state, West said: "If money were the only problem, we would have solved it a long time ago."

James R. Tallon, a member of the state Board of Regents, agreed with the calls for strong accountability while observing that New York State's existing accountability system is among the strongest in the country. "You have far better accountability in the educational system of the state than you do in the \$43 billion Medicaid system," said Tallon, who also serves as president of the United Hospital Fund, a health-care research organization. "It is not even a close call."

www.bcnys.org December 6, 2004

Butter Sales—Largest Drop Ever

The spot butter market corrected hard on Dec. 10th, falling \$.40 to \$1.60. This is the largest single-day decline since 3x/week trading of butter began at CME in March 1999. In addition, the \$.4525 drop for the week is the largest ever.

With end-of-year holiday butter already shipped, orders have slowed considerably. Now buyers will operate hand-to-mouth until prices stabilize.

Packaged fluid milk sales uncharacteristically dropped off in October, continuing their sluggish performance for the year. Sales were down 3.1% in October vs. a year ago, according to USDA. Un the 1st 10 months of the year, sales were off 1.7% - the biggest one-year declines in sales in more than 20 years.

NASS dairy product prices for the week ending December 4th: cheddar blocks \$1.7270 (+.0739 vs. the prior week); barrels \$1.7236 (+\$0677); butter \$2.0205 (+.0012); nonfat dry milk \$.8688 (+\$.0079); dry whey \$.2408 (+\$.0011).

Daily Dairy Report Vol. 8, No. 234

QUESTION OF THE MONTH

Question: If an employee returns from a disability absence and then goes out again because of the same disability condition, do we continue old disability claim or start new one?

Answer: The Workers' Compensation Board uses three (3) months as a guide when determining whether an old claim is continued or a new claim started

So if an employee returns to work for less than three months and goes out again due to the original disability condition, you simply continue the original claim. There is no new waiting period so the insurance carrier picks up the disability payments where they left off when the employee returned to work the first time. Also, a new disability form does not have to be filed; a medical report to the insurance carrier is sufficient to re-start the claim.

On the other hand, if the employee has been back to work for more than three months, and goes out again due to the original condition, a new claim should be initiated with a new waiting period and new disability claim forms are required.

The Business Council of NYS, Inc. Vol. 15 No. 10

Calendar of Events

April 20/21, EPPA Show 'n Sell, Meadowlands Exposition Center, Secaucus, NJ. Call 201-288-5454 for exhibitor and show registration information.

Sept. 11-14, 2005: Annual Northeast Dairy Convention in Niagara Falls, Ontario

Wednesday, July 13, 2005: Clambake Golf Outing, Links at Erie Village, E. Syracuse, NY 7:30am shotgun start. Also, Northeast Ice Cream Supplier Clambake at Hinderwadel's Grove, N. Syracuse, 1:00pm start.