

Producer Component Prices

The producer component prices for the month of June are as follows: BF=\$15.8039, PT=\$2.2547, OS=\$0.6500. The average BC producer hectoliter return for the month is \$75.0842 compared to \$77.1705 in May – a decrease of \$2.0863. This decrease in hectoliter return is due to the increase in the P10/WMP equalization payment charged to the producer pool in June for the production month of May which was \$2,723,559, being approx. \$165K higher than the twelve-month average for this payment due to shared costs, and less credits received for BC.

Additionally, there were \$659,437 in audit adjustments in the May pool that were largely due to the Class 4M audits performed by the CDC as described in the April newsletter.

Milk Price Demystified

Milk prices are based on the monthly pool of processor payments. Processors report their utilization of milk received in one of six milk classes in which all Canadian dairy products fit: fluid milk, yogurt, ice cream, cheese, etc. All products fit into one of these classes. Depending on the monthly price of components in each of those milk classes, those prices dictate the gross money in the monthly milk pool (around \$55-60M in the last few months). This pool is then adjusted for items such as audit adjustments, P10/WMP equalization payments and other adjustments.

The resulting net figure is then divided among all farmers' produced components and allocated back to farmers based on their individual contributed components.

New Cheese Processors in 2018

It has been a busy 2018 with the addition of three new artisanal cheese processors in BC. We are excited to further showcase the quality milk produced in BC along with some very skillful and talented cheesemakers. We invite all producers to try out some of the fine products these new processors are creating.

The BCMMB is pleased to welcome the opening of the following three new artisanal cheese processors:

Tanto Latte Cheese, located in Salmon Arm and utilizes both conventional and organic milk to make fine Italian cheeses following the original Italian recipes and ancient Italian cheesemaking traditions.

La Belle Vallee Fromagerie, located in Quesnel, uses the French Alpine tradition in their cheese making. As processing is limited in our more Northern regions, we are excited to see the fine cheeses being produced for the local community.

Haltwhistle Cheese Co. has started to process cow's milk in their Duncan facility, on Vancouver Island. Formerly, *The Happy Goat* produced only goat's milk cheeses, but have since rebranded to *Haltwhistle Cheese Co.*, since they began to process cow's milk, as well. They have been making delicious cheese since 2014 and we look forward to their continued growth.

The BCMMB is pleased to announce Ben Janzen's Reappointment as Chair

The BC Milk Marketing Board is pleased to announce that Ben Janzen has been reappointed as Chair of the BC Milk Marketing Board for an additional two-year term.

Please visit bcmilk.com and view the following link:
June 22, 2018 Notice to Industry-B Janzen Reappointment

BC Continuous Quota Position

as of May 2018: 0.02%

June 2018 *forecasted: -0.27%

New Entrant Program (NEP) Consultation Update

The Board is in the final stages of review of the NEP Program and expects to announce (via *Notice to Industry* and website updates) the final approved program shortly after the August 9, 2018 Board meeting. The application process will open in Winter 2018-19.

Provincial Freight		
The producer freight rate calculations for the months of May and June are summarized below:		
Freight Rates (\$/hl)	May	June
Zone Transportation Costs	3.01	3.09
Less: Vendor Billings	(0.05)	(0.07)
Gross Provincial Freight Rate	2.96	3.02
Add: Train/Volume Discounts	0.33	0.33
Less: Stop/Extra Pick-Up Charges	(0.13)	(0.14)
Transportation Department Costs	0.00	0.00
Adjustments from Prior Period	(0.01)	0.01
Net Provincial Freight Rate	3.15	3.22
Continuous Quota		
Cumulative Over/Under Production (with limits) as of:		
May 2018		
	Kg of BF	%*
NL	-955,459	-38.12%
P5	18,010,510	6.61%
WMP	-4,038,210	-4.32%
P10	13,016,841	3.53%
BC	6,870	0.02%
<i>*Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.</i>		

Milk Quality Report		
The provincial averages and quality bonus data based on the official milk quality tests for May and June are:		
Milk Quality Data	May	June
Individual Bacteria Count	20,611	23,488
Somatic Cell Count	164,627	171,366
Quality Bonus Qualifiers(%)	78.67%	73.39%

Producer Payments		
Participants in the July August September Pools will receive their payments as follows:		
Month of Production:	Advance Payment	Final Payment
July	Aug 1	Aug 20
August	Sep 04	Sep 20
September	Oct 01	Oct 18
Credit Transfer Average Prices		
Effective June 1, 2018	Conventional Organic	
Average Price	\$9.63	\$5.22
<i>A Summary of Credit Transfer Statistics can be found at bcmilk.com with other credit transfer documents.</i>		

Quota Management: Important Dates			
Application Deadlines	Date & Time	Effective Date(s)	
Quota Exchange	Aug 1 @ 1:00pm	Sep 1	
CDQ Buy/Sell of Credits	Jul 25 @ 1:00pm	Jul 1	Aug 1
If you have any questions, please contact: Kathy Wallis 604.854.4471 kwallis@bcmilk.com Pam Gregory 604.854.4474 pgregory@bcmilk.com			

Submit your best photos from your region!

We would like to invite all producers to submit your best photo(s) from your farm and/or producing region so we can use these images in future BCMMB publications.

Please indicate how you would like your photo credits to appear when they are used in any future BCMMB presentations. When submitting your photo(s) please include the producer region and any other interesting details of the photo that you are submitting. Photos can be emailed directly to lsharpe@bcmilk.com.

If you have any questions, please contact Lori Sharpe at 604.854.4481.

Quota Management: Farm Move

A minimum of one month's notice to the BCMMB is required when a producer is moving to another farm premises.

The registered quota holder is required to notify Kathy Wallis kwallis@bcmilk.com or fax: 604.854.4471, and provide the following details:

- Producer name and Irma #
- Complete address of new farm location (previous dairy if known)
- New mailing address & contact information (telephone #, cell & email) if also changing
- Date and time of last milking at old farm location *
- Date and time of first milking at new farm location

*A special pick up may be required to accommodate your move date/time (there will be a cost incurred for this)

Please ensure that you contact a provincial dairy inspector at the BC Ministry of Agriculture, either Roger Pannett at 604.819.6420 or Roger.Pannett@gov.bc.ca; or Erin Cuthbert at 604.226.1405 or Erin.Cuthbert@gov.bc.ca, to arrange your required dairy farm premises inspection. The BCMMB cannot implement any change in licencing until the Ministry has approved the new dairy farm premises.

Please note that if you are a GEP producer (within your 10-year restrictions), unless you are moving to a property that you own, the Board requires that you submit a copy of your lease/rental agreement for review/approval, prior to the move.

For Transportation Department purposes, you will also be required to complete a new "Producer Survey" and return it to our office prior to your move.

Please contact Kathy kwallis@bcmilk.com or 604.854.4471 if you have any questions.