

Issues Update March

Volume 16 No. 8

For the February 2011 Production Month

Producer Component Prices and Standard Blend Price

The producer component prices for the month of February are as follows:

BF= \$9.7365, PR= \$8.8324, OS= \$1.8595 or an equivalent return of \$74.1744 per standard hectolitre. This return compares to \$74.9472 in January 2011, with a difference of -\$0.7728/std.hL. The P10/WMP equalization transfer for February was \$1,855,482.17. Please refer to the BCMMB Statistics for the month of February 2011 for more details.

Go Green, Go Paperless!

Dear Producers,

As you know statements, newsletters and notices to producers can all be found on the BC Milk Marketing Board web site. If you would like to 'Go Green' and stop receiving these items in the mail we would like to know! This is completely voluntary and no producer is required to make this change. We are simply interested in knowing if there are any of you that wish to stop receiving these hard copies by mail.

Anyone wishing to 'Go Green', can contact [Lisa Gruban @ 604-854-4470](mailto:Lisa.Gruban@604-854-4470) or lgruban@milk-bc.com.

From the Field

ATTENTION PRODUCERS:

The BC Milk Board's Spring Producer meetings are being held this month! Do you have any questions, comments, or feedback for the Board? It is so important that we hear your input as we move forward with Continuous Daily Quota and address other pertinent issues over these next several months. Our Board, management, and staff encourage your opinions and ideas so we invite you to participate as an active member of your industry. If you never take the opportunity to speak up you will never be heard.

I would also like to remind all producers of the provincial allotment that was issued at February 1st. It is located on your statement in Box 1 (Top right hand corner of page one). The total allotment was equivalent to 1.61% (pro-rated to all producers in the province). Also please note that there is one more Incentive Day that has been issued for March. Please also note that the Board has not issued any further Incentive Days at this time.

Regards,

Melanie

Quota Exchange Reminders

Please keep in mind the following **BANK LETTER REQUIREMENT** details, as many applications continue to be received by the BCMMB office without a current financial commitment letter and **risk being disqualified** from participation on the Quota Exchange:

- a current bank letter must be on file or received by the BCMMB office NO LATER than the Quota Exchange deadline
- bank letter must cover **FULL SETTLEMENT** amount of Quota Exchange Bid
- bank letters are reduced by all previous quota exchange purchases covered by that letter, regardless of the method of payment used for previous payment of the balances due
- the bank letter must not expire prior to the settlement date for balances due for current quota exchange purchases

If you are unsure of the status of your bank letter, please contact our office and we will be happy to check your file for you.

If you have any questions please contact Kathy Wallis @ 604-854-4471 or kwallis@milk-bc.com

Provincial Freight

The producer freight rate calculations for the months of December and January are summarized below:

Freight Rates (\$/hl)	January	February
Zone Transportation Costs	3.03	2.99
Less: Vendor Billings	(0.12)	(0.12)
Less: I/P Freight Cost Recovery	(0.02)	(0.02)
Gross Provincial Freight Rate	2.88	2.85
Add: Train/Volume Discounts	0.29	0.28
Less: Stop/Extra Pick-Up Charges	(0.17)	(0.15)
Transportation Department Costs	0.02	0.06
Adjustments from Prior Period	0.08	0.00
Net Provincial Freight Rate	3.11	3.04

Continuous Quota

Cumulative Over/Under Production (with limits) as of:

January 31, 2011		
Province	Kg of BF	%*
NL	-228,039	-11.71%
PE	-11,317	-0.29%
NS	-86,796	-1.30%
NB	-5,116	-0.10%
QC	-1,586,468	-1.38%
ON	-1,368,401	-1.39%
MB	-170,556	-1.40%
SK	-135,463	-1.55%
AB	-369,862	-1.48%
BC	-390,788	-1.55%

**Cumulative Over/Under Production (with limits) expressed as a % of the most recent 12 months total quota.*

Quota Exchange News

The next Quota Exchange deadline is

Friday, April 1st, 2011 @ 4:30pm

For transfers effective May 1st, 2011.

If you have any questions please contact Kathy Wallis
604.854.4471 kwallis@milk-bc.com

www.milk-bc.com

Spring 2011 Producer Meeting Schedule

BCMMB Spring 2011 Producer Meetings

Date	Region	Location	Time
March 14	Vancouver Island	Coast Bastion	7:30 pm
		Hotel Nanaimo	
March 16	Fraser Valley	Coast Hotel	7:30 pm
March 17	Okanagan	Chilliwack	10:00 am
		Prestige Inn	11:30 am
March 29	Bulkley Valley	Salmon Arm	11:30 am
		Hudson Bay Lodge	
March 29	Cariboo & Peace River	Smithers	7:00 pm
		Treasure Cove Hotel	
March 31	Kootenays	Prince George	11:30 am
		Columbia Brewery	
		Creston	

All producers are invited to attend the regional meetings.

Milk Quality Report

The provincial averages and quality bonus data based on the official milk quality tests for January and February are:

Milk Quality Data	January	February
Individual Bacteria Count	20,754	19,946
Somatic Cell Count	160,275	163,577
Quality Bonus Qualifiers (%)	53.00%	53.64%

Producer Payments

Participants in the February, March and April pools will receive their payments as follows:

Month of Production:	Advance Payment	Final Payment
February	March 1	March 17
March	April 1	April 17
April	May 2	May 18

Credit Transfer Statistics

Credit Transfers for the 2nd set of transfers effective February 1st, 2011 and for the 1st set of transfers effective March 1st, 2011 are as follows:

# of Transfers	February	March
	Conventional/Organic	Conventional/Organic
Low	75/6 \$0.00/\$0.00	4/0 \$7.00/\$0.00
High	\$12.00/\$6.00	\$9.50/\$0.00
Average	\$8.58/\$3.83	\$8.63/\$0.00

CDQ Buy/Sell of Credits

The next deadline and information for CDQ Buy/Sell of Credits is:

Deadline Date:	March 25 th
Effective Date(s):	March 1 st April 1 st

Applications will be accepted at the BCMMB office up until 4:30 pm on March 25th, 2011.

BUY/SELL Credit Reminders:

- **1 credit = 1 kilogram**
- The maximum amount of credits a producer can BUY/SELL in a rolling 12 month period is 20% of his/her allotted CDQ
- A producer is advised to keep credit transfers within the +5/-15 days to avoid penalty or deemed quota at month end.
- The minimum amount of any BUY/SELL is fixed at 25 credits
- A producer "BUYING" credits will see a decrease in the Opening Balance for the effective month of transfer on the producer statement
- A producer "SELLING" credits will see an increase in the Opening Balance for the effective month of transfer on the producer statement

REMINDER: If you are moving to another farm premises

One month of notice is required when a producer is moving to another farm premises. A producer that is relocating is requested to contact Kathy Wallis either by email at kwallis@milk-bc.com or fax @ 604-556-7717, and provide the following details:

- Complete address of new farm location
- (and mailing address if also changing)
- New contact telephone numbers and email
- Date and time of last milking at old farm location
- Date and time of first milking at new farm location

**** Any producer that does not provide at least one month of notice for a relocation will be subject to a disruption fee of \$200**