

New Year's wishes from the MPO

With the first newsletter of 2012 the MPO would like to take the opportunity to wish all milk producers and their families a prosperous and blessed year. Hopefully the festive season was enjoyed by all and milk producers now have renewed energy to face the challenges of the new year.

More producer price increases

Parmalat has announced producer price increases with effect from 1 February 2012. UHT milk producers in the Western Cape will receive an increase of 25 cents per litre, while cheese milk producers in the Western and Southern Cape will receive an additional 28 cents per litre and all Eastern Cape producers will receive an additional 35 cents per litre. Producers who are willing to enter into a long-term supply agreement with Parmalat will receive a once-off payment of 20 cents per litre in January 2012, based on milk supplied in December 2011. Mr Bertus de Jongh said this is welcome news and confirmed the view expressed by the MPO that milk producers cannot cover the full economic cost of production at existing producer prices and urgently require sufficient upward adjustments. Producers are, however, cautioned to consider all the available options, since it is unusual for final producer price increases to be announced as soon as January.

Exports higher in 2011

Total South African dairy product exports increased by 30% from 2010 to 2011. During 2011, 43 600 tonnes of dairy products were exported to destinations in Africa and elsewhere. There was a significant increase in the export of all categories of dairy products. Milk and buttermilk powder exports were double that of 2010, butter exports grew by 69% and UHT exports by 17%, while cheese exports grew by 14%. On a milk equivalent basis, a total of 97 million litres of milk and dairy products were exported. Total imports increased by 17% to 42 010 tonnes or 149 million litres of milk equivalent. This is equal to 5,6% of total local production. On a net basis, less than 2% of local production was imported during 2011.

Tetra Pak predicts a decade-long dairy boom

Tetra Pak expects that the dairy industry will enjoy a ten year boom period to 2020. According to the latest Tetra Pak Dairy Index, the demand for liquid milk is expected to grow by 30% in this period. The main drivers of this explosion in consumption are economic growth, urbanisation and the rising purchasing power of the Asian middle class. The report indicates that total consumption of packaged milk in emerging markets will exceed total consumption of loose milk by 2014, as economic development and urbanisation drives the demand for healthy and convenient products. According to Tetra Pak research, global demand for all liquid dairy products will grow from 270 billion litres in 2010 to 350 billion litres in 2020. The demand for other liquid products such as flavoured milk, drinking yoghurt and baby and toddler milk will grow by 60% to 2020. Demand is expected to grow in all areas, with the exception of Western Europe, where demand will remain flat. The dairy boom will be most pronounced in Asia, particularly in

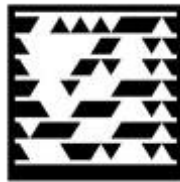
India and China. The demand for liquid dairy products in Africa is expected to grow by 50% over the next decade. This is equal to five times the current South African production.

Register now for farm managers' course in Pretoria

As a result of numerous enquiries from milk producers in the MPO North region, the popular dairy farm managers' course will be presented in Pretoria from 24 to 26 January 2012. Module 1 of the course, dealing with biosecurity and herd health, will be presented at the MPO head office. Those who are interested in attending this course are urged to register as soon as possible, since there are only five more places available. To register, <[click here](#)>. For more information, contact Julie McLachlan on 083 740 2720 or send an e-mail to julie@cendel.co.za.

Interview regarding farm managers' course

Ms Lise Roberts of RSG spoke to Dr Nico Schutte of the MPO's Cendel about the farm managers' course to be presented at the MPO head office in Pretoria from 24 to 26 January. Use the tag below to **listen** to this interview.



(This tag can be scanned from your computer screen.)

Diarise farmers' day in Lichtenburg

MPO North and Addcon will be hosting a farmers' day with the theme *Practical Silage* on 21 February 2012. The event will take place on Mr Sakkie Roode's farm Doornhoek in the Lichtenburg region from 10:00. The programme promises to be interesting and informative, and includes a presentation on the science of silage by an international expert, practical demonstrations and product exhibitions. For more information, contact Alta on 082 569 1409 or Christelle on 018 632 9742.

MPO route meetings to kick off in Limpopo

The MPO's annual series of route meetings throughout the country kicks off in Limpopo on 1 and 2 February. For more information, please contact Alta van Zyl on 082 569 1409 or send an e-mail to alta@mpo.co.za.

Benefit from skills programmes for farm workers

Milk producers can once again benefit from a variety of AgriSETA-accredited Institute for Dairy Technology (IDT) skills programmes aimed at capacity building and empowerment of dairy farm workers to be presented during 2012. Courses on subjects like milk production, artificial insemination, basic principles of supervision and basic business skills will be presented to labourers on the farm in their own language. The cost of the training is R50 per worker and the duration of all courses is five days, excluding the three-day course on motivation and work ethics. To register your workers for one or more of the training programmes available, <[click here](#)>. For more information, contact Jas Wasserman on 082 490 2465 or send an e-mail to jas@mpo.co.za.

Farm like a businessman

Turn to page 35 of the December issue of *The Dairy Mail* for an insightful article by Prof Nicola Shadbolt of Massey University, New Zealand on farming as an investment and farmers as investors.

First winner of bumper sticker competition

The first winner of the MPO bumper sticker competition in 2012 was announced this week. A person driving a vehicle with registration number **HEM 040 NW**

USE THE NEW TAG READER

There is a way to get more from your MPO news. Download the new tag reader. The tag reader is built into your cell phone. You can use the icons on your phone to get more information through a text message, a photo or video. To get the tag reader, send an e-mail to your phone's

HOW TO GET THE FREE TAG READER

- Download the tag reader. There are several ways to do this:
- On your computer, go to <http://www.mpo.co.za/tag/mobile> and click on 'download'.
 - If you have a smartphone, you can download the tag reader from the app store on your phone's

SCANNING THE TAG

- Depending on your phone, you can make and scan a tag. To scan a tag, either scan the tag with your phone or photograph the tag. To scan the tag, go to the tag reader on your phone and click on 'scan'.
- Hold your phone over the tag. The tag reader will automatically scan the tag and you will receive a photograph of the tag.
 - If you are using a smartphone, you might scan the tag automatically. You will receive a photograph of the tag.

LOOK AT THE TAG

- Most smartphones are able to scan a tag automatically.
- If this does not happen, you can go to your phone's media centre and click on the tag icon. You will receive a sound or a vibration to play it.
- It may also happen that you receive a text message to a web page.

Please take note that this e-mail is not spam. It is a newsletter sent from the MPO to you as valuable information.
www.mpo.co.za / 012 843 5600



AgriConnect
Your communications partner
in the agricultural industry

Published by Agri Connect