

Producer prices increase

The MPO was informed that milk buyers have announced the first producer price increases for 2012. Clover producers in KwaZulu-Natal (KZN) will receive an average increase of 20 cents per litre with effect from 1 January, while Midlands Milk producers negotiated an increase of 54 cents per litre from 1 February with leading dairies in KZN and Johannesburg. Apparently negotiations are also currently underway between Eastern Cape milk buyer, Woodlands and its producers. Mr Bertus de Jongh, MPO CEO, 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. It is expected that even more substantial price increases will follow soon, since producer prices are currently still lower than a year ago.

Low priced cheese imports now on SARS risk engine

At the quarterly meeting of the Dairy Classification and Technical Liaison Committee held on 25 November 2011 it was reported that a complaint by the MPO with regard to abnormally low-priced consignments of speciality cheese being imported on occasion, prompted SARS to enter the details of these imports into their risk engine. This means that in future imports of the specific cheese will be thoroughly investigated by all authorities involved before being allowed to enter the country. SARS further requested the MPO to submit a list of non-dairy producing countries to the risk management unit for inclusion in the SARS risk engine. The Department of Agriculture, Forestry and Fisheries' (DAFF) food safety and quality assurance (FSQA) directorate confirmed that imported cheddar cheese repacked and labelled by retailers must contain the name of the country of origin on the label. This follows a request from the MPO, accompanied by photographic evidence obtained by Agri Inspec, to investigate compliance with South African labelling requirements of cheese imported in bulk by retailers and then repacked and labelled for retail sale. Ms Barbara Bieldt, chairperson of the committee, lauded the relevant authorities, including the Department of Health, for their support in protecting milk producers' market during 2011.

MPO KZN strengthens relationship with authorities

As part of the on-going co-operation between MPO KwaZulu-Natal (KZN) and the KZN Department of Agriculture, Environmental Affairs and Rural Development, representatives of MPO KZN were invited for discussions at Allerton and a tour of the laboratories. The Department was represented by senior members of Veterinary Services' management, demonstrating the importance with which they viewed the meeting. Frank discussions were held wherein acknowledgements were made that the quality of services provided in the recent past had not always met with expectations. Management also pointed out that they (Veterinary Services) have undergone critical self-analysis and identified key areas in which improvement is necessary, as well as means to achieve this. During the tour of the laboratories it

became apparent that although they are fully equipped, staffing levels are not optimal. The milk laboratory, however, is fully staffed and currently operating at less than full capacity. Approval has been received for the purchase of a new somatic cell counter, which should become operational in the new year. It was agreed that the Department would draw up a protocol on procedures to be followed when booking and submitting milk samples for testing, as not all milk producers are aware of the arrangements in this regard. Mr Mike Black from MPO KZN said it was agreed that further meetings would be held in future to promote the relationship between MPO KZN and Veterinary Services.

MPO complains about *Financial Mail* article

The MPO sent a letter of complaint to the *Financial Mail* regarding an article entitled 'How to milk it' that was published on 4 November. The MPO expressed its concern about the correctness of certain quoted statements by Mr Mario Reis, MD of Danone Southern Africa. Mr Bertus de Jongh, CEO of the MPO, said he believes that Mr Reis might have been misquoted and that it was necessary to share the facts about the current state of the primary dairy industry in the country with the journalist involved in order to clarify misconceptions.

MPO concludes 2011 producer visits in Gauteng and Western Cape

Mr Philip Swart, manager of the MPO's member services, visited producers in George, Albertinia, Riversdal and Oudtshoorn last week and accompanied Ms Alta van Zyl, MPO North regional co-ordinator, on visits to producers in Gauteng this week. Although producers are under financial pressure owing to high input cost and low producer prices, it was found that, in general, a positive attitude exists with regard to expected producer price increases in the near future. The areas visited in the Western Cape experienced good rainfall, which created hope for the future for producers.

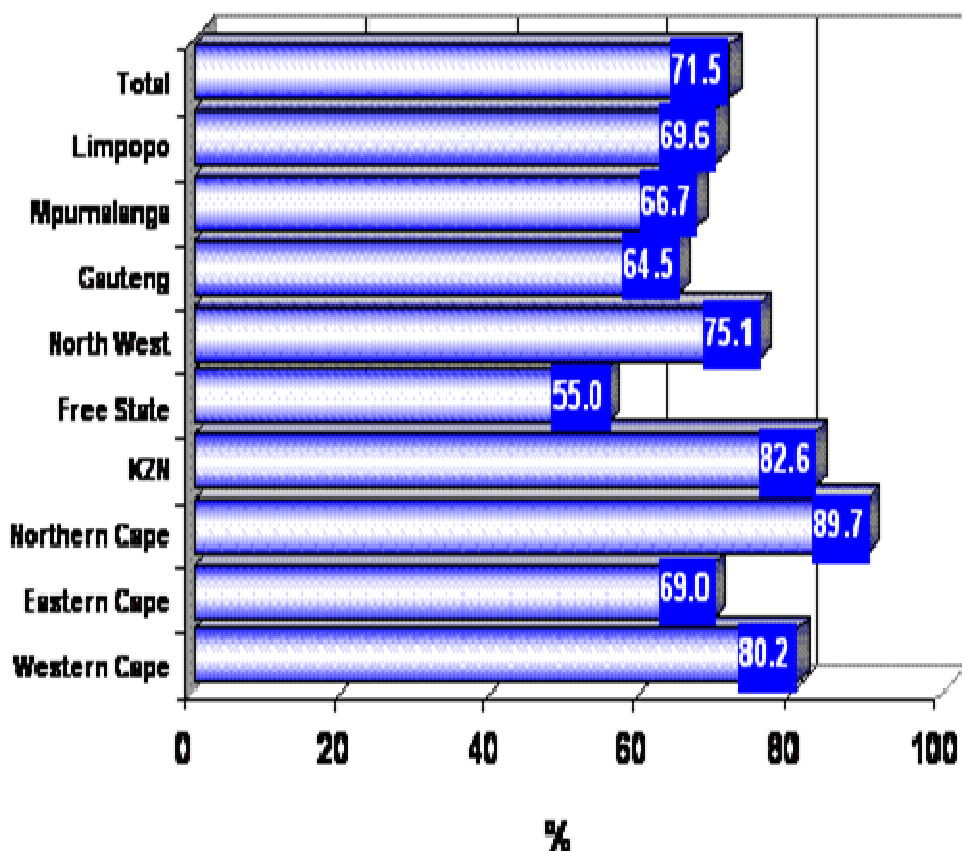
71,5% already agree to membership fee increase

Mr Philip Swart, member services manager of the MPO, said that during 2011 the organisation increased its efforts to get to know its members better and to confirm renewed membership. Currently, 84% (more than 90% of milk) of all milk producers nationally are members of the MPO, while 71,5% have agreed to the planned membership fee increase by signing the new membership form. The MPO wishes to express its gratitude to all producers who have already signed the new membership form. The organisation is encouraged by the level of trust displayed by milk producers in the variety and quality of services rendered. The MPO plans to only implement the increased membership fees when expected producer price increases are announced early next year. Milk producers who have not yet signed the new membership form are urged to do so as soon as possible. To download the form from the MPO's website, [click here](#), or alternatively contact Yolanda Strydom on 012 843 5600 or send an e-mail to yolanda.s@mpo.co.za. The following graph illustrates the percentage of producers who have signed the new membership form per province.



MEMBERSHIP PER PROVINCE

REGIONS



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SA cheeses honoured at World Cheese Awards 2011

Various South African cheeses received awards at a judging event held during the World Cheese Awards on 23 November. The event is the biggest paid-for consumer show in Europe, with more than 2 500 cheeses from 34 countries entering the cheese competition. South African cheeses won a total of 13 awards in different categories, with three awards for sheep milk cheese produced by Belnori Boutique Cheesery. Lancewood Cheese Holdings, Fairview Cheese Company, Puglia Cheese, Parmalat and Healy's won bronze awards in different categories. Parmalat's Simonsberg Simonzola won a gold award and Ladismith Cheese Factory's Ladismithier won a super gold award. The MPO congratulates these cheese makers on their achievements.

R500 to be won in bumper sticker competition

A new winner of the MPO bumper sticker competition was announced this week: a person driving a vehicle with the registration number **CAW 79144**. Congratulations on winning the prize of R500! Anybody spotted driving with the MPO's '*Drink milk*' sticker on a vehicle stands a chance to win the cash prize of R500. Winners are announced every second Tuesday on RSG Landbou (12:00 on 104fm), between 12:30 and 12:45. If the prize is not claimed, it rolls over to the next draw.

Rooibos infused yoghurt and other Fair Cape achievements

Ms Lise Roberts of RSG spoke to Mr Melt Loubser, managing director of Fair Cape

Dairies, about their rooibos yoghurt and achievements at the International Dairy Federation's Innovation Awards. Fair Cape won the categories for best new functional dairy product and best new dairy drink at a special presentation during the World Dairy Summit in Parma, Italy on 18 October. Use the tag below to listen to this interview.



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

The gift of dairy innovation

Watch the mail for the December issue of *The Dairy Mail* of which the theme is dairy innovation. The publication is well worth reading and contains, among others, articles on relevant new developments in technology.

Links

Milk Producers' Organisation
The Dairy Mail

Contact us

Bertus de Jongh – Chief executive officer

Barbara Bieldt – Manager, market protection and development

Dr Koos Coetzee – Economist

Philip Swart – MPO member services

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- On your phone's internet browser, go to <http://www.get-tag.mobi> and click on 'download'.
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LOOK AND LISTEN

- Most smart phones are able to download sound or video clips automatically
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- It may also happen that you are routed to a website for more information
- Choose "YouTube" when the option is given between "Internet" or "YouTube"

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