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Auction surpasses \$35k goal

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A high start at the beginning of the week of Jan. 22 through 26 led to the Reedsburg Area United Fund surpassing its goal by the end of the week in what Chair Jeannine Mueller called a "remarkable year" for the auction.

Mueller said bidding for auction items started high from the first day of the auction at the VFW Hall and kept going throughout the week to surpass its goal of \$35,000 for the week even with fewer items than the auction has had in previous years.

Mueller said it takes around 1,500 items to have a successful auction, but this year over 1,100 items were donated and auctioned off. She contributes the auction surpassing its goal to the strong community support it has received not only throughout the week, but the past 65 years the auction has been a part of the

Reedsburg community. While she didn't have an exact amount, she said amount could surpass \$40,000.

"It's been very exciting for me because we were ahead of last year quite a bit of the time and that was my aim to have a banner year which we did have," Mueller said.

Mueller said the monuments and baked goods were the most popular items at the auction. However, she said every donation that came in mattered to support the 30 local agencies within the Reedsburg and Weston School District requesting a total of \$60,000.

"It doesn't matter to me if that item to me was worth \$5 or \$3,300 or if a person bid \$10 or \$1,000," Mueller said.

Around 300 volunteers participated in the auction this year. Kathleen Genz, who was involved in the auction as a volunteer and assisted in obtaining volunteers, said it was an awesome week for

the auction.

"With the community bidding and the donations they brought in you can't say enough for what the community has pulled together here again this week to make it an awesome auction," Genz said.

Genz said the highlight of the week was the auction surpassing its goal. Another highlight for Genz was live streaming the auction through Facebook and obtaining close to 1,000 likes over the course of the week.

The Reedsburg Area United Fund board will meet in March to allocate the funds and decide how much money will be disbursed to the agencies. Please visit www.wisnews.reedsburgtimespress.com to view additional photos from the Reedsburg Area United Fund Auction.



ERICA DYNES, TIMES-PRESS

Jeannine Mueller, chair of Reedsburg Area United Fund, reviews a bid list during the Reedsburg Area United Fund auction at the VFW Hall in Reedsburg. The auction, held Jan. 22 through Jan. 26, surpassed its goal of \$35,000 for the week.

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Too much in the tank

Oversupply of milk, low prices cause concern for area dairy farmers

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Dairy farmers faced tight margins for the past couple years and another predicted year of low milk prices is causing even more concern for the whole dairy industry.

Recent milk production numbers from the United States Department of Agriculture's website show the United States dairy industry will produce an estimated 218.8 billion pounds of milk this year. While it's a 0.5 billion pound reduction than what was predicted at the end of 2017, prices continue to drop because the demand for US dairy products are low.

"It'd be just like if you cut your take home pay from your own job," said Mike Enge, who is the owner of a third generation 700 dairy cow operation in Sauk Prairie. "Where are you going to make ends meet? Well you got to do what you can and that's basically the scenario we're in right now."

Lower paychecks mean dairy farmers have to make sacrifices on their operation and watch more carefully on where they spend every dollar. While the milk prices has fluctuated, other costs like feed, facility and labor costs on dairy operations have not changed.

"A few years ago, this price was approximately \$23. It's a significant loss and the costs they do not go down," said Joan Holig of Cattail Dairy in Mauston. "We have significantly more costs. Each year the prices of everything seem to continually go up, but the milk price does not follow."

While farmers remain optimistic the market will improve and continue doing what they can to watch their expenses, federal and state legislation is working to create an improved protection program for dairy farmers.

Oversupply

One reason for the oversupply comes from the limited amount of exports currently available to ship dairy products as well as a decrease in domestic demand.

"Our supply is high, demand is not growing fast enough to use up the supply, therefore prices will be suppressed," said UW-Columbia County Agriculture Educator George Koeppe.

An article from the Wisconsin State Journal by Larry Avila said Canada implemented a new



ERICA DYNES PHOTOS, CAPITAL NEWSPAPERS

Ken Nolden's 150 cow dairy operation in Rock Springs produces around 9,900 pounds of milk per day. Nolden will be changing buyers as a result of recent milk prices.



Ken Nolden of Rock Springs shows how an automatic milking machine works on his operation. Nolden will be changing buyers as a result of recent low milk prices.

pricing structure which increased the price of United States dairy exports and encouraged the purchase of Canadian dairy products. As a result, Grassland Dairy Products, located in Greenwood, sent a letter to over 70 dairy farmers telling them they would no longer be accepting milk from their

operation.

Mark Heinze was one of those farmers who received the letter in his mailbox. While he was in shock, he had little time to mourn. He had 30 days find another buyer who would take his milk on his 300 dairy cow operation in Portage. He was able to find another

buyer a couple weeks after receiving the letter.

"It's a real eye opener about some of the problems in the industry where there really is too much supply of milk," Heinze said.

Koeppe called what happened with Grassland Dairy Products a "small reaction of the market to overproduction and lower demand." It also provided a glimpse of the fierce competition global markets are currently facing with dairy products, especially with countries with low milk production costs.

"We've got to compete with New Zealand and Australia for some of the Chinese market," Koeppe said. "The European market is not very open to the US because they've got more milk than they need."

Renk Professor of Agribusiness Department of Agricultural and Applied Economics at the University of Wisconsin-Madison Brian Gould said something that "put a strain on the world's dairy market" was when the European Union lifted its milk quotas in 2015. This created not only an oversupply of dairy products in Europe, but also creating more

competition with other countries for dairy product exports. Gould said the exchange rate also plays a factor in the demand for dairy products.

"If the dollar exchange rate goes up our exports become more expensive and there's a lot of other people exporting dairy products in the world," Gould said.

Overproduction

Another reason for the oversupply is also the overproduction and having too much supply of dairy products. While the number of farms has decreased, milk production per cow has increased.

According to Gould's website Understanding Dairy Markets in 2016, annual milk production per cow in Wisconsin was 23,552 pounds of milk, higher than the national average of 22,770 pounds per cow. In 2006, the annual national milk production per cow was 19,895 pounds while milk production per cow in Wisconsin was 18,824 pounds. In 2006, there were over 14,000 dairy farms in Wisconsin in operation compared over 9,000 in 2016.

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