



# Cheese Market News®

## U.S. completes latest round of talks in Indo-Pacific pact

**BANGKOK**—The Office of the U.S. Trade Representative (USTR) and the U.S. Department of Commerce last week participated in the fifth in-person negotiating round for the Indo-Pacific Economic Framework for Prosperity (IPEF).

This latest round of negotiations, held in Bangkok Sept. 10-16, built on discussions that took place during the fourth negotiating round that was held in Busan, South Korea, in July. The IPEF partners continued to make progress on negotiations toward high-standard outcomes under Pillars I (Trade), III (Clean Economy) and IV (Fair Economy).

Officials also continued discussions on the next steps for the proposed IPEF Supply Chain Agreement (Pillar II) following the substantial conclusion of negotiations in May and public release of the text earlier this month. Under the Supply Chain Agreement, IPEF partners agree to:

- Promote regulatory transparency in areas which may impact IPEF supply chains;

- Develop a shared understanding of global supply chain risks through each party identifying their critical sectors and key goods in their supply chains;

- Monitor for and address supply chain vulnerabilities; and

- Promote responsible business conduct and transparency in terms of upholding labor rights in supply chains.

Earlier this summer, the U.S. Dairy Export Council, National Milk Producers Federation, American Farm Bureau Federation and a number of other food and agriculture organizations sent a letter to U.S. Trade Representative Katherine Tai noting that while the agriculture community views IPEF as an opportunity to advance U.S. trade policy, it also is “critical that the United States resume its long-dormant pursuit of comprehensive free trade agreements and redouble its efforts to expand export markets for food and agricultural products made in the United States by reducing tariffs on U.S. agricultural exports.”


The ag groups explained that global

competitors, notably across Europe, South America and Oceania, have been aggressive in wielding tariff-cutting, traditional free trade agreements to the advantage of their producers and to the detriment of U.S. farmers and producers. In addition to price advantages due to these preferential tariffs, the letter says the agreements have provided competitors the opportunity to shape global trading rules to better align with their policy priorities, and the United States must turn this around.

“In the interim, a well-designed IPEF could represent a key opportunity

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## August milk production down 0.3% vs. 2022 in major states

**WASHINGTON** — Milk production in the 24 major milk-producing states in August totaled 18.17 billion pounds, down 0.3% from August 2022, according to data released this week by USDA’s National Agricultural Statistics Service (NASS). For the entire United States, August milk production was estimated at 18.98 billion pounds, down 0.7% from August 2022. *(All figures are rounded. Please see CMN’s Milk Production chart on page 11.)*

NASS reports July’s revised production for the 24 major states totaled 18.23 billion pounds, a decrease of 27 million pounds or 0.1% from last month’s preliminary production estimate.

August production per cow in the 24 major states averaged 2,038 pounds, 2 pounds less than Au-

gust 2022 and 8 pounds less than July. For the entire United States, production per cow in August is estimated at 2,021 pounds, 1 pound less than August 2022 and 7 pounds less than July.

NASS reports the number of milk cows on farms in the 24 major states was 8.91 million head in August, 15,000 head less than August 2022 and 1,000 head more than July. In the entire United States, there were an estimated 9.39 million milk cows in August, down 16,000 head from August 2022 and unchanged from July.

California led the nation’s milk production in August with 3.33 billion pounds of milk, down 3.7% from August 2022. Wisconsin followed with 2.76 billion pounds of milk produced in August, up 1.2% from August 2022. CMN



## Cacique to cease operations in California, move to Texas

By Alyssa Mitchell

**CITY OF INDUSTRY, Calif.** — Cacique Foods, the maker of a leading brand of authentic Mexican-style cheeses, cremas, chorizos and salsas in the United States, this week announced that it has ceased operations at its dairy factory in City of Industry, California, and is relocating its dairy production to its new state-of-the-art facility in Amarillo, Texas.

Cacique Foods opened the new dairy processing facility in Amarillo earlier this year as it also marked the company’s 50th anniversary. Due to the interest in Hispanic foods exploding nationwide, the company saw an opportunity to create a new facility that will provide Cacique with greater production capacity and distribution points to meet growing demand for its products, company officials say. The facility in Amarillo also brought more than

200 new jobs to the area.

In a statement provided to *Cheese Market News*, Cacique Foods says it came to the decision to relocate from California to Texas after extensive analysis showed that consolidating business operations in Texas will help meet the growing demand for Cacique’s high-quality products nationwide.

“Cacique will always have roots in California, and the community to thank, who has been integral to Cacique’s history, growth and success for more than 50 years,” the company says. “While operations are moving, the West Coast remains an important region, and Cacique plans to stay connected and remain part of the community.”

The company notes it is offering employees as much support as possible, including financial packages, incentives to relocate, or providing out-placement services for those looking for new employment in California.

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## NEWS/BUSINESS

## INDO-PACIFIC

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for American agricultural producers to reach a significant, growing region, and deliver for farmers and ranchers across the United States and consumers around the world. As talk of a November deal grows, substance, not timing, must drive the conclusion of negotiations to ensure a commercially meaningful result,” the ag groups urged.

To fully capture the potential of the framework, they added that IPEF must tackle key nontariff barriers that are hindering American exporters by securing commitments on:

- Specific common food and beverage term protections;
- Streamlining facility and product registration/listing requirements;
- Predictability of product certifications;
- U.S.-Mexico-Canada Agreement (USMCA)-style text on sanitary and phytosanitary barriers to establish clearer and enforceable expectations on these types of regulatory measures;
- Addressing uneven regulatory pathways for products of agricultural biotechnology; and
- Preventing restrictions on marketing, branding, intellectual property rights, trademarks and digital practices, including e-commerce. CMN

## CACIQUE

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“Cacique is inviting all current employees to apply in hopes that members of the Cacique family make the decision to move. The intention is to map all current California-based jobs to the same positions in Texas,” the company says. “However, given that Cacique has different production lines and positions open in Amarillo, there may be some adjustments made to current positions as they move to Amarillo. The Cacique human resources team is working with each employee individually to discuss the specifics of their situation privately.”

Cacique officials add that the plant in City of Industry, California, is now closed, and the Irwindale Distribution Center is closing at the end of September.

Cacique Foods has hired Harry Davis & Company, a leading dairy industry market maker, to conduct an auction of the southern California equipment assets.

Harry Davis & Company is a leader in the food and beverage equipment market and will offer the assets of this massive facility at auction in early December. On offer will include more than 2,000 auction lots including product silos, pasteurization, homogenizers, milk and whey separators, process tanks, cheese and dairy packaging and an enormous selection of parts, utilities and general food facility equipment.

“The availability of Cacique’s late-model equipment is an outstanding opportunity for industry manufacturers to acquire production assets at a fraction of the cost and without the prohibitive lead time that manufacturers have grown accustomed to,” says Lenny Davis, CEO of Harry Davis & Company.

“A plant of this size with the capabilities to produce such a wide range of products, especially in this geographical area — there is a lot of equipment that has been hard to source in a timely fashion with increasing global lead times and logistics constraints,” Davis says. “This is a complete site closure,

so everything from the specialized dairy equipment down to generic food factory items including utilities are being offered.”

Aaron Morgenstern, president of Harry Davis & Company, reiterates that the sale is a very unique opportunity for the purchase of late-model equipment that typically is not available with such a short lead time.

“I go to a lot of these sites, and this is definitely one of the nicest ones. The condition of the equipment is some of the best you’ll see available on the secondary market,” Morgenstern says. CMN

## Campylobacter found in New York raw milk

ODESSA, N.Y. — New York State Department of Agriculture and Markets Commissioner Richard A. Ball today warned consumers not to consume unpasteurized raw milk from Sunset View Creamery LLC of Odessa, New York, due to possible *Campylobacter jejuni* contamination. To date, no illnesses have been reported to the department associated with this product.

A routine sample of the milk collected

by an inspector from the department was discovered to be contaminated with *Campylobacter jejuni*. On Sept. 12, the producer was notified of a preliminary positive test result. Further laboratory testing, completed on Sept. 18, confirmed the presence of *Campylobacter jejuni* in the raw milk sample. The producer now is prohibited from selling raw milk until subsequent sampling indicates that the product is free of the harmful bacteria. CMN

## Nelson-Jameson earns Fleet Safety Award

MARSHFIELD, Wis. — Nelson-Jameson, a leading distributor in the food and dairy industries, has won a Fleet Safety Award from the Wisconsin Motor Carrier Association for the second consecutive year.

The award, which honors the safest truckload fleets in the state, was given out Tuesday at the Wisconsin Motor Carrier Association’s Safety Luncheon at Lambeau Field in Green Bay, Wisconsin. Nelson-Jameson qualified for a Fleet Safety Award for Division 1 with a total 486,256 accident-free miles in Wisconsin. The company notes that it maintains extensive safety training, job shadowing and regular safety check-ins with employees to stress the importance of safety in the workplace.

“Nelson-Jameson places a high emphasis on safety through efficient systems and expert logistics to get our customers what they need when they need it,” says Mike Rindy, president, Nelson-Jameson. “We are extremely proud to receive this safety award, which acknowledges our employees’ commitment to strive for an accident-free workplace.”

The Wisconsin Motor Carrier Association is a nonprofit trade association representing the interests of Wisconsin’s truck and transportation owners. With more than 1,300 members, including Nelson-Jameson, the association is affiliated with the American Trucking Association in Washington, D.C. CMN

## Milk Production — August 2023

	August 22	August 23	Pct. Chg.	YTD 2022	YTD 2023	Pct. Chg.
Arizona	361	362	0.3	3,256	3,246	-0.3
California	3,463	3,334	-3.7	28,299	27,723	-2.0
Colorado	456	440	-3.5	3,560	3,518	-1.2
Florida	147	148	0.7	1,352	1,291	-4.5
Georgia	163	168	3.1	1,368	1,412	3.2
Idaho	1,449	1,463	1.0	11,136	11,400	2.4
Illinois	138	139	0.7	1,168	1,158	-0.9
Indiana	363	374	3.0	2,961	3,030	2.3
Iowa	493	509	3.2	3,828	3,994	4.3
Kansas	348	333	-4.3	2,755	2,796	1.5
Michigan	993	1,030	3.7	7,846	8,107	3.3
Minnesota	899	893	-0.7	7,008	7,084	1.1
New Mexico	588	541	-8.0	4,884	4,616	-5.5
New York	1,329	1,380	3.8	10,461	10,809	3.3
Ohio	465	478	2.8	3,704	3,794	2.4
Oregon	220	213	-3.2	1,787	1,732	-3.1
Pennsylvania	821	825	0.5	6,731	6,712	-0.3
South Dakota	368	390	6.0	2,745	2,953	7.6
Texas	1,385	1,340	-3.2	11,037	11,149	1.0
Utah	186	185	-0.5	1,469	1,443	-1.8
Vermont	214	216	0.9	1,714	1,713	-0.1
Virginia	116	118	1.7	970	956	-1.4
Washington	519	527	1.5	4,210	4,183	-0.6
Wisconsin	2,728	2,760	1.2	21,354	21,551	0.9
24 STATE TOTAL	18,212	18,166	-0.3	145,603	146,370	0.5
EST. U.S. TOTAL	19,016	18,975	-0.2	152,323	152,926	0.4

Note: Production reported in millions of pounds. Source: National Agricultural Statistics Service. \*YTD figures include preliminary current month plus revised previous months.