

Value of U.S. Dairy Exports Up 32 Percent in 2007 (Wisconsin Ag Connection)

International markets continue to provide profitable outlets for U.S. dairy producers, as evidenced by strong export growth during the first six months of 2007. From January through July, U.S. dairy exports increased 32 percent from a year ago. This represents more than 11 percent of U.S. milk production (on a total solids basis), up from 9.3 percent for 2006. Analysts predict exports could top \$2.4 billion this year if the trend continues.

Dairy producers, through their checkoff investment in the U.S. Dairy Export Council, help find a home for new milk production by selling to dairy customers around the world. USDEC's work helped double the annual value of U.S. dairy exports in just 12 years. Currently, more than 9 percent of annual domestic milk solids production is exported--nearly double the export volume from just five years ago. This is equivalent to more than five months of milk solids production in California and nearly nine months of milk solids production in Wisconsin.

Through USDEC, the checkoff partners with the U.S. Department of Agriculture and about 60 cooperative, processing and manufacturing partners to develop and expand international markets for U.S. dairy products and ingredients. Exports have increased from \$982 million in 1995 to \$1.89 billion in 2006, of which 98 percent are commercial sales.

In 2006, 47 percent of U.S.-produced whey proteins and 43 percent of U.S.-produced milk powder was exported--the United States now sells nearly as much whey protein and milk powder outside its borders as it does within them. In 2002, the United States exported only 28 percent of whey proteins produced in the country and 16 percent of the nonfat dry milk.