

NEWS/BUSINESS



NZX to launch AMF, SMP futures Feb. 18

WELLINGTON, New Zealand — NZX, which operates New Zealand's securities and exchange markets, recently announced that two new dairy futures contracts, skim milk powder (SMP) and anhydrous milkfat (AMF) futures, will be launched Feb. 18, 2011.

NZX launched whole milk powder (WMP) futures Oct. 8 and says it will launch options on all three dairy futures products in 2011.

NZX dairy futures are cash-settled to prices on Fonterra's twice-monthly global-DairyTrade online dairy product auction.

"While there is still a way to go to becoming a truly liquid contract, the early positive signs in the WMP futures market can be put down to strong support from a range of dairy participants who are dedicated to seeing a futures market develop for the global dairy industry," says Fiona Mackenzie, NZX head of markets.

Mark Weldon, NZX CEO, adds that NZX is seeing increased liquidity in WMP futures and that SMP and AMF are natural complements to WMP.

For more information, visit www.nzxfutures.com/dairy. **CMN**

CWT assists with more cheese exports

ARLINGTON, Va. — Cooperatives Working Together (CWT) recently accepted seven requests for export assistance from Darigold, Foremost Farms and Dairy Farmers of America to sell a total of 772 metric tons (1.702 million pounds) of Cheddar and Monterey Jack to customers in North Africa, Europe, the Middle East and Asia. The product will be delivered January 2011 through March 2011.

Since CWT reactivated its export as-

sistance program in March 2010, it has assisted members in making export sales of Cheddar, Monterey Jack and Gouda totaling 35,183 metric tons (77.6 million pounds) to 27 countries. In addition, sales of butter and anhydrous milkfat totaling 14,968 metric tons (33.0 million pounds) have been made to nine countries.

CWT will pay export bonuses to the bidders when delivery of the product is verified by the submission of the required documentation. **CMN**

Multivac announces charitable donations

KANSAS CITY, Mo. — Multivac Inc. recently announced that it posted a banner year in sales of its packaging machinery and automation systems, allowing the company to give back more than \$30,000 in charitable donations across a diverse spectrum of causes.

Nearly 40 separate charities received donations from the packaging equipment company. These include well-known groups such as the American Cancer Society, March of Dimes and Salvation Army, along with several local and regional organizations committed to serving needy children, rescuing abused animals and funding a variety of scholarship and development programs

for students.

Multivac says it also donated to Haitian disaster relief and made a substantial donation to employees of its sister Multivac operation in Chile in the aftermath of the earthquake that impacted the country earlier this year.

"Doing right by our customers and assuring their success is always job one," says Jan Erik Kuhlmann, president and CEO, Multivac. "When we succeed on that front, we gain the flexibility to do even more good for our people and the communities where we work and live. It's a great privilege to be able to help so many great organizations, and we'll aim to do even more in 2011." **CMN**

Harvard acquires large New Zealand farm

OTAGO, New Zealand — Harvard University recently acquired one of New Zealand's largest dairy farms for NZ\$28 million (approximately \$21 million), according to Invest in NZ, which promotes and markets New Zealand's core investment and export industries.

Big Sky Dairy Farm, near Patearoa, New Zealand, grazes about 3,300 cows on 3,200 acres, according to Invest in NZ. The New Zealand Overseas Investment Office approved the acquisition by Harvard Management Co. despite ongoing debates over foreign land ownership.

New Zealand's Finance Minister Bill English says new rules on overseas investment increase the flexibility to consider a wide range of issues — including large-scale ownership of farmland — when assessing overseas investment applications for sensitive land.

"It's important that we welcome beneficial foreign investment and recognize

the positive contribution it makes to New Zealand through increased jobs, capital and access to export markets," English says.

However, the New Zealand Labour Party says this sale to Harvard underlines the lack of clear, strong rules on foreign ownership.

"Labour is committed to providing strong, clear rules and keeping New Zealand farmland in Kiwi hands so we can own our own future," says Damien O'Connor, agricultural spokesperson for the Labour Party. "This sale is not in New Zealand's long-term interests."

Harvard also owns another New Zealand dairy, Helenslea, as well as forestry interests in the country.

Harvard Management Co. could not comment on or confirm details of the acquisition due to its policy not to discuss individual investments or investment strategies. **CMN**

Benelact preps for reduced-cholesterol dairy products to enter market in new year

By Rena Archwamety

RACINE, Wis. — Dairy products using Benelact, a proprietary process that removes up to 90 percent of cholesterol from milk, will enter the U.S. market for the first time in 2011, according to Benelact sales director Art Garcia.

"We've been working on products with a number of cheese, butter and ingredient companies," Garcia says. "We've done several product and lab tests and analyses. We've worked with several manufacturers, and they are excited about the results, taste and functionality."

Benelact, the dairy division of Alliance Enterprises, was introduced three years ago as an all-natural process that removes up to 90 percent of cholesterol from milk (see "Alliance Enterprises develops Benelact process to reduce cholesterol content in milk," June 13, 2008, in the archives at www.cheesemarketnews.com).

Using traditional dairy equipment such as homogenizers, separators and heat exchangers, the Benelact process uses an edible oil to separate cholesterol from the milk. Throughout the process, it does not add any chemicals or plant sterols.

"We all know lowfat cheese simply does not have the same taste, the same flavor as full-fat cheese," Garcia says. "With Benelact, we leave the fat in, so the taste remains the same. We have done research and focus groups that indicate most customers rely on taste first, with health and nutrition close behind."

According to the company, Benelact can reduce the cholesterol by around 25 percent in butter, 45 percent in cheeses and from 35-90 percent in milks depending on their fat content. Garcia says there are two ways plants can use Benelact technology for reduced-cholesterol products.

First, the technology can be installed in most any dairy plant using traditional dairy equipment and modifying the plant to run the process. Alternatively, plants can purchase raw milk or cream that already has gone through the process to make the end dairy product.

For the past three years, the company has done work with cheeses, butter, milk and milk powders at its research and development plant in Racine, Wis. Now that testing is complete for some of these products, companies that have partnered with Benelact are preparing market strategies. Garcia says these products, which remain confidential for now, will be introduced between the late first quarter and early second quarter of 2011.

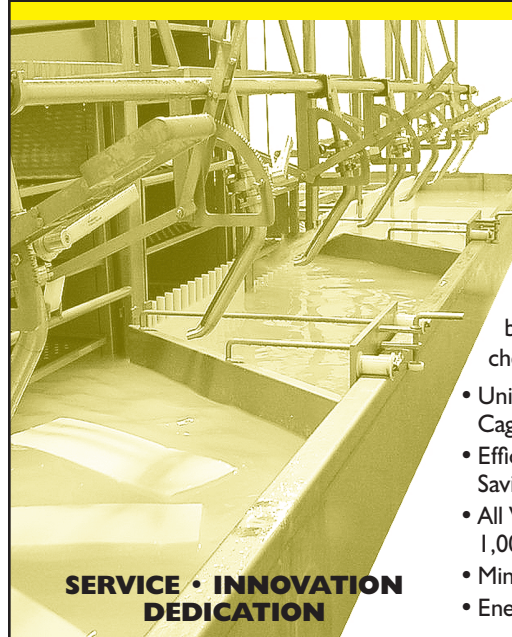
Garcia says the plants Benelact currently is working with are centered mainly in the Midwest, though there are discussions with and interest from others on the East and West Coasts. An upcoming project, he says, will be testing whey.

"We're very confident in a great (cholesterol) reduction in a whey protein concentrate-type product that can be used for sports drinks," Garcia says. "We're very excited about that along with the manufacturer that is communicating with us."

Interest in the process is fairly evenly divided among ingredient and retail manufacturers, Garcia says. With more marketing geared toward health and drugs such as Lipitor, he says, there is a heightened awareness of the impact of having lower cholesterol in diets.

"We wanted to bring a healthier product to the industry that is cost effective and value-added to help create differentiability in the marketplace, and create more profits and margin for those companies," Garcia says. **CMN**

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