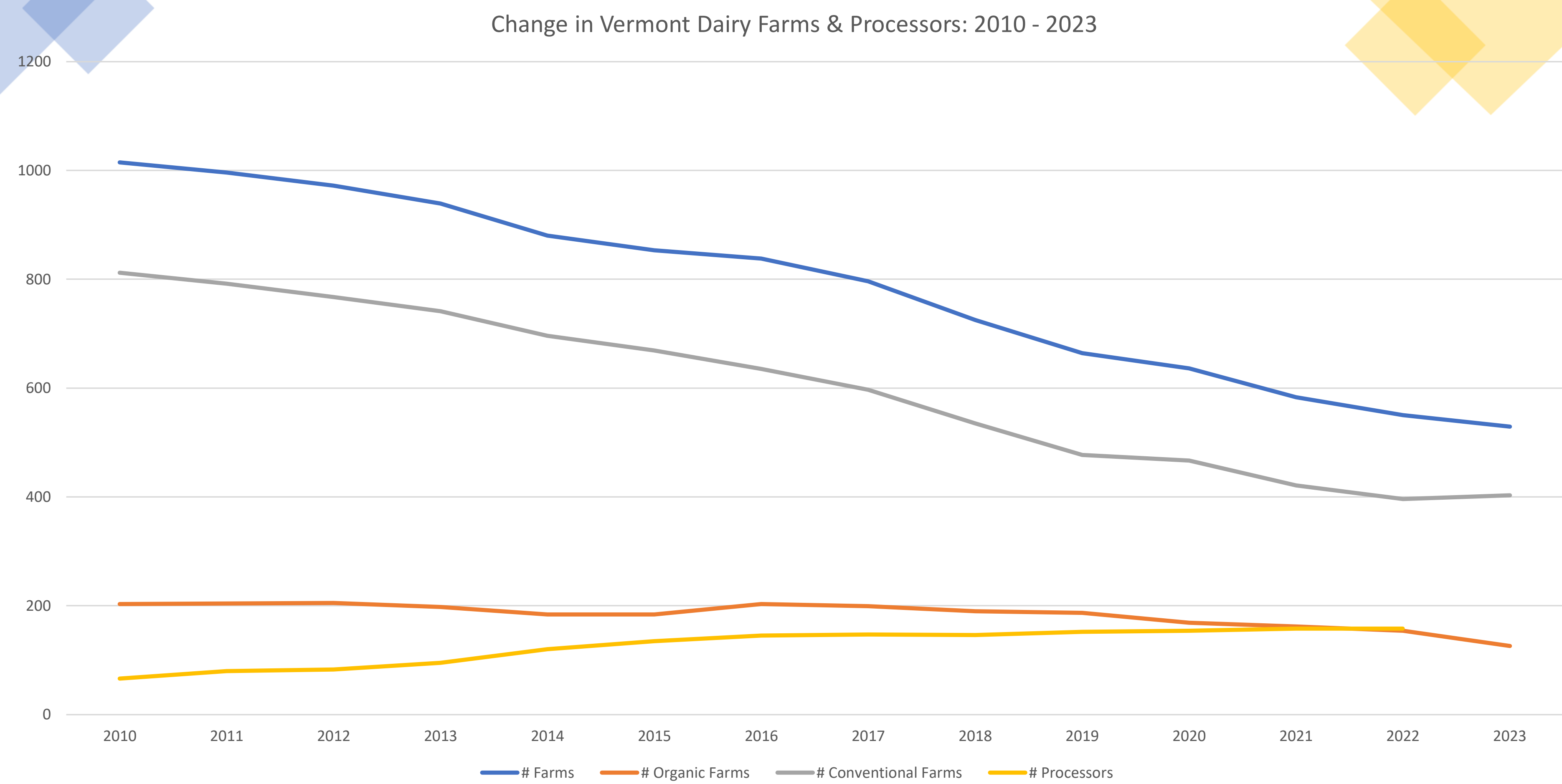
# Vermont Dairy Data 2024

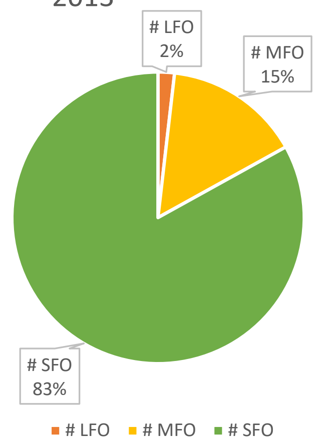
Production, Impacts, and Trends



Change in Vermont Dairy Farms & Processors: 2010 - 2023
1200
1000
800
600
400
200
0
2010
2011
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
2023
# Farms
# Organic Farms
# Conventional Farms
# Processors

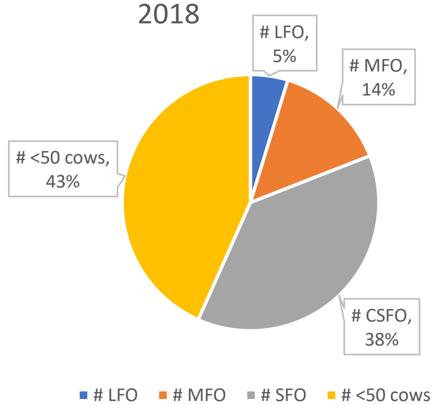
Distribution of Vermont Dairy Farm Sizes: 2013

939 farms

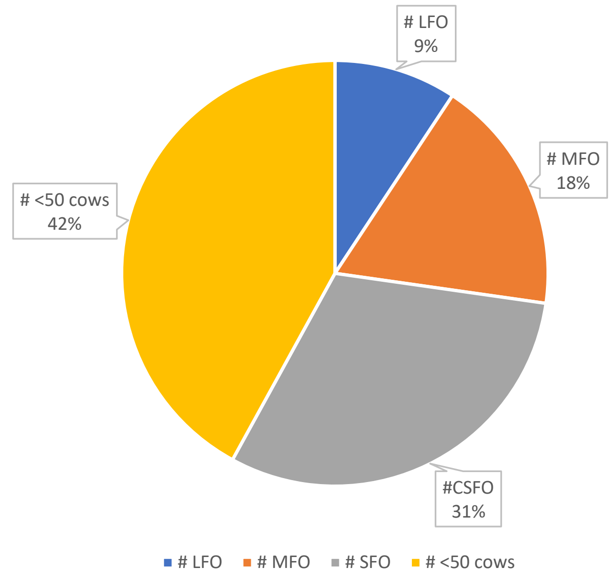



Distribution of Vermont Dairy Farm Sizes: 2018

725 farms




Distribution of Vermont Dairy Farm Sizes: 2023



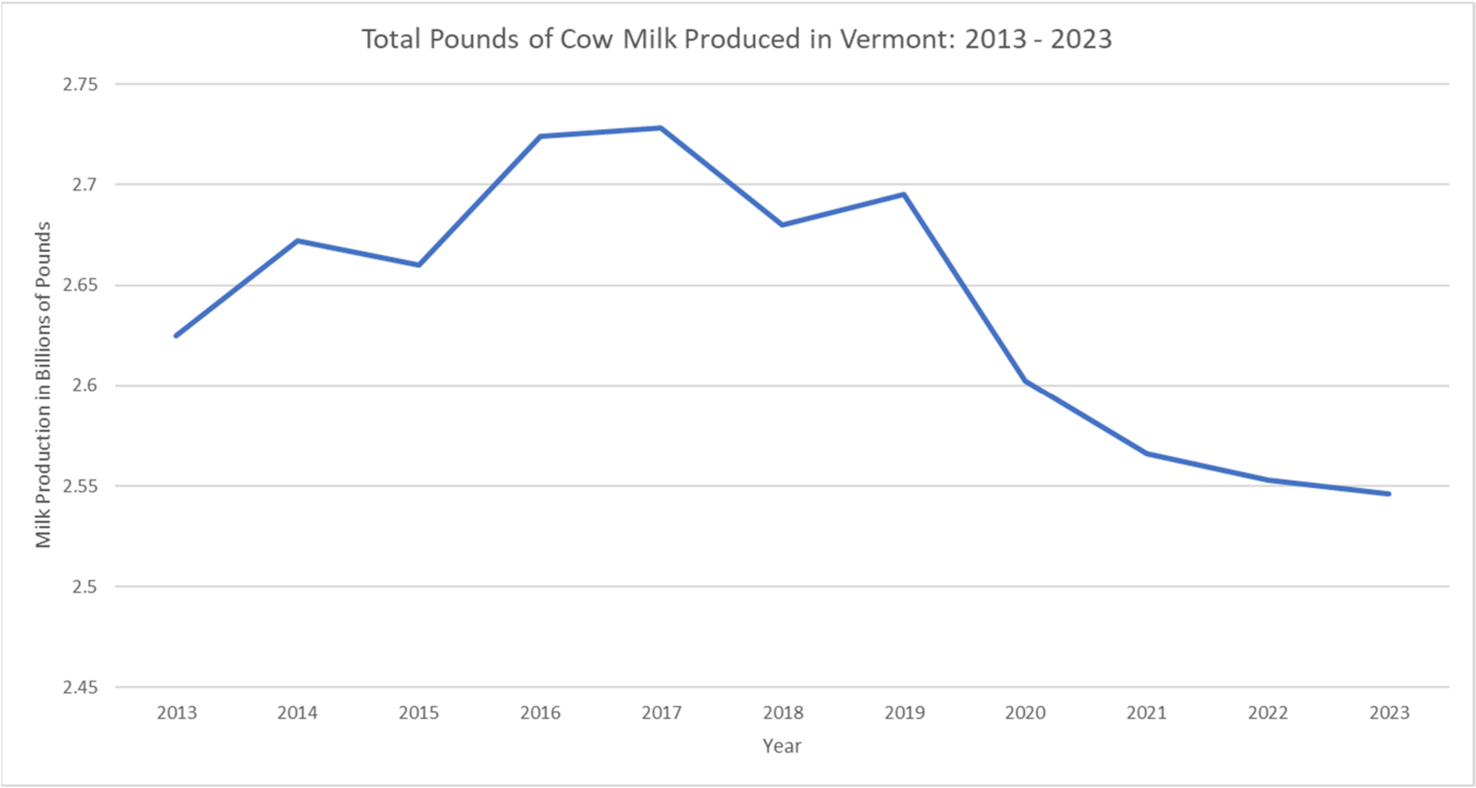

529 farms

**Farm size designations:**

- SFO: less than 50 dairy cows
- CSFO: 50 – 199 dairy cows
- MFO: 200 – 699 dairy cows
- LFO: 700+ dairy cows
- Note: the CSFO designation was added in 2017

**Organic farm information (126 total farms in 2023):**

- Most are milking less than 200 cows, approximately 10 are MFOs
- Less than 20 are 100% grass-fed




In 2022, organic milk production was approximately 140.4 million pounds, or 5.5% of total Vermont cow dairy milk volume

## February 2024 Dairy Farm Numbers by County and Animal Species

| County | Cattle Farms |
|---|---|
| Addison | 76 |
| Bennington | 8 |
| Caledonia | 40 |
| Chittenden | 24 |
| Essex | 9 |
| Franklin | 93 |
| Grand Isle | 8 |
| Lamoille | 20 |
| Orange | 44 |
| Orleans | 78 |
| Rutland | 32 |
| Washington | 17 |
| Windham | 18 |
| Windsor | 19 |
| Total | 486 |

| County | Goat Farms |
|---|---|
| | 4 |
| Addison | 3 |
| Bennington | 2 |
| Caledonia | 2 |
| Chittenden | 1 |
| Franklin | 3 |
| Grand Isle | 2 |
| Lamoille | 2 |
| Orange | 2 |
| Orleans | 3 |
| Rutland | 3 |
| Windham | 3 |
| Windsor | 7 |
| Total | 37 |

*The top row of goat dairy farms are located in Canada, inspected by VAAFM staff, and supply milk to a Vermont processor

| County | Sheep Farms |
|---|---|
| Addison | 1 |
| Franklin | 1 |
| Orleans | 1 |
| Windham | 1 |
| Windsor | 2 |
| Total | 6 |

## Small State, Big Impact[3]

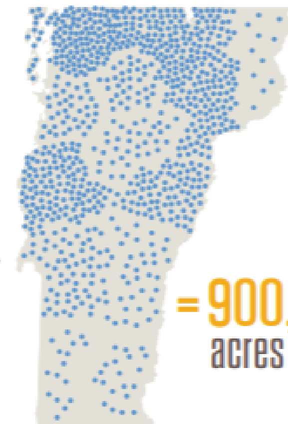
**63%** of milk produced in New England

**COMES FROM VERMONT**[7]

**15%**

**OF THE STATE**

is covered by dairy farms and the fields that provide their feed



= 900,00
acres

**OVER 80%**

of Vermont's farmland is devoted to dairy and crops for dairy feed

**DAIRY IS**

**70%** of Vermont's Agricultural Sales

*this figure is based on direct sales from farms, including milk and (partially) cattle and calves.*

Vermont's economy is small—just 0.2% of the US economy. But we produce mor than 1% of the nation's dairy products.

that's **5x** our "economic share"

Each year

# VERMONT DAIRY BRINGS $2.2 BILLION

in economic activity to the state of Vermont

## $2.2 Billion in economic activity includes:

- VALUE OF PRODUCTS SOLD
- INDUCED IMPACTS
  [ dairy business' wages and profits effects on the local economy ]
- SECONDARY IMPACTS
  [ benefits to local agriculture, tourism, real estate, and more ]

* For more information and to read the full economic report, please visit www.vermontdairy.com

## Every day:

Dairy brings approximately

**$3 MILLION**

in circulating cash to the state of Vermont

## It's not just cows:

The Vermont sheep and goat-based dairy business is small but growing steadily.



In 2012, the revenue from sheep & goat farming (including wool and mohair production) was

**$5 MILLION+**

# State Snapshot

## Top Agricultural Products by Sales, 2017

*Milk from cows and cattle/calf sales made up the majority ($405 million out of $684 million) of agricultural sales in Vermont.*

MILK FROM COWS
**59.2%**

MAPLE SYRUP
**8.5%**

CATTLE
**8.4%**

## Top Retail Food Sales by Market Channel, 2017

*Grocery stores and restaurants accounted for 86.8% of total retail food sales ($3.3 billion).*

GROCERY STORES
**56.2%**

RESTAURANTS/ FAST FOOD
**30.6%**

LIQUOR STORES
**4.0%**

DIRECT SALES
**1.6%**

## Top Manufactured Products by Sales, 2017

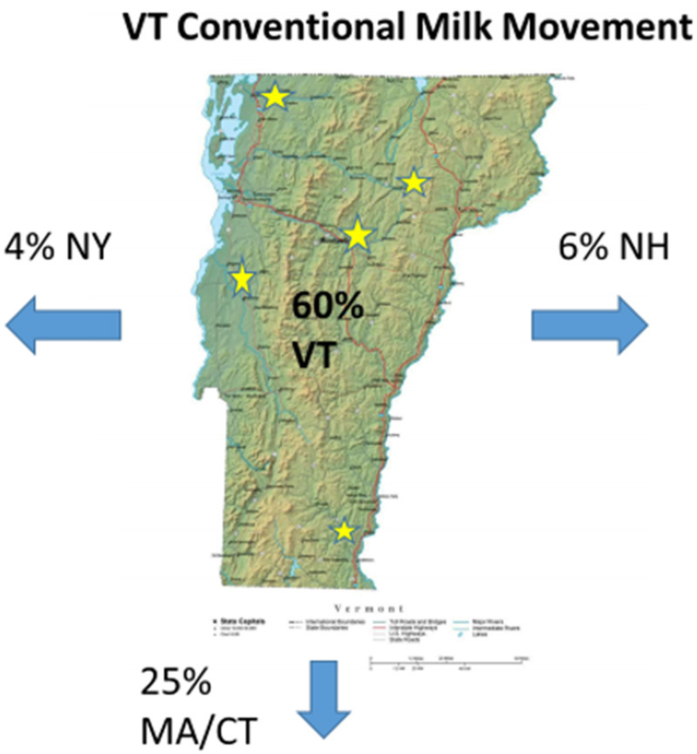
OTHER DAIRY PRODUCTS
**25.3%**

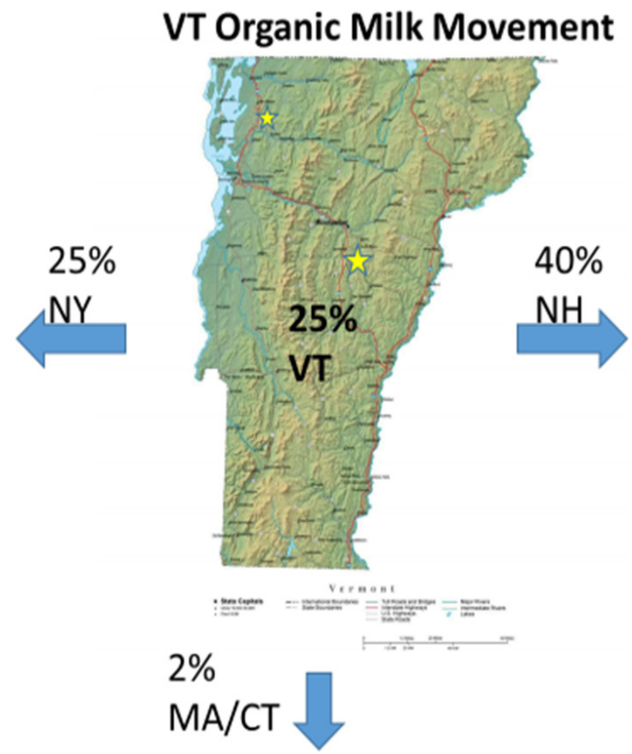
CHEESE
**18.5%**

OTHER PRODUCTS
**16.3%**

Source: New England Feeding New England State Report, 2023

**Vermont Dairy: Where the Milk Goes for Processing**




On-farm Processors: 70
Off-farm Processors: 88

## Dairy farmers have numerous choices

**Commodity**

Compete on cost of production

**Value-Added**

Compete on specialization

Expansion

r-BST free

VT Brand

Non-GMO

Efficiency

Innovation and technology

Environmental standards

Animal Welfare certified

A2A2

Organic

On farm processing

Raw Milk

Sell to farmstead cheesemaker

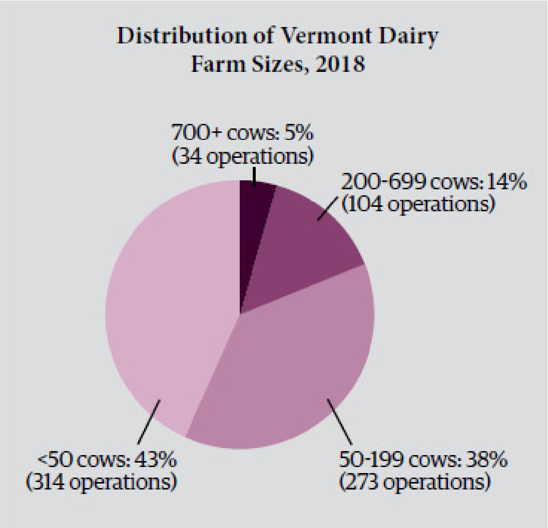
100% Grassfed

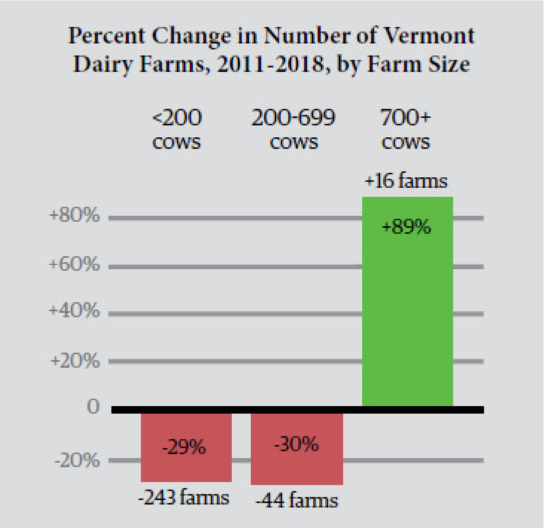
# Dairy Brief: Overview

- Vermont’s dairy sector has an annual economic impact of $2.2 billion
- Over 70% of dairy farms milk fewer than 200 cows
- Dairy is not a monolith – the sector has great diversity in production practices, farm sizes, and markets served

# Dairy Brief: Scale Bifurcation

- Two opposite production systems in a commodity market that does not differentiate, with most pressure on those that are middle sized
- Both farm scales have value for Vermont and the associated processing the occurs here
- This level of representation by small farms exists nowhere else in the country, putting Vermont in a position to be a leader of small dairy systems



# Dairy Brief: Challenges

Consumer trends quickly change, leading to farm and processor challenges in managing perception, products, and practices (Consumer Trends)

Vermont is not ideally suited for year-round grazing or cropping making cost of production higher than in other areas (Forage-based Production)

Processing facilities that can handle milk at scale are expensive to build and maintain (Value-added Processing)

# Dairy Brief: Bottlenecks & Gaps

Dairy production strategies, value chains, and processing equipment are well-entrenched and difficult to change quickly in response to consumer trends, and much of the industry is still focused on increasing fluid milk consumption instead of capitalizing on other value-added products that have increasing consumption rates

Switching to grass-fed production can lead to lower milk production, and for farms who rely on certain levels of milk production to meet debt requirements, this can be an inhibiting factor

Small facilities are often a diversification strategy for farms, meaning that farm operators have to also become marketing and manufacturing experts in order to sell a competitive product.

# Dairy Brief: Opportunities

- Nearly all of Vermont's dairy processors fit into the size category that consumers are seeking out, therefore providing them with the knowledge and skills on how to attract new consumers while meeting production criteria is an opportunity that has strong potential for market gains.

- Supporting more farms to adopt grass-fed production (grass and forages in addition to grain) may improve consumer perception of dairy, help alleviate water and environmental quality concerns, and maintain the working landscape in a way that supports both economic and tourism purposes.

- Cheese, goat milk, and other non-traditional value-added products (e.g., kefir) continue to have strong market growth and viability

# Dairy Brief: Recommendations

- Reinvigorate farmer cohort learning groups to give space for farmers to learn from each other regarding best practices
- Ensure current processing capacity is maintained or increased
- Provide incentives to move towards energy efficiency across the supply chain
- Establish a formal mentorship program that supports young farmers by connecting them with successful retiring farmers
- Incentivize new farmers and farm transitions