



VERMONT AGENCY OF AGRICULTURE, FOOD & MARKETS
2021 DANONE | HORIZON DEVELOPMENTS

TIMELINE

September 1, 2021
Danone | Horizon notifies 89 dairy farmers in Vermont, Maine, New York and New Hampshire they no longer will buy their milk.

Contracts end August 31, 2022

IMPACTS

Danone | Horizon reports their decision was based on transportation costs.

Danone/Horizon does not use processing plants in New England or the Northeast.

IMPACTS

Potential for farmers near their plants in Midwest and West to expand operations.

Gives Danone | Horizon opportunity to add dairy farms.

RESPONSE / ACTION

Task Force and Working Groups were formed to address the situation. Five Working Groups in Vermont:

**1. Farmers
Outreach, communication & assistance**

RESPONSE / ACTION

Task Force and Working Groups were formed to address the situation. Five Working Groups in Vermont:

**2. Processors
Willingness to buy more milk**

RESPONSE / ACTION

Task Force and Working Groups were formed to address the situation. Five Working Groups in Vermont:

3. Funding Farmer and processing funds

Task Force and Working Groups were formed to address the situation. Five Working Groups in Vermont:

4. Organic Standards

Critics say current approach creates differences across the United States.

RESPONSE / ACTION

Task Force and Working Groups were formed to address the situation. Five Working Groups in Vermont:

**5. Regional Coordination & Activities
Northeast Dairy Business Innovation Center & region's
Departments/Agencies of Agriculture are engaged.**

SOLUTIONS?

Solutions?

SOLUTIONS?

Can we find new buyer / business?

Can we build processing facility in Vermont or region to serve these farmers and other organic producers?

SOLUTIONS?

Organic Valley and Stonyfield are at the table with us.

But can they buy more milk after years of controlling the supply of their members?

SOLUTIONS?

Transportation

Moving milk is a serious concern in both organic and conventional markets.

SOLUTIONS?

Regenerative movement is at risk if these farmers leave.

Can we offer incentives to help cover the extra costs while these practices improve environment and climate change?

SOLUTIONS?

**Northeast Dairy Business Innovation Center (NE-DBIC)
could serve an important role.**

**The NE-DBIC is in place but would need more
funding if additional dollars are needed to meet
infrastructure needs.**

DISCUSSION

Questions?

Suggestions?