

Vermont and Northeast Dairy Business Innovation Center Update - 2025

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December 2024 Dairy Farm Numbers by County and Animal Species

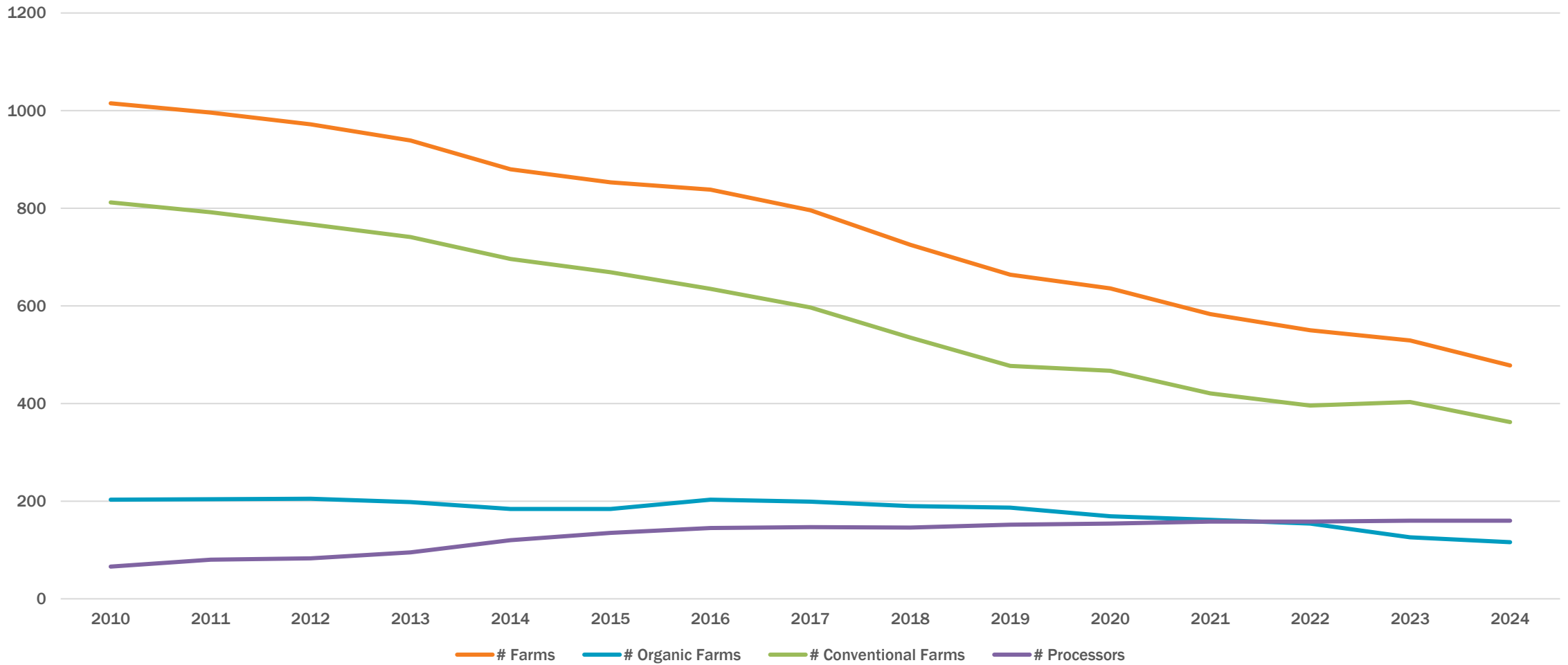
County	Cattle Farms
Addison	71
Bennington	6
Caledonia	32
Chittenden	24
Essex	8
Franklin	89
Grand Isle	8
Lamoille	17
Orange	42
Orleans	70
Rutland	25
Washington	17
Windham	18
Windsor	14
Total	441

County	Goat Farms
	4
Addison	4
Bennington	3
Caledonia	2
Chittenden	2
Franklin	3
Lamoille	2
Orange	2
Orleans	2
Rutland	3
Windham	3
Windsor	4
Total	34

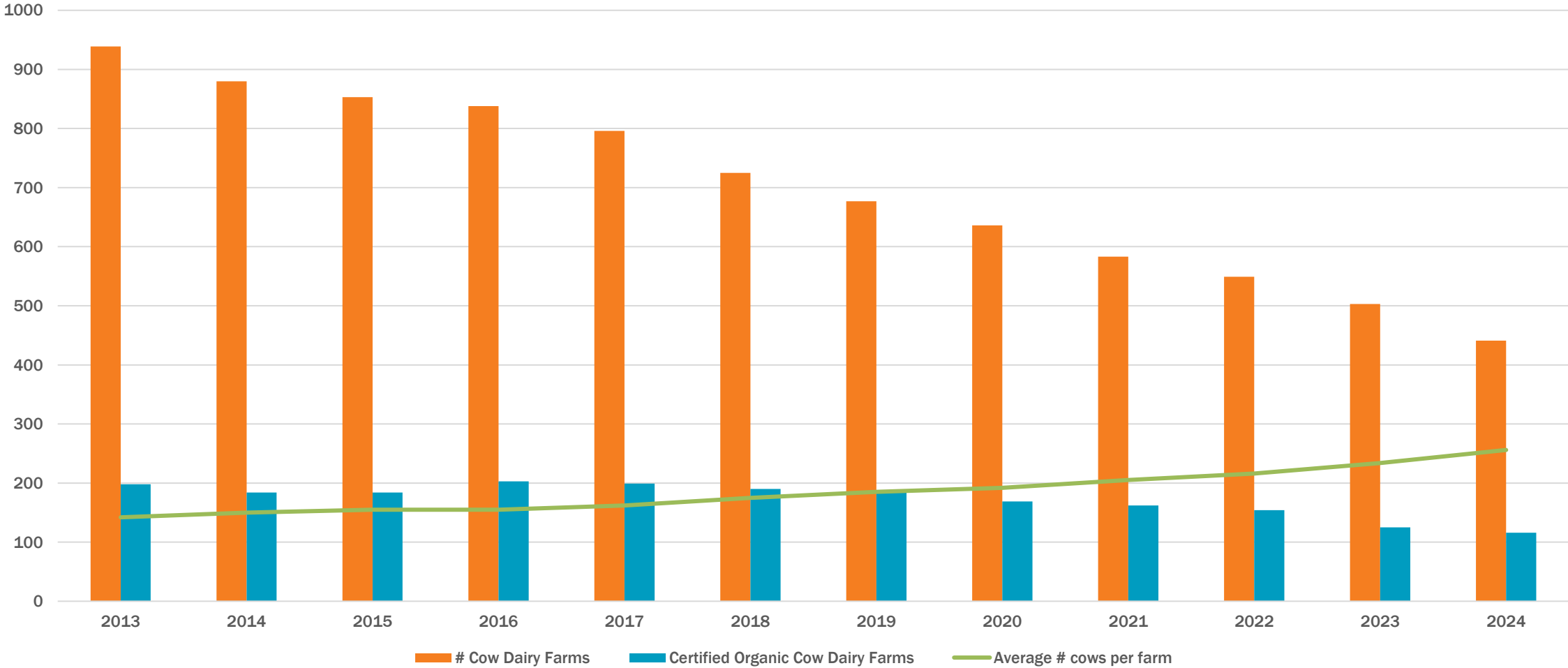
County	Sheep Farms
Windham	1
Windsor	2
Total	3

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

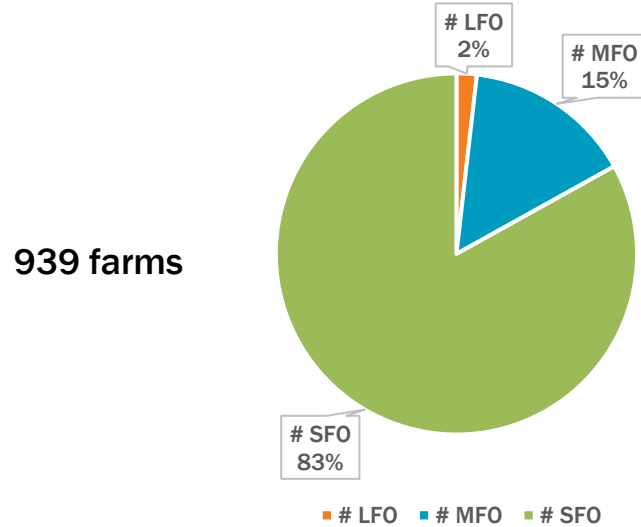
Change in Vermont Dairy Farms & Processors: 2010 - 2024



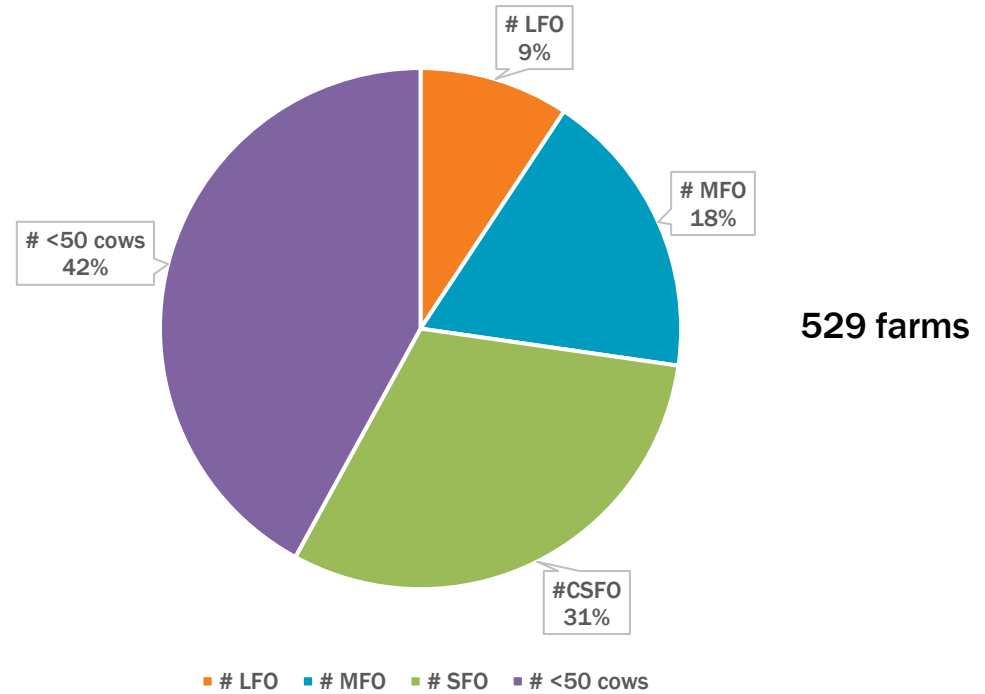
Vermont Dairy Farm and Cow Numbers: 2013 - 2024



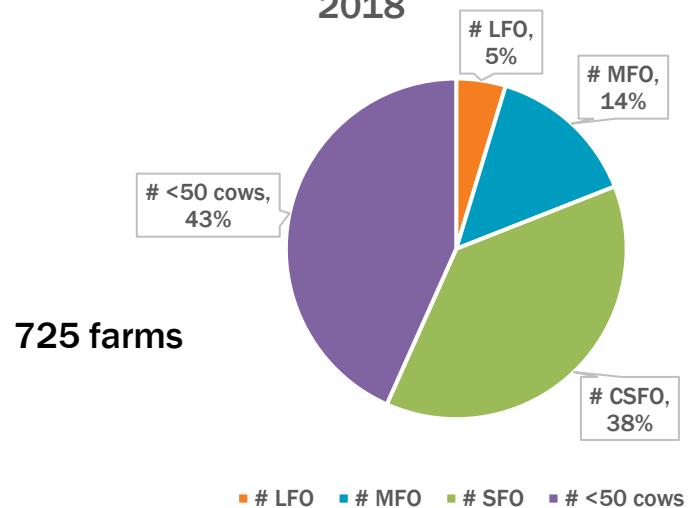
Distribution of Vermont Dairy Farm Sizes: 2013



Distribution of Vermont Dairy Farm Sizes: 2023



Distribution of Vermont Dairy Farm Sizes: 2018

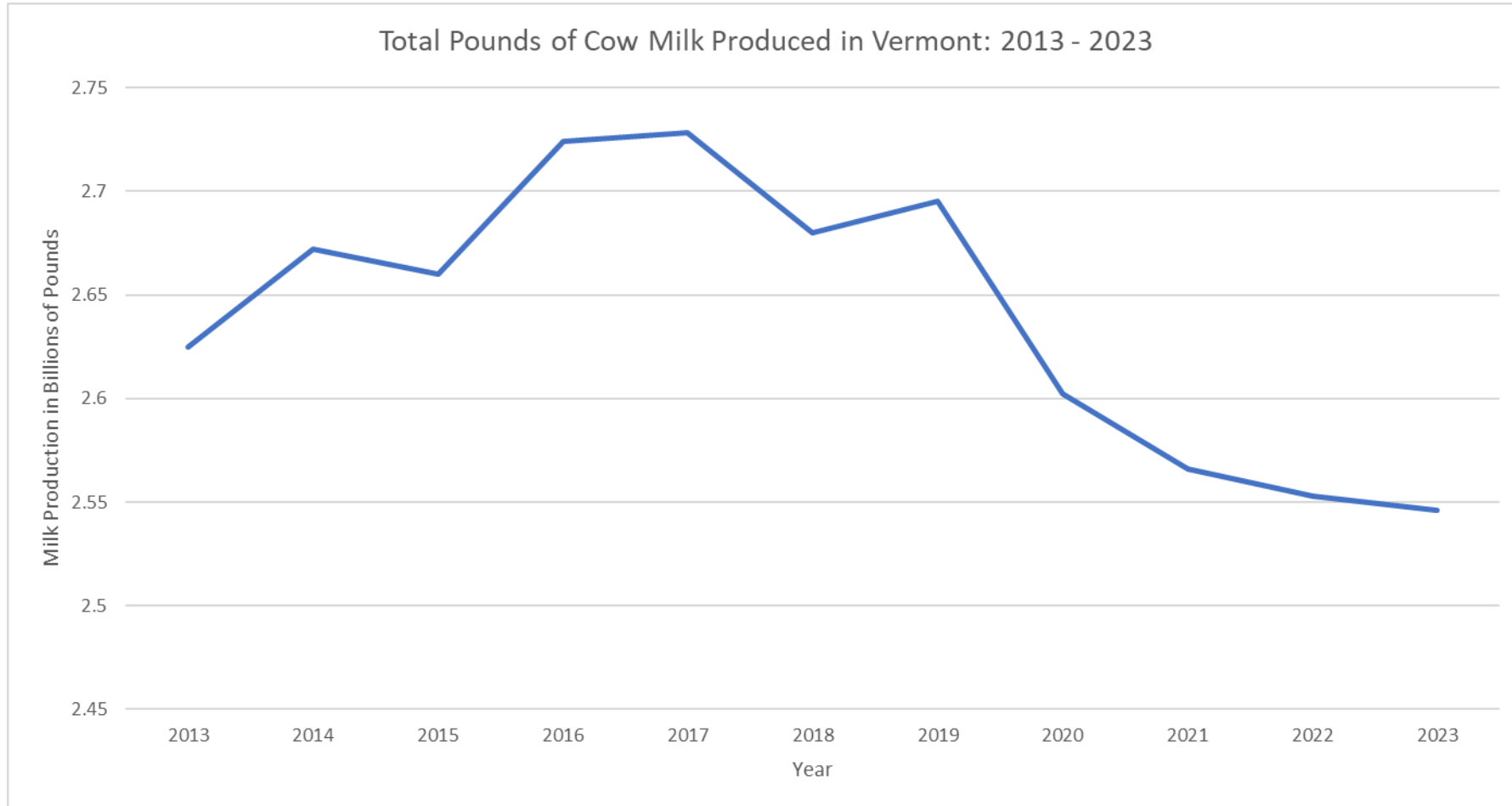


Farm size designations:

- 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

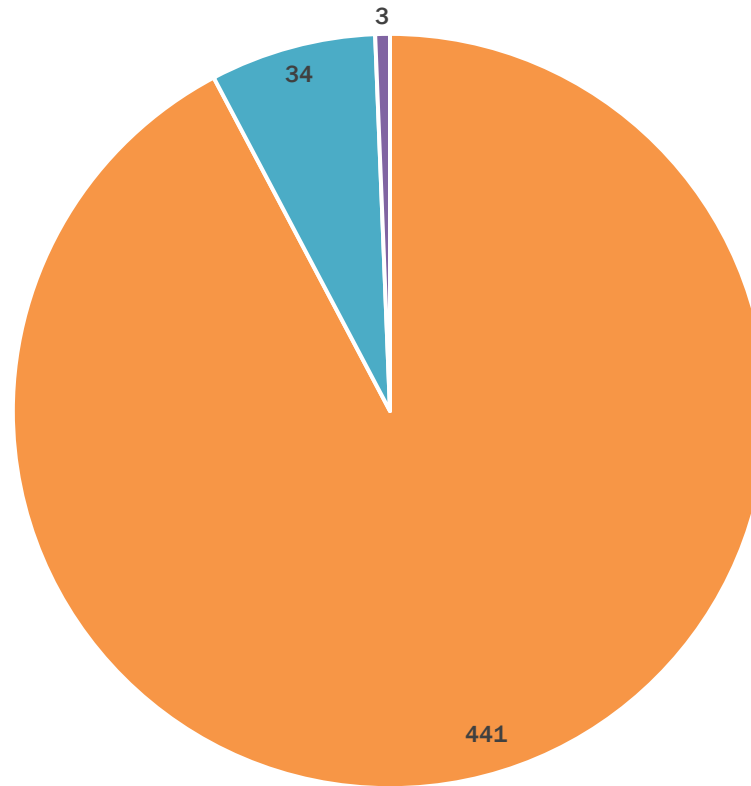
Organic farm information:

- 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

Vermont Dairy Farms by Species - 2024



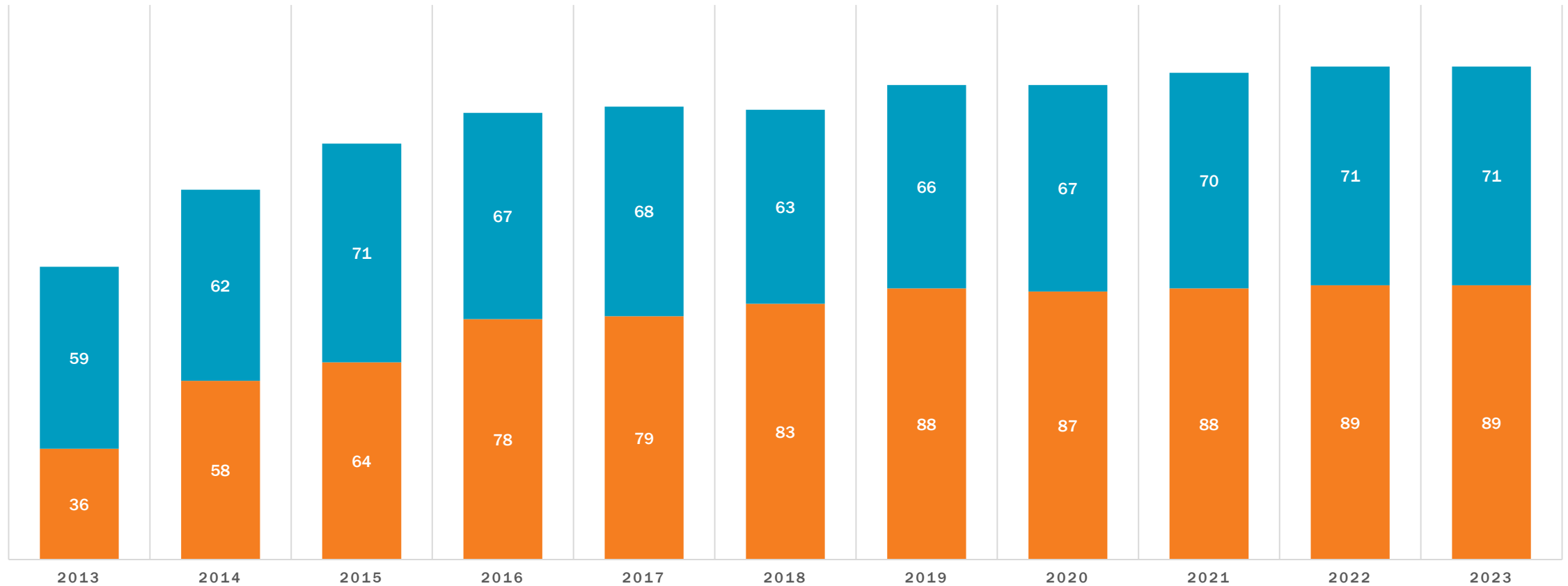
■ # Cow Dairy Farms ■ # Goat Dairy Farms ■ # Sheep Dairy Farms



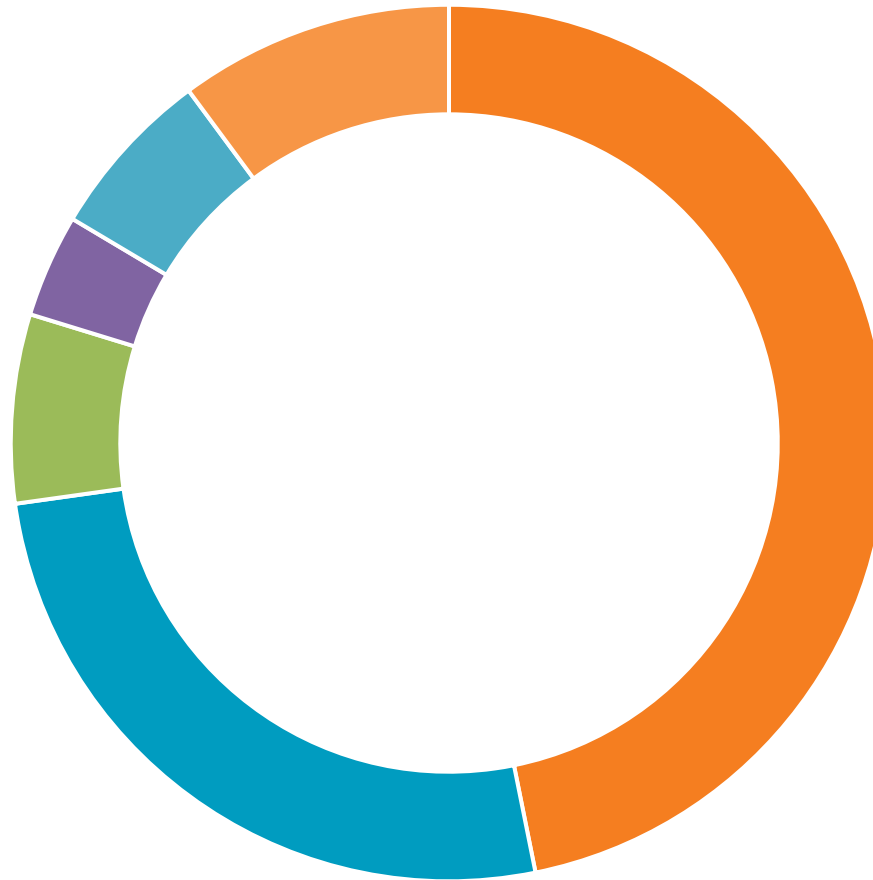
Image Courtesy: Big Picture Farm

VERMONT DAIRY PROCESSORS: 2013 - 2023

Off-Farm Processors On-Farm Processors



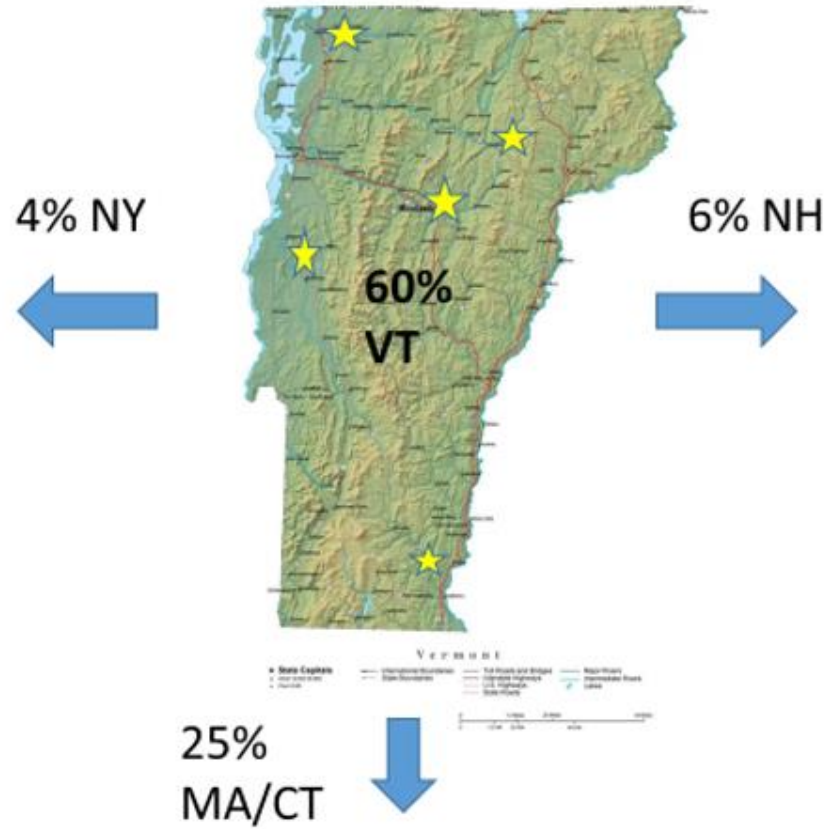
Vermont Dairy Processors by Scale - 2021



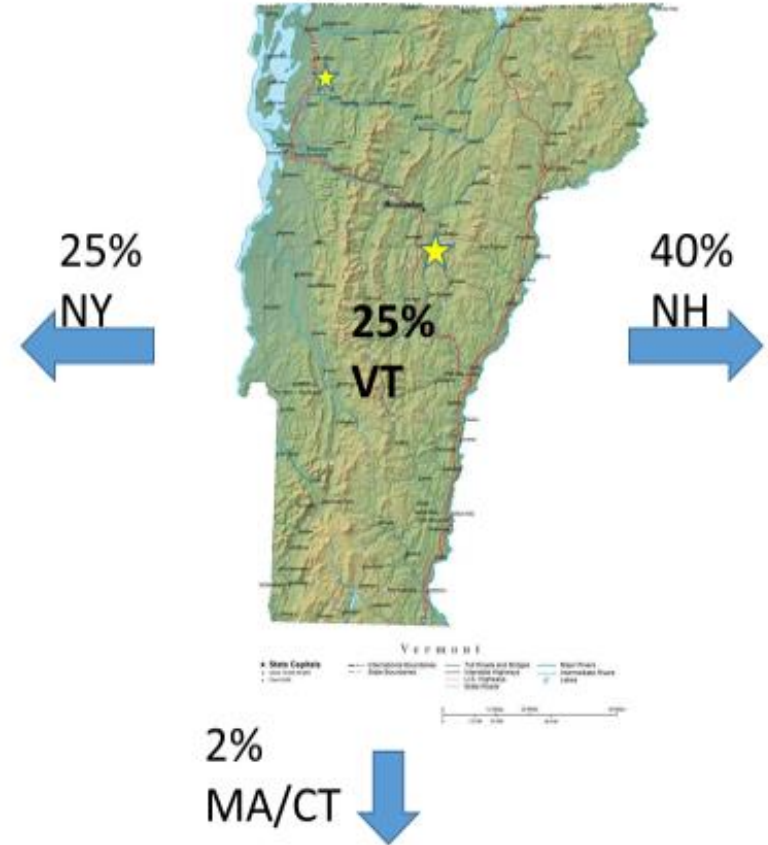
<500 pounds **500-10,000 pounds** **10,000-50,000 pounds** **50,000-100,000 pounds** **100,000-500,000 pounds** **500,000+ pounds**

Vermont Dairy: Where the Milk Goes for Processing

VT Conventional Milk Movement



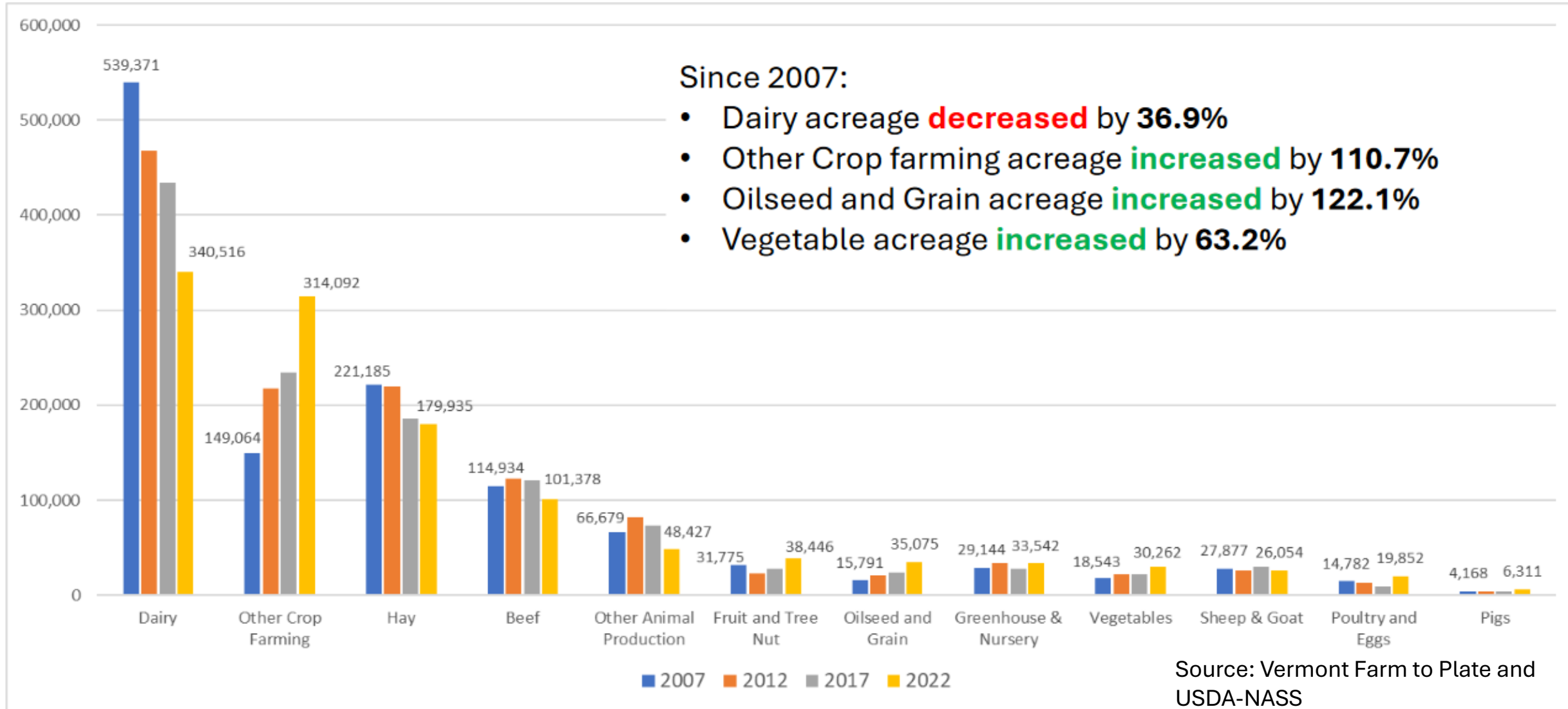
VT Organic Milk Movement



Production and Consumption Trends

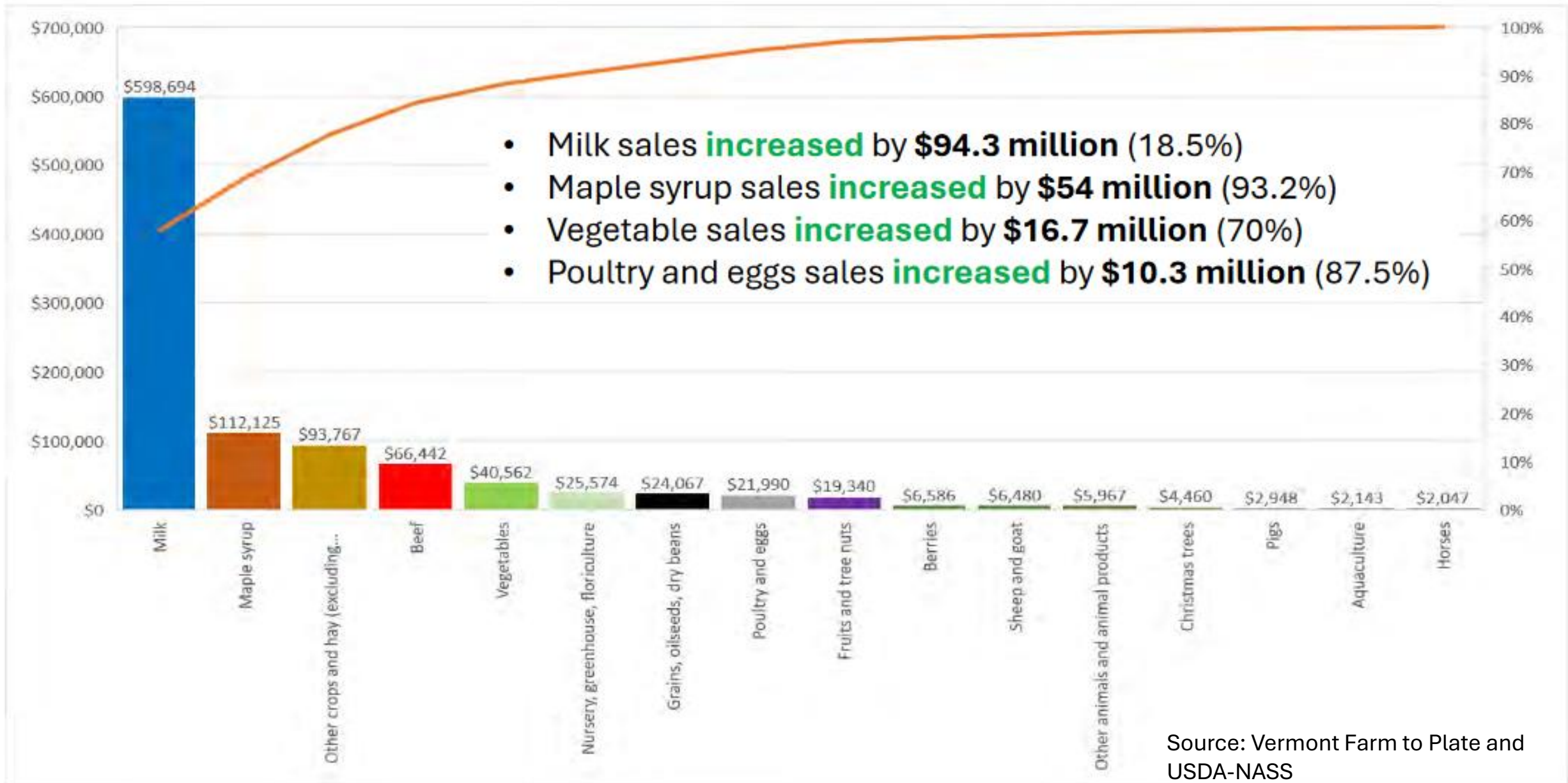
FARMLAND:

TOTAL ACRES OF FARMLAND, BY COMMODITY OR COMMODITY GROUP 2007-2022



ECONOMICS:

VALUE OF SALES BY COMMODITY/COMMODITY GROUP, 2022 (IN \$1,000)



Ranking of Market Value of Ag Products Sold, 2022 (Preliminary)

Item	Farms	Sales (\$1,000)	Rank by Sales	Percent of Total Sales *	Top County
Total sales	6,537	1,033,194	(X)	100	Addison
Milk from cows	449	598,694	1	57.9	Addison
Other crops and hay	3,141	205,892	2	19.9	Franklin
Cattle and calves	1,288	66,442	3	6.4	Franklin
Vegetables, melons, potatoes, and sweet potatoes	752	40,562	4	3.9	Windsor
Fruits, tree nuts, and berries	649	25,927	5	2.5	Windham
Nursery, greenhouse, floriculture, and sod	507	25,574	6	2.5	Chittenden
Grains, oilseeds, dry beans, and dry peas	262	24,067	7	2.3	Franklin
Poultry and eggs	1,032	21,990	8	2.1	Addison
Sheep, goats, wool, mohair, and milk	565	6,480	9	0.6	Addison
Other animals and other animal products	404	5,967	10	0.6	Addison
Cultivated Christmas trees and short rotation woody crops	181	4,460	11	0.4	Essex
Hogs and pigs	303	2,948	12	0.3	Franklin
Aquaculture	14	2,143	13	0.2	Rutland
Horses, ponies, mules, burros, and donkeys	119	2,047	14	0.2	Addison
Cotton and cottonseed	-	-	-	-	
Tobacco	-	-	-	-	



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%



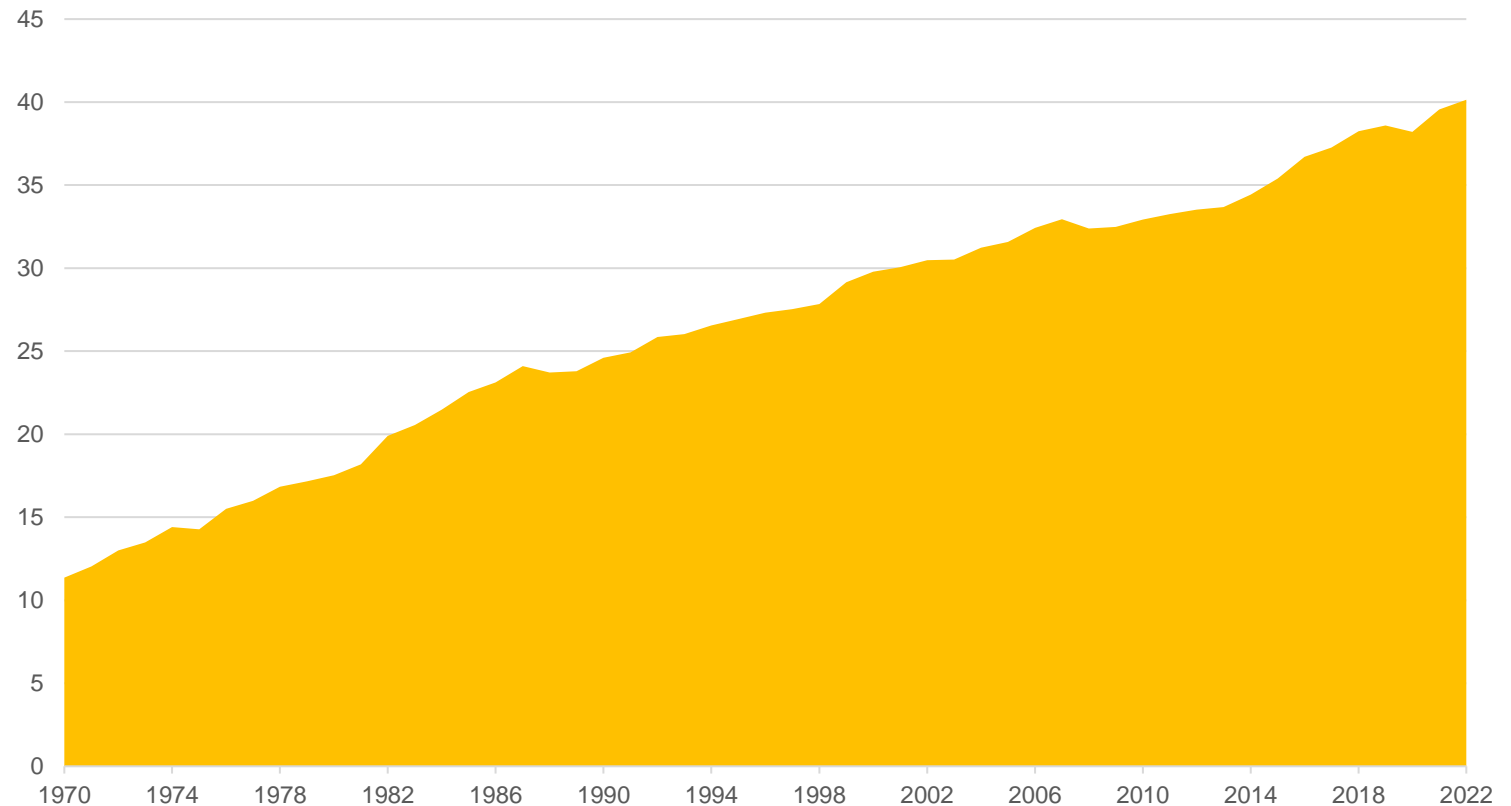
OTHER PRODUCTS
16.3%



U.S. per capita cheese consumption pushes past 40 pounds

- 2022 — 40 pounds
- 2001 — 30 pounds
- 1983 — 20 pounds
- 1967 — 10 pounds
- Mozzarella – pizza cheese
 - 16 pounds in 2022
 - 10 pounds in 1995
- Cheddar
 - 11.4 pounds in 2022
 - 9 pounds in 1995
- Hispanic Cheese
 - 1.05 pounds in 2022
 - 0.33 pound in 1996

Cheese consumption now double 1982's 20 pounds



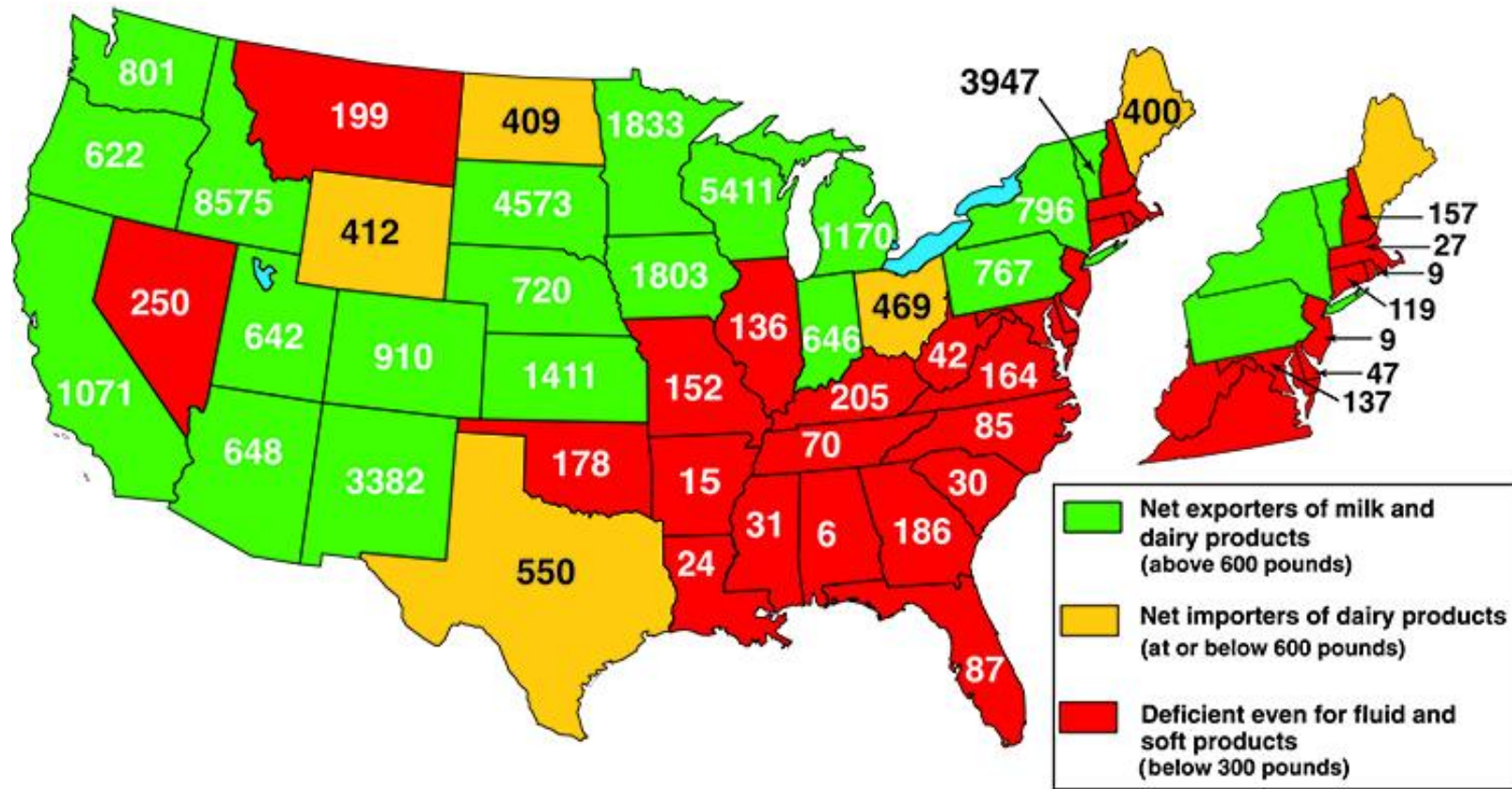
What's the future for U.S. cheese consumption?

- Countries above 60 pounds
 - Denmark – 62 pounds
 - France — 60 pounds
- Countries above 50 pounds
 - Austria
 - Finland
 - Germany
 - Greece
 - Netherlands
 - Switzerland
- U.S. consumption will evolve differently

Every other decade a new 10 pounds – 50 pounds 2040?

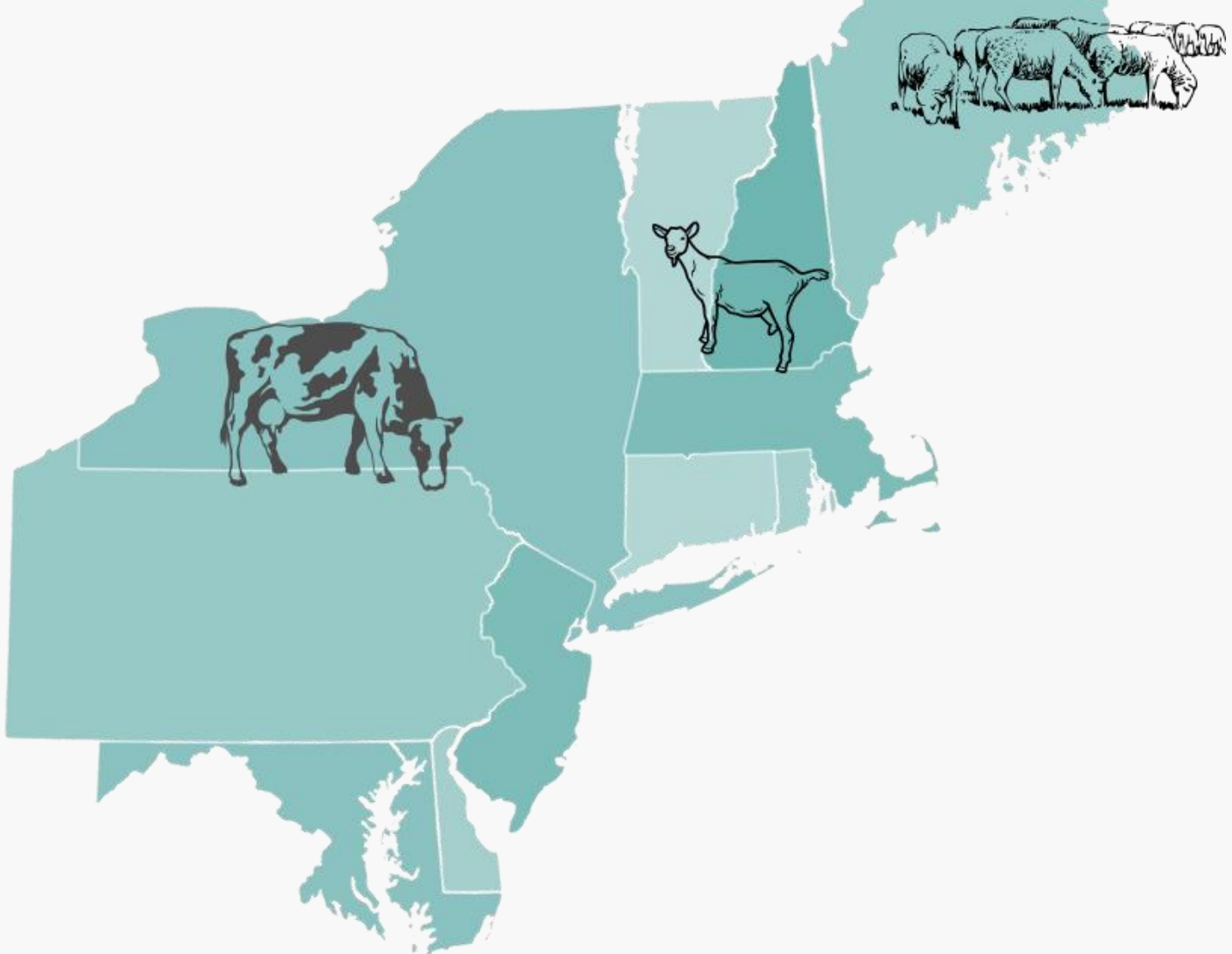


State-by-State Dairy Production: Net Exporters vs. Net Importers



NORTHEAST

DAIRY BUSINESS
INNOVATION CENTER



Program and Impacts Overview

1

One of four regional USDA Dairy Business Innovation Initiatives (DBII) in the nation.

Established as part of the 2018 Farm Bill, the DBII was created to support dairy businesses in the development, production, marketing and distribution of dairy products.

11

The NE-DBIC serves an 11-state region:

Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont, and is based at the Vermont Agency of Agriculture, Food & Markets.

\$53M

Amount awarded to NE-DBIC for projects extending through 2027.

The NE-DBIC prioritizes using funds as grants to dairy businesses. Past and current projects include health and safety training, marketing strategies, grazing transition support, technical assistance, processor expansion, and farm innovation and modernization.



NE-DBIC Represents Dairy Farm Diversity

- New York is 5th in the nation for total milk production
 - Vermont has highest % of dairy sales of total ag receipts of any state in the US at 63%
 - Rhode Island is 48th for milk production
 - Northeast is only region in the US where every state's average herd size is less than 250
 - Region has high percentage of organic farms as a proportion of total number of farms
- 



Investment Strategy

Investing in farms and processors to promote the development, production, marketing, and distribution of dairy products supported by market research and technical assistance.

1. Connection to Consumers
2. Business Management
3. Support for Rural Communities
4. Leadership in Climate-Forward Strategies

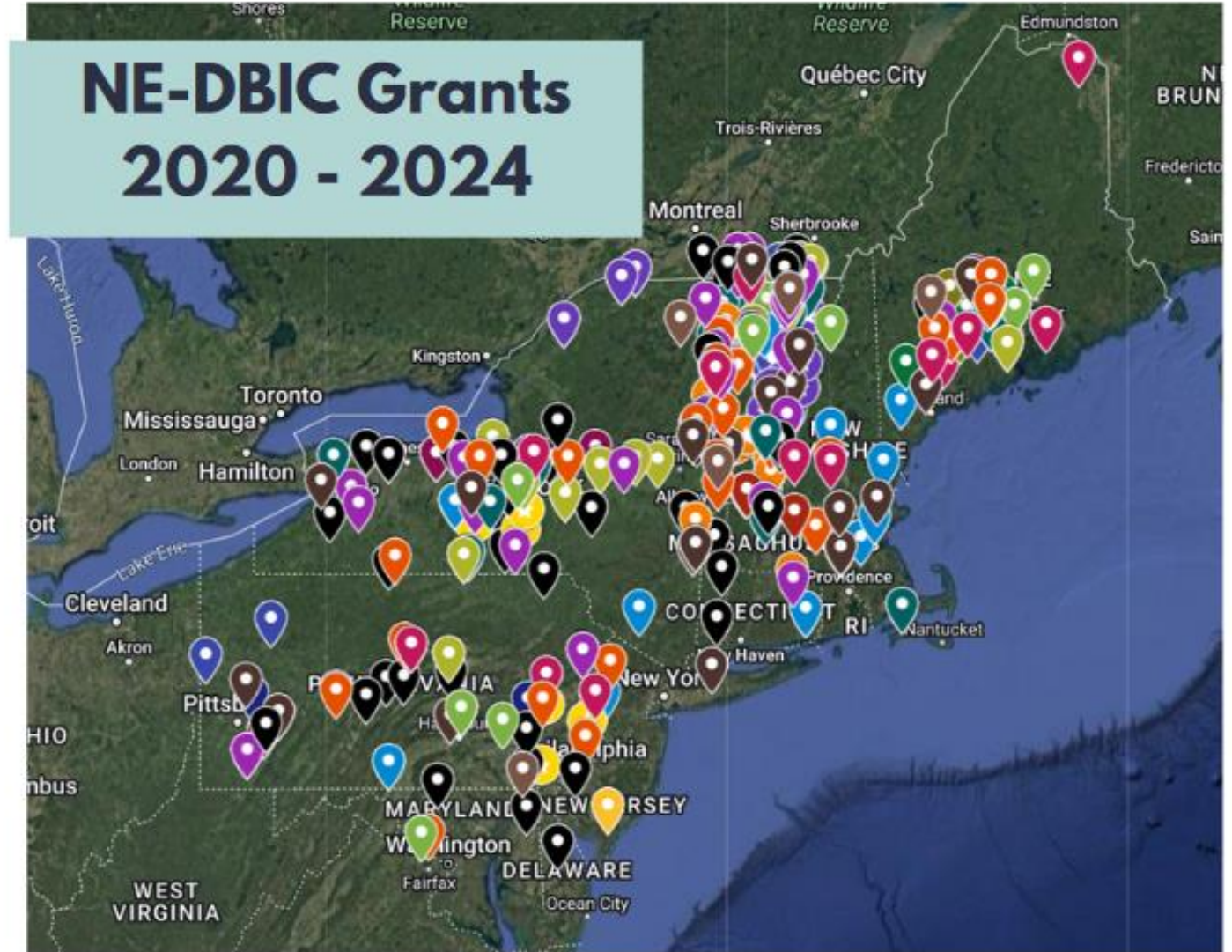
NE-DBIC has awarded a total of 367 projects with \$33.8 million in funds



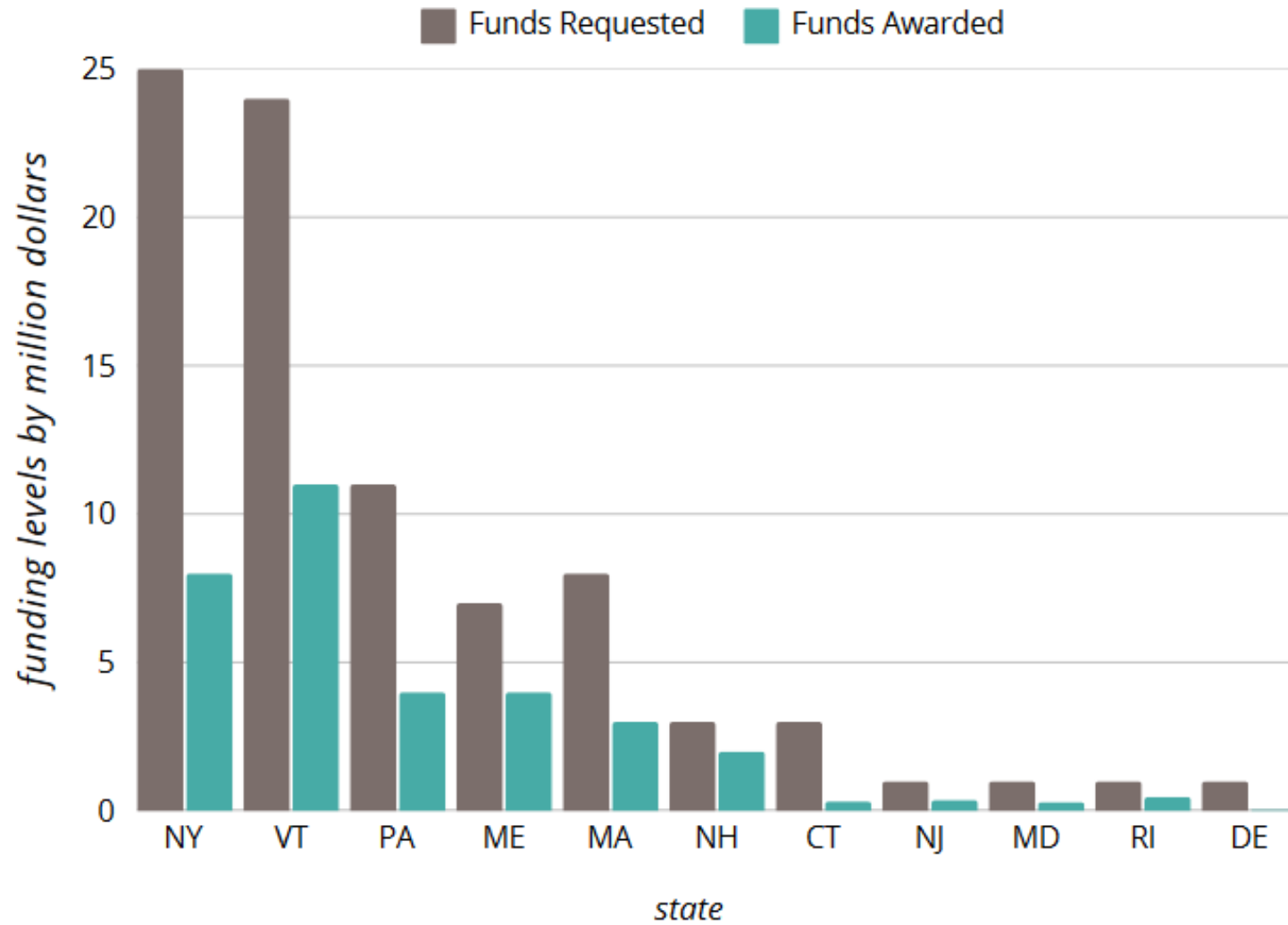
Application Stats

- 1,016 applications received
- 367 awarded
- 36% award rate

- Average grant: \$92,233
- Grant range: \$10,000 - \$1,000,000



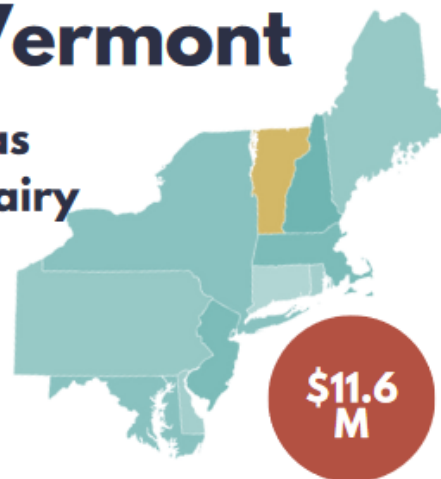
Funds Requested vs. Awarded by state



NE-DBIC Impact in Vermont

As of December 1, 2024 NE-DBIC has awarded \$11,609,411 to Vermont dairy

VT dairy farms and processors of all sizes have received funding across our grant programs, including: On-Farm Milk Storage & Handling, Food Safety & Certification, Agritourism, Marketing & Branding Services, Farm Innovation and Modernization, Processor Research & Development Innovation, and Processor Expansion.



125

Number of grants and contracts awarded

NE-DBIC has received 284 applications and awarded a total of 125 grants and contracts to Vermont dairy farmers, processors, and service providers. **44% of VT applications have been awarded.**

**\$92
K**

Average Funding Award

Across all grants and contracts, the average funding awarded to Vermont dairy is \$92,875. **The awards range in size from \$10,000 to \$1,000,000.**



Investment Strategy

- Competitive grants for dairy businesses
- Directed grants for projects that benefit Northeast regional dairy farmers and processors
- Contracts for research to build a foundation for additional investment and priority areas

Existing Processor Expansion Grant

\$12.2 Million Invested

- Cabot/AgriMark – Vermont: The Cabot facility produces “cracker-cut” cheese, a retail ready product that meets growing consumer demand for convenience products. Millions of packages are currently hand-packed, impacting production and sales volume. The investment of \$1 million will modernize the cracker cut line, provide automated packaging, and significantly increase production while moving staff into higher skilled positions.
- Maplebrook Farm – Vermont: The Bennington facility will increase production volume, improve processing efficiencies, and reduce overall energy use with a \$500,000 grant.
- Larson Farm – Vermont: Located in Wells, this small-scale farmstead processor received \$149,150 to increase their yogurt production with a new, more efficient filler that will reduce labor needs, increase product quality, and expand into new product sizes.



Marketing & Branding Grants

- **Goal:** provide professional services to value-added business to support marketing and brand development through labeling, e-commerce, social media, imagery, and strategy
- **Funded projects:**
 - 3 rounds, 32 grants totaling \$1.2 million
 - All scales of processors have benefited
- **Grant impacts:**
 - We exceeded our dreams and goals for this grant! In 2020 we did \$17.6k in online sales. In 2021 with the help of our team through this grant we did \$40k in online sales. We increased our customer visits by 69%.
 - We have seen significant sales increases since the rebrand, \$50,000 more than the prior year and demand up 40%
 - Our annual sales have gone from \$750,000 before the grant to a projected \$1 million for 2023



Dairy Farmer Modernization & Innovation Grants

- **Goal:** support the trial and adoption of farm projects that demonstrate use of new or unusual strategies, equipment, or production practices. All projects are required to have an educational outreach component.
- **Priorities:** reduction in fuel use, energy efficiency, labor efficiency and safety
- **Funded projects:**
 - 49 projects, \$2.7 million awarded
 - Awards supported:
 - Farm robotics
 - Feed and forage management
 - Animal health and monitoring
 - Virtual fencing
 - Manure handling
 - Extended lactation study for goats



Dairy Farmer Technical Assistance Cohorts

- **Goal:** provide cohort-structured education to dairy farmers to increased grazing quality or quantity, home-grown forage enhancement, develop alternative herd management approaches, innovate staffing and business management, and/or build marketing and education focused on dairy production practices.
- **Funded projects:**
 - 21 cohorts across nine states
 - Led by Extension, milk buyers, nonprofits, and subject matter experts
 - 200+ farmers and processors participating
- **Outcomes to date:**
 - The Cleveland Farm (2020 cohort) realized feed cost savings of \$34,000 during first year - Scott says, "I'm very pleased with how this went. I should have done this ten years ago."
 - A New Hampshire/Vermont cohort of 11 eleven farmers received a total additional \$709,000 in investment because of TA supported applications to state and federal programs



Research and Development

- New England distribution network study
- Goat dairy development needs
- Consumer perception study and marketing toolkit
- Sensory and microbial research of specialty cheese
- Goat and sheep consumer demand
- Dairy Product Innovation Challenge with Cornell University
- Workforce and apprenticeship program development

