NODPA News

Northeast Organic Dairy Producers Alliance

November 2024 Volume 24, Issue 6 WWW.NODPA.COM

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Member Info

George and Linda Wright, the summer of 2000.

FEATURED FARM: WRIGHT WAY DAIRY

RUSSELL, NY

Owned and Operated by George and Linda Wright

The Wright's Way

By Tamara Scully, NODPA News Contributing Writer

Russell, NY: George and Linda Wright may have retired from dairy farming, but they certainly aren't retired. They have been able to directly assist new dairy farming families launch their small farm dreams. The innovative succession plan they implemented is one which has led to new opportunities for the Wrights, for the farmers who succeeded them, and for their community.

Their succession plan was meant to ensure that the Wright's land would be kept in production

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FDA Warns Against Use of Aspirin in Lactating Dairy Cattle

By Guy Jodarski, DVM, Holistic Veterinarian

The Food and Drug Administration (FDA) recently warned veterinarians and farmers to stop using aspirin to treat fever and pain in lactating dairy cattle. In a *"Dear Veterinarian" letter* published October 11, 2024, FDA (in part) stated, "The U.S. Food and Drug Administration understands that veterinarians and dairy farmers may be treating lactating dairy cattle for pyrexia and pain with aspirin and wants to clarify that* ***there are no FDA-approved aspirin products for use in cattle****. The extralabel use of unapproved drugs in food-producing species is prohibited."*

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Message from NODPA Co-President

I hope this fall finds everyone doing well. For one of the first times in memory, I can't complain, nor have I heard any other local farmers complain, about the weather this year. We have had an overall good growing season, with lots of grass that kept growing most of the summer and only really slowed down this fall, as it has been getting quite dry as we head into the later part of the year. I'm not used to having dry pastures this time of year and it's quite pleasant not having any muddy pastures. The river in our valley is the lowest I have ever seen it be this time of year. The dry fall sure does make late season harvesting of corn silage and high moisture corn much more enjoyable.

From all reports, it sounds like the NODPA Field Days were well attended and enjoyed this year! Also sounded like some great farm tours and presentations with lots of great knowledge shared. I was sorry to have missed being there this year but a trip to Hawaii was too much to pass up! Fun fact, Hawaii is a large exporter of beef animals. When I first heard that, I couldn't believe it. I looked it up and apparently they ship thousands of beef animals at around 6 months of age by either cargo ship or plane and raise them in Oregon until going to feedlots in Texas for fattening and slaughter. I had never thought of beef animals being flown somewhere!

I hope everyone has signed up for ODMAP through your local FSA office as we just had our payment come through. Also there is an organic certification reimbursement program that helps cover some of the costs of certification. I highly recommend signing up for both.

Kirk Arnold, NODPA Co-President
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Organic Dairy News: November 2024

By Ed Maltby, NODPA Executive Director

Photo by Matthias Zomer: https://www.pexels.com

Producers report that there is continued movement to different buyers, mostly under Grass Fed certification. Maple Hill reports that they continue to increase the signing of producers in Pennsylvania and New York, with their unique incentive plan, as they expand their supply in that region. They project that they will have over 21 new farms signed on in 2024. Since October 1, 2024, Maple Hill has been charging producers only 25% of the total hauling costs which represents approximately $1.35-$1.50 to Maple Hill. Maple Hill is raising their base price from $36.86 to $38.86 beginning in January 2025, and by another $2/cwt in July 2025 to have a base price of $40.86. The Market Adjustment Premium (MAP) of $.50/cwt will continue as will the volume premiums of $0.5/cwt for over 30k lbs.; $0.75 for over 50k lbs.; and $1.00/cwt over 70k lbs. Maple Hill estimates that an average Pay Price for a farm with average quality and components, over 30k lbs. in volume, will be $45/cwt by December 2025.

How this compares to other Grass Fed programs is difficult to know because neither CROPP Cooperative nor Horizon responded to questions on what they were paying, or in CROPP's case, reports from producers about how much fluid organic milk they were exporting to Canada from the northeast. Producers report that Maple Hill is the price leader in Grass Fed and Upstate Niagara, in the non-Grass Fed category. Transparency directly from the milk buyer serves the farmers far better than rumors spread from farmer to farmer or by milk truck drivers. In case anyone doubts it, farmers do talk with each other and compare pay price! NODPA will never report rumors as fact and has always quoted company representatives accurately or as they have requested.

A buyer for A2 organic brand, Origin Milk, has been in the region offering a $50/cwt for 100% grass fed A2 milk to incentivize farmers to switch. Origin Milk was founded by entrepreneurs Adrian and Lauren Bota in 2015 in Cleveland, Ohio, partnering with small dairy operations in Ohio. It has since grown to buying milk from small, family-owned farms in Pennsylvania and Colorado. Farmers that are interested should contact Michael Busselberg the Network Operations Manager at Michael@OriginMilk.com or 435-770-9262.

What do herds need to qualify for A2/A2 milk? The genetic test for cows says whether the milk produced is A1/A1, A1/A2, or A2/A2. A1/A1 means that the cow produces milk with 100% A1 beta-casein protein. A1/A2 means that the cow produces milk with a mix of A1 and A2 beta-casein protein. A2/A2 means that the cow products milk with 100% A2 beta-casein protein. Jersey, Guernsey, Normande and Brown Swiss breeds have a higher percentage of A2 genes than Holstein. Some farmers have transitioned to A2 herds, but this can take many generations, depending on the status of your herd. One way to determine the status of your herd is to genomic test your cows and heifers. A2 status can be determined for about $5 per animal. If you choose to transition to an A2 herd, you can determine which cows and heifers to keep or cull once you receive your genomic results. An A2/A2 animal bred to another A2/A2 animal will always have an A2/A2 offspring. A2/A2 cows produce milk with only the A2 protein.

The **Vermont Monthly Organic Dairy Report** and **Pennsylvania Monthly Organic Report** are part of a new pilot program in partnership with the USDA Agricultural Marketing Service

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Market News to collect organic market data for the 2023/2024 growing seasons. The Vermont project's first report was in April 2024, reporting on the last few months of 2023 and January 2024 with just 9 farms reporting. The Pennsylvania Report for June was first published in September 2024. The data is supplied voluntarily by organic dairy farmers monthly. Both projects are looking for more farmers to volunteer their data. All data is aggregated so no propriety data is shared publicly. There is a disclaimer that the data has not been collected or verified by the USDA, and its accuracy is the responsibility of the partnering institution. The contact for the Vermont Project is Josh Knight at Josh.Knight@vermont.gov, (802) 636-7793 and for the Pennsylvania Project it is Valerie Mason-Faith, Risk Education Program Manager, Center for Dairy Excellence, vmason@centerfordairyexcellence.org, (717) 550-8720.

Update on DMC and ODMAP Programs

There were no Dairy Margin Coverage (DMC) Program Tier 1 payments in September or October, with no payments forecast for the rest of the year with high All-Milk Price and low feed costs.

Acting Deputy Administrator for Farm Programs for the USDA Farm Service Agency (FSA) announced at NODPA Field Days while touring the MK Dairy in Owego, NY, the second round of payments from the Organic Dairy Marketing Assistance Program (ODMAP) from the funds that were not used from the $105 million allocated to the program in January 2023. Approximately $84 million is remaining and the USDA has allocated $58 million of those funds to the ODMAP 2024 program. Compared to the 2023 program, producers will receive a higher payment rate of $1.68 per hundredweight (compared to the previous rate of $1.10 per cwt), and an increased cap of nine million pounds of production eligible for assistance. The ODMAP 2024 will be paid out in two payments of 75% of the $1.68/cwt initially and the other 25% if there is money left out of the $58 million that is allocated.

Please remember that you have to re-register with the FSA for the 2024 ODMAP payments which will be based on 2023 milk production. The second payment will be made automatically to those that applied for the first 2024 payment. FSA is accepting applications from **September 30 to November 29**, 2024.To apply, producers should contact FSA at their local USDA Service Center.

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Pennsylvania Monthly Organic Report

Month	Volume(lbs.)	Ave. daily production per cow (lbs.)	Min Price	Max Price	Weighted Av Price	Ave. Butterfat	Ave. Protein
Jun-24	1,331,605	31.23	$ 25.05	$ 41.74	$ 33.57	3.98%	3.07%
Jul-24	1,170,262	27.9	$ 25.50	$ 41.43	$ 33.55	3.88%	2.99%

Vermont Monthly Organic Dairy Report

Month	Volume(lbs.)	Ave. daily production per cow (lbs.)	Min Price	Max Price	Weighted Av Price	Ave. Butterfat	Ave. Protein
Nov-23	1,155,583	39.6	$ 27.92	$ 43.60	$ 37.01		
Dec-23	1,227,212	39.3	$ 27.92	$ 47.13	$ 39.70		
Jan-24	1,224,497	40.2	$ 35.00	$ 47.38	$ 39.97	4.21%	3.03%
Feb-24	1,073,895	41.9	$ 36.04	$ 46.74	$ 39.99	4.82%	3.43%
Mar-24	1,088,144	46.4	$ 33.68	$ 42.87	$ 36.59	4.64%	3.38%
Apr-24	958,104	44.5	$ 33.08	$ 41.85	$ 36.10	4.59%	3.34%
May-24	1,105,985	51	$ 32.10	$ 39.11	$ 34.77	4.38%	3.32%
Jun-24	860,631	50.7	$ 31.65	$ 39.10	$ 34.00	4.20%	3.22%
Jul-24	1,013,388	48.4	$ 30.70	$ 37.06	$ 33.00	3.99%	3.13%

"Got fresh cows? Get Comfort!"

Fresh starts pay back bigtime

Cow comfort is more important than ever in today's times of tight milk margins and reduced numbers of dairy replacement cattle. Protect your cattle investments and capitalize on them. Help your herd reach its genetic potential with fresh starts that pay back dividends. Nothing positively impacts cash flow like problem-free lactations and smooth heifer transitions. Got fresh cows? Get Comfort... with Udder Comfort!™

A recent graduate review of the literature by Cora Okkema and Temple Grandin, published in the Journal of Dairy Science (Vol. 104, Issue 6), suggests udder edema is becoming an "emerging animal welfare issue" in addition to being "quite costly to the dairy operation."

The authors observe it may be present in a high percentage of dairy cows, especially first-calving animals and "can have detrimental effects on the structural integrity of the udder and teats, which then increases risk of mastitis. They note that, "Udder edema is associated with udder cleft dermatitis (udder scald) and increased risk of mastitis."

This is one reason why Emily Pankratz relies on Udder Comfort™ at the home farm today and while she was managing a 150-cow Organic dairy herd in Wisconsin.

" Udder Comfort takes edema out of the udders more quickly than anything else. Our protocol is to spray udders with the Udder Comfort yellow spray after every milking (post-calving) until the cow or heifer is no longer high on CMT test," Emily reports.

"This includes all fresh cows plus any cow that may acquire mastitis or high SCC at any point in lactation. What I like is how fast it works on edema to get our heifers off to a quick start," she says.

Jonathan Miedema of Dutchlane Dairy agrees. He manages the family's 130-cow Organic dairy near Sherburne, New York.

" Being an organic dairy, it's good to have this natural product for preventive use in fresh cows. Udder Comfort provides relief from swelling. It's part of our management for high quality milk," he says.

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To complete the ODMAP 2024 application, producers must certify to pounds of 2023 milk production, show documentation of their organic certification, and submit a completed application form. Producers are already receiving their 2024 checks. If you have any problems, please contact NODPA.

H5N1 Avian Flu

As of October 25, 2024, there have been 380 herds affected in 14 states, and 36 human infections of H5N1. The U.S. Department of Agriculture will soon begin testing bulk raw milk across the country for bird flu, a significant expansion of the agency's efforts to stifle the rapid spread of the virus, Agriculture Secretary Tom Vilsack told Reuters on October 30, 2024. The move comes after livestock and veterinary groups pushed the USDA to strengthen its current surveillance approach, calling it inadequate to contain the virus, according to state records and industry documents reviewed by Reuters. In early November 2024, the agency will begin sampling milk in states where dairy cattle have contracted bird flu, including testing specific farms as needed to track the virus' spread, Vilsack said in an interview. USDA will then begin testing in states that have not identified the virus in dairy cows, he said.

For the first time in the U.S., H5N1 avian influenza has been detected in swine, confirmed by the USDA's National Veterinary Services Laboratories on Oct. 29 at an Oregon backyard farm.

The number of dairy herds in California that have tested positive for the presence of H5N1 highly pathogenic avian influenza has reached 137, and the number of humans who have tested positive in the state number 15, all employees of dairy farms, Cases of H5N1 highly pathogenic avian influenza detected in Missouri do not appear to have spread via person-to-person contact. The excessively hot weather in California is one of the reasons infected herds in the state are seeing mortality rates as high as 15% or 20%, compared to 2% in other states, said Keith Poulsen, a veterinarian and director of the Wisconsin Veterinary Diagnostic Laboratory who has researched bird flu.

The cases that were detected among health care workers, who were physically near a Missouri patient who contracted avian influenza A(H5) without known exposure to infected animals, ended up having a different sub-type of the virus, which precluded that

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patient from being the source. However, the data is thin enough, so far, that new vectors for transmission can't be ruled out, and CDC and USDA are continuing to monitor the situation.

The human cases in the state of Washington, where the virus just recently made a reappearance, now number four, all employees of a poultry farm who were employed to cull a flock that had tested positive. The sub-type of the H5N1 virus detected in these workers is different from that seen in dairy herds in the region, underscoring the low likelihood of trans-species infection in this case.

Looking to the future of this outbreak, which is two years old, the USDA has approved two vaccine field safety trials for vaccine candidates designed to protect dairy cows from H5N1. While limited in scope at this point, USDA said it expects additional submissions and approvals for field trials as more animal health manufacturers pursue vaccine development. On the human side, the CDC has said that one H5N1 clinical test has been approved for Quest Diagnostics, and the company expects to introduce clinical testing for avian flu later this month for patients with a prescription.

USDA offers three forms of funding for unaffected dairy farms. They will provide up to $1,500 per premise to develop and implement biosecurity plans, as well as $100 per premise to buy an in-line milk sampler. Producers can also be reimbursed up to $2,000 per farm for veterinarians to collect samples. USDA will provide up to $50 per shipment with two shipments per month for milk samples to help offset the freight costs.

Certification

All certifiers are changing their systems to incorporate the change in certification process and documentation required by the Strengthening Organic Enforcement (SOE). Some certifiers have been able to make the transition with limited impact on livestock operations. The ones located in the northeast that I have had good reports from are Baystate Organic Certifiers, Vermont Organic Farmers LLC (VOF), and MOFGA Certification Services LLC. Baystate say they are welcoming more livestock farms. NOFA-NY Certified Organic, LLC is no longer accepting new entities and has experienced delays in certification as they go through a reorganization. They expect to raise their certification charges once the reorganization is complete At Pennsylvania Certified Organic (PCO) they have increased the amount of paperwork, and, in some cases, producers must go back 4-5 years to get information. This has led to some distressed producers arguing with inspectors who are trying to follow the requirements of PCO

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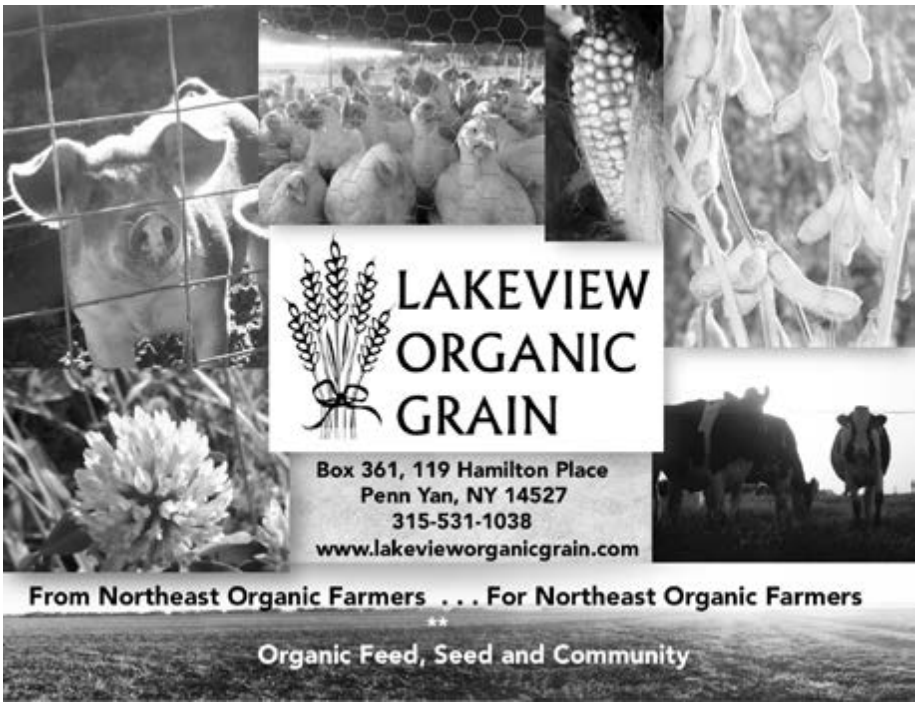

paperwork. PCO is also now charging an extra $400 for paper copies of the Organic System Plan and other paperwork, plus there seems to be many add-on fees as you work through their process. Ohio Ecological Food and Farm Association (OEFFA) have not published their 2025 fees at this time but it is expected they will change their charges to reflect gross organic income from operations rather than a fixed fee. These extra charges will affect the Plain Community plus others that may not use or may not have good internet service. This is not a regional problem. California Certified Organic Farmers (CCOF) has raised its certification charges by 8%. The USDA NOP has been made aware of the many different issues that vary from certifier to certifier. As solutions are being looked at, please get in touch with NODPA if you are having problems so we can assist where possible and bring those issues to the NOP. ◆

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FDA Warns Against Use of Aspirin in Lactating Dairy Cattle

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"There are FDA-approved products for controlling pyrexia and pain in lactating dairy cattle that are safe, effective, and have established milk and meat withdrawal periods"...

..."FDA understands that veterinarians and dairy farmers may instead be using unapproved aspirin products that are not legally marketed. ***The extralabel use of unapproved drug products in food-producing species is prohibited****."*

*"**Veterinarians and dairy farmers should stop use of unapproved aspirin in lactating dairy cattle and use FDA-approved products to control pyrexia and pain**. In the event that animals have already been treated with aspirin, veterinarians should use their scientific expertise and available resources to set protective and extended milk and meat withdrawal periods for treated animals." (**emphasis added**, pyrexia = fever)*

*Source: https://www.fda.gov/animal-veterinary/product-safety-information/dear-veterinarian-letter-regarding-use-aspirin-products-lactating-dairy-cattle

Aspirin has never gone through the FDA approval process required for drugs used in food animals.* In the past, FDA considered aspirin use to be of "low regulatory concern" and did not enforce the prohibition against using this unapproved drug in food animals. The previously "allowed" use of aspirin as prescribed by veterinarians for controlling pain and/or fever in cattle has now been reversed by FDA as described in the above quoted letter.

Several common materials used to treat dairy cattle such as calcium solutions, lidocaine, propylene glycol, sedative/tranquilizers, etc. have never been approved for use in food animals. Most of these are considered unapproved drugs by FDA and regulatory officials. The process to gain approval for food animal drugs is long and expensive. Companies making these materials often do not seek FDA approval because the cost is too high. Natural remedies used to treat organic livestock fall into this category. Many of these treatments (considered drugs by FDA) can still be used on an individual case basis if there is no approved option available and the material is considered to be of low regulatory concern. Aspirin use in cattle no longer has this status as an unapproved drug.

What changed? The US outbreak of Influenza A, H5N1 (HPAI, "bird flu") in dairy cattle continues to grow - over 330 dairy herds in 14 US states have been diagnosed. Recently California has experienced a rapid increase in dairies affected (>120 as of this

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writing). Many dairy cows infected with H5N1 in CA were being treated with aspirin to control fevers. Concerns about aspirin residues in the milk supply has been cited as the reason for the new FDA position.

*Source: https://hoards.com/article-35775-fda-officially-takes-aspirin-off-the-table.html

The use of unapproved drugs in food animals is allowed with restrictions that include veterinary oversight. The conditions to be met are detailed in the Animal Medicinal Drug Use Clarification Act, known as AMDUCA. To allow extralabel drug use, a valid veterinarian-client-patient relationship (VCPR) must be established, an appropriate withdrawal time must be assigned, Illegal residues must not result, and only approved human or animal drugs may be used. AMDUCA says a veterinarian should not prescribe a drug in an extralabel manner if there is an approved drug that is labeled for the indication unless that labeled therapy is ineffective as determined by the veterinarian.*

https://www.avma.org/news/fda-warns-against-use-unapproved-aspirin-lactating-dairy-cattle

If you have a cow currently being treated with aspirin, please stop giving aspirin. We recommend a withdrawal time of at least five days for both milk and meat after the last dose of aspirin.

The main alternative for treating cows with fever or pain is flunixin meglumine (Banamine® or generic flunixin), injectable (IV-use only) or Banamine® pour-on. There are also natural alternatives in the form of herbal tinctures or homeopathic remedies. Going forward, please work with your veterinarian to create a plan for treating cattle for pain and/or fever that does not use aspirin.

Although NOP rules allow the use of aspirin, we can no longer recommend its use in organic livestock as FDA authority supersedes that of USDA/NOP in matters regarding food safety. We haven't yet been informed of how certification agencies will handle this apparent discrepancy.

A major concern for all involved with dairy (both organic and conventional) should be the avoidance of "drug" residues in milk. Veterinarians are tasked with the responsibility of ensuring treatments they recommend do not result in illegal residues. Veterinarians working in organic dairy should also be concerned with residues caused by natural treatments such as herbal preparations and tinctures. For this reason, I routinely recommended withholding the milk from any organic cow treated for illness for 48 hours minimum. This applies to herbal remedies, tinctures, etc.

("drug" in this case means - Any substance (other than food) used to prevent, diagnose, treat, or relieve symptoms of disease or abnormal condition.)

This article will undoubtedly raise questions by organic dairy farmers and others involved with organic dairy. The need for timely information prevents us from providing all of the details surrounding this issue. We look forward to more coverage and dialogue on this topic.

For additional information: https://www.dvm360.com/view/fda-off-label-use-of-aspirin-in-lactating-dairy-cattle-is-prohibited ◆

Guy Jodarski, DVM, Holistic Veterinarian, can be reached at gjodarski@tds.net

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NOSB meeting in Portland October 22-24, 2024

This article concentrates on the Livestock Sub-committee work as that is the most relevant to NODPA producers. The next issue of NODPA News will have a more general report on the meeting. Thank you to the Cornucopia Institute for their excellent detailed recording of the meeting which was used in the recording of votes for this article.

Meloxicam

This article builds on the article in the September NODPA News which laid out the process the NOSB Livestock Subcommittee took in presenting a recommendation for voting by the full NOSB Board. Approving the addition of Meloxicam to the National List for use of all organic livestock was an issue that drew many farmer, veterinarian and industry commentators, all of whom believed that the drug would be a useful addition to existing drugs to relieve pain. In virtual and in-person comments, the major difference commenters had was the process that the Livestock subcommittee had followed in reaching a decision that the drug could be used on all livestock.

NODPA joined with Organic Farmers Association (OFA), National Organic Coalition (NOC), Western Organic Dairy Producers Alliance (WODPA) and other producers to urge the Board to support the use of Meloxicam, annotated only for the dehorning or disbudding of bovine calves under one year, and recommend that the Board send the broader uses of Meloxicam back to the Livestock Subcommittee and request an outside Technical Review to inform decision-making regarding potential uses for other livestock, including poultry. The Board's main argument for moving swiftly was that the petition came from producers. While the petitioners' companies do represent large volumes of organic milk sold in the US, (one of the petitioners is Aurora, the largest organic dairy in the US) the petition does not represent the views of all organic dairy producers and other livestock producers. Brands such as Maple Hill Creamery and milk buyers, for example Upstate Niagara, were not signatures to the petition. The petitioners were advised and assisted by past NOSB member John Foster of Wolf Associates.

In the 3 minutes allowed by the NOSB process, NODPA made the following points:

"The petition and Subcommittee review focused on Meloxicam as it applies to bovines rather than all livestock, and we have the following concerns with the Subcommittee decision to do an internal review rather than an independent Technical Review (TR):

1. An independent TR ensures the integrity of the NOSB process and verifies what is presented in a petition and the subcommittee review.
2. An independent TR provides a reference for all NOSB members, community members, reporters and concerned consumers on recommendations made.
3. A TR allows future Boards to understand the rationale behind the recommendation.
4. A TR provides an independent scientific assessment that will be used during the process of rule writing and review by different departments within the USDA and other agencies, especially the USDA Office of the General Council. An internal review by a FACA committee, which NOSB is, has little standing within the process.
5. The Subcommittee review has no mention of the qualifications of the committee members who completed the internal technical review, no printout of the internal TR, or any detailed notes in the Subcommittee minutes to show the discussion on the veracity of the review.
6. Approval of new drugs should not be based solely on ease of use, cheap cost, long-lasting effect, or animal welfare requirements of any one milk buyer but on following the NOSB process ensuring transparency and integrity. US consumers value less drugs used in organic and more reliance on herd health through practices that support natural behavior and herd immunity."

In the unusual, precedent-setting, and sometimes quirky, presentation by the two members of the Livestock subcommittee, they appealed to the emotional argument for animal welfare rather than the science of human health, protecting consumers and organic integrity. While showing a PowerPoint presentation of snapshots of the two Board members on the farm or lying against a cow when they were young, they produced a copy of an internal technical review. They requested that this review be introduced into the record. This was the first time that this document had become

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public and was not in the minutes of the subcommittee meetings. The presentation urged the Board to trust FDA, veterinarians, the detailed petition and the internal review just presented as describing the effectiveness of enforcement and control of the drug entering the food system. There was no reference to FDA records of the disciplinary action taken when products had tested positive. There was no data on how much testing is done for the drug which is commonly used conventionally for everything from scours for calves to increasing milk production for freshly lactating cows. While no one doubts the need for the highest standard of animal welfare and the experience of veterinarians, recommendation for withdrawal periods are standard practice within organic recommendations on the National List, even under the Animal Medicinal Drug Use Clarification Act of 1994 (AMDUCA). These annotations are easily referenced by producers and certifiers and ensure consistency across all operations. At this meeting, the Board approved prescription products to stay on the National List, all of them with annotated organic-specific withdrawal periods. Incredibly, the presentation also made the claim that Meloxicam would increase the production of organic pork and make it safer for kids to administer drugs to livestock. In answering questions from the Board, the Board members making the presentation admitted there was a lack of transparency and a lack of process, and they would learn to do better. After 5 years on the Board, they have run out of time to learn as their term on the NOSB Board ends at the end of the year.

The full Board, with one abstention, voted to approve the recommendation of the livestock subcommittee and allow the use of Meloxicam for all livestock under prescription by a veterinarian and with a withdrawal period two times what is required by FDA.

This recommendation now moves to the NOP for rulemaking. For producers, once approved through rulemaking, using Meloxicam will be the same process that they are accustomed to with other prescription drugs they use under their valid veterinary-client relationship.

On October 25, 2024, NODPA sent a letter to the NOSB Board Chair and the NOP because the NODPA Board *"are alarmed and displeased, that over the last few NOSB meetings in which farmers participated, we have noticed that farmers who have made the effort to make comments, have not received the respect they deserve.'* The letter goes on to say, *"What steps can be taken to ensure that commenters can feel respected and make their comments in a safe environment, free of any concern that they may be subject to toxic questioning?"* The letter requests the NOSB adds some language

to the Policy and Procedures manual to ensure Board members address commentators respectfully.

2026 Livestock Sunset Reviews

The following were approved to stay on the National List with no votes against:

Atropine

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable.

(3) Atropine (CAS #-51-55-8)—federal law restricts this drug to use by or on the lawful written or oral order of a licensed veterinarian, in full compliance with the AMDUCA and 21 CFR part 530 of the Food and Drug Administration regulations. Also, for use under 7 CFR part 205, the NOP requires:

(ii) A meat withdrawal period of at least 56 days after administering to livestock intended for slaughter; and a milk discard period of at least 12 days after administering to dairy animals.

Hydrogen Peroxide

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable.

Iodine

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable. (16) Iodine.

§ 205.603(b) As topical treatment, external parasiticide or local anesthetic as applicable. (4) Iodine.

Magnesium sulfate

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable. (19) Magnesium sulfate.

Fenbendazole

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable.

(23) Parasiticides—prohibited in slaughter stock, allowed in emergency treatment for dairy and breeder stock when organic system plan-approved preventive management does not prevent infestation.

Moxidectin

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable.

(23) Parasiticides—prohibited in slaughter stock, allowed in emergency treatment for dairy and breeder stock when organic system plan-approved preventive management does not prevent infestation.

Peracetic acid/Peroxyacetic Acid

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable. (24) Peroxyacetic/peracetic acid (CAS #-79-21-0)—for sanitizing facility and processing equipment.

Xylazine

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable.

(30) Xylazine (CAS #-7361-61-7)—federal law restricts this drug to use by or on the lawful written or oral order of a licensed veterinarian, in full compliance with the AMDUCA and 21 CFR part 530 of the Food and Drug Administration regulations. Also, for use under 7 CFR part 205, the NOP requires:

(i) Use by or on the lawful written order of a licensed veterinarian, and;

(ii) A meat withdrawal period of at least 8 days after administering to livestock intended for slaughter; and a milk discard period of at least 4 days after administering to dairy animals.

Tolazoline

§ 205.603(a) As disinfectants, sanitizer, and medical treatments as applicable. (29) Tolazoline (CAS #-59-98-3)—federal law restricts this drug to use by or on the lawful written or oral order of a licensed veterinarian, in full compliance with the AMDUCA and 21 CFR part 530 of the Food and Drug Administration regulations. Also, for use under 7 CFR part 205, the NOP requires:

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(iii) A meat withdrawal period of at least 8 days after administering to livestock intended for slaughter; and a milk discard period of at least 4 days after administering to dairy animals.

Oxalic acid dihydrate
§ 205.603(b) As topical treatment, external parasiticide or local anesthetic as applicable. (8) Oxalic acid dihydrate—for use as a pesticide solely for apiculture.

DL-methionine
§ 205.603(d) As feed additives. (1) DL-Methionine, DL-Methionine—hydroxy analog, and DL-Methionine—hydroxy analog calcium (CAS #'s 59-51-8, 583-91-5, 4857-44-7, and 922-50-9)—for use only in organic poultry production

Trace Minerals
§ 205.603(d) As feed additives. (2) Trace minerals, used for enrichment or fortification when FDA approved.

Vitamins
§ 205.603(d) As feed additives. (3) Vitamins, used for enrichment or fortification when FDA approved.

Proposal: Annotation Change – DL-methionine
Vote: Motion to amend the annotation of DL-Methionine on the National List at 7 CFR 205.603(d)(1) as follows:
§ 205.603(d) As feed additives.
(1) DL-Methionine, DL-Methionine—hydroxy analog, and DL-Methionine—hydroxy analog calcium (CAS #'s 59-51-8, 583-91-5, 4857-44-7, and 922-50-9)—for use only in organic poultry production ~~at the following pounds of synthetic 100 percent methionine per ton of feed in the diet, maximum rates as averaged per ton of feed over the life of the flock: Laying chickens—2 pounds; broiler chickens—2.5 pounds; turkeys and all other poultry—3 pounds.~~

Yes: 14; No: 0; Abstain: 0; Recuse: 0; Absent: 1. Motion succeeds.

Iodine

Summary of Review:

Vote: Motion to send this back to subcommittee. Yes: 14; No: 0; Abstain: 0; Recuse: 0; Absent: 1. Motion carries to send this issue back to the subcommittee. ◆

ORGANIC PRODUCTION

Ask the Vet

Dayna Locitzer, DVM

I've been having lots of trouble with my young calves recently, do you have any tips?

Photo by Han Mengqi, Unsplash.com

I like to say that it is important to treat your heifer calves like they are princesses because they will become queens. They will become the heart of your farm and the principal drivers of farm income. While it can be complicated to hone in your systems for raising healthy heifers, there are key concepts to guide each stage of heifer development from birth to weaning. The stages that are important to differentiate are: the first 24 hours of life, under two weeks old, two weeks to pre-weaning, and weaning. Each of these periods have unique characteristics that require special attention that, if you are aware of, you can tailor your infrastructure to accommodate.

First 24 Hours

The first 24 hours after birth may be the most important period of a calf's life. This is when their body is most porous, which serves a vital function but also poses a high risk. When a calf is first born, it is the only time that their intestinal tract will absorb large particles. This is because they must absorb antibodies from colostrum which provide them with an immune system before they are able to build their own. As the hours go by, the calf's gut becomes less porous. Knowledge of this feature of a calf's gastrointestinal tract is important for two reasons. First, it is imperative that calves get colostrum as soon as possible. A good rule of thumb is 4 L of colostrum within 4 hours of life. If they do not receive colostrum in the appropriate time frame, their immune system will have no protection against outside pathogens.

The second reason is because not only can colostrum be absorbed, but bacteria and viruses can as well. This puts the calf at risk of contracting severe disease at an early age. In fact, if the calf swallows something other than colostrum, the gut will start to close up faster as a protection mechanism. This means it is vital to keep the maternity pen clean in order to prevent the calf from getting a mouthful of manure instead of colostrum. Keeping the maternity pen clean is also important because the umbilical cord is also very porous and is an efficient avenue for bacteria to get into the bloodstream in those first 24 hours. Calf navels should be dipped with a strong iodine solution at least every 8 hours for the first 24 hours to help prevent bacterial infection and sepsis via the umbilical cord.

Two Days to Two Weeks

Ok, they have made it past day one, now what? While day one might be the most important, they are still considered neonates until two weeks old and there are critical things to keep in mind during that time. During their first two weeks, calves should get increasingly more milk as they grow. Calves should be getting AT LEAST 10% of their body weight in milk every day. Neonates are particularly susceptible to certain diseases, including pneumonia and diarrhea. Providing young calves with more milk has been proven to help combat disease pressure better than any antibiotic.

While you are building up calves' immune systems by feeding adequate quantities of high-quality milk, it is vital that you minimize their exposure to pathogens. This means providing your calves with a clean place to live and ample ventilation. Make sure to regularly clean out their pens and provide them with fresh bedding. Do your best to make sure the pathogens that may be present from the previous calf in that pen don't contaminate the environment of the new calf. After a calf is weaned, the pen she was in should be deep-cleaned and allowed time to rest before the next calf moves in. If you are group housing calves, consider raising groups in an "all-in, all-out" manner rather than continually adding and removing calves from a pen.

Ventilation is important to consider in both the summer and winter. Summer is easy: windows and walls can be opened, calves

can be outside, and fans can be blowing. In the winter months, make sure to have systems in place for adequate ventilation. Stagnant air holds pathogens and particulate matter that can not only irritate a calf's respiratory tract but also infect her with disease. If you don't have indoor calf housing with adequate ventilation, set up calf hutches outside and use calf blankets. Calves can tolerate cold better than they can tolerate stagnant air.

Two Weeks to Before Weaning

Once calves have passed the neonate stage, they are a little more hardy. This is a time when their immune system starts to work on its own and they are more resilient. This time of their life should be focused on growing; they should be growing 1-2 lbs per day. In order for them to accomplish this, they need to be fed adequate milk. By two weeks of age, calves should be getting a gallon of milk twice daily. Jersey calves will need a little less, and large Holstein calves will need more. In the wintertime, when calves need to expend more energy to keep warm, you could increase their milk by adding a 3rd feeding in a day.

Calves will also need calf grain, high-quality hay, and free-choice access to clean water. The hay provided should have roughage with a balance of green leafy material. Roughage is a crucial element because it will help with rumen development. As calves get older they will start to get more energy from grains and forages and will be less dependent on milk. So the supplemental feed you provide them becomes crucial.

Weaning Stage

As they approach weaning, their milk can be reduced and grain increased, both gradually. At weaning, calves should be eating 3-5 lbs of a calf-specific grain daily. It is important to recognize that whole milk is about 28% fat and 25% protein (% dry matter). As calves' milk intake is reduced, they must be provided with high-quality forages and grains to make up for the reduction in the high fat and protein milk of their previous ration. Calf grains usually have 20% protein, likely much higher than your dairy grain. These age specific grains also have targeted vitamin and mineral content geared towards that life stage. Providing a high plane of nutrition is vital in order to meet growth demands.

Weaning age is dependent on your farm's system. Conventionally, calves can be successfully weaned onto a diet of grain and hay at about two months old. If their diet is more heavily reliant on forages, like on organic farms, it might be helpful to delay weaning to three months. If you are raising your calves as certified grass-fed, they should not be weaned before four months old. Pre-weaned calves are not ruminating yet. This means that, unlike adult cows, they are not able to convert forages into energy and will require more direct energy inputs. The rumen fully develops between four and six months old. If calves are weaned and not provided with grain, they need to be able to efficiently convert forages into energy. This means a grass-fed calf or a calf fed minimal grain should be weaned later to give their rumen a chance to develop more fully.

The principles of raising healthy calves are the same as most other animals: provide them with a clean and comfortable place to live and nutritious, age-appropriate food. These principles will provide you with good guidelines for preventative care in order to stave off disease. Raising heifers is an investment in the future of your farm. Improving your systems might cost money, but it will pay you back with healthy cows. As the saying goes, happy cows make more milk, and I would add healthy calves make happy cows. ◆

Dr. Dayna Locitzer has over 10 years of experience working with pasture-based dairies in the Northeast. She worked on organic dairy farms in the Hudson Valley of New York for six years before starting vet school. After veterinary school, Dr. Locitzer spent four years in the Brattleboro, Vermont area serving the small dairies in that region. She recently moved back to the Hudson Valley to join Columbia Veterinary Services in Hudson, NY where she works exclusively as a farm animal veterinarian.

Do you have a question for Dr. Locitzer, or an area you'd like her to focus on in future issue? Please send them to the NODPA News editor, noraowens@comcast.net who will share them with her.

ORGANIC INDUSTRY NEWS

2023 Production and Financial Benchmarks for New York Organic Dairies

By Mary Kate MacKenzie, Farm Business Management Specialist
PRO-DAIRY, Department of Animal Science, Cornell University

Introduction

Financial benchmarking provides a valuable tool for farm managers to assess business performance and identify strengths and weaknesses. Yet information about the financial performance of organic dairies in New York can be difficult to find. The Dairy Farm Business Summary and Analysis Program (DFBS), housed at Cornell University, dates to the 1950's and is arguably the most robust and longstanding dairy benchmarking program in the country.

Mary Kate MacKenzie

Participation in the DFBS is voluntary, and the number of certified organic dairies completing the annual summary has fluctuated over the years. After generating organic dairy benchmark reports for 2010 and 2011, the DFBS program did not publish any organic dairy data from 2012 to 2022, due to low participation by organic dairies over that period. In recent years, the number of organic dairies in the DFBS has risen, reaching the threshold to publish aggregate data for 2023. The resulting report, titled "New York Organic Dairy Cost of Production: 2023 Benchmarks and Financial Performance," is available on the PRO-DAIRY website at https://cals.cornell.edu/pro-dairy/our-expertise/business/business-resources. This article summarizes key points from that report.

Methods

PRO-DAIRY and Cornell Cooperative Extension farm business management educators work closely with dairy operators to complete the DFBS on an annual basis. Farms contribute detailed financial, production, and labor information. Farm revenues and expenses are adjusted for changes in inventory, prepaid expenses, accounts payable, and accounts receivable, and are reported on an accrual basis. Participating farms receive a set of financial statements and comparison reports useful for benchmarking their performance against other farms.

Fifteen certified organic dairies across nine counties in New York completed the DFBS for 2023. These farms managed a combined total of 2,395 cows and 10,615 crop acres, and produced 39.8 million pounds of milk. None of the participating farms held a grass-fed certification; they all included grain in their lactating cow ration to varying degrees. DFBS data from these farms were aggregated to generate production and financial benchmarks for 2023. Additionally, the report divides the farms into two profitability groups based on their rate of return on all assets (ROA) before appreciation to compare characteristics of eight lower profit versus seven higher profit organic dairies.

As a voluntary sample, participating farms are not representative of all organic dairies in New York. USDA organic survey data suggest that New York organic dairies managed 69 cows and produced 11,610 pounds of milk per cow, on average, in 2021. DFBS collaborators tend to have larger herds and higher milk production than the state average.

Herd Size and Milk Production

Herd size averaged 160 cows per farm, with 0.69 replacement heifers per cow. Average milk sold was 2.62 million pounds per

farm, or 16,189 pounds per cow. Variation in milk per cow within the group was large. Half the farms produced more than 19,000 pounds per cow, and farms in the top 20% of per cow made more than twice as much milk per cow as farms in the bottom 20%. This variation reflects differences across farms in cattle breeds and management practices. Of the 2,395 total dairy cows managed across the 15 farms, most were Holstein (68.3%), with the remainder split between Jersey (15.3%), and crossbred cows (16.4%). Farms used a variety of milking systems, including pipelines, parlors, and robots. Most farms milked twice daily, although four farms milked more than twice a day, using automated milking systems or milking some groups three times per day in the parlor.

Higher profit farms had 33% more cows and made 16% more milk per cow, on average, compared to lower profit farms. As a result, higher profit farms shipped 1.08 million more milk pounds, on average, than lower profit farms in 2023.

Table 1. Dairy Farm Business Summary Selected Factors
15 New York State Organic Dairy Farms, 2023

Selected Factors	Average	Low Profit Average	High Profit Average
Number of farms	15	8	7
Size of Business			
Average number of cows	160	138	184
Percent heifers to cows	69%	65%	73%
Total milk sold (lbs)	2,620,549	2,118,811	3,193,965
Full-time worker equivalents (FTE)	4.4	3.8	5.0
Rates of Production			
Milk sold per cow (lbs)	16,189	15,059	17,479
Hay yield per acre (dry matter tons)	2.5	2.4	2.6
Corn silage yield per acre (tons harvested)	14.7	11.8	18.3
Corn grain yield per acre (dry shelled bu)	118.0	85.2	142.6
Total forage yield per cow (dry matter tons)	6.5	6.5	6.5
Total crop and pasture acres per cow	4.8	5.2	4.3
Total pasture acres per cow	1.6	2.0	1.1
Crop Input Costs			
Fertilizer cost per acre	$38.64	$49.47	$26.27
Seed cost per acre	$51.30	$59.47	$41.97
Other crop input cost per acre	$3.27	$5.08	$1.20
Fuel cost per acre	$69.51	$64.32	$75.45
Labor Efficiency & Costs			
Hired labor hours as % of total labor hours	55.0%	55.5%	54.4%
Hired labor cost per hour	$18.66	$17.16	$20.37
Hired labor cost per FTE	$51,495	$47,353	$56,229
Cows per worker	38	37	39
Milk sold per worker (lbs)	604,938	539,773	679,413
Hired labor cost per cwt	$5.59	$6.16	$4.93
Breakeven Costs of Milk Production			
Operating cost to produce milk per cwt	$30.69	$42.39	$34.60
Purchased input cost to produce milk per cwt	$35.56	$40.57	$29.83
Total costs to produce milk per cwt	$46.24	$50.11	$41.82
Operator and family contributions per cwt	$10.68	$9.54	$11.99
Investment and Debt Levels (average for the year)			
Farm capital per cow	$21,652	$19,418	$24,204
Farm debt per cow	$6,114	$6,612	$5,545
Debt to asset ratio	0.29	0.33	0.24
Profitability			
NFI per cow without appreciation	$306	-$689	$1,444
NFI per cow with appreciation	$1,911	$1,143	$2,789
ROE without appreciation	-4.6%	-12.4%	4.3%
ROA without appreciation	-0.3%	-4.6%	4.6%
ROE with appreciation	5.2%	0.4%	10.7%
ROA with appreciation	6.7%	4.4%	9.3%

Crop Production

Organic dairies managed an average of 4.8 crop acres per cow, including tillable acres and permanent pasture. They grazed an average of 1.6 acres per cow, yet pasture use ranged from less than 0.9 to more than 2.3 acres per cow. Hay yields averaged 2.5 dry tons per acre, although this includes acres used for both hay and pasture without accounting for pasture production. Nine of the 15 farms grew corn silage in 2023, with an average yield of 14.7 tons per acre. Seven of the 15 farms grew corn for grain, with an average yield of 118 dry shelled bushels per acre. Most raised forages and grain crops were utilized on the farm, with 60% of farms reporting little or no cash crop sales. Yet 20% of farms reported modest cash crop sales of $99 to $161 per cow, and the remaining 20% reported higher cash crop sales of $750 or more per cow.

Higher profit farms used land and crop inputs more efficiently. Both profit groups harvested an average of 6.5 dry tons of forage per cow, excluding pasture, yet the higher profit group accomplished this with larger yields per acre and fewer acres per cow. The higher profit group averaged 4.3 acres per cow, compared to 5.2 acres per cow for the lower profit group. Hay yielded 9% more per acre and corn silage yielded 56% more per acre, on average, for the higher profit farms. Despite achieving higher yields, higher profit farms spent 39% less on crop inputs, with an average cost of $69.44 per acre for fertilizer, seed, and other crop inputs, compared to $114.02 per acre for the lower profit group.

Milk Price & Income Generation

Gross milk revenue averaged $37.73 per cwt in 2023. Gross milk revenue encompasses all income from the sale of milk, plus milk cooperative patronage payments and income from milk price risk management programs, including the Dairy Margin Coverage (DMC) program. Although DMC payments are determined by conventional milk prices and feed costs, organic dairies are eligible to enroll. Income from milk price risk management efforts averaged $2.78 per cwt among farms in our sample, comprised mostly if not entirely of the net DMC payments for 2023.

Table 2. Accrual Receipts and Expenses per Cwt
15 New York State Organic Dairy Farms, 2023

Accrual Operating Receipts	Average	Low Profit Average	High Profit Average
Milk	$37.73	$36.28	$39.37
Dairy cattle	$1.97	$1.96	$1.99
Dairy calves	$0.44	$0.51	$0.37
Other livestock	$0.10	$0.18	$0.01
Crops	$3.60	$2.35	$5.03
Miscellaneous receipts	$2.10	$2.09	$2.10
Total Operating Receipts	$45.94	$43.37	$48.87
Accrual Operating Expenses			
Hired labor	$5.59	$6.16	$4.93
Dairy grain & concentrate	$9.66	$10.71	$8.45
Dairy roughage	$1.48	$2.26	$0.59
Nondairy feed	$0.01	$0.02	$0.00
Professional nutritional services	$0.01	$0.01	$0.00
Machine hire, rent & lease	$2.23	$1.67	$2.87
Machine repair & vehicle expense	$3.49	$3.66	$3.30
Fuel, oil & grease	$1.78	$1.83	$1.73
Replacement livestock	$0.23	$0.32	$0.13
Breeding	$0.22	$0.18	$0.25
Veterinary & medicine	$0.53	$0.66	$0.37
Milk marketing	$0.52	$0.59	$0.43
Bedding	$0.48	$0.67	$0.28
Milking supplies	$0.83	$0.80	$0.87
Cattle lease	$0.03	$0.05	$0.00
Custom boarding	$0.00	$0.00	$0.00
Livestock professional fees	$0.15	$0.18	$0.11
Other livestock expense	$0.29	$0.31	$0.28
Fertilizer & lime	$1.09	$1.52	$0.59
Seeds & plants	$1.63	$1.86	$1.37
Spray & other crop expense	$0.11	$0.18	$0.02
Crop professional fees	$0.06	$0.10	$0.00
Land, building & fence repair	$0.96	$1.40	$0.47
Taxes	$1.08	$1.25	$0.89
Real estate rent & lease	$1.35	$1.12	$1.62
Insurance	$0.77	$0.70	$0.85
Utilities	$1.07	$1.27	$0.84
Interest paid	$2.12	$1.88	$2.40
Other professional fees	$0.45	$0.63	$0.26
Miscellaneous	$0.55	$0.42	$0.70
Total Operating Expenses	$38.75	$42.39	$34.60
Expansion livestock	$0.15	$0.23	$0.06
Extraordinary expense	$0.00	$0.00	$0.00
Machinery depreciation	$3.38	$3.59	$3.14
Real estate depreciation	$1.48	$1.44	$1.53
Total Expenses	$43.77	$47.66	$39.33
Net Farm Income Without Appreciation	$2.16	-$4.29	$9.54
Net farm income with Appreciation	$13.46	$6.47	$21.45

Non-milk revenue averaged $8.21 per cwt, resulting in total accrual operating receipts of $45.94 per cwt. Milk revenue comprising 82.1% of the total. Crop revenue, which includes cash crop sales and crop insurance payments plus changes in raised crop inventories, averaged $3.60 per cwt and made up 7.8% of total sales. Revenue from dairy cattle, calves, and other livestock products averaged $2.51 per cwt or 5.5% of total farm income. Miscellaneous receipts, which include government receipts, custom hire income, and other sources of farm income, averaged $2.10 per cwt, accounting for the remaining 4.6%. Payments from the Organic Dairy Marketing Assistance Program (ODMAP) are entered as government receipts. In 2023, ODMAP paid organic dairies up to $1.10 per cwt based on their actual 2022 milk production or projected 2023 milk production.

Higher profit farms generated $5.50 per cwt more in total operating receipts, on average, driven by $3.09 per cwt more in milk revenue and $2.68 per cwt more in crop revenue. Variation in milk revenue reflects price differences across milk cooperatives, as well as farm-level differences in component production, milk quality, and milk price risk management efforts. Within a single crop season, differences in crop revenues across farms may reflect variation in crop management practices, crop marketing decisions, crop insurance coverage, growing conditions, or all four.

Labor Efficiency and Cost

Smaller dairies tend to use a greater percentage of family labor relative to hired labor, and organic dairies are no exception. Hired labor comprised 55% of total labor hours, on average, yet it ranged from less than 19% to more than 81% of the total labor hours. The average cost of hired labor was $18.66 per hour, or $51,495 per hired full-time worker equivalent (FTE), which the DFBS defines as 2,760 hours per year. Organic dairies managed 38 cows per FTE, on average, and shipped 604,938 pounds of milk per FTE. Older facilities and equipment constrain labor efficiency on some farms, as one-third of participating dairies used tiestall barns to house some or all lactating cows, and 20% used pipeline systems to harvest milk.

Despite the relatively high proportion of operator labor on organic dairies, hired labor was the second largest cost category. Farms spent $5.59 per cwt on hired labor, on average, equal to 14.4% of the total operating expense. Although the proportion of hired labor was similar for both profit groups, the higher profit farms used labor more efficiently, managing 5% more cows per FTE and shipping 26% more milk per FTE. Higher profit farms paid higher wages, spending $8,876 more per FTE, on average. Yet their labor efficiency advantage resulted in a 20% lower hired labor cost per cwt.

Production Cost Benchmarks

Purchased feed was the largest single cost on organic dairies, reaching $11.14 per cwt in 2023. Farms spent an average of $9.66 per cwt on grain and concentrates, and $1.48 per cwt on forages. Purchased feed comprised 28.7% of the total farm operating expense, yet spending on feed varied widely across farms, reflecting differences in feeding practices, feed efficiency, feed prices, and cropping strategies.

Organic milk producers benefited from relatively low milk marketing costs in 2023. The average cost of marketing organic milk was $0.52 per cwt, although it ranged from less than $0.18 to more than $1.08 per cwt. Milk marketing comprised 1.3% of their total operating expense, on average. In contrast, 30 conventional dairies with fewer than 500 cows completed the DFBS in 2023 and reported an average milk marketing expense of $2.21 per cwt, accounting for 9.5% of their total operating expense.

The total farm operating expense for organic dairies averaged $38.75 per cwt before depreciation. After accounting for depreciation costs averaging $4.86 per cwt and expansion livestock purchases averaging $0.15 per cwt, the total farm expense rose to $43.77 per cwt. This represents the total accrual cost to run the farm before any accounting of operator and family contributions of labor, management, and equity capital.

The average total operating expense on higher profit farms was $7.80 less per cwt than on lower profit farms. Higher profit farms spent $3.94 less per cwt on purchased feed and $1.23 less per cwt on hired labor. These two cost categories account for two-thirds of the difference in operating expenses between the profit groups. Higher profit farms also spent $1.57 less per cwt on crop inputs and $0.10 less per cwt on fuel, which may reflect their use of fewer acres per cow. Higher profit farms spent $1.20 more per cwt on custom hire and machinery rent, yet this difference was partially offset by their spending $0.36 less per cwt on machinery repairs and $0.45 less per cwt on machinery depreciation. Higher profit farms spent $0.49 more per cwt on real estate rent, yet they spent $0.36 less per cwt on real estate taxes and $0.93 less per cwt on real estate repairs. Higher profit farms also spent $0.52 more per cwt on interest, despite having 16% less debt per cow.

Breakeven Costs of Milk Production

The DFBS calculates production cost measures that farms can use to evaluate three breakeven points compared to their gross milk revenue. The Operating Cost to Produce Milk is calculated by adding any expansion cattle purchases to the total farm operating expense, then subtracting non-milk revenues. This measure represents operating costs that must be covered by the sale of milk. In 2023, the Operating Cost to Produce Milk averaged $30.69 per cwt.

The cost of depreciation and any extraordinary expenses are added to the Operating Cost to Produce Milk to calculate the Purchased Input Cost to Produce Milk. This measure represents operating costs that must be covered by the milk check plus capital

replacement costs. The Purchased Input Cost to Produce Milk averaged $35.56 per cwt in 2023.

The third measure, the Total Cost to Produce Milk, incorporates the opportunity costs associated with operator and family contributions of labor, management, and equity capital to the business. In 2023, the total value of operator and family contributions averaged $10.68 per cwt, and the Total Cost to Produce Milk averaged $46.24 per cwt.

Average milk revenue of $37.73 per cwt exceeded the average Operating Cost to Produce Milk by $7.04, and it surpassed the Purchased Input Cost to Produce milk by $2.17, yet it was $8.51 less than the Total Cost to Produce Milk. This suggests that earnings from the sale of organic milk were sufficient to cover annual operating expenses and capital replacement costs, on average, but they did not cover all opportunity costs associated with operator labor, management, and capital.

Notably, organic diaries would not have achieved this level of performance in 2023 without income from the DMC and ODMAP programs. Income from the DMC program is classified as milk revenue in the DFBS, while income from ODMAP is classified as non-milk revenue. If organic dairies had received no milk price risk management payments in 2023, milk revenue would have been reduced by $2.78 per cwt, on average, and it would have fallen short of the Purchased Input Cost to Produce Milk by $0.61 per cwt. Furthermore, without ODMAP payments in 2023, non-milk revenue would have been lower, and all three production cost measures would have increased by that amount. In future years, organic dairies may receive considerably less or no revenue from the DMC program, depending on conventional milk income over feed cost margins. In 2024, the ODMAP payment rate will increase to $1.68 per cwt. However, funding for ODMAP has come from Commodity Credit Corporation funds left over from earlier pandemic assistance programs. Once those funds are exhausted, the future of ODMAP is unclear.

Investment Levels and Returns

Total capital investment on organic dairies averaged $21,652 per cow, while debt averaged $6,114 per cow. Most farms held a strong solvency position, with the debt to asset ratio averaging 0.29. Yet investment per cow was high compared to conventional dairies in the DFBS. A group of 30 smaller conventional dairies with an average herd size of 253 cows reported the same average debt to asset ratio of 0.29 in 2023, yet their total capital investment was 29% lower at just $15,411 per cow. These 30 conventional dairies averaged 2.5 tillable acres per cow and owned 51% of those acres. Higher land utilization per cow by organic dairies may explain some of this difference in capital investment. With profitability being a measure of farm profit divided by the total investment, dairies with greater capital investment must achieve higher earnings to generate the same rate of return.

Farm profit, measured by net farm income, is the return to the family for working, managing, and investing in the business. Net farm income for the 15 organic dairies in our sample averaged $306 per cow or $2.16 per cwt before appreciation. After accounting for changes in market values of farm assets, net farm income with appreciation averaged $1,911 per cow or $13.46 per cwt. The large difference between net farm income with and without appreciation reflects modest to substantial increases in cattle, equipment, and real estate values recorded by some farms on their year-end market value balance sheet.

Rate of return on equity (ROE) and rate of return on assets (ROA) are measures of profitability that indicate how efficiently a business uses capital investment to generate profits. Without appreciation, ROE averaged -4.6% and ROA averaged -0.3%. More than half of organic dairies showed negative rates of return to equity capital and all capital before appreciation, signaling that they did not generate positive returns on their investment through farm operations in 2023. However, most farms did show a positive return after accounting for appreciation of farm assets. With appreciation, ROE averaged 5.2% and ROA averaged 6.7%.

Conclusions

While some organic dairies in New York generated positive returns on their investment through farm operations in 2023, more than half of DFBS participants did not. Higher profit farms tended to have larger herds and higher milk production per cow, and to use land and labor more efficiently. Yet most of the participating farms were profitable only after accounting for asset appreciation. Although appreciation represents a true source of earnings, it cannot be converted into cash without liquidating farm assets. To maintain a viable business over time, a farm must achieve adequate earnings from operations. Payments from the DMC and ODMAP programs significantly boosted earnings for organic dairies in 2023, yet farms cannot rely on consistent income from these programs in future years. These data raise concerns about the economic viability of organic dairies in New York, especially those in the lower profit group, yet it would be misguided to draw conclusions about long-term business viability from a single year of financial data. Ultimately, ongoing participation by organic dairies in the DFBS will help to provide better insights into the health and sustainability of New York's organic dairy sector. ◆

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FEATURED FARM

WRIGHT WAY DAIRY

RUSSELL, NY

continued from page 1

for future generations of small farmers. The success of their dairy farming exit strategy was built upon the many years they spent growing a healthy dairy herd; learning, growing and advocating for small organic dairies; and making decisions which allowed their farm to be positioned to be financially viable into the future.

"George and Linda above all have been and are incredibly supportive of NODPA and its mission. They turn up, pay more than their financial share and do the work necessary to advocate for a fair and level playing field for all organic dairies," said Ed Maltby, Executive Director of NODPA. "Above all they are fine and generous people who live the talk."

Living their values meant positioning Wright Way Dairy - which they built carefully and incrementally over the last three decades - to remain a family farm. They could have made more money selling the land if they opted to do so. Large dairy farms, as well as solar companies purchasing large parcels of farmland for extensive solar arrays, are active in their area, purchasing land from farmers with no other retirement options, or who are ready to selling to the highest bidder.

"We are close to farms that are milking 1500 - 4000 cows," George said, and easily could have sold their land to these farms, which are "not small, and not family."

The Wrights were in a position where they could take "very reasonable offers" from several Amish farmers seeking land to begin their own family dairy farms. And while that solution was

George and Linda Wright, 2024.

part serendipity, it was also part of an intentional plan the Wrights set in motion long ago, deciding to position their farm for the next generation, despite not having any children of their own, and having nieces and nephews who enjoyed the farm, but didn't want to become farmers.

"Sometimes there's more to it than money," Linda said.

Beginnings

George and Linda came from Vermont, where George was raised on a conventional dairy farm. They were seeking more affordable land for their own dairy farm, and ultimately decided to purchase a farm in 1991. They resided in Vermont to assist Linda's parents until 1995, renting out the farm in New York.

The farm did not have a pipeline milking system, as buckets were still being used, so installing a pipeline was the first order of business. They purchased a small dairy herd from Vermont, and soon were conventionally milking 22 very large Holsteins. By June of 1996, they were shipping milk to Allied Federated Cooperative, and in August they opted to purchase a mixed herd of Jersey crosses, bringing total cow numbers to 44.

The original 230 acres were 50 percent tillable and pasture, with the rest in forest and swamp. The Wrights didn't own any big equipment, and were purchasing corn silage to supplement their hay and

FEATURED FARM

pasture. The first three or four years of purchasing feed, they were "losing our shirt," George said. As they could, they rented more land for growing crops, and experimented with corn, but found the return on the investment was poor.

The pay price for conventional milk was "awful," and some friends nearby had been the first dairy farmers in the area to transition to organic. This was the time period when agricultural professionals, including Cornell Cooperative Extension, were saying that organic dairy farming could not work. There were no experts in the field, and most dairy farmers would scoff at the idea. A dozen small dairy farmers in their region banded together and helped one another make the transition, "figuring out how to make it work. Everybody kind of mentoring one another," George said.

A representative from Horizon visited the farm, and the Wrights decided to transition. At that time, the transition period was different and less intensive than it is today. Their land was already chemical-free, and the cows only needed a three-month transition. With 50 milking and 100 head total, they made the switch and never regretted doing so. After certifying with NOFA-NY, they began shipping organic milk in 2000, and were averaging $11.00/cwt for the year.

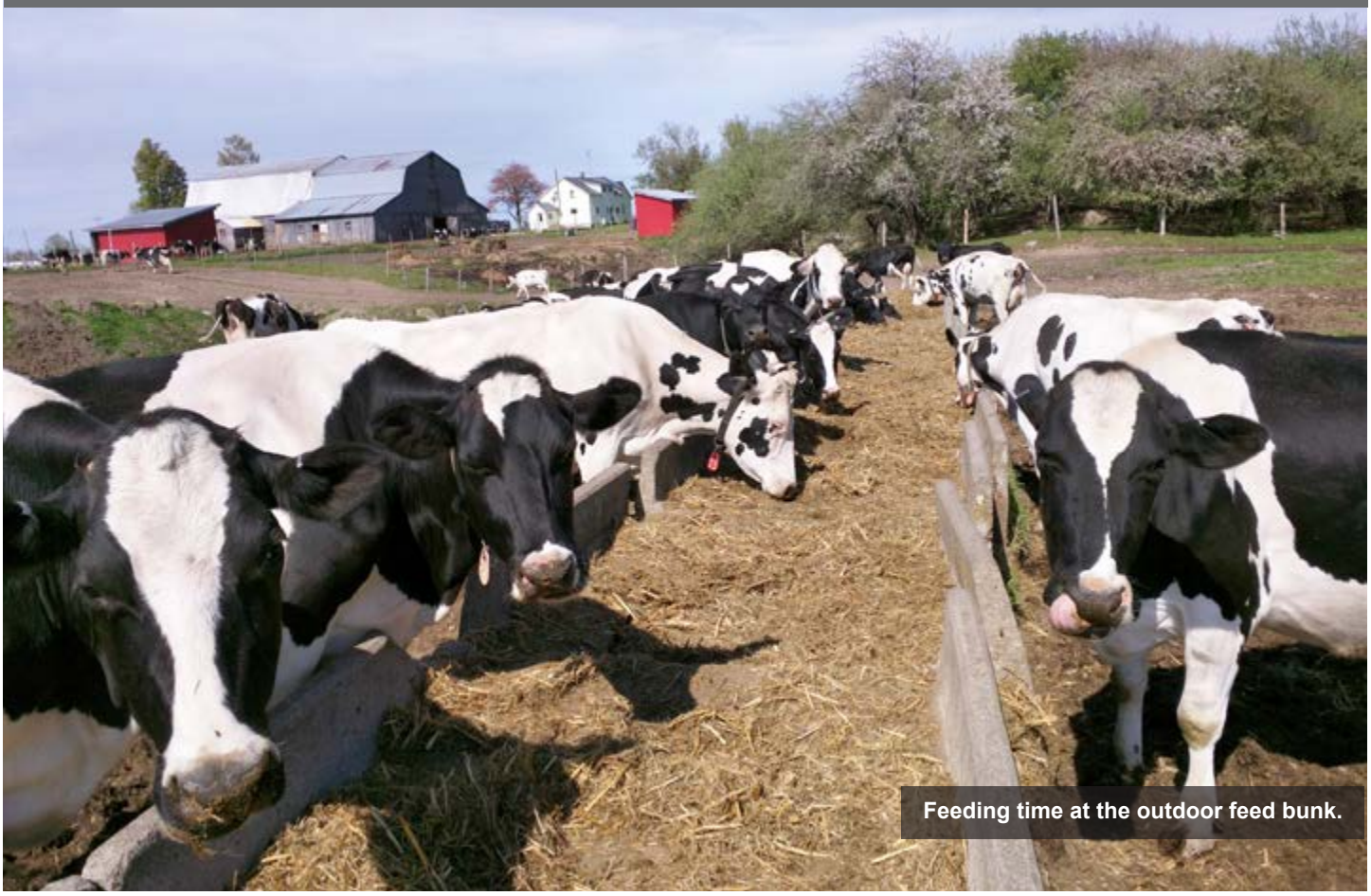
They made goals for the farm: not to invest in expensive, big equipment; to milk 50 cows year-round; to raise their own young stock and to grow their own feed as much as possible.

They purchased another 250 acres one mile from the home farm in 2000, with one-half of the land tillable, increasing both the grazing land and the land for growing feed, with most of their pasture land also being used for hay. They would take a first cutting of hay, then fence the pasture and let the cows harvest the second and third cuttings. They decided to switch to round bales when they went organic, so they could wrap and store it easily, and save on equipment costs. They opted to grow sorghum as a supplement, which fit into their system and worked well, and feed a 50/50 mix of hay and grass, top-dressing with some grain.

While milk production did drop from conventional to organic when they transitioned, they found that the purchase of a vertical mixer helped to keep the feed consistent. They top dressed with grain to keep the condition on the cows, but not to increase production, George said. Once they began using the mixer, they increased milk production by 15 percent.

An early photo of Wright Way Dairy.

FEATURED FARM



Feeding time at the outdoor feed bunk.

"It took three or four years to get our feet on the ground with organic," George said. "One of the biggest setbacks we had was that there was no place to buy organic grain."

Finding certified organic grain was a major challenge in the first four or five years after transitioning. At this time, there were big companies touting their organic grains, and there was fraud. Lakeview Organic Grain - fellow NODPA members Mary-Howell and Klaas Martens - became the exclusive and trusted source of their organic grains for the past 15 years, George said.

A consistent source of high-quality organic grains was, like the vertical mixer, a game-changer.

The Wrights also found that adding 100 pounds of molasses per ton of grain helped to keep the cows' feed intake consistent, even when the feed ingredients were changing. The molasses kept the smell consistent, so the cows wouldn't balk at the changes. And they were careful to make very little change to the feed, incorporating the new with the old incrementally.

"Cows, like most people, hate change," George said. "Quality feed, quality hay, quality pasture. Keep stress down." Linda added that consistency is important for organic dairy success. "Get a plan and stick with it."

That is just what the Wrights did. Once they embarked upon organic dairy farming, they focused on treating pasture as a crop, and set out to improve it. The manure from the tie-stall barn was spread effectively all over the farm. They never spread on frozen ground, to prevent nutrient loss, and piled the manure in the winter. They never had more manure than they could use on their land, and also utilized lime and chicken manure as warranted to build their soil base.

"Cows aren't goats," Linda said. "Put something in to get something out," by not skimping on pasture nutrition. Any health issues they saw while on pasture were remedied by adding nutrients. They provided salt, bicarb and separate minerals in tubs on pasture at all times. "They know what they need," and will selectively consume it when needed.

The cows grazed rotationally from May through September and often into October. Keeping the animal numbers in proportion to the pasture available to graze was crucial, and adding pasture so the cows could have access to quality grass was key to their success. They opted to purchase more land, always growing their land base, instead of building a freestall barn.

Building Resilience

The couple did upgrade the stanchion pipeline milking system in the existing tie stall, enhancing pulsation and keeping up

FEATURED FARM


Wright Way Dairy herd grazing.

with general maintenance. With the money they didn't invest in infrastructure, they were able to eventually grow the farm to 700 total acres, with 1/2 of that tillable with improved pastures, by 2010.

"I'm glad we did what we did," investing in the land base, Linda said.

"We didn't see how the barn would pay us in the end. We didn't have anyone to pass it onto," George said. They realized that "the more land we have, the better off our portfolio was. We farmed it very successfully, and were able to pay off a portion of our debt."

There weren't too many changes they needed to make for the transition to organic production. The Wrights were already well versed in "home remedies" and had grown up using these on humans, too. They used them to treat cows even when conventional, partly due to the cost of veterinary care and medications, and partly because they were effective. Finding a veterinarian who understood organic principals, or was willing to learn, wasn't easy. In fact, the retirement of their herd veterinarian was one factor in why they ultimately retired when they did.

Vaccinations were always a part of their herd health regime, which focused on prevention. The regime consisted of respiratory, BVD, and two mastitis vaccines, and vaccinations were given right at birth to calves. Mastitis was the biggest health concern, but they were able to get it under control.

"The more you can do to prevent mastitis, the better," George advised.

Since a goal was raising their own replacements, giving calves the healthiest start was always important. They didn't wean their calves until after 90 days of age, feeding high somatic cell count milk. They always kept feed - hay and grain - in front of the calves, and found that by one week, they'd start to nibble at it. Fresh water was present from day one, and always available, which they found to be necessary for calf health and future productivity.

The Wrights gained a great reputation for their calves, selling animals at four or five months old, as well as for bred heifers, which they sold primarily to an organic buyer. Their animals were known to have had a great start in life, and to be healthy and vigorous.

Around 2016, they finally achieved yet another goal: shipping milk to Upstate Niagara Cooperative. This increased the money they were receiving for their milk, and allowed them to become part of a dairy business that wasn't focused on working with large, outsized dairies, and was focused on family farming. The cooperative supplies milk, yogurt, cheese and other dairy products

to Wegmans, and had just bought an existing milk plant 30 miles from their farm. They didn't hesitate to jump onboard.

George is outspoken in his belief that Organic Valley and Horizon - originally the only two organic milk buyers in the region - forgot about the dairy farmers and lost their focus. Being able to join a cooperative that is all about the dairy farmers, paying them fairly and sourcing milk from small organic dairy farms, was an opportunity he and Linda valued greatly. Advocating for meaningful organic standards and eliminating loopholes and shady practices continues to be a passion and a calling.

"George has been an active member of NODPA for nearly twenty years. He has served as a state representative, member of the board of directors, and more recently Treasurer. More likely to 'play the fool' and inject humorous comments into meetings, George has a deep knowledge of the milk industry, has actively advocated for producer rights and pay price with milk buyers, has provided valuable contributions in traveling to Washington DC in support of regulation change, traveled across the country to support producers in the west as they formed their own organization, and in national discussions around supply management to provide a better market for all organic producers," Ed Maltby, NODPA Executive Director, said.

Without Ed Maltby's advocacy, the percentage of grazing that organic dairy herds need to do would not be as high and family farms wouldn't be surviving, George and Linda said. "NODPA is the number one reason the organic grazing rules make sense."

Unusual Succession

Without a family member to take over the farm, Linda and George concentrated on keeping their money in land, rather than investing in infrastructure that wouldn't pay them back in the short run, and wasn't keeping them from being economically viable. The acreage they owned, however, and the quality of their pasture, was always going to play a role in their current success, as well as when they sold the farm, even if they didn't know exactly what form that would take.

Their succession plan wasn't an accident. But they didn't quite know what the plan would end up looking like. They just knew that they wanted the farm to continue, and they needed to be financially secure without having to sell the farm to the highest bidder. Keeping the land in family farming was important. By 2014, they were beginning to think of formulating some type of succession plan.

They began by contacting a tax expert and financial planner back in 2016. Bob McNeil was a part of the farming community, with knowledge about capital gains taxes on farms. They also attended succession seminars, including one through NODPA, as well as others through Cornell. They spoke to as many people about their own succession plans and experiences as they could. Early on, they realized that establishing an LLC would help change their tax bracket beneficially, and did so with positive results.

They never really advertised the farm for sale. They had reached out to resources aimed at connecting new farmers with land, and found a few interested people. They had one beginning farmer come to work with them, but he couldn't make it work financially. Most of those interested in buying the farm wanted updated facilities. And many were recent college graduates, without any capital and unable to get credit. Even though George and Linda were open to owner financing, it was not working out.

Word of mouth got out, and members of the Amish community began to show up on the farm. In the fall of 2018, a group of Amish came out to the farm, and seemed very interested. After several months passed, they returned and three Amish families jointly offered to purchase the home farm with the buildings, along with the farm parcel across the road, a total of 425 acres, which they split three ways. They were to continue dairy farming organically, which was important to the Wrights.

George and Linda still had $100,000 in debt at this time, but were able to pay off all of the debt with the sale agreement. While the Wrights sold some young stock and bred heifers, the Amish buyers purchased the milking herd - the milk market came with the cows - and split the herd three ways, each family owning its own farm and cows. The Wrights were able to sell directly to the families without a realtor, and were able to offer financing. They used only a lawyer for the 2019 sale.

"They are paying on a monthly basis, actual mortgages with an amortization schedule all rolled into the deed," Linda explained. "They are full owners," but if they default on the loan, the farm would transfer back to George and Linda. "We don't want it!" she said, and the couple is motivated to help the new owners succeed. The Wrights have found several ways to continue to assist those who purchased pieces of their farm, as well as other nearby Amish farmers, and to keep themselves employed post-dairy farm retirement.

In 2022, another member of the Amish community was able to purchase 125 remaining acres from the Wrights. They continue to rent another 125 acres to another Amish family, under a rent-to-own contract.

The Wrights now reside in a mobile home and three acres with the dump station, on a portion of their home farm. The also kept 25 acres of riverfront land 1/4 mile down the road that is not prime farmland, for a family camp.

The Wrights own a dump station with five bulk tanks, and charge a nominal fee for the dump station service, just enough to cover

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The Wright's first dump station.

Recognizing the need for Amish farmers to have a place for milk to await the milk truck, the Wrights built an additional dump station.

The interior of the dump station.

their taxes and make a small profit. They do it primarily "to help them (Amish) out and make them successful," George said.

The Amish dairy farmers the Wrights sold land to can bring their milk via horse and buggy, as they don't allow electricity on their farms, to await the milk truck. Each farms' milk is stored in a separate tank. National Farmers Organization (NFO) handles the records, and all the milk is still shipped to Upstate Niagara Cooperative. When three other Amish dairy farmers a few miles away also needed a dumping station closer to them, the Wrights decided to build a separate three bulk tank dumping station two miles from the first station, to accommodate their milk as well.

There are now about 14 Amish families in the neighborhood, and all are shipping milk to Upstate Niagara Cooperative. The cooperative is "very fussy about who they take on," George said, and it is a blessing that they are now taking milk from the Amish community. Upstate Niagara doesn't charge the farmers to ship milk, helping to keep family farms profitable.

Linda and George have found that the Amish "make good neighbors," and have, in turn, been able to return the favor. They receive phone calls at their home, taking messages for the community members. Calls come in all times of the day, from all over the country. The Wrights even installed a phone at one of the dump stations.

George also does hauling for their Amish neighbors, driving a truck and trailer, or digging ditches, while Linda operates a taxi service, driving a large car to accommodate the travel needs of the families.

They are "helping the Amish community farm our land," George and Linda said.

The Amish support the local economy, purchasing locally from mom-and-pop businesses, and contributing their skills and trades, so services are available locally that otherwise wouldn't be. And organic family dairy farming - thanks to the foresight and planning the Wrights made, and their desire and ability to keep their dairy farm available to other small farmers - remains a stronghold in the region.

And that brings Wright Way Dairy full circle. From inception through succession, the values that George and Linda embraced through their advocacy and practice of organic dairy farming continue to be upheld, passed onto another generation, contributing to the ongoing success of a community that values family farming as a viable and meaningful way of life. ◆

Linda and George Wright can be contacted at 315-347-4604 and wrightwaydairy@yahoo.com

ORGANIC INDUSTRY NEWS

Pay and Feed Prices November 2024

By Ed Maltby, NODPA Executive Director

The USDA Agricultural Marketing Service (AMS) has published estimated national organic fluid product sales, for July and August 2024, compiled with data from the Federal Milk Marketing Order. In July, the data shows a continued increase in the sales of organic Whole Milk packaged fluid products of 17.1% over July 2023, and the August data shows sales at 11.1% over August 2023. There was a 6.3% increase in organic Fat Reduced Milk in July 2024 over July 2023, but a 0.1% increase in August 2024 over August 2023. Year to date, August 2024, organic fluid milk sales are 6.6% higher than the same period in 2023. Anecdotally, organic dairy products with the extra Grass Fed certification are responsible for a portion of the increase in sales. The supply of Grass Fed organic milk is short, reflected by Maple Hill moving its Pay Price to $45/cwt by the end of 2025 (more details later).

Total US sales of organic fluid milk products were 257 million pounds in July 2024, with organic Whole Milk sales at 137 million pounds, and sales of organic Fat Reduced Milk at 120 million pounds. In August 2024, total sales of organic packaged milk were 261 million pounds, with sales of organic packaged Whole Milk at 138 million pounds, and sales of organic Fat Reduce Milk at 122 million pounds. Reports from producers are that organic milk is still short in the Northeast, with fluid milk retail sales increasing.

The average retail price for organic milk has ranged from $3.81 per half gallon in 2008 to an average of $4.81 year-to-date in 2024. In September 2024, the average national retail price was $4.87, and in October it was $4.84. In October 2024, the highest retail price was in Pittsburgh PA at $6.69 per ½ gallon, and the lowest in 8 separate cities was $3.99 per ½ gallon. The retail prices in other Northeast cities were $5.01 in Boston, MA; $5.13 in Hartford, CT; $5.24 in New York, NY and $4.34 in Syracuse, NY.

Federal Milk Market Order 1, in the Northeast, reports utilization of types of organic milk reported by pool plants for packaged products sold and packaged in the FMMO 1. FMMO 1 reported that in August 2024, fluid organic Whole Milk utilization totaled 18.52 million pounds, 16% higher than the previous year of 15.55 million pounds. In August 2024, the utilization of fluid organic Reduced Fat Milk, 15.61 million pounds, was down from 18.14 million pounds in August 2023. Total organic packaged milk utilization of 34.07 million pounds in August 2024 was up slightly from 33.75 million pounds in August 2023. In September 2024, organic Whole Milk utilization was 17.21 million pounds, an increase of approximately 17% on August 2023, which was 14.67 million pounds. In September 2024, organic Reduced Fat Milk utilization was 14.50 million pounds, higher than the 13.65 in September 2023. Total organic packaged milk in September 2024 of 31.72 million pounds was up from 28.52 million pounds in September 2023. Year to date, January to September 2024, there was a total of 308.72 million pounds of packaged organic fluid milk sold in FMMO 1, an increase of

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Estimated Fluid Milk Products Sales Reports

Product Name	Sales of Organic Fluid Milk		Change from	
	Jul-24	2024 Year to date	Jul-23	Year to date
	Million pounds		Percent	
Organic Whole Milk	136	914	17.1%	13.3%
Flavored Whole milk	1	6	-14.4%	8.1%
Organic Reduced-Fat Milk (2%)	81	559	5.9%	4.3%
Organic Low-Fat Milk (1%)	20	147	14.0%	-7.1%
Organic Fat-Free Milk Skim	12	79	-2.9%	-11.0%
Organic Flavored Fat-Reduced Milk	6	47	6.9%	3.4%
Other Fluid Organic Milk Products	0	2	49.8%	12.4%
Total Fat Reduced Milk	120	832	6.3%	0.4%
Total Organic Milk Products	257	1,754	**11.7%**	**6.8%**

Product Name	Sales of Organic Fluid Milk		Change from	
	Aug-24	2024 Year to date	Aug-23	Year to date
	Million pounds		Percent	
Organic Whole Milk	137	1,052	11.1%	13.0%
Flavored Whole milk	1	6	-19.7%	3.6%
Organic Reduced-Fat Milk (2%)	85	643	7.3%	4.7%
Organic Low-Fat Milk (1%)	20	168	-18.5%	-8.7%
Organic Fat-Free Milk Skim	11	90	-7.0%	-10.6%
Organic Flavored Fat-Reduced Milk	6	53	-3.2%	2.5%
Other Fluid Organic Milk Products	0	3	21.4%	13.2%
Total Fat Reduced Milk	122	954	0.1%	0.4%
Total Organic Milk Products	**261**	**2,014**	**5.50%**	**6.6%**

Data may not add due to rounding to the nearest million pounds

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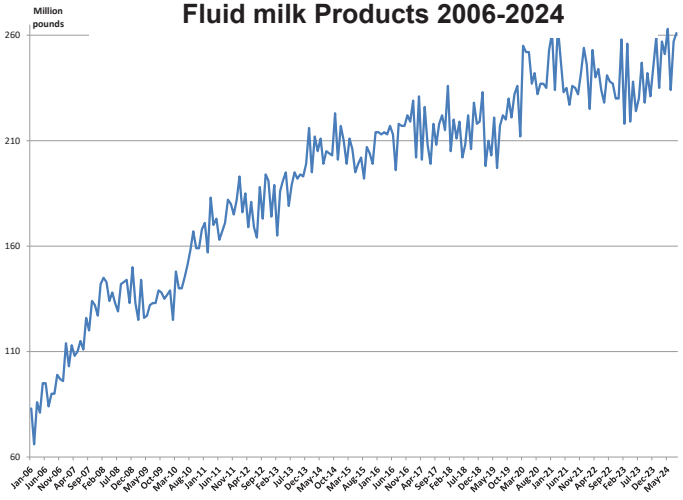
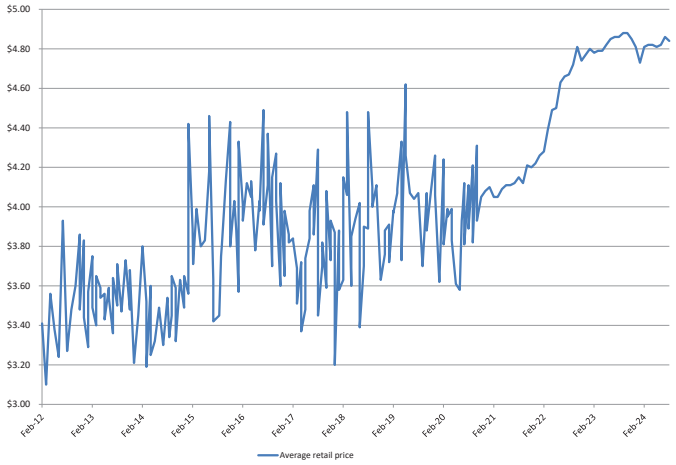
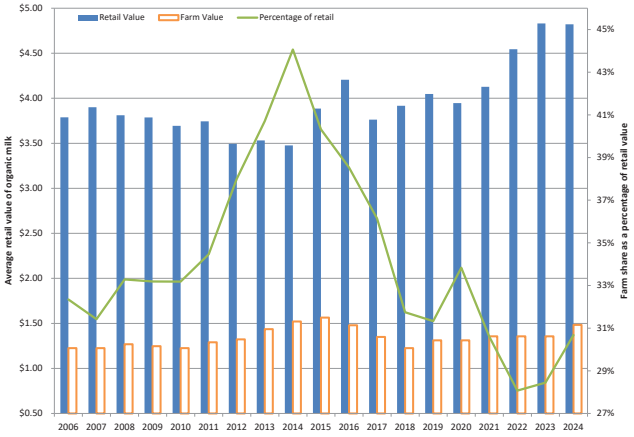
Estimated Total U.S. Sales of Organic Fluid milk Products 2006-2024



Average Organic Retail price for 1/2 gallons as reported by USDA AMS 2012-2024

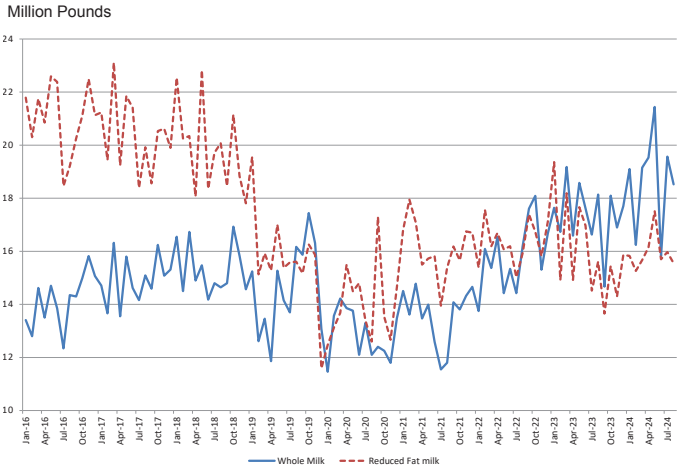


Average retail price, average farm share and percentage for half gallon of organic milk

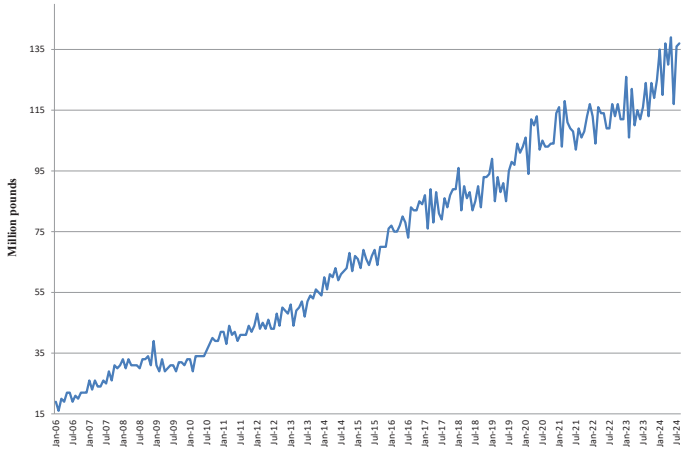


Utilization of Organic Fluid milk in FMMO 1 2016-2024

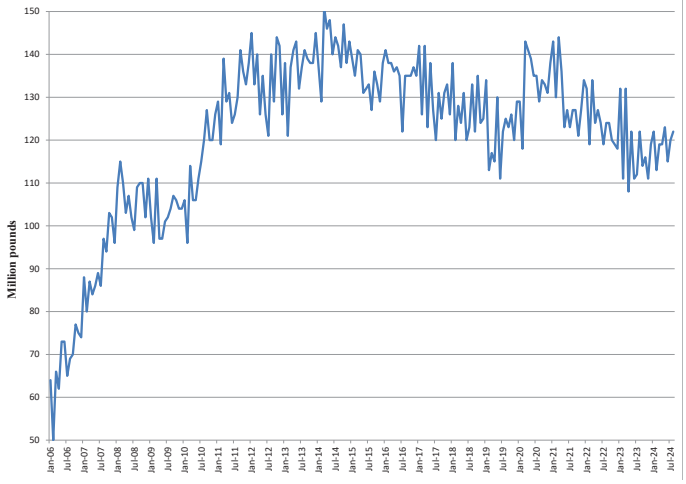
(not including fluid packaged milk processed out of order)



Organic Whole Milk Retail Sales 2006-2024



Organic Reduced-Fat retail sales 2006-2024



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Pay and Feed Prices

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2.2% over the same period in 2023. In August 2024, there was 136.20 million pounds of milk marketed as Class 1 in FMMO 1 from outside the FMMO 1 marketing area, and in September 2024 there was 132.42 million pounds in the same category, approximately 18.5% of total Class 1 utilization in the Order.

Central Federal Order (FO) 32, Mideast FO 33, and California FO 51, have also started publishing reports of the utilization of organic milk separately by month and year. In August, the highest volume of organic milk reported as Class 1 was in the Central FO 32, with 55.63 million followed by California with 40.24 million pounds and the northeast with 34.07 million pounds. In September 2024, Central FO produced 50.68 million pounds, California produced 41.74 million pounds, and the northeast produced 31.72 million pounds. With only 9.43 million pounds of all Class1 milk coming into the order and 93% of organic milk packaged in California is consumed in the state, the California organic fluid numbers are the most accurate of any order.

UTILIZATION OF ORGANIC FLUID MILK PRODUCTS AND CREAM BY POOL PLANTS (Million pounds) in FMMO 1 (Northeast) not including packaged out of order

Month	Fluid retail Organic Milk 2024	Fluid retail Organic Milk 2023	Fluid retail Organic Milk 2022	Fluid retail Organic Milk 2021	Fluid retail Organic Milk 2020
JANUARY	34.93	37.00	29.14	31.32	23.93
FEBRUARY	31.50	31.65	33.65	31.56	26.69
MARCH	34.82	37.37	31.56	31.87	27.90
APRIL	35.68	31.51	33.23	28.97	29.35
MAY	38.95	36.24	30.49	29.72	28.25
JUNE	31.51	34.59	31.53	28.41	26.90
JULY	35.54	30.75	29.44	25.50	26.70
AUGUST	34.07	33.75	32.12	27.18	24.70
SEPTEMBER	31.72	28.32	35.00	30.26	29.70
OCTOBER		33.54	34.83	29.47	25.78
NOVEMBER		31.19	31.13	31.07	24.47
DECEMBER		33.56	33.78	31.36	28.13
ANNUAL		399.47	385.90	356.68	322.50

UTILIZATION OF ORGANIC FLUID MILK PRODUCTS AND CREAM BY POOL PLANTS (Million pounds) in FMMO 32 (Central)

Month	2024	2024 in order	2024 out of order	2023	2023 in order	2023 out of order	2022
January	56.23	6.41	49.82	55.21	6.51	48.70	
February	51.88	5.77	46.12	49.11	5.49	43.63	
March	53.96	5.93	46.29	52.73	5.59	45.44	
April	54.13	6.04	48.09	49.18	5.64	43.53	51.93
May	51.32	5.81	45.51	48.21	5.40	42.78	51.13
June	52.56	5.51	47.04	45.20	5.57	39.63	51.58
July	52.68	5.63	47.04	48.45	5.70	42.75	49.67
August	55.63	6.26	49.37	48.47	5.63	42.85	52.16
September	50.68	5.41	45.27	48.76	5.58	43.18	51.04
October				49.73	5.65	42.48	52.06
November				49.60	5.48	44.12	52.31
December				54.17	6.08	48.10	55.94
Total				598.82	68.31	527.18	

The chart below shows a consistent volume of organic packaged milk marketed out of Order FO 32, more than is packaged in either FO 1 or FO 51. Sales of packaged organic fluid milk are increasing nationally by about 6%. Handlers in the Central FO sold 392.48 million pounds of organic packaged milk outside of their order in 2023, year to date, and in 2024, year to date, they have sold 424.53 million pounds, an increase of 7.5%.

Anecdotal reports from producers are that the sale price of young, organic milking cows are in the $4,000 range and A/2 cows fetching as much as $6,000 each. In recent reports from a NOFA-NY-certified livestock auction in New Berlin, New York, organic cull cows consistently sold above conventional cows in September and October 2024. The average price for conventional cull cows ranged from a low of $101/cwt to a high of $119 /cwt. The average price for organic cull cows ranged from a low of $101/cwt at one auction to a high of $125/cwt, with most auction prices over $115 per cwt. Calf prices are still strong but no premium for organic. Organic milking cows were selling well at an average of $1,386-$2,700 each in September and October 2024. In a recent report by USDA from a Pacific Northwest livestock auction, the top 10 organic cull cows and the overall average for organic cull cows traded higher than conventional cull cows. The average price for the top 10 organic cows auctioned was $140.14 per hundredweight, compared to an average of $125.86 per hundredweight for auctioned top 10 conventional cows. The average weight for the top 10 organic cows was 1512.0 pounds compared to 1595.0 pounds for the top 10 conventional cows. The overall price for organic cows auctioned

ORGANIC INDUSTRY NEWS

was $119.09 per hundredweight with an average weight of 1249.5 pounds, while the overall price for conventional cows auctioned was $100.92 hundredweight with an average weight of 1258.2 pounds.

Organic Milk Exports

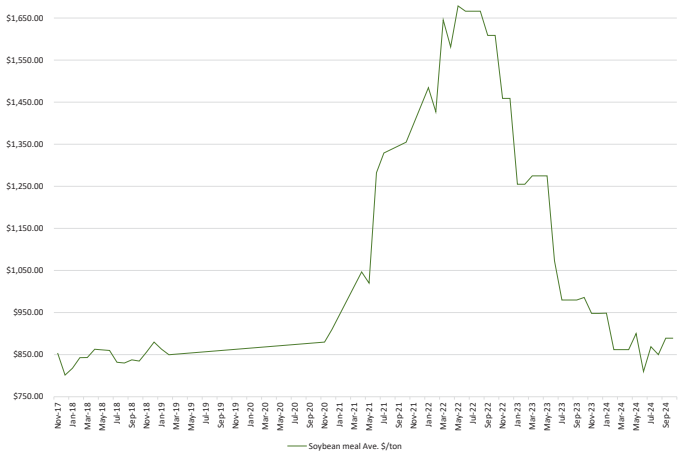
The Foreign Agricultural Service (FAS) releases monthly export data which includes export volumes and values for organic milk categorized as HS-10 code 0401201000. Data for July 2024 indicated organic milk exports were 526,118 liters (1,195,340lbs.), up 87.6 percent from the month prior, and up 114.5 percent from 2023.Recently released data for August 2024 indicated organic milk exports were 291,236 liters (661,688 lbs.), down 44.6 percent from the month prior, and down 4.5 percent from 2023. Exports of organic milk from the start of the year through August are up 24.5 percent, compared to the same period one year ago.

Feed

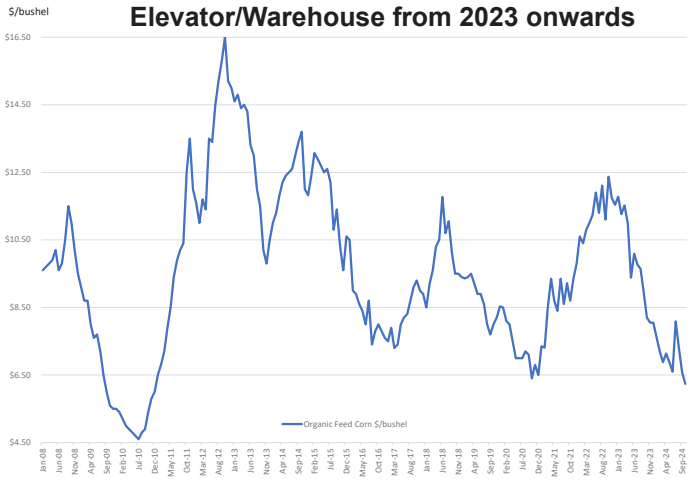
National data from USDA and Argus has organic feed corn delivered to the elevator averaging $6.24 per bushel on the east coast in October 2024, down approximately $2/bu. from 12 months prior. Organic feed soybean delivered to the elevator averaged $21.12/bu. in October 2024, up approximately $1.10/bu. from 12 months prior. Soybean meal is currently trading at $889/ton, about $95/cwt. lower than 2023 and is in high demand, with the price projected by Argus to increase. Costs for organic Alfalfa are about the same as conventional, at $260 per ton, which is down nearly $110 from October 2023 as reported by USDA. ◆

Organic Feed Soybean $/bushel 2008-2024 - USDA Market News Data - FOB Farm and FOB Elevator/Warehouse from 2023 onwards

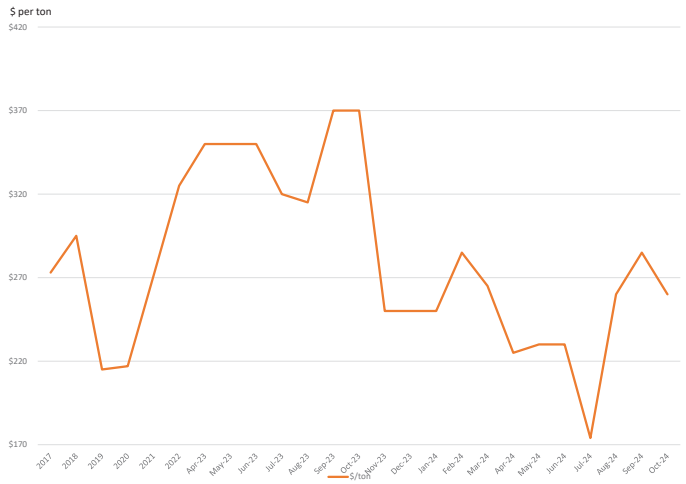
2017-2024 Soybean meal Ave. $/ton delivered FOB dealer/warehouse - USDA AMS Data



Organic Corn Price $/bushel 2008-2024 supplied by USDA AMS FOB the Farm and FOB Elevator/Warehouse from 2023 onwards



Organic Hay Dollars per ton (Average/year) - USDA AMS Data



ORGANIC INDUSTRY NEWS

2024 NODPA Field Days Session Overview:

Building Your Team: the nuts and bolts of assembling a team of professionals for farm transfer planning.

By Tamara Scully, NODPA News Contributing Writer

Getting the opinion of experts in the field is something most dairy farmers do routinely. The best grazing practices, reducing mastitis risk, or increasing reproductive success are some topics where expert knowledge can lead to positive changes on the farm.

Yet an often overlooked area is that of succession planning. While planning for infrastructure, such as housing or manure management, is often undertaken, wrapping those decisions around to include retirement and succession goals might be overlooked. But all decisions, from accounting to taxes, and cash flow to collateral, can impact successful farm succession.

Ted LeBow of Kitchen Table Consulting* and Chris Anderson of Nordic Geo Solutions recently led a session at the 24th Annual NODPA Field Days helping dairy farmers assess the when, why, how, and who needed to plan for a successful succession, and stress-free retirement from dairy farming.

Many Aspects

Farmers ought to be thinking about taxes, accounting, legal issues, financial planning, lending and even mediation. All of these aspects should be considered when finding the path to a successful farm business today, and are absolutely necessary when passing down the farm to the next generation of farmers.

The variety of expertise needed for successful farm succession planning reflects how all aspects of running the farm are interrelated. It can be difficult to weave them together - or tease them apart - as anyone can have an effect on the others. The proper business entity formation affects taxes. Taxes affect cash flow. Cash flow can impact loan opportunities, and accounting factors into all of it, too.

"Professionals are experts," and they do their job every single day, LeBow said. Rather than doing it yourself or sourcing it out to someone as a side job, experts who do the bookkeeping, tax planning, business formation or other needed elements every day, are both passionate about and experienced in the nuances of their vocation. "Pay for expertise."

"People who like and know how to do those things will do it quickly and keep it clean." Anderson said, referring to necessities such as payroll or bookkeeping. And getting these types of things wrong isn't an option. The costs of not doing them at all, or doing them improperly, "are huge." A farmer's retirement plan can be derailed when things aren't properly addressed.

While they do not always agree on all the particular timelines, LeBow and Anderson both emphasis that farm succession planning is best started now. No matter where you are in your farm journey: start immediately by putting in place the pieces of the puzzle.

The two speakers spoke to the "do or die" moments in time when you absolutely need to have various professionals involved in your planning. While they didn't always agree on when the deadline is for getting these various experts involved, they did agree that

starting early is better. And, that starting NOW, if you haven't already begun to plan, is what you need to do no matter your age.

For those farmers who may even be in their 70s or 80s without any - or with minimal - planning, "the best thing you can do is just start," Anderson said.

Extension personnel should have resources to offer directly, or point you in the direction of trusted resources. Ask for references from any experts, and make sure they are well-versed in farm planning and succession issues. Ask other farmers who've already worked with experts who they'd recommend, or not, and why. Professionals who understand the needs of farmers, and have backgrounds working with the agricultural community, are best suited for farm succession planning.

Sample Timeline

Getting all the players onboard and working out the future retirement and succession plan doesn't have to begin all at once. Anderson and LeBow debated the best age for moving ahead with different resources.

Ideally, financial planning for the farm's - and your- future would start immediately. A financial planner should be one of the early professionals who are consulted, ideally near the beginning of your farm's establishment, Anderson said. With early planning, a lot of money can be set aside over the years, with just a little bit of saving. Money in the bank makes it easier to pass on the farm to the next generation, too.

But if that doesn't happen, and you aren't working with professionals, financial planning for retirement should at least start by age 45, Anderson said.

When planning for retirement at age 65, Anderson recommends an accountant be involved no later than when the farmer is 55 years of age. LeBow feels its okay to wait until age 60, but cautioned that procrastination is going to happen, so starting sooner is always better. LeBow thinks the accountant is actually needed at age 60, and the lawyer at age 62.

A lawyer should be brought onboard with the accountant, Anderson said. Having a retirement plan that is tax sensitive is important. Tax planning definitely needs the accountant in the room on day one, along with the attorney. Setting up legal entities, such as LLCs and Trusts, which are meant to meet your goals now and into the future, require everyone there at the table.

"Get a competent accountant and a competent attorney in that room when you start this process," Anderson said. Finding a professional "that is not only competent, but gets farming," is key.

Remember that the cost of the professionals isn't the bottom line: cheaper rates don't always pay off. Make sure the professionals you choose know what they are doing, have experience, understand agricultural needs, and are ones with whom you feel comfortable working, LeBow said.

The drop-dead date for a facilitator to help with your succession plan is three years (LeBow) or five years (Anderson) before retirement. A facilitator works with the entire family - both generations - working to mediate concerns and work through points of contention.

A relationship with a banker is another must. It's not just about your collateral base, but is about cash flow. Anderson recommends building a relationship with a lender who understands agriculture, and doing so by age 45. Land base, expenses, assets, and liabilities all need to be taken into consideration to make a succession plan work.

LeBow believes that while a relationship with a banker who understands your farm is imperative, it can be done in less time, and age 62 is the upper end of when to bring in the banker.

"At the end of the day, the next generation is going to have to get some banking," LeBow said.

Succession Ready

Mental and physical competency decreases as we age, and farmers need to plan for this, too. Physically, in the late 40s or into the 50s, most people feel themselves slowing down, and mentally the 60s bring mental changes, too.

"As farmers, this is a really hard thing to plan for, because we are so physical. If you're planning for that, and you are putting money away, and you're planning for succession, then the only part that makes it harder is if you don't know what you're going to do when you retire," LeBow said. No matter your age, retirement and succession planning is best started now.

"I really am a firm believer in bringing everyone in as soon as possible. All of these things are inter-related. None of them happen in a vacuum," Anderson said. "The more you are pro-active, and the more you are thinking ahead, the easier it's going to be."

***PLEASE NOTE: As of October 4, 2024, Kitchen Table Consultants and Taste Profit Marketing have merged to become Good Roots** (https://growgoodroots.com/).

Chris Anderson of Nordic Geo Solutions can be reached through his website: https://www.nordicgeosolutions.com/ and Ted LeBow can be reached through his website: https://growgoodroots.com/

Tammy Scully notes that she did her best to accurately attribute quotes and comments to the proper speaker but, at times, it was difficult to differentiate the speakers' voices, and any inaccuracies are due to that issue.

Website & E-Newsletter Advertising

NODPA is pleased to provide additional advertising opportunities for our organic dairy supporters and resource individuals through our Website and our monthly E-Newsletter.

Website Advertising

Three banner ads are located at the top of the home page and at least 10 other pages on NODPA's website. NODPA.com receives over 2500 visits each month navigating to an average of 3 pages per visit.

Ad Design: Display-ready ads should be 275 pixels wide by 100 pixels tall. Your ad can link to a page on your website.

Cost: Display-ready ads are $150 per month.

E-Newsletter Advertising

Two banner ads are located at the top of each E-Newsletter, going out monthly to over 2,000 individuals through our E-Newsletter, the NODPA-ODairy discussion forum, and NODPA's Facebook page.

Ad Design: Display-ready ads should be 300 pixels wide by 125 pixels tall. Your ad can link to a page on your website.

Cost: Display-ready ads are $125 per month.

Discounted rates for commitments of 6 months or more.

Interested in one or both of these opportunities? For more information, contact Nora Owens at:

Email: noraowens@comcast.net

Phone: 413-772-0444

Go to the following web page for more information:

www.nodpa.com/web_ads.shtml

Calendar

November 14, 2024, 9:00 a.m. - 2:00 p.m.

WINTERING LIVESTOCK EFFECTIVELY WHILE THINKING AHEAD TO SUMMER GRAZING

Westmoreland County Ag Center,
214 Donohoe Road, Greensburg, PA (Westmoreland County).

PAGLC Workshop in conjunction with the Southwest Project Grass quarterly meeting. Anyone interested in livestock grazing is welcome to attend, Registration is FREE. To register online, visit: https://forms.gle/hvZhXRkrxaTtAmec7; To register via phone, contact Dave Hartman 570-204-1701

SAVE THE DATE: January 18, 2025

NOFA-NY WINTER CONFERENCE

SUNY Morrisville

More information at https://nofany.org/2025conference/

January 23, 2025 @ 11:00 a.m. – January 25, 2025 @ 2:00 p.m.

GRASSWORKS GRAZING CONFERENCE

Chula Vista Resort and Conference Center
1000 Chula Vista Parkway, Wisconsin Dells, WI 53965

This year's GrassWorks Grazing Conference promises an impressive lineup of sessions, networking opportunities, and delectable meals showcasing grass-fed meats and locally sourced foods—exactly what our attendees and sponsors have come to love! Visit their website to learn more: https://grassworks.org/events/grazing-conference/

February 20-22, 2025

MARBLESEED'S 36th ORGANIC FARMING CONFERENCE

La Crosse, WI

Marbleseed's (formerly MOSES) Organic Farming Conference features inspiring speakers, educational workshops, Organic Universities, and farmer panels. The Marbleseed Conference offers knowledge for all experiences from organic and sustainable farmers, homesteaders, food policy advocates and more. Dozens of transformative, skill-building workshops and roundtables covering business management, soil health, and production are crafted to advance resilient organic farms and regenerative food systems.

Interested in being a sponsor or exhibitor at the next Organic Farming Conference? Learn how to become a sponsor or exhibitor.

Get updates about the Organic Farming Conference and more when you sign up for our newsletter! Check back soon for our full conference website, https://marbleseed.org/events/organic-farming-conference

Classified Ads

ANIMALS

WANTED: looking for A2A2 milking Jersey Cows. Contact Steve Houran, 201-741-7247, houranusa@gmail.com.

Location: Hope Township, NJ

WANTED: I am interested in purchasing 25-30 organic dairy cows, preferably fall freshened. Keith Marquis (607)398-8316, draftteamster@gmail.com

Location: Newfield, NY

Wanted: Milking cows or cows freshening in the next month wanted to milk over the winter. Must be OPT certified. Call Henry Stoltzfus at 717-529-6167

Location: PA (area not specified)

Wanted: about a dozen certified organic A2A2 Jersey cows. Will pay top dollar for low SCC cows. 641-919-8554.

Location: Fairfield IA

FEED, GRAIN, HAY

HAY FOR SALE: NOFA-NY certified Organic 2024 products. BALEAGE (1st & 2nd cut), Heifer/beef quality DRY Hay, BEDDING Hay. All large Round bales. Contact Jeff @ 607-566-8477 or Mitchellorganics@hotmail.com for details and pricing.

Location: Avoca, NY- Steuben County

LAND/FARM FOR SALE OR LEASE

FARM AVAILABLE FOR LEASE, BUSINESS PARTNERSHIP OR FARM MANAGEMENT: Operating Organic Dairy Farm for lease, business partnership or farm management: 46 Years of Family business. Closed Organic herd of primarily AI serviced Holstein and some Jersey crosses. Sixty seven cow tie-stall with pipeline and automatic takeoffs with milk weights. Other outside buildings for other ages of livestock. Organic/ conventional milk market available.300+acres farm with 150 acres of prime ag soils with rotational grazing. Farm housing is available. Contact Tia at vrl29@cornell.edu, 518-561-7450 ext:107

Location: Clinton County, NY

Northeast Organic Dairy Producers Alliance (NODPA)
c/o Ed Maltby
30 Keets Road
Deerfield, MA 01342

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