

### What's New

It's hard to believe we've already reached November and the excitement of fall foliage and harvest season is behind us and winter is here with the first snowfall!

UVM Extension hosted several events over the past month. In October, we welcomed Dr. Marcia Endres from the University of Minnesota to share her expertise on bedded pack barns at two well-attended workshops. Our host farms, Tyler Webb of Stony Pond Farm and Rich and Mandy Hulett of Deer Flats Farm, were a great resource and we appreciate their willingness to share their experiences with bedded pack facilities with the dairy community. We also collaborated with Dr. Heather Darby and Jeff Sanders of the Northwest Crops and Soils Team for a productive discussion on how to incorporate growing corn and soybeans for grain as a business diversification opportunity for farms. Our host farm, Seth Leach of Woodlawn Holsteins shared his experience implementing grain production and infrastructure on his own farm, as well as how it has evolved over time. We are looking forward to hosting additional workshops this winter, so stay tuned for more details on topics and locations!

If you have suggestions for future UVM Extension events, please reach out directly at [whitney.hull@uvm.edu](mailto:whitney.hull@uvm.edu). You can stay up to date on all our events, as well as find past issues of our Dairy Update at our [website](#).

### Upcoming Grant Opportunities

Grant season is once again here. I'd like to highlight a few upcoming funding opportunities relevant to the dairy community. You can click on the grants below to learn more about each opportunity, including deadlines and match requirements.

[Capital Equipment Assistance Program](#)

[Maple Agriculture Development Grants](#)

[Working Lands Business Enhancement Grant](#)

[Working Lands ARPA-Funded Primary Producer Impact Grant](#)

[Farm Modernization and Improvement Grant](#)

[VHCB Water Quality Grants](#)

## Northeast Production Trends and Price Forecast

October 23, 2023

	COMPONENT PRICES PER POUND			BOSTON PPD/cwt.	BOSTON BLEND PRICE @3.5 bf	Class Price				Class III Futures	Class IV Futures	DMC Margin <sup>1</sup>
	BUTTER	OTHER										
	FAT	PROTEIN	SOLIDS			I	II	III	IV			
OCT_23	\$3.80	\$1.06	\$0.12	\$4.19	\$21.36	\$23.55	\$22.60	\$17.17	\$21.64	\$16.86	\$21.59	\$9.54
NOV_23	\$3.61	\$1.42	\$0.19	\$3.46	\$21.40	\$23.47	\$22.39	\$17.94	\$21.52	\$17.83	\$21.50	\$9.43
DEC_23	\$3.21	\$1.84	\$0.23	\$2.75	\$20.78	\$22.96	\$21.19	\$18.03	\$20.45	\$17.89	\$20.30	\$8.53
JAN-24	\$2.84	\$2.23	\$0.27	\$2.10	\$20.24	\$22.74	\$20.00	\$18.14	\$19.26	\$17.97	\$19.22	\$7.98

Source: Agri-Mark Weekly Update [https://agrimark.coop/PDFs/AM\\_Weekly\\_Updates.pdf](https://agrimark.coop/PDFs/AM_Weekly_Updates.pdf)

### Milk Cows and Production - Northeastern States and 24 Selected States: During September 2022 and 2023

[May not add due to rounding]

State	Milk cows <sup>1</sup>		Milk per cow <sup>2</sup>		Milk production <sup>2</sup>		Change from 2022
	2022	2023	2022	2023	2022	2023	
	<i>(1,000 head)</i>	<i>(1,000 head)</i>	<i>(pounds)</i>	<i>(pounds)</i>	<i>(million pounds)</i>	<i>(million pounds)</i>	<i>(percent)</i>
New York .....	625	630	2,055	2,080	1,284	1,310	2.0
Pennsylvania .....	468	466	1,680	1,685	786	785	-0.1
Vermont .....	117	116	1,770	1,750	207	203	-1.9
24-State Total .....	8,927	8,911	1,957	1,960	17,470	17,465	(Z)

<sup>1</sup> Includes dry cows. Excludes heifers not yet fresh.

<sup>2</sup> Excludes milk sucked by calves.

(Z) Less than half of the unit shown.

### Prices Received for All Milk - Northeastern States and United States: August 2023 with Comparisons

[Before deduction for hauling. Includes quality, quantity, and other premiums. Excludes hauling subsidies]

State	August 2022		July 2023		August 2023	
	Price	Fat test	Price	Fat test	Price	Fat test
	<i>(dollars per cwt)</i>	<i>(percent)</i>	<i>(dollars per cwt)</i>	<i>(percent)</i>	<i>(dollars per cwt)</i>	<i>(percent)</i>
New York .....	25.90	3.86	18.80	3.94	20.50	3.98
Pennsylvania .....	26.20	3.83	18.70	3.92	20.20	3.95
Vermont .....	26.30	3.93	19.20	3.97	20.90	4.04
United States .....	24.10	3.93	17.40	3.98	19.70	4.00

Milk production in **Vermont** during September 2023 totaled 203 million pounds, down 1.9 percent from September 2022. The average milk price received by Vermont farmers in August 2023, at \$20.90 per hundredweight, is \$1.70 higher than July 2023 but \$5.40 lower than August a year ago.

Source: NASS Monthly Milk Production Report-Northeastern Region

## National Dairy Outlook

Checks for October milk production will reflect diverging Federal Milk Marketing Order. (FMMO) Class III-IV milk prices. Announced on November 1, struggling cheese and protein prices weakened the Class III price, offsetting strong butterfat and Class IV prices and widening the Class III-IV price spread, adding substantial Class IV depooling incentives. The October Class IV price is averaging \$4.65 more than Class III, and is the widest spread since September of 2022.

The October Class II milk price averaged \$21.95 per hundredweight, which is the highest Class II price since December of 2022. As mentioned above, Class III milk prices have started to lag, with an average of \$16.84 per cwt. Class IV prices have seen an increase of \$2.40 from September, averaging \$21.49 per cwt.

Contributing to the October milk price calculations, the value of butterfat increased while the value of protein fell substantially. The value of butterfat increased to \$3.71 per pound, which makes for the third straight month that butterfat has been above \$3 per pound. Milk protein decreased to \$1.05 per pound, which is the lowest per pound cost seen in recent years.

Milk prices for November show an increase in Class I price at \$19.75 per cwt, the highest since January of this year. Class III futures show signs of increase, although Class IV futures show a decrease of 74 cents from October prices. If these futures hold, the November Class III-IV milk price spread will remain at over \$3.50 per cwt, which will maintain significant incentives for Class IV depooling.

### Vermont Dairy Cow Operations by County – 2023

County	Jan.	Feb	March	April	May	June	July	August	September	October	% change prior month
Addison	75	75	75	75	75	74	75	75	77	77	0.00%
Bennington	7	7	7	7	7	8	8	8	8	8	0.00%
Caledonia	46	45	44	44	43	43	43	42	42	42	0.00%
Chittenden	27	25	24	24	24	23	23	24	24	24	0.00%
Essex	9	9	9	8	8	9	9	9	9	9	0.00%
Franklin	102	102	102	102	100	100	100	98	98	95	-3.06%
Grand Isle	8	8	8	8	8	8	8	8	8	8	0.00%
Lamoille	23	23	22	22	22	22	21	21	21	22	4.76%
Orange	49	48	47	47	47	47	47	47	45	45	0.00%
Orleans	82	82	82	82	79	79	80	81	79	77	-2.53%
Rutland	35	35	34	34	34	33	33	33	33	33	0.00%
Washington	18	18	18	18	17	17	17	17	19	19	0.00%
Windham	19	18	18	18	18	18	18	18	18	18	0.00%
Windsor	19	19	19	19	19	19	19	20	20	19	-5.00%
<b>TOTAL</b>	519	514	509	508	501	500	501	501	501	496	-1.00%
<b>ORGANIC</b>	133	128	127	127	126	125	125	125	125	123	-1.60%

**Ave. # dairy farms-2020 – 636, 2021 -583 & 2022 – 549**

### Dairy Cow Farms by Size – Milking cows

	LFO – over 700	MFO – 200 – 699	SFO –under 200	Total
2020	35	100	198 CSFO – 501	636
2021	35	95	216 CSFO - 453	583
2022	35	91	215 CSFO – 424	549

CSFO as of January 31, 2018. Certified Small Farms have 50 - milking cows to 199 cows.

## Vermont Dairy Data-10 year Summary

Category	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023 Q1	2023 Q2	2023 Q3
<b>Ave. Milk Price</b>	\$19.60	\$23.63	\$16.49	\$15.25	\$16.78	\$15.44	\$17.46	\$16.45	\$17.23	\$24.49	\$20.84	\$19.28	\$21.07
<b>Class III price</b>	\$17.99	\$22.34	\$15.80	\$14.87	\$15.92	\$14.61	\$16.96	\$18.16	\$17.08	\$22.03	\$18.44	\$16.51	\$16.45
<b>DMC Margin-FSA</b>	\$0.258	\$0.00	MPP/ MCP Margin level	\$8.01	\$9.68	\$7.53	\$9.60	\$9.65	\$6.92	\$10.80	\$6.74	\$4.77	\$6.14
<b># of VT Cow Dairy Farms</b>	939	880	853	838	796	725	677	636	583	550	514	503	496
<b>Milk Production USDA</b>	2.625 b lbs.	2.672 b lbs.	2.666 b lbs.	2.724 b lbs.	2.728 b lbs.	2.680 b lbs.	2.695 b lbs.	2.602 b lbs.	2.566 b lbs.	2.553 b lbs.	633 mil. lbs.	649 mil. lbs.	634 mil. lbs.
<b>Ave. # of cows in VT USDA</b>	133,000	132,000	132,000	130,000	128,667	126,833	125,583	122,167	119,667	117,667	118,000	118,000	116,000
<b>Ave. # of cows/farm</b>	142	150	155	155	162	175	185	192	205	216	230	235	234
<b>Certified Organic Cow Dairy Farms</b>	198	184	184	203	199	190	187	169	162	154	129	125	123
<b>Off-Farm Dairy Processors</b>	36	58	64	78	79	83	88	87	88	88	88	88	88
<b>On-Farm Dairy Processors</b>	59	62	71	67	68	63	66	67	70	70	70	70	70
<b>Total Dairy Processors</b>	95	120	135	145	147	146	154	154	158	158	158	158	158