

ORGANIC DAIRY MARKET NEWS

Information gathered May 6 - 17, 2024

ORGANIC DAIRY MARKET OVERVIEW

The Transition to Organic Partnership Program (TOPP) was formed through cooperative agreements between the USDA and non-profit organizations to provide technical assistance and support for transitioning and existing organic farmers. A calendar of events held by partner organizations can be found at the following link: <https://www.organictransition.org/events/>

A selection of upcoming events is included below:

- Regenerative Agriculture Intensive Day 4 - Anthony, NM - May 18
- Ranchfest 2024, Tombstone AZ - May 18
- WVU Ext.'s National Farm Viability Conference, Charleston, WV - May 24-26
- AL CRAFT's Added-Value Products & Farm Tour, Blountsville, AL, May 26
- Barnyard Banter: Monthly Technical Assistance, Virtual Discussion - May 26
- MOFGA's Livestock Handling and Animal Health, Albion, ME - May 28
- FL Organic Growers' Preparing for your Organic Inspection, Virtual - May 30
- NYC CRAFT's Transitioning to Organic Certification, Chester, NY - May 30

The USDA AMS National Organic Program (NOP) provides an email notification service to send out updates to the organic community. The Organic Insider sent out on May 16th stated the Transition to Organic Partnership Program (TOPP) is seeking to improve tools used to connect new and transitioning organic producers with interested buyers. As part of TOPP the NOP has partnered with the Organic Trade Association and the Rodale Institute to help connect organic producers and buyers throughout the country. To provide input to this program, or to read more from the Organic Insider, view archives, or register to receive updates by email visit: <https://www.ams.usda.gov/reports/organic-insider>

The USDA recently announced an additional \$24.8 million dollars in funding awarded to 23 grant projects through the Organic Market Development Grant Program (OMDG). This year fundings has been announced for 93 projects totaling 75.2 million dollars. One project awarded in May is in Alabama, which aims to increase output and reduce costs for a small organic dairy processing plant and to expand market access for current and transitioning organic producers in the area. Another project, in California, aims to expand the processing of a local dairy and increase revenues for organic farmers in the region by enabling the processor to install new equipment and double processing capacity for certain commodities. In Iowa, a project received funding to expand production capacity for a variety of organic commodities which would enable them to increase the volume of organic milk sourced from producers in Iowa, Missouri, Minnesota, and Wisconsin.

The USDA Secretary of Agriculture, Tom Vilsack, recently announced an additional \$10 million in funding to expand markets for organic products and to help producers transition to organic productions. This funding will create programs supporting new and better markets for organic products, create training opportunities for transitioning farmers, and the financial burden of organic certification. The secretary noted that reducing the cost burden for transitioning farmers will help farmers margins and increase access for consumers. The secretary further noted this would reduce the need of the organic industry to rely on imported products and address critical infrastructure needs, while aiding small and mid-size producers.

The National Organic Standards Board (NOSB) is seeking nominations to fill five vacant spots, with terms beginning in January 2025. Board members represent specific sectors of the organic community and serve a 5-year term. Applications are due by June 28, 2024 and can be submitted electronically or by mail post-marked by the due date. More information about the current board openings, duties of board members, or application visit the following link: <https://www.ams.usda.gov/rules-regulations/organic/nosb/nomination-process>

ORGANIC DAIRY FLUID OVERVIEW

Recently released survey data from a U.S. organization showed in 2023 domestic certified organic product sales were \$69.7 billion last year, up 3.4 percent from the prior year, reaching a new high. Sales of organic dairy and eggs were the fourth largest of all organic categories found from the survey data and increased 5.5 percent from the prior year. Milk and cream sales rose 5 percent from 2023.

In a recent report from a Pacific Northwest livestock auction, the top 10 organic cull cows traded lower than conventional cull cows, while the overall average for organic cull cow prices traded higher than the overall average for conventional cull cows. The average price for the top 10 organic cows auctioned was \$124.45 per hundredweight, compared to an average price of \$132.23 per hundredweight for the top 10 conventional cows. The average weight for the top 10 conventional cows was 1507.5 pounds compared to 1216.5 pounds for the top 10 organic cows. The overall price for organic cows auctioned was \$119.67 per hundredweight with an average weight of 1168.8 pounds, while the overall price or conventional cows auctioned was \$106.32 per hundredweight and had an average weight of 1247.0 pounds.

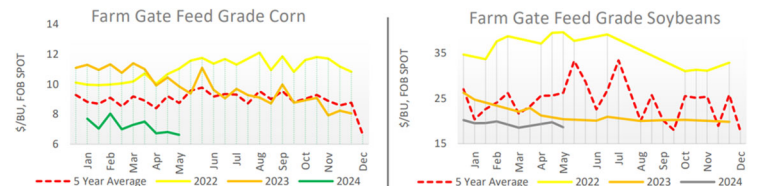
In a recent report from a Northeast livestock auction, organic cull dairy cows traded at an equivalent average price to conventional cull dairy cows at \$105 per hundredweight. Replacement organic grassfed dairy cows of milking age were sold at an average price of \$1135 during the auction, while replacement conventional dairy cows of milking age also averaged \$1135.

NATIONAL ORGANIC GRAIN FEEDSTUFF

Compared to last period: Trade activity was moderate on light to moderate demand for organic feed corn and organic feed soybeans. Organic feed corn sold 92 cents lower delivered elevator with forward contracts delivering Q2 2024 through Q4 2024. Organic feed soybeans sold 10 cents lower delivered elevator with forward contracts delivering Q2 2024 through Q4 2024. No comparable trades from the prior period on organic soybean meal and oil. Soybean oil is trading sharply lower from a month ago. Trade was inactive on all other organic grains. The next available report will be May 29, 2024.

Grower FOB Farm Gate Organic Grain								
Feed Grade	Spot Transactions					Forward Contracts		Cash Bids
	Price Range	Avg.	Change	Prior Year	Price Range	Delivery Period	Price Range	
Yellow Corn	6.00 - 7.50	6.62	-0.19	9.85	6.15 - 6.80	May-24 - Jun-24	7.00 - 7.00	
Soybeans	17.75 - 19.00	18.6	-1.10	20.4	18.30 - 18.75	May-24 - Jun-24	19.00 - 19.00	
Wheat	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Oats	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Barley	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Rye	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	
Sorghum	N/A - N/A	N/A	N/A	N/A	N/A - N/A	N/A - N/A	N/A - N/A	

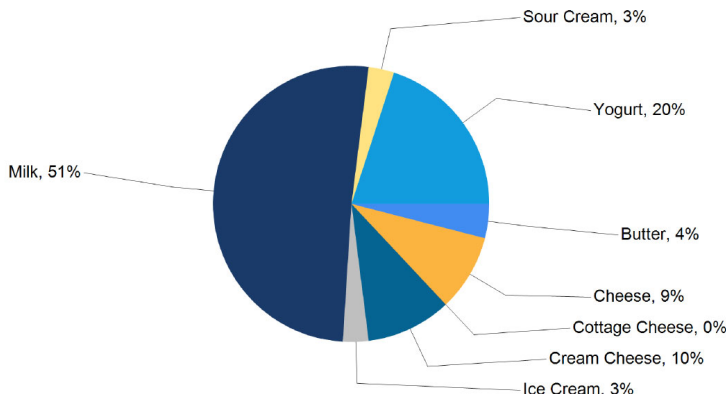
*All prices in \$/bu



ORGANIC RETAIL OVERVIEW

During the week 20 retail ad survey, 79 percent more organic dairy ads were found than in week 19. The most advertised organic dairy product this week was milk. Organic yogurt was this week's second most advertised organic dairy product. Cream cheese saw the largest percentage growth of all organic products in week's survey, appearing in 2785 percent more ads than last week, and was the third most advertised organic dairy product in the Week 20 survey.

Percentage of Total Organic Ads by Commodity



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Organic milk ads increased by 60 percent during the week 20 retail ad survey. The most advertised package size of organic milk this week was half gallons, which appeared in 94 percent more ads than in week 19. The weighted average advertised price for this item increased by 50 cents from last week to \$4.67. Meanwhile, conventional half gallon milk had a weighted average advertised price of \$1.68, the organic premium for this item in week 20 was \$2.99.

Total ads for organic yogurt increased by 411 percent from last week. Ads for Organic Greek yogurt in the 32-ounce container, increased by 13,273 percent this week and the weighted average advertised price increased by 35 cents to \$6.84. Conventional Greek yogurt in the 32-ounce container had a weighted average advertised price of \$4.39 in week 20, creating an organic premium of \$2.45 this week.

Cheese was the second most advertised organic product in the week 19 retail survey but was the fourth most advertised organic product in week 20 following a 5 percent decline in total ads during week 20. The only organic cheese package size to appear in more ads in week 20 than in week 19 was 6-8-ounce sliced cheese, which was present in 221 percent more ads this week. Organic 6-8-ounce sliced cheese was also the most advertised organic cheese item this week. Conventional 6-8-ounce sliced cheese had a weighted average advertised price of \$2.52, while the organic counterpart's weighted average advertised price was \$4.91. The organic premium for this item in week 20 was \$2.39.

Product pricing information of selected organic retail dairy commodities from the current weekly survey is presented in the following table:

**NATIONAL RETAIL ORGANIC DAIRY
WEIGHTED AVERAGE ADVERTISED PRICES**

COMMODITY	This Week	Last Week	Last Year
Butter			
8 oz.	\$3.90	\$4.49	n.a.
1 lb.	\$8.99	\$5.29	4.99
Cheese			
6-8 oz. Block	\$5.50	\$4.29	\$2.99
6-8 oz. Shred	\$3.00	\$4.40	\$3.00
6-8 oz. Sliced	\$4.91	\$4.66	\$3.86
2 lb. Block	n.a.	n.a.	\$6.77
2 lb. Shred	n.a.	n.a.	\$6.77
Cottage Cheese			
16 oz.	\$5.79	\$5.57	n.a.
Cream Cheese			
8 oz.	\$3.41	\$4.49	\$3.04
Ice Cream			
14-16 oz.	\$5.99	\$6.42	n.a.
48-64 oz.	\$9.06	\$8.13	\$8.66
Milk			
Half Gal	\$4.67	\$4.17	\$4.42
Gallon	\$6.94	\$6.82	\$5.13
Sour Cream			
16 oz.	\$3.96	\$4.37	n.a.
Yogurt			
4-6 oz. Yogurt	n.a.	\$2.50	n.a.
32 oz. Greek	\$6.84	\$6.49	\$5.99
32 oz. Yogurt	\$4.59	\$4.03	\$3.99