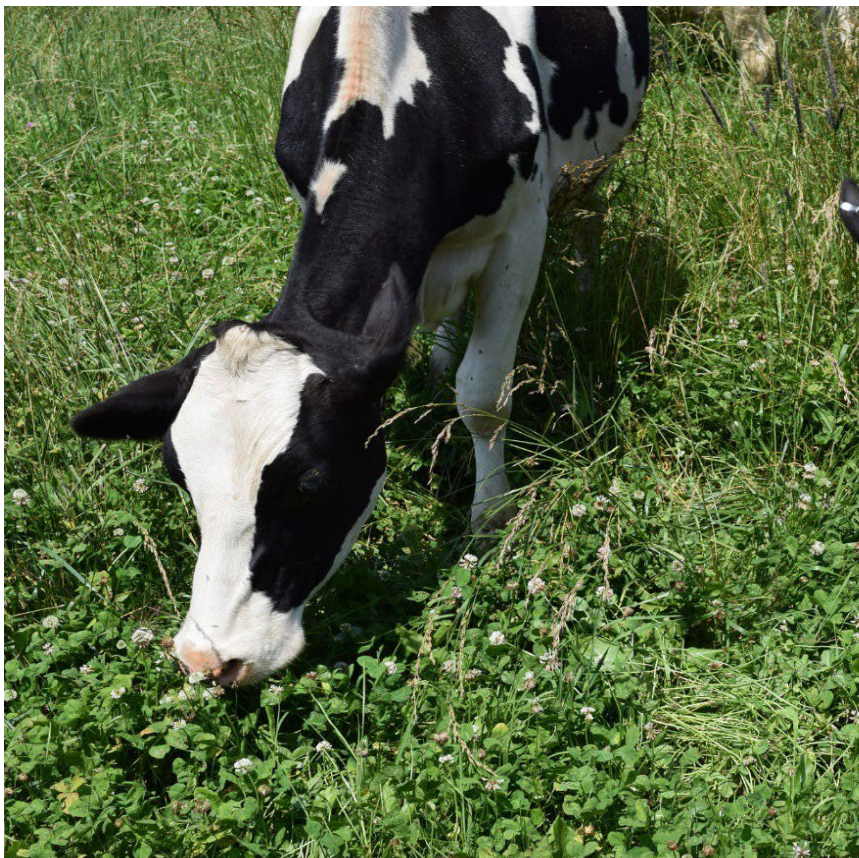




Upper Midwest Organic Dairy, 2020-22

Organic Farm Financial Benchmarking in the Upper Midwest is an integrated regional grant project, led by University of Minnesota Extension. The project is a multi-year farm business management benchmark analysis of organic farm finances and production in Minnesota and Wisconsin. Benchmarking provides a summary of production and financial performance measures, allowing producers to evaluate their individual performance and compare it to a cohort with similar farm characteristics. The newest report uses 2020-2022 three-year averages for Minnesota and Wisconsin farms in the Center for Farm Financial Management's FINBIN database (finbin.umn.edu). The report includes financial analyses of organic and organic transition whole farm performance, organic crop enterprises, and organic livestock enterprises. Access the full report at z.umn.edu/Organic2022.



2020-2022 Organic Farm Performance in the Upper Midwest

ORGANIC DAIRY QUICK FACTS

n = 88 certified organic farms in MN and WI



101

average number cows per farm

15,899

average pounds of milk produced per cow



\$29.37

average value per cwt



\$4,561.37

gross margin per cow

Organic Dairy At-a-Glance

Certified organic dairy farms in MN and WI (n = 88) managed an average of 101 cows per farm during 2020-2022. The average farm produced 15,899 pounds of milk per cow and received \$29.37 per cwt. The average gross margin for MN and WI organic dairies was \$4,561.37 per cow over the period. After subtracting direct and overhead expenses (including labor and management), organic dairies in MN-WI averaged a net return of \$192.54 per cow. Organic milk production increased by 10% from 2020 to 2022 while prices remained fairly stable.

2020-2022 Organic Farm Performance in the Upper Midwest

ORGANIC DAIRY QUICK FACTS

n = 88 certified organic farms in MN and WI

\$3,392.51

total direct expense per cow



\$617.70

total overhead expense per cow

\$241.93

government payments per cow

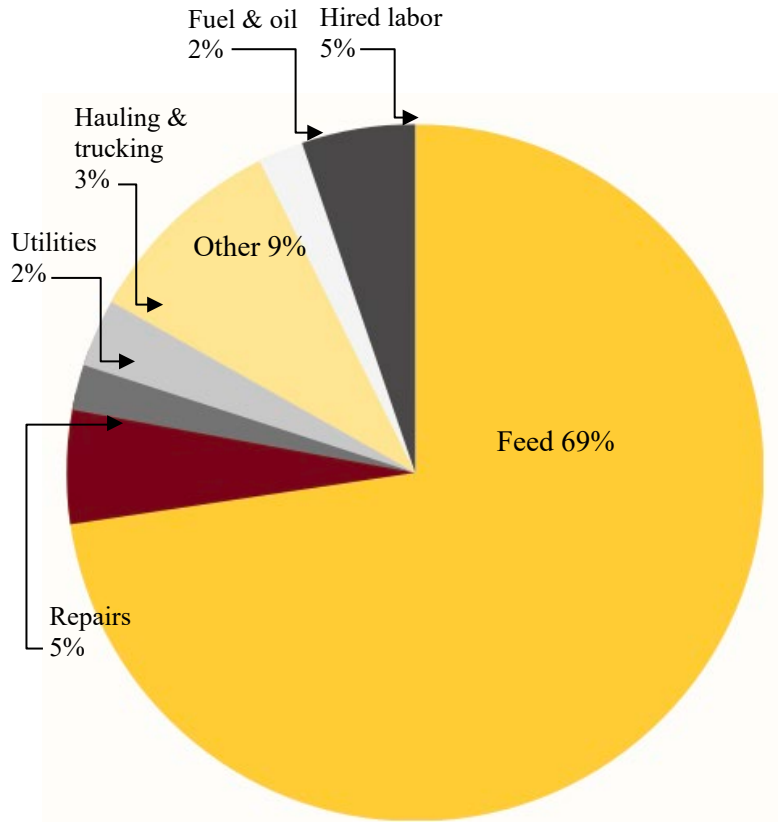


\$192.54

net return over labor and management per cow

Expenses per Cow

Total direct expenses on organic dairy farms increased year-over-year from 2020 to 2022, averaging a total increase of 18% over the three-year period. More than half of direct expenses (53%) came from feedstuffs (grains, hay, silage) and another 16% from protein, vitamins and minerals. Together feed, protein, vitamins and minerals were \$2,342.36/cow or \$14.73/cwt on average in 2020-2022. Another significant direct expense was hired labor at \$180.89 per cow.



The Bottom Line

Organic dairy farms with < 100 cows lost money or came close to breaking even. The most profitable group among all operation sizes were those organic dairies managing 200-500 cows. The net return over all expenses for this MN-WI group was \$601.67/cow on average in 2020-2022 compared to

Acknowledgements. Partner organizations on the project include the Minnesota State Colleges and Universities' Agriculture Centers of Excellence, the Southwest Minnesota Farm Business Management Association, the Wisconsin Technical College System, and North Dakota Farm Management Education Program. Grant Number: USDA-OREI 2019-51300-30484.

